

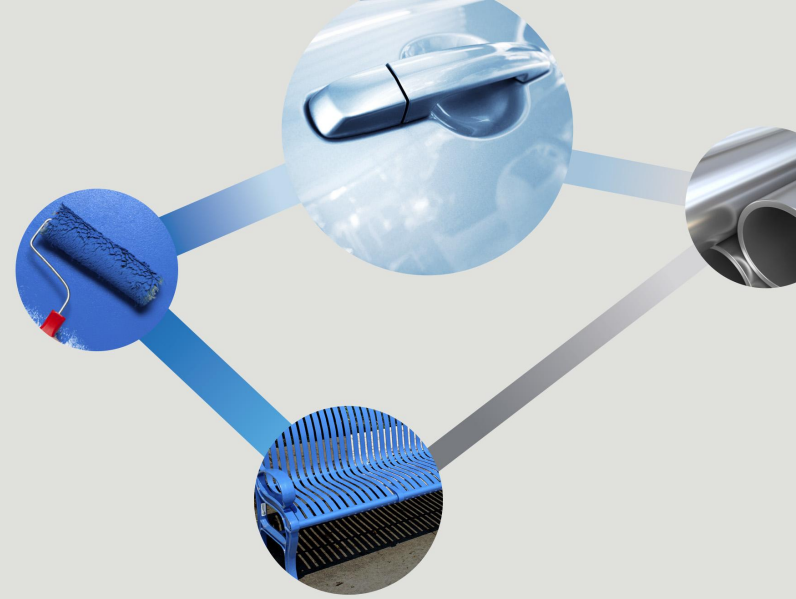
Agenda

- 1. Strategic context**
- 2. Progress to date**
- 3. Next 2-3 years**
- 4. Strategy outcomes**

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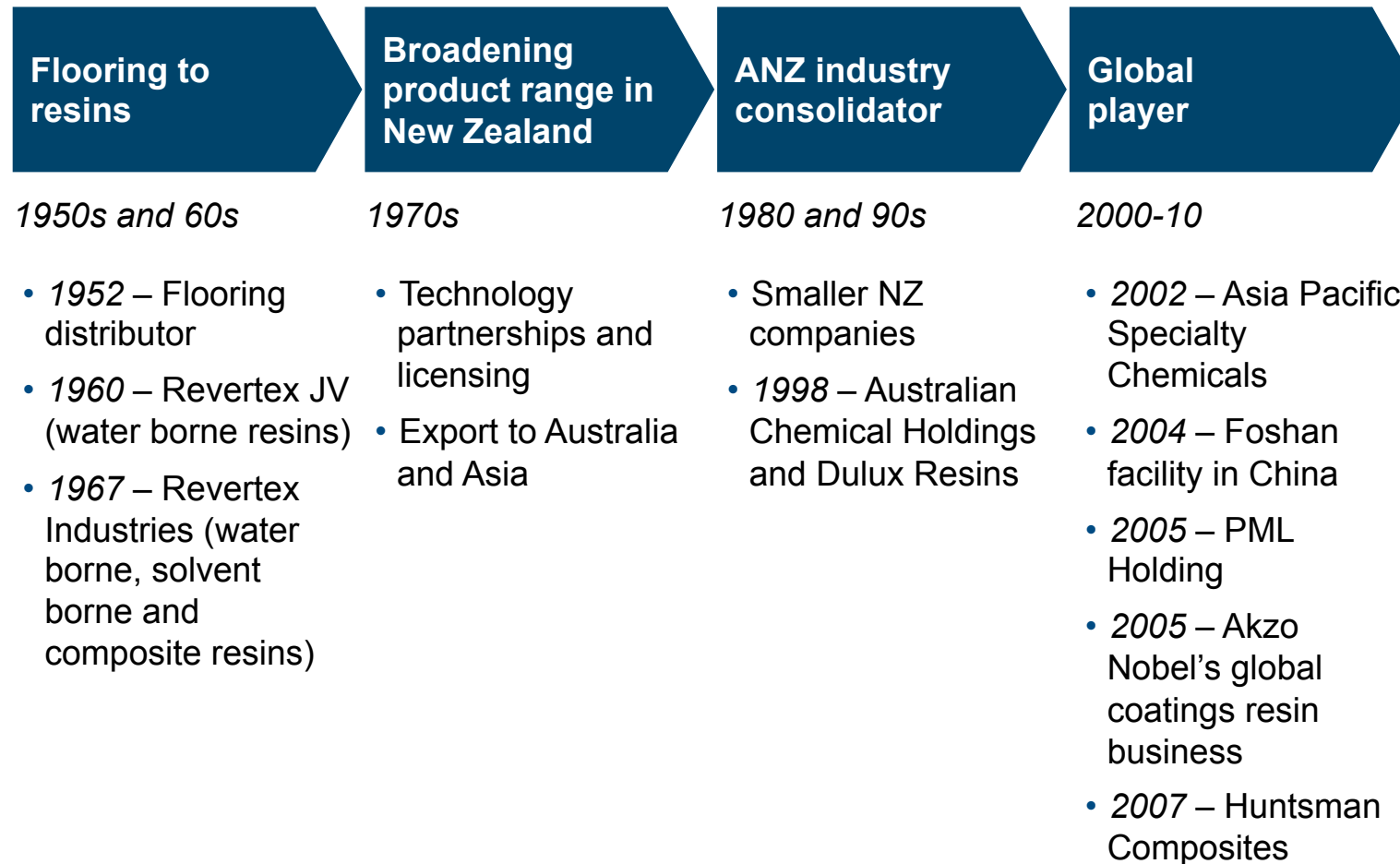
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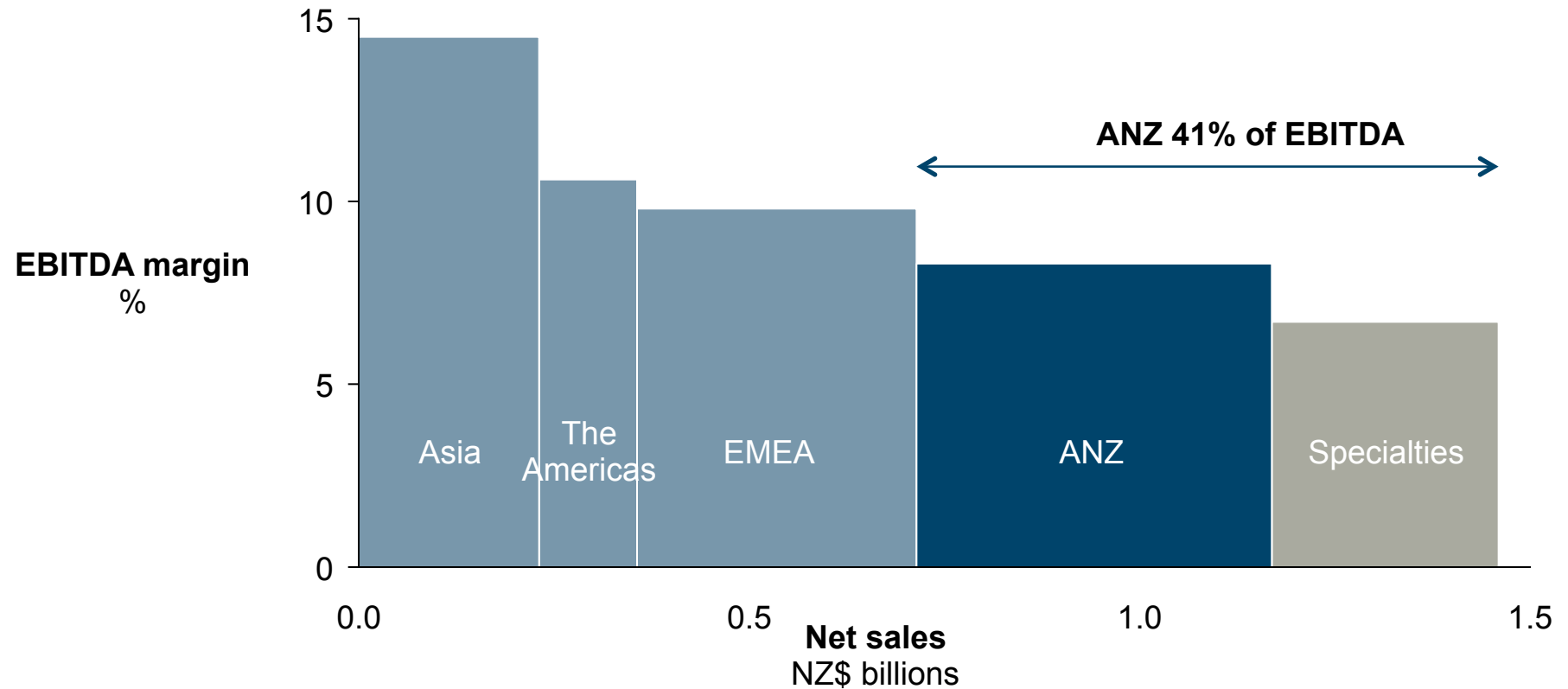
1. Strategic context

Prior to 2010, Nuplex grew primarily by acquisitions



Post GFC¹, Nuplex was ANZ centric, with an intention to grow globally

FY10 EBITDA contribution by region
EBITDA margin %, sales



¹ GFC = Global Financial Crisis

In 2010, the Board set clear objectives

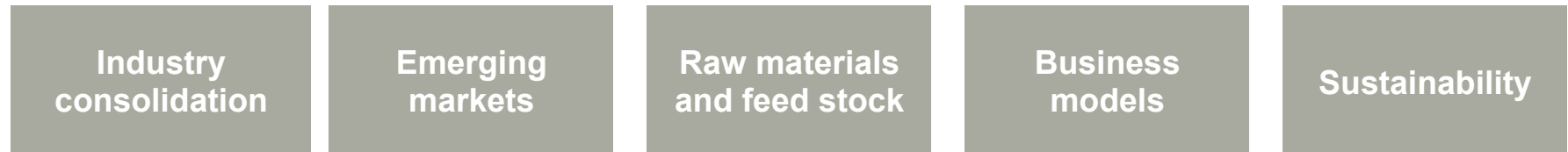
	Nuplex objectives	Management alignment
Safety	<i>Zero harm</i>	Short-term Incentives
Short-term financial performance	<i>Above cost of capital returns</i>	
	<i>Generate low double digit EBITDA to sales margin</i>	
	<i>Generate cash flow, manage working capital</i>	
Long-term value	<i>Generate 10% year-over-year EPS growth</i>	Long-term Incentives
	<i>Deliver > P50 TSR performance</i>	
Sustainability	<i>Conduct our business in a sustainable way</i>	

Strategy development – Reviewed macro economic and industry trends ...

