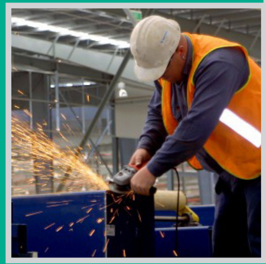
2011 Half Yearly Results Presentation
19th August 2011

CAPRAL LIMITED



CAPRAL HIGHLIGHTS

SIX MONTHS TO JUNE 2011

... EBITDA[1] profit of $5.8m

- Achieved in a declining market
- Anchored by substantial and ongoing cost savings

... Net loss of $1.3m

... $1.0m Operating cash outflow

- Impacted by contractual purchases of excess billet of $6.8m in the first half. Forward orders have been reduced in the 2nd half

Net cash of $7.6m at 30th June 2011

... A robust balance sheet with no net debt

... Progress with the Anti Dumping Case

- Government has announced wide ranging reforms
- Aluminium Extrusion Case under review
- Customs Compliance resources have strengthened

Customer feedback is positive

... High levels of customer service and product quality. Safety improvement

... And leverage to

- Market recovery
- "Project Relaunch" profit improvement
- Sales growth initiatives

[1] Earnings before net interest, tax, depreciation and amortisation

FINANCIAL SUMMARY

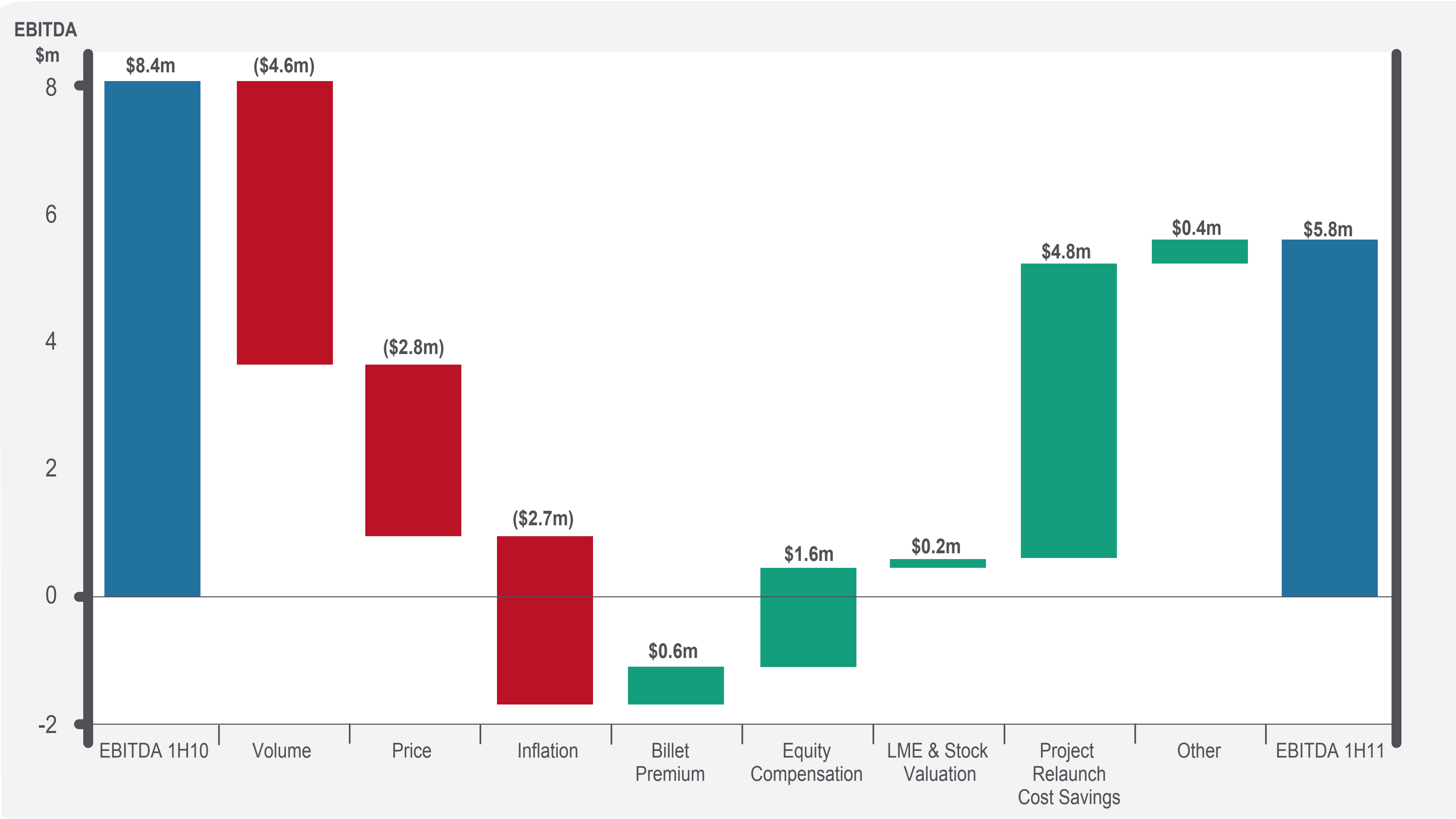
SIX MONTHS TO JUNE 2011

	H1 2011	%	H1 2010	H1 2009
Sales Volumes - External ('000 tonnes)	24.5	(14.0)	28.5	24.7
Sales Revenue	179.5	(12.2)	204.5	177.0
EBITDA	**5.8**	**(28.2)**	**8.4**	**(9.6)**
Depreciation/Amortisation	(6.1)	(1.7)	(6.0)	(8.5)
EBIT	**(0.3)**	**-**	**2.3**	**(18.1)**
Net Interest	(1.0)	15.2	(1.2)	(6.5)
Profit/(Loss) after Tax	**(1.3)**	**-**	**1.1**	**(24.6)**

- The financial impact of the severe Queensland floods and poor weather in the Eastern States in Q1 account for the majority of the $2.6m difference in EBITDA in 2011 v 2010
- Financial results have significantly improved since 2009 on similar volumes

