



Deutsche Bank
Australian Investor Conference
4 March 2004
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Orica Limited



AGENDA

- Orica Background
- Business Overview
- Approach since 2001
- Looking Forward
- Questions

ORICA - BACKGROUND

ORICA - SNAPSHOT

- Australian owned publicly listed company trading on the Australian Stock Exchange
- Ranked in top 50 Australian companies based on market capitalisation
- Operate in over 30 countries - 9000 employees
- Comprised of four business platforms - all leaders in their chosen markets
- Our products and services impact on every part of modern life

LARGE AUSTRALIAN DIVERSIFIED COMPANY

ORICA - WHAT WE DO



Mining Services

- Commercial explosives plus blast management



Chemicals

- Niche chemical manufacturing plus chemical trading, value add and distribution



Consumer Products

- Paint, paint preparation and premium consumer garden care products



Incitec Pivot

- Fertilisers

Businesses
united by
chemical
sciences

Market
Leadership

Leading
Brands

Strong assets

Capable
people

Technology

SATISFACTION OF BASIC HUMAN NEEDS

ORICA - 2003 FINANCIAL OVERVIEW

Profit and loss

- NPAT* A\$270M (up 13% from 2002)
- 3 of our 4 businesses delivered record results

Balance sheet and cash flow

- Gearing 37% (debt/(debt+equity))
- Interest cover 7.3 times
- Net debt A\$877M - Average tenor 9.2 years
- S&P Rating: BBB+ stable
- Strong cashflow: A\$500 million cashflow from operations (before investing and financing)

* pre-significant items

ORICA - 2003 FINANCIAL OVERVIEW

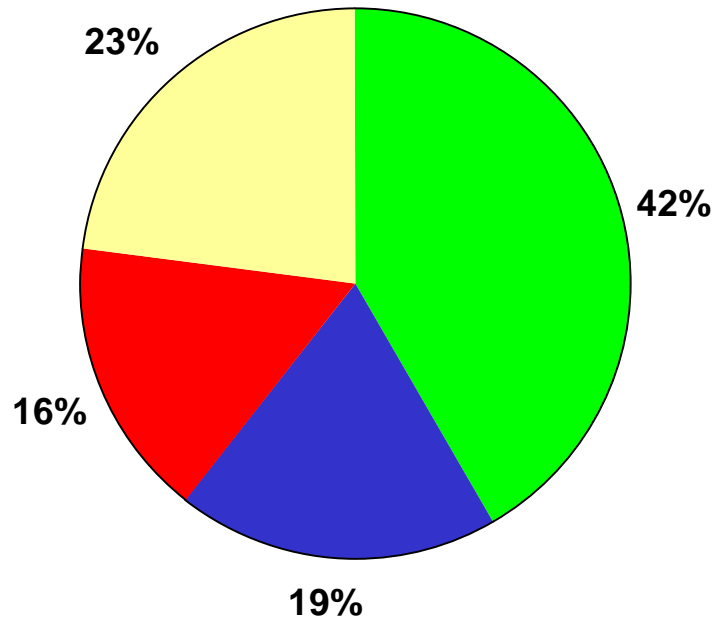
Shareholder returns

- EPS* 97.2 cents (up 13% from 2002)
- ROSF* 19.6%
- Dividend payout ratio 53%
- Franking 21%
- 5% share buyback program in progress

* pre-significant items

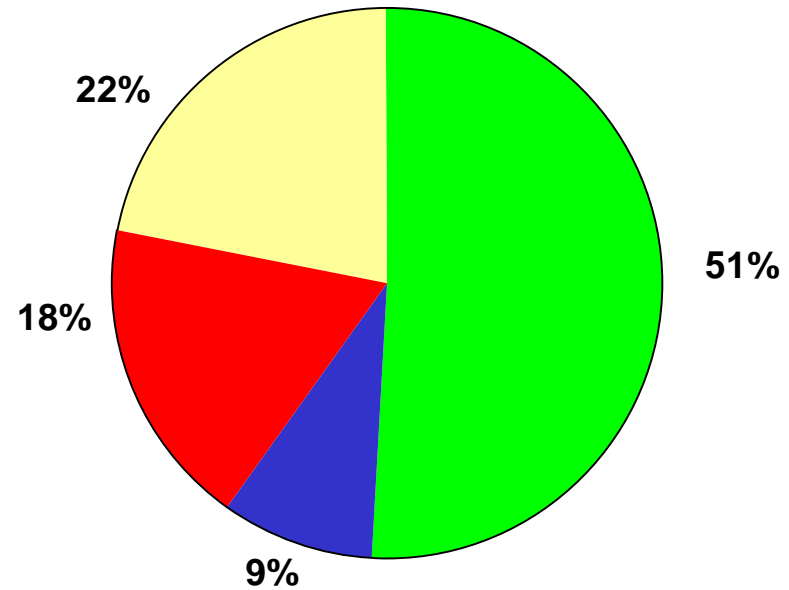
ORICA - OUR FOUR BUSINESSES IN 2003

Revenue - \$A\$4BN



- Mining Services
- Fertilisers
- Consumer Products
- Chemicals

Business EBIT A\$442M



- Mining Services
- Fertilisers
- Consumer Products
- Chemicals

BUSINESS OVERVIEW

Orica - Business Characteristics

Mining Services

- Global business
- Largest commercial explosives company in the world
- Superior assets & technology
- Complete product offering

Chemicals

- Largest Chemical business in Australia and New Zealand
- Strong asset positions
- Leading technology
- Cost and capital efficiency

Consumer Products

- Largest paint and paint preparation business in Australia and New Zealand
- Market and brand leader
- Distribution strength and service excellence
- World class technology



Fertilisers

- Merger of Incitec Fertilizers and Pivot Limited on 1 June 2003
- Largest manufacturer and distributor of fertiliser in Australia
- Wide geographic spread across Australia's East Coast

Orica - Business Drivers

Mining Services

- Economic activity
- Country development
- Power generation
- Mining volumes

Chemicals

- GDP
- Weather
- Economic activity
- International chemical prices



Consumer Products

- Discretionary income
- GDP
- Housing renovation and turnover
- Building and construction

