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Operator: Thank you for standing by and welcome to the Nufarm Limited Annual Results Briefing 2018 Conference Call. All participants are in a listen-only mode. There will be a presentation, followed by a question and answer session. If you wish to ask a question, you will need to press the star key, followed by the number one on your telephone keypad. I'd now like to hand the conference to Mr Mark Keating, General Manager, Investor Relations, please go ahead.

Mark Keating: Thank you Jessie, and good morning everybody; welcome to the Nufarm Full Year Results Conference Call. Earlier this morning the Company released its results via the ASX for the 12 months to 31 July 2018. The copy of the presentation we're using this morning was also released to the ASX and can be found on our corporate website.

At the conclusion of our Full Year Results Conference Call, we'll host another call, restricted to eligible investors, that will detail the rationale and mechanics in the capital raising to be undertaken by the Company and announced earlier today. Due to regulatory restrictions, those matters need to be addressed separately, hence we are unable to discuss the capital raising or take any questions on it during this call. However, we will have a question and answer session at the end of the second call which will cover the capital raising.

Before we start, let me just draw your attention to the disclaimer on slide two, particularly the section on forward-looking statements and the non-IFRS information.

Participating in this morning's call are Greg Hunt, Nufarm's Managing Director and CEO; Paul Binfield, Nufarm's Chief Financial Officer; and Brent Zacharias, Nufarm's Group Executive for Nuseed.

After the second conference call, we'll be happy to take questions, and at that time I'll hand back to the Operator to introduce the question and answer process. Now I'll hand you over to Greg.

Greg Hunt: Thank you Mark, and good morning and welcome to everyone on the call. This year we have continued to deliver against the strategy that we introduced in 2015. Whilst drought conditions in large parts of Eastern Australia have significantly impacted our overall financial performance, we have successfully grown our business in the other key regions and core crops that we are targeting as part of our strategy.

In the 2018 financial year, our market share strengthened in large and important markets such as the USA and Brazil, and we completed strategically sound portfolio acquisitions in Europe that have materially lifted Nufarm's relevance in the customer base in those markets. Our revenue and margin growth in recent years has been achieved against a backdrop of extremely competitive market conditions in a global industry that has seen very little growth over that period. We believe that this is a firm validation that our strategy of focussing on core products and key geographies deeper rather than a broader approach is driving outcomes that continue to fundamentally strengthen Nufarm's business and future growth prospects.

Our 2018 reporting period was highlighted by a combination of positive results in many of our businesses, and a significant negative impact from the well-publicised drought conditions here in Australia. I'll make some comments on safety performance shortly, but it is important to note that this remains a critical focus for management and we performed well in the period.

Putting aside Australia, we grew revenue in all of our other regions and in our seed technology segment. Significantly, this revenue growth also reflected market share gains in most of those regions.

Our full year EBIT result, whilst below that of last year, is in line with the guidance that we provided in our trading update in July, the major driver of the lower profit outcome of the drought here in Australia, with conditions in large and important growing regions in the Eastern States being the driest on record for around 100 years.

In late 2017 we announced the acquisition of two important product portfolios in Europe, both of which are extremely complementary to our existing range of crop protection solutions. These products are already delivering value, driving stronger customer relevance, and good early sales across our targeted European countries and crops.

During the year, we extended and confirmed our development agreements with our partner Sumitomo, providing us with access to new chemistry in several key regions in the years ahead. We also extended for another five years, the Turf and Ornamental distribution agreement in the US, and our world-leading Omega-3 canola platform received regulatory approval here in Australia and USDA cultivation approval in the US. These are critical milestones as we progress towards commercialisation of this exciting new technology in 2019.

Our responsibility to ensure people go home safely is supported by the commitment that we have made to systematically manage our risks and improve our safety culture. This slide shows the reduction in lost time, injury frequency rate which measures the number of injuries in every million hours worked, and it is encouraging to see that the measurement reflects the progress that we're making in this area.