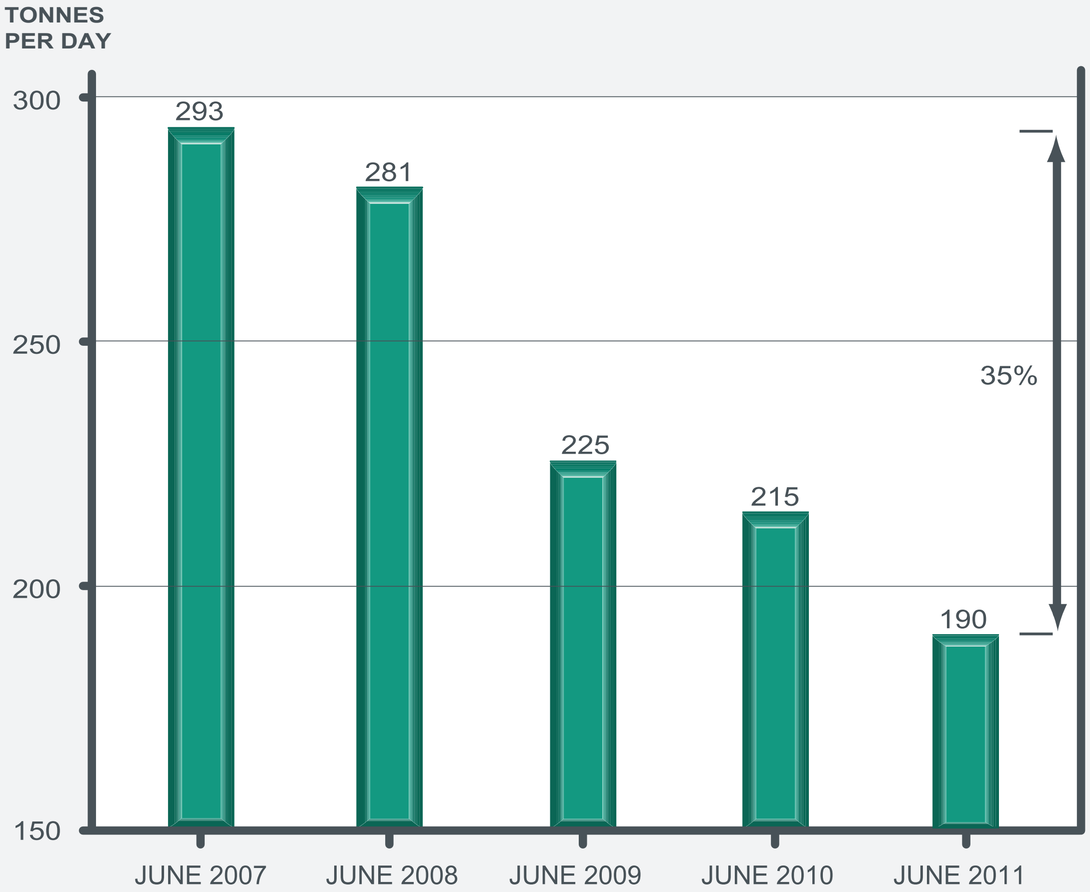
KEY PROFIT DRIVERS

PROJECT RELAUNCH COST SAVINGS AGAIN PLAYED A CRITICAL ROLE MITIGATING NEGATIVE VOLUME, PRICE AND INFLATION IMPACTS



EFFICIENCY AND COST CUTTING INITIATIVES HAVE SIGNIFICANTLY REDUCED THE FIXED COST BASE OF THE BUSINESS

The EBITDA[1] break even of the business has reduced by 35%



[1] EBITDA is Earnings before net interest, taxation, depreciation and amortisation

Underlying costs have been reduced in excess of $25m PA over the 2008 base.

Highlights

- Employee head count has reduced by ~35% since 2008 to less than 900 employees
- Warehouse rationalisation
- Aluminium Centre closures