Mega trends



Chemicals industry

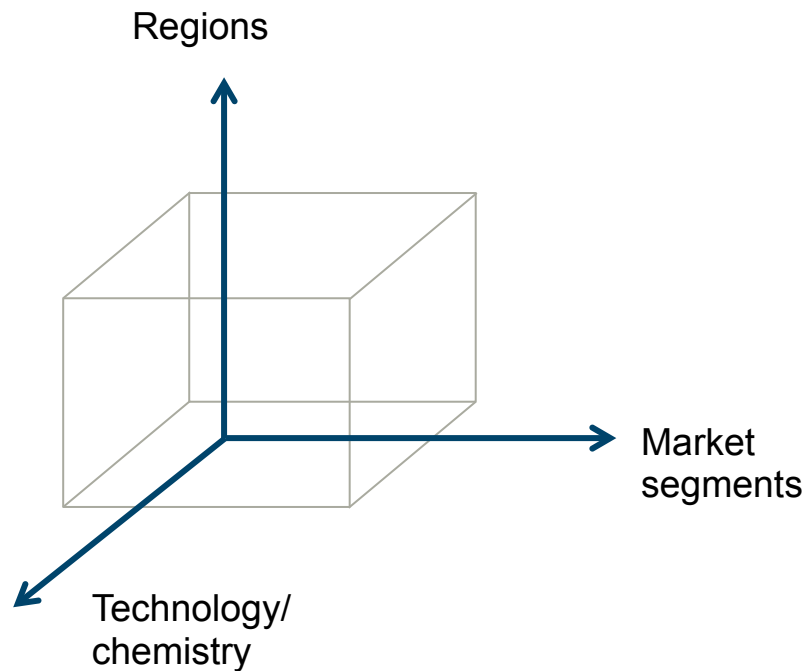


Coatings industry



... and undertook a multi-dimensional assessment of our portfolio

Three-dimensional aspects of the business



Portfolio review framework

1. Market attractiveness

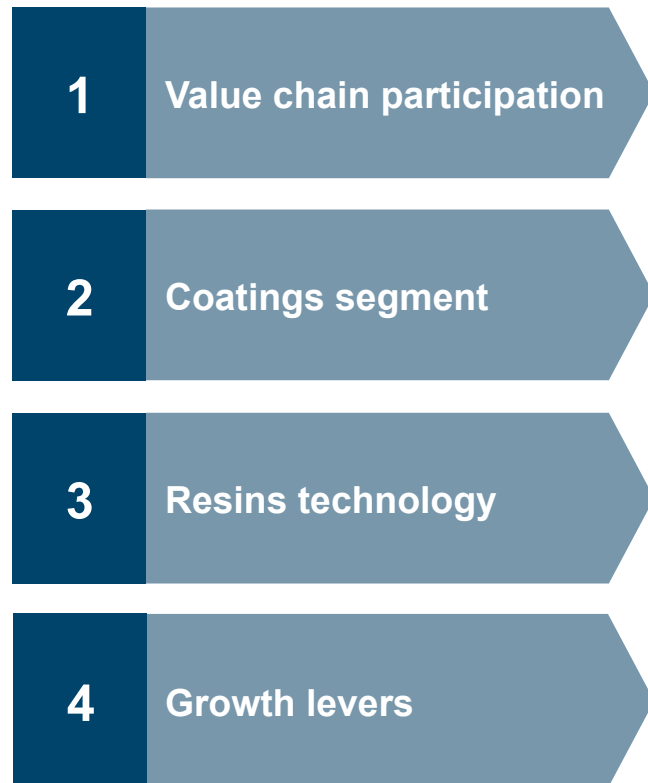
2. Competitive advantage

3. Strategic relevance

4. Investment attractiveness

Confirmed “where to play”

Elements

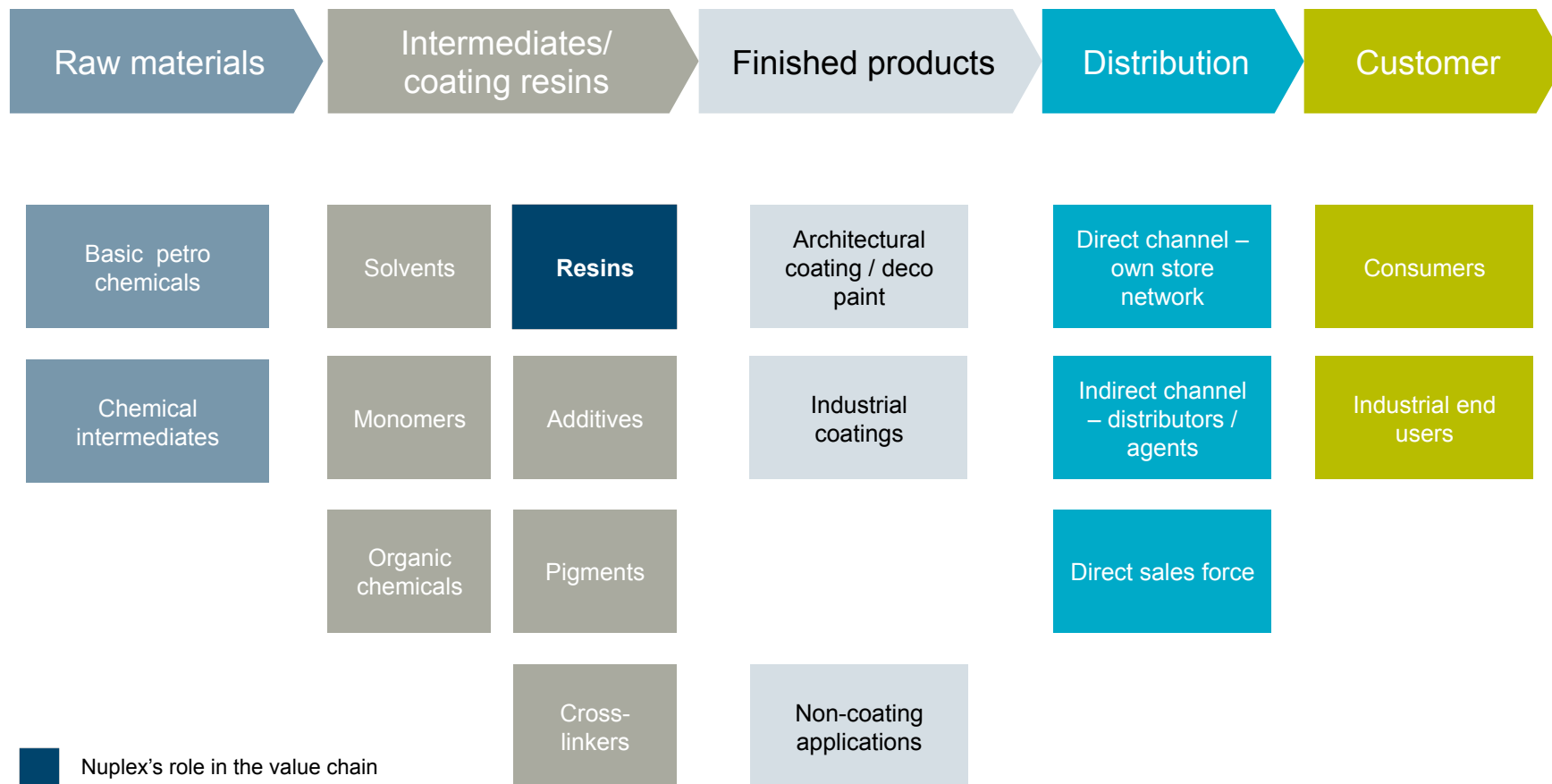


Strategic choice

- Resins supplier in the global coatings industry
- Maintain existing Specialties portfolio in ANZ
- Focused on the industrial segment
- Selectively participate in the architectural and non-coating segments
- Leading, global “solvent borne” capability
- Selective technology in water borne and powder
- New products
- Leading positions in local market segments
- Emerging markets

1 A global, independent resins supplier

The global merchant resins market is greater than US\$20bn



1 Maintain existing Specialties portfolio in ANZ

Historical Growth in ANZ

- Strategy to consolidate and grow in ANZ market
- Decision prior to going global

Complimentary to Resins

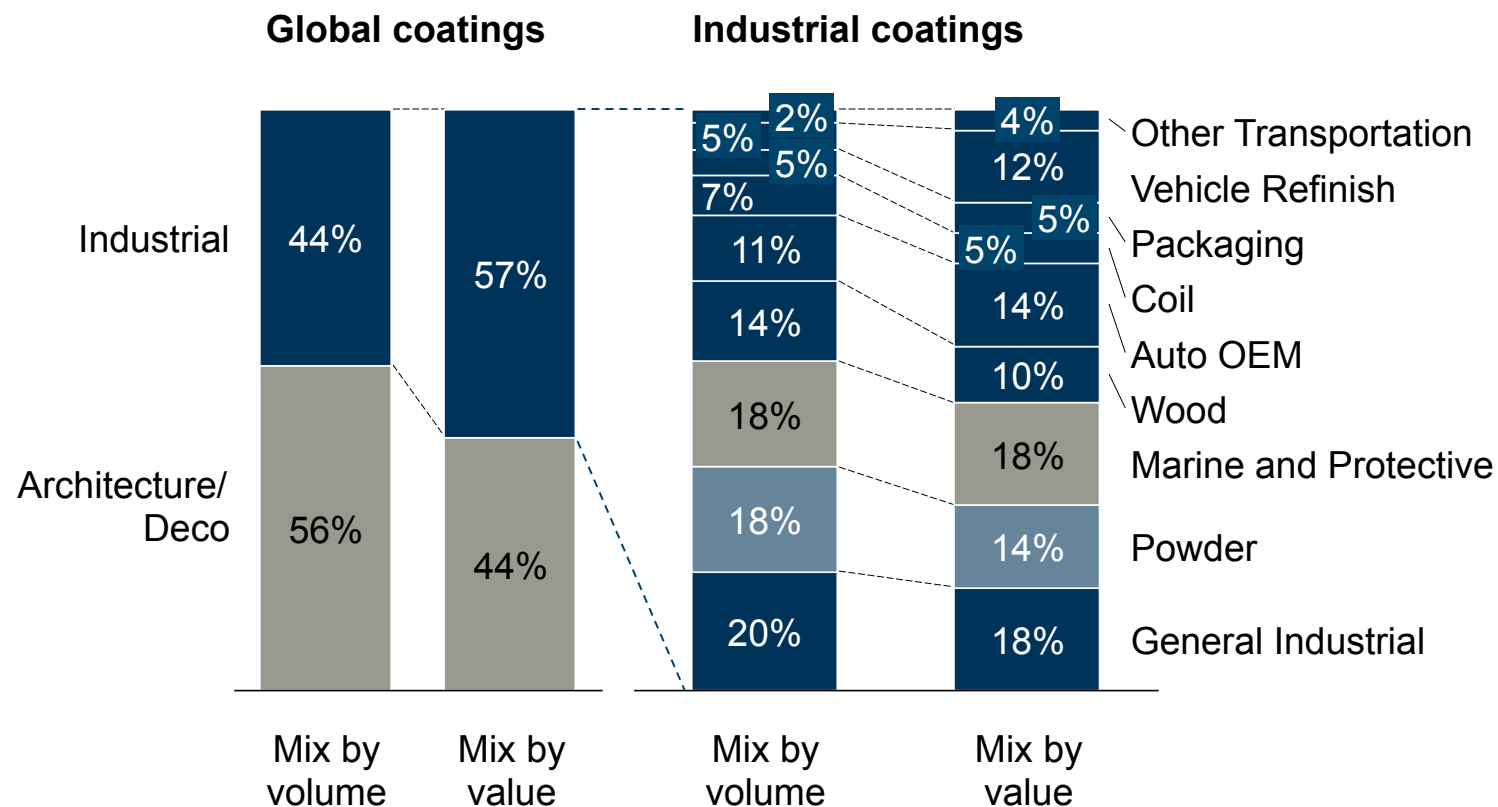
- High compliance
- Technical know-how and support
- Special supply chain requirements
- Cross sell to customers
- Back office efficiencies

Fits Criteria

- Market segment leadership
- Consistent above cost of capital returns

2 Primary focus on industrial coatings, selective participation in the architectural segment

Coating industry market segment mix %



Comments

- Value and differentiation in industrial coatings
- With time, share of merchant resins market is likely to increase

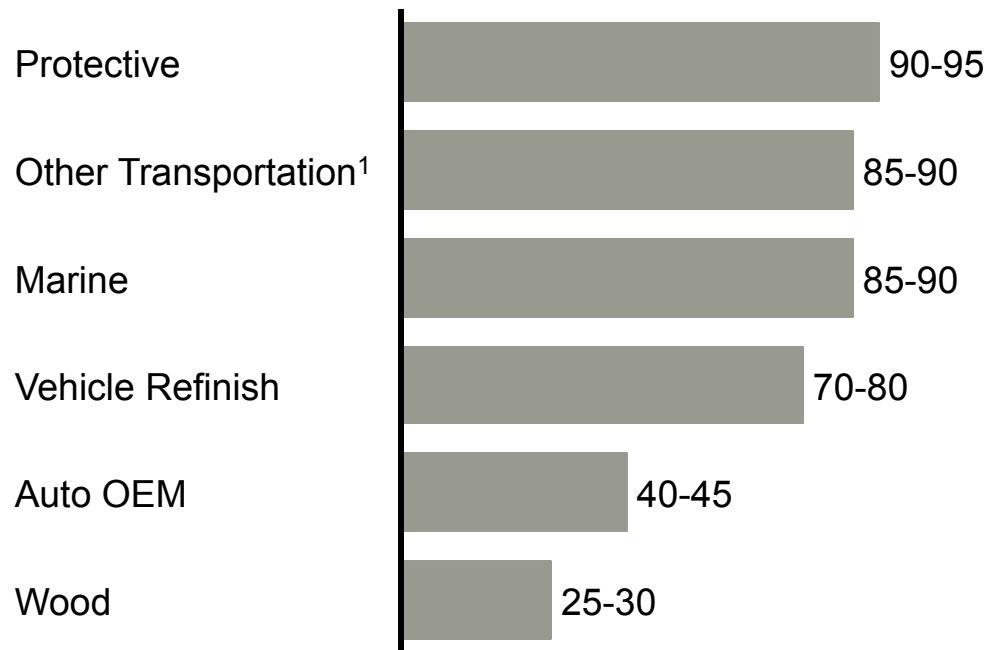
Source: Orr & Boss, IRL, Nuplex analysis

