Incitec Pivot Limited

Results for the financial year ended 30 September 2013

BUSINESS PERFORMANCE

Incitec Pivot Limited (IPL) reported 2013 Net Profit After Tax ("NPAT") of $372.0m, down $138.7m from $510.7m in 2012.

KEY FINANCIALS

- Reported Earnings before interest and tax ("EBIT") decreased by 22% or $132.9m to $466.2m (2012: $599.1m).
- Adjusted EBIT[3] (excluding Individually Material Items ("IMIs") and the non-cash Moranbah unfavourable contract liability release of $81.1m in 2012 decreased by 10% or $51.8m to $466.2m (2012: $518.0m), following a 37% fall in Fertiliser EBIT and a 3% growth in Explosives EBIT.
- Operating cash flows decreased by 1% or $6.3m to $614.5m (2012: $620.8m), with the highlight being the continued improvement in Trade Working Capital ("TWC") management.
- Net Debt is $1.28bn (2012: $1.23bn) and sound credit metrics were maintained: Net Debt/Adjusted EBITDA[3] 2.0 times (2012: 1.8 times) and interest cover 6.2 times (2012: 7.9 times).

SHAREHOLDER RETURNS

- Earnings per share excluding individually material items ("EPS ex IMIs") down 26% to 18.3 cps (2012: 24.8 cps).
- Dividends decreased by 26% to 9.2cps (2012: 12.4 cps). The final dividend is franked to 75%.

BUSINESS SUMMARY - EXPLOSIVES

Explosives earnings[3] were up 3% to $327.7m (2012: $318.8m). The highlights were:

- Dyno Nobel Asia Pacific ("DNAP") EBIT grew by 15%, driven by $40m earnings growth from the Moranbah Ammonium Nitrate ("AN") project.
- Second half reliability works at Moranbah are progressing as planned. Moranbah has exited the year with an annualised production rate consistent with the 2014 target of 300kt.
- Dyno Nobel Americas ("DNA") $US EBIT declined by 9% primarily due to lower commodity prices impacting profit from the St Helens plant. DNA Explosives EBIT fell by 3% with lower earnings from the coal segment partially offset by efficiencies generated by the Group's business efficiency program ("Business Excellence" or "BEx").

$Am	Year ended 30 September 2013	2012	Change
Reported earnings			
Sales Revenue	3,403.7	3,500.9	(3%)
EBITDA[(1)]	649.9	754.9	(14%)
EBIT[(2)]	466.2	599.1	(22%)
NPAT attributable to shareholders	372.0	510.7	(27%)
Adjusted earnings[(3)]			
EBITDA	649.9	673.8	(4%)
EBIT	466.2	518.0	(10%)
NPAT attributable to shareholders	298.4	362.7	(18%)
Business EBIT			
Fertilisers	169.7	270.9	(37%)
Explosives	327.7	318.8	3%
Shareholder Returns			
Earnings per share (cents) ex. IMIs	18.3	24.8	(26%)
Dividend per share (cents)	9.2	12.4	(26%)
Financing KPIs			
Operating cash flows	614.5	620.8	(1%)
Net Debt[(7)]	(1,277.5)	(1,230.8)	(4%)
Interest cover (times)[(4)]	6.2	7.9	
Net Debt/Adjusted EBITDA (times)[(3)]	2.0	1.8	

BUSINESS SUMMARY – FERTILISERS

Fertiliser EBIT was down by 37% to $169.7m (2012: $270.9m), reflecting the impact of lower global fertiliser prices, the higher $A and the net impact of Phosphate Hill plant outages. The domestic distribution business delivered an excellent result in the face of falling global fertiliser prices.

STRATEGY HIGHLIGHTS

Louisiana Ammonia Plant approved and construction on track. Total project capital expenditure is $US850m (lump sum turnkey), first production third quarter 2016, plant sold out from day one, financial metrics: 15% IRR and a 5 years payback.

BUSINESS EFFICIENCY ("BEx")

BEx is delivering to plan with $39m of gross benefits delivered in 2013.

RESTRUCTURE

Due to the negative earnings impact from both soft global fertiliser prices and the strong $A, IPL has announced an overhead reduction program to deliver $20m of annual cost savings. Benefits of $12m are expected in 2014 with $10m of one-off implementation costs.

NOTE: Numbers in this report are subject to rounding. Definitions and Notes appear on the last page of this report.

2014 OUTLOOK

IPL does not provide profit guidance, due to the variability of global fertiliser prices and foreign exchange movements. A summary of the sensitivity of the Group's earnings to major global fertiliser prices and foreign exchange movements is provided on this page.

The following represents an initial outlook of business performance expectations for the 2014 financial year (excluding sensitivities):

DNAP

- Moranbah is expected to produce 300kt of AN, generating $110m of EBIT.
- Flat result in the remaining regions, with Western Australian iron ore growth offset by competitive pressures elsewhere.

DNA

- Despite a tempered outlook for the US coal industry, the Explosives business is expected to generate moderate earnings growth via higher volumes (low single digit) in the Metals & Mining and Quarry & Construction ("Q&C") segments and BEx productivity improvements.
- Agriculture & Industrial Chemicals ("AG & IC") production volumes are expected to be consistent with 2013.

Fertilisers

- Distribution margins are expected to be materially consistent with 2013, subject to global fertiliser price movements.
- No major turnarounds are scheduled at the Gibson Island plant.
- 2014 is a planned major shut year at Phosphate Hill. As previously reported, the plant is being run conservatively in the months before the May/June 2014 major shut. In order to avoid plant damage, two shuts will occur in the 2014 financial year: a 16 day shut in October/November 2013 primarily focussed on granulation and load out and a 35 day shut in May/June 2014 focussed on the Sulphuric Acid, Phosphoric Acid and Ammonia plants. Phosphate Hill is expected to produce 830kt in 2014.
- No significant changes are expected for the Industrial Chemicals business.

SENSITIVITIES

Full Year EBIT Sensitivities	
IPF: Urea - Middle East Granular Urea (FOB)(1)	+/- $US10/t = +/- $A4.1M
SCI: DAP - Di-Ammonium Phosphate Tampa (FOB)(2)	+/- $US10/t = +/- $A9.5M
Forex - transactional (DAP & Urea)(3)	+/- 1 cent = $A6.2M
DNA: Urea (FOB)(4)	+/- $US10/t = +/- $US1.8M
DNA: Forex - translation of Explosives earnings(5)	+/- 1 cent = $A2.0M

Assumptions:

(1) 405kT (Gibson Island Fertiliser name plate capacity) urea equivalent sales at 2013 realised price of $US373 and the 2013 realised exchange rate of $A/$US 0.9957

(2) 950kT (Phosphate Hill name plate capacity) DAP sales at 2013 realised price of $US482 and the 2013 realised exchange rate of $A/$US 0.9957

(3) DAP & Urea volumes & FOB price based on assumptions 1& 2 (excludes impact of hedging)

(4) 180kT (St Helens name plate capacity - short tonnes) urea equivalent sales at 2013 NOLA Urea average price of $US395 and the 2013 realised exchange rate of $A/$US0.9957

(5) For each $US200M EBIT

Corporate

- Due to the significant negative impact that both global fertiliser prices and the strong $A are having on earnings, IPL will restructure its corporate centre, functional areas and business unit administrative activities. The restructure will deliver $20m of annual cost savings, of which $12m will be delivered in 2014. One-off implementation costs will be approximately $10m.
- Underlying corporate costs pre-restructuring will be approximately $35m (2013 included a one off benefit of $4m, mainly due to incentive revaluations).

