CAPRAL
ALUMINIUM

Analyst Presentation 2005

Full Year Results
Year Ended 31 December 2004

2004 Issues

- Capacity
- Bremer Delays
- Market Dynamics
- Product / Price Mix

Capacity

- Minto closure – too early
- Qtr 4 capacity impacted
- Transition plan not well managed
- Mitigation plans in place for 2005

Bremer Delays

- Software issues impacted production
- Commissioning issues with Packaging lines and Aging Ovens
- Recruitment and training has been more complex than anticipated

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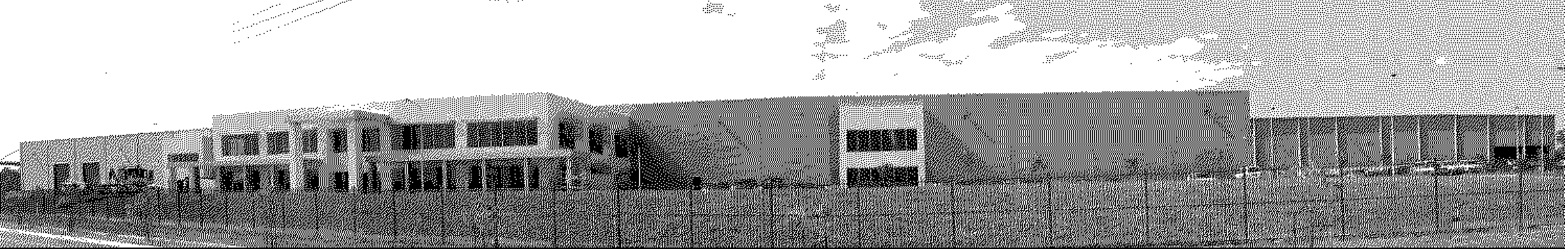


Market Dynamics

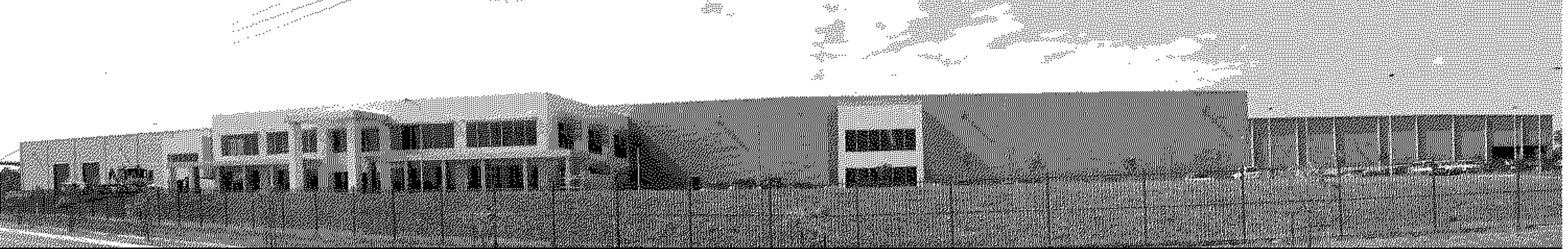
- Imports continued to take market share
- LME increased in 2004 – time lag between cost increase and price recovery
- Import volume led to aggressive domestic pricing

Product / Customer Mix

- Sales mix skew towards lower margin larger customers
- Finishing margins low
- Capacity constraints resulted in stock outs in trade centres and warehouses

2005 Priorities

- Appoint CEO
- Complete Bremer
- East Coast closures
- Manage customer expectations
- Achieve budget milestones



Appoint CEO

- Search agency appointed
- Long list being reviewed
- Anticipate appointment by June 05

Complete Bremer

- B1 and B2 presses operational by May 05
- Anodising – March 05
- 2nd paintline – March 05
- Warehouse – progressively commissioned through to May 05
- Operational management separated from project management
- Recruitment and training program – completed by June 05