3 Build on leading positions in global solvent borne industrial coatings market ...

Relevance of solvent borne in industrial coatings

Example: Solvent borne's share in Europe

Market segment, %



1. ACE (Agricultural, construction and mining equipment) segment share shown in "Other transportation"

Source: IRL, IAL, BASF, News search, Nuplex analysis

Performance attributes

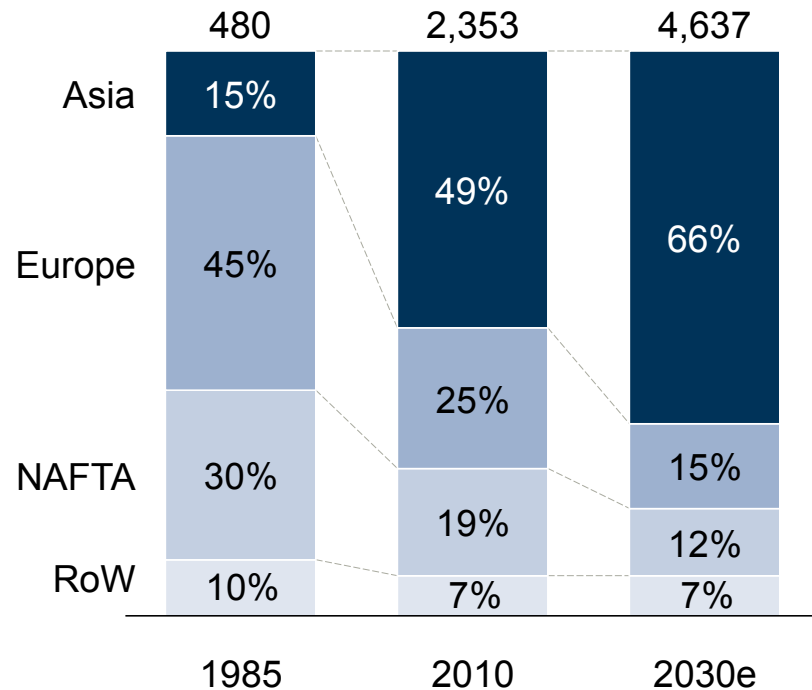
- Auto OEM: colours and finish, consistent quality, scratch resistance, durable performance
- Vehicle Refinish: colour matching, fast curing
- Protective: anti-corrosion
- Marine: vessel efficiency, anti-fouling
- ACE¹: outdoor durability

4 ... as well as grow in water borne that plays to our strengths

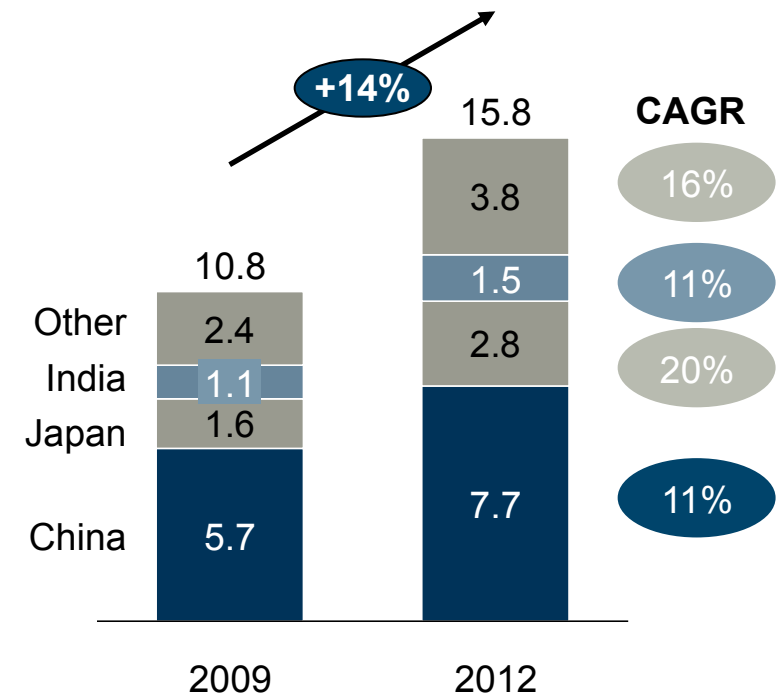
Segment	Water borne trend	Nuplex strategy
Auto OEM	<ul style="list-style-type: none"> • Water borne coatings system (base coat) • Legislation in China 	<ul style="list-style-type: none"> • Develop technology for integrated processing
Vehicle refinish	<ul style="list-style-type: none"> • End user productivity 	<ul style="list-style-type: none"> • High performance • Faster drying • Low VOC
Wood	<ul style="list-style-type: none"> • Low VOC • “Green” Emulsions • UV curing applications 	<ul style="list-style-type: none"> • Chemical resistance • Fast drying • Low VOC
Architectural	<ul style="list-style-type: none"> • Low VOC • Same performance as solvent borne 	<ul style="list-style-type: none"> • Eco friendly products in high end applications • High gloss
Non Coatings	<ul style="list-style-type: none"> • Growth in Asia 	<ul style="list-style-type: none"> • Textile, ink, construction and adhesives

4 Asia is the largest, high growth coatings market

Regional mix of global chemicals industry
€ Billions sales



Growth in Asian coatings market
Billion litres



Source: A.T. Kearney, PCI, Orr & Boss, Coatings World, Nuplex analysis

4 Identified Nuplex growth levers

Market themes

Existing markets

1. Auto OEM, plastics and vehicle refinish
2. High-end metal and protective coatings

New markets

3. Powder expansion
4. Composites in SEA

Geographic themes

5. ANZ focus on returns
6. Europe build on leading positions
7. Asia growth
8. Other emerging markets

Technology themes

9. Optimise solvent borne industrial coatings technologies
10. Develop water borne for industrial applications

Assessed internal capabilities

Area	Assessment	Objectives
Safety	<ul style="list-style-type: none"> • Average performance 	<ul style="list-style-type: none"> • Strive for world's best performance
People and Organisation	<ul style="list-style-type: none"> • Experienced people • Diversity • Looking to change • Silo structure 	<ul style="list-style-type: none"> • Build "One global team"
Operational Efficiency & Effectiveness	<ul style="list-style-type: none"> • Lack of structure and process 	<ul style="list-style-type: none"> • Make a step change and embed continuous improvement
Technology	<ul style="list-style-type: none"> • Attractive technologies • Regional focus 	<ul style="list-style-type: none"> • Leverage globally
Risk Management	<ul style="list-style-type: none"> • Not formalised 	<ul style="list-style-type: none"> • Embed a formal framework

Strategy development - Conclusions

1

Merchant resins market large enough to achieve Board objectives

2

Existing geographic footprint, capabilities and technologies will enable Nuplex to be a market leader in resins segments

3

Identified levers for growth

4

Recognise opportunities to strengthen the business through operational excellence

Developed Nuplex strategy for the five year horizon

Our ambition	To be a leading, trusted independent resins manufacturer globally, and agency and distribution business in ANZ					
Our strategy	To achieve superior shareholder returns by delivering high quality products to our customers through pursuing operational excellence, innovation and building market leading positions					
Perform & grow	Strengthening through operational excellence			Growing through building market leading positions		
Key planks	Safety	People	NuLEAP	R&D	Strategic acquisitions	Emerging markets

What we mean ...

Leading

- A top three market leader in chosen market segment

Trusted

- Quality, delivery performance, protect IP

Independent

- Do not play in upstream or downstream

Superior returns

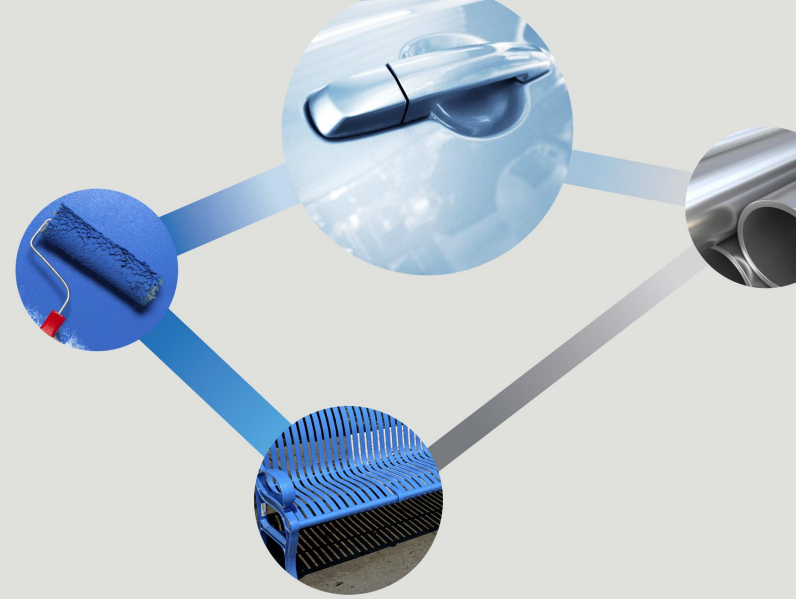
- To deliver above cost of capital returns

Strengthening

- Create a safe and an engaging work place for employees
- Make organisation sustainably stronger

Growing

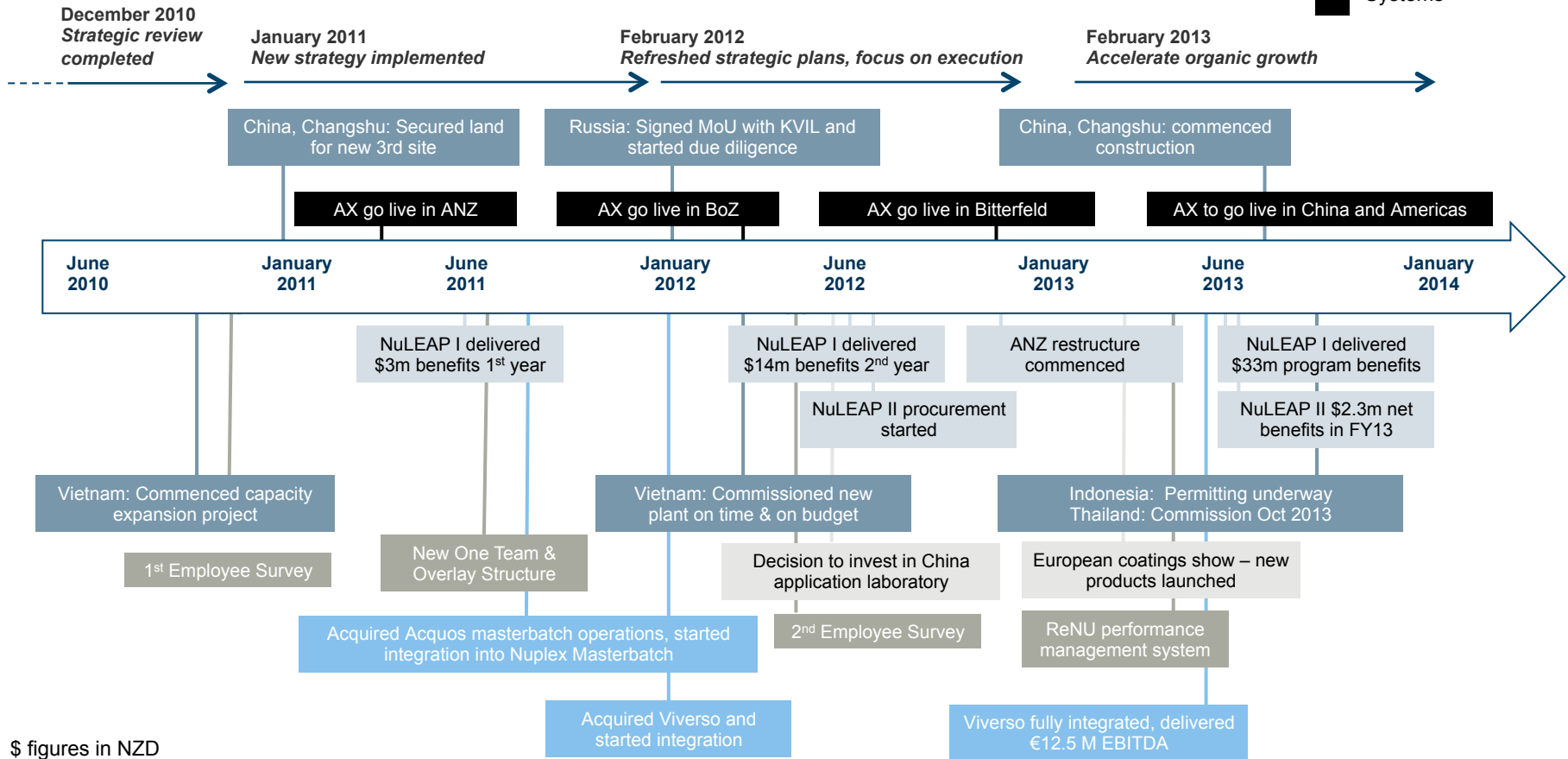
- Profitably grow



2. Progress to date

Strategy execution well advanced

- Organisation
- NuLEAP
- Emerging market growth
- Strategic acquisitions
- R&D
- Systems



