



ASX Spotlight Presentation

25 March 2010

Revenues of AUD1.25 billion

EBITDA of AUD100 million

A business to business company

Supplier of technical raw materials

Global presence

54 profitable years as a listed company

Australian head office

New Zealand registered office

John Hirst - Managing Director

Ian Davis - Chief Financial Officer

- Who are we?
- What do we do?
- Markets in which we operate
- Strategy
- Financial performance
- Looking forward

Stock exchange listings	New Zealand	(NZX)
	Australia	(ASX)
Ticker code	NPX	
Number of shares	189.8 million	
Number of shareholders	10,674	
Market capitalisation	NZX	NZ\$640 million
	ASX	AU\$500 million
Ownership	<p>■ Instos ■ Retail</p>	<p>■ NZ ■ Australia</p>
Registered office	Penrose, Auckland	New Zealand
Corporate Office	Botany, NSW	Australia



Directors



Rob Aitken
Independent chairman
Location: Sydney, Australia
Skills: Chemical engineering,
International business



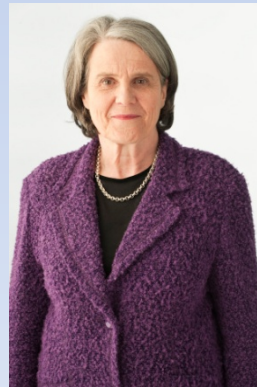
David Jackson
Independent director
Location: Auckland, New Zealand
Skills: Accounting, audit



Michael Wynter
Independent director
Location: Sydney, Australia
Skills: Legal, Asian business



John Hirst
Managing director
Location: Sydney, Australia
Skills: Chemist, Coatings and
Resins broad experience



Barbara Gibson
Independent director
Location: Melbourne, Australia
Skills: Chemist, Chemical Industry
General Management



Peter Springford
Independent director
Location: Auckland, New Zealand
Skills: Industrial company senior
management, Asian business

