Incitec Pivot Limited

Results for the six months ended 31 March 2013

BUSINESS PERFORMANCE

Incitec Pivot Limited ("IPL") reported Net Profit After Tax ("NPAT") of $110.2m, down $33.3m from $143.5m in the previous corresponding period ("pcp").

KEY FINANCIALS

- Reported Earnings Before Interest and Tax ("EBIT") decreased by 20% or $41.9m to $172.5m (pcp: $214.4m).
- Adjusted EBIT[3] (excluding the non-cash Moranbah unfavourable contract liability write back of $40.5m in the pcp) was flat at $172.5m, with improved earnings in the Explosives business offset by lower commodity prices and an adverse movement in the AUD:USD exchange rate in the Fertiliser business.
- Operating cash flows improved by $62.7m to an outflow of $64.6m (pcp: $127.3m).
- Net Debt was unchanged compared to the pcp at $1.6Bn (31 March 2012: $1.6Bn).
- BEx delivered $13m in earnings from business efficiency actions, against a cost incurred of $7m in the current period.

	Six months ended 31 March		
A$M	**2013**	**2012**	**Change**
Reported earnings			
Sales Revenue	1,426.9	1,548.2	(8%)
EBITDA (1)	255.0	290.8	(12%)
EBIT(2)	172.5	214.4	(20%)
NPAT attributable to shareholders	110.2	143.5	(23%)
Adjusted earnings (3)			
EBITDA	255.0	250.3	2%
EBIT	172.5	173.9	(1%)
NPAT attributable to shareholders	110.2	122.5	(10%)
Business EBIT			
Fertilisers	49.6	60.9	(19%)
Explosives	146.8	137.0	7%
Shareholder Returns			
Earnings per share (cents)	6.8	8.8	(23%)
Dividend per share (cents)	3.4	3.3	3%
Financing KPIs			
Operating cash flows	(64.6)	(127.3)	49%
Net Debt	(1,633.7)	(1,634.3)	0%
Interest cover (times)(4)	6.8	10.6	
Net Debt/EBITDA (times)	2.3	1.9	

SHAREHOLDER RETURNS

- Earnings per share ("EPS") down 23% to 6.8 cents per share ("cps") (pcp: 8.8 cps).
- The interim dividend 3.4 cps (pcp: 3.3 cps), reflects a pay-out ratio of 50% of NPAT excluding Individually Material Items ("IMIs").

BUSINESS SUMMARY – EXPLOSIVES

Explosives earnings[3] were up 7% to $146.8m (pcp: $137.0m), delivering improvement in a period where production of coal and iron ore was impacted by lower global prices.

- Dyno Nobel Asia Pacific ("DNAP") EBIT grew by 22% as a result of an increase in sales of product and services to Moranbah foundation customers.
- The Moranbah plant produced 85kt of Ammonium Nitrate ("AN") in the first half, reflecting the challenges in achieving reliable production from the integrated complex. A revised plan is in place, which responds to the root cause of recent production difficulties and provides a defined path to deliver the investment case.
- Dyno Nobel Americas ("DNA") USD EBIT declined by 2% with the impact of lower coal production in North America partially offset by savings generated by the Group's continuous improvement program (Business Excellence "BEx").

BUSINESS SUMMARY – FERTILISERS

EBIT from the Fertiliser businesses was down by 19% to $49.6m (pcp: $60.9m), reflecting the impact of the higher AUD:USD rate and lower global fertiliser prices, partially offset by a recovery in distribution margins.

- Adverse movements in commodity prices, the AUD:USD exchange rate and freight rates (impacting freight margins) reduced earnings by $52m in the reporting period.
- Distribution margins in Incitec Pivot Fertilisers ("IPF") and Quantum were $37m higher than the pcp, as revised risk management processes had a positive impact in stabilising margins to long term average levels.
- The repair work to the Mt Isa Sulphuric Acid plant in November 2012 was completed in accordance with the market announcement made on 12 November 2012.

2013 OUTLOOK

IPL does not provide profit guidance, due to the potentially material impact of movements in commodity and foreign exchange markets on the Group's result. A summary of the sensitivity of the Group's earnings to major commodity and foreign exchange movements is provided on this page.

The following represents an outlook of business performance expectations for the 2013 financial year (excluding sensitivities):

DNAP

- Subject to completing the planned schedule of works, the Moranbah AN plant is estimated to produce 200kt of AN, generating about $40m of incremental EBIT in the 2013 financial year. Details of the required work are set out on page 8.
- Growth in the base business in the second half will be challenged by the loss of a customer in the Hunter Valley, which accounted for $8m in earnings in the second half of 2012.

DNA

- Despite continued softness in the Coal industry, the Explosives business is expected to generate moderate earnings improvement via volume growth in the Metals and Quarry and Construction industries and EBIT generated through the implementation of BEx in the second half.
- The St Helens fertiliser plant is expected to produce for twelve months in 2013 (2012: eleven months due to the second half turnaround).

Fertilisers

- Distribution margins (per tonne) in the IPF business are expected to be flat in the second half compared to the pcp.
- The Gibson Island plant is expected to produce at near to capacity in 2013.
- The Phosphate Hill plant is expected to produce 870kt of Ammonium Phosphates in 2013.
- Quantum is expected to deliver a modest profit for the 2013 financial year.

Corporate & BEx

- Underlying corporate costs are expected to be approximately $35m.
- The investment in BEx is expected not to exceed $15m for the financial year, with benefits from improved efficiency likely to be approximately $25m.

Full Year EBIT Sensitivities	
IPF: Urea - Middle East Granular Urea (FOB)(1)	+/- US$10/t = +/- A$3.9M
SCI: DAP - Di-Ammonium Phosphate Tampa (FOB)(2)	+/- US$10/t = +/- A$8.4M
Forex - transactional (DAP & Urea)(3)	+/- 1 cent = A$7.4M
DNA: Urea (FOB)(4)	+/- US$10/t = +/- US$1.8M
DNA: Forex - translation of Explosives earnings(5)	+/- 1 cent = A$1.0M

Assumptions:

(1) 405kT (Forecast Gibson Island 2013 production) urea equivalent sales at a 2013 average exchange rate of A$/US$ 1.04

(2) 870kT (Forecast Phosphate Hill 2013 production) DAP sales at a 2013 average exchange rate of A$/US$ 1.04

(3) Based on DAP and Urea sales at 2013 forecast production volumes, 2012 realised prices and the achieved 2012 AUD:USD rate of A$/US$ 0.957

(4) 180kT (Forecast St Helens 2013 production - short tonnes) urea equivalent sales

(5) For each US$ 100M EBIT

SENSITIVITIES

The sensitivities have been calculated based on the 2012 achieved Di-ammonium phosphate ("DAP") and Urea prices, at an AUD:USD exchange rate of $1.04 (representing the rate achieved in the six month period ended 31 March 2013), and forecast 2013 Urea and DAP production.

