

# A Day at the Farm

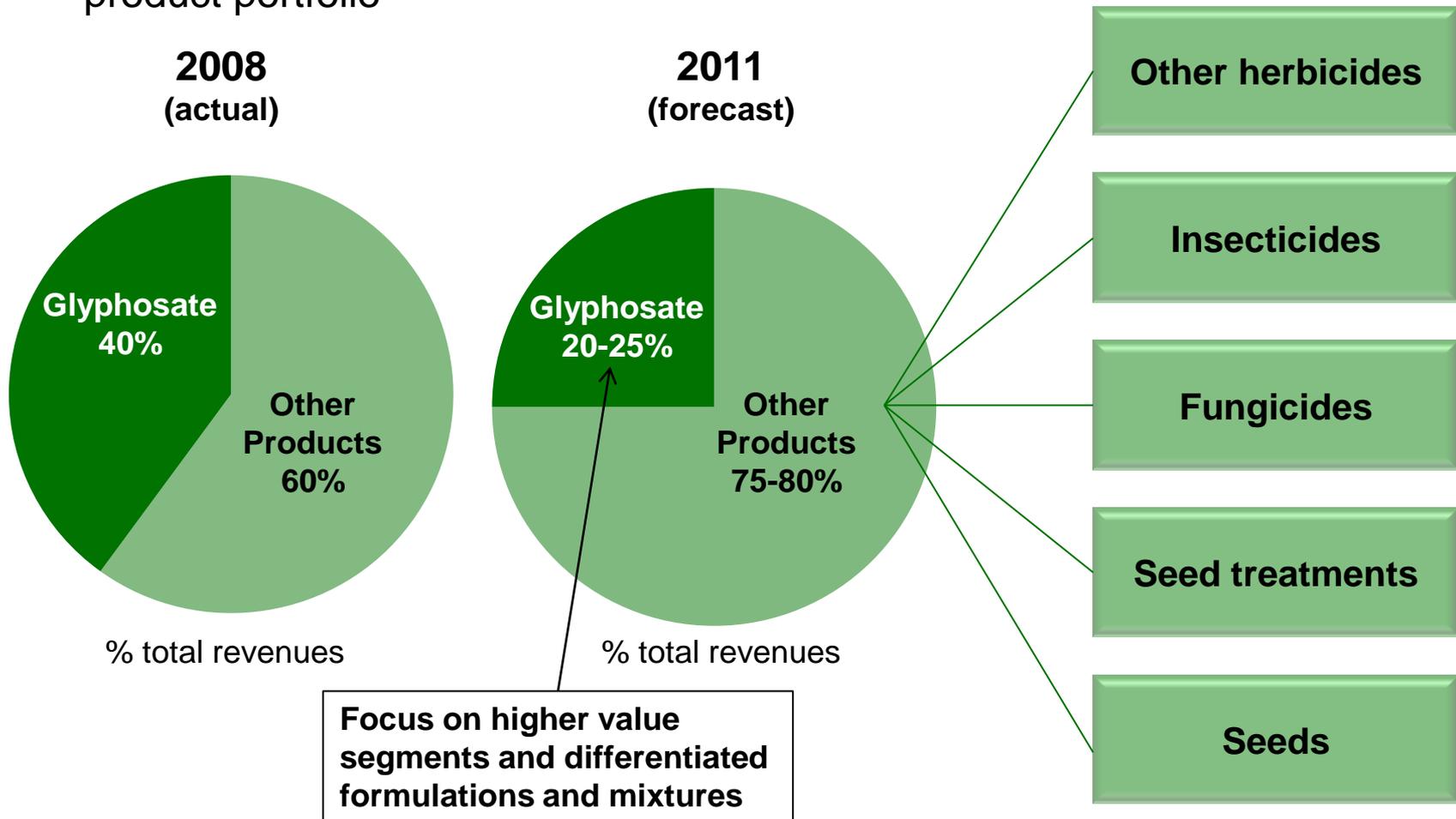
**Doug Rathbone**  
**Chief Executive Officer**