Management structure

John Hirst – Group managing director



Executive Management

COO
Nuplex Resins
Rob Harmsen



COO
Functional Materials
& Specialties
Sam Bastounas



Group GM
Planning & Strategy
Charles Northcote



Group GM Operation
Clive Deetlefs



Chief financial officer
Ian Davis



General counsel &
company secretary
James Williams



General Management

Group purchasing
Manager

Group general
manager –
Technology

Regions
– Americas
– Asia
– Australasia
– Europe Middle
East & Africa

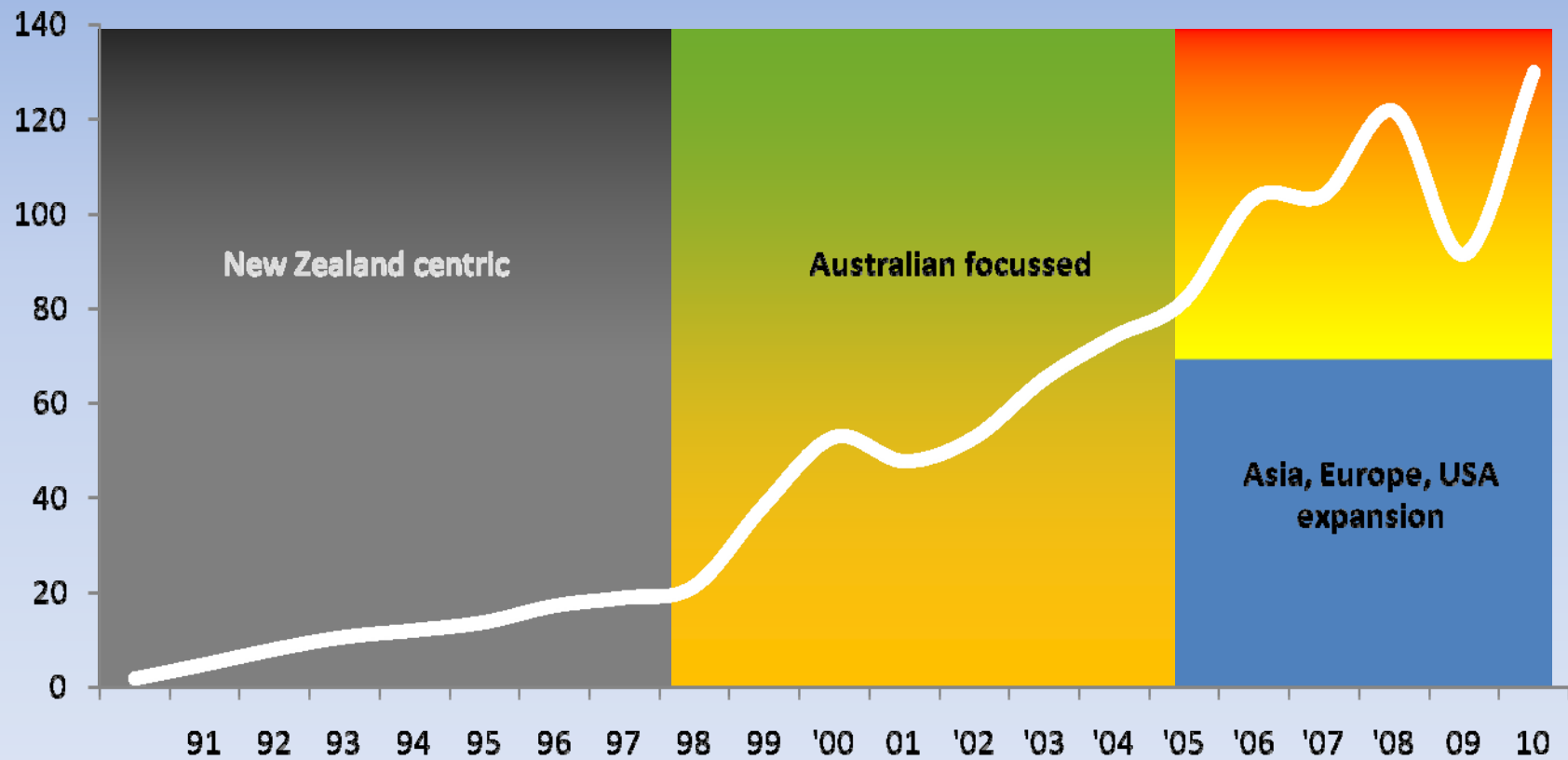
Regions
– Australia
– New Zealand

Regional operations
managers
– Australasia
– Asia
– Americas
– Europe

Group financial
controller

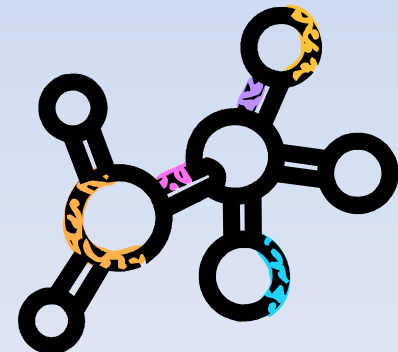
Group general
manager –
Communications and
Business Systems

EBITDA – a 20 year view



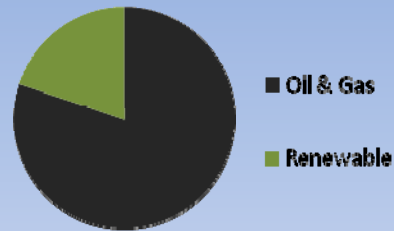
What we do

- **We develop technology**
 - Technology is largely proprietary
 - R&D spend is AUD 30 million per annum
 - Focus is on sustainable technologies
 - Global facilities and technologists
 - Pure research Wageningen University Campus, Central Netherlands
 - Development London, UK
 - Auckland, New Zealand
 - Sydney, Australia
 - Louisville, Kentucky, USA
 - Bergen op Zoom, Netherlands
 - Asian facility planned*
 - Product types
 - Coating resins solvent, water, powder
 - Composite resins polyesters, gelcoats
 - Paper resins coating, surface size
 - Masterbatch compounds, effect packages
 - Flooring systems adhesives, resin topping
 - Success
 - Around 30% of sales from new products
 - Significant patent position in emerging technologies

