

Macquarie Securities Australia Conference

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May, 2015



Grow a better tomorrow.

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Business overview



- Nufarm Australia established in 1957
- Acquisitions help drive global expansion through 1990s and early 2000s
- Diversified into seeds segment more recently
- Crop protection and specialty seeds

Strengths & opportunities

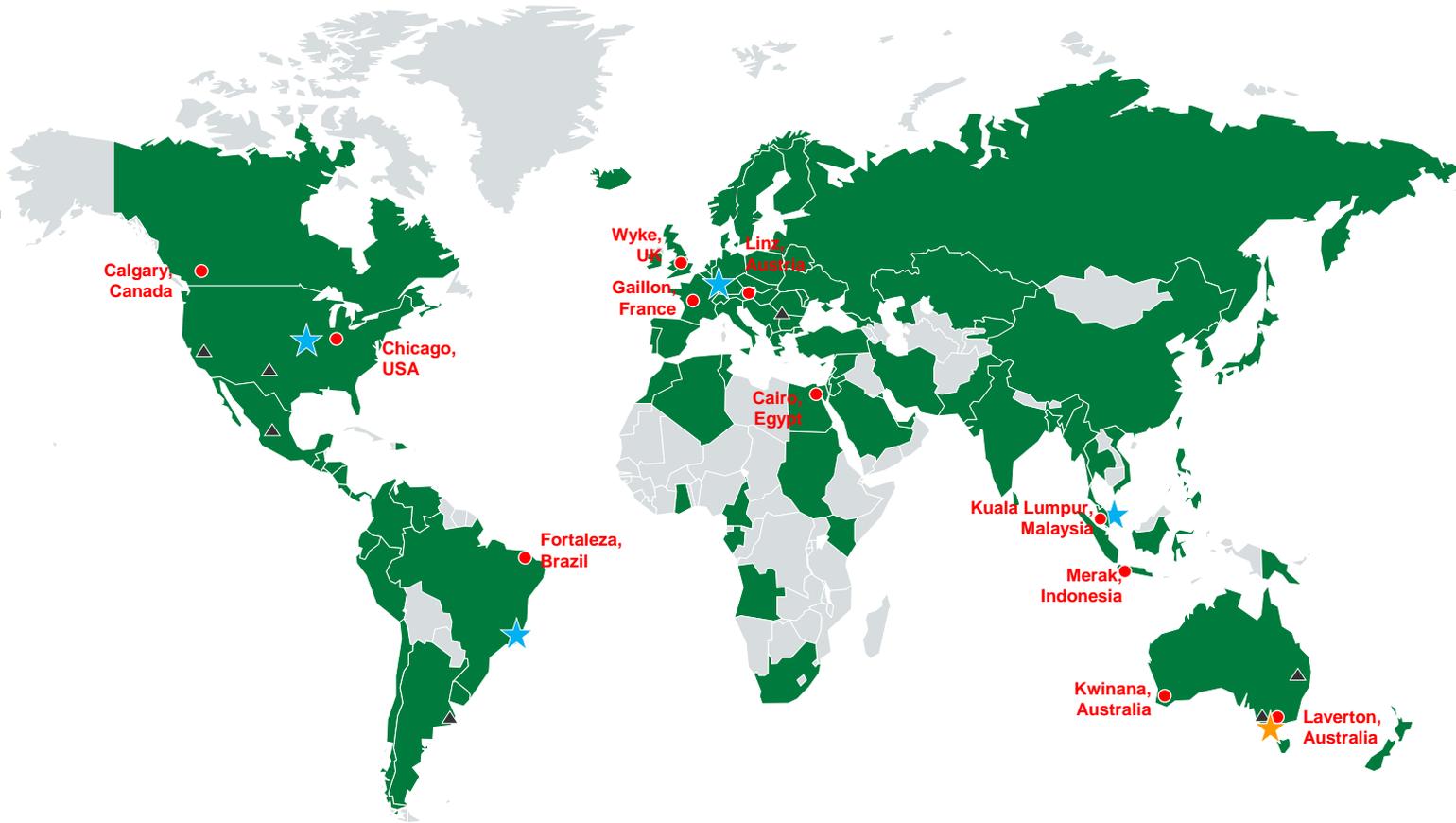
We have a strong global footprint

Strategically located production and distribution platform

- Locally based production facilities
- Raw materials sourced from multiple suppliers
- Large scale enables competitive raw material supply arrangements

Optimizes customer service to secure market positions

- Efficient channel to customers in over 100 countries
- Able to deliver products with short lead time – critical given seasonal nature of cropping