Fertilisers

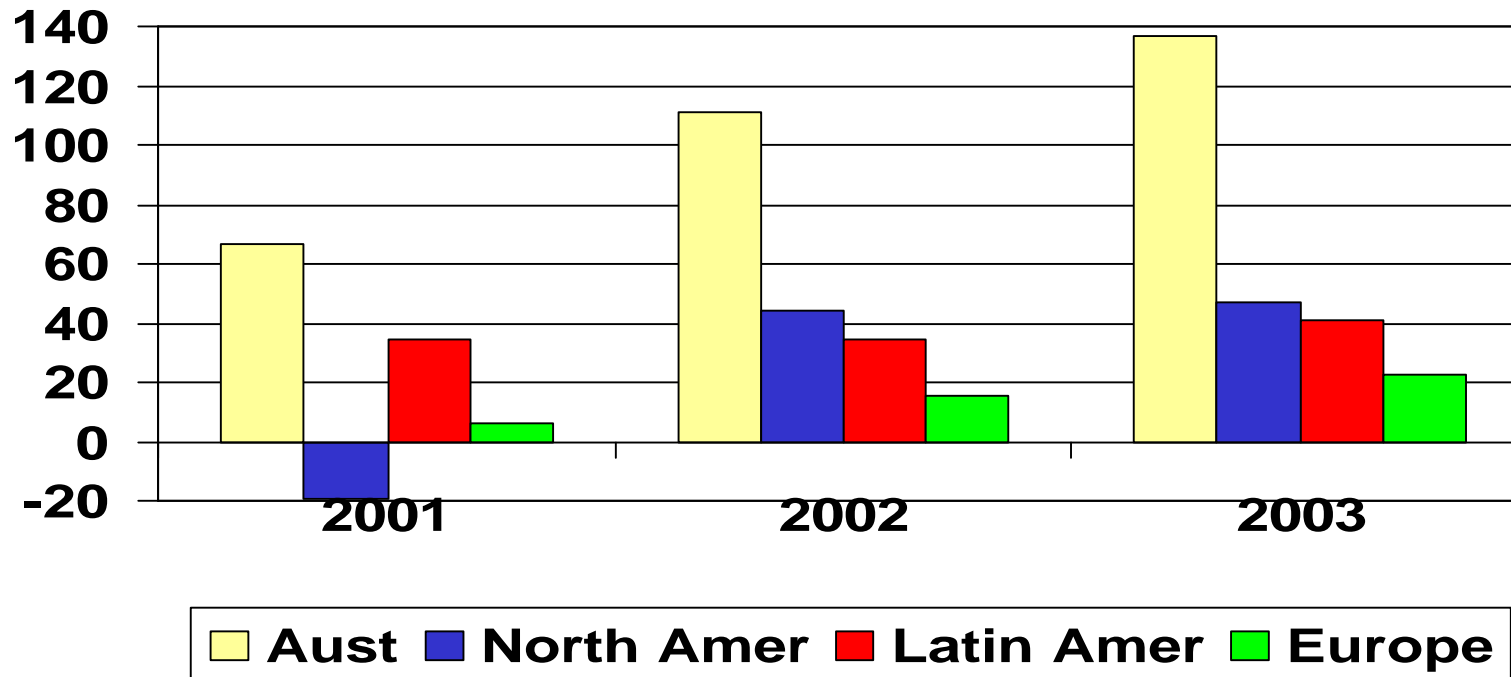
- Weather
- Agricultural commodity prices
- International fertiliser prices
- AUD/USD exchange rate

Historical Financial Performance*

* excludes Incitec Pivot as business was only formed on 1 June 2003

Mining Services

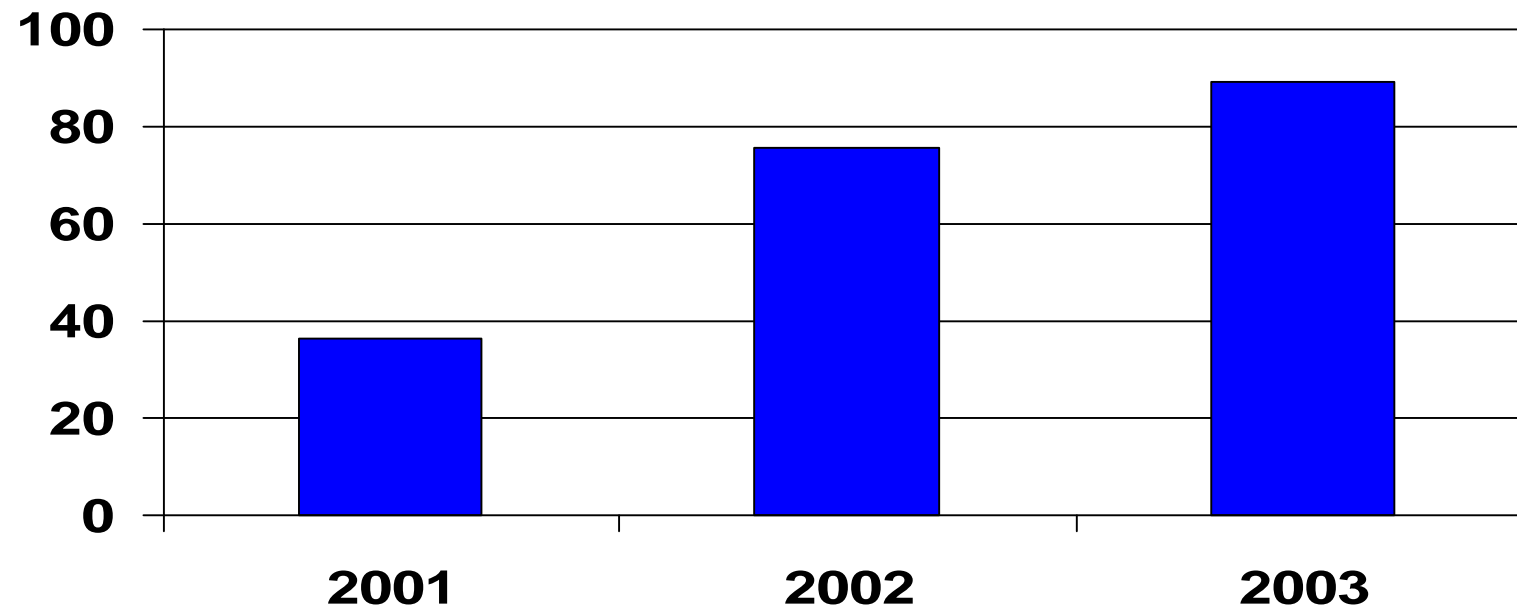
EBIT TREND (A\$M)



