



2007 Full Year Results Roadshow Pack



Orica - overview

- Australian owned publicly listed company trading on the Australian Stock Exchange (ORI)
- Market capitalisation of approximately A\$8.95bn (US\$8.03bn)
- Ranked in top 40 Australian companies based on market capitalisation
- Inception in 1874 as a small explosives company supplying explosives to the gold fields
- Orica became an independent corporation in 1997 when ICI Plc divested its major shareholding
- Revenues of in excess of A\$5.5bn and in excess of 14,000 employees globally.

An Australian based global company

Orica – what we do



Mining Services

Commercial explosives, initiating systems and Blast Based Services



Minova (including Excel Mining Systems)

Chemical consumables, equipment and services for the underground mining, tunnelling and civil engineering markets



Consumer Products

Paint, consumer handyman and garden care products



Chemical Services

Manufacture of watercare, industrial and mining chemicals



Chemnet

Chemical distribution, value add and niche manufacturing



Businesses
united by
chemical
sciences



Market
Leadership

Leading
Brands

Privileged
Assets

Capable
People

Technology

Strong &
Disciplined
Culture

Turning science into solutions

Orica – business characteristics



Mining Services

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



Minova (including Excel Mining Systems)

- Global market leader
- Provides both proprietary and custom engineered applications
- Operates in niche, growing market segment



Consumer Products

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



Chemical Services

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

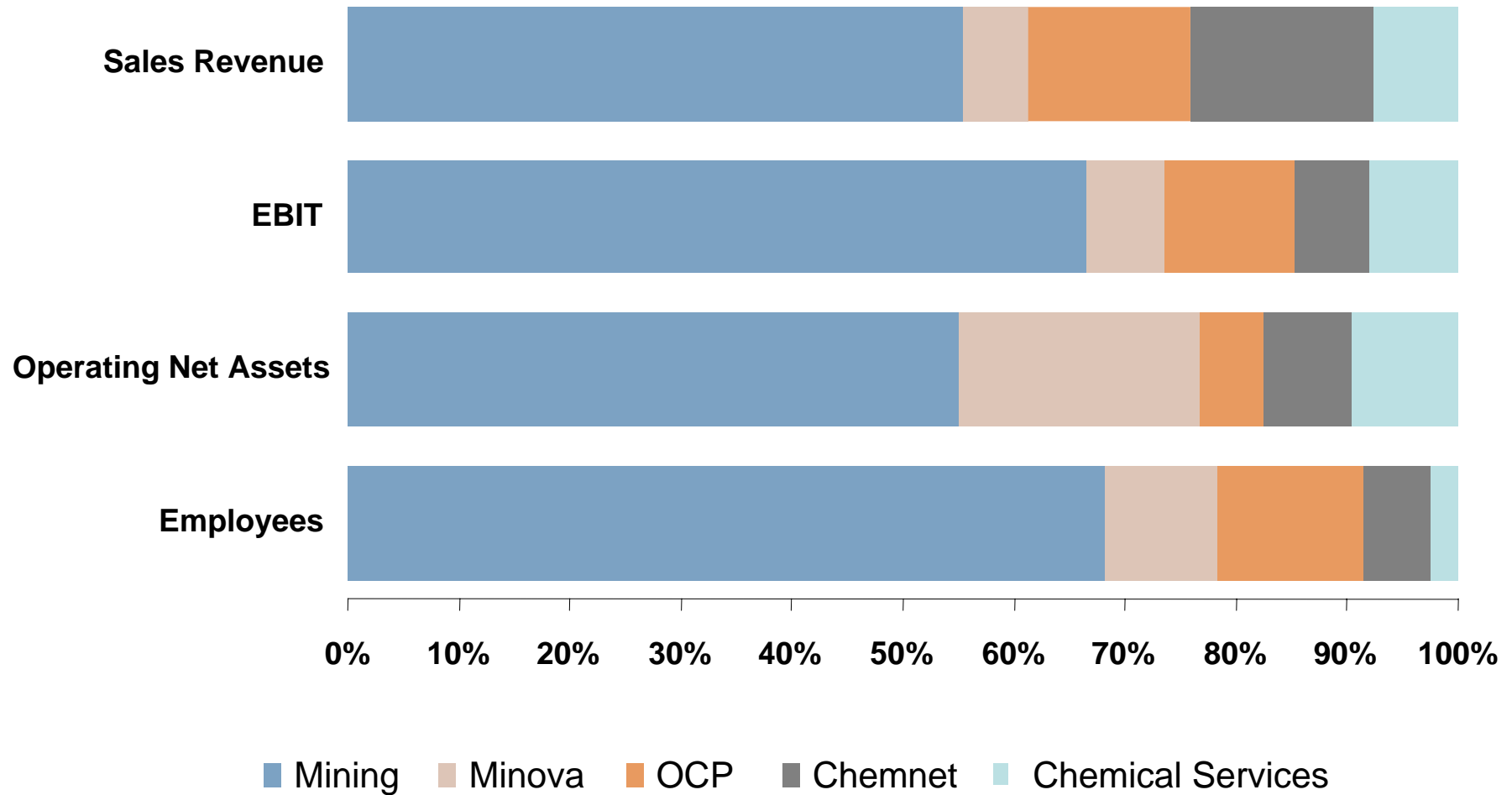


Chemnet

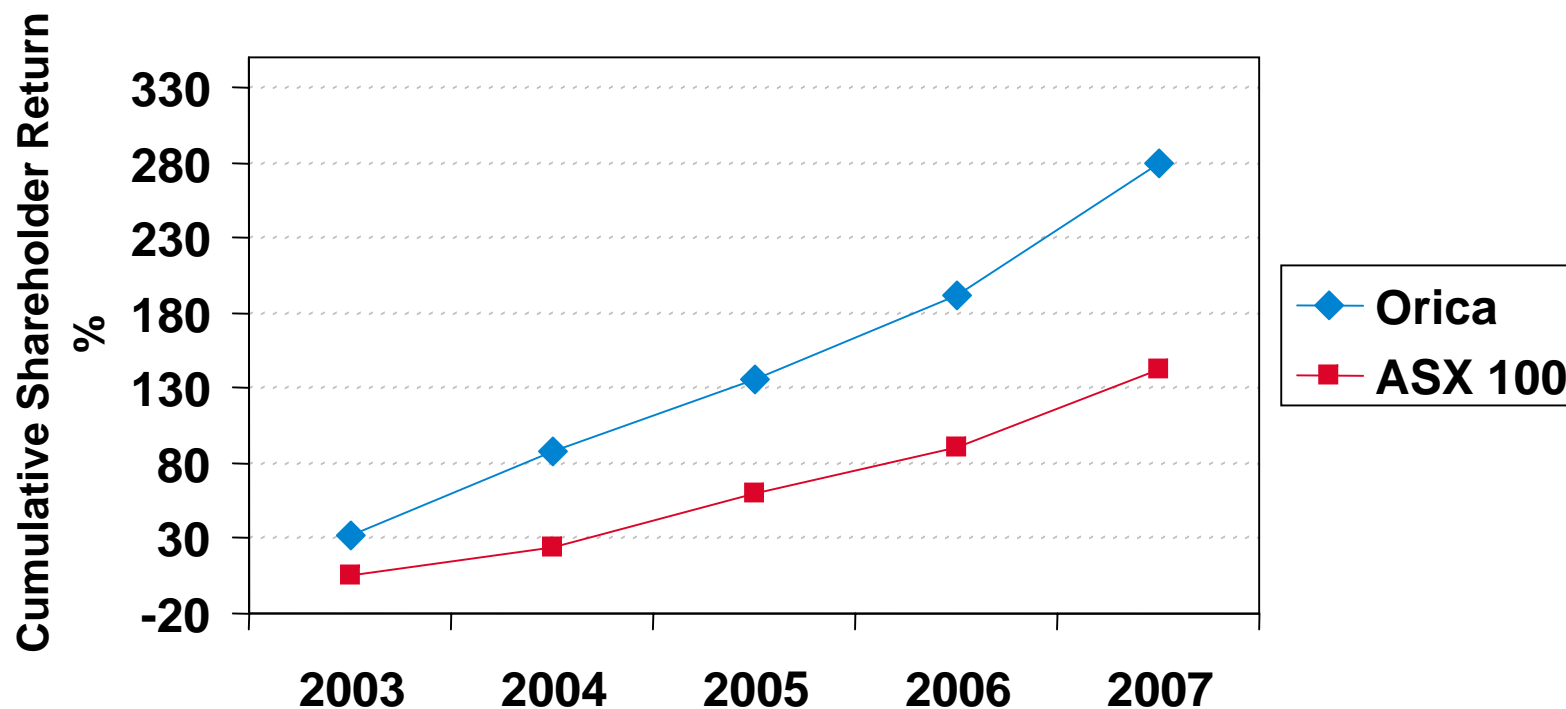
- Largest chemical trading business in Australasia
- Strong asset positions
- Widespread market coverage with customers of all sizes across many industries