Whilst we're on the issue of safety, I'd like to make some comments about Glyphosate. A recent California case has focussed attention on the safety of Glyphosate. The California jury found Monsanto liable in a law suit filed by man who alleged the company's glyphosate-based [unclear] caused his cancer. Bayer, which now owns Monsanto, released a statement last week saying it believes that the jury's verdict is [unclear] with the weight of scientific evidence, decades of real world experience, and the conclusions of regulators around the world that all confirm Glyphosate is safe and does not cause Non-Hodgkin's Lymphoma.

Bayer said the jury's verdict is just the first step in the process and it remains subject to post-trial motions and in the trial court and to appeal. It is understandable that in concepts of the jury's verdict, and the media coverage it received, that the community is seeking re-assurance of the safety of Glyphosate. The safety of Glyphosate is substantiated by more than 800, and is 800 scientific studies and reviews which have concluded that Glyphosate can be used safely. Major regulatory authorities around the world employ a rigorous and independent process of review before approving products like glyphosate for use.

The conclusions drawn by respected authorities like the United States Environmental Protection Agency, the European Food Safety Authority, the National Institute of Health, and the AV1PMA here in Australia, deserve to be trusted. Glyphosate remains an extremely important crop protection input and Nufarm has a valuable position in this industry. We continue to view the likelihood of Glyphosate being withdrawn from agricultural markets as very low.

I'd now like to hand over to Paul to go through the financial details.

Paul Binfield: Thank you Greg. This result has been achieved against the background of tough competitive conditions, with lower soft commodity prices putting pressure on both demand for, and applied to Nufarm [unclear]. The crop protection industry [unclear] in Australia has experienced some of its worst ever drought conditions, and given our leadership position in this market, the impact of those conditions have been significant obviously as a result.

Despite these challenges we were able to grow revenues by over 6% on the prior year and over 8% in constant currency terms. We enjoyed good revenue growth in three of our four strategic regions, Europe, LatAm, and North America. And after adjusting for the extreme climatic circumstances in Australia, our growth margin is largely in line with the prior year.

Underlying EBIT at a Group level was down $37 million on the prior year. In the ANZ geographic segment alone we experienced a negative $42 million impact at the EBIT level. Group underlying EBITDA was largely in line with the prior year. Underlying net profit after tax was $97 million [sic - see Full Year Results 2018 - Operating and Financial Review], down $38 million over that reported in the prior period. Material items included in the FY18 results total $114 million, $92 million of which relates to the impairment of the ANZ business. The report NPAT for the year is a loss $16 million.

The Board has declared a $0.06 unfranked final dividend, making $0.11 for the full year. The $0.02 reduction from the prior year reflects some conservatism given the poor result in Australia. As we've stated at the foot of the slide, we remain focussed on controlling the controllables in an otherwise challenging and competitive external environment.

Looking at the EBITDA bridge, the profit drivers of the 2018 are clear in this chart. The impact for the charge in Australia, and the one-off impact for the extended plant upgrade closure in Laverton is offset by the contribution of the acquisitions in Europe and the solid organic growth in the Americas. Outside the extreme climatic conditions on the East Coast of Australia, our business has generally performed well in tough market conditions.

So moving onto expenses. Stripping out the impact of DNA, largely from European acquisitions, the expense ratio is up marginally. The back office cost ratio is unchanged and we continue to weight our cost base in sales and marketing activities. Incremental investments have been mainly customer-facing roles, largely in Europe, to support and leverage the strong growth in the acquired portfolios. Also included in the selling and distribution costs are higher distribution and warehousing expenses. The increased freight costs were in Brazil and the US, and higher warehousing costs in Australia, caused largely by the elevated level of inventory.

The underlying effective tax rate was 33.2%, driven higher by the non-recoverable withholding taxes in Australia due to the tax loss for the year in FY18, and also a prior year one-off adjustment in Canada. I would expect the underlying effective tax rate to be around 32% next year, falling to 31% in FY20 and beyond. We believe that we can do more to reduce our operating expenses and this will remain an important objective for management in the coming year.