\$ figures in NZD

FY13 strategy scorecard

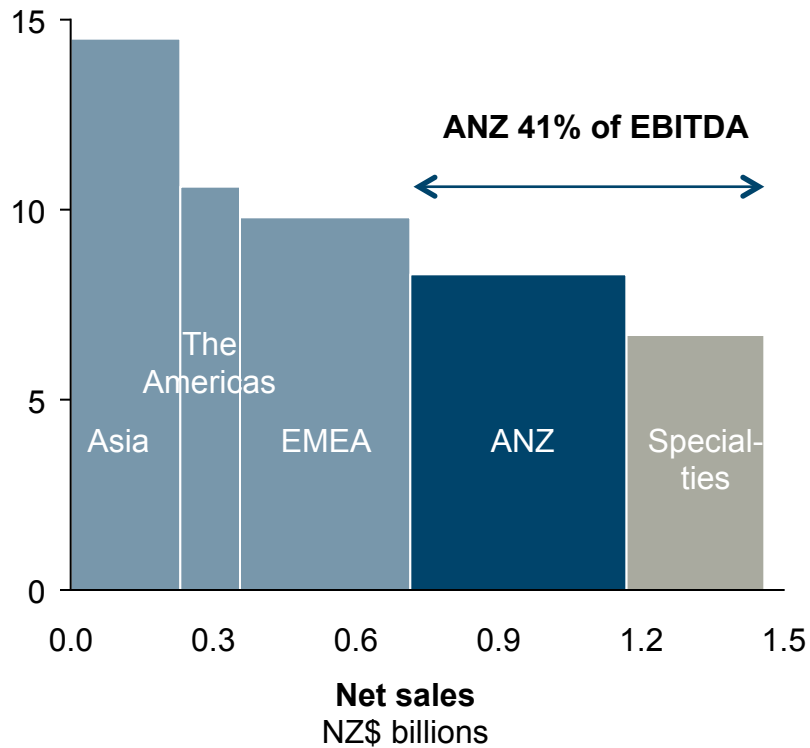
Focus	Initiatives	Deliverables	Status	Comments
Operational excellence	NuLEAP I program	<ul style="list-style-type: none"> \$30m net benefits by end FY13 – \$13m in FY13 	EXCEEDED	<ul style="list-style-type: none"> ✓ Delivered \$15.2m in FY13 ✓ Delivered total program net benefits of \$33.0m
	NuLEAP II procurement	<ul style="list-style-type: none"> Net benefits \$2.3m in FY13 	DELIVERED	<ul style="list-style-type: none"> ✓ Delivered net benefits of \$2.3m in FY13 • On track to deliver ~\$12.0m in FY14
	ANZ restructure	<ul style="list-style-type: none"> Cost savings <ul style="list-style-type: none"> - FY14 \$3.7m - FY15 \$5.6m Invest \$13m in remaining sites 	PROGRESSING	<ul style="list-style-type: none"> • Annualised savings now expected to be \$6.5m delivered in FY16 • On track to deliver savings of \$5.6m FY15 • Now investing \$20.5m (previously ~\$13m) due to extra capex at Wacol, Australia
	Global ERP system	<ul style="list-style-type: none"> Cost ~\$21m All business operating AX system 	ON TIME ON BUDGET	<ul style="list-style-type: none"> ✓ Vivero – integrated ✓ China – July 2013 • USA – Oct 2013 • Indonesia and Vietnam – Q3 FY14, project complete
Building market leading positions	Vivero acquisition	<ul style="list-style-type: none"> €12.0m EBITDA in FY13 	DELIVERED	<ul style="list-style-type: none"> ✓ Delivered €12.5m ✓ Operations integrated into EMEA ✓ Products integrated global portfolio
	New products	<ul style="list-style-type: none"> Develop/commercialise products with leading performance characteristics 	PROGRESSING	<ul style="list-style-type: none"> At 2013 European Coatings Show launched <ul style="list-style-type: none"> • Powder; High-Flow products • Vehicle Refinish products with faster curing times and optimal appearance • Waterborne products for wood
	Emerging markets presence	<ul style="list-style-type: none"> Increase via <ul style="list-style-type: none"> • 3rd site in China • Increased capacity in Indonesia, Thailand and Vietnam • Enter Russian market 	PROGRESSING	<ul style="list-style-type: none"> ✓ Vietnam – Waterborne capacity doubled • China – Approvals received, construction commenced • Indonesia – Permitting underway • Thailand – Commission Oct 2013 • Russia – Negotiations well advanced

\$ figures in NZD

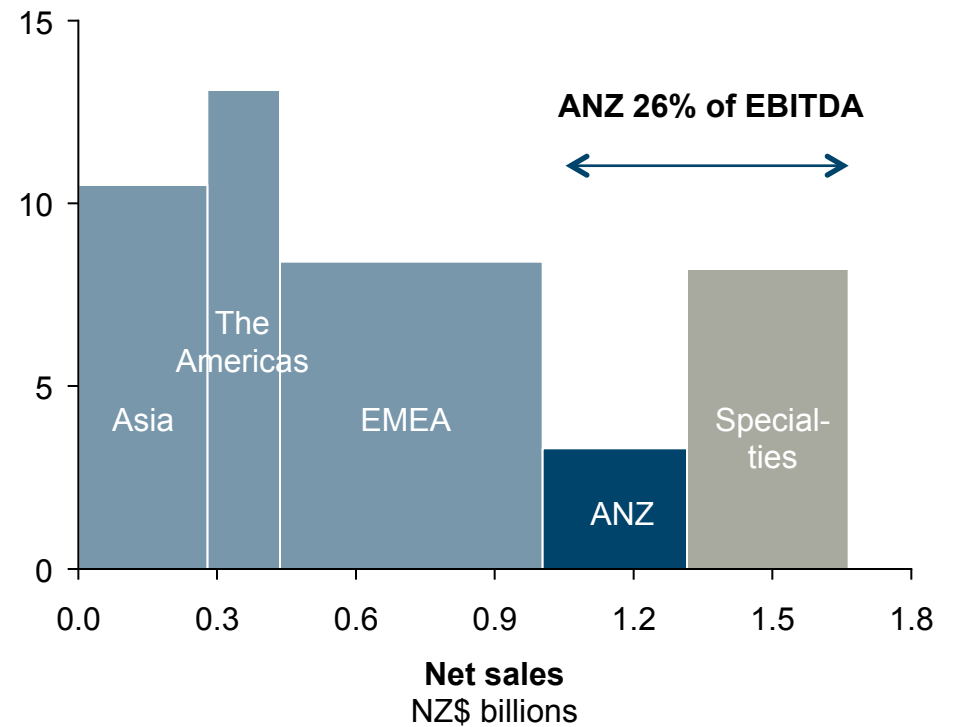
Today we are more global

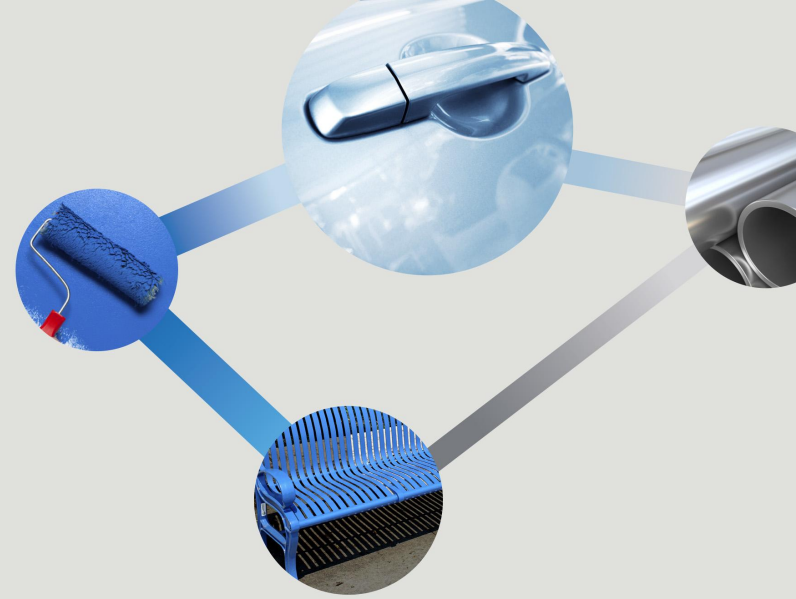
FY10 vs. FY13 EBITDA contribution by region EBITDA margin %, sales

FY10



FY13



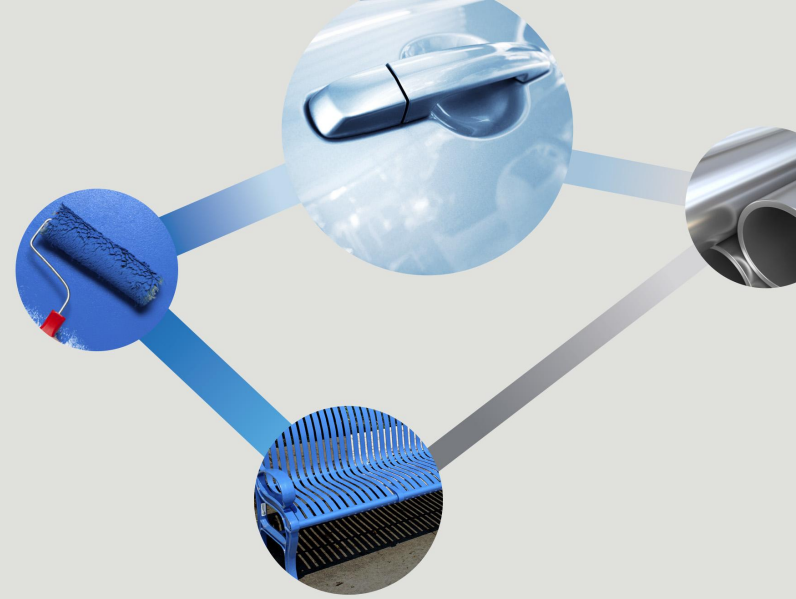


3. Next 2-3 years

Continue to strengthen and grow the business

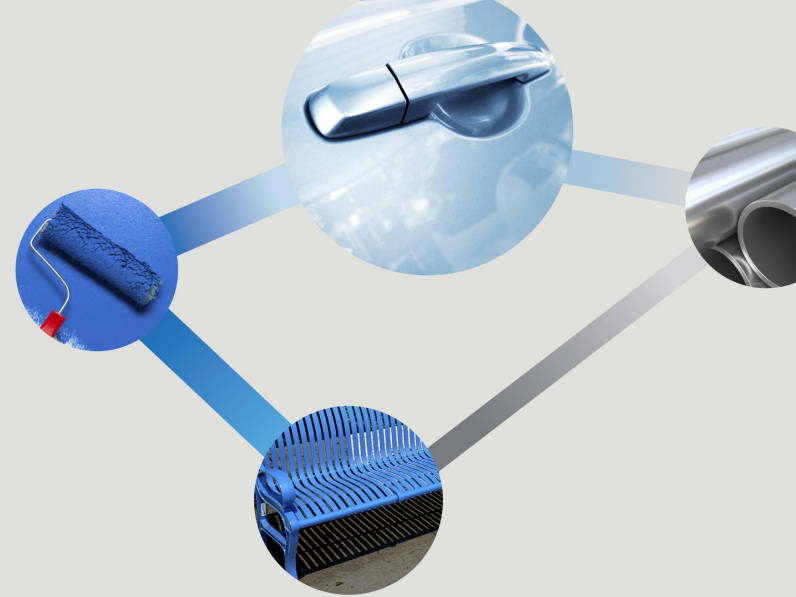
To achieve superior shareholder returns by delivering high quality products to our customers through pursuing operational excellence, innovation and building market leading positions

Strengthening through operational excellence			Growing through building market leading positions		
Safety	People	NuLEAP	R&D	Strategic acquisitions	Emerging markets
<ul style="list-style-type: none"> • Global SHE management system- policy, procedures and standards • Health & wellbeing • Site safety audits- internal global team 	<ul style="list-style-type: none"> • Global performance management system • Succession planning • Mentoring program • Overlay teams 	<ul style="list-style-type: none"> • NuLEAP I complete the program • NuLEAP II- <ul style="list-style-type: none"> – Complete procurement program – Bitterfeld step change – Business model / cost to serve and channel to market • ANZ restructure 	<ul style="list-style-type: none"> • New products <ul style="list-style-type: none"> – Waterborne industrial – High performance Acrylics – High flow powder – Eco friendly architectural • China applications laboratory • Water borne in Asia 	<ul style="list-style-type: none"> • Viverso <ul style="list-style-type: none"> – Leverage product portfolio – Optimise operations • New opportunities to fit strict strategic (market leading, new technologies, emerging markets) and financial criteria 	<ul style="list-style-type: none"> • China new Changshu site • Indonesia and Thailand capacity expansion • Russia • Explore Turkey and Middle East • Other new markets in Asia



Questions & Discussion...

