



**Merrill Lynch  
Australian Investor Conference  
27 January 2005**



# Orica – snapshot

- Australian owned publicly listed company trading on the Australian Stock Exchange (ORI)
- Market capitalisation of A\$5.3bn
- Ranked in top 50 Australian companies based on market capitalisation
- Operates in about 40 countries - 10,000+ employees
- Comprises four business platforms - all leaders in their chosen markets
- Financial Year end - 30 September

**LARGE AUSTRALIAN DIVERSIFIED COMPANY**

\* based on 25 January 2005 closing share price of A\$19.45

# Orica – what we do



## Mining Services

- Commercial explosives plus blast management



## Chemicals

- Niche chemical distribution, value add and niche manufacturing



## Consumer Products

- Paint, paint preparation, handyman and premium consumer garden care products



## Incitec Pivot

- Fertilisers

Businesses  
united by  
chemical  
sciences

Market  
Leadership

Leading  
Brands

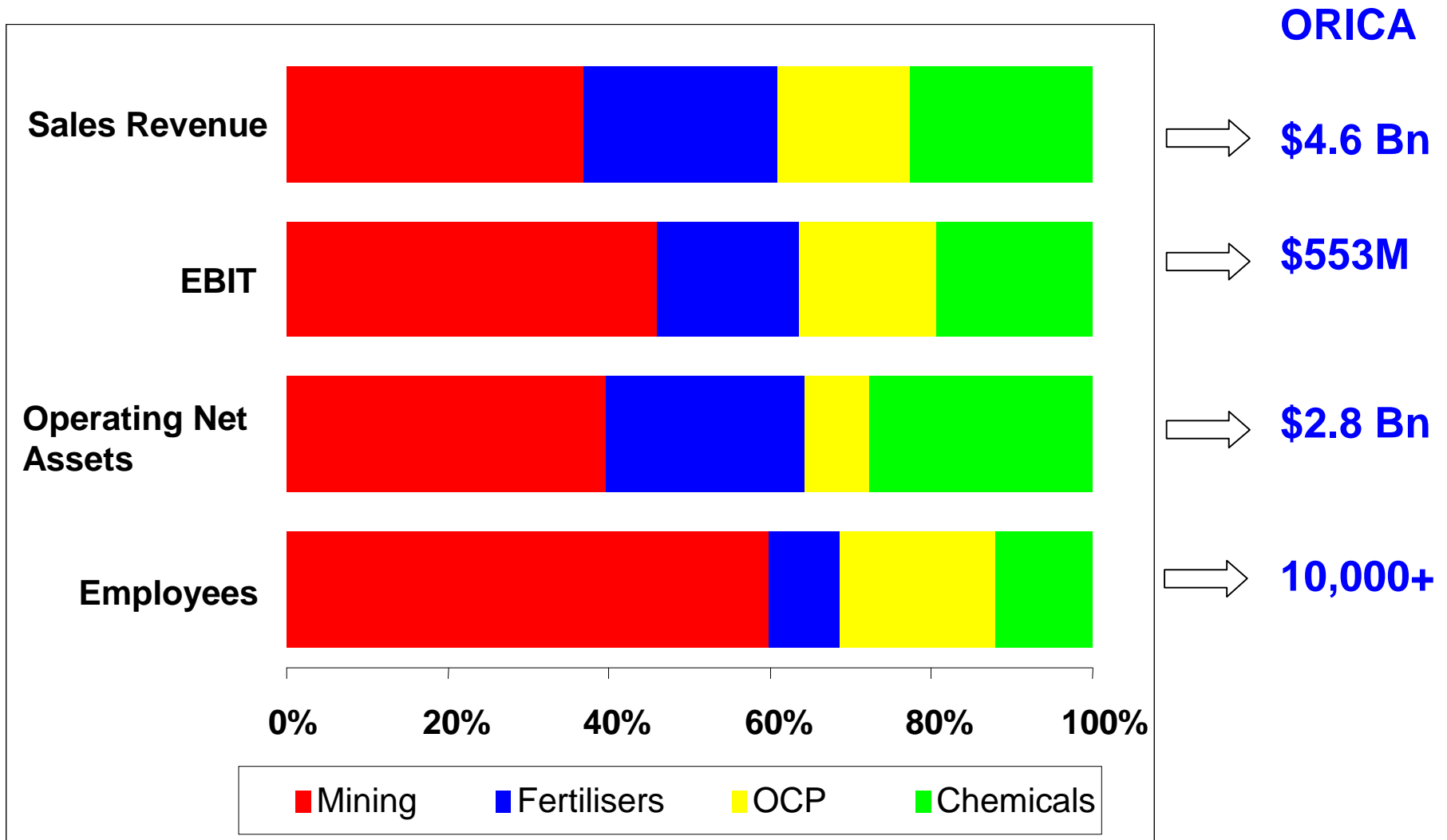
Privileged  
Assets

Capable  
People

