



Company Announcement

Nuplex lodges offer document for rights issue to reduce debt

Previous EBITDA guidance confirmed

Nuplex Industries Limited, the international resins and specialty chemicals group, today lodged with the New Zealand Stock Exchange and the Australian Securities Exchange the offer document for its NZ\$132.8 million rights issue. The offer document will be mailed on 2 April 2009 to shareholders with registered addresses in Australia and New Zealand at 1 April 2009 and the offer, which is fully underwritten, will close on 20 April 2009.

In accordance with ASX timetable requirements, a letter will be sent to all shareholders, on 25 March 2009, advising them of their entitlement, based on their current shareholding.

A copy of the offer document, which includes the investment statement and short-form prospectus under the New Zealand Securities Act is available on the company's website: www.nuplex.co.nz. A copy is also available on the NZX and ASX market announcement platforms.

The offer document reiterates the company's earlier guidance of EBITDA (earnings before interest, tax, depreciation and amortisation) of approximately NZ\$43 million for the second half of FY2009. It also confirms that, in the opinion of the directors, the funds raised through the rights issue will be sufficient to meet Nuplex's medium-term capital needs.

'We believe that long-term prospects for Nuplex are sound and the fully underwritten rights issue represents an attractive opportunity for shareholders to acquire further shares,' said Mr Robert Aitken, chairman of Nuplex. 'The pro-rata rights issue will give shareholders the opportunity to benefit alongside leading investment institutions which have agreed to underwrite the offer.'

'The entitlements are valuable and if shareholders do not either accept the offer or sell their rights, this value will be forfeited. We therefore encourage shareholders to read the offer document when received and consult their stockbroker or financial adviser.'

The proceeds of the rights issue will reduce Nuplex's bank debt to approximately NZ\$275 million at the end of April 2009. This will lower the company's gearing (debt/debt+equity) ratio from 52.3 per cent to approximately 37 per cent. Interest costs will also be reduced.



In common with many international groups, the company matches its overseas assets with foreign currency borrowings in order to provide a natural hedge. Nuplex's bank debt increased to NZ \$371 million at 31 December 2008 due to the depreciation of the New Zealand dollar against currencies in which the debt is denominated. At the end of February 2009 it had increased to NZ \$400 million as a result of a further decline in the New Zealand dollar. As overseas assets also increased correspondingly, the gearing ratio remained unchanged.

Mr John Hirst, managing director of Nuplex, said: 'Nuplex now has a global presence, with operations in ten countries across Australasia, Europe, North America and Asia, and more than 50 per cent of revenue comes from outside Australasia. Our businesses continue to trade profitably and are well positioned in their markets, with the majority of our products being essential inputs to customers' manufacturing processes.'

'While, like most manufacturers, we are exposed to global economic conditions, the restructuring programmes we have already activated will reduce operating costs. Margins are also expected to increase due to lower raw material costs.'

'This capital raising will enable us to maintain our market positions and continue to focus on segments where we can add value through our technology and technical service leadership.'

Rights may be traded on the Australian Securities Exchange from 26 March to 9 April 2009 and on the New Zealand Stock Exchange from 2 April to 15 April 2009.

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23 March 2009

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**NOTICE UNDER SECTION 708AA OF THE CORPORATIONS ACT
2001**

Nuplex Industries Limited (**Nuplex**) today announced a fully underwritten renounceable rights issue (**Rights Issue**) of seven fully paid ordinary shares in Nuplex (**New Shares**) for every existing Nuplex share held by shareholders with a registered address in Australia or New Zealand at 7.00pm New Zealand time (5.00pm (AEDST)) on 1 April 2009 (**Eligible Shareholders**) at an issue price of \$0.23 per New Share.

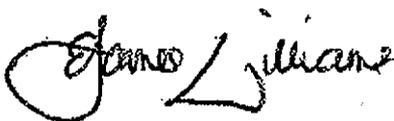
An Offer Document for the Rights Issue will be despatched to Eligible Shareholders on 2 April 2009.

In accordance with section 708AA(2)(f) of the Corporations Act 2001 (Cth) (**Corporations Act**), Nuplex hereby gives notice that:

- 1 Nuplex will offer the New Shares for issue without disclosure to investors under Part 6D.2 of the Corporations Act;
- 2 Nuplex is giving this notice under section 708AA(2)(f) of the Corporations Act;
- 3 as at the date of this notice, Nuplex has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to Nuplex; and
 - (b) section 674 of the Corporations Act; and
- 4 as at the date of this notice, there is no information:
 - (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (b) that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of Nuplex; or
 - (ii) the rights and liabilities attaching to the New Shares.

- 5 It is expected that the issue of New Shares under the Rights Issue will have no significant effect on the control of Nuplex. The potential effect of the Rights Issue is as follows:
- 5.1 if all Eligible Shareholders take up their entitlement under the Rights Issue, then the Rights Issue will have no significant effect on the control of Nuplex;
 - 5.2 if particular Eligible Shareholders do not take up all of their entitlement under the Rights Issue, then the shareholding interests of those Eligible Shareholders in Nuplex will be diluted;
 - 5.3 to the extent there is a shortfall this will be taken up by the underwriter and sub-underwriters of the Rights Issue. Given the size of the Rights Issue, a significant shortfall would result in the underwriter and sub-underwriters owning a substantial portion of the Company. However, no one party is expected to own more than 20% of the Company as a result of the underwriting process;
 - 5.4 the proportional interests of those shareholders not eligible to participate in the Rights Issue may be diluted because such shareholders are not entitled to participate in the Rights Issue.
- 6 It is expected that the issue of New Shares under the Top-up Placement will have no significant effect on the control of Nuplex. The potential effect of the Top-up Placement is as follows:
- 6.1 a maximum of 15% of the shares then on issue will be issued under the Top-up Placement. These will be issued to a range of sub-underwriting parties;
 - 6.2 not one sub-underwriter has sub-underwritten more than 10% of the Rights Issue; and
 - 6.3 In circumstances where the sub-underwriters are required to subscribe for substantial amounts of shares, it is less likely that the call option will be exercised.

Yours faithfully



James Williams
Company Secretary
Nuplex Industries Limited

Nuplex Industries Limited
Rights Issue Offer Document

**Comprising an Investment Statement and Short-form Prospectus for the purposes of the
New Zealand Securities Act 1978**

for a renounceable 7 for 1 rights issue of ordinary shares in Nuplex Industries Limited at
NZ\$0.23 per ordinary share.

First NZ Capital Securities Limited
Organising Participant, Lead Manager and Underwriter

If you are an Eligible Shareholder of Nuplex Industries Limited this Offer Document is important and requires your immediate attention. It relates to a renounceable rights issue to Eligible Shareholders to subscribe for New Shares in Nuplex Industries Limited.

Shareholders should be aware that their Entitlements may have value if they are taken up or renounced and sold, but will have no value if they are allowed to lapse and their interest in the Company will be materially diluted.

You should read this Offer Document in its entirety. If you do not understand any part of this Offer Document or are in doubt as to how to deal with your Entitlements, please consult a Primary Market Participant or stockbroker or your solicitor, accountant or other professional adviser.

This Offer Document is dated 23 March 2009.

Important Information

New Zealand Shareholders

The information in this section is required under the Securities Act 1978 (New Zealand).

Investment decisions are very important. They often have long-term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

Choosing an investment

When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages below:

What sort of investment is this?	48
Who is involved in providing it for me?	49
How much do I pay?	49
What are the charges?	50
What returns will I get?	50
What are my risks?	51
Can the investment be altered?	57
How do I cash in my investment?	58
Who do I contact with enquiries about my investment?	58
Is there anyone to whom I can complain if I have problems with the investment?	59
What other information can I obtain about this investment?	59

In addition to the information in this Offer Document, important information can be found in the current registered prospectus for the investment. You are entitled to a copy of that prospectus on request.¹

Engaging an investment adviser

An investment adviser must give you a written statement that contains information about the adviser and his or her ability to give advice. You are strongly encouraged to read that document and consider the information in it when deciding whether or not to engage an adviser.

Tell the adviser what the purpose of your investment is. This is important because different investments are suitable for different purposes, and carry different levels of risk.

The written statement should contain important information about the adviser, including -

- relevant experience and qualifications, and whether dispute resolution facilities are available to you; and
- what types of investments the adviser gives advice about; and

¹ This is the wording required by Schedule 3D to the Securities Regulations which contemplates a separate investment statement and prospectus. This Offer Document combines a short-form prospectus and an investment statement and accordingly the prospectus available on request is contained in this Offer Document. Answers to Important Questions are set out on pages 48 to 59.

- whether the advice is limited to investments offered by 1 or more particular financial institutions; and
- information that may be relevant to the adviser's character, including certain criminal convictions, bankruptcy, any adverse findings by a court against the adviser in a professional capacity, and whether the adviser has been expelled from, or prohibited from joining, a professional body; and
- any relationships likely to give rise to a conflict of interest.

The adviser must also tell you about fees and remuneration before giving you advice about an investment. The information about fees and remuneration must include -

- the nature and level of the fees you will be charged for receiving the advice; and
- whether the adviser will or may receive a commission or other benefit from advising you.

An investment adviser commits an offence if he or she does not provide you with the information required.

Registration

This Offer Document is a combined short-form prospectus and investment statement dated 23 March 2009 for the purposes of the Securities Act.

A copy of this Offer Document, signed by or on behalf of the Company and its Directors, together with copies of the documents required by section 41 of the Securities Act and regulation 7(c) of the Securities Regulations, being agent authority letters, have been delivered to the New Zealand Registrar of Companies for registration under section 42 of the Securities Act.

A copy of the most recent financial statements of the Company and all reports required by the Companies Act to be annexed or attached thereto have previously been sent to the persons who were Shareholders at the time those statements were sent.

Australian Shareholders

Nature of the Offer Document

This Offer is being made to Australian resident Shareholders without a prospectus in accordance with section 708AA of the Corporations Act. This Offer Document is not a prospectus or any other form of disclosure document regulated by the Corporations Act and has not been and will not be lodged with ASIC. Neither ASIC or ASX take any responsibility for the contents of this document. Accordingly, this Offer Document may not contain all of the information which a prospective investor may require to make a decision whether to subscribe for New Shares and it does not contain all of the information which would otherwise be required by Australian law to be disclosed in a prospectus. Announcements made by Nuplex Industries Limited (**Nuplex**) to ASX are available from the ASX website (www.asx.com.au). The information in this Offer Document does not constitute a recommendation to acquire New Shares or financial product advice.

By returning an Entitlement and Acceptance Form or lodging an Entitlement and Acceptance Form with your stockbroker or otherwise arranging for payment for your New Shares in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have received and read this Offer Document, you have acted in accordance with the terms of the Offer detailed in this Offer Document, you agree to all of the terms and conditions as detailed in this Offer Document and you have made your own enquiries and assessment as to the assets, liabilities, financial position, profit and losses and prospects of Nuplex and the rights attaching to New Shares.

Decision to participate in Offer

The information in this Offer Document does not constitute a recommendation to acquire New Shares or financial product advice.

This Offer Document has been prepared without taking into account the investment objectives, financial or taxation situation or particular needs of any applicant. Before applying for New Shares, you should consider whether such an investment is appropriate to your particular needs, considering your individual risk profile for investments, investment objectives and individual financial circumstances. If you are in any doubt about the

Offer or the contents of this Offer Document, you should consult your Primary Market Participant, stockbroker, solicitor, accountant or other professional adviser without delay. You should note that the past Share price performance of Nuplex provides no guidance as to its future Share price performance.

General

Important document

This Offer Document is important and should be read carefully. It relates to a renounceable Rights Issue to Eligible Shareholders to acquire new ordinary shares in Nuplex.

The Entitlements are renounceable which means you may choose to sell (renounce) any that you do not accept. If you do not accept or renounce your Entitlement, your Rights will lapse and you will not be able to subscribe for any New Shares or realise any other value for your Entitlement, and your Shareholding in the Company will be diluted by 87.5% as a result of the Rights Issue. In addition, interests of Shareholders who do not participate under the Call Option will be diluted by up to 15% by the issue of Shares under the Call Option.

If you are in any doubt as to how to deal with this Offer Document, please consult a Primary Market Participant or stockbroker or your solicitor, accountant or other professional adviser.

Definitions, currency and time

Capitalised terms used in this Offer Document are defined in the Glossary on page 66. Any references to dollars or \$ in this Offer Document are to New Zealand dollars, unless specified otherwise. All references to time in this Offer Document are to New Zealand time, unless otherwise indicated.

No Guarantee

No person (including any Director, agent, employee or adviser of Nuplex) guarantees the return of capital invested in the Company, or the performance of any Shares.

Broker handling fee

The Lead Manager will pay to other NZX Primary Market Participants a 0.5 percent broker handling fee (subject to a cap of NZ\$200 per subscription) for all subscriptions received from Shareholders pursuant to Entitlement and Acceptance Forms bearing the stamp of the NZX Primary Market Participant.

Offering restrictions

This Offer Document has been prepared to comply with the requirements of the laws of Australia and New Zealand. No action has been taken to register this Offer Document in any jurisdiction outside Australia and New Zealand, or to otherwise permit a public offering of Shares in any jurisdiction outside Australia and New Zealand.

This Offer Document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The Offer is not being extended to any Shareholder with a registered address outside of New Zealand and Australia. The distribution of this Offer Document (including an electronic copy) outside New Zealand and Australia may be restricted by law. If you come into possession of this Offer Document, you should observe any such restrictions and seek your own advice on such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws, and persons who receive this Offer Document should seek advice on and observe any such restriction. The Company disclaims all liability to such persons. This Offer Document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

This Offer Document does not constitute an offer of securities in the United States of America (US or United States) or to any US Person (as defined in Regulation S under the US Securities Act), or to any person acting for the account or benefit of a US person.

Governing law

This Offer Document, the Offer and the contracts formed on acceptance of the Entitlement and Acceptance Form are governed by the laws of New Zealand. Each applicant submits to the exclusive jurisdiction of the courts of New Zealand.

Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation in connection with the Offer not contained in the Offer Document may not be relied upon as having been authorised by the Company or any of its officers.

Future performance and forward-looking statements

Neither Nuplex nor any other person warrants or guarantees the future performance of the New Shares or any return on any investment made pursuant to the Rights Issue. The forward-looking statements in this Offer Document are based on Nuplex's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of Nuplex and its Directors, that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward-looking statements in this Offer Document. Investors should specifically refer to section 7.7, 'What are my risks?', which refers to some but not all of the matters that may cause actual results to differ from the position stated in any forward-looking statement in this Offer Document.

Enquiries

Enquiries about this Offer should be directed to your stockbroker, solicitor, accountant or other professional adviser.

The Organising Participant is First NZ Capital Securities Limited, who can be contacted on 0800 111 355 (from NZ) or +64 9 302 5500 (from elsewhere).