■ Sales countries ● Crop protection production ▲ Seeds production ★ Global HQ ★ Regional HQ

Marketing presence in
over 30 countries

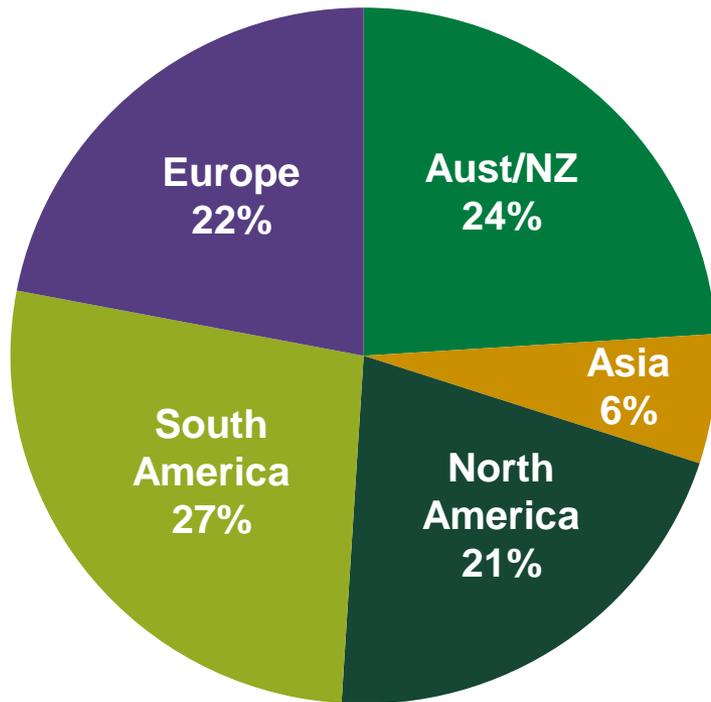


Sales in over 100
countries

Strengths & opportunities

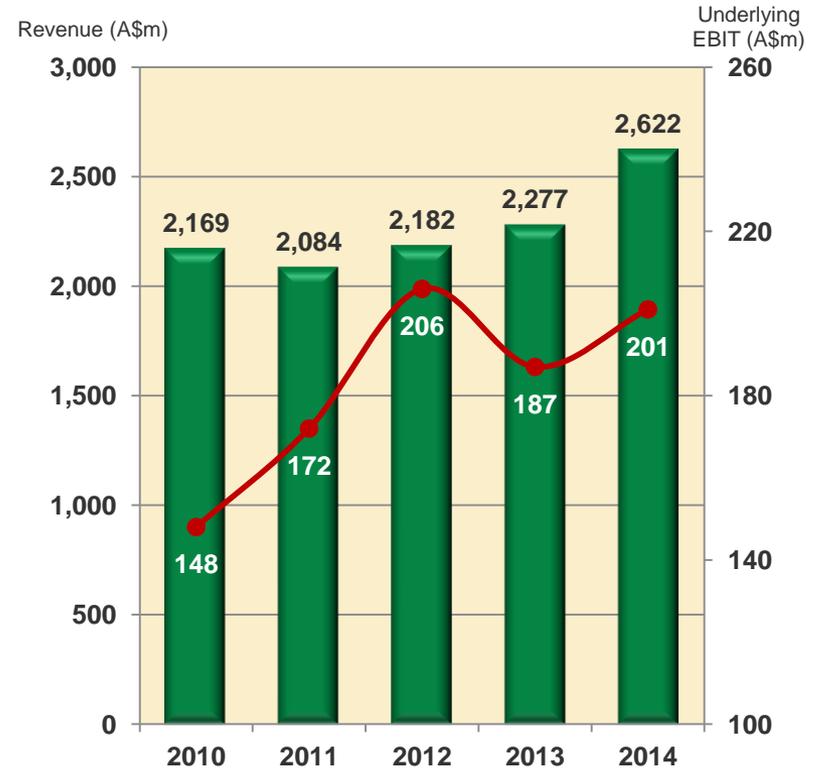
We have a balanced and growing revenue base