- Freight and Logistics efficiencies
- Corporate cost reductions
- Manufacturing costs – recovery % improved
- General costs pruning
- Procurement savings

CAPRAL'S CASH POSITION IS IN GOOD SHAPE

Underlying Operating Cash Flow remains positive

	$m June 11	$m June 10
EBITDA	5.8	8.4
Working Capital (Normalised)	(2.0)	(1.8)
Net Interest	(1.0)	(1.2)
Equity Compensation Amortisation	0.5	2.1
Other	2.5	2.5
Underlying Cash Flow	**5.8**	**10.0**
Less: Additional Log Stock*	(6.8)	(10.3)
Reported Net Operating Cash Flow	(1.0)	(0.3)

*Net of creditors

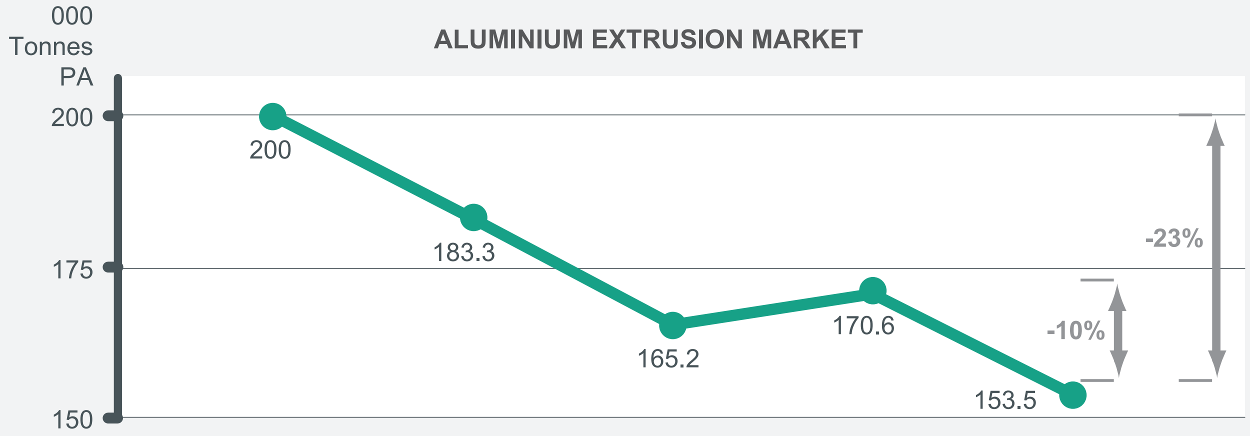
Resulting in a robust balance sheet with a positive cash balance