If you have any queries about your Entitlements please contact the Share Registry:

In New Zealand:

Computershare Investor Services Limited

Telephone: (09) 488 8777

Outside New Zealand: +64 9 488 8777

Facsimile: (09) 488 8787

In Australia:

Computershare Investor Services Pty Limited

Telephone: 1800 501366

Outside Australia: +61 3 91454083

Facsimile: +61 3 94732500

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Key Offer Statistics

Eligible Shareholder Entitlement	The right to subscribe for 7 New Shares for every Existing Share held as at 7:00 pm (New Zealand time) on the Record Date
Issue price per New Share	\$0.23 per New Share
Amount to be raised under the Offer	\$132.8m
Minimum amount to be raised under the Offer	The Offer is fully underwritten
Shares currently on issue	82,520,534
Number of New Shares to be offered under the Offer	577,643,738
Estimated Shares on issue on completion of the Offer	660,164,272

- (i) *The Company may be called to issue a further 99,024,640 Shares at \$0.23 within five business days of the Allotment Date for the Rights Issue under the Call Option.*

Key Dates

Existing Shares quoted ex-entitlements on ASX	26 March 2009
Rights trading commences on ASX	26 March 2009
Record Date for determining Entitlements (7:00 pm New Zealand time)	1 April 2009
Offer Document and Entitlement and Acceptance Form mailed to Eligible Shareholders	2 April 2009
Existing Shares quoted ex-entitlements on NZX	2 April 2009
Rights trading commences on NZX	2 April 2009
Rights trading ceases on ASX	9 April 2009
Rights trading ceases on NZX	15 April 2009
Offer closes (last day for receipt of acceptances and renunciations) 7:00 pm (New Zealand time)/5:00 pm (AEST)	20 April 2009
Allotment of New Shares under the Offer	23 April 2009
Despatch of FASTER/Shareholding statements for New Shares	23 April 2009
Trading of New Shares on a normal settlement basis (ASX only)	24 April 2009

Investment Overview

The Company's businesses have continued to trade profitably and to be well-positioned in their respective global markets. While Nuplex's near-term prospects will continue to be influenced by the global economic conditions, the Directors believe the long-term prospects for Nuplex are sound and the Rights Issue represents an attractive opportunity to acquire further Shares.

Nuplex operates an international business and as a result has assets and earnings denominated in a range of foreign currencies. Nuplex's treasury policy seeks to put in place a natural hedge by matching foreign currency debt with foreign currency assets and earnings.

The Company experienced an increase in its bank debt levels as at 31 December 2008 when translated into New Zealand dollars due to the depreciation of the New Zealand dollar against the United States dollar and Euro in the second half of 2008, and against the Australian dollar in the final quarter. The Company also experienced a decline in earnings in the first half of the 2009 financial year, principally due to lower demand as a result of depressed economic conditions worldwide. The decline in foreign currency earnings was partially offset by the lower average value of the New Zealand dollar over the first half of the 2009 financial year. The combination of these factors resulted in the Company's senior debt cover ratio under its bank debt facilities being greater than the covenant of 3.00 times.

Since 31 December 2008, the Company has re-negotiated the commercial terms of its bank debt facilities including a waiver from compliance with its senior debt cover ratio covenant until 30 April 2009 and an increase in its senior debt cover ratio covenant until 29 September 2009. Further details of the amendments to the Company's bank debt facilities are provided in section 2.11 of this Offer Document.

The Rights Issue is considered by the Directors to be necessary to ensure that Nuplex complies with the amended terms of its bank debt facilities. Furthermore, the capital of \$132.8m to be raised from the Rights Issue will be, in the opinion of the Directors, sufficient to meet the Company's short and medium term capital needs in the current economic and trading environment. Nuplex may also raise up to a further \$22.8m if the Underwriter exercises the Call Option.

All independent Directors have committed to take up the Rights to which they have a beneficial interest, and certain Directors have indicated a desire to purchase Rights on-market. John Hirst will take up the majority of Rights to which he is entitled (see section 8.11 for more information).

No person, including the Directors, provides any guarantee of the performance of Shares.

The Directors consider that Nuplex has the following key business strengths:

Proven Management Team and Board

- Nuplex's current management team has delivered sound financial results over the last eight financial years, building on the proud track record of the Company.
- The current management team has formulated and led the Company's successful expansion in Australia and into Europe, the United States and Asia, and has driven the Company's strategic investment in technology and people excellence.

1 Key Information for Shareholders

This section outlines the main terms of the Offer. Shareholders are encouraged to read the entire Offer Document and in particular 'Answers to Important Questions' on pages 48 to 59.

1.1 The Offer

The Offer is an offer of ordinary Shares in Nuplex Industries Limited to Eligible Shareholders under a renounceable rights issue (**New Shares**). Under the Offer, Eligible Shareholders are entitled to subscribe for 7 New Shares for every Existing Share held on the Record Date, subject to the terms of this Offer Document.

The Offer opens on 2 April 2009 and closes at 7.00 pm New Zealand time on 20 April 2009. Valid acceptances must be received by 7.00 pm New Zealand time on 20 April 2009. Note that this is a reduced offer period from the 18 business days generally required for rights offers in New Zealand.

The New Shares will be fully paid and will rank equally with Nuplex's existing Shares on issue at the Allotment Date. Details of the Offer are set out in full in section 2.1.

The Rights Issue is conditional upon Overseas Investment Office approval being obtained prior to the Allotment Date, if required (see section 2.12 for further details).

A condition of the Underwriting Agreement is that Nuplex's Banks agree, to the satisfaction of the Underwriter acting reasonably, either to make a pro-forma adjustment to the rolling 12-month interest cost until 31 March 2010 for the purpose of calculating interest cover levels or to amend the level of the interest cover covenant in the bank facilities, to reflect the capital contributed by the Right Issue.

The Offer will not proceed if these conditions are not met by the Allotment Date.

The Offer has only been sent to Australian and New Zealand Shareholders. The Entitlements of all other Shareholders will be issued to a nominee who will endeavour to sell those Entitlements and the proceeds will be paid to those Shareholders. For more information see Section 2.6.

1.2 Offer Price

Eligible Shareholders will be entitled to subscribe for 7 New Shares for every Existing Share held on the Record Date, at an issue price of \$0.23 per New Share.

1.3 Eligibility

The Offer is only open to Eligible Shareholders, being those persons with registered addresses in New Zealand or Australia, who are registered as Shareholders at 7.00 pm New Zealand time on 1 April 2009 (**Record Date**). Persons registered as Shareholders of Nuplex after 7.00 pm New Zealand time on the Record Date will not be entitled to participate in the Offer.

1.4 Call Option

As part of the underwriting arrangements for the Rights Issue the Company has entered into a Call Option arrangement with First NZ Capital Securities Limited in respect of new Nuplex Shares that may be issued upon completion of the Rights Issue. For the period of five business days following the Allotment Date, First NZ Capital Securities Limited may call for Nuplex to

2 Details of the Offer

2.1 The Offer

The Offer is a renounceable rights issue by Nuplex Industries Limited to Eligible Shareholders of 7 New Shares for every Existing Share held on the Record Date.

The issue price for New Shares issued under the Offer is \$0.23 per New Share. The price is payable in full on application.

New Shares issued under the Offer will rank equally in all respects, including as to dividends and voting, with existing Shares.

Eligible Shareholders are not required to subscribe for all of the New Shares to which they are entitled under the Rights Issue. They may subscribe for a proportion of their Entitlement or allow their Entitlement to lapse. The Rights Issue is renounceable. Accordingly, Entitlements may be sold or transferred by Shareholders to any other person on or before 9 April 2009 on ASX, and 15 April 2009 on NZX.

In broad terms, if Eligible Shareholders do nothing with their Entitlements their Shareholding in the Company will be diluted by 87.5% as a result of the Rights Issue. In addition, interests of Shareholders who do not participate under the Call Option will be diluted by up to 15% by the issue of Shares under the Call Option.

2.2 Underwriting Agreement

Nuplex has requested that First NZ Capital Securities Limited (**Underwriter**) fully underwrite the Rights Issue and the Underwriter has agreed to do so. A summary of the principal terms of the underwriting agreement (**Underwriting Agreement**) is set out below:

- subject to a number of pre-conditions being satisfied, the Underwriter will subscribe (or procure subscription) at the issue price of \$0.23 per New Share for any Shares not subscribed for under the Rights Issue;
- the Underwriter may enter into sub-underwriting agreements;
- the Underwriter may terminate its obligations under the underwriting agreement on non-fulfilment of any of the conditions to the underwriting agreement. Those conditions include the following:
 - the Underwriter being satisfied that there has not been a Material Adverse Event (Material Adverse Event is defined in the underwriting agreement as an event, series of events, a matter or information which, in the Underwriter's reasonable opinion has or is likely to have a material adverse effect on the Nuplex Group, the Group's prospects, the price at which Shares are traded on the NZX and ASX, the quotation or trading of Rights and Shares, or an event that would or would be reasonably likely to give rise to a material liability to the Underwriter in connection with the Offer);
 - the Banks agreeing to amend the basis on which the EBIT/interest cover covenants applicable to the Bank Facility Agreement are tested by either making a pro forma adjustment to the rolling 12-month interest cost until 31 March 2010 to reflect the new capital raised and associated debt

repayment, reducing the level of EBIT/interest cover covenants in relation to each monthly period to 31 March 2010, or some other method (which is satisfactory to the Underwriter, acting reasonably);

- Nuplex not breaching any warranty given by Nuplex under the underwriting agreement;
 - there not being a decline in the NZSX50 Index or the S&P/ASX200 Index of 15% or more for 2 continuous days at any time between the day immediately prior to the date of execution of the underwriting agreement and 5.00 pm on the Allotment Date, or such decline occurring less than 48 hours before the Allotment Date and therefore maintained until the Allotment Date;
 - there not occurring an increase in the 90 Day Bank Bill Rate in New Zealand of 75 basis points or more or an increase in the 3 year government bond rate of 75 basis points or more for the same period;
 - Nuplex confirming on the settlement date that all of the warranties given by Nuplex under the underwriting agreement remain true, accurate and not misleading or deceptive, that the conditions have been fulfilled, that it knows of no circumstances which could result in a breach of the warranties or non-fulfilment of the conditions and that it has complied with the underwriting agreement;
 - Nuplex obtaining Overseas Investment Office consent to the Rights Issue prior to Allotment Date, if required; and
 - Nuplex being in compliance with its revised bank facilities which are summarised in section 2.11 of this Offer Document.
- the Underwriter will be paid an underwriting fee of 2.0% of the total proceeds raised under the Offer (**Underwriting Fee**);
 - however, if the underwriting agreement is terminated prior to the Allotment Date because of non-fulfilment of the conditions to the underwriting agreement (including breach of warranties, a breach of Nuplex's obligations, or if an event renders this Offer Document incorrect) then Nuplex is obliged to pay to the Underwriter an early termination fee. However, the fee cannot exceed 100% of the Underwriting Fee. In addition, and regardless of whether the Offer proceeds, Nuplex will reimburse the Underwriter for all reasonable out of pocket expenses, legal expenses (subject to certain caps) and third party disbursements properly incurred by the Underwriter in connection with the Rights Issue;
 - Nuplex has agreed to indemnify the Underwriter and persons acting for them in connection with the underwrite against certain losses incurred as a result of the Rights Issue, the allotment of the New Shares or the underwriting agreement.

Nuplex may not without prior consent of the Underwriter for a period of 6 months after 17 March 2009, offer any further equity securities in Nuplex, issue any option entitling the holder to equity securities in Nuplex, create any debt or other obligation convertible into equity securities in Nuplex, or enter into any agreement or announce an intention to do any of the foregoing (subject to certain exceptions including in respect of the Call Option it has granted to First NZ Capital, under which First NZ Capital may direct the Company to issue up to 99,024,640 further

Shares at \$0.23 per Share to sub-underwriters of the Offer, and where an issue is required for the prudent financial management of Nuplex).

Warranties given by Nuplex in the underwriting agreement include warranties relating to the content of this Offer Document, compliance by Nuplex and its subsidiaries with relevant laws, the existence of no material litigation or Material Adverse Event (as defined in the underwriting agreement), the valid issue and allotment of new Shares, and that Nuplex is in compliance with its revised bank facilities at the Allotment Date. The regulatory investigations referred to on page 56 have been disclosed to the Underwriter, with the intent that, provided those matters do not escalate, those matters will not constitute a warranty breach (and therefore potentially a Material Adverse Effect).

2.3 Opening and Closing Dates

The Offer will open for receipt of acceptances on 2 April 2009. The Closing Date and time for acceptances and payments is 7.00 pm New Zealand time on 20 April 2009, subject to Nuplex varying those dates in accordance with the NZSX and ASX Listing Rules.

2.4 Who is entitled to participate?

The Offer is only open to Eligible Shareholders, being those persons with registered addresses in New Zealand or Australia, who are registered as Shareholders at 7.00 pm New Zealand time on 1 April 2009 (**Record Date**). Applications for New Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in this Offer. Persons registered as Shareholders of Nuplex after 7.00 pm New Zealand time on the Record Date will not qualify for the Offer.

2.5 How to take up your Entitlements

If you are an Eligible Shareholder, accompanying this Offer Document is an Entitlement and Acceptance Form showing the number of New Shares which you are entitled to subscribe for under the Offer. If you would like to exercise your Entitlements you must do so on the Entitlement and Acceptance Form.

You may take one of the following actions in respect of your Entitlement:

- accept your Entitlement in full;
- sell your Entitlement in full;
- sell part of your Entitlement and accept the balance or allow the balance to lapse; or
- do nothing.

Instructions on how to take up your Entitlements are set out in section 3 of this Offer Document.

2.6 Overseas Shareholders

The Offer is only available to Shareholders with a registered address in New Zealand or Australia, who are registered as Shareholders at 7.00 pm New Zealand time on 1 April 2009. Nuplex is of the view that it is unreasonable to make the Offer to Shareholders outside of New Zealand and Australia having regard to the low number of such Shareholders, the number and value of New Shares such Shareholders would be offered and the costs of complying with overseas legal requirements.

The New Shares offered under this Offer to which Shareholders who are resident in jurisdictions outside New Zealand and Australia would have otherwise been entitled, will instead be issued to a nominee who will endeavour to sell those Entitlements, hold the proceeds on trust and account to those Shareholders on a pro rata basis for the proceeds, net of costs.

Nuplex, in its absolute discretion, reserves the right to determine whether a Shareholder is eligible to participate in the Offer or not. Nuplex shall, to the maximum extent permitted by law, have no liability in respect of the determination as to whether a Shareholder is eligible to participate in the Offer.

This Offer Document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the New Shares or otherwise permit a public offering of the New Shares in any jurisdiction other than New Zealand and Australia. The Offer is not being extended to any Shareholder resident outside New Zealand or Australia. This Offer Document does not constitute an offer of securities in the United States or to any US Person (as defined in Regulation S under the US Securities Act), or to any person acting for the account or benefit of a US person.

Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how they should proceed. Eligible Shareholders who hold Shares on behalf of persons who are not resident in New Zealand or Australia are responsible for ensuring that taking up New Shares under the Offer does not breach either the selling restrictions described in this Offer Document or the securities laws in the applicable overseas jurisdiction.

2.7 Rights and liabilities attaching to New Shares

New Shares offered under the Offer will, when issued, rank equally in all respects including as to dividends and voting, with Existing Shares.

2.8 NZX and ASX Listing

An application has been made to NZX and ASX for quotation of the Rights and all requirements of NZX and ASX relating thereto that can be complied with on or before the date of this Offer Document have been duly complied with. However, neither NZX nor ASX accepts responsibility for the contents of or any statement in this Offer Document.

