



Investor Presentation 2012 Full Year Results

17-19 SEPTEMBER 2012
SYDNEY & MELBOURNE



Colin Ryan AM
EXECUTIVE CHAIRMAN

Sharyn Williams
CHIEF FINANCIAL OFFICER

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Presentation Overview



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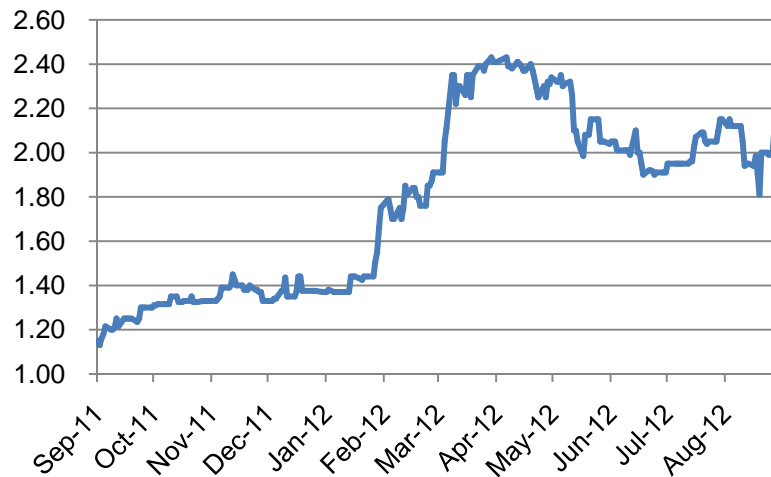


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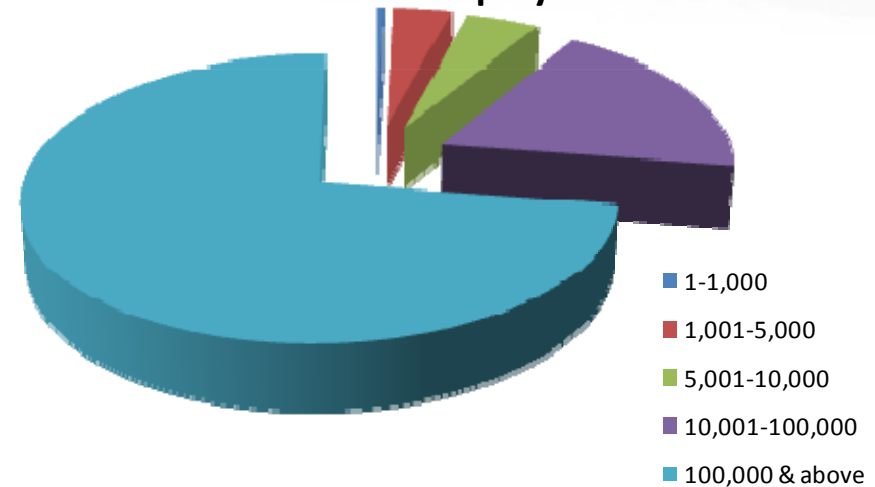
Corporate Profile



ASX Code	CMI
Share Price (13 Sep 2012)	\$1.95
Issued Capital	
- Shares	33.8M
- Options	0.6M
Market Capitalisation	\$65.8m
Cash (30 June 2012)	\$5.6m
Debt (30 June 2012)	\$7.8m
12 Month High / Low	\$2.45 / \$1.12



Distribution of Equity Securities



Board and Senior Management

- Colin Ryan AM – Executive Chairman
- Leanne Catelan – Non-Executive Director
- Danny Herceg – Non-Executive Director
- Sharyn Williams – CFO/Company Secretary
- Jeff Heslington – GM - CMI Electrical
- Stephen O'Brien – GM - TJM Products

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Background



Colin Ryan AM – BCom, LLB, FCA, FAICD (appointed 2007)

- Executive Chairman
- Former Queensland Managing Partner of Arthur Anderson
- Former Chairman of Brisbane Airport Corporation and Deputy Chairman of Port of Brisbane Corporation & Director of several public and listed companies
- Former Chairman of Royal Children's Hospital Foundation & Queensland Children's Medical Research Institute

Leanne Catelan – MAICD (appointed 2011)

- Non-executive Director
- Major shareholder of CMI Limited
- Experience in information technology and sport management industries

Danny Herceg – LLB, BSc (appointed 2007)

- Non-executive Director
- Sydney based Corporate lawyer, principal of a boutique commercial firm specialising in capital raisings, M&A and restructurings

Sharyn Williams – BBus, BEd, CPA, ACIS/ACSA, GAICD (appointed 2007)

- CFO/Company Secretary
- Accounting and financial management over a range of business operations, private and public.

