



Australian Government
**Department of Industry,
Innovation and Science**

**Anti-Dumping
Commission**

Application for the publication of
dumping and/or
countervailing duty notices

Aluminium Extrusions

exported from

Malaysia and Vietnam

APPLICATION UNDER SECTION 269TB OF THE *CUSTOMS ACT 1901* FOR THE PUBLICATION OF DUMPING AND/OR COUNTERVAILING DUTY NOTICES

DECLARATION

I request, in accordance with Section 269TB of the *Customs Act 1901* (the Act), that the Minister publish in respect of goods the subject of this application:

- a dumping duty notice, or
- a countervailing duty notice, or
- a dumping and a countervailing duty notice

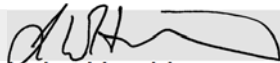
This application is made on behalf of the Australian industry producing like goods to the imported goods the subject of this application. The application is supported by Australian producers whose collective output comprises:

- 25% or more of the total Australian production of the like goods; and
- more than 50% of the total production of like goods by those Australian producers that have expressed either support for, or opposition to, this application.

I believe that the information contained in this application:

- provides reasonable grounds for the publication of the notice(s) requested; and
- is complete and correct.

Signature:



Name:

Luke Hawkins

Position:

General Manager – Supply and Industrial Solutions

Company:

Capral Limited

ABN:

78 004 213 692

Date:

27 June 2016

IMPORTANT INFORMATION

Signature requirements

Where the application is made:

By a company - the application must be signed by a director, servant or agent acting with the authority of the body corporate.

By a joint venture - a director, employee, agent of each joint venturer must sign the application. Where a joint venturer is not a company, the principal of that joint venturer must sign the application form.

On behalf of a trust - a trustee of the trust must sign the application.

By a sole trader - the sole trader must sign the application.

In any other case - contact the Commission's Client support section for advice.

Assistance with the application

The Anti-Dumping Commission has published guidelines to assist applicants with the completion of this application. Please refer to the following guidelines for additional information on completing this application:

- *Instructions and Guidelines for applicants: Application for the publication of dumping and or countervailing duty notices*
- *Instructions and Guidelines for applicants: Examination of a formally lodged application*

The Commission's client support section can provide information about dumping and countervailing procedures and the information required by the application form. Contact the team on:

Phone: 13 28 46

Fax: (03) 8539 2499

Email: clientsupport@adcommission.gov.au

Other information is available from the Commission's website at www.adcommission.gov.au.

Small and medium enterprises (i.e., those with up to 200 full-time staff, which are independently operated and which are not a related body corporate for the purposes of the *Corporations Act 2001*), may obtain assistance, at no charge, from the Department of Industry, Innovation and Science's International Trade Remedies Advisory (ITRA) Service. For more information on the ITRA Service, visit www.business.gov.au or telephone 13 28 46.

Important information

To initiate an investigation into dumping and/or subsidisation, the Commission must comply with Australia's international obligations and statutory standards. This form provides an applicant industry with a framework to present its case and will be used by the Commission to establish whether there are reasonable grounds to initiate an investigation. To assist consideration of the application it is therefore important that:

- all relevant questions (particularly in Parts A and B) are answered; and

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- information that is reasonably available be supplied.

The Commission does not require conclusive evidence to initiate an investigation, but any claims made should be reasonably based. An application will be improved by including supporting evidence and where the sources of evidence are identified. Simple assertion is inadequate to substantiate an application.

To facilitate compilation and analysis, the application form is structured in 3 parts:

1. **Part A** seeks information about the Australian industry. This data is used to assess claims of material injury due to dumping/subsidisation. Where an Australian industry comprises more than one company, each should separately prepare a response to Part A to protect commercial confidentiality.
2. **Part B** relates to evidence of dumping.
3. **Part C** is for supplementary information that may not be appropriate to all applications. However some questions in Part C may be essential for an application, for example, if action is sought against subsidisation.

All questions in Parts A and B must be answered, even if the answer is 'Not applicable' or 'None'. Where appropriate, applicants should provide a short explanation about why the requested data is not applicable. This will avoid the need for follow up questions by the Commission.

The application form requests data over several periods (P¹, P²...Pⁿ) to evaluate industry trends and to correlate injury with dumped imports. The labels P¹...Pⁿ are used for convenience in this application form. Lodged applications should identify the period relevant to the data. This form does not specify a minimum period for data provision. However, sufficient data must be provided to substantiate the claims made. If yearly data is provided, this would typically comprise a period of at least four years (for example the current financial year in addition to three prior years). Where information is supplied for a shorter period, applicants may consider the use of quarterly data. Data must also be sufficiently recent to demonstrate that the claims made are current.

When an investigation is initiated, the Commission will verify the claims made in the application. A verification visit to the Australian industry usually takes several days.

Applicant companies should be prepared to substantiate all Australian industry financial and commercial information submitted in the application. Any worksheets used in preparing the application should therefore be retained to facilitate verification.

During the verification visit, the Commission will examine company records and obtain copies of documents relating to the manufacture and sale of the goods.

Appendices

Some questions require attachments to be provided. The attachment numbering sequence should refer to the question answered. For example, question A2.2 requests a copy of an organisation chart. To facilitate reference, the chart should be labelled Attachment A2.2. If a second organisation chart is provided in response to the same question, it should be labelled Attachment A2.2.2 (the first would be labelled Attachment A2.2.1).

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Provision of data	<p>Industry financial data must, wherever possible, be submitted in an electronic format.</p> <ul style="list-style-type: none">• The data should be submitted on a media format compatible with Microsoft Windows.• Microsoft Excel, or an Excel compatible format, is required.• If the data cannot be presented electronically please contact the Commission's client support section for advice.
Lodgement of the application	<p>This application, together with the supporting evidence, must be lodged in the manner approved by the Commissioner under subsection 269SMS(2) of the Act. The Commissioner has approved lodgement of this application by either:</p> <ul style="list-style-type: none">• preferably, email, using the email address clientsupport@adcommission.gov.au, or• pre-paid post to: The Commissioner of the Anti-Dumping Commission GPO Box 1632 Melbourne VIC 3001, or• facsimile, using the number (03) 8539 2499.
Public Record	<p>During an investigation all interested parties are given the opportunity to defend their interests, by making a submission. The Commission maintains a public record of these submissions. The public record is available on the Commission's website at www.adcommission.gov.au.</p> <p>At the time of making the application both a confidential version (for official use only) and non-confidential version (public record) of the application <u>must</u> be submitted. Please ensure each page of the application is clearly marked "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD". The non-confidential application should enable a reasonable understanding of the substance of the information submitted in confidence, clearly showing the reasons for seeking the conduct of a dumping and/or subsidy investigation, or, if those reasons cannot be summarised, a statement of reasons why summarisation is not possible. If you cannot provide a non-confidential version, contact the Commission's client support section for advice.</p>

PART A

INJURY

TO AN AUSTRALIAN INDUSTRY

IMPORTANT

All questions in Part A should be answered even if the answer is 'Not applicable' or 'None'. If an Australian industry comprises more than one company/entity, each should separately complete Part A.

For advice about completing this part please contact the Commission's client support section on:

Phone: 13 28 46
Fax: (03) 8539 2499
Email: clientsupport@adcommission.gov.au

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A-1 Identity and communication.

Please nominate a person in your company for contact about the application:

Contact Name: Luke Hawkins
Company and position: General Manager, Supply and Industrial Solutions, Capral Limited
Address: Level 4, 60 Phillip Street, Parramatta, NSW 2150
Telephone: (02) 8222 0113
Facsimile: (02) 8222 0130
E-mail address: luke.hawkins@capral.com.au
ABN: 78 004 213 692

Alternative contact

Name:
Position in company:
Address:
Telephone:
Facsimile:
E-mail address:

If you have appointed a representative to assist with your application, provide the following details and complete Appendix A8 (Representation).

Name: John O'Connor
Business name: John O'Connor and Associates Pty Ltd
Address: P.O. Box 329, Coorparoo Qld, 4151
Telephone: (07) 3342 1921
Facsimile: (07) 3342 1931
E-mail address: jmoconnor@optusnet.com.au
ABN: 3909 865 0241

A-2 Company information.

- 1. State the legal name of your business and its type (eg. company, partnership, sole trader, joint venture). Please provide details of any other business names you use to manufacture/produce/sell the goods that are the subject of your application.**

Capral Limited ("Capral") is a publicly listed company on the Australian Securities Exchange (ASX Code: CAA). Capral manufactures and sells aluminium extrusions and other semi-finished, non-ferrous products under its company name.

Capral is a major extruder and distributor of aluminium products. The manufacturing business produces extrusion products at five sites at Bremer Park (Qld), Penrith (NSW), Campbellfield (Vic), Angaston (SA) and Canning Vale (WA).

Capral operates eight major distribution centres and ten 'Capral Aluminium Centres' across all States and the Northern Territory. The distribution business supplies aluminium extrusion products and related components to residential and commercial construction markets, as well as to industrial fabrication and manufacturing markets. Capral also distributes a range of rolled aluminium products and hardware products that are complimentary to its aluminium extrusion products.

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2. **Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.**

Capral has included a copy of its internal organisation chart at Confidential Attachment A-2.2.

3. **List the major shareholders of your company. Provide the shareholding percentages for joint owners and/or major shareholders.**

As a listed company Capral's shareholders change, below are the details of substantial shareholders (as notified to Capral) as at 10 June 2016:

Name	% of shares held
Allan Gray Australia	18.89
Perpetual Limited	14.72
IOOF Holdings Limited	11.56
Commonwealth Bank of Australia	11.02
Schroder Investment Management Australia	9.28
Acorn Capital Limited	5.82
Total	71.29

4. **If your company is a subsidiary of another company list the major shareholders of that company.**

Capral is not a subsidiary of another company.

5. **If your parent company is a subsidiary of another company, list the major shareholders of that company.**

Capral does not have a parent company hence this question is not applicable.

6. **Provide an outline diagram showing major associated or affiliated companies and your company's place within that structure (include the ABNs of each company).**

Capral has two wholly owned subsidiaries—Aluminium Extrusion & Distribution Pty Ltd (ABN 80 088 099 861) and Austex Dies Pty Ltd (ABN 84105067267).

7. **Are any management fees/corporate allocations charged to your company by your parent or related company?**

Not Applicable

8. **Identify and provide details of any relationship you have with an exporter to Australia or Australian importer of the goods.**

Capral does not have a relationship with any of the exporters and/or importers of the goods the subject of this application as imported from Malaysia and Vietnam.

9. **Provide a copy of all annual reports applicable to the data supplied in appendix A3 (Sales Turnover). Any relevant brochures or pamphlets on your business activities should also be supplied.**

A copy of Capral's 2014 and 2015 Annual Report are available at www.capral.com.au/annual. A copy of Capral's 2014 and 2015 annual reports are included as Non-Confidential Attachment A-2.9.

10. Provide details of any relevant industry association.

Capral is a member of the Australian Aluminium Extrusions Association. Capral is also a member of the Australian Aluminium Council (AAC), Australian Window Association (AWA) and Housing Industry Association (HIA). Other manufacturing groups Capral belongs to are Manufacturing Australia ("MA"), the Manufacturing Trade Alliance ("MTA") and the Australian Industry Group ("AiG").

A-3 The imported and locally produced goods.

1. Fully describe the imported product(s) the subject of your application:

- **Include physical, technical or other properties.**
- **Where the application covers a range of products, list this information for each make and model in the range.**
- **Supply technical documentation where appropriate.**

The goods

The goods the subject of this application are:

Aluminium extrusions produced via an extrusion process, of alloys having metallic elements falling within the alloy designations published by The Aluminum Association commencing with 1, 2, 3, 5, 6 or 7 (or proprietary or other certifying body equivalents), with the finish being as extruded (mill), mechanical, anodized or painted or otherwise coated, whether or not worked, having a wall thickness or diameter greater than 0.5 mm., with a maximum weight per metre of 27 kilograms and a profile or cross-section which fits within a circle having a diameter of 421 mm.

Clarification/commentary

The imported goods the subject of this application are aluminium extrusions (referred to as "the goods" hereafter) as described in Trade Measures Report No 148 ("Report No 148"). The goods description above is identical to that that appeared in Report No. 148 and was recently the subject of a continuation investigation (Report No. 287).

The following Table from Report No 148 reflected goods coverage (and intended end-use application for the goods) applicable to aluminium extrusions:¹

¹ REP 148, p.19 at 3.4.1

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< GUC >				< Non GUC >		
1	2	3	4	5	6	7
Aluminium extrusions	Aluminium extrusions with minor working	Aluminium extrusions that are parts intended for use in intermediate or finished products	Aluminium extrusions that are themselves finished products	Unassembled products containing aluminium extrusions, e.g. 'kits' that at time of import comprise all necessary parts to assemble finished goods	Intermediate or partly assembled products containing aluminium extrusions	Fully assembled finished products containing aluminium extrusions
< Examples >						
Mill finish, painted, powder coated, anodised, or otherwise coated aluminium extrusions	Precision cut, machined, punched or drilled aluminium extrusions	Aluminium extrusions designed for use in a door or window	Carpet liner, fence posts, heat sinks	Shower frame kits, window kits, unassembled unitised curtain walls	Unglazed window or door frames	Windows, doors

2. What is the tariff classification and statistical code of the imported goods.

In the recent aluminium extrusions report involving the review of measures applicable to aluminium extrusions exported from China (Report No. 248), and the continuation inquiry into exports from China (Report No. 287), the Commission confirmed the following tariff subheadings within Schedule 3 of the Customs Tariff Act 1995 are applicable to imported aluminium extrusions:

Tariff subheading/ statistical code	Description
7604.10.00/06	Non alloyed aluminium bars, rods and profiles
7604.21.00/07	Aluminium alloy hollow angles and other shapes
7604.21.00/08	Aluminium alloy hollow profiles
7604.29.00/09	Aluminium alloy non hollow angles and other shapes
7604.29.00/10	Aluminium alloy non hollow profiles
7608.10.00/09	Non alloyed aluminium tubes and pipes
7608.20.00/10	Aluminium alloy tubes and pipes
7610.10.00/12	Doors, windows and their frames and thresholds for doors
7610.90.00/13	Other

The goods exported to Australia from Malaysia and Vietnam countries subject to a 4 per cent rate of customs duty.

