2017 FULL YEAR RESULTS

6 November 2017

Alberto Calderon, Managing Director and CEO
Tom Schutte, Chief Financial Officer

DISCLAIMER

Forward looking statements

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Non-International Financial Reporting Standards (Non-IFRS) information

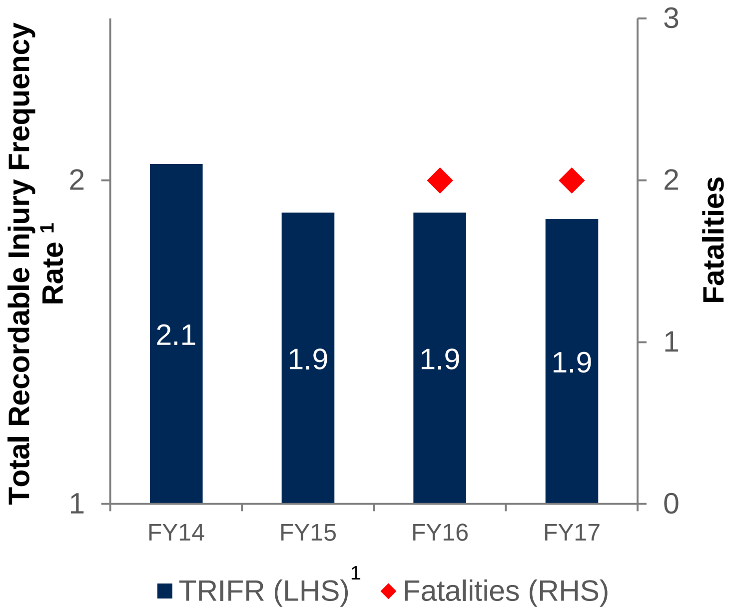
This presentation makes reference to certain non-IFRS financial information. This information is used by management to measure the operating performance of the business and has been presented as this may be useful for investors. This information has not been reviewed by the Group's auditor. Refer to slide 34 for a reconciliation of IFRS compliant statutory net profit after tax to EBITDA. Forecast information has been estimated on the same measurement basis as actual results.

AGENDA

Overview	**Alberto Calderon** Managing Director & CEO
Financial Performance	**Tom Schutte** Chief Financial Officer
Business Improvement Initiatives	**Alberto Calderon** Managing Director & CEO
Outlook	**Alberto Calderon** Managing Director & CEO
Questions	

SAFETY AND ENVIRONMENT
SAFETY REMAINS ORICA'S TOP PRIORITY

Safety performance



- Two fatalities during the year
- Major Hazards Initiative (MHI) program initiated and good progress made:
  - Achieved >99% verification of prioritised key controls
  - Control verifications completed in Latin America and Continuous Manufacturing
  - Preliminary findings and actions post Gyttorp fatality being actioned
  - All levels of leadership actively involved demonstrating "visible and felt" leadership
- Total Recordable Injury Frequency at comparable industry benchmark[1]
- Climate Change Policy launched
  - Reducing emissions at major production facilities and planning for a low carbon future

Safety is our priority. Always.

1. Total Recordable Injury Frequency Rate (TRIFR) represents total number of recordable cases per 1 million hours worked
   – Safety Spotlight: ASX 100 Companies & More–Citi Research September 2016

RESULTS SUMMARY

FOCUS AND DISCIPLINED APPROACH DRIVES SOUND RESULT

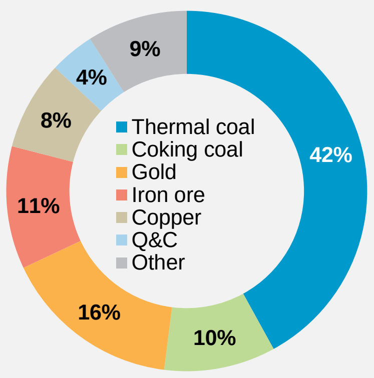
- **Total AN product volumes** of 3.65 million tonnes (pcp: 3.54 million tonnes)
- **Stabilised underlying EBIT** of $635 million (pcp: $642 million)
  - EBIT margin of 12.6% (pcp: 12.6%)
- **Underlying EBITDA** of $896 million (pcp: $908 million)
- **Net Profit After Tax (NPAT)**[1] of $386 million (pcp: $389 million)
  - Statutory net profit after tax[2] of $386 million (pcp: $343 million)
- **Net business improvement initiatives** of $127 million
  - FY17 headwinds offset by new business improvement initiatives
- **Capital Expenditure** of $306 million (pcp: $263 million)
- **Gearing** further reduced to 32.7% (pcp: 35.8%)
- **Return on Net Assets** of 13.7% (pcp: 12.8%)
- **Final dividend of 28 cents per share**
  - Total dividend per share for the year of 51.5 cents, increase of 4% from pcp; payout ratio of 50%

1. Equivalent to profit after income tax expense before individually material items attributable to shareholders of Orica Limited disclosed in Note 1(b) within Appendix 4E – Preliminary Final Report
2. Net profit for the year attributable to shareholders of Orica Limited in the Income Statement of Appendix 4E – Preliminary Final Report.

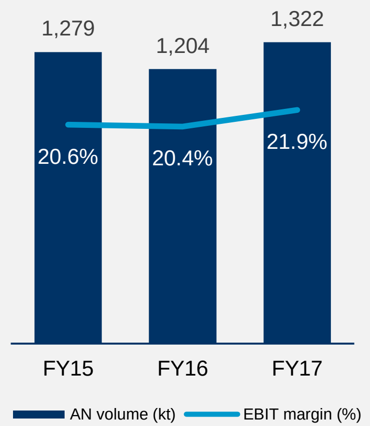
Note: all comparisons are to the prior corresponding period unless stated otherwise

AUSTRALIA, PACIFIC & INDONESIA
TURNAROUND IN REVENUE AND EBIT

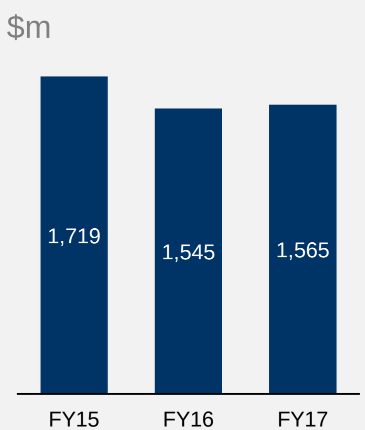
Revenue by commodity[1]



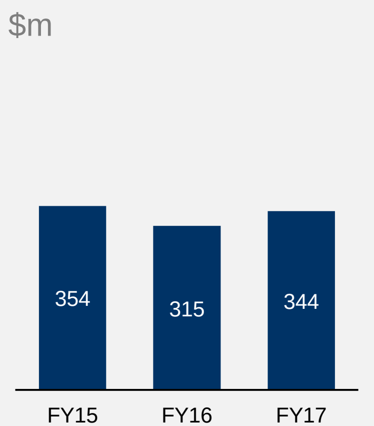
AN volume & EBIT margin



Revenue



EBIT



- AN volume up 10%
  - Improved volume from normalisation of mine plans and strip ratios
  - Volume growth across the Pilbara and Indonesian regions and east coast coal markets
- 10% increase in Electronic Blasting System (EBS) volumes
- EBIT up 9%
  - Business improvement initiatives, impact of higher volumes and lower ammonia prices offset impact of higher gas costs for KI and lower cyanide margins
  - AN market prices stabilised over the past 6 months
- EBIT margin of 22%, up from 20%
- Burrup plant commissioned
  - Environmental management plan approvals complete

