

nuplex[®]



CREATING
THE CHEMISTRY BEHIND
EVERYDAY PRODUCTS
EVERYWHERE

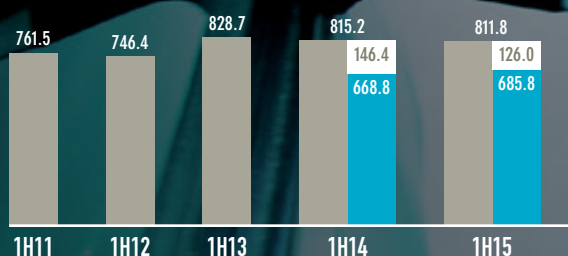
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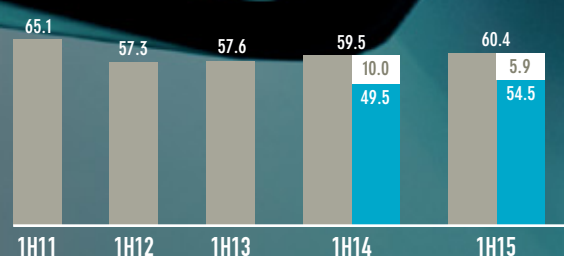
FINANCIAL HIGHLIGHTS

■ Total
■ Continuing Operations
■ Non-continuing Operations

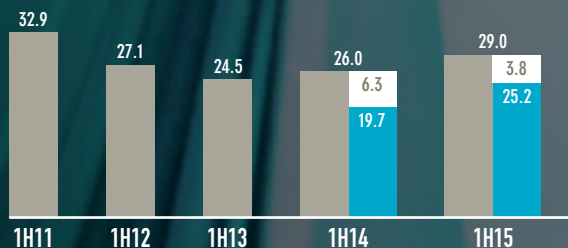
SALES (NZ\$m)



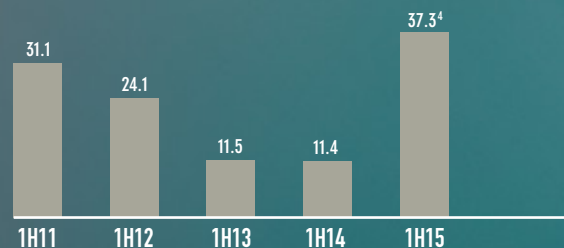
OPERATING EBITDA^{1,2} (NZ\$m)



OPERATING PROFIT (NZ\$m)

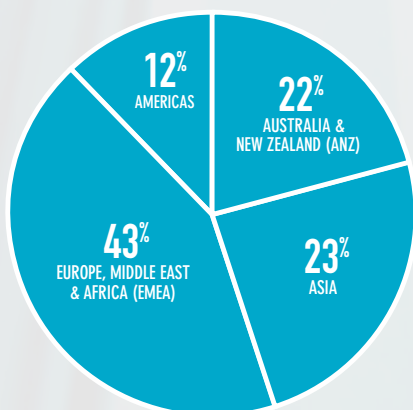


PROFIT³ AFTER SIGNIFICANT ITEMS (NZ\$m)



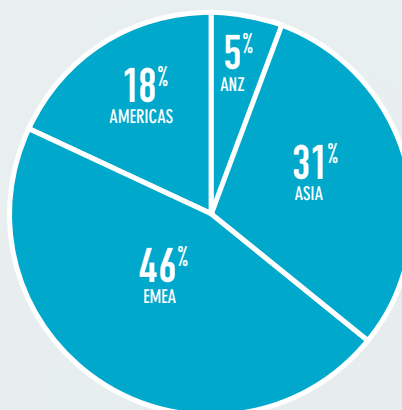
REGIONAL SALES (%)

from continuing operations



REGIONAL OPERATING EBITDA² (%)

from continuing operations



¹ Earnings before interest, tax, depreciation, amortisation, significant items, associates and minority interests.

² Non-GAAP measure. For details of non-GAAP measures used in this document see page 20.

³ Profit available to equity holders of the parent company.

⁴ Includes profit on sale of Nuplex Specialties and Masterbatch of \$13.8m.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER'S REPORT

OUR SIGHTS ARE FIRMLY SET ON **OUR AMBITION** TO BE
**A WORLD LEADING,
TRUSTED INDEPENDENT
RESINS MANUFACTURER.**

OUR STRATEGY IS TO ACHIEVE SUPERIOR SHAREHOLDER RETURNS
BY DELIVERING HIGH-QUALITY PRODUCTS TO OUR CUSTOMERS
THROUGH PURSUING OPERATIONAL EXCELLENCE, INNOVATION
AND BUILDING MARKET-LEADING POSITIONS.

DEAR SHAREHOLDER,

We finished the first half of the 2015 Financial Year in a strong position. Profit and earnings growth was driven by the performance of Nuplex's operations in Europe, Asia and the Americas. Pleasingly, this result demonstrates the benefit of our strategy to increase our operations in the established world-leading manufacturing markets of Europe, and also in the growing, emerging markets of Asia.

The benefit of our global diversity was again highlighted in the period as the growth in Europe, Asia and the Americas offset the weakness in Australia & New Zealand (ANZ). Having said that, we are encouraged to see that the hard decisions

taken within our ANZ operations in recent years are starting to deliver improved performance.

Divesting the ANZ focused Specialties and Masterbatch businesses during the period was a transformational step for your company. The Board believes the divestment realises value for shareholders, now, and in the future. This is because it enables Nuplex to focus solely on its global resins business, where the opportunity for growth lies.

Following the sale of these two businesses and in the context of Nuplex's strong balance sheet, the Board resolved to undertake a share buy-back of up to 5% of issued capital.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER'S REPORT

FINANCIAL PERFORMANCE

Net profit attributable to equity holders of the parent was \$37.3 million, compared to \$11.4 million in the prior corresponding half. This result reflects six months of the continuing global resins business, and five months of the discontinued Nuplex Specialties and Masterbatch businesses.