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Share Register



Rank	Name	A/C Designation	12-Sep-12	%
1	LE RAE PTY LTD	Catcorp	12,420,484	36.80%
2	TINKERBELL ENTERPRISES PTY LTD	<Leanne Catelan Family A/C>	3,112,422	9.22%
3	MOAT INVESTMENTS PTY LTD	<Moat Investment A/C>	1,076,874	3.19%
4	ALMARGEM PTY LTD	<Mellet Family A/C>	859,038	2.55%
5	ASSETYLENE PTY LTD	<Richard Catelan Family A/C>	851,632	2.52%
6	LJ CATELAN SUPERANNUATION FUND PTY LTD		730,217	2.16%
7	MR PHILLIP GORDON GREENHAM		558,500	1.65%
8	FW HOLST & CO PTY LTD	<FH A/C>	549,728	1.63%
9	MR DANNY HERCEG		500,000	1.48%
10	M L CATELAN SUPERANNUATION FUND PTY LTD	<M L Catelan S/F A/C>	475,956	1.41%
1-10			21,134,851	62.62%
11-20			2,643,190	7.83%
21-1,225			9,974,593	29.55%
Total			33,752,634	100.00%

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CMI Electrical



TJM Products



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Highlights FY2012



- Revenue – 19% growth for Electrical
- Group NPAT up 10% before impairment of loan receivable \$9.3m
- Cashflow from operations – \$9.6m after \$3.9m increase working capital
- Net debt of \$2.2m
- Dividend – no dividend declared
- Impairment of Industrial receivable – reduced from \$9.3m to nil carrying value
- Class A share buy back complete - funded by \$7.5m borrowings
- Comfortable gearing ratio
- Management restructure – Executive Chairman, new GM in TJM

AT A GLANCE - NPAT BEFORE \$9.3m IMPAIRMENT

Revenue	↑	12%
EBITDA before impairment	↑	12%
NPAT before impairment	↑	10%
Operating Cashflow	↑	24%
ROA	↑	5%

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FY2012 Profit Summary

	Electrical	TJM	Corp	FY2012
	\$'000	\$'000	\$'000	\$'000
Revenue	73,759	39,491	1,647	114,897
EBITDA	21,778	2,237	(1,557)	22,457
EBITDA margin %	30%	6%		20%
EBIT	21,546	1,039	(1,560)	21,024
Operating PBT	21,540	1,020	(1,719)	20,841
Tax			(6,246)	(6,246)
Operating NPAT				14,595
Impairment charge (loan receivable)				(9,270)
Reported NPAT				5,325

