Full Year Results Announcement

10 November 2008

Presentation outline

• Group performance	Graeme Liebelt
• Divisional performance	Noel Meehan
• Capital management	Noel Meehan
• 2009 priorities	Graeme Liebelt
• Outlook	Graeme Liebelt

Group performance

Year ended 30 September (A$M)	2008	2007	% ↕
Sales	**6,544.1**	5,527.2	*18.4* ↑
Gross margin	**2,874.6**	2,474.1	*16.2* ↑
EBITDA [1]	**1,188.8**	995.9	*19.4* ↑
EBIT [1]	**970.1**	812.7	*19.4* ↑
Net profit after tax pre significant items	**572.3**	497.8	*15.0* ↑
Net profit after tax after significant items	**539.6**	487.7	*10.6* ↑
Operating cashflow	**736.9**	524.3	*40.5* ↑
Productivity (%) [2]	**69.0**	69.8	*1.2* ↑
Earnings per share (cents) [1]	**170.0**	149.5	*13.7* ↑
Dividends per share (cents)	**94.0**	89.0	*5.6* ↑
Return on shareholder's funds (%) [1]	**16.9**	19.2	*(2.3)* ↓
Gearing (%) [3]	**19.1**	33.2	*(14.1)* ↑

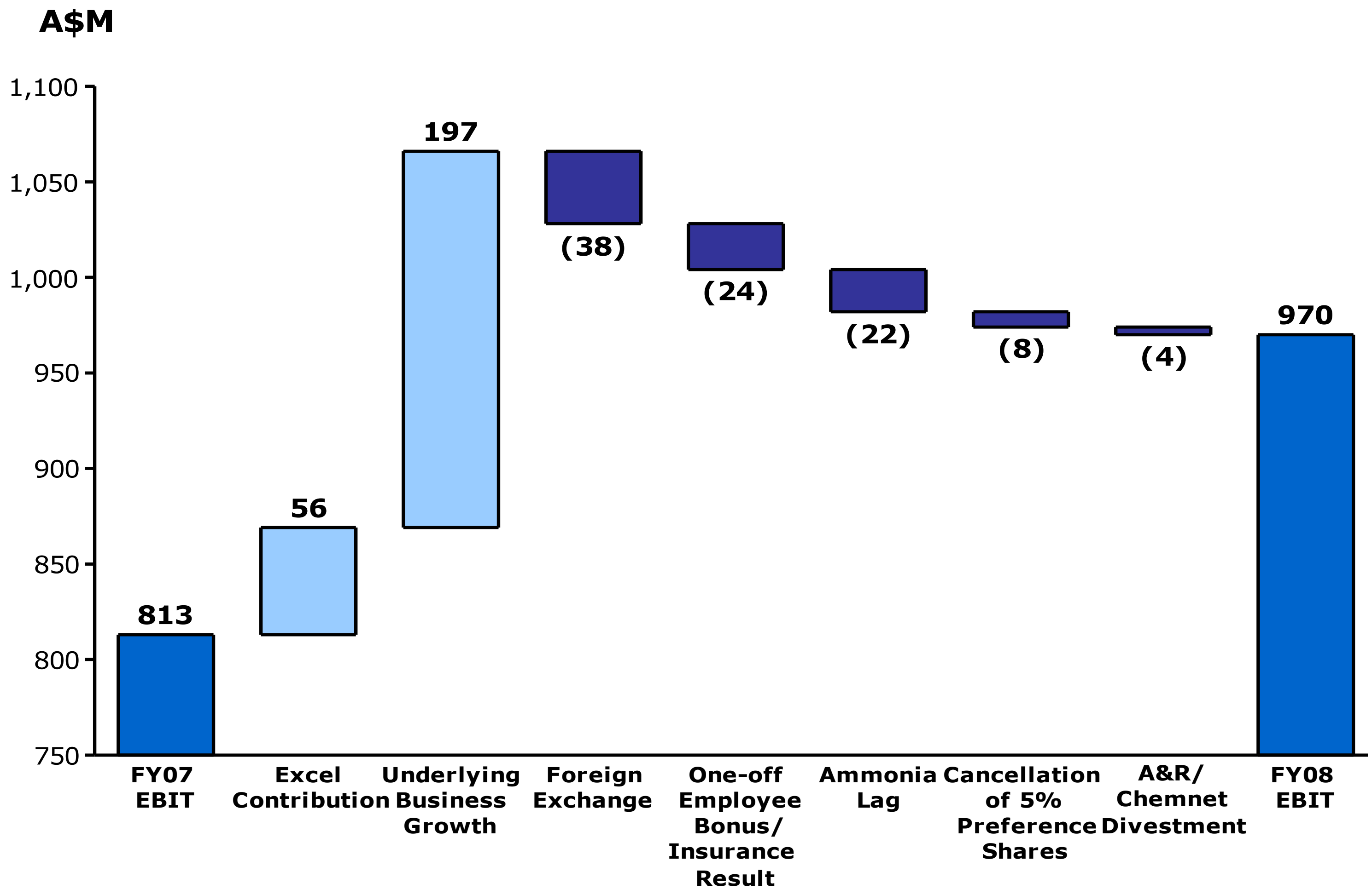
1 Pre significant items
2 Productivity measured as total fixed costs as a percentage of gross margin
3 Net debt/(net debt + book equity)

Divisional EBIT

Year ended 30 September (A$M)	2008	2007	% ↕
Mining Services	**635.6**	575.1	*10.5* ↑
Minova [1]	**150.1**	61.6	*143.7* ↑
Chemicals Group	**146.1**	127.4	*14.7* ↑
Consumer Products [2]	**122.6**	101.6	*20.7* ↑
Total Businesses	**1,054.4**	**865.7**	*21.8* ↑
Corporate Centre [3]	**(46.1)**	(39.3)	*(17.3)* ↓
Other Support Costs [4]	**(38.2)**	(13.7)	*(178.8)* ↓
Total EBIT	**970.1**	812.7	*19.4* ↑

1 Minova earnings in 2008 are inclusive of Excel from 26 October 2007. Earnings in 2007 were for nine months only.
2 Inclusive of $10M Yates restructuring provision in 2007.
3 Includes $8M cost associated with cancellation of 5% Preference Shares.
4 2008 includes a $15M one-off discretionary bonus for all employees and the pcp included a positive insurance result of $9M.

EBIT growth

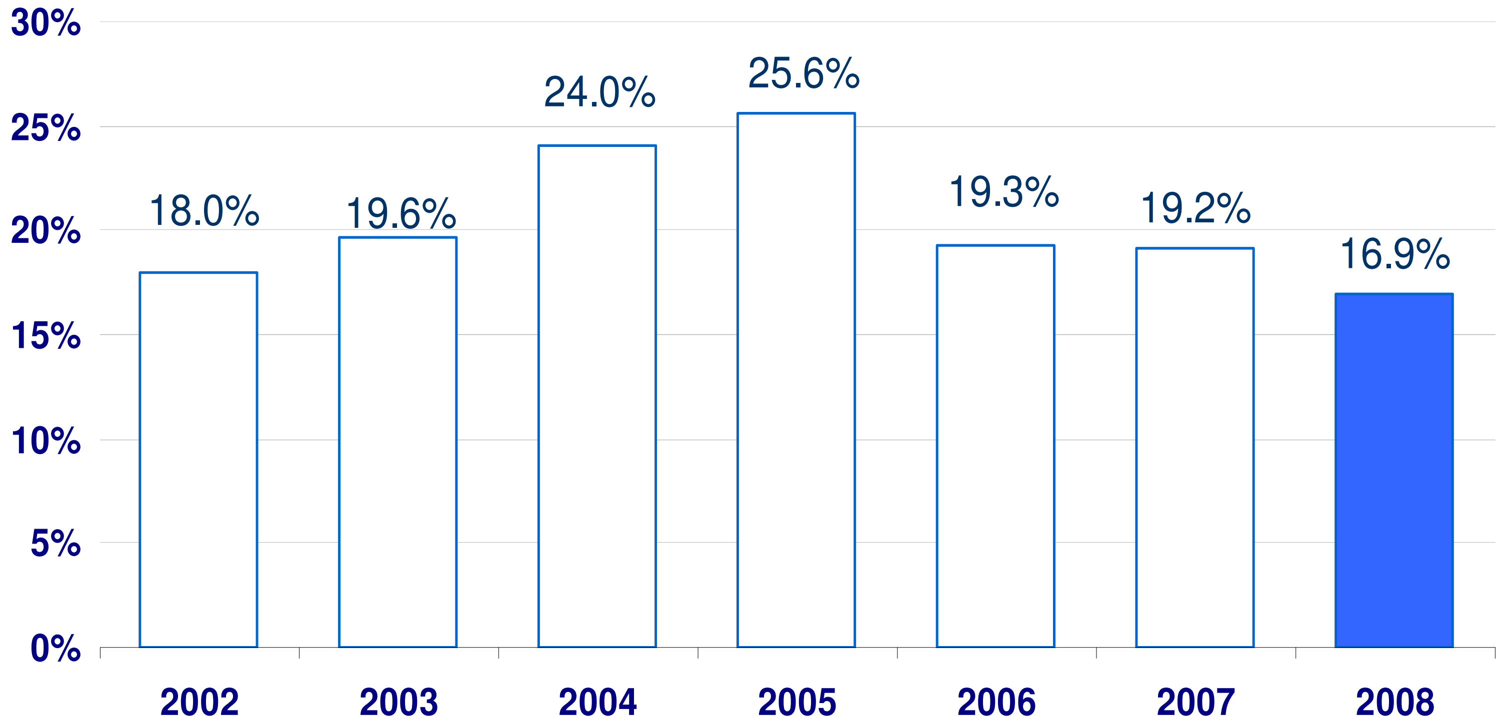


Underlying business EBIT growth of 24%

Significant items

Year ended 30 September (A$M)	2008	2007
Chemicals restructuring & rationalisation costs	**(14.7)**	-
Dyno Nobel integration costs	**(9.0)**	(33.4)
Minova/Excel integration costs	**(9.0)**	-
Marplex restructuring & rationalisation costs	**-**	(16.4)
Adhesives & Resins profit on sale	**-**	23.7
Tax indemnity - Cropcare	**-**	16.0
Total significant items after tax and minority interests	**(32.7)**	(10.1)