Technology

**SATISFACTION OF BASIC HUMAN NEEDS BY  
“TURNING SCIENCE INTO SOLUTIONS”**

# Orica – business dimensions in 2004



# Orica – business characteristics

## Mining Services

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



## Chemicals

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

## Consumer Products

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

## Fertilisers

- Merger of Incitec Fertilizers and Pivot Limited on 1 June 2003
- Largest manufacturer and distributor of fertiliser in Australia
- Wide geographic spread across Australia's East Coast

# Orica – business drivers

## Mining Services

- Economic activity
- Country development
- Power generation
- Mining volumes

## Chemicals

- GDP
- Weather
- International chemical prices



## Consumer Products

- Discretionary income
- GDP
- Housing renovation and turnover
- Building and construction

## Fertilisers

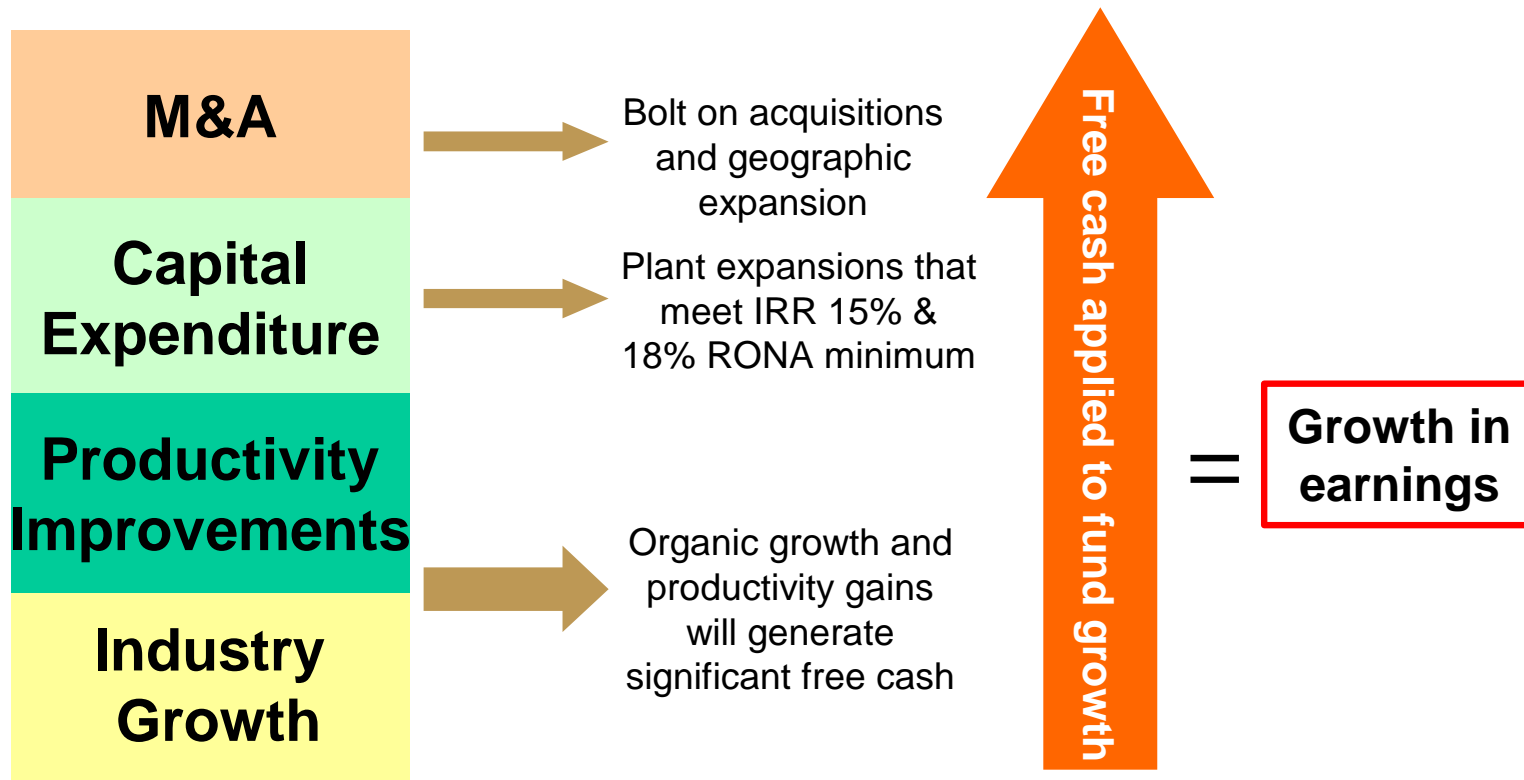
- Weather
- Agricultural commodity prices
- International fertiliser prices

