



June 28, 2004

Business strategy and overview

Nuplex – the company

- Sustainable business
 - Inputs to products and services that are essential to society
- Resilience through economic cycles
 - Geographic and market diversity provides protection
- Clear and proven growth strategy
 - 10 year EBITDA growth of 20% pa
- Reliable dividend flow
 - History of sustained dividend growth
- Competent management
 - Stable senior and middle management group

Overview

- Australasian and Asian manufacturer and distributor of specialty materials and chemicals
 - with historical base in construction products (1952)
- Diversified by investment in resin manufacture (1960)
 - Vertically integrated with Construction Products
- Further diversification by acquisition into
 - specialist waste services (1994)
 - specialty chemicals (1998)

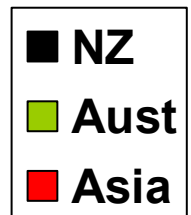
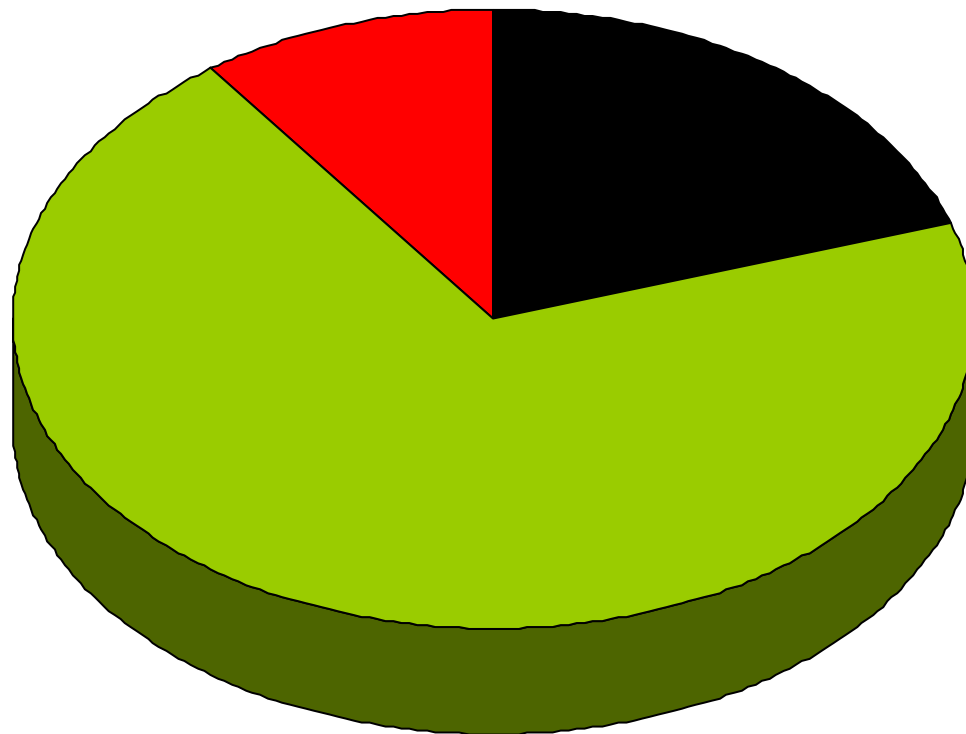
Overview

- Growth from organic, share gains and acquisitions
 - More than 20 acquisitions
- Growth from share gains through:
 - New product development and customisation
 - Superior application knowledge
 - Stable skilled operational, sales and technical workforce
 - Excellent service
 - Customer intimacy
 - Care for customer profit
- Listed NZX 1956 ASX 1999

Overview

- 2004 Sales ~ \$650m*
- Net Surplus ~ \$29m*
- Conservative financial structure
 - Net debt 48% (25% - Capital Notes)
- Employees
 - New Zealand 360
 - Australia 690
 - Asia 100
- Market Capitalisation
 - NZ\$320m A\$290m
- * mid point of analysts estimates

Business Split



Governance

- Fred Holland NZ Chairman
- Bryan Kensington NZ Chair Audit Committee
- Colin Martin NZ
- Michael Wynter Aus
- David Newton Aus Chair Remuneration Committee
- John Hirst Aus Sole Executive Director

Nuplex Business Structure



Resins

Inputs to manufacturers of paint, adhesive, ink, textile, construction products, fibreglass, paper

