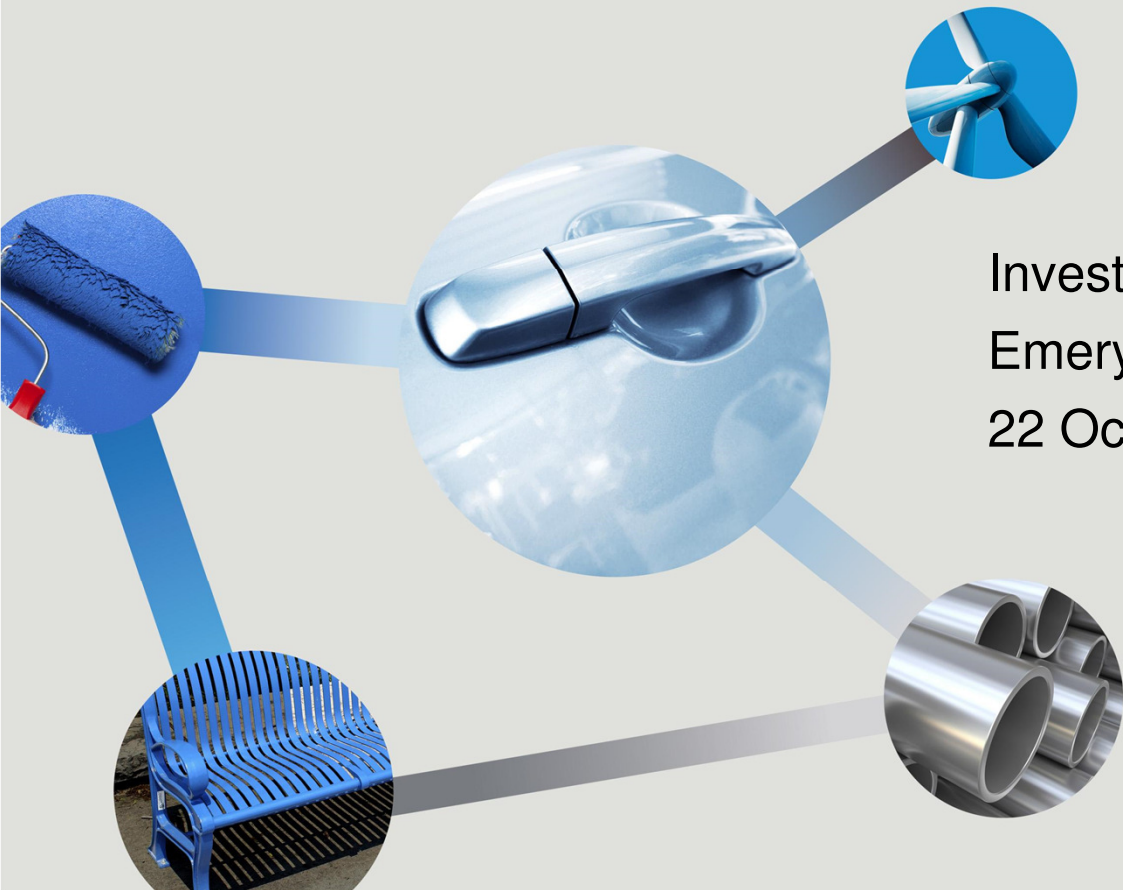




Sale of Nuplex Specialties & Nuplex Masterbatch



Investor Presentation

Emery Severin – Chief Executive Officer

22 October 2014

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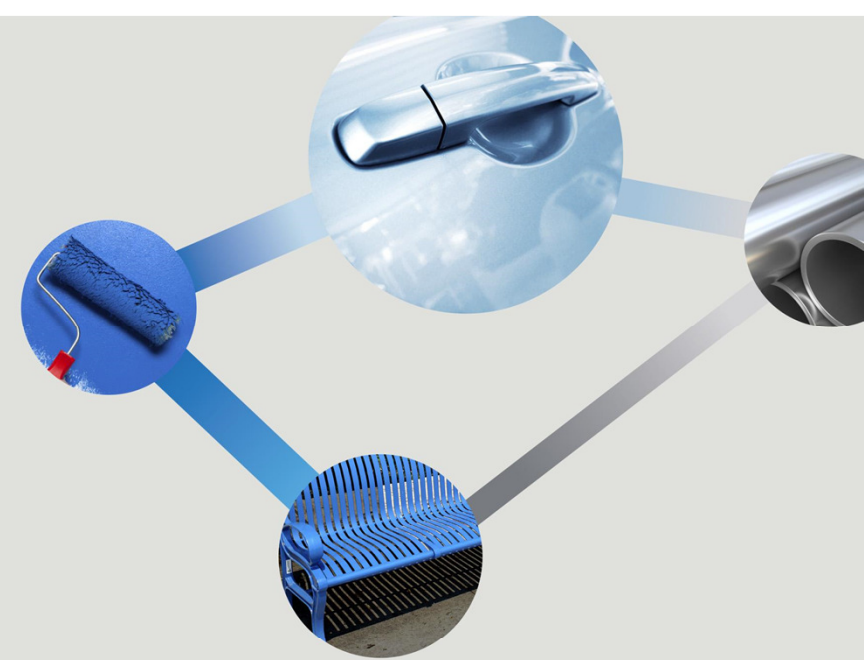
All amounts are presented in NZD unless stated otherwise.

Executive summary

- Sale of Nuplex Specialties and Masterbatch to CHAMP Private Equity for A\$127.5m
- Attractive price received, maximises value for shareholders
- Completion of the transaction relating to the Australian and New Zealand businesses expected by the end of 2014, subject to terms and conditions
- Focuses resources on core global resins business
- Better balances the geographic spread of activities between
 - Markets in mature economies
 - Growing manufacturing markets in emerging economies

Agenda

1. Transaction overview
2. Nuplex post transaction



1. Transaction overview

Realises value for Nuplex Specialties and Masterbatch

- Careful evaluation by the Board was given to the offer in the context of
 - Potential value that the businesses could deliver within the Company's portfolio
 - Divestment options available over the medium term
- The Board concluded that the offer delivers an attractive premium for the two businesses
- Selling Nuplex Specialties and Masterbatch to CHAMP Private Equity for A\$127.5m
- Net proceeds post transaction costs expected to be A\$125m
 - Subject to working capital adjustments at completion and final capital gains tax assessments
- The majority of the transaction, which relates to the ANZ based businesses, will be completed by the end of 2014¹
- Transitional services agreement in place for 12 months post completion to facilitate business continuity and the orderly transfer of the businesses to CHAMP

Divesting Nuplex Specialties and Nuplex Masterbatch

Nuplex Specialties

- Selling agent and distributor in Australia and New Zealand for Principals
 - Approximately 60% of FY14 sales to customers manufacturing
 - Food & Nutrition products
 - Coatings, Construction, Adhesives, Paint & Rubber materials
 - Chemicals
- 93 people