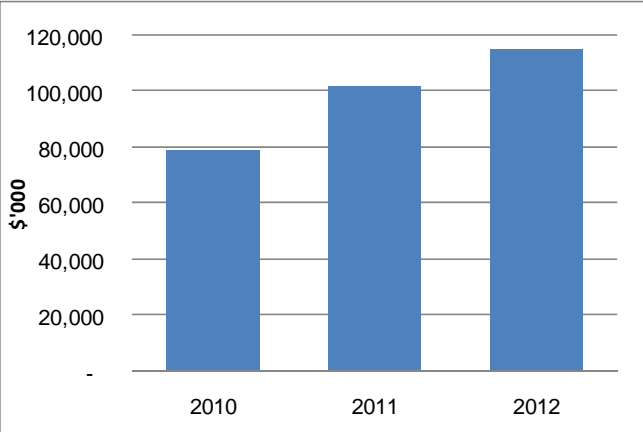
Financial Performance



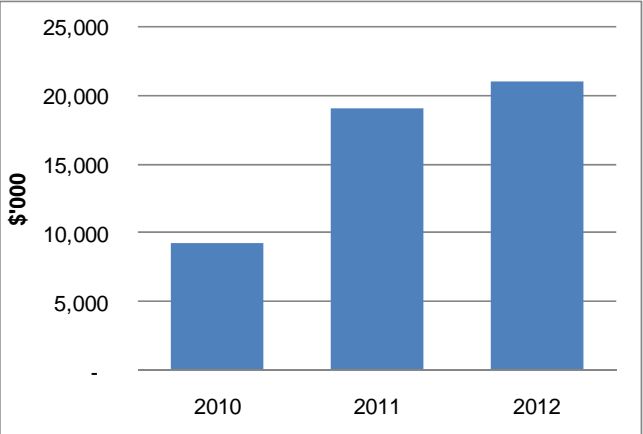
Special factors FY2012:

- Interest income on cash deposit (since paid out on buyback) \$0.8m
- Interest income on Industrial receivable (now in receivership) \$0.8m
- Impairment loan \$9.3m
- Legal expenses on buyback, litigation and Industrial receivership approx \$1.1m
- ATO tax audit expenses
- Management changes

Revenue



EBIT (exc. Impairments/Disc Ops)



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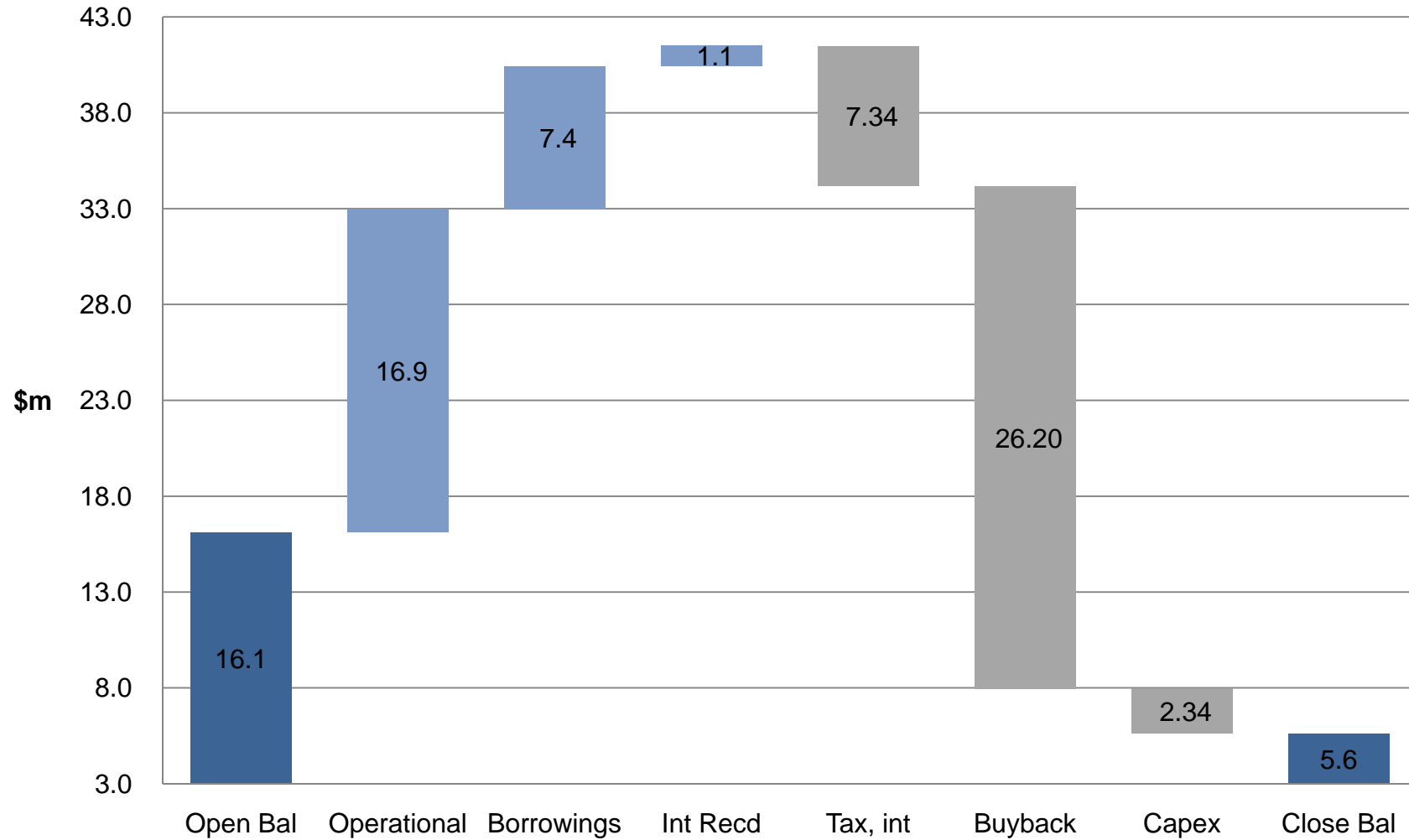
FY2012 Balance Sheet