Hedging Program

The Group has hedged approximately 90% of its estimated 2014 $US Fertiliser sales at a maximum rate of $0.95, with full participation in positive rate movements.

Louisiana Ammonia Plant

The construction of the Louisiana plant began in August 2013. First production is planned for the third quarter of 2016. 2014 capital expenditure is expected to be US$360m. In addition, interest will be capitalised during construction.

Interest and Tax

2014 net borrowings costs are expected to be approximately $100m, assuming constant interest rates. The effective tax rate is expected to be between 24% and 26%.

IPL GROUP RESULT OVERVIEW

REVENUE

Sales revenues decreased by $97.2m to $3,403.7m (2012: $3,500.9m). Significant movements included:

- Fertiliser revenue was lower, reflecting the negative impact of the higher $A, lower global fertiliser prices and reduced volumes of ammonium phosphate due to the outages at Phosphate Hill.
- DNAP revenues increased with higher sales to Moranbah customers.

Revenues	Year Ended 30 September		
$Am	**2013**	**2012**	**Change**
Revenues			
- SCI	562.9	731.9	(23%)
- IPF	1,095.4	1,159.1	(5%)
- Elimination	(192.9)	(160.3)	(20%)
Fertilisers	***1,465.4***	***1,730.7***	***(15%)***
- DNAP	781.5	626.4	25%
- DNA	1,204.0	1,172.2	3%
- Elimination	(28.9)	(28.4)	(2%)
Explosives	***1,956.6***	***1,770.2***	***11%***
Elimination	***(18.3)***	-	(100%)
Total Revenues	**3,403.7**	**3,500.9**	**(3%)**

EBIT ex IMIs

EBIT ex IMIs fell by 22% or $132.9m to $466.2m (2012: $599.1m), primarily due to:

- ($81m): 2012 non-cash Moranbah unfavourable contract liability release.
- ($25m): Phosphate Hill plant outages.
- ($40m): Negative impact of the higher $A with lower earnings from $US denominated fertiliser sales.
- ($112m): Lower global fertiliser prices. The largest impacts were: Ammonium Phosphates (-$66m) and Urea (-$46m).
- ($11m) Volume: IPF $10m of EBIT growth offset by lower sales volumes in DNA (-$8m: decline in coal) and the base DNAP business (-$13m: loss of a customer in the Hunter Valley and some softness in the Hardrock and Underground markets)

This was partially offset by the following:

- $40m: Moranbah EBIT growth (EBITDA growth of $56m).
- $33m A recovery in distribution margins in the Fertiliser business. IPF and Quantum's margins were up $22m and $11m respectively, underpinned by enhanced risk management processes. The new contract model implemented by IPF mitigated significant margin erosion that would have otherwise occurred due to the sustained fall in the global fertiliser prices in the second half.
- $39m BEx efficiencies including: improved gas efficiencies and lower conversion costs at Gibson Island ($16m), benefits from the decant project at Phosphate Hill ($11m) and supply chain efficiencies in DNA ($12m).
- $23m Lower corporate costs (refer to page 4 for further details).

Earnings Summary	Year Ended 30 September		
$Am	**2013**	**2012**	**Change**
EBIT(2)			
- SCI	70.3	175.3	(60%)
- IPF	96.4	92.3	4%
- Elimination	3.0	3.3	(9%)
Fertilisers	***169.7***	***270.9***	***(37%)***
- DNAP	149.4	211.3	(29%)
- DNA	179.4	190.6	(6%)
- Elimination	(1.1)	(2.0)	45%
Explosives	***327.7***	***399.9***	***(18%)***
Corporate	***(31.2)***	***(71.7)***	***56%***
Total EBIT	**466.2**	**599.1**	**(22%)**
Borrowing costs	(68.2)	(55.5)	(23%)
Tax expense	(99.0)	(141.6)	30%
NPAT excluding IMIs	299.0	402.0	(26%)
Minority interests	(0.6)	2.7	(122%)
NPAT attributable to shareholders - excluding IMIs	**298.4**	**404.7**	**(26%)**
Individually material items after tax	73.6	106.0	(31%)
NPAT attributable to shareholders	**372.0**	**510.7**	**(27%)**

BORROWINGS AND INTEREST

- Net Debt increased by $46.7m to $1,277.5m (2012: $1,230.8m). The increase in net debt reflects an increase in dividends paid and a negative impact on the translation of $US denominated net debt, offset by both efficient management of TWC and a reduction in spending on growth projects.
- Net interest expense pre-accounting adjustments increased by $8.4m to $104.2m (2012: $95.8m), with an average interest rate of 6.1% (2012: 5.8%). The higher interest rate was driven by the mix of drawn debt and one-off loan establishment fees related to the new bank facilities. Australian facilities were drawn down to fund capital expenditure, and cash flow was applied to $US facilities.
- Net borrowing costs includes a $6.4m non-cash accounting expense for the unwinding of the discount applied to long term liabilities (2012: $25.3m, $21.1m of this expense related to the Moranbah unfavourable contract liability).

Borrowing Costs / Credit Metrics	**Year Ended 30 September**		
$Am	**2013**	**2012**	**Change**
Underlying interest expense	(104.2)	(95.8)	(9%)
Non-cash unwinding of liabilities	(6.4)	(25.3)	75%
Total borrowing costs	**(110.6)**	**(121.1)**	9%
Less Capitalised Interest (Moranbah)	42.4	65.6	(35%)
Net Borrowing Costs	**(68.2)**	**(55.5)**	(23%)
Interest cover (times) (4)	6.2	7.9	
Net Debt/Adjusted EBITDA (times)	2.0	1.8	

Return to Shareholders	**Year Ended 30 September**		
Cents per share (cps)	**2013**	**2012**	**Change**
Final Dividend	5.8	9.1	(36%)
Franking (%)	75%	75%	
Total Dividend	9.2	12.4	(26%)
Franking (%)	75%	68%	
Record date: 27 November 2013			
Dividend paid: 18 December 2013			

Individually material items	**Year Ended 30 September 2013**		
$Am	**Gross**	**Tax**	**Net**
Contingent tax liability release	-	115.1	115.1
Nitromak impairment	(41.5)	-	(41.5)
Total IMI's	**(41.5)**	**115.1**	**73.6**

TAX

- Tax expense (excluding tax on individually material items) decreased to $99.0m (2012: $141.6m). This represents an effective tax rate of 25% (2012: 26%).

RETURNS TO SHAREHOLDERS

- The Directors have determined to pay a 75% franked dividend of 5.8cps, which will be paid on 18 December 2013.
- Total dividends have decreased 26% to 9.2cps (2012: 12.4cps), reflecting a payout ratio of 50% of NPAT ex IMIs. The dividend will be franked at 75%. Franking credits will be paid out when available and as a result franking levels may vary in the future.
- In connection with the 2013 final dividend, IPL has announced it will recommence its dividend reinvestment plan (DRP), which was suspended in 2010. A discount of 1.5% will be applied in determining the offer price under the DRP. The 2013 final dividend will not be underwritten.

INDIVIDUALLY MATERIAL ITEMS

Individually material items (net of tax) in 2013 were an income of $73.6m, which comprised:

- Realised gain of $115.1m after tax following the release of a contingent tax liability created on the acquisition of Dyno Nobel and the recognition of tax assets.
- Nitromak goodwill impairment of $41.5m due to a subdued outlook for the Turkish economy.