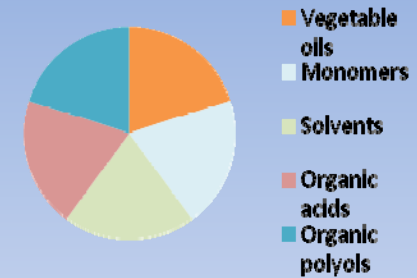


Raw materials

Base materials source

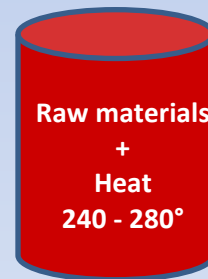


Raw materials used



Processes

Esterification

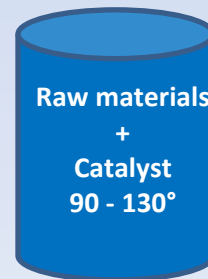


Water of reaction out



Solvent based resins
Powder resins
Composite resins

Polymerisation



Heat of reaction out



Water based resins
Acrylic polyols
Paper resins

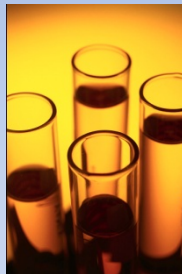


We distribute 3rd party technical materials



Technical materials

Used in systems and same formulations as our resins
Broad international supply group



Chemicals

Used broadly by many segments of industry
Sales can be to the same customer base as our resins