July, 2011

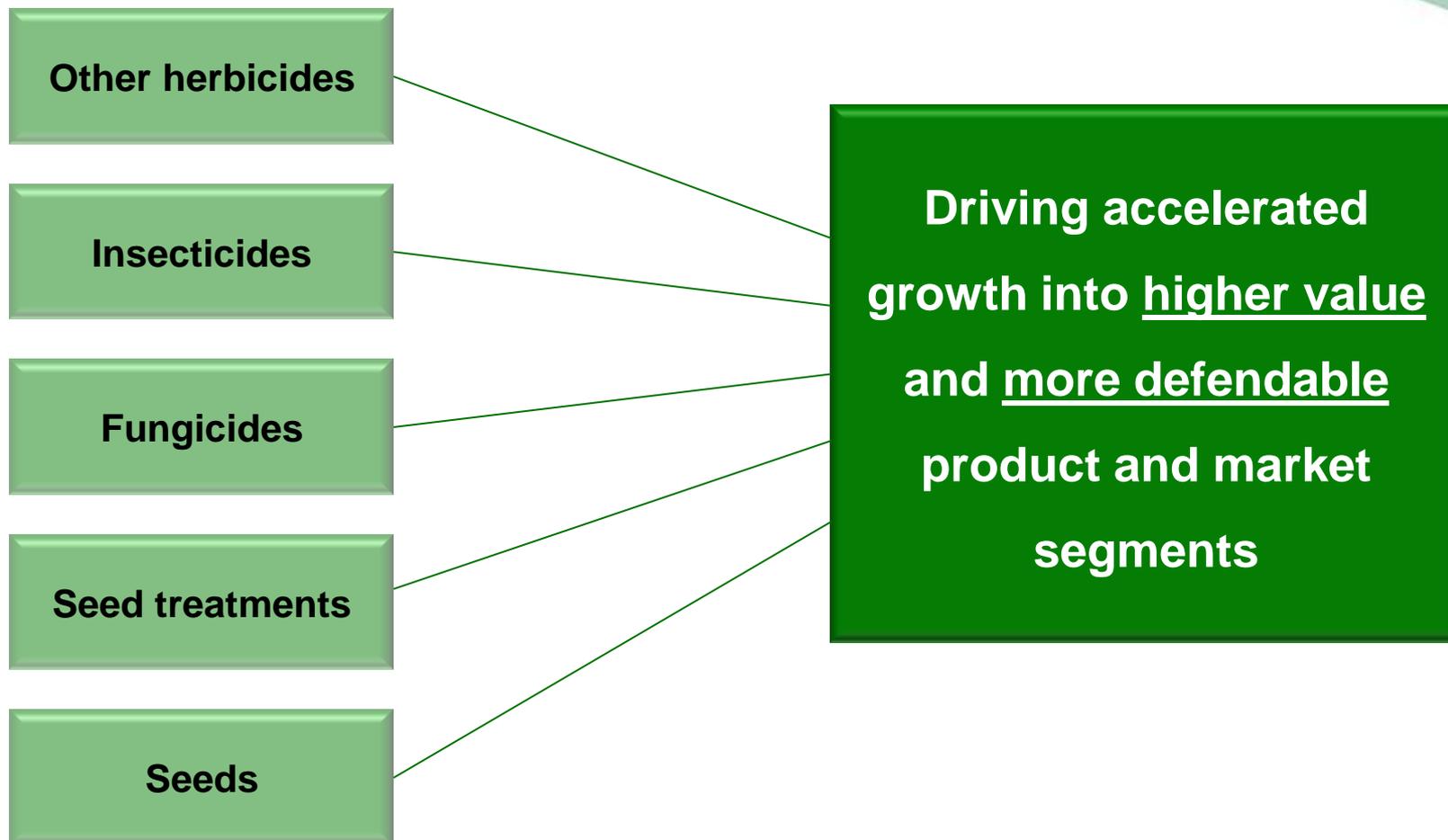


## Nufarm is a company in transition

Following 'commoditisation' of glyphosate, we are rebalancing our product portfolio