	$m June 11	$m Dec 10	$m June 10
Net Assets	161.2	162.1	154.9
Net Cash/(Debt)	7.6	11.3	(6.5)
Gearing - Net Debt/(Debt + Equity)	-	-	4.0%

The bank facility with GE was renegotiated on favourable terms for a committed 3 year term

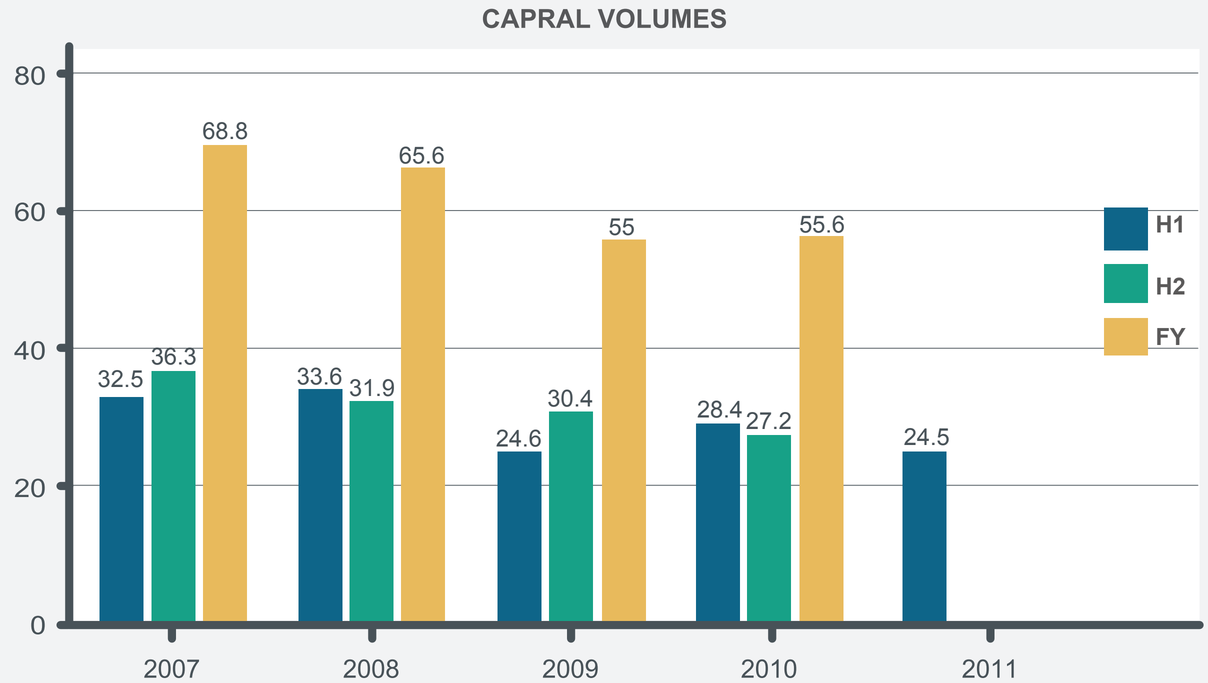
Capral Finance Facilities	$m Limit	$m Balance June 11	Dec 10
GE Term Debt	30	Nil	21.7
GE Revolver	60	4.7	-
ANZ Overdraft	0.4	0.3	0.3

THE ALUMINIUM EXTRUSION MARKET IS FORECAST TO FALL BY ~10% IN CALENDAR 2011



Impacted by

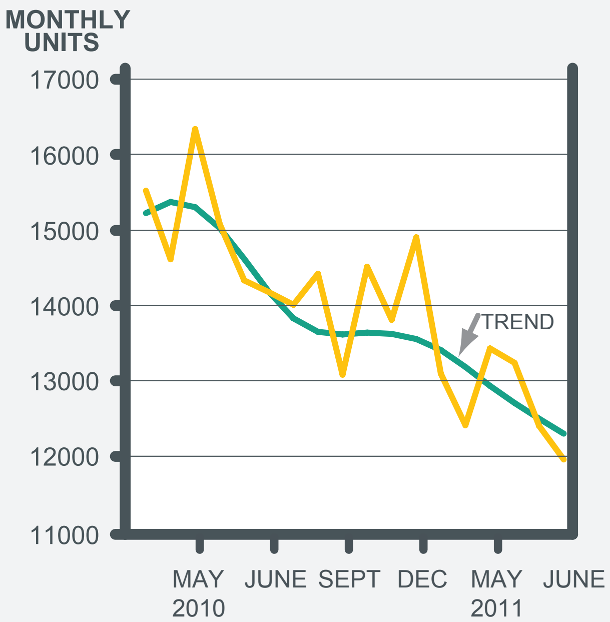
- Queensland flooding and severe weather events in the Eastern States in Q1
- Declining consumer sentiment impacting market activity especially in Q3
- The market has now fallen 23% from its high in 2007 and is poised for recovery in the next 2 years