Construction Products

Flooring, cladding, waterproofing

Environmental Services



Hazardous and noxious waste management



Specialty Products

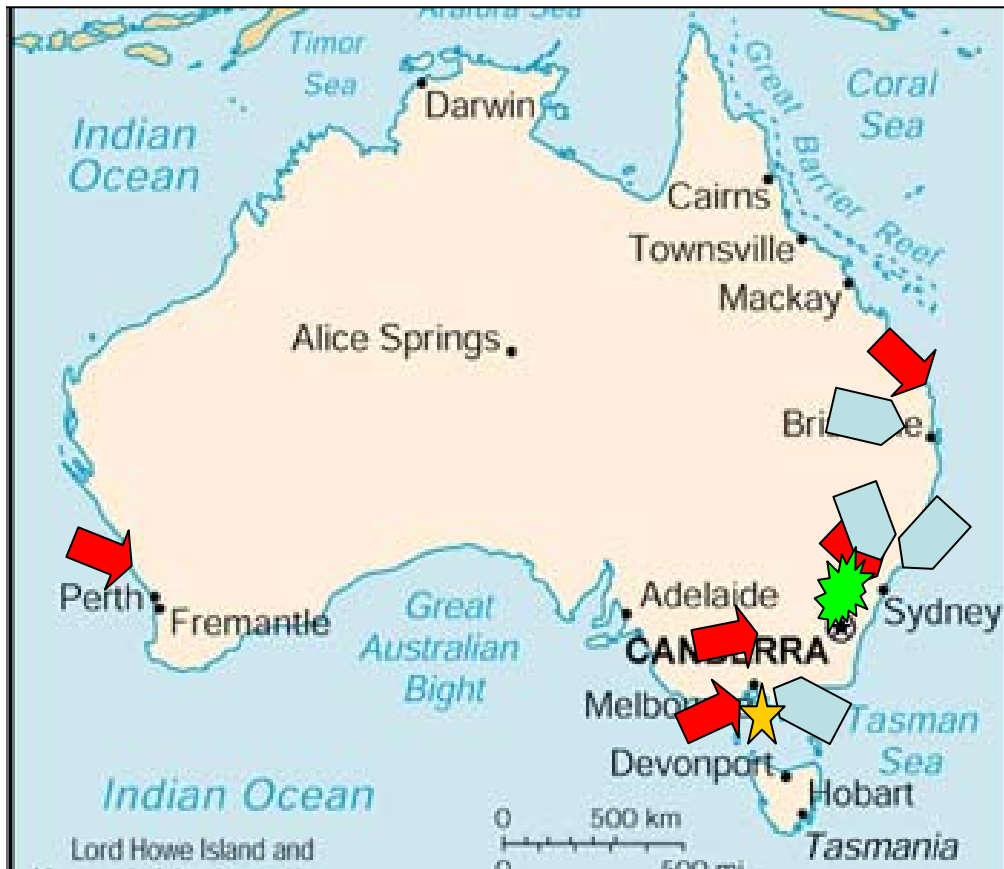
Inputs to manufacturers in food, coatings, healthcare, agriculture, rubber, plastic, mining, chemical sectors