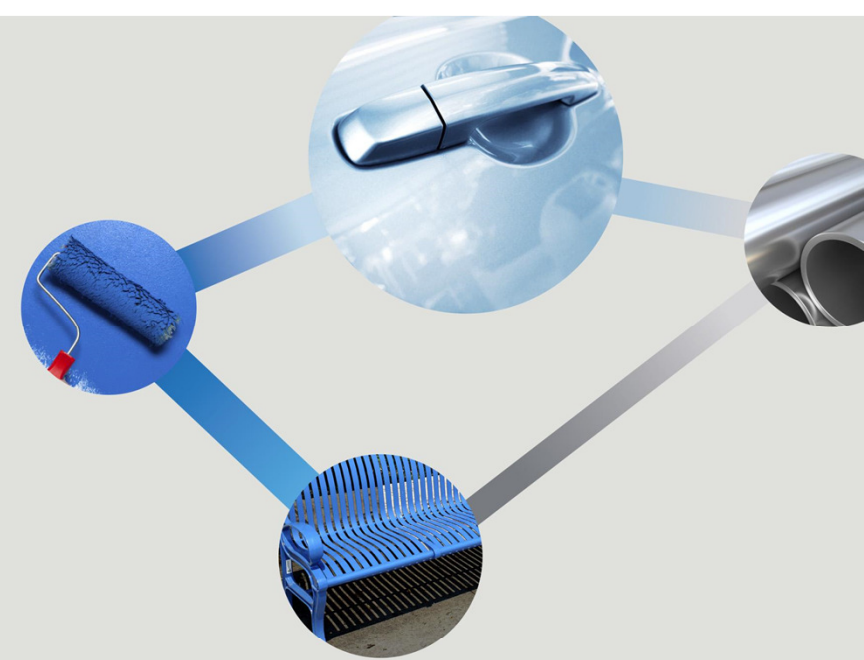
Nuplex Masterbatch

- Manufacturer of colour and performance additives for plastic
 - Approximately 80% of FY14 sales to manufacturers of
 - Plastic and packaging products
 - Construction materials
 - Pipe manufacturing
- 186 people



Proceeds will initially pay down debt

- Initially proceeds will pay down debt
 - Applying the impact of the transaction to the 30 June 2014 Balance Sheet, gearing would have been 14.5%, compared with 31.1% as reported
- Board will subsequently assess a range of options for the use of proceeds within the Company's existing strategy
- Options assessed will include:
 - Further pursuing capacity expansion in emerging markets
 - Providing additional R&D resources for new product development
 - Returning capital to shareholders
 - Potential value creating M&A opportunities that meet strict criteria
 - Financial
 - EPS accretive within 2 years
 - Above cost of capital returns, risk weighted for geography
 - Strategic
 - Leading market positions
 - Emerging market growth
 - R&D/Innovative products
- Review expected to be completed within fourth quarter of 2015 Financial Year



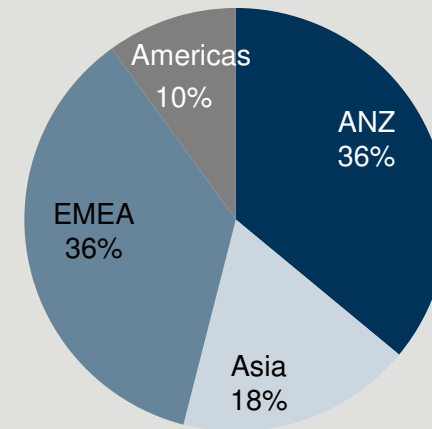
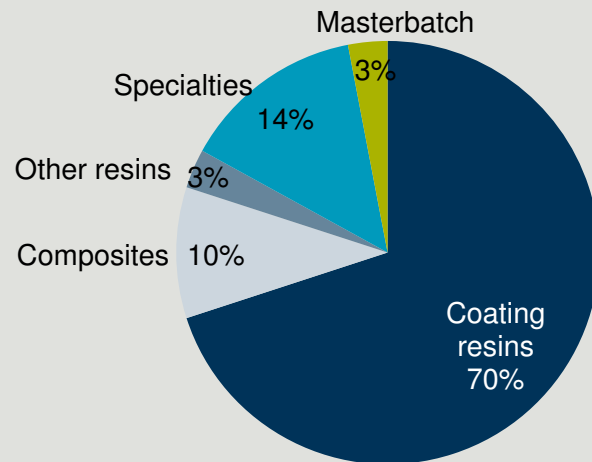
2. Nuplex post transaction