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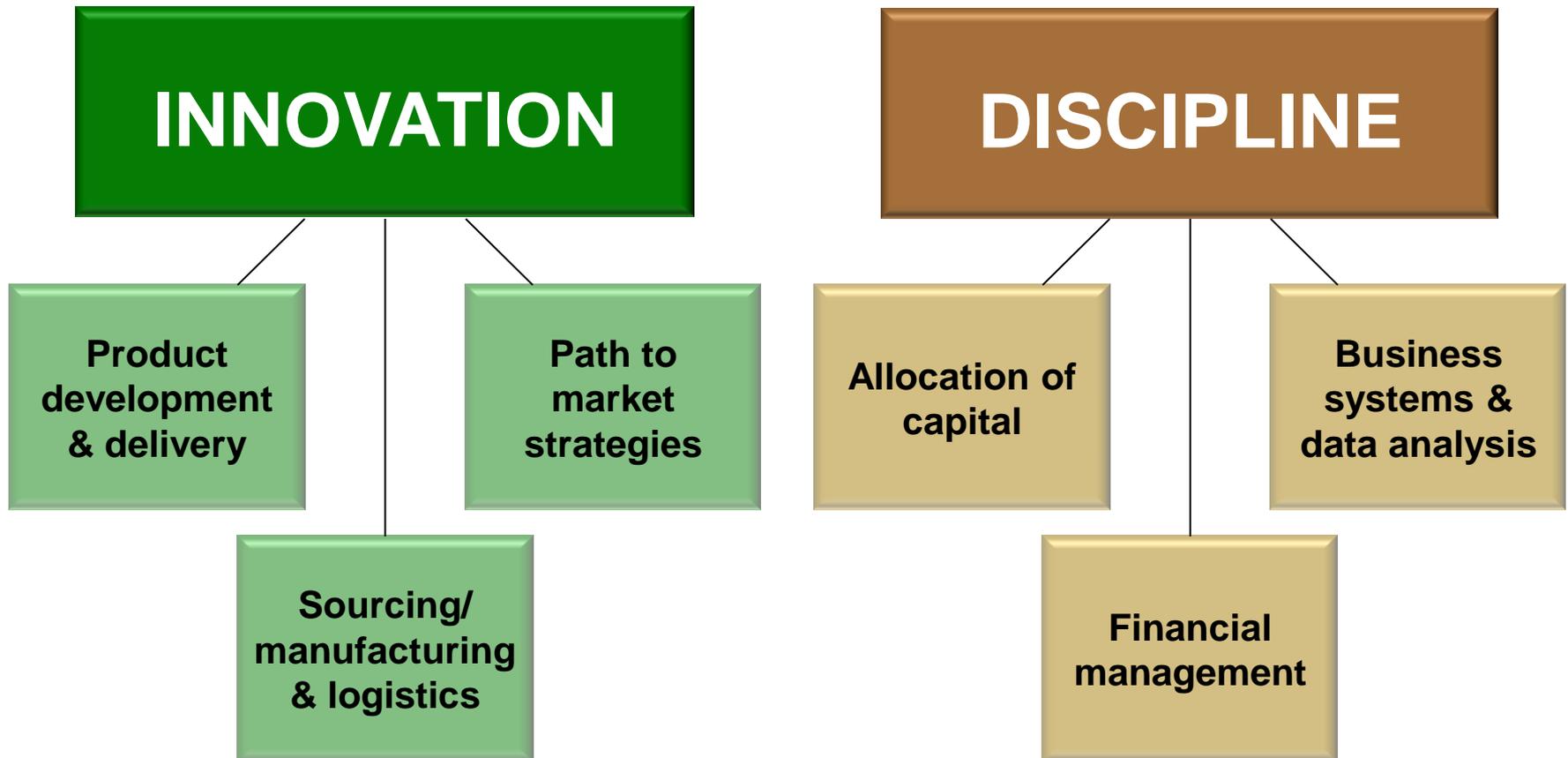


