Incitec Pivot Limited

Results for the half-year ended 31 March 2018

Incitec Pivot Limited (IPL) reported Net Profit After Tax (NPAT) of $7.6m. NPAT excluding Individually Material Items (ex IMIs) was $147.1m, a decrease of $5.0m compared to previous corresponding period (pcp).

Group Summary

Summary Financials versus 1H17:

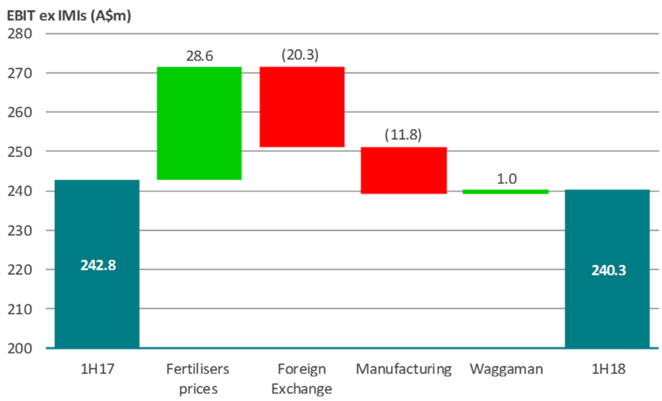
Earnings Before Interest and Tax (**EBIT**) ex IMIs	: $240.3m versus $242.8m, down 1.0% to pcp
Net Profit after Tax (**NPAT**) ex IMIs	: $147.1m versus $152.1m, down 3.3% to pcp
Earnings Per Share (**EPS**) ex IMIs	: 8.8 cents per share, down 2.2%
Interim dividend	: Unfranked interim dividend of 4.5 cents per share
Net Debt[1]	: $1.7Bn, largely unchanged

Zero Harm

IPL's Total Recordable Injury Frequency Rate[2] (**TRIFR**) for the twelve-month period ended 31 March 2018 was 1.02, representing a 7% increase from 0.95 at 30 September 2017.

During the period, IPL also reported a 54% decrease in Process Safety Incidents[3] to 10 (pcp: 22); a 25% decrease in Potential High Severity Incidents[4] to 65 (pcp: 87); and a flat result of 1 (pcp: 1) for Significant Environmental Incidents[5].

Business Review



The Group's EBIT ex IMIs for the half of $240.3m decreased by 1% or ($2.5m) (pcp: $242.8m) mainly due to the following:

- Commodity Prices: $28.6m driven by higher realised global fertilisers prices compared to pcp.
- Foreign Exchange: ($20.3m) impact from the strengthening A$ versus the US$ (1H18 average A$/US$ 0.78 vs 1H17 average A$/US$ 0.75).
- Manufacturing Performance: ($11.8m) net decrease. Driven by the ($14.8m) impact from turnarounds at Cheyenne and St Helens, and ($8.6m) impact from unplanned outages at Gibson Island. This was offset in part by $11.6m from increased Moranbah plant efficiencies and the absence of the 2017 turnaround.
- Waggaman Operations: $1.0m net increase, with $48.2m higher earnings from manufacturing performance (with the plant operating at 110% of nameplate capacity) and higher ammonia prices, mostly offset by non-recurring construction delay damages of ($47.2m) received in 1H17.

IPL Group	Six months ended 31 March		
	1H18	**1H17**	**% Change**
A$m			
Reported earnings			
Revenue	1,683.2	1,535.7	9.6 %
EBITDA	148.0	373.3	(60.4)%
EBIT	4.3	242.8	(98.2)%
NPAT attributable to ordinary shareholders	7.6	152.1	(95.0)%
Earnings ex IMIs			
EBITDA ex IMIs	384.0	373.3	2.9 %
EBIT ex IMIs	240.3	242.8	(1.0)%
NPAT ex IMIs	147.1	152.1	(3.3)%
Business EBIT ex IMIs			
DNA	130.9	134.0	(2.3)%
DNAP	100.1	91.6	9.3 %
Fertilisers	23.3	26.4	(11.7)%
Shareholder Returns			
Cents Per Share			
EPS ex IMIs	8.8	9.0	(2.2)%
Total Dividends	4.5	4.5	0.0 %
Credit Metrics			
Net Debt	(1,744.7)	(1,737.6)	(0.4)%
Interest Cover[6]	7.5x	7.9x	
Net debt / EBITDA ex IMIs	2.2x	2.4x	

As a result of the DNAP business ceasing to be the long-term contracted supplier of ammonium nitrate[7] (AN) and related mining services to key customers in Western Australia; the impact of the current supply/demand imbalance of AN in Australia; and updated long term gas production cost forecasts for the Moranbah plant post 2026, IPL has impaired the value of the goodwill assets of DNAP at 31 March 2018 to their recoverable amount of $908.5m. The non-cash write-down recognised in the period was $236.0m.

On 22 December 2017, the US government enacted tax reform legislation which reduced the US federal tax rate from 35% to 21%, effective 1 January 2018. At 31 March 2018, IPL recognised a one-off non-cash tax benefit of $96.5m arising from the restatement of its US net deferred tax liabilities.

These IMIs reduced IPL's NPAT for the period ended 31 March 2018 from $147.1m to $7.6m.

Capital Management:

The Company's A$300m share buy-back program is continuing and is currently expected to be completed before the end of 2018. At 31 March 2018, the Company has bought back and cancelled 26.1 million ordinary shares for a total consideration of $95.4m (average price of $3.656 per share).

Dividend

Interim unfranked dividend of 4.5 cents per share has been declared, representing a 51% payout ratio of NPAT ex IMIs.

Balance Sheet

Balance sheet is robust notwithstanding the normal seasonal increase in working capital and the execution of the share buy-back program. Net debt was largely flat on pcp.

BEx

Net productivity benefits of $11.5m were delivered during the half.

NOTE: Numbers in this report are subject to rounding. Definitions and Notes appear on the last page of this report.
All figures are in A$ or metric tonnes (mt) except where noted.

Outlook and Sensitivities

IPL does not provide profit guidance, primarily due to the variability of commodity prices and foreign exchange movements. Instead, IPL provides an outlook for business performance expectations and sensitivities to key earnings drivers based on management's current view at the time of this report.

Outlook

Dyno Nobel Americas

- The Quarry & Construction sector is expected to continue to grow at between 3% to 5% per annum over the medium term, underpinned by market fundamentals.
- Coal sector growth in the second half is expected to be flat compared to pcp as the impact of FY17 contract wins normalise. As always, short term volumes are impacted by North American seasonal conditions.
- Growth in the Base & Precious Metals sector is expected to be modest in the second half.
- The Waggaman plant is expected to produce at nameplate capacity in the second half, with no planned outages scheduled. The operational earnings of Waggaman are subject to movements in ammonia and natural gas prices.
- Production interruptions at the Cheyenne and St Helens plants late in the first half are expected to have approximately (US$7m) impact on second half earnings. All known production issues have now been resolved.

Dyno Nobel Asia Pacific

- Strong sales volumes in the Metallurgical Coal sector, underpinned by mining activity in the Bowen Basin, are expected to continue in the second half.
- Contract losses in the Base & Precious Metals sector during the half are expected to negatively impact second half earnings by approximately ($7m, or $5m after tax), as disclosed on 11 January 2018. IPL is actively working to mitigate, where possible, the impact of its AN volume commitment with its third-party supplier in Western Australia.

Fertilisers Asia Pacific

- The Phosphate Hill plant is expected to produce approximately 880k mt of ammonium phosphates in FY18, impacted by the turnaround that commenced in March 2018 and flooding in north-west Queensland in the first half. Plant earnings will also be impacted in the second half by the additional depreciation cost of approximately ($8m) associated with the turnaround.
- Earnings from higher fertilisers stock-on-hand at the end of the half will be dependent on favourable weather conditions (farmer demand), global fertilisers prices and the A$/US$ exchange rate.
- Operations at Gibson Island are expected to improve in the second half, with maintenance works to rectify corrosion under insulation issues now complete.

Group

- Corporate: Full year Corporate costs are expected to be between $25m and $30m which reflects investment in additional capability in the commercial and technology functions, and increased investment in customer focused initiatives.
- Borrowing Costs: Net borrowing costs for the full year are expected to be approximately $130m.
- Sustenance Capital Expenditure: The Group expects to spend ~$220m in sustenance capital for FY18 driven by the turnarounds at Cheyenne, St Helens and Phosphate Hill during the year.

Sensitivities

The table below provides sensitivities to key earning drivers as they relate to the forecast FY18 production and realised 1H18 commodity prices and the A$:US$ exchange rate.