The result includes significant items related to discontinued operations, including the \$13.8 million after-tax profit on sale of Nuplex Specialties and Masterbatch and a \$3.4 million remediation provision expense. This provision was recorded in relation to remediation of the Cheltenham site, where operations have been discontinued as a result of the sale of Nuplex Specialties. The prior corresponding half included a \$14.6 million expense from significant items.

Net profit from continuing operations was \$25.6 million and includes significant item expenses of \$0.9 million. This compares with net profit from continuing operations of \$6.3 million for the prior corresponding half, which included a \$14.6 million expense from significant items.

Nuplex's continuing operations earnings before interest, tax, depreciation, amortisation and significant items (EBITDA) grew by 10.1%. The result reflected strong growth in Europe and solid growth in Asia and the Americas, whilst ANZ continued to face challenges as a result of market conditions in Australia.

Volumes grew by 6.2%, particularly due to growth in the Automotive Own Equipment Manufacture (OEM), Vehicle re-finish, Metal, and the Marine & Protective market segments in Europe and the Americas. In Asia, volume growth was largely due to the filling of the new capacity in Vietnam.

The group EBITDA-to-sales margin was 7.9%, up from 7.4%. It improved in Europe, Asia and the Americas as volume growth and a shift in the proportion of sales towards higher margin products was supported by tight cost control and the realisation of benefits from procurement initiatives undertaken in the last financial year. In ANZ margin pressures in the coating resins business continued as a result of excess capacity and intense competition within the industry.

Across the globe, the falling oil price has resulted in lower raw material costs. This trend began towards the end of 2014 and has continued into 2015. The extent to which raw material costs are declining depends on the type of raw material we are buying and where it is being purchased. Currency movements and customer negotiations are also influencing the size of the decline.

Nuplex's Return on Funds Employed (ROFE) increased to 11.8%, up from 11.0% a year ago. Pleasingly, for the first time since implementing a ROFE target in 2013, Europe now joins Asia and the Americas in generating a ROFE greater than the target 16%.

DIVIDEND

An interim dividend of 10 cents per share was declared by the Board for payment on 2 April 2015, to all shareholders on the register as at 17 March 2015.

Representing a payout ratio of 81% of net profit from continuing operations available to shareholders, it is above Nuplex's target dividend payout ratio range of between 55% and 65% of earnings for the period. This higher than target payout ratio is consistent with the Board's previous commitment to maintaining the dividend in line with the prior period when the balance sheet is strong and the current and expected performance of the Company supports it.

Changshu, China: Acrylic production process



DIVESTMENT OF NUPLEX SPECIALTIES AND MASTERBATCH

On 28 November 2014, we completed the sale of our agency & distribution business, Nuplex Specialties, and the plastics additives manufacturer, Nuplex Masterbatch, to Axieo Pty Limited for A\$127.5 million.

Whilst we had not been seeking to divest these businesses, as the global resins business has continued to grow, they had become increasingly non-core. Following a careful evaluation of the offer received from the purchaser, the Board concluded that divesting these two businesses optimised value for shareholders.

After transaction costs net cash proceeds from the transaction were \$133 million. Net profit was \$13.8 million and includes provisions of \$5.7 million in relation to redundancy and restructure costs as well as a write down of the assets that will no longer be used following the divestment.

Initially, the proceeds of the sale have been used to pay down debt. As a result, Nuplex's gearing was 18.7% as at 31 December 2014, down from 31.1% as at 30 June 2014.

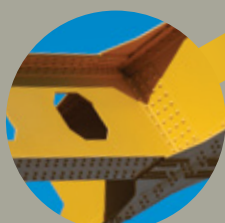
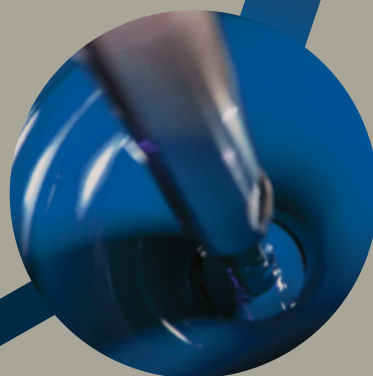
In light of the increased financial flexibility arising from the divestment of these businesses, the Board undertook a strategy review. Whilst the fundamental strategy to strengthen and grow Nuplex remains unchanged, the Board's review is assessing a range of additional initiatives to maximise value for shareholders. These include further growth projects in emerging markets, increasing the investment in R&D and product development, identifying other value creating investment opportunities that meet our strict investment criteria, and capital management.

As part of the Board's ongoing strategy review and reflective of Nuplex's strong balance sheet, the Board has announced a share buy-back of up to 5% of issued capital.

The share buy-back achieves an appropriate balance between returning capital to shareholders while retaining flexibility to implement Nuplex's organic growth strategies.

The final findings of the review will be shared during the June 2015 quarter.

WHILST THE FUNDAMENTAL STRATEGY TO STRENGTHEN AND GROW NUPLEX REMAINS UNCHANGED, THE BOARD'S REVIEW IS ASSESSING A RANGE OF ADDITIONAL INITIATIVES TO MAXIMISE VALUE FOR SHAREHOLDERS.



CHAIRMAN AND CHIEF EXECUTIVE OFFICER'S REPORT

ENTERING A NEW ERA

Now, as a dedicated resins business, Nuplex is entering a new era in its history. Our technology and product portfolio is focused on resins used in industrial and performance coatings. Our largest markets are in Europe, Asia and North America, where demand for our products is primarily driven by manufacturing market activity.

Emerging market growth

Expanding our presence in Asia is a key component of our strategy to grow Nuplex. This has been achieved over the past four years through a program of work to increase the region's capacity by 75%.