# Orica - what are we aiming to do going forward

- Orica is positioning to be the best performing science-based solutions company in the world through:
  - Market leadership - ‘profitable niches’: a business is far more likely to succeed from a leadership position. All Orica’s business enjoy market leadership positions
  - Growing only value-adding businesses or those that have ‘earned the right to grow’
  - Related growth of our existing best businesses through geographic expansion, mergers and ‘bolt’on’ acquisitions, category expansion and organic growth
- Our aim is to deliver above average market returns

**SUSTAINABLE ADVANTAGE**

# Orica – simple strategy, superior results



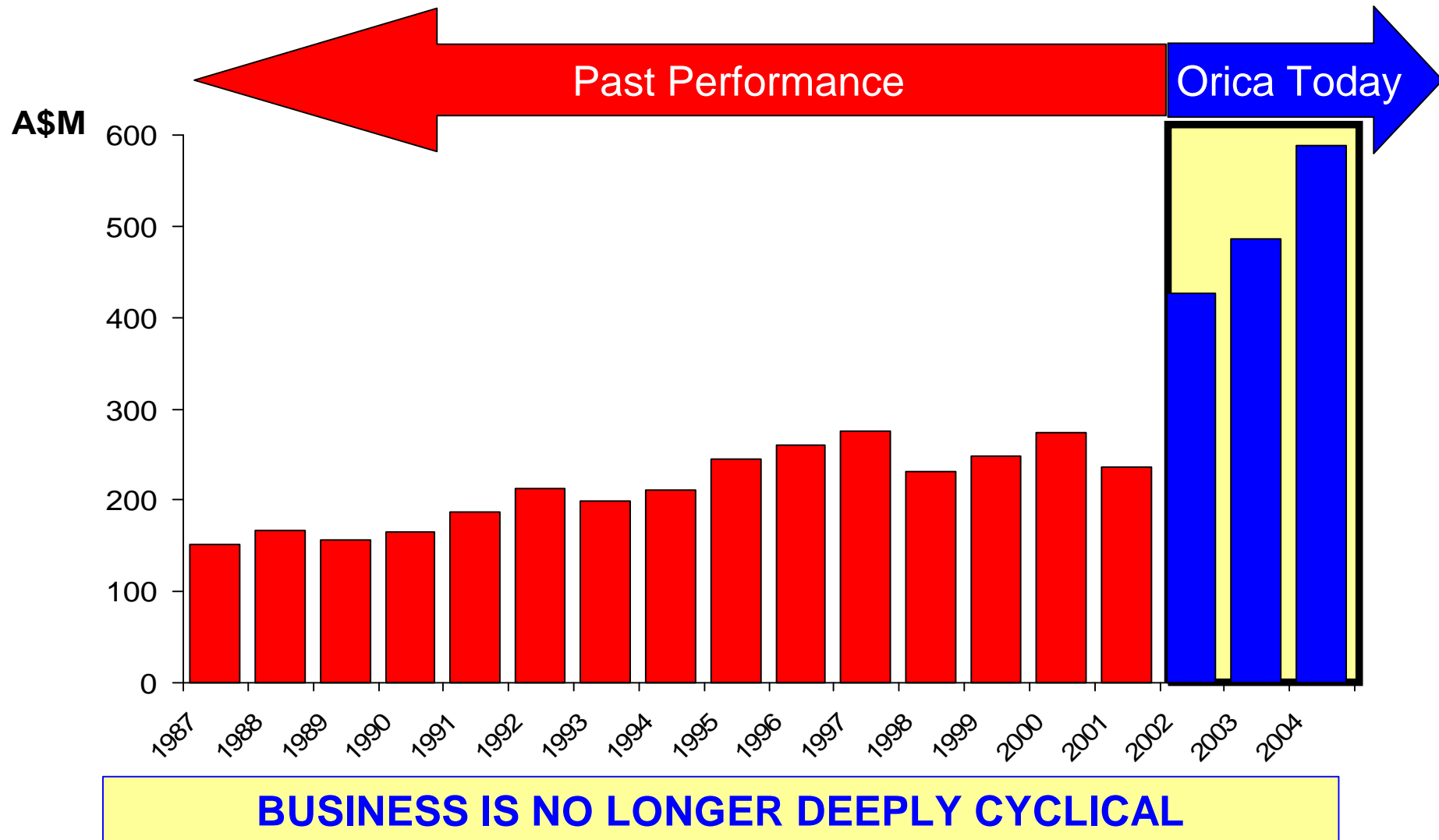
**ABOVE AVERAGE MARKET RETURNS**

# Orica - recent growth scorecard

A\$M	<u>2003</u>	<u>2004</u>	<u>2005</u>	Total
Geographic expansion		23		23
Plant expansion	57	124		181
Category expansion	45			45
Mergers and acquisitions	446	158	47	651
	<u>548</u>	<u>305</u>	<u>47</u>	<u>900</u>

\$900M funds committed to growth since 2003

# Orica – EBIT\* performance of existing businesses



\* excluding corporate costs

# Orica – recent acquisitions

- Woods & Woods
- Majority shareholding in Latin American chemicals business
- Keith Harris Flavours and Fragrances

**Momentum Continues**

# Supplementary Information

# Chemicals - overview



- Engages in the manufacture, trading and distribution of a wide range of chemicals, related products and value-adding services
- Sales revenue in excess of A\$1bn
- Largest Chemicals business in Australasia