- Improvement across all regions
- Dramatic turnaround in North American business - more still to do
- Excellent growth in Australia/Asia and Europe
- Consistent strong returns from Latin America

Consumer Products

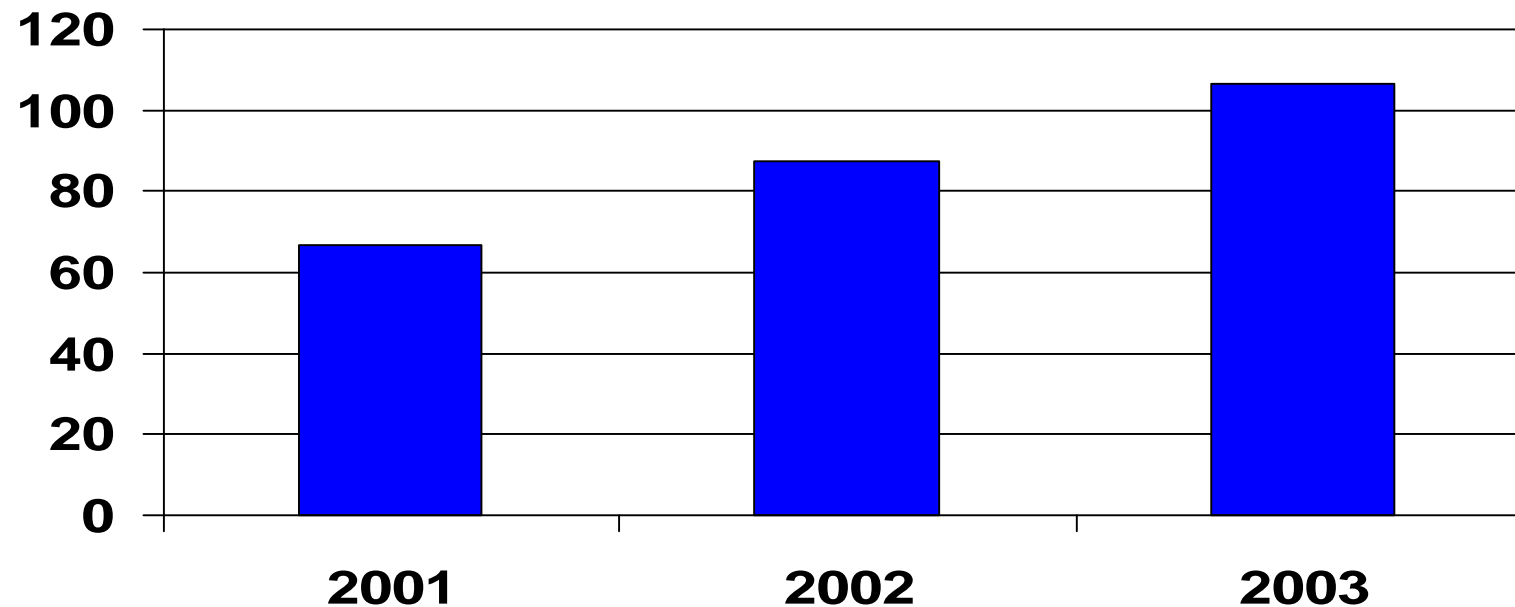
EBIT Trend (A\$M)



- Step change in cost base
- Improved product mix
- Record profitability in 2003
- Strong consumer confidence over the period

Chemicals

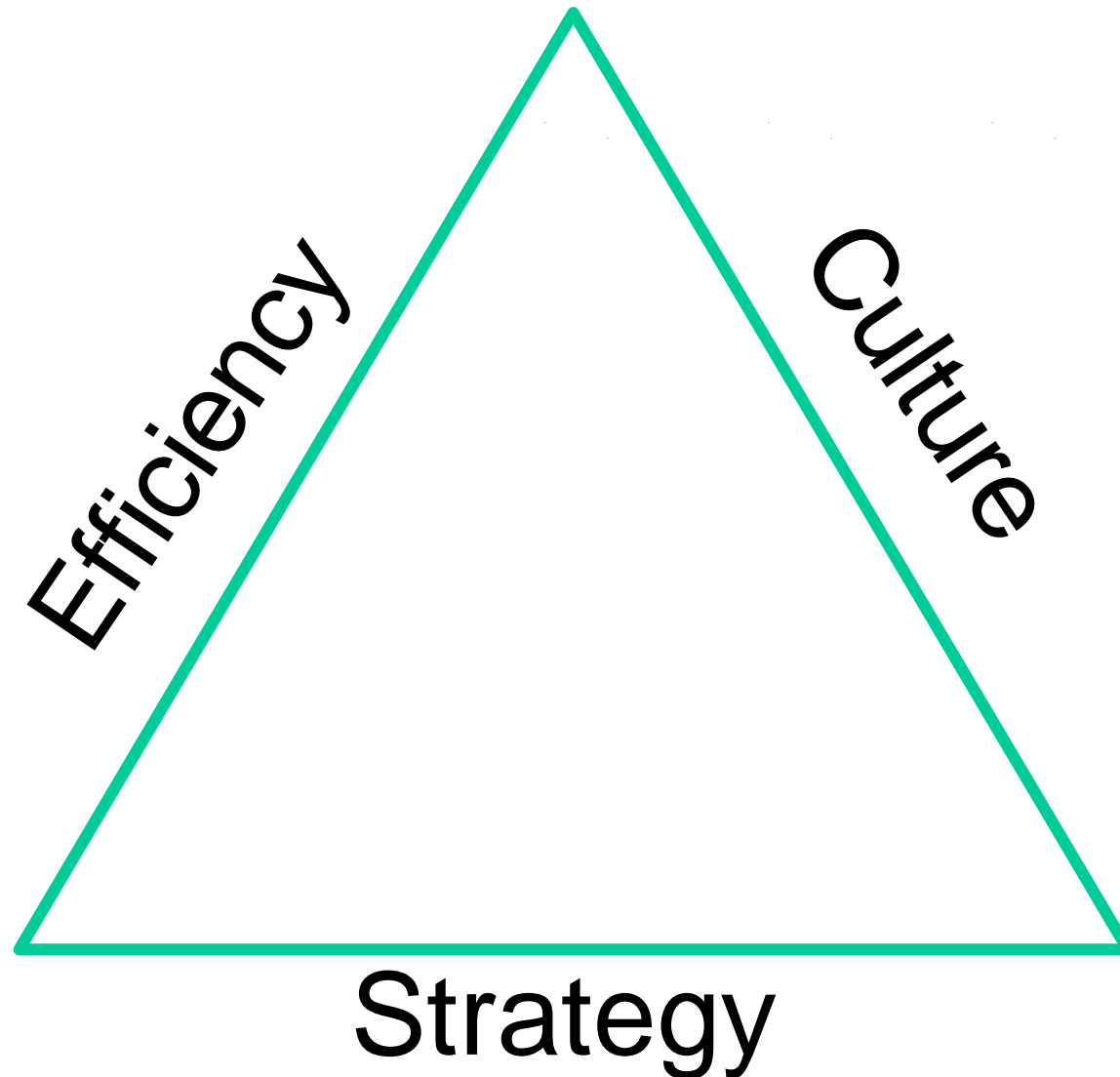
EBIT Trend (A\$M)



