



**Chairman's Address
Annual General Meeting of Shareholders - Melbourne
Thursday, December 3, 2015 at 10.00 am**

Donald McGauchie

Shareholders.

First, I'd like to officially welcome our new Managing Director and Chief Executive Officer – Greg Hunt.

Greg will speak shortly – briefing you on the results for the 2015 financial year and the outlook for 2016.

Before Greg speaks, I'd like to say a few words firstly about safety, and secondly about the structural and operational changes we have made over the past 12 months.

We reported a fatality at our Linz, Austria facility on 22 September. Let me assure you that we place the highest priority on the safety of all Nufarm employees. The accident was a tragic reminder of how vigilant we must be in upholding this commitment.

In response, new safety-related KPIs have been established. We have deployed a set of life saving rules to every employee. These KPIs and life saving rules will drive a higher level of accountability for safety at the employee, and more importantly, at the leadership level.

As you know, Doug Rathbone stepped down as MD and CEO in February.

Let me take this opportunity to again thank Doug for his years of service and leadership – because Nufarm would not be where it is today without Doug Rathbone.

Following Doug's departure in February, Greg was appointed acting MD and CEO while the company conducted a global search for a successor.

The following month under Greg's leadership, we simplified our regional management structures:

- Valdemar Fischer was appointed to the new role of Group Executive, Product and Commercial Strategy,
- Brent Zacharias was promoted to the position of Group Executive Nuseed,
- Brendan Deck was appointed Regional General Manager for Nufarm North America,
- Lachie McKinnon was appointed Regional GM for Nufarm Australia and New Zealand – with additional responsibility for the Crop Care and Croplands business units,
- Marcos Gaio was appointed Regional General Manager for Nufarm Latin America, and
- Son Tick Chen was appointed Regional General Manager for Nufarm Asia.

To ensure the business is more responsive to our customers, the regional general managers will now report directly to Greg.

We believe we now have the right people in the right places to take Nufarm through its next phase of growth.

Greg quickly proved himself the best candidate for the job. As acting MD and CEO, Greg ...

- Demonstrated strong leadership skills,
- Progressed our ambitious program of change and performance improvement, and
- Kept us on target to significantly strengthen our returns to shareholders through targeted cost savings, more effective management of working capital and profitable growth.

As a consequence, Greg was appointed to the role of MD and CEO in May and Nufarm finished the 2015 financial year in a strong position:

- Group revenues increased 4 per cent to \$2.74 billion,
- Earnings before interest and tax increased 18 per cent to \$236.9 million,
- Underlying profit after tax increased 35 per cent to \$117.1 million,
- Average net working capital to sales fell significantly to 41.9 per cent – we want that number to be 40 per cent by 2016 – and
- Earnings-per-share were 11.7 cents, compared to 9.6 cents in 2014.

Looking at those results, it should come as no surprise that Nufarm's share price is the highest it has been since 2010.

After a strong 2015, the global outlook for the next year is also favourable:

- Climatic conditions in Australia in the first quarter have been tough but we are still forecasting profitable growth for the full year;
- Our Brazilian business is facing tough competitive conditions in a challenging market place, but we expect to grow market share and profitability in local currency terms; and and
- We are forecasting growth in Europe and the United States.

Shareholders, your company is in a strong position to deliver sustainable earnings growth – and therefore sustained shareholder returns – in 2016 and beyond.

That being said, we must not take growth for granted.

To earn the right to grow we must constantly strive to increase flexibility and efficiency, and reduce complexity in our operations – and that is exactly what we are doing.

I would now like to ask Greg Hunt to address the Meeting.