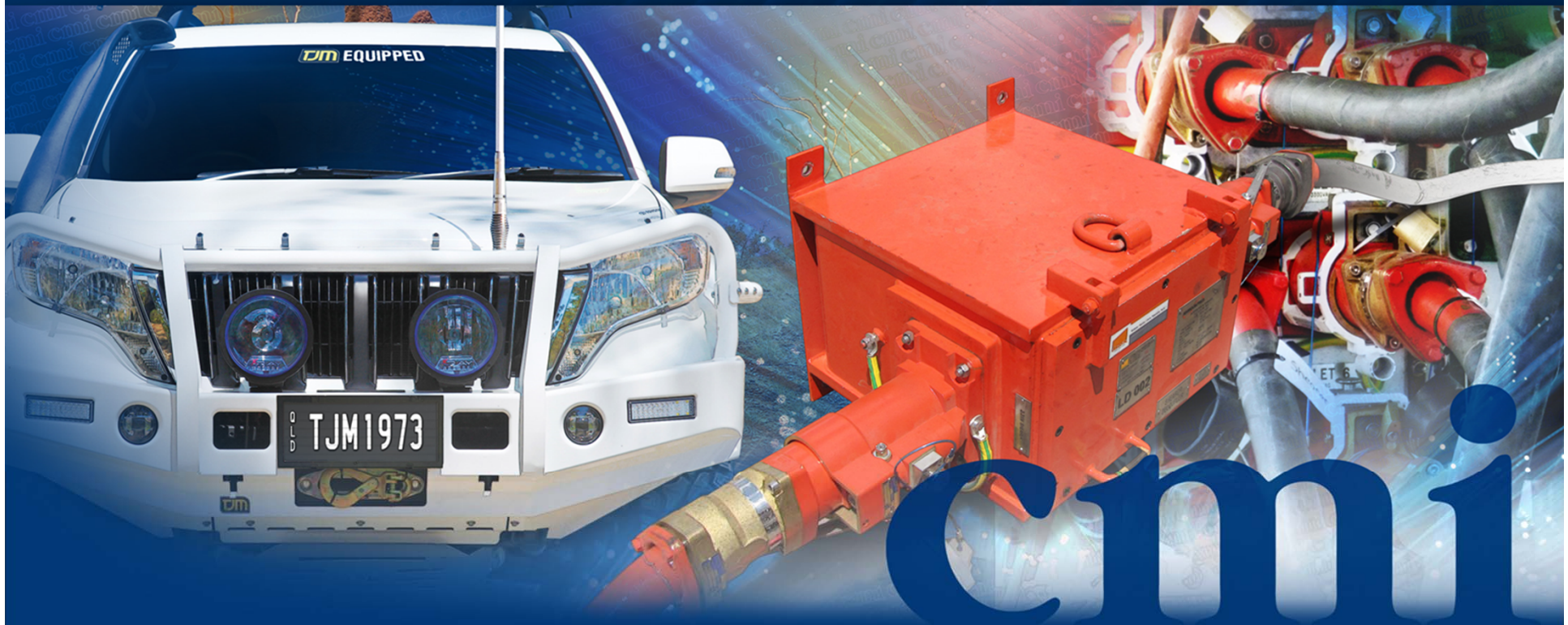




Investor Presentation 2014 Full Year Results

5 SEPTEMBER 2014



Andrew Buckley – Executive Chairman
Sharyn Williams – C.F.O.

Disclaimer



This document, and any constituent or associated presentation, information or material (collectively, the **Material**), is not (and does not form part of) an offer, solicitation, invitation or recommendation in respect of any securities and neither the Material nor any part of it will form the basis of, or be relied upon in connection with, any contract, commitment or investment decision.