During the half, a major milestone was reached when we completed construction of the largest project within the capacity expansion program – the new US\$35 million site at Changshu in China. Currently, we are obtaining final regulatory approval that will allow us to commence production in the coming months.

The construction of the US\$5.1 million new plant at the site in Surabaya in Indonesia completed the construction phase of the regional capacity expansion program. The new plant will increase the site's capacity by 40%, and first production is expected within the March 2015 quarter.

Improving the way we work

In ANZ, the implementation of our strategy to reduce the manufacturing network's capacity by 30% and increase its efficiency is almost finished. Started in September 2012, it will be completed in the coming months once we decommission the composite resins site at Canning Vale in Western Australia and transfer its production to Wacol in Queensland.

Decommissioning Canning Vale has been delayed by a few months. The delay enables Nuplex to take advantage of the opportunity arising from the sudden closure of the only other composite resins producer in Australia.

The ANZ restructure initiatives are realising benefits in line with expectations. Importantly, being able to organise production on a regional basis is delivering the planned lower manufacturing unit costs. Unfortunately, the benefits realised from these initiatives in the first half were offset by challenging market conditions.

We expect to realise more of the targeted benefits in the second half of the year as, pleasingly, we did see margins improve towards the end of the first half.

Innovative R&D

Nuplex's research and development activities are a valuable component of our competitive advantage. Every year we make a significant investment in researching new technologies and developing new and improved products for our customers. Pleasingly, the structured, global approach we have been taking to R&D over the past few years is gaining traction.

We are in the final weeks of planning the launch of a new isocyanate-free technology. Our excitement around this new technology stems from the level of control and speed of curing it provides that has not been seen in the market before. It also has occupational health and safety advantages that set it apart from current technologies.

Nuplex sees the potential for this to be a breakthrough technology for our customers and the industry. Importantly, it highlights the strength of our capabilities and commitment to delivering a world-class R&D program.

Changshu, China: Construction completion ceremony



OUTLOOK

Nuplex's competitive advantage is underpinned by our R&D expertise, comprehensive technology portfolio, world-wide reach and growing presence in Asia. It is further strengthened by our long-term track record of consistently delivering high-quality products.

Our strategy to strengthen and grow Nuplex is delivering benefits. This gives us confidence that the right actions are being taken to enable the delivery of our ROFE target of greater than 16% by the end of the 2018 Financial Year.

In the second half of the 2015 Financial Year we expect market growth rates to vary by region. Markets in Europe are expected to remain steady and in Asia and North America, they are expected to continue to grow at rates consistent with the first half of the current financial year. In ANZ, market demand is expected to be relatively flat, with improvements coming from margin management.

As announced at the Annual Shareholders' Meeting in November 2014, EBITDA for the 2015 Financial Year, and including five months of EBITDA from Nuplex Specialties and Masterbatch, is expected to be between \$115 and \$125 million.

The 2015 Financial Year statutory results will also report on the performance of Nuplex's continuing operations – the global resins business. Nuplex expects EBITDA from continuing operations for the 12 month period ending 30 June 2015 to be between \$109 and \$119 million.

THANK YOU

The Board and Management of Nuplex acknowledges the efforts of its 1,700 employees across the globe, whose hard work has contributed to this strong first half result.

To you our shareholders, thank you for your ongoing support.



PETER SPRINGFORD
CHAIRMAN
















































EMERY SEVERIN
CHIEF EXECUTIVE OFFICER



BUSINESS OVERVIEW

The global coating resins operations (87% of sales from 1H15 continuing operations) supply resins used in a wide variety of paint and coating applications. These include decorative and trim paint, as well as coatings used on wood flooring and furniture, metal furniture and construction products, consumer electronics and whitegoods, agricultural and construction equipment, transportation and infrastructure. In Australia & New Zealand, Nuplex is also a leading producer of resins used in composites, adhesives and pulp & paper products.

FY2015 INTERIM RESULTS	EUROPE, MIDDLE EAST & AFRICA (EMEA)	ASIA	AMERICAS	AUSTRALIA & NEW ZEALAND	TOTAL
SALES	 UP 5.1% \$292.2M	 UP 2.2% \$157M	 UP 6.8% \$83.1M	 DOWN 3.6% \$153.5M	 UP 2.5% \$685.8M
EBITDA (EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION)	 UP 32.8% \$27.2M	 UP 5.0% \$18.3M	 UP 12.9% \$10.4M	 DOWN 67.5% \$3.0M	 UP 10.1% \$54.5M*
OPERATIONAL INSIGHTS	<ul style="list-style-type: none"> - Volumes up 12.1%. - Growth in Automotive, Marine & Protective. - Growing market share in Flooring resins market. 	<ul style="list-style-type: none"> - Volumes up 5.2%. - Vietnam: Capacity filling. - China: Steady volumes. - Indonesia: Volumes up as uncertainty of elections eased. - Malaysia: Volumes up. 	<ul style="list-style-type: none"> - Volumes up 5.6%. - Continued manufacturing activity supported growth in Auto OEM, VR and Protective markets. 	<ul style="list-style-type: none"> - Volumes down 1.5%. - Decline in margins offset restructure benefits. - Towards the end of 1H15, margins improved. 	<ul style="list-style-type: none"> - Volumes up 6.2%. - EBITDA to sales margin increased to 7.9% from 7.4% due to volume growth, tight cost control and margin management. - Reiterated guidance for FY2015 EBITDA from continuing operations and 5 months of Nuplex Specialties and Masterbatch of \$115 to \$125m. - Noted FY2015 EBITDA from continuing operations \$109 to \$119m.
PRODUCTS/MAIN MARKETS	COATING RESINS  Automotive OEM  Vehicle Refinish  Marine & Protective  Powder  Wood  Metal  Decorative	COATING RESINS  Automotive OEM  Vehicle Refinish  Metal  Decorative  Powder  Wood  Marine & Protective COMPOSITES  Infrastructure  Swimming Pools  Marine & Leisure  Sheeting	COATING RESINS  Vehicle Refinish  Metal  Wood  Marine & Protective  Decorative	COATING & OTHER RESINS  Decorative  Metal  Wood  Adhesives  Ink  Textiles COMPOSITES  Swimming Pools  Marine & Leisure  Infrastructure PAPER  Tissue  Packaging CONSTRUCTION PRODUCTS  Flooring	

* After \$4.4m unallocated corporate costs

OVER 1,600 EMPLOYEES
MANUFACTURING IN **12** COUNTRIES
SPREAD OVER **4**
CONTINENTS



AMERICAS

U.S.A.