Business dimensions

Full year ended 30 September 2007



Cumulative total shareholder returns



Source: Orica Annual Report, Base year 2001

Growth strategy has delivered superior returns

Group performance

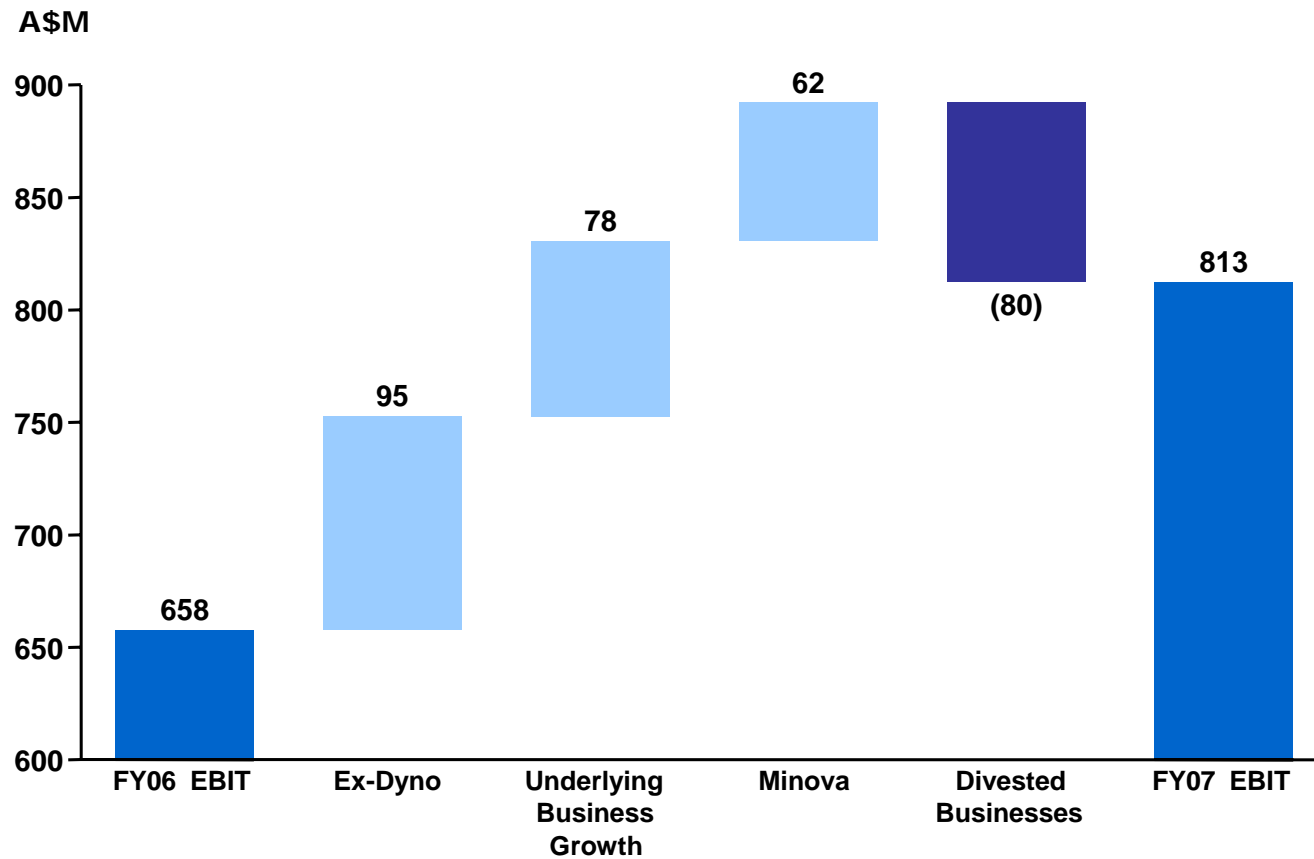
Year ended 30 September (A\$M)	2007	2006	% \updownarrow
Sales	5,527.2	5,359.2	3.1 \uparrow
Gross margin	2,474.0	2,125.2	16.4 \uparrow
EBITDA	995.9	814.6	22.3 \uparrow
EBIT	812.7	657.7	23.6 \uparrow
Net profit after tax pre significant items	497.8	380.3	30.9 \uparrow
Net profit after tax after significant items	487.7	539.1	9.5 \downarrow
Operating Cashflow	524.3	413.9	26.7 \uparrow
Productivity (%) ³	69.8	72.8	4.1 \uparrow
Earnings per share (cents) ¹	152.6	126.4	20.7 \uparrow
Dividends per share (cents)	89.0	74.0	
Return on shareholders funds (%) ¹	19.2	19.3	0.5 \downarrow
Gearing (%) ²	33.2	10.2	

¹ Pre significant items

² Net debt/net debt + book equity

³ Productivity measured as total fixed costs as a percentage of gross margin

EBIT growth



Significant items

Year ended 30 September 2007	(A\$M)
Restructuring & rationalisation – Marplex ¹	(16.4)
Dyno Nobel expenditure – integration costs	(33.4)
Adhesives & Resins profit on sale	23.7
Tax indemnity – Crop Care	16.0
Total significant items after tax and minority interests	(10.1)

¹ Includes restructuring costs and goodwill impairment charge

Divisional return on net assets (RONA)

Year ended 30 September	RONA (%)		Average Net Assets (\$)	
	2007	2006	2007	2006
Mining Services	25.6	25.1	2,245.6	1,644.2
Minova ¹	10.1	-	905.6	-
Consumer Products ²	43.7	44.4	232.6	219.2
Chemical Services ³	17.4	17.7	394.2	379.7
Chemnet ⁴	16.9	15.4	346.4	375.6

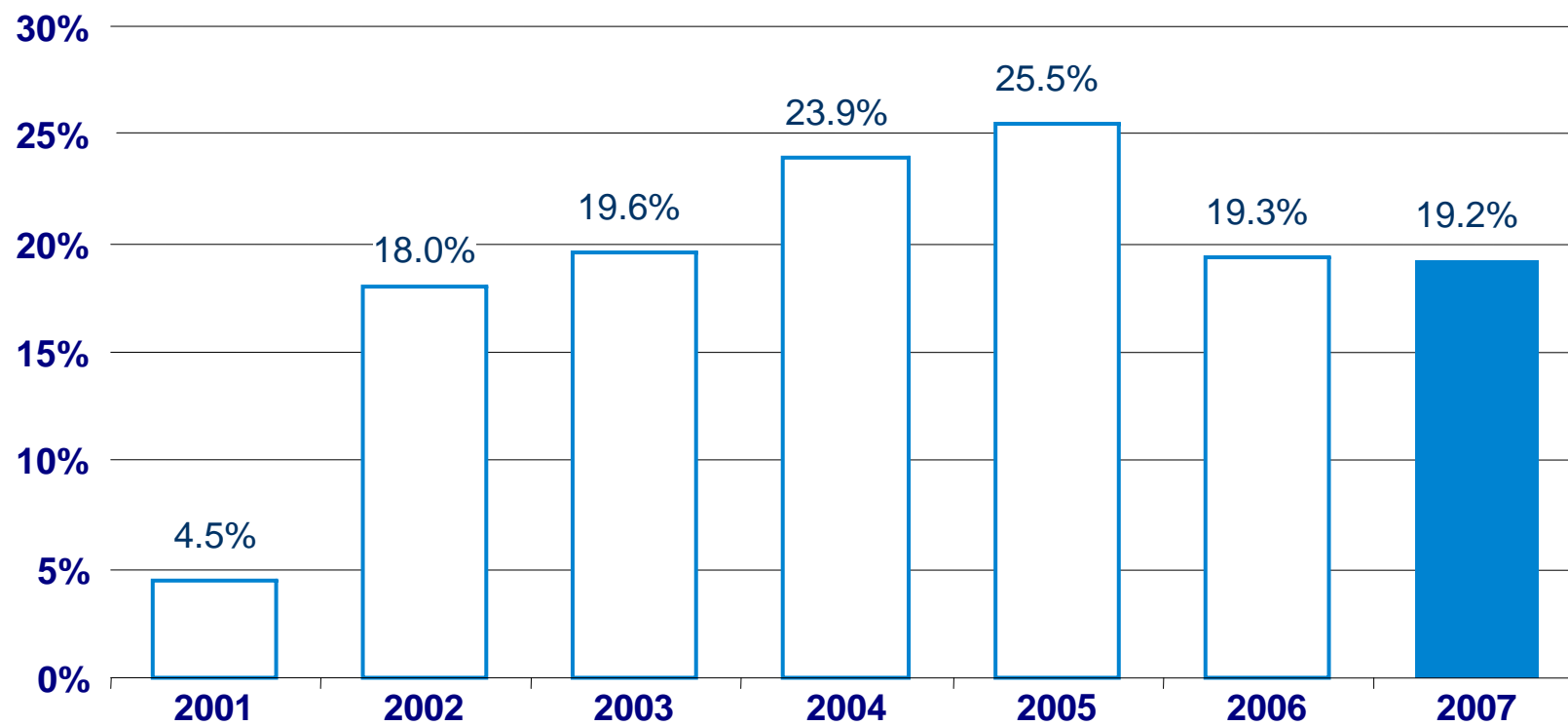
¹ Inclusive of \$7M AIFRS acquisition accounting entries in 2007. RONA calculation is based on annualising 2007 EBIT, after adjusting for the one-off acquisition accounting adjustment. Net assets are as at 30 September 2007