The average net working capital outcome is one of the disappointments of this result. Having worked so hard in prior years to [unclear] working capital over sales below our target of 40%, it was frustrating to see us finish this year marginally over 40%. Our focus on average net working capital over sales as a key metric is undiminished; all the senior staff have a substantial part of their short-term incentive tied to successfully improving our performance in this area. Looking ahead we expect to be below the 40% level this time next year, and remain confident about [driving ANWC] net working capital to sales down to a 35% to 37% range in FY20 and FY21.

Net working capital at 31 July is high at over $1.3 billion, an increase of $287 million over the prior period. The elevated levels of net working capital at year end relate solely to our businesses in Europe and Australia. In Europe, a late and then hot and dry seasons resulted in higher level of sales in Q4, lower than Q3, and hence an increased receivables balance. Receivables associated with the newly acquired product portfolios has contributed approximately $40 million to $50 million of this increased balance.

In Australia the dry autumn choked off demand resulting in significantly increased levels of inventory in the region. We've taken a series of actions to reduce the level of inventory in Australia and these have included our strong relationships with supplier bases have allowed us to cancel or defer about $70 million of raw material purchases. Where economically viable, we shipped raw materials to be used in other regions, we've undertaken a targeted marketing campaign in locations such as Western Australia where there remains good buying activity. We've focussed on eliminating the variable costs [in our plants in Australia, reducing the cost base and the output at these sites.

It should also be noted too that the [unclear] risk of this product is minimal. But it will take us time to work through this inventory build-up, but we will execute within a considered manner.

The net debt at the end of the financial year of almost $1.4 billion reflects the increase in net working capital of $287 million and the debt associated with European acquisitions. This has also flowed through to our leverage - average leverage for the year was 2.42 times, higher than our average medium term leverage at a target of two times. Leverage at year end was 3 times, which includes the debt and pro forma earnings associated with the European acquisitions, has allowed for [unclear] purposes.

Despite the higher net debt at year end and through the year, net interest expense is lower, largely due to lower levels of working capital in Brazil and lower interest rates. We expect net interest expense FY19 to be $105 million to $110 million. There has been significant foreign currency volatility during the year, especially in emerging markets, and especially in the final third of the year; the Brazilian real depreciated 13% in the last four months of the year, and the Argentinian peso 33%, both related to the US dollar.

This made hedging our foreign currency exposures in key Latin American market both challenging and expensive. The work that we put into the improving the Treasury process and teams in the region has been proven to be valuable, with a next FX loss comprising both the cost of hedging and the net loss of unhedged exposures coming in line with guidance despite these extreme circumstances.

Material items in the current year total $114 million, of which $92 million related to the non-cash impairment of assets in the Australian business. This write-down comprises two components; a $71 million impairment in carrying value of assets in the ANZ business due to lower earnings in 2018 and 2019, and the application of a higher discount rate in valuing the business segment for accounting purposes.

The second component was the write-off of $21 million of Australian tax losses arising because of the absence of assessable income in [some of] FY18, and the expectation that Australian earnings would be lower than our typical run-rate in FY19. As we flagged at the half-year, there were costs associated with the two European acquisitions, totalling $24 million. These comprise of adviser and financing fees and costs associated with the integration of the two portfolios. Due to the European acquisitions, we made the decision to refinance the 2019 high yield bonds, with an issuance of similar securities to the 2026 maturity and a lower coupon.

As a result, we incurred break fees and the early recognition of interest costs in relation to associated rate swaps that resulted and an accounting charge of $13 million. This was largely non-cash in nature with a net cash outflow being about $300,000. Importantly, the issuance of new high yield bond has given Nufarm valuable unsecured term debt at a competitive interest rate. The total cash outflow associated with material items is a net outflow of $26 million.