Commodity	Proxy Index	EBIT Sensitivity
Americas		
Ammonia [8]	CFR Tampa	+/- US$10/mt = +/- US$7.5m
Natural Gas [9]	Henry Hub	+/- US$0.10/mmbtu = -/+ US$2.5m
Urea [10]	FOB NOLA	+/- US$10/mt = +/- US$1.5m
FX EBIT Translation [11]		+/- A$/US$0.01 = -/+ A$1.6m
Asia Pacific		
DAP [12]	FOB Tampa	+/- US$10/mt = +/- A$11.5m
Urea [13]	FOB Middle East	+/- US$10/mt = +/- A$4.5m
FX transactional [12,13]		+/- A$/US$0.01 = -/+ A$7.1m

Gibson Island Operations

- As announced on 1 March 2018, Central Petroleum Ltd (Central) has been selected as the preferred bidder for the Queensland Government's tender for acreage dedicated to the domestic market. IPL is progressing negotiations with Central for the exploration and development of the acreage with the intention that gas from the acreage, if economic and successfully developed, would be used (at least in part) to supply the Gibson Island plant. It is intended that as part of these arrangements, Central would also supply interim gas to Gibson Island from the cessation of the current gas contracts (at the end of FY18) until at least the end of 2019.
- If interim gas agreements are finalised with Central, Gibson Island is likely to operate through 2019. However, an increase in gas cost of ~$3.5 per gigajoule (GJ) is expected for the plant in FY19. Gibson Island's earnings sensitivity to changes in the current contracted gas price is ~$14m for every $1/GJ increase in price.
- If plant operations were to cease at the end of 2019, the latest estimate of total closure costs is approximately $70m, consisting of cash ($60m) and non-cash ($10m) costs. These costs would be offset in part by proceeds from the sale of excess land at Gibson Island that would be available in the event of a plant closure. The estimated value of the land is up to $60m. However, the amount expected to be realised on a sale may change depending on the ongoing operational requirements of the site and, therefore, the amount of land retained for ongoing business.

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Outlook and Sensitivities (continued)

2018 Hedging Program

The Group hedged 80% of its A$/US$ foreign exchange rate exposure associated with US$-linked fertiliser sales for 2H18 at a rate of $0.80, of which 50% has limited participation to $0.76 and the remaining 50% has unlimited participation below $0.76.

IPL's foreign currency exposure relating to fertilisers sales will continue to be actively managed.

BEx

BEx is IPL's continuous and focused improvement system, launched in 2012.

During the half, BEx delivered $11.5m of net productivity benefits. The business is on track to deliver benefits of least $25m in FY18.

IPL targets annual sustainable net (i.e. after escalation) productivity benefits of at least $25m. Reflected in this guidance is the inherent variability of this global, bottom-up system in terms of quantum and source of annual contribution.

BEx - sustainable net productivity benefits delivered	6 months ended 31 March 2018
A$m	
DNA	4.7
Asia Pacific - Fertilisers	2.2
DNAP	3.7
Corporate	0.9
Net BEx	**11.5**

Income Statement

Revenue

Group revenue of $1,683.2m increased by 9.6% as compared to $1,535.7m in 1HY17.

EBIT

EBIT ex IMIs of $240.3m decreased by 1.0% or ($2.5m) as compared to $242.8m in 1H17. Major movements in EBIT are set out below by business.

Movements in EBIT ex IMI

Item	Business	Amount
A$m		
Commodity Prices	DNA & Fertilisers	28.6
Foreign Exchange	DNA & Fertilisers	(20.3)
Gibson Island Maintenance Outages	Fertilisers	(8.6)
Cheyenne/St Helens Turnaround/Maintenance	DNA	(14.8)
Waggaman Operations - Plant Efficiency, Volumes and Price	DNA	48.2
Waggaman Delay Compensation	DNA	(47.2)
Moranbah Plant Efficiencies	DNAP	11.6
Total Movements in EBIT		**(2.5)**

Interest

Underlying interest[14] cost of $57.7m was $6.2m higher than pcp. Net borrowing costs increased from $49.9m to $59.7m mainly as a result of higher average US interest rates and the cessation of interest capitalisation relating to Waggaman.

Tax

Tax expense ex IMIs of $31.4m decreased by $8.3m as compared to $39.7m in 1HY17, primarily attributable to the decrease in the US Federal tax rate to 21% (pcp: 35%).

IPL's effective tax rate on operating profit for the half-year was 17.4% as compared to 20.6% in 1H17, and is expected to be approximately 18% for FY18.

Considering the broader impact of the US tax reform legislation and based on current legislation and known regulations released to date, it is expected that the Group's effective tax rate would increase to approximately 21% - 23% beyond FY18.

NPAT

NPAT ex IMIs of $147.1m decreased 3.3% or ($5.0m) versus 1H17.

Income Statement Items	Six months ended 31 March		
	1H18	1H17	% Change
A$m			
Revenue			
Business Revenue			
DNA	677.8	591.0	14.7 %
DNAP	479.1	444.9	7.7 %
Fertilisers	557.1	529.4	5.2 %
Elimination and Corporate	(30.8)	(29.6)	(4.1)%
Group Revenue	**1,683.2**	**1,535.7**	**9.6 %**
EBIT			
Business EBIT ex IMIs			
DNA	130.9	134.0	(2.3)%
DNAP	100.1	91.6	9.3 %
Fertilisers	23.3	26.4	(11.7)%
Elimination and Corporate	(14.0)	(9.2)	(52.2)%
Group EBIT ex IMIs	**240.3**	**242.8**	**(1.0)%**
EBIT margin	*14.3%*	*15.8%*	
NPAT			
Group EBIT ex IMIs	**240.3**	**242.8**	**(1.0)%**
Underlying interest expense	(57.7)	(51.5)	(12.0)%
Non-cash unwinding liabilities	(2.0)	(2.7)	25.9 %
Total borrowing costs	(59.7)	(54.2)	(10.1)%
Less capitalised interest	-	4.3	na
Net Borrowing Costs	**(59.7)**	**(49.9)**	**(19.6)%**
Tax expense	(31.4)	(39.7)	20.9 %
Minority interests	(2.1)	(1.1)	(90.9)%
NPAT excluding IMIs	**147.1**	**152.1**	**(3.3)%**
IMIs after tax	(139.5)	-	na
Group NPAT	**7.6**	**152.1**	**(95.0)%**

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Balance Sheet

IPL's Balance Sheet remains sound, reflecting the Group's ongoing commitment to financial discipline and effective cash management.

Significant movements in the Group's Balance Sheet during the 6-months ended 31 March 2018 include:

Assets

- Trade Working Capital (**TWC**): TWC movement of $306.3m primarily reflected the normal seasonal build-up of working capital for Fertilisers and Explosives and the higher price of stock- on-hand in the Fertilisers business.
- Net Property, Plant & Equipment (**PP&E**): Increase of $24.1m due to capital expenditure of $114.2m on plant turnarounds, other sustenance and minor growth projects; and the impact of foreign currency translation of non-A$ denominated assets of $45.2m. Offset in part by the depreciation charge for the half of $132.4m.
- Intangible Assets: Decrease of $170.2m mainly as a result of the impairment of DNAP goodwill of $236.0m and the amortisation of intangibles of $11.3m. This was partially offset by the impact of foreign currency translation of non-A$ denominated assets of $43.1m and spend on digital technology, product delivery solutions and IT system upgrades of $20.7m.

Liabilities

- Tax Liabilities: Decreased by $48.3m mainly due to the impact of lower US tax rates on US deferred tax balances, partially offset by timing differences between tax and accounting depreciation rates related to property, plant and equipment and intangibles.
- Net Other Liabilities: Decreased by $138.8m mainly due to payments against capital commitments, payments on settlement of derivative hedging instruments and the timing of payments to facility providers.
- Net Debt: Net Debt of $1.7Bn was flat as compared to 31 March 2017, but up relative to 30 September 2017 largely due to normal seasonal working capital increases and the impact of the Group's share buy-back. The fair value of net debt hedges at 31 March 2018 was $331.9m.