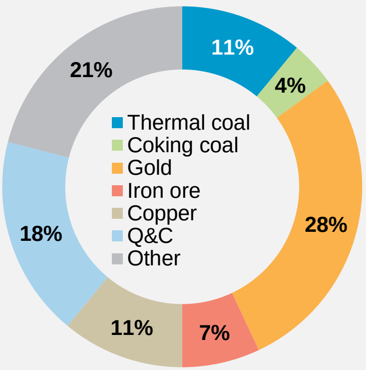
1. Based on FY17 revenue. Note: all comparisons are to the prior corresponding period unless stated otherwise

NORTH AMERICA

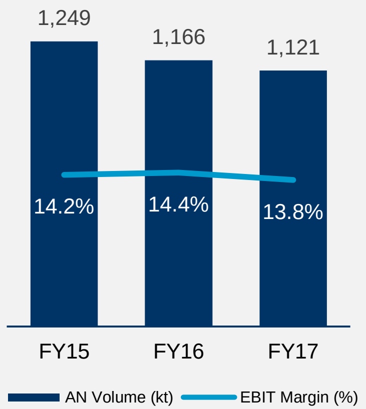
BUSINESS INITIATIVES OFFSET COST HEADWINDS

Revenue by commodity[1]

%

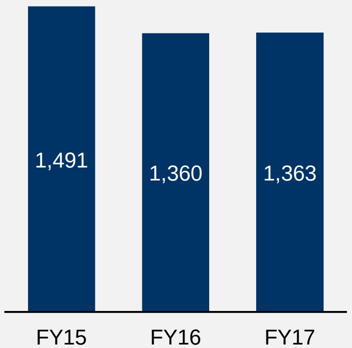


AN volume & EBIT margin



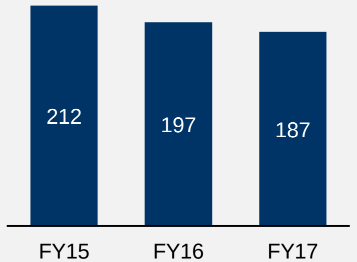
Revenue

$m



EBIT

$m

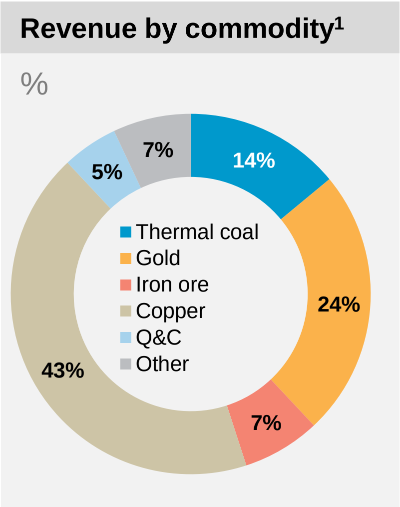


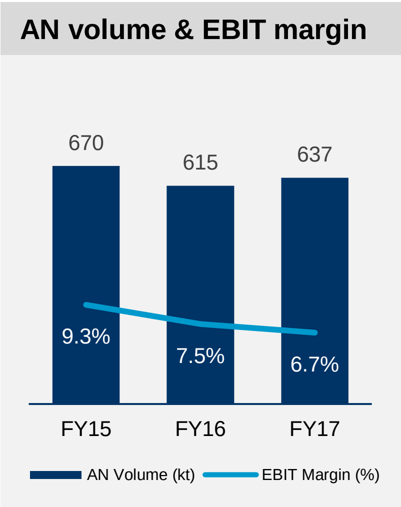
- AN volumes marginally lower
  - Quarry & construction (Q&C) markets continue to remain strong
  - Improved volumes in Canada and Mexico
  - Lower indirect channel volumes
- EBS volumes up 12%
- EBIT marginally lower
  - Business improvement initiatives offset previously flagged input cost headwinds and unfavourable FX
  - Delayed Carseland shutdown impact due to extended closure of third-party supplier's plant
  - EBIT up 3% without FX and Carseland impact
- EBIT margin lower

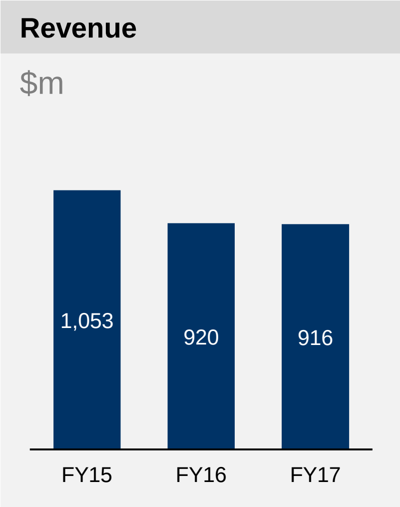
1. Based on FY17 revenue.   Note: all comparisons are to the prior corresponding period unless stated otherwise

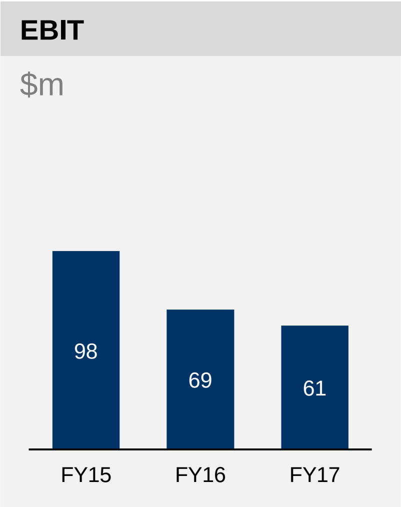
LATIN AMERICA

REVENUE AND EBIT RECOVERY IN SECOND HALF









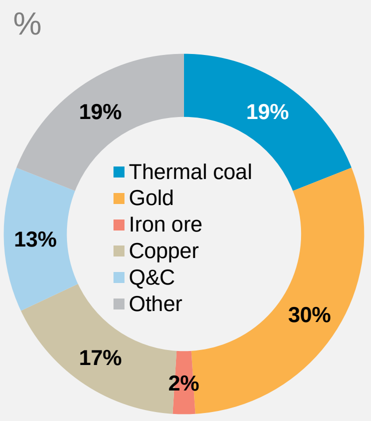
- AN volume up 4%
  - Higher volumes from mine plan changes and new business in Colombia, offset by lower demand in Peru
- EBS sales up 15%
- Cyanide volume up from pcp
- EBIT down 11%
  - Strong recovery in second half with EBIT in line with 2H16, following impact of fatality and consequential sourcing costs
  - Business improvement initiatives partially offset continued impact of pricing pressure on explosives and cyanide
- EBIT margin lower