Return on shareholders' funds[1]



[1] Calculated as follows: NPAT for period 1 October to 30 September / Average Shareholder Funds

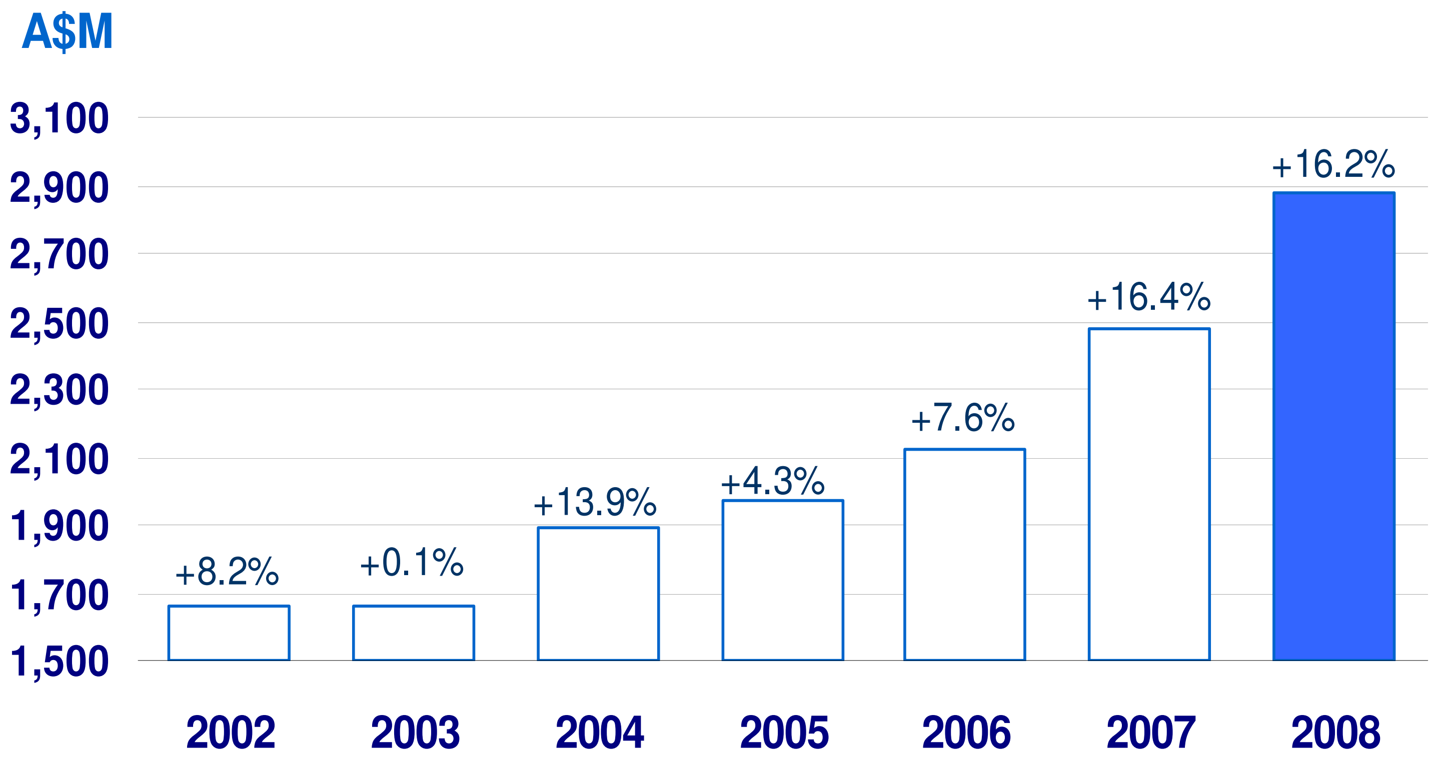
Orica's approach – value drivers

SH&E - Safety

	Full Year 2008	Full Year 2007
AWRCR [1]	**0.72**	0.60
Recordable cases	**142**	104
Distribution incidents	**24**	28
Fatalities	**-**	1

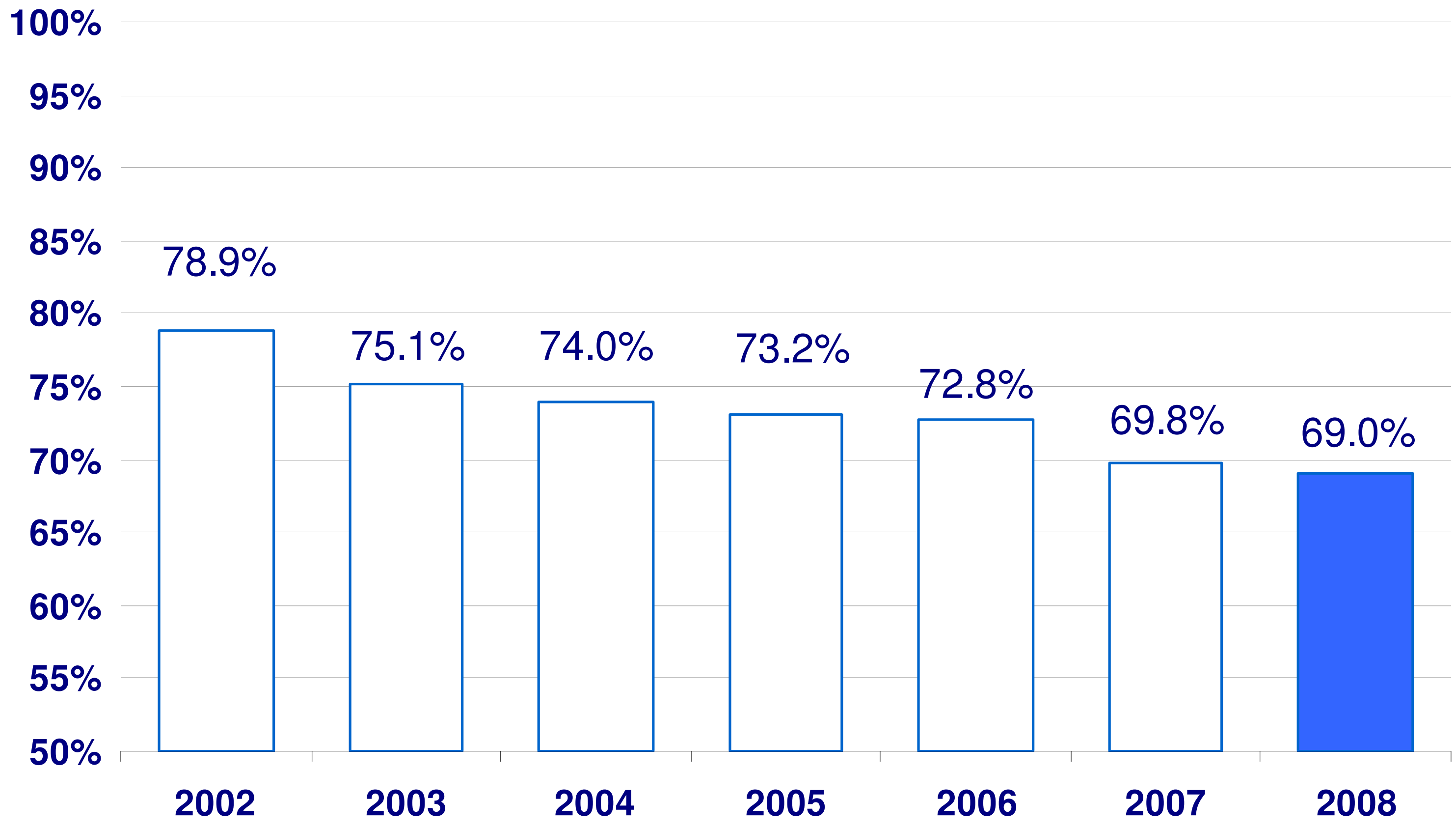
1 All Worker Recordable Case Rate is calculated as the number of injuries and illnesses per 200,000 hours worked.