Credit Metrics

- Net Debt/EBITDA: Net leverage of 2.2x was lower compared to 31 March 2017, but up relative to 30 September 2017 mainly due to normal seasonal working capital increases and the impact of the share buy-back.
- Interest Cover: Decreased to 7.5x (pcp: 7.9x).
- Credit Ratings: Investment Grade credit ratings remain unchanged:
  - **S&P**: BBB (Stable)
  - **Moody's**: Baa2 (Stable)

Balance Sheet Items	31 Mar 2018	30 Sep 2017	31 Mar 2017
A$m			
Assets			
TWC - Fertilisers	64.4	(170.2)	60.1
TWC - Explosives	191.4	119.7	210.9
Group TWC	255.8	(50.5)	271.0
Net PP&E	3,878.9	3,854.8	3,889.1
Intangible assets	2,950.8	3,121.0	3,158.2
Total Assets	**7,085.5**	**6,925.3**	**7,318.3**
Liabilities			
Environmental & restructure provisions	(118.2)	(115.5)	(118.0)
Tax liabilities	(451.0)	(499.3)	(463.0)
Net other liabilities	(120.7)	(259.5)	(296.5)
Net Debt	(1,744.7)	(1,291.9)	(1,737.6)
Total Liabilities	**(2,434.6)**	**(2,166.2)**	**(2,615.1)**
Net Assets	**4,650.9**	**4,759.1**	**4,703.2**
Equity	**4,650.9**	**4,759.1**	**4,703.2**
Key Performance Indicators[15]			
Net Tangible Assets / Share	1.02	0.97	0.92
Fertilisers - Ave TWC % Rev	(0.1%)	(1.5%)	(0.1%)
Explosives - Ave TWC % Rev	8.8 %	8.6 %	9.4 %
Group - Average TWC % Rev	5.5 %	4.7 %	5.7 %
Credit Metrics			
Net Debt	(1,744.7)	(1,291.9)	(1,737.6)
Interest Cover	7.5x	7.9x	7.9x
Net debt / EBITDA ex IMIs	2.2x	1.7x	2.4x

Net Debt A$m	Maturity (CY)	Facility Amount	Drawn Amount	Undrawn Amount
Syndicated Term Loan A	2018	360.0	229.9	130.1
Syndicated Term Loan B	2018	283.5	257.4	26.1
Medium Term Notes	2019	200.0	200.0	-
144A/Regulation S Notes	2019	1,045.2	1,045.2	-
Syndicated Revolver	2021	653.3	-	653.3
EMTN/Regulation S Notes	2027	522.6	522.6	-
Total Debt		**3,064.6**	**2,255.1**	**809.5**
Fair Value and Other Adjustments			(7.0)	
Loans to JVs, Associates / Other Trade Loans			16.6	
Cash and Cash Equivalents			(188.1)	
Fair Value of Hedges			(331.9)	
Net Debt [1]			**1,744.7**	
Net Debt / EBITDA [16]			**2.2x**	

Facilities

IPL has A$843.5m of committed facilities maturing within the next 12 months. The Company is well advanced in its plans to refinance these facilities and expects that significant refinancing will be completed prior to the end of FY18.

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Cash Flow

Operating Cash Flow

Operating cash flows of ($138.4m) decreased 37.0% as compared to 1H17. Significant movements included:

- EBITDA: Increased 2.9% to $384.0m for the half.
- Net Interest Paid: Movement in net interest paid (increase of $10.6m) and capitalised interest paid (decrease of $4.3m), resulted in a net increase of ($6.3m), mainly due to higher US interest rates.
- Environmental and Site Clean-up: Cash costs decreased to $4.0m (pcp: $9.4m) mainly due to spend of $6.0m on abatement equipment at the Louisiana, Missouri plant in 1H17.
- Restructuring: Cash costs decreased to $2.1m (pcp: $26.5m) largely due to spending in relation to the Group's restructure program completed in FY17.
- Other Non-TWC: Movement of ($82.8m) was mainly due to Waggaman delay compensation payments received in 1H17; and increased payout of FY17 staff incentives.

Investing Cash Flow

Net investing cash flows of ($118.2m) decreased 28.5% as compared to 1H17. Significant movements included:

- Major Growth Capital: spend decreased from $74.0m in 1H17 as a result of the completion of the Waggaman plant construction in FY17.
- Minor Growth Capital: increased to $36.8m for 1H18 as a result of spending to support volume growth in explosives, spend on energy efficiency and digital technology projects and product delivery solutions.
- Sustenance Capital: spend of $101.2m primarily relating to turnaround activity at the Phosphate Hill, Mt Isa, Cheyenne and St Helens plants during 1H18.

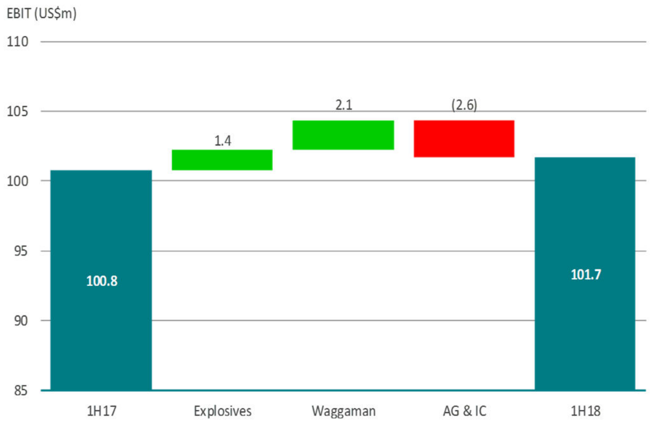
Financing Cash Flow

Net financing cash flow of ($196.2m) increased from $77.6m in 1H17. Significant movements included:

- Dividends: In May 2018, the Directors of IPL determined to pay an unfranked interim dividend of 4.5 cents per share payable in July 2018.
- Share buy-back: spend on the repurchase of IPL shares under the share buy-back program amounted to $95.4m during 1H18.

Cash Flow Items	Six months ended 31 March		
	1H18	1H17	% Change
A$m			
Operating Cash Flow			
EBITDA ex IMIs	384.0	373.3	2.9 %
Net interest paid	(54.4)	(43.8)	(24.2)%
Net income tax paid	(5.1)	(11.2)	54.5 %
TWC movement (excl. FX)	(314.0)	(324.9)	3.4 %
Profit from associates	(14.9)	(19.2)	22.4 %
Dividends received from JVs	13.2	19.0	(30.5)%
Environmental / site clean up	(4.0)	(9.4)	57.4 %
Restructuring costs	(2.1)	(26.5)	92.1 %
Other Non-TWC	(141.1)	(58.3)	(142.0)%
Operating cash flow	**(138.4)**	**(101.0)**	**(37.0)%**
Investing Cash Flow			
Growth Capex - Louisiana	-	(69.7)	na
Growth Capex - Louisiana capitalised interest	-	(4.3)	na
Major growth capital	-	(74.0)	na
Minor growth capital	(36.8)	(5.7)	(545.6)%
Sustenance	(101.2)	(93.3)	(8.5)%
Proceeds from asset sales	3.4	2.1	61.9 %
Repayments from JV loans	6.5	0.7	828.6 %
Payment for acquisition of subsidiary	(5.8)	-	na
Proceeds from derivatives	15.7	5.0	214.0 %
Investing cash flow	**(118.2)**	**(165.2)**	**28.5 %**
Financing Cash Flow			
Dividends paid to members of IPL	(82.7)	(77.6)	(6.6)%
Dividends paid to non-controlling interest holders	(2.4)	-	na
Payment for buy-back of shares	(95.4)	-	na
Purchase of IPL shares for employees	(5.1)	-	na
Non-cash (loss) / gain on translation of US$ Net Debt	(7.4)	3.0	*(346.7)%*
Non-cash movement in Net Debt	(3.2)	(3.0)	(6.7)%
Financing cash flow	**(196.2)**	**(77.6)**	**(152.8)%**
Change to Net Debt	**(452.8)**	**(343.8)**	**(31.7)%**
Opening balance Net Debt	(1,291.9)	(1,393.8)	7.3 %
Closing balance Net Debt	**(1,744.7)**	**(1,737.6)**	**(0.4)%**

Dyno Nobel Americas



Dyno Nobel Americas	Six months ended 31 March		
	1H18	1H17	% Change
US$m			
Explosives	377.4	341.2	10.6 %
Waggaman	101.5	45.2	124.6 %
AG & IC	47.7	59.5	(19.8)%
Total Revenue	**526.6**	**445.9**	**18.1 %**
Explosives	54.0	52.6	2.7 %
Waggaman	48.0	45.9	4.6 %
AG & IC	(0.3)	2.3	(113.0)%
EBIT	**101.7**	**100.8**	**0.9 %**
EBIT margin	*19.3%*	*22.6%*	
A$m			
Revenue	**677.8**	**591.0**	**14.7 %**
EBIT	**130.9**	**134.0**	**(2.3)%**
Notes			
Average realised A$/US$ exchange rate	0.78	0.75	
Urea (FOB NOLA) Index Price (US$/mt)	271	248	

Americas - Explosives

Business Performance

Explosives earnings for the half of US$54.0m increased by 2.7% or US$1.4m (pcp: US$52.6m) due to the following:

- Volume and Product Mix: US$7.5m due to increased ammonium nitrate sales volumes across all three sectors, offset in part by lower initiating systems sales volumes to international customers.
- Manufacturing Performance: (US$6.1m) due to the Cheyenne turnaround completed in 1H18.

Quarry & Construction

36% of Americas Explosives revenue was generated from the Quarry & Construction sector in 1H18. Volumes grew 9% compared to pcp, due to both market and share growth.

Base & Precious Metals

35% of Americas Explosives revenue was generated from the Base & Precious Metals sector in the half. Volumes grew 19% compared to pcp, due to share growth and favourable market drivers in the industry.