No representation or warranty is or will be made by any person (including CMI Limited and its officers, directors, employees, advisers and agents (**CMI**)) in relation to the accuracy or completeness of all or part of the Material, or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in, or implied by, the Material or any part of it. To the maximum extent permitted by law, CMI does not accept any responsibility, and disclaims any liability (including, without limitation any liability arising from fault or negligence), for any loss arising from any use of or reliance upon all or any part of the Material or otherwise arising in connection with it or for any action taken by the recipients of the Material on the basis of such Material.

The Material contains certain forward-looking statements with respect to the financial condition, results of operations and business of CMI and certain plans and objectives of the management of CMI. All such forward-looking statements involve known and unknown risks, significant uncertainties, assumptions, contingencies and other factors, many of which are outside the control of CMI, which may cause the actual results or performance of CMI to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such forward-looking statements speak only as of the date of the Material. Factors that could cause actual results or performance to differ materially include without limitation the following: fluctuations in interest and currency exchange rates, basis risk and credit risk; levels of supply and demand and market prices; legislation or regulations throughout the world that affect CMI's business; legal defense costs, insurance expenses, settlement costs and the risk of an adverse decision or other outcome relating to governmental investigations, class actions or other claims; growth in costs and expenses; risk of adverse or unanticipated market, financial or political developments (including without limitation in relation to commodity markets).

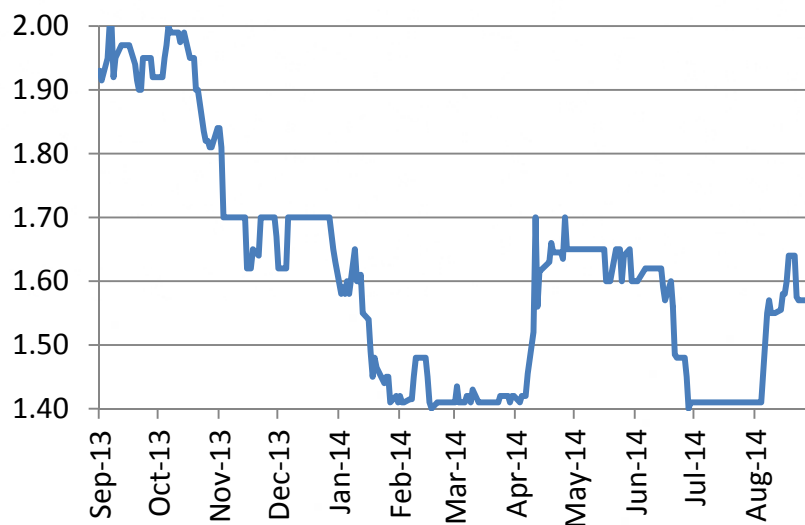
The Material is provided for informational purposes only and is subject to change without notice. Subject to any obligations under applicable laws, regulations or securities exchange listing rules, CMI disclaims any obligation or undertaking to release any updates or revisions to the Material to reflect any change in expectations or assumptions. Nothing in the Material should be interpreted to mean that future earnings per share of CMI will necessarily match or exceed its historical published earnings per share, or that there has been no change in the affairs of CMI since the date of the Material.

Nothing contained in the Material constitutes investment, legal, tax or other advice. The information in the Material does not take into account the investment objectives, financial situation or particular needs of any recipient. Before making an investment decision, each recipient of the Material should make its own assessment and take independent professional advice in relation to the Material and any action taken on the basis of the Material.

Corporate Profile



ASX Code	CMI
Share Price (4 Sep 2014)	\$1.57
Issued Capital	
- Shares	34.6m
- Performance Rights	0.5m
Market Capitalisation	\$54.2m
Cash (30 June 2014)	\$ 6.7m
Debt (30 June 2014)	\$ 0.1m
Net Cash	\$ 6.6m
12 Month High / Low	\$2.00 / \$1.40



Substantial Shareholders

- Le Rae Pty Ltd & Others (38.06%)
- Acorn Capital Limited (8.90%)

Top 10 shareholders (60.14%)

Top 20 shareholders (70.58%)