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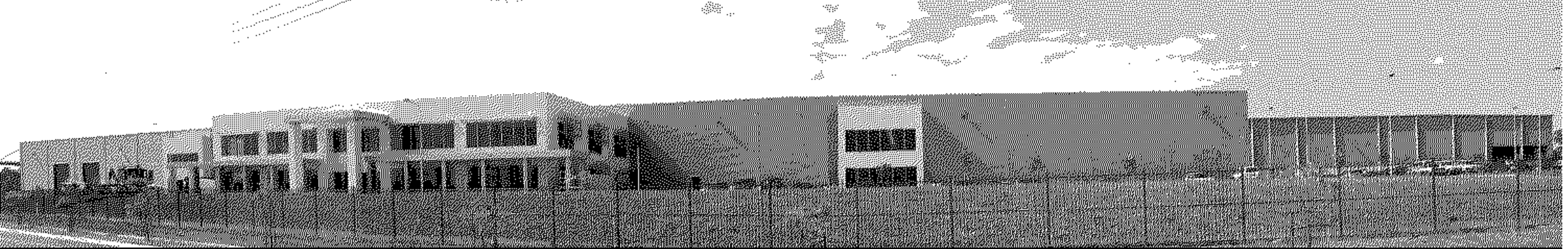
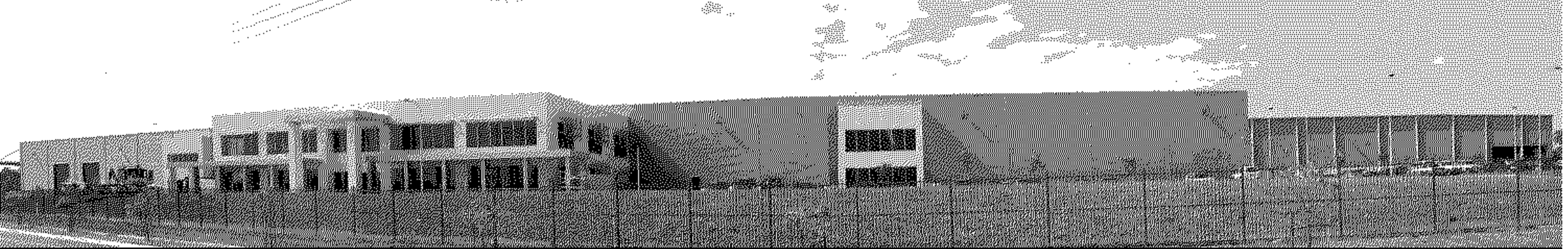
East Coast Closures

- Eagle Farm – closure extended to June 05
- Milperra – phased closure between April 05 – June 05
- Murrarie – closure complete by Feb 05



Manage Customer Expectations

- 1st Half 05 – DIFOT improvement
- 2nd Half 05 – begin to capitalise on the "Bremer service opportunity"



