

Incitec Pivot Limited

GLOBAL DIVERSIFIED INDUSTRIAL CHEMICALS

Results for the half year ended 31 March 2017

Incitec Pivot Limited (IPL) reported Net Profit After Tax (NPAT) of \$152.1m, an increase of \$15.0m or 11% versus 1H16 NPAT excluding individually material items (ex IMIs).

Group Summary

Summary Financials versus 1H16:

- **EBIT ex IMIs:** \$242.8m versus \$197.3m, up 23%
- **NPAT ex IMIs:** \$152.1m versus \$137.1m, up 11%
- **EPS ex IMIs:** 9.0 versus 8.1 cents per share, up 11%
- **Net Debt:** Unchanged at \$1.7Bn¹
- **Dividend:** Interim unfranked dividend of 4.5 cents per share, maintaining a 50% NPAT ex IMIs payout ratio.

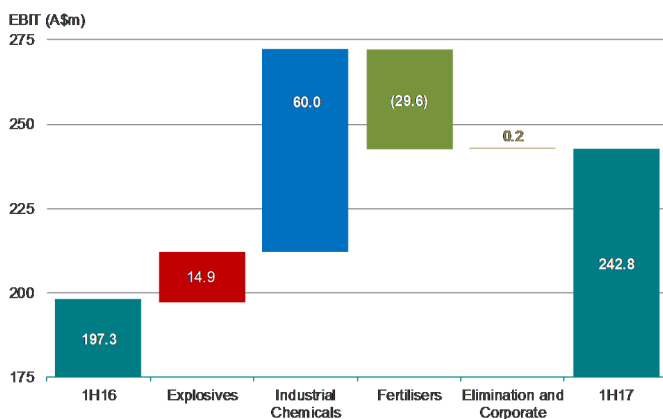
Zero Harm

Total Recordable Injury Frequency Rate (TRIFR) for the 12-month period ended 31 March 2017 was 0.89, representing a 36% reduction since 2012.² Employee Lost Day Severity Rate declined 93% over the same period.³

IPL reported a 64% reduction in process safety incidents for the 12-month period ended 31 March 2017.⁴

Business Review

1H17 EBIT was up 23% as compared to 1H16 ex IMIs, driven by record Explosives earnings and initial Waggaman contribution, but partially offset by low fertiliser prices. IPL's primary focus remained on managing controllable factors, with BEx delivering \$63.9m in net productivity benefits.⁵

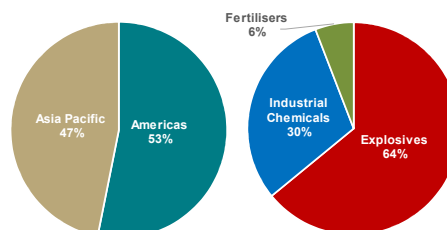


- **Explosives:** Earnings up 10%. Americas US\$ EBIT up 24% driven by sustained Quarry & Construction growth and BEx initiatives; Asia Pacific up 4% underpinned by resilient Coal and Base & Precious metals demand and BEx initiatives.
- **Industrial Chemicals:** Industrial Chemicals EBIT up \$60.0m, which included initial Waggaman operational earnings of US\$10.8m and delay damages of US\$35.1m as disclosed on 18 January 2017.
- **Fertilisers:** Earnings down 67% in concert with global fertiliser prices which were well below long-term trend.

IPL Group	Half Year Ended 31 March		
	1H17	1H16	% Change
A\$m			
Revenue	1,535.7	1,524.0	0.8 %
EBITDA ex IMIs	373.3	322.6	15.7 %
EBIT ex IMIs	242.8	197.3	23.1 %
NPAT ex IMIs	152.1	137.1	10.9 %
IMIs after tax	-	(105.6)	
NPAT	152.1	31.5	382.9 %
Business EBIT ex IMIs			
Americas	134.0	64.2	108.7 %
Asia Pacific	118.0	142.5	(17.2)%
Elimination and Corporate	(9.2)	(9.4)	2.1 %
Sector EBIT ex IMIs			
Explosives	161.5	146.6	10.2 %
Industrial Chemicals	75.8	15.8	379.7 %
Fertilisers	14.8	44.4	(66.7)%
Elimination and Corporate	(9.2)	(9.4)	2.1 %
Shareholder Returns			
Cents Per Share			
EPS ex IMIs	9.0	8.1	11.1 %
Total Dividends	4.5	4.1	9.8 %
Credit Metrics			
A\$m			
Net Debt	(1,737.6)	(1,739.5)	0.1 %
Interest Cover ⁶	7.9x	9.5x	
Net debt / LTM EBITDA ex IMIs	2.4x	2.1x	

- **Global Manufacturing:**
Waggaman: Handover of world scale ammonia plant which was completed safely, on time and below budget. 83% uptime achieved since handover on 19 October 2016.
- **Group:**
Transformation: Initial Waggaman earnings helped move Americas contribution to Group EBIT from 35% in FY16 to 53% in 1H17, and completes IPL's transformation to a Global Diversified Industrial Chemicals company.

1H17 EBIT Contribution⁷



BEx: \$63.9m of net productivity benefits delivered through the BEx Organisation Focused Improvement (OFI) program announced in 1H16. \$225.9m of net BEx benefits delivered since program inception.

Balance Sheet: Robust balance sheet notwithstanding a normal seasonal increase in working capital; leverage remains inside target range of $\leq 2.5x$, after US\$804.9m expended on Waggaman, excluding capitalised interest, and challenging cyclical conditions. Net debt unchanged period on period.

NOTE: Numbers in this report are subject to rounding. Definitions and Notes appear on the last page of this report.
All figures are in A\$ or metric tonnes (mt) except where noted.

Outlook and Sensitivities

IPL does not provide profit guidance primarily due to the variability of global fertiliser prices and foreign exchange movements. Instead, IPL provides an outlook for business performance expectations and sensitivities to key earnings drivers.

Outlook

Outlook by end market follows:

- Explosives:** Continued growth in the Quarry & Construction sector, together with Coal sector market share gains, are expected to benefit Americas earnings in the second half. Asia Pacific volumes will be supported by long-term contracts and prevailing metallurgical coal and iron ore prices.
- Industrial Chemicals:** Operational earnings from Waggaman are expected to grow as production levels increase. These earnings are subject to movements in ammonia and natural gas prices.
- Fertilisers:** Well above average demand experienced in Australia in 1H17 is expected to continue into the second half, underpinned by encouraging agronomic conditions and improved water storage levels.

Fertilisers earnings will continue to be dependent on global fertiliser prices and the A\$/US\$ exchange rate. It should be noted that 31 March 2017 spot prices were above IPL's average realised 2H16 prices as set out below:

Fertiliser Price and Foreign Exchange Rate Movements	Average Realised			Spot ^a
	1H16	2H16	1H17	31 March 2017
Fertiliser Price Movement (US\$/mt)				
DAP (FOB Tampa) ⁹	388.0	327.6	316.1	375.0
Urea (FOB Mid East)	236.6	197.5	226.7	212.0
Ammonia (CFR Tampa)			267.1	340.0
Foreign Exchange Rate Movement				
A\$/US\$	72.8	75.3	74.8	75.4

- Group:**

Cyclone Debbie: Estimated \$5.0m impact to earnings in 2H17 in addition to the \$2.6m impact experienced in the first half as described in the Asia Pacific business review.

Corporate: Full year corporate costs are expected to be approximately \$20.0m.

Borrowing Costs: Net borrowing costs for the full year are expected to be approximately \$120.0m.

Hedging: 75% of estimated 2H17 US\$-linked fertiliser sales are hedged at a rate of \$0.77 with full participation in downward rate movements to \$0.70 and 50% participation thereafter.

Turnarounds: Major turnaround planned for Cheyenne is due to commence in September 2017 with an expected duration of six weeks.

BEx: BEx is on track to deliver \$100m+ in net productivity benefits in FY17. Program then expected to revert to ~\$25m per annum thereafter consistent with guidance of previous years.

FY16 EBIT Sensitivities

Americas

Urea (FOB NOLA) ¹⁰	+/- US\$10/mt = +/- US\$1.7m
Americas ex-Waggaman FX earnings translation ¹¹	+/- US\$0.01 = +/- A\$2.2m
Waggaman EBIT is US\$-denominated and subject to FX earnings translation	translation movements
Ammonia (CFR Tampa) ¹²	+/- US\$10/mt = +/- US\$6.1m
Henry Hub Natural Gas ¹²	+/- US\$0.10/mmbtu = +/- US\$2.0m

Asia Pacific

Urea (FOB Middle East) ¹³	+/- US\$10/mt = +/- 4.7m
DAP (FOB Tampa) ¹⁴	+/- US\$10/mt = +/- A\$13.8m
FX transactional (DAP / urea) ¹⁵	+/- US\$0.01 = +/- A\$8.0m

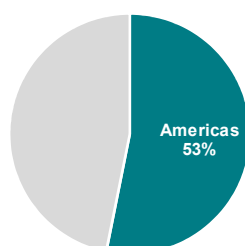
Sensitivities

The above table provides sensitivities to key earning drivers as they relate to the 2016 financial year, subject to the footnotes found on Page 14.

As demonstrated, IPL's earnings are influenced by movements in global commodity prices and foreign exchange rates. Investors should be cognisant of these factors.

