

A young girl with dark hair, wearing a blue swimsuit, is climbing a metal ladder out of a swimming pool. She is smiling and looking towards the camera. The water is bright blue and rippling. The ladder is made of dark metal. The background is a light blue gradient with faint, stylized molecular structures.

CHEMICALS



Key Messages



- Strong management team
- Outstanding performer
- More growth to come



Agenda



- Who are we
- What have we done
- Where are we going



Who are we?

**Manufacturer and distributor of
commodity and specialty chemicals**

- **Market leadership**
- **Strong management team**
- **Privileged assets**
- **Customer focus**
- **SH&E priority**
- **Outstanding financial results**



Who are we?

Chemicals Group Structure



- **Chemnet**

- Chemicals distribution, niche manufacturing



- **ChlorAlkali**

- Chlorine, Caustic Soda and derivatives, MIEX[®]

- **Mining Chemicals**

- Sodium Cyanide, Explosives Emulsifiers



- **Adhesives & Resins**

- Formaldehyde based wood adhesives

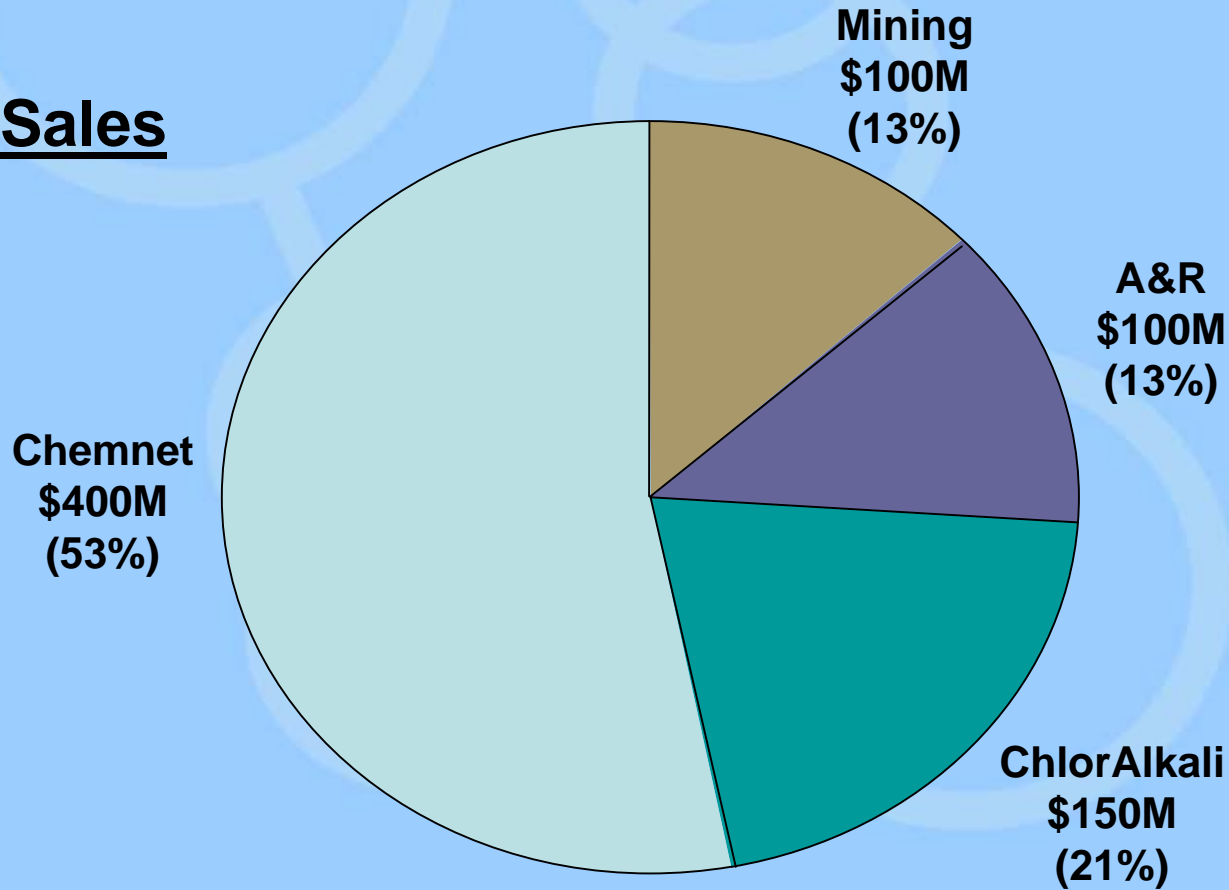


Who are we?

