Incitec Pivot Limited

Office of the Company Secretary

ABN 42 004 080 264
70 Southbank Boulevard
Southbank Victoria 3006
GPO Box 1322
Melbourne Victoria 3001
Tel: (61 3) 8695 4400
Fax: (61 3) 8695 4419
www.incitecpivot.com.au

15 November 2010

The Manager
Company Announcements Office
Australian Securities Exchange
Level 45, South Tower
Rialto
525 Collins Street
MELBOURNE VIC 3000

Dear Sir or Madam

Electronic Lodgement

IPL Delivers Strong Result

In accordance with the listing rules, I attach a copy of an ASX Announcement for release to the market.

Yours faithfully

Kerry Gleeson
Company Secretary

Attach.

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ASX ANNOUNCEMENT – 15 November 2010

IPL Delivers Strong Result

Incitec Pivot Limited (**ASX:** IPL) today announced a Net Profit After Tax (NPAT), including Individually Material Items (IMIs), of $410.5 million for the Full Year to 30 September 2010. For the 2009 Full Year, IPL declared a loss of $221.4 million including IMIs.

NPAT, excluding IMIs, was $442.8 million, an increase of 27% or $95 million on the 2009 Result. Earnings Before Interest and Tax (EBIT) improved to $648.3 million, compared with $575.7 million in 2009.

IPL Managing Director & CEO, James Fazzino, said the Group had delivered a strong result in mixed market conditions, including the challenges of the US economy and volatile fertiliser demand.

He attributed the result to focused management and a committed team. "The result was delivered by a great team, the right strategy and an uncompromising focus on the fundamentals," Mr Fazzino said. "I'm very proud of the IPL team which has achieved this result in sometimes challenging circumstances.

"The equal contribution from explosives and fertilisers further demonstrates the value of the Dyno Nobel acquisition and the strategic stability from leveraging our business to providing inputs to industries supplying the growth of Asia.

"It's been about a year since I became Managing Director & CEO and, in that time, the IPL Group management team has been focused on consolidating the business through the Dyno Nobel acquisition and the aftermath of the Global Financial Crisis. We have come through those challenges and have a great foundation upon which to build into the future."

Financial Summary:

- Earnings per share excluding IMIs was 27.3 cents, a 21% increase on 2009.
- The Full Year dividend increased by 77% to 7.8 cents per share, with the final dividend (unfranked) of 6 cents per share to be paid on 17 December 2010. The record date for the final dividend will be 24 November 2010. The operation of the Dividend Reinvestment Plan is suspended.
- The mix of earnings was 50% Explosives and 50% Fertilisers, highlighting the balanced portfolio of businesses.
- In 2010, the foreign exchange hedging delivered an average rate of 84.6 cents, versus an average market rate for the period of 90 cents.
- Financial discipline continued:
  - operating cash flows improved by $191.5 million to $529.0 million inflow (2009: inflow of $337.4 million);
  - net debt reduced by $366.4 million to $1.1 billion (2009: $1.4 billion), the gearing ratio, of net debt/EBIT, improved to 1.39 times (2009: 1.97 times) and Interest cover improved to 12.2 times (2009: 6.4 times).

Business Highlights:

- Dyno Nobel Americas delivered an increased EBIT of US$147.9 million (2009: US$145.4 million), despite flat market conditions and a 2% reduction in revenue.
- Dyno Nobel Asia Pacific achieved a 60% or $66.2 million increase in EBIT to deliver A$176.0 million (2009: A$109.8 million), assisted by lower costs to supply Moranbah foundation customers.
- Incitec Pivot Fertilisers achieved an EBIT of $334.4 million, an 11% increase on 2009, in testing market conditions.
- The Velocity efficiency program produced incremental benefits of US$69.2 million in 2010. The four-year target for the Velocity program is US$204 million. Delivered to date is US$140.2 million.
- Moranbah construction successfully restarted, and the project remains on track for beneficial production by the end of March 2012. The project is now more than 55% complete.
- Subsequent to year-end, IPL signed a 20-year off-take agreement with Perdaman Chemicals and Fertilisers Pty Limited for the output of approximately two million tonnes per annum of granular urea fertiliser from the proposed Perdaman project at Collie in Western Australia, commencing in 2014. This agreement reinforces the increasing value of IPL's Joint Venture trading business, Quantum, both as a business and a strategic initiative.

In looking towards 2011, Mr Fazzino said he expected mixed market conditions, similar to this year. "The US will continue to be a challenging economic environment in the short term. However, the Dyno Nobel Americas business is a lean, efficient operation, well placed to benefit from the eventual upturn in the US economy. Additionally, our Canadian business, and the opening of our initiation systems plant in Chile in June, give us a worthwhile presence in key markets. An important development for Dyno Nobel Americas was the re-signing during the year of Peabody Coal which is our single biggest customer globally."

Mr Fazzino said for Dyno Nobel Asia Pacific, he expected continued strong demand. "The substantial progress of the Moranbah project, a 330,000 tonne per annum ammonium nitrate facility in Central Queensland's Bowen Basin coal province, will provide a huge boost to this business and a step change for the IPL Group," Mr Fazzino said.

"We expect that the fertiliser business will benefit from favourable growing conditions and strong global soft commodity prices, albeit dampened by a strong Australian dollar, and a highly competitive commercial environment.

"The joint venture trading business, Quantum, has added a new level of flexibility to the business in opening new fertiliser markets and leveraging contacts for fertiliser and explosives procurement. An example was the off-take agreement with the proposed Perdaman urea plant. This agreement could not have been achieved without the capability for Quantum to manage exports."

Kerry Gleeson
Company Secretary

Investor contact:
Lyn Shalless
Telephone: 03 8695 4511
Mobile: 0412 289 472

Media contact:
Stewart Murrihy
Telephone: 03 8695 4582
Mobile: 0418 121 064

About Incitec Pivot

Incitec Pivot (ASX: IPL), a S&P/ASX Top 50 company, is a leading global company which manufactures, markets and distributes a range of industrial explosives, fertilisers, related products and services to customers around the world. A leader in its chosen markets, the Company holds a portfolio of recognised and trusted brands and is the No. 1 supplier of fertilisers in Australia and the No 1 supplier of industrial explosives, related products and services in North America. Employing more than 4,400 people, IPL owns and operates manufacturing plants in the USA, Canada, Australia, Mexico, Turkey and Chile and has joint venture operations, including in South Africa, Malaysia and China.