



Investor Presentation 2013 Full Year Results

10 OCTOBER 2013



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Corporate Profile



ASX Code	CMI
Share Price (9 Oct 2013)	\$2.00
Issued Capital	
- Shares	34.6m
- Performance Rights	0.5m
Market Capitalisation	\$69.1m
Cash (30 June 2013)	\$ 6.6m
Debt (30 June 2013)	\$ 0.2m
Net Cash	\$ 6.4m
12 Month High / Low	\$2.76 / \$1.36



Substantial Shareholders

- LeRae Pty Ltd & Others (38.06%)
- Acorn Capital Limited (9.44%)

Top 10 shareholders (59.11%)

Top 20 shareholders (69.57%)

Board and Senior Management

- Danny Herceg – Independent Chairman
- Ross Rolfe – Independent Director
- Leanne Catelan – Non-Executive Director
- Sharyn Williams – Finance Director/Company Secretary
- Jeff Heslington – GM - CMI Electrical
- Stephen O'Brien – GM - TJM Products

Businesses with long operating histories

- Electrical division formed in 1998 – 15 years
- TJM commenced operations in 1973 – 40 years

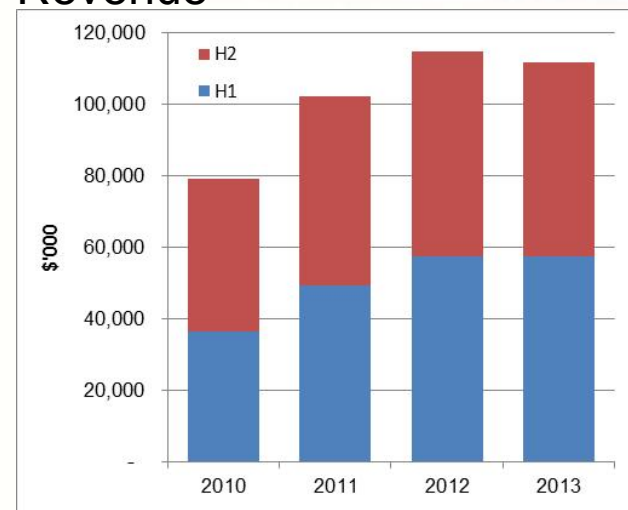
*Graph at 30 September 2013

Performance FY2013

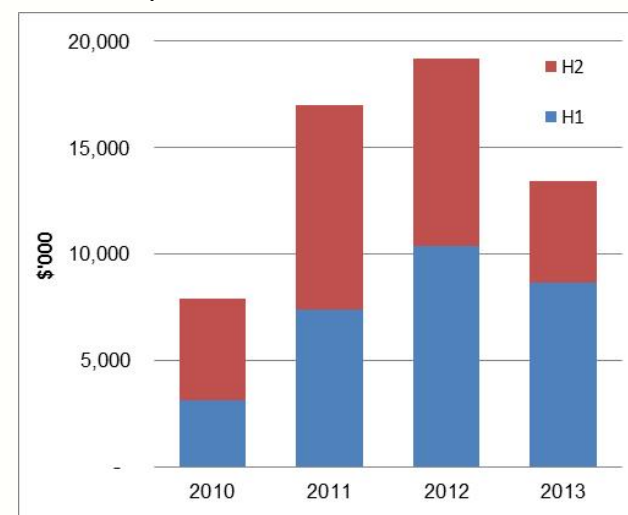


- Revenues decreased 3%
 - Electrical 4% decrease
 - TJM 4% growth
- NPAT
 - Reported 84% up to \$9.8m from \$5.3m (FY12 included \$9.3m impairment)
 - Operating down 33% to \$9.8m from \$14.6m
- EBIT - challenging 2H13
 - 1H13 \$8.7m; 2H13 \$4.8m
- EPS
 - FY13 29.05; FY12 15.78
- Cashflow from operations
 - \$10.7m (FY13) vs. \$9.6m (FY12)
- Net cash \$6.4m
 - Class A buyback borrowings \$7.5m repaid
- Dividends recommenced 2H13 – 6 cents
- Corporate
 - Interest \$1.7m lower (interest received on Industrial receivable & cash deposits)
- Independent Director appointed

