



Investor Presentation 2013 Half Year Results

6-8 MARCH 2013
SYDNEY & MELBOURNE



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EXECUTIVE CHAIRMAN

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Presentation Overview



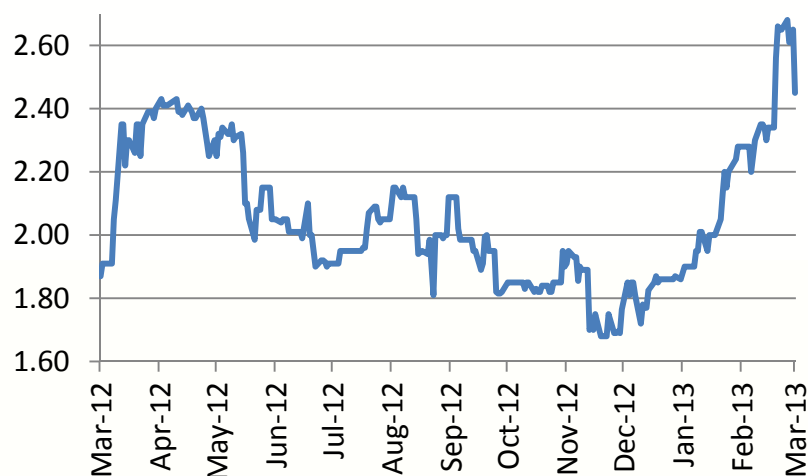
1. Corporate Profile
2. 1H2013 Financial Performance
3. Operating Summaries
4. Outlook



Corporate Profile



ASX Code	CMI
Share Price (1 Mar 2013)	\$2.43
Issued Capital	
- Shares	33.8m
- Options/Rights	1.6m
Market Capitalisation	\$82.0m
Cash (31 December 2012)	\$2.5m
Debt (31 December 2012)	\$4.2m
Net Debt	\$1.7m
12 Month High / Low	\$2.76 / \$1.66



Substantial Shareholders

- LeRae Pty Ltd & Others (38.96%)
- Acorn Capital Limited (9.67%)

Top 10 shareholders (59.61%)

Top 20 shareholders (68.38%)

On 19 February 2013, a 9.2% parcel of 3.1million shares was sold by tender, in one line, at \$2.65.

Board and Senior Management

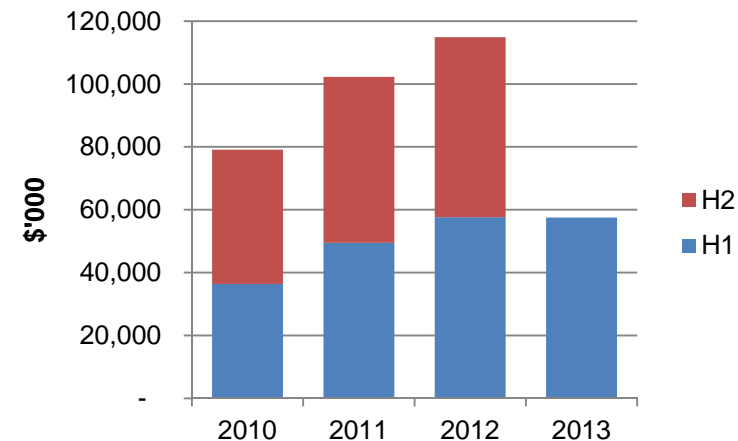
- Colin Ryan AM – Executive Chairman
- Leanne Catelan – Non-Executive Director
- Danny Herceg – Non-Executive Director
- Sharyn Williams – CFO/Company Secretary
- Jeff Heslington – GM - CMI Electrical
- Stephen O'Brien – GM - TJM Products