- Kentucky
- Regional Head Office
- Production Site
- Sales Office
- R&D Centre
- Technical Service Centre

Illinois

- Production Site

BRAZIL

- Sales Representation

ASIA

SINGAPORE

- Regional Head Office

CHINA

- Production Sites
- Sales Office
- R&D Centre

INDIA

- Sales Representation

INDONESIA

- Production Site
- Sales Office

MALAYSIA

- Production Site
- Sales Office
- Technical Service Centre

TAIWAN

- Sales Office

THAILAND

- Production Site
- Sales Office

VIETNAM

- Production Sites
- Sales Office
- Technical Service Centre

EMEA

THE NETHERLANDS

- Regional Head Office
- Sales Office
- Production Site
- R&D Centre
- Innovation Centre

FRANCE

- Sales Office

GERMANY

- Production Site
- Sales Office

ITALY

- Sales Office

POLAND

- Sales Office

SPAIN

- Sales Office

UNITED KINGDOM

- Production Site
- Technical Service Centre

RUSSIA

- Production Site

ANZ

AUSTRALIA

- Corporate Office
- Regional Head Office
- Production Sites
- Sales Offices
- R&D Centre
- Technical Service Centre

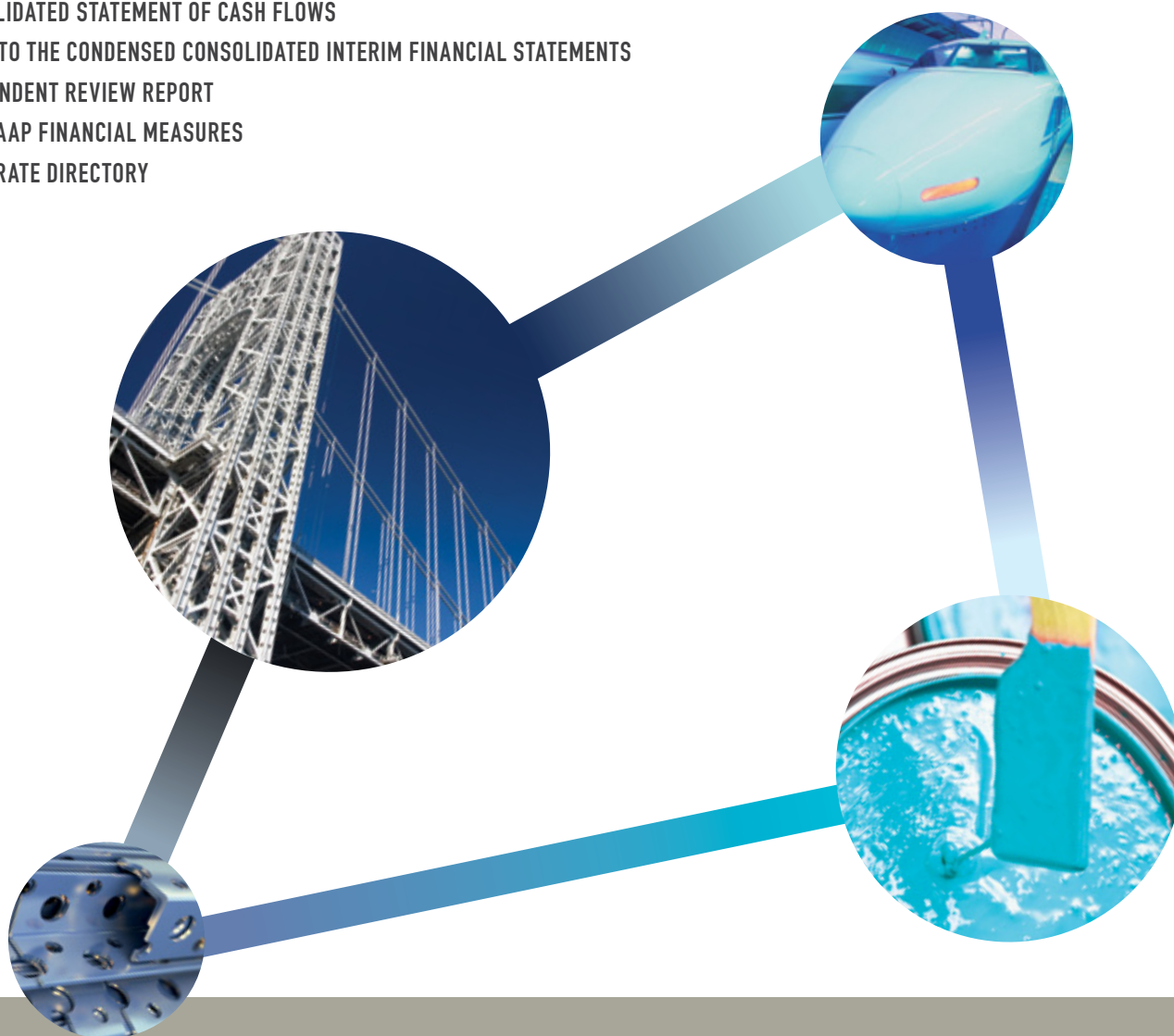
NEW ZEALAND

- Registered Office
- Production Site
- Sales Office
- Technical Service Centre

FINANCIAL REPORT

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IBC	CORPORATE DIRECTORY



The Directors are pleased to present the Unaudited Financial Statements of the Nuplex Group for the half year ended 31 December 2014.

