

Incitec Pivot Limited

Office of the Company Secretary

ABN 42 004 080 264

Registered Office:
Level 8, 28 Freshwater Place
Southbank Victoria 3006

Tel: (61 3) 8695 4400
Fax: (61 3) 8695 4419

www.incitecpivot.com.au

6 March 2015

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 Investor Presentation – Citi 12th Annual Australian and New Zealand Investment Conference

In accordance with the listing rules, I attach for release to the market an investor presentation for the Citi 12th Annual Australian and New Zealand Investment Conference to be held in London on 9 and 10 March 2015.

Yours faithfully



Daniella Pereira
Company Secretary



***Citi's 12th Annual
Australian & New
Zealand Conference
London, March 2015***

Incitec Pivot Limited

DYNO
Dyno Nobel



Disclaimer

This presentation has been prepared by Incitec Pivot Limited (“IPL”). The information contained in this presentation is for information purposes only. The information contained in this presentation is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. This presentation has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this presentation. To the maximum extent permitted by law, none of IPL, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising out of fault or negligence for any loss arising from the use of the information contained in this presentation.

In particular, no representation or warranty, express or implied, is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness of any forecasts, prospects or returns (“forward-looking statements”) contained in this presentation nor is any obligation assumed to update such information. Such forward-looking statements are based on information and assumptions known to date and are by their nature subject to significant uncertainties and contingencies. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, this presentation. Neither past performance nor forward-looking statements are guarantees of future performance.

Before making an investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances.

INCITEC PIVOT LIMITED ABN 42 004 080 264

Incitec Pivot Limited



Picture: Sorghum crop, Australia

Introduction



Incitec Pivot at a glance

- Incitec Pivot Limited (“IPL”) is an industrial chemicals company with market leading positions in:
 - **Industrial Explosives:** #1 manufacturer (by tonnes) in the US and #2 distributor and manufacturer (by tonnes) in Australia
 - **Fertilisers:** #1 manufacturer in Australia (by volume and by revenue) and #1 distributor in eastern Australia (by volume and by revenue)
- S&P/ASX listed company, with a market capitalisation of approx. A\$6 billion⁽¹⁾
- Leveraged to:
 - the industrialisation and urbanisation of developing economies, linking to demand for hard and soft commodities
 - the re-industrialisation of the U.S., driven by the shale gas revolution in the U.S.
 - the recovery of the U.S. economy

With the majority of Australian AN volume under medium to long term contracts
- Strong financial discipline with conservative management of financial risk
- Experienced management team with an average of 15 years experience in the industrial explosives and fertiliser industries

