ELEMENTIS

A global specialty chemicals company

Elementis plc
Interim Results

Six months ended 30 June 2011

ELEMENTIS

A global specialty chemicals company

Interim Results

$ millions	H1 2011	H1 2010	% change
Revenue	396.0	358.0	+11%
Operating profit	72.2	48.7	+48%
Operating margin	18.2%	13.6%	
Profit before tax	70.6	46.2	+53%
EPS	10.6c	7.2c	+47%
Operating cash flow	56.1	52.2	+7%
Basic EPS	10.8c	7.3c	+48%

ELEMENTIS

A global specialty chemicals company

Highlights

Financial and strategic progress

Specialty Products

- Record operating profit and margin
- Investing in growth

Chromium

- Financial performance validating new business model
- Sustainable competitive advantage

Strong cash flow

- Debt down 50% since June 2010
- Successful EU appeal – Euro 23.4m returned August 1 2011

Specialty Products

$ millions	H1 2011	H1 2010	% Change
Sales	237.2	215.8	+10%
Operating profit	49.4	37.3	+32%
Operating margin	20.8%	17.3%	
ROCE*	48%	37%	

Improved margins in inflationary period

- Pricing discipline
- Enhancing product portfolio
- Best in class procurement

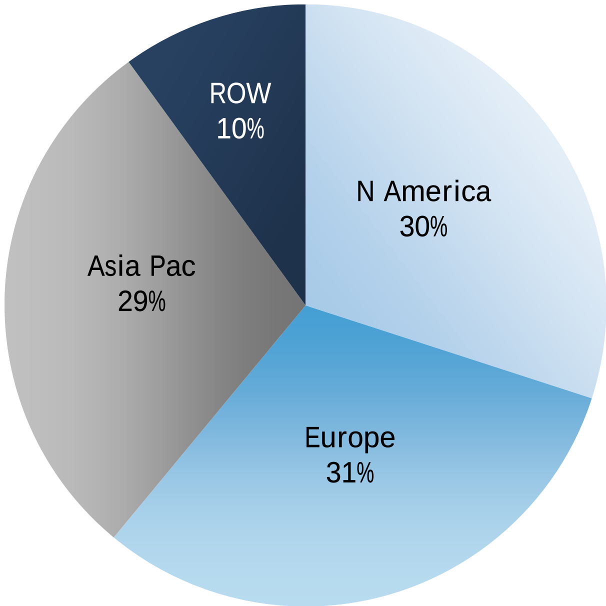
* Before tax and excluding goodwill

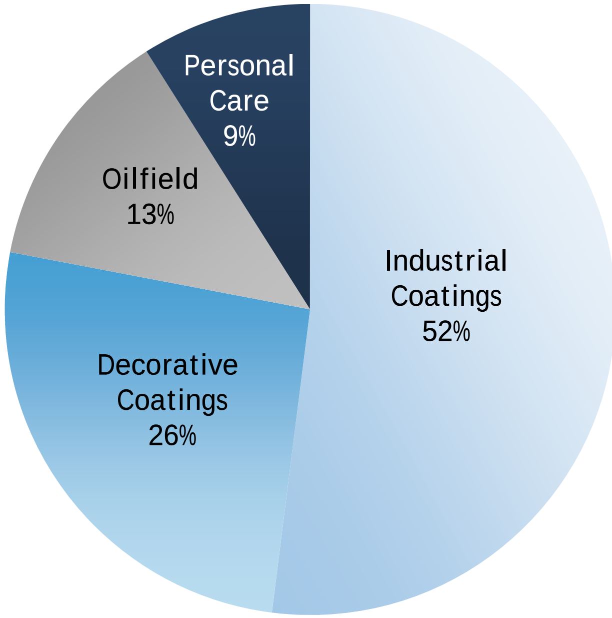
ELEMENTIS

A global specialty chemicals company

Specialty Products

H1 2011 Sales





Leveraging strategic diversity in markets, technology, customers and geography

ELEMENTIS

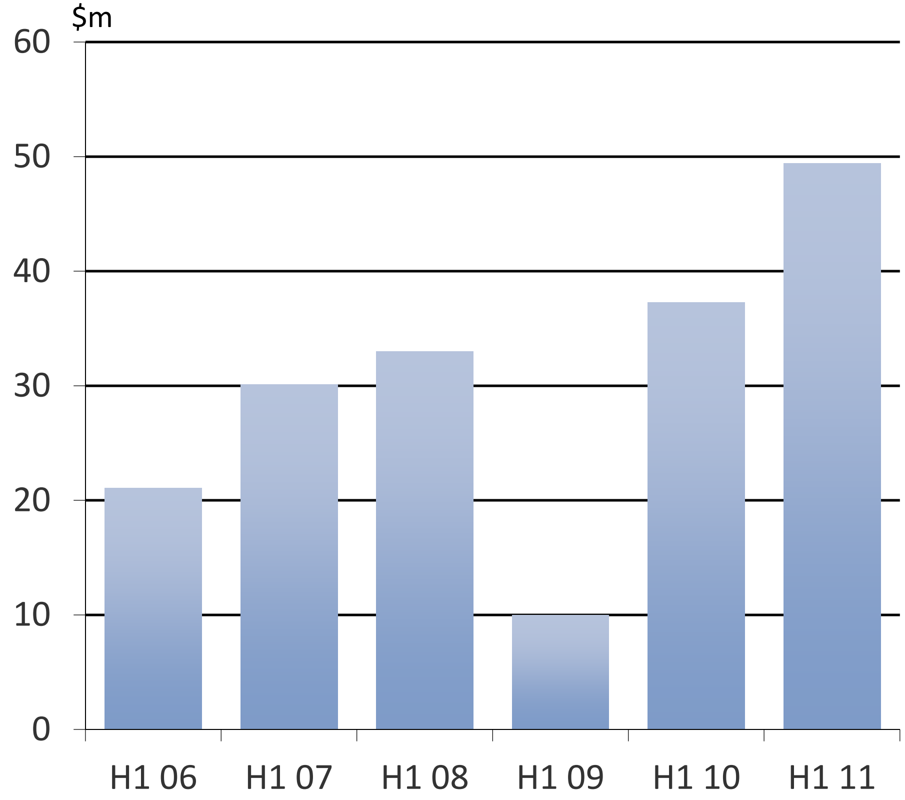
A global specialty chemicals company

Specialty Products

Growth momentum driven by:

- Formulation expertise in
  - Coatings
  - Oilfield/Energy
  - Personal care
- Robust product pipeline
- Balanced geographic presence
- Extensive product portfolio
- Market share gains
- Financial flexibility

Operating profit trend



Surfactants

$ millions	H1 2011	H1 2010
Sales	51.6	43.6
Operating profit	3.0	2.2

Volumes reduced by 10% in line with strategy

Profitability sustained through pricing discipline

Facility preferentially supporting Specialty Products business

Chromium

$ millions	H1 2011	H1 2010	% Change
Sales	115.1	104.5	+10%
Operating profit	26.2	16.1	+63%
Operating margin	22.8%	15.4%	
ROCE*	66%	35%	