2013 HEDGING PROGRAM

The business has hedged its estimated USD Fertiliser sales exposure in 2013 at a worst case rate of $1.05 (including the cost of premiums), with full participation below $1.05.

IPL GROUP RESULT OVERVIEW

REVENUE

Sales revenues decreased by 8% or $121.3m to $1,426.9m (pcp: $1,548.2m). Significant movements included:

- Fertiliser sales decreased $172.4m, reflecting lower sales volumes ($65m), lower global Fertiliser prices and freight rates ($32m), the negative impact of the higher AUD:USD rate ($20m) and lower sales revenue from Quantum Fertilisers ($44m).
- DNAP revenues increased by $74.3m, reflecting higher sales volumes to Moranbah foundation customers.
- DNA revenues were down $10.6m, reflecting lower coal production in North America.

Revenues A$M	Six months ended 31 March 2013	2012	Change
Revenues			
- SCI	249.4	362.3	(31%)
- IPF	391.2	442.0	(11%)
- Elimination	(105.9)	(97.2)	(9%)
Fertilisers	***534.7***	***707.1***	***(24%)***
- DNAP	359.9	285.6	26%
- DNA	559.9	570.5	(2%)
- Elimination	(13.6)	(13.7)	1%
Explosives	***906.2***	***842.4***	***8%***
Elimination	***(14.0)***	***(1.3)***	
Total Revenues	**1,426.9**	**1,548.2**	**(8%)**

Earnings Summary A$M	Six months ended 31 March 2013	2012	Change
EBIT			
- SCI	25.2	63.1	(60%)
- IPF	25.5	2.2	1059%
- Elimination	(1.1)	(4.4)	75%
Fertilisers	***49.6***	***60.9***	***(19%)***
- DNAP	67.5	96.0	(30%)
- DNA	80.0	82.5	(3%)
- Elimination	(0.7)	(1.0)	30%
Explosives	***146.8***	***177.5***	***(17%)***
Corporate	***(23.9)***	***(24.0)***	***0%***
Total EBIT	**172.5**	**214.4**	**(20%)**
Borrowing costs	(25.0)	(27.5)	9%
Tax expense	(37.2)	(47.1)	21%
NPAT	**110.3**	**139.8**	**(21%)**
Minority interests	(0.1)	3.7	103%
NPAT attributable to shareholders	**110.2**	**143.5**	**(23%)**

EBIT

EBIT fell by 20% or $41.9m to $172.5m (pcp: $214.4m), primarily due to:

- ($40m): 2012 non-cash Moranbah unfavourable contract liability release. The entire liability was released in September 2012.
- ($32m): Net effect of commodity prices. The major impacts included: Ammonium Phosphates ($20m), Urea sold via IPF and the Industrials business ($6m) and lower freight margins ($6m).
- ($20m): Negative impact of the higher AUD:USD rate, which increased from a realised rate inclusive of hedging of $0.96 in the pcp to $1.04 in the current period, resulting in lower earnings from USD denominated fertiliser sales.
- ($15m): Lower sales volumes, in the North American explosives business where declines in coal production negatively impacted the use of explosives ($6m), in the DNAP business as a result of adverse weather conditions and the loss of a customer in the Hunter Valley ($5m), lower demand in the IPF distribution business ($2m) and the SCI Industrials business ($2m).

This was partially offset by the following:

- $37m: An increase in distribution margins in the fertiliser businesses. IPF and Quantum distribution margins recovered to long term average levels increasing by $26m and $11m respectively as the business enhanced risk management processes.
- $16m: Increased sales to Moranbah foundation customers generated incremental EBIT compared to the pcp.
- $13m: BEx efficiency benefits.

BORROWINGS AND INTEREST

- Net Debt remained flat year on year. Since 30 September 2012 Net Debt has increased by $347m as a result of a seasonal increase in Trade Working Capital ("TWC") of $221m (pcp increase: $229m) and the payout of the final dividend during the period of $148m (pcp: $134m).
- Net interest expense pre accounting adjustments increased by $2.9m to $50.4m (pcp: $47.5m), reflecting an achieved average interest rate in the first half of the 2013 financial year of 5.9% (inclusive of upfront costs and commitment fees) (pcp: 6.3%).
- Net borrowing costs include the non-cash accounting expense for the unwinding of discount applied to long term liabilities of $1.7m (pcp: $13.9m). The expense in the pcp included $10.5m relating to the release of the Moranbah unfavourable contract liability.
- Capitalised interest was recorded in the six month period in accordance with the accounting standards, as certain plants within the Moranbah manufacturing complex did not operate at levels which would warrant their commissioning in accordance with the accounting standards. The capitalised interest amount reduced from the pcp, as the Prill and Emulsion plants within the Moranbah manufacturing complex were depreciated during the period.

Borrowing Costs /Credit Metrics	**Six months ended 31 March**		
A$M	**2013**	**2012**	**Change**
Net interest expense pre accounting adjustments	(50.4)	(47.5)	(6%)
Non-cash unwinding of liabilities	(1.7)	(13.9)	88%
Total borrowing costs	**(52.1)**	**(61.4)**	15%
Less Capitalised Interest (Moranbah)	27.1	33.9	(20%)
Net Borrowing Costs	**(25.0)**	**(27.5)**	9%
Interest cover (times)(4)	6.8	10.6	
Net Debt/EBITDA (times)	2.3	1.9	

Return to Shareholders	**Six months ended 31 March**		
Cents per share (cps)	**2013**	**2012**	**Change**
Interim Dividend	3.4	3.3	3%
Franking (%)	75%	50%	
Record date: 23 May 2013			
Dividend paid: 2 July 2013			

TAX

- Tax expense decreased to $37.2m (pcp: $47.1m). This represents an effective tax rate of 25.2% (pcp: 25.2%).

RETURNS TO SHAREHOLDERS

- The Directors have determined to pay a 75% franked interim dividend of 3.4cps, which will be paid on 2 July 2013.
- The interim dividend represents a payout of 50% of NPAT ex IMIs.

The interim dividend is franked at 75%. Franking credits will be paid out when available and as a result franking levels may vary in the future.

