



Nufarm Limited ACN 091 323 312

103-105 Pipe Road, Laverton North, VIC Australia 3026
Telephone: (03) 9282 1000 Facsimile: (03) 9282 1111
Postal Address: PO Box 103, Laverton, VIC Australia 3028

3 September 2010

We attach a Press Release from Standard & Poor's which advises it has placed its 'BB' credit rating on Nufarm on CreditWatch with negative implications.

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

Rodney Heath
Company Secretary

STANDARD & POOR'S

Press Release

Rating On Nufarm Ltd. Placed On CreditWatch Negative After Market Update

Melbourne, Sept. 2, 2010—Standard & Poor's Ratings Services today said that it had placed its 'BB' long-term corporate credit rating on Nufarm Ltd. on CreditWatch with negative implications after the company's latest market update. The CreditWatch reflects our concerns about the company's liquidity position and its ability to improve profitability in fiscal 2011. The 'B' rating on Nufarm's step-up securities was also placed on CreditWatch with negative implications.

"The CreditWatch placement reflects our view that Nufarm's liquidity is currently less than adequate," Standard & Poor's credit analyst Richard Creed said. "Resolution of the CreditWatch is contingent on Nufarm obtaining near-term support from its lenders. This could be demonstrated by covenant waivers from Nufarm's banks, and finalization of terms of a new funding package that provides the company with access to funding to meet its peak debt requirements (which typically arise in the third quarter of the company's fiscal year)."

Achievement of a new longer-dated funding package—on terms and conditions that do not unduly restrict the company's financial flexibility—will mitigate what we consider has historically been a high reliance on short-term seasonal funding. However, if the company cannot access adequate levels of funding, the rating may be lowered by more than one notch.

To stabilize the rating at the 'BB' level, Standard & Poor's would expect to see Nufarm demonstrate that it can increase its earnings in fiscal 2011, to deliver financial metrics that are consistent with the rating (for example, funds from operations to debt of at least 15%). The independent reviews of Nufarm's forecasts and strategy will help validate the company's ongoing profitability assumptions.

Mr. Creed added: "The company's performance for the half year to Jan. 31, 2011 will be an important milestone for re-establishing credibility of the profit potential of Nufarm, notwithstanding the seasonality of the business with its strong bias to second-half earnings. If we believe the company cannot achieve the credit-protection metrics underpinning the 'BB' rating, we are likely to lower the rating by one notch."

About Standard & Poor's

Standard & Poor's, a subsidiary of The McGraw-Hill Companies (NYSE:MHP), is the world's foremost provider of independent credit ratings, indices, risk evaluation, investment research and data. With offices in 23 countries and markets, Standard & Poor's is an essential part of the world's financial infrastructure and has played a leading role for 150 years in providing investors with the independent benchmarks they need to feel more confident about their investment and financial decisions. For more information, visit <http://www.standardandpoors.com.au>

Media Contact:

Sharon Beach, Melbourne, (61) 3 9631 2000, sharon_beach@standardandpoors.com

Primary Credit Analyst(s):

Richard Creed, Corporate Ratings, richard_creed@standardandpoors.com

Brenda Wardlaw, Corporate Ratings, brenda_wardlaw@standardandpoors.com

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