PETER SPRINGFORD
CHAIRMAN

19 FEBRUARY 2015

DAVID JACKSON
DIRECTOR

19 FEBRUARY 2015

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014 (UNAUDITED)

(NZ\$ in millions)	Notes	6 months to 31 Dec 2014 Total	6 months to 31 Dec 2013 Total
Sales revenue		685.8	668.8
Cost of sales		(543.8)	(528.7)
Gross Profit		142.0	140.1
Other operating income		3.3	2.0
Distribution expenses		(35.6)	(33.7)
Marketing expenses		(32.9)	(31.8)
Administration expenses		(34.4)	(35.0)
Other operating expenses		(5.9)	(23.1)
Share of profits of associates		0.8	1.1
Profit before financing costs and tax		37.3	19.6
Financial income		3.2	0.9
Financial expenses		(10.0)	(9.4)
Net financing costs		(6.8)	(8.5)
Profit before tax		30.5	11.1
Income tax expense		(4.9)	(4.8)
Profit for the period from continuing operations		25.6	6.3
Profit from discontinued operations	8	13.0	6.3
Profit for the period		38.6	12.6
Profit attributable to:			
Equity holders of the parent		37.3	11.4
Non-controlling interests		1.3	1.2
		38.6	12.6
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Foreign currency translation differences for foreign operations		(5.9)	(23.8)
Effective portion of changes in fair value of cash-flow hedges		19.8	(15.3)
Remeasurement of defined benefit obligations		(3.8)	(0.4)
Income tax on other comprehensive income		(5.6)	4.6
Other comprehensive income for the period, net of income tax		4.5	(34.9)
Total comprehensive income for the period		43.1	(22.3)
Total comprehensive income attributable to:			
Equity holders of the parent		41.3	(22.9)
Non-controlling interests		1.8	0.6
		43.1	(22.3)
Basic earnings per share (cents per share)	5	18.8	5.8
Diluted earnings per share (cents per share)	5	18.4	5.6

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014 (UNAUDITED)

Consolidated Statement of Changes in Equity for the six months ended 31 December 2014 (Unaudited)

(NZ\$ in millions)	Attributable to equity holders of the parent					Non-controlling Interest	Total Equity
	Share capital	Translation reserve	Share-based payments reserve	Retained earnings	Hedging reserve		
Balance at 1 July 2014	368.5	(80.7)	3.4	231.2	(15.2)	7.0	514.2
Other Comprehensive Income							
Foreign currency translation differences	–	(6.4)	–	–	–	0.5	(5.9)
Remeasurement of defined benefit obligations, net of tax	–	–	–	(3.8)	–	–	(3.8)
Effective portion of changes in fair value of cash-flow hedges, net of tax	–	–	–	–	14.2	–	14.2
Total Other Comprehensive Income	–	(6.4)	–	(3.8)	14.2	0.5	4.5
Profit for the period	–	–	–	37.3	–	1.3	38.6
Total comprehensive income for the period	–	(6.4)	–	33.5	14.2	1.8	43.1
Contributions by and distributions to owners							
Performance rights plan	–	–	0.2	–	–	–	0.2
Dividends paid	–	–	–	(21.8)	–	(1.1)	(22.9)
Balance as at 31 December 2014	368.5	(87.1)	3.6	242.9	(1.0)	7.7	534.6

Consolidated Statement of Changes in Equity for the six months ended 31 December 2013 (Unaudited)

(NZ\$ in millions)	Attributable to equity holders of the parent					Non-controlling Interest	Total Equity
	Share capital	Translation reserve	Share-based payments reserve	Retained earnings	Hedging reserve		
Balance at 1 July 2013	368.5	(35.2)	2.7	223.6	(4.5)	7.4	562.5
Other Comprehensive Income							
Foreign currency translation differences	–	(23.3)	–	–	–	(0.6)	(23.9)
Effective portion of changes in fair value of cash-flow hedges, net of tax	–	–	–	–	(11.1)	–	(11.1)
Total Other Comprehensive Income	–	(23.3)	–	–	(11.1)	(0.6)	(35.0)
Profit for the period	–	–	–	11.4	–	1.2	12.6
Total comprehensive income for the period	–	(23.3)	–	11.4	(11.1)	0.6	(22.4)
Contributions by and distributions to owners							
Performance rights plan	–	–	1.0	–	–	–	1.0
Dividends paid	–	–	–	(21.8)	–	(0.9)	(22.7)
Balance as at 31 December 2013	368.5	(58.5)	3.7	213.2	(15.6)	7.1	518.4

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2014 (UNAUDITED)

(NZ\$ in millions)	as at 31 Dec 2014	as at 30 June 2014	as at 31 Dec 2013
Equity attributable to members of the parent company			
Share capital	368.5	368.5	368.5
Translation reserve	(87.1)	(80.7)	(58.5)
Share-based payments reserve	3.6	3.4	3.8
Retained earnings	242.9	231.2	213.2
Hedging reserve	(1.0)	(15.2)	(15.6)
Non-controlling interests	7.7	7.0	7.0
Total Equity	534.6	514.2	518.4
Property, plant and equipment	314.5	303.5	308.5
Intangible assets	145.1	196.0	209.1
Investments in associates	5.5	4.8	5.9
Deferred tax assets	27.2	20.7	15.9
Non-current Assets	492.3	525.0	539.4
Assets classified as held for sale	15.6	15.6	–
Inventories	175.9	233.0	237.8
Trade and other receivables	330.1	351.0	327.1
Income tax receivable	6.0	2.6	5.7
Cash and cash equivalents	94.1	73.1	72.6
Current Assets	621.7	675.3	643.2
Total Assets	1,114.0	1,200.3	1,182.6
Borrowings	216.4	304.5	278.3
Employee benefits	26.7	24.0	21.1
Deferred tax liability	15.6	15.5	16.8
Non-current Liabilities	258.7	344.0	316.2
Borrowings	0.3	0.3	0.5
Trade and other payables	283.2	309.0	301.5
Employee benefits	13.9	19.6	15.4
Provisions	9.2	3.4	17.6
Income tax payable	14.1	9.8	13.0
Current Liabilities	320.7	342.1	348.0
Total Liabilities	579.4	686.1	664.2
Total Net Assets	534.6	514.2	518.4