BALANCE SHEET

IPL's Balance sheet at 31 March 2013 reflects the ongoing financial discipline throughout the business. The key movements in the balance sheet include:

- TWC is $120m lower than 31 March 2012, reflecting a continued focus on cash management.
- TWC has increased by $221m from 30 September 2012 reflecting the seasonal stock build in both the Fertiliser and Explosives businesses. TWC as a percentage of twelve months rolling revenue decreased significantly during the period as the benefits from the new Fertiliser business contract model provided greater flexibility in managing working capital requirements. Offsetting this was a small increase in Explosives, where the start-up of the Moranbah plant required additional inventories to be held as safety stock during the commissioning phase. It is expected that when production from the plant stabilises, working capital requirements will reduce.
- Net property plant and equipment increased by $33m from 30 September 2012 to 31 March 2013 to $2,772m. The increase is a result of capital expenditure of $125m (of which $60m was spent on sustenance capital to support the manufacturing plants and explosives truck fleet, $27m represented capitalised interest costs on the Moranbah plant and $38m was spent on a variety of growth projects including the finalisation of the Pilbara emulsion plant, the third phosphoric acid filter train at Phosphate Hill and commissioning costs for the Moranbah plant) partially offset by depreciation of $71m and disposals of $23m.
- Net other assets increased by $38m to $114m (30 September 2012: $76m), largely due to prepayments for services that occur in the second half of the financial year. The balance increased significantly compared to the pcp, reflecting the release of the Moranbah unfavourable contract liability.

NET DEBT

The average tenor of drawn debt is now approximately 4.3 years with the next major debt facility to mature being the three year revolving $900m Syndicated Financing Agreement in April 2014.

At 31 March 2013, IPL's net debt was $1,634m (pcp: $1,634m), with committed headroom available of $937m (pcp: $736m), representing the $650m undrawn three year Bank Facility, $250m of undrawn bi-lateral agreement and cash on hand at 31 March 2013.

Balance Sheet **A$M**	**31-Mar** **2013**	**30-Sep** **2012**	**31-Mar** **2012**
Trade Working Capital - Fertilisers	126	(39)	270
Trade Working Capital - Explosives	255	199	231
Net property plant and equipment	2,772	2,739	2,447
Intangible assets	2,845	2,845	2,783
Environmental, restructuring & ARO	(134)	(144)	(103)
Tax liabilities	(364)	(358)	(228)
Net other (liabilities)/assets	114	76	(98)
Net Debt	(1,634)	(1,287)	(1,634)
Net Assets	**3,980**	**4,031**	**3,668**
Equity	**3,980**	**4,031**	**3,668**
Net tangible assets per share (cents)	0.70	0.73	0.54
Fertilisers - Average TWC % Rev(5)	9.2%	13.1%	14.0%
Explosives - Average TWC % Rev(5)	15.0%	14.6%	14.9%
Group - Average TWC % Rev(5)	12.4%	13.9%	14.4%

LOUISIANA AMMONIA PLANT

On 17 April 2013, IPL announced that the Company would invest US$850m to build an 800,000 metric tonne 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 manufacturing competency.

The project meets IPL's strict financial hurdles, with an expected 15% IRR and simple payback of less than five years. The return on investment is underpinned by three key factors:

- US producer Ammonia margins reflect the differential between US and European gas prices, where Europe is the marginal producer with greater than 15% of its production supplied to the global ammonia market.
- Access to the US Ammonia market requires dedicated infrastructure (logistics and storage) which is not readily available. IPL has accessed existing infrastructure through both its brownfield site and signing 100% of the plant's production to off-take arrangements.
- IPL has access to a brownfield site, which coupled with the signing of a lump sum turnkey engineering, procurement and construction contract with KBR, significantly reduces construction and capital cost risk.

The plant is expected to commence production at full rates in the third quarter of the 2016 calendar year.

CASH FLOW

Net operating cash flows improved by $62.7m to an outflow of $64.6m (pcp: $127.3m), primarily due to:

- Adjusted EBITDA was $4.7m higher, reflecting increased earnings in the Explosives business.
- Tax paid reduced $26.3m from the prior year as a result of timing of tax payments.

Net investing cash outflows decreased by $116.0m to $143.1m (pcp: $259.1m), significant movements included:

- Moranbah AN plant expenditure decreased significantly, reflecting the completion of construction works in the 2012 financial year. The current year outflow represented $13m of operating costs associated with ramping up the plant (primarily imported ammonia) and $2m of capital spend on plant improvements.
- Expenditure on growth projects of $61.6m (pcp: $86.1m), which included cash outflow for the completion of new emulsion plants and the Third Phosphoric Acid filter train at the Phosphate Hill plant, and mobile production units in the Explosives business.
- Spending on sustenance capital of $60.5m (pcp: $57.3m). Capital was invested in all plants across the IPL business in line with IPL's risk and reliability strategy.

Net financing cash flows were an outflow of $139.1m (pcp: $59.1m), an increase of $80.0m. The major outflow was the payment of a cash dividend of $148.2m (pcp: $133.6m).

Cash Flow Items	**Six months ended 31 March**		
A$M	**2013**	**2012**	**Change**
Net operating cash flows			
Adjusted Group EBITDA(3)	255.0	250.3	2%
TWC movement (excluding FX impact)	(221.0)	(229.1)	4%
Net interest paid	(22.5)	(12.4)	(81%)
Net income tax paid	(29.0)	(55.3)	48%
Dyno Nobel profit from associates	(15.1)	(8.5)	(78%)
Integration & restructuring costs	-	(6.7)	100%
Environmental and site clean up	(9.0)	(6.3)	(43%)
Other NTWC	(23.0)	(59.3)	61%
Operating cash flows	***(64.6)***	***(127.3)***	***49%***
Net investing cash flows			
Growth - Moranbah	(15.0)	(123.5)	88%
Growth - Moranbah capitalised interest	(27.1)	(33.9)	20%
Growth - Louisiana Ammonia feasibility	(9.0)	-	(100%)
Growth - Other	(61.6)	(86.1)	28%
Banked gas	(18.1)	-	(100%)
Proceeds from asset sales	22.6	7.5	201%
Sustenance	(60.5)	(57.3)	(6%)
Net investment hedge	14.8	29.2	(49%)
Settlement of loans provided to JV's	10.8	5.0	116%
Investing cash flows	***(143.1)***	***(259.1)***	***45%***
Net financing cash flows			
Dividends paid	(148.2)	(133.6)	(11%)
Gain on translation of US$ Net Debt	0.7	74.3	(99%)
Realised market value gains on derivatives	1.2	-	100%
Non-cash movement in Net Debt	7.2	0.2	3500%
Financing cash flows	***(139.1)***	***(59.1)***	***(135%)***
Decrease / (increase) in Net Debt	**(346.8)**	**(445.5)**	
Opening balance Net Debt	(1,286.9)	(1,188.8)	
Closing balance Net Debt	**(1,633.7)**	**(1,634.3)**	

DYNO NOBEL AMERICAS (DNA)

BUSINESS PEFORMANCE

DNA's USD EBIT decreased by $2.0m or 2% to $82.9m (pcp: $84.9m). Significant drivers of DNA's result included:

- ($6m) Sales volumes in the explosives business were down 7% with lower coal production in the first six months of the financial year being the most significant driver. A more detailed explanation of sales volumes is provided in the "Market Summary" section below.
- ($3m) Production costs for Initiating Systems were negatively impacted by an above CPI increase in the price of a specialised raw material, which could not be passed onto customers. The business has been working on alternative supply solutions to mitigate the impact of this in the second half.
- $5m: BEx led business efficiency actions have resulted in $5m of savings.
- $2m: Earnings from the Agriculture and Industrial business increased as a result of higher production volumes and better margins on sale of product to industrial customers.