Gross margin growth



Compound average growth rate since 2002 is 10%

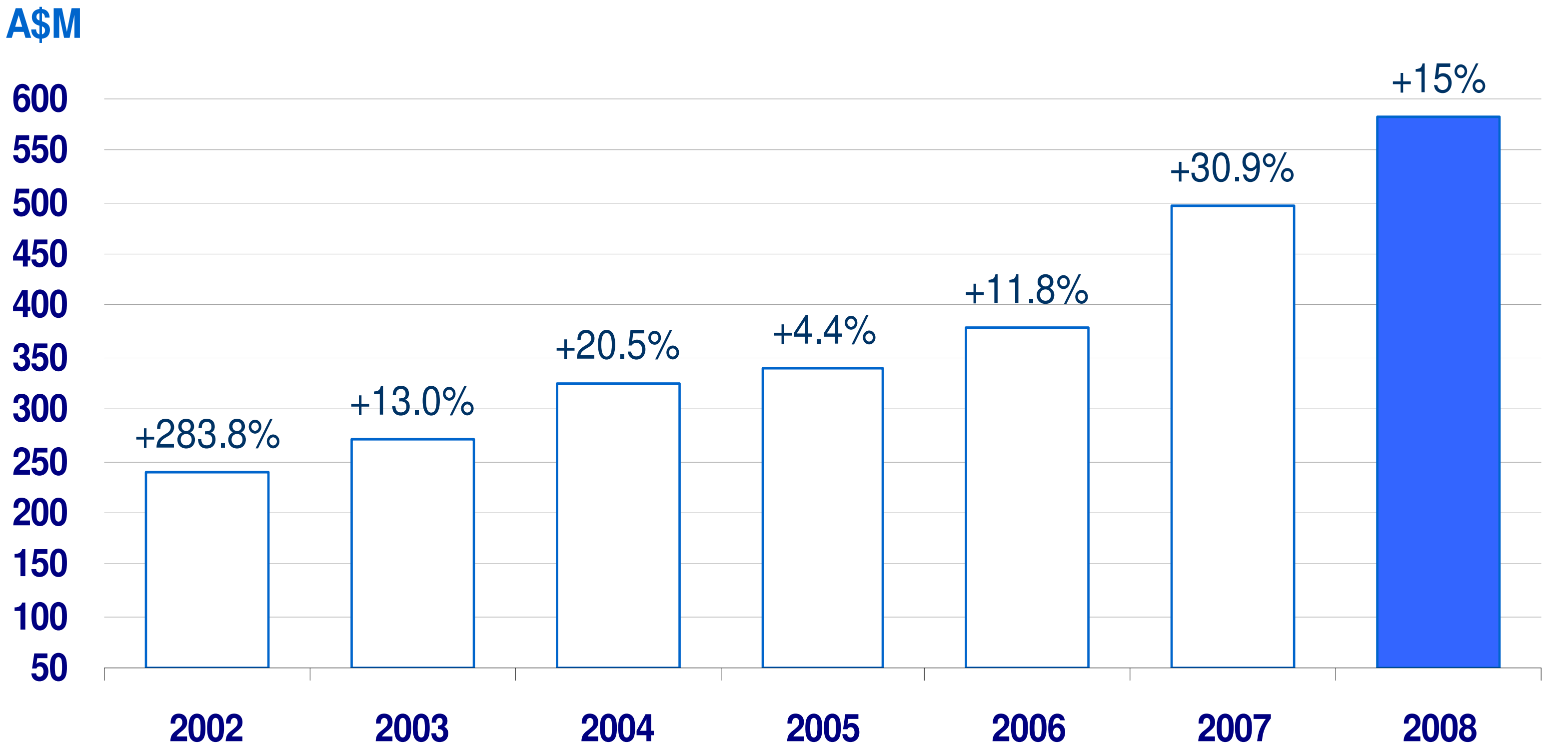
Productivity[1]



Continuous improvement in productivity

[1] Productivity is measured as fixed costs (incl. depreciation and amortisation) as a percentage of gross margin.

Net profit after tax



Compound average growth rate since 2002 is 16%

Divisional Performance

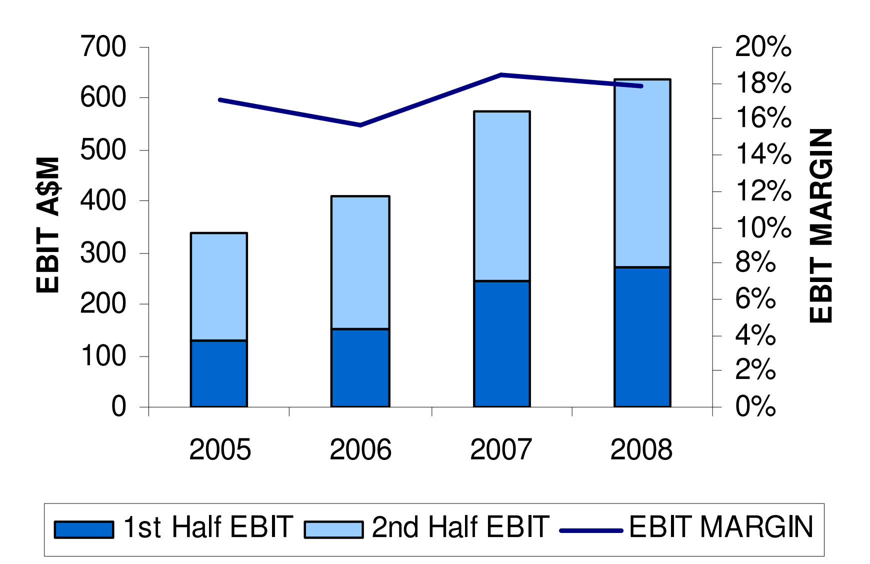
Orica Mining Services

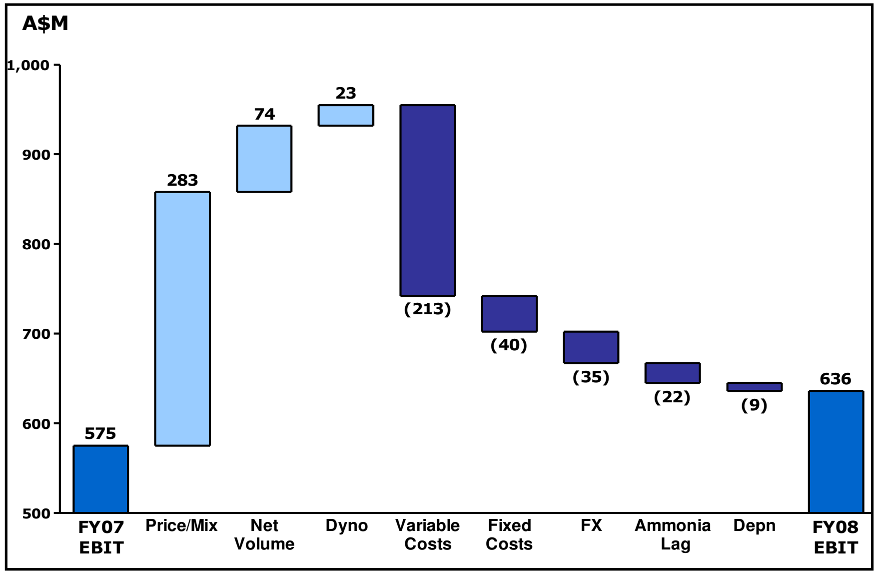
Year ended 30 September (A$M)	2008	2007	% ↕
Sales	**3,552.1**	3,111.2	*14.2* ↑
EBITDA	**767.8**	697.9	*10.0* ↑
EBITDA margin (%)	***21.6%***	*22.4%*	*(3.6)* ↓
EBIT	**635.6**	575.1	*10.5* ↑
EBIT margin (%)	***17.9%***	*18.5%*	*(3.2)* ↓
Return on net assets (%)	**25.5%**	25.6%	*(0.5)* ↓
Average operating net assets	**2,491.5**	2,243.4	*11.1* ↑

Record result for Mining Services – 11% EBIT growth

Orica Mining Services

Sales $3,552M; EBIT $636M; Average Net Assets $2,492M, RONA 25.5%

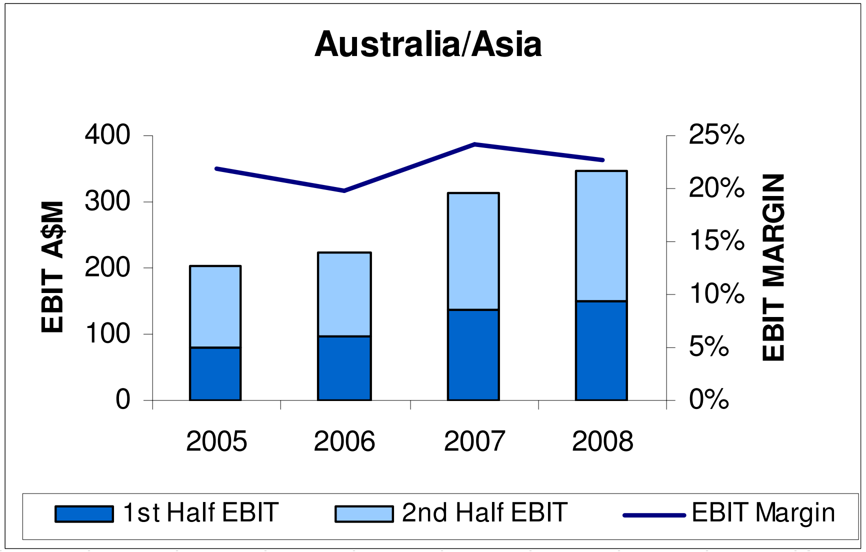


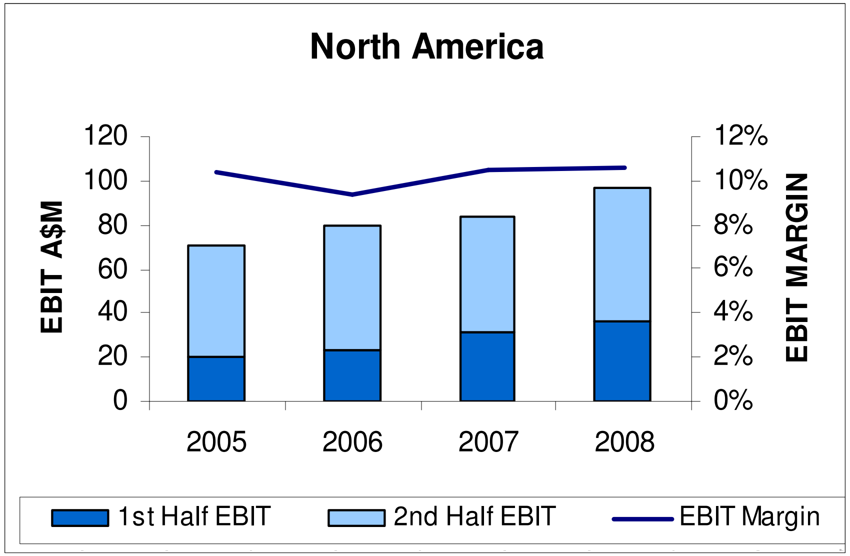


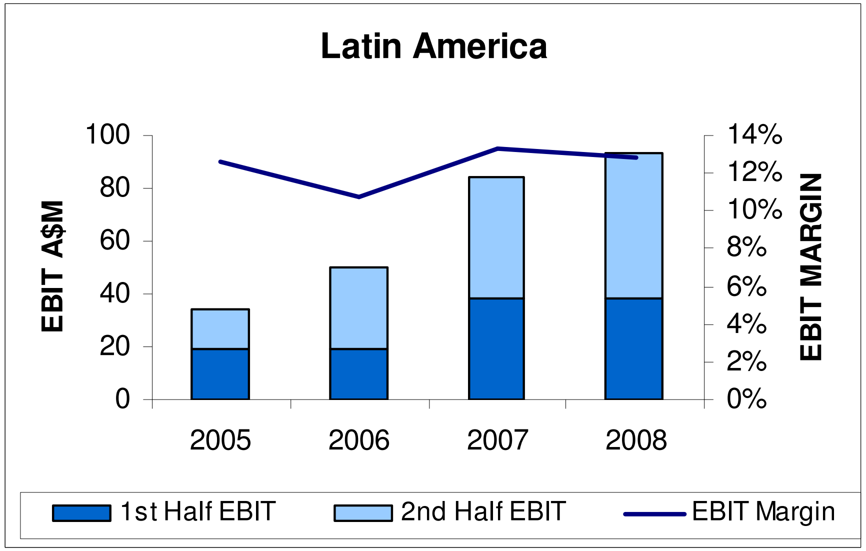
- ✓ Record result – EBIT growth of 11%
- ✓ Firm market conditions aiding volume and margin growth – cost increases continue to be recovered
- ✓ Tightening AN supply position enabling improved pricing
- ✓ Continuing growth in earnings from advanced product offerings – EBS/BBS
- ✓ Dyno integration completed – synergies are now embedded

