

ASX Announcement

27 January 2015

Quarterly Business Update: \$7.4m Cash Balance

Tempo Australia Limited (ASX: TPP) (Tempo, the Company) has today released its Appendix 4C – Quarterly Cashflow report for the period ended 31 December 2015.

The cash balance as at 31 December 2015 was \$7.4 million.

Tempo delivered a highly successful quarter with sales receipts of \$33.8 million for the period. The cash received from sales in the quarter is reflective of Tempo's build-up of construction and maintenance services carried out for key clients in the energy and resources sectors. This includes revenues being generated from works on the Chevron Operated Barrow Island LNG Project, Rio Tinto's Cape Lambert Port B Expansion Project and BHP Billiton Iron Ore's Mooka Ore Car Repair Shop facility, all of which will continue in 2016.

The underlying health of the business operations is validated by the strong positive operating cash flows of \$6.6 million over the last quarter. The strong cash flow position has been realised primarily from Tempo's strong operational performance and governance, prudent cash management, and the release of retention funds held by clients.

Tempo reported total sales receipts from the past 12 months of approximately \$73 million, which represents an increase of more than 500% compared to last year.

The Company's strong cash position plus a \$10 million working capital facility, which remains completely undrawn, leaves the business well positioned for future project needs and business growth.

Tempo CEO Max Bergomi said:

"We are delighted with the performance delivered by the business in the December quarter. Our front line worker engagement process, strong operational governance, structured risk management and the constant focus in protecting clients' investments by driving productivity and tool-time, without ever compromising safety, is the foundation of Tempo's working philosophy. This approach also underpins the positive financial results we have achieved in the quarter."

ENDS

For further information please contact:

Carmelo (Charlie) Bontempo

Chairman
+61 (8) 6180 2040

Michael West

CFO & Company Secretary
+61 (8) 6180 2040

Media and Investor Relations

James Moses
M: +61 420 991 574

Tempo Australia Ltd
ACN 000 689 725

Level 1, 111 Colin Street, West Perth, WA, 6005, Australia
PO Box 8075, Subiaco East, WA, 6008, Australia

T: +61 (08) 6180 2040 | E: info@tempoaustralia.com | W: www.tempoaustralia.com

About Tempo

Tempo Australia Ltd (ASX: TPP) is a services company to the minerals resources, energy and infrastructure sectors. It was established in 2011 and has specific expertise in the provision of Structural, Mechanical, Piping, Electrical & Instrumentation (SMPE&I) services, specialising in:

- ◆ construction (greenfield and brownfield);
- ◆ maintenance;
- ◆ sustaining capital works; and
- ◆ shutdowns.

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")

31 December 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from customers	33,320	72,550
1.2	Payments for		
	(a) staff costs	(15,072)	(32,481)
	(b) advertising and marketing	(4)	(16)
	(c) research and development	-	-
	(d) leased assets	(3)	(7)
	(e) other working capital	(11,451)	(32,882)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	(150)	(461)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net operating cash flows	6,640	6,703

+ 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 (12 months) \$A'ooo
1.8 Net operating cash flows (carried forward)	6,640	6,703
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(46)	(299)
(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	(46)	(299)
1.14 Total operating and investing cash flows	6,594	6,404
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	237	3,189
1.18 Repayment of borrowings	(506)	(3,302)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	(269)	(113)
Net increase (decrease) in cash held	6,325	6,291
1.21 Cash at beginning of quarter/year to date	1,092	1,126
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	7,417	7,417

+ 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	(14)
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

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

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

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*	10,487	487
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	7,387	1,062
4.2	Deposits at call	30	30
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		7,417	1,092

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
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: 27 January 2016

Print name: Michael West