2014: \$2,478.3m



A balanced and diversified geographic footprint

5 year revenue & profit growth



Steady growth across our key markets

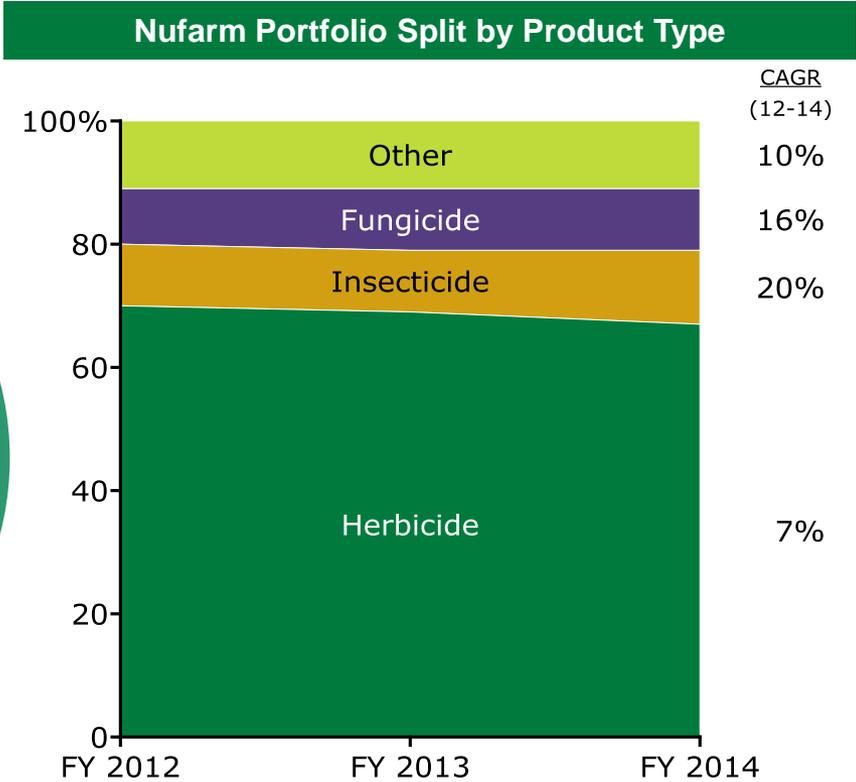
Strengths & Opportunities

Our product portfolio is broad and becoming more diversified



Over 270 active ingredients

Over 3,800 product registrations



Strengths & opportunities

We are a global leader in phenoxy herbicides



- Trusted chemistry with a growing market in resistance management
- Able to be combined with other chemistry for broader control
- Ability to develop new mixtures and formulations
- Well positioned to capitalise on increased opportunity relating to introduction of Dow's 'Enlist' technology

Strengths & opportunities

We have strong regulatory skills/resources and a global network of development laboratories

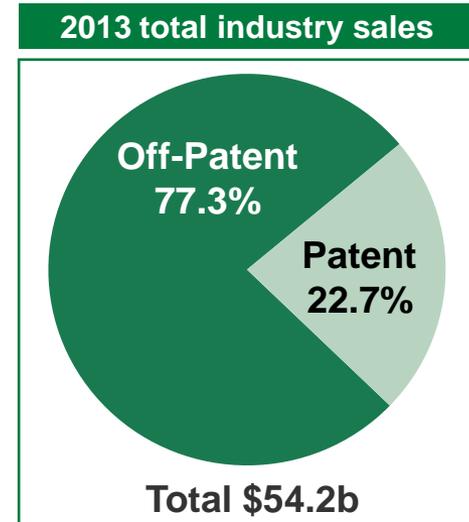


- Increased cost and complexity of regulatory environment is a barrier to entry
- Member of relevant industry task forces to generate data and protect positions
- Strong formulation and development skills help support new product pipeline and drive margin expansion
- Innovation targeted at meeting the needs of customers in local markets

Strengths & opportunities

Our addressable market continues to grow at a faster rate than overall industry

- As more of the industry's chemistry moves into the off-patent space, Nufarm gains access to additional product development opportunities

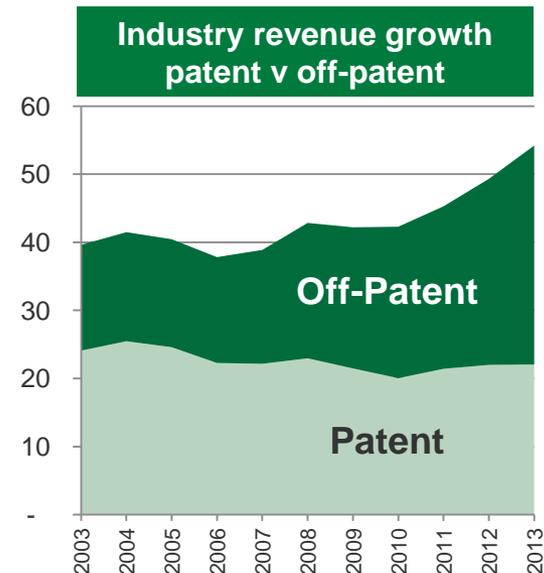


Source: Phillips McDougall

Products coming off-patent 2015-2020

Product Category	2013 sales value (US\$m)
Herbicides	2,271
Insecticides	1,146
Fungicides	3,528
Other	115
TOTAL	7,060