## 2011 interim results show early signs of progress

- Glyphosate sales down 28% half on half
- Other herbicide sales up 16%
- Fungicide sales up 26%
- Insecticide sales up 15%
- Seeds / seed treatments up 86%

**Full year results will provide further evidence  
of the portfolio transition**

## Two key areas of greater focus for the business



## INNOVATION

Supporting growth of higher value, more defensible product offerings

### Formulation



Sorbie technology

- Liquid EC formulation to dry WG
- Improved operator exposure



- Proprietary formulation
- Enhanced efficacy and tank mix flexibility

### Mixtures



- Post emergent corn herbicide
- Unique combination of bromoxynil and terbutylazine

- Combined fungicide + insecticide seed treatment for cereals

### Packaging



- 110 L returnable/refillable
- Reduced operator exposure
- No drum disposal/ triple rinsing



- Patented 'QuickPour' packaging system
- Fully recyclable
- Faster pouring; no glug or splash

**Market driven innovation adds value for growers, our distribution partners and our business**

## DISCIPLINE

Staying focused on what drives value and improves shareholder returns

### Allocation of capital

- From lower value business to higher value business
- Applying strict return criteria
- Setting targets; measuring progress and outcomes

### Business systems and internal reporting

- Global 'business objects' system now being implemented
- Business analysis unit

### Financial management

- Strengthening of management personnel
- Additional focus on working capital and cashflow management
- Efficiency and cost savings program – Project ReNu

## Organisation change at all levels to support strategic objectives

- Business unit
  - Product mix
  - Sales organisations
  - Customer base
  
- Regional
  - Specialist marketing support (insecticides, fungicides, seed treatment)
  - Review of product development programs
  
- Corporate
  - Reorganisation of chemistry and formulation group and global product management group
  - Focus on people: development, talent management, succession planning
  - Financial management

## Investing capital to support our strategic objectives

### Insecticide & fungicides manufacturing plant – Otahuhu, NZ



- Opened in March 2011
- Water dispersible granule (WDG) formulation plant
- Solid core coating plant



## Nuseed: A growth platform with significant potential



### Canola

- Leading Australia position
- Roundup Ready, Triazine Tolerance
- Monola – High Oleic, Low Linolenic Acid Oil



### Grain and Forage Sorghum

- Human food grade (milling quality, gluten free)
- High energy feed grade (BMR)
- Bio-energy