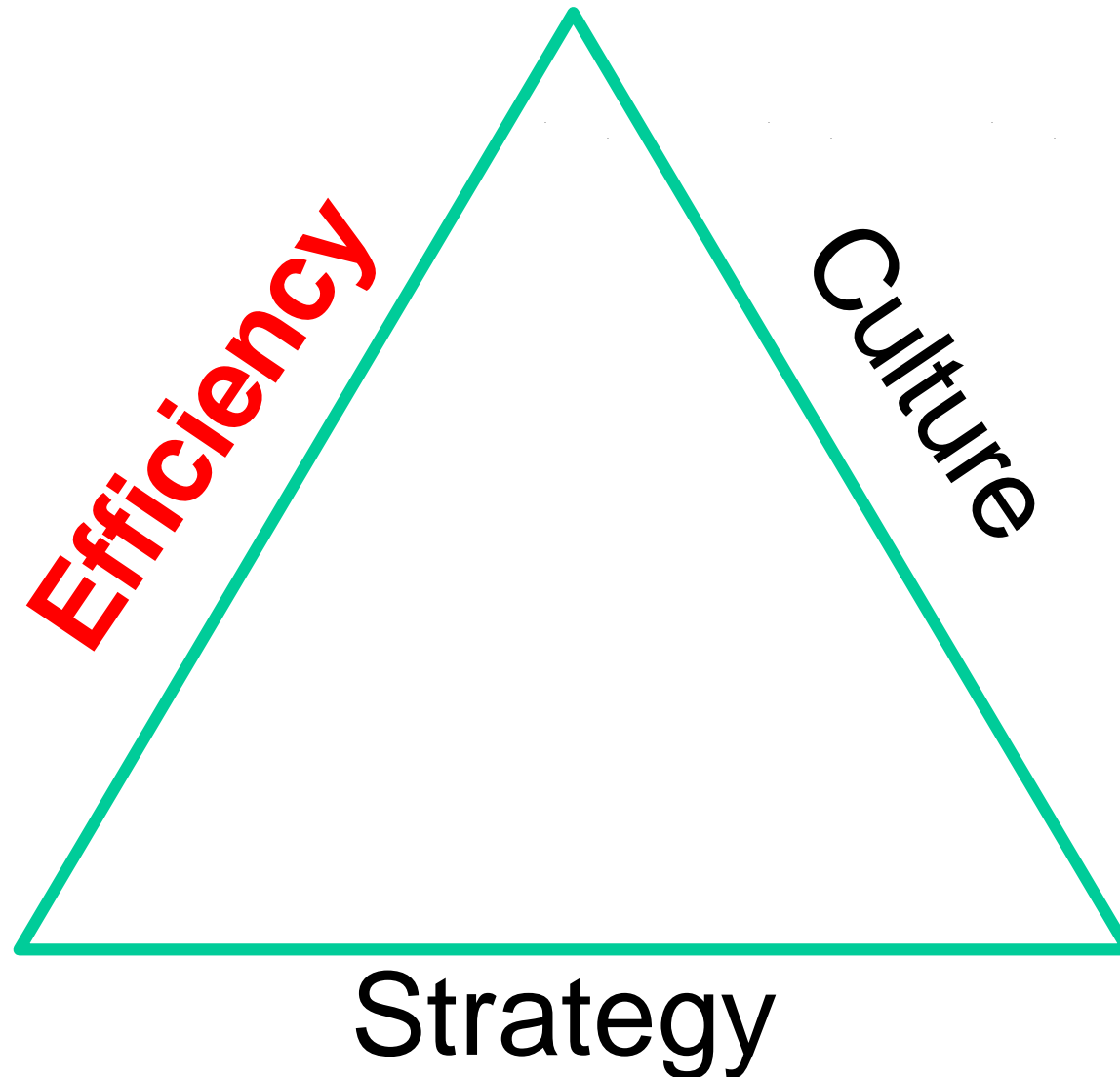
- Six consecutive years of profit improvement
- Productivity improvement
- Record profitability in 2003
- Capital reinvestment
- Commercialisation of new technologies

