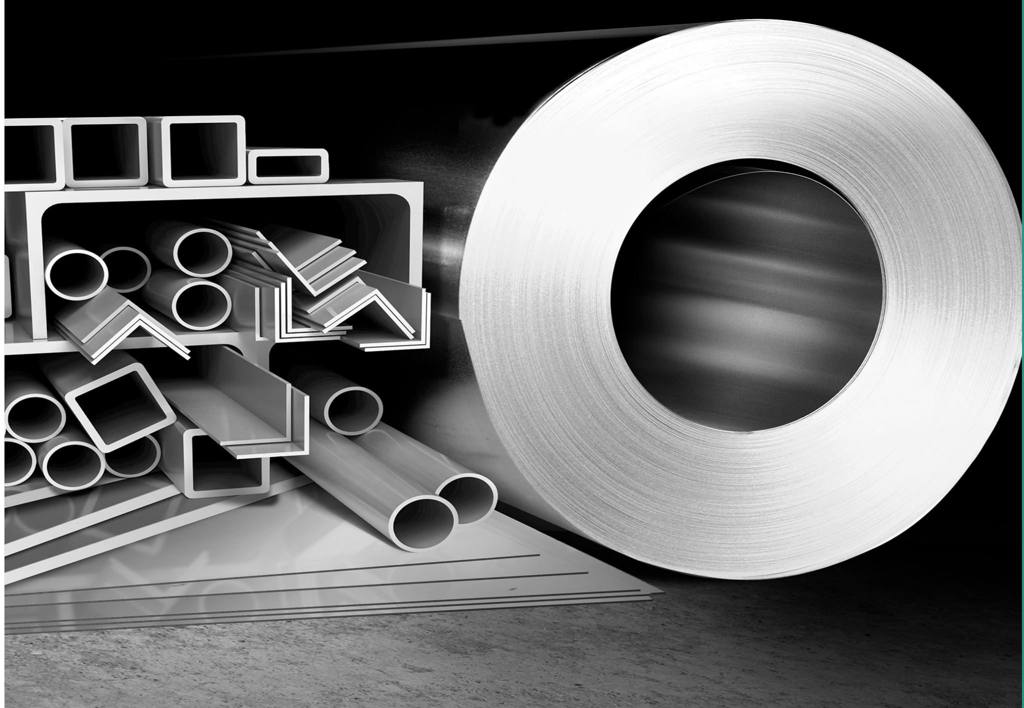
CAPRAL ALUMINIUM



This presentation includes forward-looking estimates that are subject to risks, uncertainties and assumptions outside of Capral's control and should be viewed accordingly.

2014 Full Year Results Presentation

19 February 2015

CAPRAL LIMITED

OVERVIEW OF RESULTS

FULL YEAR TO DECEMBER 2014

$9.2m Trading profit	• Trading EBITDA[1] profit of $9.2m (2013: $4.1m) • Volumes up 23% assisted by full year impact of OSA acquisition and improved housing market • Escalating metal costs in Q4 adversely impacted margins
$2.7m Net Profit	• Net Profit after Tax of $2.7m includes: - Restructuring related costs $0.6m - LME adjustment (net of Forex impact) of positive $3.2m - Abnormal costs of $0.8m - Depreciation of $7.1m - Finance costs of $1.2m
Key markets starting to turn	• Dwelling commencements increase to 180,000 in 2014[2] - Detached housing up 12% - High density (apartments) up 22% - Rebound in NSW and QLD. WA remained strong • Non-residential building activity remained steady • Business conditions were soft in the manufacturing, marine and transport sectors
Highly competitive environment	• Strong prevailing AUD through most of year sustained low priced imports • Continued suspected dumping of aluminium extrusions • Higher LME and lower AUD increased metal costs in Q4 • Excess domestic capacity continues to adversely impact margins
Safety performance continues to improve	• Reportable injuries continue to fall, TIFR[3] improved by ~16% to 7.9 • Ongoing focus on leading safety indicator management

