



Incitec Pivot

14 November 2008

Office of the Company Secretary

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Company Announcements Office
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Dear Sir or Madam

Electronic Lodgement

Strong Institutional Support for Incitec Pivot's Entitlement Offer

In accordance with the listing rules, I attach a copy of an ASX Announcement for release to the market.

Yours faithfully



Kerry Gleeson
Company Secretary

Attach.

For personal use only



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NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES
OR TO US PERSONS

ASX ANNOUNCEMENT – 14 November 2008

STRONG INSTITUTIONAL SUPPORT FOR INCITEC PIVOT'S ENTITLEMENT OFFER

Incitec Pivot (ASX: **IPL**) has successfully completed the institutional component of its accelerated pro-rata entitlement offer (the "Entitlement Offer").

Through the Entitlement Offer, Incitec Pivot is seeking to raise a total of \$1.17 billion, comprising a now complete, underwritten Institutional Entitlement Offer of approximately \$819 million and a non-underwritten Retail Entitlement Offer of approximately \$351 million, the proceeds of which will depend upon retail take up.

The Entitlement Offer provides an opportunity for eligible shareholders to subscribe for 5 new Incitec Pivot ordinary shares (the "New Shares") for every 13 Incitec Pivot Ordinary Shares held at 7.00pm (Melbourne time) on 14 November 2008, at the Offer Price of \$2.50.

Completion of the Institutional Entitlement Offer

The Institutional Entitlement Offer has received overwhelming support from Incitec Pivot's existing institutional shareholders. Participation from existing eligible institutional shareholders was approximately 90% by number of shares available under the Institutional Entitlement Offer.

The Institutional Entitlement Offer was fully underwritten by Credit Suisse and UBS AG, Australia Branch.

The Institutional Entitlement Offer, upon settlement, will result in gross proceeds of approximately \$819 million, representing approximately 327.6 million New Shares at the Offer Price of \$2.50 per New Share. The New Shares from the Institutional Entitlement Offer are expected to be issued on 24 November 2008 and commence trading on the ASX on the same day.

"We are very pleased with the excellent support the offer has received from our existing institutional shareholders," said Managing Director & CEO, Julian Segal.

The New Shares will rank equally with existing shares from allotment. The New Shares will not qualify for the dividend of 19.5 cents per share in respect of the period to 30 September 2008.

Incitec Pivot shares are expected to resume trading on ASX at open of trading on Friday, 14 November 2008.

Commencement of the Retail Entitlement Offer

Incitec Pivot seeks to raise approximately \$351 million through the Retail Entitlement Offer.

The Retail Entitlement Offer is expected to open at 9:00am (Melbourne time) on Monday, 17 November 2008. The Retail Entitlement Offer will be open to Eligible Retail Shareholders in Australia and New Zealand registered on the Incitec Pivot share register at the record date of 7.00pm (Melbourne time) on Friday, 14 November 2008.

Eligible Retail Shareholders are able to subscribe for 5 New Shares for every 13 Incitec Pivot ordinary shares at the Offer Price of \$2.50, which is the same as the Offer Price for the Institutional Entitlement Offer. It represents a discount of 36.6% per cent to the closing price of Incitec Pivot shares on the ASX on Monday, 10 November 2008 and a 29.5% per cent discount to the theoretical ex-entitlement price (both adjusted for the 19.5 cent FY2008 final dividend).

Eligible Retail Shareholders may choose to take up their entitlement in whole, in part or not at all. As the Entitlement Offer is non-renounceable, Entitlements are not tradeable and Eligible Retail Shareholders who do not participate in the Entitlement Offer will not receive any value for their Entitlement and their percentage holding may be diluted.

A copy of the Prospectus and Entitlement and Acceptance Form will be mailed to Eligible Retail Shareholders by 19 November 2008. The Retail Entitlement Offer closes on Thursday, 4 December 2008 at 5.00pm (Melbourne time). Offers of the New Shares under the Retail Entitlement Offer to Eligible Retail Shareholders will be made in, or accompanied by, a copy of the Prospectus. In deciding whether to take up the offer of New Shares, Eligible Retail Shareholders should consider the Prospectus. Any Eligible Retail Shareholder who wishes to acquire New Shares under the Retail Entitlement Offer will need to complete, or otherwise apply in accordance with, the personalised Entitlement and Acceptance Form that will accompany the Prospectus.

Eligible Retail Shareholders who have any queries or who do not receive a Prospectus are encouraged to contact the Incitec Pivot Entitlement Offer Information Line on 1300 305 840 (local call cost from within Australia) or +61 2 8280 7700 (from outside Australia) at any time from 8.30 am to 5.30 pm (Melbourne time) Monday to Friday during the Offer Period.

Copies of the Prospectus will be also available to Eligible Retail Shareholders in Australia and New Zealand by downloading it from the Incitec Pivot website www.incitecpivot.com.au.

Key dates for the Retail Entitlement Offer

Lodgement of the Prospectus with ASIC	Wednesday, 12 November 2008
Record Date for Entitlements	7.00pm, Friday, 14 November 2008
Retail Entitlement Offer opens	Monday, 17 November 2008
Retail Entitlement Offer closes	5.00pm, Thursday, 4 December 2008
Settlement of the Retail Entitlement Offer	Monday, 15 December 2008
Allotment of New Shares under the Retail Entitlement Offer	Tuesday, 16 December 2008
Dispatch of Transaction Confirmation Statements	Thursday, 18 December 2008
New Shares under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	Friday, 19 December 2008

These dates are indicative only and are subject to change without notice. All times and dates refer to time and date in Melbourne, Australia. Subject to the requirements of the Corporations Act 2001 (Cth) ("**Corporations Act**"), the ASX Listing Rules and any other applicable laws, IPL has the right, in consultation with the Underwriters, to amend the timetable including to extend the closing date for the Retail Entitlement Offer, to close the Retail Entitlement Offer early, to withdraw the Offer at any time prior to the allotment of New Shares under the Retail Entitlement Offer and/or to accept late applications either generally or in specific cases. If the closing date is extended, the subsequent dates may also be extended.

Full details of the Retail Entitlement Offer are set out in the Prospectus which will be made available to Eligible Retail Shareholders when offers of New Shares are made under the Retail Entitlement Offer. The Prospectus was lodged with ASIC on Wednesday, 12 November 2008, and will be sent to Eligible Retail Shareholders and has been made available to Eligible Retail Shareholders on IPL's website. Any Eligible Retail Shareholder who wishes to acquire New Shares under the Retail Entitlement Offer will need to complete, or otherwise apply in accordance with, the personalised Entitlement and Acceptance Form that will be in or will accompany the Prospectus, and should consider the Prospectus in deciding whether to subscribe for New Shares.

The entitlements and New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (Securities Act), or any U.S. state or other securities laws. The Entitlement Offer will not be extended into the United States or to US persons, or to those acting for the account or benefit of US persons, and the entitlements and the New Shares may not be offered, sold or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws.

**Kerry Gleeson
Company Secretary**

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