	Electrical	TJM	Corp	FY2012
	\$'000	\$'000	\$'000	\$'000
Current assets	28,769	22,345	2,990	54,104
Non-current assets	9,054	5,952	425	15,431
Total assets	37,823	28,297	3,415	69,535
Current liabilities	5,979	6,619	11,398	23,997
Non-current liabilities	46	243	8	298
Total liabilities	6,026	6,862	11,407	24,295
Shareholders equity	31,797	21,435	(7,992)	45,240

Financial Performance

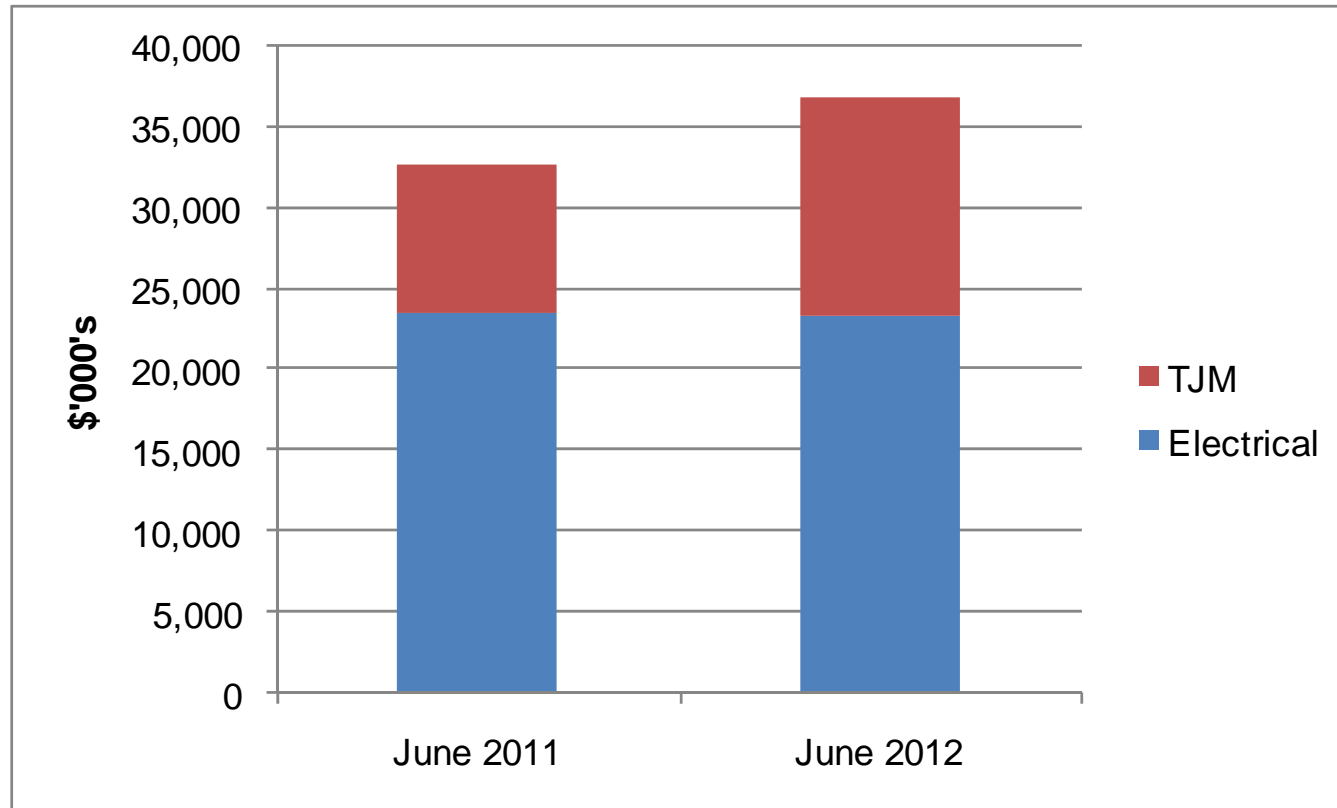


Cash Generation



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Working Capital



*Working Capital = Inventory + Trade debtors – Trade creditors

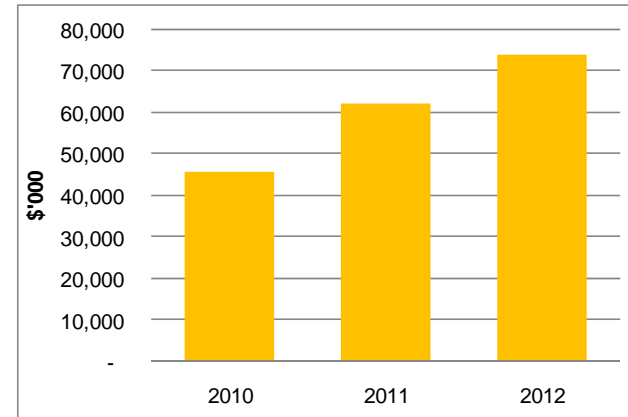