Board and Senior Management

- Andrew Buckley – Executive Chairman
- Jeff Forbes – Non-Executive Director
- Leanne Catelan – Non-Executive Director
- Sharyn Williams – CFO/Company Secretary
- Jeff Heslington – GM - CMI Electrical
- Stephen O'Brien – GM - TJM Products

Businesses with long operating histories

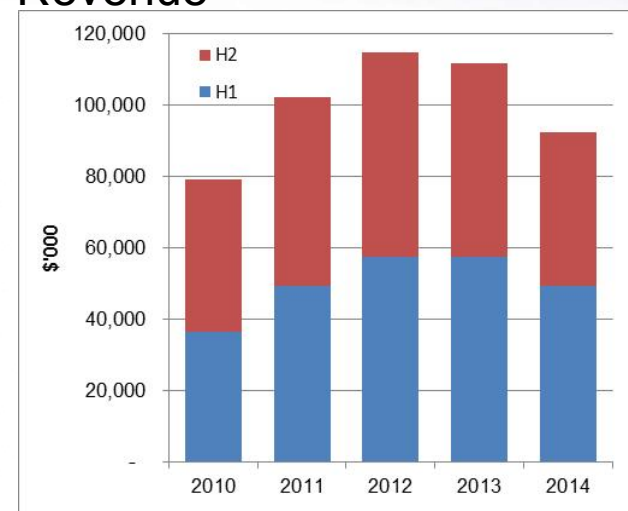
- Electrical division formed in 1998 – 15+ years
- TJM commenced operations in 1973 – 40+ years

Performance FY2014

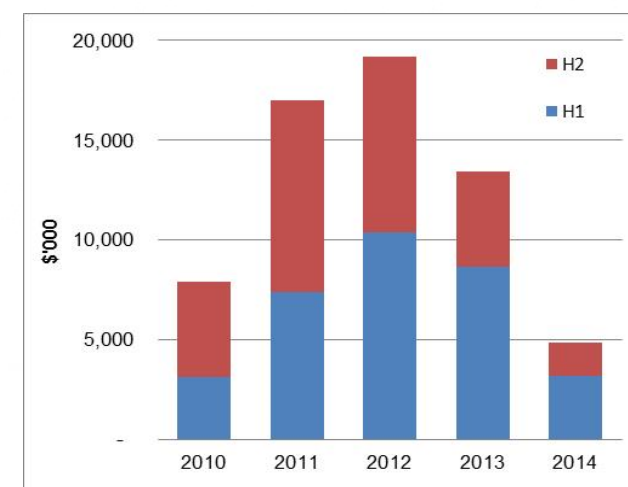


- Revenues decreased 17%
 - Electrical 28% decrease
 - TJM 1% growth
- NPAT
 - \$3.5m down 64% down from \$9.8m
- EBIT - \$5.0m
 - 1H14 \$3.2m; 2H14 \$1.8m
- EPS
 - FY14 10.29; FY13 29.05
- Cashflow from operations
 - \$6.0m (FY14) vs. \$10.7m (FY13)
- Net cash \$6.6m
- Dividends maintained in FY14 – 6 cents (fully franked)
- Overall disappointing performance for both divisions
- Board Restructure during FY14 focused on regenerating performance

Revenue



EBIT*



* Before Net Interest, Impairment & Discontinued Operations

FY2014 Profit Summary

	Electrical	TJM	Corp	FY2014
	\$'000	\$'000	\$'000	\$'000
Revenue	50,853	41,448	90	92,391
EBITDA	11,233	(2,248)	(2,220)	6,765
EBITDA margin %	22%	(5%)		7%
EBIT	11,052	(3,829)	(2,222)	5,001
Operating PBT	11,052	(3,839)	(2,372)	4,841
Tax				(1,294)
Reported NPAT				3,547