Source: Phillips McDougall



Strengths & opportunities

We have secured value-adding relationships that support our strategic growth objectives

- Our strategic relationship with Sumitomo Chemical Company continues to generate value and further opportunities for co-operation
 - Distribution arrangements covering some 25 countries and more than \$100 million in revenue
 - Addition of Valent 'T&O' range helps secure Nufarm leadership (top 3) in US market
 - Access to new proprietary chemistry and ability to combine Nufarm and Sumitomo products
- Additional relationships with other innovation companies and with major industry players

Strengths & opportunities

Our expansion into seeds is focused on segments where we can succeed

- We own proprietary germplasm that supports our breeding programs in canola, sorghum and sunflower
- We have a rich pipeline of new varieties that will support growth and value expansion in these crops
- We are capturing significant downstream value opportunities via projects such as omega-3 canola



Strategic focus & change program

We have a clear focus on improving the performance of the business and lifting returns on investment

- Nufarm has a clear focus on improving the performance of the business and lifting returns on investment
- Our primary returns measure is ROFE, and we have a medium term target (FY18) of achieving 16% ROFE
- This improvement will be driven by:
 - Continued growth in our revenues
 - A strengthening of our margins
 - A continued, relentless focus on driving down working capital; and
 - A cost savings and performance improvement program that will deliver a net benefit of at least \$100 million by 2018

Performance improvement program

A comprehensive review of all parts of the business, involving change in many areas

Work streams and areas of focus

Customers	Operations	Products	Costs
<ul style="list-style-type: none"> • Develop the best channel strategy for the market given market dynamics and customer feedback • Determine the optimal strategy for pricing in each region • Implement the best structure for go to market functions considering centralised and regional resources 	<ul style="list-style-type: none"> • Optimise footprint • Improve Procurement practices to reduce spend • End-to-end supply chain optimisation • Implement IBP globally • Develop systems and technology to best support global operations • Implement the best structure for operations considering centralised and regional resources 	<ul style="list-style-type: none"> • Reduce the complexity of the existing portfolio and pipeline • Optimise the allocation of capital with the greatest strategic opportunities • Implement the best structure for R&D considering centralised and regional resources 	<ul style="list-style-type: none"> • Apply Procurement principles to indirect spend to manage price • Examine discretionary spend in the regions and at corporate to manage volume of indirect spending • Implement the best structure for corporate functions considering centralised and regional resources

Performance improvement program

Our initial target is both realistic and achievable

- While representing a material uplift on last year's underlying EBIT, the \$100 million benefit target represents less than 4% of our addressable cost base
- We have significant opportunities to make savings in key areas, including:
 - Manufacturing (approx \$250 million in costs)
 - Procurement (approx. \$1.85 billion in costs)
 - SG&A (approx \$500 million in costs)
- The program represents a commitment to drive fundamental and sustainable improvements in the performance of the business and in the returns we generate for shareholders

Change program well underway

- Rationalisation of manufacturing footprints in Australia and Europe
- Better processes and systems to support permanent improvements in working capital management
- Initial \$100m cost savings and performance improvement program that addresses all parts of the business
- Focus on lifting margins, strengthening the balance sheet, and achieving our medium term target of 16% return on funds employed

Trading update



- **Australia** Positive start to major season in a number of key cropping regions, but rain still needed in some areas
- **North America** More favourable spring season than previous year and improved selling opportunities
- **South America** Safrinha corn plantings down and market conditions more challenging
- **Europe** Average seasonal conditions in most markets
- **Seeds** Reduced canola plantings in Australia and increased use of 'saved' seed

Investment highlights



1 We are a leading supplier of crop protection products, with a highly profitable and growing seeds platform

2 We have a strong and balanced global footprint, with sales in more than 100 countries around the world

3 We have a pipeline of new and differentiated products that will help drive growth across our regional businesses

4 We have established strategic alliances and commercial relationships with major industry participants

5 We have significant scope to strengthen margins and free-up additional capital to help support the growth of the business

Grow a better tomorrow.



Nufarm

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