Strong financial performance

Business running at high capacity utilisation

Volumes 5% lower due to planned kiln maint. and energy project

Energy project completed in April 2011
H1 2011 impact +$1m | H2 2011 impact +$4m

One time benefit in H1 of $2.4m from legacy insurance settlement

* Before tax and excluding goodwill

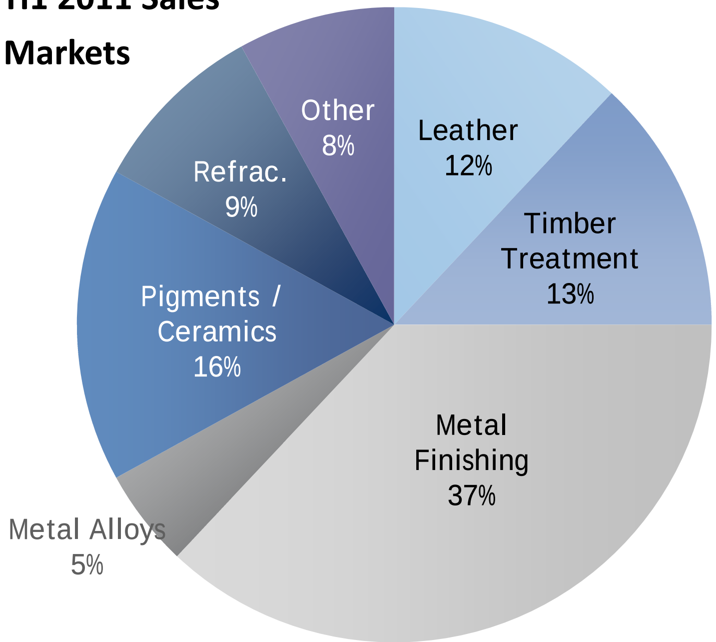
ELEMENTIS

A global specialty chemicals company

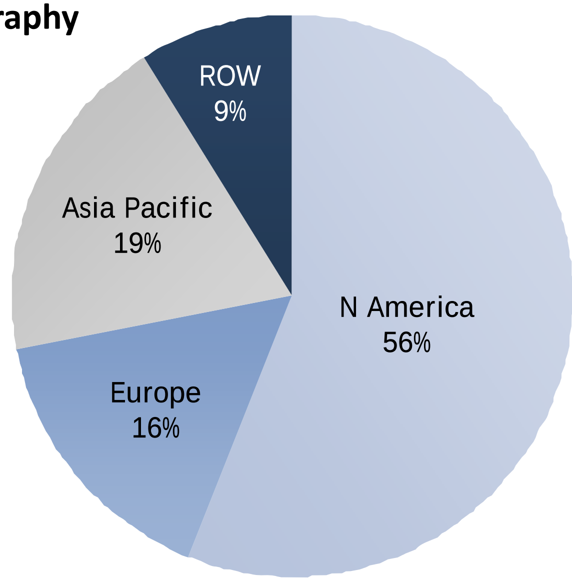
Chromium

H1 2011 Sales

Markets



Geography



Product portfolio serves diverse end markets

Business benefited from greater proportion of sales into North America

Chromium

Optimising business performance with reduced volatility

Enviable N American market position

High return on capital

Flexible, globally competitive operations

Diverse end markets

Positive market dynamics

ELEMENTIS

A global specialty chemicals company

Capital spending

$ millions	H1 2011	FY 2011 Est	Depn FY 2011
Specialty Products			
Plant expansions	2.4	8.3	
Maint. & productivity	2.2	3.7	
Total	**4.6**	**12.0**	**10.8**
Chromium			
Energy project	1.7	1.7	
Maint. & productivity	2.7	6.6	
Total	**4.4**	**8.3**	**6.4**
Other	0.7	5.9	2.8
Group total	**9.7**	**26.2**	**20.0**