[1] Trading EBITDA (non-IFRS measure) is Statutory EBITDA adjusted for items that management assess as unrelated to the underlying performance of the business and allows for a more relevant comparison between financial periods

[2] Source: BIS Shrapnel year end June 2014 actual

[3] TIFR is total injuries per million work hours

FINANCIAL SUMMARY

TWELVE MONTHS TO DECEMBER 2014

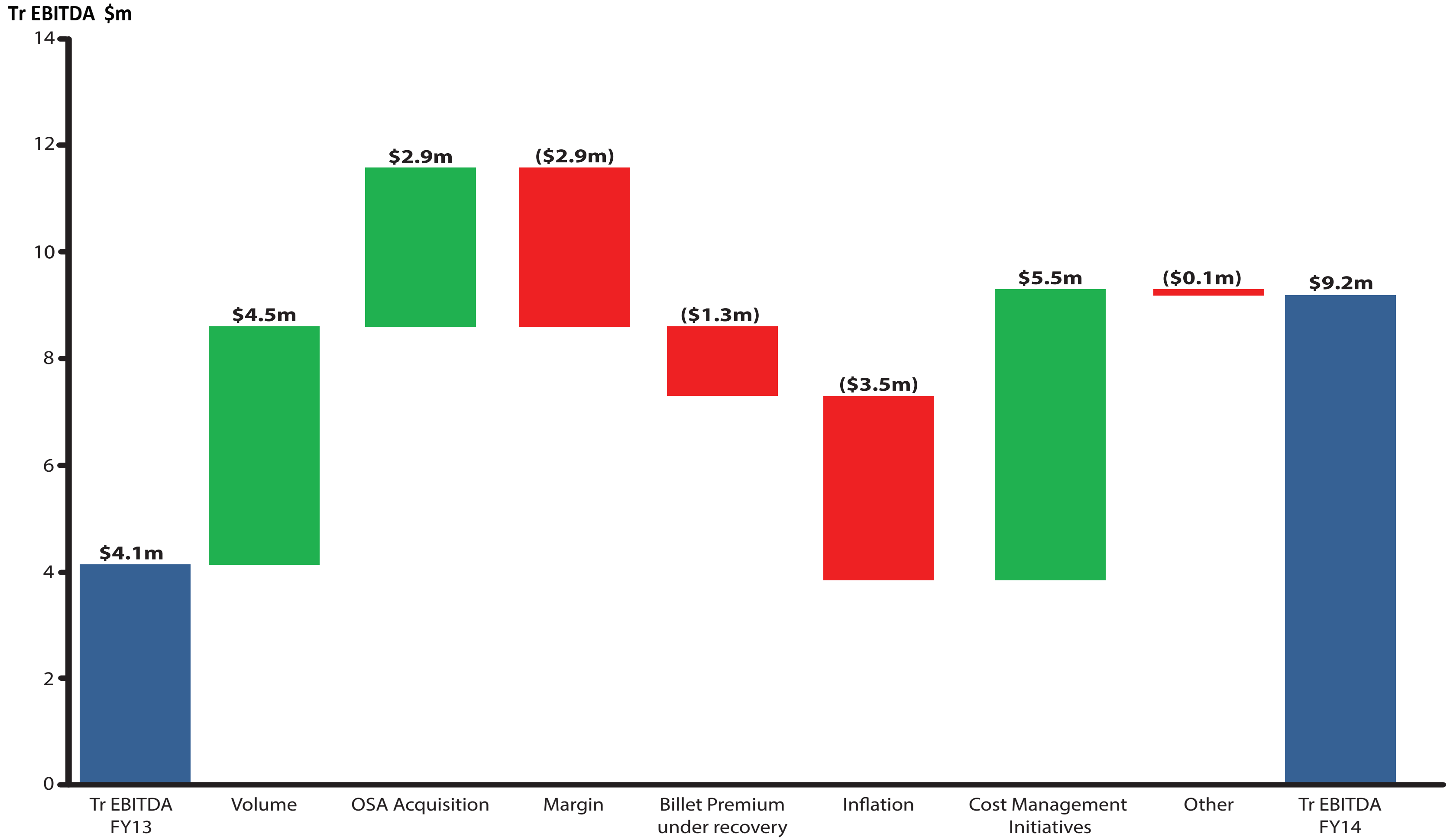
	2014	2013
Sales Volumes - External (‘000 tonnes)	56.5	45.9
	$m	**$m**
Sales Revenue	374.7	310.3
Trading EBITDA [1]	**9.2**	**4.1**
Restructuring related cost	(0.6)	(4.3)
LME Revaluation/ Forex [2]	3.2	(1.0)
Acquisition Gain (less associated cost) [3]	-	1.8
Impairment of Assets	-	(41.5)
Abnormals [2]	(0.8)	(0.5)
EBITDA	**11.0**	**(41.4)**
Depreciation/Amortisation	(7.1)	(9.5)
EBIT	**3.9**	**(50.9)**
Finance Cost	(1.2)	(0.8)
Statutory Profit/(Loss) after Tax	**2.7**	**(51.7)**