Nuplex Business

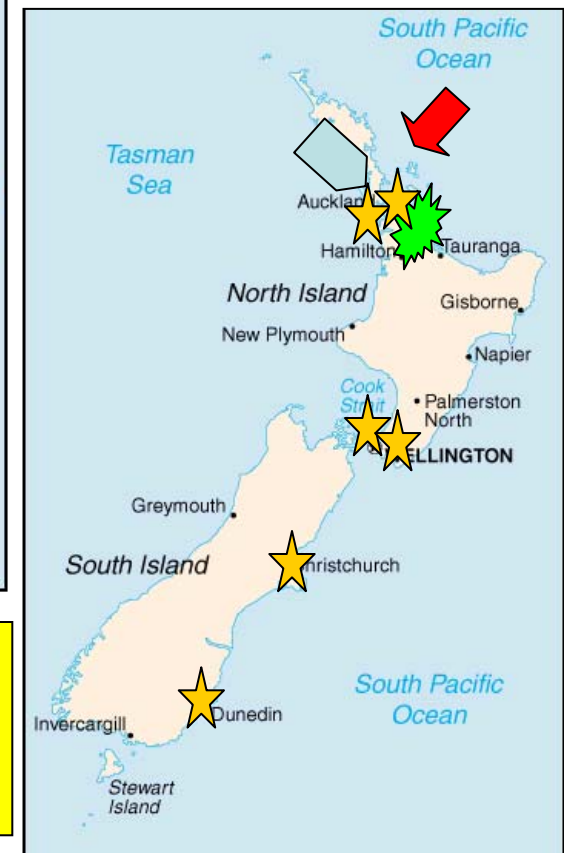
Sites

-  Resins
-  Specialty Products

-  Construction Prod
-  Environmental

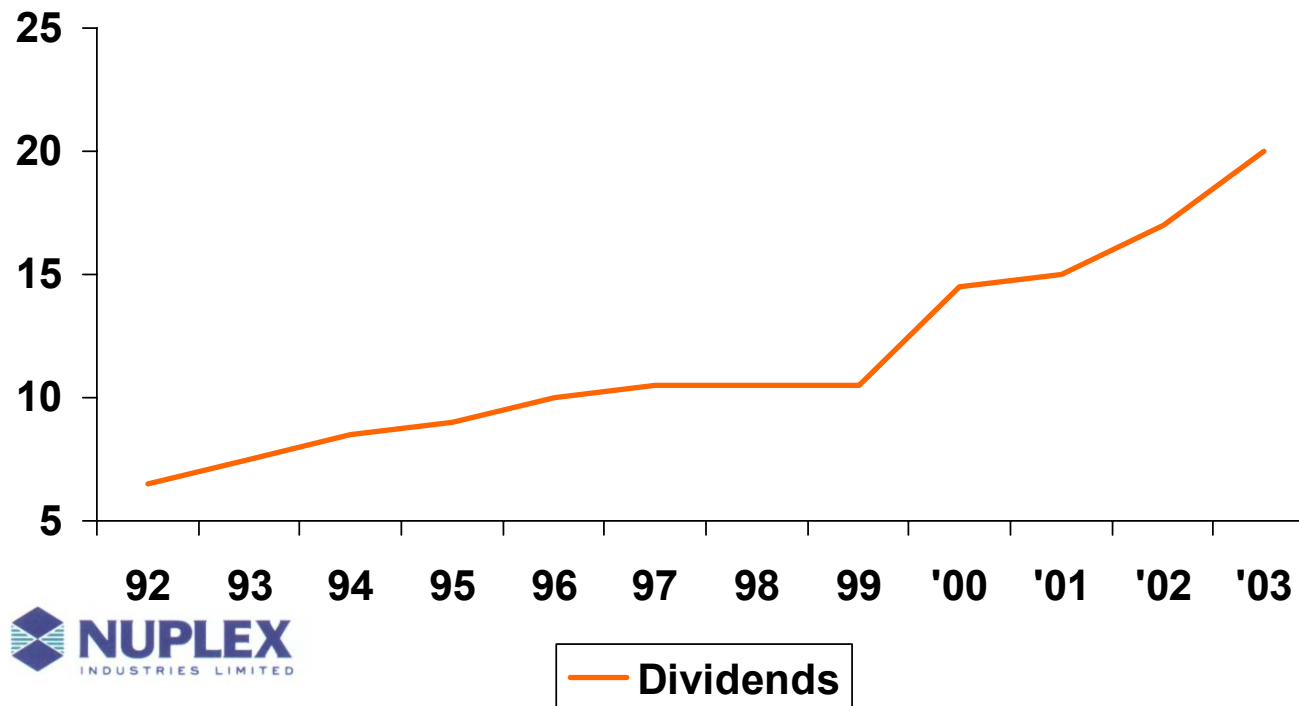


+ Shunde in China from July 2004



The Prime Objectives

- To provide steady growth in dividends
- To maximise the tax effectiveness of dividends

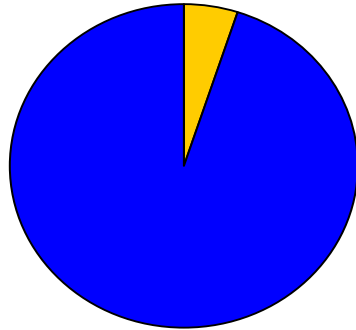


Strategy

Nuplex will focus on the manufacture and supply of technical materials which are inputs to manufacturing industry in which it is able to build technical and operational competitiveness.

