

TEMPLE & WEBSTER GROUP LTD

ABN 69 608 595 660

ASX Announcement

30th January 2018

FY18 Second Quarter Cash Flow Statement

Temple & Webster (ASX: TPW), Australia's largest e-commerce company in the furniture and homewares market, today released its Appendix 4C Cash Flow Statement for the second quarter of FY18.

The business ended the quarter with cash of \$8.8m compared to \$8.3m at September 30.

Temple & Webster CEO Mark Coulter said, "While Q2 is a good quarter seasonally, Christmas trading was strong which helped deliver the Group's second positive cashflow quarter. Customers are responding well to our strategy of providing the largest range in the country, combined with the most inspirational content and backed up by world class service."

"The initiatives we put in place over the last year and a half to improve the bottom line while growing the underlying business are paying off, resulting in a near break-even result for Q2. We remain confident of reaching profitability this calendar year, with financial year 2019 being the first full year of profit" said Coulter

Further information on the Group's financial results for the first half of FY18 will be provided as part of the Half Year Financial Report and Presentation in February.

- ends -

For further information on this announcement, please contact:

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About the Temple & Webster Group

The Temple & Webster Group is one of Australia's leading online retailers of furniture and homewares. The Group's vision is to deliver beautiful solutions for our customers and be the first-place Australians turn to when shopping for their homes & work spaces.

Temple & Webster has over 130,000 products on sale from over 700 suppliers. The business runs an innovative drop-shipping model, whereby products are sent directly to customers by suppliers thereby enabling faster delivery times, and reducing the need to hold inventory thereby allowing a larger product range.

The business also sells furniture under the Milan Direct brand, which has almost 10 years of experience in sourcing and selling private label furniture in the online Australian market.

The Temple & Webster Group is headquartered in Sydney, Australia and is listed on the Australian Securities Exchange under the code TPW.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Temple & Webster Group Ltd

ABN

69 608 595 660

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	20,820	38,120
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(14,851)	(27,283)
(c) advertising and marketing	(2,153)	(4,166)
(d) leased assets	(5)	(9)
(e) staff costs	(2,540)	(5,217)
(f) administration and corporate costs	(754)	(1,361)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	35	47
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	551	130

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(9)	(17)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(9)	(17)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	8,299	8,728
4.2 Net cash from / (used in) operating activities (item 1.9 above)	551	130
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(9)	(17)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	8,841	8,841

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,384	3,066
5.2	Call deposits	6,457	5,233
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	8,841	8,299

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

61

-

Gross payments of directors' fees (excluding superannuation, payroll tax and workers compensation).

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

-

n/a

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

n/a

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	14,141
9.3 Advertising and marketing	2,156
9.4 Leased assets	5
9.5 Staff costs	2,810
9.6 Administration and corporate costs	685
9.7 Other (provide details if material)	30
9.8 Total estimated cash outflows	19,827

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	n/a - none	
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

(Director/Company secretary)

Date: 30 January 2018

Print name: Michael Egan

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.