CORPORATE COSTS

The movement in corporate costs from 2012 to 2013 is as follows:

	$Am	$Am
2012 Reported Corporate Costs		**71.7**
Adjust for:		
BEx costs (now in the business units)		(17.0)
2012 Adjusted Corporate Costs		***54.7***
Kooragang Island feasibility study costs (1)	(17.0)	
Net one off benefits	(4.0)	
Other savings	(2.5)	(23.5)
2013 Reported Corporate Costs		**31.2**

(1) The expensed feasibility costs in 2012 associated with the proposed Kooragang Island plant.

BALANCE SHEET

IPL's Balance sheet as at 30 September 2013 reflects ongoing financial discipline throughout the business. Key movements include:

- Trade Working Capital ("TWC") decreased by $123m to $37m at year end (2012: $160m), with both a decrease in the receivables across the Group and an increase in Fertiliser payables trading terms. The average thirteen month TWC as a percentage of annual revenues for the Explosives business has decreased again in the current year, reflecting continuous year-on-year improvement since the acquisition of Dyno Nobel.
- Net property plant and equipment increased by $295m to $3,034m (2012: $2,739m). This increase is a result of capital expenditure of $401m (including capitalised interest – refer cash flow), a positive foreign currency translation of $US denominated assets ($77m) partially offset by depreciation of $158m and disposals of $22m.
- Intangible assets increased by $116m with the positive translation of $US intangible assets ($165m) and investment in business software ($18m), offset by amortisation of intangibles ($26m) and the impairment of Nitromak goodwill ($41m).
- Net other liabilities/assets decreased by $134m to a liability position of $115m (2012: asset of $19m), largely due to an unrealised net negative movement of $146m in balance sheet hedges. These hedge movements are matched against asset movements elsewhere in the balance sheet.

Balance Sheet	**Year Ended 30 September**		
$Am	**2013**	**2012**	**Change**
Trade Working Capital - Fertilisers	(151)	(39)	(112)
Trade Working Capital - Explosives	188	199	(11)
Net property plant and equipment	3,034	2,739	295
Intangible assets	2,961	2,845	116
Environmental & restructure provisions	(127)	(144)	17
Tax liabilities	(292)	(358)	66
Net other (liabilities)/assets	(115)	19	(134)
Net Debt	(1,278)	(1,230)	(48)
Net Assets	**4,220**	**4,031**	**189**
Equity	**4,220**	**4,031**	**189**
Net tangible assets per share (cents)	0.77	0.73	
Fertilisers - Average TWC % Rev(5)	3.4%	13.1%	
Explosives - Average TWC % Rev(5)	14.0%	14.6%	
Group - Average TWC % Rev(5)	9.5%	13.9%	

NET DEBT

The tenor of the Group's debt facilities has increased. In August 2013 IPL issued $200m of notes under its Australian Medium Term Note program and paid down outstanding debt drawn under the Group's Syndicated Bank Facility. The notes pay interest semi-annually at a fixed rate of 5.75% and mature in February 2019.

IPL also renegotiated its Syndicated Bank Facility in August 2013, with a limit of $1.45bn available from September 2013. The facility will expire in two tranches, $850m in October 2016 and the remaining $600m in September 2018. The Bilateral Facilities of $250m were cancelled in September 2013.

Combined with the existing US144A bond facilities, these new facilities increase the tenor and diversity of the debt book during the construction of the Louisiana project.

NET DEBT (continued)

At 30 September 2013, IPL's net debt was $1.28bn (2012: $1.23bn), with committed headroom available of $1.72bn (2012: $1.1bn), representing the $1.45bn undrawn Syndicated Bank Facility and cash on hand at 30 September 2013.

MAJOR PROJECTS UPDATE

On 17 April 2013, IPL announced an investment of $US850m to build an 800,000 metric tonne per annum ammonia plant in Louisiana, USA. The investment decision is strategically attractive as it will backward integrate the US Ammonium Nitrate business to gas and it leverages IPL's core nitrogen manufacturing competency. Construction of the plant began in August 2013 with production commencing in the third quarter of 2016. Construction is progressing as planned with ground infrastructure works underway.

CASH FLOW

Net operating cash inflows decreased by $6.3m to $614.5m (2012: $620.8m), primarily due to:

- A 4% decrease in Adjusted Group EBITDA (EBITDA net of the impact of the Moranbah unfavourable contract liability release); and
- Higher net interest paid due to the reduction in Moranbah capitalised interest and loan establishment fees related to the new bank facilities.

This was offset by:

- Continued improvement in TWC (refer balance sheet).
- Tax paid reduced by $19.2m, consistent with the reduction in EBIT from 2012.

Net investing cash outflows reduced by $211.9m to $389.4m (2012: $601.3m). Significant movements included:

- Moranbah AN plant expenditure of $15.0m (2012: $237.6m) and associated capitalised interest $40.4m (2012: $65.6m).
- Growth capital spend on the Louisiana Ammonia plant of $109.3m (including $2m of capitalised interest) (2012: $6m) and remaining growth capital of $99.7m (2012: $140.6m). This includes spending on new emulsion plants and mobile production units in the Explosives business and the third phosphoric acid filter train at the Phosphate Hill plant.
- Spending on sustenance capital of $169.7m (2012: $154.7m). Sustenance was 101% of deprecation (2012: 111%).

Net financing cash flows were an outflow of $271.8m (2012: $61.5m), an increase of $210.3m. Major financing cash flows included:

- Payment of dividends of $203.6m (2012: $187.3m).
- A negative movement of $94.7m on the translation of US debt, reflecting the lower translation rate at 30 September 2013 (2012: $141.7m gain).
- Non cash movement in Net Debt of $24.8m (2012: -$21.2m), which represents the mark-to-market movement in long term interest rate swap derivatives.

Cash Flow Items	**Year Ended 30 September**		
$Am	**2013**	**2012**	**Change**
Net operating cash flows			
Group EBITDA	649.9	754.9	(14%)
Moranbah Provision release	-	(81.1)	100%
Adjusted Group EBITDA	**649.9**	**673.8**	(4%)
Net interest paid	(70.9)	(33.9)	(109%)
Net income tax paid	(67.1)	(86.3)	22%
TWC movement (excluding FX impact)	140.6	110.6	27%
Dyno Nobel profit from associates	(33.5)	(27.4)	(22%)
Integration & restructuring costs	0.0	(10.8)	100%
Environmental and site clean up	(23.8)	(21.7)	(10%)
Other NTWC	19.3	16.5	17%
Operating cash flows	***614.5***	***620.8***	***(1%)***
Net investing cash flows			
Growth - Moranbah	(15.0)	(237.6)	94%
Growth - Moranbah capitalised interest	(40.4)	(65.6)	38%
Growth - Louisiana	(109.3)	(6.0)	
Growth - Other	(99.7)	(140.6)	29%
Proceeds from asset sales	24.1	10.0	141%
Sustenance	(169.7)	(154.7)	(10%)
Investments	0.0	(35.1)	100%
Banked gas	(18.1)	(22.1)	18%
Repayment of JV loans	14.9	21.2	(30%)
Proceeeds from derivative hedge	23.8	29.2	(18%)
Investing cash flows	***(389.4)***	***(601.3)***	***35%***
Net financing cash flows			
Dividends paid	(203.6)	(187.3)	(9%)
Gain/(loss) on translation of $US Net Debt	(94.7)	141.7	(167%)
Realised market value gains on derivatives	1.7	5.3	(68%)
Non-cash movement in Net Debt	24.8	(21.2)	217%
Financing cash flows	***(271.8)***	***(61.5)***	***(342%)***
Decrease / (increase) in Net Debt	**(46.7)**	**(42.0)**	
Opening balance Net Debt	(1,230.8)	(1,188.8)	
Closing balance Net Debt	**(1,277.5)**	**(1,230.8)**	

DYNO NOBEL AMERICAS (DNA)

BUSINESS PEFORMANCE ($US)

DNA's $US EBIT decreased by $17.3m or 9% to $178.4m (2012: $195.7m). After a flat first half, second half profitability declined due to the impact of lower Urea prices. Significant drivers of the result include:

- ($14m): Lower Urea prices ($17m) partially offset by higher production volumes from the St Helens plant.
- ($3m): Higher Initiating Systems production costs in the first half due to an increase in the price of a specialised raw material, which could not be passed onto customers.
- ($8m): Explosives sales volumes were down 4.5% with lower coal production being the most significant driver. A more detailed explanation is provided below.
- $7m: Net BEx benefits delivered efficiencies of $12m with implementation costs of $5m.