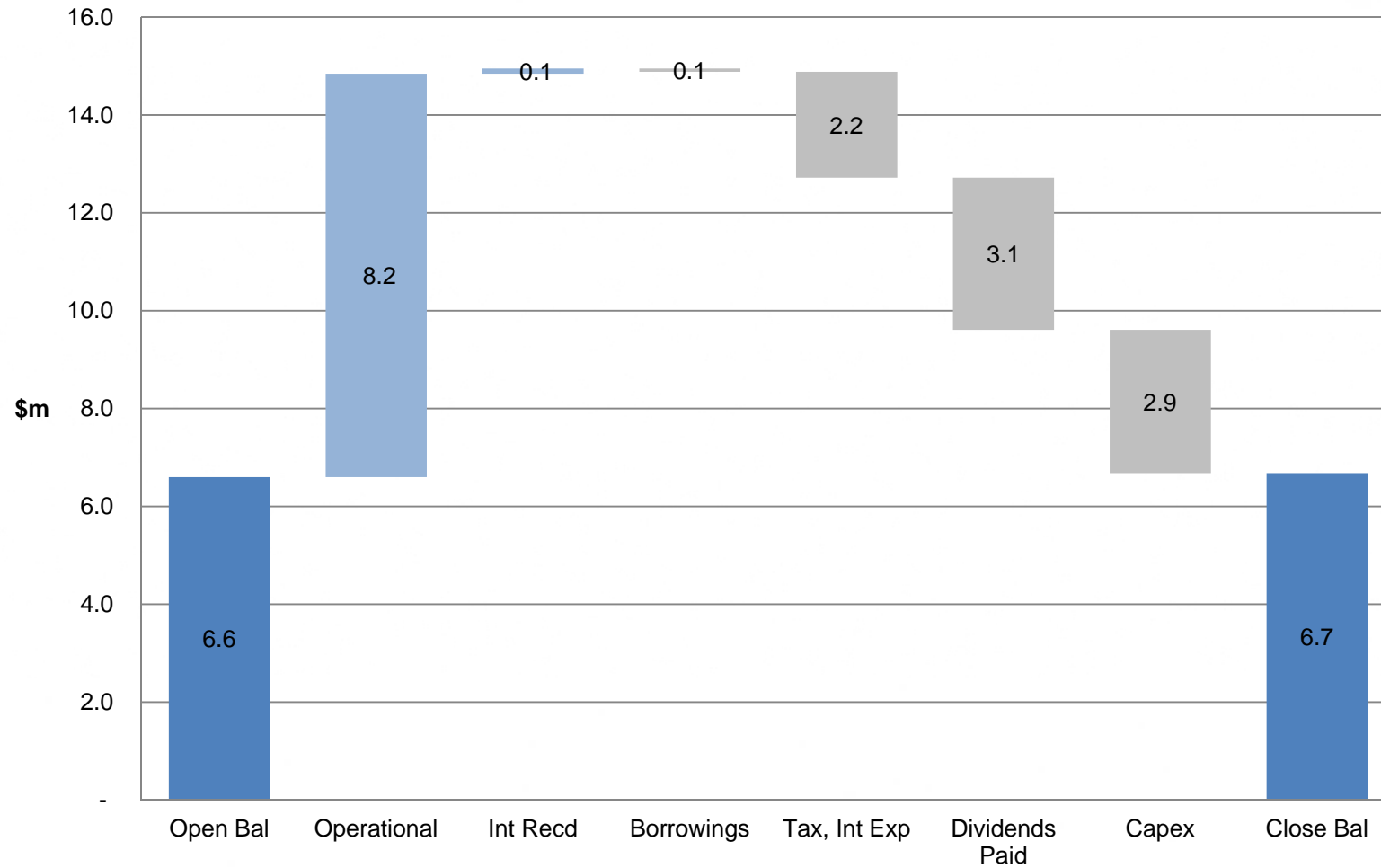
- TJM losses continue however a plan has been implemented that is expected to deliver an improved result
- CMI Electrical performance was down largely due to poor market conditions in the coal mining sector and reduced infrastructure and construction activity
- We are looking at opportunities to diversify the CMI Electrical markets and products
- Considering all strategic options for TJM

