

Interim Results

6 months to January 31, 2010

30 March, 2010



Doug Rathbone

Managing Director



2010 Interim results – key drivers



- **Pricing and margin pressure in Brazil**
- **Climatic conditions dramatically reduce first half sales opportunities**
- **Additional glyphosate impacts**

2009 Interim results - Summary



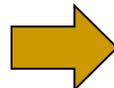
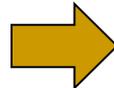
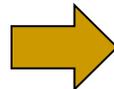
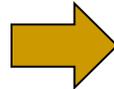
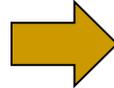
	1H 2010 \$m	1H 2009 \$m
Group Sales	890	1,235
Operating EBIT	(35.6)	120.2
Operating NPAT	(4.2)	65.2
Material items	(35.8)	0.5
Reported result	(40.0)	65.7

Contrasting trading conditions



6 months to January 31, 2009

- Glyphosate prices at near historic highs
- Biggest summer crop in Australia for 25 years
- Wet European autumn boosts sales
- Early season purchasing in North America and Europe
- High volume throughput drives strong overhead recoveries



6 months to January 31, 2010

- Glyphosate prices at historic lows
- 20-25% decline in Australian summer crop plantings
- Very dry European autumn results in low demand
- Severe winter conditions continue into March in North America and Europe
- Weather related production interruptions and lower volumes negatively impact on overhead recoveries

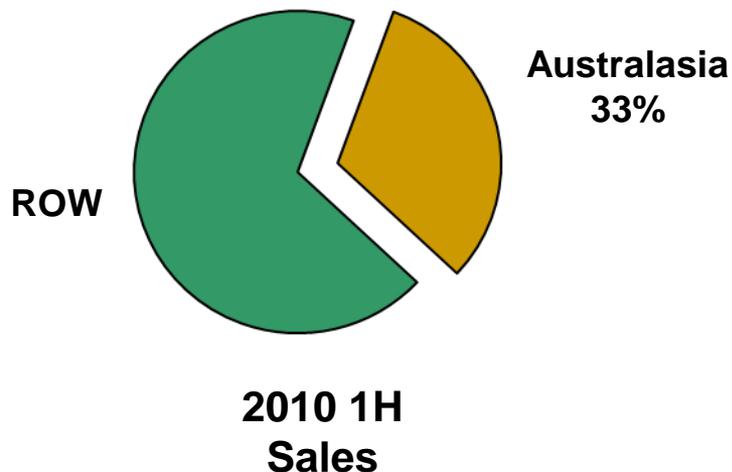
Brian Benson

**Group General Manager
Agriculture**



Six months in review - AUSTRALASIA

Australasia	2010 1H \$m	2009 1H \$m
Sales	295	342
Segment profit	12.3	81.4



Australia

- Dry spring; reduced summer crop plantings
- Fallow spraying underway in mid-late January with rains in north
- Very competitive pricing environment
- Significant reduction in price of glyphosate year on year

Asia

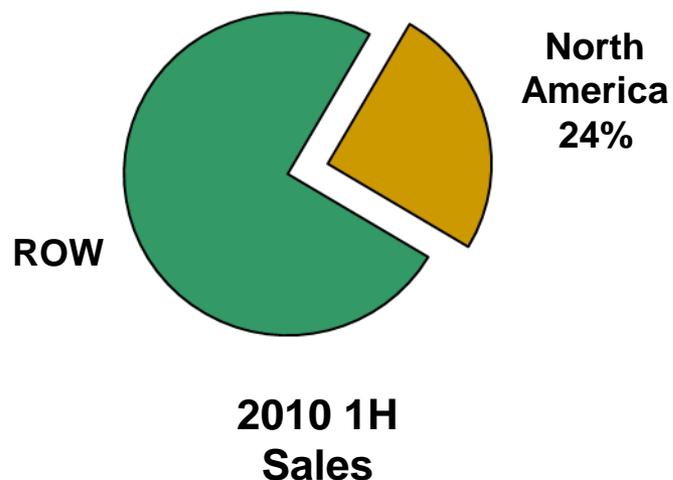
- Strong performance led by Indonesia and Japan

