

# 17<sup>th</sup> Annual Global Ag Productivity Conference

**Doug Rathbone**  
Chief Executive

March, 2012



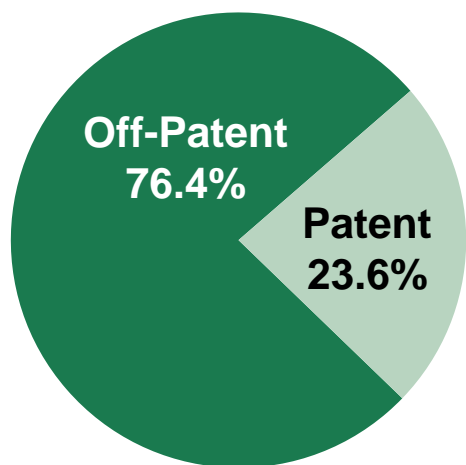
## Nufarm is the leading listed off-patent focused crop protection company

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



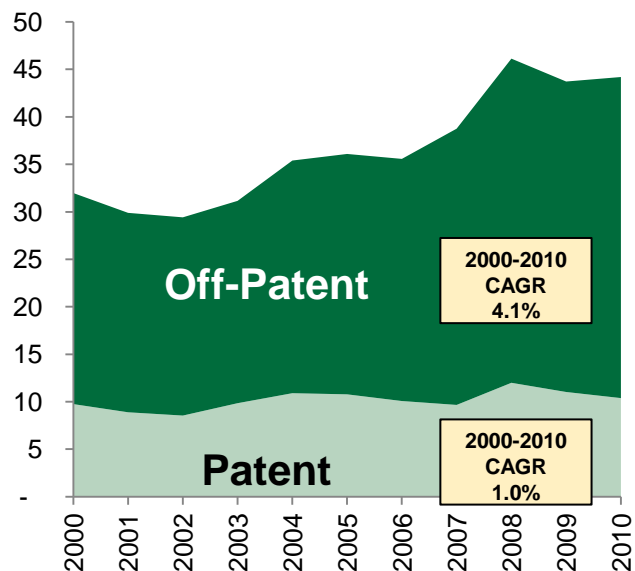
The off-patent segment is the largest segment in the industry, and is growing....