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Electrical

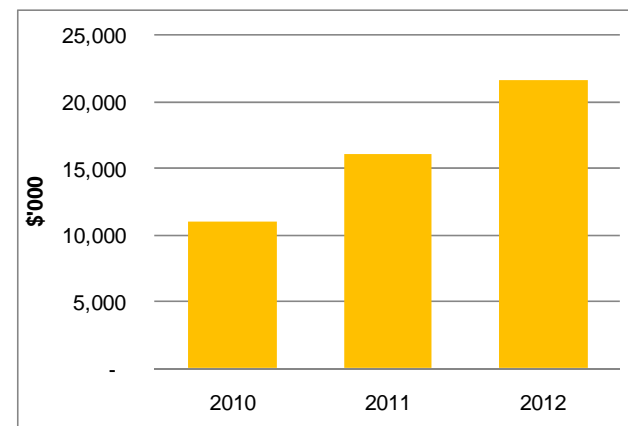


- Formed in 1998, distributes and manufactures industrial electrical products
- Sourcing and supply of plugs, couplers, high voltage cables, flexible cables and manufacture of speciality electrical cables
- Provides electrical products to:
 - the mining sector with a focus on underground gaseous mining, (mainly coal, new projects and maintaining existing projects)
 - the construction industry (with some utilities & Industrial); and
 - electrical wholesalers, workshops & contractors