- Imports declined in H1 2011 in line with market demand
- Australian press capacity has expanded by ~20% in the last 3 years
- Capral volumes declined by 14% in H1 2011 v H1 2010, broadly in line with the market movement for the six months to June 2011
- Volumes were at the same level experienced in H1 2009

THE DECLINE IN HOUSING APPROVALS HAS FLOWED THROUGH TO THE ALUMINIUM EXTRUSION MARKET

Seasonally adjusted dwellings approved



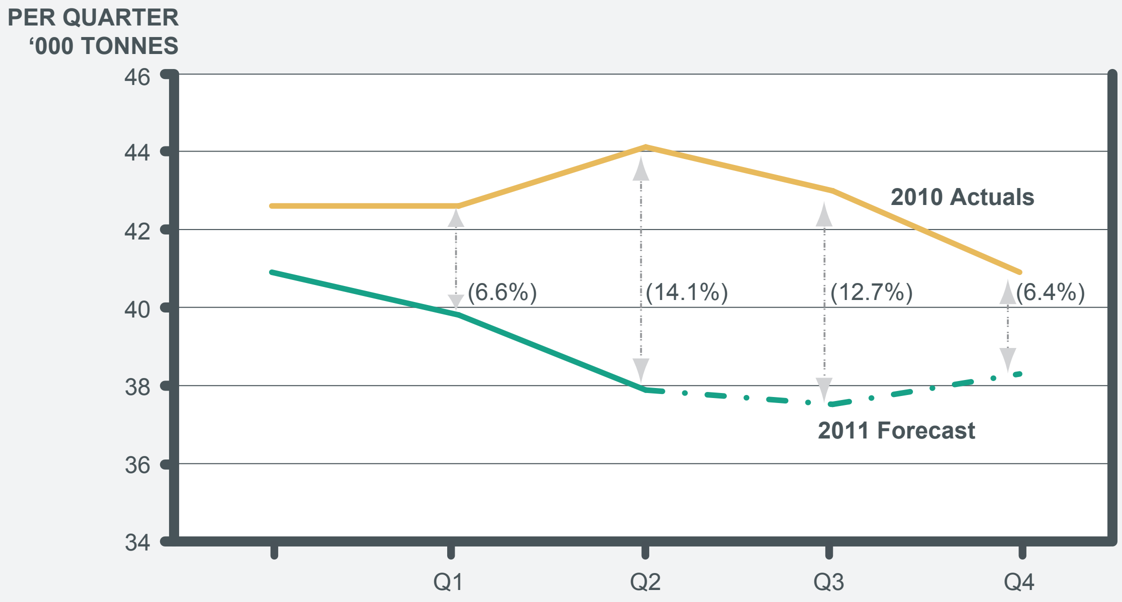
Source: Bureau of Statistics

Seasonally adjusted total dwellings approved fell by 15.5% compared to June 2010

Dwelling commencements for calendar 2011 are forecast to be 154,000# down 9% from 169,000 in 2010

BIS SHRAPNEL JULY 2011

Aluminium Extrusion market by quarter 2011 vs 2010



Overall the aluminium extrusion market is expected to decline by 10% year on year