(1) As at 4 February 2015

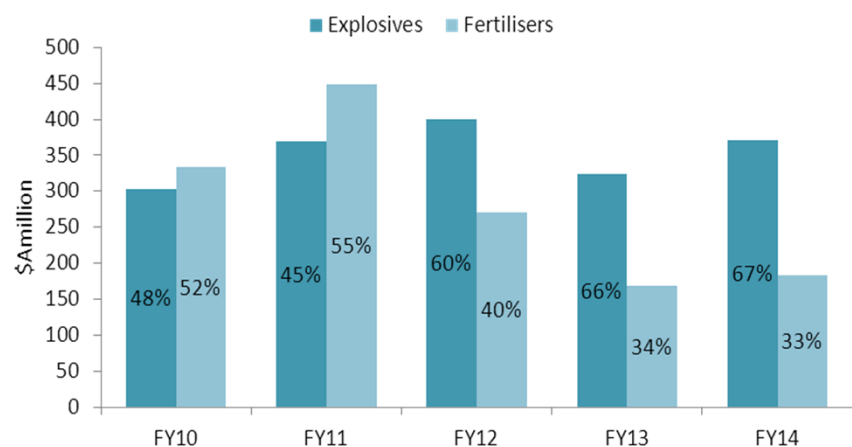
Incitec Pivot's No.1 objective: Safety

Incitec Pivot Group TRIFR – Oct 2009 to Oct 2014

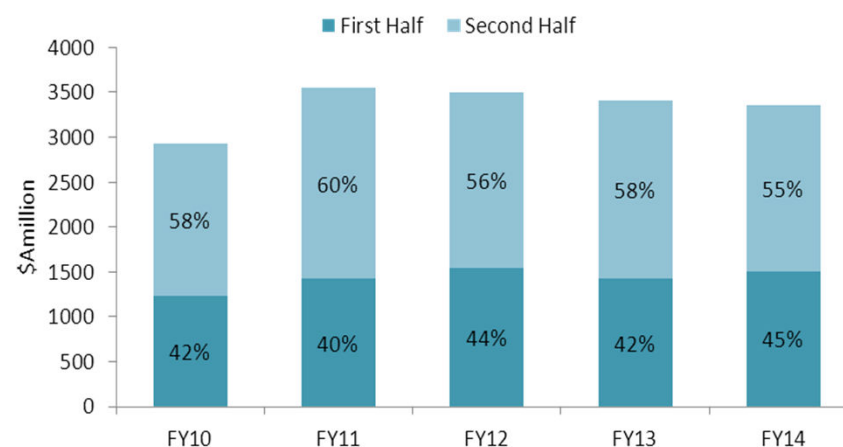


Business earnings profile

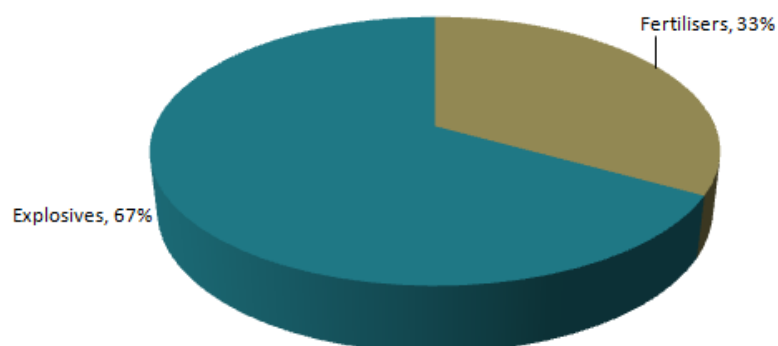
EBIT by Business (1)(2)



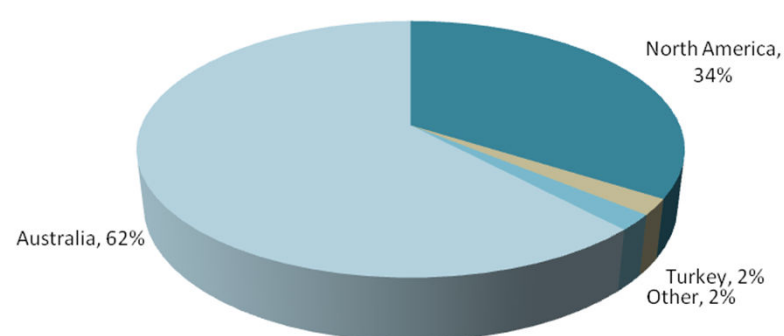
Revenue by Half



EBIT by Business – FY14(1)(2)



Revenue by Geographic Segment – FY14(3)



(1) Includes intercompany eliminations

(2) Fertiliser Businesses comprise: Incitec Pivot Fertilisers and Southern Cross International. Explosives businesses comprise: Dyno Nobel Americas and Dyno Nobel Asia Pacific

(3) Geographical segment revenue is based on geographical location of the entity making the sale

Investment thesis

Favourable Industry Fundamentals

- Fertiliser & explosives remain an attractive investment
- Fundamentals support growth outlook
- Historical long term ammonia demand growth of 2.2%

Strong base business

- No. 1 fertiliser business in Australia⁽¹⁾
- No. 1 explosives manufacturer in USA⁽¹⁾
- No. 2 explosives business in Australia⁽¹⁾

Short & medium term growth

- Phosphate Hill volume & efficiency improvement
- Louisiana ammonia plant start-up 3Q 2016
- Strong free cashflow outlook

Improving conditions

- \$A depreciation
- Q&C growth in USA
- Powder River Basin coal growth

(1) Based on industry publications and IPL estimates of manufactured volume in 2014