Dedicated resins supplier, global focus

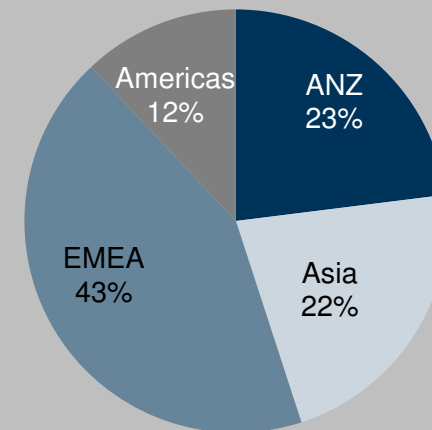
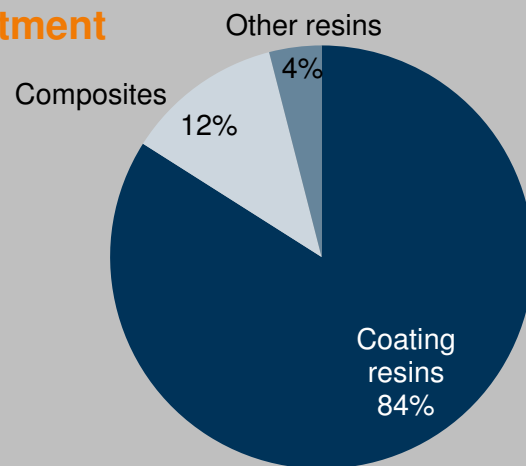
FY14 Sales by business

FY14 Sales by region

Pre-divestment



Post-divestment



FY14 Pro-forma Profit & Loss

	Actual FY14	Adjustments ^{1,2}	Pro-forma FY14
Sales	1,639.9	(283.1)	1,356.8
Operating EBITDA	125.7	(17.6)	108.1
Depreciation & amortisation	(36.4)	2.5	(33.9)
Net financing costs	(17.5)	5.3	(12.2)
Tax on operating profits	(16.6)	2.7	(13.9)
Other	(2.8)	-	(2.8)