000 TONNES PER QUARTER					TOTAL FOR YEAR 000 TONNES
2011	39.8	37.9	37.5 f	38.3 f	153.5
2010	42.6	44.1	43.0	40.9	170.6

ANTI DUMPING UPDATE

- In October 2010 the Trade Measures Branch of the Australian Customs Department imposed anti dumping and countervailing duties on certain aluminium extrusions from China ✓
- But the level of measures was low X
  ~6% for major exporters compared to the USA and Canada of ~33%
- The decision has been appealed and is under review by Customs and the Minister. Decision is expected by October 2011 ?
- As a result of shortcomings in the Aluminium Extrusion and other recent cases, the Government has announced wide ranging reforms to the anti dumping regime in Australia which should be in place by the end of 2011 ✓
- Customs have also increased resources to ensure stronger compliance ✓
- Depending on the outcome of the current review of the Aluminium Extrusion case and legislative changes, the Aluminium Extrusion Industry will continue to press for meaningful and fair measures to be imposed ?

THE TURNAROUND STRATEGY IS DELIVERING

The First Phase has been completed

- **Stabilise the Business**
  - Recapitalise the Balance Sheet
  - Embed a new operating philosophy
  - Implement a lean management structure with increased accountability
  - Realise significant cost savings
  - Launch an Anti-Dumping Case
  - Achieve positive underlying cash flow and profitability.

- **Optimise Business Performance "Project Relaunch"**

Extrusion
- Transition to a state based manufacturing approach
- Fix or exit unprofitable "value adding" activities
- Consolidate space requirements at the Bremer facility

Distribution
- Lift underperforming state operations
- Optimise the supply chain
- Implement sales growth initiatives

Corporate Costs
- Continue to right size

General
- "Fair" anti-dumping resolution

The Second Phase is underway

Project Relaunch contributed a further $4.8m in the 1st half of 2011 in operational improvements and cost savings

The Third Phase

- Leverage capability
- Pursue strategic growth options

OUTLOOK

- Capral has a strong balance sheet and renewed lines of finance in place
- Project Relaunch is continuing to deliver operational improvements and cost savings
- Progress is being made on increasing market share in the Distribution segment coupled with the introduction of new products
- Industry conditions are challenging with the market currently at a cyclical low combined with some new extrusion capacity coming on line in Australia
- New housing markets and demand generally are expected to remain soft in the 2nd half of calendar 2011
- Capral expects its volumes in the second half of 2011 to be marginally lower than the first half and for the full year to be broadly in line with the forecast market decline of around 10% from 2010. As a consequence the full year EBITDA is anticipated to be between $8 and $10 million. Operating cash flow is expected to be positive for the full year resulting in a net cash position as at 31st December 2011
- Market demand is forecast by BIS Shrapnel to recover in calendar years 2012 and 2013
- There is upside from any positive developments in the Anti Dumping case

APPENDIX 1 – CAPRAL PROFILE

- Australia's largest manufacturer and distributor of aluminium profiles
- A National footprint of world class extrusion plants

  8 operating presses with annual capacity of 75KT
- A network of 5 major distribution facilities, 6 regional centres and 12 metropolitan trade centres with an extensive range of products and logistics capabilities
- Market leader in supply to fabricators and distributors, focussing on the Residential, Commercial and Industrial segments
- 900 employees, with significant industry skills and expertise
- Innovative R&D capability, well positioned to take advantage of changing building regulations in Australia
- A listed ASX company, started 75 years ago

APPENDIX 2 – SAFETY IS A CORE VALUE IN CAPRAL

Highlights

- Nationally, achieved 5 months LTI free
- Bremer Park: Manufacturing achieved 6 months LTI free and Distribution Centre achieved 18 months LTI free
- Canning Vale and Campbellfield Manufacturing achieved 2 years LTI free
- QLD and NSW Aluminium Centres and Wangara Distribution Centre completed 18 months injury free
- TAS Aluminium Centre completed 11 years injury free and NT Aluminium Centre completed 2 years injury free
- Campbellfield Manufacturing secured AS 4801 accreditation in July 2011
- Continued focus on lead indicator management including safe behaviour observations, hazard ID process and perception surveys

Measure/Year	2008	2009	2010	H1 2011
LTI/MTI	41	31	43	14
LTI/MTI Frequency*	17.5	16.3	24.2	19.0
LTI Severity*	162.1	92.9	239.5	22.1

* Frequency = No. of injuries per million work hours
* Severity = No. of days lost per million hours worked

Safety statistics have improved in the 1st half of 2011