Americas

1H17 EBIT Contribution⁷



Americas contributed 53% of Group EBIT in the half, up from 35% in FY16. This result was underpinned by record Explosives earnings and initial Waggaman earnings and delay damages.⁷

Business Performance

EBIT from the Americas business was US\$100.8m, an increase of 117% as compared to 1H16.

EBIT Movements (US\$m)

EBIT movements by sector versus 1H16 follow:

- **Explosives:** US\$10.2m due to continued growth in the Quarry & Construction sector and BEx benefits.
- **Industrial Chemicals:** US\$46.3m primarily reflecting operational Waggaman earnings and delay damages.
- **Fertilisers:** (US\$2.2m) driven by global fertiliser prices which were well below long-term trend.

Americas	Half Year Ended 31 March		
	1H17	1H16	Change %
US\$m			
Explosives	341.2	351.5	(2.9)%
Industrial Chemicals	70.0	21.7	222.6 %
Fertilisers	34.7	45.7	(24.1)%
Revenue	445.9	419.0	6.4 %
Explosives	52.6	42.4	24.1 %
Industrial Chemicals	47.4	1.1	<i>nm</i>
Fertilisers	0.8	3.0	(73.3)%
EBIT	100.8	46.5	116.8 %
<i>EBIT margin</i>	22.6%	11.1%	
A\$m			
Explosives	452.2	487.3	(7.2)%
Industrial Chemicals	92.8	30.1	208.3 %
Fertilisers	46.0	63.4	(27.4)%
Revenue	591.0	580.8	1.8 %
Explosives	69.9	58.5	19.5 %
Industrial Chemicals	63.0	1.6	<i>nm</i>
Fertilisers	1.1	4.1	(73.2)%
EBIT	134.0	64.2	108.7 %
<i>EBIT margin</i>	22.7%	11.1%	
Notes			
Ave realised A\$/US\$ exchange rate	0.752	0.724	

Incitec Pivot Limited

GLOBAL DIVERSIFIED INDUSTRIAL CHEMICALS

Results for the half year ended 31 March 2017

Americas – Explosives

Explosives comprised 52% of Americas EBIT and 28% of Group EBIT in 1H17.⁷

EBIT Movements

Explosives earnings increased US\$10.2m or 24% versus 1H16 due to the following factors:

Cyclical and structural factors:

- **Quarry & Construction Growth:** US\$2.0m from sustained sector growth, which included a 5% increase in volume versus 1H16.
- **Coal:** (US\$5.4m) primarily due to continued coal destocking.
- **FX:** (US\$0.8m) attributable to the strength of the US\$.

Operational factors:

- **BEx:** US\$14.4m through continuous and organisation focused improvement initiatives.

Manufacturing

Ammonium nitrate production from the Cheyenne and Louisiana, Missouri plants increased 14% in aggregate during the period as compared to 1H16, with both plants now fully utilised.

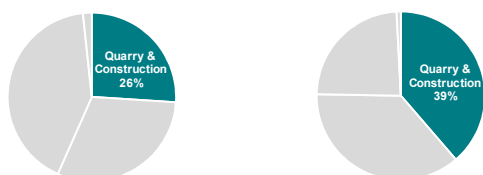
Cheyenne achieved a 15% increase in ammonium nitrate production and manufactured a near-record amount in the final year of its first four-year turnaround cycle. The ability to extend Cheyenne's turnaround interval from three to four years was enabled by BEx. The plant is scheduled for a six-week major turnaround that will commence in September 2017.

Initiating Systems achieved 8% improvement in Overall Equipment Effectiveness (OEE), a key indicator of uptime, performance and quality. This improvement is a direct result of BEx initiatives.

Quarry & Construction

39% of Americas Explosives revenue was generated from the Quarry & Construction sector in the half. Sector volume grew 5% as compared to 1H16, reflecting Dyno Nobel's leading position in this end market, which benefits from a favourable mix of high grade explosives, proprietary initiating systems and services.

Americas Explosives Volume Americas Explosives Revenue



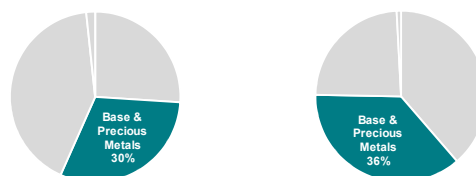
Quarry & Construction EBIT increased by US\$2.0m, partially offsetting declines in the Base & Precious Metals and Coal sectors noted below. The sector benefited directly from improved OEE as noted above, which supported increased sales into the sector and improved operating leverage.

Explosives	Plant	Half Year Ended 31 March		
		1H17	1H16	Change %
Thousand metric tonnes				
Ammonium Nitrate ¹⁶	Cheyenne	158.2	137.4	15.1 %
Ammonium Nitrate	Louisiana, MO	124.1	109.5	13.3 %
Manufactured Product		282.3	246.9	14.3 %
Product Sold		319.4	328.6	(2.8)%
US\$m				
Quarry & Construction		131.9	126.5	4.3 %
Base & Precious Metals		125.0	131.9	(5.2)%
Thermal Coal		81.5	88.0	(7.4)%
Met Coal		2.8	5.1	(45.1)%
Revenue		341.2	351.5	(2.9)%
EBIT		52.6	42.4	24.1 %
<i>EBIT margin</i>		15.4%	12.1%	

Base & Precious Metals

36% of Americas Explosives revenue was generated from the Base & Precious Metals sector in the half, the majority of which was from iron ore mines in the US Midwest and West.

Americas Explosives Volume Americas Explosives Revenue

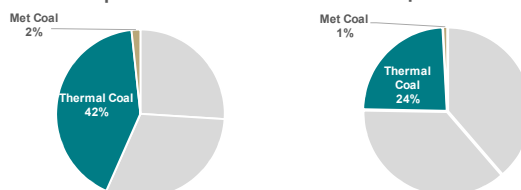


Sector revenue contracted 5% during the period, broadly due to subdued commodity prices.

Coal

25% of Americas Explosives revenue was generated by the Coal sector. 44% of ammonium nitrate volume sold was to this sector, the vast majority of which was supplied to thermal coal mines in the Powder River Basin.

Americas Explosives Volume Americas Explosives Revenue



Coal revenue declined 5% during the period as compared to 1H16. This was in part a result of electricity generators working through inventories.

Outlook

Recent Quarry & Construction activity has been encouraging and is expected to benefit from a five-year US\$305Bn US highway spending bill announced in December 2015 that includes US\$205Bn for highways and US\$48Bn for transit projects.

The Coal sector is expected to remain challenged in the second half as electricity generators continue to work through inventories, however IPL will benefit from a recent contract win in the Illinois Basin.

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GLOBAL DIVERSIFIED INDUSTRIAL CHEMICALS

Results for the half year ended 31 March 2017

Americas – Industrial Chemicals

Industrial Chemicals comprised 47% of Americas earnings and 25% of Group earnings in 1H17.⁷

Industrial Chemicals	Plant	Half Year Ended 31 March		
		1H17	1H16	Change %
Thousand metric tonnes				
Ammonia	Waggaman	297.7	-	
Manufactured Product		297.7	-	
Ammonia		278.1	-	
Product Sold		278.1	-	
US\$m				
Waggaman		45.2	-	
Other		24.8	21.7	14.3 %
External Revenue		70.0	21.7	
Waggaman Operational Earnings		10.8	-	
Waggaman Delay Damages		35.1	-	
Other		1.5	1.1	36.4 %
EBIT		47.4	1.1	
		67.6%	5.1%	
Notes				
Ave Realised Ammonia (CFR Tampa, US\$/mt)		267.1	-	
Ave Realised Gas Price (US\$/mmbtu) ¹⁷		3.19	-	

EBIT Movements

Industrial Chemicals earnings increased US\$46.3m as compared to 1H16 due to the following factors:

Operational factors:

- **Waggaman Operational Earnings:** US\$10.8m after US\$5.5m of gas inefficiencies and US\$5.8m of unabsorbed costs associated with the plant running below nameplate.
- **Waggaman Delay Damages:** US\$35.1m (as disclosed on 18 January 2017), which is A\$29.1m after tax (based on US statutory tax rate of 38.5% and realised A\$/US\$ exchange rate of 0.743 specific to Waggaman).
- **Cheyenne and St Helens Production:** US\$0.4m from a 6% increase in UAN and urea production.¹⁸

Manufacturing

Waggaman produced 297.7k mt of ammonia since handover, resulting in 83% uptime when calculated against an 800k mt per annum nameplate capacity. As disclosed in February 2017, the plant is expected to achieve ~80% uptime in FY17, which includes a "pit stop" to remedy outstanding punch-list items in the second half.

Outlook

Industrial Chemicals operational earnings are expected to grow as Waggaman continues to increase production levels. These earnings are subject to movements in ammonia and natural gas prices.