Revenue



EBIT

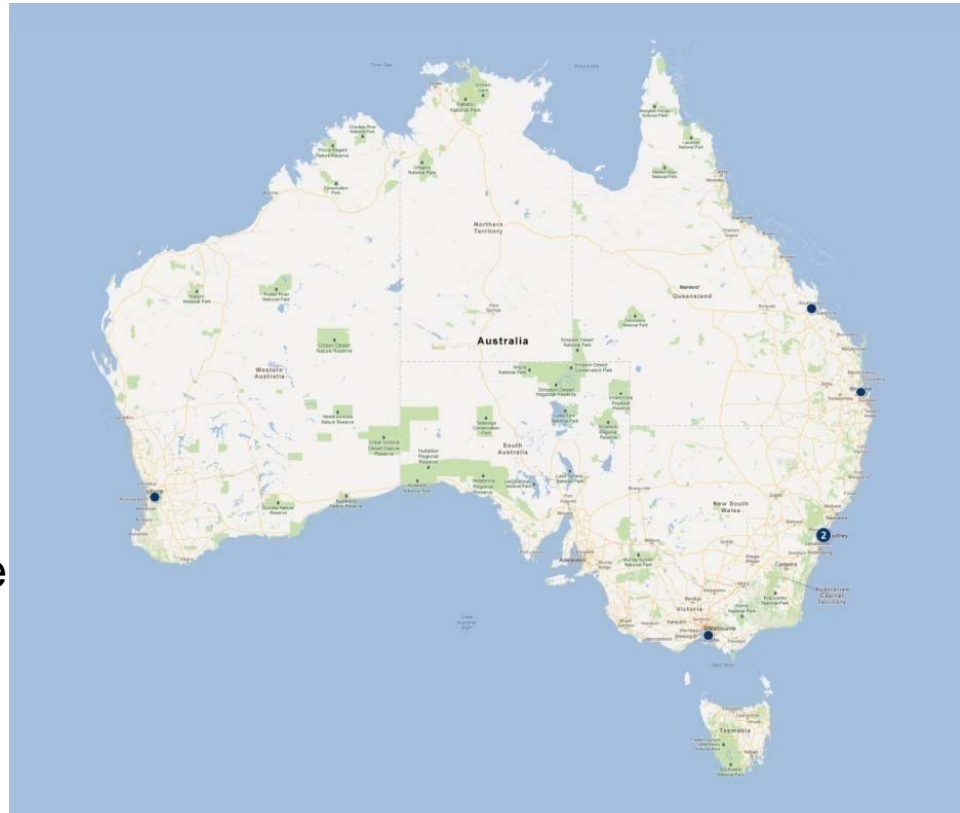


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Electrical



- Operates across 6 sites in Australia
- Experienced, stable management
- Around 65 employees
- 4 Business units
 - Minto Industrial Products (plugs, couplers, glands)
 - XLPE Cable
 - Aflex Flexible Cable
 - Hartland Cables
- Minto has strong market share
- Cable competitive market



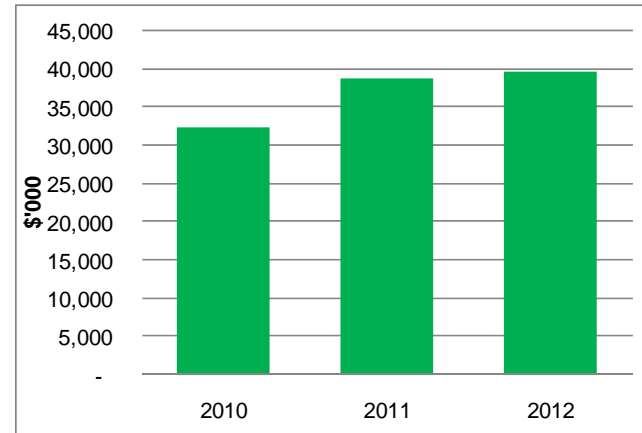
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TJM Products

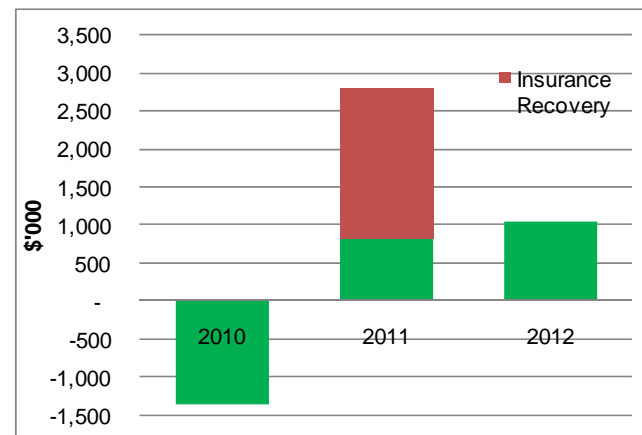


- Established in 1973
- Designs, distributes and manufactures accessory products for 4WD and light commercial vehicles
- Provides products to:
 - Australian aftermarket 46%
 - Exports 31%; and
 - Australian Original Equipment 23%
- Around 130 employees across Australia, China & USA