Plastics

Materials used for packaging and engineering applications
Coloured masterbatch



Ingredients, additives and actives

Food and nutrition. Healthcare
High compliance end applications

Our markets



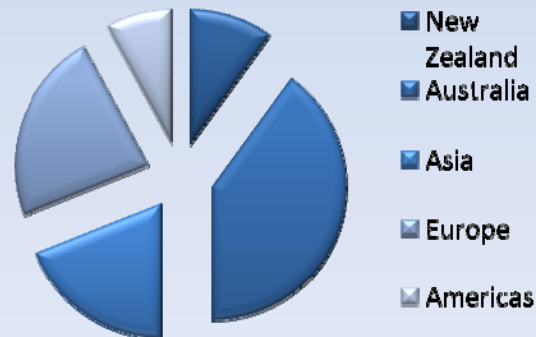
Nuplex's global operations & revenues



Segment Earnings



Regional Sales



Sales to 90 countries

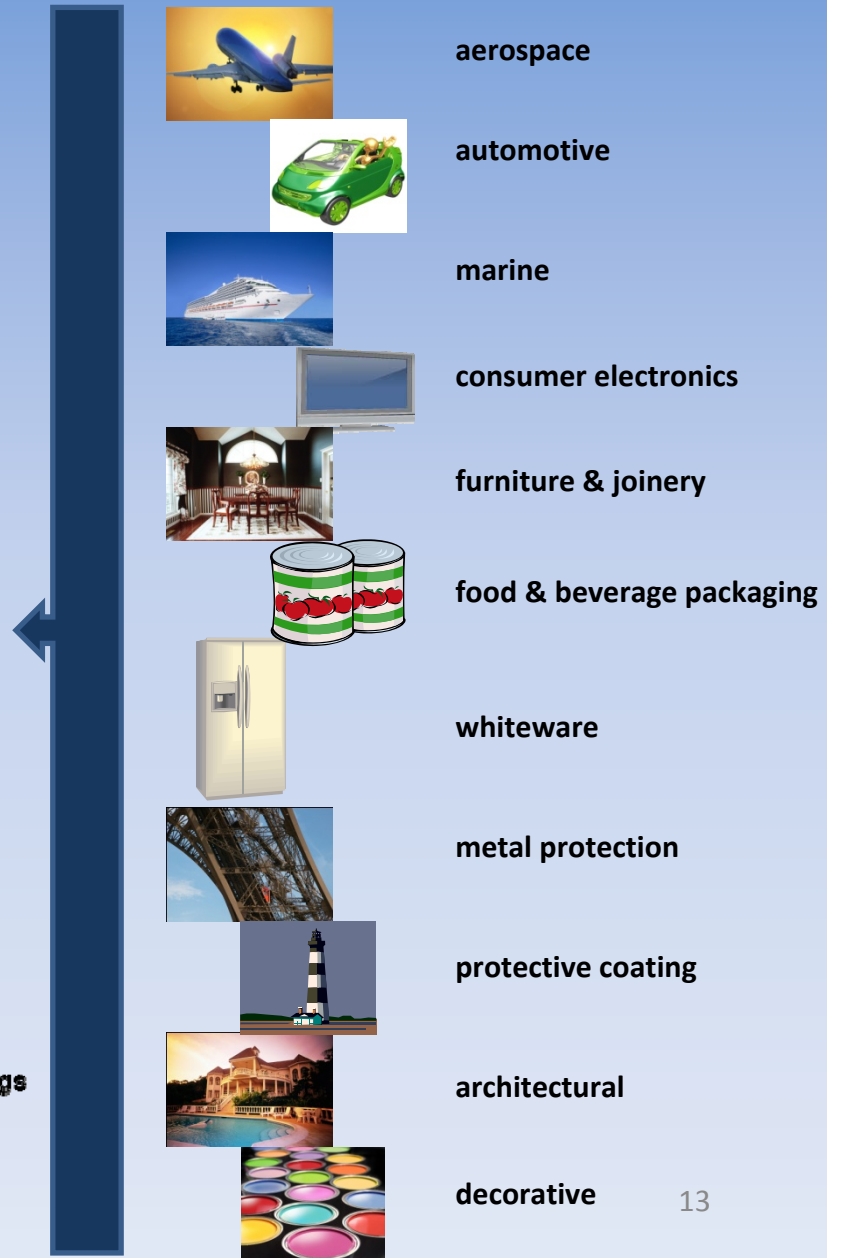
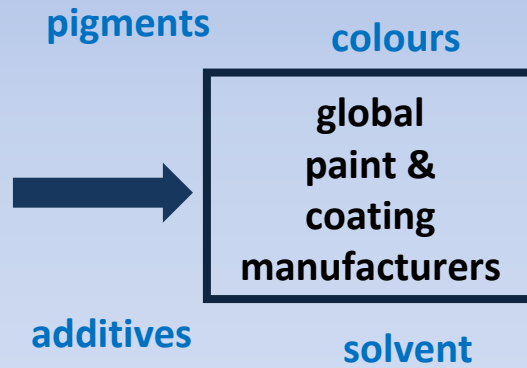
Manufacture

- on 17 sites
- in 10 countries

nuplex

Resins

nuplex
coating resins



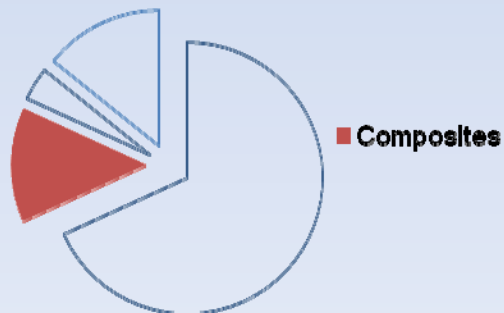
nuplex

Resins

nuplex
composite resins
gelcoats
reinforcements
engineering
auxiliaries



Asia Pacific
composite
manufacturers



swimming pools



yacht



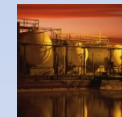
boat



surfboard



transportation



chemical plant



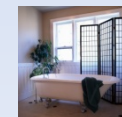
petrol tanks



infrastructure



potable water pipes



baths, showers, vanities

nuplex

Resins

nuplex
paper resins
Process control materials



Australasia
paper
manufacturers



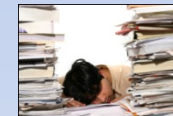
tissues



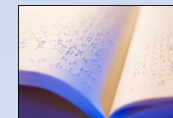
fine papers



packaging papers



copy paper



special papers



newspaper



■ Paper



Specialties

nuplex
plastic masterbatch
plastic raw materials
chemicals
food ingredients
food additives
healthcare actives