FY2014 Balance Sheet

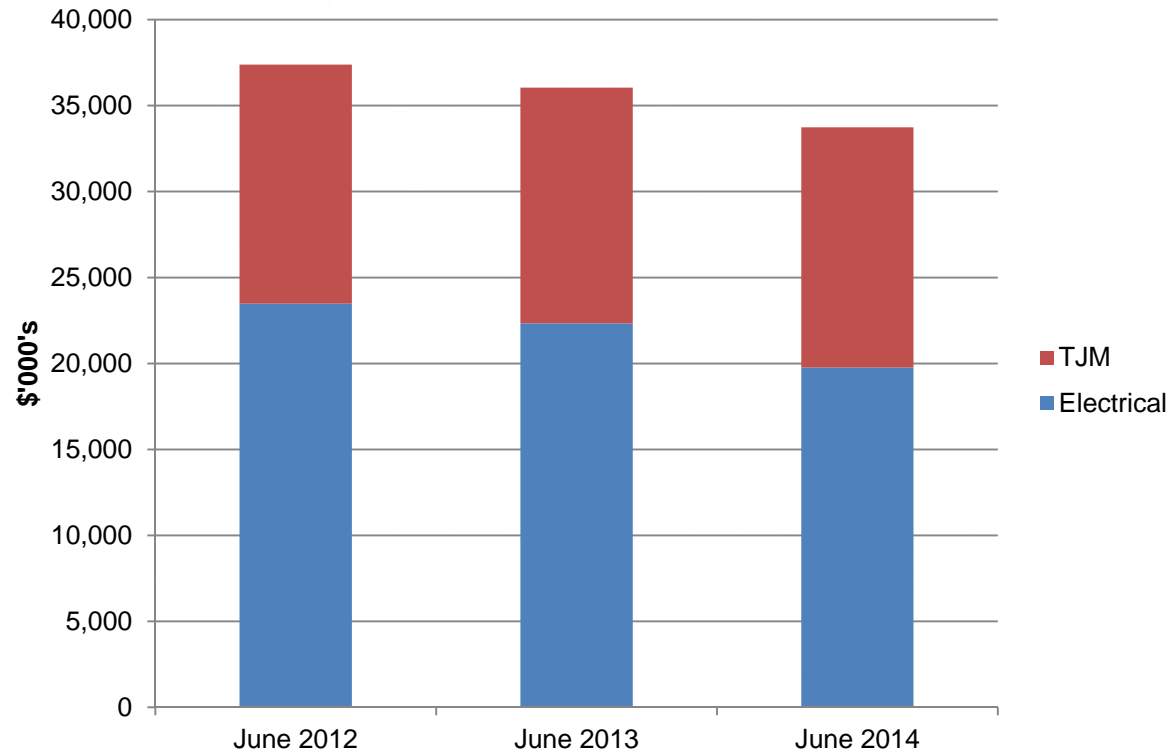
	Electrical	TJM	Corp	FY2014
	\$'000	\$'000	\$'000	\$'000
Current assets	24,004	21,732	5,923	51,659
Non-current assets	9,473	6,981	318	16,772
Total assets	33,477	28,713	6,241	68,431
Current liabilities	4,742	6,300	315	11,357
Non-current liabilities	55	106	28	189
Total liabilities	4,797	6,406	343	11,546
Shareholders equity	28,680	22,307	5,898	56,885

- Balance sheet remains strong with negligible debt
- Cash position remains strong
- Operating cash flow was \$6.0 million