2010 total industry sales

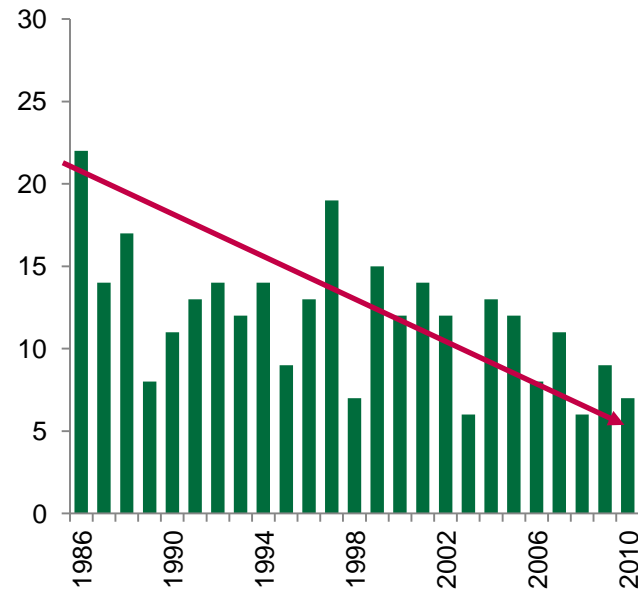


Total \$44.2b

Industry revenue growth patent v off-patent



New product registrations



**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
<b>TOTAL</b>	<b>5,256</b>

Source: Phillips McDougall

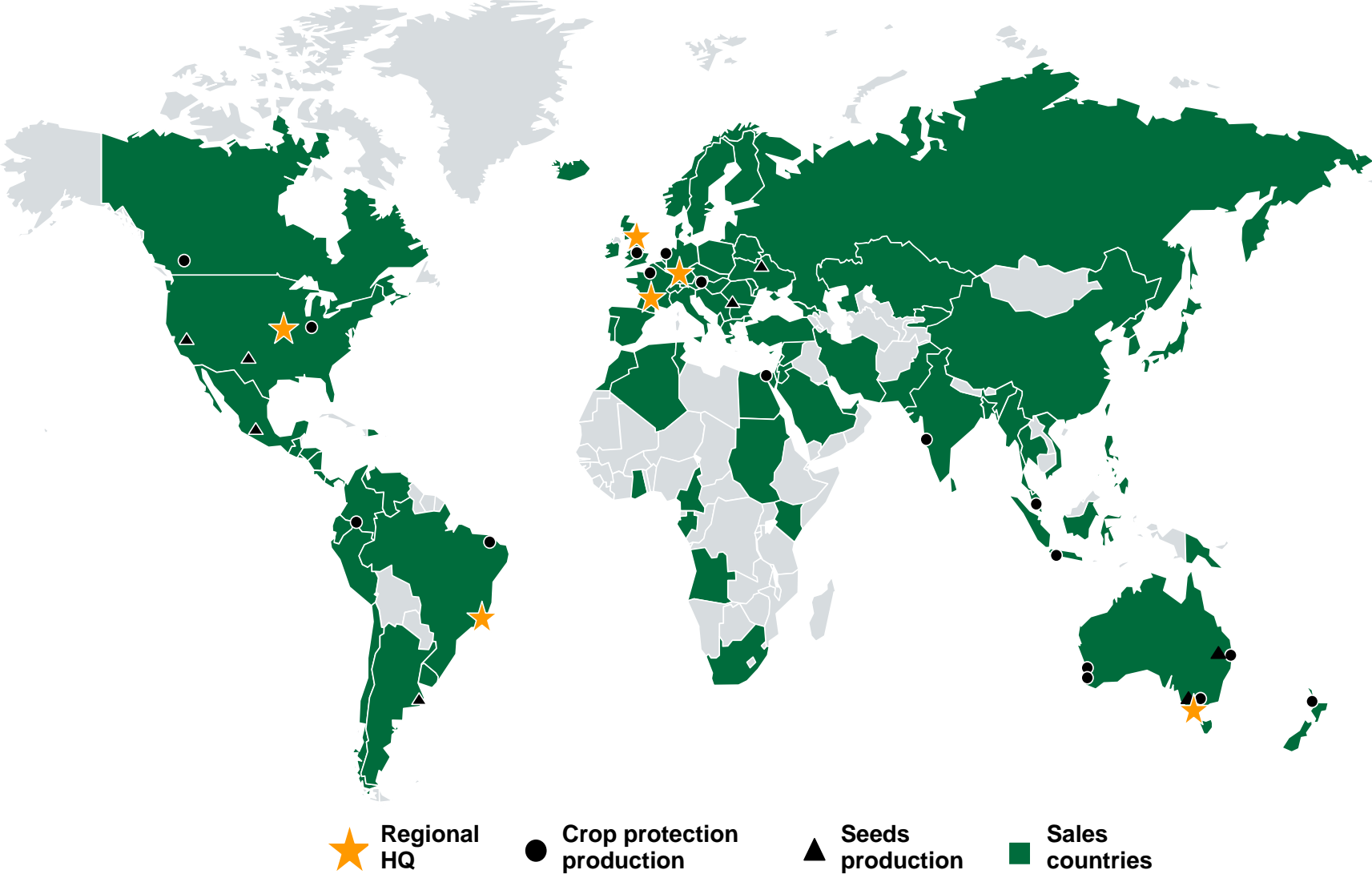
**.... and provide an important potential source of growth for Nufarm**