Americas – Fertilisers

Fertilisers comprised less than 1% of Americas earnings and Group earnings in 1H17.⁷

Fertilisers	Plant	Half Year Ended 31 March		
		1H17	1H16	Change %
Thousand metric tonnes				
UAN	Cheyenne	88.4	101.3	(12.7)%
	St Helens	29.9	24.0	24.6 %
Urea	Cheyenne	13.2	11.7	12.8 %
	St Helens	50.3	34.9	44.1 %
Manufactured Product		181.9	172.0	5.8 %
UAN and urea		165.0	162.1	1.8 %
Product Sold		165.0	162.1	1.8 %
US\$m				
US Agriculture		34.7	45.7	(24.1)%
Revenue		34.7	45.7	(24.1)%
US Agriculture		0.8	3.0	(73.3)%
EBIT		0.8	3.0	(73.3)%
EBIT margin		2.4%	6.6%	
Notes				
Ave Realised Urea (FOB NOLA, US\$/mt)		347.7	381.1	(8.8)%

EBIT Movements

Fertilisers earnings declined US\$2.2m as compared to 1H16 due to the following factor:

Cyclical and structural factors:

- **Fertiliser Prices:** (US\$2.2m) due to lower global prices, including a 9% fall in average realised urea (FOB NOLA) prices.

Manufacturing

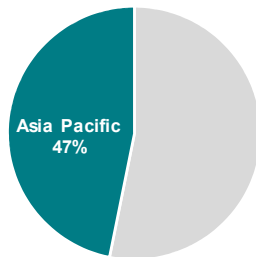
In aggregate, the St Helens and Cheyenne plants produced 181.9k mt of UAN and urea in 1H17, a 6% increase period on period. As noted above, Cheyenne is scheduled for a major turnaround which is due to commence in September 2017.

Outlook

Fertilisers earnings in the second half will remain subject to movements in commodity prices, in particular urea and UAN.

Asia Pacific

1H17 EBIT Contribution⁷



Asia Pacific contributed 47% of Group EBIT in the half as compared to 65% in FY16.⁷

Business Performance

EBIT from the Asia Pacific business declined \$24.5m or 17.2% to \$118.0m largely as a result of depressed period on period fertiliser prices and the impacts of Cyclone Debbie.

EBIT Movements

EBIT movements by sector versus 1H16 follow:

- **Explosives:** \$3.5m or 4%, driven by resilient customer demand and BEx benefits, less the impact of the Moranbah turnaround. Result underpinned by sustained Bowen Basin met coal demand and privileged position of the Moranbah plant.
- **Industrial Chemicals:** (\$1.4m) driven by depressed commodity prices.
- **Fertilisers:** (\$26.6m) or (66%) driven by global fertiliser prices which were well below long-term trend despite strong domestic demand.

Asia Pacific	Half Year Ended 31 March		
	1H17	1H16	Change %
A\$m			
Explosives	444.9	446.7	(0.4)%
Industrial Chemicals	34.6	41.3	(16.2)%
Fertilisers	487.2	479.9	1.5%
Revenue	966.7	967.8	(0.1)%
Explosives	91.6	88.1	4.0%
Industrial Chemicals	12.8	14.2	(9.9)%
Fertilisers	13.7	40.3	(66.0)%
EBIT	118.0	142.5	(17.2)%
<i>EBIT margin</i>	<i>12.2%</i>	<i>14.7%</i>	

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GLOBAL DIVERSIFIED INDUSTRIAL CHEMICALS

Asia Pacific – Explosives

Asia Pacific Explosives comprised 77% of Asia Pacific EBIT and 36% of Group EBIT.⁷

EBIT Movements

Explosives earnings increased \$3.5m or 4% as compared to 1H16 due to the following factors:

Operational factors:

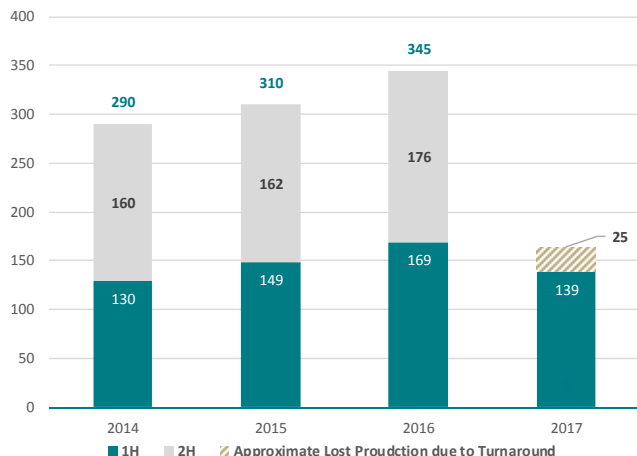
- **BEx:** \$19.9m through continuous and organisation focused improvement initiatives.
- **International:** \$0.7 driven by increased volume in Indonesia.
- **Cyclone Debbie:** (\$2.6m) due to lost Moranbah production.
- **Moranbah Turnaround:** (\$14.5m) due to a planned six-week turnaround which commenced in March 2017.

Manufacturing

Moranbah manufactured 138.8k mt of ammonium nitrate during the half. The plant ran for five months during the period, which included the commencement of a planned six-week turnaround on 2 March 2017.

Moranbah Ammonium Nitrate Production

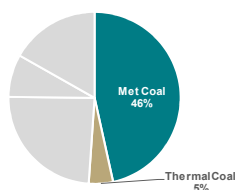
Thousand metric tonnes



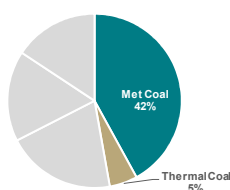
Coal

47% of Asia Pacific Explosives revenue was generated from the Coal sector, the majority of which was supplied to metallurgical coal mines in Queensland's Bowen Basin. In aggregate, 51% of Asia Pacific ammonium nitrate volume was supplied to the sector.

Asia Pacific Explosives Volume



Asia Pacific Explosives Revenue



Results for the half year ended 31 March 2017

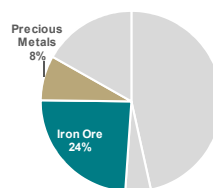
Explosives		Half Year Ended 31 March		
		1H17	1H16	Change %
Thousand metric tonnes				
Ammonium Nitrate	Moranbah	138.8	169.1	(17.9)%
Manufactured Product (ex JVs)		138.8	169.1	(17.9)%
Product Sold		344.4	321.8	7.0 %
A\$m				
Coal		212.0	214.8	(1.3)%
Base & Precious Metals		163.6	160.8	1.7 %
International		69.2	71.2	(2.8)%
Revenue		444.9	446.7	(0.4)%
EBIT		91.6	88.1	4.0 %
<i>EBIT margin</i>		21%	20%	

Volume sold to the Coal sector grew 4% as compared to 1H16, driven by increasing customer demand which offset the impact of Moranbah's turnaround and Cyclone Debbie. This result highlighted the resilience of the Bowen Basin as the world's premier metallurgical coal mining region, and the commercial benefit of Moranbah's geographical position.

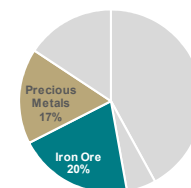
Base & Precious Metals

37% of Asia Pacific Explosives revenue was generated by the Base & Precious Metals sector in the half. In aggregate, 32% of Asia Pacific ammonium nitrate volume was supplied to the sector, which comprises iron ore mines in Western Australia and hard rock and underground mines.

Asia Pacific Explosives Volume



Asia Pacific Explosives Revenue



Volume sold to the sector increased by 4% during the period, largely driven by a recovery in commodity prices, particularly iron ore, and increased volume output from miners in Western Australia. Demand for initiating systems and services generally grew in tandem with volume.

International

16% of Asia Pacific Explosives revenue was generated internationally. Volume sold internationally increased 24% as compared to 1H16, largely driven by activity in Indonesia. This led to overall international EBIT increasing modestly during the period.

Outlook

Recent Coal and Base & Precious Metals activity has been encouraging, with the longer term production outlook improving, particularly in the Bowen Basin.

Asia Pacific – Industrial Chemicals

EBIT from Industrial Chemicals comprised 11% of Asia Pacific EBIT and 5% of Group EBIT.⁷

EBIT Movements

Industrial Chemicals earnings declined \$1.4m or 10% as compared to 1H16 due to the following factor:

Cyclical and structural factors:

- **Commodity Prices:** (\$1.4m) due to a decline in commodity prices versus 1H16.

Outlook

Industrial Chemicals volumes in the second half are expected to be broadly consistent with those of 1H17, with earnings subject to movements in commodity prices.

Industrial Chemicals		Half Year Ended 31 March		
		1H17	1H16	Change %
	Plant			
Thousand metric tonnes				
Ammonia	Gibson Island	8.5	11.0	(22.7)%
Urea	Gibson Island	22.5	20.0	12.5 %
DEF ¹⁹	Gibson Island	7.1	4.2	69.0 %
Specialty Chemicals	Portland & Geelong	1.7	1.6	6.2 %
Manufactured Product		39.8	36.8	8.2 %
Product Sold		126.2	123.0	2.6 %
A\$m				
Industrial Chemicals		34.6	41.3	(16.2)%
Revenue		34.6	41.3	(16.2)%
Industrial Chemicals		12.8	14.2	(9.9)%
EBIT		12.8	14.2	(9.9)%
<i>EBIT margin</i>		37%	34%	

Asia Pacific – Fertilisers

Fertilisers comprised 12% of Asia Pacific EBIT and 5% of Group EBIT.⁷

EBIT Movements

Fertilisers earnings declined \$26.6m or 66% as compared to 1H16 as a result of the following factors:

Cyclical and structural factors:

- **Global Fertiliser Prices:** (\$44.7m) due to lower realised fertiliser prices, including a 19% fall in DAP and a 4% fall in urea prices.
- **Foreign Exchange:** (\$9.3m) due to the strengthening A\$ versus the US\$.
- **Gibson Island Electricity:** (\$4.5m) due to increased electricity costs to the plant.