DNA	Six months ended 31 March		
	2013	2012	Change
US$m			
Revenues			
- Explosives	497.4	508.7	(2%)
- Agriculture and Industrial	83.5	79.1	6%
Total Revenues	**580.9**	**587.8**	**(1%)**
EBIT			
- Explosives	50.7	54.4	(7%)
- Agriculture and Industrial	32.2	30.5	6%
Total EBIT	**82.9**	**84.9**	**(2%)**
A$m			
Revenues	559.9	570.5	(2%)
EBIT	80.0	82.5	(3%)
Translation exch. rate - A$/US$	1.04	1.03	(1%)
St Helens - average Urea price (USD kst)	507	520	(3%)

MARKET SUMMARY

AN volumes sold were down 7% for the period. The DNA explosives business sells product into the following major markets:

Coal

The Coal segment accounted for 56% of the AN volumes sold by the DNA business (on a rolling year basis). In the first half of 2013, sales volumes to coal customers were down 13.5% compared to the pcp, reflecting the carryover impact of high coal inventories from the previous financial year. While a recent increase in gas prices is favourable for coal production, coal inventories remain approximately 10% above the long term average, which in the short term is expected to temper demand.

Metals & Mining

The Metals and Mining segment accounted for 27% of the AN volumes sold by the DNA business (on a rolling year basis). In the first half sales volumes were up 7.5%, reflecting market growth.

Quarry & Construction

The Quarry and Construction ("Q&C") segment accounted for 17% of the AN volumes sold by the DNA business (on a rolling year basis). Sales volumes were flat, as demand remained subdued during the winter months. DNA's Q&C volumes are driven by road 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, as volumes are driven by crushed rock used in residential estate construction and commercial infrastructure.

Agriculture and Industrial

The business experienced 6% EBIT growth in the first half, despite a reduction in Urea prices. The price the business achieved versus the Granular Urea NOLA index increased, partially offsetting the decline in the NOLA index during the period. The increase in EBIT was driven by better margins from increased sales to Industrial customers of Diesel Exhaust Fluid Urea and Nitric Acid.

DYNO NOBEL ASIA PACIFIC (DNAP)

BUSINESS PERFORMANCE

DNAP's EBIT decreased by $28.5m or 30% to $67.5m (pcp: $96.0m). Underlying earnings, excluding the Moranbah unfavourable contract liability release, increased by 22% or $12.0m to $67.5m (pcp: $55.5m). Significant drivers of DNAP's underlying result include:

- $16m: An increase in earnings from the sale of product and services to Moranbah foundation customers, inclusive of the recovery of the $2.1m loss made supplying AN to customers in the previous period. Margins recorded on AN sales reflect manufactured margins from the Moranbah Emulsion and Prill plants.
- $5m: Higher earnings from the QNP Joint Venture investment, as a result of improved production volumes in the first half, reflecting the plant turnaround and outage in the pcp.
- ($5m): Impact of a negative sales mix and lower sales volumes as a result of adverse weather conditions on the East Coast of Australia and the loss of a customer in the Hunter Valley, offset in part by growth in Western Australia and the Hard Rock and Underground businesses.
- ($4m): An increase in support costs associated with running the DNAP business including HR, Safety and Regulatory functions, reflecting the investment made in the second half of the 2012 financial year. It is expected that there will be no further increase in support costs in the second half.

DNAP	Six months ended 31 March		
	2013	2012	Change
A$m			
Revenues	359.9	285.6	26%
EBIT			
- Moranbah	23.0	7.0	229%
- Base business	44.5	48.5	(8%)
- Moranbah liability unwind	-	40.5	(100%)
Total EBIT	**67.5**	**96.0**	**(30%)**
Underlying EBIT ex Moranbah liability unwind	**67.5**	**55.5**	**22%**

MARKET SUMMARY

AN volumes sold were up 36% (negative 5% excluding Moranbah customers) for the half year. The DNAP business sells product into the following major markets:

Moranbah Foundation Customers

Sales of AN to Moranbah foundation customers accounted for 40% of total AN sold by the DNAP business (on a rolling year basis). Sales to Moranbah foundation customers increased by 69kt compared to the pcp, to 117kt, of which 85kt was supplied from the Moranbah plant during the period.

Australian East Coast Coal excluding Moranbah

Sales of AN to Australian east coast coal customers accounted for 15% of total AN sold by the DNAP business (on a rolling year basis). In the first half of 2013, volumes sold decreased by 33%, reflecting the loss of a significant customer in the Hunter Valley during the period and the impact of adverse weather on mining volumes on the East Coast of Australia in the second quarter of the financial year.

Western Australia

WA sales account for 28% of the AN volumes sold by the DNAP business (on a rolling year basis). In the first half of 2013, sales volumes increased by 5%, which was a reflection of the growth of the business' largest customer in the region, partially offset by lower volumes sold to smaller miners, who were adversely impacted by lower commodity prices.

Hard Rock and Underground

Hard Rock and Underground sales account for 7% of the AN volumes sold by the DNAP business (on a rolling year basis). Volumes grew by 26% as the business contracted a new customer and growth occurred in the existing customer base.

Indonesia and PNG

These markets account for 10% of the AN volumes sold by the DNAP business for the period. AN volumes fell by 8% as, in Indonesia, customers reduced their demand for AN by "high grading" ore bodies, thereby decreasing stripping ratios as a way to improve efficiency in the short term.

MORANBAH AN PLANT UPDATE

The ramp up of the Moranbah AN plant experienced difficulties since the second quarter of the financial year, as the integration of the Nitric Acid, ANSOL and Ammonia plants at higher production rates was impacted by site steam balance and control system integration. In addition interruptions to the supply of gas to the site caused outages in the Ammonia plant in March through May.

In May, a plan was finalised to address these issues and provides a path to the plant delivering on the investment case. The plan includes:

- An estimated one month Ammonia plant shut-down from 12 May 2013 to repair damage to the plant subsequent to recent gas outages;
- Allowance for additional resources for the next twelve months, until the plant reaches capacity;
- Capital of $20m to build primarily additional steam capacity; and

The work coincides with capacity uprates being put in place by the gas supplier.