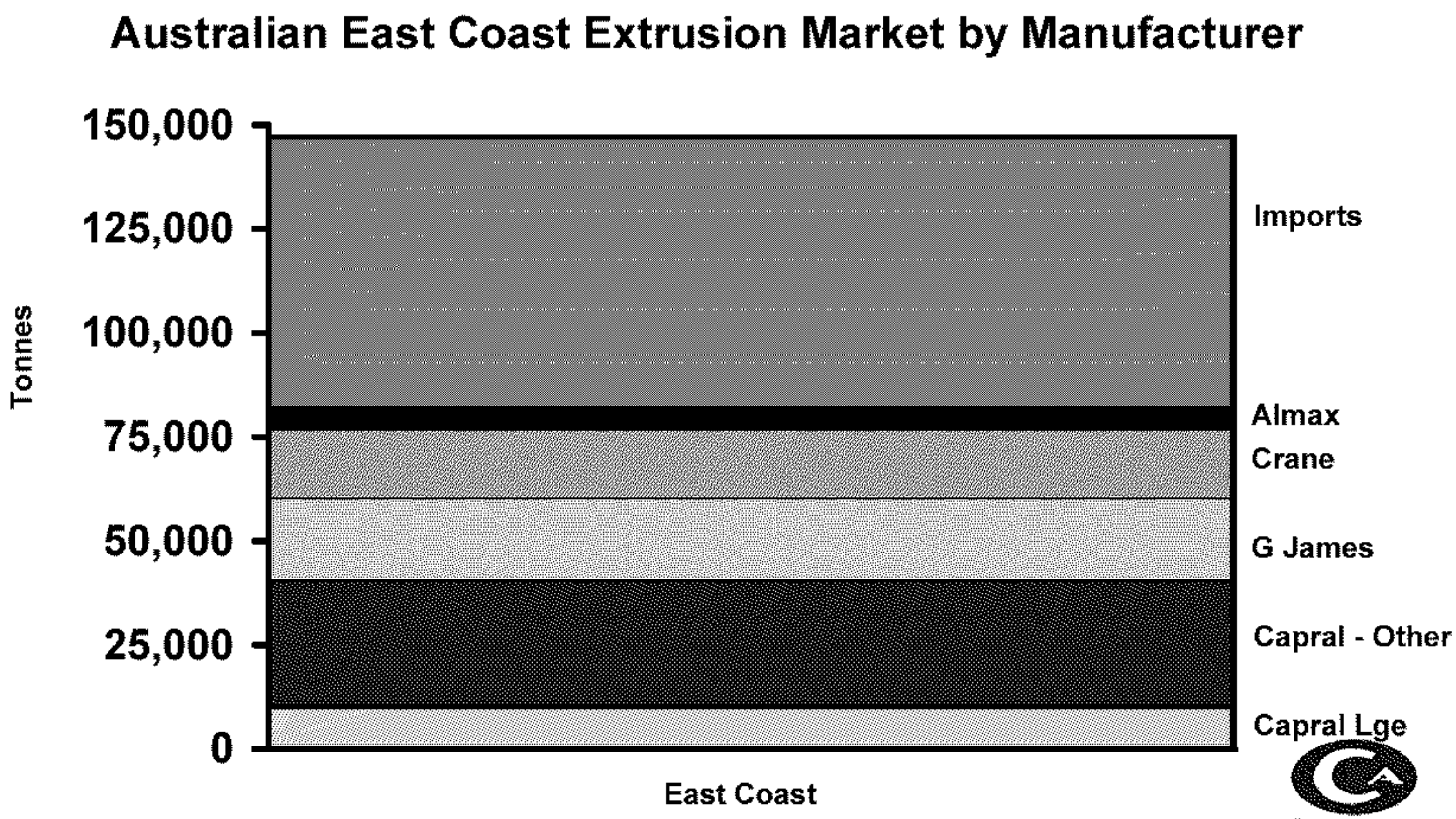
Achieve Budget Milestones

- Prudent budget has been set for 2005
- Critical for Capral to deliver on it’s 2005 financial targets
- Company wide focus

The Future - A New Capral

- Regional company structure
- Three manufacturing plants
- Complete service offering
- Systems driven
- Customer focus
- Step outs

Focussing on the East Coast market, the majority of extrusions are imported (~64,000 tonnes per annum)



Earnings Summary – Full Year December 2004

	000s	
	2004	2003
Revenue from operating activities	356,837	382,321
Revenue from outside the operating activities	4,306	22,120
Total Revenue	**361,143**	**404,441**
EBITDA	(30,222)	5,103
D&A	(12,412)	(12,173)
EBIT	(42,634)	(7,070)
Interest Expense	(726)	(595)
(Loss) Before Taxation	(43,360)	(7,665)
Taxation (Expense)/Benefit	(27,591)	3,346
(Loss) After Taxation	**(70,951)**	**(4,319)**

Underlying Performance – Full Year December 2004

	000's		
	2004	2003	Better / (Worse)
Revenue from operating activities		*	
Sales Revenue Australia - core business	322,696	347,577	(24,881)
Other (primarily scrap sales)	34,141	34,744	(603)
	356,837	**382,321**	(25,484)