1. Based on FY17 revenue. Note: all comparisons are to the prior corresponding period unless stated otherwise

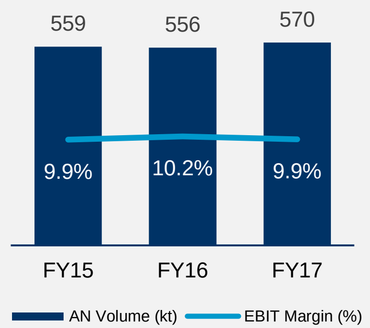
EUROPE, AFRICA & ASIA

UNDERLYING GROWTH OFFSET BY SAFETY IMPACT

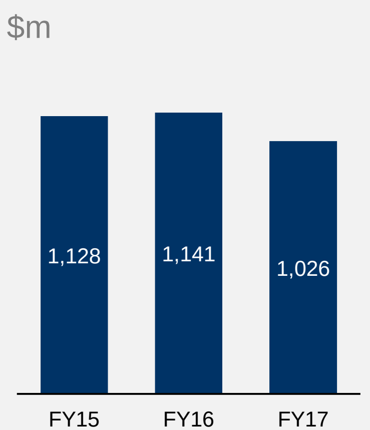
Revenue by commodity[1]



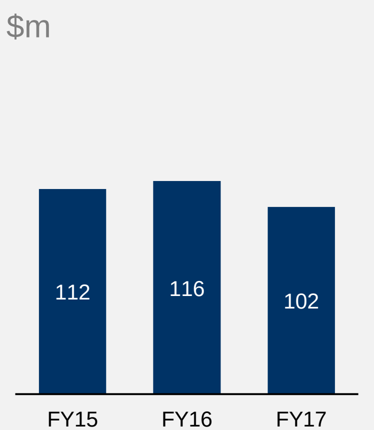
AN volume & EBIT margin



Revenue



EBIT



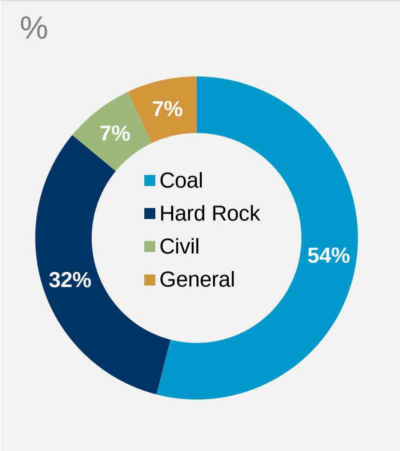
- AN volumes up 3%
  - Strong growth in CIS and Western Europe offset by reduced volumes in tunnelling and the Philippines
- Improved EBS volumes in second half
- EBIT down 13%
  - Strong underlying growth predominantly in CIS and Africa
  - Offset by one off costs associated with the Gyttorp fatality, lower tunnelling activity in Asia and divestment of business in 2016
  - Business improvement initiatives, including product rationalisation and supplier renegotiations reduce operational cost base
- EBIT margin lower

1. Based on FY17 revenue.

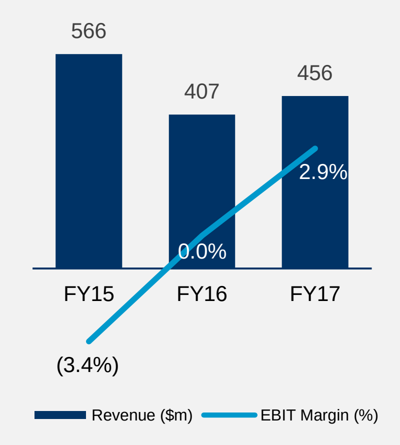
Note: all comparisons are to the prior corresponding period unless stated otherwise

MINOVA
TURNAROUND CONTINUES BUT SLOWER THAN EXPECTED

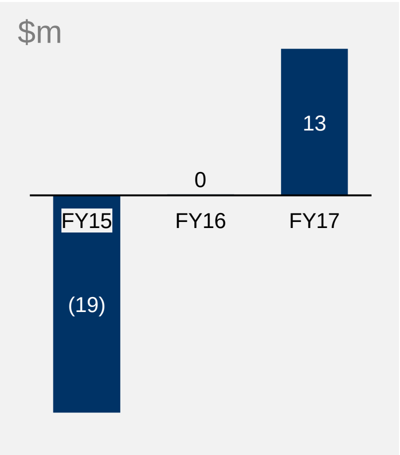
Revenue by sector[1]



Revenue & EBIT Margin



EBIT



- Revenue up 12%
  - Improved steel and resins volumes in hard rock and coal business in Australia
  - Improved volumes in construction in North America
  - Lower demand in Europe from rationalisation of the coal industry in Poland, the UK and Germany
- EBIT of $13 million
  - Improved EBIT but at a slower pace than expected
  - Australia Pacific: strong demand for resins products and profit from divestment of business in China in first half
  - North America: challenging conditions in coal market constraining margins
  - Higher labour costs in new segment expansions and restructuring costs