1H2013 Financial Performance

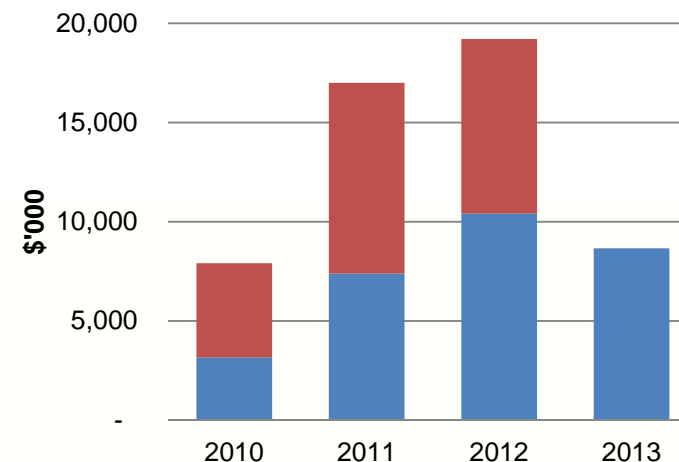


- Revenue – 2% growth
 - TJM 9% growth
 - Electrical 2% decrease
- EBIT
 - 17% decrease
- Corporate overheads
 - costs lower than H1 prior year
 - revenue was \$1.2m lower due to loss of interest received on Industrial receivable and cash deposits.
- NPAT
 - Reported up to \$6.6m from -\$0.6m (1H12 included \$9.3m impairment)
 - Operating down to \$6.6m from \$8.7m
- EPS
 - Operating EPS down to 19.7cps from 25.7cps
- Cashflow from operations
 - \$1.7m (1H13) vs \$1.8m (1H12)
- Net debt
 - \$1.7m
 - Net debt / net debt + equity 3.2%
 - Net debt / EBITDA 0.1x
- Dividend
 - no dividend declared for H1, expected dividend H2

Revenue (inc. Interest Rec'd)



EBIT (exc. Int Rec'd, Impairment/Disc Ops)



1H2013 Financial Performance



1H2013 Profit Summary

	Electrical	TJM	Corp	Dec 2012
	\$'000	\$'000	\$'000	\$'000
Revenue	36,955	20,526	20	57,501
EBITDA	10,373	133	(1,029)	9,477
EBITDA margin %	28%	1%		16%
EBIT	10,281	(588)	(1,031)	8,662
Operating PBT	10,281	(582)	(1,257)	8,442
Tax				(1,803)
Reported NPAT				6,639

