

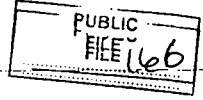
Interim Results

6 months to January 31, 2010

30 March, 2010



Nufarm



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165



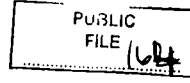
Doug Rathbone

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 |

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Contrasting trading conditions



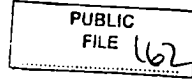
6 months to January 31, 2009

- 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



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2010 Interim results – Segment review



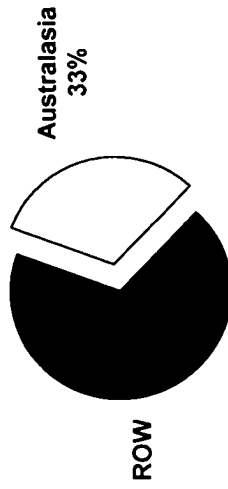
Six months in review - AUSTRALASIA

| | 2010 1H \$m | 2009 1H \$m | Australia |
|----------------|----------------|----------------|--|
| Australasia | | | |
| Sales | 295 | 342 | <ul style="list-style-type: none"> ▪ Dry spring; reduced summer crop plantings |
| Segment profit | 12.3 | 81.4 | <ul style="list-style-type: none"> ▪ 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 1H
Sales

2010 Interim results – Segment review



Six months in review - NORTH AMERICA

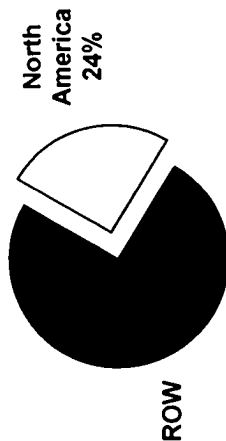
| North America | 2010 1H \$m | 2009 1H \$m |
|----------------|----------------|----------------|
| Sales | 216 | 357 |
| Segment profit | 3 | 52 |

United States

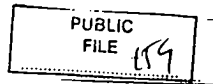
- Glyphosate inventory sold into distribution
- Cold, wet conditions delay ag segment sales
- Turf, ornamental, IVM and seed treatment segments all tracking well

Canada

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



2010 1H
Sales



2010 Interim results – Segment review



Six months in review - SOUTH AMERICA

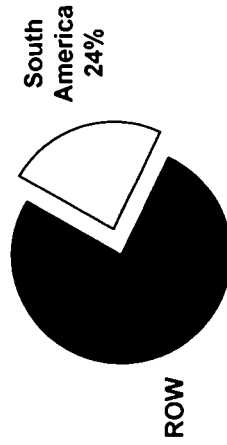
| | 2010 1H | 2009 1H |
|----------------|---------|---------|
| South America | \$m | \$m |
| Sales | 209 | 282 |
| Segment profit | 0.25 | (19) |

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 1H
Sales

2010 Interim results – Segment review



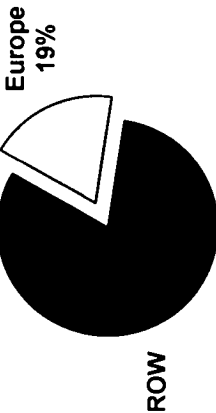
Six months in review - EUROPE

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

Market value down 10% 2009 v 2008

- France down by more than 15%

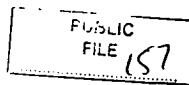
Dry autumn and severe winter conditions reduce sales opportunities



New product introductions:

- imidacloprid; metsulfuron; nicosulfuron; tebuconazole

Promising start to new business in Ukraine

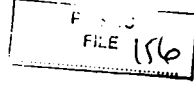


2010 Interim results



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



Glyphosate



End July 2009

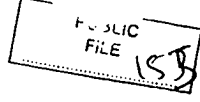
- Destocking at distribution level; low seasonal demand; and additional Chinese imports result in high season-ending inventories in most markets
- Nufarm U.S. inventory written down to reflect pricing expectations

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

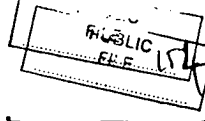
- Need to monitor/assess seasonal demand and its impact on pricing – likely to see varying degrees of price recovery in different markets
- Indications that distribution will support major suppliers
- 2010 is very much a rebuild year



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



Nufarm

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153

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

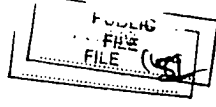
Glyphosate

123

All other

47

170



2010 Interim results



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> |

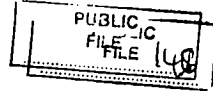
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FILE 149

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



PUBLISHED
PAGE 147

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)

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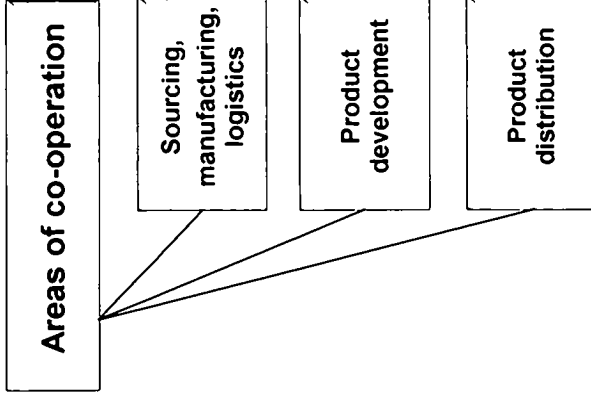
146

The Sumitomo investment



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



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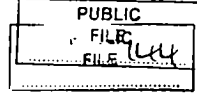
145

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



Outlook for 2010 full year result



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

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143

Outlook for 2010 full year result



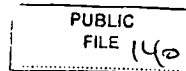
Forecast for 12 months

| | |
|------------------|---------------------------------|
| 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



Nufarm Limited ACN 091 323 312

103-105 Pipe Road, Laverton North, VIC Australia 3026

Telephone: (03) 9282 1000 Facsimile: (03) 9282 1111

Postal Address: PO Box 103, Laverton, VIC Australia 3028

Report to Shareholders

6 months ended January 31, 2010

March 29, 2010

Nufarm Limited has generated a headline loss of \$40 million for the six months ending January 31, 2010. This result includes a negative impact associated with material items of \$35.8 million, mostly glyphosate related losses. The company's operating result for the period was a loss of \$4.2 million.

Excluding the impact of material items, operating earnings before interest and tax (EBIT) were \$19.1 million, 85% down on the \$130.2 million recorded in the first six months of the previous year.

Group sales were \$890 million (compared with \$1.24 billion in the previous corresponding period). The reduction in sales in the current period reflects the price reduction in glyphosate globally, and adverse climatic conditions in the Northern Hemisphere. The Company considers that market share has been maintained. 33% of first half revenues were generated in Australasia (2009 1H: 28%); 19% in Europe (20%); 24% in North America (29%); and 24% in South America (23%).

Net working capital at January 31, 2010 of \$1.12 billion is a \$435 million reduction from January 2009 levels. The single biggest contributor to that reduction was a decrease in the value of glyphosate inventory amounting to \$364 million. Net debt at January 31, 2010 was \$1.03 billion, a reduction of \$539 million from the same period of the previous year.

Working capital is expected to reduce to approximately \$800 million at the end of July, 2010 and net debt – after the impact of the previously announced capital raising – is forecast to be approximately \$350 million. Year end gearing (net debt to equity) is therefore expected to fall from 69% at end January 2010 (compared to 106% at end January 2009) to between 20 and 25% at end July 2010.

No dividend will be paid at the half year. The dividend position will be reviewed when the full year result is considered. That result is expected to show a strong recovery in profitability in the second six months of the financial year.

Material items

The headline loss of \$40 million includes material items that generated a net loss of \$35.8 million. Of this amount, \$29.4 million was associated with glyphosate related losses and costs relating to pricing support, the majority of which pertained to inventory held at the end of the 2009 financial year.

Glyphosate pricing fell to unexpected lows in the first few months of the financial year. This was driven by much higher than average season-ending inventory levels and strong competition from global glyphosate suppliers looking to shift that inventory. With Nufarm's US inventory levels at the end of last financial year equating to some six months of forecast sales, the company elected to secure its longer term market positions by selling those stocks at the lower market prices. Given those prices were below the adjusted book value at end July, further losses were recorded on these sales.

Nufarm has also taken actions to support the company's distribution partners in a number of markets with one-off price protection measures on glyphosate product that was sold last year.

Other material items included costs associated with operational restructuring activities in the UK and France, and due diligence costs relating to the Sinochem takeover proposal.

Review of operations

The first six months of the 2010 financial year have presented some significant challenges for the business, with trading conditions contrasting markedly to those that existed in the corresponding period of the previous year.

The 2009 interim result was characterised by an excellent summer cropping season in Australia; early season sales in both North America and Europe; and a much stronger pricing environment.

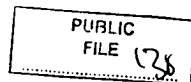
The 2010 period was impacted by less favourable climatic conditions – with prolonged winters in the Northern Hemisphere – and pricing pressure driven by lower demand and increased competition.

While actual losses relating to glyphosate sales have been classified as a material item, the reduction in earnings from those sales had a significant impact on the operating result in all regions. Average prices for glyphosate during the first six months of 2010 were approximately half of those that applied in the same period of 2009.

Australasia

Australian crop protection sales were \$205 million, down some 18% on the previous corresponding period (p.c.p.). Summer cropping conditions in Australia were less favourable, with late summer rains reducing sales opportunities in northern regions. That rainfall, however, will prove to be beneficial for the autumn/winter plantings.

Total Asian sales were down, however the Indonesian business posted an improved performance for the half and this helped generate a small increase in operating EBIT for the six month period.



On a segment basis, Australasia reported an operating profit (before any impact of material items) of \$12.3 million, well down on the previous corresponding period.

North America

First half sales in North America were significantly impacted by climatic conditions. Nufarm's US sales were down by almost 45% for the six month period, and sales in Canada were down by 21%. These reductions in revenue were also a product of sharply reduced glyphosate prices.

As previously reported, Nufarm finished the 2009 financial year with approximately six months of glyphosate inventory in the US. With a number of other major suppliers also looking to lock up positions in distribution and reduce inventory levels, 'pre-season' pricing in the US was extremely competitive. Having moved that inventory into distribution, Nufarm is now purchasing glyphosate acid at market competitive prices and expects to generate more acceptable margins on sales that take place in the balance of the year.

As in other markets, seasonal demand for phenoxy herbicides was low in the first six months. Nufarm's turf and speciality business performed relatively strongly in the period.

The North American segment result shows revenues of \$216 million (versus \$357 million p.c.p.) and an operating profit of \$3 million compared to \$53 million for the same period in 2009, when early season sales and much stronger pricing and margins contributed to that result.

South America

Segment sales in South America were \$209 million, compared to \$282 million in the first six months of the previous year. The segment result showed a loss of \$4.5 million, compared to a profit of \$27.5 million in the first half of 2009.

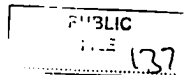
While the period saw a slight easing in credit related pressures in Brazil, competition for lower risk sales remained intense and margins were dramatically impacted. Brazilian sales were down by 22% in Australian dollars and by 15% in local currency. Gross margins moved from 26% to 14.5% on a comparable basis.

Argentina recorded an improved profit result despite sales being down on the previous corresponding period.

Europe

Climatic conditions were also a negative factor in the European results for the first half. A very dry autumn followed by severe winter conditions throughout most of Europe dramatically impacted the opportunity for crop protection sales.

Segment revenues were \$170 million compared to \$255 million in 2009.



European manufacturing activity was also disrupted by adverse weather at a number of Nufarm's manufacturing facilities, leading to a two-fold impact of reduced product availability and lower overhead recoveries in those facilities.

Segment profit (pre material items) was \$19 million, compared to \$28 million in the previous period.

Seeds

The Nufarm seeds business generated increased sales, following the acquisition – in August of 2009 – of Texas based Richardson Seeds Ltd and MMR Genetics Ltd.

Richardson Seeds is a major producer and marketer of sorghum seed hybrids, with a leading market share in the US and expanding market positions in Mexico, South America, Europe, Japan and the Middle East. MMR Genetics is a global leader in the development of elite sorghum germplasm, used by many of the world's top seed companies.

During the period, approval was granted by the West Australian government for the planting of Roundup Ready canola in that state. This will extend market access for Nufarm's Roundup Ready canola products and associated herbicide and seed treatment chemistry.

Strategic investment by Sumitomo Chemical Company

On December 29, the company announced that the Nufarm Board had received and would support a proposal from Sumitomo Chemical Company ('Sumitomo') to acquire 20% of the issued ordinary shares of Nufarm from Nufarm shareholders for \$14.00 cash per share via a Tender Offer.

That announcement followed confirmation that Nufarm had terminated discussions with Sinochem Corporation in relation to a conditional take-over offer involving an indicative price of \$12.00 per share.

The Sumitomo proposal received approval by the Sumitomo Board on January 22 and Nufarm shareholders voted to approve the making of an Offer at an Extraordinary General Meeting on March 2.

The Tender Offer was launched on March 12 and will remain open until April 9. If Sumitomo achieves a minimum acceptance equating to 15% of the issued capital of Nufarm it will be entitled to appoint one Director to the Nufarm Board.

Sumitomo's proposed investment places an appropriate value on the company and provides all Nufarm shareholders with the opportunity to realise a fair price for some of their shares. It also establishes a strategic relationship between Nufarm and Sumitomo that is expected to deliver meaningful benefits to Nufarm and its shareholders.



Subsequent events

Nufarm and Sumitomo executed an agreement on February 26 to allow Nufarm to distribute a number of Sumitomo crop protection products in Brazil. The companies have also agreed to pursue similar distribution agreements in other markets including Europe, Canada and Indonesia. Joint management committees have also been formed to review opportunities for co-operation in areas such as product development and manufacturing and logistics.

In March 2010, Nufarm completed the acquisition of Druetto Criadero y Semillero, an Argentina seed company based in Sunchales. The Druetto seed business, established some 35 years ago, is focused on the breeding development, production, processing and sales of hybrid sorghum. Druetto currently produces sorghum across six production zones in South America and supplies a large share of the leading sorghum genetics into the South American market.

The acquisition of the Druetto business allows Nufarm to optimize breeding, production and operations between North America, South America and Australia and moves Nufarm into a world leading position in the sorghum crop. The Druetto business will transfer immediately to operate under the Nuseed Argentina brand.

Outlook

The second six months of the current financial year are expected to show that recovery is well underway across important areas of the business.

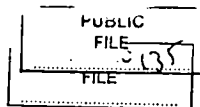
While glyphosate pricing is expected to remain very competitive, Nufarm will generate acceptable margins in most markets, with the US glyphosate segment still transitioning to a more normal level of profitability. Climatic factors will largely determine demand for glyphosate and most other crop protection products, with pricing likely to strengthen as the key selling seasons get underway in Australia, North America and Europe.

Australia has experienced excellent rainfalls in many important cropping regions, with the Eastern States seeing a substantial improvement in water storage levels and river flows. Product demand is already strong in those regions and the outlook for crop plantings in Australia is extremely positive.

After a long, cold winter, temperatures are increasing in the USA and the arrival of spring conditions will see grower purchasing activity increase. Similarly, in Europe, we are now seeing a gradual warming in climatic conditions and the next few months will result in stronger demand in our various European markets.

The company is forecasting a headline result for the full year – including the impact of material items – of between \$80 million and \$100 million and an operating result of between \$110 million and \$130 million.

These forecasts assume at least average climatic conditions and subsequent demand in the key selling regions and a gradual improvement in glyphosate margins through the balance of the financial year.



With forecast reductions in working capital and other initiatives, Nufarm's balance sheet will be in a strong position to support the continued growth of the business.

-- end --

Further information: Corporate Affairs
☎ (61 3) 9282 1177

Nufarm Limited

| 12 months ended 31 July 2009 | Consolidated | | % change |
|------------------------------------|----------------------------------|----------------------------------|-------------|
| | 6 months ended 31 Jan 2010 | 6 months ended 31 Jan 2009 | |

RESULTS FOR ANNOUNCEMENT TO THE MARKET

TRADING RESULTS (\$'000)

| | | | | |
|-----------|---|----------|-----------|-------|
| 2,677,083 | Revenue from ordinary activities | 890,290 | 1,235,377 | -28% |
| | Profit from ordinary activities after tax attributable to members | | | |
| 159,632 | - Before material items | (4,240) | 65,129 | -107% |
| 79,877 | - After material items | (39,986) | 65,655 | -161% |
| | Net profit attributable to members | | | |
| 159,632 | - Before material items | (4,240) | 65,129 | -107% |
| 79,877 | - After material items | (39,986) | 65,655 | -161% |

DISTRIBUTION TO SHAREHOLDERS

| Dividends | Amount per security | Franked amount per security |
|--|------------------------|--------------------------------|
| Dividend paid per ordinary share on 13 November 2009 | 15c | - |
| Dividend paid per ordinary share on 17 November 2008 | 23c | 23c |

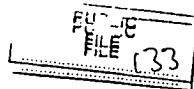
No interim dividend is proposed for six month period ended 31 January 2010
Interim dividend for 2009 was 12 cents per share

Nufarm step-up securities distribution

| | Distribution rate | Total amount \$'000 | Payment date |
|--|----------------------|---------------------------|-----------------|
| Nufarm Step-up Securities distribution | 5.02% | 6,313 | 15-Oct-09 |
| Nufarm Step-up Securities distribution | 7.48% | 9,361 | 15-Apr-09 |

OTHER SUMMARY DATA

| 31 July 2009 | RATIOS | 31 Jan 2010 | 31 Jan 2009 |
|--------------|--|-------------|-------------|
| 57% | Gearing ratio (debt/equity) | 69% | 106% |
| 50% | Equity ratio | 46% | 36% |
| \$3.59 | Net tangible assets per ordinary share | \$3.07 | \$2.79 |
| 3,155 | Staff employed | 3,150 | 3,226 |



Directors' report

The board of directors of Nufarm Limited has pleasure in submitting its report together with the consolidated financial statements for the six month period ended 31 January 2010 and the auditor's review report thereon.

Directors

The names of the directors in office during the period were:

KM Hoggard (chairman)
GDW Curlewis (deputy chairman)
DJ Rathbone AM
Dr RJ Edgar
Dr WB Goodfellow
GA Hounsell
DG McGauchie AO
Dr JW Stocker AO

All directors held their position as a director throughout the entire period and up to the date of this report.

Principal activities

Nufarm Limited manufactures and supplies a range of agricultural chemicals used by farmers to protect crops from damage caused by weeds, pests and disease. The company has production and marketing operations throughout the world and sells products in more than 100 countries. Nufarm's crop protection products enjoy a reputation for high quality and reliability and are supported by strong brands, a commitment to innovation and a focus on close customer relationships.

Nufarm employs 3,150 people at its various locations.

The company is listed on the Australian Stock Exchange (symbol NUF). Its head office is located at Laverton in Melbourne.

Results

The net loss attributable to members of the group for the six months to 31 January 2010 is \$39.99 million, after including the material items described in note 9. The comparable figure for the six months to 31 January 2009 was a net profit of \$65.65 million.

Review of operations

The review of operations forms part of the report to shareholders.

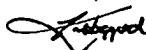
Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is enclosed and forms part of the directors' report for the six months ended 31 January 2010.

Rounding of amounts

The parent entity is a company of the kind specified in Australian Securities and Investments Class Order 98/0100. In accordance with that class order, amounts in the consolidated financial statements and the directors' report have been rounded to the nearest thousand dollars unless specifically stated otherwise.