Rights trading on the ASX is expected to commence on 26 March 2009 and cease at the close of business on 9 April 2009, and commence on NZX on 2 April 2009 and cease at close of business on 15 April 2009. If you wish to sell your Entitlements using this method you must do so before close of trading on the relevant exchange. Renunciations must be lodged with the Registrar not later than 7.00 pm New Zealand time on 20 April 2009.

The New Shares have been accepted for listing by NZX and ASX and will be quoted upon completion of allotment procedures. However, neither NZX nor ASX accepts any responsibility for any statement in this Offer Document. New Shares are expected to be allotted on 23 April 2009 if all conditions are fulfilled.

The fact that NZX or ASX may approve the Rights and New Shares for quotation is not to be taken in any way as an indication of the merits of the Company.

2.9 Withdrawal of the Offer

The Rights Issue is conditional upon Overseas Investment Office approval being obtained prior to the Allotment Date; if required (see section 2.12 for further details).

A condition of the Underwriting Agreement is that Nuplex's banks agree, to the satisfaction of the Underwriter, acting reasonably, either to make a pro-forma adjustment to the rolling 12-month interest cost until 31 March 2010 for the purpose of calculating interest cover levels, or to amend the level of the interest cover covenant in the bank facilities, to reflect the capital contributed by the Right Issue.

The Offer will not proceed if these conditions are not met by the Allotment Date.

The Offer opens on 2 April 2009 and closes at 7.00 pm New Zealand time on 20 April 2009. Valid acceptances must be received by 7.00 pm New Zealand time on 20 April 2009. Nuplex reserves the right to withdraw the Offer and issue of New Shares at any time before the Allotment Date in its absolute discretion, in which case all application funds will be refunded without interest. If the Offer does not proceed, the relevant application monies paid in respect of the New Shares to be issued under the Offer will be refunded to those Eligible Shareholders who applied for New Shares under the Offer as soon as reasonably practicable. No interest will be paid on any application monies refunded as a result of the withdrawal of the Offer.

2.10 Minimum Subscription

The minimum amount which in the opinion of the Directors must be raised under the Offer is \$132.8m. The Offer is fully underwritten.

2.11 Bank Facility Agreement

Nuplex has bi-lateral banking facility agreements (the **Bank Facility Agreement**) with its banks (Citibank N.A. (Citibank), Commonwealth Bank of Australia (CBA), the Hongkong and Shanghai Banking Corporation Limited, HSBC Bank plc, HSBC Bank Australia Ltd (HSBC) and Westpac Banking Corporation (Westpac) (together the **Banks**)).

Since 30 June 2008, the depreciation of the New Zealand dollar against the United States dollar and the Euro, and in the final quarter of 2008 against the Australian dollar, has increased the Company's debt position when translated into New Zealand dollars. This, combined with a decline in earnings in the first half of the 2009 financial year, has resulted in the Company's senior debt cover ratio covenant under the Bank Facility Agreement being greater than the covenant of 3.00 times as at 31 December 2008.

The Banks have agreed to amend the senior debt cover ratio (currently 3.00 times), to be measured monthly on a rolling 12-month basis, as follows:

Period	Maximum Ratio
Up to 30 April 2009	Waived
1 May 2009 to 29 June 2009	3.50 times
30 June 2009 to 29 September 2009	3.25 times
From 30 September 2009	3.00 times

This agreement is subject to completion of documentation, and the Banks have required conditions to the amendment of the senior debt cover ratio (**SDCR**) including (in addition to usual banking terms) the following:

- Net proceeds of the Rights Issue are applied to reduction of amounts outstanding under the Bank Facility Agreement.
- Net asset sale proceeds (other than inventory) in excess of NZ\$2m are required to be applied in reduction of amounts outstanding under the Bank Facility Agreement.
- Any dividends for the financial year ending 30 June 2009 shall not exceed 60% of net profit after tax without agreement of the Banks (and can only be paid provided the Nuplex Group is in compliance with the Bank Facility Agreement).
- General security will be taken by the Banks over all of the New Zealand and Australian assets of the Nuplex Group prior to the Allotment Date.

If the Rights Issue is not completed, the Company will be subject to a further review of the Bank Facility Agreement by the Banks.

Nuplex currently has the following bank facilities and other debt funding:

Form of Funding	Provider	Amount	Maturity
Bank Debt	Citibank	A\$50m	November 2009
Bank Debt	CBA	A\$100m	November 2010
Bank Debt	HSBC	A\$100m	November 2011
Bank Debt	Westpac	A\$100m	November 2011
Capital Notes ⁽¹⁾	Public	NZ\$52.6m	September 2012 ⁽²⁾

⁽¹⁾ If capital notes holders do not accept the new terms of the capital notes at the election date and seek to redeem their capital notes, Nuplex may, at its option, either convert the capital notes into Shares or redeem them for cash.

⁽²⁾ Election date, rather than maturity date.

Following payment of the net proceeds from the Rights Issue against its senior debt facility, Nuplex will have in place bank debt facilities totalling A\$350m which will be drawn to approximately A\$220m. In the opinion of the Directors, the total capital to be raised from the Rights Issue will be sufficient to meet the Company's short and medium-term capital needs.

2.12 Overseas Investment Office Consent

The Company owns 2.5 hectares of industrial land classed as sensitive under the Overseas Investment Act 2005 (**Overseas Investment Act**) adjoining the foreshore on the bank of the Whau River (a tidal arm of the Waitemata harbour) in Avondale, Auckland. This directly adjoins an Auckland City Council reserve. Allotment under the Rights Issue may require the Company to obtain consent under the Overseas Investment Act, as overseas persons after the Rights Issue could possibly together control 25% or more of Nuplex's ordinary Shares. Consent would be required under the Overseas Investment Act if the Rights Issue were to result in an overseas investment in sensitive land under section 12(b)(iii) of the Overseas Investment Act. The

Company has accordingly applied for consent under the Overseas Investment Regulations 2005 to facilitate the Rights Issue. At the time of publication of the Offer Document, that consent had not been obtained. If consent is required and it is not obtained prior to the Allotment Date, then the Rights Issue will not proceed.

2.13 Call Option to Lead Manager

As part of the underwriting arrangements for the Rights Issue, the Company has entered into a Call Option arrangement with First NZ Capital Securities Limited in respect of new Shares that may be issued upon completion of the Rights Issue. For the period of five business days following the Allotment Date, First NZ Capital Securities Limited may call for Nuplex to issue to habitual and institutional investors who provided sub-underwriting commitments up to 99,024,640 Shares representing 15% of the Shares then on issue for a price of NZ\$0.23 per new Share. This issue will not require Shareholder approval if the option is called.

3 How to Apply

3.1 Acceptance or Renunciation of Entitlement

If you are an Eligible Shareholder, accompanying this Offer Document is an Entitlement and Acceptance Form showing the number of New Shares which you are entitled to subscribe for under the Offer. If you would like to exercise your Entitlements, you must do so on the Entitlement and Acceptance Form.

Applications for exercise of Entitlements (and issue of New Shares) cannot be revoked or withdrawn.

You may take the following actions in respect of your Entitlement:

- accept your Entitlement in full;
- sell your Entitlement in full;
- sell part of your Entitlement and accept the balance or allow the balance to lapse; or
- do nothing with your Entitlement.

The Entitlements have value and if you do nothing with your Entitlement, your Entitlement will lapse and you will not be able to subscribe for any New Shares or realise any other value for your Entitlement.

Nuplex reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date. An application for your Entitlement may be for any number of New Shares but must not exceed your Entitlement as shown on the Entitlement and Acceptance Form. If it does, your application will be deemed to be for your full Entitlement and any balance of application monies will be returned to you (without interest).

For assistance, Shareholders should seek their own investment, financial, taxation or other professional advice.

3.2 Accepting Your Entitlement in Full

If you wish to take up your Entitlement in full, you should indicate this on the Entitlement and Acceptance Form and send your completed form together with payment for the number of New Shares applied for to the Registrar, any Primary Market Participant, the Organising Participant or any other channel approved by the NZX or ASX (as applicable), in time to be received by the Registrar by 7.00 pm on 20 April 2009 at the address set out below:

In New Zealand:

Registrar
Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna
Private Bag 92119
Auckland 1020

In Australia:

Registrar
Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001

Cheques should be made out in favour of 'Nuplex Rights Issue', and crossed 'not transferable' (in New Zealand) or 'not negotiable' (in Australia).

3.3 Accepting Part of Your Entitlement and Selling the Remainder

There is no minimum number of New Shares which you must subscribe for under this Offer Document. You may accept as much or as little of your Entitlement as you wish. If you wish to accept part of your Entitlement and sell the remainder you need to:

- instruct a Primary Market Participant or stockbroker to sell the number of Entitlements you wish to renounce (further details on renouncing the Entitlements are provided in the section entitled '*Selling your Entitlement in Full*' below); and
- indicate the number of New Shares you wish to apply for on the acceptance form included in the Entitlement and Acceptance Form and send your completed form together with payment for the number of New Shares applied for directly to the Primary Market Participant or stockbroker through whom you sold your Entitlements.

If the Company receives, on or before 7.00 pm on 20 April 2009, both an acceptance and a renunciation by a Shareholder in respect of the same Entitlements, effect will be given to the renunciation in priority to the acceptance.

3.4 Selling Your Entitlement in Full

If you wish to sell your Entitlement, this can be done on the NZX or ASX by instructing a Primary Market Participant or stockbroker to sell the number of Entitlements specified on the Entitlement and Acceptance Form.

If you wish to sell your Entitlements on the NZX you will need to provide both your FASTER identification number (**FIN**) number and your Common Shareholder Number (**CSN**). If you wish to sell your Entitlements on the ASX you will need to provide your shareholder reference number (**SRN**).

3.5 Rights Trading

An application has been made to NZX and ASX for quotation of the Rights and all requirements of NZX and ASX relating thereto that can be complied with on or before the date of this Offer Document have been duly complied with. However, neither NZX nor ASX accepts responsibility for the contents of or any statement in this Offer Document.

Rights trading on the ASX is expected to commence on 26 March 2009 and cease at the close of business on 9 April 2009, and commence on NZX on 2 April 2009 and cease at close of business on 15 April 2009. If you wish to sell your Entitlements using this method you must do so before close of trading on the relevant exchange. Renunciations must be lodged with the Registrar not later than 7.00 pm on 20 April 2009.

3.6 Payment

The issue price of NZ\$0.23 for the New Shares is payable in full on application.

Payment must be made by sending a cheque or bank cheque for the appropriate amount in New Zealand dollars, made payable to 'Nuplex Industries Limited', crossed 'not transferable' (in New Zealand) or 'not negotiable' (in Australia) and for immediate value, together with your completed Entitlement and Acceptance Form, to:

In New Zealand:

Registrar

In Australia:

Registrar

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna
Private Bag 92119
Auckland 1020

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001

Receipts for payment will not be issued.

The Rights Issue is conditional upon Overseas Investment Office approval being obtained prior to the Allotment Date, if required (see section 2.12 for further details).

A condition of the Underwriting Agreement is that Nuplex's Banks agree, to the satisfaction of the Underwriter, acting reasonably, either to make a pro-forma adjustment to the rolling 12-month interest cost until 31 March 2010 for the purpose of calculating interest cover levels, or to amend the level of the interest cover covenant in the Bank facilities, to reflect the capital contributed by the Right Issue.

The Offer will not proceed if these conditions are not met by the Allotment Date.

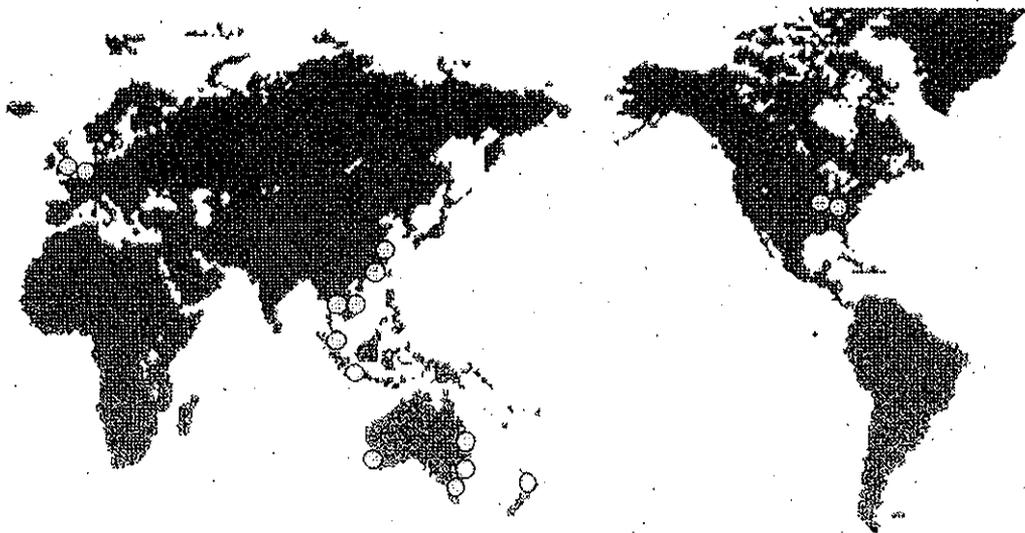
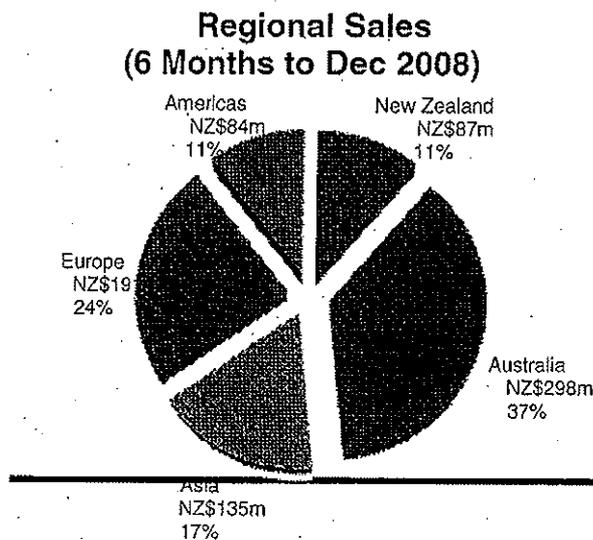
Nuplex reserves the right to withdraw the Offer and issue of New Shares at any time before the Allotment Date in its absolute discretion, in which case all application funds will be refunded without interest. If the Offer does not proceed, the relevant application monies paid in respect of the New Shares to be issued under the Offer will be refunded to those Eligible Shareholders who applied for New Shares under the Offer as soon as reasonably practicable. No interest will be paid on any application monies refunded as a result of the withdrawal of the Offer.