Revenue



EBIT

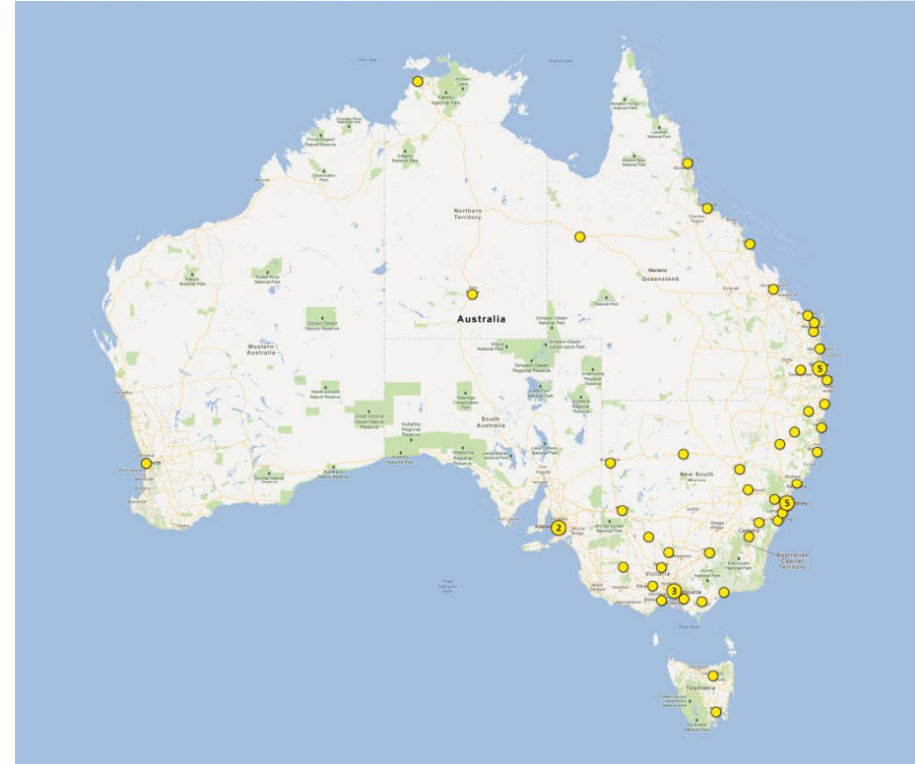


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TJM Products



- Product range includes:
 - Bull bars (Steel & Alloy)
 - Side/rear bars
 - Suspension
 - Recovery equipment
 - Camping equipment
 - Differential lockers
 - Snorkels & Flares
- 55 branded independently owned TJM stores across Australia
- Exports to 38 countries via independent distributors
- New General Manager commenced Feb 2012
- Restructure of management and operations



Electrical

Outlook for:

- Coal mining as a result of commodity price fluctuations
- Building and infrastructure development industry dependent on economic growth

TJM

Outlook for:

- Sales growth in new 4WD & light commercial vehicles
- Fluctuations in USD \$

Strategy & Outlook



- Continued development of product in both Electrical and TJM
- Establish additional Electrical branches as required
- Expand the TJM domestic stores network
- Build on existing TJM export distributor relationships
- Expand TJM supply chain and warehouse support for both domestic and export
- Expanded manufacturing & assembly in China for TJM
- Increased focus on sales volumes particularly in TJM

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Why Buy CMI?



- Strong durable businesses with long operating histories
 - Electrical has 15 year operating history
 - TJM has almost a 40 year operating history
- Sustainable profit generation and strong returns from Electrical
- Opportunity to turnaround TJM financial performance to support future earnings growth
- Low risk balance sheet with \$2.2m net debt
- Compelling valuation