Incitec Pivot Limited



Picture: Moranbah manufacturing facility, Qld, Australia

Strategy Overview



Strategy on a page

**Industrialisation
of China**



**Shale gas
revolution**

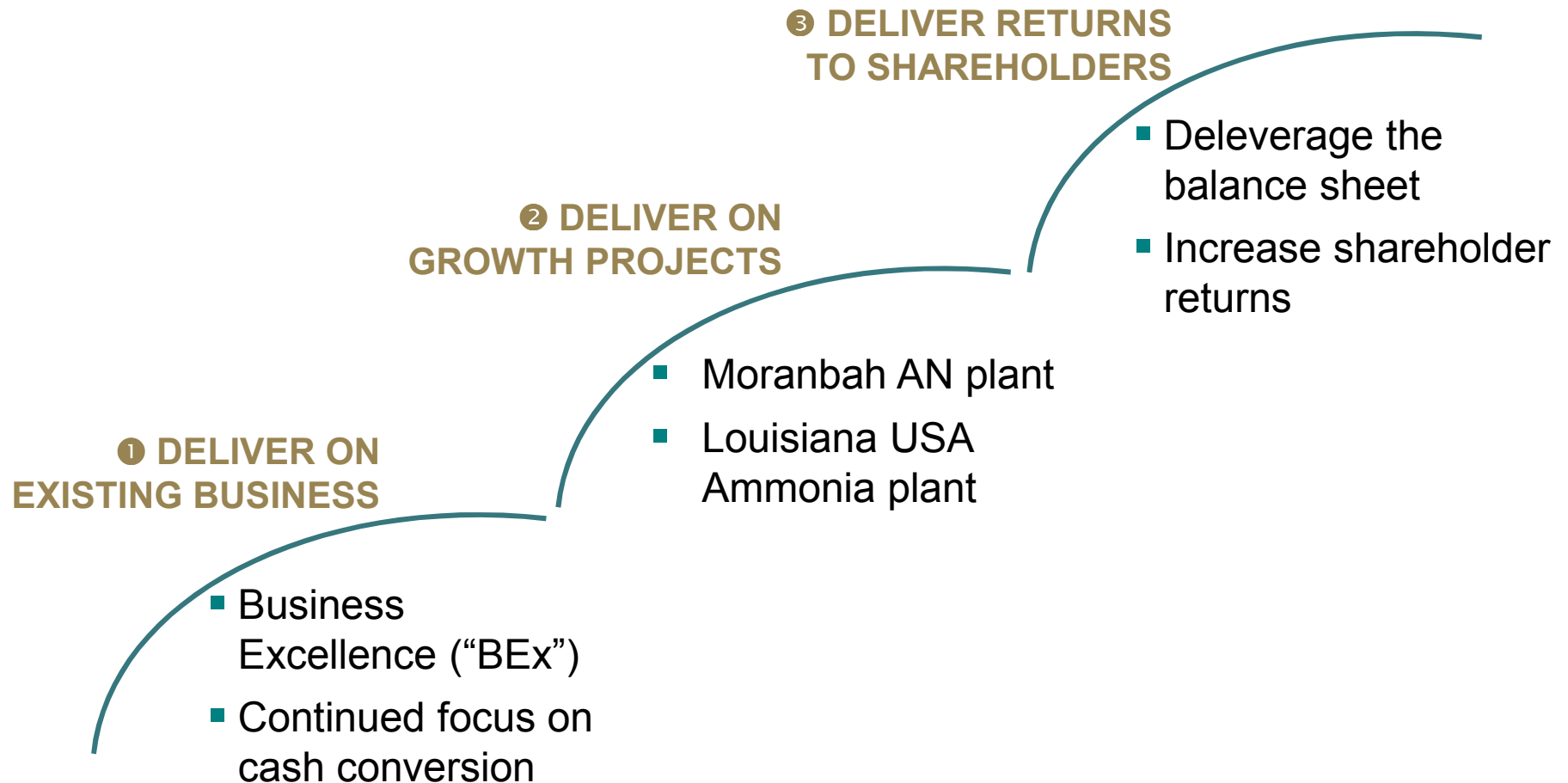
**Core nitrogen
manufacturing**

**Input side of
value chain**

**Customer aligned
downstream
businesses**



Strategy execution



Focus on execution and delivery

Medium term growth and value drivers

IPL's growth is linked to two global economic engines:

- **USA: the recovery and re-industrialisation of the United States:**

- The Louisiana ammonia investment is capitalising on the shale gas boom which is revitalising the North American economy
- Leveraged to the economic recovery through the Dyno Nobel Americas (DNA) business
- Leveraged to the depreciation of the AUD against the USD through the Fertiliser and DNA businesses

- **Asia: the industrialisation of Asia, in particular China:**

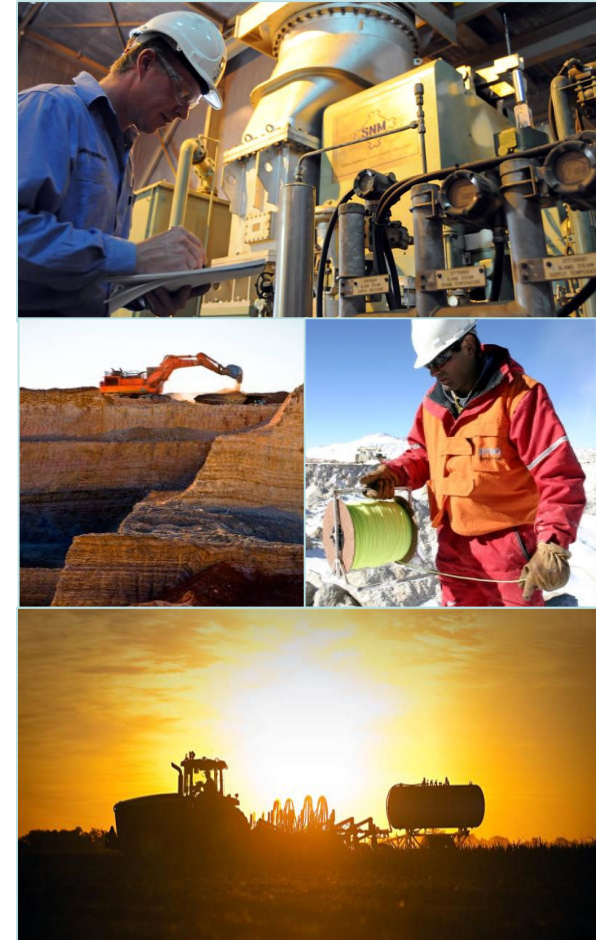
- Moranbah ammonium nitrate plant produces explosives for Bowen Basin metallurgical coal mines which feed blast furnaces in China and other parts of Asia