Operational factors:

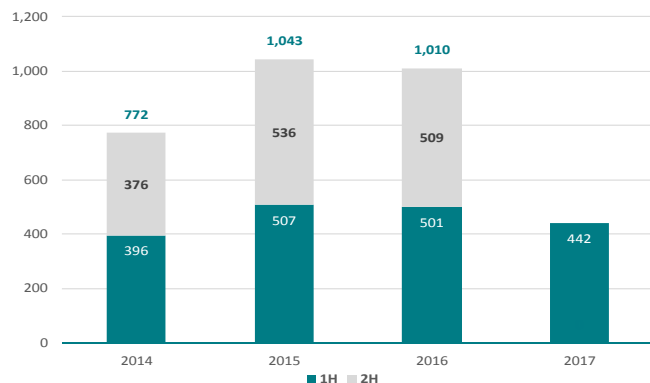
- **Accelerated Maintenance:** (\$5.3m) from the acceleration of maintenance to coincide with below trend DAP prices, resulting in lower production. This was offset by the absence of a train derailment that impacted the prior period's result.
- **Volume and Margin:** \$12.3m through increased volumes. Distribution margins were consistent with the improved levels achieved in FY16.
- **BEx:** \$24.9m.

Manufacturing

Phosphate Hill produced 442.4k mt of ammonium phosphates in the half which, as noted above, included the impact of maintenance that was accelerated to coincide with depressed DAP prices. The plant is expected to produce ~500kt in 2H17 consistent with prior years, which would result in an average ~1,000k mt of production per annum since FY15.

Phosphate Hill Ammonium Phosphate Production

Thousand metric tonnes



Results for the half year ended 31 March 2017

Fertilisers	Plant	Half Year Ended 31 March		
		1H17	1H16	Change %
Thousand metric tonnes				
DAP / MAP	Phosphate Hill	442.4	501.1	(11.7)%
Ammonia	Gibson Island	33.1	42.1	(21.4)%
GranAm	Gibson Island	105.2	69.1	52.2 %
Urea	Gibson Island	97.1	71.0	36.8 %
SSP	Portland & Geelong	158.8	196.7	(19.3)%
Manufactured Product		836.6	880.0	(4.9)%
Product Sold		1,084.4	867.2	25.0 %
A\$m				
Domestic Sales & Marketing		562.2	528.8	6.3 %
International Sales & Marketing		53.5	87.5	(38.9)%
Fertilisers Elimination		(128.5)	(136.4)	5.8 %
Revenue		487.2	479.9	1.5 %
Domestic Sales & Marketing		10.3	32.3	(68.1)%
International Sales & Marketing		4.2	11.4	(63.2)%
Fertilisers Elimination		(0.8)	(3.4)	76.5 %
EBIT		13.7	40.3	(66.0)%
<i>EBIT margin</i>		3%	8%	
Notes				
Ave realised urea (FOB Mid East, US\$/mt)		226.7	236.6	(4.2)%
Ave realised DAP (FOB Tampa, US\$/mt)		316.1	388.0	(18.5)%
Ave realised A\$/US\$ exchange rate		0.748	0.728	

Delivery of gas to Phosphate Hill under the QGC contract secured in FY16 commenced on 1 January 2017, reducing gas costs as compared to 1H16. The PWC contract remains on track to deliver gas from the Northern Territory from 2019.²⁰

Gibson Island electricity costs increased by \$4.5m, the majority of which was caused by an increase in delivered electricity prices.

Domestic Sales & Marketing

EBIT from Domestic Sales & Marketing decreased 68% as compared to 1H16, primarily driven by a decline in fertiliser prices and the strengthening A\$ versus the US\$. These headwinds were partially offset by well above average domestic volume on the back of robust agronomic conditions. These headwinds were also offset by stabilised distribution margins following improvements achieved in FY16.

International Sales & Marketing

EBIT from International Sales & Marketing decreased to \$4.2m also largely due to a decline in fertiliser prices and to the strengthening A\$.

Outlook

The well above average demand experienced in 1H17 is expected to continue into the second half, underpinned by encouraging agronomic conditions and improved water storage levels. Sector demand is likely to also benefit as farms look to replenish nutrient levels as a consequence of the strength of the FY16 harvest and forecast growing conditions.

Fertilisers earnings will continue to be dependent on global fertiliser prices and the A\$/US\$ exchange rate. It should be noted that 31 March 2017 spot prices were above IPL's average realised 2H16 prices as set out on Page 2.

Efforts to secure long-term economic gas to Gibson Island remains a key management focus.²¹

Income Statement

Revenue

Group revenue increased by 1% to \$1,535.7m as compared to \$1,524.0m in 1H16.

EBIT

EBIT ex IMIs increased 23% or \$45.5m to \$242.8m. Underlying movements in EBIT are set out below by Cyclical and Structural Factors and Operational Factors, as well as by business.

Movements in EBIT		
Item	Business	Amount
A\$m		
Cyclical and Structural Factors		
Commodity Prices	Asia Pacific & Americas	(48.5)
Foreign Exchange	Asia Pacific & Americas	(12.4)
Base & Precious Metals and Coal Decline	Americas	(7.2)
Gibson Island Electricity Costs	Asia Pacific	(4.5)
Q&C Growth	Americas	2.7
Total		(69.9)
Operational Factors		
BEx	Asia Pacific & Americas	63.9
Waggaman Earnings	Americas	61.0
Fertiliser Volume and Margin	Asia Pacific	12.3
International	Asia Pacific	0.7
Impacts of Cyclone Debbie	Asia Pacific	(2.6)
Accelerated Phosphate Hill Maintenance offset by 1H16 Train Derailment	Asia Pacific	(5.3)
Moranbah Turnaround	Asia Pacific	(14.5)
Total		115.4
Total Movements in EBIT		45.5

Interest

Underlying interest cost of \$51.5m was \$6.1m above 1H16. Net borrowing costs increased from \$24.4m to \$49.9m mainly as a result of the cessation of interest capitalisation relating to Waggaman.

Tax

Tax expense pre-IMIs increased by \$4.3m to \$39.7m as compared to 1H16, attributable to a corresponding increase in underlying earnings.

IPL's effective tax rate on operating profit for the half was 20.6%, consistent with the 1H16 rate of 20.5%.

NPAT

NPAT ex IMIs of \$152.1m represents an 11% increase versus 1H16.

Income Statement Items	Half Year Ended 31 March		
	1H17	1H16	Change %
A\$m			
Revenue			
Business Revenue			
Asia Pacific	966.7	967.8	(0.1)%
Americas	591.0	580.8	1.8 %
Elimination and Corporate	(22.0)	(24.6)	10.6 %
Group Revenue	1,535.7	1,524.0	0.8 %
Sector Revenue			
Explosives	897.2	934.0	(3.9)%
Industrial Chemicals	127.4	71.4	78.4 %
Fertilisers	533.1	543.3	(1.9)%
Elimination and Corporate	(22.0)	(24.6)	10.6 %
Group Revenue	1,535.7	1,524.0	0.8 %
EBIT			
Business EBIT ex IMIs			
Asia Pacific	118.0	142.5	(17.2)%
Americas	134.0	64.2	108.7 %
Elimination and Corporate	(9.2)	(9.4)	2.1 %
Group EBIT ex IMIs	242.8	197.3	23.1 %
<i>EBIT margin</i>	<i>15.8%</i>	<i>12.9%</i>	
Sector EBIT ex IMIs			
Explosives	161.5	146.6	10.2 %
Industrial Chemicals	75.8	15.8	379.7 %
Fertilisers	14.8	44.4	(66.7)%
Elimination and Corporate	(9.2)	(9.4)	2.1 %
Group EBIT ex IMIs	242.8	197.3	23.1 %
<i>EBIT margin</i>	<i>15.8%</i>	<i>12.9%</i>	
NPAT			
Underlying interest cost	(51.5)	(45.4)	(13.4)%
Non-cash unwinding liabilities	(2.7)	(2.2)	(22.7)%
Total borrowing costs	(54.2)	(47.6)	(13.9)%
Less Capitalised Interest	4.3	23.2	(81.5)%
Net Borrowing Costs	(49.9)	(24.4)	(104.5)%
Tax expense	(39.7)	(35.4)	(12.1)%
Minority interests	(1.1)	(0.4)	(175.0)%
NPAT excluding IMIs	152.1	137.1	10.9 %
IMIs after tax	-	(105.6)	
NPAT	152.1	31.5	382.9 %

Balance Sheet

Assets

- **Trade Working Capital (TWC):** TWC movement primarily reflected the normal seasonal build-up of working capital for Fertilisers and Explosives, build-up of stock for the Moranbah turnaround and inventory at Waggaman.
- **Property, Plant & Equipment (PP&E):** Decreased by \$3.6m to \$3,889.1m as compared to FY16. Significant movements included capital expenditure of \$125.9m, offset by depreciation of \$117.3m. Capital expenditure is described in greater detail on the following page.