NPAT – before gain on sale and tax on proceeds	52.4	(7.1)	45.3
EPS – before gain on sale and tax on proceeds (cps) ³	26.4	-	22.9
Accretion / (Dilution)			(11.7%)

Source: Nuplex Accounts

Notes:

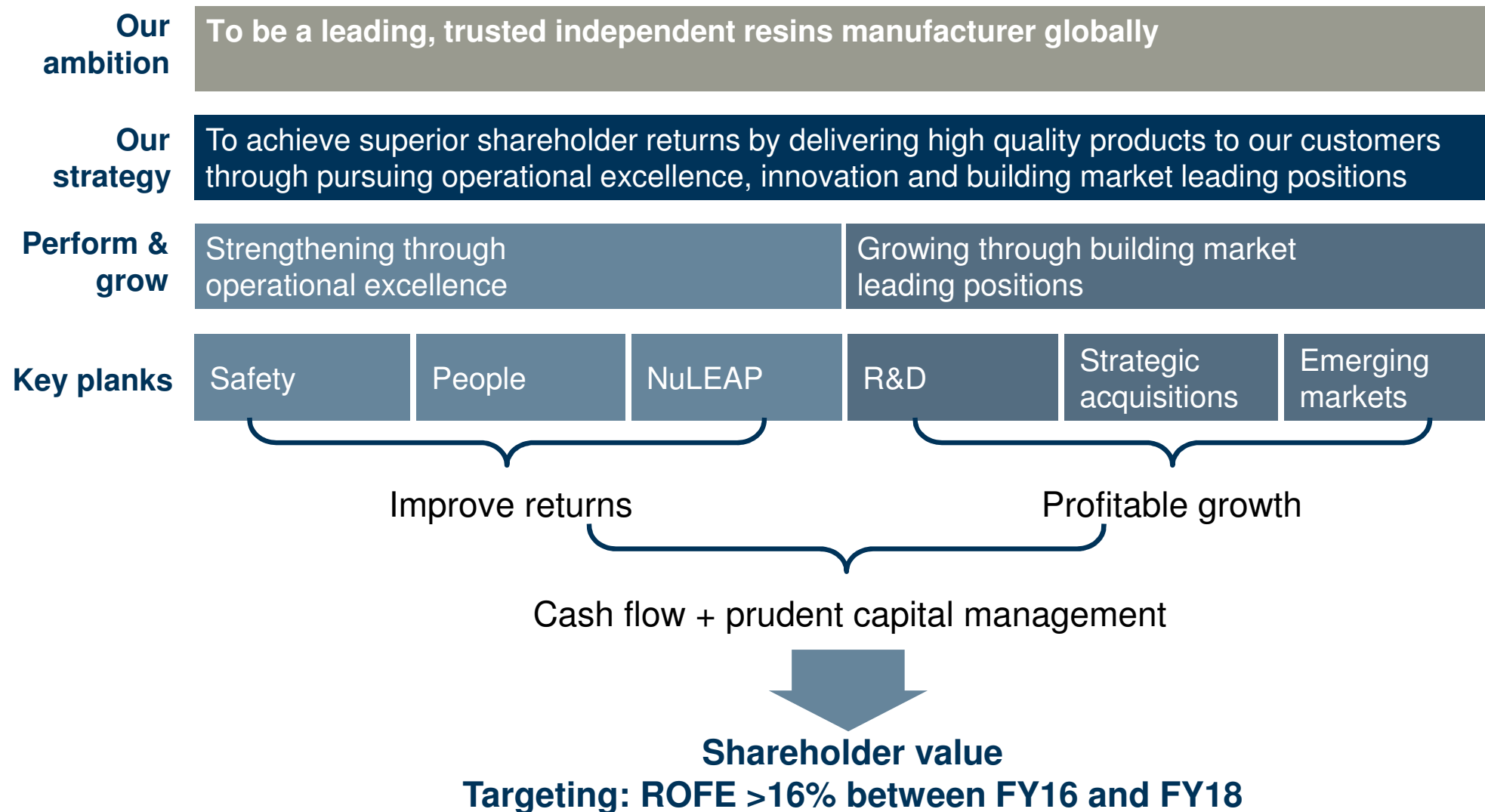
1. Adjustments reflect the Specialties earnings no longer attributable to Nuplex, net of the allocated corporate costs retained by Nuplex and the lower interest following pay-down of debt.
2. Excludes impact of profit on sale.
3. Assumes 198.1m shares on issue.