This report has been made in accordance with a resolution by directors.


KM Hoggard
Director


DJ Rathbone AM
Director

Melbourne, 29 March 2010

Nufarm Limited

Condensed consolidated income statement

for the six months ended 31 January 2010

| | Note | 31 Jan 2010 \$'000 | 31 Jan 2009 \$'000 |
|--|------|-----------------------|-----------------------|
| Continuing operations | | | |
| Revenue | | 890,290 | 1,235,377 |
| Cost of sales | | <u>(756,228)</u> | <u>(846,060)</u> |
| Gross profit | | 134,062 | 389,317 |
| Other income | | 6,760 | 3,046 |
| Sales, marketing and distribution expenses | | (87,200) | (116,216) |
| General and administrative expenses | | (70,846) | (133,921) |
| Research and development expenses | | (17,697) | (24,219) |
| Share of net profits/(losses) of associates | 11 | <u>(632)</u> | <u>2,169</u> |
| Operating result | | (35,553) | 120,176 |
| Net non-cash revaluation profit/(loss) on proceeds from Nufarm step-up securities financing | | 2,788 | 13,490 |
| Profit/(Loss) before net financing costs and income tax | | (32,765) | 133,666 |
| Financial income | | 2,619 | 4,274 |
| Financial expenses | | <u>(29,153)</u> | <u>(62,243)</u> |
| Net financing costs | | <u>(26,534)</u> | <u>(57,969)</u> |
| Profit/(Loss) before tax | | (59,299) | 75,697 |
| Income tax benefit/(expense) | | <u>19,324</u> | <u>(9,952)</u> |
| Profit/(Loss) for the period | | (39,975) | 65,745 |
| Attributable to: | | | |
| Equity holders of the parent | 13 | (39,986) | 65,655 |
| Non-controlling interest | 13 | 11 | 90 |
| Profit/(Loss) for the period | | (39,975) | 65,745 |
| Earnings per share attributable to ordinary equity holders | | | |
| Basic earnings per share | 13 | (20.4) | 30.5 |
| Diluted earnings per share | 13 | (20.4) | 30.5 |

The condensed consolidated income statement is to be read in conjunction with the attached notes.

Nufarm Limited

Condensed consolidated statement of comprehensive income

for the six months ended 31 January 2010

| | Note | 31 Jan 2010 \$000 | 31 Jan 2009 \$000 |
|--|------|----------------------|----------------------|
| Net profit/(Loss) for the period | | (39,975) | 65,745 |
| Other comprehensive income | | | |
| Foreign exchange translation differences for foreign operations | 5 | (53,107) | 140,908 |
| Actuarial gains/(losses) on defined benefit plans | | (5,240) | (1,659) |
| Other comprehensive income/(loss) for the period, net of income tax | | <u>(58,347)</u> | <u>139,249</u> |
| Total comprehensive income/(loss) for the period | | <u>(98,322)</u> | <u>204,994</u> |
| Attributable to: | | | |
| Shareholders of the company | | (98,333) | 204,904 |
| Non-controlling interest | | 11 | 90 |
| Total comprehensive income/(loss) for the period | | <u>(98,322)</u> | <u>204,994</u> |

The condensed statement of comprehensive income is to be read in conjunction with the attached notes.

Nufarm Limited

Condensed consolidated balance sheet

As at 31 January 2010

| | Note | 31 Jan 2010 \$000 | 31 Jan 2009 \$000 | 31 July 2009 \$000 |
|--|------|----------------------|----------------------|-----------------------|
| Current assets | | | | |
| Cash and cash equivalents | | 56,179 | 83,628 | 84,312 |
| Trade and other receivables | | 899,326 | 1,044,600 | 787,760 |
| Inventories | | 726,813 | 1,317,646 | 797,383 |
| Current tax assets | | 48,035 | 74,315 | 48,973 |
| Assets held for sale | 15 | 7,907 | - | - |
| Total current assets | | 1,738,260 | 2,520,189 | 1,718,428 |
| Non-current assets | | | | |
| Receivables | | 25,368 | 25,056 | 33,125 |
| Equity accounted investments | 11 | 11,377 | 28,621 | 12,468 |
| Other investments | | 7,790 | 9,670 | 7,442 |
| Deferred tax assets | | 191,141 | 125,308 | 194,960 |
| Property, plant and equipment | | 427,446 | 481,486 | 435,468 |
| Intangible assets | | 826,036 | 954,874 | 848,739 |
| Other | | 383 | - | 967 |
| Total non-current assets | | 1,489,541 | 1,625,015 | 1,533,169 |
| TOTAL ASSETS | | 3,227,801 | 4,145,204 | 3,251,597 |
| Current liabilities | | | | |
| Bank overdraft | | 31,101 | 33,729 | 35,669 |
| Trade and other payables | | 505,505 | 805,624 | 407,421 |
| Loans and borrowings | 16 | 858,959 | 1,040,861 | 584,692 |
| Employee benefits | | 18,145 | 33,148 | 20,671 |
| Current tax payable | | 3,927 | 19,919 | 17,772 |
| Provisions | | 20,104 | 6,177 | 26,091 |
| Total current liabilities | | 1,437,741 | 1,939,458 | 1,092,316 |
| Non-current liabilities | | | | |
| Payables | | 27,409 | 34,633 | 17,695 |
| Loans and borrowings | 16 | 197,708 | 580,364 | 402,327 |
| Deferred tax liabilities | | 33,374 | 85,490 | 64,215 |
| Employee benefits | | 35,480 | 27,733 | 43,105 |
| Total non-current liabilities | | 293,971 | 728,220 | 527,342 |
| TOTAL LIABILITIES | | 1,731,712 | 2,667,678 | 1,619,658 |
| NET ASSETS | | 1,496,089 | 1,477,526 | 1,631,939 |
| Equity | | | | |
| Issued capital | | 812,444 | 475,795 | 812,844 |
| Reserves | 5 | (66,111) | 147,541 | (13,006) |
| Retained earnings | | 501,994 | 605,943 | 584,348 |
| Equity attributable to equity holders of the parent | | 1,248,327 | 1,229,279 | 1,384,186 |
| Nufarm Step-up Securities | | 246,932 | 246,932 | 246,932 |
| Non-controlling interest | | 830 | 1,315 | 821 |
| TOTAL EQUITY | | 1,496,089 | 1,477,526 | 1,631,939 |

The condensed consolidated balance sheet is to be read in conjunction with the attached notes.

Nufarm Limited

Condensed consolidated statement of changes in equity

for the six months ended 31 January 2010

| | Share Capital \$000 | Translation Reserve \$000 | Attributable to equity holders of the Company | Retained Earnings \$000 | Nufarm Step-up Securities \$000 | Total \$000 | Non-controlling Interest \$000 | Total Equity \$000 |
|--|------------------------|------------------------------|---|----------------------------|------------------------------------|----------------|-----------------------------------|-----------------------|
| Balance at 1 August 2008 | 453,824 | (26,805) | 3,046 | 593,558 | 246,932 | 1,304,182 | 1,036 | 1,305,218 |
| Total comprehensive income for the period | - | 140,719 | - | 63,996 | - | 204,715 | 279 | 204,994 |
| Transactions with owners, recorded directly in equity | | | | | | | | |
| Shares issued as consideration for business acquisition | 7,975 | - | - | - | - | 7,975 | - | 7,975 |
| Shares issued and accrued to employees | 3,862 | - | (1,252) | - | - | 2,610 | - | 2,610 |
| Dividend reinvestment plan | 8,340 | - | - | - | - | 8,340 | - | 8,340 |
| Dividends paid to shareholders | - | - | - | (42,828) | - | (42,828) | - | (42,828) |
| Distributions to Nufarm Step-up Security holders | - | - | - | (8,783) | - | (8,783) | - | (8,783) |
| Balance at 31 January 2009 | 474,001 | 113,914 | 1,794 | 605,943 | 246,932 | 1,476,211 | 1,315 | 1,477,526 |
| Balance at 1 August 2009 | 810,504 | (46,633) | 2,340 | 504,348 | 246,932 | 1,631,118 | 821 | 1,631,939 |
| Total comprehensive income/(loss) for the period | - | (53,105) | - | (45,226) | - | (98,331) | 9 | (98,322) |
| Transactions with owners, recorded directly in equity | | | | | | | | |
| Shares issued as consideration for business acquisition | - | - | - | - | - | - | - | - |
| Shares issued and accrued to employees | 698 | - | (1,098) | - | - | (400) | - | (400) |
| Dividend reinvestment plan | - | - | - | - | - | - | - | - |
| Dividends paid to shareholders | - | - | - | (32,709) | - | (32,709) | - | (32,709) |
| Distributions to Nufarm Step-up Security holders | - | - | - | (4,419) | - | (4,419) | - | (4,419) |
| Balance at 31 January 2010 | 811,202 | (99,738) | 1,242 | 501,994 | 246,932 | 1,495,259 | 830 | 1,496,089 |

The condensed consolidated statement of changes in equity is to be read in conjunction with the attached notes.

Nufarm Limited

Condensed consolidated statement of cash flows

for the six months ended 31 January 2010

| | Note | 31 Jan 2010 \$000 | 31 Jan 2009 \$000 |
|---|------|----------------------|----------------------|
| Cash flows from operating activities | | | |
| Cash receipts from customers | | 793,976 | 1,242,385 |
| Cash paid to suppliers and employees | | (762,866) | (1,565,407) |
| Cash generated from operations | | 31,110 | (323,022) |
| Interest received | | 2,619 | 4,274 |
| Dividends received | | 199 | - |
| Interest paid | | (29,154) | (62,243) |
| Income tax paid | | (26,396) | (19,835) |
| Net cash used in operating activities | | (21,622) | (400,826) |
| Cash flows from investing activities | | | |
| Proceeds from business sale | | 278 | 306 |
| Payments for plant and equipment | | (29,000) | (28,812) |
| Payments for investments | | - | (8,321) |
| Purchase of businesses, net of cash acquired | | (22,583) | (14,454) |
| Payments for acquired intangibles and major product development expenditure | | (25,374) | (38,451) |
| Net investing cash flows | | (76,679) | (89,732) |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | 114,034 | 538,954 |
| Distribution to NSS holders | | (6,313) | (12,547) |
| Dividends paid | 13 | (32,709) | (34,481) |
| Net financing cash flows | | 75,012 | 491,926 |
| Net increase/(decrease) in cash and cash equivalents | | (23,289) | 1,368 |
| Cash and cash equivalents at the beginning of the year | | 48,643 | 38,302 |
| Exchange rate fluctuations on foreign cash balances | | (276) | 10,229 |
| Cash and cash equivalents at the end of the year | | 25,078 | 49,899 |

The condensed consolidated statement of cash flows is to be read in conjunction with the attached notes.

Nufarm Limited

Condensed notes to the consolidated interim financial report

1 Reporting entity

Nufarm Limited (the 'company') is domiciled in Australia. The condensed consolidated interim financial statements of the company as at and for the six months ended 31 January 2010 comprises the company and its subsidiaries (together referred to as the 'group') and the group's interest in associates and jointly controlled entities.

The consolidated annual financial statements of the group as at and for the year ended 31 July 2009 are available upon request from the company's registered office at 103-105 Pipe Road, Laverton North, Victoria, Australia or at <http://www.nufarm.com>.

2 Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with AASB 134: *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the group as at and for the year ended 31 July 2009.

These condensed consolidated interim financial statements were approved by the Board of Directors on 29 March 2010.

3 Significant accounting policies

Except as described below, the accounting policies applied by the group in these condensed consolidated interim financial statements are the same as those applied by the group in its consolidated financial statements as at and for the year ended 31 July 2009.

Presentation of financial statements

The group applied revised AASB 101 *Presentation of Financial Statements* (2007), which became effective as of 1 January 2009. As a result, the group presents in the consolidated statement of changes of equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. This presentation has been applied in these condensed interim financial statements as of and for the six months ended 31 January 2010.

Segment reporting

AASB 8 *Operating Segments* is applicable for interim and annual reporting periods beginning on or after 1 January 2009. AASB 8 requires segment information disclosure based on segments monitored by the chief operating decision maker in allocating resources and in assessing their performance. In the interim condensed consolidated financial statements to 31 January 2010, the operating segments have remained the same but the key reporting measures have been aligned with the internal reporting measures presented to the chief operating decision maker (note 6).

Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on earnings per share.

Business combinations

Revised AASB 3 *Business Combinations* is applicable for business combinations occurring in interim and annual reporting periods beginning on or after 1 July 2009. The main impact on the interim condensed consolidated financial statements arising from revised AASB 3 is that transaction costs associated with business combinations have been expensed immediately.

4 Estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Nufarm Limited

Condensed notes to the consolidated interim financial report

4 Estimates (continued)

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 July 2009.

Valuation of receivables

Nufarm and a major supplier are currently in dispute with respect to a claim that the supplier is liable for a relevant share of losses attributable to the sale of product during the 2009 financial year and the 2010 interim period. The parties entered into an Agreement in 2002 that provides for the sharing of costs and proceeds associated with Nufarm's sale of products. Nufarm's claim is being contested by the supplier. Nufarm has obtained legal advice on this matter and will vigorously pursue its claim. Nufarm is confident it will recover the amount owing, which at 31 January 2010 is \$60.2 million (31 July 2009: \$39.9 million).

5 Financial risk management

The group uses foreign exchange contracts and interest rate caps to manage the foreign currency and interest rate exposures between the Nufarm Step-up Securities issued in Australia and New Zealand, and the group funding to several jurisdictions to which the funds were advanced. The foreign exchange contracts cover the exposure on the principal advanced to group companies in US dollars, Euros, the British Pound and the Canadian dollar. The interest rate caps hedge the interest rate risk on the distribution to Nufarm Step-up Security holders. The distribution rate is the average mid-rate for bills with a term of six months plus a margin of 1.90%.

Other aspects of the group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial statements as at and for the year ended 31 July 2009.

The movement in the foreign currency translation reserve relates to the differences from converting the net assets of overseas subsidiaries from their functional currencies to the presentation currency of the group, which is Australian dollars. The difference arises from the opening versus closing rate for the reporting period.

Nufarm Limited

Condensed notes to the consolidated interim financial report

6 Segment reporting

Segment information is presented in respect of the group's business and geographic segments. The primary format, geographic segments, is based on the group's management and internal reporting structure.

The group operates predominantly in one business segment, being the crop protection industry. The business is managed on a worldwide basis, with the major geographic segments for reporting being Australasia, Europe, North America and South America. The North America region includes Canada, USA, Mexico, the Central American countries and the Andean region. The South America region includes Brazil, Argentina, Chile, Uruguay, Paraguay and Bolivia.

In presenting information on the basis of geographic segments, segment revenue is based on the geographic location of customers. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly interest-bearing loans, borrowings and expenses, and corporate assets and expenses. Inter-segment pricing is determined on an arm's length basis.

| | Australasia \$000 | Europe \$000 | North America \$000 | South America \$000 | Corporate \$000 | Consolidated \$000 |
|--|----------------------|-----------------|---------------------------|---------------------------|--------------------|-----------------------|
| 2010 | | | | | | |
| Geographic segments | | | | | | |
| Revenue | | | | | | |
| Total segment revenue | 295,469 | 169,907 | 215,636 | 209,278 | - | 890,290 |
| Results | | | | | | |
| Operating earnings | 11,251 | 21,414 | 2,824 | (4,547) | (16,585) | 14,357 |
| Exchange gains/(losses) | 521 | (1,038) | 159 | 4,798 | 907 | 5,347 |
| Share of net profit/(losses) of associates | 535 | (1,189) | - | - | 22 | (632) |
| Segment result | 12,307 | 19,187 | 2,983 | 251 | (15,656) | 19,072 |
| Material items of income/(expense) (Note 9) | (7,722) | (17,780) | (27,977) | - | (1,146) | (54,625) |
| Net non-cash revaluation profit on proceeds from Nufarm step-up securities financing | 2,788 | - | - | - | - | 2,788 |
| Segment result including material items | 7,373 | 1,407 | (24,994) | 251 | (16,802) | (32,765) |
| Net financing costs | | | | | | (26,534) |
| Income tax benefit/(expense) | | | | | | 19,324 |
| Profit/(loss) for the period | | | | | | (39,975) |

| | | | | | | |
|--|---------------|---------------|---------------|-----------------|-----------------|----------------|
| 2009 | | | | | | |
| Revenue | | | | | | |
| Total segment revenue | 341,701 | 254,768 | 356,882 | 282,026 | - | 1,235,377 |
| Results | | | | | | |
| Operating earnings | 56,243 | 51,936 | 55,640 | 27,516 | (14,755) | 176,580 |
| Exchange gains/(losses) | 24,920 | (25,361) | (3,016) | (46,429) | 1,324 | (48,562) |
| Share of net profit/(losses) of associates | 248 | 1,871 | 50 | - | - | 2,169 |
| Segment result | 81,411 | 28,446 | 52,674 | (18,913) | (13,431) | 130,187 |
| Material items of income/(expense) (Note 9) | - | (237) | (367) | - | (9,407) | (10,011) |
| Net non-cash revaluation profit on proceeds from Nufarm step-up securities financing | 13,490 | - | - | - | - | 13,490 |
| Segment result including material items | 94,901 | 28,209 | 52,307 | (18,913) | (22,838) | 133,666 |
| Net financing costs | | | | | | (57,969) |
| Income tax benefit/(expense) | | | | | | (9,952) |
| Profit for the period | | | | | | 65,745 |

Nufarm Limited

Condensed notes to the consolidated interim financial report

7 Seasonality of operations

The profitability and cash flow of the business remains seasonal with a strong weighting towards the second half. This reflects the key selling period for the crop protection business, particularly in Australia, Europe and North America.

8 Other expenses

| | Consolidated | |
|---|--------------|-------------|
| The following expenses were included in the operating result: | 31 Jan 2010 | 31 Jan 2009 |
| | \$'000 | \$'000 |
| Depreciation and amortisation | (28,730) | (34,279) |
| Exchange gains/(losses) | 5,347 | (48,562) |

9 Items of material income and expense

The following material items of income/(expense) were included in the period result:

| | Consolidated | | Consolidated | |
|---|--------------|-------------|--------------|-------------|
| | 31 Jan 2010 | 31 Jan 2010 | 31 Jan 2009 | 31 Jan 2009 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| | Pre-tax | After-tax | Pre-tax | After-tax |
| Cost of sales items | | | | |
| Net realisable value adjustment - period end inventories | (1,850) | (1,389) | - | - |
| Net realisable value adjustment - product sold | (41,176) | (28,013) | - | - |
| Restructuring costs - Europe | (6,343) | (4,517) | - | - |
| | (49,369) | (33,919) | - | - |
| General and administrative expense items | | | | |
| Commerce Commission inquiry costs | (465) | (321) | (7,025) | (6,717) |
| Due diligence costs | (1,952) | (1,558) | (2,986) | (2,200) |
| Restructuring costs - Europe | (917) | (619) | - | - |
| Provision for non-collectibility of sale proceeds | (1,922) | (1,281) | - | - |
| | (5,256) | (3,779) | (10,011) | (8,917) |
| Disclosed on face of the income statement | | | | |
| Net non-cash revaluation profit/(loss) on proceeds from Nufarm step-up securities financing | 2,788 | 1,952 | 13,490 | 9,443 |
| | (51,837) | (35,746) | 3,479 | 526 |

10 Acquisition of businesses

On 3 August 2009, the group acquired the shares in Richardson Seeds Pty Ltd and MMR Genetics. Richardson Seeds is a leading producer of sorghum seed hybrids and MMR Genetics is a global leader in the development of elite sorghum germplasm. Both businesses are based in Texas, USA.