DNA	Year Ended 30 September		
	2013	2012	Change
$USm			
Revenues			
- Explosives	1,019.3	1,018.1	0%
- Agriculture and Industrial	174.7	185.2	(6%)
Total Revenues	1,194.0	1,203.3	(1%)
EBIT			
- Explosives	119.4	122.7	(3%)
- Agriculture and Industrial	59.0	73.0	(19%)
TOTAL EBIT	178.4	195.7	(9%)
$Am			
Revenues	1,204.0	1,172.2	3%
EBIT	179.4	190.6	(6%)
Translation exch. rate - $A/$US	0.996	1.027	
Average NOLA Urea price ($US kst)	395	491	(20%)

MARKET SUMMARY

2013 AN volumes were down 4.5%. The Explosives business sells product into the following major markets:

Coal

Coal accounted for 55% of total AN volumes. 2013 volumes were down 11%, reflecting the carryover impact of high coal inventories from 2012. Increases in gas prices in 2013 have slowed the rate of switching from coal to gas for energy generation in the US. Coal inventories have reduced from half year, but still remain approximately 4% above long term average, which will continue to temper demand in the short term.

Quarry & Construction

Q&C accounted for 16% of total AN volumes. 2013 volumes grew by 1.4% with some localised areas of more significant growth. Q&C volumes are driven by public construction (50%), non-residential construction and the residential construction industries (50%). While US residential starts are showing positive signs, DNA's leverage to this recovery is middle to late cycle. DNA remains well positioned for the future recovery in this market.

Metals & Mining

Metals and Mining accounted for 29% of the total AN volumes. 2013 volumes increased by 6% reflecting the overall market growth and some market share gains.

Agriculture and Industrial Chemicals

EBIT fell by $14m to $59m (2012: $73m) as a result of falling global Urea prices, partially offset by higher production volumes at St Helens. The average New Orleans, Louisiana ("NOLA") Urea price per short ton achieved dropped 20% from 2012 to $US395.

DYNO NOBEL ASIA PACIFIC (DNAP)

BUSINESS PERFORMANCE

Reported EBIT decreased by $61.9m or 29% to $149.4m (2012: $211.3m). Adjusted Earnings, excluding the Moranbah unfavourable contract liability release, increased by 15% or $19.2m to $149.4m (2012: $130.2m). Significant drivers of DNAP's result include:

- $40m: Increased Moranbah plant profit, with production of 210kt in 2013. Total Moranbah plant profit was $56m (2012: $16m).
- $6m Higher earnings from the QNP joint venture, primarily driven by stronger production performance.
- ($13m): Impact of the loss of a customer in the Hunter Valley ($11m) and softness in the Hardrock and Underground markets.
- ($7m): Second half cost increases arising from: AN sourcing and redundancy costs as the business right sized in a challenging market.
- ($7m): An increase in operating costs associated with both running the DNAP business in the first half ($4m) (including HR and Safety functions) and allocation of BEx costs to DNAP in the second half ($3m).

DNAP	Year ended 30 September		
	2013	2012	Change
$Am			
Revenues	781.5	626.4	25%
EBIT			
- Moranbah	56.0	16.0	250%
- Base business	93.4	114.2	(18%)
- Moranbah liability unwind	-	81.1	(100%)
Total EBIT	**149.4**	**211.3**	**(29%)**
Adjusted EBIT ex Moranbah liability release	**149.4**	**130.2**	**15%**

MARKET SUMMARY

Total AN volumes were up 34%. The business sells product into the following markets:

Moranbah

Moranbah foundation customers accounted for 54% of total AN sales, increasing by 133kt to 278kt of which 210kt (2012: 25kt) was supplied from the Moranbah plant.

Australian East Coast Coal excluding Moranbah

Other Australian east coast coal customers accounted for 6% of total AN sales. In 2013, AN volumes in this segment decreased by 52% due entirely to the loss of one Hunter Valley customer.

Western Australia

WA sales accounted for 28% of the AN volumes. Sales volumes increased by 17% with growth from the business' largest customer in the region, partially offset by lower volumes to smaller customers who were adversely impacted by lower commodity prices.

Hard Rock and Underground

Hard Rock and Underground sales accounted for 4% of the AN volumes. Volumes dropped slightly in response to lower production at some customer sites in the second half due to lower commodity prices.

Indonesia and PNG

These markets accounted for 8% of the AN volumes. Volumes fell by 19% due mainly to Indonesian customers sourcing AN directly.

MORANBAH AN PLANT UPDATE

The Moranbah plant has been operating more consistently from early July 2013. The issues experienced during ramp up in the first half of the year have either been fixed or repairs and corrections will be completed during the first half of 2014. Progress update regarding the first half issues is as follows:

- The ammonia plant repair is now complete
- Steam balance solutions are in place, with final actions to be completed by March 2014
- Control systems upgrade is on track
- Improved gas supply

Moranbah has exited the year consistent with an annualised production rate consistent with the 2014 target of 300kt.

INCITEC PIVOT FERTILISERS (IPF)

BUSINESS PERFORMANCE

IPF's EBIT increased by $4.1m or 4% to $96.4m (2012: $92.3m). Factors impacting the result include:

- $22m: Recovery in distribution margins in the Fertiliser business. Margins were up $22m due to enhanced risk management. The contract model mitigated significant margin erosion that would have otherwise occurred with the sustained falls in Urea prices in the second half.
- $10m: Urea equivalent production sold via IPF increased 13%. Refer to the market summary section for further detail.
- $16m: Lower input costs and higher production at Gibson Island (equalling the record for tonnes produced). Gibson Island has the most advanced BEx implementation of the Group's global manufacturing facilities.
- ($29m): Lower commodity prices. Lower global fertiliser prices, with Urea averaging US$373/t in 2013 (2012: US$457/t).
- ($19m): A higher average $A exchange rate of 99.6c (2012: 95.7c).

Benefits of consolidation

The combination of the management of the two fertiliser businesses in March 2012 continued to deliver benefits throughout 2013. Through improved visibility across value chains and better alignment of key functions, IPF was able to access a number of sources of value that were previously not visible, and mitigated price risk associated with its inherent long positions. These opportunities included: reduced risk by determining fertiliser buying decisions based on an end-to-end supply chain view; repositioning cargoes destined for the domestic market into international, industrial or wholesale markets as market demand shifted; procurement of imports with shorter lead times by accessing existing positions within the trading business (Quantum); and maximising earnings by placing production tonnes into markets with the highest net backs.