[1] Trading EBITDA (non-IFRS measure) is Statutory EBITDA adjusted for items that management assess as unrelated to the underlying performance of the business and allows for a more relevant comparison between financial periods

[2] Included in other expenses

[3] $3.1m gain offset by $1.3m in cost

VOLUME GROWTH, OSA ACQUISITION AND COST SAVINGS OFFSET MARGIN EROSION AND INFLATION IMPACTS TO DRIVE IMPROVED PROFIT



CAPRAL ALUMINIUM

BALANCE SHEET REMAINS STRONG

Improved Operating Cash Flow

12 months to	$m Dec 14	$m Dec 13	$m Dec 12
EBITDA	11.0	(41.4)	2.1
Working Capital	(1.2)	3.6	6.9
Acquisition Restructuring Costs	(2.2)	-	-
Finance Cost	(1.2)	(0.8)	(0.5)
Equity Compensation Amortisation	0.7	0.8	1.2
Impairment	-	41.5	-
Gain on acquisition	-	(3.1)	-
Other	0.6	(0.1)	(0.2)
Operating Cash Flow	**7.7**	**0.5**	**9.5**
Capex Spend	(3.0)	(3.6)	(4.6)
Interest Received	-	0.1	0.1
Acquisition	(2.8)	(15.9)	-
Capital Raising	-	13.8	-
Increase/ (Decrease) in Net Cash	1.9	(5.1)	5.0

Balance sheet with a positive cash balance[1]

[1] Intramonth average net debt levels $7.7m

	$m Dec 14	$m Dec 13	$m Dec 12
Net Assets	112.9	109.5	146.7
Net Cash	16.5	14.6	19.7
Franking Credits	27.1	27.1	27.1
Accumulated unrecognised tax losses	286.8	287.7	282.2

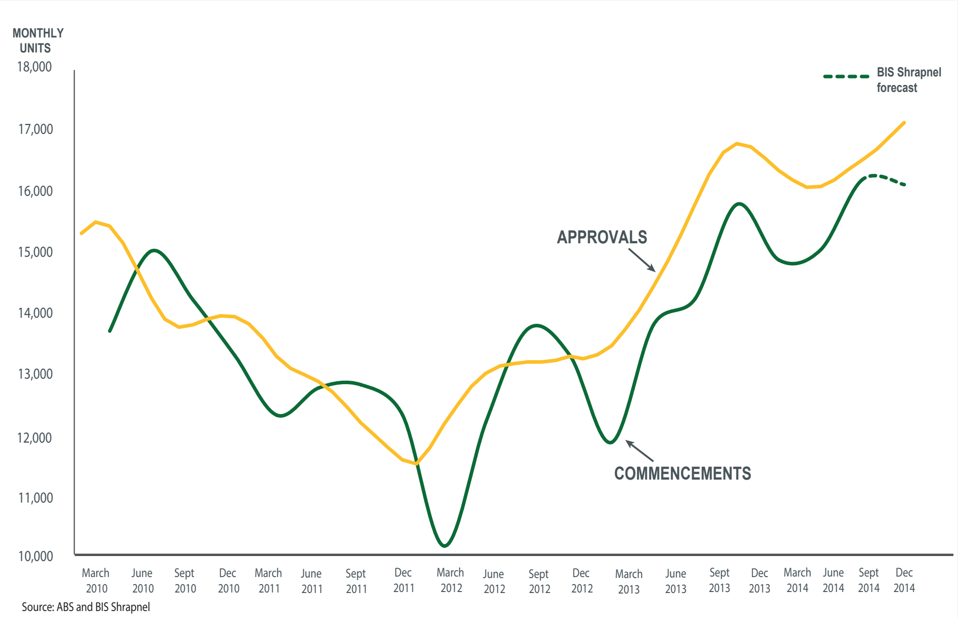
The finance facility with GE is primarily utilised for working capital funding