3. Fully describe your product(s) that are 'like' to the imported product:

- **Include physical, technical or other properties.**
- **Where the application covers a range of products, list this information for each make and model in the range.**
- **Supply technical documentation where appropriate.**

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- **Indicate which of your product types or models are comparable to each of the imported product types or models. If appropriate, the comparison can be done in a table.**

The Commission has analysed aluminium extrusions produced by Capral and other Australian producers (in Investigations No 148, 248 and 287) and found that all extrusions produced by the Australian industry, of which Capral is the largest member, are 'like goods' to extrusions exported from China.²

The extrusions imported from the exporters and countries subject to this application are similar in all aspects to the goods exported from China. In a number of instances the imports from Malaysia and Vietnam have replaced Chinese imports possibly due to the imposition of dumping and countervailing duties on Chinese exports.

A copy of Capral's catalogue for generally available standard extrusion profiles is provided as Confidential Attachment A-3.3.1. In addition, Capral (as well as most extruders worldwide) also provides a wide range of profiles made to customer specifications (i.e. exclusive shapes), some of which are multiple-sourced by customers from Australian and overseas producers.

Capral has also included a copy of its publication "Alloy Specifications" detailing extruded alloy codes and descriptions used within the industry. Please refer to Non-Confidential Attachment A-3.3.2.

4. Describe the ways in which the essential characteristics of the imported goods are alike to the goods produced by the Australian industry.

In Report No. 148 Customs and Border Protection examined the key essential characteristics of the locally produced and imported aluminium extrusions. Customs and Border Protection conclusions were as follows:

(i) Physical likeness:

- goods made by the Australian industry incorporate a wide variety of alloys;
- are available in thousands of shapes and profiles (new or proprietary shapes can also be produced by creating new dies); and
- are available in various finishes i.e. mill finish, painted, powder coated or anodised.

(ii) Commercial likeness:

- Australian industry products compete directly with imported goods in the Australian market, as evidenced by the supply of imported extrusions to many customers of the Australian industry.

(iii) Functional likeness:

- Both Australian produced and imported goods have comparable or identical end-uses as evidenced by the Australian industry customers that source equivalent imported extrusions.

(iv) Production likeness:

- Australian industry products are manufactured in a similar manner to the imported goods.

² REP 148, pp.21-26 at 3.5 to 3.6

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Capral therefore contends that the goods manufactured by the Australian industry possess the same essential characteristics as aluminium extrusions imported from Malaysia and Vietnam and are considered “alike” in all respects.

5. What is the Australian and New Zealand Standard Industrial Classification Code (ANZSIC) applicable to your product.

Aluminium extrusions are covered by the very broad ANZSIC Class 2142 Aluminium Rolling, Drawing, Extruding:

Division C	Manufacturing
Subdivision 21	Primary Metal and Metal Product Manufacturing
Group 214	Basic Non-Ferrous Metal Product Manufacturing
Class 2142	Aluminium Rolling, Drawing, Extruding

6. Provide a summary and a diagram of your production process.

Capral has included as Non-Confidential Attachment A-3.6 a detailed description and diagram of the aluminium extrusions manufacturing process. Please refer to the identified attachment.

7. If your product is manufactured from both Australian and imported inputs:

- describe the use of the imported inputs; and
- identify that at least one substantial process of manufacture occurs in Australia (for example by reference to the value added, complexity of process, or investment in capital).

In the mill extrusion production process, raw material in the form of aluminium billet is substantially transformed into aluminium extrusions via a capital-intensive extrusion manufacturing process. Until 2012 Capral’s entire aluminium billet was sourced locally. Due to the closure of [production facility], it became necessary for Capral to source some of its billet requirements from alternative [indicative source]. In recent years approximately xx% of billet has been imported from [source]. Both local and [source] smelters use similar LME plus Premiums (inclusive of Major Japanese Port Premium) pricing mechanisms for aluminium billet.

8. If your product is a processed agricultural good, you may need to complete Part C-3 (close processed agricultural goods).

Aluminium extrusions are not considered ‘close processed agricultural goods’ hence this question does not apply.

9. Supply a list of the names and contact details of all other Australian producers of the product.

The following table lists known Australian aluminium extrusion manufacturers:

Company	Address	Telephone/Fax
Almax Aluminium Pty Ltd	87 Trade Street Lytton QLD 4178 http://www.almax.net.au	Tel: 07 3906 6000 Fax: 07 3906 6066
Aluminium Profiles Australia Pty Ltd (APA)	25-31 Licola Crescent Dandenong South VIC 3175 http://www.aluminiumprofiles.com.au	Tel: 03 9768 5000 Fax: 03 9768 5050

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Company	Address	Telephone/Fax
Aluminium Shapemakers Pty Ltd (AluShapes)	7 Warringah Close Somersby Industrial Park Somersby NSW 2250 http://www.alushapes.com.au	Tel: 02 4340 4344 Fax: 02 4340 4348
Extrusions Australia Pty Ltd	25-28 Andretti Court Truganina VIC 3026 http://www.extrusions.com.au	Tel: 03 8348 9300 Fax: 03 8348 9301
G James Extrusion Co Pty Ltd	1082 Kingsford Smith Drive Eagle Farm QLD 4009 http://gjames.com	Tel: 07 3877 2833 Fax: 07 3877 2890
Independent Extrusions Pty Ltd (Inex)	33-39 Licola Crescent Dandenong South VIC 3175 http://www.inex.co.nz	Tel: 03 9768 0000 Fax: 03 9768 2748
Olympic Aluminium Co Pty Ltd	606 Ballarat Road Sunshine VIC 3020 http://www.olympicaluminium.com	Tel: 03 8361 2122 Fax: 03 9363 6643
Ullrich Aluminium Pty Ltd	20 Ron Boyle Crescent Carole Park QLD 4300 http://www.ullrich.com.au	Tel: 07 3718 1400 Fax: 07 3271 1230

A-4 The Australian market.

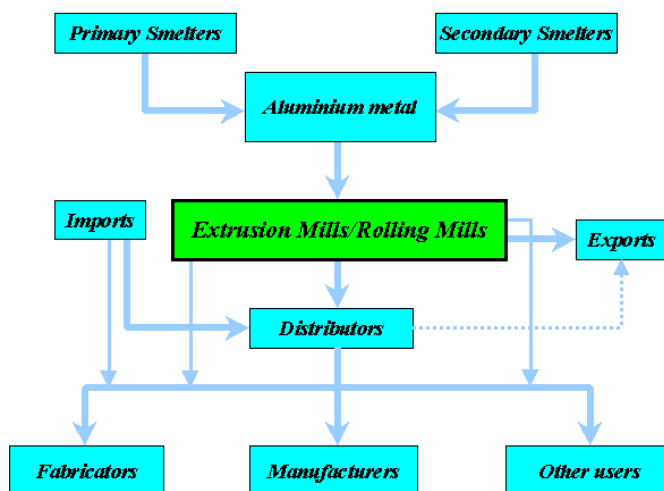
1. Describe the end uses of both your product and the imported goods.

Aluminium extrusions are used in a wide variety of applications, including commercial and residential buildings for window and door frame systems, prefabricated houses/building structures, roofing and exterior cladding, curtain walling, shop fronts, fencing, airframes, road and rail vehicles, marine, electrical and general engineering.

2. Generally describe the Australian market for the Australian and imported product and the conditions of competition within the overall market. Your description could include information about:

- sources of product demand;
- marketing and distribution arrangements;
- typical customers/users/consumers of the product;
- the presence of market segmentation, such as geographic or product segmentation;
- causes of demand variability, such as seasonal fluctuations, factors contributing to overall market growth or decline, government regulation, and developments in technology affecting either demand or production;
- the way in which the imported and Australian product compete; and
- any other factors influencing the market.

The diagram below outlines the aluminium extrusion industry's position (shown as Extrusion Mills/Rolling Mills) in the value chain in most, if not all, domestic markets, including Australia. It also shows the distribution channels to fabricators, manufacturers and other users.



A wide range of small to medium retail and trade end-users (including smaller fabricators, manufacturers and other users) order aluminium extrusions from distributors, metal service centres or retailers, with the choice of intermediary mainly reflecting size and complexity of orders, as well as the type of trading relationships developed over time.

In some instances in the domestic market very large original equipment manufacturers (OEMs), such as large aluminium window manufacturers, further finishers (e.g. anodisers, powder coat/painters) and fabricators, buy directly from the producers, normally in circumstances where the size and simplicity of order is such as not to adversely affect relationships between the producer and major distributors.

Manufacturers mainly sell aluminium extrusions to the next level of trade (distributors and OEMs) on a pricing formula reflecting:

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1. the London Metal Exchange (LME) base price, plus
2. Premiums (billet premiums and Major Japanese Port (“MJP”) premium);
3. a conversion or processing fee (to cover conversion costs, profit and freight to customer store or wharf for export), plus
4. finish extras if applicable (e.g. painting/powder coating or anodising).

The difference between the LME metal price and Premiums, and the selling price, is referred to in the industry as the ‘spread’.

In addition, product profiles made to customer specifications will require special dies to be cut, which will either involve a charge to the customer to cover the upfront cost of producing the die, or will alternatively be paid for by the manufacturer with the cost amortised over the expected life of the die or the contract and built into the price of the extrusions.

Dies are sometimes owned by the customer and supplied to the extruder. Normally, die costs will be separated and negotiated for significant sales. However, a feature of some competition from imports is understood to be the offer of ‘free’ dies, even on small orders without a defined long term order commitment. It has been usual custom in the industry to recover die costs as a separate item, either upfront for small or uncertain-duration contracts, or amortised over a defined time period for larger orders (cost-reflective pricing), however, in recent years dies have in some instances been included as an attractive enticement in the purchase of imported aluminium extrusions.

Many large customers have been increasingly sourcing a combination of local and imported product of the same specification. Imports almost always undercut domestic prices, however invariably import products do not cover the whole range of Australian market requirements. Import prices are often used as a ‘bargaining’ device to obtain lower prices from local aluminium extrusion producers. Another feature of this process is the tendency for common, easier to make profiles to be dual-sourced, with the more difficult and lower-run volume sections mainly supplied from local sources. Multiple sourcing leads to loss of production tonnage, capacity underutilisation and production inefficiencies for local producers, contributing to material injury.

Malaysia and Vietnam have emerged as key sources of supply for imported aluminium extrusions following the imposition of anti-dumping and countervailing measures on imports from China.

Demand for aluminium extrusions correlates to the general level of economic growth, especially in building/construction, industrial and transportation activities. There are no significant seasonal factors except for a slight increase in the last quarter during lead up to Christmas and a slight reduction during the Christmas construction lull.

3. Identify if there are any commercially significant market substitutes for the Australian and imported product.

There are currently no commercially significant substitutes available to the Australian market.

There are claims that the market for aluminium extrusions is rising at the expense of other materials such as timber and steel, in industrial and commercial building as well as dwelling construction. However, there is little independent, research-based evidence known to support this proposition.

4. Complete appendix A1 (Australian production). This data is used to support your declaration at the beginning of this application.

Capral has completed Confidential Appendix A1 for local production of aluminium extrusions.

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5. Complete appendix A2 (Australian market).

Capral has completed Confidential Appendix A2 (Australian market).

6. Use the data from appendix A2 (Australian market) to complete this table:

Indexed table of sales quantities*

Period	(a) Your Sales	(b) Other Aust ⁿ Sales	(c) Total Aust ⁿ Sales (a+b)	(d) Dumped Imports	(e) Other Imports	(f) Total Imports (d+e)	Total Market (c+f)
2012/13	100	100	100	100	100	100	100
2013/14	100.7	109.5	105.7	140.8	101.9	106.7	106.2
2014/15	110.7	112.9	112.0	127.4	94.7	98.8	105.9
2015/16	119.3	121.6	120.6	181.6	84.4	96.6	109.5

Note: Years ending March.

The Australian market for aluminium extrusions has experienced modest growth since 2012/13. Capral and the remaining Australian producers have increased sales volumes of locally produced aluminium extrusions in 2015/16 – primarily at the expense of “other” imports (that experienced a reduction in 2015/16). The dumped imports from Malaysia and Vietnam, however, have increased by more than 50 percentage points in 2015/16 – also displacing imports from “other” source countries.

A-5 Applicant’s sales.

1. Complete appendix A3 (sales turnover).

Capral has completed Confidential Appendix A3 for all sales made by the company, along with sales of like goods, for both the Australian and export markets.

Please refer to Confidential Appendix A3.

2. Use the data from appendix A3 (sales turnover) to complete these tables.

Data included in the following tables has been sourced from Capral’s Confidential Appendix A3 schedule.

*Indexed table of Applicant’s sales quantities**

Quantity	2012/13	2013/14	2014/15	2015/16
All Products				
Australian Market	100	110.0	127.6	133.9
Export Market	100	217.1	241.2	278.6
Total	100	110.3	127.9	134.3
Like Goods				
Australian Market	100	100.7	110.8	119.3
Export Market	100	207.3	282.4	284.7
Total	100	100.9	111.0	119.5

Capral’s sales of “all products” is primarily driven by its sales of like goods. Hence, an increase in

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sales of aluminium extrusions will be reflected in Capral's sales of all products.

*Indexed table of Applicant's sales values**

Revenues	2012/13	2013/14	2014/15	2015/16
All Products				
Australian Market	100	110.1	128.4	137.5
Export Market	100	179.7	219.7	240.3
Total	100	110.4	128.8	137.9
Like Goods				
Australian Market	100	103.3	117.8	127.0
Export Market	100	188.9	273.4	295.9
Total	100	103.4	118.1	127.3

Please refer to the above comments concerning Capral's sales of "all products".