Coal

29% of Americas Explosives revenue was generated by the Coal sector in 1H18. Volumes grew 35% compared to pcp largely as a result of a contract win in the Illinois Basin in 2017.

Outlook

Market share gains across the three sectors were achieved in 2017 and 1H18.

Growth in the second half is expected to be in line with industry growth rates for the Q&C and Base & Precious Metals sectors.

Coal sector growth in the second half is expected to be flat compared to pcp as the impact of FY17 contract wins normalises.

Waggaman Operations

Business Performance

Waggaman earnings for the half of US$48.0m increased 4.6% or US$2.1m (pcp: US$45.9) due to the following:

- Commodity Price and Volume: US$25.5m increased earnings as a result of higher ammonia prices and increased sales volumes compared to pcp.
- Manufacturing Performance: US$11.7m increase driven by plant efficiencies, with the plant operating above nameplate capacity for the half.
- Construction delay compensation: (US$35.1m) decrease due to one-off construction delay damages received in 1H17.

Higher Ammonia Tampa prices early in the half softened as additional new capacity entered and was being absorbed by the market. During 1H17, Waggaman sold higher than nameplate manufactured volumes into the external market which, due to contractual arrangements, resulted in higher discounts than normal compared to the Tampa index price.

Waggaman	Six months ended 31 March		
	1H18	1H17	% Change
Thousand metric tonne			
Ammonia manufactured at Waggaman	441.2	297.7	48.2 %
Ammonia sold	449.6	278.1	61.7 %
US$m			
External sales	101.5	45.2	124.6 %
Internal sales	26.5	30.4	(12.8)%
Total Waggaman sales	**128.0**	**75.7**	**69.1 %**
Elimination of internal sales	(26.5)	(30.4)	(12.8)%
Revenue	**101.5**	**45.2**	**124.6 %**
Operational earnings	48.0	10.8	344.4 %
Delay compensation	-	35.1	(100.0)%
EBIT	**48.0**	**45.9**	**4.6 %**
EBIT margin	*47.3%*	*101.5%*	
Notes			
Realised average Ammonia Tampa Price (US$/mt) [17]	285	272	
Realised Gas Cost (US$/mmbtu) (delivered) [18]	3.10	3.19	

Dyno Nobel Americas (continued)

Agriculture & Industrial Chemicals (Ag & IC)

Business Performance

Ag & IC earnings loss for the half of (US$0.3m) decreased from earnings of US$2.3m in 1H17, due to the following:

- Manufacturing Performance: (US$5.4m) due to lower sales volumes and increased manufacturing costs as a result of the St Helens plant turnaround during the half.
- Commodity Prices: US$2.8m due to higher global fertilisers prices during the half.

Outlook

Fertilisers earnings in the second half will remain subject to movements in commodity prices, in particular urea. With planned manufacturing outages now complete, second half sales volumes are anticipated to be in line with pcp.

Manufacturing

Waggaman, Louisiana – the plant operated at record rates, of 110% of nameplate capacity producing 442k mt of ammonia for the half, up 48% on pcp, (nameplate: 800k mt per annum).

Cheyenne, Wyoming – Ammonium nitrate production from the Cheyenne plant decreased 13% during the period compared to 1H17 as a result of the major turnaround that was completed in early 1H18.

In April 2018, one of the site's nitric acid plants experienced an unplanned outage of twenty-five days resulting from a leak in a heat exchanger. The issue has been resolved and the plant is back online.

St Helens, Oregon – Urea production from the St Helens plant decreased 18% during the period compared to 1H17 as a result of the turnaround that was completed in March 2018. Adverse weather and emergent work identified through planned inspections undertaken during the turnaround resulted in an additional fourteen days unplanned downtime.

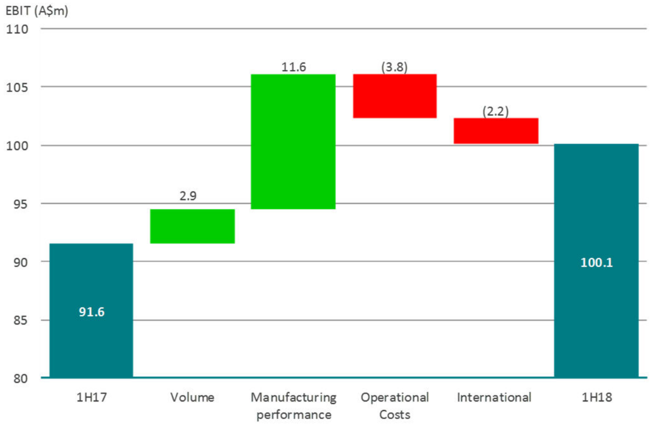
Outlook

With all known issues resolved at the Cheyenne and St Helens plants, normal operations are expected going forward.

However, the unplanned downtime at Cheyenne in April 2018, and the impact of the extended turnaround at St Helens are expected to have a negative impact on second half earnings of approximately (US$7m), due to lower volumes and increased manufacturing costs.

The Waggaman plant experienced extraordinary operational performance during the half with no planned downtime for FY18. However, it would be unusual for such a record performance to be repeated in the second half.

Dyno Nobel Asia Pacific



Dyno Nobel Asia Pacific	Six months ended 31 March		
	1H18	1H17	% Change
Thousand metric tonnes			
Ammonium Nitrate - manufactured at Moranbah	188.7	138.8	36.0 %
Ammonium Nitrate sold	371.2	344.4	7.8 %
A$m			
Coal	228.9	212.1	7.9 %
Base & Precious Metals	182.9	163.6	11.8 %
International	67.3	69.2	(2.7)%
Revenue	**479.1**	**444.9**	**7.7 %**
EBIT	**100.1**	**91.6**	**9.3 %**
EBIT margin	*20.9%*	*20.6%*	

Business Performance

DNAP earnings for the half of $100.1m increased by 9.3% or $8.5m (pcp: $91.6m) due to the following:

- Manufacturing Performance: $11.6m from increased Moranbah plant efficiencies and the absence of the turnaround completed in 2H17.
- Volume: $2.9m from increased sales volumes across the Australian business.
- Operational Costs: ($3.8m) due to higher operational costs in Western Australia and asset write-offs in relation to lost business.
- International: ($2.2m) due to the net impact of lower sales volumes in Indonesia, offset in part by improved trading in the Turkish business.

Market Summary

Coal

48% of Dyno Nobel Asia Pacific revenue for the half was generated from the Coal sector, most of which was from supply to metallurgical coal mines in the Bowen Basin. In aggregate, 51% of Asia Pacific ammonium nitrate volume was supplied to the sector.

Revenue from the Coal sector increased 8% as compared to 1H17, largely driven by increased customer demand in the Bowen Basin, underpinned by strong mining volumes. Wet weather in northern Queensland somewhat dampened mining activities (and ammonium nitrate demand) late in the half.

Base & Precious Metals

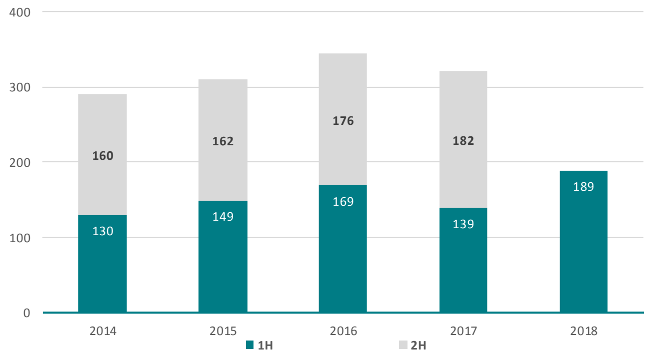
38% of Dyno Nobel Asia Pacific revenue was generated from the Base & Precious Metals sector in the half. In aggregate, 34% of Asia Pacific ammonium nitrate volume was supplied to the sector, which comprises iron ore mines in Western Australia and hard rock and underground mines throughout Australia. Revenue from the sector increased 12% during the period, largely driven by increased volume output from Roy Hill.

International

14% of Asia Pacific Explosives revenue was generated internationally including in Indonesia, Turkey and Papua New Guinea. International revenue decreased 3% as compared to 1H17, driven by lower mining activity at a customer site in Indonesia due to customer related safety incidents, offset in part by growth in the Turkish business.

Manufacturing

Moranbah manufactured 189k mt of ammonium nitrate equivalent product during the half, an increase of 36% on pcp. The plant has been operating at record levels since the major turnaround completed in April 2017. Following the strong production in 1H18, the plant is on track for record production in FY18.