1. Based on FY17 revenue. Note: all comparisons are to the prior corresponding period unless stated otherwise

Mobile Manufacturing Unit (MMU), Malaysia

FINANCIAL PERFORMANCE

Tom Schutte
Chief Financial Officer

ORICA

FINANCIAL RESULT

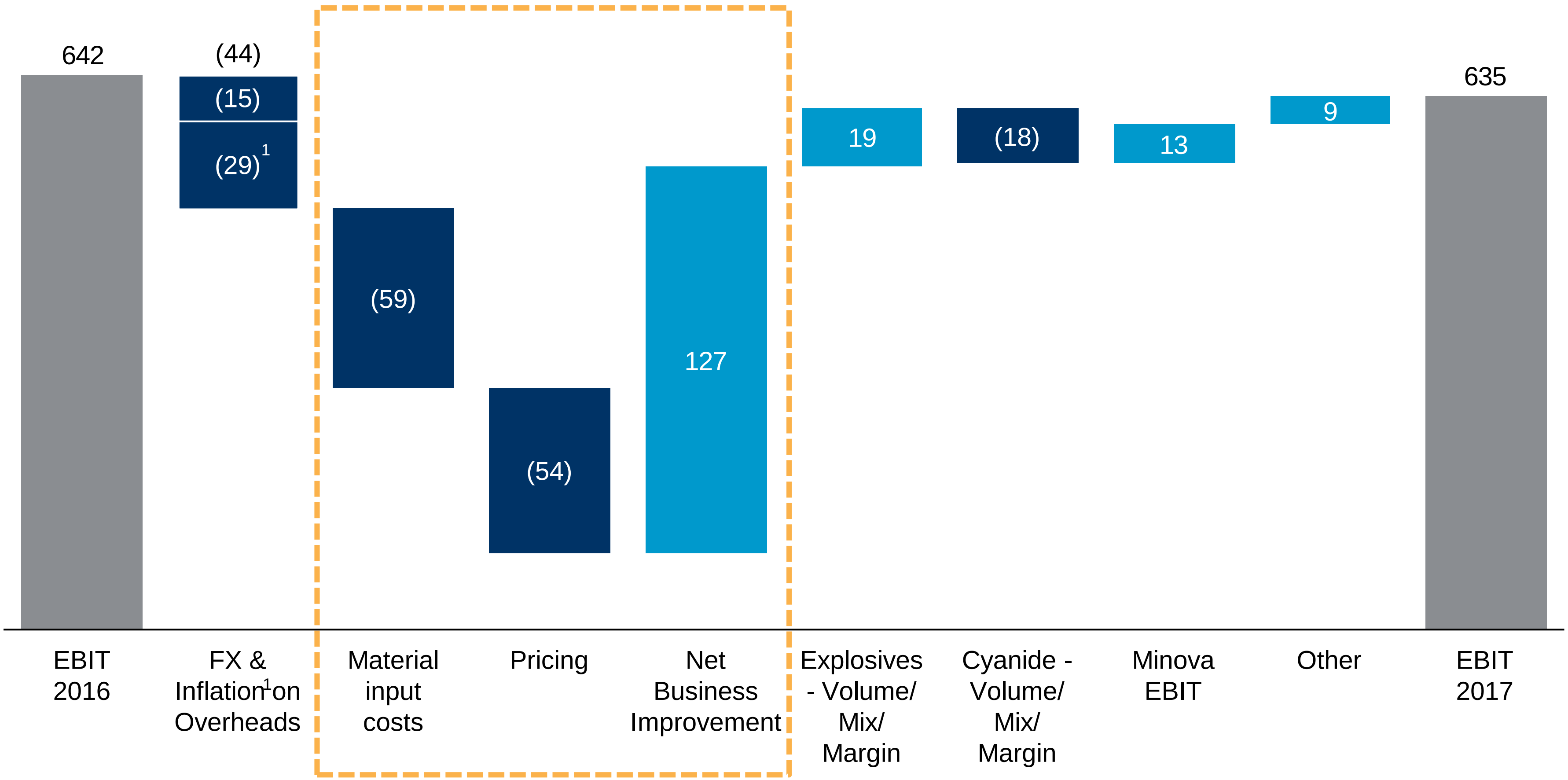
Year ended 30 September ($m)	2017	2016	%	↕
Sales revenue	5,039	5,092	(1)	↓
EBITDA[1]	896	908	(1)	↓
EBIT[2]	635	642	(1)	↓
NPAT[3]	386	389	(1)	↓
Statutory Net Profit After Tax	386	343	13	↑
Interest cover (times)[4]	8.9x	7.6x	1.3x	↑
Effective Tax Rate[5]	29%	28%	1pt	↑
Earnings per share before individually material items (cents)[6]	102.7	104.5	(2)	↓
Total dividend per share (cents)	51.5	49.5	4	↑

1. EBIT before individually material items plus depreciation and amortisation expense
2. Equivalent to Profit/(loss) before financing costs and income tax disclosed in Note 1(b) within Appendix 4E – Preliminary Final Report
3. Equivalent to profit after income tax expense before individually material items attributable to shareholders of Orica Limited disclosed in Note 1(b) within Appendix 4E – Preliminary Final Report
4. EBIT / Net Interest Expense (including capitalised interest)
5. Calculation excludes tax impact from individually material items as disclosed in Note 11 within Appendix 4E – Preliminary Final Report
6. Refer to Note 2 within Appendix 4E – Preliminary Final Report

EBIT BRIDGE
INITIATIVES OFFSET HEADWINDS

Orica Group EBIT

$m FY16 to FY17

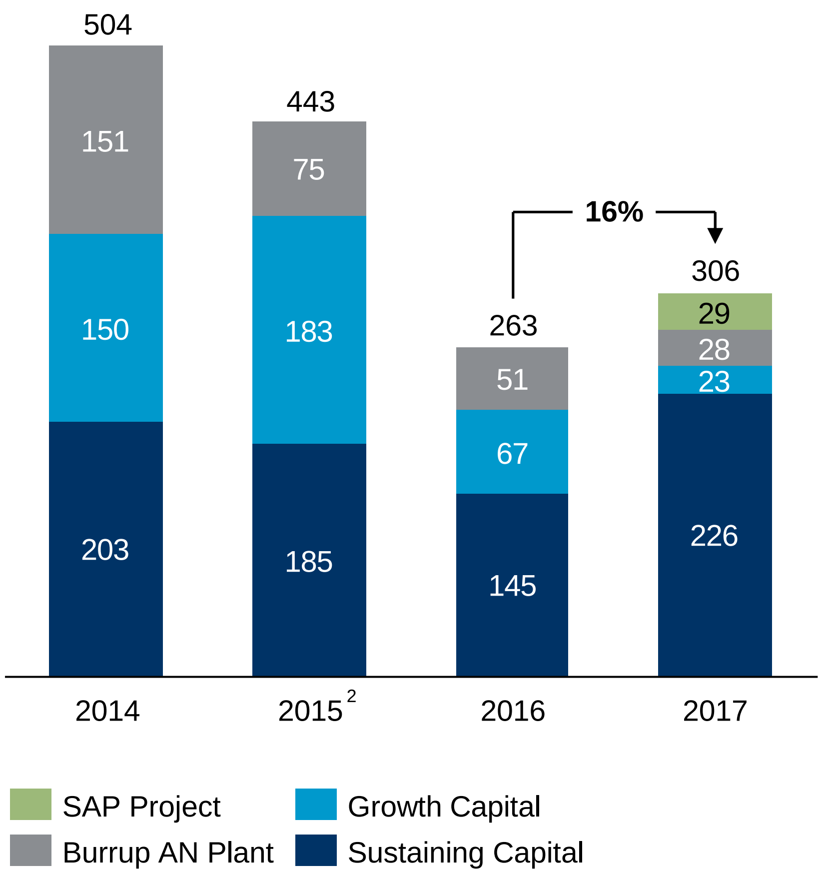


CAPITAL EXPENDITURE

CAPITAL SPEND REFLECTS IMPACTS OF TURNAROUNDS

Capital Expenditure[1]

$m



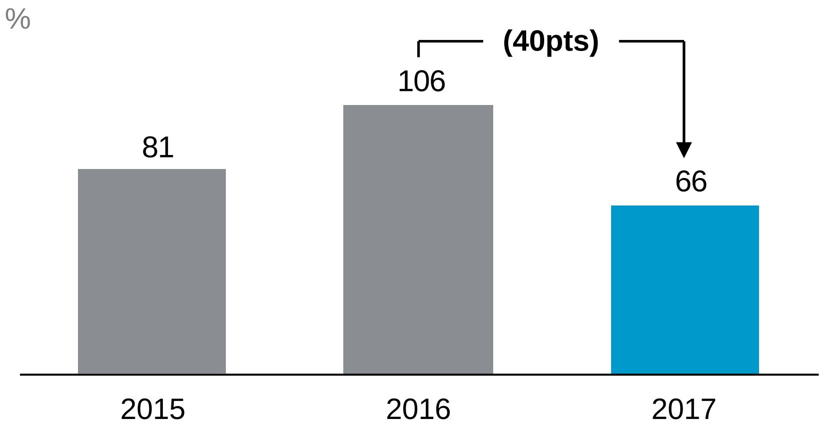
1. Excludes capitalised interest
2. Continuing operations