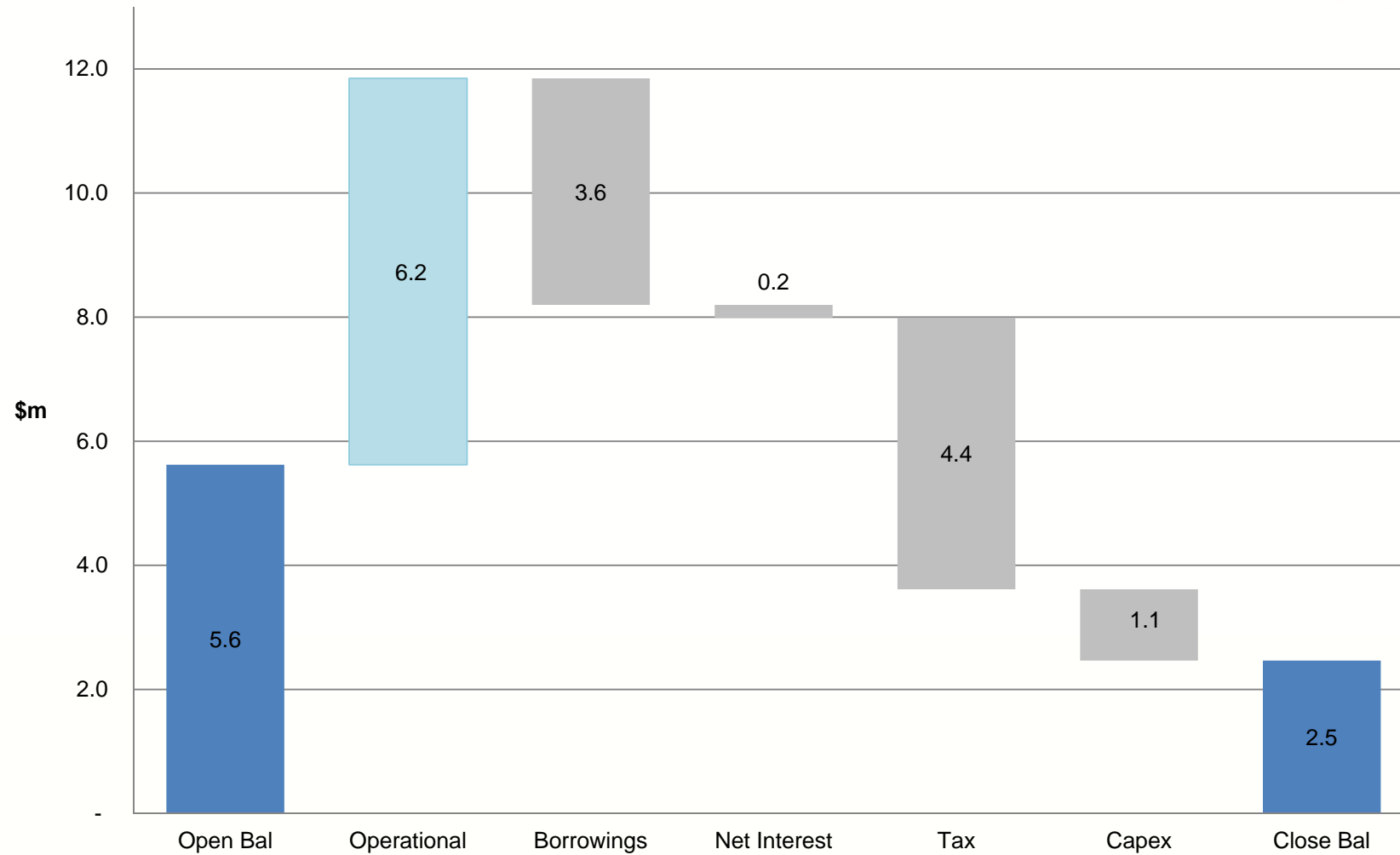
1H2013 Financial Performance



1H2013 Balance Sheet

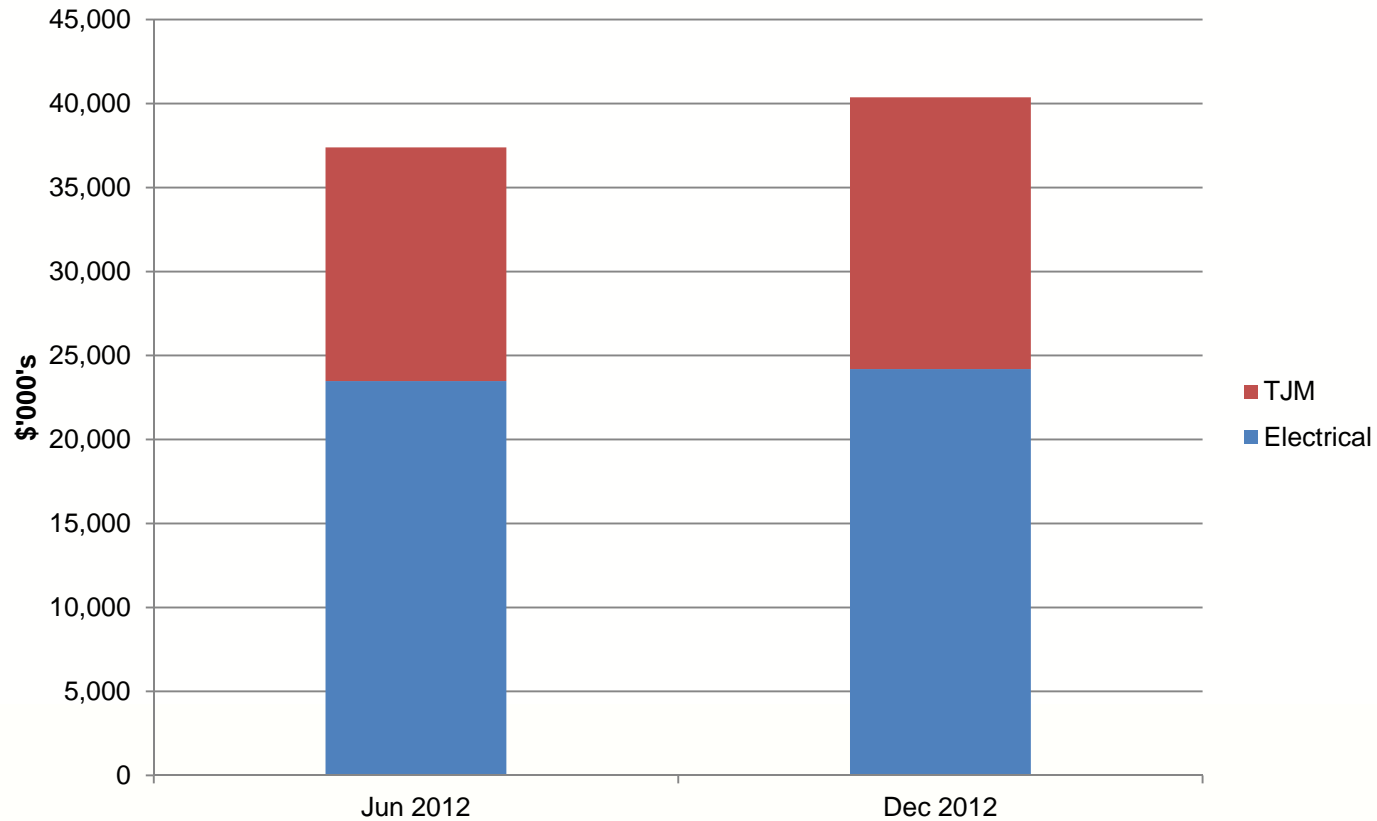
	Electrical	TJM	Corp	FY2012
	\$'000	\$'000	\$'000	\$'000
Current assets	29,676	22,958	1,903	54,537
Non-current assets	9,135	6,081	136	15,352
Total assets	38,811	29,039	2,039	69,889
Current liabilities	6,156	6,995	4,679	17,830
Non-current liabilities	26	235	10	271
Total liabilities	6,182	7,230	4,689	18,101
Shareholders equity	32,629	21,809	(2,650)	51,788