	000's		
	2004	2003	Better / (Worse)
EBIT	**(42,634)**	**(7,070)**	(35,564)
Significant non operating items :			
Profit on sale of property, plant & equipment	(709)	(2,367)	(1,658)
Restructuring cost	20,041	6,114	(13,927)
Underlying EBIT performance	**(23,302)**	**(3,323)**	(19,979)

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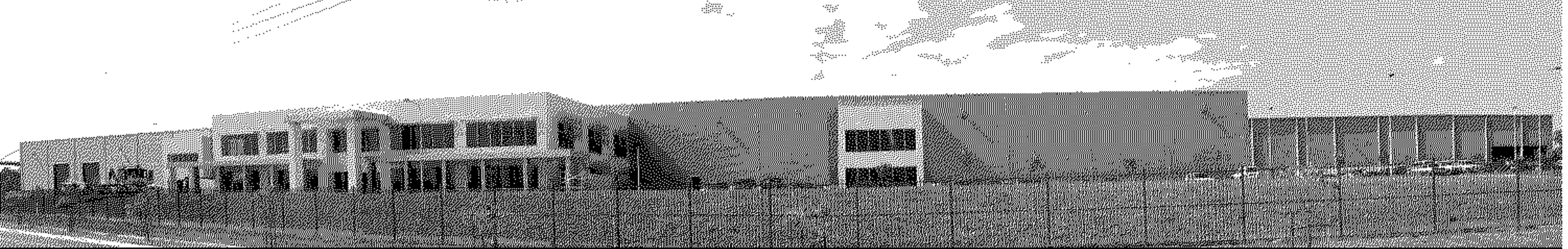

Restructuring Cost

	000s	
	2004	2003
Redundancies	14,731	4,405
Bremer Operational Readiness	2,403	1,197
Additional Rent	1,246	0
Industrial Press Dies	992	0
Other	669	512
	20,041	**6,114**

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Year over Year EBIT – Full Year December 2004

	000s
Underlying EBIT FY 03	(3,323)
Underlying EBIT FY 04	(23,302)
EBIT Variance	**(19,979)**

Volume/Mix	(12,872)
Bremer Manufacturing Variance	(4,481)
Campbellfield Manufacturing Variance	(5,230)
Overhead Reduction & Other Items	2,604
	(19,979)