APPROACH SINCE 2001

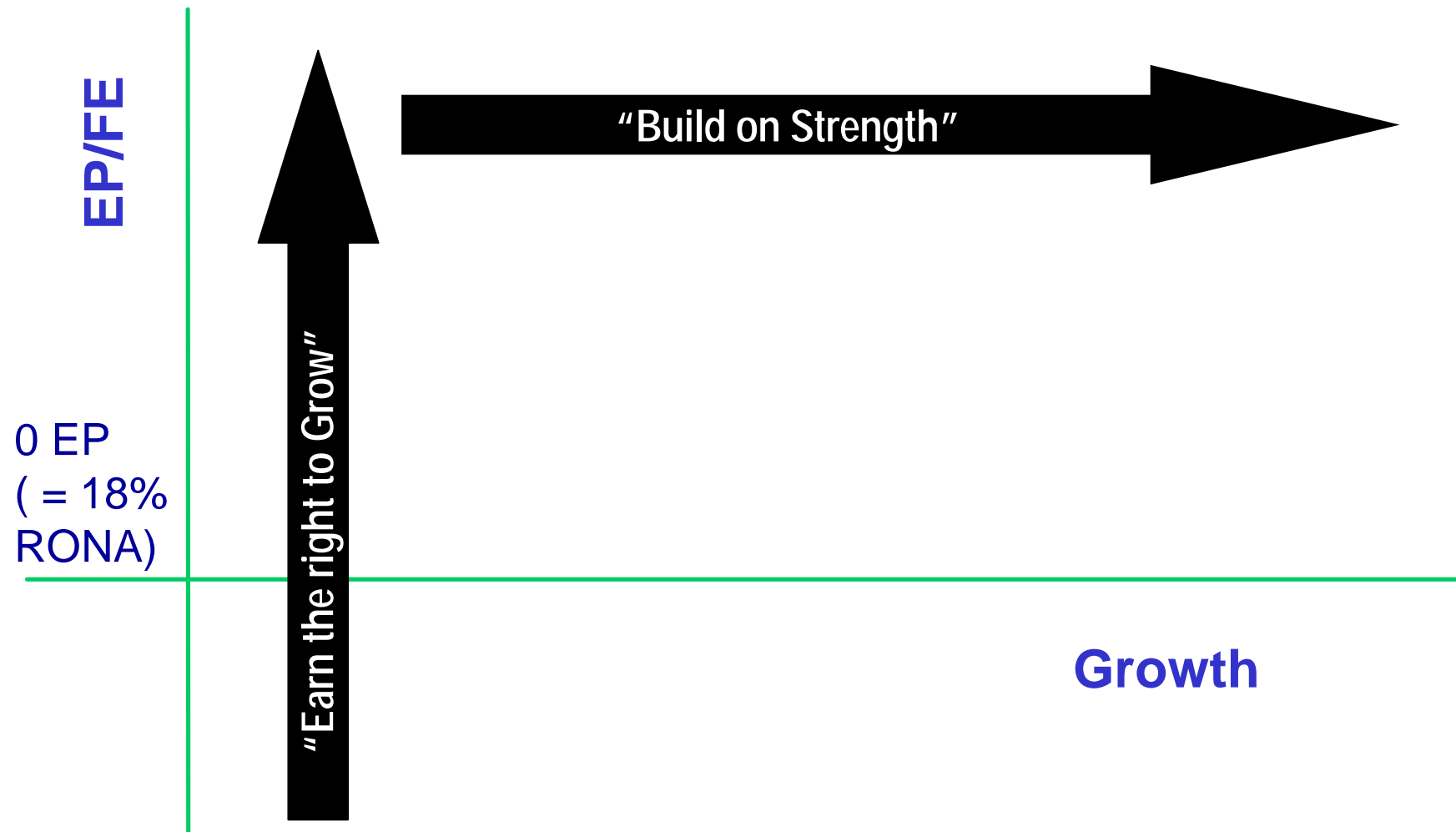
ORICA'S APPROACH



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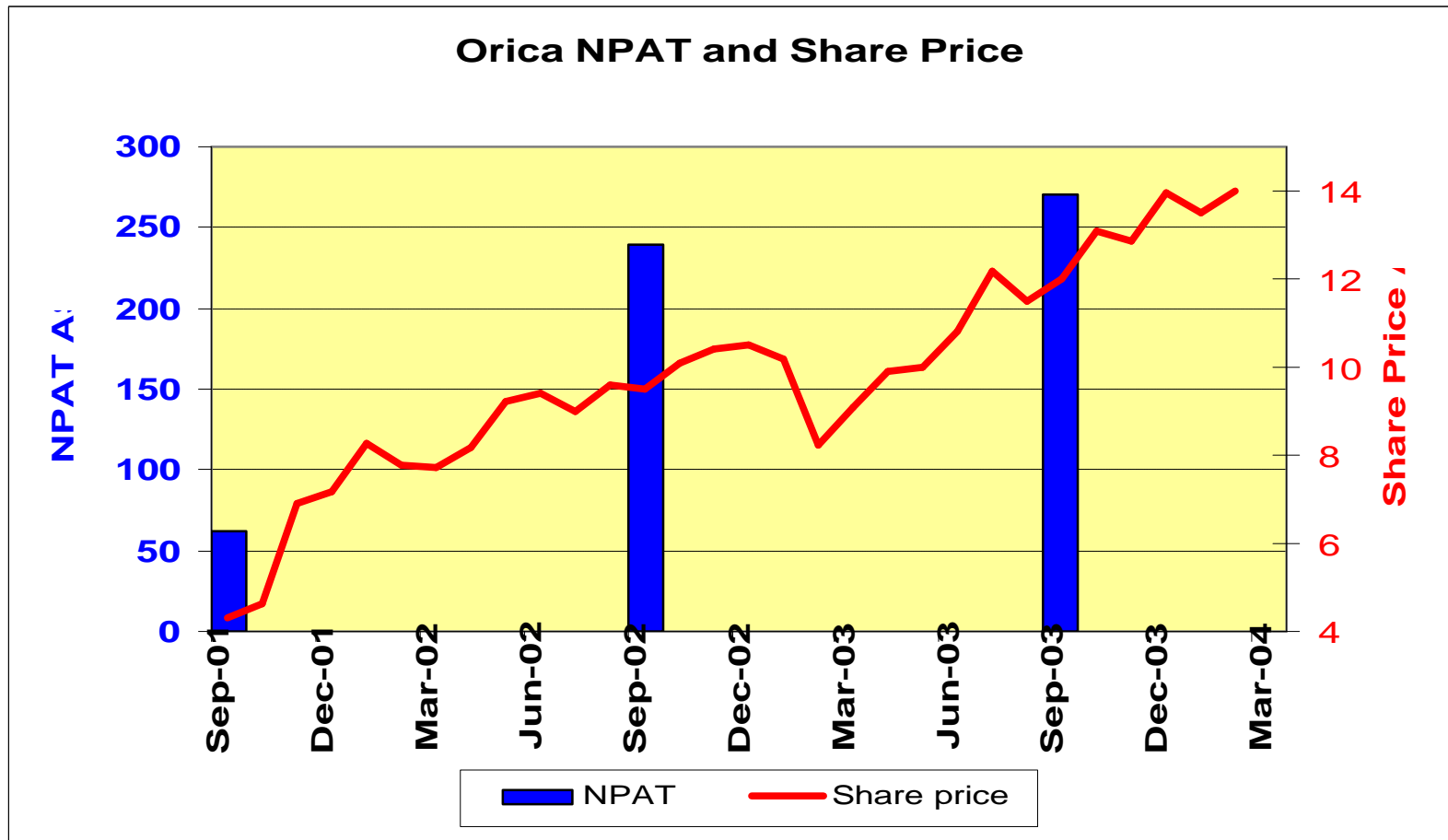


