

17 November 2017

The Manager
ASX Market Announcements
Australian Securities Exchange
L10, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Capral Limited (ASX Code: CAA): Anti-Dumping Update

Detailed below is an update on anti-dumping cases taken by the Anti-Dumping Commission regarding certain Aluminium Extrusions exported to Australia from China, Malaysia, Vietnam and Thailand:

China: review of measures

The Anti-Dumping Commission completed a review and released a report in October 2017 in relation to the anti-dumping measures applying to certain Aluminium Extrusions exported from China. Anti-dumping measures have been in place since 2010 and were last reviewed in 2015. The Commission recommended an increase in anti-dumping measures that apply and the Government has accepted these recommendations, effective from 11 November 2017. See attached copy of the Anti-Dumping Notice No. 2017/138.

These increased measures apply to around 60% of Chinese imported Aluminium Extrusions, and the measures imposed vary from 3.6% to 64.4%. A copy of the Anti-Dumping Commission Final Report No. 392 can be found on the Commission's website.

New case: 2 Chinese importers and Thailand

A new case was initiated by the Commission in October 2017 against 2 Chinese importers, Guangdong Jiangsheng Aluminium Co Ltd (previously known as Tai Ao) and Guangdong Zhongya Aluminium Co Ltd, and certain Aluminium Extrusion imports from Thailand. The Commission estimates that this case relates to about 33% of all Aluminium Extrusions exported to Australia. A Statement of Essential Facts is expected in Q1 2018.

Anti-circumvention case

An anti-circumvention case was initiated by the Anti-Dumping Commission in October 2017. This relates to transshipment of certain Aluminium Extrusions via a third country where no anti-dumping measures apply. It is alleged the goods originated from China. A Statement of Essential Facts is expected in Q1 2018.

Malaysia and Vietnam

Anti-dumping measures in relation to certain Aluminium Extrusions exported from Malaysia and Vietnam have been in place since earlier this year. Measures apply to all Vietnamese imports and about 38% of Malaysian imports for the investigation period. Imports from Malaysia and Vietnam were estimated to account for around 30% of all Aluminium Extrusions exported to Australia.

Further details of these cases can be found on the Commission's website (at adcommission.gov.au).

The initiation of these cases and the measures imposed are positive for Capral and the local Australian extrusion industry. They assist in the creation of a level playing field which allows local manufacturers to compete fairly against imports of aluminium extrusions.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Tony Dragicevich', with a long horizontal line extending to the left.

Tony Dragicevich
Managing Director



ANTI-DUMPING NOTICE NO. 2017/138

Customs Act 1901 – Part XVB

Certain Aluminium Extrusions

**Exported to Australia from the People's Republic of China
Findings in Relation to a Review of Anti-Dumping Measures**

***Notice under subsection 269ZDB(1)(a)(iii) of the Customs Act 1901
and subsections 8(5) and 10(3B) of the Customs Tariff (Anti-Dumping) Act 1975***

The Commissioner of the Anti-Dumping Commission has completed a review, which was initiated on 23 March 2017, of the anti-dumping measures applying to certain aluminium extrusions ('the goods') exported to Australia from the People's Republic of China (China). The review examined whether the variable factors relevant to the taking of the anti-dumping measures as they affect all exporters of the goods from China should be varied.

Anti-Dumping Commission Report No. 392 (REP 392) contains the recommendations resulting from the review, reasons for the recommendations and material findings of fact and law.

I, CRAIG LAUNDY, Assistant Minister for Industry, Innovation and Science and Parliamentary Secretary to the Minister for Industry, Innovation and Science (the Parliamentary Secretary),¹ have considered REP 392 and have decided to accept the recommendations and reasons for the recommendations, including all the material findings of facts and law.

Under subsection 269ZDB(1)(a)(iii) of the *Customs Act 1901* (the Act), I DECLARE that, for the purposes of the Act and the *Customs Tariff (Anti-Dumping) Act 1975* (Dumping Duty Act), that, with effect from the date of publication of this notice, the dumping duty notice and countervailing duty notice currently applying to the goods exported to Australia from China be taken to have effect as if I had fixed different variable factors in respect of all exporters² as detailed in the table below, relevant to the determination of duty.

To preserve confidentiality, details of the revised variable factors being the Ascertained Export Price (AEP), Ascertained Normal Value (ANV) and amount of countervailable subsidy received will not be published.