Capral Finance Facilities[2]	$m Limit	Dec 14	Dec 13
GE Term Debt	30	Nil	Nil
GE Revolver	60	Nil	Nil

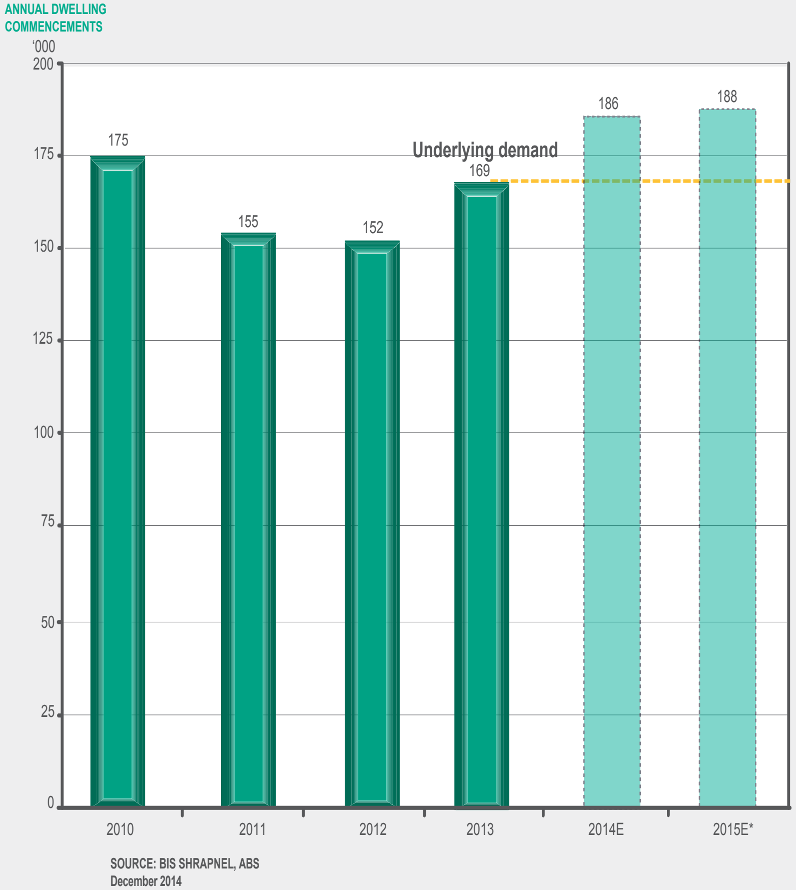
[2] Facility renewed until June 2017

LEVERAGE TO RECOVERY IN RESIDENTIAL CONSTRUCTION

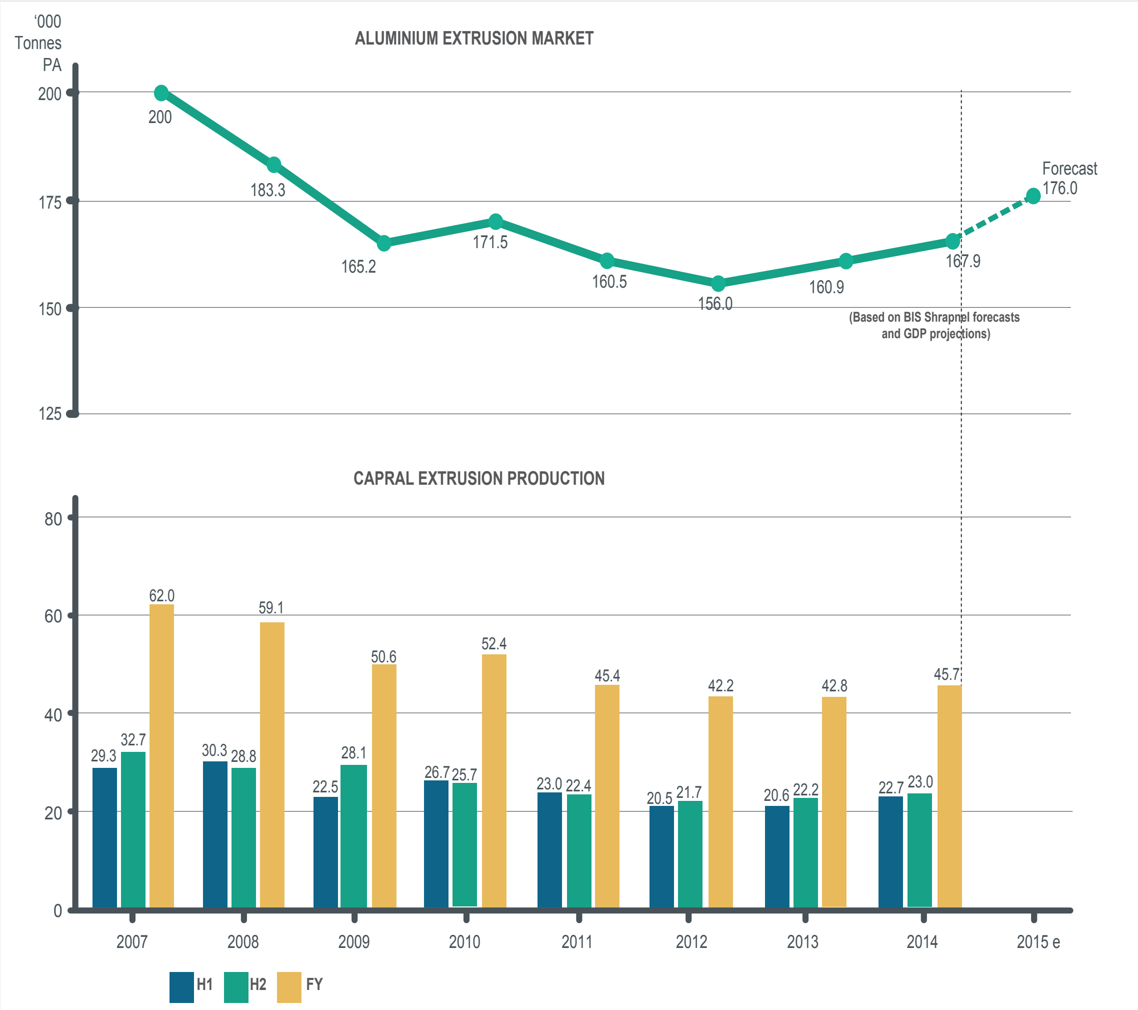
MONTHLY DWELLING APPROVALS AND QUARTERLY DWELLING COMMENCEMENTS



RECOVERY STARTED IN 2013
AND ANTICIPATED TO CONTINUE THROUGH 2015



ALUMINIUM EXTRUSION DEMAND IS RECOVERING FROM CYCLICAL LOW LEVELS



- Extrusion Market in 2014 still ~16% below 2007 high
- Recovery is ongoing in the housing sector with dwelling approvals exceeding 200,000 units[1] for calendar year 2014
- An increase in apartments relative to houses has increased the lag between approval and completion and reduced the intensity of aluminium extrusions
- Dwelling shortfall still around 100,000[2]
- Non-residential building activity improved by 6%[3]
- Key Industrial sectors (manufacturing, marine and transport) remain soft