The leading Chemical Company in ANZ



Sales



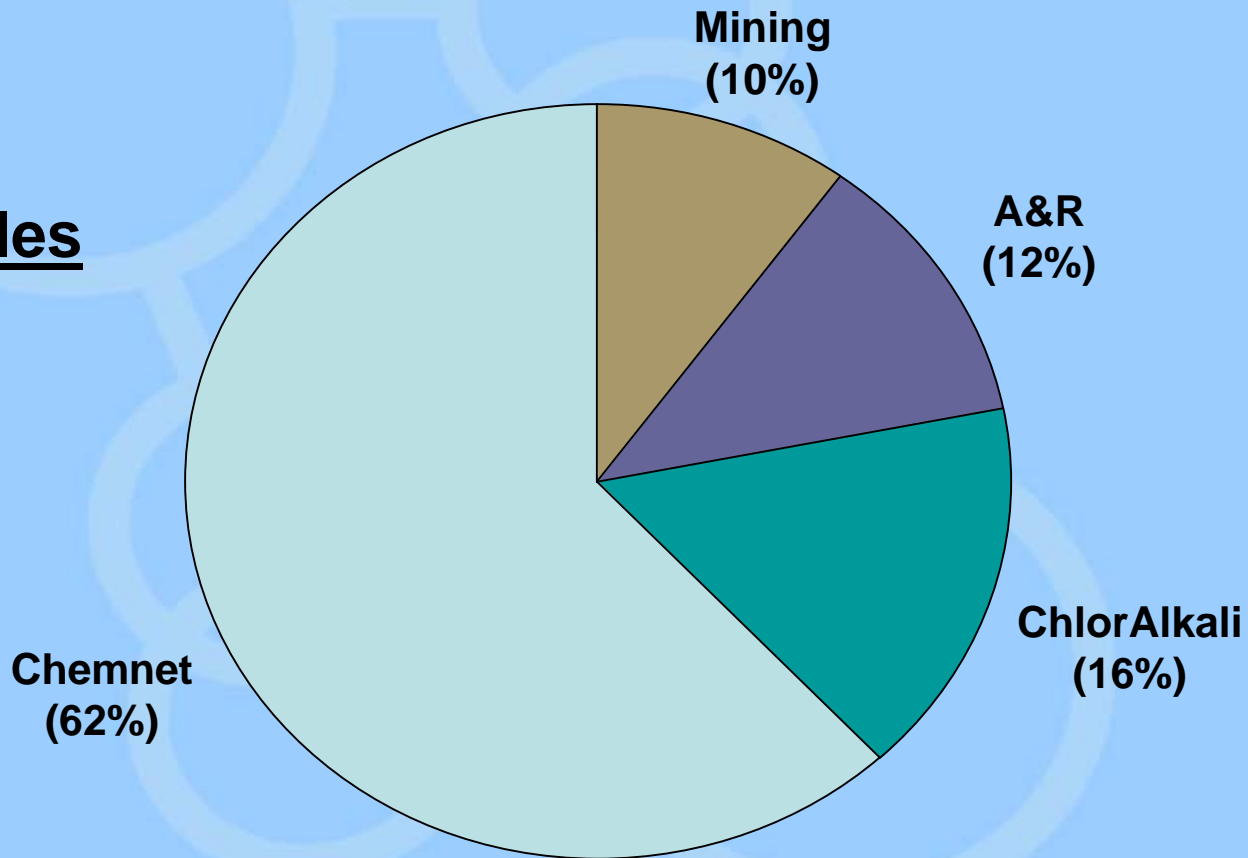
2002 Actual - \$750 M



Acquisitions Impact on Chemnet



Sales



2003



What have we done?