Cash Generation





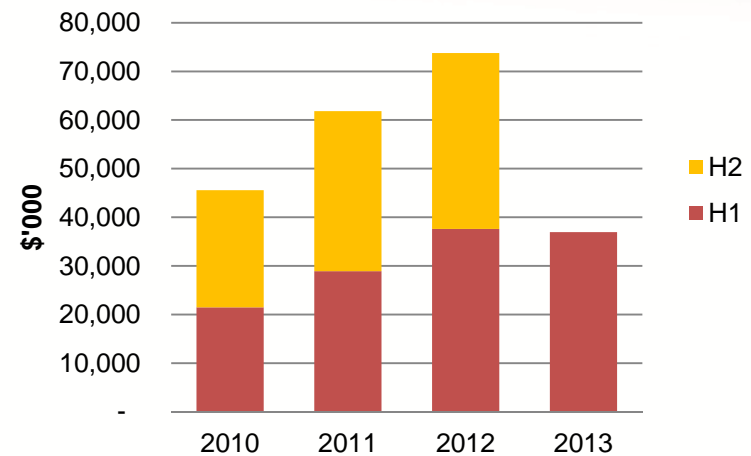
Working Capital



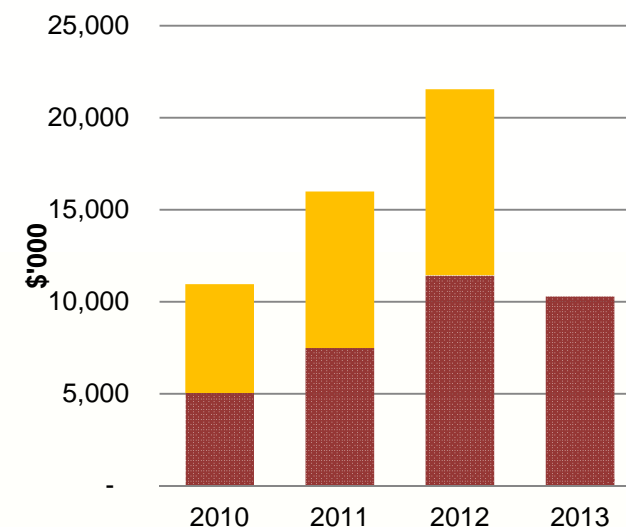
*Working Capital = Inventory + Trade and other receivables – Trade and other payables

- 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
- 1H2013 return on assets (EBIT/assets) > 45%.