INCITEC PIVOT FERTILISERS (IPF)

BUSINESS PERFORMANCE

IPF's EBIT increased by $23.3m to $25.5m (pcp: $2.2m). Factors driving the result included the following:

- $26m: Distribution margins recovered due to improved risk management processes, stabilising margins to levels consistent with the longer term average. In response to significant volatility and the decline in distribution margins in the prior year, management implemented a Value at Risk methodology to limit the size of open positions across the business and successfully introduced more robust customer contracts, to provide clarity and certainty to both IPL and its customers on volumes and price.
- $8m: Higher production from the Gibson Island plant, coupled with lower production costs driven by improved plant efficiency, positively impacted earnings.
- ($5m): A higher average AUD:USD exchange rate of $1.04 (pcp: $0.96) resulted in lower revenues and earnings from USD denominated Urea sales.
- ($4m): The effect of lower nitrogen prices on the IPF result as global Urea prices averaged US$417/t in the first half (pcp: US$445/t).
- ($2m): Lower distribution volumes negatively impacted earnings, the reasons for which are documented in the "Market Summary" section documented on this page.

IPF	Six months ended 31 March		
	2013	2012	Change
Revenue	391.2	442.0	(11%)
EBIT	25.5	2.2	1059%
IPF - KPIs			
Tonnes Sold '000's	693.1	778.0	(11%)
Middle East Granular Urea (US$/t)	417	445	(6%)
Average exchange rate - A$/US$	1.04	0.96	(8%)
Urea equivalent production sold via IPF ('000's)	150.1	122.3	23%

MARKET SUMMARY

The IPF business sells product into the following major markets:

Winter Crop

Early season sales made in the first half of the financial year have remained consistent with the pcp, as farmers have again delayed any significant pre-purchase of fertilisers due to dry conditions and stable to falling global prices.

Winter Crop demand in the second half of the financial year looks to be consistent with the pcp, with the business contracting approximately 80% of Urea and Ammonium Phosphate sales for April and May.

Summer Crop

Volumes sold into the summer crop were down 5% against the pcp. The season was negatively impacted by dry conditions in North East Australia in the first four months of the financial year. This resulted in lower Cotton and Sorghum plantings. However, heavy rainfalls in late January supported a later than usual Sorghum planting, offsetting in part the reduced sales volume experienced early in the year.

Pasture

SSP sales volumes were 61kt lower than the prior year, as the market was impacted by lower milk prices and drier than usual weather conditions. It is not expected that the volumes will recover in the second half.

SOUTHERN CROSS INTERNATIONAL (SCI)

BUSINESS PERFORMANCE

SCI's EBIT decreased by $37.9m or 60% to $25.2m (pcp: $63.1m). SCI's result is split into four parts, significant movements are explained below:

Phosphate Hill EBIT decreased by $44.6m to $5.2m (pcp: $49.8m). Significant factors included:

- ($20m): DAP prices averaged US$506/t, US$62/t lower than the pcp (US$568/t).
- ($15m): A higher average AUD:USD exchange rate of $1.04 (pcp: $0.96) resulted in lower revenues and earnings from USD denominated DAP sales.
- ($6m): Freight margins declined as a result of freight rates from Tampa to Australia falling compared to the pcp and higher domestic freight rates.
- ($4m): Lower sold production of manufactured DAP, as a result of timing of shipments and lower production.

Cost of production for the first half of the financial year was down slightly compared to the pcp. Significant drivers were:

- $8m: BEx initiated plant efficiencies.
- $2m: Lower sulphur prices reduced variable costs.
- ($6m): The impact of inflation and carbon tax on the cost base.
- ($4m): The effect of lower fixed cost absorption due to lower production tonnes.

The Mt Isa plant outage in November 2012 had a cost impact of $22m (compared to the plant running at nameplate capacity), attributable to the cost of the repair and the production inefficiencies at the Phosphate Hill plant associated with lower volumes and an adverse sulphuric acid mix. Note: there was no earnings impact due to an outage of a similar duration in the pcp.

Subsequent to the restart of the Mt Isa Sulphuric Acid plant, met-gas supply was impacted by maintenance outages at Xstrata's Copper Smelter, which resulted in a further ten days lost production.

Industrials EBIT decreased by $4.2m or 18% to $19.4m (pcp: $23.6m), as a result of lower sales volumes of manufactured Ammonia and Urea related products sold by the business and a decrease in global prices of these products.

SCI	Six months ended 31 March		
	2013	**2012**	**Change**
SCI Tonnes '000's			
Phosphate Hill production sold	330	371	(11%)
SCI Trading	49	49	0%
Industrial	148	141	5%
Quantum	429	1,179	(64%)
SCI Revenue $Am			
Phosphate Hill production sold	176.8	244.6	(28%)
SCI Trading	16.8	20.7	(19%)
Industrial	53.6	51.1	5%
Quantum	2.2	45.9	(95%)
Total	**249.4**	**362.3**	**(31%)**
SCI EBIT $Am			
Phosphate Hill plant	5.2	49.8	(90%)
SCI	0.1	0.3	(67%)
Industrial	19.4	23.6	(18%)
Quantum	0.5	(10.6)	
Total	**25.2**	**63.1**	**(60%)**
SCI KPIs			
Average DAP Tampa ($US/t)	506	568	(11%)
Freight margin net of distribution ($A/t)(6)	11.2	26.7	(58%)
Average exchange rate A$/US$	1.04	0.96	(8%)
Phosphate Hill Production Tonnes ('000's)	363	383	(5%)

Quantum EBIT improved by $11.1m to a profit of $0.5m (pcp: loss of $10.6m). Volumes sold decreased by 750kt or 64%, as a result of the Indian market importing less fertiliser.

Through the Quantum business, IPL is able to achieve higher prices on exported DAP, 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

The IPL Group Total Recordable Injury Frequency Rate for the rolling twelve months ("TRIFR") to 31 March 2013 increased to 1.29 (2012: 1.17).

There were two fatalities in the current financial year, which is totally unacceptable. The business responded in the following way:

- A full investigation was initiated, which remains in progress.
- A safety stand-down occurred at all sites globally, reinforcing IPL's core value of "Zero Harm for everyone everywhere".
- The Employee Assistance Program was made available.
- In the Group's 2013 Short Term Incentive Plan, the component linked to safety was forfeited.

Environment

The IPL Group's current global carbon footprint of 2.8 million tonnes of carbon dioxide equivalent is representative of the scale and capacity of its 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.

More than half of these emissions are from Australian manufacturing including our new AN facility at Moranbah classifying IPL as a 'large emitter' under the Australian National Greenhouse and Energy Reporting System. Under the Jobs and Competitiveness Program, IPL received 1.2 million free carbon units in November 2012 in relation to IPL's emissions-intensive trade-exposed activities. IPL estimates that, with the receipt of assistance for its emission-intensive trade-exposed manufacturing activities, its final annual carbon tax liability will be less than $10m per annum during the three year fixed price period.

BEx

In 2012 BEx was implemented across many of IPL's manufacturing operations. In the current period, the business is successfully rolling out BEx to the supply chain and logistic functions.

As the business has adopted the structured approach to business improvement, the need for corporate support has decreased. This has resulted in a reduction in the expected longer term cost of BEx.

In 2013, it is now expected that the cost of BEx will be no more than $15m, whereas the benefits that BEx delivers will be at least $25m. Already in the first half, BEx has delivered $13m in savings via initiatives generated by the North American business and Phosphate Hill plants.