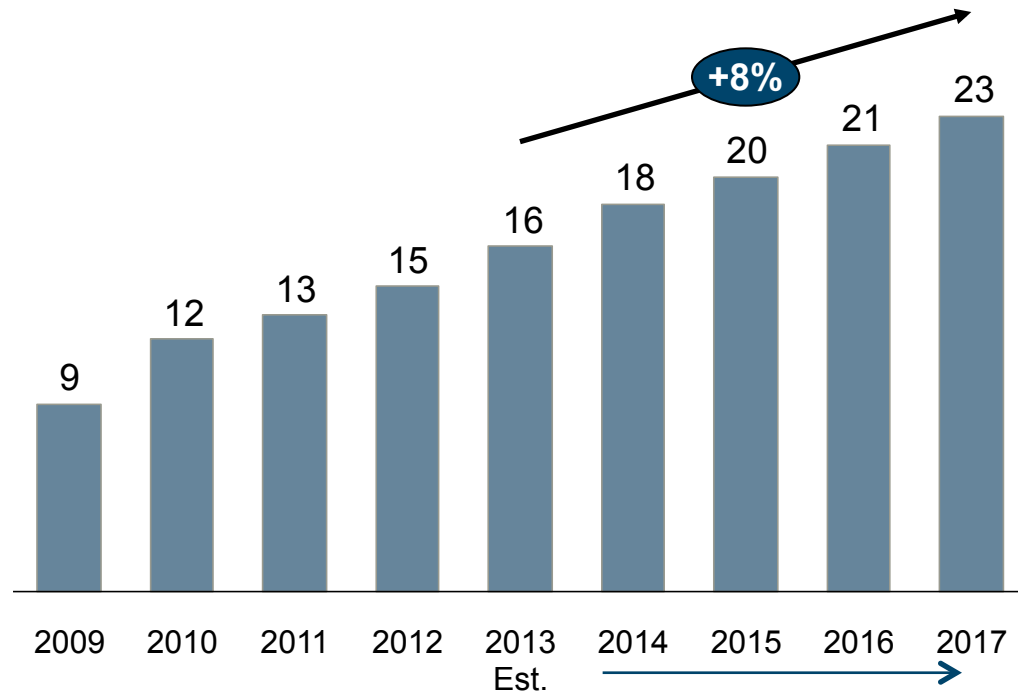
...10 minute break



3. Next 2-3 years – emerging markets deep dive

China: Growing with domestic consumption of industrial goods

Example: Growth of passenger car sales
Million units, CAGR %



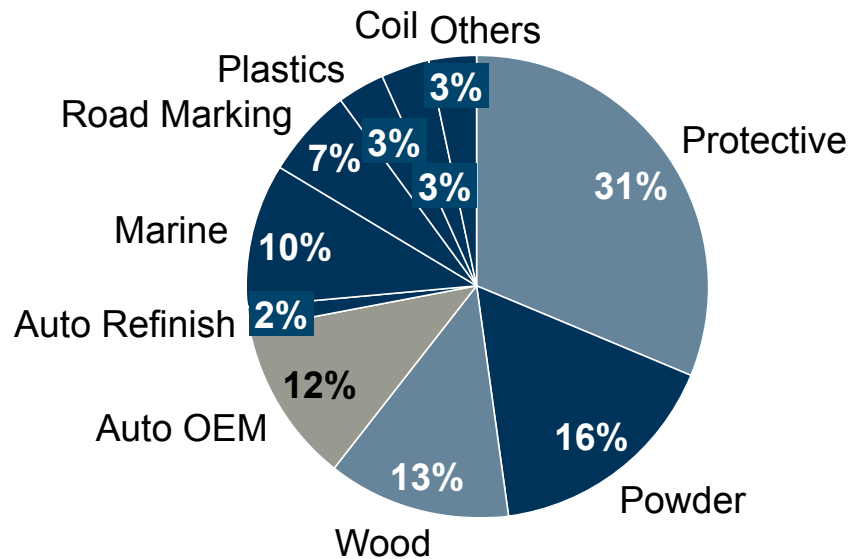
Source: A.T. Kearney, McKinsey & Co, Nuplex analysis

Key automotive trends

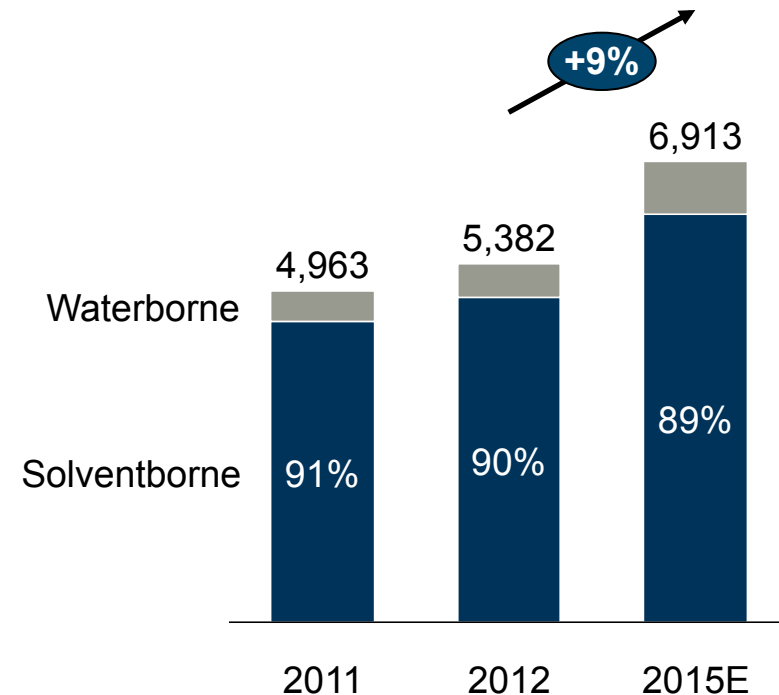
- Continued market growth
 - Local demand, first time buyers
 - New car brands
 - China becoming an exporter
- Growing quality standards
- Localisation of value chains
- Government policy
- Increasing vehicle age
- Industry consolidation?

China: Forecast continued growth in relevant industrial coating resins market

China industrial coatings end market mix
% total volume, 2011



China industrial coatings¹ expected growth
K tonne, 2011 – 2015E, CAGR %



1. Excludes powder and other coatings technologies
Source: IRL, Nuplex analysis

Indonesia: Government blue print and demographics to enable broad economic growth

Six economic corridors

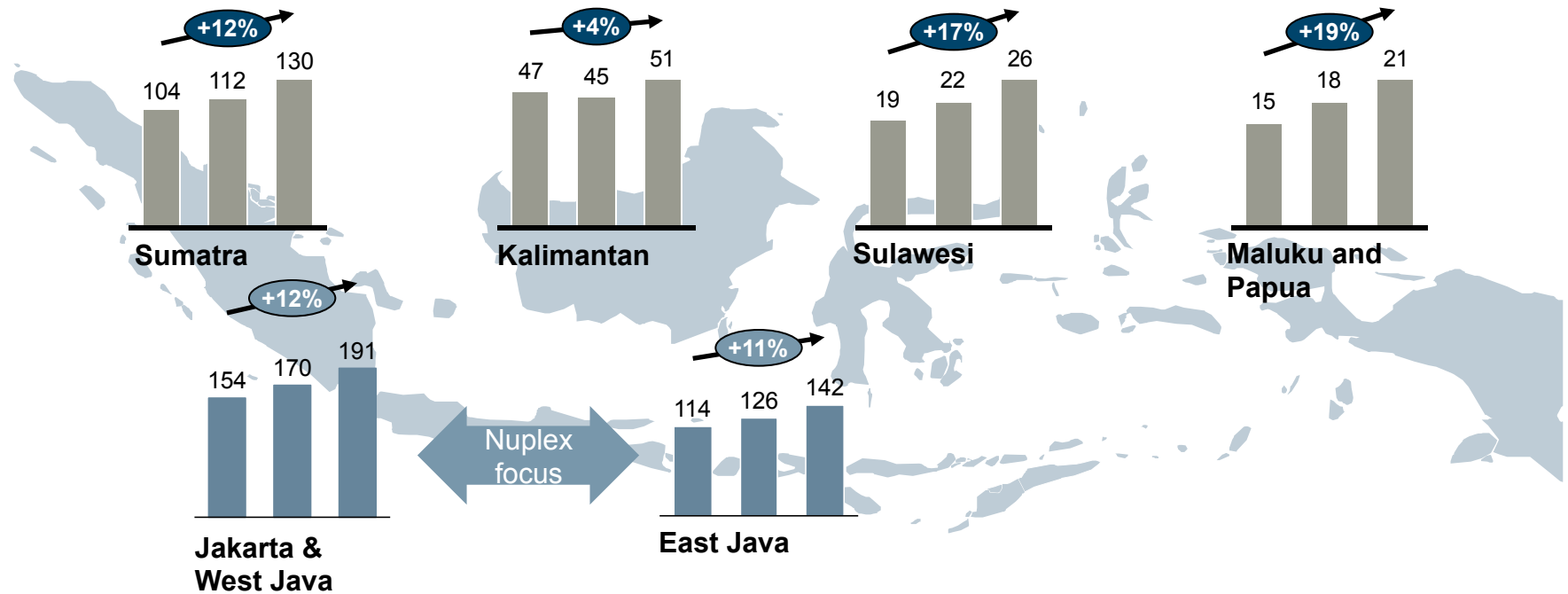
Infrastructure improvements

FDI attractiveness

Affluent middle class

Regional growth

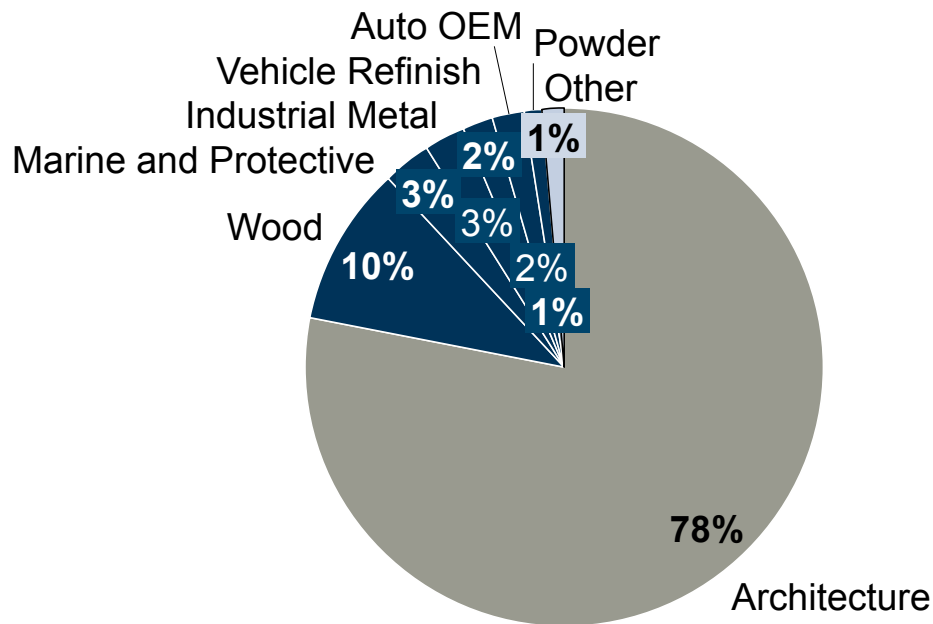
GDP US\$B and CAGR %, 2009 - 2011



Source: Statistics Indonesia, Indonesian Ministry for Economic Affairs, BCG, A.T. Kearney, HSBC, News search