The primary driver of operating cash flow for Nufarm is the movements in net working capital. With the build-up in net working capital for the period, the underlying operating cash flow for the period was an outflow of $57 million compared with an inflow of $73 million in the prior period. It's expected that CapEx on and tangible assets will be between $160 million and $170 million in FY19, down $193 million in the current year, as we pass through the peak spending years of the Omega 3 Canola project and the technology rollout.

We expect P&A to be in the range of $160 million to $170 million compared with $121 million in the current year. Future cash flow improvements will be driven by higher earnings, further sustainable improvements in working capital management, and a portfolio mix that features stronger cash conversion.

I'll now pass you back to Greg to take you through the segment results.

Greg Hunt: Thanks, Paul. This slide shows our gross profit contribution by both product segment and our regional markets. The major product split underlies our strength in Herbicides, however it highlights the proportion of selective versus non-selective Herbicides and the fact that Glyphosate contributes just 12% of our gross profit, as we continue to strengthen our offering in higher-margin Phenoxies and other Herbicides. Fungicides and Insecticides have remained relatively consistent over recent years; however, we expect the relevance of these segments to grow following the recent European acquisitions.

The geographic split of the business again underlines the strength of our global footprint. This is a diversified business in terms of market exposure and we think that this is an important risk mitigator given the potential impact of various seasonal and market conditions in different parts of the world. The value in our diversified portfolio and geographic spread is evident, given what we are current experiencing in Australia.

Now to the specific regions. Sales of $590 million were generated from the Australian and New Zealand crop protection business, down 10% on the previous year. The record dry Australian autumn season, in fact the driest autumn in many regions since 1902, and the generally low rainfall throughout the summer and early winter period resulted in extremely challenging conditions, reducing demand for our knockdown and pre-emergent herbicide products.

The forecast rainfall events for the East Coast in July did not eventuate, negatively impacting our post-emergent products. Combined with a scheduled plant upgrade that resulted in significant loss recoveries, the very dry seasonal conditions resulted in a substantial negative profit impact on our Australian business in FY18, and it tempers our expectations for an earnings recovery in the current year.

We've spent a lot of time and efforts strengthening the productivity and the competitiveness of the Australian business, hence we launched our performance improvement program three years ago. This program remains on track and we are a fundamentally better business as a result of the work that we've done. The merger of the Nufarm and Crop Care marketing teams has also resulted in efficiencies and has positioned the business better to deliver a better experience for our customers. And we have a much more efficient supply chain, having rationalised production from three manufacturing plants - sorry, from six manufacturing plants down to three. We still believe the business is capable of delivering a consistent [$50 million to $60 million] of EBIT contribution as market conditions normalise.

In North America our crop protection sales grew by 10% to $834 million, underlying EBITA was $99.5 million compared to the $89.3 million in the prior period, up 11%. The North American market experienced mixed seasonal conditions, with continued pressure on commodity pricing in a late growing season, brought about by an extended winter. Despite these conditions we were able to grow our market share in Canada, the US and in the high-value Turf and Ornamental business. This growth was driven by a number of new product launches, and a strong focus on customer engagement. We see a number of promising opportunities in FY19 to continue our growth.

Importantly, as I mentioned before, we recently resigned the distribution agreement with Sumitomo products in the [T&O] segment for a further five years, and Nufarm is now the number three player in this segment. We are establishing a new formulation plant in Greenville Mississippi, which will enable us to better serve the market and grow our position in the Southern States of the US, and will result in reduced freight costs.

We continue to closely monitor the potential impact of the proposed tariff on Chinese imports into the US, but this position remains unclear.