Introduction to Business Excellence (BEx)

BEx at IPL is all about leadership, standards and continuous improvement rigour:

- 1) Defining what's important and ensuring alignment throughout the business
- 2) A planned, disciplined approach to each day, supported by visual management tools
- 3) Documented and standardised work
- 4) Rigour and compliance is achieved via a cycle of 'Plan, Do, Check, Act'
- 5) Real leadership: Significant time is invested in coaching, providing clarity and alignment to goals and driving the right culture via leading by example
- 6) A culture where continuous business improvement becomes the standard modus operandi

BEx is the system we use to continuously improve the way we work and enables us to realise our shared Company Goals and Values



Incitec Pivot Limited



Picture: Louisiana facility under construction, Louisiana USA

Louisiana Ammonia Plant

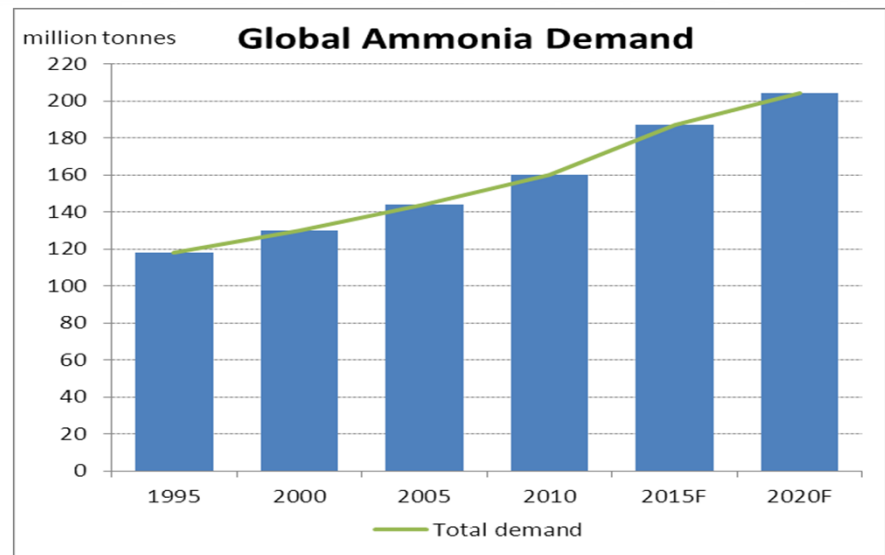
DYNO
Dyno Nobel



Global ammonia demand

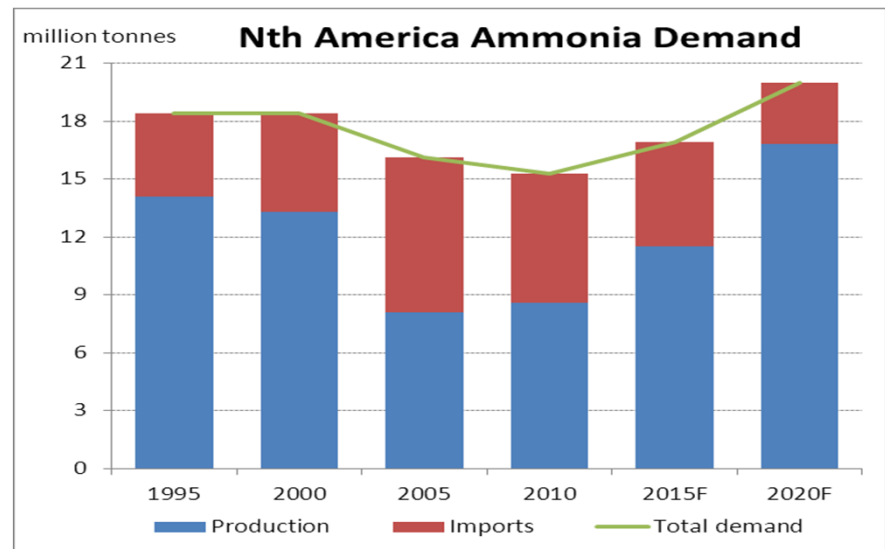
Global demand:

- Historical growth rate of 2.2% per annum (last 20 years)
- Fundamentals support growth outlook
- Historical growth rate is equivalent to approximately five new world scale plants per annum



North America:

- Recovering ammonia demand post GFC
- Production capacity has increased due to low cost gas
- Even with production growth, USA is expected to remain a net importer of ammonia annually beyond 2020

