

21 June 2016

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

Dear Sir/Madam

Capral Limited (ASX Code: CAA): Earnings Guidance Update

In the AGM Addresses released to the market on 14 April 2016, Capral advised that it expected a full year EBITDA of between \$13 million and \$15 million.

During the last few months there has been an improvement in volumes over those anticipated. Market conditions have been stronger due to the buoyant East Coast housing market, and some regained market share from imported extrusions assisted by favourable anti-dumping outcomes and the lower Australian dollar.

As a result, Capral now expects that full year EBITDA will lift to be between \$19 million and \$21 million. Capral expects to generate positive operating cash flow in 2016 and be net cash positive at June and December 2016 balance dates. On this basis Capral reaffirms that it will be in a position to consider a fully franked final dividend.

Capral's half year results are due for release around 23 August 2016 and the Company forecasts that the half year EBITDA will be approximately \$10 million.

Given the relatively low volatility in aluminium metal costs this year to date, Capral is not expecting a material difference between Trading and Statutory EBITDA at this time.

Yours faithfully

A handwritten signature in black ink, appearing to read "Tony Dragicevich".

Tony Dragicevich
Managing Director