- Continued disciplined approach to capital management
  - All licence to operate capital expenditure (safety, environment, regulatory) has been approved
  - Ranking of capital prioritised across the Group
  - Spend on growth capital reflective of new contract requirements
- Full year capital expenditure of $306 million
  - Sustaining capital spend driven higher by scheduled maintenance shutdowns at the Kooragang Island and Yarwun Cyanide plants in Australia, and Carseland in Canada
  - Burrup capital spend now complete with successful commissioning of the plant

REDUCED DEBT

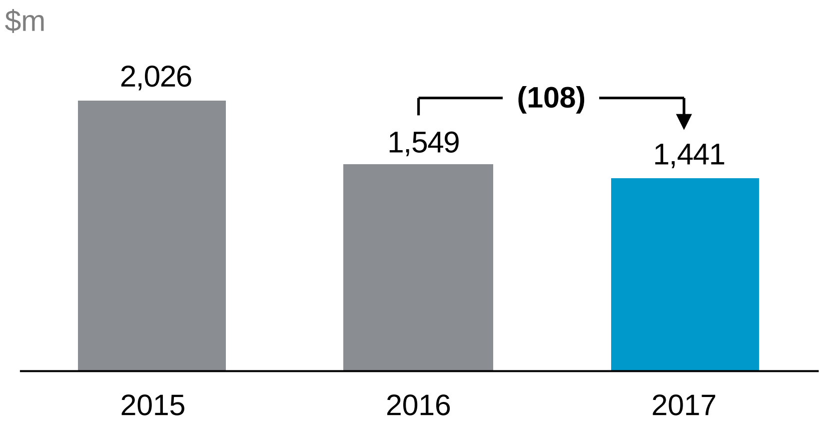
CAPITAL MANAGEMENT FRAMEWORK CONTINUES TO DELIVER BALANCE SHEET BENEFITS

Cash conversion



- Cash conversion decreased in 2017
  - Higher sustaining capital spend on scheduled planned maintenance shutdowns at key plants including Kooragang Island and Yarwun Cyanide in Australia, and Carseland in Canada
  - As expected, trade working capital increased following a significant reduction in 2016

Net debt



- Net debt
  - Successfully re-financed $398 million of US Private Placement bonds for a maturity of 10 years
  - Reduction in net debt aided by strong cash flow and favourable foreign exchange from appreciating AUD
- Gearing at 32.7%

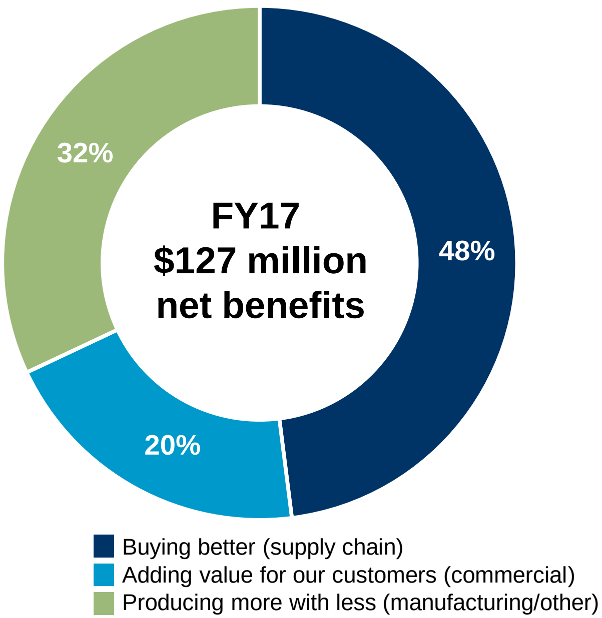
Kooragang Island, manufacturing facility

BUSINESS IMPROVEMENT INITIATIVES

Alberto Calderon, Managing Director and CEO

NET SUSTAINABLE BENEFITS

SUSTAINABLE SUPPLY CHAIN & COMMERCIAL EFFICIENCIES



- $127 million in net benefits offset headwinds
- Supply chain benefits
  - Product cost savings (input cost margins, volume rebates)
  - Sourcing and network (utilisation, booster network sourcing)
  - Transport and shipping (vessel network optimisation, rail car rates)
- Commercial benefits
  - Upselling and differentiation (emulsion, EBS products)
  - Field operations and margin (rock on ground services optimisation, on-site resourcing rationalisation)
- Manufacturing and other benefits
  - Process improvements (yield, scrap reduction)
  - Maintenance efficiency (reduced maintenance cost, contracted labour rates)
  - Workforce rationalisation in Australia Pacific & Indonesia and North America
- Robust program risk management and governance
  - Building capability and embedding desired behaviours to achieve long term sustainable benefits

STRENGTHENING CUSTOMER RELATIONSHIPS

Net Promoter Score (NPS)[1]

Customer site, Queensland, Australia

1. Based on Orica's cumulative global NPS (rolling average) since Mar 2017
2. Sample size, n = 631
3. Customer guru - Net Promoter Score 2017 benchmarks

- "Voice of Customer" program launched early in the year:
  - Better understand our customers' needs and improve customer service
  - Enable a rapid customer response mechanism
- Favourable Net Promoter Score[2]
  - Ahead of comparable industry benchmark[3]
- Strong contract retention
  - > 90% contract retention globally in FY17
  - Significant inroads into competitor held and greenfield contracts

STEP-CHANGE TECHNOLOGY

WebGen
Wireless Electronic Blasting System

- Critical pre-cursor to automating drill and blast loading
  - Unprecedented safety and productivity improvement
  - Flexible blasting with greater reliability
  - Trials completed, expansion into new markets (Latin America)

BLAST IQ™

- Predictive blast outcomes
  - Data and digitally enabled blast management
  - Productivity and cost reduction benefits realised
  - 35% increase in licences globally since first half of FY17
  - Enables platform to demonstrate value to customers

ORICA

CONTINUOUS IMPROVEMENT ON APPLIED TECHNOLOGY

Pentex™ GL

- Outperform conventional boosters
  - Delivering improved safety, quality and performance
  - Australian manufacturing commenced; increased security of supply
  - Product rationalisation leading to supply chain cost advantage

Bulkmaster™ 7

- Smart delivery system technology
  - Reduced total cost of operation
  - Increased efficiency
  - Safer operating environment
  - Australian based manufacturing
  - Customer site trials progressing well, with mine deployment scheduled for early 2018

unitronic 600

OUTLOOK

Alberto Calderon, Managing Director and CEO

FY18 OUTLOOK ASSUMPTIONS

Key assumptions for FY18 are:

Explosives	• Global AN product volumes in the range of 3.65 million tonnes ± 5%
Headwinds and Business initiatives	• FY17 headwinds to extend into FY18: - ~\$50 - \$55 million impact from contract rollovers and FY17 price resets flow on; and - ~\$10 million flow on impact from FY17 increased input costs from previously negotiated contracts • Increased investment in operating expenditure in Technology R&D and IT of ~\$40 million • FY17 business improvement initiative benefits and expected FY18 new business improvement initiatives to offset above headwinds and support increased investment for the future
Capital	• Upper end of stated range of ~\$300 - \$320 million
Other	• Increased depreciation and amortisation post Burrup commissioning • Effective tax rate (excluding individually material items) to be marginally higher than FY17 • Following completion of the Burrup plant, interest will no longer be capitalised, resulting in an increased interest expense