Incitec Pivot Fertilisers	Year Ended 30 September		
	2013	2012	Change
$Am			
Revenue	1,095.4	1,159.1	(5%)
EBIT	96.4	92.3	4%
IPF - KPIs			
Tonnes Sold '000's	2,005	2,002	0%
Middle East Granular Urea ($US/t)	373	457	(18%)
Average exchange rate - cents $A/$US	99.6	95.7	(4%)
Urea equivalent production sold via IPF	417	369	13%

MARKET SUMMARY

The IPF business sells product into the following major markets:

Winter Crop

The start of the season was consistent with 2012. The second half saw stronger demand for both sowing and topdressing fertiliser, driven by favourable seasonal conditions and attractive soft commodity prices. IPF's volumes sold into this market were up by over 10%.

Summer Crop

Sales into the Cotton and Sugar crops were flat in 2013.

Pasture

SSP sales volumes were slightly down on 2012 driven by the strong $A and delayed rain at the start of the season.

SOUTHERN CROSS INTERNATIONAL (SCI)

BUSINESS PERFORMANCE

SCI's EBIT decreased by $105.0m or 60% to $70.3m (2012: $175.3m). The highlights of SCI's result include:

Phosphate Hill EBIT decreased by $108.6m to $25.3m (2012: $133.9m). Significant factors included:

- ($66m): Lower DAP prices which averaged $US482/t (2012: $US563/t).
- ($6m): Impact of higher domestic freight rates (coastal shipping) and softer global freight markets.
- ($18m): A higher average $A of 99.6c (2012: 95.7c) resulted in lower revenues.
- ($25m): Impact of the plant outage in the second half: $7m attributed to margin lost due to lower sales tonnes and $18m due to unfavourable cost absorption.

Excluding the outage impact, cost of production decreased against 2012 by a net $8m, with the significant drivers being:

- $11m: BEx initiated plant cost efficiencies, relating mainly to the decant project.
- $6m Lower global sulphur prices.
- ($9m) Carbon tax and other cost increases.

Industrials EBIT decreased by $9.1m or 18% to $40.8m (2012: $49.9m), with lower commodity prices ($3m), the higher $A ($3m) and lower volumes sold by the business ($3m). Volumes were diverted to higher netback sales in the domestic fertiliser business (IPF).

Southern Cross International	Year Ended 30 September		
	2013	2012	Change
SCI Tonnes '000's			
Phosphate Hill production sold	790	879	(10%)
SCI Trading	121	115	5%
Industrial	295	323	(9%)
Quantum	1,609	2,554	(37%)
SCI Revenue $Am			
Phosphate Hill production sold	410.9	552.9	(26%)
SCI Trading	43.5	48.4	(10%)
Industrial	101.2	117.7	(14%)
Quantum	7.3	12.9	(43%)
Total	**562.9**	**731.9**	**(23%)**
SCI EBIT $Am			
Phosphate Hill plant	25.3	133.9	(81%)
SCI Trading	2.3	0.8	188%
Industrial	40.8	49.9	(18%)
Quantum	1.9	(9.3)	120%
Total	**70.3**	**175.3**	**(60%)**
SCI KPIs			
Average DAP Tampa ($US/t)	482	563	(14%)
Freight margin net of distribution ($A/t) (6)	8.6	12.3	(30%)
Average exchange rate $A/$US	99.6	95.7	(4%)
Phosphate Hill Production Tonnes ('000's)	788	892	(12%)

Quantum EBIT improved by $11.2 to $1.9m (2012: loss of $9.3m). Quantum's traded tonnes reduced by 37% as a more conservative approach was adopted in volatile markets. This conservative approach delivered a modest profit in 2013 compared to the 2012 loss.

The value of the Quantum business to IPL continues to arise from factors outside of its EBIT result; achieving higher prices on exported DAP, reducing pricing and margin risk, better procurement of key imports such as sulphuric acid, reducing TWC by providing alternate channels to market when domestic demand falls short of forecast, and shorter lead times on additional imports when domestic demand exceeds forecast.

Workplace Health and Safety

In line with our core Value "Zero Harm for Everyone, Everywhere", IPL has an objective of Zero Injuries. The Group's Total Recordable Injury Frequency Rate for the rolling twelve months ("TRIFR") fell to 1.16 (2012: 1.4) at the end of the financial year. However, the result included two fatalities and so is totally unacceptable.

IPL continues to implement its five year health and safety strategy to deliver on our commitment to achieving a workplace where all injuries, illnesses and environmental incidents can be prevented.

Sustainability & Environment

IPL remains committed to creating long-term economic value while caring for its people, communities and environment. Driven by our Values of Zero Harm for Everyone, Everywhere and Care for the Community and our Environment, IPL has completed the first phase of its sustainability journey this year.

The 2010-2013 Sustainability Agenda provided a blueprint for delivering on the commitment to "Use Less, Get Close and Be Responsible". Over the past three years IPL has implemented targets to reduce use of non-renewable resources in the Australian manufacturing operations; established a Community Investment Framework, which has delivered many benefits to local communities; invested in innovative research projects that have delivered positive environmental and commercial outcomes for both IPL and its customers; and implemented a successful indigenous employment program.

In March this year, IPL took part in a Sustainability Investor Briefing to inform investors of IPL's sustainability agenda, material issues, governance framework and performance, as well as to seek feedback on the sustainability issues of most interest to investors. Feedback from the session has informed the development of IPL's agenda for the next three years.

IPL's 2013 Sustainability Report is again being prepared in accordance with the Global Reporting Initiative's guidelines (GRI) for sustainability reporting and will be released in December, maintaining the commitment to communicate openly with our stakeholders.

Resource efficiency targets for energy and water consumption and waste generation were developed in all Australian manufacturing sites as part of Keystone Project One and several sites including Gibson Island have already met their energy and waste targets.

IPL's approach to carbon regulation is one of mitigating risk and leveraging opportunities, in line with its broader sustainability position. Preparations for carbon regulation are now complete. 2013 obligations were met and the first tranche of 2014 assistance has already been received. Australian Scope 1 (direct) emissions were 1.2 million tonnes of carbon dioxide equivalent (CO2e) in 2013. Total Australian emissions were 1.4 million, contributing to a global footprint of approximately 2.8 million tonnes of CO2e. This is representative of the scale and capacity of IPL's manufacturing plants and, in particular, the energy intensive manufacture of nitrogen derived products, such as ammonia and AN, which require natural gas as a feed-stock for production.

<u>Further Information:</u>

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NOTE & DEFINITIONS: Numbers in this report are subject to rounding.

1. EBITDA = Earnings before Interest, Tax, Depreciation and Amortisation, excluding individually material items ("IMIs")
2. EBIT = Earnings before Interest and Tax, excluding IMIs
3. Excludes IMIs and for the full year ended 30 September 2012, the result included the non-cash earnings relating to the release of the Moranbah unfavourable contract liability, which had the following impact on the reported profit:

EBIT/EBITDA	$81.1m
Interest	($21.1m)
Tax	($18.0m)
NPAT	$42.0m

   As the business wrote back the entire Moranbah unfavourable contract liability in the 2012 financial year, there is no release in the year period ended 30 September 2013. The "Adjusted EBITDA and EBIT" excludes this impact from the 2012 result.
4. Interest cover = Average 12 month rolling EBITDA/Net interest expense before accounting adjustments
5. Average TWC % Rev = 13 month average trade working capital / Annual Revenues
6. Freight margin net of distribution costs = The average freight margin on product sold into domestic and export markets, less the costs of the Townsville distribution site.
7. In the financial year 2013, the definition of "Net Debt" was broadened to aggregate interest bearing liabilities plus the fair value of derivative instruments in place economically to hedge the Group's interest bearing liabilities, less available cash and cash equivalents.

