



2015 ANNUAL GENERAL MEETING

29 January 2016

Malcolm Broomhead Chairman, Orica Limited

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Non-International Financial Reporting Standards (Non-IFRS) information

This presentation makes reference to certain non-IFRS financial information. This information is used by management to measure the operating performance of the business and has been presented as this may be useful for investors. This information has not been reviewed by the Group's auditor. Refer to slides 50 and 51 of the Orica 2015 Results Analyst Presentation dated 18 November 2015 for a reconciliation of IFRS compliant statutory net profit after tax to EBITDA and to slide 52 for the definition and calculation of non-IFRS and key financial information. Forecast information has been estimated on the same measurement basis as actual results.

CHAIRMAN'S ADDRESS





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Alberto Calderon Managing Director and CEO, Orica Limited

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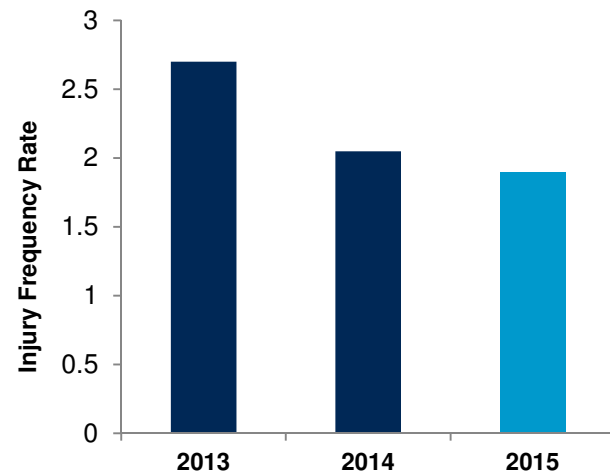
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SAFETY AND ENVIRONMENT – A CORE VALUE AND COMPETITIVE ADVANTAGE

Total Recordable Injury Frequency Rate¹

Per 1 million hours worked



- No fatal accidents during the year
- Strongly aligned to our customers' focus on safety
- Injury rate (TRIFR) one of the lowest of ASX 100 companies²
- Simplified and consistent approach to key safety controls:
 - Major hazard scenarios mapped, key controls identified and SHE³ management system built around controls
- Site-specific environmental management plans implemented at 400 sites

1. Total Recordable Injury Frequency Rate (TRIFR) represents total number of recordable cases per 1 million hours worked

2. Safety Spotlight: ASX 100 Companies & More—Citi Research July 2015

3. SHE = Safety, Health and Environment

FY15 SUMMARY

- **Non-cash impairment** of \$1,692 million¹
- **Statutory net profit after tax (NPAT)**² was a loss of \$1,267 million (pcp: \$603 million)
- **NPAT**³ of \$417 million (pcp: \$564 million)
- **Total AN product volumes** of 3.76 million tonnes, in line with outlook provided on 7 August 2015
- **Underlying EBIT**³ of \$685 million (pcp: \$863 million)
- **Underlying EBITDA**³ of \$978 million (pcp: \$1,132 million)
- **Final dividend** of 56 cents per share, unchanged from pcp; share buy-back program cancelled
- **Transformation program** delivered \$175 million of benefits, offset by one-off costs of \$81 million
- **Advanced products and services** contributed 24% of total explosives revenue
- **Net operating and investing cashflow**⁴ of \$352 million (pcp: \$461 million)

1. After tax and non-controlling interests in controlling entities

2. Net (loss) / profit for the year after income tax expense and individually material items attributable to shareholders of Orica Limited disclosed in note 16 within Appendix 4E - Orica Preliminary Final Report