Liabilities

- **Tax Liabilities:** Increased by \$48.1m as compared to FY16 to \$463.0m mainly due to increased pre-tax earnings, the impact of the higher A\$ on foreign currency denominated tax liabilities and timing differences between tax and accounting depreciation rates related to property, plant and equipment and intangibles.
- **Net Other Liabilities:** Decreased by \$194.3m as compared to FY16 to \$296.5m mainly due to market value movements of derivative hedging instruments (higher US interest rates), payments against capital commitments, and a decrease in the Group's defined benefit obligation (reflecting the latest actuarial estimates and additional funding contributions).
- **Net Debt:** Net Debt of \$1.7Bn was flat as compared to 1H16, but up relative to FY16 largely due to normal seasonal working capital increases. The fair value of balance sheet hedges as at 31 March 2017 was \$453.2m.

Credit Metrics

- **Net Debt/EBITDA ex IMIs:** Leverage remains inside IPL's target range of $\leq 2.5x$, after US\$804.9m expended to date on Waggaman since 2013 and challenging cyclical conditions.
- **Interest Cover:** Unchanged at 7.9x as compared to FY16.
- **Credit Ratings:** Following the FY16 result, Investment Grade credit ratings were confirmed as follows:
 - **S&P:** BBB revised upward to stable outlook on 6 December 2016.
 - **Moody's:** Baa3 revised upward to positive outlook on 19 January 2017.

Balance Sheet Items

	1H17	FY16	1H16
A\$m			
Assets			
TWC - Fertilisers	60.1	(169.6)	63.0
TWC - Explosives	210.9	120.4	206.7
Group TWC	271.0	(49.2)	269.7
Net PP&E	3,889.1	3,892.7	3,815.6
Intangible assets	3,158.2	3,170.4	3,169.4
Total Assets	7,318.3	7,013.9	7,254.7
Liabilities			
Environmental & restructure provisions	(118.0)	(129.9)	(107.0)
Tax liabilities	(463.0)	(414.9)	(407.6)
Net other liabilities	(296.5)	(490.8)	(442.2)
Net Debt	(1,737.6)	(1,393.8)	(1,739.5)
Total Liabilities	(2,615.1)	(2,429.4)	(2,696.3)
Net Assets	4,703.2	4,584.5	4,558.4
Equity	4,703.2	4,584.5	4,558.4
Key Performance Indicators			
Net Tangible Assets / Share	0.92	0.84	0.82
Fertilisers - Ave TWC % Rev ²²	(0.1)%	(2.4)%	0.7 %
Explosives - Ave TWC % Rev	9.4 %	9.8 %	10.9 %
Group - Average TWC % Rev	5.7 %	5.0 %	6.8 %
Credit Metrics			
Net Debt	(1,737.6)	(1,393.8)	(1,739.5)
Interest Cover	7.9x	7.9x	9.5x
Net debt / LTM EBITDA ex IMIs	2.4x	2.1x	2.1x

Net Debt

	Maturity (CY)	Facility Amount	Drawn Amount	Undrawn Amount
A\$m				
Syndicated Term Loan A	2018	568.0	427.8	140.2
Syndicated Term Loan B	2018	592.7	583.6	9.1
Medium Term Notes	2019	200.0	200.0	0.0
144A/Regulation S Notes	2019	1,046.6	1,046.6	0.0
Syndicated Revolver	2021	654.2	0.0	654.2
Total		3,061.5	2,258.0	803.5
Fair Value and Other Adjustments			5.2	
Loans to JVs, Associates / Other Trade Loans			17.7	
Cash and Cash Equivalents			(90.1)	
Fair Value of Hedges			(453.2)	
Net Debt			1,737.6	
LTM EBITDA ex IMIs			723.3	
Net Debt / LTM EBITDA ex IMIs			2.4x	

Cash Flow

Operating Cash Flow

Operating cash flow decreased to (\$101.0m). Significant movements included:

- **EBITDA ex IMIs:** Increased 16% to \$373.3m.
- **TWC:** TWC movement from 30 September 2016 to 31 March 2017 was \$324.9m, compared with the movement of \$271.7m from 30 September 2015 to 31 March 2016, primarily reflecting a favourable trade working capital balance as at 30 September 2016 resulting from the timing of receivables cash flows. The actual balance at 31 March 2017 of \$271m was virtually flat against the TWC balance at 31 March 2016 (\$269.7m).
- **Net Interest Paid:** Movement in net interest paid (increase of \$22.7m) and capitalised interest paid (decrease of \$18.9m), resulted in a net increase of \$3.8m, due to higher US interest rates and lower interest received on cash deposits.
- **Environmental and Site Clean-up:** Cash costs increased to \$9.4m primarily due to the installation of \$6.0m of abatement equipment at the Louisiana, Missouri plant.
- **Restructuring:** Cash costs were \$26.5 million. The remaining balance to be paid was approximately \$8.0m at 31 March 2017.
- **Other Non-TWC:** Increased \$25.0m, largely as a result of additional contributions of \$20.5m made to the Group's defined benefit plans during the period.

Investing Cash Flow

Net investing cash flows reduced to (\$165.2m) from (\$261.5m) in 1H16. Significant movements included:

- **Major Growth Capital:** Waggaman spend of \$69.7m and \$4.3m of capitalised interest in the half. Total US\$ project cash spend as at 31 March 2017 was US\$804.9m not including capitalised interest of US\$86.2m.
- **Minor Growth Capital:** \$5.7m in the half.
- **Sustenance Capital:** Total spend of \$93.3 included payments relating to the Louisiana, Missouri plant turnaround which commenced in FY16 and initial payments for the 2017 Moranbah turnaround. Sustenance and turnaround expenditure continues to benefit from BEx process improvements including tighter expenditure scoping, improved asset care regimes, and increased focus on sustenance procurement processes.

Financing Cash Flow

Net financing cash outflows increased to (\$77.6m).

Dividends

In May 2017, the Directors of IPL determined to pay an unfranked interim dividend of 4.5 cents per share payable in July 2017. This represents a 50% payout ratio of NPAT ex IMIs.

The Directors also determined to suspend the Dividend Reinvestment Plan until further notice. The Dividend Reinvestment Program will not be available for the 2017 interim dividend.

Cash Flow Items	Half Year Ended 31 March		
	1H17	1H16	% Change
A\$m			
Operating Cash Flows			
Group EBITDA	373.3	322.6	15.7 %
Net interest paid	(43.8)	(21.1)	(107.6)%
Net income tax paid	(11.2)	(60.6)	81.5 %
TWC movement (excluding FX impact)	(324.9)	(271.7)	(19.6)%
Profit from associates	(19.2)	(17.3)	(11.0)%
Dividends received from JVs	19.0	19.2	(1.0)%
Environmental and site clean up	(9.4)	(2.9)	(224.1)%
Restructuring Costs	(26.5)	(0.8)	nm
Other Non TWC	(58.3)	(33.3)	(75.1)%
Operating cash flows	(101.0)	(65.9)	(53.3)%
Investing Cash Flows			
Growth Capex - Louisiana	(69.7)	(128.6)	45.8 %
Growth Capex - Louisiana capitalised interest	(4.3)	(23.2)	81.5 %
Major growth capital	(74.0)	(151.8)	51.3 %
Minor growth capital	(5.7)	(10.3)	44.7 %
Sustenance	(93.3)	(138.5)	32.6 %
Proceeds from asset sales	2.1	0.9	133.3 %
Payments/(repayment) of JV loans	0.7	-	nm
Derivative hedge payments	5.0	38.2	(86.9)%
Investing cash flows	(165.2)	(261.5)	36.8 %
Financing Cash Flows			
Dividends paid	(77.6)	(124.9)	37.9 %
Gain on translation of US\$ Net Debt	3.0	4.5	(33.3)%
Non-cash movement in Net Debt	(3.0)	(2.4)	(25.0)%
Financing cash flows	(77.6)	(122.8)	36.8 %
Change to Net Debt	(343.8)	(450.2)	23.6 %
Opening balance Net Debt	(1,393.8)	(1,289.3)	(8.1)%
Closing balance Net Debt	(1,737.6)	(1,739.5)	0.1 %

Capital Expenditure	Half Year Ended 31 March		
	1H17	1H16	% Change
A\$m			
Major growth capital	(74.0)	(151.8)	51.3 %
Asia Pacific	(0.8)	(5.9)	86.4 %
Americas	(4.9)	(4.4)	(11.4)%
Minor growth capital	(5.7)	(10.3)	44.7 %
Asia Pacific	(63.0)	(87.8)	28.2 %
Americas	(30.3)	(51.1)	40.7 %
Sustenance	(93.3)	(138.5)	32.6 %
Total	(173.0)	(300.6)	42.4 %

Waggaman Investment	Capitalised		
	Capex	Interest	Total
A\$m			
FY12	6.0	-	6.0
FY13	107.3	2.0	109.3
FY14	370.7	17.7	388.4
FY15	218.7	37.7	256.4
FY16	167.2	48.0	215.2
1H17	69.7	4.3	74.0
Total	939.6	109.7	1,049.3
US\$m			
Total	804.9	86.2	891.1

Safety and Sustainability

Zero Harm

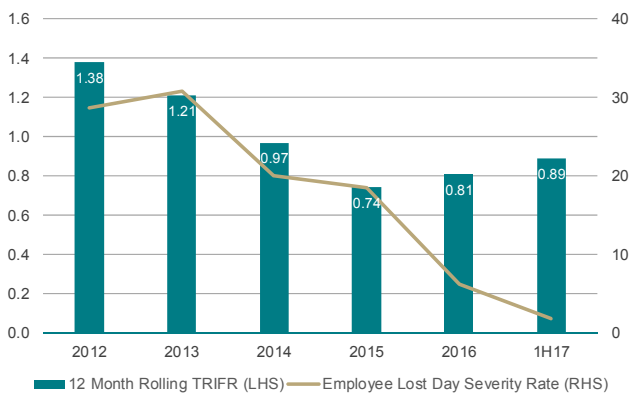
IPL prioritises its “Zero Harm for Everyone, Everywhere” value above all others. It does so through a fully integrated Health, Safety and Environment (HSE) system that provides the foundation for effective identification and management of HSE risks. Central to IPL’s HSE system are the “4Ps”:

- **Passionate Leadership;**
- **People;**
- **Procedures; and**
- **Plant.**

In 2012, IPL adopted a long-term objective of achieving world class safety performance. Among other measures, this included reducing TRIFR to less than 1.0. TRIFR for the 12-month period ended 31 March 2017 was 0.89, representing a 36% reduction since setting the target.