- Strong asset position with manufacturing plants and supply chain infrastructure
- Leading technology including MIEX® water treatment
- Strong focus on Safety, health & Environment with particular attention to Product Stewardship

# Consumer Products - overview



- World class technology
- Leading marketer of branded and private label paints and stains, dry powder coatings, paint preparation and associated hardware products, sealants and adhesives, car care and garden care products
- Category development through innovation
- Distribution strength - Retail and Trade
- Service excellence
  - > 7,000 products
  - > 40,000 customers

# Incitec Pivot - overview



- Incitec Pivot is Australia's largest manufacturer and distributor of fertiliser
- Annual sales greater than 3 million TPA which translates into annual revenue greater than \$1 billion
- Strong asset positions with manufacturing plants that include Australia's sole urea manufacturing facility
- Selected to participate in a detailed feasibility study into the construction of an ammonium nitrate/urea manufacturing complex in Brunei

# Mining Services - overview



- Offers commercial explosives, initiating systems and advanced mining solutions to the mining quarrying and construction industries
- The global Explosives market is currently estimated at ~\$9.5bn
- Orica is the Market Leader in the global explosives market. Dyno Nobel is its major global competitor
- The market displays a mix of global and regional characteristics but directionally is becoming more global in response to rationalisation and consolidation of its customer base

# Mining Services - growth in new regions