Acquisitions in the six months to 31 January 2010

| Acquiree's net assets at acquisition date | Recognised values \$'000 | Fair value adjustments \$'000 | Carrying amounts \$'000 |
|---|-----------------------------|----------------------------------|----------------------------|
| Cash and cash equivalents | 345 | - | 345 |
| Receivables | 5,472 | - | 5,472 |
| Inventory | 9,424 | 496 | 9,920 |
| Property, plant and equipment | 3,982 | 2,680 | 6,662 |
| Other assets | 1,099 | 81 | 1,180 |
| Trade and other payables | (1,859) | - | (1,859) |
| Interest bearing loans and borrowings | (7,480) | - | (7,480) |
| Other liabilities | (5,054) | - | (5,054) |
| Net identifiable assets and liabilities | 5,929 | 3,257 | 9,186 |
| Intangibles acquired on acquisition | | | 7,630 |
| Goodwill on acquisition | | | 6,112 |
| Consideration paid | | | 22,928 |
| Cash acquired | | | (345) |
| Net cash outflow | | | 22,583 |

Nufarm Limited

Condensed notes to the consolidated interim financial report

10 Acquisition of businesses (continued)

On 1 October 2008, the group acquired the shares in Lefroy Seeds Pty Ltd. Lefroy Seeds specialises in hybrid breeding, production and commercialisation activities in sunflower and sorghum with facilities located in Toowoomba, Queensland, Australia.

Acquisitions in the six months to 31 January 2009

| Acquiree's net assets at acquisition date | Recognised values \$000 | Fair value adjustments \$000 | Carrying amounts \$000 |
|--|----------------------------|---------------------------------|---------------------------|
| Cash and cash equivalents | 175 | - | 175 |
| Receivables | 353 | - | 353 |
| Inventory | 236 | 102 | 338 |
| Property, plant and equipment | 167 | - | 167 |
| Intangibles | 8 | (8) | - |
| Other assets | 621 | - | 621 |
| Trade and other payables | (113) | - | (113) |
| Employee benefits | (21) | (85) | (106) |
| Other liabilities | (68) | - | (68) |
| Net identifiable assets and liabilities | 1,358 | 9 | 1,367 |
| Acquisition costs | | | (46) |
| Intangibles acquired on acquisition | | | 5,074 |
| Goodwill on acquisition | | | 5,075 |
| Consideration paid | | | 11,470 |
| Cash acquired | | | (175) |
| Consideration satisfied by issue of shares | | | (7,975) |
| Net cash outflow | | | 3,320 |

11 Equity investments

The group has the following investments in associates:

| | Country | Ownership and voting interest | | Share of after tax profit/(loss) | |
|---|-------------|-------------------------------|-------------|----------------------------------|----------------------|
| | | 31 Jan 2010 | 31 Jan 2009 | 31 Jan 2010 \$000 | 31 Jan 2009 \$000 |
| Bayer CropScience Nufarm Limited | UK | 0 | 25% | - | 1,246 |
| Excel Crop Care Ltd | India | 14.69% | 14.69% | 569 | 309 |
| F&N joint ventures | East Europe | 50% | 50% | (1,190) | 625 |
| Other | | | | (11) | (11) |
| Share of after tax profits/(losses) of associates | | | | (632) | 2,169 |

Effective 31 July 2009, Nufarm sold its 25% share in Bayer CropSciences Limited to Bayer CropSciences Limited.

The 14.69% investment in Excel Crop Care Ltd is equity accounted as Nufarm has a director on the board and, together with an unrelated partner, has significant influence over nearly 35% of the shares of the company. The relationship also extends to manufacturing and marketing collaborations.

The eastern European joint ventures are 50/50 ventures owned with FMC Corporation and exist in Poland, Slovakia and the Czech Republic.

12 Property, plant and equipment**Acquisition and disposals**

During the six months ended 31 January 2010, the group acquired assets with a cost of \$28,999,954 (six months ended 31 January 2009: \$28,812,151). Assets acquired through business combinations in the six months to 31 January 2010 were \$6,662,588 (six months ended 31 January 2009 \$167,319). Assets with a book value of \$277,651 were disposed of during the six months ended 31 January 2010 (six months ended 31 January 2009: \$313,154). There were no assets disposed of through the sale of discontinued operations in the six month period to 31 January 2010 nor in the comparative period for 2009.

Capital commitments

During the six months ended 31 January 2010, the group entered into contracts to purchase property, plant and equipment for \$14,540,102 (six months ended 31 January 2009: \$11,935,946).

Nufarm Limited

Condensed notes to the consolidated interim financial report

13 Capital and reserves

Dividends

The following dividend was paid by the group during the six months ended 31 January 2010 and represents the final 2009 dividend.

| 31 Jan 2010 | 31 Jan 2009 |
|--|---------------|
| \$000 | \$000 |
| \$0.15 per ordinary share (2009: \$0.23) | |
| <u>32,709</u> | <u>42,828</u> |

Distributions on the Nufarm Step-up Securities

The following distributions were paid by Nufarm Finance (NZ) Ltd.

| | | |
|---|--------------|---------------|
| Nufarm Step-up Securities distribution rate 5.02% (2009: 9.97%) | <u>6,313</u> | <u>12,547</u> |
|---|--------------|---------------|

The distribution on the Nufarm Step-up Securities reported on the equity movement schedule has been reduced by the tax benefit on the distribution, giving an after-tax amount of \$4.419 million (six months ended 31 January 2009 \$8.783 million).

Earnings/(loss) per share

| | | |
|--|-----------------|----------------|
| Net profit/(loss) for the six months ended 31 January | (39,975) | 65,745 |
| Net profit/(loss) attributable to non-controlling interests | <u>(11)</u> | <u>(90)</u> |
| Net profit/(loss) attributable to equity holders of the parent | (39,986) | 65,655 |
| Nufarm Step-up Securities distribution (net of tax) | <u>(4,419)</u> | <u>(8,783)</u> |
| Earnings/(loss) used in the calculations of basic and diluted earnings per share | <u>(44,405)</u> | <u>56,872</u> |
| Earnings/(loss) from continuing operations | <u>(44,405)</u> | <u>56,872</u> |
| Add/subtract material items profit/(loss) (refer note 9) | <u>(35,746)</u> | <u>526</u> |
| Earnings/(loss) excluding material items used in the calculation of operating earnings per share | <u>(8,659)</u> | <u>56,346</u> |

Number of shares

| | | |
|--|-------------|-------------|
| Weighted average number of ordinary shares used in calculation of basic earnings per share | 218,077,247 | 186,690,913 |
| Weighted average number of ordinary shares used in calculation of diluted earnings per share | 218,077,247 | 186,690,913 |

Earnings per share for continuing and discontinued operations

Cents per share

Basic earnings per share

| | | |
|----------------------------|--------|------|
| From continuing operations | (20.4) | 30.5 |
|----------------------------|--------|------|

Diluted earnings per share

| | | |
|----------------------------|--------|------|
| From continuing operations | (20.4) | 30.5 |
|----------------------------|--------|------|

Earnings per share (excluding material items of profit/(loss) - see note 9)

| | | |
|----------------------------|-------|------|
| Basic earnings per share | (4.0) | 30.2 |
| Diluted earnings per share | (4.0) | 30.2 |

Nufarm Limited

Condensed notes to the consolidated interim financial report

Notes to the financial statements continued

14 Contingent liabilities

Contingent liabilities total \$28.4 million at 31 January 2010 compared to \$33.3 million at 31 July 2009.

15 Assets held for sale

The assets held for sale in the 31 January 2010 balance sheet relate to the land at Belvedere, UK. Manufacturing at the site ceased in October 2009 and it is currently being prepared for sale. The expected sale proceeds will at least equal the book value of the assets and remediation costs at the site.

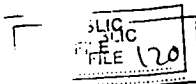
16 Financing facilities

The group has total facilities of \$1.65 billion at 31 January 2010, of which \$1.2 billion is due to be renewed within the next twelve months. The group expects that these facilities will be renewed as they fall due.

17 Subsequent events

At an Extraordinary General Meeting held on 2 March 2010, Nufarm shareholders overwhelmingly approved a proposal by Sumitomo Chemical Company to proceed with a Tender Offer aimed at acquiring 20% of the issued capital of Nufarm for a cash price of \$14.00 per share. The Tender Offer opened on 12 March - which is also the record date for the Offer - and will close on 9 April.

Nufarm Limited



Directors' declaration

In the opinion of the directors of Nufarm Limited (the company):

1. the financial statements and notes set out in this report are in accordance with the Corporations Act 2001 including:
 - (a) giving a true and fair view of the Group's financial position as at 31 January 2010 and of its performance for the six month period ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Dated at MELBOURNE this 29TH day of MARCH 2010

Signed in accordance with a resolution of the directors:

KM Hoggard
Director

DJ Rathbone AM
Director

Melbourne
29 March 2010

Directory

Directors

KM Hoggard - chairman
GDW Curleris - deputy chairman
DJ Rathbone AM - managing director
Dr RJ Edgar
Dr WB Goodfellow
GA Hounsell
DG McGauchie AO
Dr JW Stocker AO

Company secretary

R Heath

Soliditors

Arnold Bloch Leibler & Co
333 Collins Street
Melbourne, Victoria 3000 Australia

Sylvia Miller & Associates
131 Orrong Road
Elsternwick, Victoria 3185 Australia

Auditors

KPMG
147 Collins Street
Melbourne, Victoria 3000 Australia

Trustee for Nufarm Step-up Securities

Permanent Trustee Company Limited
35 Clarence Street
Sydney, NSW 2000 Australia

Share register

Australia
Computershare Investor Services Pty Ltd
GPO Box 2975EE
Melbourne, Victoria 3001 Australia
Telephone: 1300 85 05 05
Outside Australia: 61 3 9415 4000

Registered office

103-105 Pipe Road
Laverton North, Victoria 3026 Australia
Telephone: 61 3 9282 1000
Facsimile: 61 3 9282 1001

NZ branch office

6 Manu Street
Otahuhu, Auckland NZ
Telephone: 64 9 270 4157
Facsimile: 64 9 267 8444

Website: <http://www.nufarm.com>
Nufarm Limited
ACN 091 323 312



Independent auditor's review report to the members of Nufarm Limited

Report on the financial report

We have reviewed the accompanying interim financial report of Nufarm Limited (the "Company"), which comprises the condensed consolidated balance sheet as at 31 January 2010, condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and consolidated statement of cash flows condensed for the interim period ended on that date, a statement of accounting policies and other explanatory note 4 and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year's end or from time to time during the interim period.

Directors' responsibility for the interim financial report

The directors of the Company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Group's financial position as at 31 January 2010 and its performance for the interim period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001. As auditor of Nufarm Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Nufarm Limited is not in accordance with the Corporations Act 2001, including:

(a) giving a true and fair view of the Group's financial position as at 31 January 2010 and of its performance for the interim period ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.

Material uncertainty regarding revenue recognised and valuation of accounts receivable relating to a claim made on a supplier

Without qualification to the conclusion expressed above, attention is drawn to the following matter. As stated in Note 4, the Group and a major supplier are in dispute relating to liability for a share of losses pursuant to an Exclusive Distribution Agreement. During the interim period the Group recorded an additional receivable of \$20.3 million in relation to these losses and as at 31 January 2010 has recorded a total receivable owing by the supplier in relation to these losses of \$60.2 million (31 July 2009: \$39.9 million). The matter is the subject of a commercial dispute between the parties which may result in a negotiated settlement or legal proceedings, the outcome of which cannot currently be predicted with certainty. No provision has been made for any shortfall in recovery of the amount.

KPMG

KPMG

BW Szentirmay
Partner

Melbourne
29 March 2010



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FILE 116

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Nufarm Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 January 2010 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

BW Szentirmay
Partner

Melbourne
29 March 2010

J.P. Morgan's Annual Agriculture Corporate Access Day

A Day at the Farm

Doug Rathbone
Chief Executive Officer
Nufarm Limited

June, 2010



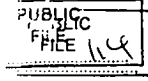
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A Day at the Farm



Some key messages

- It's been a very tough period ... but it's getting better
- We have a lot of work to do ... and we're doing it



Current financial year



- We are in the critical 'swing' period, with June and July always key sales/profit months
- We have had some pluses and minuses in recent weeks
 - Seasonal conditions have continued to be positive in Australia
 - Glyphosate pricing remains very competitive in the US and has spread to Canada
 - 'Subdued' pricing environment in Europe
- We will continue to keep year end under close/regular review ... and advise the market if we form a different view of the final result

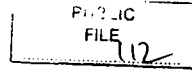
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113

Current financial year



- Final results and analysis for 2010 will allow us to reset expectations for glyphosate contributions on a go-forward basis; and
- Will underline importance of existing product diversification strategy



Our current focus

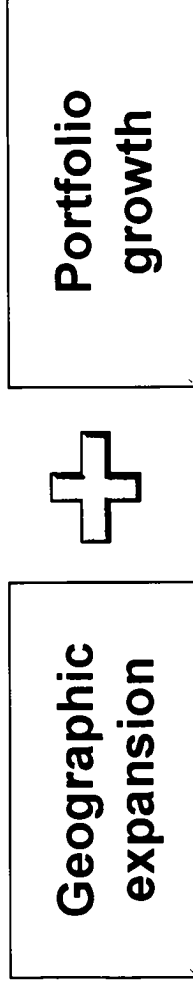


**Identifying and resourcing the medium
term drivers that will enable Nufarm to
achieve sustainable profit growth**

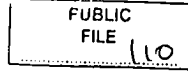
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10

Reviewing the growth strategy



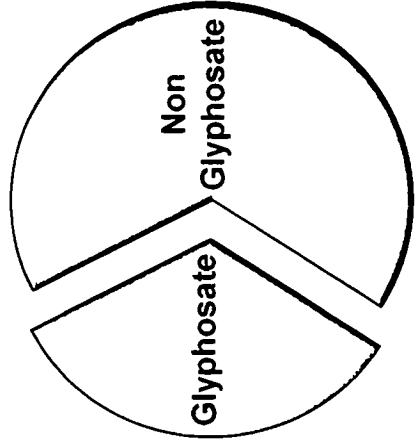
- Implemented in 2001
- Recognised reliance on Australia and glyphosate/phenoxy positions
- Has seen Australia move from 65% of \$670m in revenues to 25% of \$2.6b in revenues
- Has seen non- glyphosate and non-phenoxy sales increase from \$350m to approx \$1.3b



Product split



Glyphosate is approximately one third of our business by revenues, with the other two thirds providing the best opportunity for profitable growth



Reviewing the growth strategy



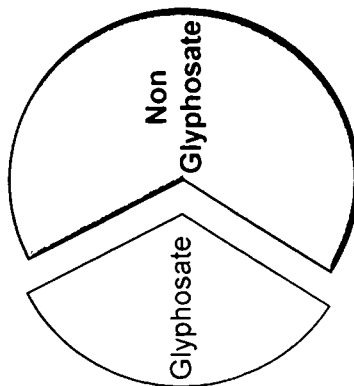
The glyphosate piece ...

- ... about one third of our business – is going to deliver less value than was previously anticipated
- Now reviewing the level of capital invested in this part of our business
- We recognise that glyphosate will need to be managed differently in different markets
- We also recognise that glyphosate remains a very important part of Nufarm's total portfolio offering

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108

Product split



Phenoxies

- Global leadership position & fully integrated
- Competitive segment but no opportunity for 'bubble'
- Margins to remain stable

Fungicides

- Recent product launches provide good platform
- Key segment in Europe and Brazil
- Higher margin segment

Other herbicides

- Focus on higher value segments; mixtures & other differentiated formulations
- Opportunity for margin expansion

Seed treatment

- Fastest growing segment
- Newly established positions
- Very high margin opportunities

Insecticides

- Leverage foundation position achieved with imidacloprid
- New product entries
- Higher margin segment

Seeds

- Focused approach in three core crops
- Substantial growth opportunity
- Very attractive margins

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Insecticides



Key segment for earnings growth:

- Currently generates approx \$200m in revenues and gross margins above 30%
- Focus on 4 big insecticide families (Neonics; OP's; Pyrethroids; insecticide growth regulators)
- 'Nuprid' (Imidacloprid) entry strategy very successful
 - Registrations in 25 countries, selling in 18 countries
 - Targeted at niche, higher value market segments
 - Provides foundation insecticide position for 'new formulations' (Sorbie and suSCon), mixtures, and continued penetration into seed treatment
- Products launched or coming: fipronil, lambda cyhalothrin

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606

Fungicides



Key segment for earnings growth:

- Currently generates approx \$180m in revenue and gross margins above 30%
- Recent launch into Tebuconazole market
 - World's largest triazole fungicide
 - Used in large number of crops
 - Both foliar and seed treatment applications
 - Nufarm positions in Australia, Latin America and Europe (60 registrations)
- Fluazinam entry strategy underway, with first approvals in 2009
 - Initial target market is Europe, with Brazil to follow
 - Opportunity for differentiated approach (mixtures; etc)

Seed treatment



A growth market as growers and breeders seek to protect the increasing value of high performance germplasm

- Offers a bolt-on, value add revenue stream for Nufarm's expanding seeds portfolio
- Able to utilise tebuconazole and imidacloprid positions as cornerstone actives
- Started in 2005 with 15 registrations in 4 countries (13 in Australia) to now more than 50 registrations in 15 countries
- Dedicated ST staff with significant experience in the US, EU and ANZ geographies

Seeds



A focused approach aimed at building a global scale, high margin business in a number of core crops

- **The successful acquisition and integration of elite germplasm and breeding assets**
 - **Herbicide Tolerance, disease resistance, feed value improvement traits (Brown mid rib), food value improvement traits (food grade sorghum)**
- **Selling elite hybrid products into more than 25 countries**
- **Currently earning average gross margins of 45-50% and forecast to generate strong organic EBIT growth**
- **Substantial opportunities for additional growth via targeted acquisitions**

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603

Reviewing the growth strategy



Revisiting and challenging our regional business models

Brazil

- Achieve and maintain a profitable business recognising inherent volatility of market
- Support further diversification into additional products and segments
- Appropriate risk management; right people; operational excellence

Europe

- Continued diversification of portfolio
- Review cost base
- Identify new segment opportunities, eg. biopesticides

USA

- Transition ag business from a glyphosate dominated portfolio
- Take a 'segment' rather than 'product' approach to maximising positions
- Continued support for turf and specialty

Australia

- Protect market positions
- Finetuning of 'path to market' models
- Review the cost base
- Understanding changing dynamics of the market

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102

Reviewing the growth strategy



Immediate actions

- Ensure capital is allocated to those areas that will deliver maximum returns
 - Have people and resources in place to drive growth in those segments
 - Combination of organic growth (pipeline + increased market penetration) and targeted 'bolt-on' acquisitions
- Reduce overhead in areas where returns are likely to be lower than previously anticipated
- Review the overall capital base of the business

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101

Acquisition strategy



- Identifying 'bolt-on' acquisition opportunities that quickly add value to key segments of the business
- Able to be quickly integrated, with strong earnings accretion
- A preference for assets (products and businesses) that are not part of an auction process
- An ability to move quickly, given our more flexible balance sheet

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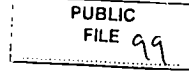
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Sumitomo relationship



A mutual commitment to identify areas of commercial co-operation that will add value to both companies

- **Product distribution agreements that will put Sumitomo chemistry across Nufarm distribution bases in Brazil; Indonesia; Canada; North East Europe; and other markets**
- **Product distribution agreements that put Nufarm chemistry across Sumitomo distribution bases in North Asia, Mexico; and potentially other markets**
- **Product development collaboration, with an initial focus on glyphosate resistance management programs**





Getting back to business

September 28, 2010

Preliminary announcement
Full year results for the period ending July 31, 2010

Headline results

- **Group revenues: \$2.17 billion** (down 19%)
- **Reported net profit/(loss): (\$22.6 million)** (down 128%)
- **Operating EBIT (excluding material items): \$135 million** (down 51%)
- **Net profit after tax (excluding material items): \$58.6 million** (down 63%)

The directors of Nufarm Limited announced today a tax paid operating profit, excluding material items, of \$58.6 million for the year ended July 31, 2010. The reported 'headline' result was a net loss of \$22.6 million, which includes the impact of material items totalling \$82.6 million.

