

A close-up photograph of a hand holding a paintbrush. The brush has a dark red handle and a silver metal ferrule with black bristles. The background is a bright yellow wall. The text 'CONSUMER PRODUCTS' is overlaid on a black bar across the middle of the image.

**CONSUMER
PRODUCTS**



Agenda

- Business Overview
- Performance drivers
- Industry outlook
- Orica Consumer Products outlook



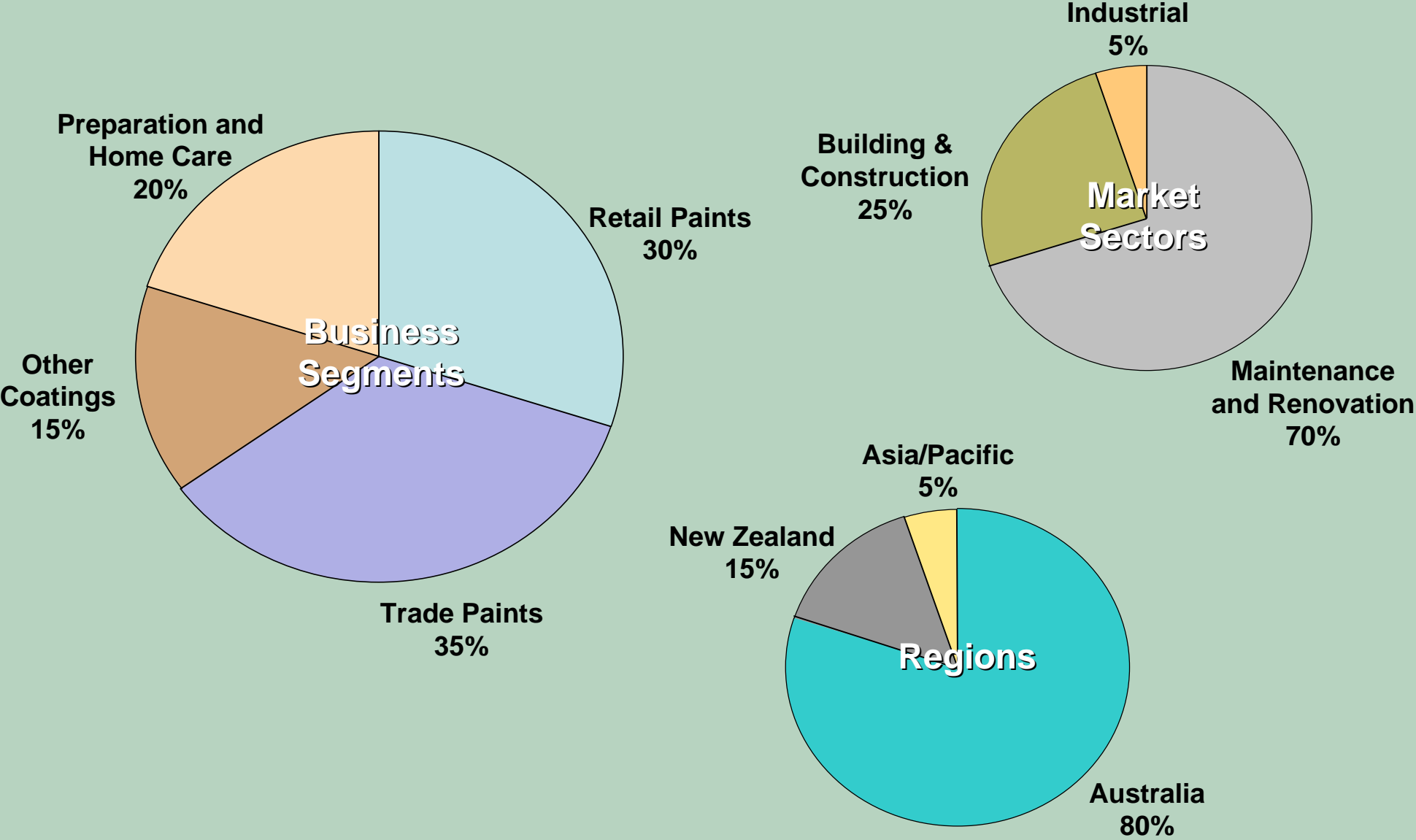
OCP - more than just paint



- Architectural paints - Market leader in ANZ
- Paint preparation - Market leader in ANZ
- Homecare products - Leading DIY supplier
- RONA consistently above 30%



OCP Sales Revenue 2002 - \$640M



Financial Performance



	<u>2000</u>	<u>2001</u>	<u>2002</u>	2003 H1
Revenue (\$M)	602	600	640	335
EBIT (\$M)	63.3	36.3	75.6	48.1
EBIT Margin (%)	10.5	6.1	11.8	14.3
RONA (%)	33.8	15.9	32.7	45.0
TWC (% of sales)	18.1	18.1	15.4	12.4

Improved earnings with a focus on product mix, cost reduction and capital efficiency.



Brand Leadership

- OCP has category leading brands
- Market leadership is underpinned by:
 - > Technology
 - > Innovation
 - > Marketing
 - > Distribution
 - > Service



Dulux

SELLEYS

BRITISH **b** PAINTS™

BERGER

POLYGLAZE

FEAST **W**ATSON

RotaCota

Cabot's

Intergrain
Timber Finishes 





OCP Performance Drivers

- World class technology
- Category development through innovation
- Marketing spend and effectiveness
- Distribution strength - Retail and Trade
- Service excellence
 - > 7,000 products
 - > 40,000 customers



OCP - Strategic Platform



Positional Advantage

- > Scale of resources
- > Technology
- > Breadth of distribution



Core Capabilities

- > Brand management
- > Service leadership
- > Operational efficiency

Privileged Relationships

- > Brand franchises
- > Customer relationships
- > Our people and culture



The Future – Industry



- Manufacturer concentration
- Distribution channels evolving
- Strong brands dominant
- DIY activity growing
- Use of colour and effects
- Volume outlook
 - Retail
 - Trade



The Future - OCP



- How will OCP maintain leadership:
 - > new product development
 - > increase marketing
 - > channel management
 - > service
- How will OCP grow profitability?
 - > continued focus on cost and efficiency
 - > leverage competitive advantages
 - > share of profitable segments
 - > category expansion - hardware
 - > geographic expansion?



Summary

- Outstanding financial returns
- Clear market leadership positions
- Outstanding brands supported by marketing and innovation
- Future growth potential