Strategy and Execution



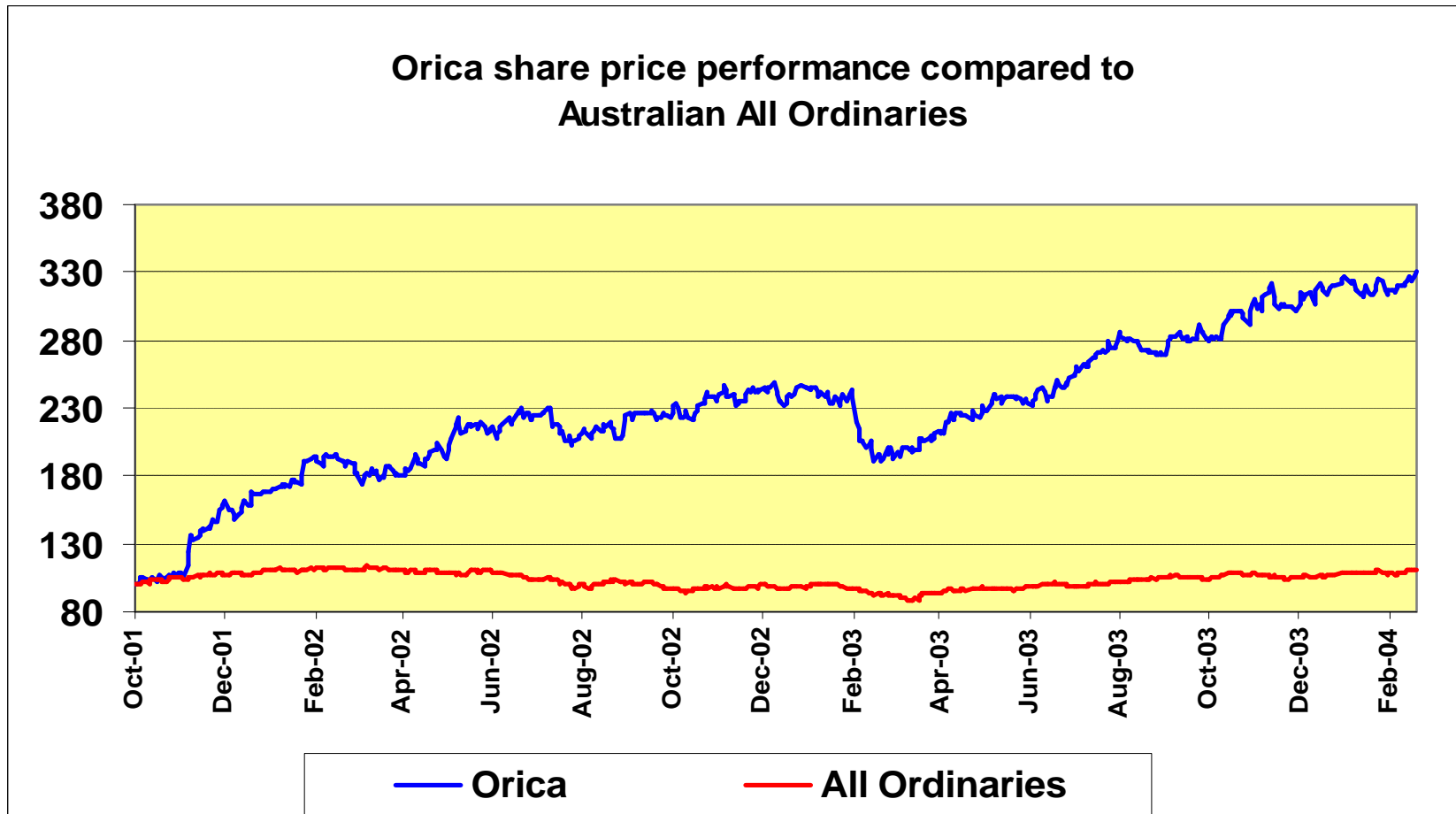
EFFICIENCY IMPROVEMENT AND GROWTH

ORICA - WHAT OUR APPROACH HAS DELIVERED



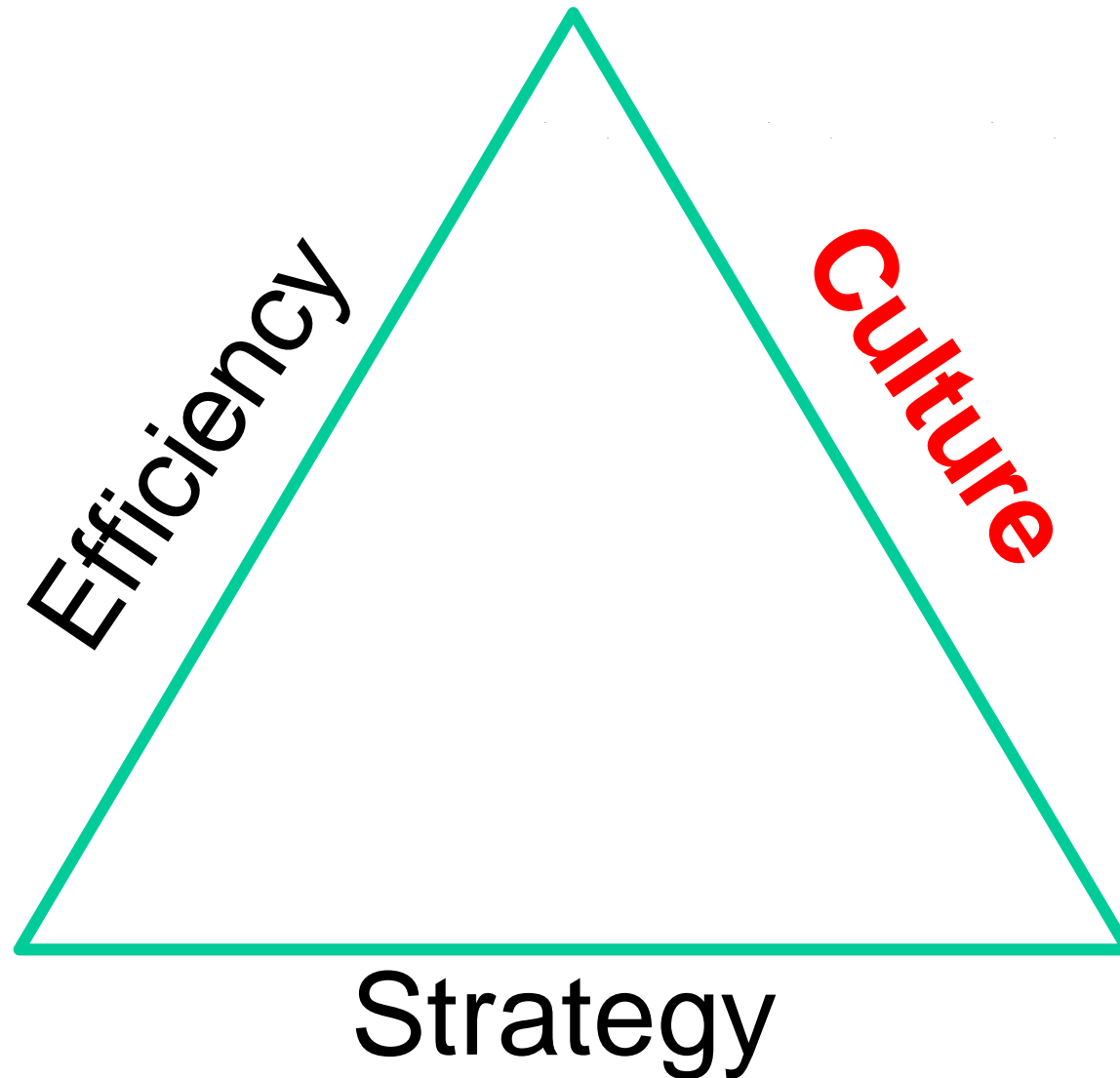
FIX UP, CLEAN UP, GROW

CREATING VALUE FOR SHAREHOLDERS



ABOVE AVERAGE MARKET RETURNS

ORICA'S APPROACH

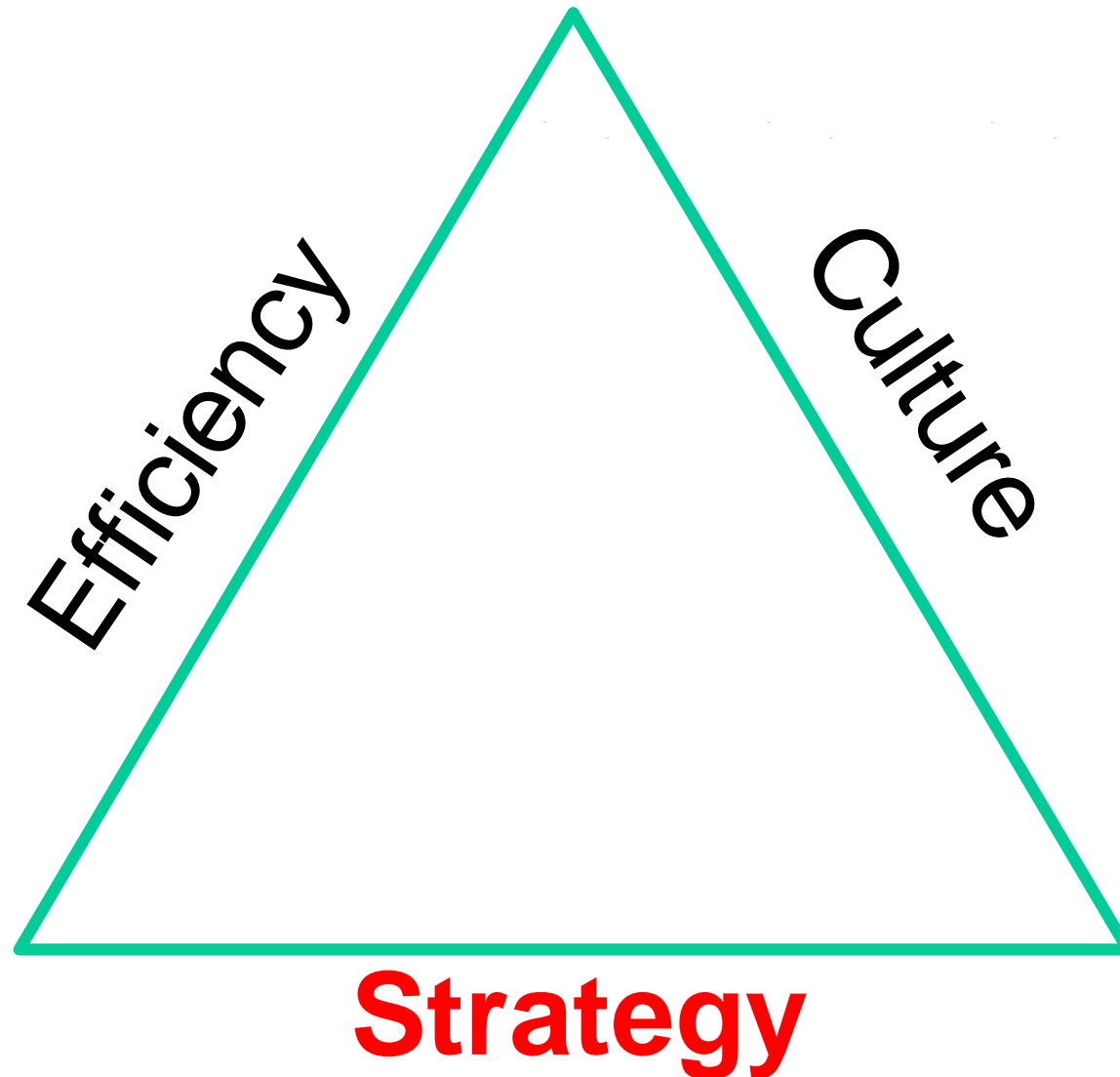


ORICA - CULTURE

- Safety, Health and Environment
- Commercial Ownership
- Creative Customer Solutions
- Working Together

PRINCIPLES DEVELOPED BY EMPLOYEES

ORICA'S APPROACH

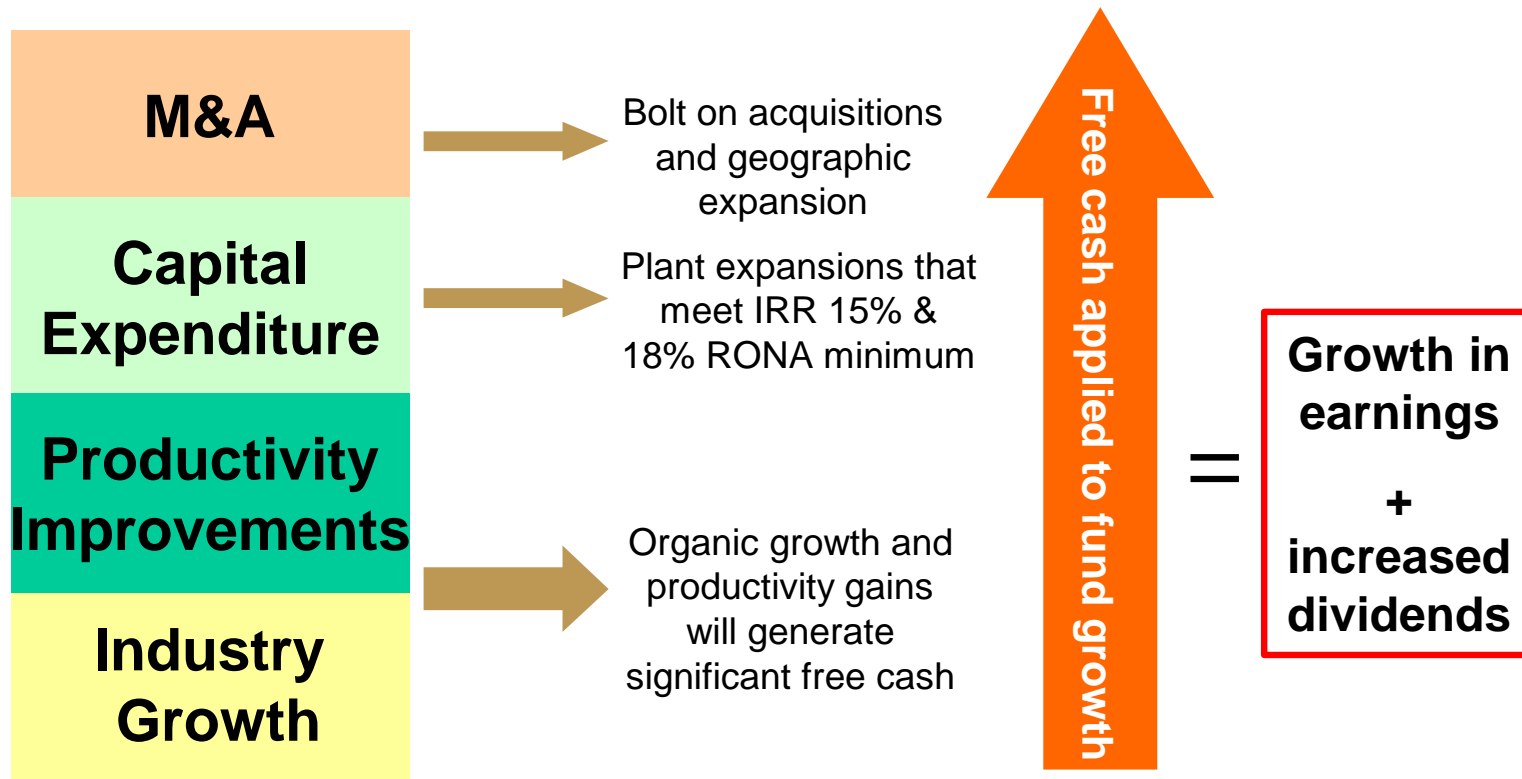


STRATEGY PRINCIPLES:

1. Market leadership - “profitable niches”
2. Growing only value adding businesses -
“earn the right to grow”
3. Related growth -
“building on our best businesses”

LOW RISK VALUE CREATION

SIMPLE STRATEGY - SUPERIOR RESULTS



ABOVE AVERAGE MARKET RETURNS

ORICA - Business Opportunities

Mining Services

- New geographies
- Plant expansions
- Organic growth

Chemicals

- Leverage off new & existing acquisitions
- Organic growth
- Commercialisation of new technologies



Consumer Products

- Further category expansion
- Geographic expansion
- Ongoing product development and innovation

Fertilisers

- Capturing synergy benefits
- Supply chain optimisation

ORICA - LOOKING FORWARD

- Excellent businesses that provide sound footing for growth
- Strategy for growth is low risk
- Portfolio is no longer deeply cyclical
- AN capacity increases at Kooragang Island (Dec 04) and Yarwun (Mar 05)

ORICA - LOOKING FORWARD

- Continued earnings momentum in 2004
 - Continued focus on efficiency
 - Integration of acquisitions are all on track
 - Recent rains in Australia are a good sign, albeit early in the season

“DELIVER THE PROMISE”



Questions



Disclaimer

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