Operating earnings before interest and tax (EBIT) - prior to the impact of material items - was \$135 million. This compares to \$278 million in the previous financial year.

Group revenues decreased by 19% to \$2.17 billion.

On a per share basis, the company lost 15 cents, compared with last year's earnings of 33.5 cents per share.

This result reflects difficult trading conditions in the global glyphosate segment; an extremely competitive pricing environment; and the negative impact of climatic conditions in various regional markets around the world.

Material items

The company recorded an \$82.6 million after tax loss associated with material items.

Of this amount, \$30.1 million was associated with glyphosate related losses and costs relating to pricing support, the majority of which pertained to higher cost inventory held at the end of the 2009 financial year (\$29.4 million of this total was recorded at the half year). These costs were mainly associated with inventory writedowns; losses on sales; and various measures of one-off support provided to distribution customers during the first six months of the financial year.

The company has resolved that any tax loss that cannot be recouped within eight years will no longer be recognised in the financial accounts, irrespective of the period in which the losses can be offset against taxable income in the tax returns of the individual jurisdiction.

Consistent with this policy, a loss of \$37.5 million was recorded for the non cash write off of previously recognised tax losses in Brazil.

After tax costs of \$10.7 million were associated with operational restructuring activities in the France, and in the UK where the company closed a manufacturing site at Belvedere. The majority of other material items were due diligence costs relating to the Sinochem takeover proposal, the Sumitomo Tender Offer and several seeds business acquisitions.

Final Dividend

Directors resolved not to declare a final dividend for the 2010 financial year.

Business review

A combination of continued pricing and margin pressure in the glyphosate segment; adverse climatic impacts; and a generally weaker demand and pricing environment contributed to very challenging operating conditions during the 2010 financial year and a disappointing profit result.

While Nufarm maintained its market shares in most key products and geographic markets, competition in many segments was intense and this limited Nufarm's ability to maintain margins in certain areas of the business.

Confidence in the early months of the financial period that the global glyphosate issues impacting the industry had stabilised was not realised and the continued instability and value erosion in this segment had a dramatic impact on the group result. While the glyphosate segment had begun to stabilise in some markets by the end of the financial year, the impact of high cost inventory and intense pricing competition during the year was significant.

Glyphosate represented 27% of total revenues in 2010, down from almost 32% in 2009 and 39% in 2008. Glyphosate sales were down by 31% (from \$868 million in 2009 to \$597 million in 2010), despite volumes increasing. The total gross margin contribution from glyphosate more than halved during the same period, with the average gross margin falling to 12% (2009:18%).

The gross profit impact of high cost opening glyphosate inventory and credits given in relation to prior year glyphosate sales was \$57.1 million. Of this amount, \$44.7 million was classified as relating to one-off items.

Revenues associated with products other than glyphosate fell by 13% during the year, although sales of those products increased in a number of markets when measured in local currency. Sales were impacted by both lower volume demand and pricing pressure. Sales declines were recorded in herbicides and insecticides, but fungicide sales were up by about 16% and seeds sales grew strongly.



Climatic conditions in many regional markets saw lower demand for a range of crop protection products, with the increased competition for fewer sales opportunities contributing to a weak pricing environment.

Importantly, sales of new products (those introduced by Nufarm within the previous five year period) increased from 2009 to 2010 by 20% to \$283 million. This increase reflects continued momentum in the development and introduction of products that will be important contributors to the company's profitable growth. As a group, these products generated average gross margins of just under 40%.

Australasia

The Australasian business generated \$799 million in sales, representing 37% of total revenues. This compares with 2009 sales of \$850 million (32% of total). Segment profit¹ fell from \$118.5 million in the 2009 financial year to \$89.2 million in 2010, a decline of 25%.

Revenues in Australia fell by 7% to \$602 million. Glyphosate sales were slightly up on the previous year, but on much stronger volumes.

Climatic conditions in Australia varied throughout the period, with the first half affected by reduced summer cropping activity and second half autumn and winter conditions being positive in the Eastern and Southern states and poor in Western Australia.

Volume demand over the full year was relatively strong, but pricing and margins were negatively impacted by strong competition. Nufarm's distribution customers also operated on lower than normal inventories and this impacted the working capital position.

Nufarm introduced a number of new horticultural products and performed strongly in this segment. High sugar prices also saw increased plantings in the cane growing regions and the company's Crop Care division benefited from those additional sales opportunities.

New Zealand sales declined by 2% in local currency, with the majority of this decrease attributable to lower value glyphosate sales. The New Zealand market was adversely impacted by drought in many regions, a cessation of dairy expansion and farmer focus on debt reduction through cautious spending. Retailers adopted ambitious inventory reduction plans which further limited opportunities to generate profitable sales.

In Asia, Nufarm expanded its sales activity into a number of markets. The Asian business contributed a stronger profit result on lower sales, with margin improvements in markets such as Indonesia and Japan driving that result. Indonesia performed particularly strongly, with higher than average rainfalls leading to strong herbicide demand and a broader product portfolio securing increased market share in the plantation segment.

¹ Segment earnings before interest and tax, excluding the impact of material items



North America

On a segment reporting basis, North American sales were down by almost 29% on the previous year (\$554 million v \$775 million). The region generated 25.6% of total revenues (2009: 29%). Segment profit was \$33.2 million (2009: \$112.2m).

Nufarm's USA sales declined by 10% in local currency to \$393 million. Glyphosate sales were down by 44% and comprised 28% of total sales.

A long and severe winter delayed cropping activity in the US, with spring rains also reducing the pre-seeding herbicide market in key regions. The glyphosate segment continued to experience price reductions and strong competition, with smaller traders discounting product offerings as they cleared remaining inventories in July. With prices beginning to stabilise at lower levels and major suppliers having worked through higher cost inventory positions, it is expected that a number of smaller glyphosate suppliers will now exit the market.

Non glyphosate sales increased by 15% (in USD) in the USA in the 2010 reporting period.

Hot and humid weather in some areas led to increased disease and insect pressure and Nufarm was able to capitalise on those conditions with its sales in the turf and ornamentals segment increasing by some 25%. An expanded portfolio of cotton products also saw growth in that segment.

US distribution began the year with relatively high stock positions but aggressively ran these down during the main selling season and finished the period with lower than normal inventories.

In Canada, very heavy rainfalls and flooding dramatically reduced cropping activity in the Western regions, with the total cropped area in Canada being the lowest in 10 years. This significantly reduced demand for crop protection products and led to increased competition in many segments. Nufarm's Canadian sales were down by 17% in local currency.

South America

South American segment sales in 2010 were \$342 million. The region recorded a segment loss of \$14.6 million. This compared to a segment loss in 2009 of nearly \$41 million.

In local currency, Brazil sales were down by 15% to 426 million reals. Glyphosate comprised 34% of total sales in Brazil (2009: 39%). Excluding glyphosate sales, revenues in Brazil declined by just under 4%.

New suppliers entering the Brazilian market over recent years have led to increased competition in a number of segments, impacting glyphosate and several other products. During the period of volatile glyphosate pricing, Nufarm provided various forms of support to its distribution customers in Brazil and this severely impacted profitability during the year.

Credit risk also remained a key issue for much of the year and this restricted Nufarm's selling opportunities.

Brazil generated a loss of R\$25.8m at the operating EBIT level versus a loss of R\$49.7 the previous year.



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FILE 93

The company strengthened its position in insecticides with the launch of 'Nuprid' (imidacloprid) and continued to expand in the pasture segment. A number of other new product launches improved the balance of the portfolio between herbicides, insecticides and fungicides.

Nufarm appointed a new regional manager for South America in March, 2010, and commenced a review of its Brazilian business. A number of changes were implemented during the balance of the period, including a restructure and expansion of the company's sales force.

Sales in Argentina increased by some 16% in local currency with an improved product mix generating stronger margins and a better EBIT performance than in the previous year. Nufarm's businesses in both Chile and Colombia also generated improved performances.

Europe

European sales fell by 25% to \$475 million (21.9% of total revenues v 24% in 2009). Measured in Euros, sales declined by 9%. Segment profit, at \$53.4 million, was substantially down on the previous year (\$118.8m).

Climatic conditions in Europe had an adverse impact on demand for Nufarm's product range. The financial year commenced with a dry autumn and was followed by long and harsh winter conditions. A generally cool and dry spring also dampened demand in some markets. Grower purchases of crop protection inputs were down by between 10% and 20% in some of the larger European markets.

In Germany, the cereal herbicide market was down by about 9% and the potato fungicide market saw sales decline by almost 50%.

The reduced demand also impacted Nufarm's European based manufacturing operations with lower production volumes resulting in under-recoveries in those plants.

In past years European markets had been relatively protected from competition from Chinese sourced glyphosate and margins were strong. The increased competition in the glyphosate segment has resulted in a substantial drop in the profitability of this segment in Nufarm's European business. This is despite glyphosate being a comparatively small proportion of total sales in Europe (2010: 13%).

Nufarm experienced overall sales declines in most of its European markets, with the biggest falls recorded in France and Germany. Market shares, however, were maintained in most countries and there were some market share gains in markets such as the UK (where branded products increased year on year), Spain, the Nordics region, and Eastern Europe. These gains were driven by new product introductions and increased support from local distribution customers.

Nufarm launched its Ukraine business in October of 2009 and generated good first season sales. Sales in Romania were up by 20% in local currency and 10 new product registrations in Poland helped secure market share gains.

Seeds

While remaining a relatively small business within Nufarm, the Nuseed business expanded strongly during 2010. This expansion was driven by both organic growth – particularly in Australia – and by the additions of newly acquired operations in the USA and Argentina. The seeds business recorded total revenues of \$42.5 million and a gross margin of more than 40%.

Seasonal conditions in Australia were favourable to larger canola plantings. Nuseed launched three new Roundup Ready canola products, coinciding with the Western Australian government's decision to lift a moratorium on genetically modified canola. Total Australian Roundup Ready canola plantings increased from about 40,000 hectares in 2009 to approximately 140,000 hectares in the 2010 season. Nuseed increased its market share in this segment.

Nuseed now breeds and markets its core canola, sorghum and sunflower varieties in more than 25 countries from operational bases in Australia, the USA and Argentina.

Sumitomo investment and co-operation

On April 15, 2010, Sumitomo Chemical Company (Sumitomo) completed a Tender Offer to acquire 20% of the issued capital in Nufarm at a price of \$14 per share. In an associated agreement with Nufarm, Sumitomo has the right to appoint one Director to the Nufarm Board. That appointment has not yet been made as both companies continue to address certain regulatory approvals relating to the appointment.

The Sumitomo investment has also facilitated a number of commercial agreements between Nufarm and Sumitomo relating to product distribution and product development. Completed agreements include arrangements that result in Sumitomo products being distributed by Nufarm in markets including Brazil and Indonesia.

Treasury

The company generated nearly \$200 million in operating cash flow in 2010, compared to an operating cash outflow of \$50 million in 2009. This was despite the higher than expected receivables at year-end. The cash not collected from receivables prior to year end is being collected in the early months of the 2011 financial year, in accordance with the normal trading terms.

The improved cash flow was directly attributable to a reduction in net working capital of \$165 million, primarily from reduced inventory holdings.

An increase in cash from operations, combined with the proceeds of the April/May 2010 equity raising, facilitated a reduction in net debt (\$620 million at July 31, 2010 compared to \$938 million at July 31, 2009).

At year end, gearing (net debt to equity) was 35% compared to 58% at July 2009.

Subsequent events

Nufarm announced on September 27 that it has secured waivers on its banking covenants in respect of the periods ending July 31, 2010 and October 30, 2010. Nufarm's lenders have also agreed to provide a funding facility for the period through to mid December.

The waiver agreement has been finalised with banks that are a party to the Negative Pledge Deed (Nufarm's core financing document) and addresses all maturities falling due during the balance of this calendar year.

The funding facility is subject to satisfactory performance against interim milestones based on the company's own projections and objectives, as well as progress relating to strategy and management plans, as discussed with its lenders. The Nufarm Board is confident that the milestones and other requirements can be met. The facility is also subject to undertakings and covenants typical for a transaction of this nature and includes an undertaking by Nufarm to provide security over its assets.

These arrangements will incur additional costs relating to fees associated with the provision of waivers; additional interest costs; and associated advisory fees. It is estimated that these costs will total up to approximately \$10 million for the period through to mid December when the company intends to have in place a more efficient long-term banking structure. Approximately \$8 million of this total relates to one-off waiver and advisory costs.

Nufarm is now working with its lenders to establish the new financing structure and is confident of finalising new arrangements by mid December.

Strategic Review

On July 14, 2010, it was announced that a comprehensive strategic review is being undertaken to identify potential improvements to Nufarm's financial and reporting systems, and to confirm what business and strategic changes are required to ensure Nufarm can achieve sustainable and profitable growth.

It has been confirmed that Deloitte and Gresham Advisory Partners are assisting the company with that review process.

The review will continue for several months, with an update planned to be given to shareholders at the Annual General Meeting on December 2, 2010.

Outlook

Following a difficult financial year in 2010, the company expects to benefit from increased stability and improved trading conditions in certain market segments in the 2011 reporting period.

The glyphosate segment will continue to be very competitive and Nufarm expects to generate margins on glyphosate sales that will be below the average margins achieved in the balance of the business. The company has commenced the year with a market



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20

competitive cost position and no legacy issues associated with high cost glyphosate inventory. Glyphosate-related writedowns and other 'one-off' costs associated with the market volatility and inventory issues of 2010 are not expected to recur.

A return to more average seasonal conditions in key markets would result in increased demand and volume opportunities and would facilitate a more favourable pricing environment in a number of market segments.

Management and structural changes in Nufarm's Brazil business, coupled with any further recovery in Brazil's general credit environment and more rational market behavior, is likely to lead to an improvement in the profitability of that business in 2011. The addition of several new products will also improve the overall margins likely to be achieved in Brazil.

The company will continue to develop and introduce new products in various segments and geographic markets throughout 2011, with a much stronger focus on higher value opportunities in insecticides, fungicides, seed treatment and seeds.

These factors and initiatives provide strong confidence that the group will generate an improved profit outcome for the 2011 financial year.

A handwritten signature in black ink, appearing to read 'D J Rathbone'.

D J Rathbone
Managing Director



Chairman's Address
Annual General Meeting of Shareholders - Melbourne
Thursday, December 2, 2010 at 10.00 am

D McGauchie

While I am very confident of a bright future for Nufarm, fiscal 2010 was a tough and, in many ways, disappointing period for our company. In fact, our performance in the past two fiscal years have been essentially the opposite of what you, our shareholders, have come to expect of Nufarm over the past two decades. Let me assure you that the results have also been profoundly disappointing to the management and Board of Nufarm.

The main contributing factor to Nufarm's lower earnings has undoubtedly been the negative impacts associated with changes in the global glyphosate market. We have not been alone in suffering from those impacts. All companies with an exposure to glyphosate have seen huge pricing volatility and lower earnings due to the structural changes that have occurred in that segment of the industry.

The fact that others were also caught out by the rapid changes that affected the glyphosate market is not meant as an excuse. Given our track record, we would have liked to have better predicted and responded to the changes we faced.

Obviously, the Board took very seriously the effect on the company's financial performance, including the breach of banking covenants that resulted from the lower than expected earnings.

While industry-wide factors were central to the company's disappointing performance, the Board – and management – have clearly acknowledged that our response to those challenges was below our expectations on a number of fronts.

The dramatic drop in profitability, and insufficient visibility on changes in the forecast result, demanded that we properly review the business; our systems and reporting processes; and the general trends and possible changes that will impact the overall market.

In July, the Board implemented a comprehensive strategic review to examine those areas and appointed Deloitte and Gresham Advisory Partners to assist with the review. The involvement of external advisers was seen by the Board as appropriate, and consistent with the objective of ensuring a rigorous and thorough review process.

The consultants were given access to management at all levels in the organisation and have reported progress and interim outcomes of the review directly to the Board on several occasions.

With that process now in its final stages, I can assure shareholders that we have identified important areas where improvements can be made to the operational performance of the company. And we have been able to further refine our strategic objectives for the business.

I will allow Doug Rathbone to speak in more detail about some of the outcomes.

From a Board perspective, the key areas, as the company looks to implement the review outcomes, will be the strengthening and renewal of the Board; strengthening, increased depth and renewal of management; improved systems and reporting protocols; and an enhanced financial discipline in general.

As well as having the right people leading the company now, the Board must also ensure that the right team will lead your company in the future. Fostering organisational change and executive development is crucial and we are taking a strategic view of Nufarm's existing management structure to ensure we have the right skills base as this company continues to grow.

In terms of new directors, we have a shortlist of candidates with whom we are currently speaking. I expect an announcement soon about the addition to the Board of two new directors. I view it as crucial that the Board look for diversity, in the broad sense of the word, among its directors so that we have the right balance of skills and perspectives to help management do its job.

As you would be aware, Doug Rathbone has indicated that he intends to continue leading Nufarm for the immediate future. The Board fully supports Doug's ongoing leadership but also appreciates that there will come a day when he will want to retire. The Board must plan for that eventuality and has started the process of planning an orderly and seamless succession.

This brings me to the general area of financial reporting and continuous disclosure. This is an issue which is fundamental to our corporate values and I want to restate our objective of developing and delivering best practice outcomes to our shareholders.

Yesterday, we announced that Nufarm had provided enforceable undertakings to ASIC which ASIC has accepted in resolution and settlement of an ASIC investigation into Nufarm's compliance with its continuous disclosure obligations in respect of the Company's result for first half of the 2010 financial year. Those undertakings will deliver enhancements to Nufarm's financial reporting and will also encompass a review of Nufarm's policies and procedures relating to continuous disclosure. Those enhancements and that review will be undertaken pursuant to recommendations to be provided by Deloitte and are to be implemented over the next 9 months.

The enforceable undertakings include measures limiting Nufarm's reliance on so called "low doc" equity raising provisions for the period until the Deloitte recommendations are determined and implemented.

