



**Nufarm Limited ACN 091 323 312**

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10 May 2011

We attach for release to the market:

- Sumitomo Chemical Company (Sumitomo) announcement regarding its increased shareholding in Nufarm;
- Nufarm announcement regarding share sale by Doug Rathbone to Sumitomo.

A handwritten signature in black ink, appearing to read 'Rodney Heath'.

Rodney Heath  
Company Secretary

May 10, 2011

## **Sumitomo Chemical increases its stake in Nufarm**

Sumitomo Chemical Company, Limited ("Sumitomo") announced today that it has increased its shareholding in Nufarm Limited ("Nufarm") to 21.7% and that it plans to acquire up to an additional 1.3% of Nufarm's issued capital by exercising the right to purchase additional shares under Section 611 (9) of the Australian Corporations Act.

Sumitomo completed a strategic investment in Nufarm in April 2010, acquiring 20% of ordinary shares via a tender offer. Sumitomo's strategic relationship with Nufarm is progressing smoothly in such fields as distribution, development, manufacturing (formulation) and procurement and logistics, and synergies from the collaboration have already started to materialize.

In order to strengthen the relationship with Nufarm and to help expedite additional areas of collaboration, Sumitomo has decided to increase its stake in Nufarm.

Sumitomo has negotiated the purchase of 4,500,000 Nufarm shares directly from Mr. Doug Rathbone, Managing Director of Nufarm. An agreement to purchase those shares was executed after the close of trading on the Australian Stock Exchange yesterday, at a price of A\$5.28 per share, which represents the three month volume weighted average price of Nufarm shares between February 1 and April 29, 2011.

Sumitomo plans to purchase additional shares from the market within the next 6 months so that Sumitomo's shareholding in Nufarm will reach approximately 23%.

Through the collaboration with Nufarm, Sumitomo will improve efficiency in its operations and strengthen its global crop protection businesses. The decision to increase Sumitomo's ownership stake in Nufarm is a clear indication of Sumitomo's confidence in Nufarm's business and the strong growth prospects that exist for both Nufarm and Sumitomo.

## **COMPANY ANNOUNCEMENT**

10 May, 2011

### **Doug Rathbone share sale to Sumitomo**

Nufarm Limited's Chief Executive Officer, Doug Rathbone, has informed the company that he and associated entities have sold 4.5 million Nufarm shares to Sumitomo Chemical Company (Sumitomo) in an on-market transfer executed before the opening of trading on the Australian Stock Exchange today.

Mr Rathbone said he elected to sell the parcel of shares after Sumitomo indicated its intention to increase its ownership stake in Nufarm from 20% to 23% by taking advantage of the 'creep' provisions under the Corporations Act. Mr Rathbone's share sale is consistent with the statement he made in March 2010 that he intends to retain a long-term holding in Nufarm of approximately 10 million shares.

"The opportunity to sell this parcel of shares to Sumitomo avoids any market disruption that might result from the on-market sale of Nufarm shares owned by me," said Mr Rathbone. "I am also pleased to see that Sumitomo intends to increase its strategic stake in Nufarm and continue to explore areas where the two companies can co-operate and build value for both businesses."

Sumitomo has announced that it intends to acquire additional shares on-market within the next six months so that its total shareholding in Nufarm is approximately 23%.

Mr Rathbone said he will use the proceeds of the sale to meet a personal tax liability that falls due this year. He said he has no current plans to sell down his remaining stake in Nufarm which stands at 11,669,890 shares following the sale to Sumitomo. The transaction between Mr Rathbone and Sumitomo was concluded at a price of \$5.28 per share, which represents the three month volume weighted average price of Nufarm shares to the end of April.

Under the terms of the agreement between Nufarm and Sumitomo, Sumitomo cannot increase its shareholding in Nufarm beyond 23% without receiving approval from the Nufarm Board. Alternatively, Sumitomo can make an offer to all shareholders to acquire the company.

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