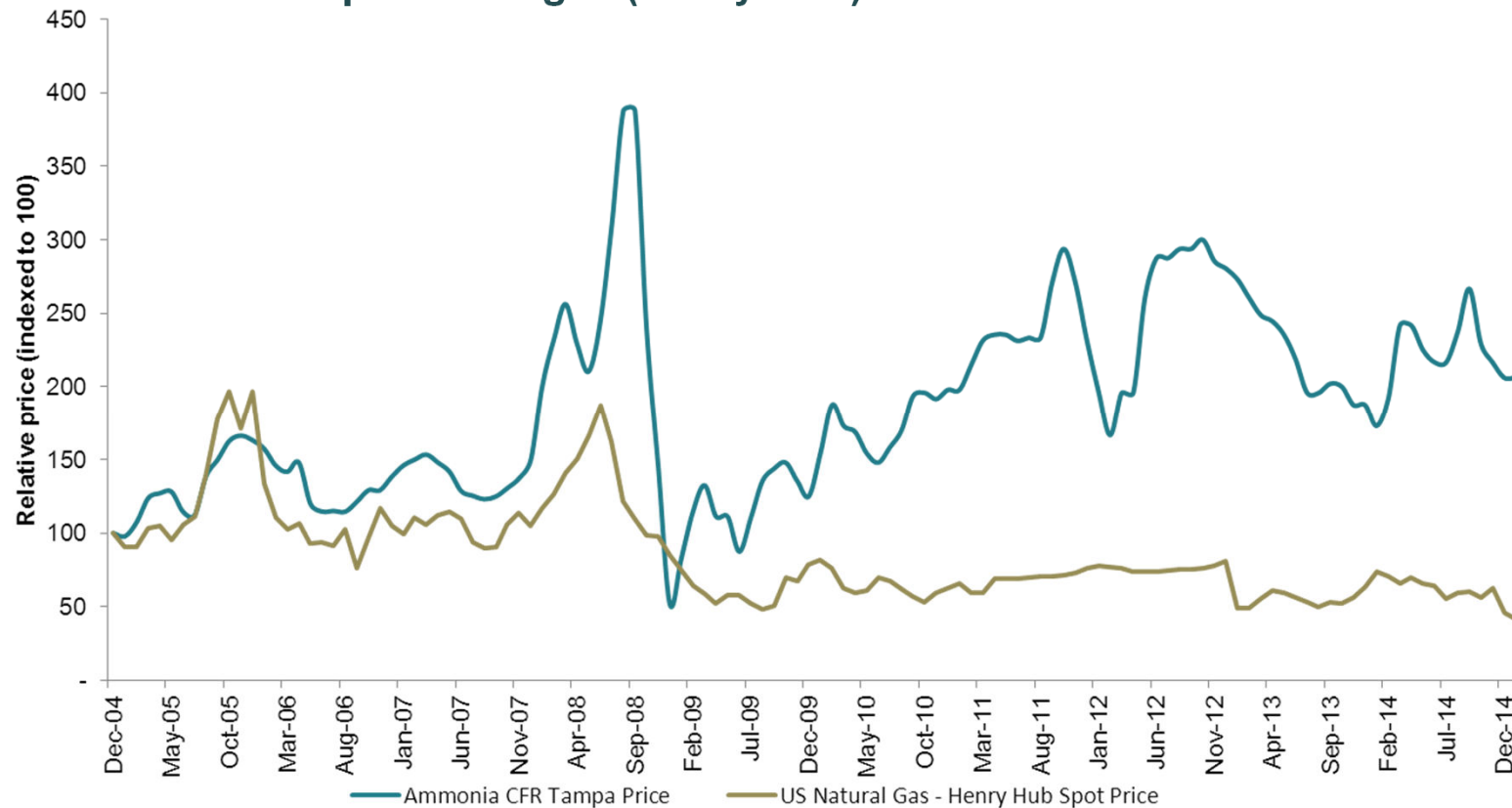


Data sources: IPL estimates, Fertecon and other industry publications

US ammonia and gas spread

- Global ammonia price has historically trended closely with cash costs of marginal production, currently from European producers
- US has a deep, low-cost supply curve for gas with multiple suppliers

Ammonia CFR Tampa vs. US gas (Henry Hub):



Source: U.S. Energy Information Administration ("EIA") and Fertecon

Louisiana investment overview

- **Construction of a world scale ammonia plant (800kt p.a.) for a capital cost of US\$850m**
 - Fully funded by debt and internally generated cash flow
 - Hedged at A\$0.96
- **Investment thesis**
 - Gas market dislocation
 - Access to US ammonia market
 - Capital advantage
- **KBR is Engineering Procurement and Construction contractor under a Lump Sum Turn Key arrangement**
- **Plant sold out**
 - Dyno Nobel = 300kt per annum
 - Cornerstone Chemicals = 200kt per annum
 - Transammonia = 300kt per annum
- **Financial returns at sanction**
 - 15% IRR
 - Simple payback ~ 5 years