ASIC has also issued an infringement notice in relation to Nufarm's disclosure of its results for the first half of the 2010 financial year. Nufarm has paid the \$66,000 penalty specified in that notice. The payment is not an admission of liability and the notice does not constitute a finding that Nufarm has contravened the Corporations Act.

Nufarm acknowledges the fundamental importance of accurate and timely disclosure. Nufarm has in addition to the steps I've mentioned, commenced its own review and committed to numerous significant initiatives to improve its financial reporting and disclosure. Doug Rathbone will talk to some of these initiatives when he addresses you this morning.

On a separate issue, I am very pleased to be able to report that the company has executed term sheets relating to a new funding package.

As shareholders will be aware, the surprise drop in earnings at the end of the 2010 led to the breach of two of our banking covenants and the subsequent need to renegotiate our banking arrangements. Interim financing arrangements were announced on September 27, with a requirement that a new financing structure be finalised by December 15.

As we announced earlier this week, we have now obtained credit approval to move from a complex and largely inefficient series of bi-lateral arrangements with some 16 banks, to a syndicated and secured structure involving four key banking partners. The new arrangements will include more flexible banking covenants that reflect the seasonal nature of our working capital requirements and earnings.

Following a thorough review of the capital structure and requirements of the business – and taking account of our forecast earnings recovery over the next several years – we are confident that the level of funding now available to the company is sufficient to support the current and future growth needs of the business as we see them today.

The Board carefully considered a number of options in terms of capital structure, including near term measures to reduce the level of capital in the business. On balance, we concluded that the profit recovery in the business will support a capital structure that relies on continued debt funding. Never-the-less, we have identified several possible options for reducing capital levels and we will keep those options under review as we closely monitor the operating performance of the business.

The refinancing exercise has been a major task for the management of the company and necessarily diverted management resources away from other areas.

It is extremely important to have achieved certainty and clarity around the funding position.

While the company dealt with major operational challenges over the past year, we also spent a great deal of time talking to two potential suitors about major investments in our company. I want to talk briefly about those approaches by Sinochem and Sumitomo.

This time last year, a potential corporate transaction involving Nufarm and China's Sinochem Corporation was in train. After a protracted due diligence process and an agreement by Nufarm to extend previously committed deadlines, Sinochem changed its offer to a highly conditional \$12 cash per share. The Board's strong view was that the offer provided no certainty either on price or on other conditions.

Let me assure you that your Board very carefully considered its position before unanimously deciding that it was not in the best interests of shareholders to continue the negotiations with Sinochem.

In the very latter stages of the negotiations with Sinochem, the Board was approached with a separate proposal from Sumitomo Chemical Company to acquire 20 per cent of Nufarm's shares at \$14 per share. The Board believed that the strategic investment by Sumitomo was a far better and more certain option for shareholders, and shareholders approved that deal in March.

Nufarm's relationship with Sumitomo in the past eight months has been beneficial to our company. Sumitomo has been an extremely supportive major shareholder. Thanks to the relationship, management has identified a number of distribution and product development opportunities that have already generated additional revenues for Nufarm, with further opportunities on the horizon. Doug will provide further details on these.

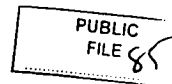
Sumitomo is entitled to nominate one Director to the Nufarm Board following its strategic investment. The proposed appointment of a Sumitomo representative to the Board is currently being reviewed by an anti-trust regulator in Europe and it is hoped to have that matter clarified in the near future.

Doug will shortly give an update on the company's performance so far this fiscal year. I wanted to speak briefly about the Board's policy on earnings guidance. The company has previously followed a practice of providing specific earnings guidance. We are now taking a more conservative and cautious approach in terms of our outlook statements. I believe this is an appropriate stance, given the experiences of the past 12 months and a recognition that there are unknown factors and variables that will influence our earnings – including future climatic conditions and competitive influences on pricing. As these conditions become clearer over the course of the year – and particularly in the key second half selling period – we may be in a position to provide more complete guidance.

Before I finish, I want to publicly thank the former chairman of Nufarm, Kerry Hoggard, for his tremendous contribution to this company. As you know, I was appointed chairman in July after serious health concerns forced Kerry to retire. Kerry's association with Nufarm began some 53 years ago in New Zealand, back in the days when the company was known as Femz Corporation. He served in numerous managerial and non executive roles before becoming chairman in 2000. I know that I speak for all shareholders when I thank Kerry for his tireless work and leadership over the years. We wish him all the best in his future endeavours and as he continues his successful recovery from illness.

I would also like to thank Doug Curlewis for his valuable contribution to the company during more than 10 years as a Director of the Board. It was announced this week that Doug will resign from the Board following this meeting. Doug has been an active and interested Director over that period and most recently served as the company's Deputy Chairman. On behalf of the Board, management, and all shareholders, we thank Doug and wish him well.

I want to hand over now to Doug Rathbone. Before I do, let me say that I have never seen Doug work with more commitment, energy and focus than he has this year. Nufarm has experienced a tough 12 months and there are more challenges ahead. But the signs are good that we have started to recover, and there is no better person than Doug Rathbone to lead this company through that recovery. Doug and his team are developing a very clear strategy to grow the business and we are confident that they will deliver strong results for shareholders in the year ahead.



**Managing Director's Address
Annual General Meeting of Shareholders - Melbourne
Thursday, December 2, 2010 at 10.00 am**

D J Rathbone

Thank you Mr Chairman.

I would also like to thank the shareholders in attendance today for your ongoing interest in the company.

When I addressed you at the Annual General Meeting last year, I talked about a 12 month period that had been both challenging and eventful. While the *most recent* 12 months have certainly been both challenging and eventful, I need to acknowledge that it has also been an extremely disappointing period for Nufarm. And I know that you – as shareholders – very much share that disappointment.

From a business perspective, the two major impacts on our 2010 financial year results were continued deterioration in earnings associated with the glyphosate segment, and a combination of adverse climatic conditions across our key geographies that negatively impacted demand for our products and contributed to pricing pressure in relation to some of those products.

The glyphosate impacts were very substantial. Following the 2008 spike in demand and pricing associated with glyphosate and the subsequent and severe deterioration in glyphosate pricing that affected all glyphosate suppliers, we began the 2010 financial year with excess inventory and an uncompetitive cost base

The very damaging outcome was that we recorded significant writedowns on glyphosate stock and – for much of the year – we were forced to sell glyphosate at a loss.

We generated an average gross margin of just 12% on glyphosate sales in the 2010 financial year....which is significantly below the 30-percent-plus margins we generated on glyphosate sales in 2008, before the over-capacity issues and other impacts brought about major changes to this chemistry segment over the past two years.

It is important to note that Nufarm began this current 2011 financial year with normal levels of glyphosate inventory that was purchased at market competitive prices. There are no legacy issues associated with high cost glyphosate inventory still to be addressed.

But it is also important to note that glyphosate has been and remains one of the most important chemistry segments in agriculture – and still the single biggest selling crop protection product by a large factor. Nufarm will retain a position in glyphosate as it forms part of a valuable strategic positioning with our distribution and grower customers in many of our global businesses.

Given the changes in the glyphosate market – and the subsequent deterioration in value of that market – we are making the necessary adjustments to reduce the weighting of glyphosate sales in our overall portfolio; and we are focusing on higher value segments in the market.

Whereas glyphosate comprised about 40% of our total revenues in 2008, we expect it to be in the vicinity of 25% of our business in the current 2011 year.

We expect glyphosate pricing to remain very competitive, but our adjusted cost base will enable us to generate increased margins on glyphosate sales within that competitive pricing environment.

We have also implemented important improvements in our sourcing and supply chain. These improvements further reduce the risk of the company holding inappropriate inventory levels at any one time.

While the glyphosate story was clearly a big negative for our 2010 results, our performance in products other than glyphosate was much more positive, albeit we saw lower demand and volumes due to the adverse climatic impacts.

The softer demand resulted in increased competition for fewer sales opportunities and the pricing environment was certainly subdued in most markets.....but Nufarm held its market shares and the margins achieved across the various product segments – other than glyphosate – were satisfactory.

Our core phenoxy herbicide business also performed strongly, although volumes were down generally in this segment. After resolving protracted regulatory issues associated with the 2008 acquisition of the AH Marks business, we are now realizing some of the synergies we expected to capture when the acquisition was completed.

2010 also saw the continued roll-out of important new product positions, particularly relating to our 'Nuprid' insecticide approval and launch in Brazil and markets in Europe; and additional launches for tebuconazole based products which strengthen our fungicide position.

Our seeds business experienced profitable growth in 2010 and we integrated newly acquired businesses which will considerably strengthen our core crop positions.

From a regional perspective, all of our major businesses generated lower operating profits than in the previous year. Again...glyphosate related issues were the principal contributing factor in those results.

As I have mentioned, however, those businesses were also negatively impacted by various climatic factors which reduced the selling opportunities for a number of Nufarm products.

Here in Australia, we experienced contrasting seasons last year which saw the summer cropping period down by some 25% on average and – during the winter cropping period – Eastern and Southern states receiving above average rainfalls and very positive cropping conditions. These were offset by some of the driest weather experienced in much of the West Australian wheat belt in many years.

Both North America and Europe had long and very severe winters and a relatively short spring that meant a very narrow window for sales of some of our key products. And in Canada, a substantial amount of acreage went unplanted due to flooding in the west of the country.

As an agricultural inputs company, Nufarm will always be exposed to the inherent variability of climatic conditions. Part of the rationale for establishing a global presence is that this generally mitigates the risks of adverse climatic conditions in any one major region. As the 2010 year demonstrates, however, it is possible to experience a combination of poor seasonal conditions in a number of regions within the one year.

Despite those impacts, it certainly remains valid to pursue a strategy of geographic diversification.

While the financial performance of the business was poor – and well below our expectations – equally disappointing was the company's capacity to identify and respond to some of the business challenges with which we were faced during the 2010 financial year.

I want to make it clear that the company recognizes that we have fallen short of shareholders' expectations in recent times and we need to do much better.

You have our absolute commitment that we are putting in place appropriate changes to ensure we have an improved capacity to meet the challenges of the business...and we have a strong focus – throughout the company – to deliver earnings recovery this year and profitable growth in the years ahead.

As the Chairman has reported, we are now in the concluding stages of a comprehensive strategic review of the business.

The review process has been thorough and has benefitted from the input of external consultants who were asked by the Board of Directors to independently review a number of areas of the business and to challenge and validate our thinking on how best to take the company forward.

Given the increasingly competitive nature of the industry in which we operate, the detail of that review and our specific execution plans will, of course, remain confidential. I do, however, want to share some of the broader conclusions and actions that result from the review process.

Firstly, the review confirmed that the earnings deterioration in the business over the past two years was predominantly the result of substantial changes in the glyphosate market and the impact of excess and high cost glyphosate inventory held by Nufarm over that period.

Recognising that fact – and acknowledging the lessons that can be learnt from the glyphosate experience – the review has concluded that Nufarm's business has many important strengths, including a valuable global distribution base and a well recognized and respected brand. And we operate in an industry that will continue to provide profitable growth opportunities.

That being said, we have identified a number of important areas where we can more clearly focus our operations; and target our growth objectives. The commitment we are making is to make a good company a great company. We will do this by enhancing our operating model and implementing improvements in all areas of the business, from our sourcing, supply chain and manufacturing activity, through product development, regulatory affairs and portfolio management, and our marketing and selling capabilities.

While the industry remains competitive, Nufarm has core chemistry positions that will continue to generate value for the business. To supplement those core chemistry positions, the company will look to strengthen its presence in more defensible, higher value segments by leveraging our strengths in product development and strong commercial partnerships.

This will include a continued commitment to build our seeds and seed treatment business, a segment in which we have already established some very valuable positions.

We will aim to further develop our entrepreneurial approach to business within a more disciplined framework. We will enhance our ability to measure investment returns in specific areas of the business and to develop additional key performance indicators that reflect appropriate return on investment targets.

We will continue to operate in global markets, but we don't need to be present in all global markets. The near term priority is to consolidate and improve earnings returns from our existing market positions.

We have also identified opportunities to rationalise our product portfolio – removing underperforming products and SKUs from the portfolio – and to increase the efficiency of our product development programs.

And we have targeted some specific cost savings and efficiencies in various areas of the business.

Our ability to execute on this strategy will be partly determined by the systems we employ to monitor and analyse the business and by our strength and depth of management. We are making important changes in both of these areas.

For the 2011 budget and the current five year forecast, a systems enhancement was implemented that allows the company to budget and track sales and margin data by specific product at an individual business entity level. This provided the business with the ability to review and interrogate the budget assumptions at a far more detailed level than was previously possible. This includes a cross-check between product sales and margin forecasts put forward by various country businesses and the market analysis available to our global product management group.

The upgraded system will facilitate a greater level of visibility on the performance of the business and the far more regular updating of sales and margin data. This will also ensure that our forecasting process – within any financial year – is more robust and reliable than was previously the case.

The company is also implementing further improvements to its data management and reporting systems.

We are currently moving forward with the design and implementation of a global data warehouse that will fully integrate both financial and operational areas. We expect phase 1 of this project to be up and running in the first quarter of the 2011 calendar year.

An improved ability to combine and analyse data from different functional areas of the business will further enhance our integrated business planning and provide more accuracy and efficiency in purchasing and other supply chain areas, as well as a more comprehensive level of management reporting.

We recognise that systems improvements are only part of what makes an organisation efficient and responsive.

To extract the full benefit of those improvements it is important that we have the resources and capabilities to review and analyse the data and act quickly in terms of a business response.

To assist in that regard, Nufarm last month established a Business Analysis Unit.

The Business Analysis Unit is tasked with ensuring that the commercial, analytical and business intelligence needs of the organisation are met; with contributing to the ongoing development and maintenance of group level management reporting protocols; and with supporting global processes for budgeting, planning and forecasting.

Again, the establishment of this Unit is an important new initiative that will lift our performance in terms of data analysis and management reporting.

More broadly, we have taken measures to strengthen the management of the company and to ensure we continue to make the organisational and operating changes necessary to support the future growth of the business.

Ms Bonita Croft this week joined the Nufarm senior management team as Group Executive, Human Resources and Organisation Development. This is a significant appointment for the

company and reflects the very high priority given to areas such as management transition and succession planning; talent development; and other initiatives relating to the company's most valuable asset...our people.

Bonita is a highly experienced professional who has worked in senior executive roles in large public companies with global operations. I am very much looking forward to working with Bonita as we continue to address organisational change and improvement issues.

It is important to note that we are already underway on a number of fronts.

In the US, we have downsized and restructured the business over the past six months as part of a plan to realign the cost base and redirect our focus into higher value segments of the market.

In Brazil we have made a number of important changes following the appointment in March of a new regional head of South America, Valdemar Fischer. Valdemar has extensive industry experience in very senior management roles with Syngenta and brings to Nufarm a discipline and skill set that will help drive the much-needed improvement in business performance expected of Brazil. We have subsequently made several other changes in Brazil, including a restructuring of the sales force.

On a corporate basis, we are also moving to strengthen the financial management of the company. We have instigated a process to recruit a senior finance manager into a Group Treasurer role. This role will provide additional oversight of cash flow management; foreign exchange exposure; working capital; and debt positions. We plan to have someone in place in this new role early in the new calendar year.

These are some examples of the initiatives that will help facilitate a strong earnings recovery and a profitable growth outlook for Nufarm.

The review process is now coming to a close, with our various external consultants having completed their briefs. Management will now proceed with the implementation program...it is time to get on with the job.

As the chairman has acknowledged, we can now focus all of our attention on rebuilding the profitability of the business and shareholder value.

The refinancing arrangements – announced earlier this week -are largely in place, with some final documentation to be completed over the next two weeks. This has been a very substantial exercise but I am extremely satisfied with the outcome. As all shareholders will appreciate, it has been critically important to get clarification and certainty around the funding position of the company.

I would now like to update you on trading conditions and on the performance of the business during the first quarter of this, the 2011 financial year.

While the early months of our financial year are a comparatively quiet sales period in our northern hemisphere markets, it never-the-less encompasses the summer cropping season in Australia and the initial business associated with the major season in Brazil.

Here in Australia, above average rainfall in most areas of the country has provided excellent conditions for the final growing stages of our winter cereal crops. Western Australia is the exception and has had a poor winter cropping season with dry conditions there leading to crop failures, particularly in the central and northern areas of the wheat belt.

Elsewhere, the increased rainfall has provided a very good lead-in to summer crops such as cotton, rice, sugar and sorghum.....with the highest plantings we have seen in a number of years in several of those crops.

The high moisture levels are contributing to increased pest and disease pressure and many of you will have seen the extensive publicity relating to the threat of locust damage to cereal crops.

Market segments such as horticulture have been particularly strong this quarter and this is expected to continue.

The demand for Roundup Ready Crops has also grown substantially with significant increases in both Cotton – which has now been planted – and Canola, which will be planted in the autumn of 2011. This benefits both our chemistry and Nuseed businesses.

As we speak the harvest is underway in a number of regions across Australia with some farmers experiencing difficulties with continued wet weather. This causes delays to harvest and, in turn, can delay or reduce summer weed control management.

We are certainly taking advantage of the generally positive conditions in Australia and our Australian business is tracking ahead of budget for the first quarter of the year; and well ahead of its first quarter performance – on both a sales and margin basis – for the same period last year.

While climatic conditions have generally been very positive in Australia, we have seen a late start to the season in Brazil.

The southern cropping regions and some areas in the north received timely and adequate rainfall, but in the important soybean growing regions in the central areas of Brazil rains came late and delayed planting for 30-45 days. Rainfall is now normal and planting is well under way.

The late season is reflected in Nufarm first quarter sales being behind target. We are, however, slightly ahead of our internal forecasts with respect to margins on those sales. In part, this is due to a decision not to participate in low margin glyphosate business in Brazil, where the earnings on that business are seen as unacceptable.

We now have the flexibility to choose whether to participate in the glyphosate segment – and we are not offering price support guarantees that have the potential to reverse positive margins later in the financial year.

In terms of other product sales in Brazil, Nufarm is generating improved profitability from sales of an expanded range of fungicides and insecticides as well as our phenoxy herbicides.

Selective herbicides for the soybean segment are also performing well, and sales of the newly launched imidacloprid range (Nuprid and Kit Nuprid) are in line with our expectations.

Nufarm now has access to several Sumitomo-sourced products in Brazil and we are very pleased with initial sales of those products.

While we have seen a late start to the season in Brazil, key soft commodity prices are strong and growers have a substantial economic incentive to produce high yielding crops. This is encouraging Brazilian growers to optimize their use of inputs, including crop protection products.

I'm very pleased to announce that we have just completed new agreements that will significantly strengthen our product portfolio position in Brazil.

An agreement has been concluded with Syngenta to extend supply of the world's best selling fungicide, azoxystrobin, to Nufarm in Brazil. The agreement will facilitate Nufarm's supply of several Azoxystrobin based mixture products in the valuable soybean rust segment. First sales under the agreement are to be made in January next year.

The second agreement – completed last month with BASF – involves a co-distribution arrangement for an insecticide called fipronil. Brazil is the largest market for this insecticide, which is used globally on more than 100 different crops. Our agreement with BASF will facilitate our early entry into the market, where we will launch products for both sugar cane and an initial seed treatment product with application in corn, soybean, dry beans and cereal crops.

Both of these agreements reflect the company's strategy to build a more diversified product offering in Brazil and our new management team has done an outstanding job in working with both Syngenta and BASF to secure these deals.