As demonstrated in the chart below, Employee Lost Day Severity Rate also declined significantly over the same period, which included a 93% reduction in 1H17 as compared to 1H16.

TRIFR and Employee Lost Day Severity Rate



Notwithstanding progress to date, IPL will continue to focus on further improvement of its safety performance.

Gender Diversity

IPL continues to make progress on its long-term diversity strategy with the following metrics as of 31 March 2017 versus 2012, which is the base year for comparison.

- **Executive Team:** 33% women from 13%
- **Senior Management:** 27% women from 16% in 2012²³
- **Management:** 22% women from 14% in 2012²⁴
- **Global Workforce:** 16% women from 14% in 2012

Sustainability

IPL’s commitment to operating sustainably is driven by the Company’s values which are core to the way IPL does business. IPL defines Sustainability as “the creation of long term economic value whilst caring for our people, our communities and our environment.”

IPL’s Sustainability Strategy was formally adopted by the Board in September 2010 and reaffirmed following a review in 2014. Environmental, Social and Governance (ESG) considerations material to the sustainability of IPL have been included in its 2016 Annual Report and Sustainability Report.

IPL is a member of the Dow Jones Sustainability Index (DJSI), FTSE4Good Index and ECPI Indices, and is rated by CAER, EcoVadis, MSCI, Sustainalytics and Vigeo EIRIS.

1. Net Debt aggregates interest bearing liabilities plus the fair value of derivative instruments in place economically to hedge the Group's Interest bearing liabilities, less available cash and cash equivalents.
2. TRIFR calculated as the number of recordable injuries per 200,000 hours worked; includes contractors. TRIFR results are subject to finalisation of the classification of any pending incidents.
3. Employee Lost Day Severity Rate calculated as the number of employee lost work days per 200,000 hours worked represented in days; does not include contractors.
4. Tier 1 and Tier 2 process safety events as defined by the Center for Chemical Process Safety. 12-month statistics shown, as dataset for longer periods is not available.
5. BEx = Business Excellence, IPL's productivity improvement system based on the Toyota Production System; net of annual cost escalation of \$45m per Annum.
6. Interest Cover = Average 12 month rolling EBITDA / net interest expense before accounting adjustments.
7. Excludes corporate elimination of (\$9.2m).
8. Source: Bloomberg.
9. DAP: Diammonium Phosphate; FOB: Free On Board.
10. Based on 165,000mt of urea equivalent sales (St Helens nameplate).
11. Based on actual FY16 Americas EBIT of US\$118.2m and an average realised exchange rate of A\$/US\$ 0.7359.
12. Based on 640,000 mt of ammonia sales (80% Waggaman nameplate capacity); CFR: Cost and Freight.
13. Based on 347,000 mt of urea equivalent sales (Gibson Island actual FY16 sales) at FY16 average realised exchange rate of A\$/US\$ 0.7393.
14. Based on 1,017,300 mt of ammonium phosphate sales (Fertilisers actual FY16 sales) and FY16 average realised exchange rate of A\$/US\$ 0.7393.
15. Based on ammonium phosphate and urea volumes and prices noted in footnotes 13 and 14, excluding impact of hedging.
16. Ammonium nitrate expressed as 100% ammonium nitrate solution throughout report.
17. Excludes delivery cost of US\$0.15 per mmbtu.
18. UAN: Urea ammonium nitrate.
19. DEF: Diesel Exhaust Fluid.
20. Refer to disclosures provided in IPL's FY16 Profit Report.
21. Refer to disclosures provided in IPL's 1H16 Profit Report.
22. Average TWC as %Revenue = 13 month average trade working capital / annual revenue.
23. Executive Team +1.
24. Executive Team +1, 2 and 3.

Appendix A – Fertilisers Reconciliation

IPF and SCI	Half Year Ended 31 March		
	1H17	1H16	% Change
A\$m			
Phosphate Hill	192.6	265.5	(27.5)%
Quantum Fertilisers	4.7	3.3	42.4 %
Industrials & Trading	46.4	50.7	(8.5)%
SCI	243.7	319.5	(23.7)%
IPF	406.6	338.0	20.3 %
Elimination	(120.9)	(130.1)	(7.1)%
Revenue	529.4	527.4	0.4 %
Phosphate Hill	(13.0)	27.5	(147.3)%
Quantum Fertilisers	4.1	1.4	192.9 %
Industrials & Trading	20.5	14.4	42.4 %
SCI	11.6	43.3	(73.2)%
IPF	15.6	14.5	7.6 %
Elimination	(0.8)	(3.4)	(76.5)%
EBIT	26.4	54.4	(51.5)%



Asia Pacific - Fertilisers	Half Year Ended 31 March		
	1H17	1H16	% Change
A\$m			
Phosphate Hill	192.6	265.5	(27.5)%
Quantum Fertilisers	4.7	3.3	42.4 %
Industrials & Trading	11.8	9.4	(8.5)%
	209.1	278.2	(24.8)%
IPF	406.6	338.0	20.3 %
Elimination	(120.9)	(130.1)	(7.1)%
Revenue	494.8	486.1	1.8 %
Phosphate Hill	(13.0)	27.5	(147.3)%
Quantum Fertilisers	4.1	1.4	192.9 %
Industrials & Trading	7.7	0.2	nm
	(1.2)	29.1	(104.1)%
IPF	15.6	14.5	7.6 %
Elimination	(0.8)	(3.4)	(76.5)%
EBIT	13.6	40.2	(66.2)%

Asia Pacific - Industrial Chemicals	Half Year Ended 31 March		
	1H17	1H16	% Change
A\$m			
Industrials & Trading	34.6	41.3	(16.2)%
	34.6	41.3	(16.2)%
Revenue	34.6	41.3	(16.2)%
Industrials & Trading	12.8	14.2	(9.9)%
	12.8	14.2	(9.9)%
EBIT	12.8	14.2	(9.9)%