3. Complete appendix A5 (sales of other production) if you have made any:

- **internal transfers; or**
- **domestic sales of like goods that you have not produced, for example if you have imported the product or on-sold purchases from another Australian manufacturer.**

Capral has identified its sales of imports and purchases from other Australian manufacturers at Confidential Appendix A5. Aluminium extrusions not produced by Capral are bought and sold at arm's length by Capral's distribution businesses.

4. Complete appendix A4 (domestic sales).

Capral has completed Confidential Appendix A4 for the period 1 April 2015 to 31 March 2016.

5. If any of the customers listed at appendix A4 (domestic sales) are associated with your business, provide details of the association. Describe the price effect of the association.

Capral does not have any sales listed in Confidential Appendix A4 to related parties.

6. Attach a copy of distributor or agency agreements/contracts.

Capral does not have a distributor or agency agreement with a third party. A copy of Capral's Supply Agreement between [company] & [company] is available at Confidential Attachment A-5.6.

7. Provide copies of any price lists.

Capral does not have a price list for the goods the subject of this application. Capral, however, does use a [form of pricing communication] based upon LME pricing, regional premium and conversion factors. Examples are included at Confidential Attachment A-5.7.

8. If any price reductions (for example commissions, discounts, rebates, allowances and credit notes) have been made on your Australian sales of like goods provide a description and explain the terms and conditions that must be met by the customer to qualify.

- **Where the reduction is not identified on the sales invoice, explain how you calculated the**

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amounts shown in appendix A4 (domestic sales).

- If you have issued credit notes (directly or indirectly) provide details if the credited amount has not been reported appendix A4 (domestic sales) as a discount or rebate.

Capral [*commercially sensitive details of selling arrangements*] as outlined in Confidential Attachment A-5.8 Capral accrues for most of these [*form*] at the time of invoicing. Therefore, A4 will have the net amount in cases where the [*form*] is accrued.

9. **Select two domestic sales in each quarter of the data supplied in appendix A4 (domestic sales). Provide a complete set of commercial documentation for these sales. Include, for example, purchase order, order acceptance, commercial invoice, discounts or rebates applicable, credit/debit notes, long or short term contract of sale, inland freight contract, and bank documentation showing proof of payment.**

Capral has included two complete sets of commercial documentation for each quarter within the twelve-month period 1 April 2015 to 31 March 2016. Please refer to Confidential Attachment A-9.2.

A-6 General accounting/administration information.

1. **Specify your accounting period.**

Capral's full financial year is the 12-month period ending 31 December. Capral also provides half year financial accounts for each 6 month period ended 30 June.

2. **Provide details of the address(es) where your financial records are held.**

Capral's financial records are held at the following addresses:

- L4, 60 Phillip Street, Parramatta NSW 2150
- Bremer Park, 71 Ashburn Road, Bundamba QLD 4304

3. **To the extent relevant to the application, please provide the following financial documents for the two most recently completed financial years plus any subsequent statements:**

- **chart of accounts;**
- **audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);**
- **internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods.**

These documents should relate to:

1. **the division or section/s of your business responsible for the production and sale of the goods covered by the application, and**
2. **the company overall.**

A copy of Capral's chart of accounts is available at Confidential Attachment A-6.3.1.

Copies of Capral's annual reports for 2014 and 2015 are provided at Attachment A-2.9.

A copy of Capral's internal financial statements for the months of June, September and December 2015 and March 2016 are included at Confidential Attachment A-6.3.2. These statements detail:

- (i) profit/loss for each of the five manufacturing operations;
- (ii) distribution operations; and

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(iii) allocated corporate overheads.

Aluminium extrusions are produced at all five manufacturing plants.

4. **If your accounts are not audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.**

Not applicable.

5. **If your accounting practices, or aspects of your practices, differ from Australian generally accepted accounting principles, provide details.**

Capral's accounts comply with Australian accounting standards as certified by independent auditors in the 2015 Annual Report at Non-Confidential Attachment A-2.9.

6. **Describe your accounting methodology, where applicable, for:**

- **The recognition/timing of income, and the impact of discounts, rebates, sales returns warranty claims and intercompany transfers;**

Capral recognises income on the date of invoice. Invoices are raised each night for items shipped to the customer on that day. Some customers' net invoice value is determined on the basis of a list price less customer discount percentage, applied on each invoice and therefore recognised during the month. Customer rebates described above (i.e. early payment discounts and consolidation rebates) are calculated and a credit note raised at the end of each month.

Revenue is measured at the fair value of the consideration received or receivable. Sales revenue comprises sales of goods and services at net invoice values less returns, trade allowances and applicable rebates.

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

(i) Capral has transferred to the buyer the significant risks and rewards of ownership of the goods;

(ii) Capral retains neither continuing managerial involvement to the degree normally associated with ownership nor effective control over the goods sold;

(iii) the amount of revenue can be measured reliably;

(iv) it is probable that the economic benefits associated with the transaction will flow to the entity; and

(v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

- **provisions for bad or doubtful debts;**

Doubtful Debt provision is based on a percentage of the total debt for customers who are subject to formal payment plans or legal action and xxx% of the xx day and over balances. The provision for doubtful debts is reviewed each month and necessary adjustments made to the provision. The provision is based on estimated irrecoverable amounts from the sale of goods, determined by reference to past experience and knowledge of customers. Allowances are made for known doubtful debts at the time of appointment of administrators, liquidators or other formal insolvency events.

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Bad Debts – Debts are determined to be bad and written off when written advice is received from the Receiver, Liquidator or Trustee in Bankruptcy that no further dividend will be paid, or as approved by the Chief Financial Officer.

- **the accounting treatment of general expenses and/or interest and the extent to which these are allocated to the cost of goods;**

Capral's general or overhead costs incurred within the manufacturing business are recognised in the profit and loss of the manufacturing business. These may be captured within a cost centre where they relate to a specific area (e.g. mill, painting, anodising) or they may be captured in a general manufacturing overhead cost centre. In the Confidential Appendix A6 financials, these general overheads have been allocated to Mill, Paint, Anodise and Fabrication (non-like goods) on a per kilogram sold basis.

The costs of performing Capral's shared services functions (e.g. accounts receivable, accounts payable, payroll, finance) are captured in a Corporate profit centre. These overheads are apportioned to each business as part of Capral's annual budget process. This split is based on an estimate by corporate cost centre owners of the percentage each business uses. For example, a large portion of Capral's information technology spend relates to *[basis for expenditure]*. As such, a key determinant of IT corporate allocation is the number of xxx users in each business.

A portion of Capral's corporate costs are not allocated as part of the budget process. This relates mainly to its executive management and some property costs. As part of the Confidential Appendix A6 process, these costs were allocated to each business based on the same proportion of total corporate costs that were allocated as part of the budget process.

Capral does not allocate interest expense to businesses. As part of the Confidential Appendix A6 process, interest costs were allocated on the basis of total funds employed in each business.

- **costing methods (eg by tonnes, units, revenue, activity, direct costs etc) and allocation of costs shared with other goods or processes;**

Capral's manufacturing business consists of 5 plants:

All five plants use a standard costing system to allocate metal, labour and overheads to each production order. Metal is allocated based on a standard consumption level for the pieces produced. Labour and overheads are allocated based on a standard output rate multiplied by a standard activity rate. This is based on a manufacturing bill of materials (BOM) with specific routings to allocate labour and overheads. Angaston and Penrith plants *[inventory control]* for these plants cost of sales and inventory valuation is based on the current LME plus billet premium plus a single average dollar per kilogram standard for Mill Finish, Paint and Anodise.

- **the method of valuation for inventories of raw material, work-in-process, and finished goods (e.g. FIFO, weighted average cost);**

Raw Material – Capral values its log inventory at a standard cost. The standard includes a LME and billet premium component. The standard is updated on a regular basis, in line with movements in the value of the LME and changes in billet premiums. Revaluation gains or losses are posted to the profit and loss each month.

Work in Progress (WIP) – Valued based on a standard metal cost (LME plus billet premium as per above) plus a standard cost for labour and overhead (conversion costs) for each area of production. The valuation is based on the accumulation of standard costs up to the last confirmation point. Note that the standard metal cost includes an allowance for metal waste.

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Finished Goods – Valued based on a standard metal cost (LME plus billet premium as per above) plus a standard cost for labour and overhead (conversion costs) for each area of production. For example, a painted product will include a standard metal cost, a standard mill labour and overhead cost and a standard paint labour and overhead cost. Note that the standard metal cost includes an allowance for metal waste. Due to the use of standard costs, finished inventory is compared at least quarterly against actual costs (and net realisable value) and adjustments are posted to the profit and loss as required. Capral also regularly reviews dead and slow moving stock, and posts provisions to the profit and loss as required.

- **valuation methods for scrap, by-products, or joint products;**

In-House Waste – Metal waste (or scrap) is an inevitable part of the extrusion process. This consists of planned and unplanned waste. In-house scrap is booked into scrap inventory as it is generated (ie: daily).

Customer Returns – Capral receives metal returns from customers where the product is damaged or not as per the customer's order. These returns will generally be scrapped. Customer return scrap is booked into scrap inventory upon recognition that the returned goods are not able to be re-worked or re-sold.

Scrap – Scrap is sold based on agreed contract pricing with third parties. The price is generally expressed as a percentage of the market LME rate. Scrap is held in inventory at a standard cost, which is adjusted on a regular basis, in line with movements in the LME.

- **valuation methods for damaged or sub-standard goods generated at the various stages of production;**

As per above, Capral books damaged goods into scrap on a regular basis and re-values this stock to net realisable value on a regular basis (generally monthly). Capral also regularly reviews dead and slow moving stock, and posts provisions to the profit and loss as required.

- **valuation and revaluation of fixed assets;**

Fixed asset valuations and revaluations are inline with generally accepted Australian accounting principles. At each reporting date, Capral reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

- **average useful life for each class of production equipment, the depreciation method and depreciation rate used for each;**

Refer to P. 53 of Capral's 2015 Annual Report.

- **treatment of foreign exchange gains and losses arising from transactions and from the translation of balance sheet items; and**

Refer to Notes 30 and 31 of Capral's Financial Statements in the 2015 annual report (p. 65-66).

- **restructuring costs, costs of plant closure, expenses for idle equipment and/or plant shut-downs.**

Where applicable, provisions are made for expenditure in line with generally accepted Australian accounting principles.

7. **If the accounting methods used by your company have changed over the period covered by your application please provide an explanation of the changes, the date of change, and the reasons.**

Accounting methods have only changed to the extent required by Australian and international accounting standards during the investigation period. There have been no material impacts on Capral's financial reporting over the periods included in this application.

A-7 Cost information

1. **Complete appendices A6.1 and A6.2 (cost to make and sell) for domestic and export sales.**

Capral has completed Appendices A-6.1 & A-6.2 for the goods the subject of this application.

A-8 Injury

The principal indicators of injury are prices, volumes and profit effects – although not all of these must be evident. For this application, profit refers to amounts earned. Profitability is the ratio of profit to sales revenue. Where injury is threatened, but has not yet occurred, refer to question C.2.

1. **Estimate the date when the material injury from dumped imports commenced.**

Commencement of Material Injury

The injury from the dumping and subsidised exports from Malaysia commenced following the imposition of measures on exports from China in 2009. The level of injury escalated as volumes from Vietnam increased in 2013/14. 'Material' injury from the dumped and subsidised exports commenced in 2015/16.

Emergence of imports from Malaysia and Vietnam

In 2009, Capral made an application for anti-dumping and countervailing measures on exports of aluminium extrusions from China. On 28 October 2009 the then Attorney-General published a dumping duty notice and a countervailing duty notice applicable to aluminium extrusions exported from China (Report No. 148 refers).

Following an appeal to the Trade Measures Review Officer, the then Customs and Border Protection conducted a reinvestigation of certain matters. The then Attorney-General publishes new notices (Trade Remedies Report No. 175 refers) on 27 August 2011.

In 2012 Wuxi Xisha Photoelectric Aluminium Products Co., Ltd requested a review of the anti-dumping measures. The review was completed in November 2012 (Trade Remedies Report No. 186 refers). A further review of measures applicable to Alnan Aluminium Co., Ltd was conducted in early 2014, with an outcome that the measures remain unaltered. In 2014 Capral made an application for an anti-circumvention inquiry asserting that the applicable measures were being circumvented by PanAsia Aluminium (China) Co., Ltd. The Parliamentary Secretary applied revised measures on the exporter (Report No. 241 refers).

Following a review of all measures applicable to aluminium extrusions exported from China, the Commission recommended to the Parliamentary Secretary that new variable factors be applied. The new notice was published with effect on 10 September 2015 (Report No. 248 applies).

In January 2015 the Commission commenced an inquiry into the continuation of the anti-dumping measures for a further five-year period beyond the scheduled expiry date of 28 October 2015. Following investigation, the Commission recommended that the measures not be allowed to expire. The Parliamentary Secretary accepted the Commission's recommendations and continued the measures for a further five year period from 28 October 2015 (Report No. 287 refers).

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Following the imposition of measures in 2009, exports of aluminium extrusions from Malaysia emerged and increased substantially through 2011 to 2013. In 2013, exports from Vietnam substantively commenced and had increased to levels approaching the volumes from Malaysia.

Table A-8.1 highlights the increase in import volumes (ex ABS) since 2009 from Malaysia and Vietnam.

Table A-8.1 highlights the increase in import volumes (ex ABS) since 2012/13 from Malaysia and Vietnam.

Table A-8.1 - Aluminium extrusion imports from Malaysia and Vietnam (Tonnes)

Country	2012/2013	2013/14	2014/15	2015/16
Malaysia	9,804	10,897	8,256	11,115
Vietnam	266	3,276	4,570	7,174

Source: Confidential Appendix A2.