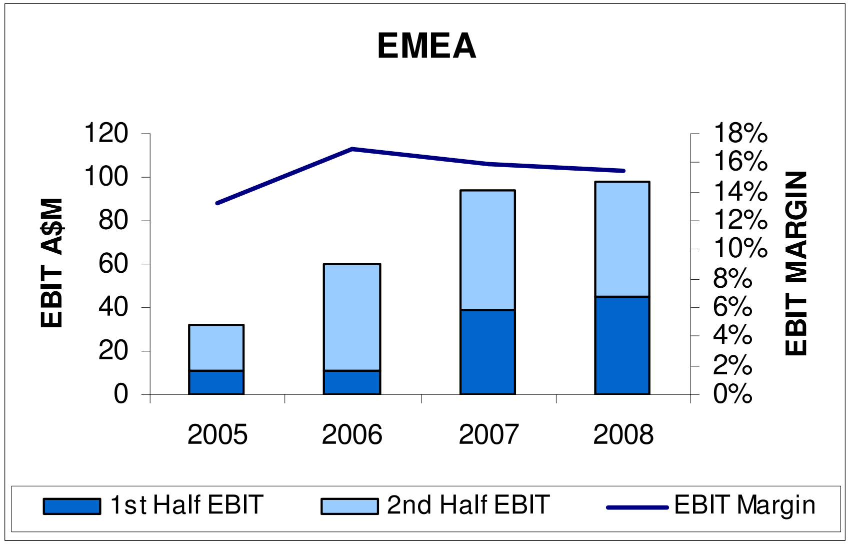
- ✓ Small bolt on acquisitions in NA/EMEA
- ↓ Increased variable costs – ammonia, AN energy and freight
- ↓ Investment in fixed costs to support business growth
- ↓ Negative foreign exchange impact (primarily) on translation of earnings
- ↓ Unrecovered ammonia lag (timing issue)
- ↓ High depreciation due to investment in asset base for growth

Orica Mining Services by geography









Acquired ex Dyno business performance

EBIT (A$M)	2008
Underlying trading performance of Ex Dyno Businesses	61.3
Synergies delivered	92.0
Amortisation of intangibles	(9.0)
2008 EBIT	**144.3**

Synergy benefit of $92M has been delivered during 2008 – 12 months ahead of schedule

Integration fundamentally complete

Acquired ex Dyno business - integration costs

Integration cost category (A$M)	2008 Actual	2007 Cumulative Actual	Cumulative Actual
Asset write-offs – non cash	-	52	52
Redundancies	1	46	47
Transitional salaries/other	-	13	13
Synergy implementation costs	9	14	23
Total Integration costs [1]	**10**	**125**	**135**
Project office costs (acquisition costs) [2]	-	34	34
Total significant items (pre tax) [3]	**10**	**159**	**169**

1 Total integration costs are budgeted to be $150M by project completion.
2 Project office costs relate to the integration team – the project office was closed in 2007.
3 These costs are recognised in the financial statements as a significant item.

Integration costs on track with budget

Minova

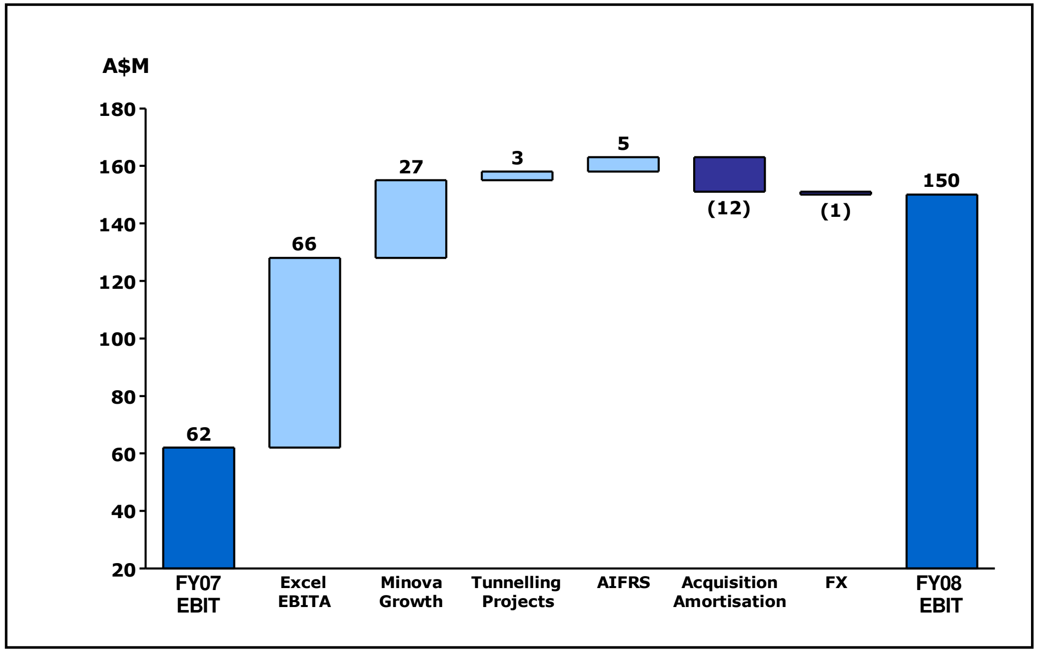
Year ended 30 September (A$M)	2008	2007	% ↕
Sales	**794.2**	332.1	*139.1* ↑
EBITDA	**179.9**	75.1	*139.4* ↑
EBITDA margin (%)	***22.6%***	*22.6%*	- ↑
EBIT	**150.1**	61.6	*143.7* ↑
EBIT margin (%)	***18.9%***	*18.5%*	*2.2* ↑
Underlying EBIT [1]	**151.7**	68.2	*122.4* ↑
Return on net assets (%) [2]	**13.6%**	9.1%	*49.7* ↑
Average operating net assets	**1,389.4**	679.2	*104.6* ↑

1 Underlying EBIT excludes the $1.6M one-off acquisition accounting adjustment in 2008 ($6.4M in 2007).
2 Return on net assets calculation has been adjusted for $38.6M of taxation and financial structuring benefits.

Underlying earnings growth continues for Minova complemented by the acquisition of Excel

Minova

Sales $794M; EBIT $150M; Average Net Assets $1,390M, RONA 13.6%



- ✓ Completed acquisition of Excel – performance and integration is on track
- ✓ Market conditions for mining and civil tunnelling continue to be firm
- ✓ Steadily improving contribution from Minova's mining business – emerging markets CIS, China growing strongly
- ✓ Improved tunnelling performance in second half
- ✓ New business being won from combined resin and bolt product offering as well as working with OMS on tunnelling projects
- ✓ Year on year AIFRS adjustment one-off impact
- ↓ Amortisation increase from acquisitions
- ↓ Adverse impact from foreign exchange (Minova only)

Acquired Minova business performance

EBIT (A$M)	2008
Underlying trading performance of Minova Businesses	162.4
Stock acquisition adjustment	(1.6)
Synergies delivered	10.5
Amortisation of intangibles	(21.2)
2008 EBIT	**150.1**

Synergy Benefit [1] (A$M)	2008	2009	2010	2011
Current View	11	25	39	45

1 EBIT synergies only, excludes taxation synergies.

Integration is on track.

Growth and productivity initiatives progressing to plan.

Acquired Minova business - integration costs

Integration cost category (A$M)	2008 Actual	Cumulative Actual
Integration costs	2.9	3.0
Synergy implementation costs	4.3	4.3
Redundancies	0.6	0.6
Transitional salaries/other	2.3	2.3
Total Integration costs	**10.1**	**10.2**
Project office costs (acquisition costs)	2.0	2.2
Total significant items (pre tax) [1]	**12.1**	**12.4**

[1] Total integration and project office costs are budgeted to be $59M by project completion.