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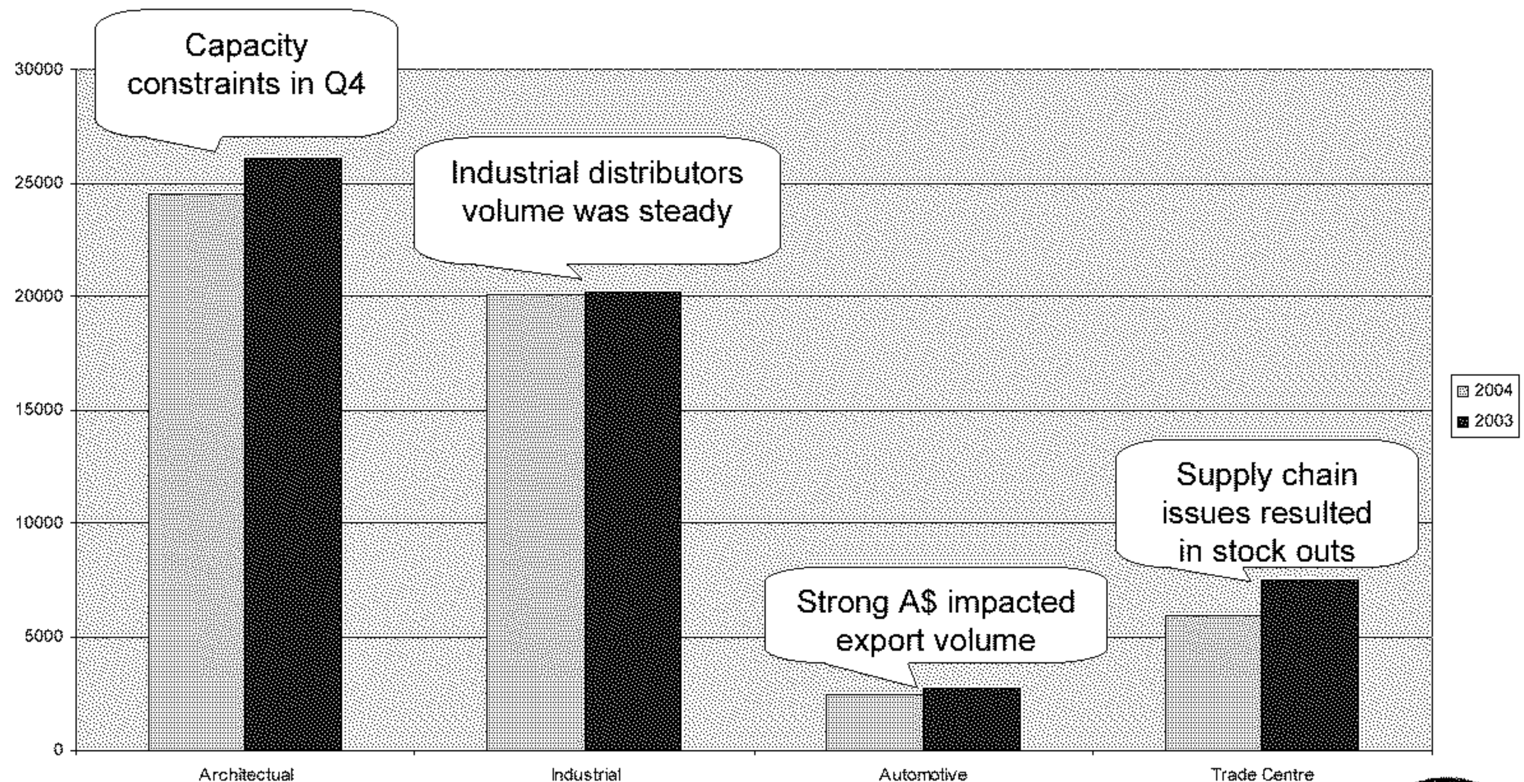