3. From continuing operations before individually material items attributable to shareholders of Orica Ltd.

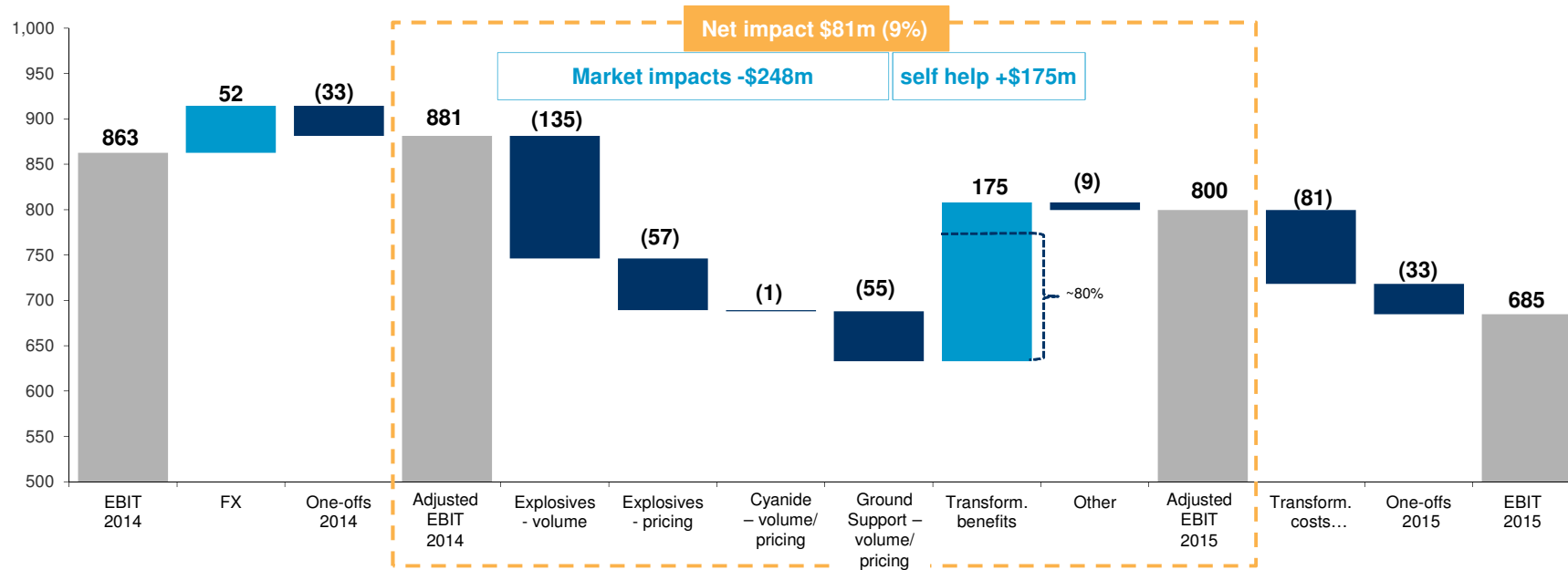
4. Excludes net proceeds of \$652m from sale of Chemicals business

Non-statutory NPAT, underlying EBIT, and underlying EBITDA metrics do not conform to International Financial Reporting Standards. Please refer to page 17 of Orica Ltd's 2015 Profit Report dated 18 November 2015 for commentary on use of non-IFRS information.

RESILIENT IN CHALLENGING MARKETS

Orica Group EBIT – Continuing Operations (\$m)

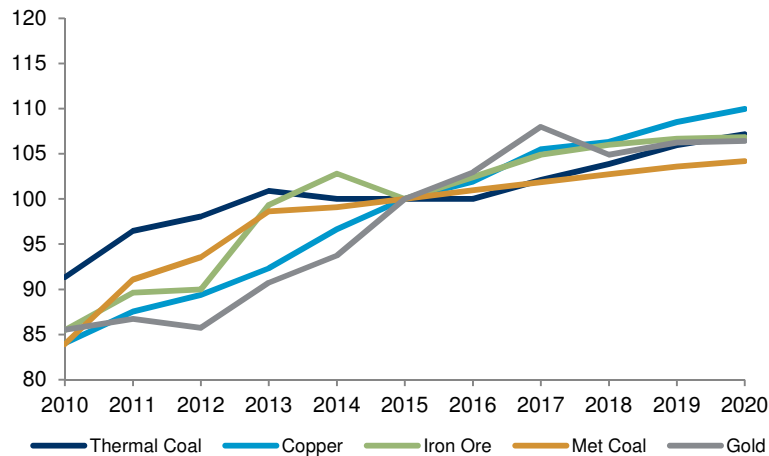
FY14 to FY15



COMMODITY VOLUME GROWTH FORECAST

Commodity Volumes

Global Volume Index (2015=100)

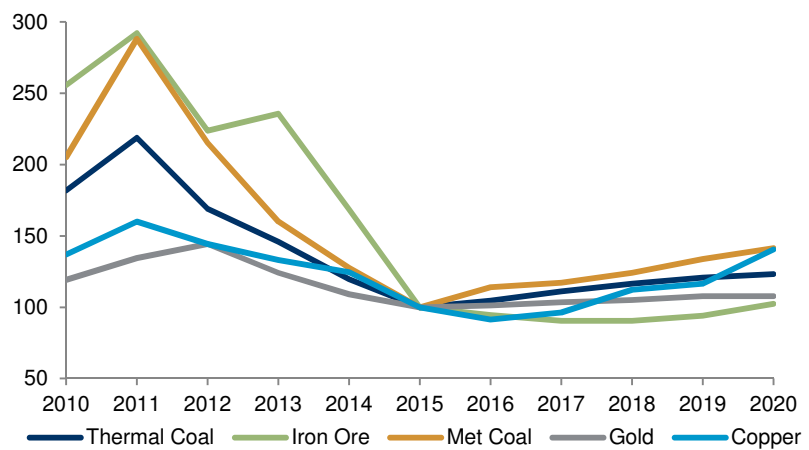


- Commodity volume growth expected to continue long term trends – broadly related to global GDP

Source: Wood Mackenzie Long Term Outlook Q3 2015 (for each relevant commodity). Q4 2015 Outlook for Copper