Louisiana ammonia plant update

■ As at 28 February 2015

- Project is 71% complete and on track
- Safety = TRIFR of less than 0.4 to date
- Project cost = \$US850m;
\$US476m spent to end Feb 2015
- First production 3Q calendar 2016

■ Construction

- Piling, underground piping & cooling tower completed. Ammonia tank nearing completion
- Electrical and structural steel works progressing well
- Mechanical equipment erection underway
- Above-ground piping is a key focus area

■ Operating metrics

- Gas: 32 mmbtu per metric tonne
- Cash cost (excl gas): US\$45/tonne
- Average sustenance capex per annum US\$10m

■ Outlook

- Fundamentals underpinning the project remain positive



Overall construction view looking North



Secondary reformer crane pad being prepared

Incitec Pivot Limited



Picture: Louisiana facility under construction, Louisiana USA

Headwinds and Tailwinds

DYNO
Dyno Nobel

Changing external environment

External Item	Impact
Falling A\$ (EBIT Sensitivity: 1c = +/- A\$9.1m)	✓ Positive earnings impact for Fertiliser and DNA businesses
US economic recovery continues	✓ Moderate Q&C growth expectations over a sustained period
Lower US gas price	✓ Positive for Louisiana ammonia ✓ IPL begin gradual hedge book build ✗ Challenge to Appalachian coal volumes
Australian mining market	✗ AN oversupply: Pressure when recontracting ✗ Services insourcing

Changing internal environment

Internal Item	Impact
Phosphate Hill & Mt Isa	✓ Eight months of reliable production post shut ✓ Mt Isa metgas supply might continue beyond 2016 ⁽¹⁾
BEx	✓ 4th year of implementation ✓ Benefits continue
Moranbah	✓ Reliable production for nearly 12 months ✗ Low coal prices continue to challenge customers
DNA Recontracting	✓ Stronger ammonia margin-capture opportunities ✗ Interim ammonia cost increase

(1) Qld political parties announced intention to amend environmental law, thereby allowing Glencore to continue their smelting operations beyond 2016. The Queensland Labor government confirmed this commitment late February 2015.

Incitec Pivot Limited



Picture: Wheat crop, Australia

2015 Outlook



2015 Outlook*

Positives

- Moranbah EBIT to \$140m (full production)
- Lower \$A (for at least the first half)
- US Quarry & construction growth
- Benefit of renegotiated contracts in North America
- Increased production at Phosphate Hill
- Full benefit of 2014 corporate restructuring
- Louisiana ammonia plant is on track: first production expected in 3Q 2016

Negatives

- Soft global mining markets
- US interim ammonia costs
- Gas cost increase at Phosphate Hill
- Drought in northern Australia

*as per 2014 full year results announcement in Nov 2014

Incitec Pivot Limited



Picture: Louisiana facility under construction, Louisiana USA

Appendices

DYNO
Dyno Nobel



Incitec Pivot Limited



Picture: Site mixed explosive mobile processing unit "SME MPU", Florida, USA

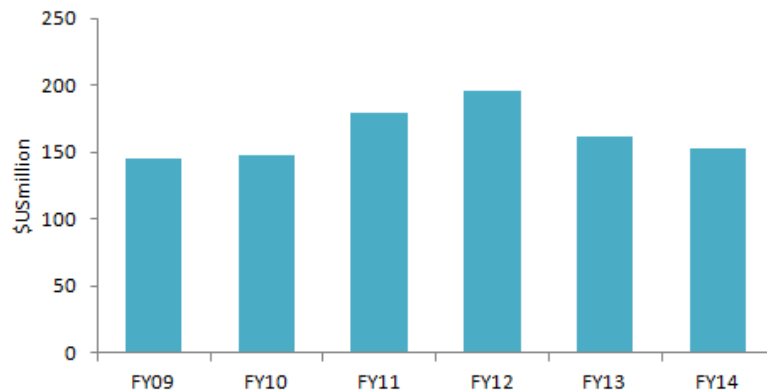
Explosives
DYNO
Dyno Nobel

Explosives – Dyno Nobel America

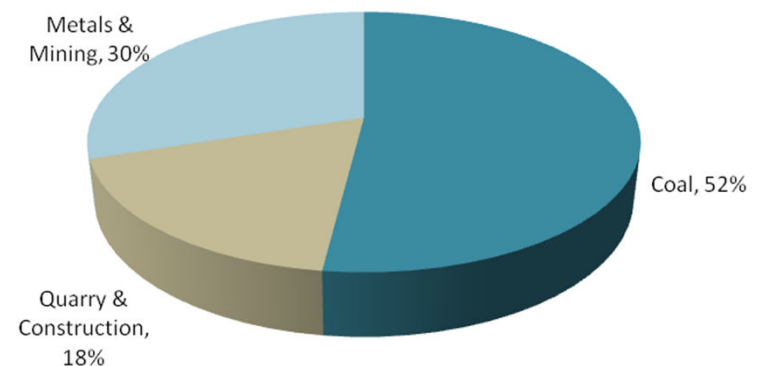


- Dyno Nobel Americas (“DNA”) is a leading supplier of industrial explosives and blasting services across the following sectors:
 - Coal
 - Quarries & Construction
 - Metals & Mining
- #1 manufacturer in the US (by tonnes) – the largest explosives market in the world