Capral contends that it has continued to experience material injury from dumping and subsidisation from increasing export volumes from Malaysia and Vietnam following the imposition of anti-dumping and countervailing measures on exports from China in October 2009. With the depreciation of the Australian dollar in 2015, the material injury that can be attributed to the dumped and subsidised exports from Malaysia and Vietnam has intensified.

2. Using the data from appendix A6 (cost to make and sell), complete the following tables for each model and grade of your production. Pⁿ is the most recent period.

Capral has completed the following indices from the data included at Confidential Appendix A6.1 on domestic costs to make and sell (“CTM&S”) information.

Index of production variations (model, type, grade of goods)

Period	2012/13	2013/14	2014/15	2015/16	
Index	100	100.8	111.3	119.8	

Notes:

1. Period is 1 April to 31 March.
2. Data is from Line A of Confidential Appendix A6.1

Capral has increased its production of aluminium extrusions in each of 2014/15 and 2015/16 years – however, production volumes continue to remain up to 10 per cent below levels of 2009 and 2010 (the time of Capral’s initial application involving dumped and subsidised exports from P R China).

Index of cost variations (model, type, grade of goods)

Period	2012/13	2013/14	2014/15	2015/16	
Index	100	101.5	102.7	105.6	

Notes:

1. Period is 1 April to 31 March.
2. Data is from Line J of Confidential Appendix A6.1

Capral’s CTM&S aluminium extrusions has increased across each of the periods 2012/13 to 2015/16. In the most recent 12-month period, Capral experienced an increase in its CTM&S by almost xxx per

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cent (despite cost reductions achieved in Capral's S,G&A categories).

Index of price variations (model, type, grade of goods)

Period	2012/13	2013/14	2014/15	2015/16	
Index	100	102.5	106.4	106.5	

Notes:

1. Period is 1 April to 31 March.
2. Data is from Line L of Confidential Appendix A6.1

In 2015/16 Capral's average selling price remained stable at similar levels to 2014/15. Capral was therefore unable to raise selling prices to recoup increases in production costs incurred during 2015/16.

Index of profit variations (model, type, grade of goods)

Period	2012/13	2013/14	2014/15	2015/16	
Index	100	158.1	323.8	138.8	

Notes:

1. Period is 1 April to 31 March.
2. Data is from Line N of Confidential Appendix A6.1

In 2015/16, Capral's unit profit deteriorated from the level achieved in 2014/15 (profit) to a loss position. The unit loss in 2015/16 was commensurate with losses incurred in 2011/12. Capral's loss in 2015/16 was commensurate with that of 2012/13.

Index of profitability variations (model, type, grade of goods)

Period	2012/13	2013/14	2014/15	2015/16	
Index	100	161.7	346.8	147.6	

Notes:

1. Period is 1 April to 31 March.
2. Data is from Line O of Confidential Appendix A6.1

Consistent with a decline in unit profit in 2015/16, Capral's unit profitability has also deteriorated in 2015/16 to a loss making level.

Summary of injury forms:

Capral's financial data confirms that it has experienced injury in the following forms:

- i. Price suppression;
- ii. Reduced profits; and
- iii. Reduced profitability.

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3. Complete appendix A7 (other injury factors).

Where applicable to injury claims, prepare an indexed table for other injury factor(s) in the format above.

Capral has completed Confidential Appendix A7. The data in Appendix A7 has been completed on an annual basis (i.e. year ending 31 March) as quarterly data is not available.

Index of Capital Expenditure

Period	2012/13	2013/14	2014/15	2015/16	
Index	100	39.8	55.4	50.3	

Notes:

1. Period is 1 April to 31 March.
2. Data is from Line 12 of Confidential Appendix A7.

Capral has reduced its capital expenditure since 2012 to ensure it remains competitive with dumped and subsidised imports.

Index of Return on Investment

Period	2012/13	2013/14	2014/15	2015/16	
Index	100	140.4	236.9	86.3	

Notes:

1. Period is 1 April to 31 March.
2. Data is from Line 24 of Confidential Appendix A7.

Capral has experienced a reduced return on investment in 2015 due to an erosion of selling margin of costs (that was negative in 2015).

Index of Closing Stocks

Period	2012	2013	2014	2015	
Index	100	105.7	118.1	115.3	

Notes:

1. Period is 1 April to 31 March.
2. Data is from Line 55 of Confidential Appendix A7.

Capral's closing stock levels have increased in 2014 and remained high in 2015 as imports from Malaysia and Vietnam have increased.

A-9 Link between injury and dumped imports.

To establish grounds to initiate an investigation there must be evidence of a relationship between the injury and the alleged dumping. This section provides for an applicant to analyse the data provided in the application to establish this link. It is not necessary that injury be shown for each economic indicator.

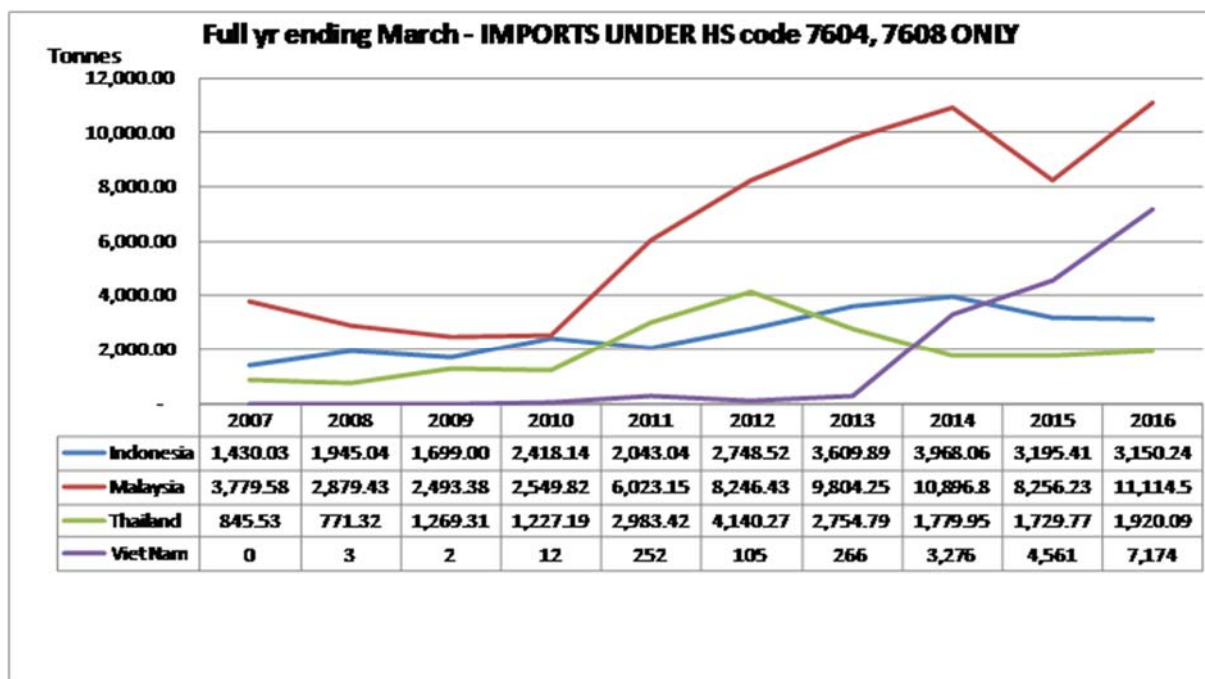
1. Identify from the data at appendix A2 (Australian market) the influence of the volume of dumped imports on your quarterly sales volume and market share.

Prior to the impost of dumping and countervailing measures on exports of Chinese aluminium extrusions to Australia, the annual volume of Chinese exports was circa 57,000 tonnes. At this time, exports from Malaysia were below 3,000 tonnes per annum, with Vietnam volumes non-existent.

Following the imposition of measures on Chinese exports, Chinese volumes have fallen whereas export volumes from Malaysia and Vietnam have significantly increased. Exporters in Malaysia and Vietnam are currently significant suppliers to the Australian market accounting for approximately 23.5 per cent of total imports into Australia in 2015/16. In 2012/13, imports from Malaysia and Vietnam accounted for 12.5 per cent of total imports into Australia. In volume terms, the aggregate volume of imports from Malaysia and Vietnam has increased 80 per cent since 2012/13, whereas the Australian market has increased by 9.5 per cent.

The dumped and subsidised exports from Malaysia and Vietnam have displaced exports from other source countries (there was a 10 per cent reduction in “other” imports during 2015/16) and have grown at an accelerated pace over the last four year period.

Graph – A-9.1 – Highlighting Imports of aluminium extrusions from Malaysia and Vietnam



Graph A-9.1 demonstrates the rapid escalation in imports of aluminium extrusions from Malaysia and Vietnam following the imposition of measures on exports from China in late 2009.

It is Capral’s expectation that import volumes from Malaysia and Vietnam will continue to increase as market offers indicate price undercutting is apparent for goods from both countries.

The Australian industry’s market share has increased since 2012 displacing some volumes from China.

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In parallel, demand for aluminium extrusions has grown, and this has been supplied from increased import volumes from Malaysia and Vietnam.

2. Use the data at appendix A2 (Australian market) to show the influence of the price of dumped imports on your quarterly prices, profits and profitability provided at appendix A6.1 (costs to make and sell). If appropriate, refer to any price undercutting and price depression evident in the market.

(i) Impact of dumped and subsidised exports

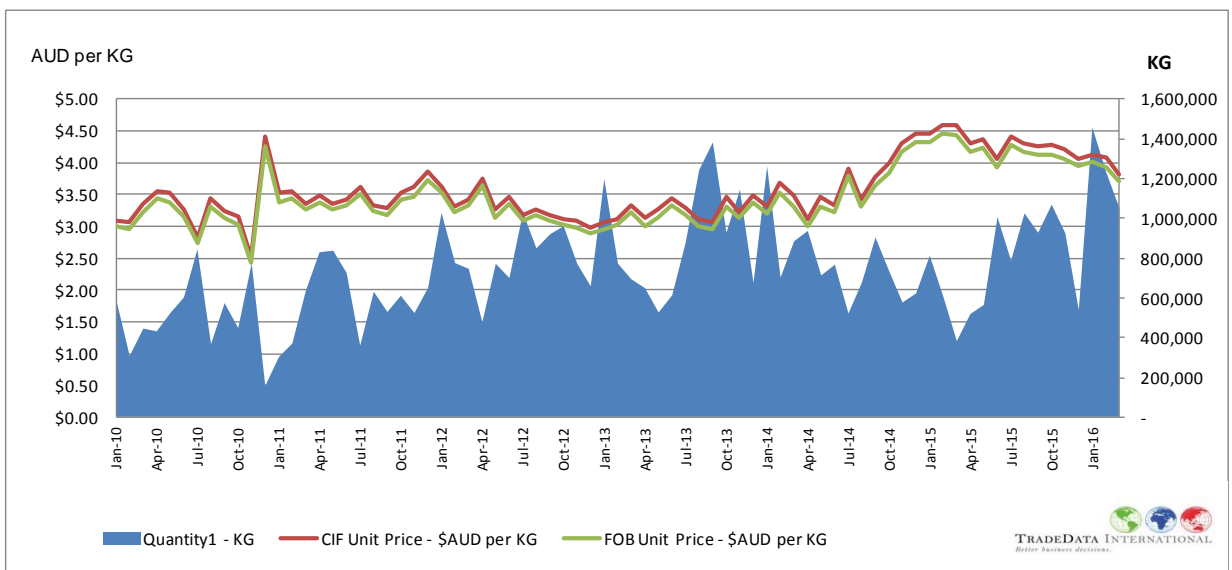
The dumped and subsidised exports of aluminium extrusions from Malaysia and Vietnam have contributed to price suppression experienced by Capral in 2015/16 as costs of production have increased and selling prices have remained flat. This has in turn resulted in a decline in profit and profitability in 2015/16, as price competition from the dumped and subsidised held Capral at prior year prices.

Capral submits that the growth in exports of aluminium extrusions from Malaysia and Vietnam has been a major cause of the injury sustained in 2015/16. In particular, price offers for the GUC from Malaysia and Vietnam have undercut Capral's selling prices, preventing Capral from raising prices to recover increases in raw material costs.

Malaysia

The growth in Malaysian import volumes of aluminium extrusions is most observable in tariff heading 7604. The following graph highlights the growth in import volumes following the imposition of measures in 2009.

Graph A-9.1 – Malaysian Import volumes and values – HS Codes 7604, 7608 and 7610.



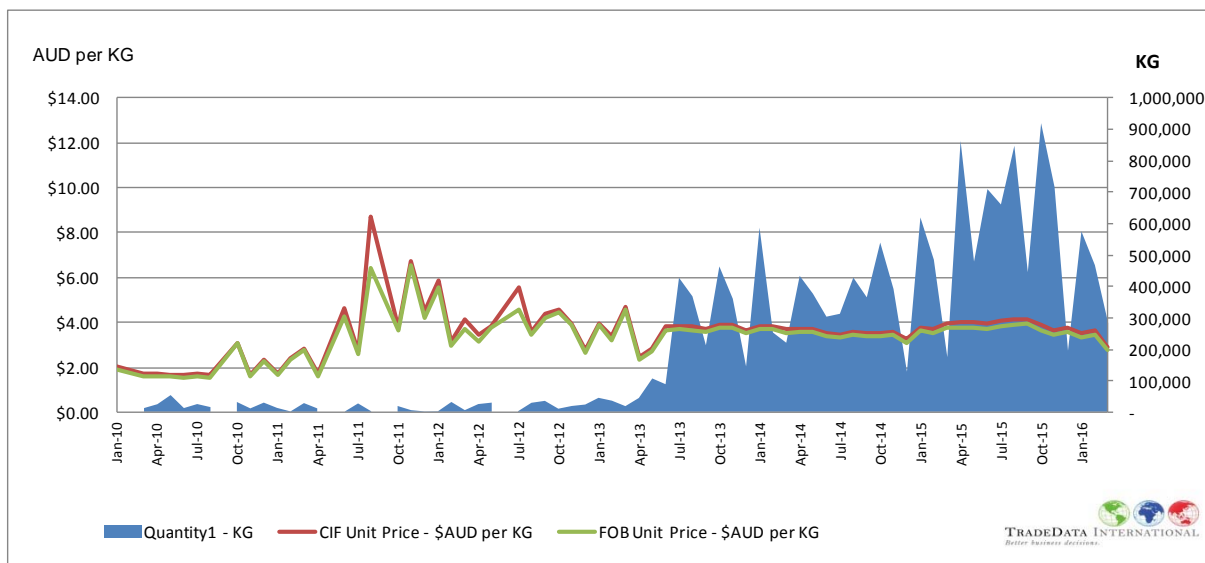
Vietnam

The following graph also highlights Capral's contention that the dumped and subsidised exports from Vietnam have increased rapidly on the back of import prices that have undercut Capral's selling prices.

