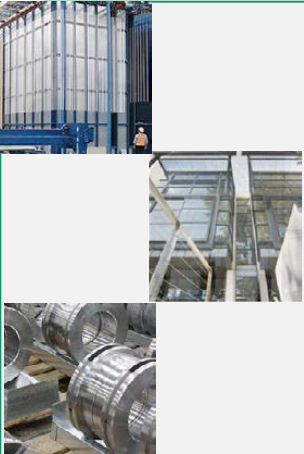


2009 Full Year Results Presentation February 2010



HEADLINES - A YEAR OF TWO HALVES



■ Financial Result:

- Tonnes sold 55.2KT was down 16% on 2008. The first half was down by 24% as a result of the global financial crisis but improved in the second half to be down only 8% on H2 2008.
- Trading EBITDA was a \$1.4m loss (2008 - \$7.6m loss).
- Non-trading items included a convertible note gain of \$23m and an asset impairment charge of \$19.5m.
- Operating cash flow improved considerably in the second half of 2009 with increasing volumes, cost reductions and operational efficiencies all contributing.

■ Recapitalisation:

- The balance sheet was fundamentally repositioned with debt reduced by \$103.5m. Capral has the ability to gear up for higher volumes.

■ Transformation of Capral underway:

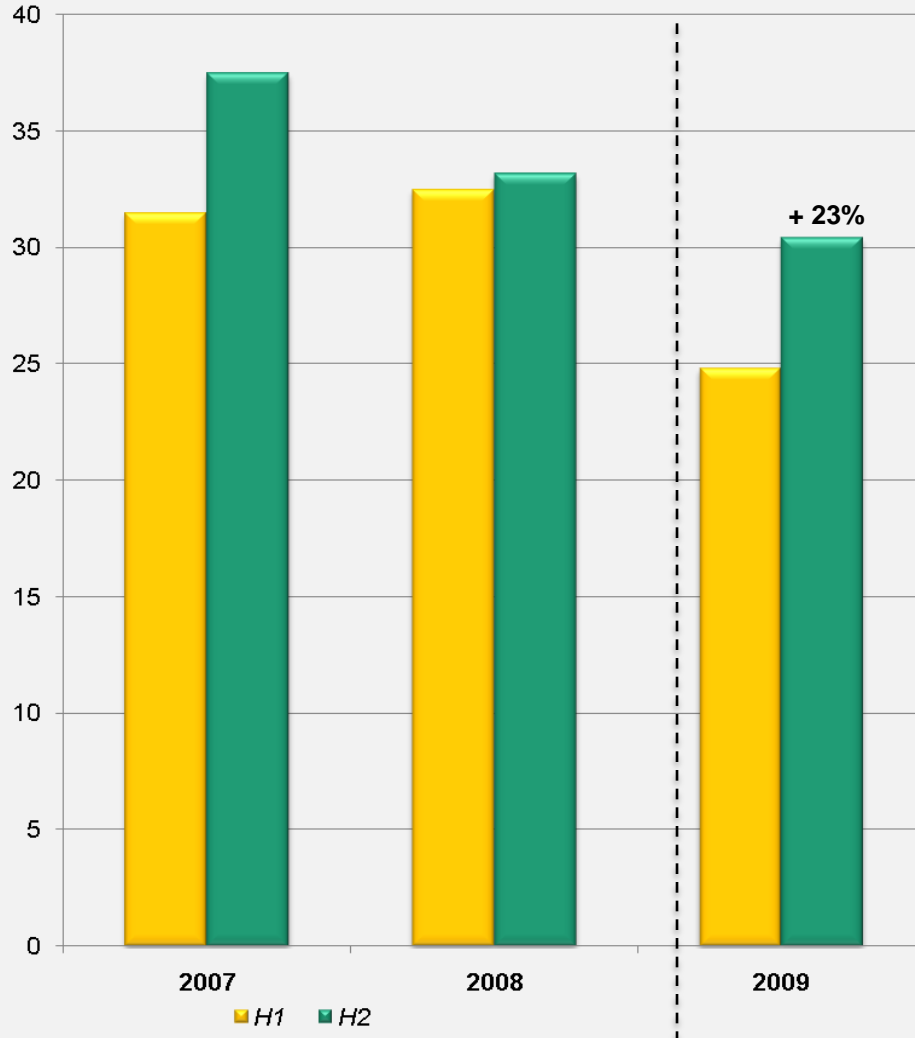
- New CEO appointed in April 2009.
- Strategic review with changes to key business philosophies.
- Organisational review resulting in new management structure from August 2009 based on change to profit centre model from previous functional model. Accountability and transparency of results enhanced.
- Focus on reducing complexity and cost base of the business.

■ Provisional anti-dumping duties:

- Minimal market impact as interested parties await final determination due in April 2010.

SIGNIFICANTLY LOWER VOLUMES IN THE FIRST HALF OF 2009 DUE TO MARKET DOWNTURN & DESTOCKING - VOLUMES IMPROVED IN THE SECOND HALF BY 23%


'000 Tonnes



Capral responded with a range of measures:

- Realigned production output through reduced shifts / manning levels.
- Completed existing cost down initiatives and introduced new programs.
- Improved operating efficiency especially at the Bremer extrusion facility.
- Disciplined approach to pricing.
- Maintained / improved high levels of customer service and quality.
- Effective working capital management and cash maximisation.