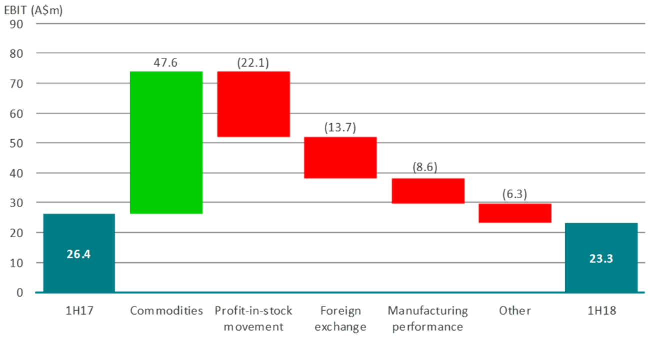
Outlook

Higher demand from Coal customers in 1H18 is expected to continue into the second half, underpinned by mining activity in the Bowen Basin.

The business ceased supply of ammonium nitrate, initiating systems and services to Roy Hill when the contract expired in February 2018. As a result, earnings from the Base & Precious Metals sector are expected to be down approximately $7m (or $5m after tax) in the second half.

Contracts with some Moranbah foundation customers in the Bowen Basin are due to expire over the next two years. The business is actively working with its customers to retain their contracts as they expire, with a focus on value adding to customers through Dyno Nobel's global technology solutions, a flexible local supply chain, stable gas backed pricing and operational excellence. However, the AN oversupply position in Australia is expected to keep pressure on pricing.

Fertilisers Asia Pacific



Fertilisers Asia Pacific	Six months ended 31 March		
	1H18	1H17	% Change
Thousand metric tonnes			
Phosphate Hill production (ammonium phosphates)	459.8	442.4	3.9 %
Gibson Island production (urea equivalent)	220.1	242.5	(9.2)%
A$m			
Phosphate Hill	242.1	192.6	25.7 %
Industrial and Trading	44.9	46.4	(3.2)%
Quantum Fertilisers	8.9	4.7	89.4 %
SCI Revenue	295.9	243.7	21.4 %
IPF Revenue	440.7	406.6	8.4 %
Fertilisers Elimination	(179.5)	(120.9)	48.5 %
Fertilisers Revenue	**557.1**	**529.4**	**5.2 %**
SCI EBIT	42.8	11.6	269.0 %
IPF EBIT	3.4	15.6	(78.2)%
Profit-in-stock elimination	(22.9)	(0.8)	na
Fertilisers EBIT	**23.3**	**26.4**	**(11.7)%**
EBIT margin	*4.2%*	*5.0%*	
Notes			
Fertilisers			
Realised A$/US$ Exchange Rate	0.78	0.74	4.9 %
Fertilisers volumes sold (mt)	1,194.7	1,210.5	(1.3)%
Distribution			
Distribution Volumes (mt)	913.9	880.1	3.8%
Phosphate Hill			
Realised DAP Price (US$/mt)	390	316	23.3 %
Phosphate Hill production sold to IPF/Export (mt)	442.1	408.9	8.1 %
Industrial & Trading volumes sold via SCI (mt)	159.1	179.5	(11.4)%
Gibson Island			
Realised Urea Price (US$/mt)	259	227	14.1 %
Gibson Island production (urea equivalent) sold via IPF (mt)	154.8	165.4	(6.4)%

Business Performance

Fertilisers earnings for the half of $23.3m decreased by 11.7% or ($3.1m) (pcp: $26.4m) due to the following:

- Commodity Prices and Profit-in-Stock: $25.5m due to the net impact of higher global fertilisers prices, particularly Di-ammonium phosphates (DAP) and urea, offset in part by the elimination of higher profit-in-stock.
- Foreign Exchange: ($13.7m) due to the strengthening of A$ versus the US$.
- Manufacturing Performance: ($8.6m) from lower sales volumes and increased manufacturing costs as a result of unplanned outages at Gibson Island during the half.
- Other Costs: ($6.3m) due to the impairment of trade receivables and costs related to environmental compliance and the Port Adelaide site relocation.

Market Summary

Overall, Fertilisers sales volumes were roughly flat for the half at 1,195k mt (pcp: 1,211k mt).

IPF distribution volumes increased to 914k mt, up 4% compared to pcp. Demand has remained largely consistent with the pcp, except for stronger sales of lower margin Single Super Phosphates (SSP) underpinned by strong demand from the Southern Australian pasture market. However, dry conditions throughout Southern Australia during Autumn have seen winter crop demand delayed into the second half.

Phosphate Hill manufactured tonnes sold to the IPF business at import parity price increased during the half. However, the IPF distribution network held higher stocks of ammonium phosphates at the end of the period compared to pcp due to the timing of sales into the domestic market.

Consistent with pcp, exports of ammonium phosphates are largely conducted during the second half to its traditional export customers across Asia and the Indian subcontinent where demand is predicted to be strong.

Manufacturing

Gibson Island – the plant produced 220k mt of urea equivalent product, down 9% on pcp. The lower production was a result of unplanned downtime to complete maintenance work on corrosion under insulated plant areas.

Manufacturing (continued)

Phosphate Hill – the Phosphate Hill plant manufactured 460k mt of ammonium phosphates during the half, up 17k mt or 4% on pcp.

Manufactured cost per tonne of ammonium phosphates for the half was largely in line with pcp. The plant benefitted from full six months of lower cost gas supply that commenced on 1 January 2017. This was largely offset by the increased depreciation cost in relation to the Mt Isa mid-cycle turnaround completed in 2H17.

Outlook

Fertilisers earnings in the second half will be subject to growing conditions (weather), global fertilisers prices and the A$/US$ exchange rate.

Despite the more recent dry conditions, IPL expects second half demand to be largely consistent with the pcp, subject to rainfall in the key winter cropping districts, the timing of the summer crop season, and irrigation water availability in the summer crop markets of Queensland and NSW.

The planned six-week turnaround of the Phosphate Hill plant commenced on 18 March 2018. However, the turnaround was extended due to emergent work (notably repairs to a phosphoric acid plant reactor and a waste heat boiler in the ammonia plant) identified through planned inspections undertaken during the turnaround. The plant complex has been started up in phases, with the final plant (ammonia plant) scheduled for start-up in early May.

As a result of the extended turnaround outage and the impact of flooding in north-west Queensland late in 1H18, the FY18 estimated production of ammonium phosphates has been revised to approximately 880k mt (pcp: 940k mt).

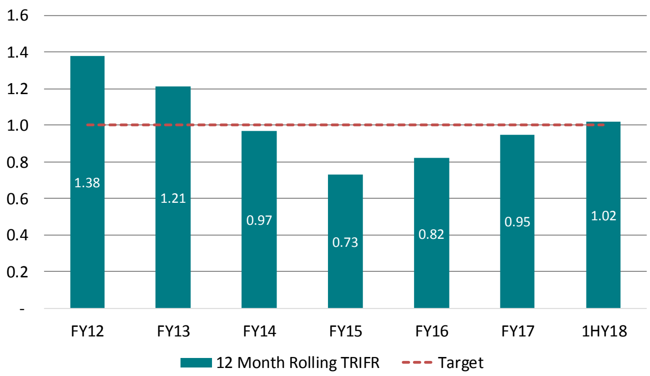
The Power and Water Company contract[19] remains on track to deliver gas from the Northern Territory from calendar 2019.

Safety and Sustainability

Zero Harm

IPL prioritises its “Zero Harm for Everyone, Everywhere” value above all others. It does so through a fully integrated Health, Safety and Environment (**HSE**) system that provides the foundation for effective identification and management of HSE risks. Central to IPL’s HSE system are the “4Ps”, Passionate Leadership, People, Procedures and Plant.

In 2012, IPL adopted a long-term objective of achieving world class safety performance, which included a target TRIFR of 1. TRIFR for 1H18 of 1.02 was up from 0.95 in FY17, although a 26% decline from 2012.



The Group’s increasing trend in TRIFR over the last three years has led to a Zero Harm strategic review being undertaken during the half.

As part of IPL’s reaffirmation of its Zero Harm commitment, targets were set for improvements in the Group’s safety performance. The first commitment in the re-set is to target a 30% improvement in TRIFR by FY21.

Along with the focus on personal safety, additional focus will also be placed on reducing Tier 1 and Tier 2 Process Safety Events and Potential High Severity Incidents. Sustainable year-on-year improvement will be sought across all three key metrics through continuous improvement.

Increasing the focus on its environmental impact, IPL will also report on Significant Environmental Incidents, targeting zero incidents. It should be noted that the event reported in 1H18 related to an ammonia release that occurred at the Group’s St Helens plant in 2015.

Zero Harm Key Metrics	1H18	FY17	1H17
TRIFR	1.02	0.95	0.89
Potential High Severity Incidents	65	157	87
Process Safety Incidents	10	28	22

Four major manufacturing sites were free of recordable injuries in FY18 as follows:

- Louisiana, Missouri (Nitrogen)
- Dinamita, Mexico (initiating systems plant)
- Wolf Lake, Illinois (initiating systems plant)
- Helidon, Queensland (initiating systems plant)

Gender Diversity

The Company remains committed to sustainable improvement in gender diversity and will continue to provide transparency on progress.