² Inclusive of \$10M Yates restructuring and environmental provision in 2007

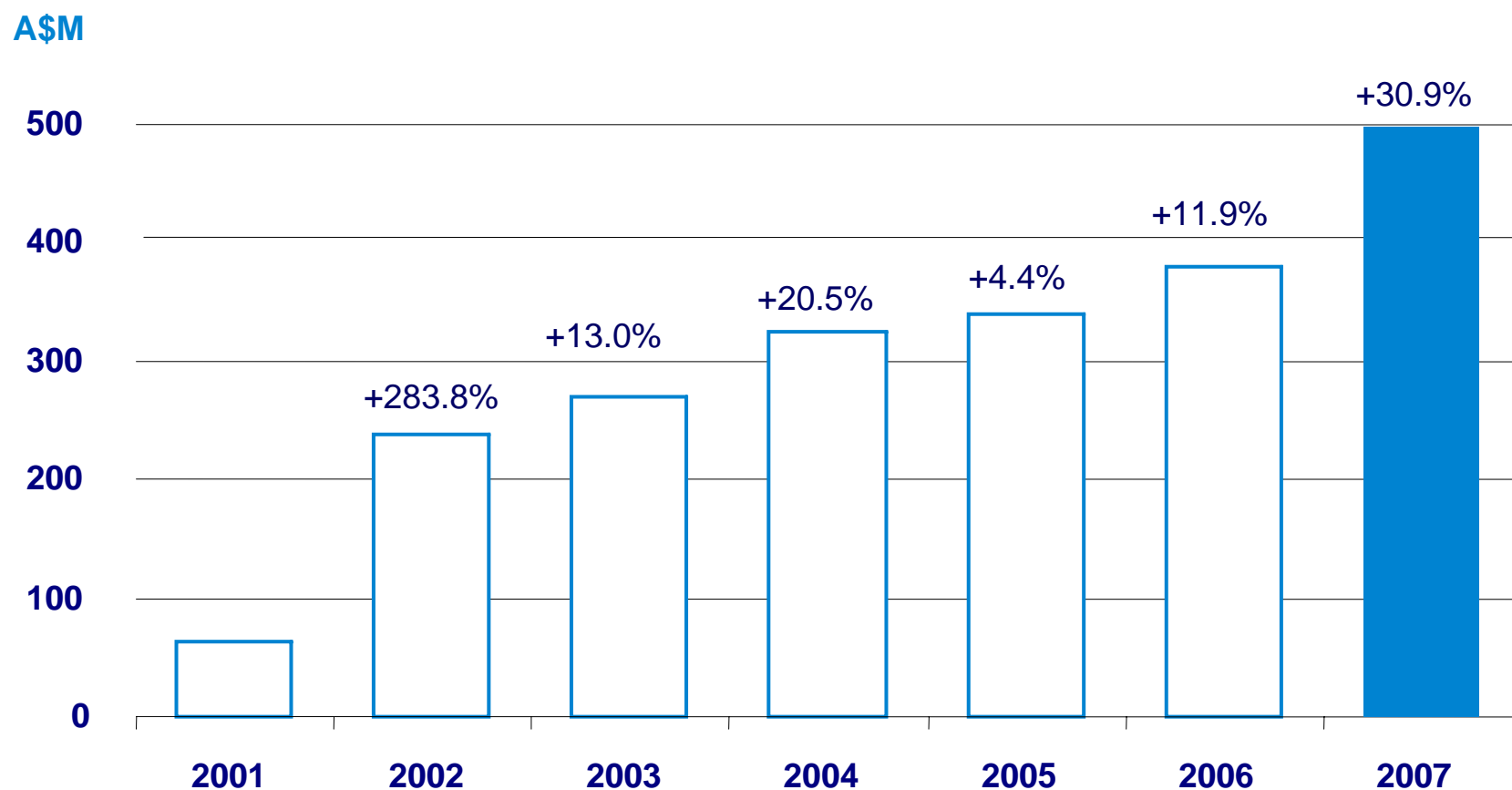
³ Inclusive of MIEX costs

⁴ Marplex goodwill impairment charge has been added back to operating net assets

Return on shareholders' funds



Net profit after tax



Cumulative average growth rate since 2001 is 41.4%



Divisional performance

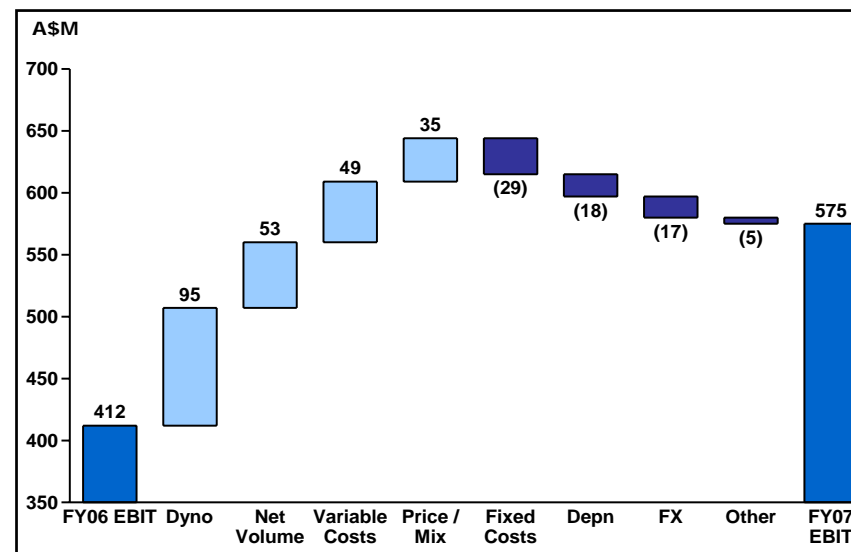
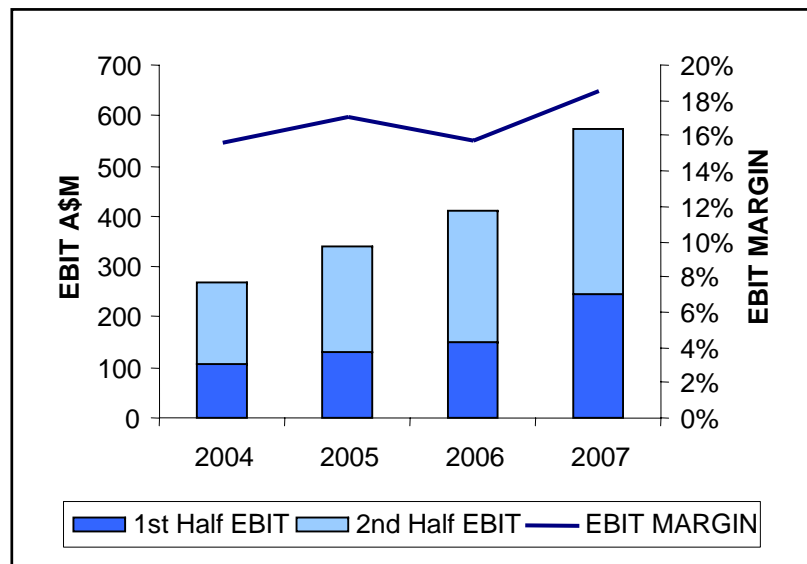
Orica Mining Services

Year ended 30 September (A\$M)	2007	2006	% ↑
Sales	3,111.2	2,620.9	18.7 ↑
EBITDA	697.9	506.0	37.9 ↑
<i>EBITDA margin (%)</i>	22.4	19.3	16.1 ↑
EBIT	575.1	412.0	39.6 ↑
<i>EBIT margin (%)</i>	18.5	15.7	17.8 ↑
Return on net assets (%)	25.6	25.1	
Average operating net assets	2,245.6	1,644.2	

Record result for Mining Services – 40% EBIT growth

Orica Mining Services

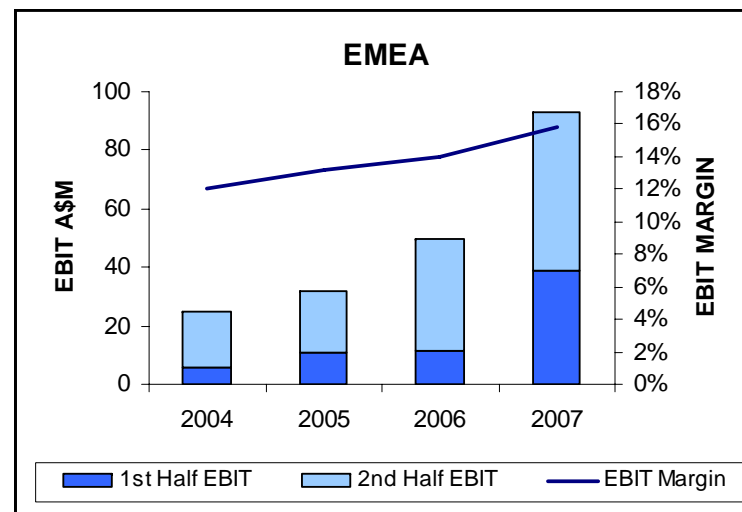
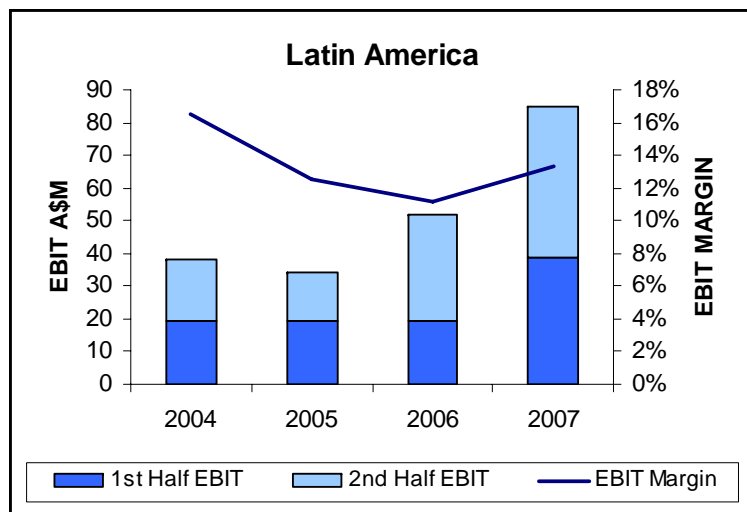
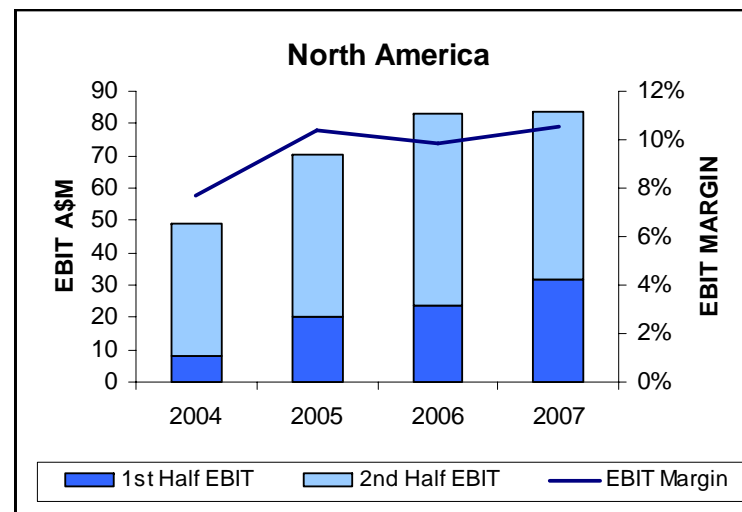
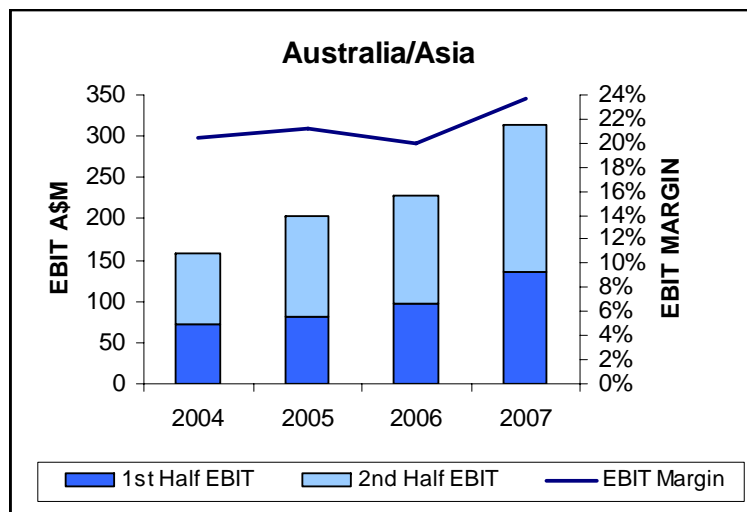
Sales \$3,111M; EBIT \$575M; Average Net Assets \$2,246M; RONA 26%



- ✓ Record result
- ✓ EBIT growth 40%
- ✓ Dyno integration continues successfully
- ✓ Robust volumes across most regions
- ✓ Improved variable cost recovery
- ✓ Continued growth and contribution from value adding technologies

- ✓ EBS expansion project progressing well
- ✓ Completed small bolt on acquisitions
- ↓ Fixed cost increase to support business growth
- ↓ Increased depreciation/amortisation charge on higher asset base
- ↓ Negative foreign exchange impact on earnings

Orica Mining Services by geography



Acquired ex Dyno business performance

EBIT (A\$M)	2007
Underlying trading performance of Ex Dyno Businesses	59.7
Synergies delivered	70.4
Amortisation of intangibles	(8.9)
2007 EBIT	121.2

Synergy Benefit (A\$M)	2007	2008	2009
Current View	70	90	90
March 2007	50-60	80-90	90

Acquired ex Dyno business - integration costs

Integration cost category (A\$M)	2006 Actual	2007 Actual	Cumulative Actual
Asset write-offs – non cash	45	7	52
Redundancies	41	5	46
Transitional salaries/other	7	6	13
Synergy implementation costs	4	10	14
Total Integration costs	97	28	125
Project office costs (acquisition costs) ¹	18	16	34
Total significant items (pre tax) ²	115	44	159

¹ Project office costs relate to the integration team

² Movement between 2006 actual costs and 2007 YTD costs are recognised in the financial statements as a significant item

Integration costs on track with budget
Project office costs complete
Final manufacturing rationalisation costs to come

Minova

Nine months ended 30 September (A\$M)	2007
Sales	332.1
EBITDA	75.1
<i>EBITDA margin (%)</i>	22.6
EBIT	61.6
<i>EBIT margin (%)</i>	18.5
Underlying EBIT ¹	68.2
Return on net assets (%) ²	10.1
Average operating net assets	905.6