INCITEC PIVOT LIMITED FINANCIAL PERFORMANCE	September 2013 FY $mill	September 2013 HY $mill	March 2013 HY $mill	September 2012 FY $mill	September 2012 HY $mill	March 2012 HY $mill	September 2011 FY $mill	September 2011 HY $mill	March 2011 HY $mill	September 2010 FY $mill	September 2010 HY $mill	March 2010 HY $mill
VOLUMES ('000's tonnes)												
Incitec Pivot Fertilisers	2,005.0	1,311.9	693.1	2,002.0	1,224.0	778.0	1,892.0	1,184.7	707.3	1,728.0	940.0	788.0
Southern Cross International												
Manufactured AP's	790.0	460.0	330.0	879.0	508.0	371.0	929.0	575.2	353.8	902.0	470.0	432.0
Traded & Non-AP's	121.0	72.1	48.9	115.0	66.0	49.0	84.0	13.6	70.4	211.0	126.0	85.0
Industrial Chemicals	295.0	147.0	148.0	323.0	182.0	141.0	284.0	154.5	129.5	251.0	119.0	132.0
Quantum - open sales	1,609.0	1,180.0	429.0	2,554.0	2,449.0	105.0	2,602.0	2,551.4	50.6	-	-	-
Intercompany Eliminations	(360.0)	(162.0)	(198.0)	(264.0)	(106.0)	(158.0)	(294.0)	(127.5)	(166.5)	(286.0)	(58.0)	(228.0)
BUSINESS SEG SALES												
Incitec Pivot Fertilisers	1,095.4	704.3	391.2	1,159.1	717.1	442.0	1,185.5	762.1	423.4	885.9	506.8	379.1
Southern Cross International	562.9	313.5	249.4	731.9	369.6	362.3	877.6	537.2	340.4	647.1	367.2	279.9
Fertilisers Eliminations	(192.9)	(86.9)	(105.9)	(160.3)	(63.1)	(97.2)	(193.8)	(82.9)	(110.9)	(145.4)	(34.3)	(111.1)
Fertilisers	1,465.4	930.9	534.7	1,730.7	1,023.6	707.1	1,869.3	1,216.4	652.9	1,387.6	839.7	547.9
Dyno Nobel Americas	1,204.0	644.1	559.9	1,172.2	601.7	570.5	1,172.5	622.4	550.1	1,092.5	618.9	473.6
Dyno Nobel Asia Pacific	781.5	421.6	359.9	626.4	340.8	285.6	533.1	299.0	234.1	499.8	261.7	238.1
Explosives Eliminations	(28.9)	(15.3)	(13.6)	(28.4)	(14.7)	(13.7)	(27.5)	(14.8)	(12.7)	(48.2)	(25.0)	(23.2)
Explosives	1,956.6	1,050.4	906.2	1,770.2	927.8	842.4	1,678.1	906.6	771.5	1,544.1	855.6	688.5
Group Elimination	(18.3)	(4.3)	(14.0)	-	1.3	(1.3)	(2.1)	(2.1)	-	-	-	-
Total Sales - IPL Group	***3,403.7***	1,976.9	***1,426.9***	***3,500.9***	1,952.7	***1,548.2***	***3,545.3***	***2,120.9***	***1,424.4***	***2,931.7***	***1,695.3***	***1,236.4***
GEOGRAPHIC SEG SALES												
Australia	2,189.5	1,326.4	863.0	2,316.3	1,384.1	932.2	2,303.6	1,432.8	870.8	1,871.8	1,096.1	775.7
North Americas	1,064.1	571.7	492.3	1,030.8	529.2	501.6	1,036.0	547.9	488.1	1,006.2	565.2	441.0
Turkey	80.9	45.5	35.4	78.1	39.5	38.6	82.9	46.1	36.8	14.8	14.8	-
Other	69.2	33.0	36.2	75.7	(0.1)	75.8	122.8	94.1	28.7	38.9	19.2	19.7
Total Sales - IPL Group	***3,403.7***	***1,976.7***	***1,426.9***	***3,500.9***	***1,952.7***	***1,548.2***	***3,545.3***	***2,120.9***	***1,424.4***	***2,931.7***	***1,695.3***	***1,236.4***
BUSINESS SEG EBITDA												
Incitec Pivot Fertilisers	130.6	88.6	42.1	124.1	106.2	17.9	156.0	93.8	62.2	141.6	75.2	66.4
Southern Cross International	97.5	59.4	38.1	203.6	125.6	78.0	353.3	229.4	123.9	236.9	158.2	78.7
Fertilisers Eliminations	3.0	4.1	(1.1)	3.3	7.7	(4.4)	(3.7)	15.8	(19.5)	(0.6)	17.8	(18.4)
Fertilisers	231.1	152.2	79.1	331.0	239.5	91.5	505.6	339.0	166.6	377.9	251.2	126.7
Dyno Nobel Americas	262.0	143.2	118.8	263.2	146.1	117.1	244.3	141.0	103.3	236.5	144.7	91.8
Dyno Nobel Asia Pacific	187.2	106.4	80.8	232.6	126.2	106.4	215.3	125.7	89.6	196.0	111.0	85.0
Explosives Eliminations	(1.1)	(0.5)	(0.7)	(2.0)	(1.0)	(1.0)	(0.4)	(0.4)	-	1.5	1.0	0.5
Explosives	448.1	249.2	198.9	493.8	271.3	222.5	459.2	266.3	192.9	434.0	256.7	177.3
Corporate	(29.3)	(6.3)	(23.0)	(69.9)	(46.7)	(23.2)	(44.5)	(33.5)	(11.0)	(24.6)	(17.2)	(7.4)
Total EBITDA - IPL Group	***649.9***	395.0	***255.0***	***754.9***	464.1	***290.8***	***920.3***	***571.8***	***348.5***	***787.3***	***490.7***	***296.6***
BUSINESS SEG Depreciation and Amortisation												
Incitec Pivot Fertilisers	(34.2)	(17.6)	(16.6)	31.8	16.1	15.7	27.2	13.7	13.5	29.2	14.3	14.9
Southern Cross International	(27.2)	(14.3)	(12.9)	28.3	13.4	14.9	29.4	14.9	14.5	14.3	9.4	4.9
Fertilisers	(61.4)	(31.9)	(29.5)	60.1	29.5	30.6	56.6	28.6	28.0	43.5	23.7	19.8
Dyno Nobel Americas	(82.6)	(43.8)	(38.8)	72.6	38.0	34.6	70.5	34.3	36.2	73.3	37.5	35.8
Dyno Nobel Asia Pacific	(37.8)	(24.5)	(13.3)	21.3	10.9	10.4	19.9	10.1	9.8	20.0	10.2	9.8
Explosives	(120.4)	(68.2)	(52.1)	93.9	48.9	45.0	90.4	44.4	46.0	93.3	47.7	45.6
Corporate	(1.9)	(1.0)	(0.9)	1.8	1.0	0.8	1.2	0.5	0.7	2.2	1.1	1.1
Total Depreciation and Amortisation - IPL Group	***(183.7)***	***(101.1)***	***(82.5)***	***155.8***	***79.4***	***76.4***	***148.2***	***73.5***	***74.7***	***139.0***	***72.5***	***66.5***
BUSINESS SEG EBIT												
Incitec Pivot Fertilisers	96.4	71.0	25.5	92.3	90.1	2.2	128.8	80.1	48.7	112.4	60.9	51.5
Southern Cross International	70.3	45.1	25.2	175.3	112.2	63.1	323.9	214.5	109.4	222.6	148.8	73.8
Fertilisers Eliminations	3.0	4.1	(1.1)	3.3	7.7	(4.4)	(3.7)	15.8	(19.5)	(0.6)	17.8	(18.4)
Fertilisers	169.7	120.2	49.6	270.9	210.0	60.9	449.0	310.4	138.6	334.4	227.5	106.9
Dyno Nobel Americas	179.4	99.5	80.0	190.6	108.1	82.5	173.8	106.7	67.1	163.2	107.2	56.0
Dyno Nobel Asia Pacific	149.4	81.9	67.5	211.3	115.3	96.0	195.4	115.6	79.8	176.0	100.8	75.2
Explosives Eliminations	(1.1)	(0.5)	(0.7)	(2.0)	(1.0)	(1.0)	(0.4)	(0.4)	-	1.5	1.0	0.5
Explosives	327.7	180.9	146.8	399.9	222.4	177.5	368.8	221.9	146.9	340.7	209.0	131.7
Corporate	(31.2)	(7.3)	(23.9)	(71.7)	(47.7)	(24.0)	(45.7)	(34.0)	(11.7)	(26.8)	(18.3)	(8.5)
Total EBIT - IPL Group	***466.2***	***293.8***	***172.5***	***599.1***	***384.7***	***214.4***	***772.1***	***498.3***	***273.8***	***648.3***	***418.2***	***230.1***
GEOGRAPHIC SEG NON-CURRENT ASSETS OTHER THAN FINANCIAL INSTRUMENTS AND DEFERRED TAX ASSETS												
Australia	3,739.0	3,739.0	3,714.5	3,659.0	3,659.0	3,346.7	3,170.2	3,170.2	2,842.5	2,702.5	2,702.5	2,567.5
North Americas	2,420.3	2,420.3	2,039.2	2,074.9	2,074.9	2,028.3	2,129.6	2,129.6	2,042.5	2,195.4	2,195.4	2,395.4
Turkey	46.1	46.1	86.8	88.4	88.4	126.7	129.6	129.6	137.9	153.6	153.6	-
Other	102.3	102.3	92.6	99.7	99.7	92.3	97.0	97.0	84.4	76.9	76.9	126.6
Total - IPL Group	***6,307.7***	***6,307.7***	***5,933.1***	***5,922.0***	***5,922.0***	***5,594.0***	***5,526.4***	***5,526.4***	***5,107.3***	***5,128.4***	***5,128.4***	***5,089.5***
FINANCIAL PERFORMANCE												
EBIT	466.2	293.6	172.5	599.1	384.7	214.4	772.1	498.3	273.8	648.3	418.2	230.1
Net Interest	(68.2)	(43.3)	(25.0)	(55.5)	(28.0)	(27.5)	(58.2)	(28.4)	(29.8)	(53.0)	(21.8)	(31.2)
Operating Profit Before Tax and Minorities	398.0	250.5	147.5	543.6	356.7	186.9	713.9	469.9	244.0	595.3	396.4	198.9
Income Tax Expense	(99.1)	(61.9)	(37.2)	(141.6)	(94.5)	(47.1)	(179.7)	(115.2)	(64.5)	(150.8)	(98.1)	(52.7)
NPAT pre Individually Material Items	298.9	188.6	110.3	402.0	262.2	139.8	534.2	354.7	179.5	444.5	298.3	146.2
Individually Material Items Before Tax	(6.0)	(6.0)	-	168.1	168.1	-	(92.5)	(73.3)	(19.2)	(55.4)	(34.9)	(20.5)
Tax effect of Individually Material Items	121.1	121.1	-	(62.1)	(62.1)	-	25.6	19.4	6.2	23.1	16.7	6.4
NPAT & Individually Material Items	***413.9***	***303.6***	***110.3***	***508.0***	***368.2***	***139.8***	***467.3***	***300.8***	***166.5***	***412.2***	***280.1***	***132.1***
NPAT attributable to shareholders of IPL	372.0	261.8	110.2	510.7	367.2	143.5	463.2	297.6	165.6	410.5	278.1	132.4
NPAT attributable to minority interest	0.6	0.4	0.1	(2.7)	1.0	(3.7)	4.1	3.2	0.9	1.7	2.0	(0.3)