Business Review and Strategy

Construction Products



- Low growth in the long term
- Little demand for capital
- Solid ROI performance
- Products are essential elements of construction
- **Conflict of Interest Issues**

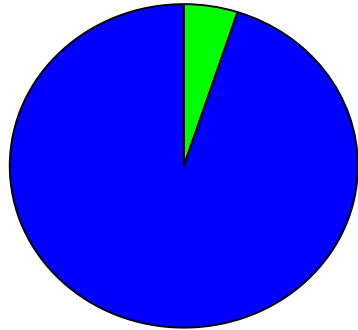
New Zealand

- Flooring, Waterproofing
 - Maintain share
- Cladding
 - Build share

Australia

- Flooring
 - Grow or exit
- Cladding
 - Grow

Environmental Services



- Low growth in the long term
- High short term demand for capital
- Essential services for community
- **Solid performer in mid term**

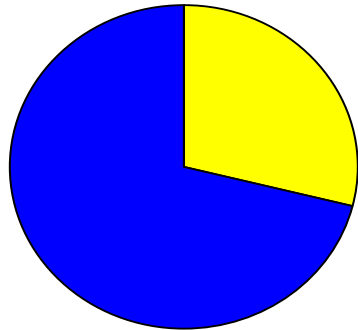
New Zealand

- Industrial
 - Invest in new process
 - Grow with add ons
 - Differentiate through technology
- Medical
 - Grow or exit

Australia

- Differentiate through technology

Specialty Products



- Moderate growth potential
- Moderate demand for capital
- Improved results in mid term
- Provider of key manufacturing inputs to ANZ & Asia
- ANZ future growth business

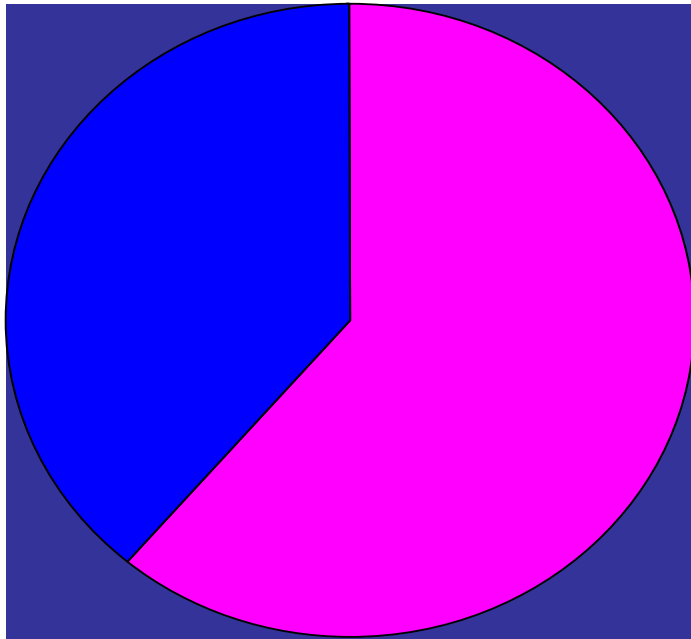
Manufactured

- Invest in new process
- Grow with add ons
- Strengthen technology
- Eliminate poor performers
- Take specific businesses off shore

Resale

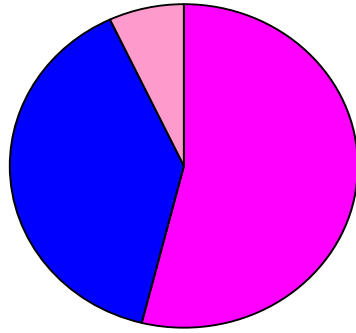
- Grow with add ons
- Differentiate through technical service
- Reduce investment

Resins



- Good growth potential
 - Little in ANZ
 - Targets all off shore
- High demand for capital
 - Short term “fix up”
 - Long term growth
- Steady results expected
 - Should provide solid growth
- **Principal future business**

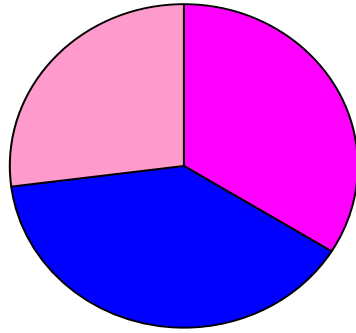
Paper Resins



- High market share
- Some growth in market
- International price pressure
- Little demand for capital
- Products essential for paper performance and mill operations
- **Steady results expected**

- Restricted to ANZ
 - Technology licensed
- Functional Products
 - Hold share
 - Maintain technology license
- Process Products
 - Expand product range
 - Build share

