

CHEMICALS



**Chemical Services**

**John Beevers**

# Agenda

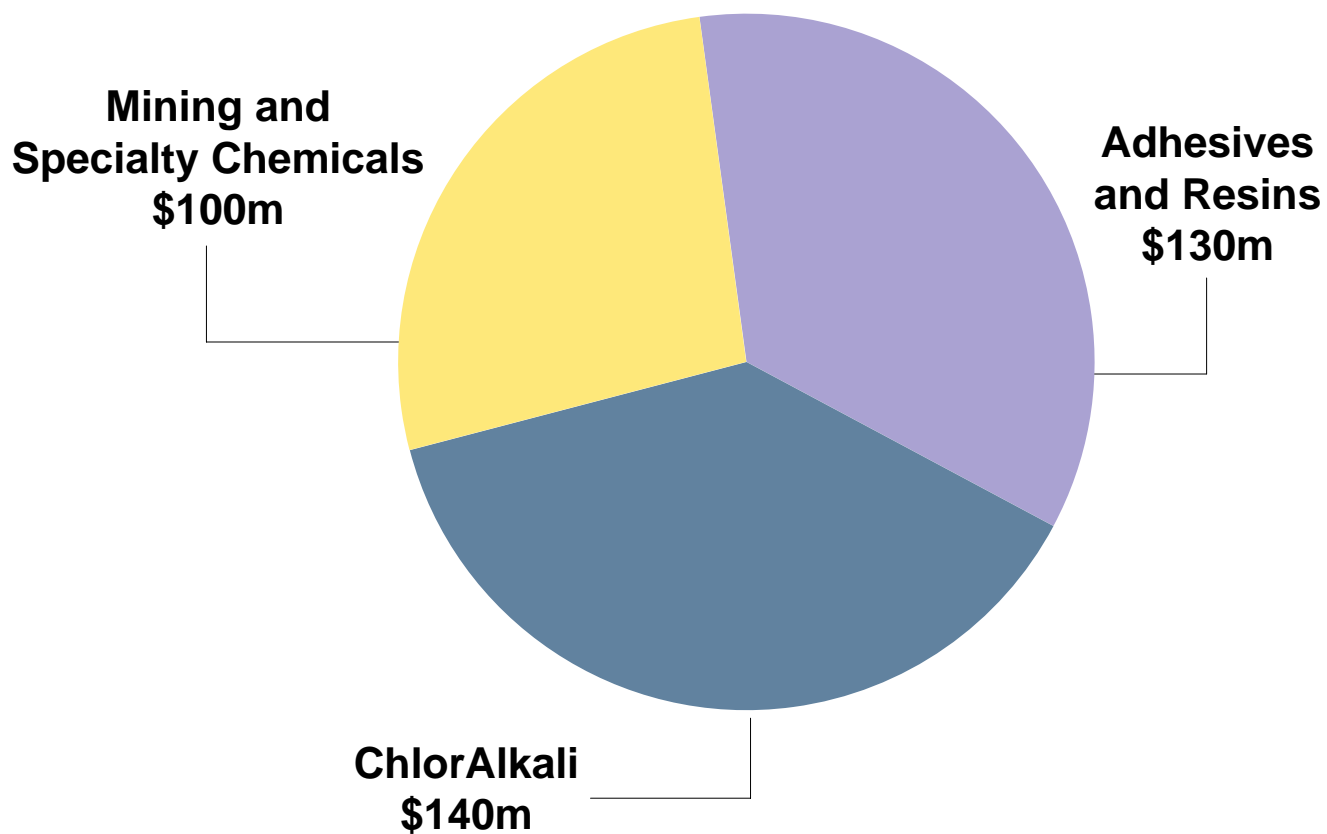
- Overview
- Industry drivers
- Value drivers