Revenue

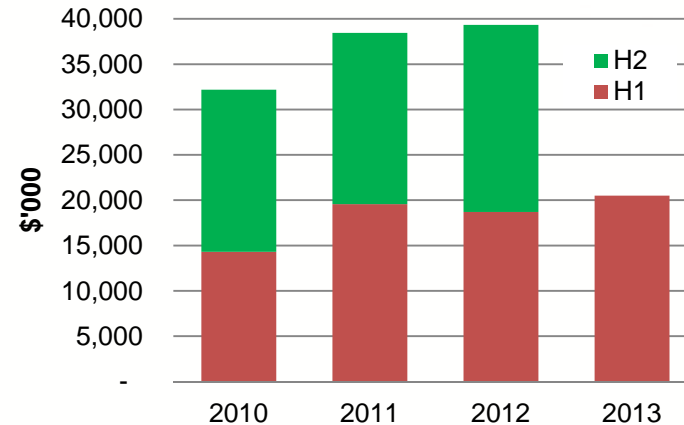


EBIT

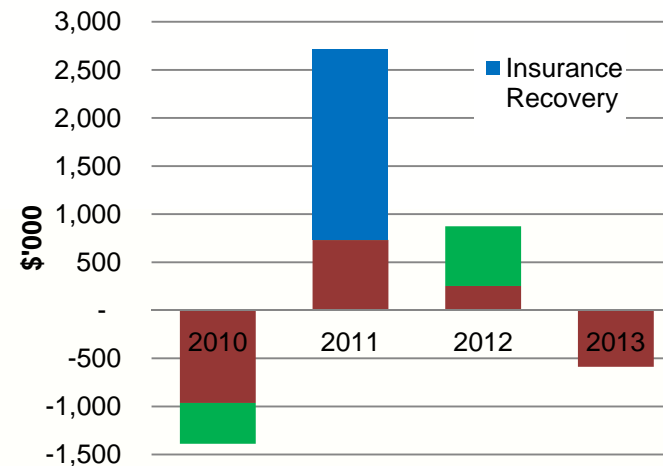


- Established in 1973.
- Designs, distributes and manufactures accessory products for 4WD and light commercial vehicles.
- Provides products to:
 - Australian aftermarket 48%;
 - Exports 26%; and
 - Australian Original Equipment 26%.
- Around 140 employees across Australia, China & USA.
- TJM Dec 2012 result – loss \$582k:
 - USA loss \$270k
 - New management \$370k
 - Restructure costs \$200k.