IPL’s representation of women across the organisation at 31 March 2018 compared to 30 September 2017 is reflected in the table below:

Gender Diversity	31 Mar 18 %	30 Sep 17 %
Board	43	25
Executive Team	30	33
Senior Management	19	19
Management	14	11
Global Workforce	16	16

The changes in the gender diversity of IPL’s Board and Executive Team during the half was a result of the change in Managing Director & CEO in November 2017 and the reorganisation of IPL’s Executive Team in January 2018 [20].

Sustainability

IPL’s commitment to operating sustainably is driven by the Company’s values which are core to the way IPL does business. IPL defines Sustainability as “the creation of long-term economic value whilst caring for our people, our communities and our environment.”

IPL’s Sustainability Strategy was formally adopted by the Board in September 2010 and reaffirmed following a review in 2014. Environmental, Social and Governance (ESG) considerations material to the sustainability of IPL have been included in its FY17 Annual Report and Sustainability Report, which was published in April 2018.

IPL is a member of the Dow Jones Sustainability Index (DJSI), FTSE4Good Index and ECPI Indices, and is rated by CAER, EcoVadis, MSCI, Sustainalytics and Vigeo EIRIS.

DJSI

In FY17, for the eighth consecutive year, IPL was selected as a member of the DJSI; it was also admitted to the DJSI Asia Pacific Index. This comes after RobecoSAM recognised IPL’s continuous improvement in sustainability and reporting through its 2017 RobecoSAM Corporate Sustainability Assessment.

RobecoSAM Corporate Sustainability Assessment
Calendar Year

Dimension	2013	2014	2015	2016	2017
Economic	70	65	67	74	73
Environmental	59	60	51	60	61
Social	68	67	63	65	68
IPL	**66**	**64**	**60**	**67**	**68**
Chemicals Sector Avg	**52**	**55**	**58**	**56**	**53**

Definitions and Notes

1. Net Debt comprises the net of interest bearing liabilities, cash and cash equivalents, and the fair value of derivative instruments economically hedging the Group's interest-bearing liabilities.
2. TRIFR calculated as the number of recordable injuries per 200,000 hours worked; includes contractors. TRIFR results are subject to finalisation of the classification of any pending incidents.
3. Tier 1 and Tier 2 process safety incidents as defined by the Center for Chemical Process Safety.
4. Potential High Severity Incidents are defined as the failure of plant process or procedure that combined with other events or failures might lead to a level 5 event as defined in IPL's risk matrix.
5. Significant Environmental Incidents as assessed against IPL's internal risk matrix (consequence 5 or higher incident on a 6-level matrix).
6. Interest Cover = 12 month rolling EBITDA ex IMIs / net interest expense before accounting adjustments.
7. Ammonium nitrate expressed as 100% ammonium nitrate solution throughout report.
8. Based on forecast FY18 Waggaman manufactured ammonia for sale of 840k mt.
9. Based on forecast FY18 Waggaman natural gas consumption.
10. Based on forecast FY18 St Helens manufactured urea equivalent of 169k mt.
11. Based on every US$100m EBIT at the 1H18 average realised exchange rate of A$/US$ 0.78.
12. Based on forecast FY18 Phosphate Hill Ammonium Phosphate sales of 880k mt; 1H18 average realised DAP price of US$390 and foreign exchange rate of A$/US$ 0.78.
13. Based on forecast FY18 Gibson Island urea equivalent sales via IPF of 365k mt; 1H18 average realised urea price of US$259 foreign exchange rate of A$/US$ 0.78.
14. Underlying interest cost represents total borrowing costs less non-cash interest unwind, representing the discount unwind on the Group's long-term liabilities.
15. Average TWC as % of revenue = 13-month average trade working capital / 12 months rolling revenue.
16. Net debt / EBITDA ratio is calculated using 12 month rolling EBITDA ex IMIs.
17. Waggaman's ammonia sales prices are based on a combination of index Ammonia Tampa prices and 1-month lagged index Ammonia Tampa prices.
18. Includes delivery cost of US$0.15 per mmbtu.
19. In November 2015, IPL announced that it had entered an agreement providing gas to Phosphate Hill from the commencement of supply from the Northern Gas Pipeline (anticipated in 2019), through to 2028.
20. The Executive Team includes the Managing Director & CEO.

Appendix A – 1H17 Reconciliation

31 March 2017 report
Asia Pacific - Fertilisers
(ex. Industrial Chemicals)

A$m	1HY17
Revenue	
Phosphate Hill	192.6
Industrials & Trading	11.8
Quantum Fertilisers	4.7
	209.1
IPF	406.6
Elimination	(120.9)
Revenue	**494.8**

Asia Pacific - Industrial Chemicals

A$m	1HY17
Industrial Chemicals	34.6
Revenue	**34.6**

31 March 2018 report
Asia Pacific - Fertilisers
(inc. Industrial Chemicals)

A$m	1HY17
Revenue	
Phosphate Hill	192.6
Industrials & Trading	46.4
Quantum Fertilisers	4.7
SCI Revenue	**243.7**
IPF	406.6
Elimination	(120.9)
Revenue	**529.4**

31 March 2017 report
Asia Pacific - Fertilisers

A$m	1HY17
EBIT	
Phosphate Hill	(13.0)
Industrials & Trading	7.7
Quantum Fertilisers	4.1
	(1.2)
IPF	15.6
Elimination	(0.8)
EBIT	**13.6**

Asia Pacific - Industrial Chemicals

A$m	1HY17
Industrial Chemicals	12.8
EBIT	**12.8**

31 March 2018 report
Asia Pacific - Fertilisers

A$m	1HY17
EBIT	
SCI EBIT	**11.6**
IPF	**15.6**
Elimination	(0.8)
EBIT	**26.4**

31 March 2017 report
Americas

US$m	1H17
Explosives	341.2
Industrial Chemicals	70.0
Fertilisers	34.7
Total Revenue	**445.9**
Explosives	52.6
Industrial Chemicals	47.4
Fertilisers	0.8
EBIT	**100.8**

31 March 2018 report
Americas

US$m	1H17
Explosives	341.2
Waggaman	45.2
AG & IC	59.5
Total Revenue	**445.9**
Explosives	52.6
Waggaman	45.9
AG & IC	2.3
EBIT	**100.8**

