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28 April 2006

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

Dear Sirs,

ANNOUNCEMENT – Profit Guidance

We attach an Announcement for immediate release to the Market.

Yours faithfully,



**Patrick Raper
Company Secretary
CMA Corporation Limited**

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28 April 2006

Profit Guidance

CMA Corporation Limited (ASX: CMV) advises that its Board has decided to revise its earnings forecast for the 2006 financial year. The full year net profit for the year ending 30 June 2006 is now expected to be in a range of \$1-2 million. This compares with previous guidance of net profit for FY06 in the range of \$6.5-7.5 million.

The downgrade has resulted primarily from additional costs associated with completion of contracts by CMA's Contracting Division and delays in confirming new contracts that have been in the pipeline for some time.

CMA Chairman Alan Good said the revised profit guidance was very disappointing but that the Board had elected to adopt a conservative view of the profit expectations given the worse than expected performance.

"The Board regrets having to inform shareholders that the profit performance will be significantly lower than expected," said Mr Good.

"However, CMA's underlying business remains very strong and the Board remains committed to our growth strategy. An amount of approximately \$6.5 million of new capital expenditure, across both the Contracting and Metal Trading divisions has been approved in recent months."

Mr Good stated "The outlook for the company remains very positive".

CMA's Metal Trading Division has experienced stronger trading conditions in the past 3 months after experiencing price pressure in the first half of the financial year. Sales prices have returned to above forecast levels and have stabilised.

Managing Director Peter Hatfull said CMA remained confident of its ability to become a major force in the Australian scrap metal sector.

"We have built a strong network throughout Australia and New Zealand and we are well positioned to achieve consistent growth in revenue and earnings," said Mr Hatfull.

"The 3 acquisitions made this year have integrated well into our operations and will make a strong contribution to earnings in FY07."

Mr Hatfull said the Contracting Division was also better positioned. "We believe we are well placed to be selected for a number of sizeable projects, notwithstanding the delays in the letting of these contracts in recent months," he said.

CMA is scheduled to release its full year financial statements in late August.

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Further Information:

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