**Australasian
manufacturers
using
chemicals,
plastics,
life science materials**



general chemicals



Masterbatch & plastics



personal care



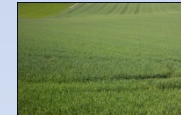
bitumen improvers



rubber



mining



agriculture



pharmaceutical



food additives



food ingredients



■ Specialties

Strategy

Target earnings per share growth of 5 – 15% annually

- **Seek preferred supplier position in key markets through**
 - Superior technical service
 - Exceptional operational efficiency and service
 - Sensitivity to customer profit and sustainability

- ***Resins***
 - **Grow global coatings business**
 - Greenfield investment in specialty segments and growth economies
 - Consolidation of mature markets in both specialty and general product segments
 - **Grow composites business by transitioning into adjoining markets**
 - South-east Asia is current primary focus
 - **Invest in sustainable technologies**
 - Environmentally-friendly low and zero emission products and processes
 - Raw materials from renewable resources
 - Low cost options with near comparable performance

- ***Specialties***
 - **Broaden product range – ‘one-stop shop’**
 - Focus on higher growth and sustainable segments

Financial Performance

Note that all reference to currency is NZ\$



Results review – H1 2009/10

	H1 2008/9	H1 2009/10	Change
Revenue (\$m)	795	715	-10%
EBITDA (\$m)	43	69	+59%
Operating profit (\$m)	12	35	+201%
Net profit after tax (\$m)	6	35	+477%
Cash dividend (cps)	0	10	n/a
Payout ratio from operating profit		54%	
Number of employees	1,756	1,666	-5%

Note that all reference to currency is NZ\$

- **Demand**

- China growth continued
- ASEAN recovered to 2008 levels at period end
- Australia recovery continued from H2 2009; NZ picked up at period end
- Europe steady improvement and increased exports
- USA still in doldrums

- **Margin**

- Raw material costs remained at lower levels
- Product mix moved towards higher sophistication
- Good market penetration from new technology

- **Managed costs**

- Significant impact from restructuring
- Effective focus on discretionary spending control

- **Non recurring costs**

- Significant restructuring costs in Europe and NZ







- **Interest**
 - Will remain at around \$20 million through 2010/11
 - Amortised costs, capital notes, facility costs, hedging

- **Tax**
 - Likely to be in range 27 – 28%
 - Impact of growth of Asia

- **Capital expenditure**
 - Current programme is around \$75 million over 3 years to 2011/12
 - Suzhou expansion
 - Vietnam expansion
 - Wacol operational efficiency
 - ERP system
 - Balance is maintenance and compliance