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014 (UNAUDITED)

(NZ\$ in millions)	Notes	6 months to 31 Dec 2014	6 months to 31 Dec 2013
Receipts from customers		774.8	768.5
Payments to suppliers and employees		(705.2)	(724.6)
Interest received		0.7	0.6
Interest paid		(9.3)	(8.5)
Dividends received		0.5	1.1
Income taxes paid		(12.6)	(8.0)
Operating cash flows from discontinued operations		(5.0)	(2.2)
Net cash from operating activities	3	43.9	26.9
Proceeds on disposal of property, plant and equipment		–	2.1
Payments for property, plant and equipment		(30.4)	(24.0)
Proceeds from disposal of businesses, net of cash disposed		133.4	1.2
Net cash from investing activities		103.0	(20.7)
Proceeds from borrowings		25.0	4.1
Repayment of borrowings		(130.4)	(2.3)
Dividends paid to shareholders		(21.8)	(21.8)
Dividends paid to non-controlling interests		(1.1)	(0.9)
Net cash from financing activities		(128.3)	(20.9)
Increase/(Decrease) in cash		18.6	(14.7)
Cash at 1 July		73.1	91.8
Exchange rate adjustment		2.4	(4.5)
Cash at 31 December		94.1	72.6
Comprising:			
Cash balances		91.3	53.1
Cash on call deposit		2.8	19.5
		94.1	72.6

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014 (UNAUDITED)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Nuplex Industries Limited is a Company domiciled in New Zealand. The condensed consolidated interim financial statements of the Company comprise the Company and its subsidiaries (the "Group") and the Group's interest in associated entities as of and for the six months ended 31 December 2014. The Group is a profit orientated entity.

The financial statements are expressed in New Zealand dollars which is the Company's functional currency. References in these financial statements to "\$" or "NZ\$" are to New Zealand dollars. All financial information has been rounded to the nearest hundred thousand, unless otherwise stated. These condensed financial statements are unaudited.

(a) Statement of compliance

The interim financial statements of the Group have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with NZ IAS 34 Interim Financial Reporting and consequently, do not include all the information required for full financial statements. These condensed consolidated interim financial statements should be read in conjunction with the annual report for the year ended 30 June 2014.

The interim financial statements of the Group have been prepared in accordance with the requirements of the New Zealand Stock Exchange (NZX). Nuplex Industries Limited is registered under the Companies Act 1993 and is an FMC Reporting Entity under the Financial Markets Conduct Act 2013.

These condensed consolidated interim financial statements were approved by the Board of Directors on 19 February 2015.

(b) Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 30 June 2014.

2. SEGMENT ANALYSIS

The Group has four reportable geographic segments, as described below. The reportable segments operate in environments with markedly different conditions and are managed separately. For each of the reporting segments the CEO reviews internal management reports monthly. Inter-segment pricing is determined on an arm's length basis. The following summary describes the constitution of each of the Group's reportable segments:

Segment	Country operations included in Segment
ANZ	New Zealand, Australia
Asia	China, Indonesia, Malaysia, Singapore, Thailand, Vietnam
EMEA	Germany, The Netherlands, Russia, UK
Americas	Brazil, USA
In prior periods the Groups reported segments comprised the following business lines, however following the disposal of the Specialties segment in November 2014 the primary resource allocation determinant became geographic and so the above primary segments were adopted.	
Resins	Global manufacture of synthetic resins for regional markets. Distribution of complementary functional materials.
Specialties	Manufacture and distribution of a range of functional materials for regional markets.

The board and management assess the performance of the operating segments based on a measure of adjusted EBITDA. This measurement basis excludes the effects of significant incomes and expenses associated with asset impairments, acquisitions, divestments and legal cases where the income or expense is the result of an isolated non-recurring event.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS – CONTINUED

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014 (UNAUDITED)

2. SEGMENT ANALYSIS (CONTINUED)

Information about reportable segments

(NZ\$ in millions)	6 months to 31 Dec 2014				
	ANZ	Asia	Resins EMEA	Americas	Total Group
Sales to outside customers	153.5	157.0	292.2	83.1	685.8
Inter-segment sales	3.1	1.3	8.2	0.2	
Segment sales	156.6	158.3	300.4	83.3	
Operating EBITDA before unallocated costs	3.0	18.3	27.2	10.4	58.9
Unallocated costs					(4.4)
Operating EBITDA after unallocated costs					54.5
Depreciation and amortisation	(4.5)	(2.1)	(8.9)	(1.3)	(16.8)
Segment result	(1.5)	16.2	18.3	9.1	37.7
Net financing costs					(6.8)
Share of profits/(losses) of associates					0.8
Non-controlling interest					(1.3)
Tax on operating profits					(5.2)
Operating profit after tax					25.2
Significant Items					
Significant items before tax					(1.2)
Income tax credit on non-operating items					0.3
Net profit attributable to equity holders of the parent from continuing operations					24.3
Net profit attributable to non-controlling interests					1.3
Profit for the period from continuing operations					25.6
Profit from discontinued operations					13.0
Profit for the period					38.6
Assets	311.5	242.3	370.5	62.4	986.7
Unallocated assets					127.3
Total Assets					1,114.0

Revenues from one group of customers under common control amount to 13.8% (2013: 12.3%) of the Group's total revenues.