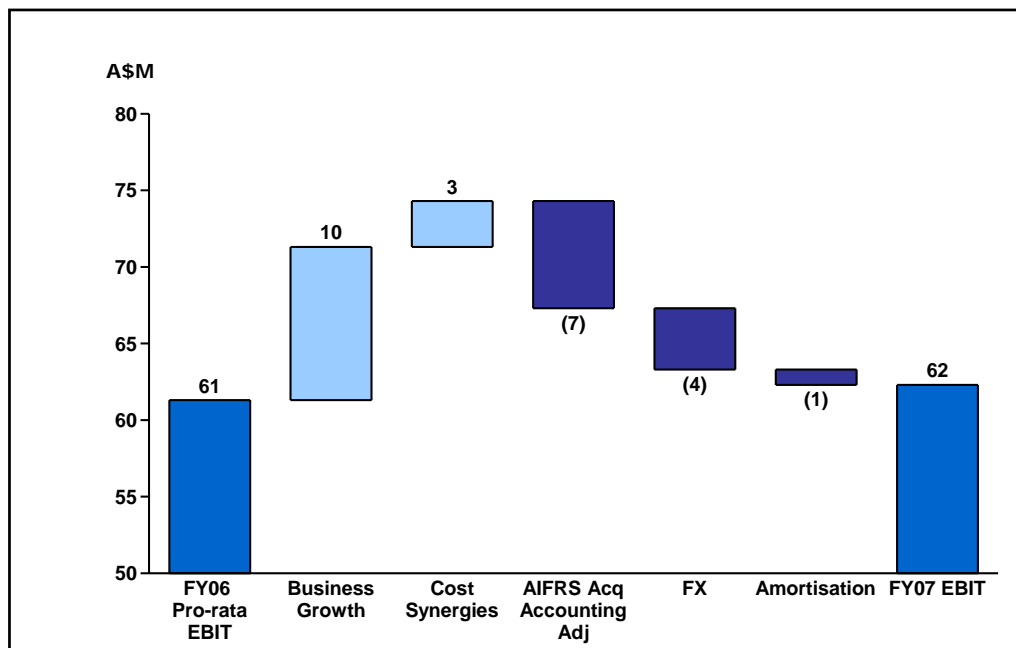
¹ Underlying EBIT excludes the \$6.6M one-off acquisition accounting adjustment.

² RONA calculation is based on annualising 2007 EBIT, excluding the one-off acquisition accounting adjustment of \$6.6M.

Underlying EBIT growth 12%

Minova

Sales \$332M; EBIT \$62M; Net Assets \$906M; Pro forma RONA 10.1%



- ✓ Underlying EBIT growth of 12%
- ✓ Robust mining volumes in most markets
- ✓ Civil tunnelling project activity in Europe and South East Asia
- ✓ Cost synergies being delivered
- ✓ All senior management retained
- ✓ Result includes AIFRS one off acquisition accounting adjustment of \$7M
- ↓ Negative impact of foreign exchange on translation of \$4M
- ↓ Results include \$13M of depreciation and amortisation charges (higher than initial estimates)

Chemical Services

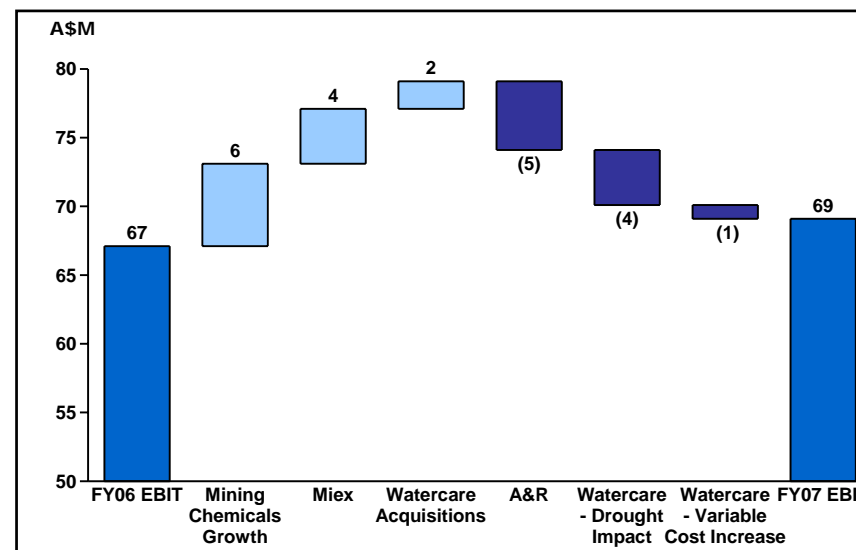
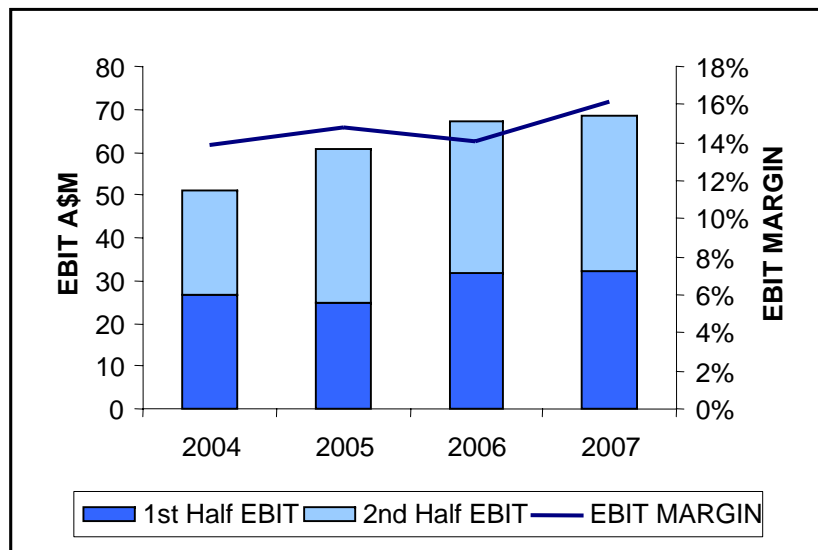
Year ended 30 September (A\$M)	2007	2006	% ↓
Sales	425.1	477.0	10.9 ↓
EBITDA	87.8	85.0	3.3 ↑
<i>EBITDA margin (%)</i>	20.7	17.8	15.9 ↑
EBIT	68.7	67.1	2.4 ↑
<i>EBIT margin (%)</i>	16.2	14.1	14.9 ↑
Underlying EBIT ¹	65.8	59.1	11.3 ↑
Return on net assets (%)	17.4	17.7	
Average operating net assets	394.2	379.7	

¹ Underlying EBIT excludes earnings from the Adhesives and Resins businesses.

Underlying EBIT up 11%

Chemical Services

Sales \$425M; EBIT \$69M; Average Net Assets \$394M; RONA 17%



- ✓ Strong growth in Mining Chemicals
- ✓ Acceptance of MIEX® technology continues to increase
- ✓ Investment in Yarwun sodium cyanide uprate completed on time
- ✓ Increased capability in water treatment by acquisition

- ↓ Loss of A&R earnings following divestment (profit on sale of \$24M recognised as significant item)
- ↓ Watercare impacted by ongoing drought enforced water restrictions
- ↓ Increases in variable costs in the first half in the Watercare business - these costs are now being recovered

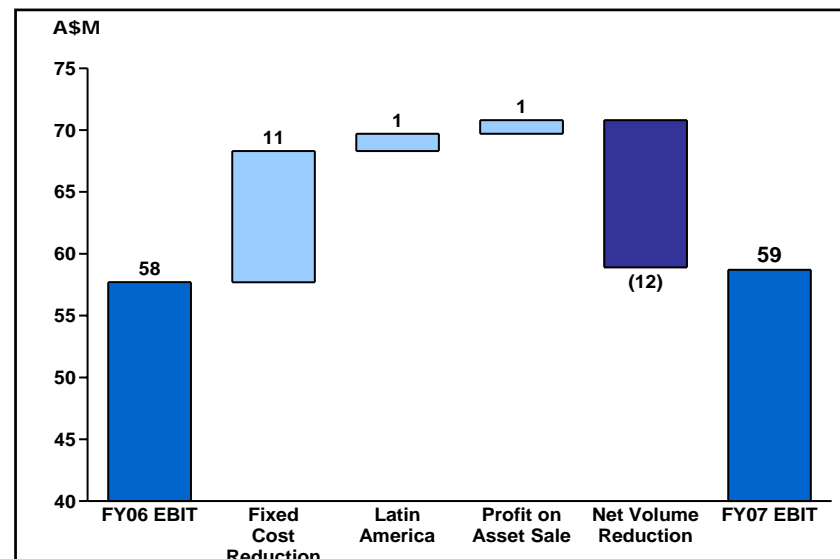
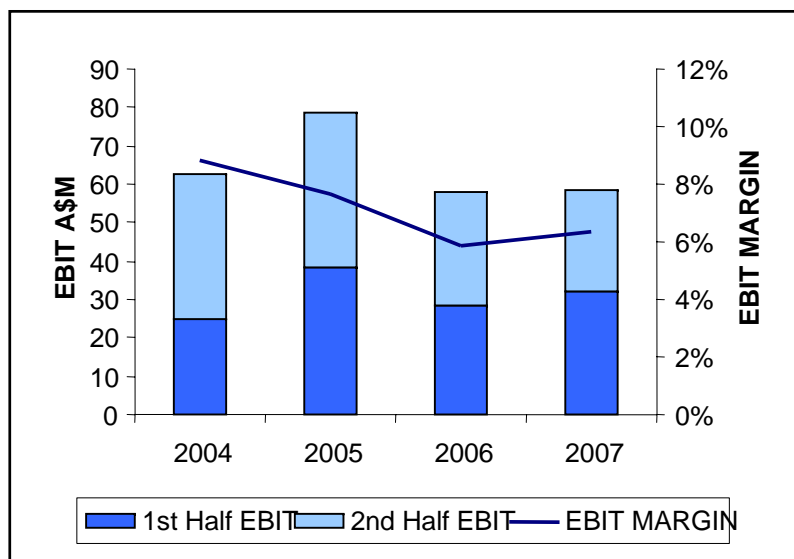
Chemnet

Year ended 30 September (A\$M)	2007	2006	% ↓
Sales	927.7	987.4	6.0 ↓
EBITDA	66.4	66.0	0.6 ↑
<i>EBITDA margin (%)</i>	7.2	6.7	7.1 ↑
EBIT	58.7	57.7	1.7 ↑
<i>EBIT margin (%)</i>	6.3	5.8	8.3 ↑
Return on net assets (%)	16.9	15.4	
Average operating net assets	346.4	375.6	

Underlying EBIT in line with pcp

Chemnet

Sales \$928M; EBIT \$59M; Average Net Assets \$346M; RONA 17%



- ✓ Restructure has delivered cost benefits
- ✓ Investment in sales and supply chain initiatives
- ✓ Latin America progressing well – increased to 100% ownership
- ✓ Established bulk acid tank in Northern Territory
- ✓ Divested small non-core businesses

- ↓ Lower volumes due to downturn in manufacturing markets and customers going direct
- ↓ Increased competitive pressures
- ↓ Performance of Marplex disappointing – restructuring costs and goodwill impairment charges of \$16.4M included in significant items