**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**

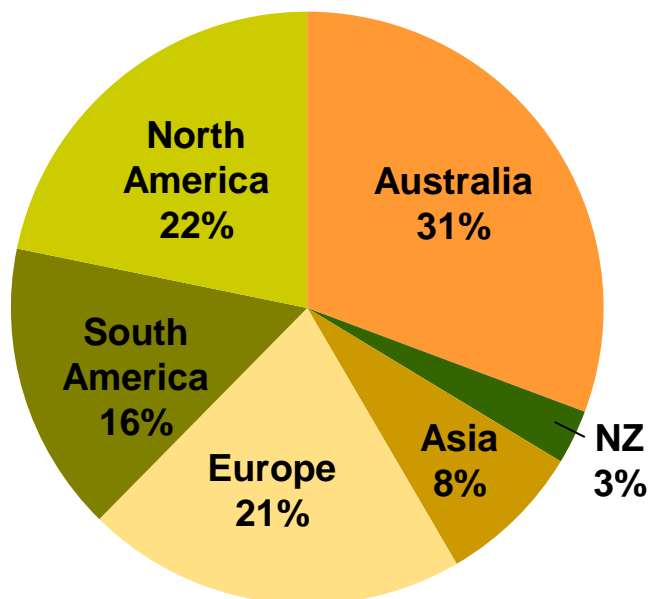


## Broad distribution base and market access



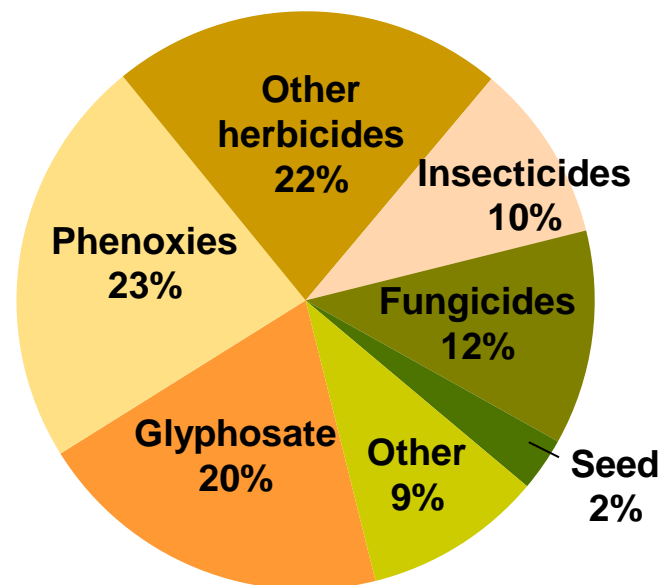
## A diversified and balanced geographic and product revenue base

### Geographic diversification



2011 revenues by geography

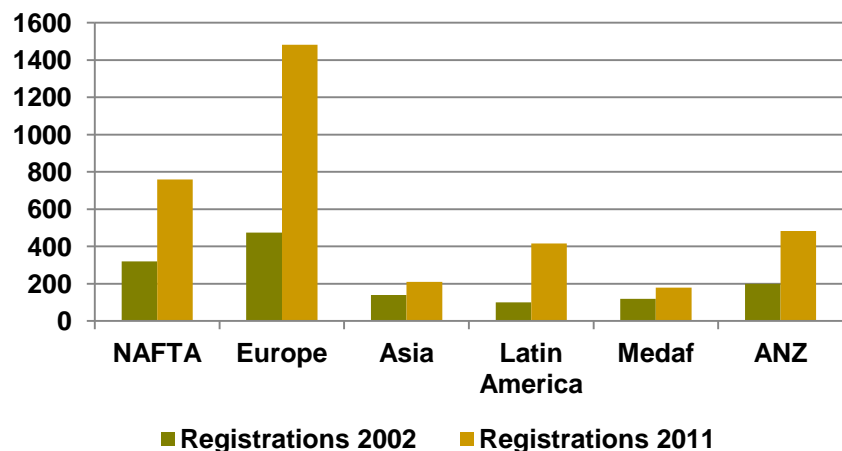
### Product diversification



2011 revenues by product segment

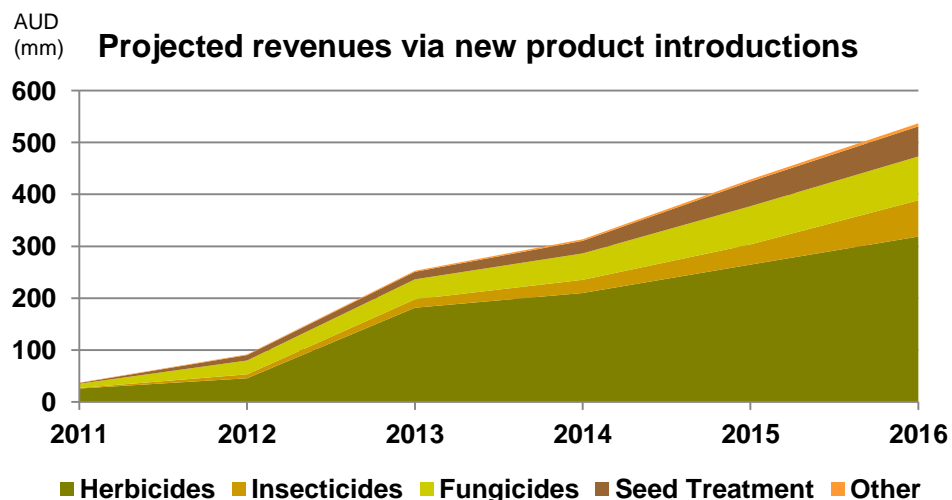
....and selling into a number of market and crop segments

## 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





## Applying market driven innovation

### New formulations



- Proprietary formulation
- Reduced volatility
- Improved efficacy
- Greater tank mix compatibility

### Mixtures



- Combines three A.I.'s
- Seed treatment application
- Broad insect/fungus protection in wheat, barley and oats

### Packaging



- Patented QuikPour system
- Fully recyclable
- Winner of Australian packaging design award