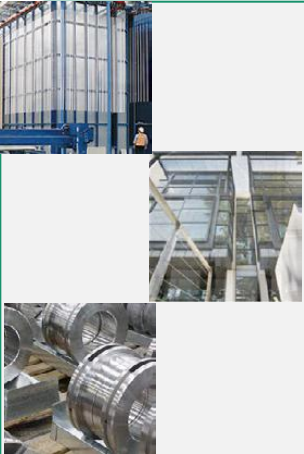
EBITDA AND CASH FLOWS IMPROVED CONSIDERABLY IN THE SECOND HALF OF 2009



	2009			2008		
	HY1	HY2	FY	HY1	HY2	FY
Sales volumes - external ('000 tonnes)	24.8	30.4	55.2	32.5	33.2	65.7
	\$m	\$m	\$m	\$m	\$m	\$m
Sales revenue	177.0	204.4	381.4	271.1	256.4	527.5
Trading EBITDA	(7.9)	6.5	(1.4)	3.7	(11.3)	(7.6)
Non-trading items	(1.4)	2.0	0.6	3.3	(6.5)	(3.2)
EBITDA	(9.3)	8.5	(0.8)	7.0	(17.8)	(10.8)
Depreciation/amortisation	(8.5)	(8.8)	(17.3)	(10.1)	(8.4)	(18.5)
Goodwill impairment	-	-	-	-	(83.4)	(83.4)
EBIT	(17.8)	(0.3)	(18.1)	(3.1)	(109.6)	(112.7)
Interest	(6.8)	(4.7)	(11.5)	(9.0)	(9.1)	(18.1)
Tax	-	0.5	0.5	-	-	-
Loss after tax	(24.6)	(4.5)	(29.1)	(12.1)	(118.7)	(130.8)
Cash flow from operations	(12.1)	4.7*	(7.4)	1.2	(15.7)	(14.5)
Debt (net of cash)	(112.9)	(5.2)	(5.2)	(115.9)	(108.7)	(108.7)

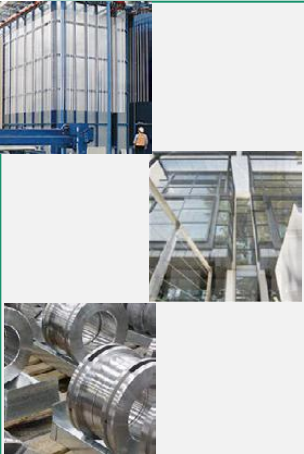
**Normalised cash flow from operations for HY2 2009 was \$10.3 million after adjusting for a net early payment outflow of \$5.6 million.*

THERE WERE A NUMBER OF NON-TRADING ITEMS



	FY 2009 \$m	FY 2008 \$m
Non-trading items:		
Convertible Note gain	23.0	-
Asset impairment	(19.5)	-
Profit on asset sales	1.0	5.2
Restructuring costs	(3.4)	(4.7)
Other	(0.5)	(3.7)
	<u>0.6</u>	<u>(3.2)</u>
Goodwill impairment	<u>-</u>	<u>(83.4)</u>

NET DEBT REDUCED BY \$103.5M - PREDOMINANTLY AS A RESULT OF THE RECAPITALISATION



	FY2009	FY2008
	\$m	\$m
Cash and cash equivalents	21.7	1.6
Convertible Notes ⁽¹⁾	-	(44.0)
Revolver facility	-	(21.0)
Term Loan 'A' ⁽²⁾	-	(11.3)
Term Loan 'B'	<u>(26.9)</u>	<u>(34.0)</u>
As at 31 December	<u><u>(5.2)</u></u>	<u><u>(108.7)</u></u>

Notes

1. Acquisition completed by Company on 20 November 2009 following off-market takeover bid.
2. Repaid in full in April 2009 following sale of Canning Vale site.

MARKET ANALYSIS

All market segments were depressed in the first half of 2009 exacerbated by destocking by customers.

In the second half a slow market recovery commenced, accelerating in the residential market in the December 2009 quarter.

■ Residential

- Dwelling approvals fell by 20% in the first half compared to the prior year. In the second half, approvals were +17% compared to the prior year. Notably, approvals were up 31% in the December 2009 quarter over the December 2008 quarter. Orders from major window fabricators increased in the December 2009 quarter.

■ Commercial

- The commercial segment remained severely depressed. In the December 2009 quarter, the first orders for the schools project (BER) stimulus package began to flow.

■ Industrial

- Demand was mixed with boat and truck builders showing periods of varied demand but overall industrial activity remained subdued.

■ Market outlook for 2010

- The residential market is expected to rebound from the 2009 low levels.
- Commercial and industrial segments are forecast to be mixed but overall gradually improving throughout 2010.
- Given Capral's exposure to the various segments, market activity for Capral in 2010 is expected to result in an uplift of between 10% and 15% over 2009 levels.

ANTI-DUMPING



■ Background

- The Australian aluminium industry has suffered material injury from the effects of price undercutting from Chinese extrusion imports. Capral believes that this pricing reflects dumping and Chinese Government subsidy effects.
- During the last decade, Chinese extrusion imports have risen from 7,000 tonnes to over 60,000 tonnes (or 34% of the Australian market).

■ Australian Case

- On 24 June 2009, Australian Customs initiated an investigation into the alleged dumping and subsidisation of certain aluminium extrusions exported to Australia from China. This followed an application by Capral, supported by G James, Australia's second largest aluminium extruder.

■ Preliminary Affirmative Determination

- On 3 November 2009, Australian Customs gave notice that exports to Australia of certain aluminium extrusions from China would be subject to a provisional dumping duty rate of 16% in respect of goods entered into Australia on or after 6 November 2009.

■ Update

- Capral continues to believe strongly in the merits of the case and remains actively engaged with Customs.
- Minimal market impact to this point as interested parties await final determination due in April 2010.