Orica Consumer Products

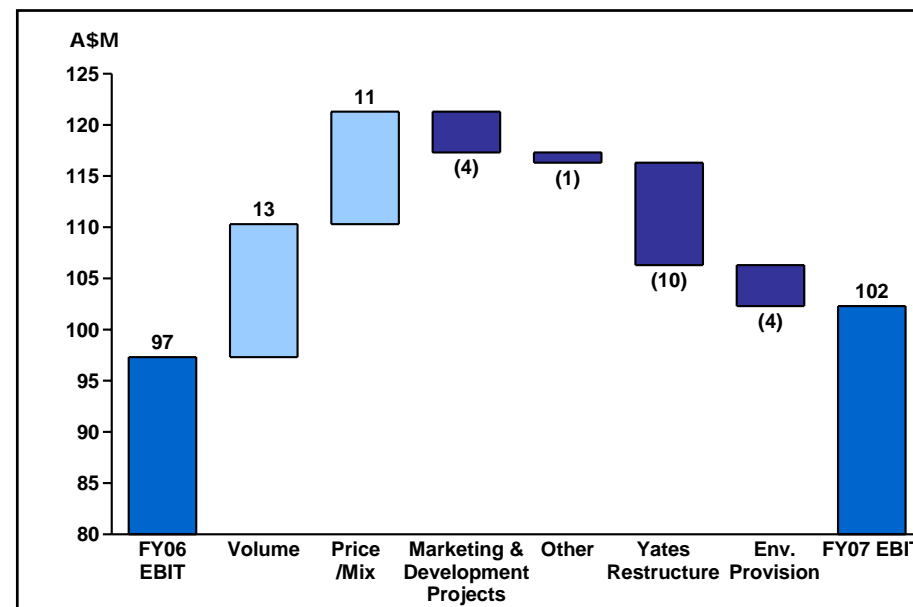
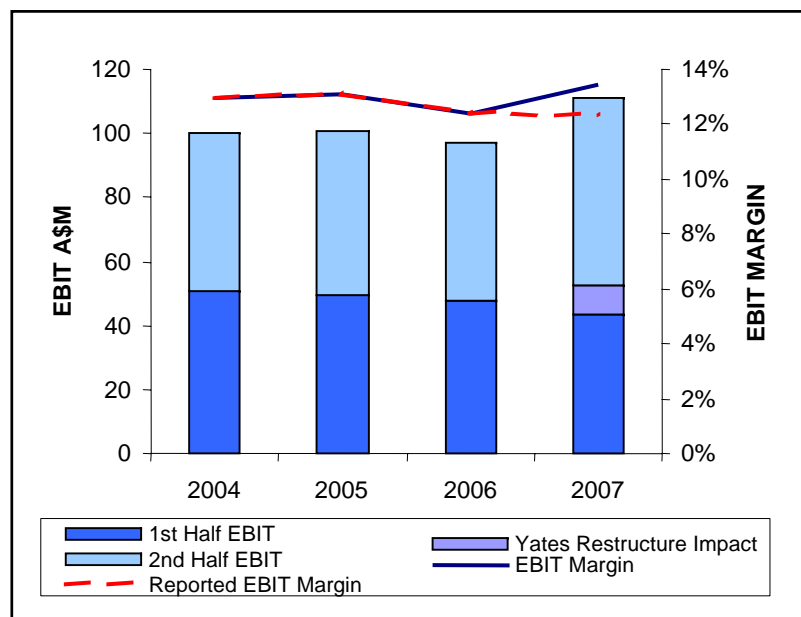
Year ended 30 September (A\$M)	2007	2006	% ↓
Sales	826.3	785.0	5.3 ↑
EBITDA	116.3	111.5	4.3 ↑
<i>EBITDA margin (%)</i>	14.1	14.2	0.9 ↓
EBIT	101.6	97.3	4.4 ↑
<i>EBIT margin (%)</i>	12.3	12.4	0.8 ↓
Underlying EBIT ¹	111.1	97.3	14.2 ↑
Return on net assets (%)	43.7	44.4	
Average operating net assets	232.6	219.2	

¹ Excludes the one-off Yates restructuring provision.

Record result
Underlying EBIT up 14%

Orica Consumer Products

Sales \$826M; EBIT \$102M; Average Net Assets \$233M; RONA 44%



- ✓ Record result, driven by growth in most Australian markets and market share gains in all business units
- ✓ Led by performance of the Australian paints business and a record result from Selleys
- ✓ Continued investment in brands is delivering EBIT
- ✓ Yates restructure progressing well
- ✓ Increasing presence in Asia

- ↓ Increased spend on marketing, innovation and growth projects
- ↓ Provision to restructure the Yates business
- ↓ Environmental provision for remediation of Padstow, NSW

Corporate centre and other support services

Year ended 30 September (A\$M)	2007	2006	\$ ↑
Corporate centre costs	39.3	36.3	3.0 ↓
Other support costs	13.7	14.4	0.7 ↑
TOTAL COSTS	53.0	50.7	2.3 ↑

- ✓ Qenos doubtful debt provision reversal (\$8M) – non-recurring
- ✓ Improved net insurance result (\$9M)
- ↓ Takeover defence and unsuccessful M&A bid costs (\$13M)
- ↓ Increased remuneration due to the new Key Executive Retention Plan (\$3M)
- ↓ Operating costs of Botany Groundwater Treatment plant (\$7M)

Capital management - highlights

Year ended 30 September	2007	2006
Net Debt ¹ (A\$M)	1,305.7	302.1
Net Interest expense (A\$M)	122.6	92.2
Interest Cover (times)	6.6	7.1
Cash Conversion ² (%)	63.8	52.5
Rolling TWC to Sales (%)	14.8	16.6
Gearing (%)	33.2	10.2
Gearing adjusted (%) ³	39.6	18.4
Share Buyback (A\$M)	114.8	84.7

¹ 2006 year end net debt position reflected benefit of proceeds on disposal of IPL and was prior to the acquisition of Minova.

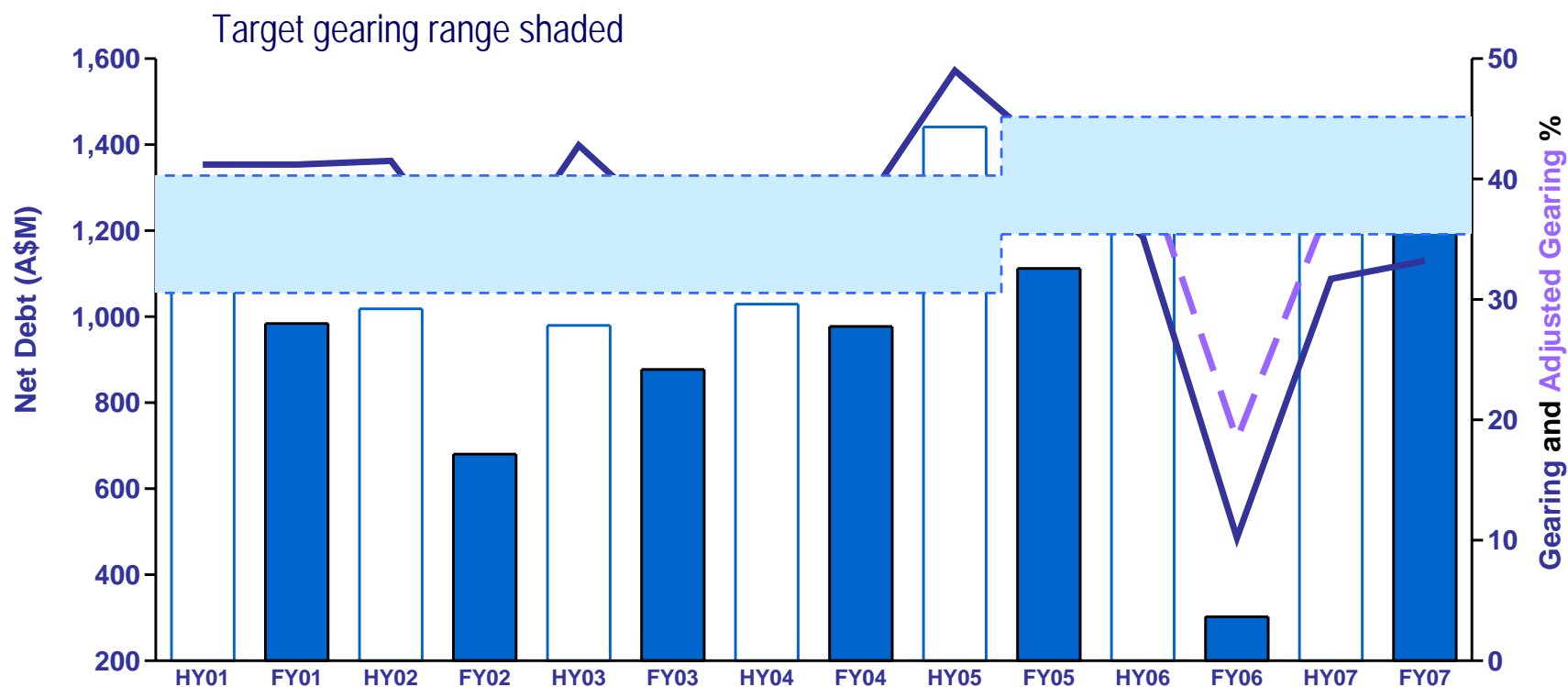
² Cash conversion is calculated as EBITDA add/less movement in working capital less sustenance capital spend.

³ Gearing recalculated with Hybrid shares notionally reclassified as 50% equity and 50% debt