Chemicals

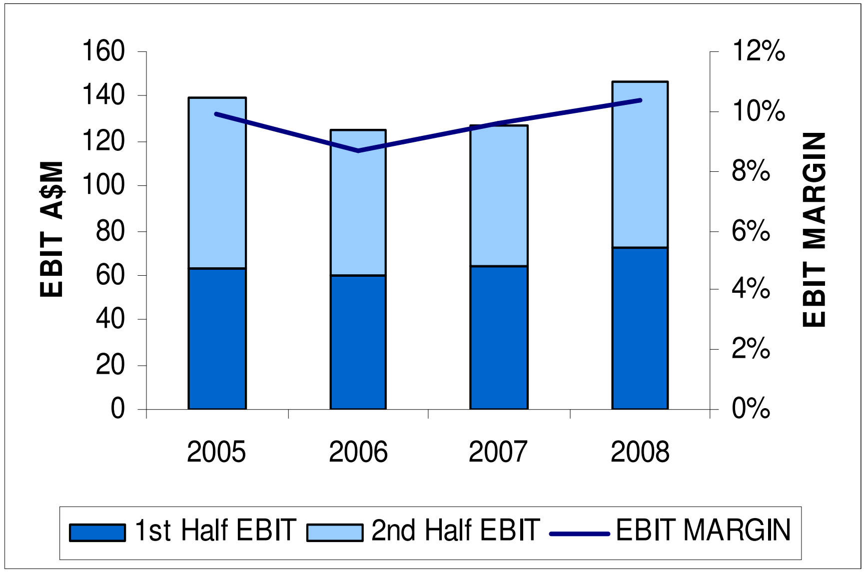
Year ended 30 September (A$M)	2008	2007	% ↕
Sales	**1,406.1**	1,329.5	*5.8* ↑
EBITDA	**178.3**	154.2	*15.6* ↑
EBITDA margin (%)	***12.7%***	*11.6%*	*9.5* ↑
EBIT	**146.1**	127.4	*14.7* ↑
EBIT margin (%)	***10.4%***	*9.6%*	*8.3* ↑
Underlying EBIT [1]	**146.1**	123.5	*18.3* ↑
Return on net assets (%)	**19.3%**	17.4%	*10.9* ↑
Average operating net assets	**758.3**	733.0	*3.4* ↑

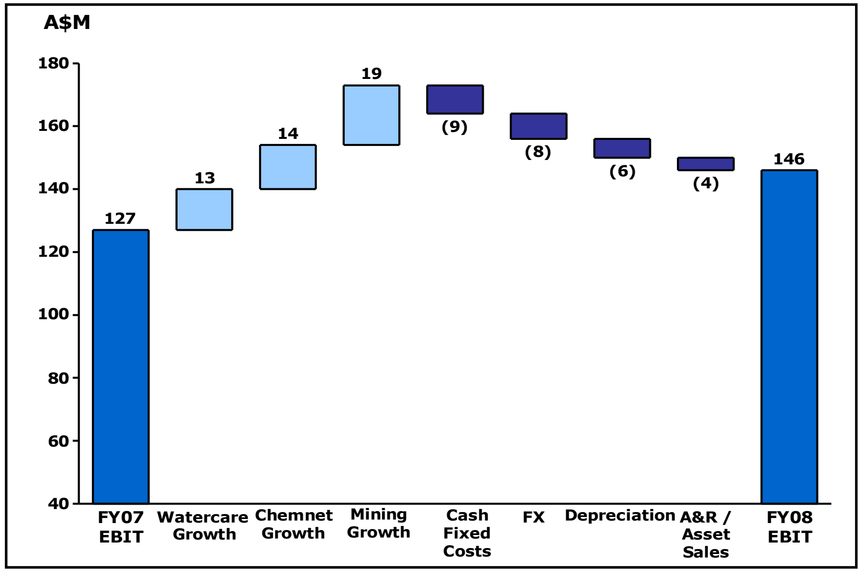
[1] Underlying EBIT excludes earnings from the Adhesives and Resins and profit on sale of divested Chemnet businesses in 2007.

Underlying EBIT up 18%

Chemicals

Sales $1,406M; EBIT $146M; Average Net Assets $758M, RONA 19.3%





- ✓ Merger of Chemical Services and Chemnet
- ✓ Watercare volumes increasing in some regions, caustic prices remain high
- ✓ Watercare acquisitions are delivering to expectation and growth in MIEX® operating systems continues
- ✓ Chemnet bulk chemicals businesses delivering improving performance
- ✓ Volume growth in Mining Chemicals from additional manufactured tonnes from the Yarwun uprate

- ↓ Increase in cash fixed costs primarily from rising labour costs
- ↓ Negative foreign exchange impact on export sales of sodium cyanide
- ↓ Higher depreciation due to investment in asset base
- ↓ Income foregone from the 2007 divestments of Adhesives and Resins ($3M) and Chemnet businesses ($1M)
- ↓ Slowdown in Australian manufacturing sectors impacting Marplex

Orica Consumer Products

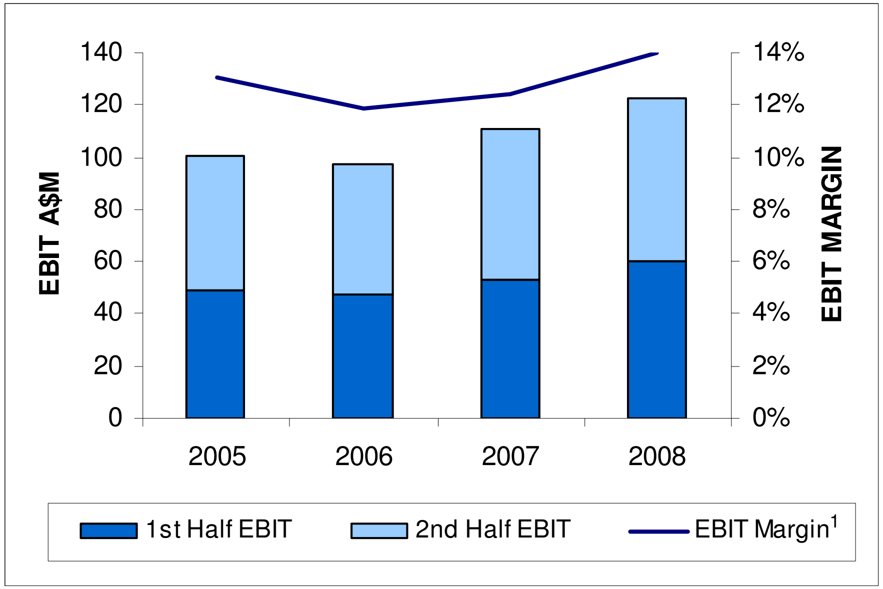
Year ended 30 September (A$M)	2008	2007	% ↕
Sales	**875.4**	826.3	*5.9* ↑
EBITDA	**136.3**	115.8	*17.7* ↑
EBITDA margin (%)	***15.6%***	*14.0%*	*11.2* ↑
EBIT	**122.6**	101.6	*20.7* ↑
EBIT margin (%)	***14.0%***	*12.3%*	*13.9* ↑
Underlying EBIT [1]	**122.6**	111.1	*10.4* ↑
Return on net assets (%)	**47.0%**	43.7%	*7.6* ↑
Average operating net assets	**260.8**	232.6	*12.1* ↑

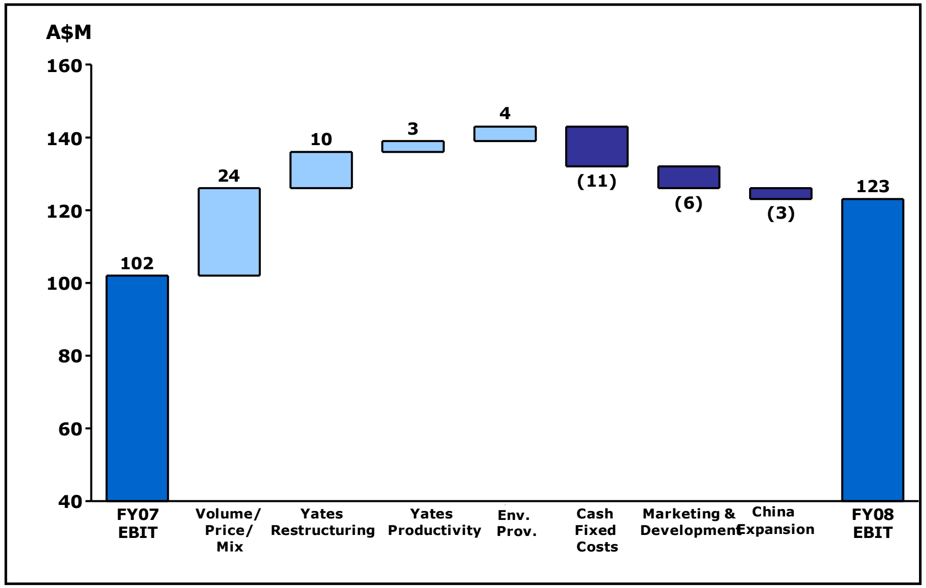
[1] Excludes the one-off Yates restructuring provision in 2007

Underlying EBIT up 10%

Orica Consumer Products

Sales $875M; EBIT $123M; Average Net Assets $261M, RONA 47%





- ✓ Record result driven by increased market share
- ✓ Record earnings for Australian Paints business and Selleys
- ✓ Sustained brand investment continues to deliver EBIT growth
- ✓ Yates restructure plans delivering targeted benefits

- ✓ No restructuring or environmental provision charges in 2008
- ↓ Significant decline in New Zealand market
- ↓ Increase in cash fixed costs primarily from rising labour costs
- ↓ Increase in spend on marketing and innovation
- ↓ Continued investment in China growth strategy

[1] Excludes Yates restructuring charge in 2007

Corporate centre and other support services

Year ended 30 September (A$M)	2008	2007	$ ↕
Corporate centre costs	**46.1**	39.3	*6.8* ↓
Other support costs	**38.2**	13.7	*24.5* ↓
Total Costs	**84.3**	53.0	*31.3* ↓

Corporate Centre

- ↓ Cancellation costs on 5% Preference Shares - $8M

Other support costs

- ↓ Discretionary one-off bonus for all Orica employees - $15M
- ↓ Breakeven insurance result - prior year - $9M positive

Capital management - key measures

Year ended 30 September	2008	2007
Net Debt (A$M)	**1,020.5**	1,305.7
Net Interest Expense (A$M)	**157.7**	122.6
Interest Cover (times)	**6.1**	6.6
Operating Cash ($)	**736.9**	524.3
Cash Conversion [1] (%)	**80.0**	81.8
Rolling TWC to Sales (%)	**14.5**	14.6
Gearing (%)	**19.1**	33.2
Gearing Adjusted [2] (%)	**23.8**	39.6