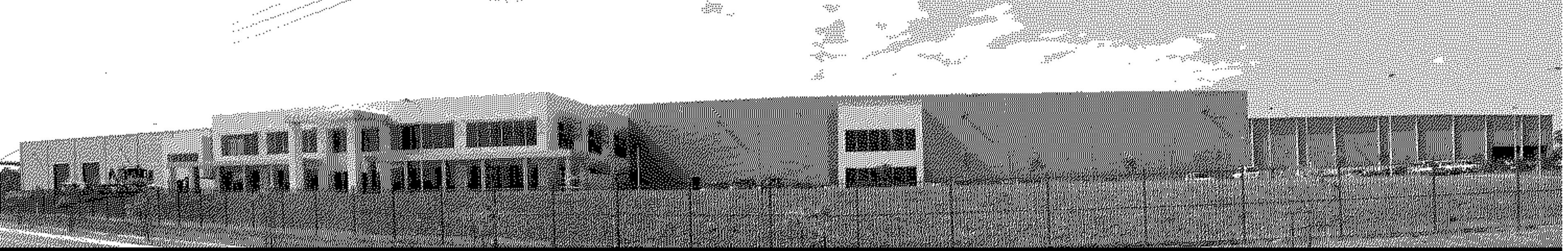
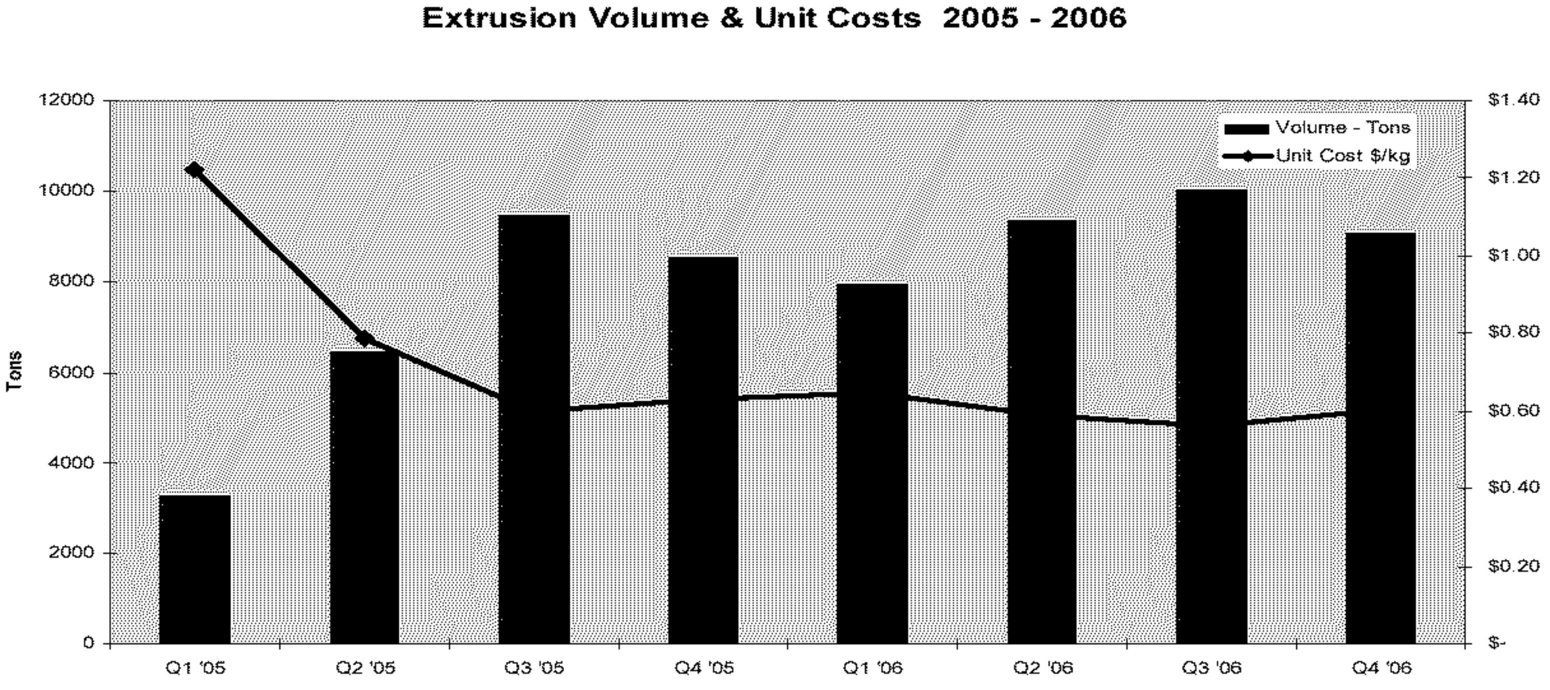
Volume by Segment 03 vs 04