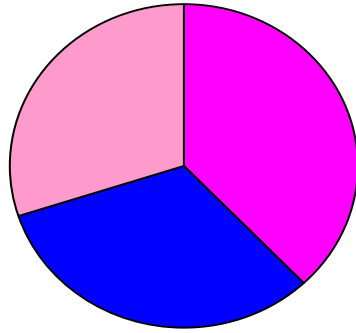
Composite Resins



- High market share
- Growth in market
- International opportunities
- Little demand for capital
- Most comprehensive range to composites industry
- **Steady growth expected**

- **Manufactured Products**
 - Hold share
 - Maintain technology leadership
 - Technology alliances
 - Reduce unit cost
- **Resale Products**
 - Expand product range
 - Add engineering resource
- **International Growth**
 - Licensing out
 - Vietnam
 - China

Coating & Adhesive Resins



- Moderate high market share
- Some growth in market
- International opportunities
- High demand for capital
- Only domestic manufacturer with solvent and water based systems
- **Steady growth expected**

- **New Zealand**
 - Maintain share
 - Differentiate through service
- **Australia**
 - Build share
 - New technology
 - Differentiate through service
- **Asia**
 - Match Vietnam capacity to market
 - Consolidate China
 - Establish local R&D, TS

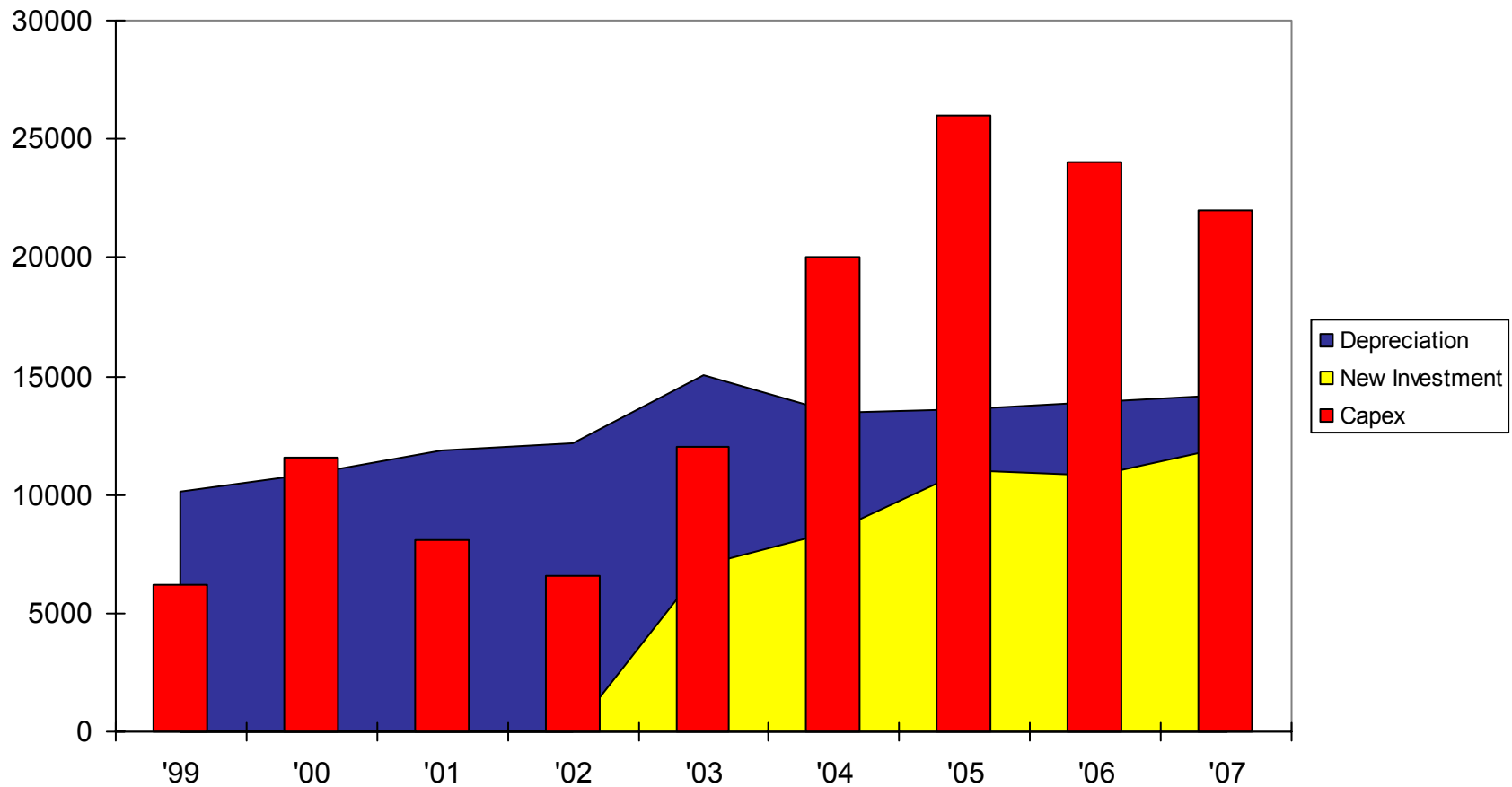
China

- Completion July 1 2004
- Announced investment of US\$5m
 - Sufficient for a viable business
- Current capability - solvent based coating resins
 - Additional capability for gelcoats