As is typically the case, sales activity in our other key regions during the first quarter of the financial year is comparatively quiet.

I can report, however, that the business in Asia is tracking ahead of forecast and ahead of first quarter sales and gross margin last year, with the Indonesian business doing particularly well over the first three months.

In Europe, we are tracking behind forecast in some of the Southern European markets, particularly in France, Spain and Italy where channel inventory levels are higher than normal given last season's lower volume sales. The pricing environment remains generally competitive. The North Eastern European businesses are performing ahead of first quarter expectations on both a sales and margin basis (and ahead of the same period last year).

In general terms, the sentiment relating to agriculture in Europe is much more positive than at the same time last year, with stronger crop prices expected to encourage increased plantings in many European markets.

In North America, our US sales into the general agriculture market are below first quarter sales last year, but the stronger commodity prices are likely to influence some earlier than normal buying patterns, with activity expected to increase over the next few months. As in most other markets, glyphosate pricing remains very competitive and we expect that position to continue.

Very dry conditions across most of the Midwestern, Eastern and Southeastern regions of the US are negatively impacting turf and ornamental sales, but this part of our business certainly has the opportunity to make up that lost ground over the balance of the financial year.

Our glyphosate sales are significantly down and our non glyphosate sales in the US are up on the first quarter of 2010, reflecting a very deliberate rebalancing of Nufarm's portfolio into other higher margin and more defensible segments.

While total US sales are down, we are ahead on both a total gross margin and gross margin percentage basis.

In Canada, we have benefited from increased fallow spraying, resulting from the flooding that negatively impacted the business last year. Canadian distributors, however, are holding reasonably high stock levels.

Our North American seeds business is ahead of expectations.

In summary, our first quarter is generally in line with, or ahead of, expectations in Australia, Asia, North America and North Eastern Europe. Brazil and Southern Europe are tracking behind forecast...but we expect activity to pick up in Brazil now that growers have the conditions to accelerate planting activity.

On an overall basis, our first quarter EBIT result is well ahead of where we were at the same point last year and gives us continued confidence that the business can generate an improved profit outcome over the course of the full year.

For the current half year, we expect an improved operating result compared to the first six months of 2010 in which the company recorded a headline loss of \$40 million and an operating loss of \$4.5 million.

For the six months to January 31, 2011, we expect to record an operating profit in the range of between \$10 million and \$20 million. I need to emphasize that this estimate remains dependant on a number of variables including trading conditions over the next two months, and climatic factors.

We will be reporting a number of non-operating or material items at the half year. These will include the one-off costs associated with the interim financing arrangements and the strategic review.

The improved overall half year result will be driven by stronger earnings in most of our markets and the absence of the negative impacts associated with glyphosate related write-downs of last year

Net debt is anticipated to be lower at the half year than what it was at that point in the prior year. It will, however, be higher than at the July 2010 levels as we build working capital to levels required for the key second half selling period.

Finally, I would like to reinforce some of the statements made by the Chairman in relation to the Sumitomo Chemical Company's strategic investment in Nufarm. Since completing its 20% investment in April of this year, Sumitomo has worked with us to identify and put in place a number of commercial agreements that will add value for both companies.

Agreements, involving the sale of Sumitomo chemistry across Nufarm's distribution platform, have been executed in Brazil, Indonesia, the UK and Germany. Further distribution agreements are being considered in North America and other markets within Europe.

The two companies have also agreed to collaborate on product development opportunities and are considering further areas of co-operation.

The relationship with Sumitomo has been supportive and we have been extremely impressed with high level of professionalism and industry expertise that Sumitomo management displays in our very regular interactions.

I would now like to hand back to the Chairman. Thank you.



2010 Full Year Results

September, 2010



Doug Rathbone

Managing Director

2010 Full Year results



Major impacts

- Glyphosate-related write-downs and margin pressure
- Adverse climatic conditions
- Strong competition and weak pricing environment

Headline results

| | 2010 12 mths to July 31 | 2009 12 mths to July 31 |
|--|-------------------------------|-------------------------------|
| Group revenues | \$2.17 billion | \$2.68 billion |
| Reported profit/ (loss) | (\$22.6 million) | \$79.9 million |
| Operating EBIT (pre material items) | \$135 million | \$278 million |
| Earnings per share | (15 cents) | 33.5 cents |

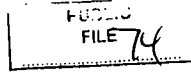
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2010 Full Year results



Overview

- Glyphosate-related impacts continued into 2010 financial year with additional pricing pressure and oversupply issues resulting in further write-downs and margin loss.....but signs of stability are emerging
 - Nufarm took measures to support distribution customers and maintain market share positions
- Adverse climatic conditions affected timing of sales and reduced demand in many key markets
- Additional competition for fewer sales resulted in pricing and margin pressure



2010 Full Year results



The glyphosate impact

| Glyphosate | | | |
|--|-------------------|------------------|---------------|
| | <i>the BUBBLE</i> | <i>the BURST</i> | |
| | 2008 | 2009 | 2010 |
| Sales % of total | \$962m 39% | \$868m 32% | \$597m 27% |
| Av. gross margin % GM \$ contribution | 31% \$296m | 18% \$155m | 12% \$69m |
| % of total gross margin contribution | 39% | 21% | 13% |

Write-downs and customer support measures resulted in a negative \$57.1 million impact at the gross profit level

PUBLIC
FILE

73

2010 Full Year results



Glyphosate

- **We assume excess capacity over the long term**
 - 'Tech' pricing will remain competitive
 - Market pricing will also remain competitive
 - Nufarm will have different margin opportunities/leverage in different markets/segments
- **'Arbitrage' opportunity for traders has now passed**
 - Smaller players are leaving the market
- **Market access and opportunity to secure higher value sales will be key**

Forecast assumptions

- Average gross margin of 15-20%
- Average revenue contribution of approx 25%

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72

2010 Full Year results



Other segments

- Sales of non-glyphosate products fell 13% year on year
 - In local currency non-glyphosate sales increased by 15% in USA and fell by just 4% in Brazil and Europe
- Gross margin contributions from phenoxy herbicides increased on lower sales
 - AH Marks synergies
 - Product differentiation
- Lower insect pressure/demand resulted in lower insecticide sales
- Fungicide sales and gross margin contribution up 16%
- Strong sales and margin growth in seeds

2010 Full Year results



Some positives

- Market access and market share positions maintained
- Growth in US turf and ornamental segment
- Additional market penetration and margin growth in Asia
- Successful expansion in Eastern Europe
- Significant product launches
 - 'Nuprid' (imidacloprid)
 - 'Sativa' and 'Mystic' (tebuconazole)
- Successful integration of several new seed businesses

We have consolidated and strengthened our global supply and distribution base, and maintained momentum in terms of growth into higher value segments

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70



Kevin Martin

Chief Financial Officer

2010 Full Year results



Profit analysis

| | 2010 | 2009 |
|------------------------------|----------|----------|
| \$'000s Net profit after tax | | |
| Operating profit | 58,566 | 159,632 |
| Material items | <82,556> | <79,755> |
| Attributable to shareholders | <23,990> | 79,877 |
| Minority Interest | 1,338 | 665 |
| Headline result | <22,652> | 80,542 |

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68

2010 Full Year results



Material items

| \$'000s Net of tax | 2010 | 2009 |
|--|--------|--------|
| Due diligence / Competition Commission | 4,548 | 11,546 |
| Glyphosate related costs | 30,074 | 63,456 |
| Restructuring costs | 11,034 | 2,713 |
| Other | <636> | 2,040 |
| Tax loss write off | 37,536 | |
| | 82,556 | 79,755 |

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2010 Full Year results



Profit rollforward

| \$'000s | 2010 | 2009 | Movement |
|-----------------------------------|-----------|-----------|-----------|
| Sales | 2,168,630 | 2,677,083 | <508,453> |
| Gross profit excl. material items | 529,890 | 677,439 | <147,549> |
| Expenses excl. material items | <403,399> | <412,910> | 9,511 |
| Other income | 8,641 | 11,054 | <2,413> |
| Associates profit | 47 | 3,080 | <3,033> |
| Operating profit (segment result) | 135,179 | 278,663 | <143,484> |

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2010 Full Year results



Analysis of gross profit movement

\$'000s

Glyphosate

<99>

Insecticide

<16>

Phenoxy herbicide

<10>

Other herbicide

<20>

Net all other

<3>

<148>

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65

2010 Full Year results



Working capital movement

| \$'000s | 2010 | 2009 | Movement |
|---------------------|-----------|-----------|-----------|
| Receivables | 852,986 | 787,760 | 65,226 |
| Inventory | 553,432 | 797,383 | <243,951> |
| Payables | <393,868> | <407,421> | 13,553 |
| Net working capital | 1,012,550 | 1,177,722 | <165,172> |

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64

2010 Full Year results



Net debt

| \$'000s | 2010 | 2009 |
|-----------------------|-----------|----------|
| Borrowings short term | 794,164 | 620,361 |
| Long term | 13,633 | 402,327 |
| Cash | <188,741> | <84,312> |
| Net debt | 619,056 | 938,376 |

| | |
|------------------------------------|-------|
| Opening balance net debt | <938> |
| Less capital raising | 246 |
| Less cash from operations | 195 |
| Capital expenditure | <46> |
| Business acquisitions | <43> |
| Product development and intangible | <45> |
| Net all other | 12 |
| | <619> |

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63

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FILE 62



Brian Benson

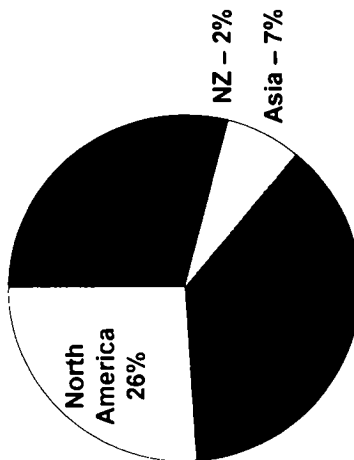
Group General Manager - Agriculture

2010 Full Year results



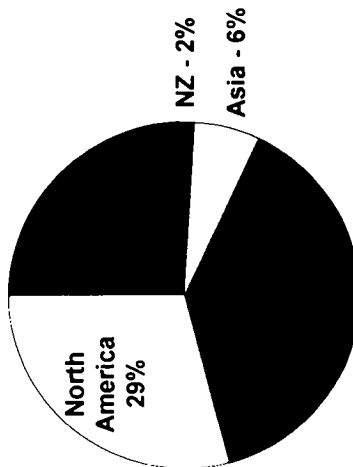
Nufarm sales by geography

2010



Total sales - \$2.17 billion

2009



Total sales - \$2.68 billion

2010 Regional overview



Australasia

Key drivers

Australia

- Summer crop plantings down by more than 20% on previous year
- Eastern/Southern States experience positive autumn/winter growing conditions
- Western Australia is well below average
- Glyphosate volumes up, but pricing/margins down
- Strong performance in horticulture, cotton and sugar segments
- Revenues down by 7%; very competitive pricing environment

New Zealand

- Drought impact in some regions
- Challenging conditions prevailed in dairy sector
- Revenues down by 9%

Asia

- Improved profit performance
- Indonesia benefits from higher rainfall and herbicide demand

| | 2010 | 2009 |
|-----------------------------|---------|--------|
| Revenue | \$799m | \$850m |
| Segment profit ¹ | \$89.2m | \$118m |

¹Segment earnings before interest and tax, excluding impact of material items

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2010 Regional overview



North America

Key drivers

USA

- Climatic conditions impact timing and demand
- Continued instability and pricing pressure in glyphosate segment
- Aggressive de-stocking by distribution
- Strong performance in turf and ornamental segment
- Expanded portfolio in cotton
- Ex glyphosate sales increased by 15% in local currency but total sales fell by 10%

Canada

- Heavy rainfall/flooding dramatically reduces planted acreage
- Some new competition in grass herbicide segment
- Overall market share maintained

| | 2010 | 2009 |
|-----------------------------|---------|--------|
| Revenue | \$554m | \$775m |
| Segment profit ¹ | \$33.2m | \$112m |

¹Segment earnings before interest and tax, excluding impact of material items



2010 Regional overview



South America

Key drivers

Brazil

- Intense competition and margin pressure
- Support measures provided to distribution customers
- Credit issues improving....but still a factor
- 'Nuprid' launch and performance in pasture segment both positive
- New management and restructure of sales force
- Sales down 15% in local currency (ex glyphosate sales down by 4%)

Argentina

- Improved product mix generated higher sales and stronger profit result
- Differentiated glyphosate position
- Seeds operation established

| | 2010 | 2009 |
|-----------------------------|---------|---------|
| Revenue | \$342m | \$415m |
| Segment profit ¹ | (\$15m) | (\$40m) |

¹Segment earnings before interest and tax, excluding impact of material items

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2010 Regional overview



Europe

Key drivers

- Climatic conditions difficult across most markets
 - Dry autumn
 - Long, cold winter
 - Cool, dry spring
- Grower purchases declined in line with lower farm incomes
- Significant volume reductions in some segments
- Total sales declined by 9% (measured in Euros). Ex glyphosate sales down 4%
- Subsequent impacts on European manufacturing operations
- Market shares held in most countries; gains in UK, Spain and Eastern Europe
- Nufarm Ukraine launch
- New product introductions

| | <u>2010</u> | <u>2009</u> |
|-----------------------------|-------------|-------------|
| Revenue | \$475m | \$637m |
| Segment profit ¹ | \$53.4m | \$119m |

¹Segment earnings before interest and tax, excluding impact of material items

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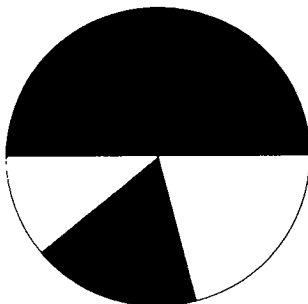
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2010 Full Year results



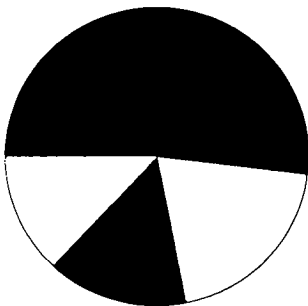
Sales by key products

2010



Total sales - \$2.17 billion

2009



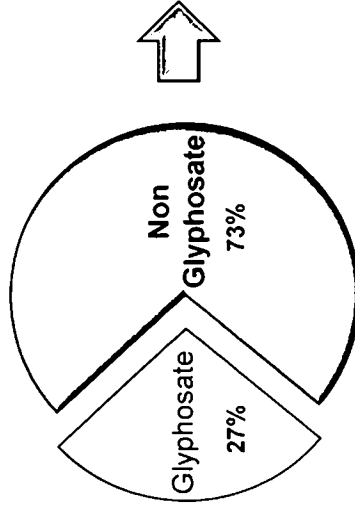
Total sales - \$2.68 billion

*Other – includes PGR's; adjuvants; seed treatments; seeds; spray machinery; industrial sales

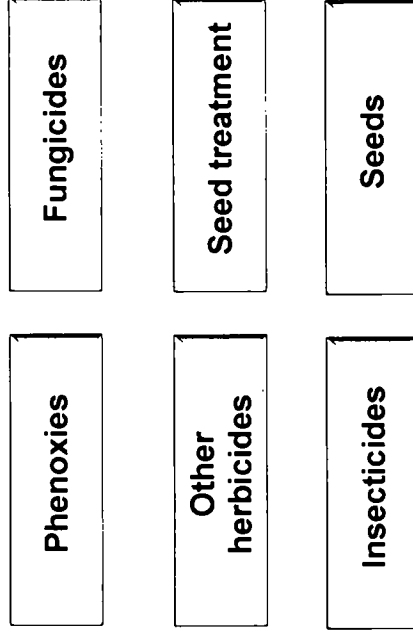
2010: Key segments review



Our growth will be driven by profitable expansion into higher value product segments



2010 sales: \$2.17b



2010: Major segments review

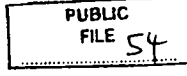


Phenoxies

| | |
|---------------|----------------|
| 2010 sales | CAGR 2006-2010 |
| \$475m | 5% |
| Av. GM % 2010 | % total GM \$ |
| 33% | 30% |

Phenoxy outlook – growth in glyphosate resistance will continue to create opportunities for phenoxies

- Global leadership position and fully integrated
- Increased competition in some 2,4-D markets
- Operational efficiencies realised in methyls
- Dichlorprop-p registration received in Canada
- Corasil PGR launched in Spain and South Africa
- New formulations/differentiation strategy
- Trait implications on horizon



2010: Major segments review



Other herbicides

| | |
|---------------|----------------|
| 2010 sales | CAGR 2006-2010 |
| \$453m | 6% |
| Av. GM % 2010 | % total GM \$ |
| 31% | 26% |

- Lower sales value but higher GP achieved
- Strong growth in pyridines
- Mixtures development with Bromoxynil continues
- Brazil pastures growth strong
- Dicamba continues to grow
- Glyphosate resistance management opportunity
- Solid growth going forward with rising GP

2010 Key Product introductions

- Four SU products launched in USA
- Nicosulfuron- initial EU sales: France, Italy, Greece

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53

2010: Major segments review



Insecticides

- Focus on 4 big insecticide families (Neonics; OP's; Pyrethroids; insecticide growth regulators)
- Nuprid (Imidacloprid) provides strong 'foundation' position
- 'Nuprid' entry strategy very successful

| 2010 sales | CAGR 2006-2010 |
|---------------|----------------|
| \$174m | 27% |
| Av. GM % 2010 | % total GM \$ |
| 34% | 12% |

2010 Key Product introductions

- Nuprid – Brazil, France, Italy, Spain, Netherlands, Hungary, Portugal, Croatia, Czech, Russia, Turkey, Egypt
- Kaiso – Europe, USA, Argentina
- Specialty formulations: suSCon Forestry; Imidacloprid & Tebuconazole

- Registrations in 25 countries, selling in 18 countries
- Targeted at niche, higher value market segments
- Provides foundation insecticide position for 'new formulations' (Sorbie and suSCon), mixtures, and continued penetration into seed treatment
- Replacement of 'Phase Out' products in Brazil on track

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52

2010: Key segments review



Fungicides

| 2010 sales | CAGR 2006-2010 |
|---------------|----------------|
| \$217m | 13% |
| Av. GM % 2010 | % total GM \$ |
| 31% | 13% |

Consolidation and growth of tebuconazole market

- Used in large number of crops
- Both foliar and seed treatment applications
- Many mixture options available
- Cornerstone active for seed treatment
- Nufarm positions in Australia, Latin America and Europe (60+ registrations)

Broad based mixtures strategy well underway

- Fluazinam (Europe)
- Copper
- Triazoles

2010 Key Product introductions

- Sialex (Sumitomo) in Brazil
- Fluazinam rollout continues in Europe
- Azoxystrobin registered in New Zealand



2010: Key segments review



Seed treatment

A growth market as growers and breeders seek to protect the increasing value of high performance germplasm

- Offers a bolt-on, value add revenue stream for Nufarm's expanding seeds portfolio
- Able to utilise tebuconazole and imidacloprid positions as cornerstone actives
- Started in 2005 with 15 registrations in 4 countries (13 in Australia) to now more than 50 registrations in 15 countries
- Dedicated ST staff with significant experience in the US, EU and ANZ geographies