Cashflow

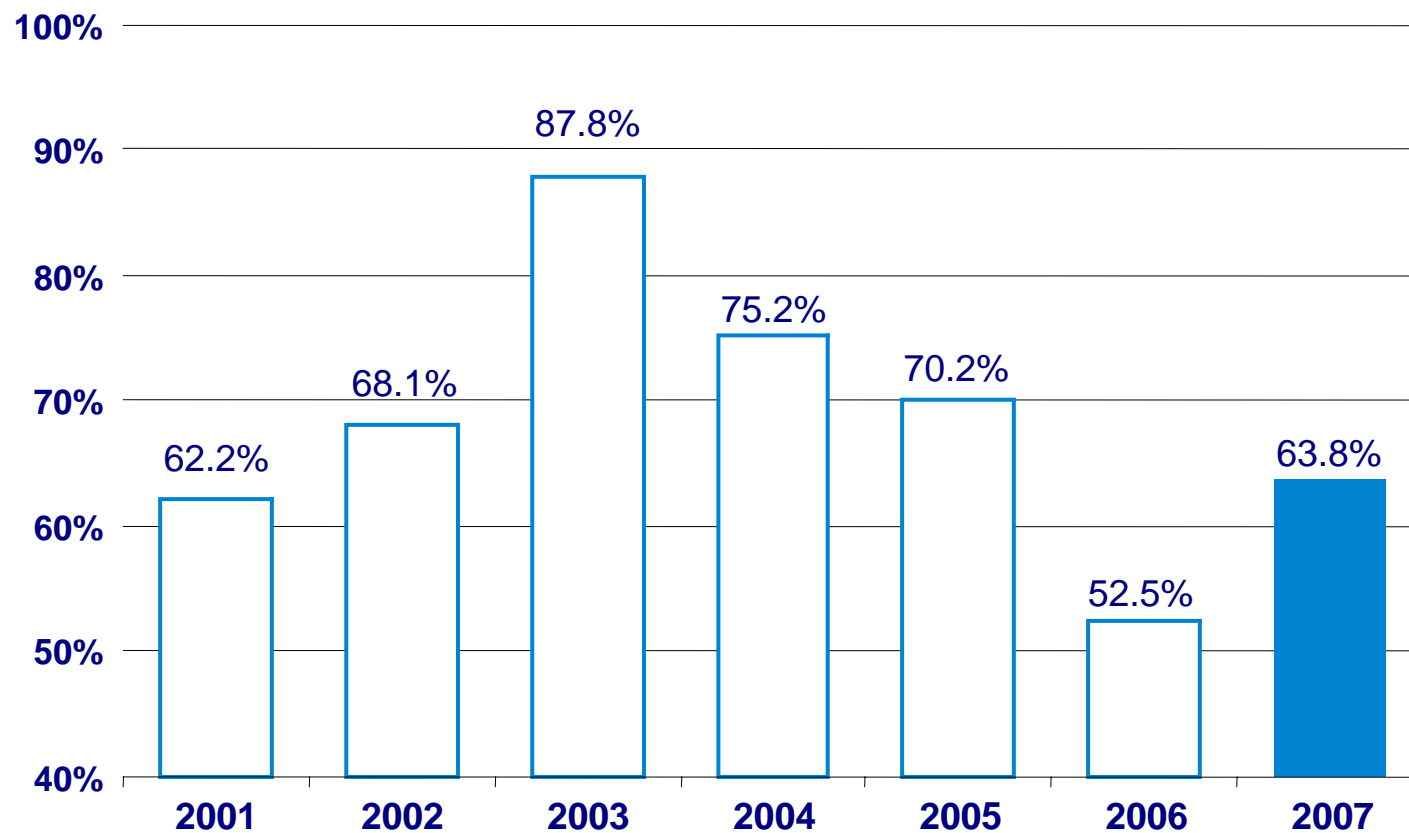
Year ended 30 September (A\$M)	2007	2006	\$ ↑
EBITDA	995.9	814.6	181.3 ↑
Net interest paid	(108.3)	(90.3)	18.0 ↓
Net tax paid	(141.4)	(101.6)	39.8 ↓
Trade working capital movement	(49.2)	(212.6)	163.4 ↑
Non trade working capital movement	(172.7)	3.8	176.5 ↓
Net operating cash flows	524.3	413.9	110.4 ↑
Sustenance capital	(138.8)	(178.5)	39.7 ↑
Growth capital	(198.2)	(208.5)	10.3 ↑
Acquisitions	(958.3)	(889.0)	69.3 ↓
Divestments	123.5	899.9	776.4 ↓
Net investing cash flows	(1,171.8)	(376.1)	795.7 ↓
Equity movements	(127.7)	949.3	1,077.0 ↓
Debt	459.0	-	459.0 ↑
Dividends/distributions	(306.5)	(192.1)	114.4 ↓
Net financing cash flows	24.8	757.2	732.4 ↓
TOTAL	(622.7)	795.0	1,417.7 ↓

Net debt and gearing



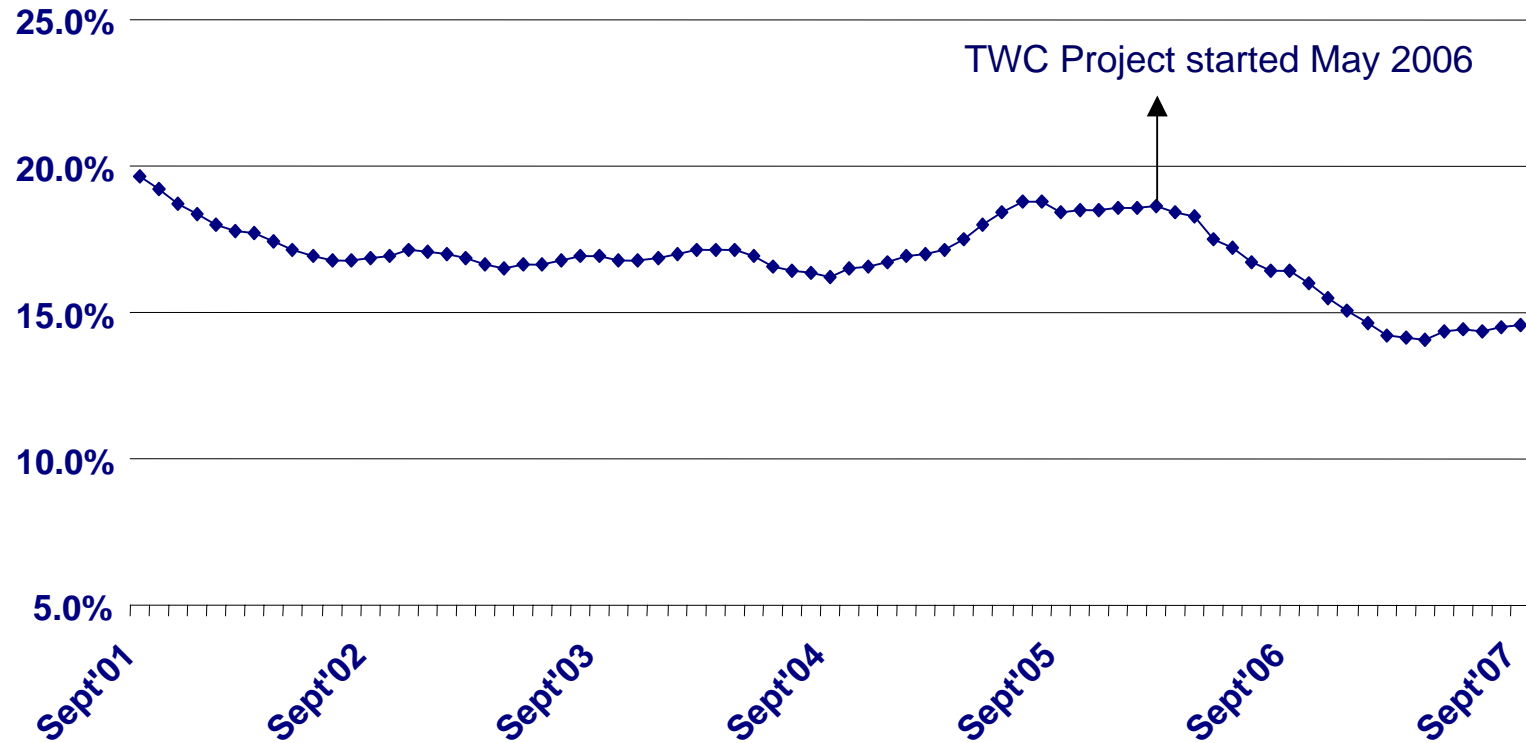
Accounting gearing 33.2%
Adjusted gearing 39.6%
(SPS securities notionally 50% debt and 50% equity)

Cash Conversion¹



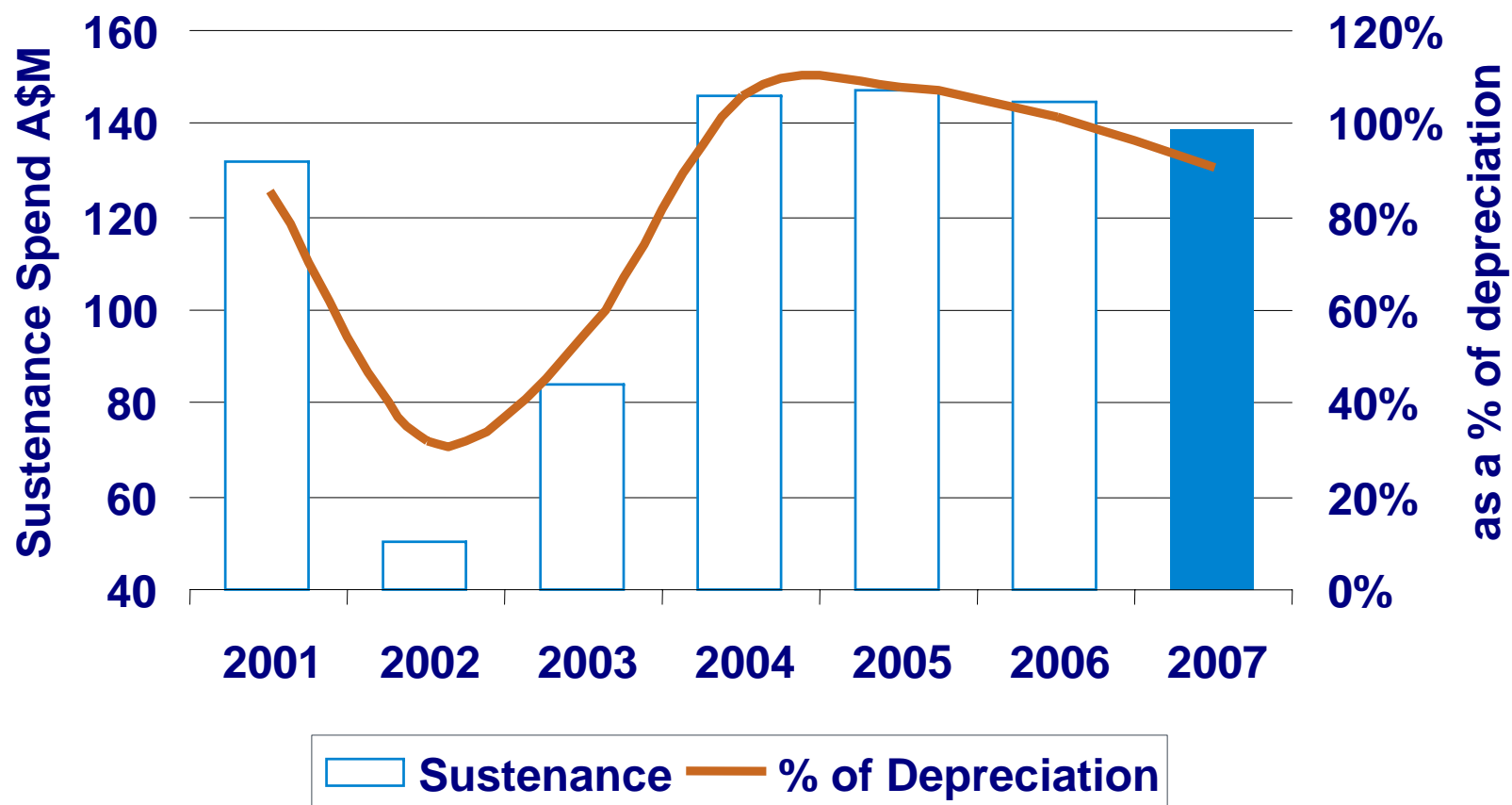
¹ Cash conversion is calculated as EBITDA add/less movement in working capital less sustenance capital spend.