Note i) Where applicable, balances have been adjusted to disclose them on a similar basis as current year numbers.

INCITEC PIVOT LIMITED FINANCIAL POSITION	**September 2013 FY** $mill	**September 2013 HY** $mill	**March 2013 HY** $mill	**September 2012 FY** $mill	**September 2012 HY** $mill	**March 2012 HY** $mill	**September 2011 FY** $mill	**September 2011 HY** $mill	**March 2011 HY** $mill	**September 2010 FY** $mill	**September 2010 HY** $mill	**March 2010 HY** $mill
Cash	270.6	270.6	37.0	154.1	154.1	40.3	379.7	379.7	116.5	48.7	48.7	76.7
Inventories	435.6	435.6	538.0	403.7	403.7	577.8	477.9	477.9	606.0	336.2	336.2	446.7
Trade Debtors	331.3	331.3	337.7	357.1	357.1	375.6	431.5	431.5	396.1	432.3	432.3	303.8
Trade Creditors	(729.6)	(729.6)	(494.8)	(600.7)	(600.7)	(452.7)	(630.1)	(630.1)	(503.4)	(476.7)	(476.7)	(398.7)
Trade Working Capital	37.3	37.3	380.9	160.1	160.1	500.7	279.3	279.3	498.7	291.8	291.8	351.8
Net Property, Plant & Equipment	3,033.5	3,033.5	2,771.6	2,738.7	2,738.7	2,447.1	2,289.8	2,289.8	2,015.8	1,853.2	1,853.2	1,672.3
Intangibles	2,961.0	2,961.0	2,844.5	2,845.2	2,845.2	2,782.8	2,942.3	2,942.3	2,823.0	3,010.0	3,010.0	3,005.2
Net Other Assets	(428.5)	(428.5)	(383.4)	(425.7)	(425.7)	(428.3)	(615.9)	(615.9)	(425.6)	(446.6)	(446.6)	(316.2)
Net Interest Bearing Liabilities												
Current	(33.5)	(33.5)	(119.6)	(125.7)	(125.7)	(105.6)	(95.7)	(95.7)	(98.6)	(108.5)	(108.5)	(144.8)
Non-Current	(1,620.6)	(1,620.6)	(1,551.1)	(1,315.3)	(1,315.3)	(1,569.0)	(1,472.8)	(1,472.8)	(1,373.7)	(1,037.3)	(1,037.3)	(1,208.4)
Net Assets	***4,219.8***	***4,219.8***	***3,979.9***	***4,031.4***	***4,031.4***	***3,668.0***	***3,706.7***	***3,706.7***	***3,556.1***	***3,611.3***	***3,611.3***	***3,436.6***
Total Equity	***4,219.8***	***4,219.8***	***3,979.9***	***4,031.4***	***4,031.4***	***3,668.0***	***3,706.7***	***3,706.7***	***3,556.1***	***3,611.3***	***3,611.3***	***3,436.6***
Capital Expenditure (Accruals Basis)												
Total Capital Expenditure	***419.7***	***294.4***	***125.3***	***626.2***	***358.2***	***268.0***	***612.2***	***335.2***	***277.0***	***359.3***	***268.3***	***91.0***
Depreciation and amortisation	183.7	101.1	82.5	155.8	79.4	76.4	148.2	73.5	74.7	139.0	72.5	66.5
Ratios												
EPS, cents pre individually material items	18.3	11.6	6.8	24.8	16.0	8.8	32.5	21.5	11.0	27.3	18.3	9.0
EPS, cents post individually material items	22.8	16.1	6.8	31.4	22.6	8.8	28.4	18.2	10.2	25.3	17.1	8.2
DPS, cents	9.2	5.8	3.4	12.4	9.1	3.3	11.5	8.2	3.3	7.8	6.0	1.8
Franking, %	75%	75%	75%	68%	75%	50%	0%	0%	0%	0%	0%	0%
Interest Cover (times)	6.2	6.2	6.8	7.9	7.9	10.6	10.8	10.8	11.2	12.2	12.2	9.5
Gearing (net debt/net debt plus equity)	24.7%	24.7%	29.1%	24.2%	24.2%	30.8%	24.3%	24.3%	27.6%	23.3%	23.3%	27.1%