- Management
 - GM ex Nuplex NZ
 - Business Manager ex ICI Paints China
 - Operations Manager ex Dupont China
 - Finance Manager ex Whirlpool China
 - Projects Manager ex Procter & Gamble
 - English is the language of the office
 - Mandarin and Cantonese the languages of operations

China

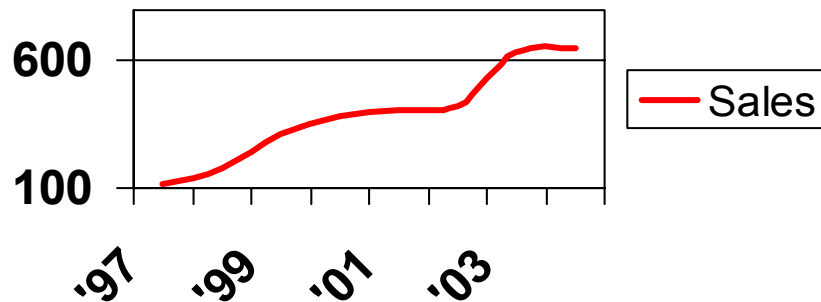
- Profit expectations
 - NZ\$0.5m loss in 2005 will impact group P & L
 - Neutral 2006
 - Maiden profit 2007
- Future investment
 - Solvent based coating resins
 - US\$2 – 3m would give substantial capacity
 - Emulsion polymers
 - Up to US\$6m for significant capacity
 - Composite Resins
 - Gelcoat production capability immediate
 - Minor plant modifications required
 - Specialty Products
 - Asia is main market for tyre bonding agents and textile dyes

Capital Expenditure 99 - 07

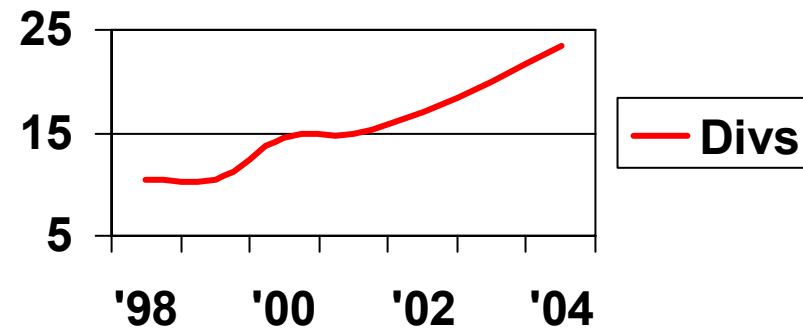


Summary

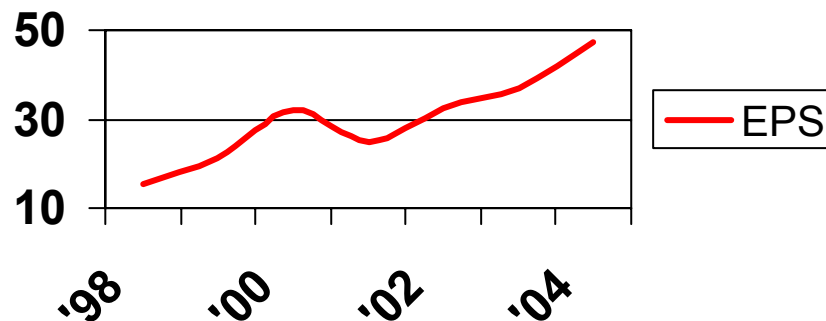
Clear & Proven Growth Strategy



Reliable Dividend



Resilience – EPS Growth



Competent, stable management

- 3 Managing Directors
 - in 50 years
- Most promotion is internal
- Senior management group
 - 15 – 40 years service

Nuplex products are essential inputs to manufacturing