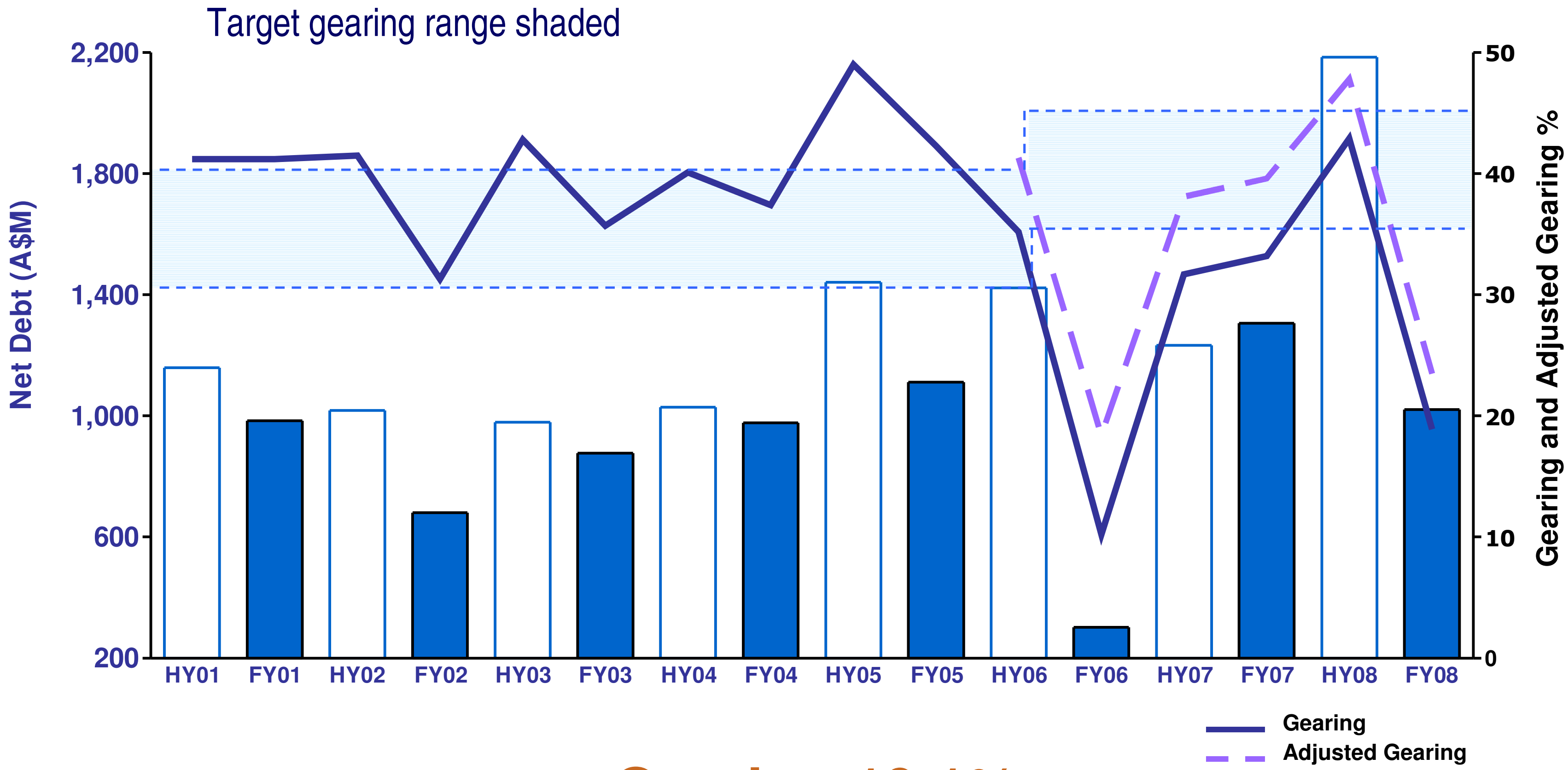
1 Cash conversion is calculated as EBITDA add/less movement in trade working capital less sustenance capital spend, as a percentage of EBITDA.
2 Gearing recalculated with Hybrid shares notionally reclassified as 50% equity and 50% debt.

Bank Debt refinancing – update

- Renewed A$1.0B of 1 year facility in September 2008
- Have A$1.1B of 2 year and 4 year facilities
- None of above bank debt facilities drawn at year end
- Benefit of Orica's strong banking relationships
- Multi currency, flexible and cancellable at Orica's option
- Margin increases of approximately 45 bps on renewed 1 year facility
- Margin on 2 and 4 year facilities unchanged

Strong liquidity position

Net debt and gearing



Gearing 19.1%

Adjusted gearing[1] 23.8%

[1] Gearing recalculated with Hybrid shares notionally reclassified as 50% equity and 50% debt

Cashflow

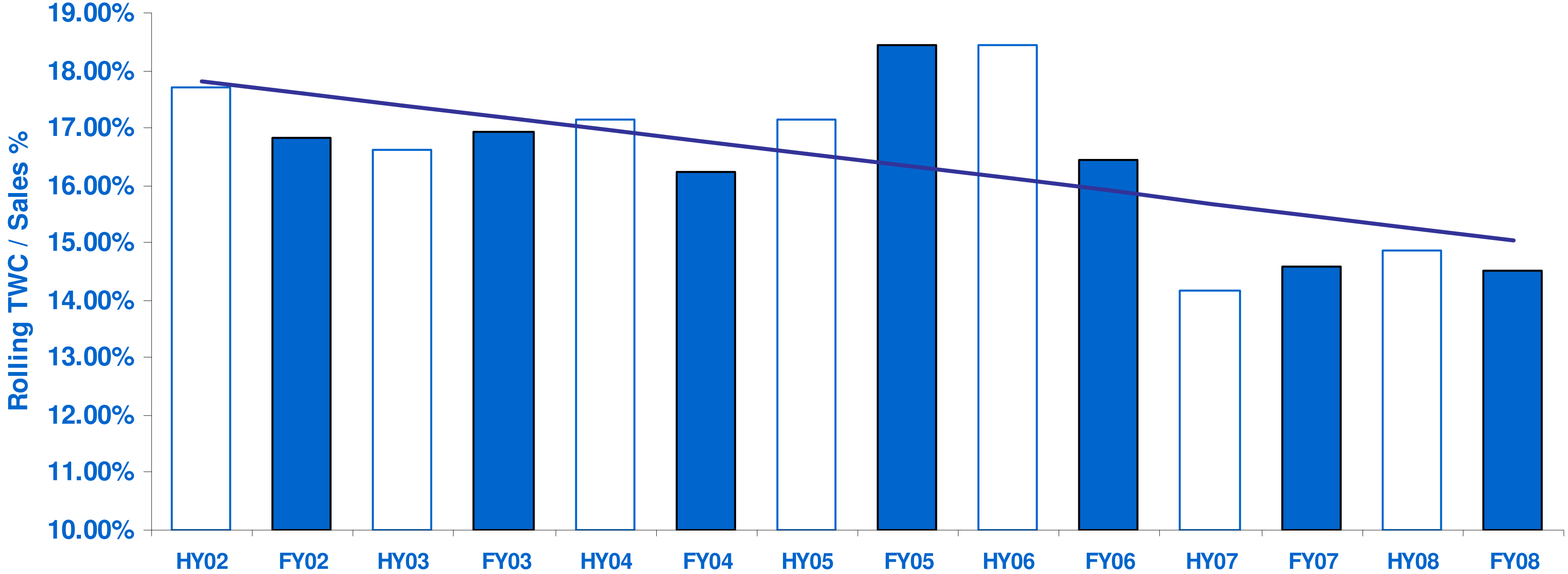
Year ended 30 September (A$M)	2008	2007	$ ↕
EBITDA	**1,188.8**	995.9	*192.9* ↑
Net interest paid	**(148.5)**	(108.3)	*(40.2)* ↓
Net tax paid	**(190.0)**	(141.4)	*(48.6)* ↓
Trade working capital movement	**(29.9)**	(49.2)	*19.3* ↑
Non trade working capital movement	**(83.5)**	(172.7)	*89.2* ↑
Net operating cash flows	**736.9**	524.3	212.6 ↑
Sustenance capital	**(207.4)**	(132.1)	*(75.3)* ↓
Growth capital	**(218.9)**	(204.9)	*(14.0)* ↓
Acquisitions	**(869.2)**	(958.3)	*89.1* ↑
Divestments	**25.5**	123.5	*(98.0)* ↓
Net investing cash flows	**(1,270.0)**	(1,171.8)	(98.2) ↓
Equity movements	**1,061.8**	(127.7)	*1,189.5* ↑
Debt	**(389.5)**	459.0	*(848.5)* ↓
Dividends/distributions	**(207.1)**	(306.5)	*99.4* ↑
Net financing cash flows	**465.2**	24.8	440.4 ↑
TOTAL	**(67.9)**	(622.7)	554.8 ↑

Cash Conversion[1]

Year ended 30 September (A$M)	2008	2007
EBITDA	**1,188.8**	995.9
TWC movement	**(29.9)**	(49.2)
Sustenance	**(207.4)**	(132.1)
Cash Conversion	**951.5**	814.6
Cash Conversion %	**80.0%**	81.8%

1 Cash conversion is calculated as EBITDA add/less movement in trade working capital less sustenance capital spend, as a percentage of EBITDA.

Rolling TWC to Sales %



Steady progress continues on management of TWC
Improved second half performance

Hedging

- In 2008 overseas earnings represented 55% of Group earnings
- Orica has exposures to a basket of currencies from around the globe given its geographical spread
- The basket of currencies creates a portfolio effect on our exposures
- Transactional and translational (EBIT) exposures are hedged to smooth the volatility in AUD earnings
- Hedging is undertaken using both forward exchange contracts and options

Major Currency Hedges

Major currency hedges include:

Currency Exposures	% Hedged
• AUD/USD	68%
• AUD/CAD	90%
• AUD/SEK	89%
• AUD/CLP	89%
• AUD/NZD	50%

Net impact on EBIT of a 1% move in exchange rates on a diversified basket of currencies is approximately A$2.0M – A$2.5M

Capital management - 2009

- Priority for 2009 – continue to focus on improving trade working capital management and cash generation
- Credit Rating – committed to BBB+
- Close monitoring of sustenance and growth capital

2009 Priorities

Outlook

Orica's businesses have performed strongly and we are confident they will continue to do so. Accordingly, Group net profit (before significant items) in 2009 is expected to be higher than that reported in 2008. This is subject to global economic conditions and particularly their impact on demand in developing nations.