Note i) Where applicable, balances have been adjusted to disclose them on a similar basis as current year numbers.

Note ii) Interest cover is calculated as 12 month rolling EBITDA/12 month rolling interest cost (where interest cost is calculated as interest expense less unwind on provisions plus capitalised interest).

INCITEC PIVOT LIMITED CASH FLOWS	September 2013 FY $mill Inflows/ (Outflows)	September 2013 HY $mill Inflows/ (Outflows)	March 2013 HY $mill Inflows/ (Outflows)	*September 2012 FY $mill Inflows/ (Outflows)	September 2012 HY $mill Inflows/ (Outflows)	March 2012 HY $mill Inflows/ (Outflows)	September 2011 FY $mill Inflows/ (Outflows)	September 2011 HY $mill Inflows/ (Outflows)	March 2011 HY $mill Inflows/ (Outflows)	September 2010 FY $mill Inflows/ (Outflows)	September 2010 HY $mill Inflows/ (Outflows)	March 2010 HY $mill Inflows/ (Outflows)
Net operating cash flows												
Group EBITDA	649.9	394.9	255.0	754.9	464.1	290.8	920.3	571.8	348.5	787.3	490.7	296.6
Net interest paid	(70.9)	(48.4)	(22.5)	(33.9)	(21.5)	(12.4)	(17.9)	(2.5)	(15.4)	(38.7)	(17.3)	(21.4)
Net income tax received/(paid)	(67.1)	(38.1)	(29.0)	(86.3)	(31.0)	(55.3)	(4.5)	(24.5)	20.0	(10.3)	(3.4)	(6.9)
TWC movement (excluding FX impact)	140.6	361.6	(221.0)	110.6	339.7	(229.1)	11.1	226.5	(215.4)	(34.3)	65.6	(99.9)
Moranbah provision release	-	-	-	(81.1)	(40.6)	(40.5)	(84.0)	(42.0)	(42.0)	(85.4)	(42.7)	(42.7)
Dyno Nobel profit from associates	(33.5)	(18.4)	(15.1)	(27.4)	(18.9)	(8.5)	(24.2)	(13.1)	(11.1)	(30.5)	(16.2)	(14.3)
Integration & restructuring costs	-	-	-	(10.8)	(4.1)	(6.7)	(53.4)	(34.2)	(19.2)	(52.0)	(31.5)	(20.5)
Environmental and site clean up	(23.8)	(14.8)	(9.0)	(21.7)	(15.4)	(6.3)	(20.2)	(12.1)	(8.1)	(5.0)	(3.0)	(2.0)
Other NTWC	19.3	42.3	(23.0)	16.5	75.8	(59.3)	(8.1)	(36.1)	28.0	(2.2)	7.5	(9.7)
Operating cash flows	***614.5***	***679.1***	***(64.6)***	***620.8***	***748.1***	***(127.3)***	***719.1***	***633.8***	***85.3***	***528.9***	***449.7***	***79.2***
Net investing cash flows												
Growth - Moranbah	(15.0)	-	(15.0)	(237.6)	(114.1)	(123.5)	(347.1)	(204.0)	(143.1)	(73.9)	(69.0)	(4.9)
Growth - Moranbah capitalised interest	(40.4)	(13.3)	(27.1)	(65.6)	(31.7)	(33.9)	(52.1)	(29.9)	(22.2)	(25.2)	(14.7)	(10.5)
Growth - Other	(99.7)	(38.1)	(61.6)	(146.6)	(94.5)	(52.1)	(43.0)	(30.0)	(13.0)	(18.5)	(12.1)	(6.4)
Capex - Louisiana project	(107.3)	(107.3)	-	-	-	-	-	-	-	-	-	-
Capex - Louisiana project capitalised interest	(2.0)	(2.0)	-	-	-	-	-	-	-	-	-	-
Sustenance	(169.7)	(109.2)	(60.5)	(154.7)	(97.4)	(57.3)	(204.4)	(80.7)	(123.7)	(198.7)	(131.8)	(66.9)
Proceeds from asset sales	24.1	1.5	22.6	10.0	2.5	7.5	37.9	34.4	3.5	19.0	17.2	1.8
Investments	-	-	-	(35.1)	(1.1)	(34.0)	(0.2)	(0.2)	-	(103.7)	(99.8)	(3.9)
Banked Gas	(18.1)	-	(18.1)	(22.1)	(22.1)	-	-	-	-	-	-	-
Other	38.7	22.1	16.6	50.4	16.2	34.2	1.1	21.7	(20.6)	-	-	-
Investing cash flows	***(389.4)***	***(246.3)***	***(143.1)***	***(601.3)***	***(342.2)***	***(259.1)***	***(607.8)***	***(288.7)***	***(319.1)***	***(401.0)***	***(310.2)***	***(90.8)***
Net financing cash flows												
Equity raising	-	-	-	-	-	-	-	-	-	-	-	-
Equity raising fees	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid	(203.6)	(55.4)	(148.2)	(187.3)	(53.7)	(133.6)	(151.4)	(53.7)	(97.7)	(18.3)	(18.3)	-
Gain/(Loss) on translation of US$ Debt	(94.7)	(95.4)	0.7	141.7	11.3	74.3	12.3	(61.4)	73.7	48.0	39.2	8.8
Realised market value gains/(losses) on derivatives	1.7	0.5	1.2	5.3	5.3	0.0	-	8.0	(8.0)	201.3	27.3	174.0
Non-cash movement in Net Debt	24.8	17.6	7.2	(21.2)	(21.4)	0.2	(63.9)	(71.0)	7.1	7.4	(8.3)	15.7
Financing cash flows	***(271.8)***	***(132.7)***	***(139.1)***	***(61.5)***	***(58.5)***	***(59.1)***	***(203.0)***	***(178.1)***	***(24.9)***	***238.4***	***39.9***	***198.5***
Decrease/(increase) in net debt	***(46.7)***	***300.1***	***(346.8)***	***(42.0)***	***347.4***	***(445.5)***	***(91.7)***	***167.0***	***(258.7)***	***366.3***	***179.4***	***186.9***

* In the financial year 2013, the definition of "Net Debt" was revised to aggregate interest bearing liabilities plus the fair value of derivative instruments in place to hedge the Group's interest bearing liabilities less cash and cash equvalents. The 2012 movmenet was restated to refle
in accordance with the revised definition.