Bremer Park - Extrusion



- Q2 2005 - Presses B1 & B2 operational
- Q3 2005 - All presses on 6 day 24 hrs pw roster
- Q2 2006 – Close to achieving production capability

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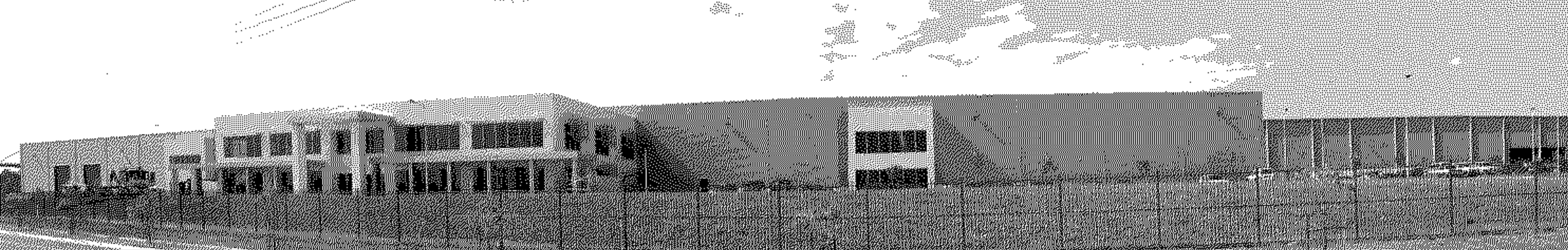

Overhead Analysis – Full Year December 2004

	000's	
	2004	2003
Warehouse Overheads	11,657	10,460
Selling Expenses	28,836	31,751
Information Technology	8,708	8,703
Corporate Overheads	11,324	13,006
	60,525	**63,920**

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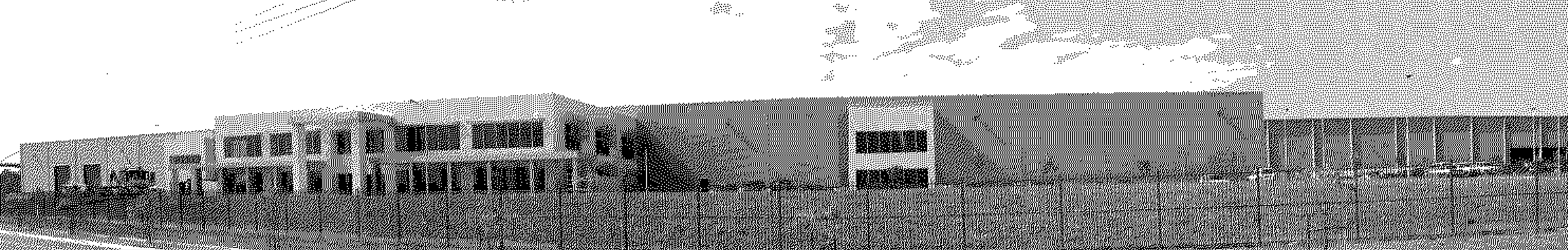

Headcount – Full Time Equivalents

	000s	
	2004	2003
Corporate	55	66
Manufacturing	640	744
Western Australia	107	108
Sales	156	216
Total	**958**	**1,134**

To exit on closure:		
Milperra	65	(all)
Eagle Farm	128	(most)
Murrarie	34	(most)

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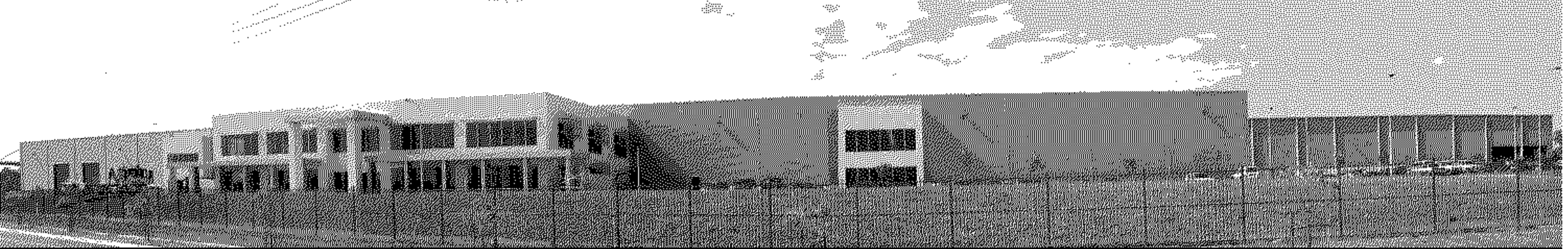
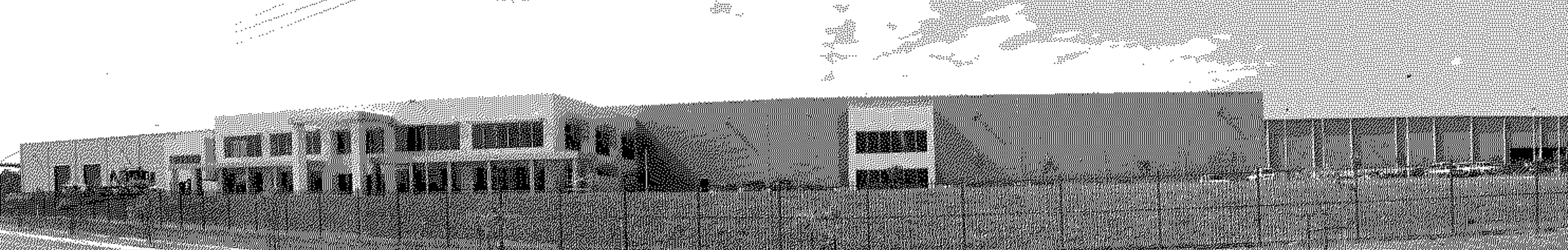