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The graph highlights the increase in import volumes from Vietnam since the beginning of 2010 at prices with a value at or below A\$4 per kg.

Graph A-9.2 – Vietnam import volumes and values – HS Codes 7604, 7608 and 7610.



The increase in import volumes of aluminium extrusions from Malaysia and Vietnam to secure almost 25 per cent of total imports into Australia in 2015 has been dramatic.

(ii) Price undercutting examples

Capral provides the following examples of price undercutting for the GUC from Malaysia and Vietnam during 2015/16.

Example 1 – Importer (Malaysia)

Capral was notified of price offers by the importer [name] ex Malaysia at A\$4.20 per kg against Capral’s weighted average sell price of \$xxxx per kg (for xx tonne parcels) in the first quarter of 2016 (a level of undercutting of approximately 16 per cent). The identified [name] customer is a xx-tonne per annum account.

Example 2 – [Customer name] (A [end use] Manufacturer within the industrial market that has a National Footprint . Customer consumes approx xxxxt of aluminium annually).

Capral reduced its price offer at [customer] by \$xxxx per kg to \$xxxx per kg (mill finish) in response to offers from the importer, [name], with a base price of \$xxxx/kg. The initial xxper cent price undercutting level was sufficient for Capral to revise its offer to [customer] for the [period] quarter in response to cheaper Vietnamese aluminium extrusions. At the same time the paint pricing discount offer on Vietnamese metal was \$xxxx per kg verse \$xxxx per kg Capral pricing which has prevented gaining further volume in [states].

[Customer] has advised it continues to receive offers of Vietnamese sourced metal with [finish] at significant discount to the domestic offers.

Example 3 – [Customer name]

Formerly known as [former, name] purchases approximately xxx tonnes per annum nationally.

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[Customer] is purchasing via [name] (ex Vietnam). During the third quarter of 2015, [customer] was buying at \$xxxx/kg for mill finish goods, and \$xxxx/kg for [finish]. The customer is on an [type] offer. The base metal price offer undercut Capral's base price of \$xxxx by xx per cent.

Example 4 – [Customer name] (A type business specialising in [business type] with a [form] [finish], customer sell direct to end customers and through distribution channels)

[Name] offered [customer] \$xxxx per kg for base coated product. This offer ex-Vietnam goods compared with Capral's \$xxxx per kg confirmed a level of price undercutting of almost xx per cent in [month] 2016.

Example 5 – [Customer name]

Currently purchasing from [name] of Malaysia. Pricing is \$xxxx/kg less than Capral's best pricing including MJP. Capral's best offer recently was A\$xxxx/kg spread (xx Tonne lots) plus \$xxxx/kg MJP so \$xxxx/kg above LME. Therefore pricing from [name] is \$xxxx/kg spread (i.e. xxx per cent below Capral).

Example 6 – [Customer name]

Capral offers for small parcels at \$xxxx/kg. [Customer] is a xxx-xxx tonne per annum account. [Name] (ex Malaysia) is at \$xxxx-xxxx per kg, or xx per cent below Capral.

Communications associated with the above examples are included at Confidential Attachment A-9.2.

(iii) Profit and profitability

Capral's inability to raise prices to recover inflationary cost increases in 2015/16 has seen the company sell its aluminium extrusions at [form] in the 2015 period as outlined in Capral's 2015 annual report. This is a contrast to the profit achieved in 2014 where positive gains were achieved on increased sales volumes.

3. Compare the data at appendix A2 (Australian market) to identify the influence of dumped imports on your quarterly costs to make and sell at appendix A6.1 (for example refer to changes in unit fixed costs or the ability to raise prices in response to material cost increases).

Capral's cost to produce aluminium extrusions has increased year-on-year since 2012 (refer Confidential Appendix A6.1). In the 2015/16 year to March, Capral's cost of metal increased xx per cent, despite a reduction in the Major Japanese Port ("MJP") premium in the latter half of 2015. Additionally, Capral [trend] its selling and administration costs (excluding distribution) by xx per cent since 2012/13.

Capral, however, was prevented from raising its selling prices across all accounts to recover the raw material cost increases. As a result, Capral has sustained a diminution of profit and profitability in 2015/16 that has seen profit decline from A\$xxxx/kg to A\$xxxx/kg. In 2015/16, Capral's loss was contributed to by the increasing competition from the dumped and subsidised exports of the GUC from Malaysia and Vietnam that have undercut Capral's net selling prices.

Capral is continuing to experience price undercutting in the second quarter of 2016, with offers for Malaysian and Vietnamese aluminium extrusions at reducing prices – even though the Australian dollar has depreciated against the US dollar (the currency in which exports from both countries are typically

sold).

4. **The quantity and prices of dumped imported goods may affect various economic factors relevant to an Australian industry. These include, amongst other things, the return on investment in an industry, cash flow, the number of persons employed and their wages, the ability to raise capital, and the level of investment in the industry. Describe, as appropriate, the effect of dumped imports on these factors and where applicable use references to the data you have provided at appendix A7 (other economic factors). If factors other than those listed at appendix A7 (other economic factors) are relevant, include discussion of those in response to this question.**

The deterioration in Capral's margin in 2015/16 has also impacted the company's return on investment. Capral's ROI in 2015/16 has deteriorated to be below the levels of the three preceding years, even though Capral produced and sold increased quantities in 2015/16.

A further injury indicator that Capral has experienced relates to the capital investment undertaken with respect to the GUC. Capral has reduced its capital expenditure in aluminium extrusions in successive years from 2012/13, with the level of expenditure in 2015/16 at approximately xx per cent of the level of 2012/13.

Capral would also highlight that it has installed capacity to increase production and sales volumes of the GUC. It is noted that Capral's finished stocks have increased (applying pressure on working capital) however, price undercutting from the dumped and subsidised imports inhibits Capral's ability to meet increased demand and sell production at fair prices.

5. **Describe how the injury factors caused by dumping and suffered by the Australian industry are considered to be 'material'.**

The production of aluminium extrusions is a capital-intensive process, requiring ongoing investment to maintain a viable manufacturing operation. It is therefore not unreasonable for an industry that has outlaid significant capital (e.g. Bremer Plant [*value*] to expect that it can produce and sell goods into the Australian market at fair prices that allow for an adequate return for re-investment purposes.

Following the imposition of preliminary anti-dumping and countervailing measures on aluminium extrusions exported from China in 2009, it was Capral's expectation that it would recover from the injurious impacts of the Chinese exports. As this application demonstrates, however, there has been a shift in sourcing dumped and subsidised aluminium extrusions to Malaysia and Vietnam at prices below China and other supply sources, and below the Australian industry, such that the injurious imports have materially impacted Capral's profit and profitability.

The reduced return in 2015/16 cannot be considered to be representative of the usual ebb and flow of the business cycle as the dumped and subsidised imports have increased at a far greater rate than the annual growth in the Australian market. The almost \$xx million turnaround in profit in 2015/16 represents a material shift in performance that can be attributed to the sharp escalation in dumped and subsidised imports from Malaysia and Vietnam at prices that undercut the Australian industry's selling prices.

6. **Discuss factors other than dumped imports that may have caused injury to the industry. This may be relevant to the application in that an industry weakened by other events may be more susceptible to injury from dumping.**

Capral estimates that the Australian market for aluminium extrusions has increased in 2015/16 by approximately xxx per cent. In the same period, the Australian industry's sales volumes have also increased. Imports from Malaysia and Vietnam have risen sharply in 2015/16 – by approximately 50

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per cent – whereas imports from China and other supply sources have declined.

Furthermore, it was Capral's expectation that the measures on Chinese exports of aluminium extrusions would have allowed it to return to a level of profitability that was acceptable for reinvestment purposes. This has not been the case.

The impact of factors other than dumping during 2015/16 should have assisted Capral. The fall in the Australian dollar should have made imports more expensive, however, import prices have fallen and undercut Capral's selling prices. A reduction in the MJP port premium should also have assisted, however, this has been negated by an overall increase in production costs in 2015/16. The circumvention of measures by Chinese exporters was also a factor – however, this was resolved in 2015, with import prices from Malaysia and Vietnam being the main driver of pricing in the Australian market.

7. This question is not mandatory, but may support your application. Where trends are evident in your estimate of the volume and prices of dumped imports, forecast their impact on your industry's economic condition. Use the data at appendix A2 (Australian market), appendix A6 (cost to make and sell), and appendix A7 (other economic factors) to support your analysis.

In 2009 Capral welcomed the imposition of measures on injurious exports of aluminium extrusions from China. It was Capral's expectation that following this outcome it would experience a recovery from the unfair import prices. Chinese exporter subsequently circumvented the measures, resulting in ongoing material injury to Capral and the remaining Australian industry members. The Commission's investigation (No. 287) addressed circumvention activities by Chinese exporters and applied amended measures to redress the injurious export prices (in 2015).

In parallel with circumvention of goods from China and following thereafter, exports of aluminium extrusions from Malaysia and Vietnam have increased (in the case of Vietnam – rapidly) to hold 25 per cent of the total import volume of the GUC in 2015/16. This application demonstrates that the exports from Malaysia and Vietnam have been dumped, at margins that are not negligible, and have caused material injury to Capral. Additionally, this application details that exporters in Malaysia and Vietnam are in receipt of countervailable subsidies received from their respective governments which further assist in the exporters securing competitive advantage on export markets (including Australia).

During 2015/16, Capral has been impacted by increasing volumes of dumped and subsidised exports from Vietnam and Malaysia. The rapid recent growth in the exported goods can be attributed to the low selling prices that undercut the selling prices of Australian industry suppliers, and displace other suppliers (i.e. including imports from other countries). The price undercutting has prevented Capral from raising its selling prices to fully recover cost increases and has caused a diminution in profit and profitability that is material to Capral.

Capral is concerned that should the rapid escalation in import volumes from Malaysia and Vietnam continue, it will again be impacted in the same way that dumped and subsidised imports caused significantly reduced profits and profitability to the industry in 2008/09. The current levels of price undercutting from imports from Malaysia and Vietnam are anticipated to continue, suppressing Australian industry prices and preventing producers from recovering input cost increases.

In the absence of anti-dumping measures on the exports from Malaysia and Vietnam, Capral expects a further increase in market share of export volumes that will further injure the Australian industry manufacturing like goods.

Capral requests the Anti-Dumping Commission to commence a formal investigation into Capral's allegations of dumping, subsidisation and material injury that can be attributed to the exports of the GUC from Malaysia and Vietnam. Capral is also seeking the publication of a preliminary affirmative determination and imposition of provisional measures on, or as close to, Day 60 as practicable.

PART B

DUMPING

IMPORTANT

All questions in Part B should be answered even if the answer is 'Not applicable' or 'None' (unless the application is for countervailing duty only: refer Part C). If an Australian industry comprises more than one company/entity, Part B need only be completed once.

For advice about completing this part please contact the Commission's client support section on:

Phone: 13 28 46
Fax: (03) 8539 2499
Email: clientsupport@adcommission.gov.au

B-1 Source of exports.

1. Identify the country(ies) of export of the dumped goods.

The countries of export of the dumped and subsidised goods are Malaysia and Vietnam.

2. Identify whether each country is also the country of origin of the imported goods. If not, provide details.

Capral understands that the country of export is also the country of origin of the goods.

3. If the source of the exports is a non-market economy, or an 'economy in transition' refer to Part C.4 and Part C.5 of the application.

For anti-dumping purposes, Malaysia and Vietnam are considered "market economy" countries under Australia's Anti-Dumping legislation.