In Latin America, sales grew by 8% to $885 million, underlying EBITDA was $97.4 million compared to the $95.6 million in the prior period. For calendar year 2017, the total crop protection market in Brazil reduced in value by approximately 7% in US dollar terms. Despite this, Nufarm grew sales in Brazil, driven in part by new product launches in the pasture segment and Sumitomo Nufarm mixture products positioned to provide growers with effective resistance sprayers. Expenses also increased year-on-year, with further investment in our sales force to support future growth plans. In addition, there was some impact related to the nationwide truck drivers' strike with increased freight costs in FY18. And we expect the impact of increased freight costs will be felt in FY19.

Improved seasonal conditions and farmer terms of trade, particularly in the Bahia region have eased credit concerns.

Turning to Europe, sales were up by 19% to $643 million, underlying EBITDA was $149.9 million, 24% ahead of the $121.4 million posted in the 2017 financial year. Climatic conditions in Europe have been adverse this year, and particularly in Central and Northern Europe. Spring season started late, with winter extending into March and early April. This was followed by a very short spring season and a hot and dry summer. Droughts and a heatwave in North and Eastern parts of Europe impacted our sales, particularly in our traditional Herbicide business.

Our sales growth was largely driven by the products that we acquired earlier this year. Customer support has been very strong, and we have delivered a positive contribution from the new portfolios in the FY2018 results. This is extremely encouraging as we look to fully capitalise on the opportunities presented by the new acquisitions in financial year 2019.

Pleasingly, much of the growth has been achieved in a number of our key target European markets, including Germany and Poland. And our gross margin percentage improved approximately 200 basis points in Europe in the year. Again, this is driven by the relative higher profitability of the products we recently acquired.

Our Asian crop protection sales were up 3% to $170.7 million, underlying EBITDA was lower at $25.2 million compared to the $28.3 million generated in the prior period. Indonesia contributes approximately 50% of the profit in our Asian region. Seasonal conditions in the country were average during FY18, following the excellent year experienced during FY17. The market was impacted by low infestations and lower commodity prices. However, we were able to grow our sales by nearly 9% in local currency because of the number of new product launches.

We have recently established a joint venture sales and marketing company in China, with China based manufacturing company Fuhua. The joint venture company will market Nufarm, Fuhua and other third party crop protection products in the China domestic market, and will commence operations on 1 October this year.

I'll now hand over to Brent Zacharias who will cover the seed technologies segment results and provide an update on the Omega 3 project. Thanks Brent.

Brent Zacharias: Thanks Greg. The Company's seed technologies segment includes sales of seeds managed under the Nuseed business and seed treatment chemistry. Revenues in this segment were $185.5 million which represented a 10% increase on prior year sales of $168.6 million. The segment generated an EBITDA contribution of $43.6 million, down 4% on the $45.34 million recorded in the prior year.

Despite challenges in seasonal conditions in the Australian canola segment, stronger sales of sunflower and sorghum and expanded offerings of seed treatment products helped drive higher revenues for the period. As disclosed in the July trading update, profitability was impacted by a European Regulatory directive that restricted the use of neonicotinoid-based seed treatment applications in France. This resulted in an estimated $11.1 million negative impact at EBITDA level.

The seed technologies segment overall experienced an excellent growth year, gaining approximately $9 million in EBITDA contribution in other areas excluding the downside in France. While the Canola season was challenging for total Canola seed buyers in Australia, Nuseed retained share in the larger segments, achieved growth in new hybrid categories, and increased endpoint royalty collections resulting in solid financial Year 2018 earnings in the region.

Successful new product launches brought Nuseed's offerings in the European, Latin American and US sunflower segments, and strengthened the Company's position in the Latin American and US sorghum markets. An expanded distribution base in the US helped drive higher sales of seed treatment products, along with the successful launch in Brazil of an insecticide treatment based on Sumitomo chemistry and early sales of a combination product in Europe acquired as part of the European portfolio transaction.

Turning to Omega-3, the reported period saw significant progress relating to Nuseed's priority Omega-3 canola. This unique Omega-3 canola produces long-chain Omega-3 fatty acids, similar to those found in fish oil, using a sustainable land-based source. It has been developed through collaboration between Nuseed, the Commonwealth Scientific Industrial Research Organisation, the CSIRO, and the Graves Research and Development Corporation, GRDC.