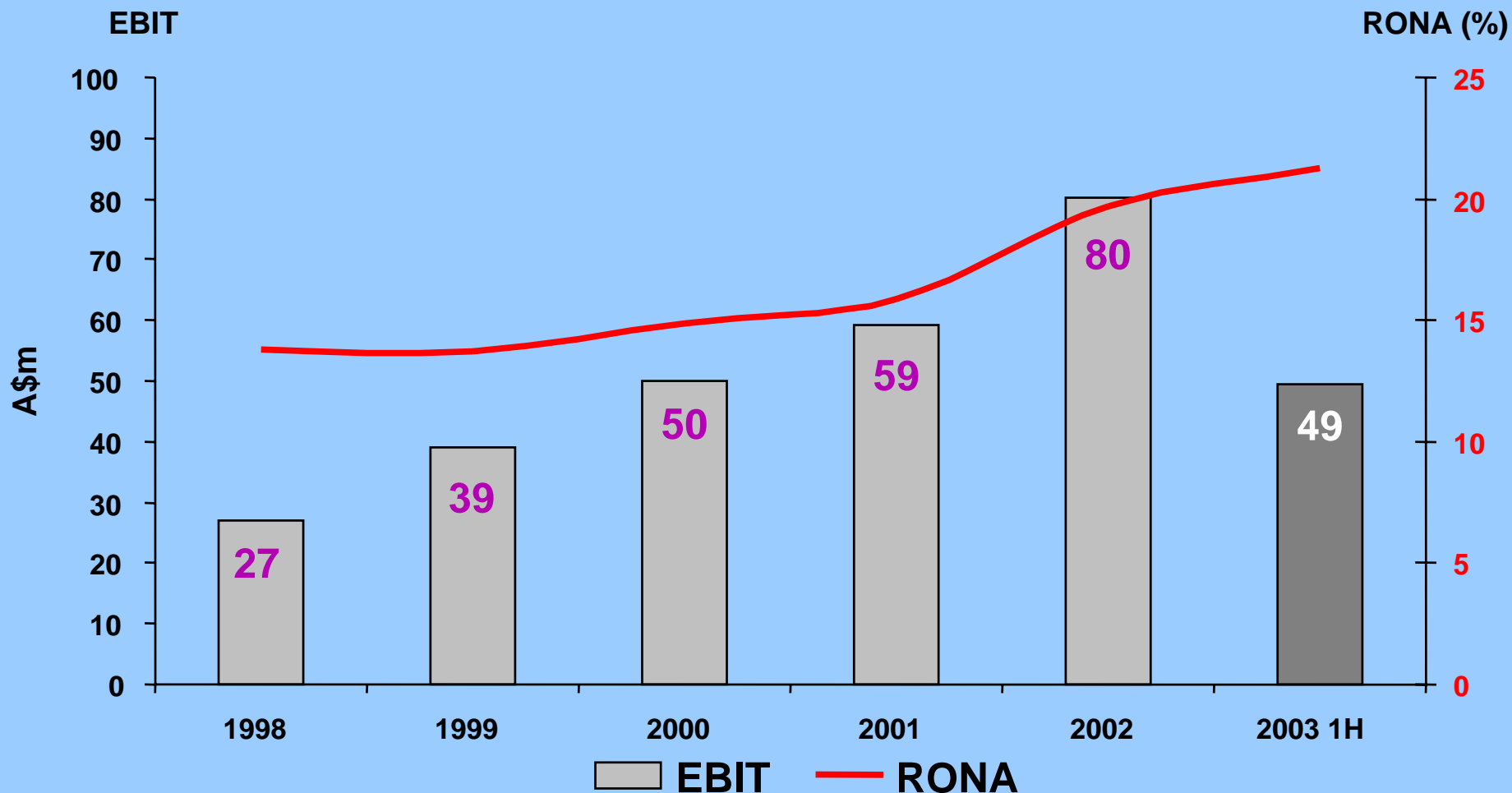
- Delivered outstanding earnings growth
- Managed the business strategically
- Made several acquisitions
- Managed capital efficiently
- Enhanced value for customers
- Invested for the future



What have we done?

Delivered Outstanding Earnings Growth

Chemicals Group Total



Trading profit for the 1H 2003 is nearly as much as the 2000 full year result



What have we done?

Made several acquisitions

	<u>Sales</u>
- Fernz Chemicals	\$190M
- Incitec Industrial Chemicals	\$40M
- QEP	\$40M
- Welvic	\$40M

Focussed on Customers

- Fonterra total chemical supply
- Cyanide sparging
- Chlorsafe, Amsafe





What have we done? Managed Capital Efficiently

Replaced core ChlorAlkali assets

- Botany in NSW & Laverton in Victoria
- \$170M capital
- State of the art performance and safety
- Have operated at 110% of design