Rolling TWC to Sales %



Continuous improvement
Reduced from 17.5% in May 2006 to 14.8% in 2007

Capital expenditure

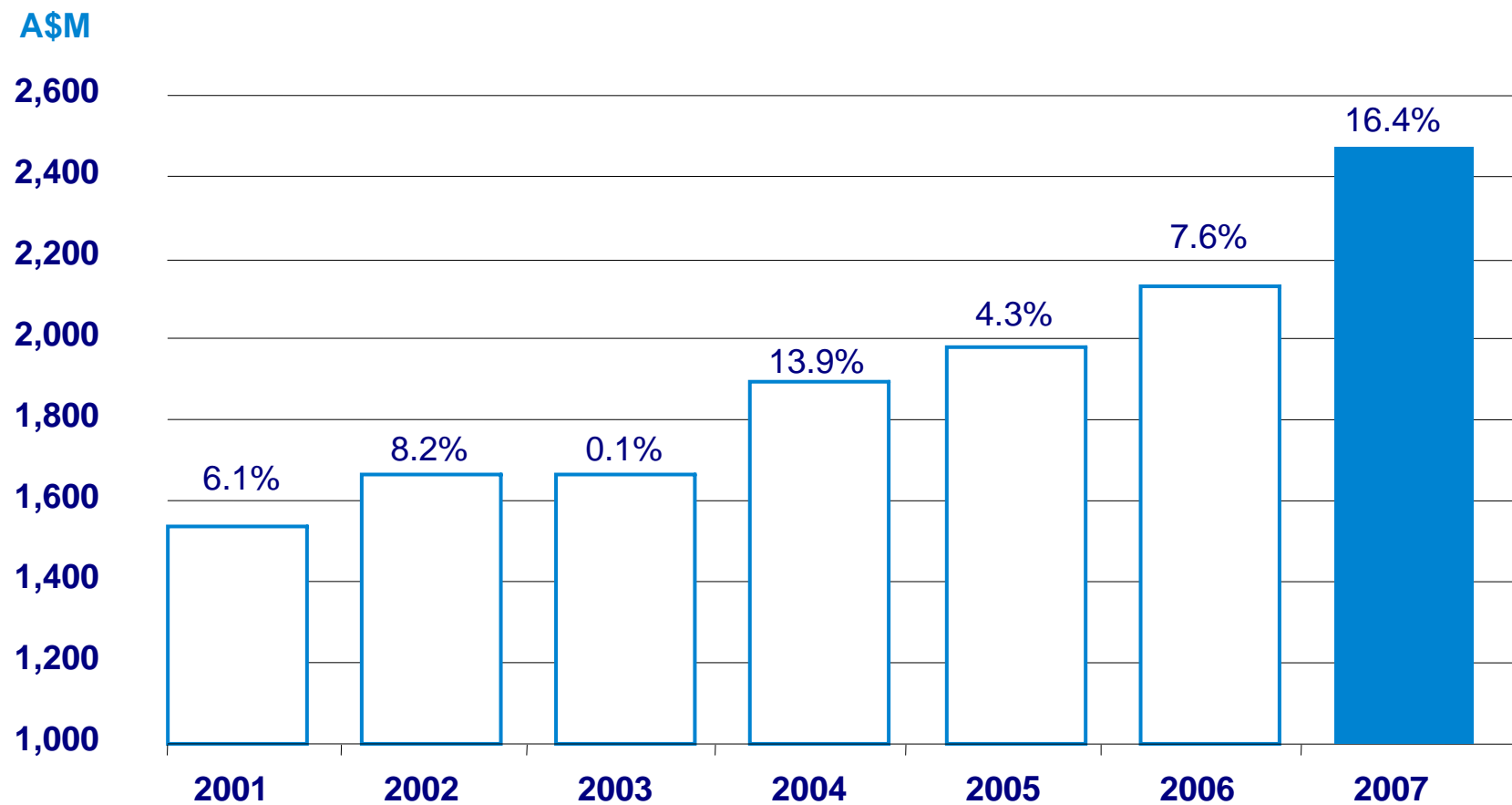


**Sustenance capital \$139M and
Depreciation \$153M in 2007**

Orica's approach – value drivers

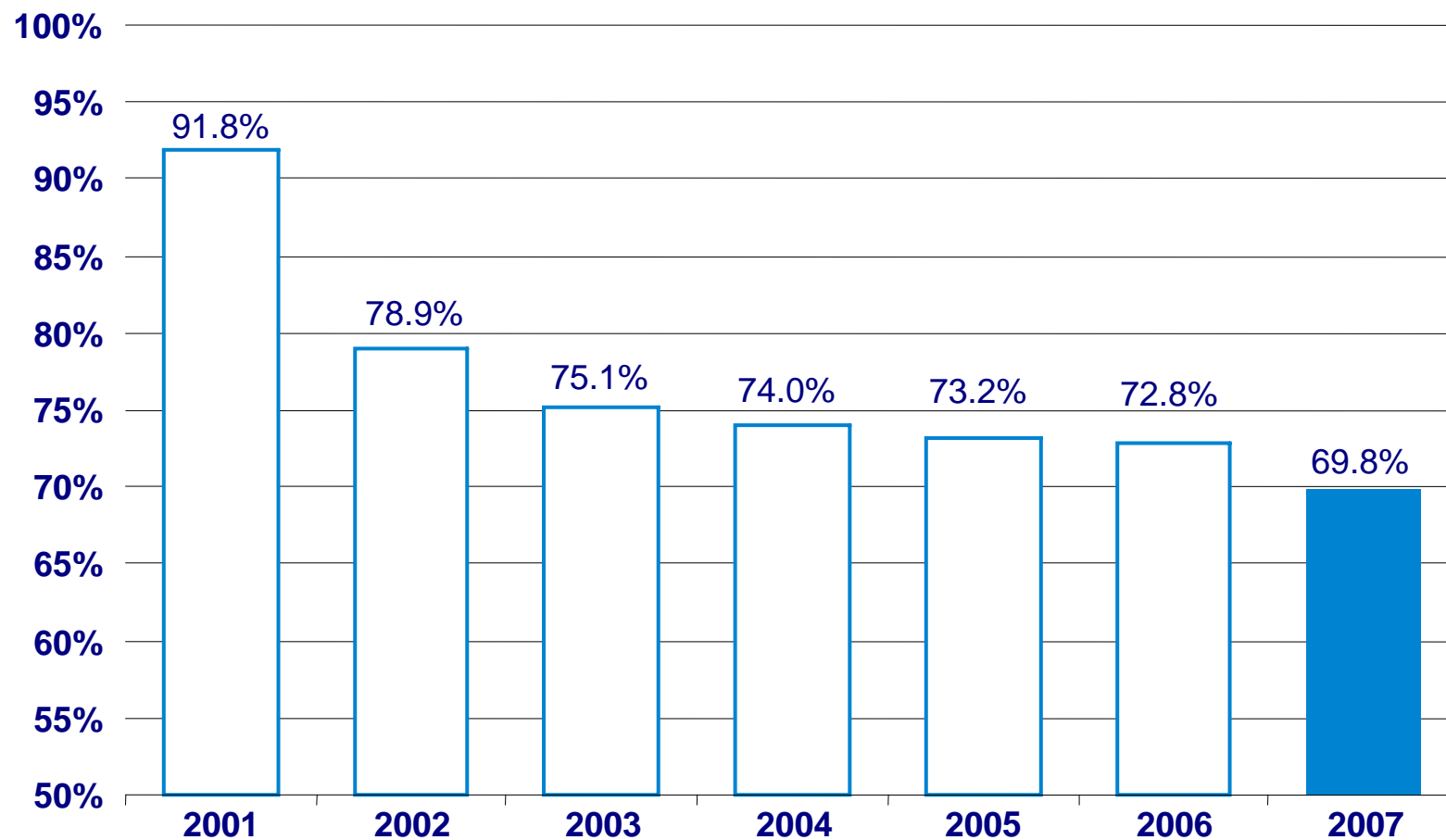


Gross margin growth



Cumulative average growth rate since 2001 is 8.3%

Productivity



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

Growth priorities

Business	Strategic growth opportunity
Mining Services	<ul style="list-style-type: none">- Organic and geographic growth – resource cycle- Lowest cost AN sourcing- Electronic blasting systems (EBS)- Enhanced product offerings- Small bolt-on M&A
Minova	<ul style="list-style-type: none">- Integration of Excel – deliver the synergies- Organic/M&A opportunities
Consumer Products	<ul style="list-style-type: none">- Continued investment in marketing and R&D- Organic growth in Asia
Chemical Services	<ul style="list-style-type: none">- Capitalise on expanded sodium cyanide capacity- Increasing water treatment capability- Advanced Water Technologies (MIEX)
Chemnet	<ul style="list-style-type: none">- Organic sales and margin growth- Supply chain optimisation/strategic sourcing

Excel acquisition

- Strategy behind the acquisition:
 - Complementary to Minova
 - Resource sector growth
 - Underground mining growth
 - Safety focus
- Established 2 teams to deliver the synergies - commercial and operational
- Tax and finance structuring synergies already delivering
- Business will continue to report separately to CEO

SH&E - Environmental

- Botany
 - Groundwater Treatment Plant - operating well
 - Plume is contained
 - Recycled water being utilised
- Hexachlorobenzene
 - Appeal process
- No other significant matters identified in current year

SH&E - Sustainability

- Challenge 2010 targets well established
- Carbon Trading manager appointed
- Working on solutions globally as markets continue to evolve
- Initiatives being developed to reduce emissions from major manufacturing facilities

Outlook

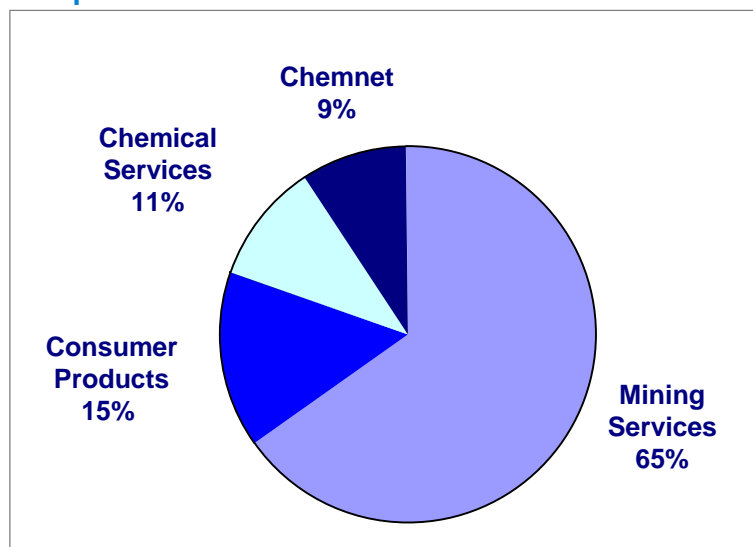
Subject to global economic conditions, we expect Group net profit (before significant items) in 2008 to be higher than that reported in 2007. This is a result of an additional three months contribution from Minova, 11 months contribution from Excel Mining Systems and improved earnings across the other businesses.