INCITEC PIVOT LIMITED FINANCIAL PERFORMANCE	March 2017 HY \$mill	September 2016 FY \$mill	September 2016 HY \$mill	March 2016 HY \$mill	September 2015 FY \$mill	September 2015 HY \$mill	March 2015 HY \$mill	September 2014 FY \$mill	September 2014 HY \$mill	March 2014 HY \$mill	September 2013 FY \$mill	September 2013 HY \$mill
VOLUMES ('000's tonnes)												
Incitec Pivot Fertilisers	880.1	1,812.9	1,197.5	615.4	1,926.2	1,110.2	816.0	1,850.5	1,025.0	825.5	2,005.0	1,311.9
Southern Cross International												
Manufactured AP's	409.0	1,017.3	553.2	464.1	1,045.6	571.8	473.8	775.0	404.0	371.0	790.0	460.0
Traded & Non-AP's	53.3	78.6	45.0	33.6	51.8	15.8	36.0	113.7	81.7	32.0	121.0	72.1
Industrial Chemicals	126.2	248.0	125.0	123.0	252.3	127.3	125.0	282.8	153.8	129.0	295.0	147.0
Quantum	475.6	904.1	430.9	473.2	1,407.2	862.6	544.6	996.2	589.4	406.8	1,077.1	767.3
Intercompany Eliminations	(258.0)	(347.5)	(101.6)	(245.9)	(424.4)	(105.4)	(319.0)	(338.0)	(85.0)	(253.0)	(360.0)	(162.0)
BUSINESS SEG SALES												
Incitec Pivot Fertilisers	406.6	906.1	568.1	338.0	1,034.5	606.9	427.6	953.2	540.2	413.0	1,095.4	704.2
Southern Cross International	243.7	631.8	312.3	319.5	755.2	412.6	342.6	542.8	285.9	256.9	562.9	313.5
Fertilisers Eliminations	(120.9)	(196.0)	(65.9)	(130.1)	(278.8)	(72.1)	(206.7)	(194.4)	(51.6)	(142.8)	(192.9)	(87.0)
Total Fertilisers	529.4	1,341.9	814.5	527.4	1,510.9	947.4	563.5	1,301.6	774.5	527.1	1,465.4	930.7
Dyno Nobel Asia Pacific	444.9	920.8	474.1	446.7	910.8	483.1	427.7	897.0	463.3	433.7	862.3	467.0
Elimination	(7.6)	(14.9)	(8.6)	(6.3)	(14.5)	(10.5)	(4.0)	(13.0)	(6.5)	(6.5)	(18.3)	(4.3)
Total Asia Pacific	966.7	2,247.8	1,280.0	967.8	2,407.2	1,420.0	987.2	2,185.6	1,231.3	954.3	2,309.4	1,393.4
Americas - Dyno Nobel Americas	591.0	1,150.6	569.8	580.8	1,268.7	644.4	624.3	1,205.2	631.1	574.1	1,127.7	601.4
Group Eliminations	(22.0)	(44.7)	(20.1)	(24.6)	(32.6)	(16.0)	(16.6)	(38.8)	(18.8)	(20.0)	(33.4)	(18.0)
Total Sales - IPL Group	1,535.7	3,353.7	1,829.7	1,524.0	3,643.3	2,048.4	1,594.9	3,352.0	1,843.6	1,508.4	3,403.7	1,976.8
GEOGRAPHIC SEG SALES												
Australia	915.4	2,151.5	1,247.8	903.7	2,306.4	1,365.6	940.8	2,070.3	1,173.6	896.7	2,189.5	1,326.5
North America	552.7	1,067.5	532.5	535.0	1,203.7	611.3	592.4	1,136.5	595.9	540.1	1,064.1	571.8
Turkey	29.2	57.9	25.9	32.0	63.9	33.0	30.9	79.0	38.0	41.0	80.9	45.5
Other	38.4	76.8	23.5	53.3	69.3	38.5	30.8	66.7	36.1	30.6	69.2	33.0
Total - IPL Group	1,535.7	3,353.7	1,829.7	1,524.0	3,643.3	2,048.4	1,594.9	3,352.0	1,843.6	1,508.4	3,403.7	1,976.8
BUSINESS SEG EBITDA (excluding IMIs)												
Incitec Pivot Fertilisers	29.1	71.2	41.4	29.8	82.2	46.3	35.9	134.1	86.2	47.9	129.2	87.8
Southern Cross International	30.6	98.3	35.0	63.3	211.6	119.4	92.2	105.8	56.1	49.7	97.5	59.4
Fertilisers Eliminations	(0.8)	2.1	5.5	(3.4)	(1.1)	33.5	(34.6)	0.1	20.5	(20.4)	3.0	4.1
Total Fertilisers	58.9	171.6	81.9	89.7	292.7	199.2	93.5	240.0	162.8	77.2	229.7	151.3
Dyno Nobel Asia Pacific	131.9	267.6	139.4	128.2	271.6	140.3	131.3	277.2	151.3	125.9	201.0	114.3
Total Asia Pacific	190.8	439.2	221.3	217.9	564.3	339.5	224.8	517.2	314.1	203.1	430.7	265.6
Americas - Dyno Nobel Americas	191.1	253.5	140.3	113.2	280.7	158.2	122.5	255.6	141.2	114.4	244.9	133.6
Group Elimination	(0.6)	1.5	0.1	1.4	1.6	1.4	0.2	1.5	1.2	0.3	(1.1)	(0.4)
Corporate	(8.0)	(21.6)	(11.7)	(9.9)	(21.0)	(10.8)	(10.2)	(31.6)	(16.4)	(15.2)	(29.3)	(6.2)
Total EBITDA (excluding IMIs) - IPL Group	373.3	672.6	350.0	322.6	825.6	488.3	337.3	742.7	440.1	302.6	645.2	392.6
BUSINESS SEG Depreciation and Amortisation												
Incitec Pivot Fertilisers	(13.5)	(26.9)	(11.6)	(15.3)	(31.9)	(15.0)	(16.9)	(30.4)	(14.8)	(15.6)	(34.2)	(17.6)
Southern Cross International	(19.0)	(40.5)	(20.5)	(20.0)	(36.7)	(19.1)	(17.6)	(26.2)	(14.4)	(11.8)	(27.2)	(14.3)
Total Fertilisers	(32.5)	(67.4)	(32.1)	(35.3)	(68.6)	(34.1)	(34.5)	(56.6)	(29.2)	(27.4)	(61.4)	(31.9)
Dyno Nobel Asia Pacific	(40.3)	(81.5)	(41.4)	(40.1)	(78.9)	(40.1)	(38.8)	(73.9)	(38.6)	(35.3)	(38.7)	(25.0)
Total Asia Pacific	(72.8)	(148.9)	(73.5)	(75.4)	(147.5)	(74.2)	(73.3)	(130.5)	(67.8)	(62.7)	(100.1)	(56.9)
Americas - Dyno Nobel Americas	(57.1)	(93.9)	(44.9)	(49.0)	(99.0)	(51.9)	(47.1)	(89.9)	(44.4)	(45.5)	(81.7)	(43.3)
Group Elimination	(0.6)	1.5	0.1	1.4	1.6	1.4	0.2	1.5	1.2	0.3	(1.1)	(0.4)
Corporate	(8.0)	(21.6)	(11.7)	(9.9)	(21.0)	(10.8)	(10.2)	(31.6)	(16.4)	(15.2)	(29.3)	(6.2)
Total Depreciation and Amortisation - IPL Group	(130.5)	(244.5)	(119.2)	(125.3)	(249.1)	(127.4)	(121.7)	(223.3)	(113.8)	(109.5)	(183.7)	(101.2)
BUSINESS SEG EBIT (excluding IMIs)												
Incitec Pivot Fertilisers	15.6	44.3	29.8	14.5	50.3	31.3	19.0	103.7	71.4	32.3	95.0	70.2
Southern Cross International	11.6	57.8	14.5	43.3	174.9	100.3	74.6	79.6	41.7	37.9	70.3	45.1
Fertilisers Eliminations	(0.8)	2.1	5.5	(3.4)	(1.1)	33.5	(34.6)	0.1	20.5	(20.4)	3.0	4.1
Fertilisers	26.4	104.2	49.8	54.4	224.1	165.1	59.0	183.4	133.6	49.8	168.3	119.4
Dyno Nobel Asia Pacific	91.6	186.1	98.0	88.1	192.7	100.2	92.5	203.3	112.7	90.6	162.3	89.3
Total Asia Pacific	118.0	290.3	147.8	142.5	416.8	265.3	151.5	386.7	246.3	140.4	330.6	208.7
Americas - Dyno Nobel Americas	134.0	159.6	95.4	64.2	181.7	106.3	75.4	165.7	96.8	68.9	163.2	90.3
Group Elimination	(0.6)	1.5	0.1	1.4	1.6	1.4	0.2	1.5	1.2	0.3	(1.1)	(0.4)
Corporate	(8.6)	(23.3)	(12.5)	(10.8)	(23.6)	(12.1)	(11.5)	(34.5)	(18.0)	(16.5)	(31.2)	(7.2)
Total EBIT (excluding IMIs) - IPL Group	242.8	428.1	230.8	197.3	576.5	360.9	215.6	519.4	326.3	193.1	461.5	291.4
GEOGRAPHIC SEG NON-CURRENT ASSETS OTHER THAN FINANCIAL INSTRUMENTS AND DEFERRED TAX ASSETS												
Australia	3,536.3	3,568.2	3,568.2	3,594.7	3,759.5	3,759.5	3,778.0	3,801.4	3,801.4	3,741.2	3,737.5	3,737.5
North America	3,754.1	3,763.0	3,763.0	3,657.6	3,885.4	3,885.4	3,431.8	2,925.8	2,925.8	2,606.2	2,420.3	2,420.3
Turkey	1.2	1.4	1.4	1.3	1.3	1.3	-	-	-	43.3	46.1	46.1
Other	138.1	132.0	132.0	131.2	111.7	111.7	111.4	115.1	115.1	106.3	102.3	102.3
Total - IPL Group	7,429.7	7,464.6	7,464.6	7,384.8	7,757.9	7,757.9	7,321.2	6,842.3	6,842.3	6,497.0	6,306.2	6,306.2
FINANCIAL PERFORMANCE												
EBIT	242.8	428.1	230.8	197.3	576.5	360.9	215.6	519.4	326.3	193.1	461.5	291.4
Net Interest	(49.9)	(50.2)	(25.8)	(24.4)	(68.8)	(39.8)	(29.0)	(76.9)	(34.0)	(42.9)	(71.2)	(44.8)
Operating Profit Before Tax and Minorities	192.9	377.9	205.0	172.9	507.7	321.1	186.6	442.5	292.3	150.2	390.3	246.6
Income Tax Expense	(39.7)	(81.4)	(46.0)	(35.4)	(108.8)	(68.7)	(40.1)	(85.1)	(50.6)	(34.5)	(96.2)	(60.4)
NPAT pre Individually Material Items	153.2	296.5	159.0	137.5	398.9	252.4	146.5	357.4	241.7	115.7	294.1	186.2
Individually Material Items Before Tax	-	(241.3)	(90.5)	(150.8)	-	-	-	(130.8)	(130.8)	-	(41.5)	(41.5)
Tax effect of Individually Material Items	-	74.2	29.0	45.2	-	-	-	21.6	21.6	-	115.1	115.1
NPAT & Individually Material Items	153.2	129.4	97.5	31.9	398.9	252.4	146.5	248.2	132.5	115.7	367.7	259.8
NPAT attributable to shareholders of IPL	152.1	128.1	96.6	31.5	398.6	252.2	146.4	247.1	131.4	115.7	367.1	259.3
NPAT attributable to minority interest	1.1	1.3	0.9	0.4	0.3	0.2	0.1	1.1	1.1	-	0.6	0.5