In the 2014 year, the cost of BEx is expected to be less than $15m and will be recorded by the business units, meaning the cost being carried in the corporate cost centre will be reduced to nil. While costs are carried by the business, it is expected that the benefits that BEx deliver will be significantly greater than the cost invested, via continuous improvement initiatives that the BEx methodology generates.

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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
2. EBIT = Earnings before Interest and Tax, excluding individually material items
3. For the half year ended 31 March 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	$40.5m
Interest	($10.5m)
Tax	($9.0m)
NPAT	$21.0m

   As the business wrote back the entire Moranbah unfavourable contract liability in the 2012 financial year, there is no comparative release in the six month period ended 31 March 2013. The "Adjusted EBIT" excludes this impact from the 2012 result.
4. Interest cover = 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.

INCITEC PIVOT LIMITED FINANCIAL PERFORMANCE	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	September 2009 FY $mill	September 2009 HY $mill	March 2009 HY $mill
VOLUMES ('000's tonnes)													
Incitec Pivot Fertilisers	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	1,423.0	920.0	503.0
Southern Cross International													
Manufactured AP's	330.0	879.0	508.0	371.0	929.0	575.2	353.8	902.0	470.0	432.0	824.0	508.0	316.0
Traded & Non-AP's	48.9	115.0	66.0	49.0	84.0	13.6	70.4	211.0	126.0	85.0	351.0	163.0	188.0
Industrial Chemicals	148.0	323.0	182.0	141.0	284.0	154.5	129.5	251.0	119.0	132.0	275.0	129.0	146.0
Quantum	429.0	2,554.0	2,449.0	105.0	2,602.0	2,551.4	50.6	-	-	-	-	-	-
Intercompany Eliminations (SCI to IPF)	(198.0)	(264.0)	(106.0)	(158.0)	(294.0)	(127.5)	(166.5)	(286.0)	(58.0)	(228.0)	(235.0)	(93.0)	(142.0)
BUSINESS SEG SALES													
Incitec Pivot Fertilisers	391.2	1,159.1	717.1	442.0	1,185.5	762.1	423.4	885.9	506.8	379.1	950.2	565.7	384.5
Southern Cross International	249.4	731.9	369.6	362.3	877.6	537.2	340.4	647.1	367.2	279.9	777.5	377.5	400.0
Fertilisers Eliminations	(105.9)	(160.3)	(63.1)	(97.2)	(193.8)	(82.9)	(110.9)	(145.4)	(34.3)	(111.1)	(136.4)	(49.0)	(87.4)
Fertilisers	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	1,591.3	894.2	697.1
Dyno Nobel Americas	559.9	1,172.2	601.7	570.5	1,172.5	622.4	550.1	1,092.5	618.9	473.6	1,388.4	594.8	793.6
Dyno Nobel Asia Pacific	359.9	626.4	340.8	285.6	533.1	299.0	234.1	499.8	261.7	238.1	505.7	254.5	251.2
Explosives Eliminations	(13.6)	(28.4)	(14.7)	(13.7)	(27.5)	(14.8)	(12.7)	(48.2)	(25.0)	(23.2)	(66.5)	(32.6)	(33.9)
Explosives	906.2	1,770.2	927.8	842.4	1,678.1	906.6	771.5	1,544.1	855.6	688.5	1,827.6	816.7	1,010.9
Group Elimination	(14.0)	-	1.3	(1.3)	(2.1)	(2.1)	-	-	-	-	-	-	-
Total Sales - IPL Group	***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***	***3,418.9***	***1,710.9***	***1,708.0***
GEOGRAPHIC SEG SALES													
Australia	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	2,097.5	1,157.4	940.1
North America	492.3	1,030.8	529.2	501.6	1,036.0	547.9	488.1	1,006.2	565.2	441.0	1,292.7	550.4	742.3
Turkey	35.4	78.1	39.5	38.6	82.9	46.1	36.8	14.8	14.8	-	-	-	-
Other	36.2	75.7	(0.1)	75.8	122.8	94.1	28.7	38.9	19.2	19.7	28.7	3.1	25.6
Total - IPL Group	***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***	***3,418.9***	***1,710.9***	***1,708.0***