4. Where possible, provide the names, addresses and contact details of:

- **producers of the goods exported to Australia**

The following companies are understood to be producers/exporters of aluminium extrusion that has been exported to Australia:

Malaysia

- (i) Press Metal Berhad
Suite 61 & 62, Setia Avenue
No.2, Jalan Setia Prima S U13/S
Setia Alam Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan, Malaysia
Tel: +603 3362 2166
Fax: +603 3362 2000
Web: www.pressmetal.com
- (ii) LB Aluminium
43700 Lot 11
Jalan Perusahaan 1 Kawasan Perusahaan
Beranang Selangor, 43700 Malaysia
Tel: +60 3 8723 2288
- (iii) Ace Extrusions Sdn Bhd
Lot 6463, Batu 5 ¾,
Jalan Kapar Sementa, 42100
Klang, Selangor 42100 Malaysia
Tel: +60 3 3290 6308
- (iv) Selaco Aluminium Berhad
PLO280, Jin Timah
Kaw Perindustrian Pasir Gudang, 81700,
Pasir Gudang, Johor, 81700 Malaysia
Tel: +60 7 251 5262

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Vietnam

- (i) East Asia Aluminium Co., Ltd
(also known as Dong A Aluminium Co., Ltd)
Tan Dan Industrial Zone
Chi Linh Town
Hai Duong Province, Hai Dong Vietnam
Tel: +84 320 383 0422
- (ii) Mien Hua Precision Mechanical Co., Ltd
1A Highway, Tan Khanh Ward
Tan An City, Long An Province, Vietnam
Tel: +84 72 351 2870
Fax: +84 72 351 2872
- (iii) Global Vietnam Aluminium Co Ltd
My Xuan B1 – Conac Industrial Zone
My Xuan Town,
Tan Thanh District
BR-VT Province Vietnam
Tel: 064 3 921 921
Fax: 064 3 921 920

- **importers in Australia**

Capral understands the following companies to be importers of aluminium extrusions from the nominated countries:

Malaysia

- (i) Press Metal Aluminium (Australia) Pty Ltd
2/22 Eastern Service Road
Stapylton Qld 4207
Tel: (07) 3382 6640

Vietnam

- (i) Aus Star Holdings International Pty Ltd
43 Raubers Road
Northgate Qld 4013
Tel: (07) 3112 1867
- (ii) Almax Aluminium Pty Ltd
87 Trade Street
Lytton Qld 4178
Tel: (07) 3906 6000
- (iii) Ansun Enterprises Pty Ltd
Unit 1, 64 Connemarra Street
Kogarah NSW 2217
- (iv) Imperial Glass and Timber Pty Ltd
5 Powdrill Road
Sydney NSW 2170
Tel: (02) 8798 6323
- (v) Success Aluminium Pty Ltd
2/15 Bennett Street
Chester Hill NSW 2162

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Tel: (02) 9724 1568

(vi) LIG Australia Pty Ltd
(Liquidators Appointed)

5. If the import volume from each nominated country at Appendix A.2 (Australian Market) does not exceed 3% of all imports of the product into Australia refer to Part C.6 of the application.

Capral has included a summary of aluminium extrusion imports from all countries for the 2012/13 to 2015/16 (years ending March) periods at Confidential Appendix A2.

The import volumes are summarized in Table B-1.5 below.

Table B-1.5 – Aluminium extrusion import volumes 2012/13 to 2015/16

Country	2012/13	2013/14	2014/15	2015/16	% of 2015/16 Total Imports
Malaysia	9,804,253	10,896,843	8,256,226	11,114,528	14.3%
Vietnam	265,931	3,276,446	4,569,647	7,174,236	9.2%
China	34,797,796	33,783,431	35,997,467	34,368,344	44.2%
Indonesia	3,609,889	3,968,056	3,195,413	3,150,242	4.1%
New Zealand	5,801,524	5,483,903	5,255,883	5,374,926	6.9%
Thailand	2,754,787	1,779,947	1,729,771	1,920,094	2.5%
Other	23,444,234	26,717,207	20,492,571	14,600,170	18.8%
Total	80,478,414	85,905,833	79,496,978	77,702,540	100%

Source: TradeData – ex Australian Bureau of Statistics.

Table B-1.5 confirms that imports of aluminium extrusions from Malaysia and Vietnam accounted for approximately 14.3 per cent and 9.2 per cent respectively of the total import volume into Australia during 2015/16.

Import volumes from Malaysia and Vietnam in 2015/16 therefore were above negligible volume levels.

6. In the case of an application for countervailing measures against exports from a developing country, if the import volume from each nominated country at Appendix A.2 (Australian Market) does not exceed 4% of all imports of the product into Australia refer to Part C.6 of the application

Malaysia and Vietnam are considered developing countries by Australia. As this application involves applications for countervailing measures to be applied to imports from Malaysia and Vietnam, it must be demonstrated that the import volumes from either country individually exceeds 4 per cent of the total volume in 2015/16.

Table B-1.5 confirms that the import volumes in 2015/16 for Malaysia and Vietnam exceed 4 per cent of the total import volumes into Australia.

B-2 Export price

Possible sources of information on export price include export price lists; estimates from the Australian Bureau of Statistics; a deductive export price calculation from the Australian selling price of the imported goods; export sales quotations or invoices; foreign government export trade clearances.

1. Indicate the FOB export price(s) of the imported goods. Where there are different grades, levels of trade, models or types involved, an export price should be supplied for each.

Capral has calculated the monthly average export price (A\$FOB) for aluminium extrusions imported from Malaysia and Vietnam. The quantities and values (A\$FOB per kg) are reflected in Table B-2.1 below.

Table B-2.1 – Monthly weighted-average A\$FOB export prices (Tariff headings 7604 and 7608)

Month	Malaysia Qty (kg)	Malaysia FOB Value A\$	Malaysia A\$FOB/kg	Vietnam Qty	Vietnam FOB Value A\$	Vietnam A\$FOB/kg
Apr 2015	518211.67	2161877	4.172	864943.55	3265536	3.775
May 2015	564025.05	2387979	4.234	479485.51	1802298	3.759
Jun 2015	1007530.06	3965092	3.935	711136.62	2641727	3.715
Jul 2015	787341.07	3361876	4.27	662181.65	2533025	3.825
Aug 2015	1026004.09	4279402	4.171	849682.7	3317628	3.905
Sep 2015	928290.99	3832869	4.129	445556.81	1750391	3.929
Oct 2015	1069755.88	4400937	4.114	921880	3372361	3.658
Nov 2015	925235.69	3750504	4.054	717796.3	2491734	3.471
Dec 2015	537787.95	2117443	3.937	194169.97	698413	3.597
Jan 2016	1460336.53	5860544	4.013	576160.49	1935773	3.360
Feb 2016	1236927.97	4856468	3.926	468231.87	1631682	3.485
Mar 2016	1053081.48	3896612	3.700	283011	782867	2.766

Source: TradeData ex ABS.

The monthly A\$FOB values are considered accurate for the purposes of determining export prices for comparison with *prima facie* normal values.

2. **Specify the terms and conditions of the sale, where known.**

The terms and conditions of the export sales prices are understood to be at wharf, country of export and would include domestic inland freight.

3. **If you consider published export prices are inadequate, or do not appropriately reflect actual prices, please calculate a deductive export price for the goods. Appendix B1 (Deductive Export Price) can be used to assist your estimation.**

Capral considers the ABS import prices as shown in Table B-2.1 to be reliable for the purposes of calculating dumping margins for the goods exported to Australia.

4. **It is important that the application be supported by evidence to show how export price(s) have been calculated or estimated. The evidence should identify the source(s) of data.**

Please refer to Confidential Attachment B-2.1 for import data purchased by Capral from TradeData in support of the information derived in Table B-2.1 above.

B-3 Selling price (normal value) in the exporter's domestic market.

Possible sources of information about domestic selling prices in the country of export include: price lists for domestic sales (with information on discounts); actual quotations or invoices relating to domestic sales; published material providing information on the domestic selling prices; or market research undertaken on behalf of the applicant.

1. State the selling price for each grade, model or type of like goods sold by the exporter, or other sellers, on the domestic market of the country of export.

Malaysia

Aluminium extrusion prices are quoted with reference to a published price of aluminium (typically based upon the London Metals Exchange (LME)) plus a regional premium, billet premium, uplifted for a conversion cost and profit. The margin or "spread" over the prevailing aluminium cost is generally fairly static, unless of course there is significant pressure from cheap imports into the domestic market.

Malaysian domestic prices for aluminium extrusions are not published in an industry newsletter or journal. There is no regular reporting of prices and hence it is difficult for non-participants on the Malaysian domestic market to access prevailing selling price information. In the absence of domestic pricing information, Capral has constructed a normal value for aluminium extrusions sold in Malaysia based upon prevailing aluminium prices (ex LME), adjusted for the regional premium, conversion cost and profit. Please refer to Section B-4.1 below for details of Capral's constructed cost methodology for aluminium extrusions sold in Malaysia during 2015/16.

Vietnam

Aluminium extrusion prices are quoted with reference to a published price of aluminium (typically based upon the London Metals Exchange (LME)) plus a regional premium, billet premium, uplifted for a conversion cost and profit. The margin or "spread" over the prevailing aluminium cost is generally fairly static, unless of course there is significant pressure from cheap imports into the domestic market.

Vietnamese domestic prices for aluminium extrusions are not published in an industry newsletter or journal. There is no regular reporting of prices and hence it is difficult for non-participants on the Vietnamese domestic market to access prevailing selling price information. In the absence of domestic pricing information, Capral has constructed a normal value for aluminium extrusions sold in Vietnam based upon prevailing aluminium prices (ex LME), adjusted for the regional premium, conversion cost and profit. Please refer to Section B-4.1 below for details of Capral's constructed cost methodology for aluminium extrusions sold in Vietnam during 2015/16.

Please note that our Vietnamese constructed cost model does not account for finishing costs (Anodised or Powder-coated) and this would need to be added.

2. Specify the terms and conditions of the sale, where known.

Malaysia

The constructed normal value at Section B-4.1 is a selling price at the ex-factory level.

Vietnam

The constructed normal value at Section B-4.1 is a selling price at the ex-factory level.

3. Provide supporting documentary evidence.

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Malaysia

Refer to Section B-4.1 below.

Vietnam

Please refer to Section B-4.1 below.

4. List the names and contact details of other known sellers of like goods in the domestic market of the exporting country.

Capral has nominated producers in Malaysia and Vietnam at Section B-1.4 above.

B-4 Estimate of normal value using another method.

This section is not mandatory. It need only be completed where there is no reliable information available about selling prices in the exporter's domestic market. Other methods of calculating a normal value include:

- the cost to make the exported goods plus the selling and administration costs (as if they were sold in the exporter's domestic market) plus an amount for profit (if applicable);
- OR
- the selling price of like goods from the country of export to a third country.

1. Indicate the normal value of the like goods in the country of export using another method (if applicable, use appendix B2 Constructed Normal Value).

Malaysia

As indicated above, Capral has been unable to obtain domestic selling price information for aluminium extrusions sold in Malaysia. In the absence of published pricing information, Capral has constructed a normal value selling price for aluminium extrusions sold in Malaysia during 2015/16.

Methodology

The constructed selling price is based upon the prevailing LME price for aluminium ingot during the applicable quarter, adjusted for the Major Japanese Port (MJP) premium, a billet premium, plus amounts for conversion, packaging, selling and general administration, and profit.

The LME prices for each month have been sourced from Harbor Aluminium, a reputable industry newsletter detailing aluminium pricing globally. Harbor Aluminium is also the source of pricing references for regional port premiums (in this instance, Japan).

Conversion costs are based upon Capral's 2015/16 costs sourced from Confidential Appendix A6.1. Labour costs have been adjusted to reflect lower per capita income for Malaysia (the 2014 Malaysian per capita income amount has been used – source World Bank Data).

Packaging is based upon Capral's incurred packaging costs in 2015/16.

Selling and general administration expenses has been sourced from Press Metal Berhad's published 2015 annual accounts. Press Metal Berhad is a producer and exporter of aluminium extrusions to Australia. Similarly, a level of profit has also been sourced from Press Metal Berhad financial statements.

The constructed selling price is for goods packed, ex-factory. Please refer to Confidential Attachment B-4.1 for the Malaysian constructed selling price.

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Vietnam

Capral has been unable to obtain actual domestic selling price information for aluminium extrusions sold in Vietnam. In the absence of published pricing information, Capral has constructed a normal value selling price for aluminium extrusions sold in Vietnam during 2015/16.

Methodology

As for Malaysia (above) the constructed selling price is based upon the prevailing LME price for aluminium ingot during the applicable quarter, adjusted for the Major Japanese Port (MJP) premium, a billet premium, plus amounts for conversion, packaging, selling and general administration, and profit.

The LME prices for each month have been sourced from Harbor Aluminium, a reputable industry newsletter detailing aluminium pricing globally. Harbor Aluminium also contains pricing references for regional port premiums (in this instance, Japan).

Conversion costs are based upon Capral's 2015/16 costs sourced from Confidential Appendix A6.1. Labour costs have been adjusted to reflect lower per capita income for Vietnam (the 2014 Vietnam per capita income amount has been used – source World Bank Data at Databank.worldbank.org).

Packaging is based upon Capral's incurred packaging costs in 2015/16.

Selling and general administration expenses has been sourced from East Asia Aluminium Co Ltd's ("EAA") 2014 financial statements (specifically, the 2014 Income Statement that identifies interest, selling, and general & administration expenses). EAA is the largest producer and exporter of the GUC to Australia during 2015. A level of profit has also been sourced from EAA's 2014 Income Statement (refer to Confidential Attachment C-1.5).

Capral highlights that the constructed normal values for Malaysia and Vietnam have been prepared for "mill finish" only. The normal values do not include a cost associated with powder coating or anodising aluminium extrusions. Capral understands that a not insignificant volume of imported aluminium extrusions from Malaysia and Vietnam will be powder coated or anodised. Normal values The constructed selling price is for goods packed, ex-factory.

2. **Provide supporting documentary evidence.**

Normal values for Malaysia and Vietnam have been constructed using monthly LME prices as this reflects long-term buying behaviour for aluminium extruders. The constructed production cost includes a billet premium (based upon Capral's billet premium costs in 2015/16), metal waste (based upon Capral's rate in 2015/16). Scrap is sold and netted against raw material cost.

Please refer to Confidential Attachment B-4.1 for the Malaysian constructed selling price normal value for aluminium extrusions. The Vietnam constructed selling price for aluminium extrusions is included at Confidential Attachment B-4.2.

B-5 Adjustments.

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A fair comparison must be made between the export price and the normal value. Adjustments should be made for differences in the terms and circumstances of the sales such as the level of trade, physical characteristics, taxes or other factors that affect price comparability.

1. Provide details of any known differences between the export price and the normal value. Include supporting information, including the basis of estimates.

Capral understands that published FOB export prices include domestic inland freight. Normal values for Malaysian and Vietnamese exporters will require upward adjustments for domestic inland freight expenses.

Capral also considers that there are likely to be differences between domestic and export packaging costs, along with domestic and export credit terms. Adjustments for the differing expenses will be required.

Capral has not made provision for the identified adjustments when calculating dumping margins.