¹On 19 July 2016, the Prime Minister appointed the Parliamentary Secretary to the Minister for Industry, Innovation and Science as the Assistant Minister for Industry, Innovation and Science. For the purposes of these decisions, the Minister is the Parliamentary Secretary to the Minister for Industry, Innovation and Science.

² It is noted that the anti-dumping measures apply to all exporters from China, with the exception of Guangdong Jiangsheng Aluminium Co Ltd (GJA, formerly known as Tai Ao Aluminium Tai Shan Co., Ltd).

It is also noted that Guangdong Zhongya Aluminium Company Limited is subject to the countervailing duty notice only.

I, CRAIG LAUNDY, the Parliamentary Secretary, DETERMINE, pursuant to subsection 8(5) of the Dumping Duty Act, that the interim dumping duty (IDD) payable on the goods exported to Australia be an amount worked out in accordance with the combination of fixed and variable duty method pursuant to subsections 5(2) and (3) of the *Customs Tariff (Anti-Dumping) Regulation 2013*, as detailed in the table below, to take effect the day following publication of this notice.

I, CRAIG LAUNDY, the Parliamentary Secretary, DIRECT, pursuant to subsection 10(3B)(a) of the Dumping Duty Act, that the interim countervailing duty (ICD) payable be ascertained as a proportion of the export price of the goods.

Exporter	Dumping margin	Subsidy margin	Fixed rate of combined IDD and ICD*	Duty method
Tai Shan City Kam Kiu Aluminium Extrusion Co., Ltd	21.0%	4.5%	25.5%	Combination of fixed and variable duty method, consisting of a fixed rate of IDD and ICD plus a variable component of IDD equal to the amount, if any, by which the actual export price is lower than the ascertained export price.
PanAsia Aluminium (China) Co., Ltd	41.3%	2.4%	41.3%	
Guang Ya Aluminium Industries Co., Ltd	18.8%	0.3%	19.1%	
Guangdong Zhongya Aluminium Company Limited	N/A	0.1%	0.1%	
Guangdong Jinxiacheng AL Manufacturing Co., Ltd	3.6%	0.0%	3.6%	
Foshan Shunde Beijiao Jiawei Aluminium Factory	3.6%	0.0%	3.6%	
Goomax Metal Co. Ltd., Fujian	11.1%	2.3%	11.4%	
Residual exporters [#]	26.4%	1.5%	27.4%	
Uncooperative and all other exporters (except GJA) [#]	59.1%	8.1%	64.4%	

*As outlined in REP 392, the calculation of the combined fixed rate of ICD and IDD is not simply a matter of adding the dumping and subsidy margins together for any given exporter, or group of exporters. For each exporter or group of exporters, the combined fixed rate of ICD and IDD will be the sum of:

- the subsidy rate calculated for all countervailable programs; and
- the dumping rate calculated, less an amount for the subsidy rate applying to Program 15 (where this has been received by the exporter or group of exporters).

[#] as specified in REP 392.

The variable factors set for these exporters is confidential. Genuine importers who wish to know the AEP relevant to the determination of IDD, should contact the Anti-Dumping Commission (the Commission) on 132 846 or +61 2 6213 6000 or at clientsupport@adcommission.gov.au for further information regarding the actual duty liability calculation in their particular circumstance.

Interested parties may seek a review of this decision by lodging an application with the Anti-Dumping Review Panel (www.adreviewpanel.gov.au) in accordance with the requirements in Division 9 of Part XVB of the Act, within 30 days of the publication of this notice.

The Anti-Dumping Review Panel can be contacted by mail, phone, fax or email:

Anti-Dumping Review Panel
c/o Legal, Audit and Assurance Branch
Department of Industry, Innovation and Science
10 Binara Street
CANBERRA CITY
ACT 2601 AUSTRALIA

Phone: +61 2 6276 1781
Fax: +61 2 6213 6821
Email: ADRP@industry.gov.au

REP 392 has been placed on the Commission's public record. The public record may be examined at www.adcommission.gov.au. Alternatively, the public record may be examined at the Commission's office during business hours by contacting the case manager on the details provided below.

Enquiries about this notice may be directed to the case manager on telephone number 03 8539 2437, fax number +61 3 8539 2499 (outside Australia) or email at investigations3@adcommission.gov.au

Dated this 2nd day of November 2017



CRAIG LAUNDY
Assistant Minister for Industry, Innovation and Science
Parliamentary Secretary to the Minister for Industry, Innovation and Science