DNA EBIT ⁽¹⁾



DNA – AN Volumes by end-market ⁽²⁾



Leveraged to the US economic recovery

(1) Excludes intercompany eliminations

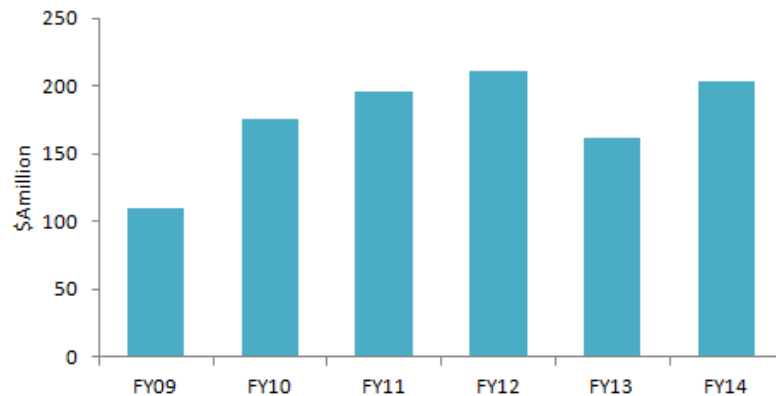
(2) Based on 2014 financial year

Explosives – Dyno Nobel Asia Pacific

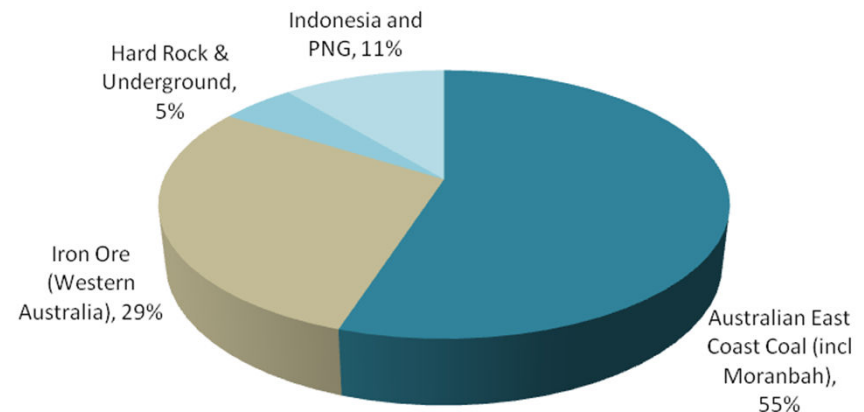


- Dyno Nobel Asia Pacific (“DNAP”) is a leading supplier of industrial explosives and blasting services to the mining industry across Australia, Indonesia and Papua New Guinea:
 - Australian Metallurgical Coal – Bowen Basin
 - Australian Iron Ore - Pilbara
 - Base Metals & Other
 - Indonesia & PNG
- #2 Explosives company in Australia (by tonnes) – the world’s third largest explosives market

DNAP EBIT (1)



DNAP – AN Volumes by end-market⁽²⁾



Long term contracts with large, high quality miners

(1) Excludes intercompany eliminations

(2) Based on 2014 financial year

Incitec Pivot Limited



Picture: Phosphate Hill manufacturing facility, Qld, Australia

Fertilisers

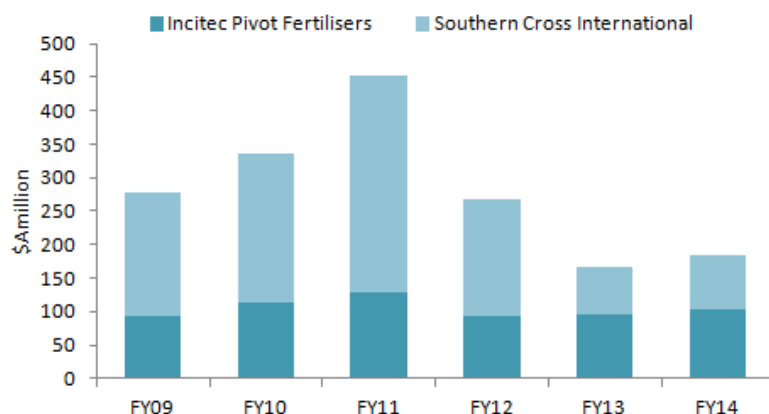


Fertilisers



- Incitec Pivot Fertilisers (“IPF”) is Australia’s largest manufacturer of fertilisers ⁽²⁾ and largest distributor of fertilisers ⁽²⁾ in Eastern Australia, and consists of:
 - Australian Distribution – East Coast
 - Gibson Island manufacturing – Ammonia, Urea and Sulphate of Ammonia (SOA)
 - Phosphate Hill, Mt Isa – Ammonium Phosphates (DAP / MAP)
 - Geelong & Portland – Single Superphosphate (SSP)
- IPF sells manufactured fertiliser and industrial chemicals products in Australia and sells into offshore markets such as South East Asia and Latin America, via Quantum Fertilisers