2010: Key segments review



Seeds

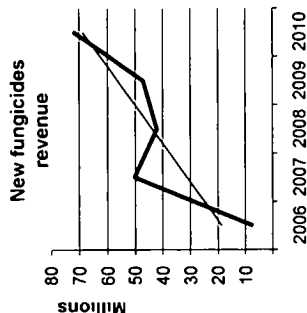
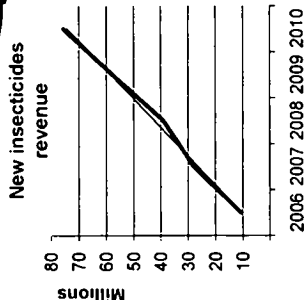
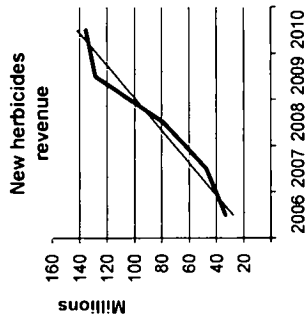
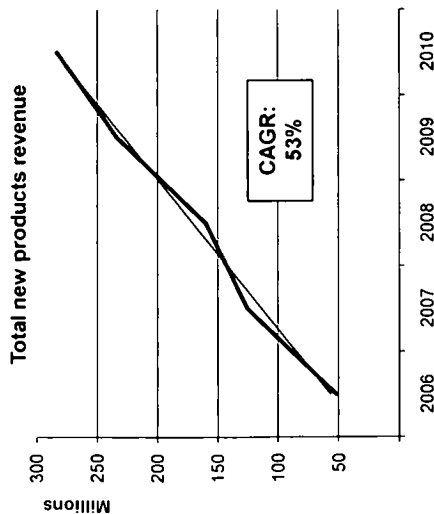
A focused approach aimed at building a global scale, high margin business in a number of core crops

- The successful acquisition and integration of elite germplasm and breeding assets
 - Herbicide tolerance, disease resistance, feed value improvement traits (Brown mid rib), food value improvement traits (food grade sorghum)
- Selling elite hybrid products into more than 25 countries
- Currently earning average gross margins of 45-50% and forecast to generate strong organic EBIT growth
- Substantial opportunities for additional growth via targeted acquisitions

2010 Full Year results



New¹ product revenues



| Average Gross Margin % | | | | |
|------------------------|------|-------|-------|-------|
| 2006 | 2007 | 2008 | 2009 | 2010 |
| 35.4% | 41% | 44.7% | 44.8% | 39.9% |

....and strong momentum to underpin future growth, with an average of more than 20 new product registrations in each of the next 4 years

¹Products launched by Nufarm within past five years



Sumitomo relationship

Sumitomo relationship



A mutual commitment to identify areas of commercial co-operation that will add value to both companies

- **Product distribution agreements that put Sumitomo chemistry across Nufarm distribution bases**
 - Brazil, Indonesia, UK and Germany now underway
 - More to follow: Canada, Eastern Europe
- **Product distribution agreements that put Nufarm chemistry across Sumitomo distribution bases in North Asia, Mexico; and potentially other markets**
- **Product development collaboration, with an initial focus on glyphosate resistance management programs**
- **Operational efficiency collaboration – toll manufacturing in Australia**

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45



Macquarie 12th Annual Australian Conference Sydney

**Doug Rathbone
Chief Executive Officer**

May, 2011

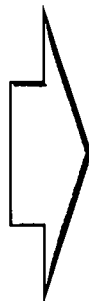


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The broader picture....

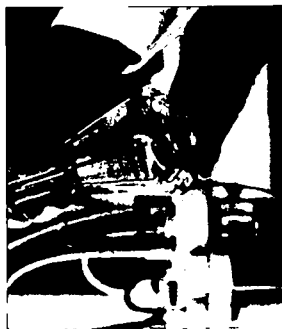
Agriculture remains a strong growth industry

- Declining stock-to-use ratios
- Rising crop prices
- Increased use of biofuels
- Declining availability of arable land
- Growing global population
- Urbanisation and increased wealth
- Emerging agricultural markets



The battle for YIELD

Optimising inputs is key to maximising YIELD



- **Chemistry:** Protecting the seed/crop and securing increased efficiencies; efficacy; and safety



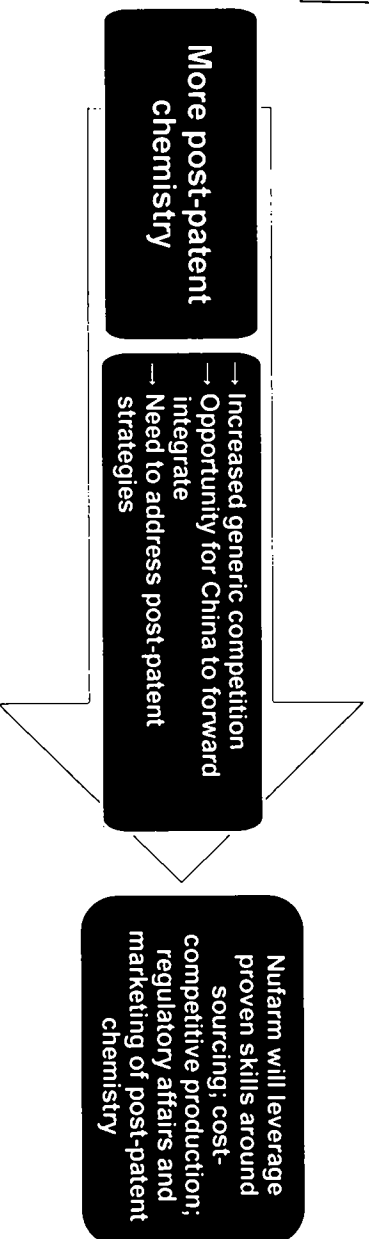
- **Seeds:** Both conventional and GM breeding programs leading to a step-wise increase in a farmer's investment in seed

Some key trends and changes impacting the crop protection industry....

- ▶ **More chemistry moving to post-patent status**
 - 75% of industry sales (by value) are post-patent
- ▶ **Closer integration of seeds/traits and chemistry**
 - Majors realign research emphasis into traits
- ▶ **Material value shift and structural change in glyphosate**
 - Remains vitally important chemistry ... but now 'commoditised'
- ▶ **Industry consolidation and strategic alliances**
 - M&A activity and increased commercial partnering



Nufarm is responding to these changes....



More chemistry moves to post patent position



Nufarm's market driven innovation....

New formulations

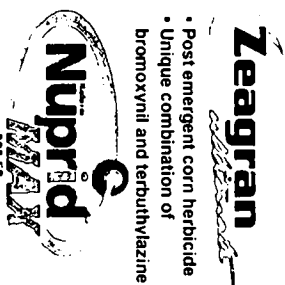
Mixtures

Product delivery
systems

Packaging



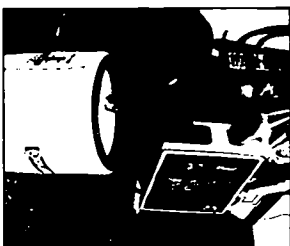
- Proprietary formulation
- Enhanced efficacy & tank mix flexibility



- Post emergent corn herbicide
- Unique combination of bromoxynil and terbutylazine
- Combined fungicide + insecticide seed treatment for cereals



- Proprietary starch matrix technology
- Controlled release insecticides



- Patented QuickPour[®] packaging system
- Fully recyclable
- Faster pouring, no plug or splash

....adding value for growers, our distribution
partners and our business



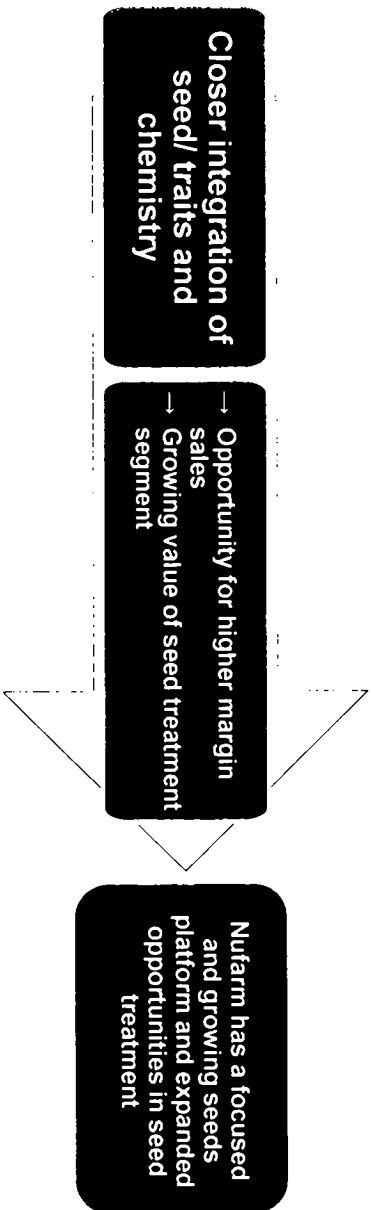
Nufarm is responding to these changes....

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Due to cost reduction of the seed

chemical, growth in competition
in particular in Europe to improve integrate
Nufarm to address these market strategies

Nufarm will develop a new seed
treatment platform to meet the
demand for a more integrated
seed treatment platform in the seed
treatment market





Our core crops



Canola



Sunflower



Sorghum

Nufarm has established....

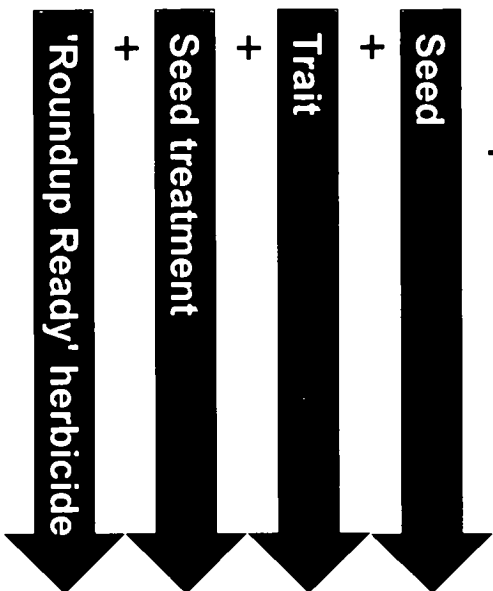
- Strong breeding and marketing positions in core crops
- High quality germplasm, with a strong pipeline of new varieties
- Both GM and conventional trait positions
 - RR canola
 - 'Monola'
 - Premium food grade sorghum
- Expanding seed treatment position
- Global customer base; strong management team and operational hubs in Australia, North America and South America

Integration of seeds/traits and chemistry



Multiplying the value

Nufarm inputs....



'Roundup Ready' canola – Australia*



*Nufarm expects to maintain market share of approximately 50%

2011 Interim results - Seeds and seed treatment

- High cotton/corn prices soften demand for standard grain sorghum in Americas
- Strong demand for specialty sorghum hybrids
 - BMR trait and food grade milling trait
- Chinese demand for elite confection sunflower continues to expand
- Increased demand for high oleic sunflowers in Australia
- Seed treatment positions considerably strengthened
 - New products and organisational changes
- Agreements completed with major customers

| First six months: | | 2011 | 2010 |
|-------------------|--|---------|---------|
| Group sales | | \$41m | \$22m |
| GM contribution | | \$20.8m | \$11.3m |
| Average GM | | 51% | 50% |



Nufarm is responding to these changes....

Costs of production of glyphosate

By 2015, Nufarm is expected to be the world's largest producer of glyphosate. This will allow Nufarm to achieve a competitive advantage in the global market.

Nufarm is also a leading producer of glyphosate in the United States. This will allow Nufarm to achieve a competitive advantage in the domestic market.

Costs of production of glyphosate

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Nufarm is also a leading producer of glyphosate in the United States. This will allow Nufarm to achieve a competitive advantage in the domestic market.

Structural change in glyphosate

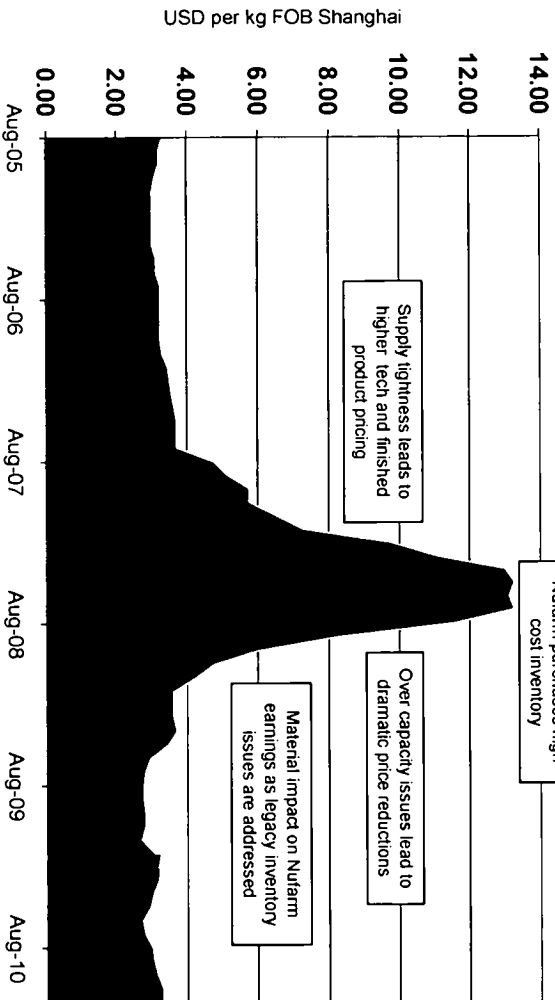
→ Long term over-capacity
→ Pricing to remain very competitive

Nufarm is re-aligning its portfolio and transitioning to more defensible, higher value product segments

Value shift in glyphosate



Value shift in glyphosate
(cost of glyphosate intermediate ex China)

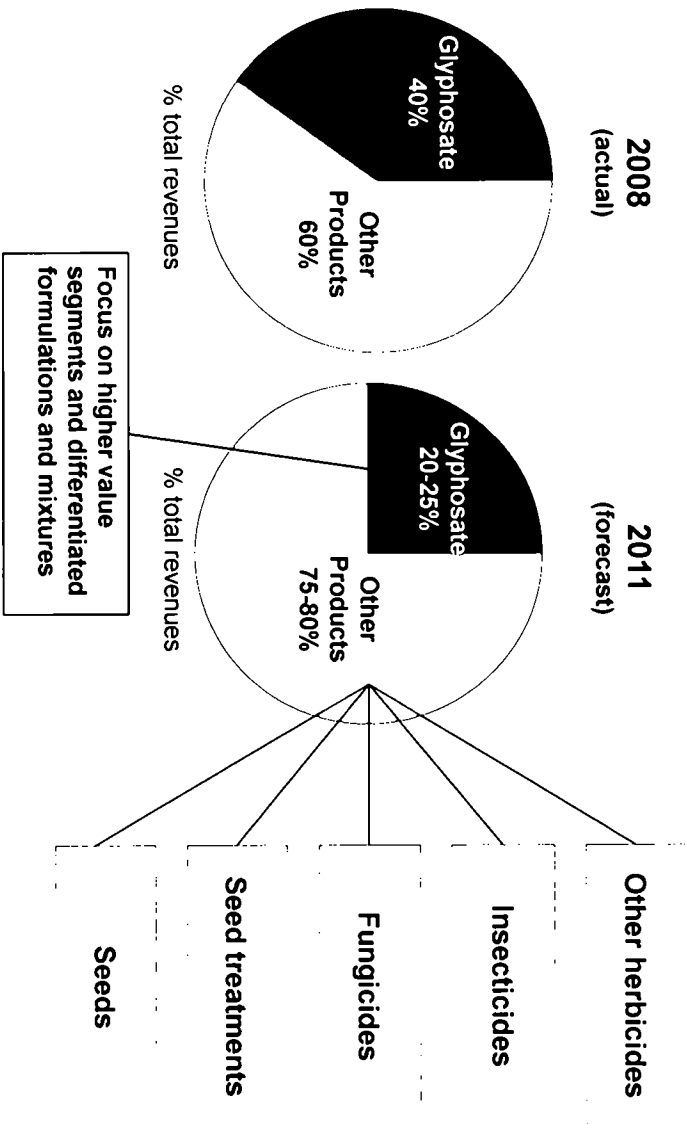


Nufarm now cost competitive

Value shift in glyphosate



Nufarm is rebalancing the portfolio



Value shift in glyphosate

Progress is being made.....

2011 Interim Results: Portfolio balance

- 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%

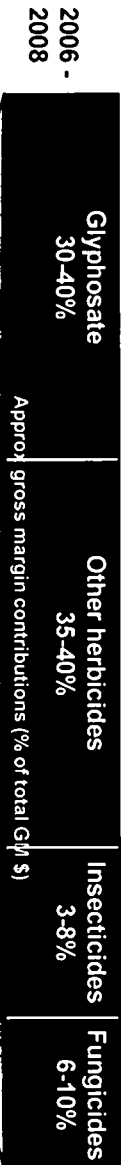


30

Value shift in glyphosate



A more diversified portfolio with growth
into higher value product segments



A more balanced portfolio with increased contributions from
higher value products/segments

29



Nufarm is responding to these changes...