ELEMENTIS

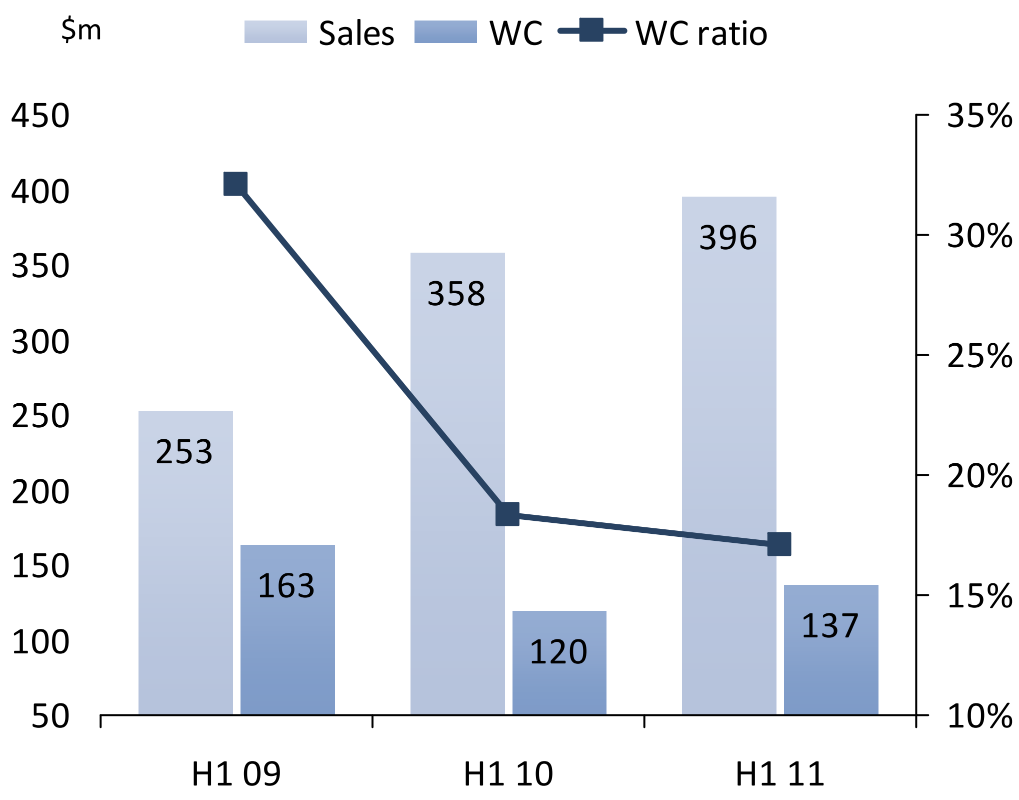
A global specialty chemicals company

Working Capital

Sustainable improvements
in working capital

Average working capital to sales ratio reduced to 17.1%

Working capital in H1 2011 increased by $17m in line with sales and currency



Retirement Plans

$ millions	H1 2011	H1 2010	FY 2010	FY 11 Est.
Net deficit	56.5	104.1	67.4	
Deficit contributions				
UK plan	9.1	2.2	10.6	16.0
US/other	2.8	0.8	7.8	4.3
	11.9	**3.0**	**18.4**	**20.3**

Deficit reduced by 40%

Deficit has continued to decline

- Total contributions for 2011 expected to be $20.3m
- Growth in Group EBITDA in 2010 triggered additional contribution of $3.2m to UK plan in H1 2011

ELEMENTIS

A global specialty chemicals company

Cash Flow

$ millions	H1 2011	H1 2010
EBITDA	82.0	59.4
Working capital	(15.6)	(2.6)
Capital expenditure	(9.7)	(4.7)
Pensions	(11.9)	(3.0)
Dividend	(11.5)	(9.5)
Interest, tax, other	(5.7)	(4.2)
Currency translation	(0.2)	-
Exceptional items	(2.5)	(37.4)
Change in net debt	**24.9**	**(2.0)**

Net Debt

$ millions	2011	2010	2010
	June 30	Dec 31	June 30
Net debt	54.4	79.3	108.3
Debt ratios			
Net debt: EBITDA	0.4	0.6	1.1
Interest cover	30.7	31.0	35.6

Net debt to Ebitda reduced to 0.4x

Group is likely to be in a net cash position by the end of 2011

ELEMENTIS

A global specialty chemicals company

Tax Charge

$ millions	H1 2011	H1 2010
Net tax charge	22.4	14.0
Tax rate	32%	30%

Estimated tax rate for full year 2011 is 30%

Higher rate in H1 due to deferred tax adjustment following reduction in UK tax rate to 26%

ELEMENTIS

A global specialty chemicals company

Dividend

	2011 Interim	2010 Interim	Final 2010
Per share	2.34c	2.34c	2.6c

Board maintained interim dividend at same level in order to reweight payout towards the final

- Target is 1/3 : 2/3

2011 final dividend will reflect progress in full year earnings

Summary

Revenue increased by 11%

Operating profit increased by 48%

Record performance in Specialty Products

Operating margins improved in all areas of the business

Strong cash flows led to 50% reduction in debt since June 2010

Successful EU appeal – Euro 23.4m repaid with interest on 1 August 2011

Outlook

Solid order book in Q3

Confident in our ability to maintain margins

Financial flexibility to support growth

Expect to make progress in H2 in line with expectations

ELEMENTIS

A global specialty chemicals company

Thank you