Cyanide Plant Uprate

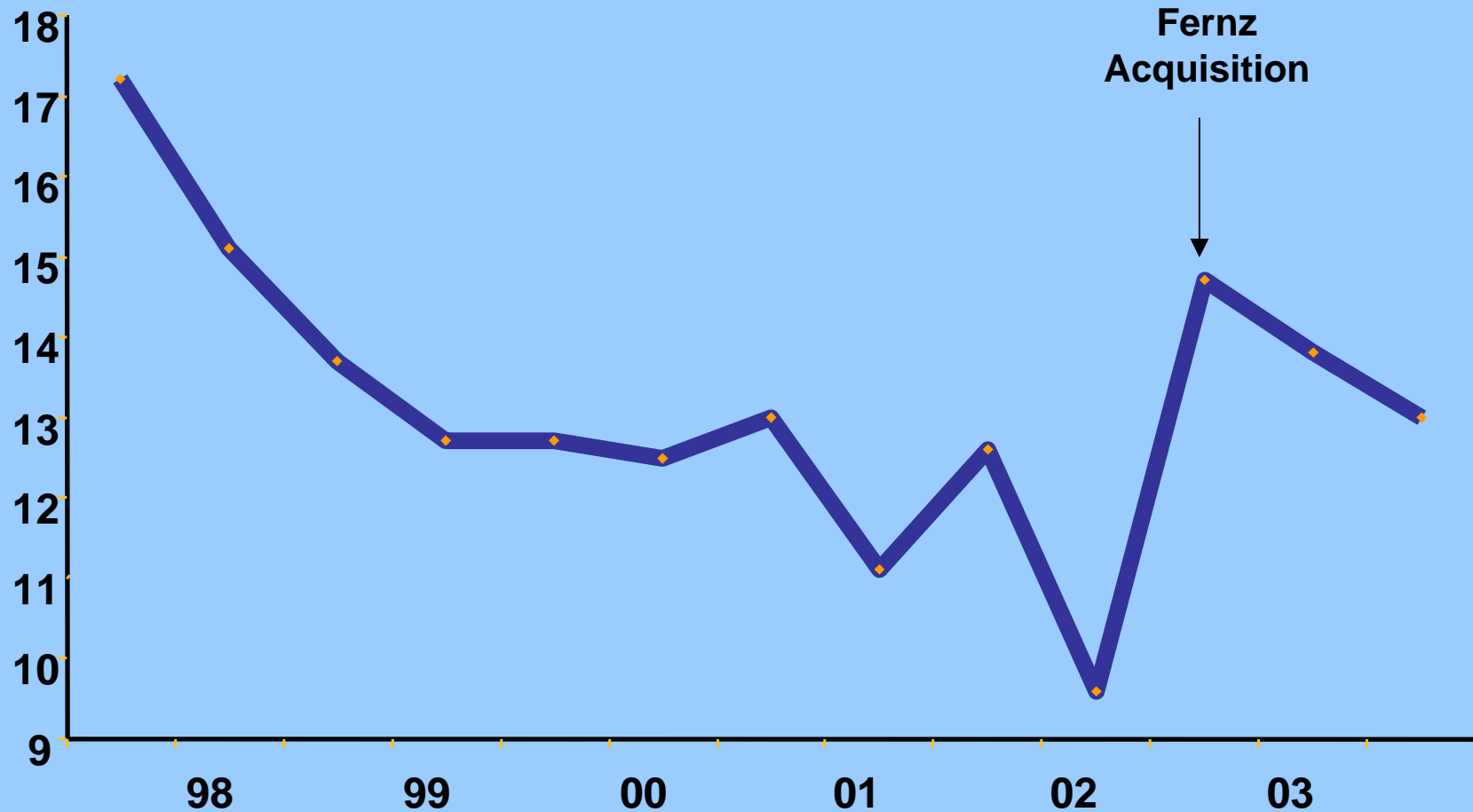
- Plant uprated from original 24 Ktpa in 1992 to 44 Ktpa currently



What have we done?

Managed Working Capital Efficiently

TWC to Sales %





What have we done? Invested in R&D for the future

- MIEX[®]
- Enzymatic Bio-remediation
- E Zero Resins
- Dairy Cleaning Technologies
- Cyanide Plant Efficiencies
- Cyanide Packaging



Where are we going?



Improve earnings performance by:

- Leveraging existing acquisitions
- Delivering more acquisitions
- Commercialising MIEX[®]
- Adding value for customers
- Focusing on organic growth



Chemicals Group

Key Messages



- Strong management team
- Outstanding performer
- More growth to come