Revenue



EBIT (Bef Net Interest, Impair & Discout Operations)



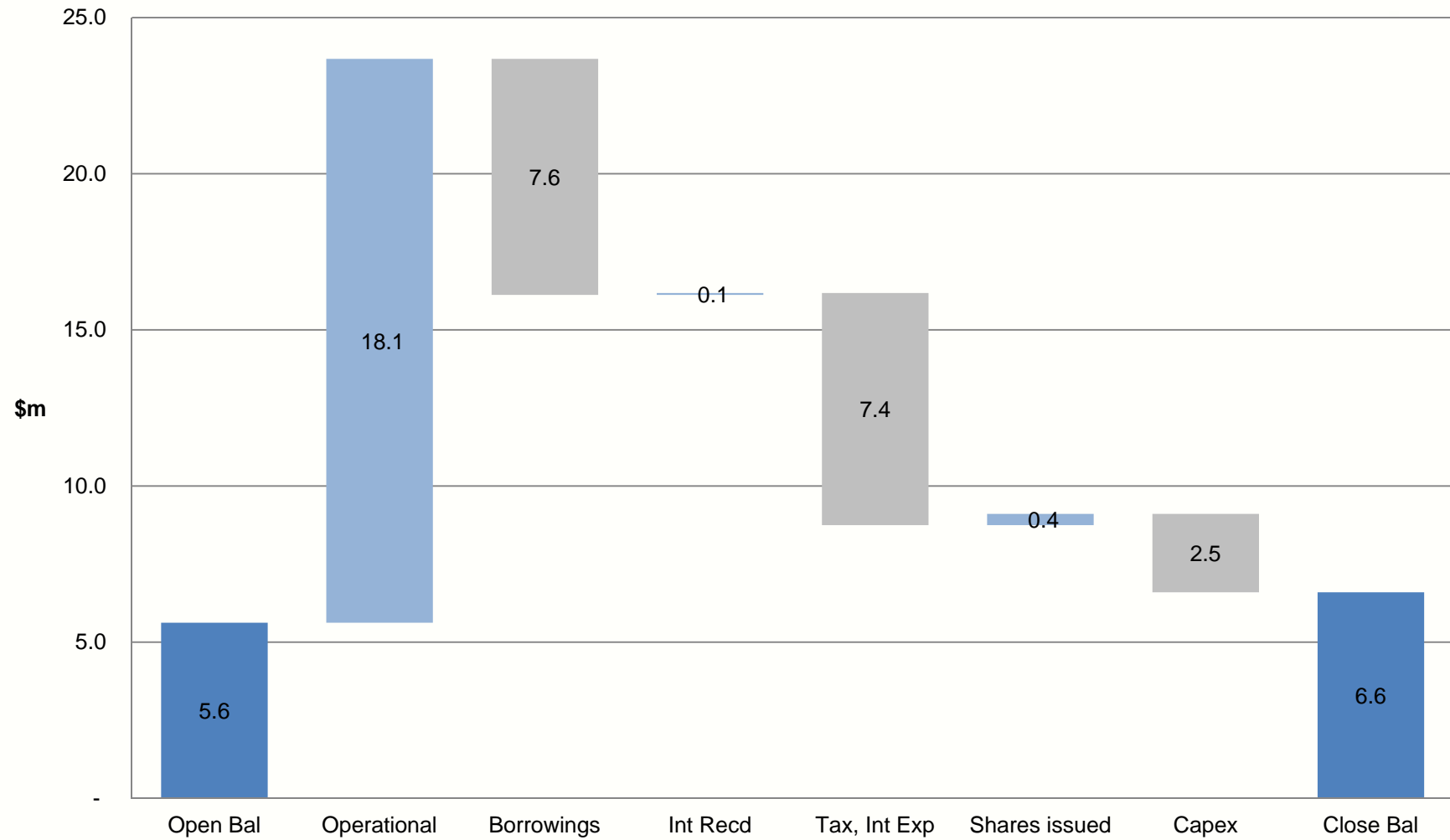
FY2013 Profit Summary

	Electrical	TJM	Corp	FY2013
	\$'000	\$'000	\$'000	\$'000
Revenue	70,774	40,942	39	111,755
EBITDA	18,712	(742)	(2,802)	15,168
EBITDA margin %	26%	(2%)		14%
EBIT	18,517	(2,234)	(2,806)	13,477
Operating PBT	18,517	(2,251)	(3,158)	13,108
Tax				(3,296)
Reported NPAT				9,812