2. SEGMENT ANALYSIS (CONTINUED)

Information about reportable segments

(NZ\$ in millions)	6 months to 31 Dec 2013				
	ANZ	Asia	Resins EMEA	Americas	Total Group
Sales to outside customers	159.3	153.6	278.1	77.8	668.8
Inter-segment sales	2.2	0.4	7.2	0.2	
Segment sales	161.5	154.0	285.3	78.0	
Operating EBITDA before unallocated costs	9.3	17.4	20.5	9.2	56.4
Unallocated costs					(6.9)
Operating EBITDA after unallocated costs					49.5
Depreciation and amortisation	(3.6)	(1.9)	(8.8)	(1.3)	(15.6)
Segment result	5.7	15.5	11.7	7.9	33.9
Net financing costs					(8.5)
Share of profits/(losses) of associates					1.1
Non-controlling interest					(1.2)
Tax on operating profits					(5.6)
Operating profit after tax					19.7
Significant Items					
Impairment of assets relating to investment in RPC Pipe Systems P/I					(14.6)
Other significant items before tax					(0.8)
Income tax credit on non-operating items					0.8
Net profit attributable to equity holders of the parent from continuing operations					5.1
Net profit attributable to non-controlling interests					1.2
Profit for the period from continuing operations					6.3
Profit from discontinued operations					6.3
Profit for the period					12.6
Assets	257.6	197.2	392.6	60.0	907.4
Unallocated assets					94.1
Assets associated with discontinued operations					181.1
Total Assets					1,182.6

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS – CONTINUED

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014 (UNAUDITED)

3. RECONCILIATION OF PROFIT FOR THE PERIOD WITH THE NET CASH FROM OPERATING ACTIVITIES:

(NZ\$ in millions)	6 months to 31 Dec 2014	6 months to 31 Dec 2013
Profit for the period	38.6	12.6
Non-cash items:		
Depreciation	12.9	12.8
Tax	4.0	7.3
Amortisation	4.7	4.0
Doubtful debts provisions	0.6	–
Stock obsolescence provisions	0.4	(1.0)
Non-current provisions	(1.3)	(2.1)
Performance share rights expense	0.2	1.0
Share of losses/(profits) of associates	(0.8)	(1.1)
Impairment write-down of assets	–	14.6
	20.7	35.5
Classified as investing/financing:		
(Profit)/Loss on sale of fixed assets	–	(0.7)
Profit and significant items before tax on discontinued operations	(7.5)	–
Recycling of foreign currency translation reserve balance	1.2	–
	(6.3)	(0.7)
(Increase)/Decrease in working capital:		
Receivables	13.9	31.3
Inventories	(7.4)	(10.0)
Creditors and current provisions	(2.7)	(34.0)
	3.8	(12.7)
Income tax paid	(13.4)	(8.9)
Dividend received from associate	0.5	1.1
Net Cash from Operating Activities	43.9	26.9

4. DIVIDEND

On 18 February 2015, the directors declared an interim dividend of 10 cents per share. The dividend is payable on 2 April 2015. The dividend carries no imputation credits for New Zealand tax residents and no Australian franking credits.

5. EARNINGS PER SHARE

The calculation of basic earnings per share is based on:

	6 months to 31 Dec 2014	6 months to 31 Dec 2013
Net surplus attributable to ordinary shareholders (NZ\$ in millions)	37.3	11.4
Shares on issue at 31 December (millions)	198.1	198.1

EPS is calculated in accordance with the NZ IFRS, based on the average number of shares on issue determined as follows:

Weighted average number of ordinary shares (millions):

Ordinary shares on issue at 1 July	198,126	198,126
Basic earnings per share (cents per share)	18.8	5.8
The calculation of diluted earnings per share is based on:		
Net surplus attributable to ordinary shareholders	37.3	11.4
Net surplus attributable to ordinary shareholders (diluted)	37.3	11.4
Basic weighted average number of ordinary shares (millions)	198.1	198.1
Effect of Performance rights plan	4.0	4.5
Diluted weighted average number of ordinary shares	202.1	202.6
Diluted earnings per share (cents per share)	18.4	5.6

6. CONTINGENT LIABILITIES AND OTHER CONTINGENT COMMITMENTS

There have been no significant changes in contingent liabilities disclosed in the 30 June 2014 annual report in the six months to 31 December 2014.

7. SHARE BUY-BACK

On 18 February 2015 the directors resolved to undertake a share buy-back of up to 5% of issued capital. Further information will be provided once the necessary consultations have been completed with the NZX and the Australian Securities Exchange.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS – CONTINUED

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014 (UNAUDITED)

8. DISPOSAL OF SPECIALTIES SEGMENT AND CESSATION OF OPERATIONS IN BRAZIL

On 28 November 2014 the Group completed the sale of its Specialties and Masterbatch businesses in Australia and New Zealand, with the sale of the Vietnam based Masterbatch business expected to complete by 30 June 2015 after having obtained the required regulatory approvals. The accounting for this disposal, including the Vietnam operation, has been included in the results for the period to 31 December 2014.

The Group's operations in Brazil, which comprise a sales office and warehouse, ceased operations during the period and were liquidated in December 2014.