Commodity Prices

Global Pricing Index (2015=100)



- Volumes growth independent of price growth given the cyclical mine investment
- Forecast price growth subdued

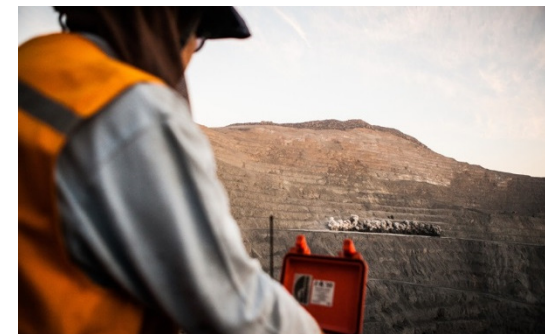
TAKING DECISIVE ACTION

- ✓ **New management team**
 - world class team
- ✓ **New operating model**
 - driving accountability and performance
- ✓ **Transformation program**
 - sustainable benefits delivered at the top end of target range
- ✓ **Rationalised Ammonium Nitrate supply**
 - Australia's east coast supply balanced
- ✓ **Strengthened forward contract profile**
 - Stronger profile in key regions
- ✓ **Separation of Ground Support**
 - driving greater transparency and accountability to improve performance
- ✓ **Balance sheet realigned to reflect current conditions**
 - impairments/write-downs to asset carrying values



2016 MANAGEMENT PRIORITIES

- ✓ **Improve performance**
 - embedding the right systems, accountabilities and authorities
- ✓ **Measure performance for better decision making**
 - institute return on capital and internal rates of return metrics for every commercial decision
- ✓ **Embed Orica's market leadership in technology and innovation**
 - continue to invest in innovative, value-add products and services
- ✓ **Create and sustain a positive culture**
 - a core leadership commitment



GUIDING PRINCIPLES

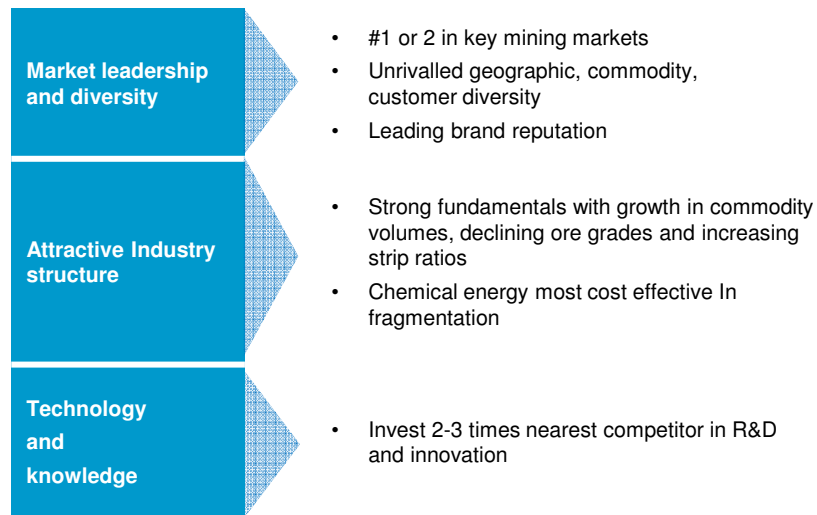


CURRENT MARKET CONDITIONS

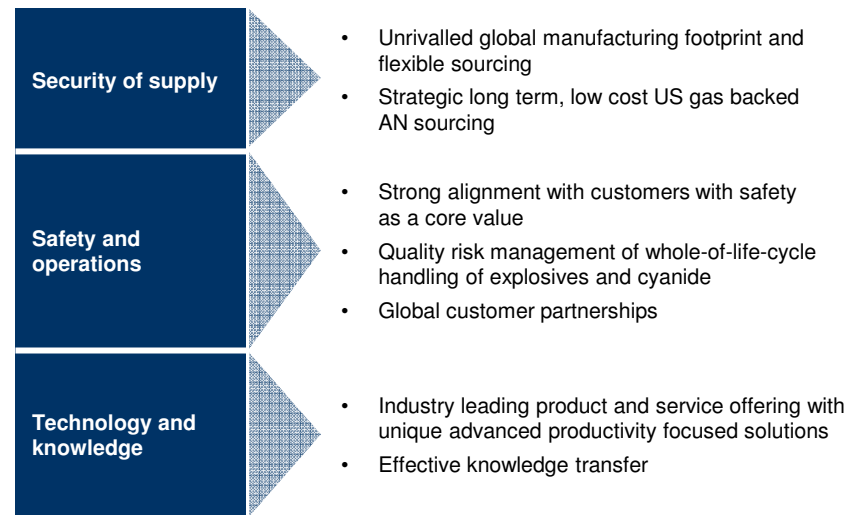


OUR VALUE PROPOSITION

Our market position



Our customer value proposition



‘the global leader in an attractive segment of the mining value chain’



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