INCITEC PIVOT LIMITED FINANCIAL PERFORMANCE	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	September 2009 FY $mill	September 2009 HY $mill	March 2009 HY $mill
BUSINESS SEG EBITDA													
Incitec Pivot Fertilisers	42.1	124.1	106.2	17.9	156.0	93.8	62.2	141.6	75.2	66.4	121.1	65.4	55.7
Southern Cross International	38.1	203.6	125.6	78.0	353.3	229.4	123.9	236.9	158.2	78.7	195.8	94.3	101.5
Fertilisers Eliminations	(1.1)	3.3	7.7	(4.4)	(3.7)	15.8	(19.5)	(0.6)	17.8	(18.4)	24.3	6.2	18.1
Fertilisers	79.1	331.0	239.5	91.5	505.6	339.0	166.6	377.9	251.2	126.7	341.2	165.9	175.3
Dyno Nobel Americas	118.8	263.2	146.1	117.1	244.3	141.0	103.3	236.5	144.7	91.8	297.4	150.0	147.4
Dyno Nobel Asia Pacific	80.8	232.6	126.2	106.4	215.3	125.7	89.6	196.0	111.0	85.0	135.6	73.9	61.7
Explosives Eliminations	(0.7)	(2.0)	(1.0)	(1.0)	(0.4)	(0.4)	-	1.5	1.0	0.5	(3.8)	8.4	(12.2)
Explosives	198.9	493.8	271.3	222.5	459.2	266.3	192.9	434.0	256.7	177.3	429.2	232.3	196.9
Corporate	(23.0)	(69.9)	(46.7)	(23.2)	(44.5)	(33.5)	(11.0)	(24.6)	(17.2)	(7.4)	(27.4)	(15.5)	(11.9)
Total EBITDA - IPL Group	***255.0***	***754.9***	464.1	***290.8***	***920.3***	***571.8***	***348.5***	***787.3***	***490.7***	***296.6***	***743.0***	***382.7***	***360.3***
BUSINESS SEG Depreciation and Amortisation													
Incitec Pivot Fertilisers	(16.6)	31.8	16.1	15.7	27.2	13.7	13.5	29.2	14.3	14.9	27.1	14.2	12.9
Southern Cross International	(12.9)	28.3	13.4	14.9	29.4	14.9	14.5	14.3	9.4	4.9	12.5	6.5	6.0
Fertilisers	(29.5)	60.1	29.5	30.6	56.6	28.6	28.0	43.5	23.7	19.8	39.6	20.7	18.9
Dyno Nobel Americas	(38.8)	72.6	38.0	34.6	70.5	34.3	36.2	73.3	37.5	35.8	99.7	46.9	52.8
Dyno Nobel Asia Pacific	(13.3)	21.3	10.9	10.4	19.9	10.1	9.8	20.0	10.2	9.8	25.8	10.6	15.2
Explosives	(52.1)	93.9	48.9	45.0	90.4	44.4	46.0	93.3	47.7	45.6	125.5	57.5	68.0
Corporate	(0.9)	1.8	1.0	0.8	1.2	0.5	0.7	2.2	1.1	1.1	2.2	1.0	1.2
Total Depreciation and Amortisation - IPL Group	***(82.5)***	***155.8***	***79.4***	***76.4***	***148.2***	***73.5***	***74.7***	***139.0***	***72.5***	***66.5***	***167.3***	***79.2***	***88.1***
BUSINESS SEG EBIT													
Incitec Pivot Fertilisers	25.5	92.3	90.1	2.2	128.8	80.1	48.7	112.4	60.9	51.5	94.0	51.3	42.7
Southern Cross International	25.2	175.3	112.2	63.1	323.9	214.5	109.4	222.6	148.8	73.8	183.3	87.8	95.5
Fertilisers Eliminations	(1.1)	3.3	7.7	(4.4)	(3.7)	15.8	(19.5)	(0.6)	17.8	(18.4)	24.3	6.1	18.2
Fertilisers	49.6	270.9	210.0	60.9	449.0	310.4	138.6	334.4	227.5	106.9	301.6	145.2	156.4
Dyno Nobel Americas	80.0	190.6	108.1	82.5	173.8	106.7	67.1	163.2	107.2	56.0	197.7	103.1	94.6
Dyno Nobel Asia Pacific	67.5	211.3	115.3	96.0	195.4	115.6	79.8	176.0	100.8	75.2	109.8	63.3	46.5
Explosives Eliminations	(0.7)	(2.0)	(1.0)	(1.0)	(0.4)	(0.4)	-	1.5	1.0	0.5	(3.8)	8.4	(12.2)
Explosives	146.8	399.9	222.4	177.5	368.8	221.9	146.9	340.7	209.0	131.7	303.7	174.8	128.9
Corporate	(23.9)	(71.7)	(47.7)	(24.0)	(45.7)	(34.0)	(11.7)	(26.8)	(18.3)	(8.5)	(29.6)	(16.5)	(13.1)
Total EBIT - IPL Group	***172.5***	***599.1***	***384.7***	***214.4***	***772.1***	***498.3***	***273.8***	***648.3***	***418.2***	***230.1***	***575.7***	***303.5***	***272.2***
GEOGRAPHIC SEG NON-CURRENT ASSETS OTHER THAN FINANCIAL INSTRUMENTS AND DEFERRED TAX ASSETS													
Australia	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	2,590.3	2,590.3	3,278.1
North America	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	2,431.8	2,431.8	3,352.0
Turkey	86.8	88.4	88.4	126.7	129.6	129.6	137.9	153.6	153.6	-	-	-	-
Other	92.6	99.7	99.7	92.3	97.0	97.0	84.4	76.9	76.9	126.6	85.1	85.1	124.2
Total - IPL Group	***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***	***5,107.2***	***5,107.2***	***6,754.3***
FINANCIAL PERFORMANCE													
EBIT	172.5	599.1	384.7	214.4	772.1	498.3	273.8	648.3	418.2	230.1	575.7	303.5	272.2
Net Interest	(25.0)	(55.5)	(28.0)	(27.5)	(58.2)	(28.4)	(29.8)	(53.0)	(21.8)	(31.2)	(107.6)	(48.3)	(59.3)
Operating Profit Before Tax and Minorities	147.5	543.6	356.7	186.9	713.9	469.9	244.0	595.3	396.4	198.9	468.1	255.2	212.9
Income Tax Expense	(37.2)	(141.6)	(94.5)	(47.1)	(179.7)	(115.2)	(64.5)	(150.8)	(98.1)	(52.7)	(120.3)	(77.2)	(43.1)
NPAT pre Individually Material Items	110.3	402.0	262.2	139.8	534.2	354.7	179.5	444.5	298.3	146.2	347.8	178.0	169.8
Individually Material Items Before Tax	-	168.1	168.1	-	(92.5)	(73.3)	(19.2)	(55.4)	(34.9)	(20.5)	(782.7)	(681.6)	(101.1)
Tax on Individually Material Items	-	(62.1)	(62.1)	-	25.6	19.4	6.2	23.1	16.7	6.4	213.5	182.6	30.9
NPAT & Individually Material Items	***110.3***	***508.0***	***368.2***	***139.8***	***467.3***	***300.8***	***166.5***	***412.2***	***280.1***	***132.1***	***(221.4)***	***(321.0)***	***99.6***
NPAT attributable to shareholders of IPL	110.2	510.7	367.2	143.5	463.2	297.6	165.6	410.5	278.1	132.4	(221.4)	(321.0)	99.6
NPAT attributable to minority interest	0.1	(2.7)	1.0	(3.7)	4.1	3.2	0.9	1.7	2.0	(0.3)	-	-	-

INCITEC PIVOT LIMITED **FINANCIAL POSITION**	**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	**September 2009 FY** $mill	**September 2009 HY** $mill	**March 2009 HY** $mill
Cash	37.0	154.1	154.1	40.3	379.7	379.7	116.5	48.7	48.7	76.7	125.2	125.2	493.8
Inventories	538.0	403.7	403.7	577.8	477.9	477.9	606.0	336.2	336.2	446.7	397.1	397.1	737.5
Trade Debtors	337.7	357.1	357.1	375.6	431.5	431.5	396.1	432.3	432.3	303.8	275.3	275.3	384.3
Trade Creditors	(494.8)	(600.7)	(600.7)	(452.7)	(630.1)	(630.1)	(503.4)	(476.7)	(476.7)	(398.7)	(413.5)	(413.5)	(574.0)
Trade Working Capital	380.9	160.1	160.1	500.7	279.3	279.3	498.7	291.8	291.8	351.8	258.9	258.9	547.8
Net Property, Plant & Equipment	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	1,673.7	1,673.7	1,930.2
Intangibles	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	3,153.0	3,153.0	4,452.7
Net Other Assets	(383.4)	(425.7)	(425.7)	(428.3)	(615.9)	(615.9)	(425.6)	(446.6)	(446.6)	(316.2)	(282.6)	(282.6)	(595.3)
Net Interest Bearing Liabilities													
Current	(119.6)	(125.7)	(125.7)	(105.6)	(95.7)	(95.7)	(98.6)	(108.5)	(108.5)	(144.8)	(432.2)	(432.2)	(173.2)
Non-Current	(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)	(1,156.4)	(1,156.4)	(2,426.0)
Net Assets	***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***	***3,339.6***	***3,339.6***	***4,230.0***
Total Equity	***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***	***3,339.6***	***3,339.6***	***4,230.0***
Capital Expenditure (Accruals Basis)													
Total Capital Expenditure	***125.3***	***626.2***	***358.2***	***268.0***	***612.2***	***335.2***	***277.0***	***359.3***	***268.3***	***91.0***	***328.7***	***133.4***	***195.2***
Depreciation and amortisation	82.5	155.8	79.4	76.4	148.2	73.5	74.7	139.0	72.5	66.5	170.5	78.6	91.9
Ratios													
EPS, cents pre individually material items	6.8	24.8	16.0	8.8	32.5	21.5	11.0	27.3	18.3	9.0	22.6	11.1	11.5
EPS, cents post individually material items	6.8	31.4	22.6	8.8	28.4	18.2	10.2	25.3	17.1	8.2	(14.4)	(21.1)	6.7
DPS, cents	3.4	12.4	9.1	3.3	11.5	8.2	3.3	7.8	6.0	1.8	4.4	2.3	2.1
Franking, %	75%	68%	75%	50%	0%	0%	0%	0%	0%	0%	48%	0%	100%
Interest Cover (times)	6.8	7.9	7.9	10.6	10.8	10.8	11.2	12.2	12.2	9.5	6.4	6.4	11.5
Gearing (net debt/net debt plus equity)	29.1%	24.2%	24.2%	30.8%	24.3%	24.3%	27.6%	23.3%	23.3%	27.1%	30.5%	30.5%	33.2%