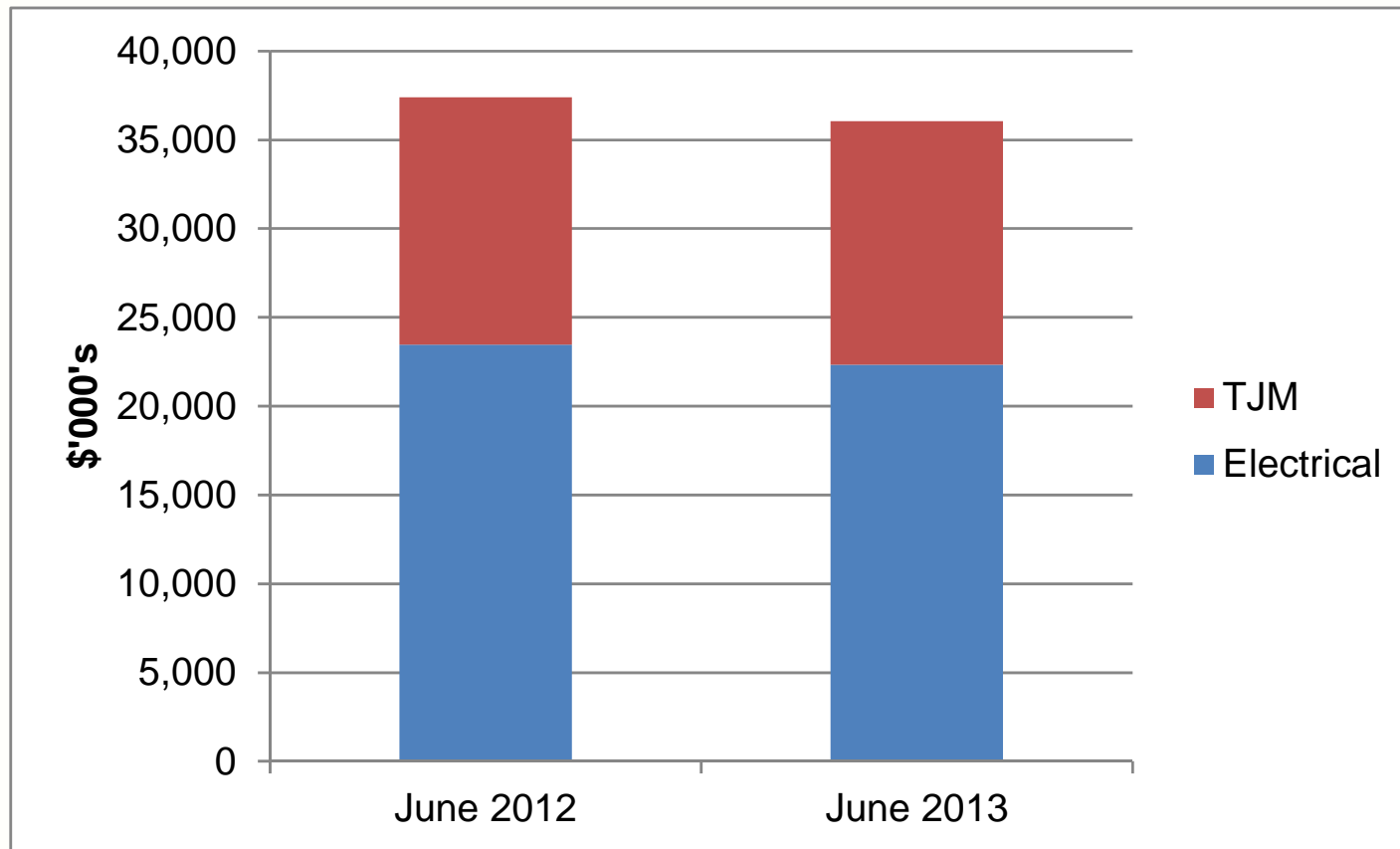
FY2013 Balance Sheet

	Electrical	TJM	Corp	FY2013
	\$'000	\$'000	\$'000	\$'000
Current assets	29,335	22,295	4,374	56,004
Non-current assets	8,806	6,625	541	15,972
Total assets	38,141	28,920	4,915	71,976
Current liabilities	7,690	6,687	965	15,342
Non-current liabilities	30	204	12	246
Total liabilities	7,720	6,891	977	15,588
Shareholders equity	30,421	22,029	3,938	56,388

Cash Generation



Working Capital



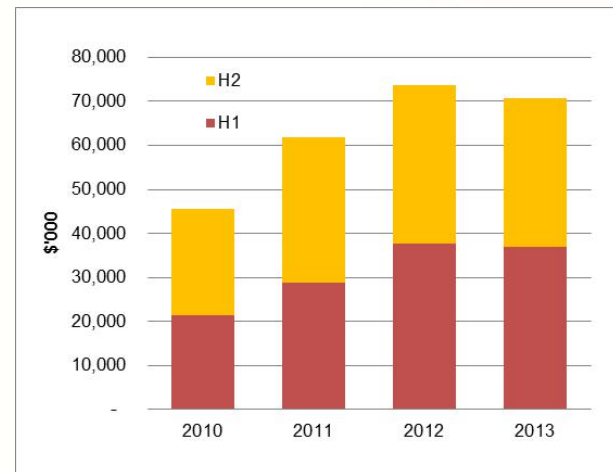
*Working Capital = Inventory + Trade debtors – Trade creditors

Electrical Division

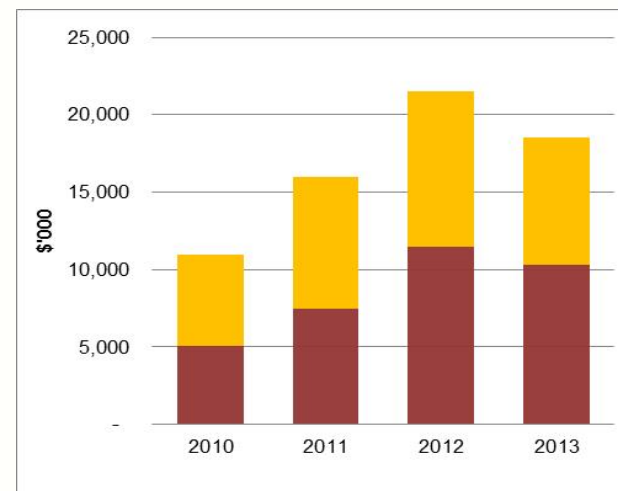


- Formed in 1998, distributes and manufactures industrial electrical products
- Sourcing and supply of plugs, couplers, high voltage cables, flexible cables, fire and explosive retardant products and manufacture of speciality electrical cables
- Provides electrical products to:
 - the mining sector with 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
 - gas, petroleum and other hazardous industries.

Revenue



EBIT



Electrical Division



- Operates across 7 sites in Australia
- Experienced, stable management
- Around 65 employees
- 5 Business units
 - Minto Industrial Products (plugs, couplers, glands)
 - XLPE Cable
 - Aflex Flexible Cable
 - Hartland Cables
 - Flameproof Engineering
- Minto has strong market share
- Cable is a competitive market
- Flameproof business recently acquired
 - Expands exposure to oil and gas
 - Actively seeking other opportunities
- Earnings decreased 14%
 - Mining product revenues decreased 24%
 - Construction product range increased 7%
 - Lower overall margin due to change in sales product mix