LOOKING FORWARD

- We will continue to focus on embedding business initiatives that make Orica a more efficient and effective business
- Increased investment in our people and technology will consolidate our industry leading position and drive future value for our customers and all of our stakeholders well into the future
- Maintain a strong and flexible balance sheet
- We remain firmly committed on our journey to make Orica a world-class organisation in all respects

SUPPLEMENTARY INFORMATION

EXPLOSIVES VOLUMES

	FY17 volumes			Variance – FY17 volumes vs. FY16 volumes		
'000 tonnes	AN[1]	Emulsion products[2]	Total	AN[1]	Emulsion products[2]	Total
Australia/Pacific and Indonesia	548	774	**1,322**	8%	11%	**10%**
North America	621	500	**1,121**	(12%)	9%	**(4%)**
Latin America	204	433	**637**	(9%)	11%	**4%**
Europe, Africa and Asia	55	515	**570**	(16%)	5%	**3%**
Total	**1,428**	**2,222**	**3,650**	**(5%)**	**9%**	**3%**

1. Ammonium Nitrate includes prill and solution
2. Emulsion products include bulk emulsion and packaged emulsion

SEGMENT ANALYSIS

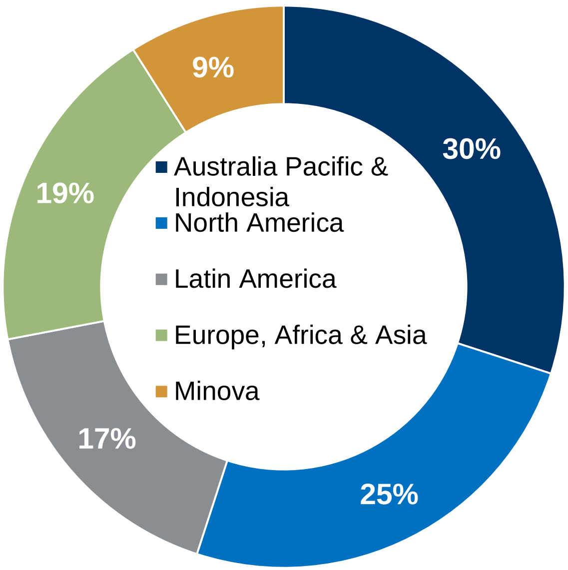
	FY17		FY16		
$m	**Revenue[1]**	**EBIT**	**Revenue[1]**	**EBIT**	**EBIT % change**
Australia/Pacific and Indonesia	1,565	344	1,545	315	**9%**
North America	1,363	187	1,360	197	**(5%)**
Latin America	916	61	920	69	**(11%)**
Europe, Africa and Asia	1,026	102	1,141	116	**(13%)**
Minova	456	13	407	-	**100%**
Global Support	990	(72)	882	(55)	**(30%)**
Eliminations	(1,277)	-	(1,163)	-	**-**
Total	**5,039**	**635**	**5,092**	**642**	**(1%)**

1. Includes external and inter-segment sales

DIVERSIFIED GLOBAL BUSINESS

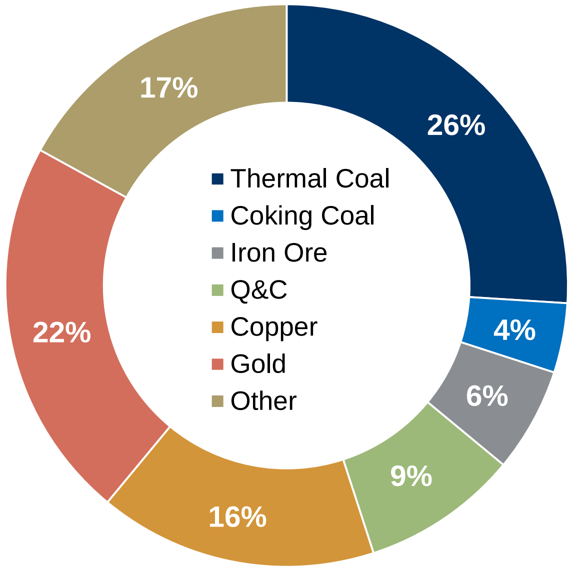
Geographic portfolio

% of FY17 revenue[1]



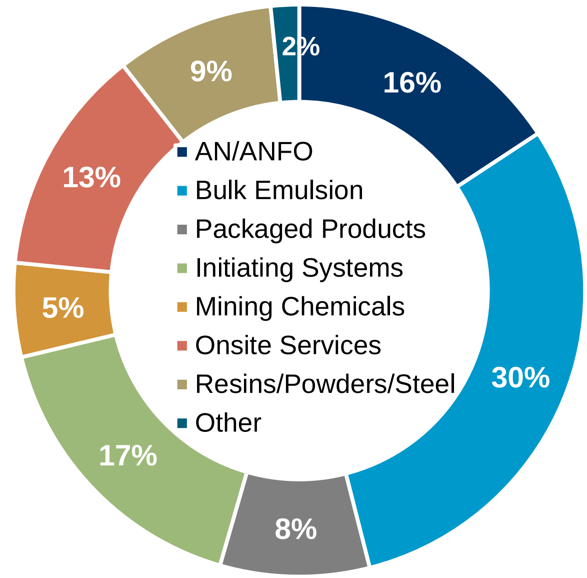
By commodity

% of FY17 revenue[1]



By product/service offering

% of FY17 revenue[1]



1. Excludes inter-segment sales

CASH CONVERSION

Year ended 30 September ($m)	2017	2016
EBITDA	896	908
TWC movement	(46)	197
Sustaining Capital[1]	(255)	(145)
Cash Conversion	**595**	**960**
Cash Conversion %[2]	**66.4%**	**105.7%**

1. Includes the SAP project
2. Cash Conversion/EBITDA

INTEREST COVER

Year ended 30 September ($m)	2017	2016	Change
EBIT before individually material items	635	642	(7)
Net financing costs [1]	72	84	(12)

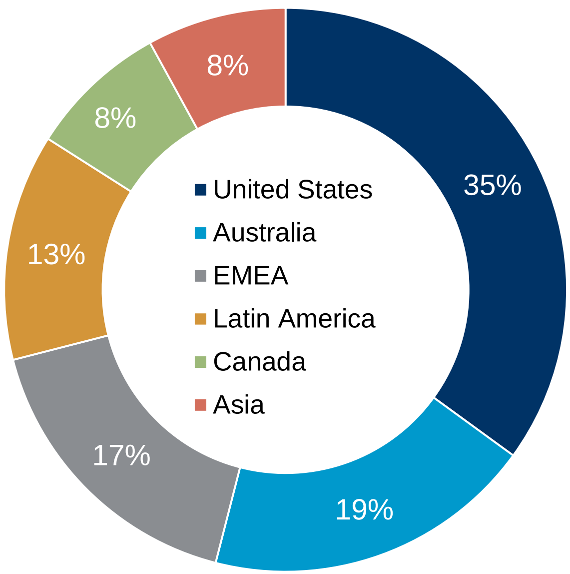
	2017	2016	Change
Interest cover (times)	8.9x	7.6x	↑ **1.3x**
Interest cover (times) excluding capitalised borrowing costs	6.2x	5.4x	↑ **0.8x**