Note: 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	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)	September 2009 FY $mill Inflows/ (Outflows)	September 2009 HY $mill Inflows/ (Outflows)	March 2009 HY $mill Inflows/ (Outflows)
Net operating cash flows													
Group EBITDA	255.0	754.9	464.1	290.8	920.3	571.8	348.5	787.3	490.7	296.6	743.0	382.7	360.3
Net interest paid	(22.5)	(33.9)	(21.5)	(12.4)	(17.9)	(2.5)	(15.4)	(38.7)	(17.3)	(21.4)	(92.2)	(35.9)	(56.3)
Net income tax received/(paid)	(29.0)	(86.3)	(31.0)	(55.3)	(4.5)	(24.5)	20.0	(10.3)	(3.4)	(6.9)	(146.3)	(69.3)	(77.0)
TWC movement (excluding FX impact)	(221.0)	110.6	339.7	(229.1)	11.1	226.5	(215.4)	(34.3)	65.6	(99.9)	50.8	289.5	(238.7)
Moranbah provision release	-	(81.1)	(40.6)	(40.5)	(84.0)	(42.0)	(42.0)	(85.4)	(42.7)	(42.7)	(61.6)	(30.8)	(30.8)
Dyno Nobel profit from associates	(15.1)	(27.4)	(18.9)	(8.5)	(24.2)	(13.1)	(11.1)	(30.5)	(16.2)	(14.3)	(19.8)	(10.3)	(9.5)
Integration & restructuring costs	-	(10.8)	(4.1)	(6.7)	(53.4)	(34.2)	(19.2)	(52.0)	(31.5)	(20.5)	(87.4)	(57.3)	(30.1)
Environmental and site clean up	(9.0)	(21.7)	(15.4)	(6.3)	(20.2)	(12.1)	(8.1)	(5.0)	(3.0)	(2.0)	(11.5)	(6.9)	(4.6)
Other NTWC	(23.0)	16.5	75.8	(59.3)	(8.1)	(36.1)	28.0	(2.2)	7.5	(9.7)	(37.6)	(11.5)	(26.1)
Operating cash flows	***(64.6)***	***620.8***	***748.1***	***(127.3)***	***719.1***	***633.8***	***85.3***	***528.9***	***449.7***	***79.2***	***337.4***	***450.2***	***(112.8)***
Net investing cash flows													
Growth - Moranbah	(15.0)	(237.6)	(114.1)	(123.5)	(347.1)	(204.0)	(143.1)	(73.9)	(69.0)	(4.9)	(247.8)	(87.8)	(160.0)
Growth - Moranbah capitalised interest	(27.1)	(65.6)	(31.7)	(33.9)	(52.1)	(29.9)	(22.2)	(25.2)	(14.7)	(10.5)	(14.2)	(8.0)	(6.2)
Growth - Other	(61.6)	(146.6)	(94.5)	(52.1)	(43.0)	(30.0)	(13.0)	(18.5)	(12.1)	(6.4)	(26.2)	(26.2)	-
Sustenance	(60.5)	(154.7)	(97.4)	(57.3)	(204.4)	(80.7)	(123.7)	(198.7)	(131.8)	(66.9)	(104.8)	(30.3)	(74.5)
Proceeds from asset sales	22.6	10.0	2.5	7.5	37.9	34.4	3.5	19.0	17.2	1.8	52.5	21.1	31.4
Investments	-	(35.1)	(1.1)	(34.0)	(0.2)	(0.2)	-	(103.7)	(99.8)	(3.9)	(2.0)	(2.0)	-
Banked Gas	(18.1)	(22.1)	(22.1)	-	-	-	-	-	-	-	-	-	-
Other	16.6	50.4	16.2	34.2	1.1	21.7	(20.6)	-	-	-	-	-	-
Investing cash flows	***(143.1)***	***(601.3)***	***(342.2)***	***(259.1)***	***(607.8)***	***(288.7)***	***(319.1)***	***(401.0)***	***(310.2)***	***(90.8)***	***(342.5)***	***(133.2)***	***(209.3)***
Net financing cash flows													
Equity raising	-	-	-	-	-	-	-	-	-	-	901.7	-	901.7
Equity raising fees	-	-	-	-	-	-	-	-	-	-	(37.8)	(1.1)	(36.7)
Dividends paid	(148.2)	(187.3)	(53.7)	(133.6)	(151.4)	(53.7)	(97.7)	(18.3)	(18.3)	-	(237.4)	-	(237.4)
Gain/(Loss) on translation of US$ Debt	0.7	85.6	11.3	74.3	12.3	(61.4)	73.7	48.0	39.2	8.8	(342.7)	21.6	(364.3)
Realised market value gains/(losses) on derivatives	1.2	5.3	5.3	0.0	-	8.0	(8.0)	201.3	27.3	174.0	306.3	306.3	-
Non-cash movement in Net Debt	7.2	(21.2)	(21.4)	0.2	(63.9)	(71.0)	7.1	7.4	(8.3)	15.7	(18.3)	(2.0)	(16.3)
Financing cash flows	***(139.1)***	***(117.6)***	***(58.5)***	***(59.1)***	***(203.0)***	***(178.1)***	***(24.9)***	***238.4***	***39.9***	***198.5***	***571.8***	***324.8***	***247.0***
Decrease/(increase) in net debt	***(346.8)***	***(98.1)***	***347.4***	***(445.5)***	***(91.7)***	***167.0***	***(258.7)***	***366.3***	***179.4***	***186.9***	***566.7***	***641.8***	***(75.1)***