INCITEC PIVOT LIMITED FINANCIAL POSITION	March 2017 HY \$mill	September 2016 FY \$mill	September 2016 HY \$mill	March 2016 HY \$mill	September 2015 FY \$mill	September 2015 HY \$mill	March 2015 HY \$mill	September 2014 FY \$mill	September 2014 HY \$mill	March 2014 HY \$mill	September 2013 FY \$mill	September 2013 HY \$mill
Cash	90.1	427.1	427.1	83.0	606.3	606.3	91.5	70.5	70.5	68.7	270.6	270.6
Inventories	496.8	405.7	405.7	534.6	401.3	401.3	544.6	434.1	434.1	509.7	435.6	435.6
Trade Debtors	306.6	210.3	210.3	333.8	274.3	274.3	310.4	241.7	241.7	332.1	331.3	331.3
Trade Creditors	(532.4)	(665.2)	(665.2)	(598.7)	(667.9)	(667.9)	(560.0)	(614.6)	(614.6)	(559.5)	(729.6)	(729.6)
<i>Trade Working Capital</i>	<i>271.0</i>	<i>(49.2)</i>	<i>(49.2)</i>	<i>269.7</i>	<i>7.7</i>	<i>7.7</i>	<i>295.0</i>	<i>61.2</i>	<i>61.2</i>	<i>282.3</i>	<i>37.3</i>	<i>37.3</i>
Net Property, Plant & Equipment	3,889.1	3,892.7	3,892.7	3,815.6	4,003.6	4,003.6	3,755.8	3,511.4	3,511.4	3,235.2	3,033.5	3,033.5
Intangibles	3,158.2	3,170.4	3,170.4	3,169.4	3,346.3	3,346.3	3,194.1	2,992.3	2,992.3	2,949.0	2,961.0	2,961.0
Net Other Assets	(424.3)	(567.1)	(567.1)	(492.0)	(722.0)	(722.0)	(576.1)	(485.5)	(485.5)	(408.6)	(428.5)	(428.5)
Net Interest Bearing Liabilities												
Current	(17.7)	(11.1)	(11.1)	(17.7)	(747.1)	(747.1)	(669.9)	(33.9)	(33.9)	(35.3)	(33.5)	(33.5)
Non-Current	(2,263.2)	(2,278.3)	(2,278.3)	(2,269.6)	(1,806.6)	(1,806.6)	(1,599.1)	(1,709.0)	(1,709.0)	(1,805.8)	(1,620.6)	(1,620.6)
Net Assets	4,703.2	4,584.5	4,584.5	4,558.4	4,688.2	4,688.2	4,491.3	4,407.0	4,407.0	4,285.5	4,219.8	4,219.8
Total Equity	4,703.2	4,584.5	4,584.5	4,558.4	4,688.2	4,688.2	4,491.3	4,407.0	4,407.0	4,285.5	4,219.8	4,219.8
Capital Expenditure (Accruals Basis)												
Total Capital Expenditure	125.9	439.0	204.8	234.2	408.8	228.9	179.9	664.4	355.1	309.3	419.7	294.4
Depreciation and amortisation	130.5	244.5	119.2	125.3	249.1	127.4	121.7	223.3	113.8	109.5	183.7	101.2
Ratios												
EPS, cents pre individually material items	9.0	17.5	9.4	8.1	23.8	15.0	8.8	21.7	14.6	7.1	18.0	11.4
EPS, cents post individually material items	9.0	7.6	5.7	1.9	23.8	15.0	8.8	15.0	7.9	7.1	22.5	15.9
DPS, cents	4.5	8.7	4.6	4.1	11.8	7.4	4.4	10.8	7.3	3.5	9.2	5.8
Franking, %	0%	47%	0%	100%	38%	60%	0%	31%	10%	75%	75%	75%
Interest Cover (times)	7.9	7.9	7.9	9.5	9.7	9.7	9.6	9.1	9.1	7.5	6.2	6.2

INCCITEC PIVOT LIMITED CASH FLOWS	March 2017 HY \$mill Inflows/ (Outflows)	September 2016 FY \$mill Inflows/ (Outflows)	September 2016 HY \$mill Inflows/ (Outflows)	March 2016 HY \$mill Inflows/ (Outflows)	September 2015 FY \$mill Inflows/ (Outflows)	September 2015 HY \$mill Inflows/ (Outflows)	March 2015 HY \$mill Inflows/ (Outflows)	September 2014 FY \$mill Inflows/ (Outflows)	September 2014 HY \$mill Inflows/ (Outflows)	March 2014 HY \$mill Inflows/ (Outflows)	September 2013 FY \$mill Inflows/ (Outflows)	September 2013 HY \$mill Inflows/ (Outflows)
Net operating cash flows												
Group EBITDA	373.3	672.6	350.0	322.6	825.6	488.3	337.3	742.7	440.1	302.6	645.2	390.2
Net interest paid	(43.8)	(41.9)	(20.8)	(21.1)	(54.5)	(31.5)	(23.0)	(57.7)	(28.1)	(29.6)	(70.9)	(48.4)
Net income tax (paid) / refund	(11.2)	(61.7)	(21.1)	(60.6)	(15.7)	6.3	(22.0)	1.5	7.5	(6.0)	(67.1)	(38.1)
TWC movement (excluding FX impact)	(324.9)	39.2	310.9	(271.7)	59.4	290.1	(230.7)	(52.6)	191.8	(244.3)	140.6	361.6
Dyno Nobel profit from joint ventures and associates	(19.2)	(35.9)	(18.6)	(17.3)	(38.2)	(24.1)	(14.1)	(33.3)	(17.4)	(15.9)	(33.5)	(18.4)
Dividends received from joint ventures and associates	19.0	35.6	16.4	19.2	37.0	28.9	8.1	23.7	9.6	14.1	43.0	22.6
Environmental and site clean up	(9.4)	(5.4)	(2.5)	(2.9)	(7.4)	(4.5)	(2.9)	(16.9)	(3.5)	(13.4)	(23.8)	(14.8)
Other non-TWC	(84.8)	(7.2)	26.9	(34.1)	(50.0)	(13.8)	(36.2)	(72.3)	(24.9)	(47.4)	(19.0)	24.4
Operating cash flows	(107.0)	575.3	647.2	(65.9)	796.2	738.7	16.5	535.2	575.1	(38.9)	614.5	679.1
Net investing cash flows												
Growth - Louisiana ammonia project	(69.7)	(167.2)	(38.6)	(128.6)	(218.7)	(88.8)	(129.9)	(370.7)	(194.0)	(176.7)	(107.3)	(107.3)
Growth - Louisiana ammonia project capitalised interest	(4.3)	(48.0)	(24.8)	(23.2)	(37.7)	(19.8)	(17.9)	(17.7)	(12.0)	(5.7)	(2.0)	(2.0)
Growth - Other	(5.7)	(29.8)	(19.5)	(10.3)	(16.4)	(12.3)	(4.1)	(17.1)	(7.0)	(10.1)	(99.7)	(38.1)
Growth - Moranbah	-	-	-	-	-	-	-	-	-	-	(15.0)	-
Growth - Moranbah capitalised interest	-	-	-	-	-	-	-	-	-	-	(40.4)	(13.3)
Sustenance	(93.3)	(190.5)	(52.0)	(138.5)	(100.0)	(42.1)	(57.9)	(256.9)	(143.6)	(113.3)	(169.7)	(109.2)
Proceeds from asset sales	2.1	1.2	0.3	0.9	7.0	1.9	5.1	24.4	10.4	14.0	24.0	1.4
Banked Gas	-	-	-	-	-	-	-	-	-	-	(18.1)	-
Other	5.7	(46.1)	(84.3)	38.2	(132.4)	(120.2)	(12.2)	0.3	(1.1)	1.4	38.8	22.2
Investing cash flows	(165.2)	(480.4)	(218.9)	(261.5)	(498.2)	(287.3)	(216.9)	(637.7)	(347.3)	(290.4)	(389.4)	(246.3)
Net financing cash flows												
Dividends paid	(77.6)	(193.8)	(68.9)	(124.9)	(96.4)	(34.8)	(61.6)	(85.1)	(30.2)	(54.9)	(203.6)	(55.4)
Gain/(Loss) on translation of US\$ Debt (incl fair value adjustments)	-	(5.6)	(7.7)	2.1	29.1	1.9	27.2	(6.6)	(13.9)	7.3	(69.9)	(77.8)
Realised market value gains/(losses) on derivatives	-	-	-	-	-	-	-	(8.3)	(0.2)	(8.1)	1.7	0.5
Financing cash flows	(77.6)	(199.4)	(76.6)	(122.8)	(67.3)	(32.9)	(34.4)	(100.0)	(44.3)	(55.7)	(271.8)	(132.7)
(Increase)/decrease in net debt	(343.9)	(104.5)	345.7	(450.2)	190.7	425.5	(234.9)	(202.5)	183.5	(386.0)	(46.7)	300.1