Balance Sheet

Full Year
31 December 2004

	000's	
	2004 FY	2003 FY
Current Assets & Liabilities		
Cash	1,388	2,646
Receivables	52,989	61,687
Inventories	43,461	48,132
Payables	(57,772)	(54,274)
Borrowings	(26,121)	(10,881)
Provisions	(2,801)	(3,656)
Other	4,928	4,313
Total	**16,072**	**47,967**
Long Term Assets & Liabilities		
Receivables	6,965	7,478
Tangible Fixed Assets	167,056	139,924
Intangible Assets	4,862	5,781
Deferred Tax Assets	205	31,024
Investments in associates	10,152	8,321
Deferred Tax Liabilities	0	(3,471)
Borrowings	(35,169)	(26,638)
Provisions	(570)	(1,104)
Total	**153,501**	**161,315**
Net Assets	**169,573**	**209,282**
Contributed Equity	156,446	124,664
Reserves	12,971	13,802
Retained Profits	156	70,816
Total Equity	**169,573**	**209,282**



Cash Flow – Full Year 31 December 2004

	000s	
	2004 FY	2003 FY
Net Cash (Outflow) from Operating Activities	**(20,191)**	**(2,652)**
Cash Flows from Investing Activities		
Capital Expenditure	(39,324)	(64,977)
Proceeds from Sale of PP&E	3,452	19,720
Payments for Intangible Assets/Investments	0	(2,000)
Other Items	44	856
Net Cash (Outflow) from Investing Activities	**(35,828)**	**(46,401)**
Cash Flow from Financing Activities		
Proceeds/(Repayment) of Debt	21,826	21,632
Share Issue	31,782	24,917
Dividends Paid	(1,622)	(4,224)
Net Cash Inflow from Financing Activities	**51,986**	**42,325**
Net Cash Outflow	**(4,033)**	**(6,728)**

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Operating Working Capital Performance

(excluding Borrowings, Cash & Taxation)	000's		
	2004 FY	2003 FY	2002 FY
Current Assets			
Receivables	52,989	61,687	59,708
Inventories	43,461	48,132	47,797
Other Current Assets	4,928	4,313	3,361
Current Liabilities			
Payables	(57,772)	(54,274)	(55,829)
Other Provisions	(2,801)	(3,656)	(3,966)
Operating Working Capital	**40,805**	**56,202**	**51,071**
Movement – Year on Year	***15,397***	***(5,131)***	

Decrease/(Increase)

Major Capex Projects 2002-2004 - Summary

$m	Budget	Total Spent to 31/12/04	Still to Spend	
Bremer Park	88.0	93.3	3.0	Capital Payments
			(3.5)	Still to be received
			(0.5)	
Campbellfield	21.8	21.7	0.1	Retentions on building
One System	8.0	8.7	0	
	117.8	**123.7**	**(0.4)**	