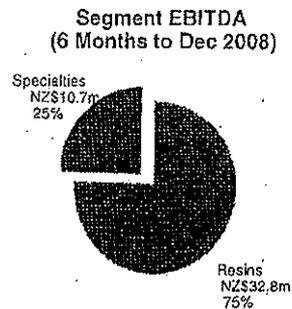
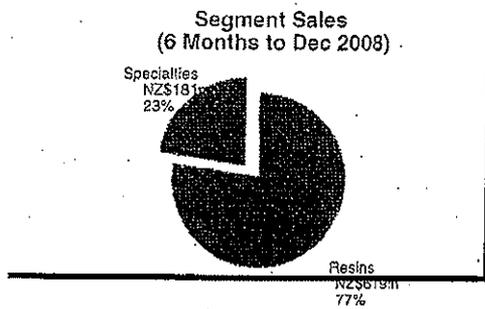
4 Nuplex's Business

Nuplex is a manufacturer and distributor of synthetic resins that are used in the global coatings and regional composites and paper industries. Nuplex's resins business segment represents over 75% of the Company's revenues and earnings.

The balance of the Company's business is Nuplex's specialties business segment, involving the manufacturing of colour and additive masterbatch and the distribution of specialty products into the construction, chemical, plastic and life sciences markets in Australia and New Zealand.

Nuplex's operations span ten countries, the result of a long history in strategic acquisitions. Over 50% of the Company's sales are now derived outside of Australasia.





Resins

Nuplex's resins business segment can be divided into three broad product groups: coating resins, composite resins and paper resins.

Coating Resins

Nuplex manufactures and distributes coating resins which are used as inputs for the production of a broad range of industrial products, particularly paints, adhesives, inks, textiles and construction materials. The resin range includes solvent, water and powder-based products. Nuplex has global supply capability from manufacturing facilities in the United States, Netherlands, United Kingdom, New Zealand, Australia, Malaysia, Indonesia, Thailand, Vietnam and China, with sales worldwide.

Product Category	Examples of key end uses
Technical coatings	Automotive, specialty plastics, aerospace, consumer electronics, timber flooring, furniture, cabinetry, marine, infrastructure, packaging, coil, general metal production and decoration, window frames
Architectural coatings	DIY use, trade paints, construction, decorative
Adhesives	Woodworking, packaging, construction, pressure sensitive
Printing inks	Newspaper, packaging
Textiles	Printing, coating

Composite Resins

Nuplex's composite resins business involves the manufacture of resins and gelcoats and distribution of these and related products used predominantly as inputs for the manufacture of glass reinforced composite materials. The Company also provides specialist composite engineering design services. Nuplex considers that it is the principal supplier of composite resins and services to the Australasian market with a growing presence in Asia.

Product Category	Examples of key end uses
Composite resins and services	Yachts, powerboats, spas, pools, surfboards, watercraft, showers, baths, vanities, water tanks, fuel and chemical tanks, automotive components, transportation vehicles, mining products, potable water pipes

Paper Resins

Nuplex manufactures and distributes resins used to provide functionality to paper products, and distributes process chemicals used in the manufacture of paper products. Nuplex's paper resins are supplied to the Australian and New Zealand markets.

Product Category	Examples of key end uses
Paper resins	Sizing to improve strength and printability, coating for high quality print acceptance, impregnation to provide wet strength in tissue, foam control, bioactivity control, product solutions for paper machine hygiene control

Specialties

Nuplex's specialties business segment comprises the agency and distribution, masterbatch and construction products businesses.

Agency and Distribution

Nuplex's agency and distribution business trades as APS, Multichem and Polychem and involves the warehousing and distribution of specialty products under agency agreements with international manufacturers of products in the chemicals and plastics markets of Australia and New Zealand. Nuplex also warehouses and distributes regulated materials to the Australian and New Zealand life sciences markets. Nuplex has access to in-house laboratory facilities to support customers' technical efforts and in-house professional services supporting regulatory requirements.

Market	Examples of key end uses
Chemicals and plastics	Coatings, adhesive, agriculture, textiles, rubber, personal care, packaging, engineering, moulding, carpets, masterbatch
Life sciences	Food, nutrition, pharmaceutical, nutraceutical, veterinary

Masterbatch

Nuplex manufactures and distributes colour and additive masterbatch for the plastic moulding and fabrication industry under the Culamix brand. The Company is a substantial service provider in Australasia from multiple manufacturing plants, and also supplies masterbatch in Vietnam.

Product Category	Examples of key end uses
Masterbatch	Plastic packaging, engineering plastics, synthetic textile fibres

Construction Products

Nuplex manufactures and distributes a range of products used both prior and post construction. The construction products business is largely focused in New Zealand.

Product Category	Examples of key end uses
Construction products	Waterproofing, resilient flooring, functional floor topping, lightweight cladding, plastics, lightweight masonry cladding

Strategic focus

Target 'defensible' niche markets for growth

Nuplex is focused on supplying technically advanced resins to large sophisticated customers at the premium end of the technical coating segments market.

In other markets where the opportunity exists, the Company seeks a leadership position in broader segments which provide scale for profitable operations. Higher margin opportunities in mature markets are also targeted.

Nuplex provides customised products to meet customers' precise needs, allowing Nuplex to develop long-lasting relationships with them. This creates what the Company considers to be a sustainable advantage for Nuplex.

Awareness of Industry Trends

Nuplex believes that it has been effective in pre-empting transformational changes in the industry in order to maintain its competitive advantage. It led consolidation in the Australasian resins markets through a series of acquisitions. Recent large acquisitions include Australian Chemical Holdings in 1998, Asia Pacific Specialty Chemicals in 2002 and Huntsman Composites in 2006. Nuplex now enjoys a well recognised global brand.

It further participated in global consolidation of the coating resins market with the acquisition of Akzo Nobel Coating Resins in 2005. In addition, it has consolidated businesses to form its substantial agency and distribution operation.

Nuplex has broad technology strengths and importantly has successfully positioned water-based, high solids and powder resins in all major market segments to meet the world's trend towards more environmentally friendly products.

Nuplex seeks to anticipate industry trends in determining the allocation of research and development expenditure, focusing on segments where it can achieve added value through technology and technical service leadership.

Value Creation through Selective Acquisitions

Acquisitions have been used tactically by Nuplex to access technology/research and development, strong management capabilities and customer relationships, enhance market

positions, achieve synergies, provide a route-to-market, and build a balanced and sustainable organisation. The Company is not considering any material acquisitions in the short term.

5 Trading update and prospects

Trading Update

Since the end of the first half of Nuplex's 2009 financial year on 31 December 2008, sales across the various regions in which Nuplex operates, continued in a similar pattern as had been experienced in the second quarter of the 2009 financial year. Sales during January and February 2009, despite being generally weaker than a year ago, were in line with expectations. However, raw material costs have started to reduce in the third quarter of the 2009 financial year with a corresponding positive impact on margins.

Working capital remained constant from 31 December 2008 to 28 February 2009, with decreases in inventories and receivables offset by lower payables. Free cash flows generated during this period were impacted by the payout of employee leave entitlements as the Company moved to reduce outstanding obligations across all businesses. During January and February 2009, interest payments continued at rates similar to those incurred in the first half of the financial year.

As at 28 February 2009, Nuplex's net senior debt was approximately NZ\$325m. This comprised drawn senior debt of approximately NZ\$400m less total cash of approximately NZ\$75m, compared to Nuplex's net senior debt as at 31 December 2008 of NZ\$303m. The increase in net senior debt from 31 December 2008 to 28 February 2009 was almost entirely due to a reduction in the value of the New Zealand dollar (increase of approximately NZ\$22m).

Prospects for the Next 12 Months

Nuplex expects that world markets will generally remain in a depressed state over the next 12 months. Demand is expected to vary across regions - some regions are expected to continue to gradually soften, others are expected to be stable at current rates, while some uplift is expected in economies more recently affected by the global downturn as inventories are released from the supply chain.

In certain markets, Nuplex is growing its market share with preferred supply positions and new technology and increasing sales of higher margin products while reducing volume of lower margin business. However, demand for Nuplex's tolling services, particularly in Europe, has declined as customers satisfy more of their reduced requirements from in-house capacity. Offsetting this, additional capacity at Waçol and Botany will enable the Company to manufacture in-house products previously sourced from third parties.

Overall, like most manufacturers, Nuplex remains exposed to global economic conditions and these will likely be the primary influence on the level of sales and gross margin achieved.

Raw material costs will initially be lower and while they are likely to increase above current lows as surplus capacities are removed, the Company believes they are unlikely to return to former record highs in the near term. Whilst some of the benefit from this will accrue to customers in the form of lower prices, lower input costs are expected by the Company to improve Nuplex's margin performance in the next 12 months, other things being equal.

Operating costs are expected to decrease as the benefit of restructuring programmes that have already been executed take effect, and as further costs are taken out of the business to respond to lower levels of demand. The Company has lowered its discretionary spending. Additionally, salaries for senior staff and Directors' fees will not be increased this year. The Company could also consider closing certain plants, and would do this where a demonstrable financial benefit could be achieved.

Additionally, the Company will redirect some of its long-term focused technical costs to deploy resources on efficiency initiatives, such as reducing waste and production cycles, to improve performance in sustainable market segments.

Capital expenditure in the 2009 and 2010 calendar years is expected to be \$8-12m per annum. In addition, the Company may also spend up to \$10m in the 2010 financial year if it needs to invest in additional capacity in China. With ongoing focus on releasing working capital, lower capital expenditure requirements and an expectation of continuing profitable trading conditions, the Directors anticipate the business should generate steady free cash flow over the next 12 months.

In February 2009, the Company indicated that it expected EBITDA for the six months to 30 June 2009 would be essentially in line with the first half of the 2009 financial year. The Directors reiterate this guidance based on the Company's trading performance in January and February 2009 which was slightly ahead of expectations and the current view of near-term performance.

Nuplex's products are still essential inputs to the manufacturing process and long-term prospects for the business remain sound. The Directors are confident the business is taking a prudent approach in the current economic environment, but note the Company's performance in the short to medium term will be highly influenced by external factors.

The above statement should be read in conjunction with the risks section on page 51.

6 Financial Information

The Company's audited consolidated financial statements for the year ended 30 June 2008, prepared in accordance with the requirements of the Financial Reporting Act 1993, being the annual financial report most recently lodged with ASIC and the New Zealand Companies Office by the Company, were sent to Shareholders on 29 September 2008.

Copies of these financial statements can also be obtained, free of charge, from the Company's registered office indicated in the Directory; at the Company's website (www.nuplex.co.nz) or at the New Zealand Companies Office website (www.companies.govt.nz).

Interim financial statements for the six month period ended 31 December 2008 are set out on pages 36 to 47.

Additional information

The following information is provided to supplement the information set out in the unaudited interim financial statements for the six months ended 31 December 2008 and the audited financial statements for the year ended 30 June 2008.

Nuplex acquired the G-Cure product line from Cognis on 14 November 2007. At 30 June 2008, the fair values of the assets and liabilities acquired were disclosed as provisional as management had yet to finalise the value that should be attributed to identified intangible assets. The fair values were finalised during the period ended 31 December 2008 with no material changes being made to the provisional fair values recognised at 30 June 2008. The acquisition has resulted in goodwill of \$11.9m being recognised. The Directors have attributed this goodwill to the cost of historic customer relationships acquired and the opportunities presented to supply a wider range of Nuplex's products to these customers.

During the financial year ended 30 June 2008, a total impairment charge net of tax benefits was recorded as \$3.9m. The Directors note that the full amount of the impairment charge related to assets in the Group's specialties segment and included an impairment charge against the value of land holdings and the write off of an intangible asset related to a discontinued line of business. During the financial year ended 30 June 2007, a total of impairment charge net of tax benefits was recorded of \$10.5m. The Directors note that the impairment charge related solely to the Group's Resin segment and specifically to the closure of the Brazilian manufacturing facilities and impairment on redundant plant and buildings in the European and Chinese businesses as disclosed in Note 4 of the 2007 annual report. There have been no impairments recorded in the 6 months ended 31 December 2008.

As noted above, the Directors raised an impairment provision against the value of land holdings in the specialties segment in the year ended 30 June 2008. The Group had received indicative interest in the sale of certain land holdings. As the indicative offers were less than the carrying value of the land, the Directors considered these to provide an indicator of impairment and reduced the carrying value to the estimated recoverable value less costs to sell. The Directors considered this amount to represent the realisable amount for the assets involved. This was reviewed at 31 December 2008, and it was concluded that the value currently reflected in the financial statements continues to approximate the expected realisable value for the assets.

As part of the process of preparing the interim financial statements, the Directors concluded that the current economic environment was a prima facie indicator of impairment and

consequently a full impairment test of all the Group's businesses was performed at 31 December 2008. The growth rates applied to determine the value in use at this time ranged between 0% and 7% depending on the specific characteristics of the business being valued, including its growth prospects, the geography of the business and the impact that the current economic conditions are having on the key customers of the business. At the time that the impairment test was performed, the underlying cashflow forecasts for each business continued to support the carrying values of the net assets. Sensitivity testing indicated that there would be no impairment write downs required should the discount rate increase by 2% or the growth rates reduce by 2%.



INTERIM FINANCIAL STATEMENTS

for the half-year ended 31 December 2008

The Directors are pleased to present the Unaudited Financial Statements of the Nuplex Group for the half-year ended 31 December 2008.