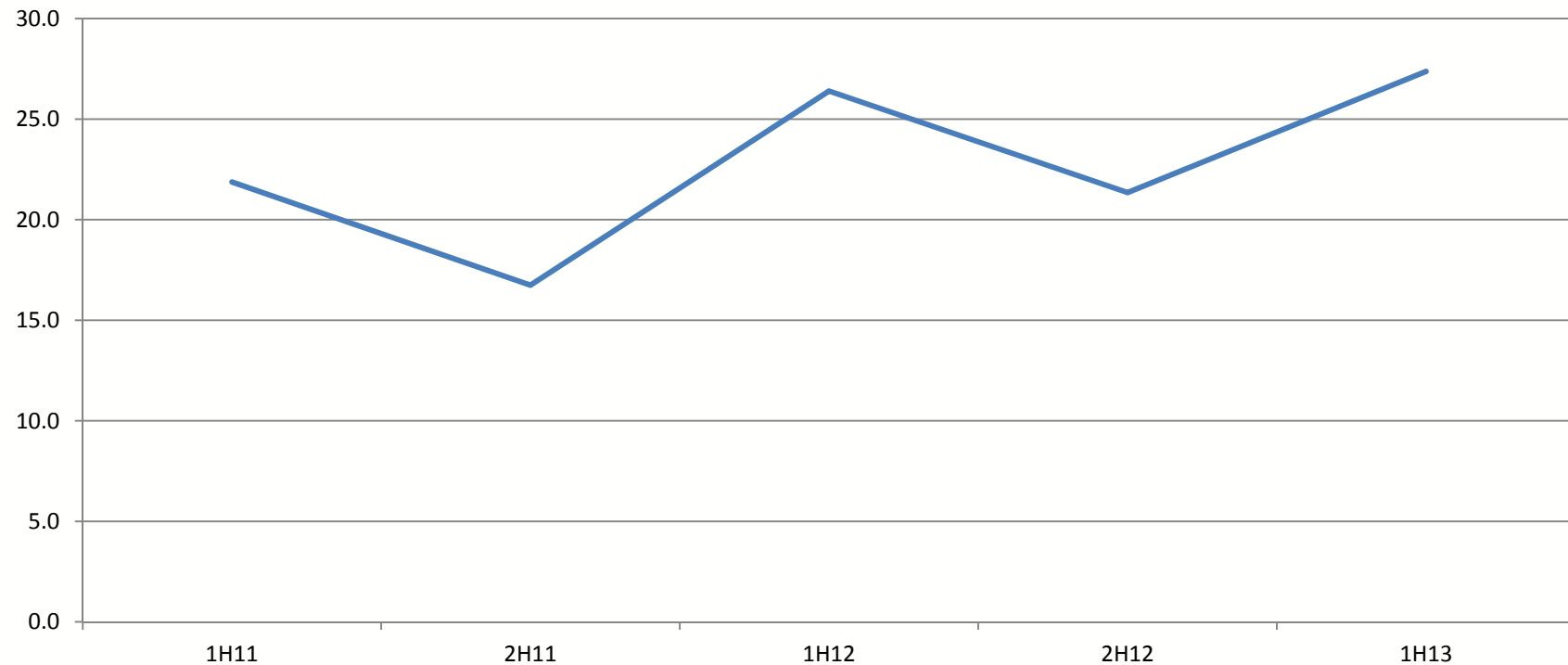
Revenue



EBIT (exc. Int Recd)



ROE Trend



Notwithstanding a challenging environment for Electrical's coal product, CMI maintained its upward ROE trajectory in 1H13.

Outlook - Electrical



Resource Sector

- The lower coal price has impacted on underground coal mine operators, causing deferral of some capital expenditure and pressure on operational costs. This has consequently impacted revenue from the sale of products into the underground coal mining sector.
- Sales revenue H1 from this sector is down 22% on prior year H1.
- While the coal price remains at current levels, revenue and cost pressures in that sector appear likely to continue.
- There is continuous research and development of product design, enhancement and new product.

Building & Construction Sector

- Sales revenue from the building and construction sector is generally reliant on the strength of the building industry in each state. There is therefore variance in sales performance between the states broadly in line with each state's economic performance.
- Sales revenue H1 from this sector is 12% above prior year H1.
- Sales in Western Australia are performing strongly in line with the strength of the economy and its construction industry.

Divisional Result

- Reduced sales of higher margin mining product and increased sales of lower margin building and construction product has changed the mix of sales margin, resulting in lower overall margin and lower earnings.
- January and February sales remain subdued. Sales February YTD 2013 down 6% on February YTD 2012.

- Continued focus on sales volumes. Mining slowdown is impacting sales volumes in some areas.
- Expanded manufacturing & assembly in China - premises identified.
- Supply chain & logistics transformation.
- Restructure of USA distribution arrangements and cost structure.
- Investment in online – new website launch this quarter.
- On-going re-investment in improving our organisational capabilities.
- Continuing improvements in new design time to market.
- Expand the TJM domestic stores network & build on existing TJM export distributor relationships.

- The board's intention, if earnings remain consistent, is to commence dividends based on the 2013 year.
- A long term performance rights incentive plan has been implemented to encourage retention and stability of senior management. Appropriate performance hurdles include operational revenue growth, profitability, share price growth and tenure.
- The receivership of Industrial is expected to conclude within 3 months. Current estimates from the Receivers are for minimal recovery of the receivable and there is no assumption of value on CMI's balance sheet. A bankruptcy trustee has been appointed to the individual that provided the \$2.5m guarantee receivable security.
- 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.