2010 Interim results – Segment review



Six months in review - NORTH AMERICA

North America	2010 1H \$m	2009 1H \$m
Sales	216	357
Segment profit	3	52



United States

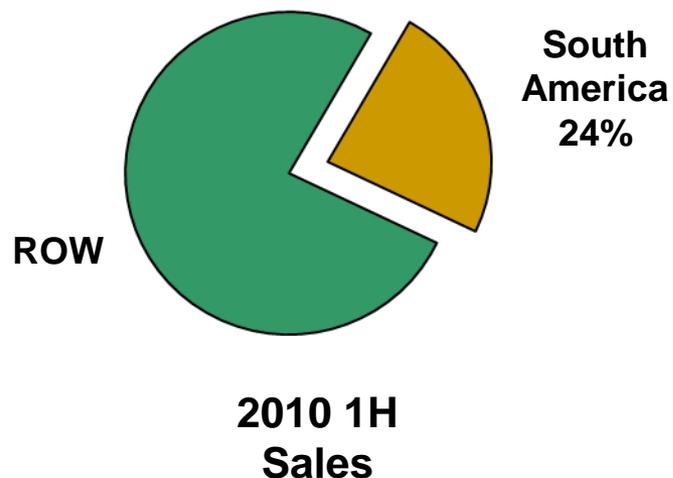
- Glyphosate inventory sold into distribution
- Cold, wet conditions delay ag segment sales
- Turf, ornamental, IVM and seed treatment segments all tracking well

Canada

- Slow start to season
- Continued product diversification
 - Launch of 'Spike-up' and 'Cordon'

Six months in review - SOUTH AMERICA

South America	2010 1H \$m	2009 1H \$m
Sales	209	282
Segment profit	0.25	(19)



Brazil

- Significant pricing pressure affects key products
- Growth in pasture segment
- Successful 'Nuprid' launch
- New GM in place as at March 1

Argentina

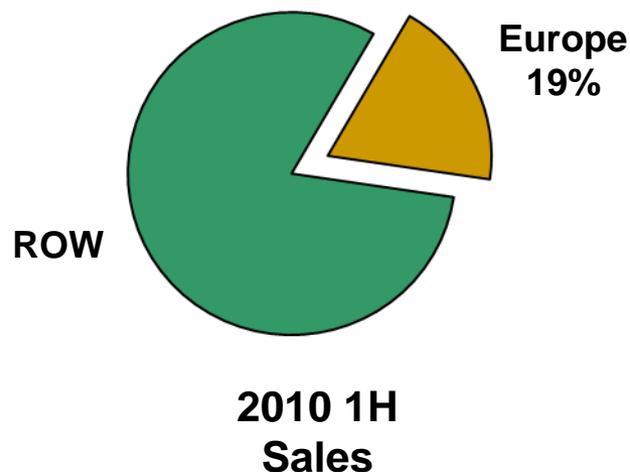
- Severe drought delayed plantings
- Summer rains help business rebound
- High load glyphosate launch

2010 Interim results – Segment review



Six months in review - EUROPE

Europe	2010 1H \$m	2009 1H \$m
Sales	170	255
Segment profit	19	28



- **Market value down 10% 2009 v 2008**
 - France down by more than 15%
- **Dry autumn and severe winter conditions reduce sales opportunities**
- **New product introductions:**
 - imidacloprid; metsulfuron; nicosulfuron; tebuconazole
- **Promising start to new business in Ukraine**

Developments in Seeds

- **Acquisition of Richardson Seeds and MMR Genetics (August, 2009)**
 - Delivers market access and high quality germ plasm

- **Acquisition of Druetto (Argentina)**
 - Completes platform to optimise breeding, production and operations between South America, North America and Australia in sorghum and sunflower

- **Approval of Roundup Ready® Canola in Western Australia**
 - Provides additional access for Nufarm's 'package' offering

End July 2009

- Destocking at distribution level; low seasonal demand; and additional Chinese imports result in high season-ending inventories in most markets
- Nufarm U.S. inventory written down to reflect pricing expectations

August – December 2009

- Prices fall lower as major suppliers look to shift inventory much earlier than usual
- Strategic decision to make sales in order to secure market positions

Current

- Need to monitor/assess seasonal demand and its impact on pricing – likely to see varying degrees of price recovery in different markets
- Indications that distribution will support major suppliers
- 2010 is very much a rebuild year

Glyphosate



- Is and will remain the industry's largest and most important chemistry
- A sustainably profitable position for suppliers such as Nufarm will require:
 - Secure and cost competitive position on key raw materials
 - Market access
 - Product quality; technical and marketing support; logistics and flexibility of supply; customer relationships; product differentiation/innovation; branding; and overall 'portfolio' offerings