Robert Alken
Chairman
26 February 2009

Bryan Kensington
Director
26 February 2009

Consolidated Income Statements
for the six months ended 31 December 2008 (Unaudited)

nuplex

(NZD in thousands)	Notes	6 months to	6 months to
		Dec 2008	Dec 2007
		Total	Total
Sales revenue		795,114	748,308
Cost of sales		(643,130)	(590,601)
Gross Profit		151,984	167,707
Other operating income		691	771
Distribution expenses		(38,598)	(35,711)
Marketing expenses		(49,931)	(43,430)
Administration expenses		(30,178)	(26,463)
Other operating expenses		(9,118)	(1,881)
Operating profit before financing costs		24,852	50,993
Financial income		1,210	963
Financial expenses		(13,589)	(13,731)
Net Financing costs		(12,379)	(12,768)
Share of profits of associates		165	594
Profit before tax		12,638	38,819
Income tax expense		(5,660)	(13,286)
Profit for the period		6,978	25,533
Attributable to:			
Equity holders of the parent		5,959	24,619
Minority interests		1,019	914
		6,978	25,533
Basic earnings per share	6	\$0.073	\$0.307
Diluted earnings per share	6	\$0.073	\$0.307

Statements of Changes in Equity
for the six months ended 31 December 2008 (Unaudited)

nuplex

(NZD in thousands)	Attributable to equity holders of the parent				Minority Interest	Total Equity
	Share capital	Translation reserve	Retained earnings	Total		
Balance at 1 July 2008	183,562	23,973	149,049	356,584	8,477	365,061
Changes in equity for the six months ended 31 December 2008						
Exchange translation difference	-	31,657	-	31,657	2,150	33,807
Changes in fair value of cash-flow hedges	-	-	(4,614)	(4,614)	-	(4,614)
Net income recognised directly in equity	-	31,657	(4,614)	27,043	2,150	29,193
Profit for the period	-	-	5,959	5,959	1,019	6,978
Total recognised income and expense for the period	-	31,657	1,345	33,002	3,169	36,171
Dividend Reinvestment Plan	4,755	-	-	4,755	-	4,755
Dividends paid	-	-	(18,795)	(18,795)	(318)	(19,113)
Balance as at 31 December 2008	188,317	55,630	131,599	375,546	11,328	386,874

for the six months ended 31 December 2007 (Unaudited)

(NZD in thousands)	Attributable to equity holders of the parent				Minority Interest	Total Equity
	Share capital	Translation reserve	Retained earnings	Total		
Balance at 1 July 2007	171,425	(12,771)	132,156	290,810	7,945	298,755
Changes in equity for the six months ended 31 December 2007						
Exchange translation difference	-	11,615	-	11,615	(19)	11,596
Changes in fair value of cash-flow hedges	-	-	1,284	1,284	-	1,284
Net income recognised directly in equity	-	11,615	1,284	12,899	(19)	12,880
Profit for the period	-	-	24,619	24,619	914	25,533
Total recognised income and expense for the period	-	11,615	25,903	37,518	895	38,413
Dividend reinvestment plan	6,086	-	-	6,086	-	6,086
Senior manager incentive scheme	1,754	-	-	1,754	-	1,754
Dividends paid	-	-	(16,380)	(16,380)	(1,109)	(17,489)
Balance as at 31 December 2007	179,265	(1,156)	141,679	319,788	7,731	327,519

Consolidated Balance Sheets
As at 31 December 2008 (Unaudited)

nuplex

(NZD in thousands)

Note	as at 31 Dec 2008	as at 30 June 2008	as at 31 Dec 2007
Equity attributable to members of the parent company	375,546	356,584	319,788
Minority interests	11,328	8,477	7,731
Total Equity	386,874	365,061	327,519
Property, plant and equipment	337,394	311,682	288,419
Intangible assets	165,836	150,174	142,044
Investments in associates	3,203	3,819	2,058
Receivables	1,170	1,167	1,074
Deferred tax asset	7,638	6,533	5,288
Non-current Assets	515,241	473,375	438,883
Inventories	237,685	234,573	217,888
Trade and other receivables	284,634	334,354	275,169
Income tax receivable	8,889	6,304	3,728
Cash and cash equivalents	68,898	50,843	41,219
Current Assets	600,106	626,074	538,004
Total Assets	1,115,347	1,099,449	976,887
Borrowings	52,647	403,118	371,697
Employee benefits	29,340	29,348	25,404
Provisions	413	384	5,505
Deferred tax liability	21,841	21,217	22,452
Non-current Liabilities	104,241	454,067	425,058
Borrowings	371,456	385	338
Trade and other payables	225,737	245,118	193,612
Employee benefits	14,767	17,671	16,064
Provisions	7,942	12,248	11,933
Income tax payable	4,330	4,899	2,353
Current Liabilities	624,232	280,321	224,310
Total Liabilities	728,473	734,388	649,368
Total Net Assets	386,874	365,061	327,519

Consolidated Cash Flow Statements
For the six months ended 31 December 2008 (Unaudited)



(NZD in thousands)

	6 months to Dec 2008	6 months to Dec 2007
	Notes	
Receipts from customers	862,320	763,406
Interest received	1,163	902
Payments to suppliers and employees	(798,208)	(698,607)
Interest paid	(14,241)	(13,051)
Dividends received	710	1,348
Income taxes paid	(7,478)	(9,940)
Net cash from operating activities	3 44,266	44,058
Disposal of fixed assets	51	27
Acquisition of fixed assets	(12,498)	(21,387)
Purchases of businesses, net of cash acquired	4 (4,000)	(14,314)
Disposal of businesses, net of cash disposed of	1,044	-
Net cash from investing activities	(15,403)	(35,674)
Proceeds from borrowings	12,600	49,650
Repayment of borrowings	(15,175)	(32,274)
Dividends paid to shareholders	(13,996)	(10,294)
Dividends paid to minority interests	(318)	(1,108)
Net cash from financing activities	(16,889)	5,974
Increase in cash	11,974	14,358
Cash at 1 July	50,843	26,462
Exchange rate adjustment	6,081	399
Cash at 31 December	68,898	41,219
Comprising:		
Cash balances	65,949	41,219
Cash on call deposit	2,949	

Notes to the consolidated financial statements
for the six months ended 31 December 2008 (unaudited)



1. Statement of significant accounting policies

Nuplex Industries Limited is a Company domiciled in New Zealand. The consolidated interim financial statements of the Company comprise the Company and its subsidiaries (the 'Group') and the Group's interest in associated entities. 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 "NZD" are to New Zealand dollars. All financial information has been rounded to the nearest thousand, unless otherwise stated. These condensed financial statements are unaudited.

(a) Statement of compliance

The financial statements have been prepared in accordance with New Zealand International Financial Reporting Standard NZ IFRS 34 Interim Financial Reporting. The interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2008.

(b) Significant accounting policies

The accounting policies applied by the group in these condensed consolidated financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 30 June 2008.

The International Accounting Standards Board has issued a number of standards, amendments and interpretations which are not yet effective. The Group has not yet applied these in preparing these financial statements although the application of these standards, amendments and interpretations would require further disclosures but is not expected to have a material impact on the Group's results.

2. Segment analyses

Segment information is presented in respect of the consolidated entity's business and geographical segments. The primary format, business segments, is based on the consolidated entity's management and internal reporting structure.

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

Business segments

The consolidated entity comprises the following main business segments:

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. Manufacture of resin based flooring and building products. Distribution of related agency products and resilient flooring in NZ. Manufacture of light-weight plasters in Australasia.

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

Notes to the consolidated financial statements (continued)



2. Segment analyses (continued)

BUSINESS SEGMENTS

(NZD in thousands)	6 months to Dec 2008			6 months to Dec 2007		
	Resins	Specialties	Total Group	Resins	Specialties	Total Group
Sales to outside customers	617,423	177,691	795,114	581,364	166,944	748,308
Inter-segment sales	1,317	3,248		1,238	2,818	
Segment sales	<u>618,740</u>	<u>180,939</u>		<u>582,602</u>	<u>169,762</u>	
EBITDA	32,780	10,665	43,445	49,407	11,200	60,607
Depreciation and amortisation	(10,740)	(883)	(11,623)	(8,942)	(672)	(9,614)
Segment result	<u>22,040</u>	<u>9,782</u>	<u>31,822</u>	<u>40,465</u>	<u>10,528</u>	<u>50,993</u>
Net financing costs			(12,379)			(12,768)
Share of profits of associates			165			594
Minority interest			(1,019)			(914)
Tax on operating profits			(6,981)			(13,286)
Operating profit after tax			<u>11,608</u>			<u>24,619</u>
Unusual items			(5,649)			
Net profit attributable to equity holders of the parent			<u>5,959</u>			<u>24,619</u>
Assets	<u>850,155</u>	<u>178,597</u>	<u>1,028,752</u>	<u>747,683</u>	<u>177,895</u>	<u>925,578</u>
Unallocated assets			86,595			51,309
			<u>1,115,347</u>			<u>976,887</u>
Liabilities	<u>228,507</u>	<u>49,692</u>	<u>278,199</u>	<u>208,433</u>	<u>44,085</u>	<u>252,518</u>
Unallocated liabilities			450,274			396,850
			<u>728,473</u>			<u>649,368</u>
Other segment information						
Equity accounted investments included in segment assets	1,413	1,790	3,203	458	1,600	2,058

GEOGRAPHIC SEGMENTS

	Sales by Destination		Assets	
	6 months to 31 Dec 2008	6 months to 31 Dec 2007	as at 31 Dec 2008	as at 31 Dec 2007
New Zealand	87,205	85,746	124,539	120,050
Australia	298,004	300,991	415,717	391,932
Asia	134,453	118,937	160,394	123,856
Europe	191,355	172,225	330,073	275,783
Americas	84,097	70,409	84,624	65,266
Total Group	<u>795,114</u>	<u>748,308</u>	<u>1,115,347</u>	<u>976,887</u>

Unusual losses after tax for the current year comprise:

Acquisitions that did not proceed	2,856
Remediation provisions	2,793
Total unusual (gains)/losses after tax	<u>5,649</u>

Notes to the consolidated financial statements (continued)

nuplex**3. Reconciliation of the Net Surplus with the Net Cash Flows from Operating Activities:**

(NZD in thousands)	6 months to Dec 2008	6 months to Dec 2007
Profit for the period	6,978	25,533
Non-cash items:		
Depreciation	9,891	8,307
Tax	5,660	13,286
Amortisation	1,732	1,307
Non-current provisions	(2,910)	891
Doubtful debts provisions	2,918	(214)
Stock obsolescence provisions	(214)	(464)
Equity earnings of associate	(165)	(594)
	16,912	22,519
Classified as investing/financing:		
Loss/(profit) on sale of fixed assets	127	(362)
Discount on long term receivable	-	680
Foreign exchange (gain)/loss on loan balances	(699)	(61)
	(572)	257
(Increase)/Decrease in working capital:		
Receivables	66,388	11,624
Inventories	7,275	(926)
Creditors and current provisions	(45,947)	(6,357)
	27,716	4,341
Income tax paid	(7,478)	(9,940)
Dividend received from associate	710	1,348
Cash Flow from Operating Activities	44,266	44,058

Reconciliation of balance sheet working capital movements to operating cash-flow

	Receivables	Inventories	Creditors and current provisions	Total Working Capital
Balance as at 1 July 2008	334,354	234,573	(275,037)	293,890
Balance as at 31 December 2008	284,634	237,685	(248,446)	273,873
Balance Sheet Movement	49,720	(3,112)	(26,591)	20,017
Retranslation of foreign currency balances	27,883	10,173	(23,356)	14,700
Business divestment cash-flows	(1,044)	-	-	(1,044)
Business investment cash-flows	-	-	4,000	4,000
Decrease in provision for doubtful debts	(2,918)	-	-	(2,918)
Decrease in provision for obsolete stock	-	214	-	214
Movement in Hedges	(7,253)	-	-	(7,253)
Working capital cash-flow from operating activities	66,388	7,275	(45,947)	27,716

Notes to the consolidated financial statements (continued)



4. Acquisition of subsidiaries and business assets

(NZD in thousands)

	6 months to Dec 2008	12 months to Jun 2008	6 months to Dec 2007
The assets and liabilities acquired are as follows:			
Intellectual property	-	2,605	-
Inventories	-	1,860	1,879
Net identifiable assets and liabilities	-	4,465	1,879
Acquisition costs	-	89	6
Cash consideration paid in cash, net of cash acquired	-	14,070	14,308
Deferred consideration	-	1,383	1,367
Goodwill arising on acquisition	-	11,077	13,802

During the six months to December 2008 the group paid a further NZD4m related to the acquisition of PML Holdings Limited in November 2005. The amount was conditional on the acquired entity achieving earnings and growth targets to June 2008, all of which were met. This amount had already been fully provided for at 30 June 2008.

Acquisitions in the year to 30 June 2008

Nuplex Industries Limited subsidiary Nuplex Resins LLC acquired the G-Cure product line from Cognis on 14 November 2007. Nuplex paid cash of USD9.9m for the business including inventory.

Nuplex Industries Limited subsidiary Nuplex Industries (Aust) Pty Limited acquired the business of Industrial Food Service Trading Pty Limited in August 2007. Nuplex paid cash of AUD0.4m for the business.

Acquisitions in the year to 30 June 2007

Nuplex Industries Limited subsidiary Nuplex Industries (Aust) Pty Ltd (Nuplex) acquired all the Composites business assets of Huntsman Chemical Company Australia Pty Ltd (HCCA) in January 2007 following approval from the Australian Competition and Consumer Commission. Nuplex paid AUD21.1 million in cash for the assets including inventory. An additional amount is payable that is conditional upon achieving certain earnings targets over the next three years. During the six months to June 2008 a first instalment of AUD1,193,000 was paid in this respect.

5. Dividend

The Board of Nuplex Industries Limited has resolved not to pay an Interim Dividend.

6. Earnings per share

The calculation of basic earnings per share is based on:

	6 months to Dec 2008	6 months to Dec 2007
Net surplus attributable to ordinary shareholders	5,959	24,619
Weighted average number of ordinary shares ('000):		
Ordinary shares on issue at 1 July		
DRP shares issued 15 October 2007	81,719	79,903
DRP shares issued 15 October 2008	-	367
Senior Manager Incentive scheme issues 29 November 2007	340	-
		42
	82,059	80,312
Shares on issue at 31 December	82,521	81,011

7. Contingent liabilities and other contingent commitments

There have been no significant changes in contingent liabilities in the six months to 31 December 2008.

8. Events subsequent to balance date

Group borrowings under revolving multi currency cash advance facility

Under the facility agreement dated 16 November 2005 the group is required to ensure at all times that the ratio of finance debt to EBITDA (Senior Debt Cover Ratio) shall not exceed 3.00. At the 31 December 2008 testing date this ratio was 3.46 representing a failure to comply and as a consequence all bank debt has been classified as a current liability in the Balance Sheet.

The carrying amount of loans under this facility at 31 December 2008 is NZD371m.

The company has been in discussions with the banks since 19 December 2008 in order to obtain an amendment to the covenant ratio. The facility agreement requires that all banks must agree to conditions for an amendment. All banks have indicated a willingness to either amend the Senior Debt Cover Ratio or give a waiver from the failure to comply.

However at the date of signing these Financial Statements conditions for an amendment or waiver had not been agreed to by all parties.

The Company is reviewing the Group's funding arrangements and the Board is considering the merits of issuing ordinary equity.

Directors have concluded that the going concern principle is appropriate for the preparation of these Financial Statements based on the expectation that the banks and the company will be able to agree satisfactory conditions for a waiver or amendment to the Senior Debt Cover Ratio.



Auditors' review report

To the shareholders of Nuplex Industries Limited

We have reviewed the attached consolidated interim financial statements in accordance with the Review Engagement Standards issued by the Institute of Chartered Accountants of New Zealand. The consolidated interim financial statements provide information about the past financial performance of Nuplex Industries Limited and its financial position as at 31 December 2008.

Directors' responsibilities

The Directors of Nuplex Industries Limited are responsible for the preparation of the consolidated interim financial statements which give a true and fair view of the financial position of the Group as at 31 December 2008 and the results of its operations and cash flows for the 6 month period ended on that date.

Reviewers' responsibilities

It is our responsibility to express an independent opinion on the consolidated interim financial statements presented by the Directors and report our opinion to you.

Basis of opinion

A review is limited primarily to enquiries of Group personnel and analytical review procedures applied to the financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Our firm has also provided other services to the Group in relation to taxation and general accounting services. These matters have not impaired our independence as auditors of the Group. The firm has no other relationship with, or interest in, the Group.

Emphasis of matter

In forming our unqualified opinion, we have considered the adequacy of the disclosures made in the consolidated interim financial statements concerning the failure to comply with the Senior Debt Cover Ratio covenant and the ability of the Group to amend its existing banking facilities to ensure its ongoing operations. While currently the outcome is uncertain, the directors believe the matters will be resolved appropriately.



The validity of the going concern assumption on which the consolidated interim financial statements have been prepared is dependent on the successful resolution of this matter. Should the Group be unable to successfully conclude a variation to the banking facility agreements to remedy the failure to comply with the Senior Debt Cover Ratio covenant this may result in the banks requiring repayment of the existing facilities prior to their current expiry dates. This would require the Group to identify alternative sources of funds to replace the existing facilities and should this not be achieved within an acceptable timeframe adjustments may be required to the carrying values of assets and liabilities reflected in these interim financial statements. Further details of the circumstances relating to this matter are described in note 8.