FY14 gearing post divestment would have been 14.5%

FY14 Pro-forma Balance Sheet metrics	FY14 Actual	Pro-Forma FY14
Net Debt / EBITDA	1.8x	0.8x
Gearing ¹	31.1%	14.5%
FY14 ROFE	11.0%	10.8%

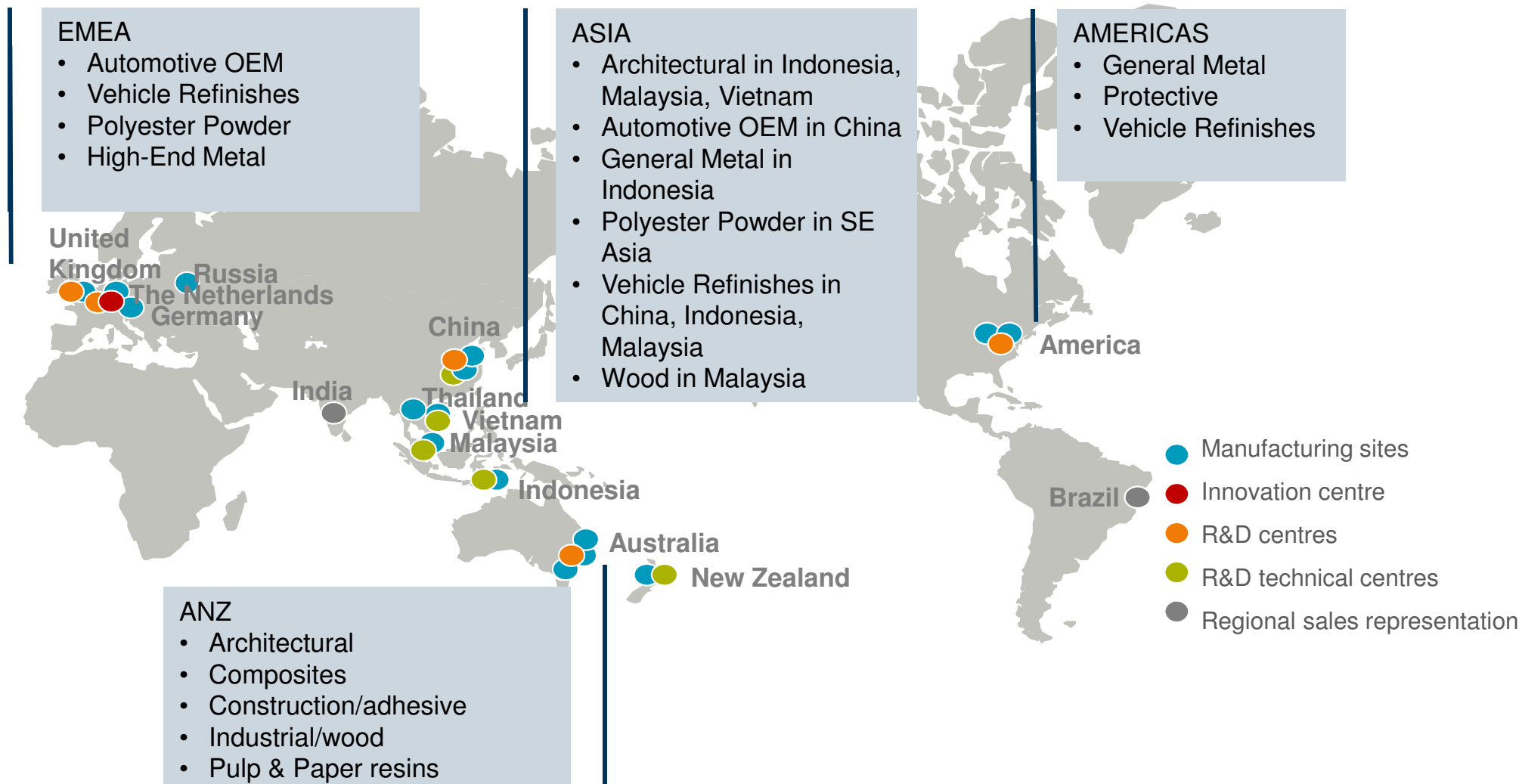
1. $\text{Net debt} / (\text{Net debt} + \text{equity})$