In February of this year, Australian regulators approved the Omega-3 canola production and use in feed and human consumption. Subsequent to year end, the United States Department of Agriculture, the USDA, approved Omega-3 canola for cultivation in the United States. Regulatory submissions relating to food and feed approval in the US and cultivation food and feed in Canada continue to progress through the review process on schedule and are anticipated prior to the 2019 North American cropping season.

Nuseed's successfully contracted, planted, and harvested 15,000 acres of Omega-3 canola in Montana under the USDA notification process. This activity has helped validate the Company's closed-loop business model and stewardship protocols. Multiple pre-commercial feeding trials, utilising Nuseed's Omega-3 canola oil, were commenced at downstream aquaculture companies, with initial data expected at the end of the calendar year.

Nuseed and its partners CSIRO and GRDC continue to strengthen the intellectual property relating to the technology with more than 20 additional patents granted over the past 12 months. Earlier this month, Nuseed together with our partners, CSIRO and GRDC, filed US Federal Court proceedings against BASF and Cargill, claiming infringement of 16 of our patents for their activities in the USA.

We continue to have clear freedom to operate and a clear path to commercialisation of our proprietary Omega-3 canola technology, and the Company is very confident they'll be the first to market with a land-based sustainable long-chain Omega-3 solution.

I'll now hand back to Greg.

Greg Hung: Thanks Brent. I just want to spend some talking about the growth opportunities. We have multiple growth platforms from which we believe that we can derive sustainable increases in revenue and earnings, and strong growth returns for our shareholders.

We can continue the growth that we have achieved in recent years, while maintaining our focus on those crops and those markets where Nufarm can be most successful. This is being achieved within a strategic framework that involves a more focussed and deeper, rather than broader, approach.

Each one of our growth platforms has the potential to drive significant value to the business. I'd like to touch briefly on a number of them.

The growth of our top line has been primarily driven by the differentiated product portfolio. Differentiated products have grown at a compound annual growth rate of 8% between FY14 and FY18, whilst the foundation products grew by 4% within the same period. There are good growth prospects in our four portfolios. As we have explained previously, investment decisions are now made in the interests of one Nufarm rather than on a country-by-country basis. This is important because we believe that this structure will result in a more targeted approach in line with our overall strategy and will deliver much better value for the approximately $100 million that we spend on our product portfolio annually.

So our foundational products are important and will be maintained, however our focus and our investments will be on developing differentiated and proprietary solutions with our customers where we see opportunities in the market. We are attracted to the intersection of gaps in our portfolio, and the most attractive addressable market values that those gaps represent.

As an example, we are focussed on the Asian soybean Rust market in Brazil and the Septoria market in Europe-bearing cereals with our fungicide investments. Farmers spend in excess of $2 billion annually on crop protection solutions which control these diseases. We are also focussed on the grass herbicide segment in cereal crops, and we are prioritising the burn down market in soybean, cereals and corn which is the first application a farmer will make in preparing their fields for planting.

Resistance challenges to specific chemistry in all of these target segments, we'll drive a continued demand for unique solutions that keep farmers ahead of the resistance curve.

Our relationship with Sumitomo Chemical Company is very important to us and continues to provide an important growth platform for both companies. In markets where we have established development and distribution agreements, we have achieved growth in excess of underlying market growth. We have developed differentiated products that provide unique solutions and command a premium in the market.

It is pleasing to note that the Nufarm sales of Sumitomo products reached $245 million in the 2018 financial year, and have grown and at an annual growth rate of 37% since 2014.

In the United States, Nufarm and Sumitomo Chemicals Subsidiary Valent have just signed an extension, a five year extension to the US Turf and Ornamental distribution agreement in which Nufarm will continue its exclusive distribution of the Valent Sumitomo portfolio in this highly valuable market segment. This most recent contract extension has been expanded to include the Industrial Vegetation Management portfolio.