Review opinion

Based on our review, nothing has come to our attention that causes us to believe that the attached consolidated interim financial statements do not give a true and fair view of the financial position of Nuplex Industries Limited as at 31 December 2008, the results of its operations and cash flows for the 6 month period ended on that date in accordance with NZ IAS 34 *Interim Financial Reporting*.

Our review was completed on 26 February 2009 and our opinion is expressed as at that date.

KPMG

Auckland

7 Answers to Important Questions

This section of the Offer Document contains an Investment Statement for the purposes of the New Zealand Securities Act 1978. The purpose of the Investment Statement is to provide certain key information that is likely to assist a prudent but non-expert person to decide whether or not to acquire New Shares in Nuplex under this Offer.

7.1 What sort of investment is this?

This Offer Document describes a renounceable Rights Issue to be offered by Nuplex to Eligible Shareholders, of 7 New Shares for every Existing Share held.

The Offer is for an estimated maximum of 577,643,738 New Shares at an issue price of \$0.23 per Share. If completed, the Offer will raise \$132.8m.

The Rights Issue is conditional upon Overseas Investment Office approval being obtained prior to the Allotment Date, if required (see section 2.12 for further details).

A condition of the Underwriting Agreement is that Nuplex's Banks agree, to the satisfaction of the Underwriter, acting reasonably, either to make a pro-forma adjustment to the rolling 12-month interest cost until 31 March 2010 for the purpose of calculating interest cover levels, or to amend the level of the interest cover covenant in the Bank facilities, to reflect the capital contributed by the Right Issue.

The Offer will not proceed if these conditions are not met by the Allotment Date.

Nuplex reserves the right to withdraw the Offer and issue of New Shares at any time before the Allotment Date in its absolute discretion, in which case all application funds will be refunded without interest.

The Offer is only open to Eligible Shareholders, being persons with a registered address in Australia or New Zealand who are registered as Shareholders at 7.00 pm New Zealand time on the Record Date. Persons registered as Eligible Shareholders of Nuplex after 7.00 pm New Zealand time on the Record Date will not qualify for the Offer.

New Shares will rank equally in all respects with existing Shares. As such, each New Share will confer on the holder the rights described in the Company's constitution and as provided for in the Companies Act including the right to receive notices of, attend and vote at a meeting of the Company (in person or by proxy, attorney or representative), including the right to cast one vote on a poll or any resolution, and the right to an equal share in dividends authorised by the Board and in any distribution of surplus assets of the Company. New Shares may be transferred in a manner authorised by the NZSX Listing Rules, ASX Listing Rules or the Companies Act. Subject to the NZSX Listing Rules and the ASX Listing Rules, the rights attaching to New Shares may be varied by a special resolution passed by the holders of the Shares in accordance with the Companies Act. The Directors of the Company, subject to the Companies Act and the listing rules of the NZX and the ASX, may from time to time issue and allot further Shares on such terms and conditions as they think fit.

The number of New Shares which each Eligible Shareholder is entitled to subscribe for is set out in their Entitlement and Acceptance Form (accompanying this Offer Document). Eligible Shareholders are not required to subscribe for all of the New Shares to which they are entitled. They may subscribe for a proportion of their New Shares, sell their Entitlements, or allow their

Entitlements to lapse. The Entitlements are renounceable and may be sold or transferred to any other person on or before 9 April 2009 on ASX and 15 April 2009 on NZX.

7.2 Other terms of the Offer

The above is a simplified and general description of some of the rights and obligations of Shareholders. All terms of the Offer and Shares, except those rights and obligations implied by law, are set out in other parts of this Offer Document and the Company's constitution, which is available for public inspection at the Company's registered office at 12 Industry Road, Penrose, Auckland and on the Companies Office website (www.companies.govt.nz).

7.3 Who is involved in providing it for me?

Nuplex Industries Limited is the offeror of the Entitlements and issuer of the New Shares.

Nuplex's registered office is at 12 Industry Road, Penrose, Auckland 1061.

Nuplex's core business is the manufacture and distribution of synthetic resins that are used in the global coating, and regional composites and paper industries. The Company has been carrying on these activities since it was established in 1952 in the flooring business and became a merchant resins producer in the late 1960s. More information on Nuplex's business is set out in section 4.

7.4 How much do I pay?

The Shares are offered at a price of NZ\$0.23 per Share.

The issue price for the New Shares is payable in full on application.

Payment must be made by sending a cheque or bank cheque for the appropriate amount in New Zealand dollars, made payable to 'Nuplex Industries Limited', crossed 'not transferable' (in New Zealand) or 'not negotiable' (in Australia) and for immediate value, together with your completed Entitlement and Acceptance Form, to:

In New Zealand:

Registrar
Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna
Private Bag 92119
Auckland 1020

In Australia:

Registrar
Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001

Receipts for payment will not be issued.

The extent of each Eligible Shareholder's Entitlement to subscribe for New Shares is recorded on their Entitlement and Acceptance Form. The Offer may be accepted either in full or in part.

Applications to subscribe for New Shares must be made on the Entitlement and Acceptance Form, in accordance with the application instructions set out in that form.

Applications must be lodged directly with the Registrar (Computershare Investor Services) or mailed or delivered to reach the Registrar no later than 7.00 pm on 20 April 2009 (**Closing Date**).

Alternatively, applications for New Shares can be lodged with any Primary Market Participant, the Organising Participant or any other channel approved by NZX or ASX (as applicable) in time to enable the Entitlement and Acceptance Form to be forwarded to and received by the Registrar before the Closing Date. Applications received after the Closing Date may be accepted at the discretion of Nuplex.

The Company reserves the right to refuse to accept any application in respect of the Offer at its discretion.

Funds received in respect of applications which are declined in whole or in part will be refunded without interest as soon as practicable, and in any case no later than ten Business Days after the Closing Date. Nuplex reserves the right to withdraw the Offer and issue of New Shares at any time before the Allotment Date in its absolute discretion, in which case all application funds will be refunded without interest. Application monies will be held by the Company in a special purpose account on behalf of each Eligible Shareholder who has applied for New Shares under the Offer until the New Shares are issued. If the Offer is withdrawn and New Shares are not issued, the application monies will be refunded to those Shareholders as soon as reasonably practicable.

Interest earned on the application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether New Shares are issued.

The New Shares have been accepted for listing by NZX and ASX and will be quoted upon completion of allotment procedures. However, neither NZX nor ASX accepts any responsibility for any statement in this Offer Document. New Shares are expected to be allotted on 23 April 2009 if all conditions are fulfilled.

An application has been made to NZX and ASX for quotation of the Rights and all requirements of NZX and ASX relating thereto that can be complied with on or before the date of this Offer Document have been duly complied with. However, neither NZX nor ASX accepts responsibility for the contents of or any statement in this Offer Document.

The price payable for a Right which is traded will be that quoted on NZX or ASX (as applicable) during the period that Entitlements are quoted. The price will be determined by a number of factors including the supply and demand for Entitlements at any particular time.

Shareholders may acquire additional Entitlements on NZX or ASX, or by private agreement.

In broad terms, if Shareholders do nothing with their Entitlements they will lapse and the interests of those Shareholders in the Company will be diluted by 87.5% as a result of the Rights Issue. In addition, interests of Shareholders who do not participate under the Call Option will be diluted by up to 15% by the issue of Shares under the Call Option.

7.5 What are the charges?

Other than the issue price of each New Share subscribed for, Eligible Shareholders are not required to pay any charges in relation to the Offer.

Applicants may be liable to pay charges to other persons, such as brokerage fees in respect of any sale of Entitlements or Shares (whether New Shares or Shares already on issue).

7.6 What returns will I get?

New Shares issued as a result of the Offer will rank equally, including as to dividends and voting, with Shares already on issue in Nuplex.

Shareholders will receive returns through any dividends paid by Nuplex on Shares, and any increase in the value of their Shares when they are sold. Share prices fluctuate and dividend payments are not certain, hence no return on investment is promised.

The principal factors that will determine returns to Shareholders are:

- the financial condition of Nuplex;
- Nuplex's ability to pay dividends; and
- the price that Shareholders may realise on the sale of their Shares.

Whether, and to what extent, dividends are paid or the price of Shares increases or falls will depend on a number of factors, including those discussed under the heading '*What are my risks?*' below. The factors described in that section could reduce or eliminate the dividends or other returns or benefits intended to be derived from holding Shares.

Nuplex is legally liable to pay any dividends it declares. The dates and frequency of dividend payments by Nuplex are unknown. No amount quantifiable and enforceable by Shareholders has been promised as at the date of this Offer Document. Any dividend declared for the 2009 financial year cannot exceed 60% of the Company's net profit after tax without agreement of the Company's Banks. See section 2.11 for more information.

Shareholders should consult their own taxation or other financial advisers concerning the taxation implications of investing in Shares and whether, depending on their own circumstances, any increase in value on their sale of Shares may be taxable.

Shareholders may also benefit from any increase in the market price of the Shares. The market price of the Shares could also decrease in value as a result of matters that may or may not be within Nuplex's control. In the event of liquidation of Nuplex, Shareholders will be entitled to participate in the surplus assets of Nuplex (if any).

Performance of Nuplex or the current or future value of Shares is not guaranteed by Nuplex or any other person (including without limitation any Director, employee, adviser or agent of Nuplex), and no amount of return has been promised.

7.7 What are my risks?

There are a number of factors, both specific to the Company and of a general nature, which may affect the Company's future operating and financial performance and the value of the New Shares. A number of these risk factors are described below. The risks and uncertainties described below are not the only ones facing the Company. Additional risks and uncertainties that the Company is unaware of, or that the Company currently deems immaterial, may in the future become important factors that affect the Company. Prospective investors should note that the risk factors set out below may not be exhaustive, and should consider these risk factors in conjunction with other information disclosed in this Offer Document. In addition, descriptions of the risks and uncertainties below necessarily include forward-looking statements. Such forward-looking statements involve matters which have not yet occurred.

Actual events may be materially different from those described below and may therefore affect the Company in a different way. In practice, changes in variables affecting risk factors may offset each other or may be cumulative. If any of the following events actually occur, the Company's business, financial condition or results of operations could be negatively impacted to a significant degree. In that event, the trading price of Shares (including any Shares issued to holders of Rights) could decline and you could lose all or part of your investment.

Summary of principal risks

The principal risks for Shareholders in relation to Shares are that:

- they may not receive any dividends, or entitlements or other distributions in respect of those Shares; and/or
- the value of Shares may reduce.

This could happen for a number of reasons, including if:

- there is a material deterioration in the operating performance or profitability of the Group and, therefore, financial performance of the Company;
- the price at which Shareholders are able to sell Shares is less than their application price;
- Shareholders are unable to sell their Shares due to a lack of demand or absence of a market for those securities; and/or
- Shares cease to be quoted on the NZX or the ASX.

As a global manufacturer, Nuplex operates in a dynamic business environment that includes risk. Many of these risks are inherent in the business at all times while some may be more related to current conditions. Whilst Nuplex attempts to prudently manage the risks within its control, many of the risks below are based on factors outside the control of the Company. The list of risks described should not be considered exhaustive but are those believed to be most significant for their potential impact on the Company's operating results, financial position and/or liquidity.

"The current international financial crisis could continue to negatively affect the Company's financial performance."

Demand for the Company's products declined throughout 2008 in New Zealand, the United States and some segments of Australia. In particular, the decline was related to areas of discretionary consumer spending. In the fourth quarter of 2008, Asia and Europe showed a significant and rapid decline. Global outlook remains weak for consumer spending which in turn could limit industrial production and impact segments of the market that use Nuplex products. In this environment, the Company is exposed to delays in payments by debtors and increasing exposure to credit risk. The cost of insurance may also increase (or insurance arrangements may be threatened by insolvency of global insurers), and the lack of availability of bank funding for suppliers and customers may also impact Nuplex. There is no consensus amongst commentators on the likely term of these recessionary conditions.

"Changes in demand may adversely affect the Company's financial results"

The Company's financial results are subject to fluctuations in demand and the effective forecasting of customer demand. Many of Nuplex's customers, especially for its industrial products, are in businesses and industries that are cyclical in nature and sensitive to changes in general economic conditions. Downward economic cycles affecting the industries of its customers will reduce sales of Nuplex's customers' products and therefore reduce their demand for Nuplex's products. In addition to the reduction in demand experienced as a result of a general economic slowdown, demand from customers can change due to changes in customers' desired inventory levels and competitive pressures. Reductions or large unforeseen

changes in demand for the Company's products may have an adverse impact on financial results.

Nuplex operates tolling production for third parties that require processing which may be in addition to their in-house capacity. In such circumstances, Nuplex's tolling operations may be a marginal producer and as demand has decreased some manufacturing has been taken in-house. This has led to Nuplex losing some business and if demand continues to fall the position may be exacerbated leading to a further adverse effect on financial results.

"Availability and increases in the cost of raw materials and distributed products could negatively impact performance"

Material costs represent approximately 70% of Nuplex's sales revenue. Many of these materials have a relationship with the price of crude oil and have an additional driver based on a supply/demand balance. Any upward movement in cost that was unable to be recovered through pricing would be detrimental to operating profit. Any reduction in input costs may not be beneficial to the Company if these are required by competitive pressures to be passed onto customers.

Major incidents within a supplier's operation may lead to circumstances where supply is inhibited or stopped completely. In particular, where a manufacturing unit relies on a regional supplier of a large volume of raw material, essentially on a just-in-time basis, sudden loss of supply for any reason could result in major disruption to manufacturing schedules and an inability to service the market. The resulting impact on product available for sale could affect the Company's operating results.

Lack of availability of materials for distribution for any reason, including those above, would result in lost sales and opportunities with a negative profit effect.

"Production facilities are subject to operating risks and capacity limitations that may adversely affect the Company's financial condition or results of operations"

Nuplex is dependent on the continued operation of its production facilities. Production facilities are subject to hazards associated with the manufacturing, handling, storage, and transportation of chemical materials and products, including pipeline leaks and ruptures, explosions, fires, inclement weather and natural disasters, mechanical failure, unscheduled downtime, labour difficulties, transportation interruptions and environmental risks. Further, from time to time, the Company may experience capacity limitations in its manufacturing operations. In addition, if Nuplex is unable to effectively forecast customers' demand, it could affect its ability to successfully manage operating capacity limitations. These hazards, limitations, disruptions in supply and capacity constraints could adversely affect financial results.

"Environmental costs could adversely affect the Company's financial results"

The Company is subject to extensive environmental, safety and health laws, and regulations concerning, among other things, emissions in the air, discharges to land and water, and the generation, handling, treatment and disposal of hazardous materials. Nuplex takes its environmental responsibilities very seriously, but there is a risk of environmental impact inherent in chemical manufacturing operations. Future developments and more stringent environmental regulations, including those relating to the regulation of emissions and of carbon trading, may require Nuplex to make additional unforeseen environmental expenditures. In addition, laws and regulations require significant expenditures for environmental protection equipment, compliance and remediation. These additional costs may adversely affect the Company's financial results.