Indonesia: Coatings market forecast to grow at CAGR 6 - 8% with proportion of Industrial increasing

Indonesia coatings market mix
% of total volume, 2011



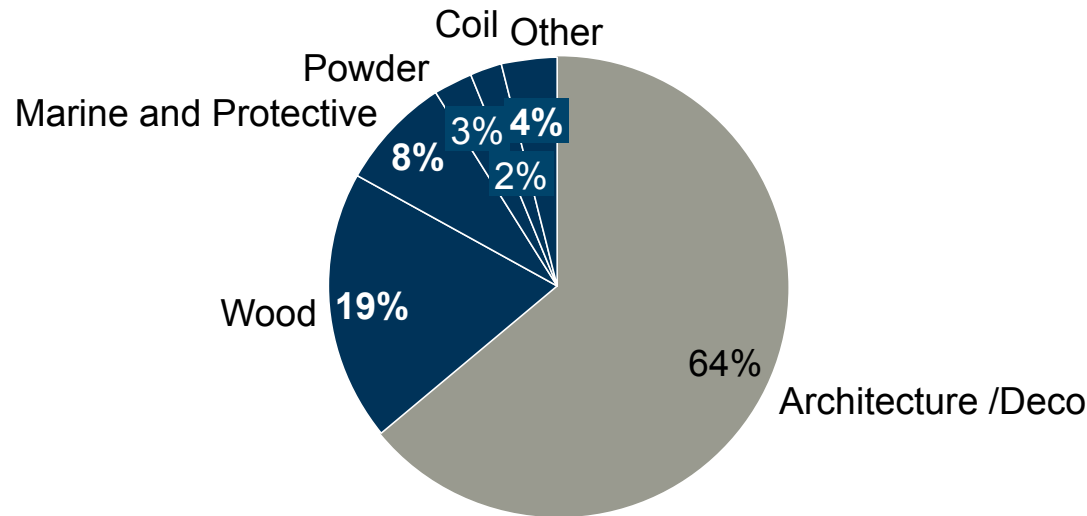
Growth outlook

- Growth across all coatings segments
 - Vehicle refinish
 - Auto OEM
 - Industrial
 - Protective
- Expected growth rate
 - Solvent borne ~ 6-7%
 - Water borne ~ 7-8%

Source: IRL, Nuplex analysis

Vietnam: Coatings market continues to grow

Vietnam coatings market mix
% of total volume, 2012

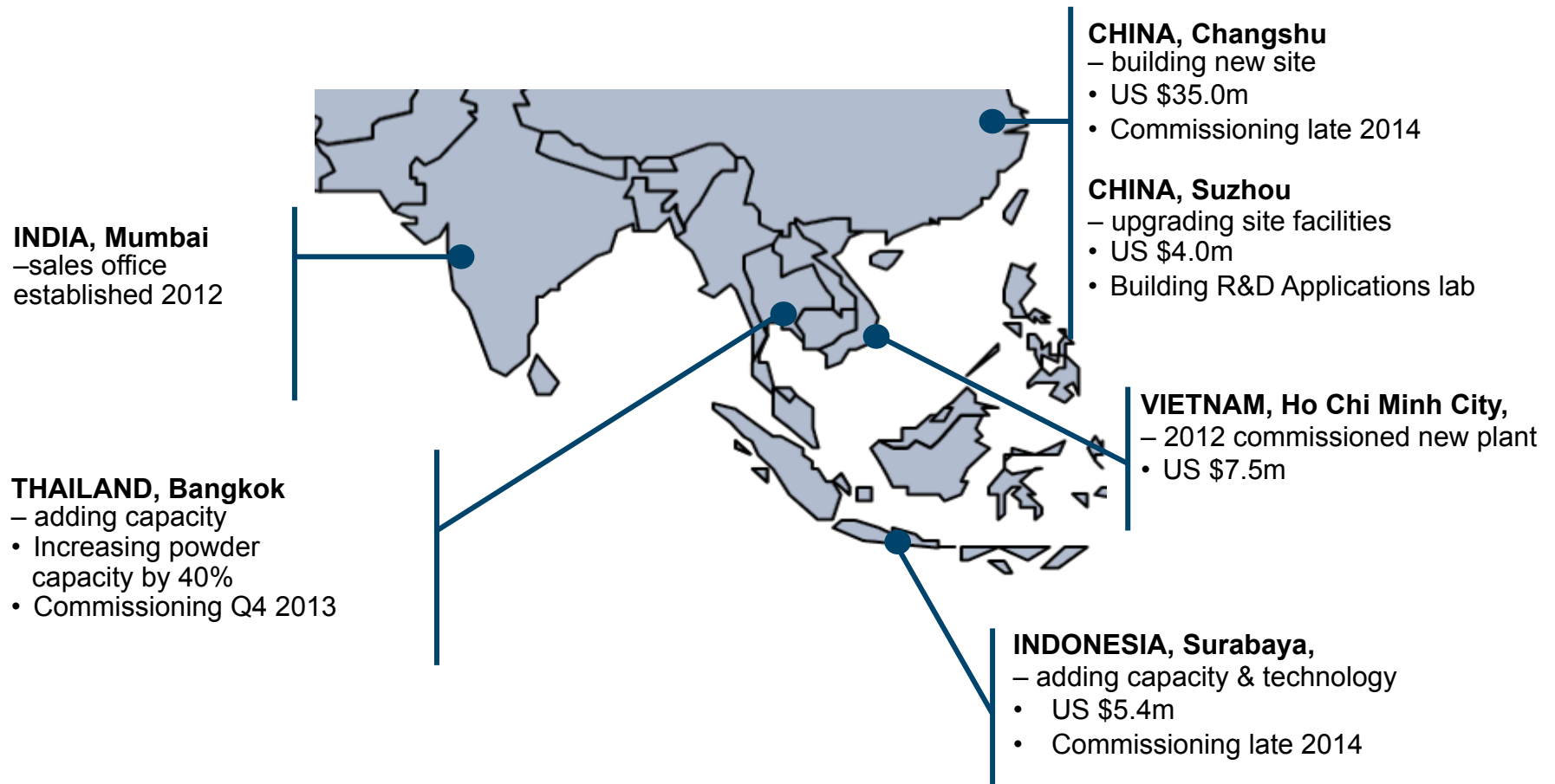


Growth outlook

- GDP growth 5.1-5.4% (2013 – 14)
- Construction market growing
- Manufacturing ~ 5.3% growth in 2012
- Coatings market ~ 6% CAGR, to reach US\$ 1 billion by 2015

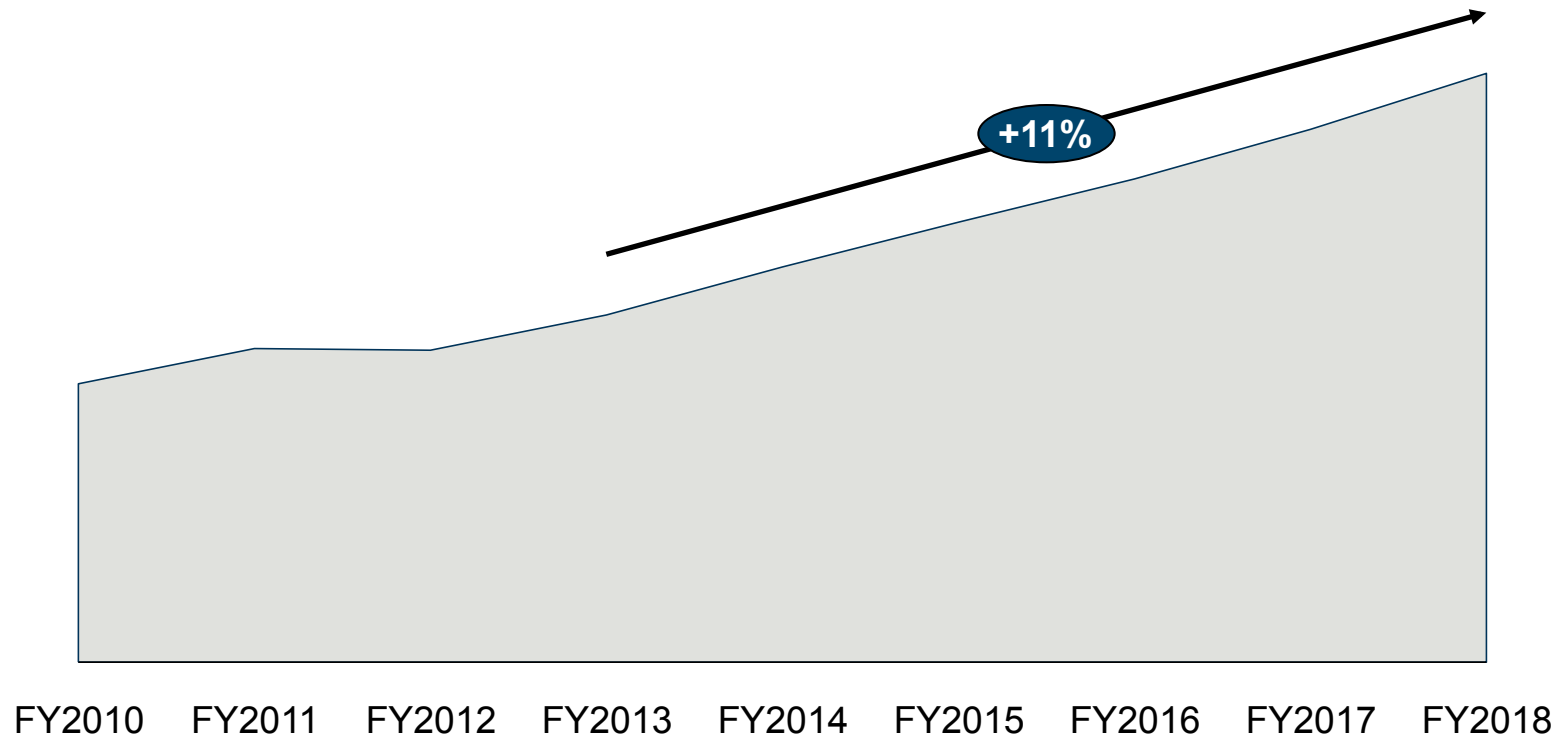
Source: VPIA, General Statistics of Vietnam Office, McKinsey & Co, HSBC, World Bank