Fertilisers EBIT ⁽¹⁾



(1) Excludes intercompany eliminations

(2) By volume

Fertiliser Manufacturing Plants

Facility	Products	Nameplate Capacity ⁽²⁾	Key Inputs
Phosphate Hill, Qld	MAP / DAP	950,000	Phosphate Rock; Natural gas; Sulphuric acid
Mt Isa, Qld	Sulphuric acid	950,000	Sulphur dioxide; Sulphur
Gibson Island, Qld	Urea Ammonia SOA	270,000 300,000 200,000	Natural Gas; Coal seam methane gas; Ammonia
Portland, Vic	SSP	180,000	Phosphate rock; Sulphuric acid
Geelong, Vic	SSP	350,000	Phosphate rock; Sulphuric acid

Incitec Pivot Limited



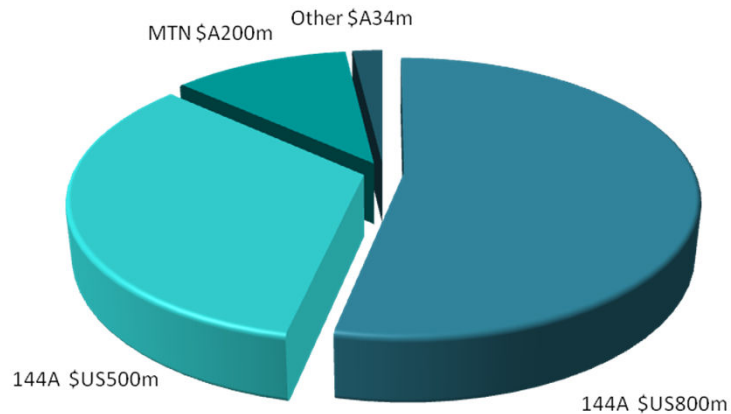
Picture: Control room, Phosphate Hill facility, Qld, Australia

Balance Sheet & EBIT Sensitivities



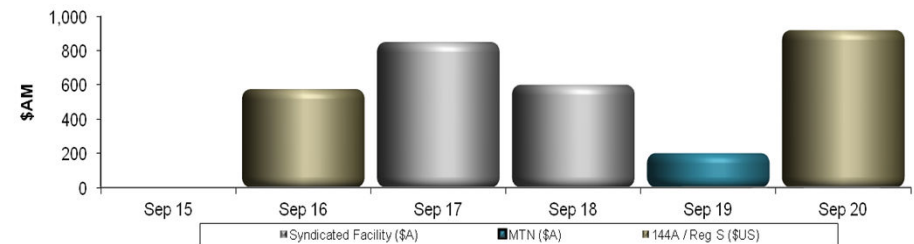
Solid debt structure

Drawn Funds (1)



Limits & Tenor(1)

Debt maturity profile per reporting period



- ✓ 3.7 years average tenor of drawn funds & \$1.5bn of headroom⁽¹⁾
- ✓ Louisiana construction fully funded
- ✓ Mix of \$A and \$US debt to mirror earnings and cash flows

Diverse sources & surplus headroom

(1) As at 30 September 2014

EBIT sensitivities

IPF: Urea - Middle East Granular Urea (FOB) ⁽¹⁾	+/- US\$10/t = +/- A\$4.4m
SCI: DAP - Di-Ammonium Phosphate Tampa (FOB) ⁽²⁾	+/- US\$10/t = +/- A\$10.3m
Forex - transactional (DAP & Urea) ⁽³⁾	+/- 1 cent = +/- A\$6.7m
DNA: Urea (NOLA FOB) ⁽⁴⁾	+/- US\$10/t = +/- US\$1.8m
DNA: Forex - translation of Explosives earnings ⁽⁵⁾	+/- 1 cent = +/- A\$2.4m

Assumptions:

- (1) 405kt (Gibson Island Fertiliser name plate production capacity) urea equivalent sales at 2014 realised price of US\$323/t and the 2014 realised exchange rate of \$A/\$US0.9132
- (2) 950kt (Phosphate Hill Fertiliser name plate production capacity) DAP sales at 2014 realised price of US\$450/t and the 2014 realised exchange rate of \$A/\$US0.9132
- (3) DAP and Urea volumes, as well as FOB price based on assumptions (1) and (2) (excludes the impact of hedging)
- (4) 180kt (St Helens Fertiliser name plate production capacity - short tonnes) urea equivalent sales 2014 NOLA Urea average price of \$US349
- (5) For each \$US200M EBIT