Nuplex manufactures and transports certain materials that are inherently hazardous due to their toxic nature. These materials, if mishandled or released into the environment, could cause substantial property damage or personal injuries resulting in significant legal claims. In addition, evolving regulations concerning the security of chemical production facilities and the transportation of hazardous chemicals could result in increased future capital or operating costs.

Nuplex has a number of sites that may require remediation to remove chemicals or other contaminants. Whilst the Company has provided for the costs of remediation of these sites in its accounts, the cash cost of remediation, as and when it is required, will affect the Company's cash position.

"Failure to comply with debt covenants may affect our financial position"

Under bi-lateral facility agreements, dated 16 November 2005, the Company is required to ensure at all times that the ratio of finance debt to EBITDA (senior debt cover ratio) shall not exceed 3.00 times. At the 31 December 2008 testing date, Nuplex did not comply with this ratio.

Nuplex's banking group has waived this non-compliance and has agreed temporary higher covenant levels for the senior debt cover ratio, being 3.50 times for the period 1 May to 29 June 2009, 3.25 times for the period 30 June to 29 September 2009, and 3.00 times thereafter.

Whilst the Company is comfortable that it will be able to comply with these revised senior debt cover ratio covenant levels following receipt of proceeds of the fully underwritten Rights Issue, there remains a risk that a significant decline in the value of the New Zealand dollar, a significant further decline in earnings, or a combination thereof, at some point in the future could cause the Company to not comply with this ratio or other debt covenants. Consequences of a failure to comply with any debt covenant may include increased interest costs, restrictions on dividend payments, decreased availability of debt funding or acceleration of repayment of the outstanding facilities.

"The Company faces regulatory risks and changes in law and regulation"

Nuplex may have to comply with unexpected changes in domestic and foreign laws and regulatory requirements which could negatively impact the Company's operations and financial performance. Export controls or other regulatory restrictions could prevent the Company from shipping its products into and from some markets. The Company may be prevented from producing particular products in some jurisdictions by regulatory or registration requirements. Changes in tax regulation and international tax treaties could reduce the financial performance of Nuplex's operations.

"The industries in which Nuplex operates are highly competitive"

All aspects of the target markets for the Company are highly competitive. Nuplex faces strong competitors in all areas of its business. Any increase in competition may cause Nuplex to lose market share or compel the Company to reduce prices to remain competitive, which could result in reduced margins for its products. Nuplex's competitors may act irrationally in order to preserve or increase market shares. Competitive pressures may not only impair the Company's margins but may also impact Nuplex's revenues and growth.

"Failure to develop new products could make the Company less competitive"

The Company is engaged in a continuous programme of basic and applied research to develop new products and processes, to improve and refine existing products and processes, and to develop new applications for existing products. Failure to develop new products could make the Company less competitive. Additionally the successful development of new products by competitors may affect Nuplex's financial performance.

"Inability to attract, develop or retain quality employees could adversely impact Nuplex's ability to achieve its objectives"

Nuplex has objectives in its businesses and regions to sustain and grow the Company. Continued success in achieving the objectives of the Company depends on the recruitment, development and retention of qualified employees. It is important that Nuplex retains staff in the areas of technology, manufacturing and sales. Without these employees, the Company may not be able to achieve these objectives.

"Failure of intellectual property protections could adversely affect future financial results"

The Company has invested significant resources in intellectual property such as patents, trademarks, copyrights and trade secrets. The Company depends on the protection that these intellectual property rights provide. A loss of intellectual property protections could enhance the ability of competitors to develop competitive products, thereby adversely affecting Nuplex's financial results.

Nuplex also relies on unpatented proprietary know-how and continuing technological innovation and other trade secrets to develop and maintain its competitive position. While it is the Company's policy to enter into confidentiality agreements with employees and third parties to restrict the use and disclosure of trade secrets and proprietary know-how, those confidentiality agreements may be breached. A breach of these trade secrets and know-how could adversely affect the Company's financial results.

"Future availability of debt financing"

The recent events in the credit markets and banking sector have impacted on the ability of companies to access debt financing, due to a tightening of funding. Following the successful conclusion of the Offer, Nuplex will have available funding lines totalling A\$350m (of which approximately A\$220m will be drawn) maturing in November 2009 (A\$50m), November 2010 (A\$100m) and November 2011 (A\$200m).

As a result of the capital raising Nuplex does not intend to renew or replace the A\$50m facility maturing in November 2009, and it anticipates repaying this facility in full on or prior to maturity. However, as the other facilities fall due, there is no certainty that Nuplex will be able to refinance such indebtedness on commercially reasonable terms or at all. If Nuplex is unable to retain sufficient financing to fund its operations, its profitability and financial condition could be adversely affected.

"Changes in foreign currencies may adversely affect financial results"

Approximately 90% of Nuplex's sales are derived from outside New Zealand, a significant portion of which are denominated in foreign currencies. The Company has significant production facilities which are located outside of New Zealand. Its financial results including earnings, cash flows, and fair values of assets and liabilities will be affected by changes in exchange rates. Accordingly, reported sales, net earnings, cash flows and fair values in the future will be affected by changes in foreign exchange rates.

Nuplex has debt in a range of currencies, including US dollars, Australian dollars and Euros. Any depreciation of the New Zealand dollar, while not impacting debt to equity ratios, would cause debt levels in New Zealand dollar terms to rise, having a possible adverse effect on meeting Nuplex's banking covenants.

'Nuplex has defined benefit employee liabilities'

As disclosed in its financial statements, Nuplex may be exposed to payment of liabilities in defined benefit schemes for its employees. These were assessed at \$18.2m at 31 December 2008. These liabilities could change adversely, particularly if actuarial assumptions used to value liabilities are changed.

"Nuplex's restructurings and any acquisitions of companies may not achieve expected benefits"

The Company is planning a range of initiatives to reduce the cost base of the business. These restructurings may result in restructuring costs in the short term. These restructuring efforts may not be as successful as management anticipates.

Acquisitions of businesses have contributed to the growth of Nuplex, including that of Akzo Nobel Coating Resins in 2005. Whilst no acquisitions are currently being contemplated, Nuplex may continue to consider acquisition opportunities. These acquisitions may require the integration of new products, operations and distinct cultures. These integration efforts may not succeed or may distract. A failure to acquire appropriately, or subsequently to manage successfully, future acquisitions could adversely affect Nuplex's earnings and financial condition.

"Litigation results could adversely affect Nuplex's financial results"

The Company faces litigation arising in the normal course of business and may face further claims in the future. Should Nuplex suffer adverse outcomes its financial results may be affected.

"Goodwill impairment or disposition or restructuring charges may unpredictably affect Nuplex's results of operations in the future"

Management regularly reviews the financial performance of the assets of the business to test for impairment. As at the 31 December 2008, there were no impairment issues and none are expected as at the date of this document. However, if the financial performance of aspects of the business deteriorated, including as a consequence of realisation of one of the above risks, the Directors may write down the value of the Company's assets.

The Company may find it necessary to record its disposition, restructuring or impairment charges in connection with future reviews of its operations. Such charges may have a material adverse effect on operating results, both in terms of reported financial performance and cash costs.

Other risks

Taxation

Changes to the rate of company tax and other changes to taxation could affect returns to Shareholders.

Regulatory Review

The Company is subject to regulatory oversight both in its business operations and as a listed issuer.

Nuplex has been advised by NZX Regulation that an investigation is being conducted with regard to Nuplex's compliance with continuous disclosure obligations in relation to its failure to comply with the senior debt cover ratio covenant in its bank facilities as at 31 December 2008. This investigation was not concluded at the date of this Offer Document.

The Securities Commission has also requested that the Company provide material to it.

Liquidity Risk

Nuplex is listed on the NZX and ASX markets. As a listed company, the price of its Shares fluctuates with the supply and demand for them and with a number of factors relating to the New Zealand, Australian and world economies and sharemarkets. Many of these factors are outside the Company's control and may be unrelated to its performance.

Forward-Looking Statements

Certain statements in this Offer Document constitute forward-looking statements. Such forward-looking statements involve assumptions about known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Given these uncertainties, Shareholders are cautioned not to place undue reliance on such forward-looking statements in this Offer Document. In addition, under no circumstances does the inclusion of such forward-looking statements in this Offer Document constitute a representation or warranty by the Company or any other person with respect to the achievement of the results or matters set out in such statements or that the underlying assumption used will in fact be the case.

The forward-looking statements included in this Offer Document are based on the Board's best judgment and experience, however, economic conditions can change, output prices fall, input prices rise and circumstances change in a manner and to an extent not foreseen which could materially undermine the Company's prospects.

Consequences of insolvency

Shareholders would not be liable to pay any money to any person as a result of the insolvency of the Company.

All creditors of the Company would rank ahead of claims by Shareholders if the Company were liquidated. After all such creditors had been paid, the remaining assets, if any, would be available for distribution among Shareholders who would rank equally among themselves.

Shareholders should consider these risks and other details of the Offer prior to applying for New Shares. Shareholders are encouraged to read the entire Offer Document and to obtain advice from their financial adviser if they have any questions.

7.8 Can the investment be altered?

The full terms of the Offer and the terms and conditions on which Eligible Shareholders may exercise their Entitlements are set out in this Offer Document. Nuplex may withdraw the Offer without notice but may only alter the terms of the Offer after amending the Offer Document and filing details of the amendment with the New Zealand Registrar of Companies. Offer terms cannot be altered without Shareholders' consent once applications have been accepted by the Company.

The Rights Issue is conditional upon Overseas Investment Office approval being obtained prior to the Allotment Date, if required (see section 2.12 for further details).

A condition of the Underwriting Agreement is that Nuplex's Banks agree, to the satisfaction of the Underwriter, acting reasonably, either to make a pro-forma adjustment to the rolling 12-month interest cost until 31 March 2010 for the purpose of calculating interest cover levels, or to amend the level of the interest cover covenant in the Bank facilities, to reflect the capital contributed by the Right Issue.

The Offer will not proceed if these conditions are not met by the Allotment Date.

Nuplex reserves the right to withdraw the Offer and issue of New Shares at any time before the Allotment Date in its absolute discretion, in which case all application funds will be refunded without interest.

The rights conferred on the holders of Shares are set out on page 20 of this Offer Document. The rights of holders of Shares are subject to the provisions of the Companies Act, the Company's constitution, the Takeovers Code and the NZSX and ASX Listing Rules (as applicable). The constitution may only be altered by a special resolution of Shareholders, subject to the rights of interest groups under the Companies Act, or in certain circumstances by court order. The Company may not take any action that affects the rights attaching to Shares, unless that action has been approved by special resolution of all Shareholders who would be affected by that action. Under certain circumstances, a Shareholder whose rights would be affected by a special resolution may require the Company to purchase its Shares.

Under the Companies Act 1993, the Company can cancel its Shares under a reduction of capital, share buy-back or other form of capital restructuring. Subject to this, neither Shareholders, the Company, nor any other person has any right to terminate, cancel, surrender, or otherwise make or obtain payment of the returns from the Shares, other than as referred to in this Offer Document under the section *'What Returns Will I Get?'* on page 50.

7.9 How do I cash in my investment?

Rights are renounceable and can be sold. It is not possible to predict what sort of price, if any, Eligible Shareholders might receive for their Entitlements should they choose to sell them.

Shareholders can generally cash in their share investments by selling them through a Primary Market Participant or stockbroker. Shares are tradable on the NZX and ASX subject only to compliance with the Company's constitution, applicable laws and the development and continuation of an active trading market. In the opinion of Nuplex there is an established market for such sales on the NZX and ASX. Alternatively Shareholders can sell their Shares by private treaty.

No charges are payable to the Company in respect of any sale of Shares, although brokerage may be payable by you to your Primary Market Participant or stockbroker.

7.10 Who do I contact with enquiries about my investment?

Enquiries about the Shares should be directed to:

The Company Secretary
Nuplex Industries Limited
12 Industry Road
Penrose
Auckland 1061

Phone: +64 9 579 2029

7.11 Is there anyone to whom I can complain if I have problems with the investment?

Complaints about the Shares can be made to the Company Secretary, Nuplex Industries Limited at the address set out above.

There is no ombudsman to whom complaints about the Shares can be made.

7.12 What other information can I obtain about this investment?

Other information about the New Shares and the Company is contained or referred to elsewhere in this Offer Document and in the Company's annual report which includes the annual financial statements of the Company for the year ended 30 June 2008.

This Offer Document, annual reports, financial statements and other documents of, or relating to, the Company (including the Company's constitution) may, on request, be inspected without a fee during normal business hours at the Company's registered office at 12 Industry Road, Penrose, Auckland 1061 or at the Company's website (www.nuplex.co.nz), and are filed on public register which may be inspected at the Companies Office website (www.companies.govt.nz).

The Company is listed on both the NZX and ASX. As such, it is subject to regular reporting and continuous disclosure obligations under the NZSX and ASX Listing Rules and under the Corporations Act. These disclosure obligations require Nuplex to disclose to NZX and ASX any information that a reasonable person would expect to have a material effect on the price or value of Nuplex's securities. Copies of all documents lodged with ASX and NZX in accordance with the Company's continuous disclosure obligations are available, free of charge, from the Company at its website (www.nuplex.co.nz).

Shareholders have a right to obtain copies of all such documents given by the Company after lodgement of its annual financial report for the period ending 30 June 2008 and before lodgement of a copy of this Offer Document with ASIC, free of charge, from the Company's registered office indicated in the Directory.

8 Statutory Information

This section of the Offer Document includes information required by Regulation 4(2) and the First Schedule of the Securities Regulations, as they apply to offers of equity securities to persons who already hold equity securities in an issuer.

8.1 Main terms of the Offer

Issuer

The issuer of the New Shares is Nuplex Industries Limited which has its registered office at 12 Industry Road, Penrose, Auckland 1061.

Description of securities offered

The Offer is a renounceable rights issue by Nuplex to Eligible Shareholders of 7 New Shares for every Existing Share held.

The New Shares are being offered at an issue price of \$0.23 per New Share. The price is payable in full on application.

The Offer is for a maximum of 577,643,738 New Shares. The Offer is fully underwritten.

The Offer is only open to Eligible Shareholders, being persons who are resident in Australia or New Zealand and who are registered as Shareholders of Nuplex at 7.00 pm New Zealand time on the Record Date. Persons registered as Shareholders of Nuplex after 7.00 pm New Zealand time on the Record Date will not qualify for the Offer.

A fuller description of the Offer and any New Shares to be issued under it is set out in the '*Details of the Offer*' on page 17.

8.2 Prospects and forecasts

The trading prospects of Nuplex, together with material information relevant to those prospects, are described in section 5 - '*Trading update and prospects*'.

Nuplex intends to apply the funds raised under this Offer to repay bank debt.

Any special trade factors or risks are discussed under '*What are my risks?*' on pages 51 to 57.

8.3 Financial Statements

A copy of the Company's audited consolidated financial statements for the year ended 30 June 2008, prepared in accordance with the requirements of the Financial Reporting Act 1993 and sent to Shareholders on 29 September 2008, has been registered with this Offer Document. These financial statements can also be obtained, free of charge, from the Company's registered office indicated in the Directory, from the Company's website (www.nuplex.co.nz) or from the Companies Office website (www.companies.govt.nz).