Growth priorities

Business	Strategic growth opportunity
Mining Services	- Strength of resource cycle continues - Lowest cost AN sourcing - Capitalise on tightening AN market conditions - Electronic blasting systems (EBS) - Enhanced product offerings (BBS) - Small bolt-on M&A

OMS – AN expansion

- Progressing Bontang
  - On track at this stage
  - Land reclamation completed
  - Progressively ordering key plant items
  - EPC contract tenders are being assessed – decision expected in December 2008
- Latin America
  - Market demand supports a new plant
  - Assessing feasibility of imported ammonia option
- Kooragang Island
  - “Brownfield” expansion opportunity
  - Planning lodged – ammonia and ammonium nitrate
  - Evaluation expected to be completed early 2009
- Yarwun
  - Delay to post Moranbah

Growth priorities

Business	Strategic growth opportunity
Minova	- Integration of Excel and other bolt on acquisitions – deliver the synergies - Atlas Copco global distribution agreement - Geographic and organic growth including small M&A opportunities

Growth priorities

Business	Strategic growth opportunity
Chemicals	- Capitalise on expanded sodium cyanide capacity - Progressive move into water treatment value added offerings - Advanced Water Technologies (MIEX) - Ongoing growth in Latin America - Improved customer service

Growth priorities

Business	Strategic growth opportunity
Consumer Products	- Continued investment in marketing and R&D - Ongoing establishment of a platform in Asia

Productivity priorities

- Metric is trending to expectation
- Productivity includes revenue and cost focus
- Each business is responsible and accountable for improving productivity
- Ongoing delivery of Minova and Excel synergies
- Chemicals merger
- Complete Yates restructure

SH&E - Environmental

- Botany Water
  - Plume is contained
  - Recycled water being utilised – looking to increase volumes
- Hexachlorobenzene
  - Work continues on plans to export Hexachlorobenzene waste
  - Encapsulated waste remediation to start in 2010
- No other significant matters identified in current period

SH&E - Sustainability

- Challenge 2010 targets established
- Improved performance on all measures in 2008
- At or below 2010 targets on water consumption, energy usage and waste generation
- Greenhouse gas emissions – globally approx 4.0 million tonnes of CO2E, Australia approx 3.0 million tonnes of CO2E
- Approximately 70% abateable – proven technology
- Abatement now operating at Carseland
- Working on solutions globally
- Monitoring carbon trading markets as they evolve

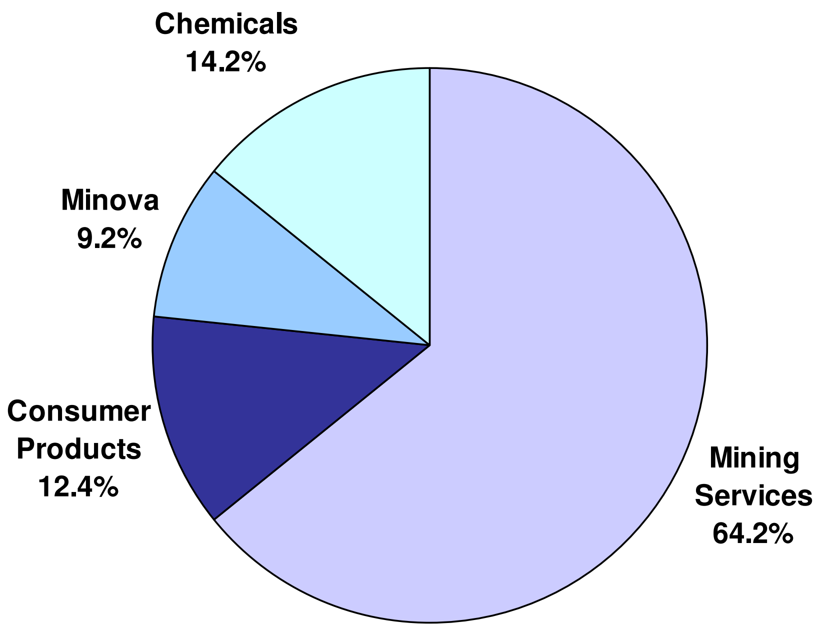
Summary

- Solid underlying business performance
- Market leader in most of our markets
- Improved cash flow performance
- Strong balance sheet
- Well placed for ongoing profitable growth

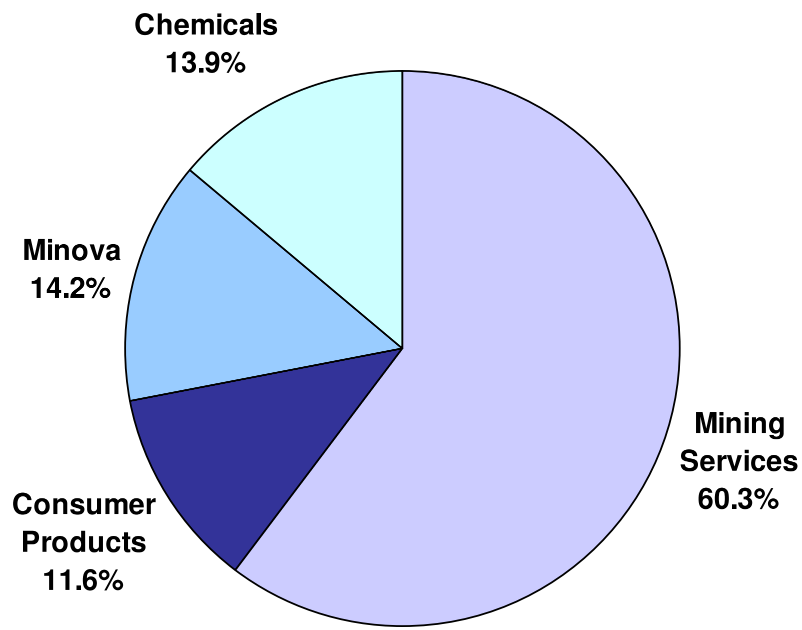
Supplementary Information

EBIT contribution by business platform[1]

September 2007 [2,3]