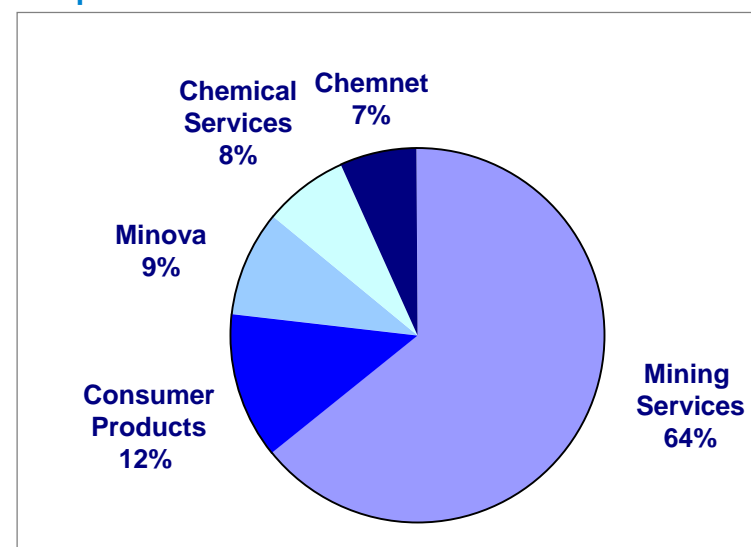
Supplementary information

EBIT contribution by business platform¹

September 2006 ²



September 2007 ^{3,4}



¹ Excludes corporate costs

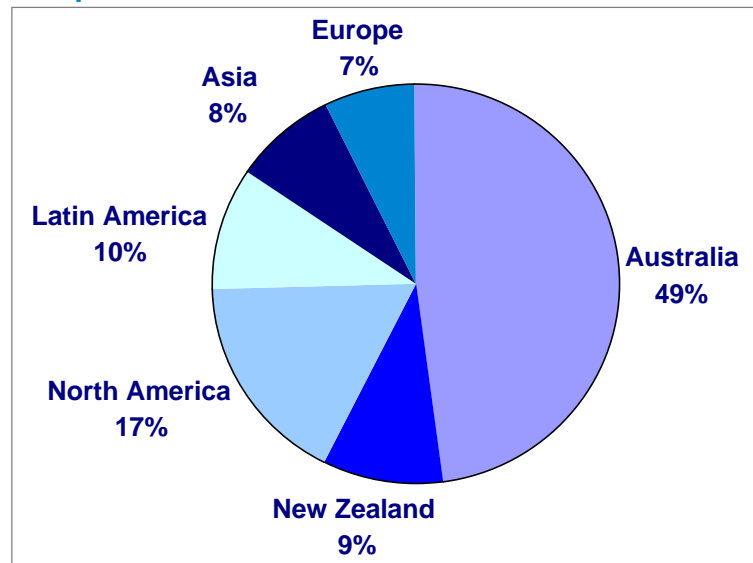
² September 2006 EBIT excludes earnings from IPL

³ Minova earnings adjusted to reflect 12 months contribution

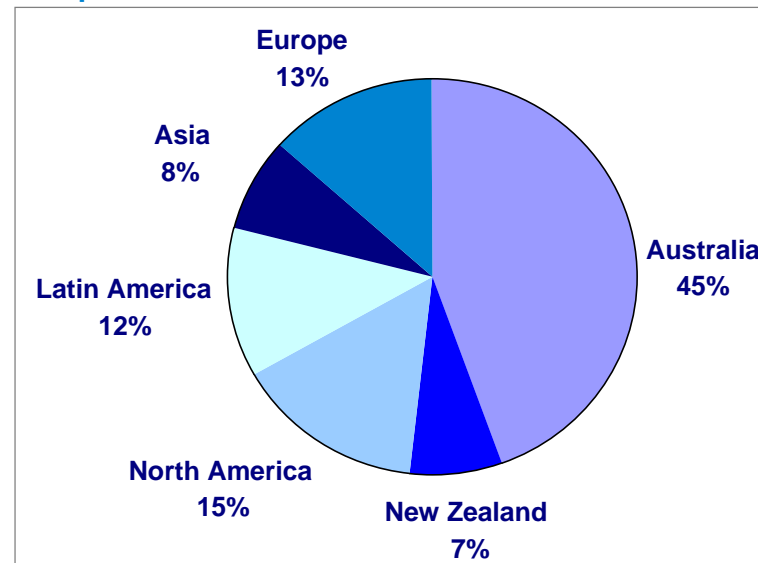
⁴ OCP excludes one-off Yates restructuring provision

Gross sales by geography

September 2006 ¹



September 2007



¹ September 2006 sales exclude IPL

Net interest expense

Year ended 30 September (A\$M)	2007	2006	\$ ↑
Net interest expense	123	92	31 ↑
Comprising:			
Interest on net debt	113	101	12 ↑
Less: Capitalised interest	(1)	(14)	13 ↓
Add: Unwinding of discount on provisions	11	5	6 ↑
Net interest expense	123	92	31 ↑

Interest on net debt calculated as:

Average net debt (throughout year) ¹	1,561	1,520
Average interest rate (throughout year) ²	7.2%	6.6%
Interest on Net Debt	113	101

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.

² The average interest rate was impacted in 2006 by large cash balances while maintaining normal long term debt levels.

Impact of Excel – gearing (A\$M)

	Rating Agency	Pro-forma Post Excel
Current borrowings	582.7	582.7
Non-current borrowings	1,093.7	1,868.7
SPS adjustment ²	250.0	250.0
Less: Cash	(370.7)	(370.7)
Net Debt	1,555.7	2,330.7
Parent entity equity ¹	2,566.8	2,566.8
Minority interests	60.8	60.8
SPS adjustment ²	(250.0)	(250.0)
Net Equity	2,377.6	2,377.6
Gearing	39.6%	49.5% ³

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

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

³ Pro forma gearing is calculated as at 30 September 2007

Step-Up Preference Securities (SPS)

- SPS treated as 100% equity for financial reporting purposes
- SPS distributions are treated as dividends and NOT interest
- EPS calculation adjusted for SPS distributions on an after tax basis
- Rating agencies treat SPS as 50% equity / 50% debt
- Income tax benefit on distributions is now credited directly to shareholders equity (previously it was credited to income tax expense). This policy applies to the 2007 financial year and subsequent years.

Impact of SPS – earnings per share

	Reported per Accounts A\$M
Reported net profit from continuing operations	513.4
<i>Less:</i>	
Net profit attributable to minorities	(25.7)
After tax distributions to SPS holders ¹	(30.5)
Adjusted net profit	457.2
Weighted average ordinary shares on issue	306.3
Earnings per share – cents per share	149.3

¹ Distributions paid during the year totalled \$44.4M. The initial distribution was for the period 15 March 2006 to 30 November 2006. The tax adjustment is based on interest expense for the 12 months ended 30 September 2007.

Impact of SPS – gearing (A\$M)

	Reported per Accounts	Rating Agency
Current borrowings	582.7	582.7
Non-current borrowings	1,093.7	1,093.7
SPS adjustment ²	-	250.0
Less: Cash	(370.7)	(370.7)
Net Debt	1,305.7	1,555.7
Parent entity equity ¹	2,566.7	2,566.7
Minority interests	60.9	60.9
SPS adjustment ²	-	(250.0)
Net Equity	2,627.6	2,377.6
Gearing	33.2%	39.6%

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

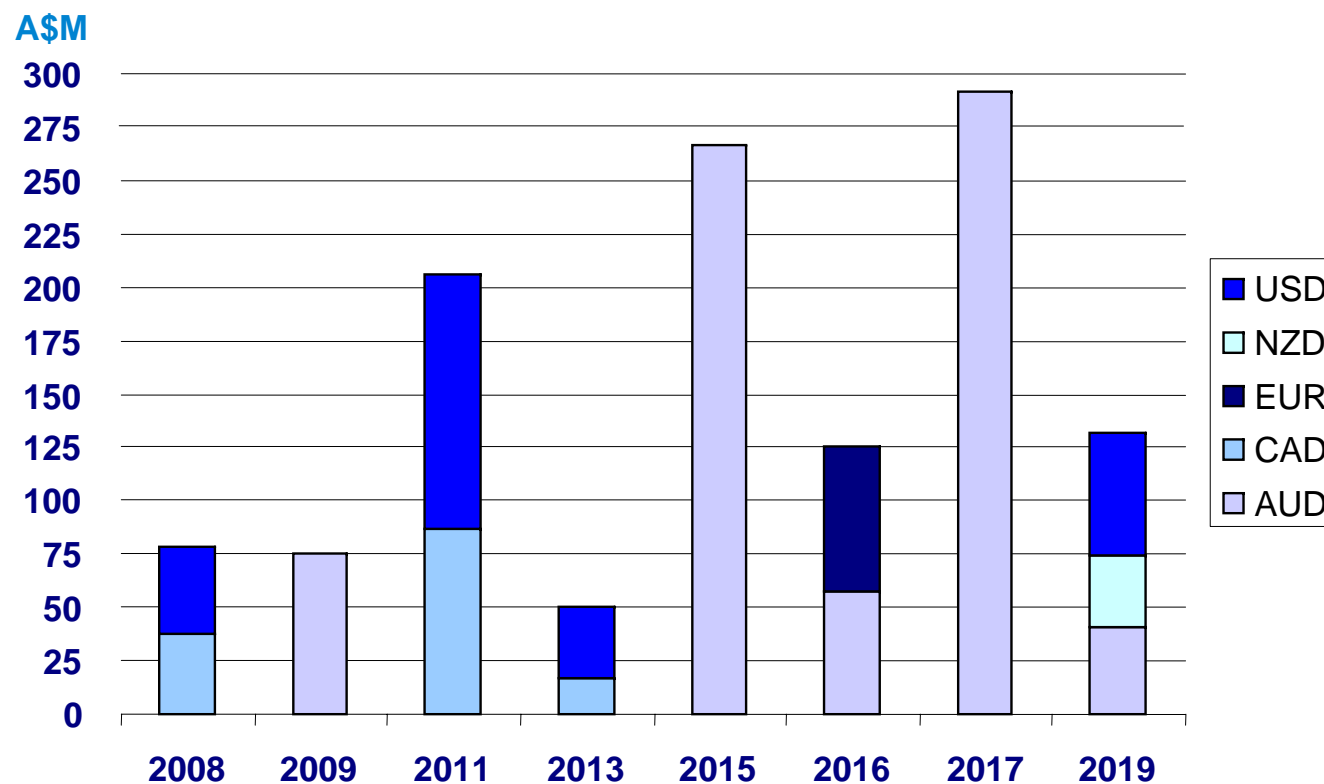
² Adjustment is for 50% of the face value of SPS

Impact of SPS – interest cover (A\$M)

	Reported per Accounts	Rating Agency
Financial expense	157.4	157.4
Financial income	(34.8)	(34.8)
SPS distribution adjustment ¹	-	19.5
Net borrowing costs	122.6	142.1
EBIT	812.7	812.7
Less net profit attributable to minorities	-	(25.7)
Adjusted EBIT	812.7	787.0
Interest Cover (times)	6.6	5.5

¹ Represents 50% of the SPS distribution for the period 1 October 2006 to 30 September 2007 calculated as follows: face value of SPS x (BBSW +1.35%) x number of days

Debt maturity – long term debt



Average term of debt is approximately 7 years

NB: The time scale on the table above is not linear, as some years have no debt repayment so have been excluded from the analysis. This maturity profile excludes debt facilities associated with acquisition of Excel and SPS securities.

Foreign currency - snapshot

Material exposures include:

Offshore EBIT (Translation)

- North America
- Europe
- New Zealand
- LATAM
- Nordics

Transactional Exposures

- AUD/USD
 - USD/LATAM region
 - USD/CAD
 - NZD/USD
 - NOK/SEK
-

Net impact of a 1% move in exchange rates on a diversified basket of currencies is approximately A\$3.0M

Acquisition of Minova and Excel have increased Orica's currency exposure

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