2. State the amount of adjustment required for each and apply the adjustments to the domestic prices to calculate normal values. Include supporting information, including the basis of estimates.

Capral does not have information as to the costs incurred for domestic inland freight, domestic and export credit, for exporters of the GUC. Capral is therefore unable to make the necessary adjustments.

B-6 Dumping margin.

1. Subtract the export price from the normal value for each grade, model or type of the goods (after adjusting for any differences affecting price comparability).

Capral has calculated weighted average normal values and export prices for aluminium extrusions sold in Malaysia and Vietnam and exported to Australia.

The determined dumping margins for aluminium extrusions exported from Malaysia and Vietnam over the period April 2015 to March 2016 (inclusive) are included in Table B-6.1 below.

Table B-6.1 – Dumping margins – aluminium extrusions exported from Malaysia and Vietnam

Month	Malaysia Dumping Margin A\$/kg	Margin as % of Export Price	Vietnam Dumping Margin A\$/kg	Margin as % of Export Price
Apr 2015	0.933	22.37	0.820	21.71
May 2015	0.601	14.20	0.594	15.79
Jun 2015	0.934	23.73	0.665	17.89
Jul 2015	0.186	4.35	0.169	4.41
Aug 2015	0.086	2.06	-0.095	-2.43
Sep 2015	0.325	7.87	0.059	1.49
Oct 2015	0.116	2.81	0.125	3.42
Nov 2015	0.190	4.69	0.322	9.27
Dec 2015	0.234	5.94	0.132	3.66
Jan 2016	0.339	8.46	0.531	15.80
Feb 2016	0.434	11.05	0.416	11.95
Mar 2016	0.479	12.96	0.974	35.21

The weighted average dumping margin for the GUC from each country over the nominated period were as follows:

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- Malaysia – A\$0.384 per kg; and
- Vietnam – A\$0.372 per kg.

2. Show dumping margins as a percentage of the export price.

Please refer to Table B-6.1 for monthly dumping margins as a percentage of export price.

The weighted average dumping margin as a percentage of the export price for the GUC from each country over the nominated period were as follows:

- Malaysia – 9.5 per cent; and
- Vietnam – 10.19 per cent.

PART C

SUPPLEMENTARY SECTION

IMPORTANT

Replies to questions in Part C are not mandatory in all instances, but may be essential for certain applications.

For advice about completing this part please contact the Commission's client support section on:

Phone: 13 28 46
Fax: (03) 8539 2499
Email: clientsupport@adcommission.gov.au

C-1 Subsidy

This section must be completed where countervailing duties are sought to offset foreign government assistance through subsidies to exporters or producers.

If the application is for countervailing duty alone, the domestic price information required by Part B of the application need not be supplied.

Responses to questions A-9 will need to identify the link between subsidisation and injury.

1. Identify the subsidy paid in the country of export or origin. Provide supporting evidence including details of:
 - (i) the nature and title of the subsidy;
 - (ii) the government agency responsible for administering the subsidy;
 - (iii) the recipients of the subsidy; and
 - (iv) the amount of the subsidy.

I. Malaysia

In the World Trade Organisation's ("WTO") most recent Trade Policy Review for Malaysia³, the WTO detailed the range of subsidy programs available to certain operating entities in Malaysia.

Income Tax reductions/exemptions and Investment Allowances in Malaysia

The corporate income tax rate in Malaysia is 25 percent. The WTO Trade Policy Review (TPR) of January 2014 confirmed the existence of "wide-ranging tax incentives"⁴:

"Direct tax incentives grant partial or total relief from income tax for a specified period, while indirect tax incentives are in the form of exemptions from import duty, sales tax (a GST in 2015), and excise duty."

The company tax incentives operate via the "pioneer status" and the "investment tax allowance" schemes. The incentives operate according to "factors such as the level of local company ownership, value-added, and the level of technology as measured by a managerial, technical and supervisory (MTS) index, and/or export performance requirements (and) also the level of skill development and R&D involved⁵".

The WTO Secretariat TPR confirmed:

"Pioneer status" is available to any company in an agricultural, manufacturing, hotel, tourism, or other industrial or commercial sector that participates in a promoted activity or form of production mentioned in the Promotion of Investment Act 1986"

and further,

"The ITA, an alternative to pioneer status for companies participating in a promoted activity of form of production, offer higher deductions for certain types of investments in less-developed areas, including Sabah, Sarawak, and the Eastern Corridor of peninsular Malaysia, and to strategic projects in other regions."

Pioneer status limits tax liability to 30 per cent of the company's statutory income, which can mean an effective tax rate of just 10 per cent – for five years (though certain promoted activities qualify for up to

³ Trade Policy Review, Report by the Secretariat – Malaysia, Document WT/TPR/S/292 , 27 January 2014 at Non-Confidential Attachment C-1.1..

⁴ WT/TPR/S/292, P. 63.

⁵ WT/TPR/S/292, P. 63.

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15 years). The exemption period commences from the company's "production day" which is viewed as the day the company's production level exceeds 30 per cent of its capacity.

Aluminium extrusions are included in the Malaysian Investment Development Authority's ("MIDA") Appendix 1A listing promoted products/activities to which tax incentives for pioneer status activities are available – See "No. XIII Manufacture of non-ferrous metal and their products 2 Bars, rods, shapes or sections of non-ferrous metals except EC copper rods" at www.mida.gov.my/env3/index.php?page=incentives-for-investment. It is also noted under No. XV that "Supporting products or services" including "metal castings, metal forgings, and moulds tools and dies" are also covered or included.

MIDA also details the type of incentive and the eligibility criteria at Appendix 1A:

"B. Type of Incentive

- (i) *Pioneer Status (PS) with income tax exemption of 70% of statutory income for 5 years. Unabsorbed capital allowances and accumulated losses incurred during the pioneer period can be carried forward and deducted from the post pioneer income of the company; or*
- (ii) *Investment Tax Allowance (ITA) of 60% of qualifying expenditure incurred within a period of 5 years. The allowance is offset against 70% of statutory income for each assessment year. Unutilised allowances can be carried forward until fully absorbed.*

C. Eligibility Criteria

- (i) *Company has not commenced production.*
- (ii) *Fulfill 2 criteria stated below:*
 - *level of value-added (VA) percentage.*
 - *Level of technology as measured by Managerial, Technical or Supervisory (MTS) Index.*

Note: For a new company with Malaysian equity ownership of at least 60%, which are already in production not more than one year from the date of application received by MIDA, can be considered for incentive."

The Government of Malaysia ("GOM") therefore encourages manufacturing investment in a broad range of activities covered by MIDA's identified sectors as listed in Appendix 1A and affords incentives in accordance with specified eligibility criteria.

Malaysian exporters of aluminium extrusions

Press Metal Berhad

Press Metal Berhad ("PM") is a Malaysian corporation with subsidiary companies involved in the manufacture and sale of aluminium extrusions. PM also exports to a related party company (70 per cent ownership), Press Metal Aluminium (Australia) Pty Ltd ("PMAA").

(i) Program 1 - Tax Reductions

PM manufactures aluminium products via its 80 per cent owned subsidiary company Press Metal Bintulu Sdn. Bhd ("PM Bintulu"). PM's 2014 Annual Report⁶ at P.65 confirms "*PM Bintulu was awarded "Pioneer Status" by MIDA in October 2013, which granted PM Bintulu exemption from company tax for a period of 5 years from 1 January 2013 to 31 December 2017 on 100% statutory income derived from the production of aluminium products. PM Bintulu is allowed to apply for an additional 5 years exemption upon expiry of the first 5 years.*"

⁶ Press Metal Berhad 2014 Annual Report at Non-Confidential Attachment C-1.2.

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Capral also notes the further statement in PM's 2014 Annual Report "In July 2014, MIDA further granted PM Bintulu the right to apply for an additional 5 years Pioneer Status, resulting in a potential extension of exemption from tax up to 31 December 2027."

PM Bintulu is a beneficiary of a specific subsidy program that exempts/reduces corporate income tax administered by MIDA during the period covered by this application.

Note 6 of PM's 2014 Financial Accounts (pp102-103) lists PM's investments in subsidiary companies that Capral considers are relevant to this application. Relevantly identified subsidiary companies include:

Name of Entity	Principal Place of Business	Principal Activities	Effective Ownership Interest and Voting Interest (%)
Press Metal Sarawak Sdn Bhd (PMS)	Malaysia	Manufacturing and trading of aluminium products	100
Press Metal Bintulu Sdn Bhd (PM Bintulu)	Malaysia	Manufacturing and trading of aluminium products	80
Press Metal Hong Kong Limited and its subsidiary, Press Metal International Ltd	Hong Kong, China	Investment Holding, Manufacturing and trading of aluminium products	100, 100
Press Metal International Technology Ltd (subsidiary of Press Metal International Ltd)	China	Manufacturing and trading of aluminium products	100
Press Metal Aluminium (Australia) Pty Ltd (PMAA)	Australia	Marketing of aluminium products	70
Press Metal International (Hubei) Ltd	China	Manufacturing and trading of aluminium products	100

Note: Press Metal Hong Kong Ltd, Press Metal International Ltd, Press Metal International Technology Ltd, Press Metal Aluminium (Australia) Pty Ltd, and Press Metal International (Hubei) Ltd accounts are not audited by KPMG International (the auditor of PM's accounts).

The above extract confirms that PM's subsidiary companies are the producers of the aluminium extrusions manufactured in Malaysia (PM Bintulu and PMS). PM Bintulu is the beneficiary of the Pioneer Status tax exemption in the investigation period covered by this application and has received corporate tax exemptions on the production and sale of aluminium extrusion products.

(ii) Program 2 - Investment Tax Allowance

Capral notes at Note 22 of PM's 2014 Annual Report that (PMS) has received from MIDA an Investment Tax Allowance ("ITA") of 100% on capital expenditures incurred towards the production of aluminium products over a period of 5 years from January 2008 to 23 January 2013. PM's notes to the accounts also state "for the financial year ended 31 December 2012, PMS recognised ITA for capital expenditures incurred on plant and machinery which are used to produce aluminium products. This resulted in the recognition of deferred tax assets amounting to RM 149,992,000 for the financial year ended 31 December 2012. For the financial years ended 31 December 2014 and 31 December 2013, upon further clarification with MIDA, the factory buildings housing plant and machinery were also deemed to qualify for ITA. This resulted in further recognition of deferred tax assets amounting to RM 13,648,000 (2013: RM 65,173,000)."

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PM's 2014 accounts highlight ITA "carry-forwards" of RM 206,558,000 which are likely to apply to PMS and impact PM's 2015 year accounts. Note 2 (q) to PM's accounts state "*Underutilised investment allowance and investment tax allowance, being tax incentives that are not a base of an asset, is recognised as a deferred tax asset to the extent that it is probable that the future tax profits will be available against which the unutilised tax incentive can be used*".

The unclaimed ITA balance will therefore provide PMS with a benefit in the 2015 year due to the carry-forward nature of the ITA.

LB Aluminium Berhad

LB Aluminium Berhad ("LBA") is listed on the Malaysian Stock Exchange. The company operates production facilities at Beranang, Selangor and Kuching, Sarawak. The operations include extrusion presses with an annual production capacity of 100,000 tonnes. The company has anodising operations in both production facilities, as well as powder coating capability.

LBA operates a number of subsidiary companies in Malaysia in which it has 100 per cent ownership. In particular, LB Aluminium Sarawak Sdn Bhd ("LBS") is involved with the "manufacturing, marketing and trading of aluminium extrusion in Malaysia". LBA also operates a trading company in Singapore – LB Aluminium (Singapore) Pte Ltd - that operates as a marketing arm for goods produced by LBS.

The individual operations of LBS (and whether the company is in receipt of Pioneer Status or Investment Tax Allowance benefits cannot) be evidenced from LBA's 2015 annual accounts.

Capral does note, however, that the LBA 2015 financial statements contain an item identifying LBA's use of an "reinvestment allowances" totalling RM 876,000 in 2015. It is further noted in LBA's quarterly report on financial performance for the period ended 31 January 2016 that "*The Group's effective tax rates for the quarter under review and financial period to date are lower than the statutory tax rate due to the availability of non-taxable income and reinvestment allowance arising from capital expenditure incurred during the current and previous financial years*".⁷

This statement evidences the receipt of benefits that are associated with Pioneer Status eligibility and ITA received by member companies within the Group.

Level of Benefit received via subsidies

PM and its two manufacturing subsidiaries in Malaysia are suppliers of aluminium extrusions to the Australian market. The information available in the PM 2014 Annual Report confirms that the extent of income tax exemptions provided to PM Bintulu and the investment allowance to PMS are both significant and ongoing.

Capral submits that the subsidies provide benefits to PM and its subsidiary companies that permit the companies to manufacture and sell aluminium extrusions at subsidised prices. The level of the benefit(s) received by PM and its subsidiary companies are considered to not be negligible and should be quantified by the Commission during the investigation into Capral's allegations.

Additional supporting information – Sales at a Loss – Press Metal

Capral draws to the attention of the Commission Financial Statement Note 5.1 on Impairment of Goodwill associated with PM's subsidiary company in Australia, Press Metal Aluminium (Australia) Pty Ltd. The note confirms that in 2014 the entity⁸ "*has been incurring losses for a number of financial years and is not expected to turn around in the near future*". This impairment loss has been recognised in PM's financial statements in 2014.

⁷ Refer LB Aluminium Notes to the Financial Statements for the financial period ended 31 January 2016, P. 14 at Confidential Attachment C-1.3,

⁸ Press Metal Berhad 2014 Financial Statements, P.100

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The loss-making position for PMAA would appear to be ongoing and highlights that PM and its subsidiary companies' export prices to Australia do not reflect the true cost of business in Australia. The export prices of the entities must therefore be rejected as unreliable under the provisions of Section 269TAB of the *Customs Act*.