- **Working capital**
 - Net working capital running at around 18% to sales

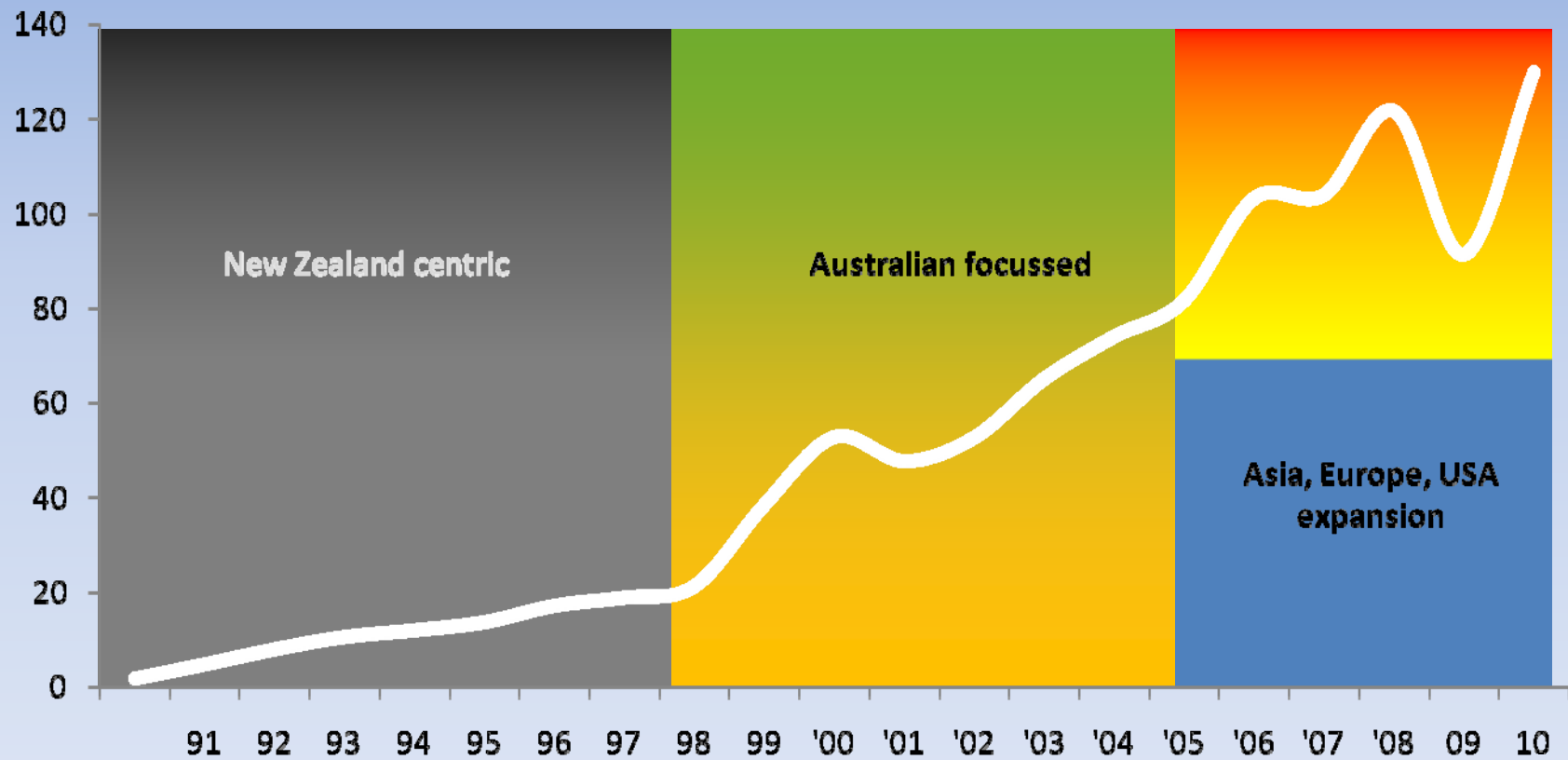
Outlook

Region	Forecast	Comments
Americas		<ul style="list-style-type: none"> ○ Market pick up delayed ○ Significantly lower operational cost base ○ Gains from new technology
Asia		<ul style="list-style-type: none"> ○ Growth to continue at lower rate ○ Benefits from Composites capacity in H2 ○ Some tightening of margins
Australia		<ul style="list-style-type: none"> ○ Market to be relatively similar to 08/09 ○ Anticipate some recovery in Composites in H2 ○ Lower operational cost base
Europe		<ul style="list-style-type: none"> ○ Market could stall but still optimistic ○ Restructuring benefits in later years ○ Gains from new technology
New Zealand		<ul style="list-style-type: none"> ○ Market in slow recovery phase ○ High fixed cost position being addressed ○ Corporate costs exceeding operational profits
Corporate		<ul style="list-style-type: none"> ○ Interest costs much lower than 08/09 ○ Low capital expenditure requirements until 2011 ○ New executive team in place

Rising raw material costs represent the only material risk

Well placed to maintain historical growth

EBITDA – a 20 year view





THANK YOU