Interim financial statements for the six months ended 31 December 2008 are set out in section 6 of this Offer Document.

8.4 Preliminary and issue expenses

All costs and expenses associated with the Offer, including underwriting fees, brokerages fees, legal fees, registry fees and printing and postage costs will be met by the Company. These are estimated at \$7.7m (plus goods and services tax).

If you sell your Entitlements, you can expect to be charged brokerage by your Primary Market Participant or stockbroker. The rates of brokerage charged by Primary Market Participants and stockbrokers vary and may be dependent on the value of the transaction. If you take up your Entitlements, there will not be any charges for you to pay.

The Lead Manager will pay to other NZX Primary Market Participants a 0.5 percent broker handling fee (subject to a cap of NZ\$200 per subscription) for all subscriptions received from Shareholders pursuant to application forms bearing the stamp of the NZX Primary Market Participant.

8.5 Taxation

The taxation consequences of any investment in the New Shares will depend on each Shareholder's particular circumstances. It is the responsibility of Eligible Shareholders to make their own enquiries concerning the taxation consequences of an investment in Nuplex. If you are in doubt as to the course you should follow, you should seek professional advice from your accountant, financial adviser, lawyer or other professional adviser.

8.6 Continuous disclosure

As a disclosing entity, Nuplex is subject to regular reporting and disclosure obligations under the Corporations Act, the Securities Markets Act and the NZSX and ASX Listing Rules. These disclosure obligations require Nuplex to disclose to the NZX and ASX any information that a reasonable person would expect to have a material effect on the price or value of Nuplex's securities.

Copies of all documents lodged with ASX and NZX in accordance with the Company's continuous disclosure obligations are available from the Company at its website (www.nuplex.co.nz).

The Offer is being made to Eligible Shareholders in Australia without disclosure to investors pursuant to Section 708AA of the Corporations Act. Nuplex filed a notice with ASX on 23 March 2009 in accordance with Section 708AA with respect to the Offer.

8.7 Other terms of offer and securities

NZX waivers and approval

NZX has granted a waiver from NZSX Listing Rule 7.10.2 to permit the closing date for applications under the Rights Issue to be 10 Business Days after the mailing of the letters of entitlement.

NZX has approved, pursuant to NZSX Listing Rule 8.1.4, the issue of Shares under the Call Option at the same issue price of Shares issued under the Rights Issue, which will be at a discount of more than the 10% threshold contained in NZSX Listing Rule 8.1.3(b).

ASX waiver

ASX has granted a waiver from ASX Listing Rule 7.1 permitting the Call Option to be exercised over up to 99,024,640 Shares representing 15% of the total Shares on issue after completion of the Rights Issue without Shareholder approval being obtained.

Securities Act 1978 Exemption

The Securities Commission has granted a class exemption (The Securities Act (Short-form Prospectus) Exemption Notice 2009) permitting the interim financial statements in section 6 of this Offer Document to be compliant with New Zealand International Accounting Standard 34, rather than the Securities Regulations 1983. This means that the interim financial statements contained in this Offer Document are the same as those already disclosed to the market by Nuplex.

All terms of the Offer, and any New Shares to be allotted under it, are set out in this Offer Document except those implied by law, or set out in a document registered with the New Zealand Registrar of Companies, which is available for public inspection and is referred to in this Offer Document.

8.8 Effect on control

It is expected that the issue of New Shares under the Rights Issue will have no significant effect on the control of Nuplex. The potential effect of the Rights Issue is as follows:

- if all Eligible Shareholders take up their Entitlement under the Rights Issue, then the Rights Issue will have no significant effect on the control of Nuplex;
- if particular Eligible Shareholders do not take up all of their Entitlement under the Rights Issue, then the Shareholding interests of those Eligible Shareholders in Nuplex will be diluted;
- to the extent there is a shortfall this will be taken up by the Underwriter and sub-underwriters. Given the size of the Offer, a significant shortfall would result in the Underwriter and sub-underwriters owning a substantial portion of the Company. However, no one party is expected to own more than 20% of the Company as a result of the underwriting process;
- the proportional interests of those Shareholders not eligible to participate Offer may be diluted because such Shareholders are not entitled to participate in the Rights Issue.

8.9 Privacy

New Zealand Requirements

Any personal information provided by Eligible Shareholders will be held by Nuplex or the Registrar at the addresses shown in the directory on the inside back cover of this Offer Document or such other place as is notified upon request. This information will be used for the purpose of managing your investment in Nuplex. Under the New Zealand Privacy Act 1993 (**Privacy Act**), you have the right to access and correct any personal information held about you.

Australian Requirements

As a Shareholder, Nuplex and the Registrar have already collected certain personal information from you. If you apply for New Shares, Nuplex and the Registrar may update your personal

information or collect additional personal information. Such information will be used to assess your application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration. Company and tax law requires some of the information to be collected. If you do not provide the information requested, your application may not be able to be processed efficiently, if at all.

Nuplex and the Registrar may disclose your personal information for purposes related to your Shareholding to their agents and service providers as authorised under the Australian Privacy Act 1988 (**Australian Privacy Act**). Under the Australian Privacy Act, you may request access to your personal information held by (or on behalf of) Nuplex or the Share Registrar. If Nuplex's or the Registrar's record of your personal information is incorrect or out of date, it is important that you contact the Registrar so that your records can be corrected.

8.10 CHESS

Nuplex participates in the Clearing House Sub-register System, known as CHESS. ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532 (**ASTC**), a wholly owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and ASTC Settlement Rules.

Under CHESS, applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If you are registered in the issuer sponsored subregister, your statement will be despatched to you and will contain the number of New Shares issued to you under this Offer Document and your shareholder reference number (**SRN**).

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their holding changes. Shareholders may request a statement at any other time, however, there may be a charge associated with the provision of this service.

8.11 Directors and related parties' Shareholdings and interests at the date of this Offer Document

		Shares	Entitlements
•	Rob Aitken	26,212	183,484
•	John Hirst (Managing Director)	102,952	720,664
	Personally:		
	Through senior manager incentive loan scheme:	60,364	422,548
•	Bryan Kensington	77,556	542,892
•	Michael Wynter	9,124	63,868
•	David Jackson	10,000	70,000
•	Barbara Gibson	Nil	Nil

Director participation in the Offer

The independent Directors of the Company above have expressed the intention to exercise their Rights and all Directors may participate in Rights trading on NZX or ASX.

John Hirst has expressed his intention to exercise 720,664 Rights. His remaining 422,548 Rights will be sold and the proceeds used to repay a loan to the Company under the Company's senior manager incentive loan scheme.

No guarantee

No person (including any Director, agent or employee of the Company) guarantees the return of capital invested, or the performance of Shares.

Some or all of the Directors may participate in rights trading and acquire rights on NZX or ASX during the rights trading period.

8.12 Directors' statement

The Directors, after due enquiry by them in relation to the period between 31 December 2008 and the date of registration of this Offer Document state that, in their opinion, after due enquiry by them:

- the circumstances which have arisen that would materially adversely affect:
 - the trading or profitability of Nuplex Industries Limited, or the value of its assets; and
 - the ability of Nuplex Industries Limited to pay its liabilities due within the next 12 months,

are described on page 11, in the section '*Summary of principal risks*' on page 52 and in section 2.11.

This Offer Document is dated 23 March 2009.

A copy of this Offer Document has been signed by:

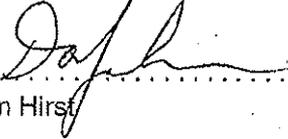
- each Director of Nuplex Industries Limited (or by their duly authorised agent); and
- Nuplex Industries Limited (by its Directors or by their duly authorised agent).



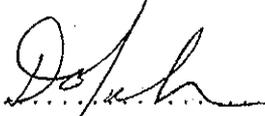
Robert Aitken



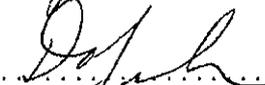
Barbara Gibson



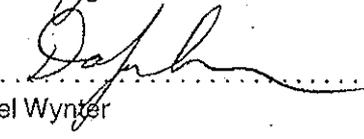
John Hirst



David Jackson



Bryan Kensington



Michael Wynter

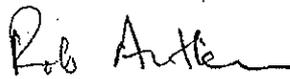
Agent Authority Form

Nuplex Industries Limited

I, Robert Murray Aitken as director of Nuplex Industries Limited, authorise David Alexander Jackson to sign on my behalf the Investment Statement and Prospectus for the renounceable rights issue for ordinary shares in Nuplex Industries Limited intended to be dated on or about 23 March 2009.

Dated

12 / 3 / 2009



Robert Murray Aitken

Agent Authority Form

Nuplex Industries Limited

I, Barbara Gibson as director of Nuplex Industries Limited, authorise David Alexander Jackson to sign on my behalf the Investment Statement and Prospectus for the renounceable rights issue for ordinary shares in Nuplex Industries Limited intended to be dated on or about 23 March 2009.

Dated 12 MARCH 2009



Barbara Gibson

Agent Authority Form

Nuplex Industries Limited

I, John William Arthur Hirst as director of Nuplex Industries Limited, authorise David Alexander Jackson to sign on my behalf the Investment Statement and Prospectus for the renounceable rights issue for ordinary shares in Nuplex Industries Limited intended to be dated on or about 23 March 2009.

Dated *14 March* 2009



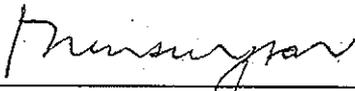
John William Arthur Hirst

Agent Authority Form

Nuplex Industries Limited

I, Bryan Norreys Kensington as director of Nuplex Industries Limited, authorise David Alexander Jackson to sign on my behalf the Investment Statement and Prospectus for the renounceable rights issue for ordinary shares in Nuplex Industries Limited intended to be dated on or about 23 March 2009.

Dated 2009



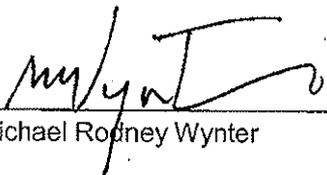
Bryan Norreys Kensington

Agent Authority Form

Nuplex Industries Limited

I, Michael Rodney Wynter as director of Nuplex Industries Limited, authorise David Alexander Jackson to sign on my behalf the Investment Statement and Prospectus for the renounceable rights issue for ordinary shares in Nuplex Industries Limited intended to be dated on or about 23 March 2009.

Dated 13th March 2009



Michael Rodney Wynter

Glossary

AEST	Australian Eastern Standard Time
Allotment Date	23 April 2009, or such other date as the Company may determine
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires
ASX Listing Rules	the listing rules of ASX
Board or the Directors	the board of Directors of Nuplex
Business Day	the period of 9.00 am to 5.00 pm on any day of the week, other than a Saturday or Sunday, when banks in New Zealand are generally open for business in Auckland
Call Option	the call option granted by the Company to the Underwriter as described in section 1.4.
CHESS	means the Clearing House Electronic Sub-Register System of Share transfers operated by the ASX Settlement and Transfer Corporation.
Closing Date	7.00 pm New Zealand time (5.00 pm AEST) on 20 April 2009 or such other date as the Board determines
Companies Act	New Zealand Companies Act 1993
Company or Nuplex	Nuplex Industries Limited ARBN 089 187 664
Corporations Act	Australian Corporations Act 2001
EBIT	earnings before interest and taxation
EBITDA	earnings before interest, taxation, depreciation and amortisation.
Eligible Shareholders	Shareholders resident in New Zealand or Australia, as at the Record Date
Entitlement or Entitlements	the number of New Shares which a Shareholder is entitled to subscribe for pursuant to the Rights held by that Shareholder
Entitlement and Acceptance Form	the entitlement and acceptance form issued with this Offer Document for the renounceable rights issue for New Shares in Nuplex
Existing Shares	the existing ordinary Shares in the Company on issue at the date of this Offer Document

FASTER	the NZX's Fully Automated Screen Trading and Electronic Registration system through which NZX Firms are able to trade securities
First NZ Capital	First NZ Capital Securities Limited
Issuer	Nuplex Industries Limited or Nuplex
Lead Manager	First NZ Capital Securities Limited
New Shares	the Shares to be issued under this Offer Document
Nuplex Group or Group	Nuplex and its subsidiaries
NZX	NZX Limited or the New Zealand Stock Market, as the context requires
NZX Firm	a firm of accredited brokers registered with NZX
NZSX Listing Rules	the listing rules of NZX
Offer	the renounceable rights issue of up to 577,643,738 New Shares to Eligible Shareholders on the terms set out in this Offer Document
Offer Document	this offer document for the Rights Issue comprising a combined Short-Form Prospectus and Investment Statement for the purposes of the Securities Act dated 23 March 2009
Organising Participant	First NZ Capital Securities Limited
Primary Market Participant	any company, firm, organisation or corporation designated as a Primary Market Participant from time to time by the NZX pursuant to the NZX Participant Rules
Record Date	7.00 pm New Zealand time on 1 April 2009
Registrar	Computershare Investor Services Limited (in New Zealand) Computershare Investor Services Pty Limited (in Australia)
Rights	the entitlement to subscribe for New Shares pursuant to the Offer
Rights Issue	the Offer
Securities Act	New Zealand Securities Act 1978
Securities Markets Act	New Zealand Securities Markets Act 1988
Securities Regulations	New Zealand Securities Regulations 1983
Shares	ordinary shares of Nuplex
Shareholder	a registered holder of Shares

Takeovers Code regulations made under section 19 of the New Zealand
Takeovers Act 1993

Underwriter First NZ Capital Securities Limited

US Securities Act United States Securities Act of 1933

In this document, a reference to \$, unless otherwise stated means New Zealand dollars.

Directory

Registered Office

Nuplex Industries Limited
12 Industry Road
Penrose
Auckland 1061
New Zealand

Phone: +64 9 579 2029
Fax: +64 9 571 0542
Website: www.nuplex.co.nz

Directors

Robert Aitken
Chairman & Independent Director

John Hirst
Managing Director

Barbara Gibson
Independent Director

David Jackson
Independent Director

Bryan Kensington
Independent Director

Michael Wynter
Independent Director

The Directors can be contacted at the Company's registered address.

Lead Manager, Organising Participant and Underwriter

First NZ Capital Securities Limited
Level 10, Fujitsu Tower
282-292 Lambton Quay
P O Box 3394
Wellington
New Zealand

Phone: 0800 111 355
Website: www.firstnzcapiatal.co.nz

Adviser to the Company

Bancorp New Zealand Limited
Level 11
191 Queen Street
Auckland
New Zealand
Phone: (09) 309 8270
Website: www.bancorp.co.nz

Registrar**In New Zealand:**

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna
Private Bag 92119
Auckland 1020
Telephone: (09) 488 8777
Outside New Zealand: +64 9 488 8777
Facsimile: (09) 488 8787

In Australia:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001
Telephone: 1800 501366
Outside Australia: +61 3 91454083
Facsimile: +61 3 94732500

Auditors

KPMG
18 Viaduct Harbour Ave
Auckland
New Zealand

Solicitors

DLA Phillips Fox

209 Queen Street
Auckland
New Zealand

50-64 Customhouse Quay
Wellington
New Zealand

201 Elizabeth Street
Sydney, NSW 2000
Australia