Other Malaysian exporters of aluminium extrusions

Capral acknowledges that it has identified the above subsidy programs exist and provide benefits to PM and its subsidiary companies. It is considered that remaining Malaysian aluminium extrusions producers and exporters are similarly expected to have received similar investment incentive benefits for operations during the period of investigation.

Whereas the benefits received by other producers may not be as significant as those afforded to PM, it is reasonable to conclude that the producers/exporters have received the same (or similar) benefits under the identified programs, and that the benefits are not negligible.

II. Vietnam

WTO Notification

The Government of Vietnam ("GOV") provided a "New and Full Notification Pursuant to Article XVI:1 of the GATT 1994 and Article 25 of The Agreement on Subsidies and Countervailing Measures " dated 25 September 2015⁹.

The notification advised of the range of subsidy programs administered by the GOV to attract investment, including for the manufacturing sector during the period 2011 to 2013.

The key programs of relevance to this application as advised in the Notification are as follows:

- (i) Preferential import tariffs granted for enterprises investing in regions or sectors entitled to investment incentives. The program allows for imported capital equipment and machinery to be imported free of import duty;
- (ii) Incentives on corporate income tax for enterprises operating in regions or sectors entitled to incentives. A range of corporate tax reductions/exemptions are afforded to eligible enterprises;
- (iii) Incentives on non-agricultural land use tax involving an exemption or reduction in land use tax for a project in a sector and region entitled to investment incentives under investment laws.

Program 1 – Preferential Import Tariffs

The GOV provides for the exemption from import duties on capital equipment used in "*fixed assets of investment projects*".

Legal background and authority for program

Contained in Import and Export Tariff Law 2005 and Decree No.87/2010/ND-CP dated 13 August 2010 guiding the implementation of several articles of the Import and Export tariff Law.

⁹ WTO Committee on Subsidies and Countervailing Measures, G/SCM/N/253/VNM of 25 September 2015 at Non-Confidential Attachment C-1.4.

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The program is administered by the Ministry of Finance.

Form of the subsidy

Import tariff incentives.

To whom and how is the subsidy provided.

The program is available to proponents that create fixed assets of investment projects in sectors entitled to import duty preferences as set forth in Clauses 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, and 16 of Article 12 of the Decree No. 87/2010/ND-CP (at Non-Confidential Attachment C-1.4). The list of eligible sectors in which investment is promoted is included at Appendix 1 – refer Part B, I.1 - “Manufacture of nonferrous metals and cast iron metallurgy”.

Program 2 – Corporate tax incentives

The GOV provides reduced corporate tax rates for eligible enterprises that operate in regions or sectors that require development.

Legal background and authority

The legal basis for the program is included in the Law on Corporate Income Tax No. 14/2008/QH12 and guideline documents. The program is administered by the Ministry of Finance.

Form of subsidy

Preferential corporate income tax rates

To whom and how the subsidy is provided

Available to enterprises established under Vietnam and foreign laws.

Preferential tax rate of 10% in 15 years, tax exemption in 4 years, and 50% reduction of the tax amount payable in 9 succeeding years are applied to: (i) newly-established enterprise from a project carried out in the regions with especially difficult socio-economic conditions, economic zones, and high-technology parks; (ii) newly-established enterprises from a project in the sectors including high technology as prescribed by laws; scientific research and technology development; water plants, power plants, and water supply and drainage system; bridges, roads, and railroads; airports, seaports, and river ports; terminals, train stations, and other particularly important infrastructure decided by the Prime Minister; and software production (refer Article 14 of 14/2008/QH12) at Non-Confidential Attachment C-1.5).

For newly-established enterprises from a project in the above sectors with large scale, high technology or need of investment attraction, duration of applying preferential tax may be prolonged but the total time of applying preferential tax of 10% does not exceed 30 years. The Prime Minister will decide the extension of applying preferential tax of 10% as described in this Law based on the proposal of the Minister of Finance.

Program 3 – Incentives on non-agricultural land tax

The GOV provides for the exemption and reduction of non-agricultural land tax for a project in a sector and region entitled to investment incentives under investment laws.

Legal background and authority

Law on Non-agricultural land use tax No.48/2010/QH12 effective from 01 January 2012. Decree No.53/2011/ND-CP dated 01 July 2011 of the Government.

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The program is administered by the Ministry of Finance.

Form of subsidy

Preferential non-agricultural land use tax.

To whom and how the subsidy is provided.

Projects in the sectors entitled to investment incentives; and projects in the regions entitled to investment incentives in the list attached with the Decree No.108/2006/ND-CP of the Government promulgating details and providing guidelines to implement some articles of the Investment Law.

Incentives on non-agricultural land use tax are regulated in the Article 9 and 10 of the Law on Non-agricultural land use tax No.48/2010/QH12 effective from 01 January 2012 as below:

- Exemption from non-agricultural land use tax for projects in the sectors which investment is especially encouraged; projects in the regions with especially difficult socio-economic conditions; and projects in the sectors which investment is encouraged operating in the regions with difficult socio-economic conditions;
- 50% reduction of tax amount payable for projects in sectors which investment is encouraged; and projects in the regions with difficult socio-economic conditions;
- Projects in the sectors and regions eligible for investment incentives are promulgated in the list attached with the Decree No.108/2006/ND-CP of the Government regulating details and providing guidelines to implement some articles of the Law on Investment.

Vietnam exporters of aluminium extrusions

East Asia Aluminium Co Ltd (also known as Dong A Aluminium Co Ltd)

East Asia Aluminium Co Ltd ("EAA") trades as Dong A Aluminium Co Ltd and was established in 2006 in the Tan Dan Industrial Group Tan Dan Commune, Chi Linh District, Hai Hung. The company is engaged in the manufacture of metal and metal products (including aluminium extrusions). In 2014, EEA had a turnover of Vietnamese Dong 1,153,170,000,000 (US\$51.6M) – an increase of 50 per cent on the turnover of 2013 and more than 100 per cent on 2012¹⁰.

EEA (or Dong A Aluminium) is the largest exporter of aluminium extrusions from Vietnam to Australia during the first 9 months of 2015 accounting for US\$12.5 M of a total \$15.2 M in value exported to Australia. EEA therefore is the predominant exporter of aluminium extrusions supplied to the Australian market during the likely investigation period of April 2015 to March 2016.

An examination of EEA's 2014 income statement confirms that the company declared a net profit before tax of Dong 56,711,000,000 (US\$25.4 M) on which it paid tax of Dong 5,699,000,000 (US\$2.54 M) at a rate of 10 per cent. In 2013, the company paid tax at a rate of 8.75 per cent, and in 2013 EEA paid no tax.

It is evident that at the concessional company tax rate of 10 per cent, EEA has received corporate tax reductions from the Vietnam Ministry of Finance at a concessional rate of 10 per cent. As per Vietnam's WTO Notification of 25 September 2015, certain companies that are considered "large scale, high technology or need of investment attraction" that are in sectors that are key to the Vietnam economy may receive these benefits for up to 30 years.

The sharp rise in EEA's annual turnover indicates the company has recently expanded its operations and is now able to sell increased volumes of aluminium extrusions. As a consequence, Capral suggests that the company would have received benefits under Program 1 for import duty and tax

¹⁰ Refer East Asia Aluminium Co., Ltd Analytical Report at Confidential Attachment C-1.5.

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exemptions on new capital equipment used in the expanded production capacity of the company. Additionally, as EEA is located on an industrial park, Capral submits that EEA would also be eligible for land-use tax exemptions under subsidy Program 3 identified above.

Remaining Vietnam exporters

Capral is aware that other Vietnamese exporters of aluminium extrusions to Australia include Mien Hua Precision Mechanical Co., Ltd (“Mien Hua”) and CND Glass Aluminium Co., Ltd. Mien Hua has the capacity to produce approximately 50,000 tonnes of aluminium extrusions per annum and it claims that it and its sister companies are “the largest aluminium extruder makers” in Vietnam with more than US\$100 million in annual turnover. Mien Hua was established in 2001 and is a foreign-invested company operating in the Long An Province.

Capral anticipates that for Mien Hua to assert that it and its sister companies are the largest aluminium extruders in Vietnam that it would also be eligible for benefits under Subsidy Programs 2 and 3 identified above.

Conclusion on subsidies

Capral submits that the countervailable subsidies that have benefited exporters of aluminium extrusions in Malaysia and Vietnam are significant. It is not possible for Capral to quantify the level of benefit received by the recipient companies (as actual value of benefit under each program is not available to Capral), however, it is considered that the aggregate benefit received by each exporter is above negligible levels. Exporters have used this benefit to target export markets and secure a price advantage at the expense of local Australian industry sales, including sales by Capral.

Capral requests the Commission to commence a formal investigation into the identified subsidy programs in Malaysia and Vietnam (and any others that the Commission may be advised of during the conduct of an investigation) and recommend the imposition of subsidy measures at above negligible levels on future exports of the GUC from Malaysia and Vietnam.

C-2. Threat of material injury

Address this section if the application relies solely on threat of material injury (ie where material injury to an Australian industry is not yet evident).

- 1. Identify the change in circumstances that has created a situation where threat of material injury to an Australian industry from dumping/subsidisation is foreseeable and imminent, for example by having regard to:**
 - 1. the rate of increase of dumped/subsidised imports;**

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2. **changes to the available capacity of the exporter(s);**
3. **the prices of imports that will have a significant depressing or suppressing effect on domestic prices and lead to further imports;**
4. **inventories of the product to be investigated; or**
5. **any other relevant factor(s).**

This application for anti-dumping and countervailing measures is not based upon a threat of material injury, but on injury that has already been experienced by the Australian industry manufacturing aluminium extrusions.

This question therefore does not apply.

2. **If appropriate, include an analysis of trends (or a projection of trends) and market conditions illustrating that the threat is both foreseeable and imminent.**

This question is not applicable.

C-3. Close processed agricultural goods

Where it is established that the like (processed) goods are closely related to the locally produced (unprocessed) raw agricultural goods, then – for the purposes of injury assessment – the producers of the raw agricultural goods form part of the Australian industry. This section is to be completed only where processed agricultural goods are the subject of the application. **Applicants are advised to contact the Commission’s client support section before completing this section.**

1. **Fully describe the locally produced raw agricultural goods.**

Aluminium extrusions are not close processed agricultural goods. This question is not applicable.

2. **Provide details showing that the raw agricultural goods are devoted substantially or completely to the processed agricultural goods.**

This question is not applicable.

3. **Provide details showing that the processed agricultural goods are derived substantially or completely from the raw agricultural goods.**

This question is not applicable.

4. **Provide information to establish either:**

- **a close relationship between the price of the raw agricultural goods and the processed agricultural goods; or**
- **that the cost of the raw agricultural goods is a significant part of the production cost of the processed agricultural goods.**

This question is not applicable.

C-4. Exports from a non-market economy

Complete this section only if exports from a non-market economy are covered by the application. The domestic price information required by Part B of the application need not be supplied if this question is answered.

Normal values for non-market economies may be established by reference to selling prices or to costs to make and sell the goods in a comparable market economy country.

1. **Provide evidence the country of export is a non-market economy. A non-market economy exists where the government has a monopoly, or a substantial monopoly, of trade in the country of export and determines (or substantially influences) the domestic price of like goods in that country.**

Malaysia and Vietnam are considered 'market economy' countries for the purposes of Australia's anti-dumping and countervailing provisions. This question is therefore not applicable.

2. **Nominate a comparable market economy to establish selling prices.**

This question is not applicable.

3. **Explain the basis for selection of the comparable market economy country.**

This question is not applicable.

4. **Indicate the selling price (or the cost to make and sell) for each grade, model or type of the goods sold in the comparable market economy country. Provide supporting evidence.**

This question is not applicable.

C-5 Exports from an 'economy in transition'

An 'economy in transition' exists where the government of the country of export had a monopoly, or substantial monopoly, on the trade of that country (such as per question C-4) and that situation no longer applies.

Complete this section only if exports from an 'economy in transition' are covered by the application. **Applicants are advised to contact the Commission's client support section before completing this section**

1. **Provide information establishing that the country of export is an 'economy in transition'.**

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Malaysia and Vietnam are considered 'market economy' countries for the purposes of Australia's anti-dumping and countervailing provisions. This question is therefore not applicable.

2. **A price control situation exists where the price of the goods is controlled or substantially controlled by a government in the country of export. Provide evidence that a price control situation exists in the country of export in respect of like goods.**

This question is not applicable.

3. **Provide information (reasonably available to you) that raw material inputs used in manufacturing/producing the exported goods are supplied by an enterprise wholly owned by a government, at any level, of the country of export.**

This question is not applicable.

4. **Estimate a 'normal value' for the goods in the country of export for comparison with export price. Provide evidence to support your estimate.**

This question is not applicable.

C-6 Aggregation of Volumes of dumped goods

Only answer this question if required by question B-1.5 of the application and action is sought against countries that individually account for less than 3% of total imports from all countries (or 4% in the case of subsidised goods from developing countries). To be included in an investigation, they must collectively account for more than 7% of the total (or 9% in the case of subsidised goods from developing countries).

	Quantity	%	Value	%
All imports into Australia		100%		100%
Country A*				
Country B*				
etc*				
Total				

- Only include countries that account for less than 3% of all imports (or 4% in the case of subsidised goods from developing countries). Use the data at [Appendix A.2](#) (Australian Market) to complete the table.

Please refer to Section B-1.5 above where it is established that the exported goods exceed 4 per cent of total import volume in 2015/16 for Malaysia and Vietnam.

APPENDICES

Appendix A1	Australian Production
Appendix A2	Australian Market
Appendix A3	Sales Turnover
Appendix A4	Domestic Sales
Appendix A5	Sales of Other Production
Appendix A6.1	Cost to Make and Sell (& profit) Domestic Sales
Appendix A6.2	Cost to Make and Sell (& profit) Export Sales
Appendix A7	Other Injury Factors
Appendix A8	Authority to Deal With Representative
Appendix B1	Deductive Export Price
Appendix B2	Constructed Normal Value