



NZX/ASX Release

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Nuplex expects NZ\$68 - 75 million NPAT for FY2011

Nuplex Industries Limited, the international resins and specialties group, today announced that, based on average exchange rates in the first quarter, it expects to report an after-tax profit of between NZ\$68 million and NZ\$75 million for FY2011. Earnings before interest, tax, depreciation and amortisation (EBITDA) are expected to be in the range NZ\$135 million to NZ\$145 million.

Speaking today at the Nuplex annual general meeting, Mr Emery Severin, chief executive, said: "Overall trading conditions during the first quarter have been similar to the latter half of FY2010. There are still mixed signals coming from the global economy and the coating resins markets. Europe has held up well, however there are some signs of softening in the European auto sector, but we are actively offsetting this by product developments in other areas. Volumes have softened in South-east Asia and China, but indicators point to demand increasing, especially in the auto sector in China. Demand in the US and Australia has remained steady, while demand in New Zealand has been weak in line with the general economy and reflecting a very wet winter. While we have not been affected to date we are wary that the high historic Australian and New Zealand exchange rates may have an impact on the business.

"As markets improve, we have the capacity to benefit immediately from growth in Europe, the US and Australasia. We can also support growth in Asia from other regions until our expansion plans for China and Vietnam are completed.

"Margins have generally held. An exception has been some lag in recovering steep price increases in acrylic monomers across the globe. This lag affects less than 10% of our coating resins business.

"Consumer sentiment in Australia and New Zealand remains cautious, and the composites business is not yet experiencing a recovery in demand to previous levels. Trading in our Specialties business is at expectations.

"Exchange rates continued to have an adverse effect on translated profits in New Zealand dollars during the first quarter, and it is difficult to predict how these may impact results for the rest of the year as currencies continue to fluctuate."

Nuplex Industries Limited is listed on the Australian and New Zealand stock exchanges. The group is a leading global manufacturer of polymer resins which are essential ingredients in a wide range of products used every day, from basic necessities, through consumer durables to luxury goods. It has manufacturing operations in ten countries on four continents and sells

to some 85 countries. Nuplex also distributes raw materials to the chemical, plastics, general industrial, food and pharmaceutical sectors in Australia and New Zealand.

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