Strategy to be dedicated, global resins business



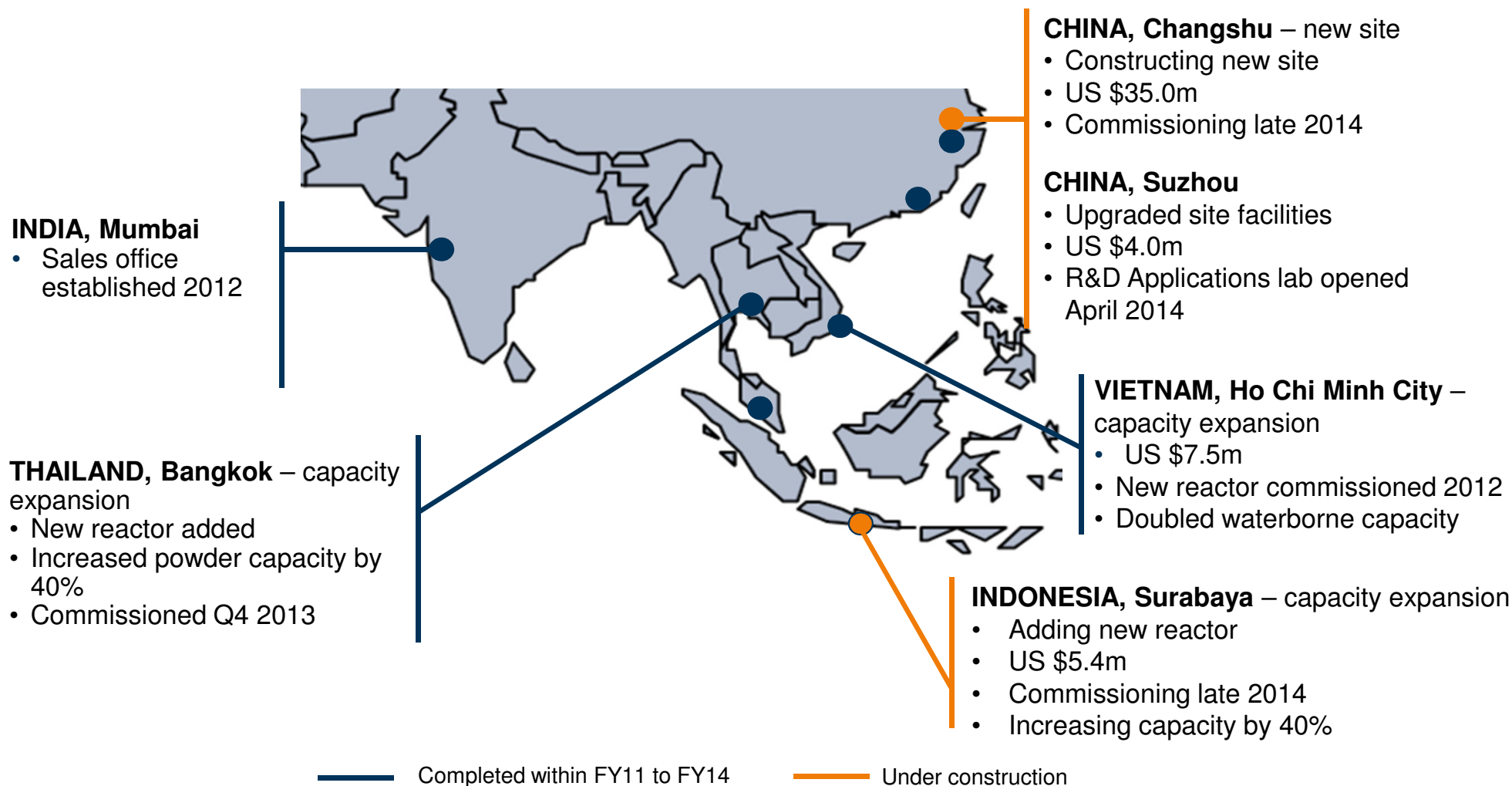
Building on the strengths of our global resins business

Leading positions in regional and local markets



Emerging markets - a leading regional network in China & SE Asia

75% increase in capacity provides platform for growth in FY16¹



1. Since the beginning of 2011

R&D and innovation – delivering opportunities for growth

Developing products that increase productivity, enhance performance and are environmentally friendly



- Waterbased monocoat resin for Automotive OEM, with improved application and chemical resistance properties



- Fast-dry, 2-component acrylic systems for Vehicle Refinish and High End Metal coatings enables increased productivity through faster drying times and reduced energy costs







- Formaldehyde free, acrylic dispersion that can be formulated into clear and pigmented topcoats for wood products with superior blocking and chemical resistance



- High performance gel-coat for use on composite products. Offers increased clarity and longer outdoor durability

Strategy remains to deliver ROFE >16% between FY16-FY18

Return on Funds Employed^{1,2}

	FY14	FY16-18	Comments	Progress
Group	11.0%	>16%	• To be achieved by end of FY18	On track
ANZ	Resins 0.8%	> 10 %	• Improvement expected in FY15	
Asia	> 18%	> 18%	• Capacity expansion to deliver meaningful uplift in FY16	
EMEA	14.4%	> 16%	• Viverso full potential to flow in coming years	
Americas	> 18%	> 18%	• Sustain above cost of capital returns	

1. ROFE defined as earnings before interest, tax and unusual items divided by average funds employed

2. Forecast subject to unforeseen circumstances and economic uncertainty

Nuplex will be a dedicated global resins business

- The divestment of Nuplex Specialties and Nuplex Masterbatch is in the best long-term interests of shareholders
 - Realises value of two regional businesses
 - Focuses resources on growing core global resins operations
- Post transaction, Nuplex will be a dedicated global resins business
 - Offering investors the opportunity to invest in a company with
 - Global diversification
 - Leading market positions in selected product segments
 - Growing presence in emerging markets, particularly Asia
 - A global R&D network, researching new technologies, developing innovative solutions, tailoring products and providing application and technical support





FOR FURTHER DETAILS:

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