Kevin Martin

Chief Financial Officer



2010 Interim results



Analysis of results

\$millions	Segment EBIT
As per 2009 accounts	130
Translate at 2010 exchange rates	<23>
Restated 2009 results	107
Gross profit decrease	<170>
Expense reduction	34
Exchange gain/loss movement	48
As per 2010 accounts	19

2010 Interim results



Gross profit reduction

Glyphosate	123
All other	47
	<hr/>
	170
	<hr/>

Material Items

	\$m
Glyphosate adjustments	(29.4)
Restructuring costs	(4.5)
Due diligence costs	(1.6)
Net others	(0.3)
Total	(35.8)

2010 Interim results



Working Capital

\$millions	Jan '10	Jan '09	July '09
Receivables	899	1,044	787
Inventory	727	1,317	797
Payables	<506>	<805>	<407>
Net Working Capital	1,120	1,556	1,177
Change to January 2010	-	<436>	<57>

2010 Interim results



Net Debt

\$millions	Jan '10	Jan '09	July '09
Net debt	1,032	1,571	938
Change to January 2010	-	<539>	94

Sumitomo investment and outlook for full year

Doug Rathbone

Managing Director



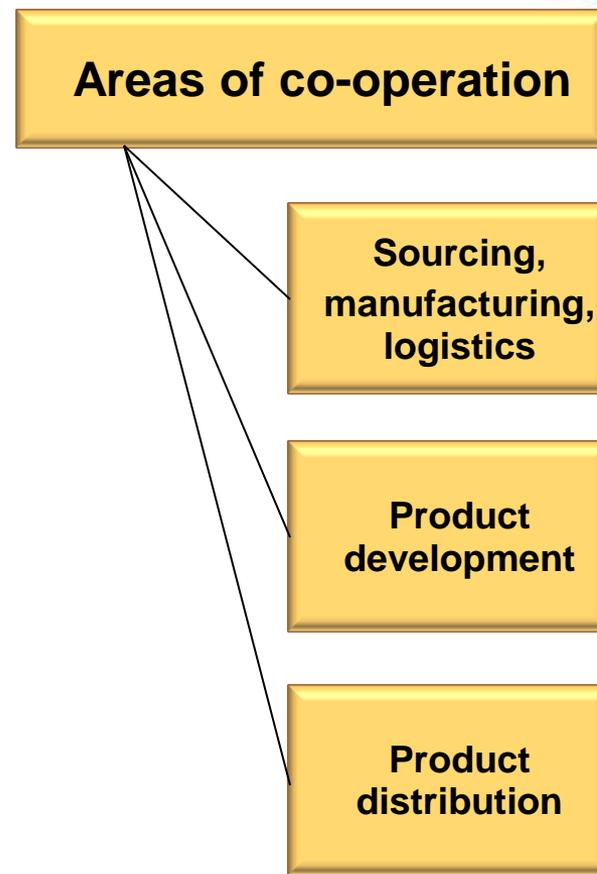
The Sumitomo investment



- **March 2:** Nufarm shareholders approved a proposal by Sumitomo Chemical Company to proceed with a Tender Offer to acquire 20% of Nufarm
- **Cash price:** \$14.00 per share
- **Record date:** March 12
- **Tender Offer** runs from March 12 until April 9
- Sumitomo has right to purchase on-market if Tender Offer fails to secure 20%
- **'Come-along'** clause requires Sumitomo to match or accept a Nufarm Board supported take-over offer priced at least equal to Sumitomo's average entry price (takes effect 12 months after close of Tender Offer)

Opportunities for strategic co-operation

- Companies are ranked 8th (Nufarm) and 9th (Sumitomo) in terms of global crop protection sales
- Virtually no overlap in product portfolio
- Each company has distribution strengths in different geographies
- Value of combining Sumitomo's basic discovery skills in developing proprietary chemistry and Nufarm's skills in market-driven product innovation



The Sumitomo investment



This strategic investment

- **Delivers some near term value for Nufarm shareholders**
- **Provides further opportunities that will facilitate Nufarm's growth into additional product and crop segments and strengthen our position in a number of geographies**

A clear path to profit recovery

- **Glyphosate margins to strengthen; steps taken to secure market positions**
- **Major selling seasons now underway**
 - Excellent conditions in Australia
 - Spring weather now evident in parts of North America and Europe
- **Broader product offering and good access to distribution**
- **No further corporate distractions**

Outlook for 2010 full year result



Forecast for 12 months

Operating result : **\$110 million - \$130 million**

Headline result : **\$80 million - \$100 million**

Debt * : **Approx \$350 million**

Gearing * : **20-25%**

* After the impact of previously announced capital raising.



Focused on
the business