Cash Generation FY2014



Working Capital



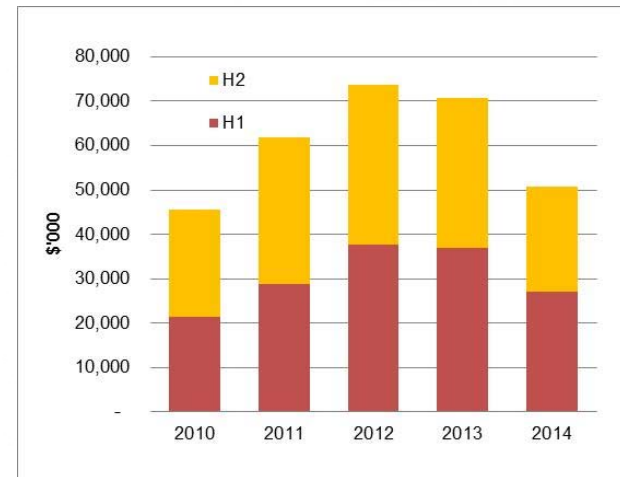
*Working Capital = Inventory + Trade debtors – Trade creditors

Electrical Division

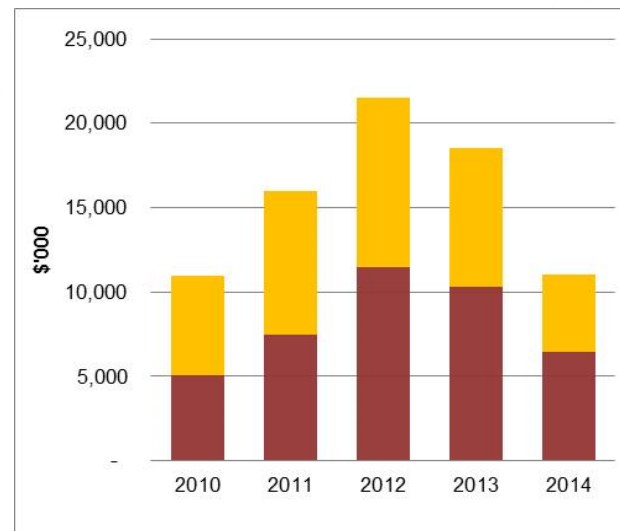


- Formed in 1998, distributes and manufactures industrial electrical products
- Design and supply of plugs, couplers, high voltage cables, flexible cables, fire and explosive retardant products and manufacture of specialty electrical cables
- Provides electrical products to:
 - Mining sector with a focus on underground coal mining
 - Construction industry for utilities, industrial and infrastructure projects
 - Electrical wholesalers, workshops & contractors
 - Gas, petroleum and other hazardous industries
- Significant IP in Minto (plugs) and Flameproof products

Revenue



EBIT



Electrical Division



- Operates across 7 sites in Australia
- Experienced, stable management
- 56 employees (approximately)
- 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
 - Supplies certified flameproof junction and switch boxes
 - Expands exposure to oil and gas markets
- Revenue decreased 28%
 - Mining product revenues decreased 30%
 - Construction product revenues decreased 27%
 - Lower overall margin due to change in sales product mix