Asia: 75% capacity increase committed, all to be on line by late 2014



By end of FY18 Nuplex Asia expected to deliver ~NZ \$500 million sales

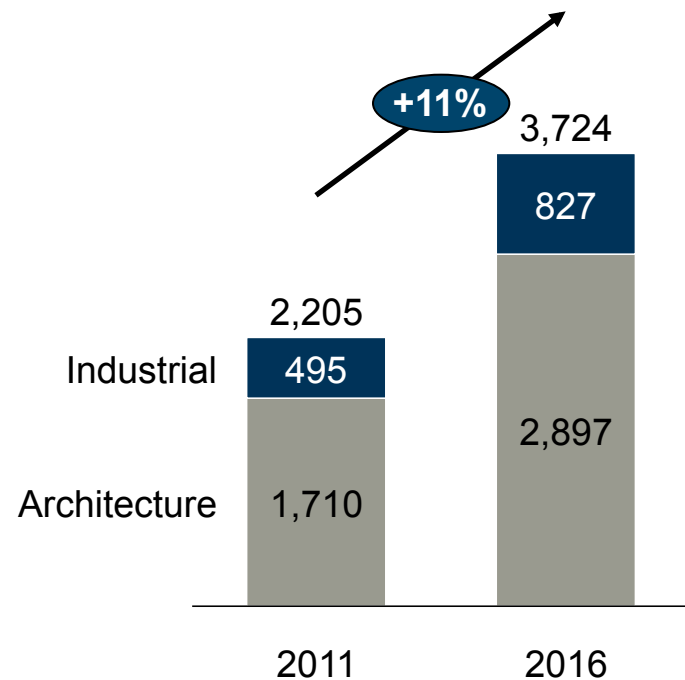
Asia sales growth projection
CAGR %



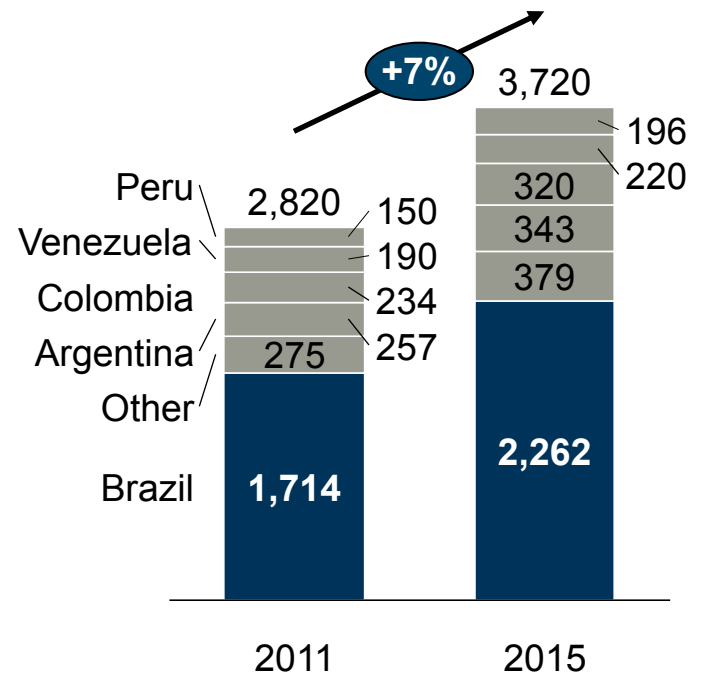
1. Forecast subject to unforeseen circumstances and economic uncertainty

India and Brazil: Growing markets, structurally less attractive¹ and facing some uncertainty

Indian coatings market
K tonne, CAGR %



South American coatings market
K tonne, CAGR %

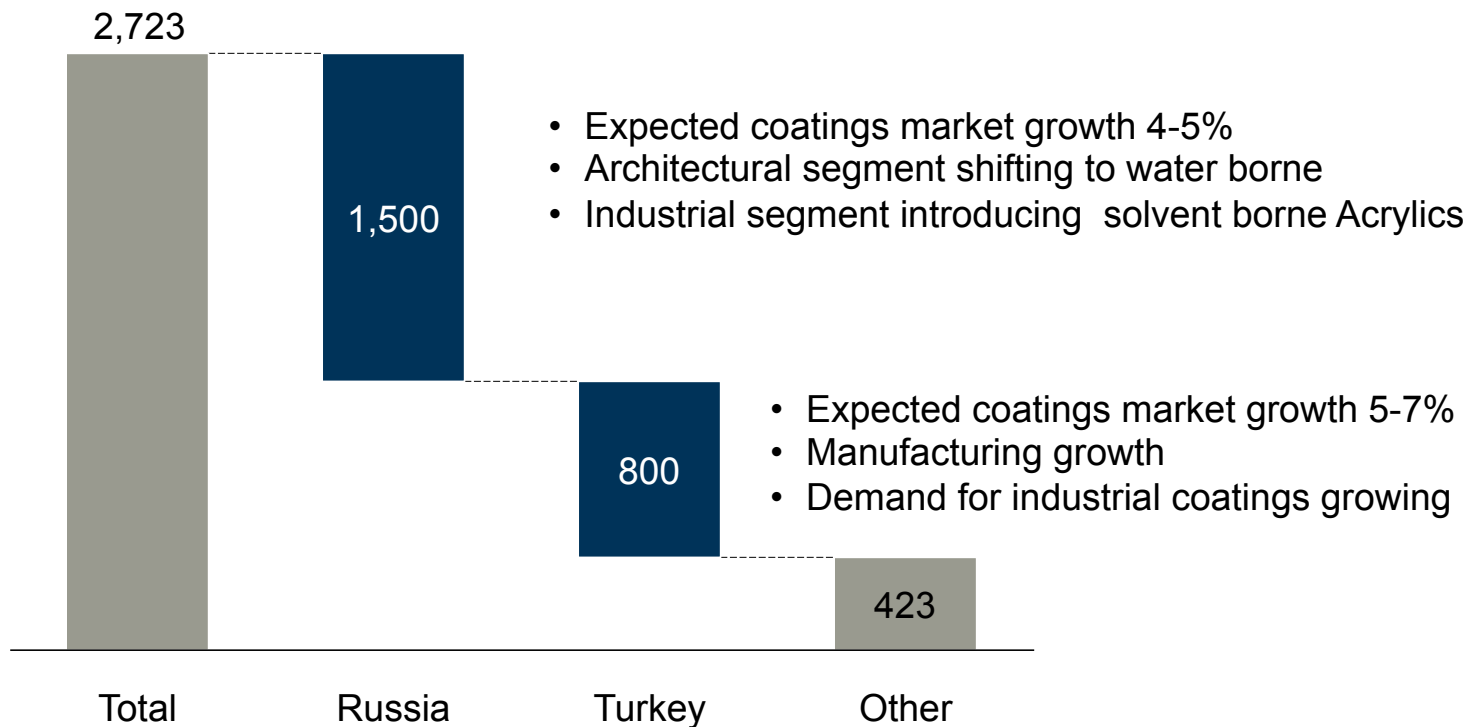


1. More captive resin production
Source: IRL, Nuplex analysis

Russia and Turkey are key emerging markets for EMEA

Eastern European and neighbouring coatings market

K tonne



Source: IRL, Nuplex analysis

Market entry using a repeatable framework

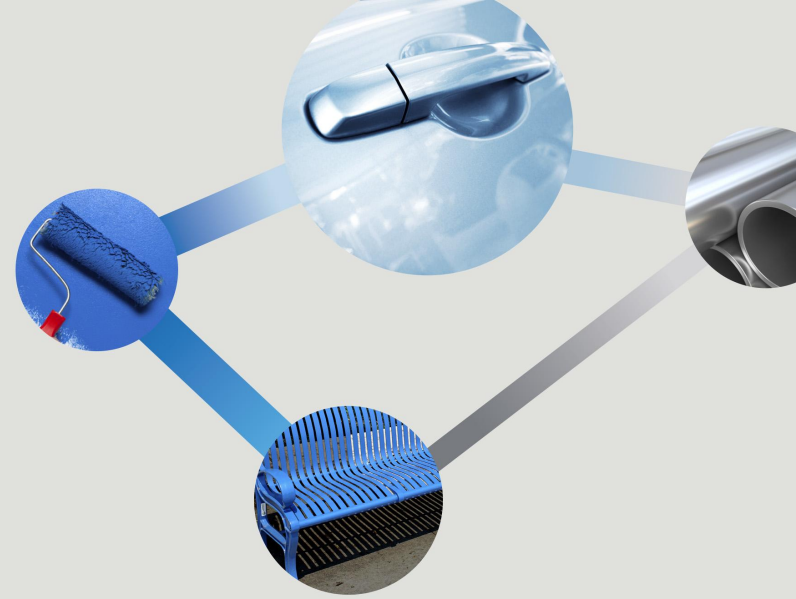
Market entry and growth approach



Country	Import products	Establish local sales presence	Build technical / distribution capability	Manufacture locally	Full operations
China					●
Vietnam					●
Malaysia					●
Indonesia					●
Thailand					●
India		●			
Russia	●				→
MENA & Turkey	●		→ ?		
Brazil				●	
Myanmar	●				

Approach to grow in specific countries

China	<ul style="list-style-type: none">• Grow with the market• Broaden product portfolio and market segments• Introduce industrial water borne coatings
Vietnam	<ul style="list-style-type: none">• Continue to grow as the market leader
Indonesia	<ul style="list-style-type: none">• Invest to grow with industrial markets
Thailand	<ul style="list-style-type: none">• Invest to grow with powder markets in Asia
India	<ul style="list-style-type: none">• Continue import model, watching brief
Turkey and MENA	<ul style="list-style-type: none">• Continue import model, explore options
Russia	<ul style="list-style-type: none">• Entry by acquisition, followed by investment in new plant
Brazil	<ul style="list-style-type: none">• Continue import model

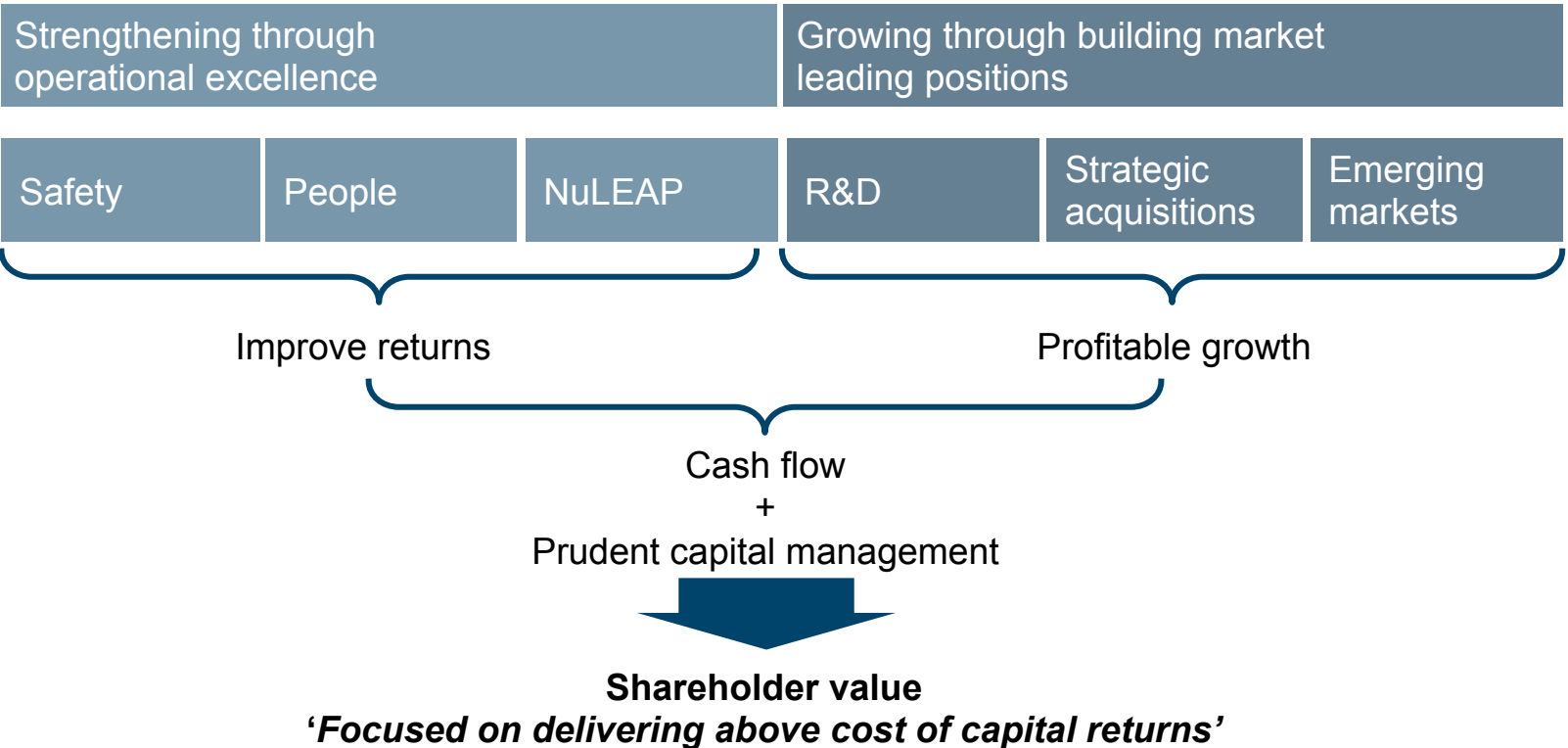


4. Strategy outcomes

The primary objective is to consistently deliver shareholders above cost of capital returns