We have also executed agreements in Europe and Brazil that provide Nufarm with distribution rights to products based on an important Sumitomo novel fungicide that is expected to be commercialised in the next few years. Whilst the rate of growth with Sumitomo products is forecast to plateau somewhat in the next two to three years, the pending 2020, 2023 introduction of unique solutions which combine the new compounds coming from Sumitomo with complementary compounds from Nufarm's portfolio, we would expect another strong phase of growth.

In a further consolidated market, there will be more opportunities to develop alliances or product distribution agreements with other industry players. The hard work that we have done to improve the quality of the underlying business and increase our market relevance, in several key agricultural regions, makes Nufarm an increasingly attractive market access partner.

The current round of industry consolidation may well provide additional opportunities for us to secure assets that will strengthen our position in core crops and geographies, and we will continue to assess opportunities as they arise.

Our European acquisitions are a key driver of our growth over the coming years. By way of reminder, we applied 50 brands and 200 product registrations across 29 European countries, with strong alignment with our core crops in our key geographies. Many of the acquired products deliver margins well in access of our current average gross margins. The acquisitions were completed in March this year and we have been very pleased with the strong support and the engagement that we have already had from many of our channel partners.

Recruitment of an additional regulatory technical support sales and marketing personnel is on track, with 41 people added to date, and another 20 planned over the next three to six months. Supply arrangements are currently governed under a transitional services agreement - however the necessary arrangements and investments are underway to transition to in-house production by Nufarm.

Let me now turn to the outlook. We are expecting to see strong earnings growth in FY19, with EBITDA to be in the range of $500 million to $530 million. Key drivers will be continued revenue growth, both in North and South America, the full-year forecast contribution from our European acquisitions, and a partial earnings recovery in Australia on the back of a return to more normal seasonal conditions for the winter cropping season.

Our outlook assumes average seasonal conditions for the major selling periods in our key markets, and no material impact from government policy changes or third party supply interruptions outside of our control. I think it's also important to note the heightened level of volatility that exists around global trading issues, including the escalating US/China tariff situation and potential Brexit impacts in Europe.

We will closely monitor these issues, and to the extent that it is possible, manage their implications for our business. As Paul has mentioned, we anticipate an improvement in net working capital, with the net working capital sales ratio returning to a level below 40%. As our supply chain initiatives begin to deliver their expected benefits over the next few years, further working capital efficiencies will be secured and that ratio can be bought lower.

Given the ongoing drought related impacts in Australia, and some planned maintenance related plant shutdowns in Europe, first half EBITDA in the current year is expected to be similar to that generated in the first half of FY18. At an EBIT level however, earnings are likely to be below our FY18 first half, as the increased amortisation associated with the European acquisitions will more than offset the first half earnings contribution from those portfolios which are weighted to the second half of the year.

In closing, let me reiterate that Nufarm remains one of the few companies in our industry that continues to post growth in the major global markets of North, South America and Europe, as well as in our seeds business. This underpins our confidence in our strategy and in the investments that we are making to drive long-term sustainable earnings growth and stronger shareholder returns.

We intend to maintain a relentless focus on executing that strategy.

I'll now hand you back to Mark.

Mark Keating: Thank you Greg. That concludes our Full Year Results Conference Call. In a moment we will host the second call, restricted to eligible investors, which will detail the rationale and mechanics to the capital raising to be undertaken by the Company announced this morning, after which we will have time for Q&A.

Due to regulatory restrictions, we will disconnect all parties who have dialled in from the United States. If you are in the US and permitted to join the capital raising call, you must dial in using the separate conference ID provided to you. If you're in the US and don't have that separate conference ID, you have to disconnect after the Full Year Conference Call, if you have not otherwise been disconnected as you cannot listen to the next call.

For all other callers in Australia and outside the US, please stay on the line.

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