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16 August 2007

Company Announcements  
Australian Stock Exchange Limited  
Level 8, Exchange Plaza  
2 The Esplanade  
Perth WA 6000

Dear Sirs,

**ANNOUNCEMENT: FY07 Results**

We attach an Announcement for immediate release to the Market.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Patrick Raper', with a long horizontal stroke underneath.

**Patrick Raper  
Company Secretary  
CMA Corporation Ltd**

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16 August 2007

**CMA announces major profit increase for FY07, predicts further strong growth in FY08**

**Highlights**

- Net profit up 284% to \$6.5 million
- Revenue more than doubles to \$237.3 million
- EBITDA up 139% to \$18.1 million
- Earnings per share up 246% to 4.5 cents
- Strong activity across all metals recycling activities
- Profit growth exceeds revenue growth
- Successful acquisition and integration of 4 new businesses
- Successful \$37 million capital raising to acquire Southern Recycling
- Achieved critical mass and economies of scale in national operations
- Platform for strong revenue and earnings growth in FY08

Metals recycling group CMA Corporation Limited (ASX: CMV) today announced a \$6.5 million net profit for the 12 months to 30 June 2007, a 284% increase on the previous year.

Revenue for the year rose by 103% to \$237.3 million and EBITDA was up 139% at \$18.1 million.

Basic earnings per share were 4.5 cents, up from 1.3 cents in FY06.

CMA Managing Director Peter Hatfull said the profit growth was very pleasing and put the company in a position for continued strong revenue and earnings growth in FY08.

“The 2007 profit result shows the real benefits of our expanded metals recycling network and we now have in place an outstanding platform for growth from our existing operations,” said Mr Hatfull.

The company’s New Zealand operation, Scrap Metal Recyclers, traded very strongly through FY07, contributing \$87.5 million or 36.9% of group revenue.

CMA’s demolition and contracting arm had a solid year, with increased revenue and a positive contribution to earnings.

The 2007 results do not include any contribution from Southern Recycling, acquired by CMA on 4 July 2007 and expected to be a major contributor to group earnings in the current financial year.

CMA’s higher group profit in the year to 30 June 2007 was driven by higher throughput across the expanded dealer network in Australia and New Zealand.

For the year, CMA sold 294,789 tonnes of ferrous scrap (2006: 190,902 tonnes) and 30,924 tonnes of non-ferrous scrap (2006: 13,344 tonnes).

The company was also able to achieve improved margins in its metals recycling as a result of the higher tonnages handled and better trading terms as a result of the group's expanded size.

"The acquisition program through 2007 gave CMA critical mass in its infrastructure and operations, with positive impact on the bottom line," said Mr Hatfull.

"We have been able to lower our costs and secure better trading margins. With the addition of Southern Recycling, we can expect further improvements in cost structure and scale benefits."

Through the 2007 year, CMA acquired four businesses across Australia:

- Sydney-based National Australian Scrap (Rex Metals), acquired in July 2006
- Port Hedland-based Triumph United (J&M Metals), acquired in October 2006
- Brisbane-based T & T Metal & Asbestos Services (Queensland), acquired in October 2006
- Brisbane-based Mann Metals, acquired in May 2007.

Mr Hatfull said the acquisitions, including Southern Recycling which settled after balance date, gave CMA a national network of operations that would support substantial increases in throughput in the years ahead.

"In addition to the physical presence of the network, the infrastructure will support the addition of value added investments such as baler shears metal processing units that greatly increase the value of metals handled," he said.

"With the addition of Southern Recycling, CMA now has a significant metals capability in trading, processing and recycling.

"This means CMA has exposure to a number of points in the metals recycling value chain with multiple revenue streams and a diversity of suppliers and customers."

CMA now has established recycling contracts with some of Australia's biggest industrial groups, including Amcor, Visy, Telstra and Ford.

Mr Hatfull said Southern Recycling's recycling and processing capabilities gave CMA an added dimension in terms of Federal legislation governing recycling of hazardous materials and landfill bans for materials such as fluorescent tubes.

Southern Recycling's operations include Australia's most advanced fluorescent tube recycling facility, which is already contracted by major retailing groups.

"Southern Recycling has a history of innovation in recycling and metal processing, and provides CMA with an increased capability to add value to its product. This will boost margins across the CMA group," Mr Hatfull said.

Mr Hatfull said the outlook for FY08 was very good, with strong increases in activity expected in all areas of metals recycling.

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“We anticipate strong increases in revenue and earnings, with improved contributions from all divisions,” he said.

Mr Hatfull said CMA was also looking forward to completing the acquisition of Singapore-based Peakmore Enterprise.

On 19 July 2007, CMA announced that it had entered into a conditional agreement to acquire Peakmore, a processor and trader of secondary metals.

Mr Hatfull said Peakmore would give CMA better exposure to the highly active Asian market as well as more control of the vertical metal trading chain in a market where we CMA was already very active.

CMA will hold its Annual General Meeting at the Museum of Sydney on 26 November 2007.

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**For more information please contact:**

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