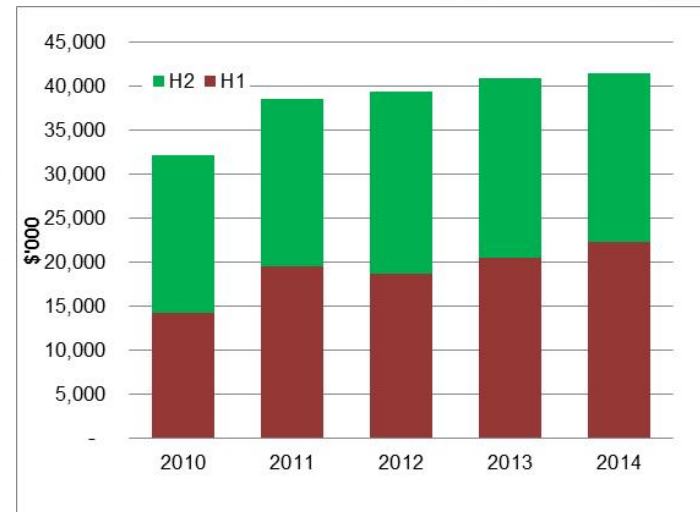


TJM Products

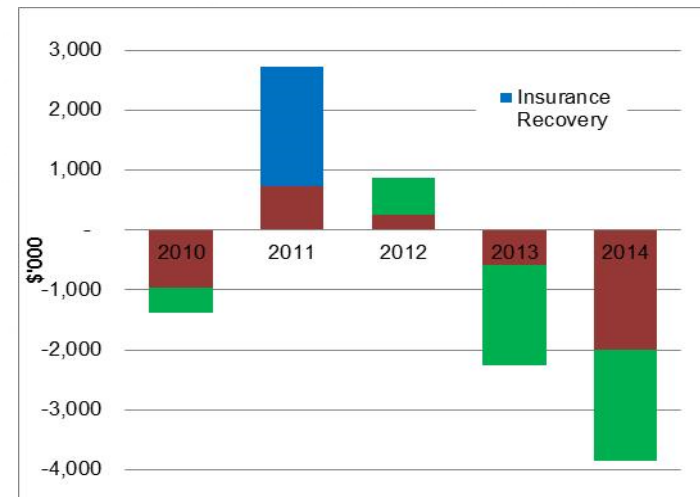


- Established in 1973
- Designs, manufactures and distributes accessory products for 4WD and light commercial vehicles
- Provides products to:
 - Australian aftermarket \$23.8m*, 57% of revenue
 - Exports \$10.7m*, 26% of revenue; and
 - Original Equipment \$6.9m*, 17% of revenue
- 127 employees across Australia, China & USA (approximately)
- TJM FY2014 revenues are up 1%:
 - Domestic store sales increased 23%
 - OE sales decreased significantly
 - Export sales were stable
 - Earnings impacted by increased cost of goods, unfavourable currency movements and drop in OE revenue
- Plans implemented to improve margins

Revenue



EBIT



TJM Products



- Product range includes:
 - Bull bars (Steel & Alloy)
 - Side/rear bars
 - Suspension
 - Recovery equipment
 - Camping equipment
 - Differential lockers
 - Snorkels & Flares
- 58 branded independently owned TJM stores across Australia
- Exports to 38 countries via independent distributors
- Significant IP in product designs especially Bullbars
- Potential to better exploit major retail sales channel through TJM stores



Dividend Policy



- Board has reviewed dividend policy
- Previous policy was 40% payout ratio
- Healthy cash flow and strong balance sheet has allowed the Board to adjust policy
- New policy is to allow up to 60% of profits to be paid out

Board Changes



- In April 2014 there was a significant restructure of the CMI Limited Board
- Danny Herceg (former Chairman) and Ross Rolfe (former non-executive Director) stepped down
- Andrew Buckley joined the Board as Executive Chairman
- Jeff Forbes joined as an independent non-executive Director
- Leanne Catelan remained on the Board as a non-executive Director
- Sharyn Williams stepped down as a Director and continued the C.F.O. and Company Secretary roles
- New Board is focused on extracting value from TJM and looking at growth options for the whole of CMI Limited

- New Board and Executive Chairman are considering all options for the business
- Key strategic requirement is to determine the future of TJM Products division
- Adviser engaged to review all strategic options
- Review almost complete with outcomes to be determined by December 2014
- Review outcomes will only be implemented if value can be realised for shareholders
- In parallel, full Executive Management focus is on improving TJM operational performance
- Future direction of CMI is likely to include further growth and diversification options for the Electrical products area of the business

Outlook



- Impact of subdued conditions in the resources sector remains significant for CMI Electrical division and is not expected to recover quickly
- Some improvement in infrastructure and construction activity expected in second half of FY15
- These conditions expected to continue to impact earnings well into FY15
- TJM losses to be corrected through improved fundamentals, better management of supply chain and improved commerciality of arrangements with our franchisees
- While confident of turning TJM around, we are also exploring other strategic options
- A strong balance sheet allows CMI to invest capital and grow our existing businesses, while continuing to look for opportunities to create value for shareholders, including potential acquisitions.