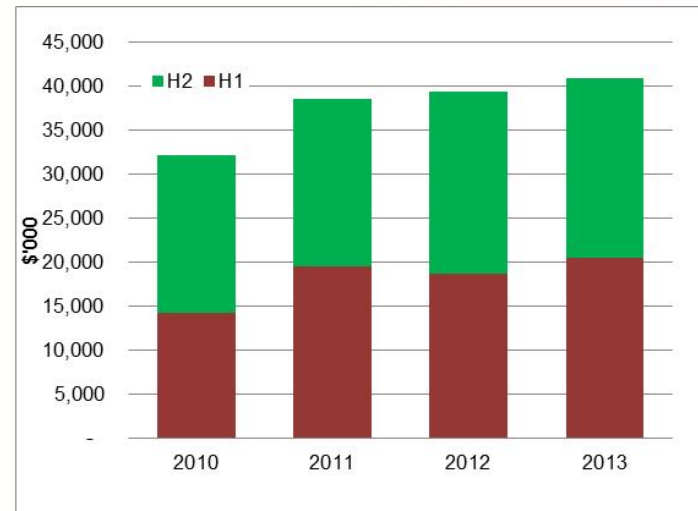


TJM Products

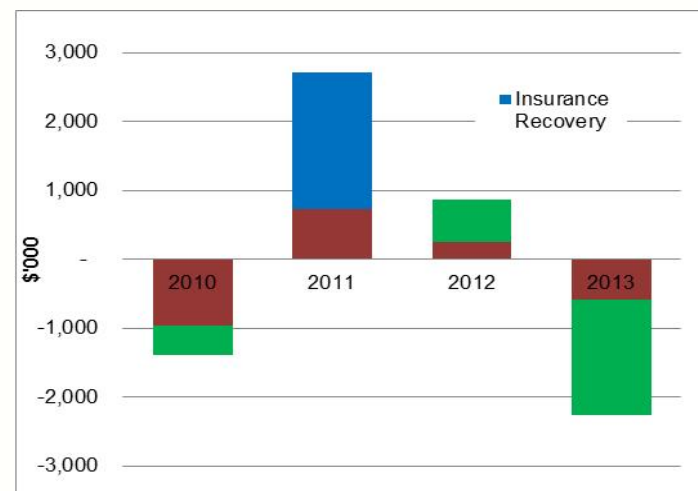


- Established in 1973
- Designs, distributes and manufactures accessory products for 4WD and light commercial vehicles
- Provides products to:
 - Australian aftermarket 47%
 - Exports 27%; and
 - Australian Original Equipment 26%
- Around 140 employees across Australia, China & USA
- TJM June 13 result – loss \$2.3m:
 - Domestic store sales increased 10%
 - OE sales increased 21% although competitive market with high margin pressure
 - Export sales decreased 11%
 - Earnings impacted by increased costs in this division to enable future growth
 - One off restructuring costs \$0.7m
 - USA loss \$0.3m

Revenue



EBIT



TJM Products



- Product range includes:
 - Bull bars (Steel & Alloy)
 - Side/rear bars
 - Suspension
 - Recovery equipment
 - Camping equipment
 - Differential lockers
 - Snorkels & Flares
- 60 branded independently owned TJM stores across Australia
- Exports to 38 countries via independent distributors



TJM Restructure Status

Achievements 2013 Year:

- 5 additional domestic retail stores (9% increase)
- Improved time to market for new products
- Expansion of the existing branded product range
- Expanded manufacturing & assembly in China – premises relocation complete
- Improved working capital management
- New TJM consumer website including online shopping with increased traffic
- Launch of the innovative “Build your own” 3D modelling website
- Reduced losses from the USA operations
- Implementation of safety and training web-based management system

Focus for the coming 12 months on:

- Capacity increase at the off-shore production facility to improve margins and control quality of selective products
- A more efficient and cost-effective supply chain
- An increase in branded domestic distribution outlets and increased penetration in existing distribution outlets
- Increased market penetration in export markets (particularly Middle East) including review of the USA strategy
- Further improvements to time to market of new products
- Continued expansion of the existing product range using branded and third party products

- Impact of subdued conditions in the resource sector more pronounced in 2H13
- Expect these conditions to persist to impact earnings through 1H14 although anticipate some improvement starting during the 2H14
- A strong balance sheet means CMI will continue to invest capital and grow our existing businesses, while continuing to look for opportunities to create value for shareholders.