1. Financing costs in 2017 include the impact of $30.8m of capitalised borrowing costs (2016: $35.1m)

FOREIGN EXCHANGE EXPOSURE

EBIT composition (FX transaction)

% of FY17 EBIT

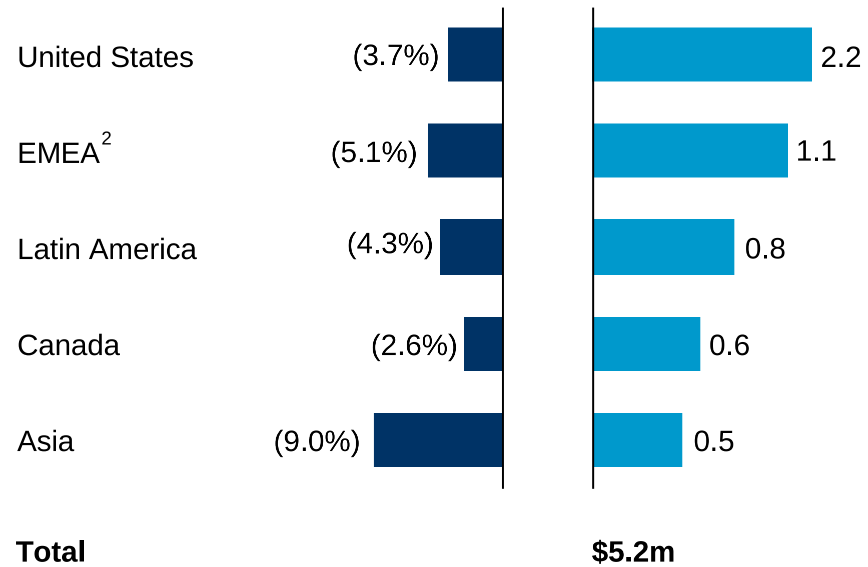


FY17 FX movements

% change from pcp

EBIT sensitivity[1]

+/- $m per 1% change



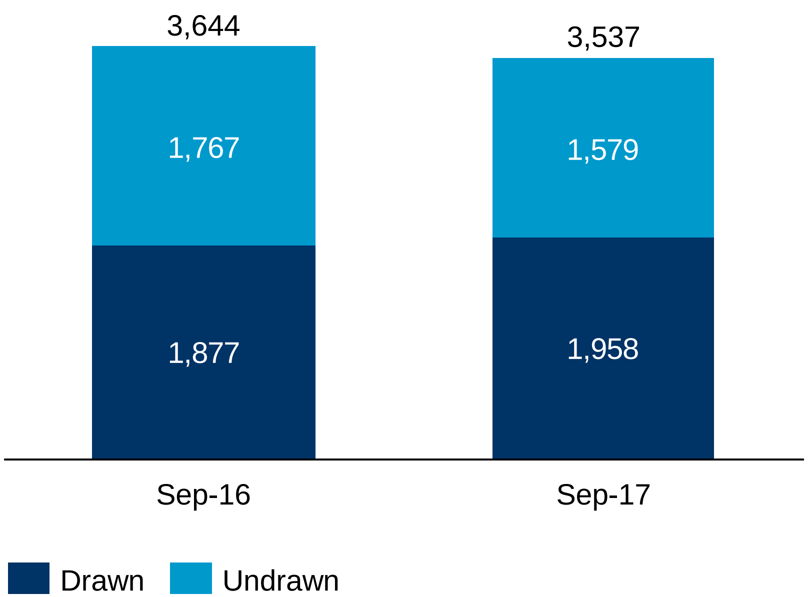
- Basket of ~45 currencies translated to AUD earnings
- Broad distribution of earnings provides some insulation against cyclical currency fluctuations

1. Sensitivity based on 12 month EBIT result
2. Europe, Middle East and Africa

DEBT PROFILE

Facility Headroom

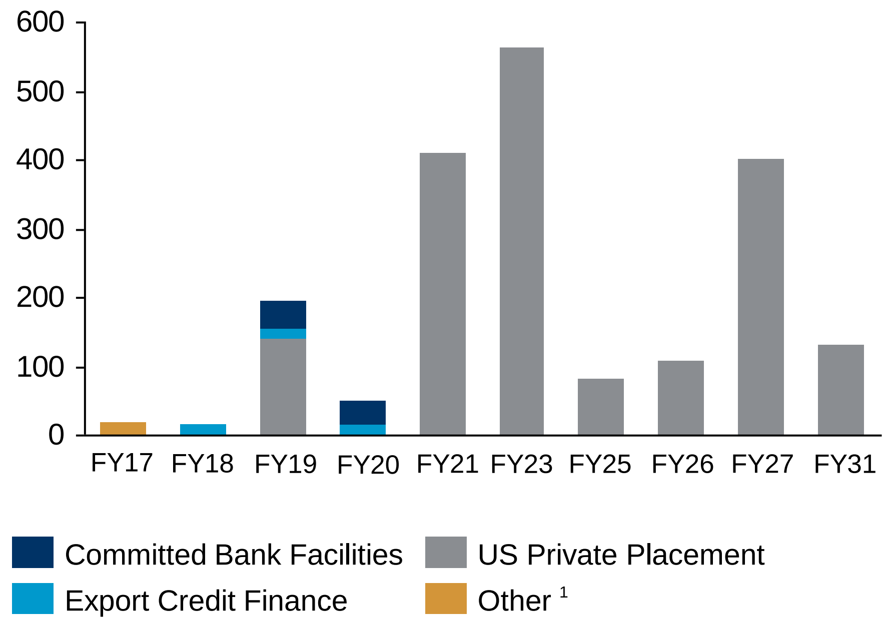
$m



Drawn Debt Maturity Profile

$m

Average tenor at September 2017 - 6.1 years



Orica issued the equivalent of $398 million (AUD) of bonds in the US Private Placement market for a term of 10 years. The bond issue was completed in May 2017, with the proceeds applied against the redemption of a May 2017 maturity.

