Rule 4.7B

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

TSV HOLDINGS LIMITED

ABN	Quarter ended ("current quarter")
67 108 208 760	TSV Holdings Limited was incorporated on 2 March 2004 and acquired Tecsound (NSW) Pty Ltd and Tecsound (Vic) Pty Ltd effective 1 July 2004, and Calltec Pty Ltd and Teccall Pty Ltd on 31 December 2004. This Appendix 4C is the first quarterly cash flow report lodged by TSV Holdings Limited.since its ASX listing on 24 September 2004. Consequently, the cash flows presented in the columns titled current quarter and year to date represent the cash flows of TSV Holdings Limited since its incorporation on 2 March 2004

Consolidated statement of cash flows

	Cash flows related to operating activities		Current quarter $A'000	Year to date (6 months) $A'000
1.1	Receipts from customers		4,273	4,273
1.2	Payments for	(a) staff costs	(996)	(996)
		(b) advertising and marketing	(24)	(24)
		(c) material purchases	(1,843)	(1,843)
		(d) leased assets	32	32
		(e) other working capital	(1,073)	(1,073)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		27	27
1.5	Interest and other costs of finance paid		(6)	(6)
1.6	Income taxes paid		(204)	(204)
1.7	Other (provide details if material)		-	-
	Net operating cash flows		186	186

+ See chapter 19 for defined terms.

		Current quarter $A'000	Year to date (6 months) $A'000
1.8	Net operating cash flows (carried forward)	**186**	**186**
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	(4,061)	(4,061)
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	(130)	(130)
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.11	Loans to other entities	-	-
1.12	Loans repaid by other entities	-	-
1.13	Other (provide details if material)	-	-
	Net investing cash flows	(4,191)	(4,191)
1.14	**Total operating and investing cash flows**	(4,005)	(4,005)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	5,678	5,678
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	(196)	(196)
1.19	Dividends paid	-	-
1.20	Other (provide details if material)	-	-
	Net financing cash flows	5,482	5,482
	Net increase (decrease) in cash held	1,477	1,477
1.21	Cash at beginning of quarter/year to date	-	-
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	**Cash at end of quarter**	**1,477**	**1,477**

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	(69)
1.25	Aggregate amount of loans to the parties included in item 1.11	N/A

1.26 Explanation necessary for an understanding of the transactions

Salaries and related costs paid (69)

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

TSV Holdings Limited acquired Tecsound (NSW) Pty Ltd and Tecsound (Vic) Pty Ltd effective 1 July 2004, and Calltec Pty Ltd and Teccall Pty Ltd on 31 December 2004. The acquisitions of these entities included both a cash and non cash component, with the non cash component settled by the issue of fully paid ordinary shares (refer to Item 5 below for further details)

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	N/A	N/A
3.2	Credit standby arrangements	N/A	N/A

+ See chapter 19 for defined terms.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter $A'000	Previous quarter $A'000
4.1 Cash on hand and at bank	266	N/A
4.2 Deposits at call	1,211	N/A
4.3 Bank overdraft	N/A	N/A
4.4 Other	N/A	N/A
Total: cash at end of quarter (item 1.22)	1,477	N/A

Acquisitions and disposals of business entities

		Acquisitions *(Item 1.9(a))*	Disposals *(Item 1.10(a))*
5.1	Name of entity	Calltec Pty Ltd and Teccall Pty Ltd, Tecsound (NZ) Ltd, Tecsound (Vic) Pty Ltd, Tecsound (NSW) Pty Ltd	N/A
5.2	Place of incorporation or registration	NSW, VIC, NZ, NSW, NSW	N/A
5.3	Consideration for acquisition or disposal	Purchase of Calltec and Teccall consisted of a total purchase consideration of $3,190,039 net of cash acquired. The purchase consideration consisted of a cash payment of $2,250,000 (net of cash acquired of $1,690,039) and the issue of 4,601,622 fully paid ordinary shares at an issue price of $0.325972 per share; Purchase of Tecsound (NZ) Ltd Nil consideration, Purchase of Tecsound (Vic) Pty Ltd for a total purchase consideration of $3,432,732 inclusive of costs and net of cash acquired. The purchase consideration consisted of a net cash payment of $2,054,200 (net of cash acquired of $1,932,732) and the issue of 7.5 million fully paid ordinary shares at an issue price of $0.20 per share; Purchase of Tecsound (NSW) Pty Ltd for a total purchase consideration of $612,872 inclusive of costs and net of cash acquired. The purchase consideration consisted of a cash payment of $782,700 (net of cash acquired of $437,872) and the issue of 875,000 fully paid ordinary shares at an issue price of $0.20 per share.	N/A
5.4	Total net assets	$950576 + cash acquired $1,046,932 = $1,997,507	N/A
5.5	Nature of business	Communications suppliers, distributors and systems integrators	N/A

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.

2 This statement does give a true and fair view of the matters disclosed.

+ See chapter 19 for defined terms.

Sign here: (Company secretary) Date: 31 January 2005

Print name: Jason A. D'Arcy

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.

   - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
   - 9.2 - itemised disclosure relating to acquisitions
   - 9.4 - itemised disclosure relating to disposals
   - 12.1(a) - policy for classification of cash items
   - 12.3 - disclosure of restrictions on use of cash
   - 13.1 - comparative information

3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.