

ASX Announcement

15 October 2015



Quarterly Cash Flow – Appendix 4c

Tempo Australia Limited (ASX: TPP) (Tempo, the Company) is pleased to provide the following update on its business activities for the three months to 30 September 2015.

September quarterly cash flow commentary

The September 2015 quarter was another positive quarter for Tempo, which built on the sales receipts and net operating cash flows delivered in the preceding quarter.

The Company reported sales receipts to \$16.3 million for the quarter, bringing total sales receipts for the year to date to \$39.2 million – an increase of 532% on the corresponding period for the previous year. This increase in sales receipts is reflective of Tempo's continued strong current order book of work. The Company also delivered positive operating cash flows of \$0.65 million in the September quarter.

Tempo's working capital requirements continued to be supported by the Company's \$10 million existing finance facilities which are underpinned by customer invoices not yet received.

The Company also notes the ongoing impact on its cash flow position of retention payments under some of its contracts, the timing of the reporting of certain payments and receipts, and the general build up in working capital required for the expansion at projects such as the Gorgon LNG Project on Barrow Island. Tempo advises that it expects to receive a significant amount of retention payments back in the coming quarter, which will have a positive impact on its operating cash flow position.

ENDS

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About Tempo

Tempo Australia (ASX: TPP) is a Structural, Mechanical and Piping, Electrical & Instrumentation (SMPE&I) multi-disciplined construction company focused on delivering integrated solutions in the oil and gas, resources and infrastructure sectors in Australia.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

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

Name of entity

Tempo Australia Limited (and control entities)

ABN

51 000 689 725

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from customers	16,332	39,230
1.2 Payments for		
(a) staff costs	(7,427)	(17,409)
(b) advertising and marketing	(4)	(12)
(c) research and development	-	-
(d) leased assets	(4)	(4)
(e) other working capital	(8,112)	(21,431)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	(137)	(311)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	648	63

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

		Curent quarter \$A'ooo	Year to date (9 months) \$A'ooo
1.8	Net operating cash flows (carried forward)	648	63
Cash flows related to investing activities			
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	(253)	(253)
	(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	(253)	(253)
1.14	Total operating and investing cash flows	395	(190)
Cash flows related to financing activities			
1.15	Proceeds from issues of shares, options, etc.	-	-
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	918	2,952
1.18	Repayment of borrowings	(991)	(2,796)
1.19	Dividends paid	-	-
1.20	Other (provide details if material)	-	-
	Net financing cash flows	(73)	156
	Net increase (decrease) in cash held	322	(34)
1.21	Cash at beginning of quarter/year to date	770	1,126
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at end of quarter	1,092	1,092

+ 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	(29)
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

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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

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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

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Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities*	10,729	756
3.2	Credit standby arrangements	-	-

At balance date the above amount was available for draw down, but not utilised. The amount available for draw down under the facility will vary from month to month and depends on prevailing debtor balances at any point in time.

+ 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	1,062	683
4.2 Deposits at call	30	86
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	1,092	770

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	-	-
5.2 Place of incorporation or registration	-	-
5.3 Consideration for acquisition or disposal	-	-
5.4 Total net assets	-	-
5.5 Nature of business	-	-

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.

Sign here: 

(CFO and Company Secretary)

Date: 15 October 2015

Print name: Michael West