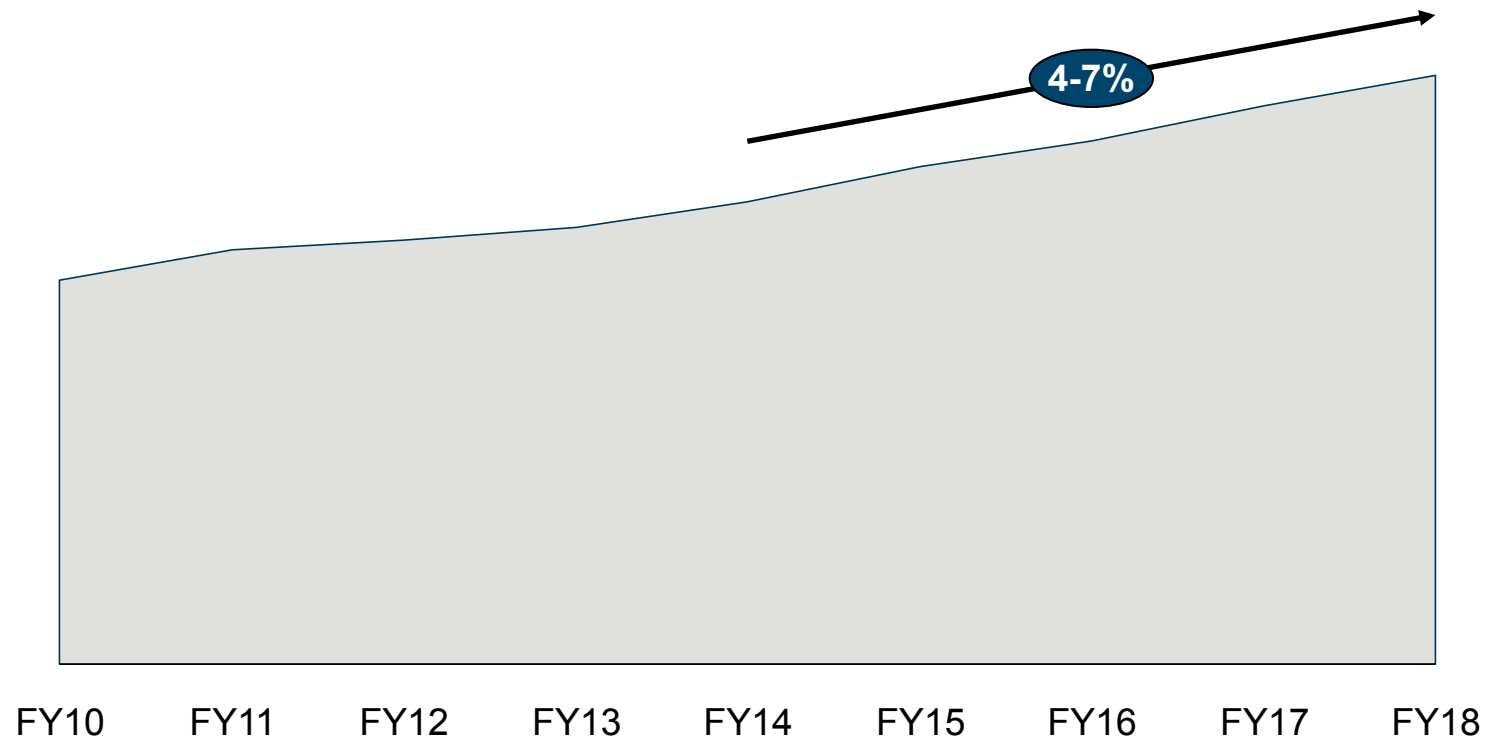
Our strategy

To achieve superior shareholder returns by delivering high quality products to our customers through pursuing operational excellence, innovation and building market leading positions



Sales driven by mid-cycle demand in mature markets and organic growth in emerging markets

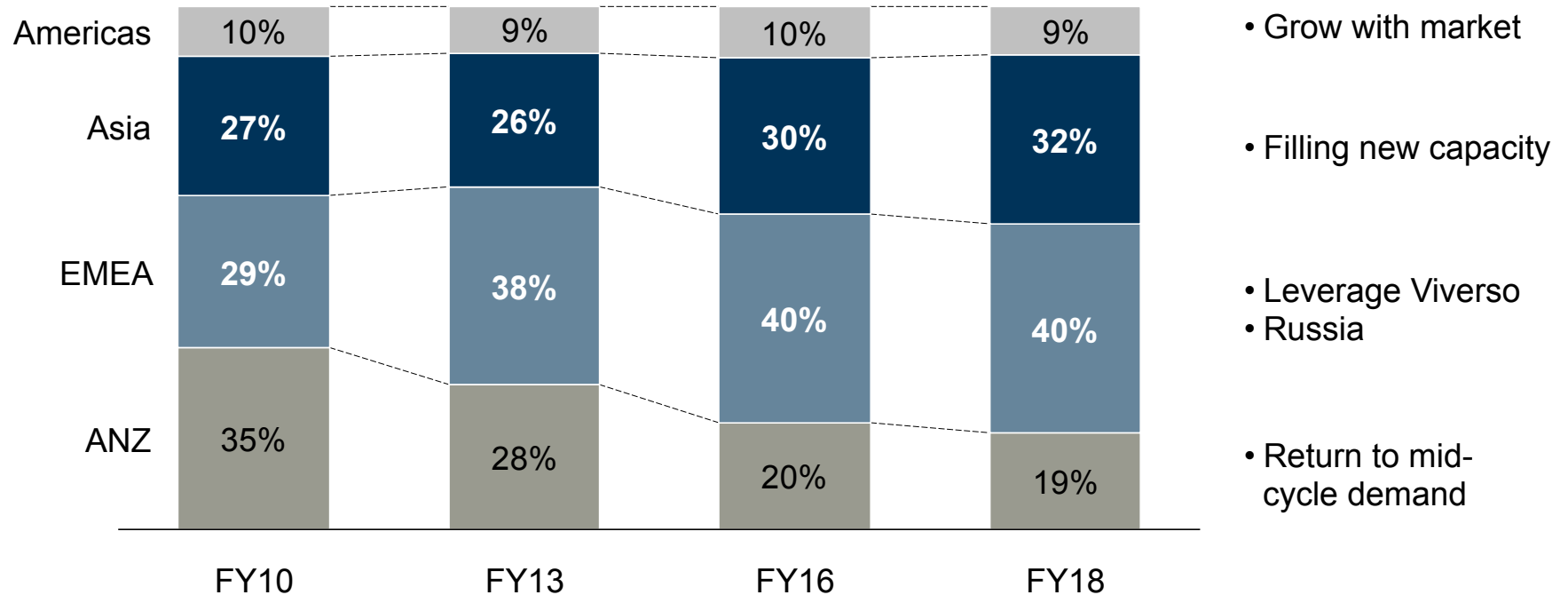
Global sales growth projection¹
CAGR %



1. Forecast subject to unforeseen circumstances and economic uncertainty

Resins volume shifting towards emerging markets

Global resins volume mix projection^{1,2}
% of total



1. EMEA volume includes emerging markets in East and Central Europe, including Russia
 2. Forecast subject to unforeseen circumstances and economic uncertainty

Strategy to deliver above capital cost of capital returns

ROFE projection¹

	FY13	FY16-18	Comments
Group	11%	>16%	<ul style="list-style-type: none"> Above cost of capital returns by FY16
ANZ	Resins 7% Specialties > 18%	~ 16 %	<ul style="list-style-type: none"> ANZ restructure to return to cost of capital
Asia	> 18%	> 18%	<ul style="list-style-type: none"> Above cost of capital returns while still investing in growth
EMEA	12%	> 16%	<ul style="list-style-type: none"> Viverso full potential Russia new growth
Americas	> 18%	> 18%	<ul style="list-style-type: none"> Sustain above cost of capital returns

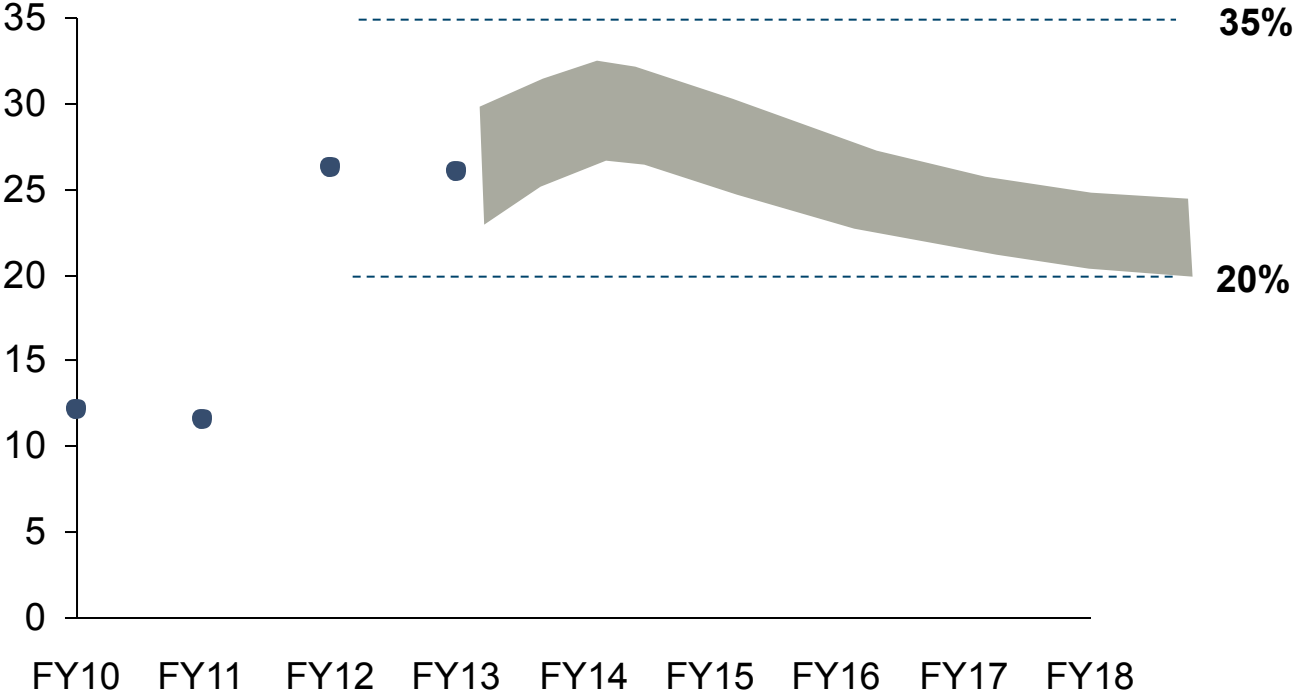
1. ROFE defined as earnings before interest, tax and unusual items divided by average funds

2. Forecast subject to unforeseen circumstances and economic uncertainty

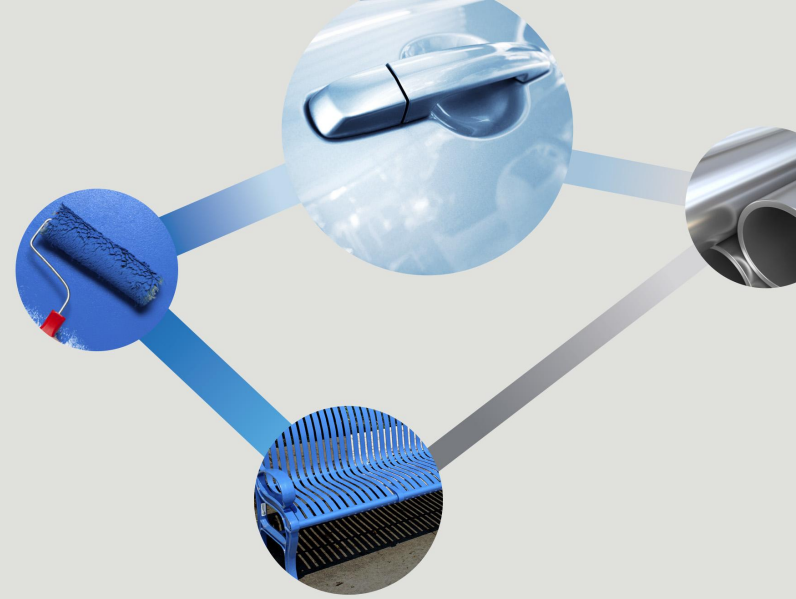
Gearing remains within the target range

Net debt to net debt plus equity ratio projection^{1,2}

%



1. Forecast subject to unforeseen circumstances and economic uncertainty



Questions & Discussion