for each of the three business units

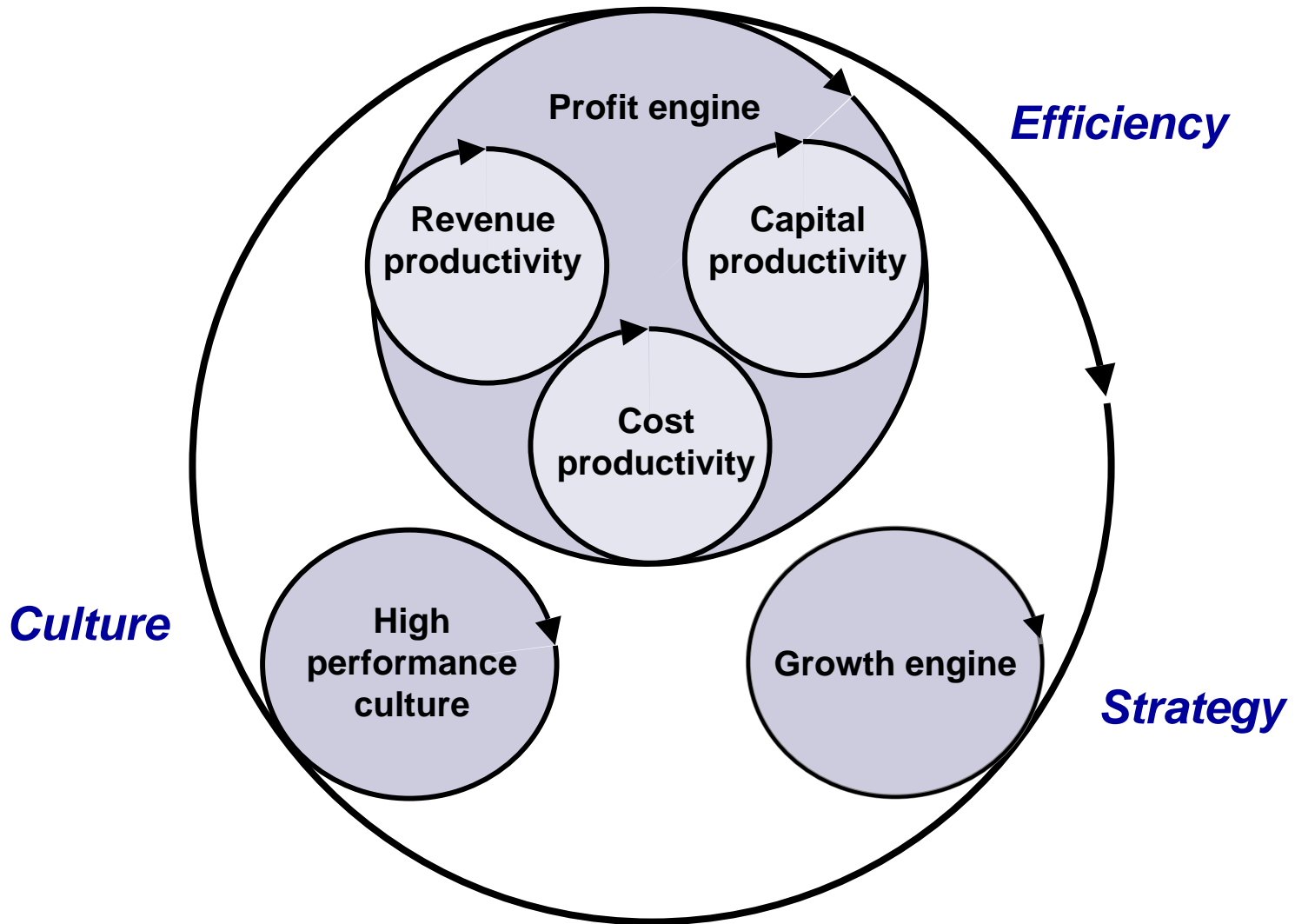
## Chemical Services

# Overall Business Mix

### FY04 Revenue



# Orica's Approach Value Drivers



# ChlorAlkali Business Overview



- Australia's largest and lowest-cost producer
- Diverse product and customer base
- Strong national coverage via 170 employees based in six operating plants
- Strong, consistent performer

ChlorAlkali

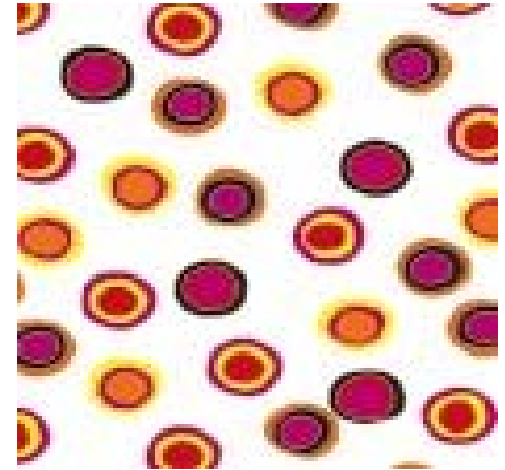
## Industry Drivers

- Steady demand from diverse customer base
- Strong competitive position with privileged manufacturing assets
- Some new entrants in niche products

## Value Drivers

- Maintain leadership position in core markets by driving the profit engine
  - Maintain cost competitive position and efficient capital investment
- Leverage existing assets into a broader 'watercare' offering
- Continue development into promising new markets

# Adhesives and Resins Business Overview



- One of the region's largest resin businesses
- Serving manufacturers of wood product
- 120 employees based in four operating plants across Asia Pacific
- Strong market position as a key supplier to the region's large and growing manufactured wood industry

Adhesives and Resins

# Industry Drivers

- Building and Construction industry
- Customers also export
- Reduced emissions technology

## Adhesives and Resins

# Value Drivers

- Capital Productivity
- Cost Productivity

# Mining and Specialty Chemicals Business Overview



- World's second largest producer of sodium cyanide
- World's largest producer of explosive emulsifiers
- Niche supplier of other specialty chemicals

# Industry Drivers

- **Sodium Cyanide**

- Most efficient/effective gold recovery reagent
- Very strong demand driven by high gold price and ex-RSA growth
- Tightening global capacity

- **Emulsifiers**

- Strong Mining sector growth

# Value Drivers

- **Cost and Capital Productivity**
  - Manufacturing optimisation
- **Growth**
  - Consolidate position as world's leading manufacturer
  - Meet continued strong demand for emulsifiers

# Chemical Services Conclusion