Note:

- Capral has an estimated share at 28% of the domestic extrusion market
- New domestic extrusion capacity has been commissioned over recent years, including extrusion capability installed by traditional Capral customers
- Import market share has remained steady at approximately 40%

[1] **Source BIS Shrapnel (February 2015)**
[2] **BIS Shrapnel (December 2014)**
[3] **Source BIS Shrapnel - November 2014 (commencements for Y/E June 2014)**

KEY STRATEGIC INITIATIVES

BUILD
On our strengths

- Best aluminium product offer
- Leading market share position
- Long term customer relationships
- Experienced and committed workforce
- Commitment to continuous improvement and customer service
- National extrusion manufacturing footprint
- National distribution network

OPTIMISE
What we do

- Continue to reduce cost base
- Complete OSA integration
- Lean manufacturing drive to world class productivity
- Optimise the supply chain to reduce inventory levels

GROW
In the future

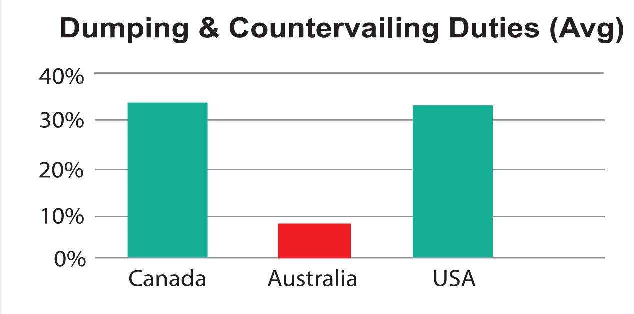
- Leverage our technical expertise with key customers
- Improve customer interface tools
- Leverage the housing cycle upswing
- Grow the internal distribution channel to market
- Develop innovative new products
- Develop value-add capability both locally and overseas

and PURSUE A BETTER ANTI-DUMPING OUTCOME

SUBSTANTIAL ADDITIONAL DUTIES IMPOSED ON THE LARGEST CHINESE EXPORTER

The impact of the imposed anti-dumping measures to date has been modest but this may be about to change

- Case won in 2010 but the levels of duties imposed were low relative to Canada and USA
- Concerns around ongoing circumvention by importers are:
  - Duty Avoidance
  - Duty Absorption/ Sales at a loss



Response and Action

- The Australian Government has pursued a significant reform agenda in recent years, including the passing of six tranches of legislation
- A new stand-alone Anti-Dumping Commission was established in June 2013
- New anti-circumvention legislation passed, effective 1 January 2014, to allow industry to lodge ‘duty absorption’ complaints
- Capral initiated an inquiry by the Anti-Dumping Commission under this legislation against the largest exporter/importer of extrusions from China
- On 19 February 2015, the Minister for Industry and Science announced that he had found duty avoidance and substantial additional duties have been imposed

Key issues being pursued

- Monitor post implementation of anti-circumvention decision and consider lodging additional sales at a loss applications
- Full review of current anti-dumping measures effecting aluminium imports is underway, due for completion in 2015
- Capral is testing new subsidies and cost calculation methods in an effort to realise fairer overall measures
- Continuing to interact with Government around strengthening the anti-dumping regime

OUTLOOK

- Housing commencements are forecast[1] to be around 187,550 for calendar 2015, up 1% on the strong market in 2014
- The weakening AUD is a positive sign for local manufacturing and under normal circumstances should assist Capral's competitive position
- Substantial additional duties imposed on the largest Chinese exporter/importer of extrusions should have a positive impact
- We continue to drive cost out of the business and cost saving initiatives are targeted to at least cover inflation
- The integration of the OneSteel Aluminium business will be completed during 2015 and will generate further cost savings
- Capral expects to remain net cash positive at balance dates
- Trading EBITDA[2] is forecast to lift to between \$4m and \$5m in H1 2015 and deliver a full year result of between \$12m and \$14m, provided the current momentum in the housing market is maintained and the industrial sectors improve in line with general business conditions.

[1] BIS Shrapnel December 2014 forecast
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