INCITEC PIVOT LIMITED FINANCIAL PERFORMANCE	March 2018 HY $mill	September 2017 FY $mill	September 2017 HY $mill	March 2017 HY $mill	September 2016 FY $mill	September 2016 HY $mill	March 2016 HY $mill	September 2015 FY $mill	September 2015 HY $mill	March 2015 HY $mill	September 2014 FY $mill	September 2014 HY $mill
BUSINESS SEG SALES												
Incitec Pivot Fertilisers	440.7	1,010.3	603.7	406.6	906.1	568.1	338.0	1,034.5	606.9	427.6	953.2	540.2
Southern Cross International	295.9	553.3	309.6	243.7	631.8	312.3	319.5	755.2	412.6	342.6	542.8	285.9
Fertilisers Eliminations	(179.5)	(213.8)	(92.9)	(120.9)	(196.0)	(65.9)	(130.1)	(278.8)	(72.1)	(206.7)	(194.4)	(51.6)
Total Fertilisers	557.1	1,349.8	820.4	529.4	1,341.9	814.5	527.4	1,510.9	947.4	563.5	1,301.6	774.5
Dyno Nobel Asia Pacific	479.1	933.2	488.3	444.9	920.8	474.1	446.7	910.8	483.1	427.7	897.0	463.3
Elimination	(6.7)	(19.2)	(11.6)	(7.6)	(14.9)	(8.6)	(6.3)	(14.5)	(10.5)	(4.0)	(13.0)	(6.5)
Total Asia Pacific	1,029.5	2,263.8	1,297.1	966.7	2,247.8	1,280.0	967.8	2,407.2	1,420.0	987.2	2,185.6	1,231.3
Americas - Dyno Nobel Americas	677.8	1,251.4	660.4	591.0	1,150.6	569.8	580.8	1,268.7	644.4	624.3	1,205.2	631.1
Group Eliminations	(24.1)	(41.8)	(19.8)	(22.0)	(44.7)	(20.1)	(24.6)	(32.6)	(16.0)	(16.6)	(38.8)	(18.8)
Total Sales - IPL Group	**1,683.2**	**3,473.4**	**1,937.7**	**1,535.7**	**3,353.7**	**1,829.7**	**1,524.0**	**3,643.3**	**2,048.4**	**1,594.9**	**3,352.0**	**1,843.6**
GEOGRAPHIC SEG SALES												
Australia	968.1	2,155.2	1,239.8	915.4	2,151.5	1,247.8	903.7	2,306.4	1,365.6	940.8	2,070.3	1,173.6
North Americas	667.9	1,220.2	667.5	552.7	1,067.5	532.5	535.0	1,203.7	611.3	592.4	1,136.0	595.9
Turkey	34.8	61.6	32.4	29.2	57.9	25.9	32.0	63.9	33.0	30.9	79.0	38.0
Other	12.4	36.4	(2.0)	38.4	76.8	23.5	53.3	69.3	38.5	30.8	66.7	36.1
Total - IPL Group	***1,683.2***	***3,473.4***	***1,937.7***	***1,535.7***	***3,353.7***	***1,829.7***	***1,524.0***	***3,643.3***	***2,048.4***	***1,594.9***	***3,352.0***	***1,843.6***
BUSINESS SEG EBITDA (excluding IMIs)												
Incitec Pivot Fertilisers	18.2	84.9	55.8	29.1	71.2	41.4	29.8	82.2	46.3	35.9	134.1	86.2
Southern Cross International	64.6	85.0	54.4	30.6	98.3	35.0	63.3	211.6	119.4	92.2	105.8	56.1
Fertilisers Eliminations	(22.9)	1.2	2.0	(0.8)	2.1	5.5	(3.4)	(1.1)	33.5	(34.6)	0.1	20.5
Total Fertilisers	59.9	171.1	112.2	58.9	171.6	81.9	89.7	292.7	199.2	93.5	240.0	162.8
Dyno Nobel Asia Pacific	143.0	273.3	141.4	131.9	267.6	139.4	128.2	271.6	140.3	131.3	277.2	151.3
Total Asia Pacific	202.9	444.4	253.6	190.8	439.2	221.3	217.9	564.3	339.5	224.8	517.2	314.1
Americas - Dyno Nobel Americas	194.4	348.7	157.6	191.1	253.5	140.3	113.2	280.7	158.2	122.5	255.6	141.2
Group Elimination	0.1	0.3	0.9	(0.6)	1.5	0.1	1.4	1.6	1.4	0.2	1.5	1.2
Corporate	(13.4)	(18.9)	(10.9)	(8.0)	(21.6)	(11.7)	(9.9)	(21.0)	(10.8)	(10.2)	(31.6)	(16.4)
Total EBITDA (excluding IMIs) - IPL Group	***384.0***	***774.5***	***401.2***	***373.3***	***672.6***	***350.0***	***322.6***	***825.6***	***488.3***	***337.3***	***742.7***	***440.1***
BUSINESS SEG Depreciation and Amortisation												
Incitec Pivot Fertilisers	(14.8)	(28.1)	(14.6)	(13.5)	(26.9)	(11.6)	(15.3)	(31.9)	(15.0)	(16.9)	(30.4)	(14.8)
Southern Cross International	(21.8)	(39.1)	(20.1)	(19.0)	(40.5)	(20.5)	(20.0)	(36.7)	(19.1)	(17.6)	(26.2)	(14.4)
Total Fertilisers	(36.6)	(67.2)	(34.7)	(32.5)	(67.4)	(32.1)	(35.3)	(68.6)	(34.1)	(34.5)	(56.6)	(29.2)
Dyno Nobel Asia Pacific	(42.9)	(84.3)	(44.0)	(40.3)	(81.5)	(41.4)	(40.1)	(78.9)	(40.1)	(38.8)	(73.9)	(38.6)
Total Asia Pacific	(79.5)	(151.5)	(78.7)	(72.8)	(148.9)	(73.5)	(75.4)	(147.5)	(74.2)	(73.3)	(130.5)	(67.8)
Americas - Dyno Nobel Americas	(63.5)	(120.3)	(63.2)	(57.1)	(93.9)	(44.9)	(49.0)	(99.0)	(51.9)	(47.1)	(89.9)	(44.4)
Corporate	(0.7)	(1.5)	(0.9)	(0.6)	(1.7)	(0.8)	(0.9)	(2.6)	(1.3)	(1.3)	(2.9)	(1.6)
Total Depreciation and Amortisation - IPL Group	***(143.7)***	***(273.3)***	***(142.8)***	***(130.5)***	***(244.5)***	***(119.2)***	***(125.3)***	***(249.1)***	***(127.4)***	***(121.7)***	***(223.3)***	***(113.8)***
BUSINESS SEG EBIT (excluding IMIs)												
Incitec Pivot Fertilisers	3.4	56.8	41.2	15.6	44.3	29.8	14.5	50.3	31.3	19.0	103.7	71.4
Southern Cross International	42.8	45.9	34.3	11.6	57.8	14.5	43.3	174.9	100.3	74.6	79.6	41.7
Fertilisers Eliminations	(22.9)	1.2	2.0	(0.8)	2.1	5.5	(3.4)	(1.1)	33.5	(34.6)	0.1	20.5
Fertilisers	23.3	103.9	77.5	26.4	104.2	49.8	54.4	224.1	165.1	59.0	183.4	133.6
Dyno Nobel Asia Pacific	100.1	189.0	97.4	91.6	186.1	98.0	88.1	192.7	100.2	92.5	203.3	112.7
Total Asia Pacific	123.4	292.9	174.9	118.0	290.3	147.8	142.5	416.8	265.3	151.5	386.7	246.3
Americas - Dyno Nobel Americas	130.9	228.4	94.4	134.0	159.6	95.4	64.2	181.7	106.3	75.4	165.7	96.8
Group Elimination	0.1	0.3	0.9	(0.6)	1.5	0.1	1.4	1.6	1.4	0.2	1.5	1.2
Corporate	(14.1)	(20.4)	(11.8)	(8.6)	(23.3)	(12.5)	(10.8)	(23.6)	(12.1)	(11.5)	(34.5)	(18.0)
Total EBIT (excluding IMIs) - IPL Group	***240.3***	***501.2***	***258.4***	***242.8***	***428.1***	***230.8***	***197.3***	***576.5***	***360.9***	***215.6***	***519.4***	***326.3***
GEOGRAPHIC SEG NON-CURRENT ASSETS OTHER THAN FINANCIAL INSTRUMENTS AND DEFERRED TAX ASSETS												
Australia	3,278.3	3,513.5	3,513.5	3,536.3	3,568.2	3,568.2	3,594.7	3,759.5	3,759.5	3,778.0	3,801.4	3,801.4
North Americas	3,744.0	3,690.4	3,690.4	3,754.1	3,763.0	3,763.0	3,657.6	3,885.4	3,885.4	3,431.8	2,925.8	2,925.8
Turkey	1.5	1.4	1.4	1.2	1.4	1.4	1.3	1.3	1.3	-	-	-
Other	153.2	123.2	123.2	138.1	132.0	132.0	131.2	111.7	111.7	111.4	115.1	115.1
Total - IPL Group	***7,177.0***	***7,328.5***	***7,328.5***	***7,429.7***	***7,464.6***	***7,464.6***	***7,384.8***	***7,757.9***	***7,757.9***	***7,321.2***	***6,842.3***	***6,842.3***
FINANCIAL PERFORMANCE												
EBIT	240.3	501.2	258.4	242.8	428.1	230.8	197.3	576.5	360.9	215.6	519.4	326.3
Net Interest	(59.7)	(108.7)	(58.8)	(49.9)	(50.2)	(25.8)	(24.4)	(68.8)	(39.8)	(29.0)	(76.9)	(34.0)
Operating Profit Before Tax and Minorities	180.6	392.5	199.6	192.9	377.9	205.0	172.9	507.7	321.1	186.6	442.5	292.3
Income Tax Expense	(31.4)	(70.9)	(31.2)	(39.7)	(81.4)	(46.0)	(35.4)	(108.8)	(68.7)	(40.1)	(85.1)	(50.6)
NPAT pre Individually Material Items	149.2	321.6	168.4	153.2	296.5	159.0	137.5	398.9	252.4	146.5	357.4	241.7
Individually Material Items Before Tax	(236.0)	-	-	-	(241.3)	(90.5)	(150.8)	-	-	-	(130.8)	(130.8)
Tax benefit/(expense) - Individually Material Items	96.5	-	-	-	74.2	29.0	45.2	-	-	-	21.6	21.6
NPAT & Individually Material Items	***9.7***	***321.6***	***168.4***	***153.2***	***129.4***	***97.5***	***31.9***	***398.9***	***252.4***	***146.5***	***248.2***	***132.5***
NPAT attributable to shareholders of IPL	7.6	318.7	166.6	152.1	128.1	96.6	31.5	398.6	252.2	146.4	247.1	131.4
NPAT attributable to minority interest	2.1	2.9	1.8	1.1	1.3	0.9	0.4	0.3	0.2	0.1	1.1	1.1