Financial information relating to the discontinued operations for the period to the date of disposal is set out below:

(NZ\$ in millions)	5 months to 28 Nov 2014	6 months to 31 Dec 2013
Sales revenue	126.0	146.3
Operating EBITDA	5.9	10.0
Depreciation and amortisation	(0.9)	(1.1)
Net financing costs	0.2	(0.1)
Tax on operating profits	(1.4)	(2.5)
Operating profit after tax	3.8	6.3
Significant Items		
Gain on sale of operations before tax	12.9	–
Remediation provisions for non-operating sites	(4.9)	–
Recycling of Brazilian translation reserve to profit	(1.2)	–
Income tax credit on significant items	2.4	–
Profit from discontinued operations for the period	13.0	6.3

Details of the sale of the Specialties and Masterbatch businesses are set out below:

Cash consideration received or receivable net of transaction and other costs	130.2
Carrying amount of net assets sold or related to discontinued business	(117.3)
Gain on sale before income tax	12.9
Income tax credit	0.9
Gain on sale after income tax	13.8

The carrying amounts of assets and liabilities as at the date of sale of the Specialties and Masterbatch businesses were as follows:

	28 Nov 2014
Property, plant and equipment	13.0
Intangible assets	45.4
Inventories	64.1
Trade and other receivables	15.2
Total Assets	137.7
Employee benefits	(3.9)
Trade and other payables	(16.5)
Total Liabilities	(20.4)
Total Net Assets	117.3

INDEPENDENT REVIEW REPORT

TO THE SHAREHOLDERS OF NUPLEX INDUSTRIES LIMITED



REPORT ON THE FINANCIAL STATEMENTS

We have reviewed the accompanying financial statements of Nuplex Industries Limited Group ("the Group") on pages 9 to 18, which comprise the consolidated statement of financial position as at 31 December 2014, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period ended on that date, and a summary of significant accounting policies and selected explanatory notes. The Group comprises both Nuplex Industries Limited ("the Company") and the entities it controlled during the half-year.

Directors Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting (NZ IAS 34) and for such internal controls as the Directors determine are necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410). NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects, in accordance with NZ IAS 34. As the auditors of the Company, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

A review of financial statements in accordance with NZ SRE 2410 is a limited assurance engagement. The auditor performs procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing. Accordingly we do not express an audit opinion on these financial statements.

Other than in our capacity as auditors we have no relationship with, or interests in the Company.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements of the Group are not prepared, in all material respects, in accordance with NZ IAS 34.

Restriction on Distribution or Use

This report is made solely to the Company's shareholders, as a body. Our review work has been undertaken so that we might state to the Company's shareholders those matters which we are required to state to them in our review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company's shareholders, as a body, for our review procedures, for this report, or for the conclusion we have formed.

A stylized, handwritten-style signature of 'PricewaterhouseCoopers' in a dark grey color.

Chartered Accountants

Sydney, 19 February 2015

NON-GAAP FINANCIAL MEASURES

Nuplex results are prepared in accordance with NZ GAAP and comply with NZ IFRS. This document includes non-GAAP financial measures which are not defined in NZ IFRS.

Nuplex believes that these non-GAAP financial measures provide useful information to readers to assist in the understanding of the financial performance, financial position or returns of Nuplex, but they should not be viewed in isolation, nor considered as a substitute for measures reported in accordance with NZ IFRS. Non-GAAP financial measures as reported by Nuplex may not be comparable to similarly titled amounts reported by other companies.

The non-GAAP financial measures used in commentary in this document include:

Operating EBITDA	Earnings before interest, tax, depreciation, amortisation and significant items, associates and minority interest. This is detailed in note 2 to the financial statements.														
Operating profit	Profit available to equity holders of the parent company before significant items, as detailed in note 2 to the financial statements.														
Significant items	Items that by a combination of their size, timing or irregular nature warrant separate disclosure to allow readers to better assess the recurring income generating capacity of the business. These are identified in note 2 to the financial statements.														
Return on Funds Employed (ROFE)	<p>Earnings before interest, tax and significant items (EBIT) for the preceding twelve months divided by average opening and closing funds employed over the same twelve month period. Average funds employed exclude capital works under construction.</p> <p>ROFE has been calculated based on:</p> <table><tr><th>(NZ\$ in millions)</th><th>Dec 2014</th><th>Dec 2013</th></tr><tr><td>EBIT from continuing operations for the preceding 12m</td><td>79.1</td><td>73.9</td></tr><tr><td>Average funds employed in continuing operations for the preceding 12m</td><td>669.1</td><td>671.1</td></tr><tr><td>ROFE</td><td>11.8%</td><td>11.0%</td></tr></table>			(NZ\$ in millions)	Dec 2014	Dec 2013	EBIT from continuing operations for the preceding 12m	79.1	73.9	Average funds employed in continuing operations for the preceding 12m	669.1	671.1	ROFE	11.8%	11.0%
(NZ\$ in millions)	Dec 2014	Dec 2013													
EBIT from continuing operations for the preceding 12m	79.1	73.9													
Average funds employed in continuing operations for the preceding 12m	669.1	671.1													
ROFE	11.8%	11.0%													
Funds employed	Total equity plus current and non-current borrowings, as reported in the Consolidated Statements of Financial Position.														

CORPORATE DIRECTORY

DIRECTORS

Peter Springford, Chairman
Emery Severin, Managing Director
Robert Aitken
Barbara Gibson
David Jackson
Mary Verschuer
(appointed 1 March 2015)

AUDITORS

PricewaterhouseCoopers

SOLICITORS

Allens Linklaters
Bell Gully

INSURANCE BROKERS

Marsh Limited

SHARE REGISTRARS

Computershare Investor Services Limited
Private Bag 92119
Auckland

BANKERS

Commonwealth Bank of Australia
Westpac Banking Corporation
Australia and New Zealand Banking Group Limited
HSBC

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EXECUTIVE MANAGEMENT

Emery Severin
Managing Director & Chief Executive Officer

Clive Cuthell
Chief Financial Officer

Josie Ashton
Director, Corporate Communications

Paul Davey
Vice President, Human Resources

Clive Deetlefs
Vice President, Operations

Mike Kelly
Regional President, The Americas

Paul Kieffer
Regional President, Europe, Middle East & Africa

Ruben Mannien
Regional President, Asia

Zel Medak
Regional President, Australia & New Zealand

William Weaver
Vice President, Technology & Strategy

James Williams
Vice President, General Counsel & Company Secretary



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