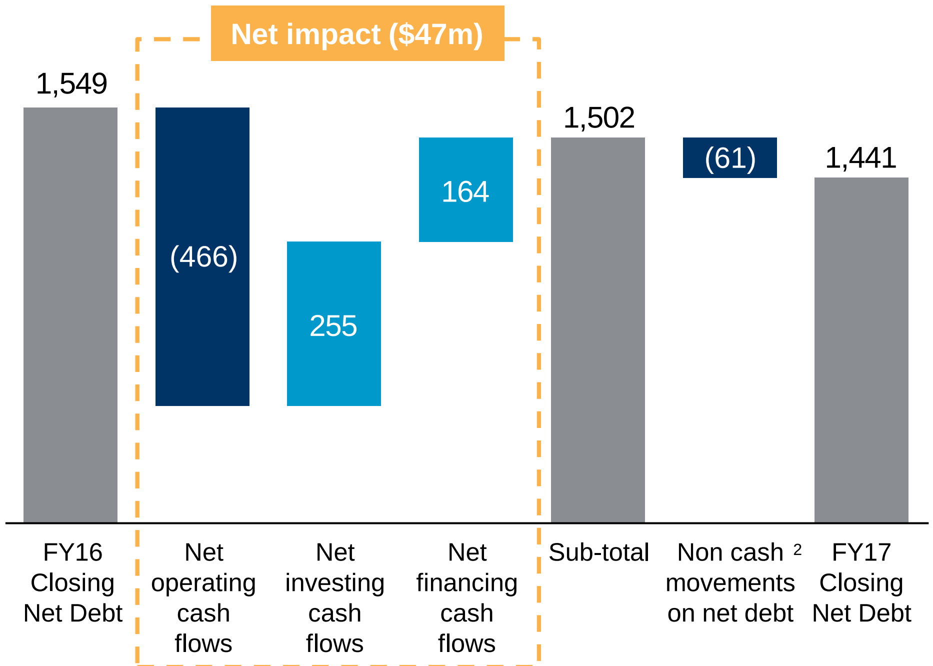
1. Includes over, lease liabilities and other borrowings

NET DEBT POSITION

Year ended 30 September ($m)	2017
EBITDA	896
Movement in trade working capital	(46)
Movement in non trade working capital	(38)
Net interest & tax paid	(289)
Non cash items & foreign exchange	(57)
Net operating cash flows	**466**
Capital expenditure	(306)
Net proceeds from asset sales and other	51
Net investing cash flows	**(255)**
Dividends paid	(165)
Share transactions	1
Net financing cash flows	**(164)**
Gearing (%) [1]	32.7%

Movement in net debt

$m FY16 to FY17

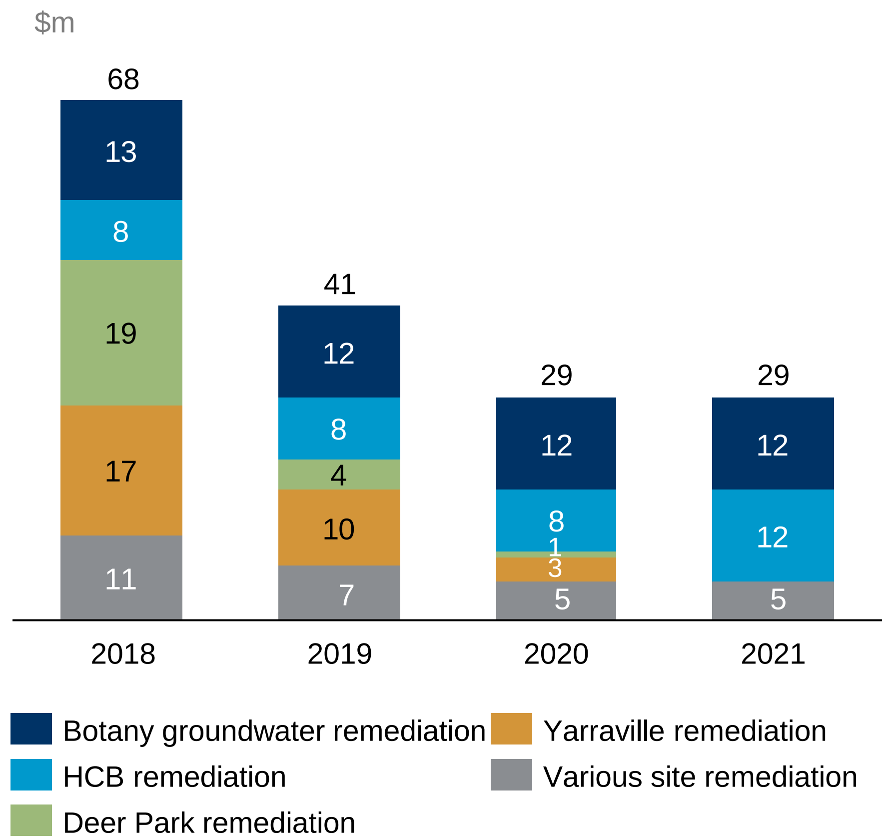


1. Net debt / (net debt + equity)
2. Non cash movements comprise foreign exchange translation

ENVIRONMENTAL PROVISIONS

Environmental Provisions ($m)	FY17	FY16
Botany groundwater remediation [1]	63	64
Botany hexachlorobenzene (HCB) remediation	41	35
Deer Park remediation	25	37
Yarraville remediation	30	31
Other	27	36
Total environmental provisions	**186**	**203**

Provision Spend Profile



1. The Botany groundwater remediation provision is calculated on a rolling 5 year basis.

NON IFRS RECONCILIATION

Year ended 30 September ($m)	2017	2016	%	↕
Statutory profit after tax	386	343	13	
Add back: Individually material items after tax	-	46		
Underlying profit after tax	**386**	**389**	(1)	
Adjust for the following:				
Net financing costs	72	84	(15)	
Income tax expense[1]	164	157	4	
Non-controlling interests	13	12	9	
EBIT	**635**	**642**	**(1)**	↓
Depreciation and amortisation	261	266	(2)	
EBITDA	**896**	**908**	**(1)**	↓

1. Excludes tax on individually material items

DISCLOSURES AND DEFINITIONS

Term	Definition
AN volume	Includes Ammonium Nitrate (AN) prill and solution as well as Emulsion products including bulk emulsion and packaged emulsion
NPAT	Equivalent to profit after income tax expense before individually material items attributable to shareholders of Orica Limited disclosed in Note 1(b) within Appendix 4E – Preliminary Final Report
EBIT	Equivalent to Profit/(loss) before financing costs and income tax expense disclosed in Note 1(b) within Appendix 4E – Orica Preliminary Final Report before individually material items
EBITDA	EBIT plus Depreciation and Amortisation expense
EBIT margin	EBIT / Sales
EBITDA margin	EBITDA / Sales
Trade Working Capital	Comprises inventories, trade receivables and trade payables disclosed in the Balance Sheet within Appendix 4E – Preliminary Final Report
Non Trade Working Capital	Comprises other receivables, other assets, other payables and provisions
TWC movement	Opening TWC less closing TWC (excluding TWC acquired and disposed of during the year)
Capital expenditure	Comprises total payments for property, plant and equipment and intangibles as disclosed in the Statement of Cash Flows within Appendix 4E – Preliminary Final Report
Growth Capital	Capital expenditure that results in earnings growth through either cost savings or increased revenue
Sustaining Capital	Other capital expenditure
Net operating and investing cash flows	Equivalent to net cash flows from operating activities and net cash flows used in investing activities (as disclosed in the Statement of Cash Flows within Appendix 4E – Preliminary Final Report)
Net debt	Total interest bearing liabilities less cash and cash equivalents as disclosed in note 3 within Appendix 4E – Preliminary Final Report
Payout Ratio	Dividends per share for the year / Earnings per share
Gearing %	Net debt / (net debt + total equity)
Q&C	Quarry & Construction
pcp	Prior corresponding period