INCITEC PIVOT LIMITED FINANCIAL POSITION	March 2018 HY $mill	September 2017 FY $mill	September 2017 HY $mill	March 2017 HY $mill	September 2016 FY $mill	September 2016 HY $mill	March 2016 HY $mill	September 2015 FY $mill	September 2015 HY $mill	March 2015 HY $mill	September 2014 FY $mill	September 2014 HY $mill
Cash	188.1	627.9	627.9	90.1	427.1	427.1	83.0	606.3	606.3	91.5	70.5	70.5
Inventories	577.3	388.6	388.6	496.8	405.7	405.7	534.6	401.3	401.3	544.6	434.1	434.1
Trade Debtors	306.9	310.7	310.7	306.6	210.3	210.3	333.8	274.3	274.3	310.4	241.7	241.7
Trade Creditors	(628.4)	(749.8)	(749.8)	(532.4)	(665.2)	(665.2)	(598.7)	(667.9)	(667.9)	(560.0)	(614.6)	(614.6)
Trade Working Capital	255.8	(50.5)	(50.5)	271.0	(49.2)	(49.2)	269.7	7.7	7.7	295.0	61.2	61.2
Net Property, Plant & Equipment	3,878.9	3,854.8	3,854.8	3,889.1	3,892.7	3,892.7	3,815.6	4,003.6	4,003.6	3,755.8	3,511.4	3,511.4
Intangibles	2,950.8	3,121.0	3,121.0	3,170.3	3,182.5	3,182.5	3,181.5	3,346.3	3,346.3	3,194.1	2,992.3	2,992.3
Net Other Liabilities	(358.0)	(570.0)	(570.0)	(444.6)	(587.4)	(587.4)	(512.3)	(722.0)	(722.0)	(576.1)	(485.5)	(485.5)
Net Interest Bearing Liabilities												
Current	(697.3)	(12.1)	(12.1)	(17.7)	(11.1)	(11.1)	(17.7)	(747.1)	(747.1)	(669.9)	(33.9)	(33.9)
Non-Current	(1,567.4)	(2,212.0)	(2,212.0)	(2,263.2)	(2,278.3)	(2,278.3)	(2,269.6)	(1,806.6)	(1,806.6)	(1,599.1)	(1,709.0)	(1,709.0)
Net Assets	***4,650.9***	***4,759.1***	***4,759.1***	***4,695.0***	***4,576.3***	***4,576.3***	***4,550.2***	***4,688.2***	***4,688.2***	***4,491.3***	***4,407.0***	***4,407.0***
Total Equity	***4,650.9***	***4,759.1***	***4,759.1***	***4,695.0***	***4,576.3***	***4,576.3***	***4,550.2***	***4,688.2***	***4,688.2***	***4,491.3***	***4,407.0***	***4,407.0***
Capital Expenditure (Accruals Basis)												
Total Capital Expenditure	***134.9***	***300.2***	***174.3***	***125.9***	***439.0***	***204.8***	***234.2***	***408.8***	***228.9***	***179.9***	***664.4***	***355.1***
Depreciation and amortisation	143.7	273.3	142.8	130.5	244.5	119.2	125.3	249.1	127.4	121.7	223.3	113.8
Ratios												
EPS, cents pre individually material items	8.8	18.9	9.9	9.0	17.5	9.4	8.1	23.8	15.0	8.8	21.7	14.6
EPS, cents post individually material items	0.5	18.9	9.9	9.0	7.6	5.7	1.9	23.8	15.0	8.8	15.0	7.9
DPS, cents	4.5	9.4	4.9	4.5	8.7	4.6	4.1	11.8	7.4	4.4	10.8	7.3
Franking, %	0%	0%	0%	0%	47%	0%	100%	38%	60%	0%	31%	10%
Interest Cover (times)	7.5	7.9	7.9	7.9	7.9	7.9	9.5	9.7	9.7	9.6	9.1	9.1

INCITEC PIVOT LIMITED **CASH FLOWS**	March 2018 HY $mill Inflows/ (Outflows)	September 2017 FY $mill Inflows/ (Outflows)	September 2017 HY $mill Inflows/ (Outflows)	March 2017 HY $mill Inflows/ (Outflows)	September 2016 FY $mill Inflows/ (Outflows)	September 2016 HY $mill Inflows/ (Outflows)	March 2016 HY $mill Inflows/ (Outflows)	September 2015 FY $mill Inflows/ (Outflows)	September 2015 HY $mill Inflows/ (Outflows)	March 2015 HY $mill Inflows/ (Outflows)	September 2014 FY $mill Inflows/ (Outflows)	September 2014 HY $mill Inflows/ (Outflows)
Net operating cash flows												
Group EBITDA	384.0	774.5	401.2	373.3	672.6	350.0	322.6	825.6	488.3	337.3	742.7	440.1
Net interest paid	(54.4)	(92.0)	(48.2)	(43.8)	(41.9)	(20.8)	(21.1)	(54.5)	(31.5)	(23.0)	(57.7)	(28.1)
Net income tax (paid) / refund	(5.1)	(12.9)	(1.7)	(11.2)	(81.7)	(21.1)	(60.6)	(15.7)	6.3	(22.0)	1.5	7.5
TWC movement (excluding FX impact)	(314.0)	(4.3)	320.6	(324.9)	39.2	310.9	(271.7)	59.4	290.1	(230.7)	(52.5)	191.8
Profit from joint ventures and associates	(14.9)	(39.9)	(20.7)	(19.2)	(35.9)	(18.6)	(17.3)	(38.2)	(24.1)	(14.1)	(33.3)	(17.4)
Dividends received from joint ventures and associates	13.2	34.9	15.9	19.0	35.6	16.4	19.2	37.0	28.9	8.1	23.7	9.6
Environmental and site clean up	(4.0)	(12.8)	(3.4)	(9.4)	(5.4)	(2.5)	(2.9)	(7.4)	(4.5)	(2.9)	(16.9)	(3.5)
Other non-TWC	(143.2)	0.2	85.0	(84.8)	(7.2)	26.9	(34.1)	(50.0)	(13.8)	(36.2)	(72.3)	(24.9)
Operating cash flows	***(138.4)***	***647.7***	***748.7***	***(101.0)***	***575.3***	***641.2***	***(65.9)***	***756.2***	***739.7***	***16.5***	***535.2***	***575.1***
Net investing cash flows												
Growth - Louisiana ammonia project	-	(78.8)	(9.1)	(69.7)	(167.2)	(38.6)	(128.6)	(218.7)	(88.8)	(129.9)	(370.7)	(194.0)
Growth - Louisiana ammonia project capitalised interest	-	(4.3)	-	(4.3)	(48.0)	(24.8)	(23.2)	(37.7)	(19.8)	(17.9)	(17.7)	(12.0)
Growth - Other	(36.8)	(52.0)	(46.3)	(5.7)	(29.8)	(19.5)	(10.3)	(16.4)	(12.3)	(4.1)	(17.1)	(7.0)
Sustenance	(101.2)	(184.6)	(91.3)	(93.3)	(190.5)	(52.0)	(138.5)	(100.0)	(42.1)	(57.9)	(256.9)	(143.6)
Proceeds from asset sales	3.4	39.8	37.7	2.1	1.2	0.3	0.9	7.0	1.9	5.1	24.4	10.4
Other	16.4	(8.4)	(14.1)	5.7	(46.1)	(84.3)	38.2	(132.4)	(120.2)	(12.2)	0.3	(1.1)
Investing cash flows	***(118.2)***	***(288.3)***	***(123.1)***	***(165.2)***	***(480.4)***	***(218.9)***	***(261.5)***	***(498.2)***	***(281.3)***	***(216.9)***	***(637.7)***	***(347.3)***
Net financing cash flows												
Dividends paid to members of Incitec Pivot Limited	(82.7)	(153.5)	(75.9)	(77.6)	(194.0)	(69.1)	(124.9)	(96.4)	(34.8)	(61.6)	(85.1)	(30.2)
Dividends paid to non-controlling interest holder	(2.4)	(1.2)	(1.2)	-	-	-	-	-	-	-	-	-
Payment for buy-back of shares	(95.4)	-	-	-	-	-	-	-	-	-	-	-
Purchase of IPL shares for employees	(5.1)	-	-	-	-	-	-	-	-	-	-	-
(Loss)/Gain on translation of US$ Debt (incl fair value adjustments)	(10.6)	(105.6)	(105.6)	-	(5.4)	(7.5)	2.1	29.1	1.9	27.2	(6.6)	(13.9)
Realised market value gains/(losses) on derivatives	-	2.8	2.8	-	-	-	-	-	-	-	(8.3)	(0.2)
Financing cash flows	***(196.2)***	***(257.5)***	***(179.9)***	***(77.6)***	***(199.4)***	***(76.6)***	***(122.8)***	***(67.3)***	***(32.9)***	***(34.4)***	***(100.0)***	***(44.3)***
(Increase)/decrease in net debt	***(452.8)***	***101.9***	***445.7***	***(343.8)***	***(104.5)***	***345.7***	***(450.2)***	***190.7***	***425.5***	***(234.8)***	***(202.5)***	***183.5***