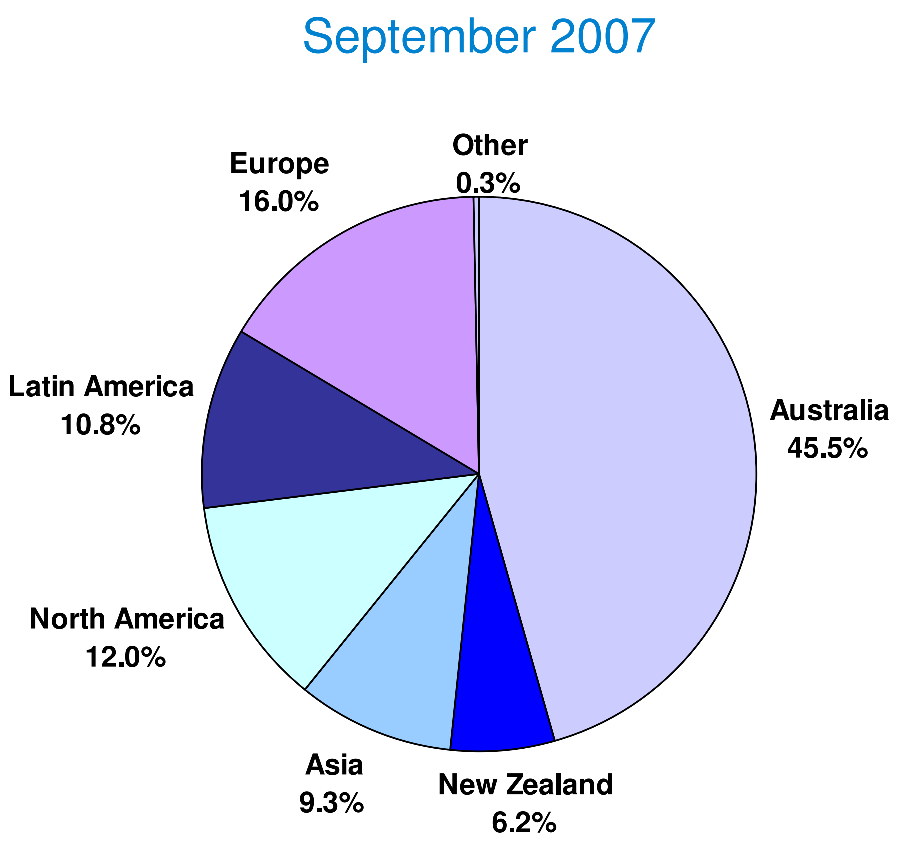


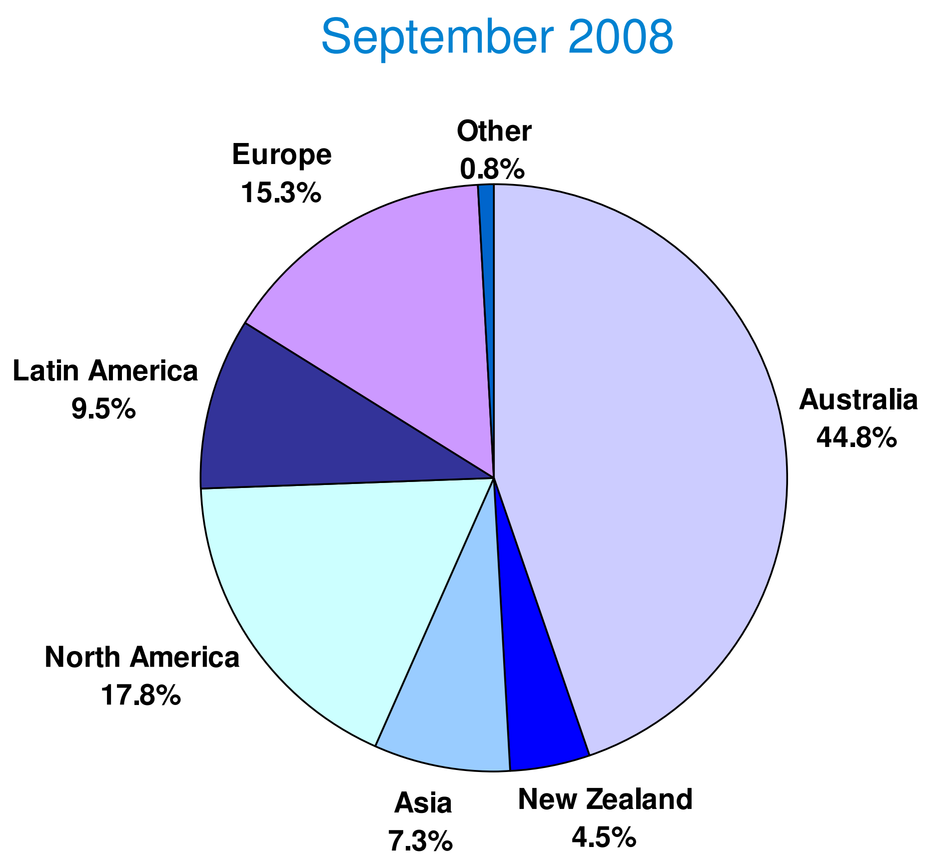
September 2008



1 Excludes corporate costs
2 Minova earnings adjusted to reflect 12 months contribution
3 OCP excludes one-off Yates restructuring provision

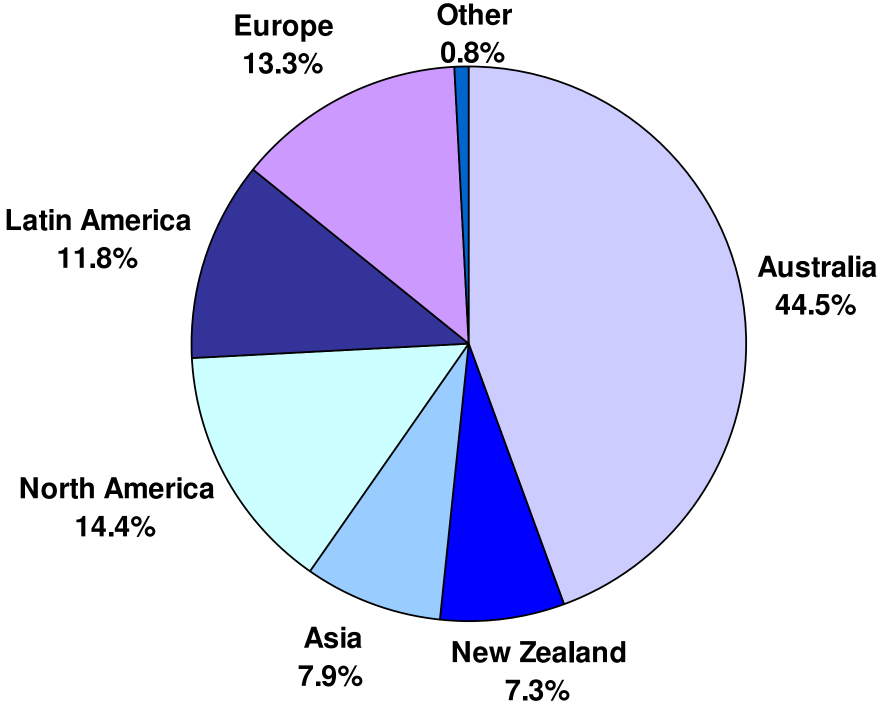
EBIT contribution by geography



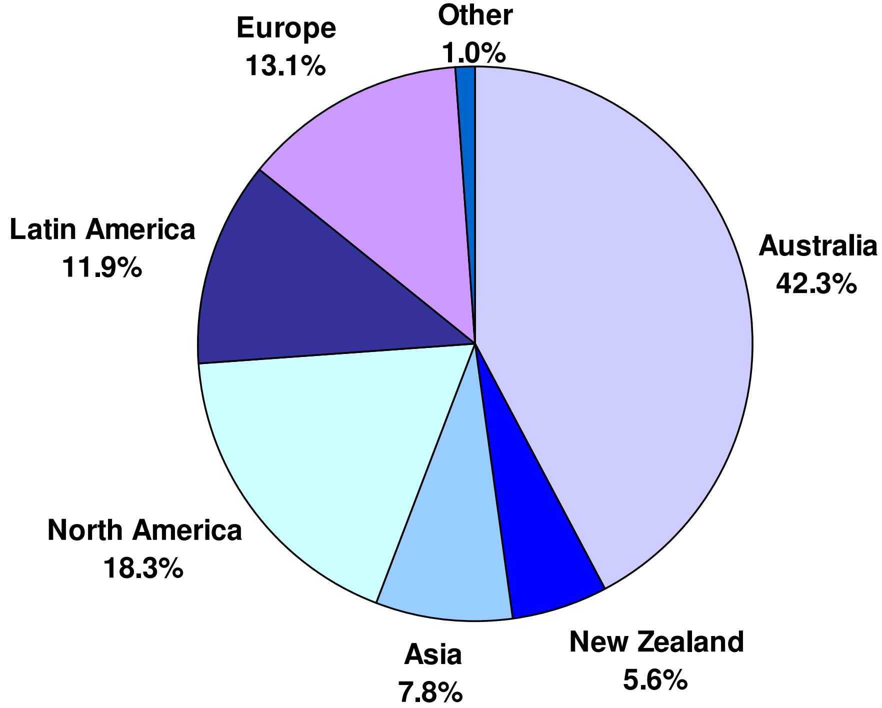


Gross sales by geography

September 2007



September 2008



Net interest expense

Full year ended 30 September (A$M)	2008	2007	$ ↕
Net interest expense	**158**	123	35 ↑
Comprising:			
Interest on net debt	**172**	113	59 ↑
Add: Unwinding of discount on provisions	**8**	10	2 ↓
Add: Major External Finance Leases	**2**	0	2 ↑
Less: Income on the Excel Net Investment Hedge	**-24**	0	24 ↓
Net interest expense	**158**	123	35 ↑

Interest on net debt calculated as:

	2008	2007
Average net debt (throughout year) [1]	**2,368**	1,561
Average interest rate (throughout year)	**7.3%**	7.2%
Interest on Net Debt	**172**	113

[1] This is significantly higher than the average of the period ending net debt balances, due to normal intra-month and seasonal cash flow patterns. Increase from 2007 to 2008 is mainly attributable to the acquisition of Excel.

Impact of SPS – earnings per share

	Reported per Accounts A$M
Reported net profit from continuing operations	567.3
Less:	
Net profit attributable to minorities	(27.7)
After tax distributions to SPS holders [1]	(28.1)
Adjusted net profit	**511.5**
Weighted average ordinary shares on issue	320.0
Earnings per share – cents per share	**159.8**

[1] Distributions paid during the half year totalled $41.5M. The tax adjustment is based on interest expense for the 12 months ended 30 September 2008.

Impact of SPS – gearing (A$M)

	Reported per Accounts	Hybrid Adjusted
Current borrowings	266.4	266.4
Non-current borrowings	1,075.4	1,075.4
SPS adjustment [2]	-	250.0
Less: Cash	(321.3)	(321.3)
Net Debt	**1,020.5**	**1,270.5**
Parent entity equity [1]	4,221.5	4221.5
Minority interests	96.9	96.9
SPS adjustment [2]	-	(250.0)
Net Equity	**4,318.4**	**4,068.4**
Gearing	**19.1%**	**23.8%**

1 Includes face value of SPS of $500M as equity

2 Adjustment is for 50% of the face value of SPS

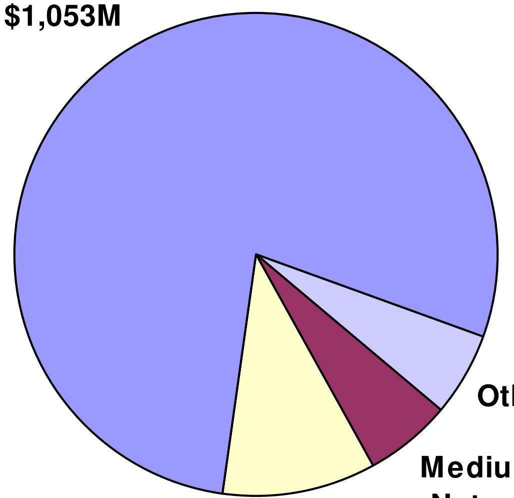
Impact of SPS – interest cover (A$M)

	Reported per Accounts	Hybrid Adjusted
Financial expense [1]	227.8	227.8
Financial income	(68.1)	(68.1)
SPS distribution adjustment [2]	-	20.8
Net borrowing costs	**159.7**	**180.5**
EBIT	970.1	970.1
Less net profit attributable to minorities	-	(28.2)
Adjusted EBIT	**970.1**	**941.9**
Interest Cover (times)	**6.1**	**5.2**

1 Financial expense includes $2M of capitalised borrowing costs.

2 Represents 50% of the SPS distribution for the period 1 October 2007 to 30 September 2008 calculated as follows: face value of SPS x (BBSW +1.35%) x number of days.

Debt Profile



Debt Maturity Profile			
A$M	Drawn	Undrawn	Total
< 1 year	235	150	385
1 – 2 years	-	1,038	1,038
2 – 5 years	278	1,137	1,415
> 5 years	829	-	829
Total	**1,342**	**2,325**	**3,667**

Average maturity on drawn debt is 4.7 years

Investment grade rating BBB+