Multiple product categories (Chlorpyrifos, Spinosad)

Continued investment in R&D to develop innovative products to address pest-control challenges

Strong record of product innovation, including the development of innovative new active ingredients and the introduction of new formulations

Increased focus on crop protection products for the emerging markets

Continued investment in R&D to develop innovative products to address pest-control challenges

Strong record of product innovation, including the development of innovative new active ingredients and the introduction of new formulations

Strategic focus on the development of new products

Continued investment in R&D to develop innovative products to address pest-control challenges

Nufarm is responding to these changes with a strong record of product innovation, including the development of innovative new active ingredients and the introduction of new formulations

Industry consolidation and strategic alliances

→ Proposed ChemChina/MAI deal will be closely watched
→ Increased focus by 'big 6' on extending value of post-patent chemistry

Nufarm has a strong track record of successful partnerships and is capitalising on opportunities with Sumitomo relationship



Nufarm/Sumitomo Chemical strategic alliance



& 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



Strategic direction

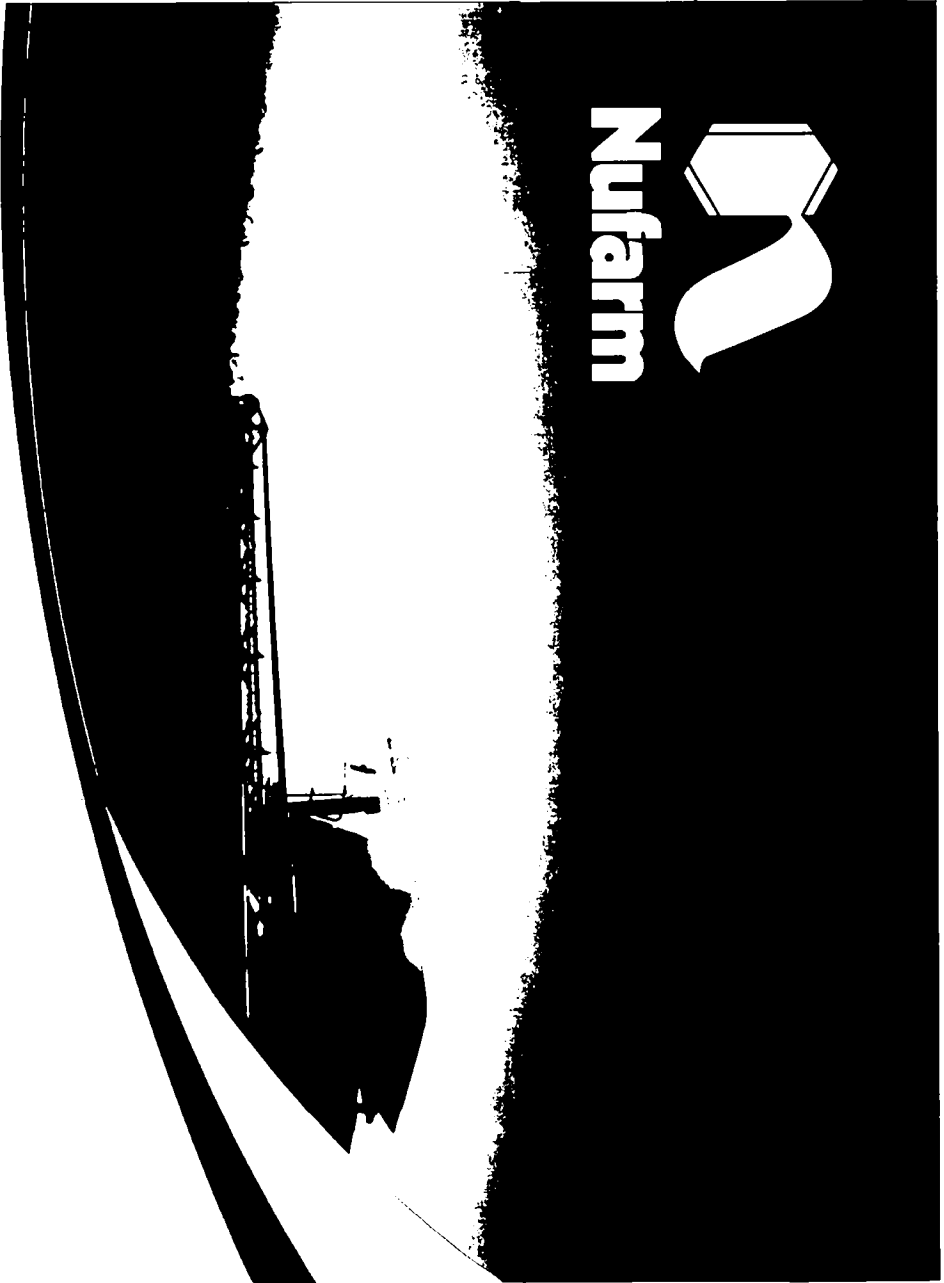
- **More discipline and focus**
 - Improved systems and management reporting
 - Appropriate organisational changes
 - Close attention to costs and increased efficiencies
- **Product and market segment diversification**
 - 'Reweighting' of glyphosate
 - Higher margin growth into other segments
 - Profitable and scalable position in seeds
- **Emphasis on market-driven innovation**
 - Building value via differentiation and brand management
 - Strong internal pipeline and partnering opportunities

A solid plan for earnings recovery and sustainable profit growth

Outlook for balance of FY 2011

- **First half performance important stepping stone to profit recovery**
 - No more impact from high cost glyphosate inventories
 - Higher sales in other product segments
 - Margin expansion
 - Business improvement initiatives
- **Majority of full year earnings forecast for second half**
 - Dependent on climatic conditions and pricing environment
 - Positive ag industry conditions are helpful
 - Australian plantings should be strong... WA remains a 'watch-out'
 - Brazil is forecast to remain EBIT positive for full year
- **We are building strong bridges to profit recovery and sustainable earnings growth**

Nufarm



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Bank of America
Merrill Lynch

2012 Global Agriculture Conference

Doug Rathbone
Chief Executive

March, 2012



2012 Global Agriculture Conference



**Nufarm is the leading listed off-patent focused
crop protection company**

- Annual revenues: \$2 billion
- Broad product portfolio
- Sales in approximately 100 countries
- Growing seeds platform

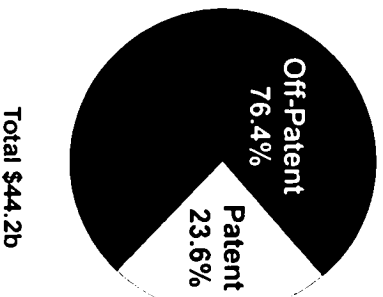


2012 Global Agriculture Conference



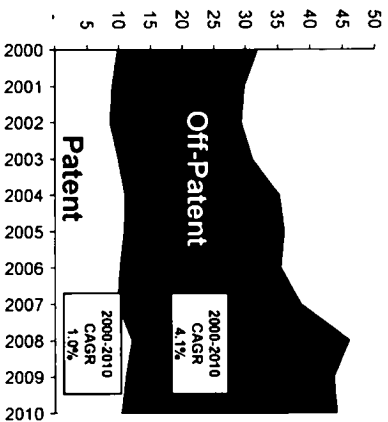
The off-patent segment is the largest segment in the industry, and is growing....

2010 total industry sales

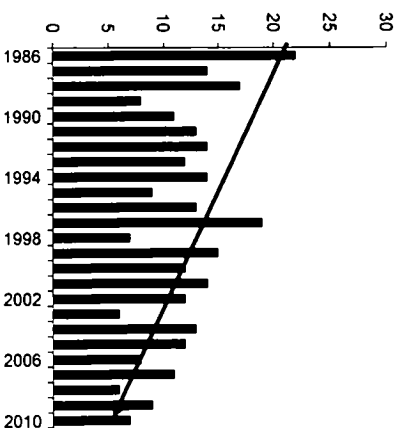


Total \$44.2b

Industry revenue growth patent v off-patent



New product registrations



Source: Phillips McDougall

2012 Global Agriculture Conference



Active ingredients representing a significant value will lose patent protection over coming years....

Products coming off-patent 2011-2016

| Product Category | 2010 sales value (US\$m) |
|------------------|--------------------------|
| Herbicides | 2,237 |
| Insecticides | 1,858 |
| Fungicides | 1,151 |
| Other | 10 |
| TOTAL | 5,256 |

Source: Phillips McDougall

.... and provide an important potential source of growth for Nufarm

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Nufarm has developed core capabilities and positions to address the opportunities that accompany a changing industry landscape....

- **Broad distribution base and market access**
- **Diversification across geographies, products and market segments**
- **Strong product development and regulatory skills**
- **Ability to innovate and differentiate**
- **Balance between integrated manufacturing and flexible sourcing**
- **Proven ability to 'partner' and collaborate**

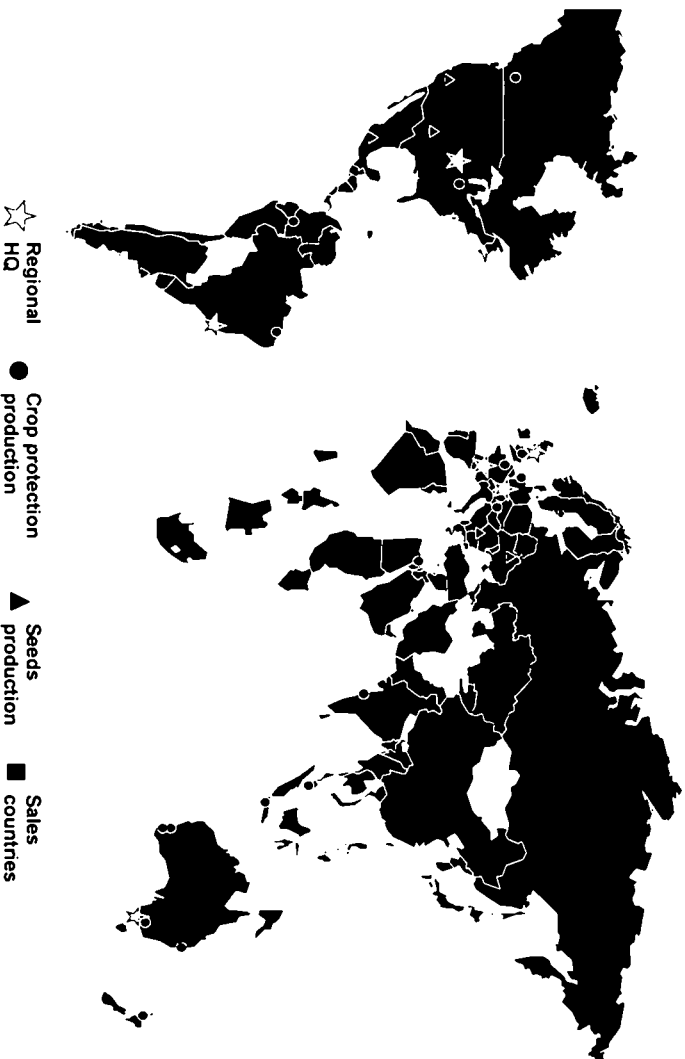


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Broad distribution base and market access



★ Regional
HQ

● Crop protection
production

▲ Seeds
production

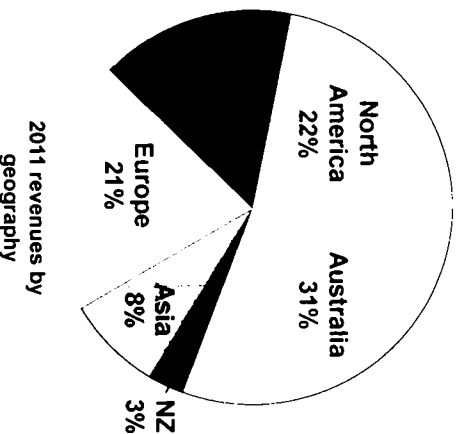
■ Sales
countries

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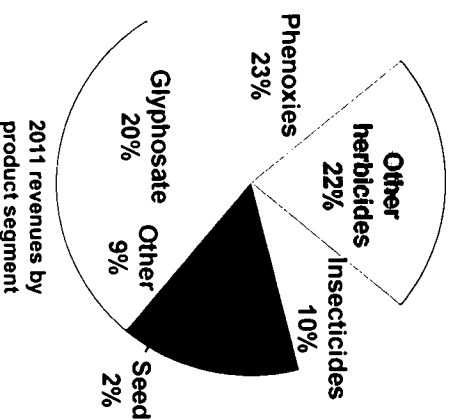


A diversified and balanced geographic and product revenue base

Geographic diversification



Product diversification

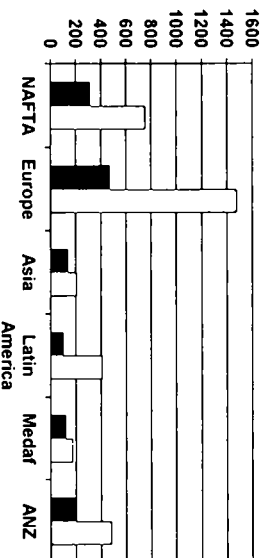


....and selling into a number of market and crop segments

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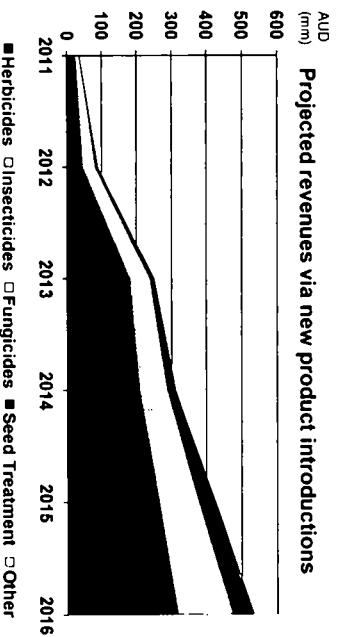


Proven product development and regulatory skills



- Development laboratories in Australia, USA, France & UK
- Extensive global regulatory affairs team

And a pipeline of new product introductions which will fuel future growth



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Applying market driven innovation

New formulations

Mixtures

Packaging

Amicide
ADVANCE 700

TRIPPOUR



- Proprietary formulation
- Reduced volatility
- Improved efficacy
- Greater tank mix compatibility
- Combines three A.I.'s
- Seed treatment application
- Broad insect/fungus protection in wheat, barley and oats
- Patented QuikPour system
- Fully recyclable
- Winner of Australian packaging design award

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A balanced manufacturing base and global sourcing capability

- Fully integrated global scale manufacturing assets to support core chemistry positions
- Formulation facilities in 12 countries, providing flexibility
- Established sourcing relationships; supply agreements and global supply chain support



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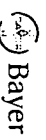
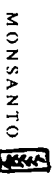


Strong partnering capabilities

Commercial relationships with leading crop protection companies

Range of activities including:

- Licensed products / brands
- Product development
- Toll manufacturing
- Distribution



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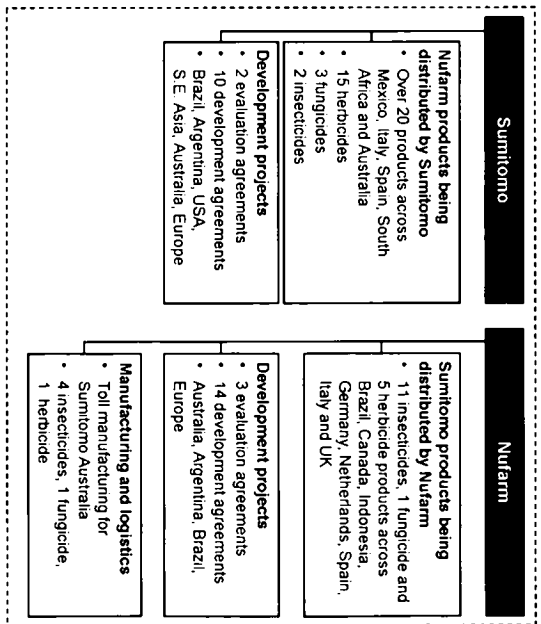


Sumitomo relationship

The Sumitomo relationship is realising significant synergies for Nufarm.
Nufarm's alliance with Sumitomo spans distribution, manufacturing and R&D



- Nufarm distribution of Sumitomo chemistry
Austria, Belgium, Brazil, Canada, Germany, Hungary, Indonesia, Netherlands, New Zealand, Romania, Spain, UK
- Sumitomo distribution of Nufarm chemistry
Austria, Italy, Mexico, South Africa, Spain
- + Sumitomo development agreements and R&D trial work
Argentina, Austria, Brazil, Japan, Thailand, USA
- + Nufarm development agreements and R&D trial work
Argentina, Australia, Austria, Brazil, France, Germany, Netherlands
- ▲ Manufacturing & logistics agreement
Austria



Since the formation of this alliance, Sumitomo has increased its strategic shareholding in Nufarm to 23% of shares on issue

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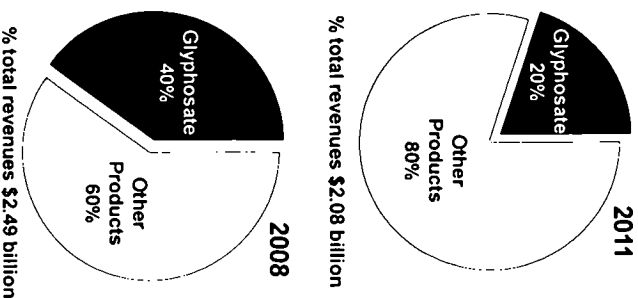


Strategic Direction

- Optimising our product mix
 - Downsizing of glyphosate
 - Expansion into other product segments
- Focus on higher value, more defendable products and market segments
 - Differentiation
 - Increased presence in niche markets
- Supporting growth of our seeds platform

Sustainable margin expansion

Portfolio transition is well underway



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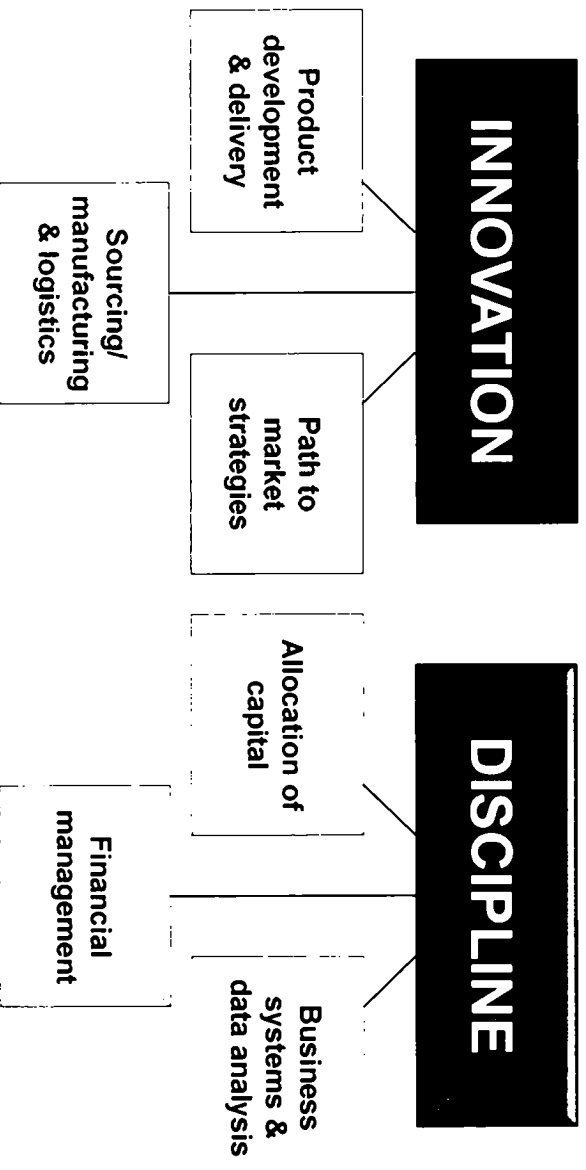
Executing the strategy

- Reallocation of capital to support higher growth / higher earnings business
- Structural changes to strengthen management; build our capabilities; and ensure organisation is aligned with strategic objectives
- Increased engagement and accountability
 - Project ReNu
 - Measuring progress and rewarding outcomes

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Two key areas of greater focus for the business



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A growing seeds platform

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Our core crops



Canola



Sunflower



Sorghum

- Leading germplasm and market positions in core crop segments
- Global breeding, production and marketing hubs
 - Australia
 - USA
 - Argentina
 - Serbia
- Marketing to more than 25 countries
- Excellent pipeline of genetics plus targeted trait development
- Facilitating growth in high value seed treatment segment

Proprietary position generating strong margins

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General outlook

Australia

Excellent seasonal conditions expected to support large crop plantings

Nufarm has clear market leadership position in all crop segments

North America

Very positive sentiment and strong grower terms-of-trade. Season still to unfold

Nufarm operates in ag, turf and specialty, and IVM segments

South America

Brazil season very strong despite dry conditions in South. Expectations of record corn 'Safrinha' planting

Nufarm achieved highest level of growth in CY2011 (38% v market 16%)

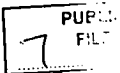
Europe

Challenging business conditions in some markets. Late cold snap will result in some re-planting

Nufarm has operating presence in all major Western European markets and an expanding presence in developing markets of Central/Eastern Europe

Interim Results (6 months to January 31) released on March 27

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Summary

- Ideally positioned to address opportunities attached to changing industry dynamics
- Increasingly diversified across geographies, products and market segments
- Strong growth platforms in both chemistry and seed
- A clear strategic growth plan against which good progress is being made

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Nufarm