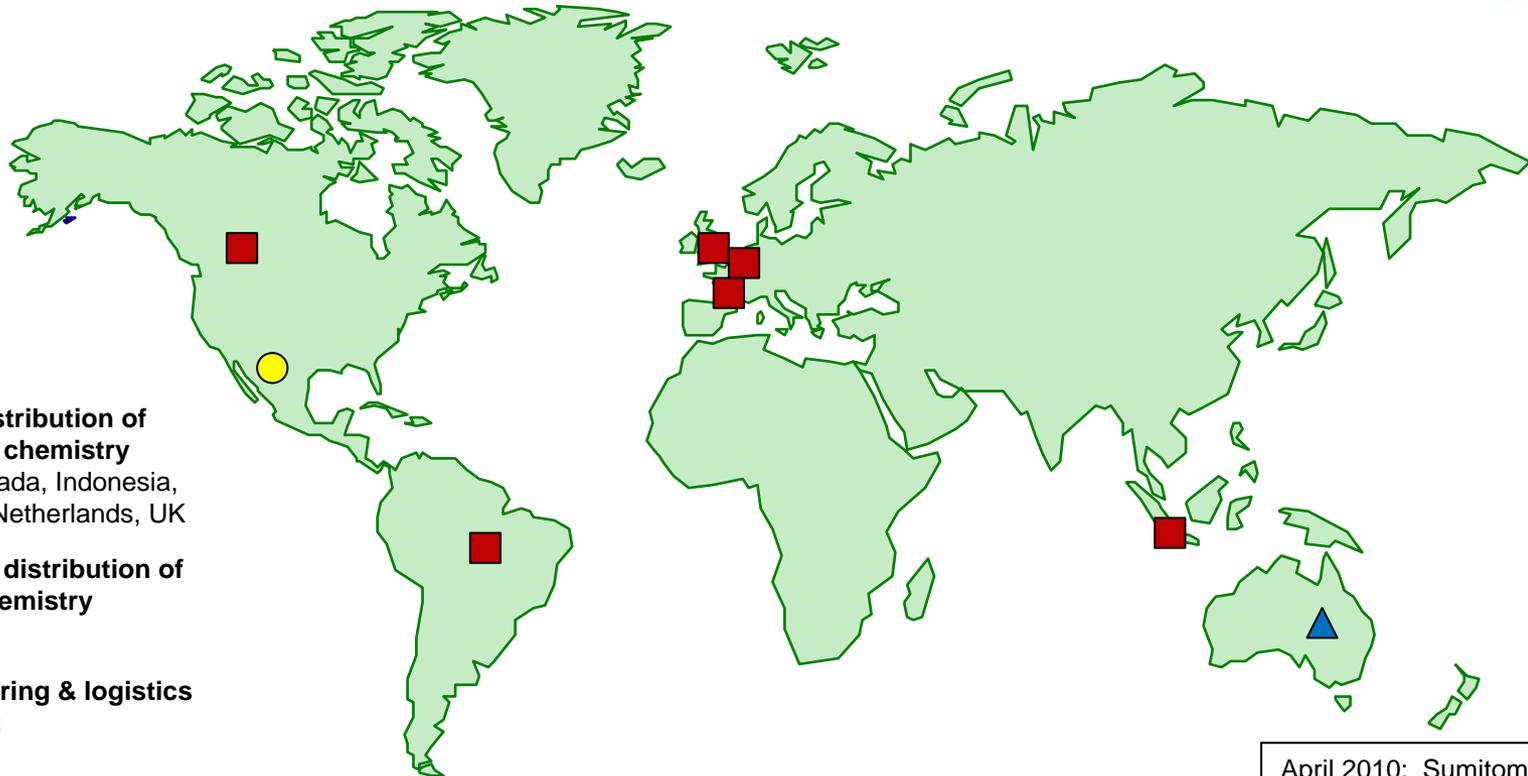


### Sunflower

- Long seeded confection
- High oleic
- Herbicide and disease traits

...and a collaboration with CSIRO and GRDC to develop a high quality, sustainable source of Omega-3 oil for human consumption

## Sumitomo strategic alliance



**■ Nufarm distribution of Sumitomo chemistry**  
Brazil, Canada, Indonesia, Germany, Netherlands, UK

**● Sumitomo distribution of Nufarm chemistry**  
Mexico

**▲ Manufacturing & logistics agreement**  
Australia

**& Global R&D and development agreements**

April 2010: Sumitomo Chemical acquires 20% strategic stake in Nufarm

**Adding short and long term value for both companies**

## Financing update

- Receivables securitisation facility (\$300m) nearing completion
- Initial discussions with syndicate lenders and other interested parties to refinance balance of facility
  - Interest is strong
  - Aim is to extend maturity profile and secure more favourable terms
  - Exploring all options including non-bank funding
- Grant Samuel retained to provide independent advice and support
- Nufarm 'Step-up Securities' options to be considered in parallel with general refinancing and capital management plan
- 2011 full year results will be an important 'data point'

## Trading update

- Trading conditions in second half have been mixed
  - Australia continues to perform strongly
  - Seasonal/climatic conditions below average in North America and Europe
  - Brazil performing to expectations: market conditions continue to improve
- As expected, glyphosate market has been very competitive
- Guidance for full year underlying net operating profit\*:  
\$88m - \$94m (2010: \$58.6m)

\* Excludes impact of material items and impact of receivable-related writedown

- We have a clear focus and a strong determination to achieve sustainable earnings growth
- We are well positioned to take advantage of the very strong growth fundamentals that underpin the agriculture sector
- The company retains the competitive strengths that have driven past success:
  - Global distribution platform
  - Product development and marketing skills
  - Respected brand and partnering capabilities
- ...but we are making the necessary changes to improve the business