## 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



## Strong partnering capabilities

Commercial relationships with leading crop protection companies

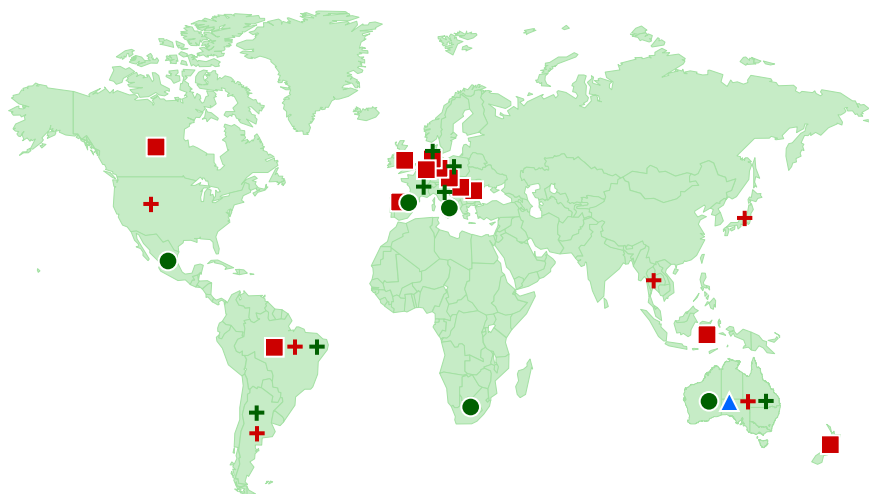
Range of activities including:

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



## 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**  
Australia, Italy, Mexico, South Africa, Spain

✚ **Sumitomo development agreements and R&D trial work**  
Argentina, Australia, Brazil, Japan, Thailand, USA

✚ **Nufarm development agreements and R&D trial work**  
Argentina, Australia, Austria, Brazil, France, Germany, Netherlands

▲ **Manufacturing & logistics agreement**  
Australia

Sumitomo	Nufarm
<p><b>Nufarm products being distributed by Sumitomo</b></p> <ul style="list-style-type: none"> <li>Over 20 products across Mexico, Italy, Spain, South Africa and Australia</li> <li>15 herbicides</li> <li>3 fungicides</li> <li>2 insecticides</li> </ul>	<p><b>Sumitomo products being distributed by Nufarm</b></p> <ul style="list-style-type: none"> <li>11 insecticides, 1 fungicide and 5 herbicide products across Brazil, Canada, Indonesia, Germany, Netherlands, Spain, Italy and UK</li> </ul>
<p><b>Development projects</b></p> <ul style="list-style-type: none"> <li>2 evaluation agreements</li> <li>10 development agreements</li> <li>Brazil, Argentina, USA, S.E. Asia, Australia, Europe</li> </ul>	<p><b>Development projects</b></p> <ul style="list-style-type: none"> <li>3 evaluation agreements</li> <li>14 development agreements</li> <li>Australia, Argentina, Brazil, Europe</li> </ul>
	<p><b>Manufacturing and logistics</b></p> <ul style="list-style-type: none"> <li>Toll manufacturing for Sumitomo Australia</li> <li>4 insecticides, 1 fungicide, 1 herbicide</li> </ul>

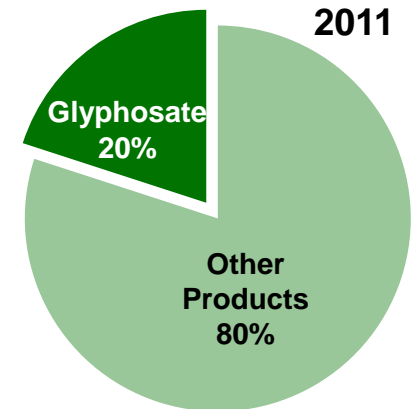
Since the formation of this alliance, Sumitomo has increased its strategic shareholding in Nufarm to 23% of shares on issue

## Strategic Direction

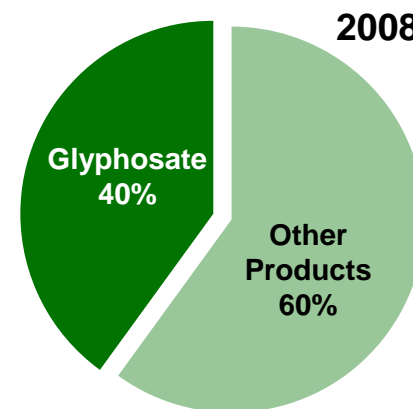
- **Optimising our product mix**
  - Downsizing of glyphosate
  - Expansion into other product segments
- **Focus on higher value, more defensible products and market segments**
  - Differentiation
  - Increased presence in niche markets
- **Supporting growth of our seeds platform**

**Sustainable margin expansion**

Portfolio transition is well underway



% total revenues \$2.08 billion

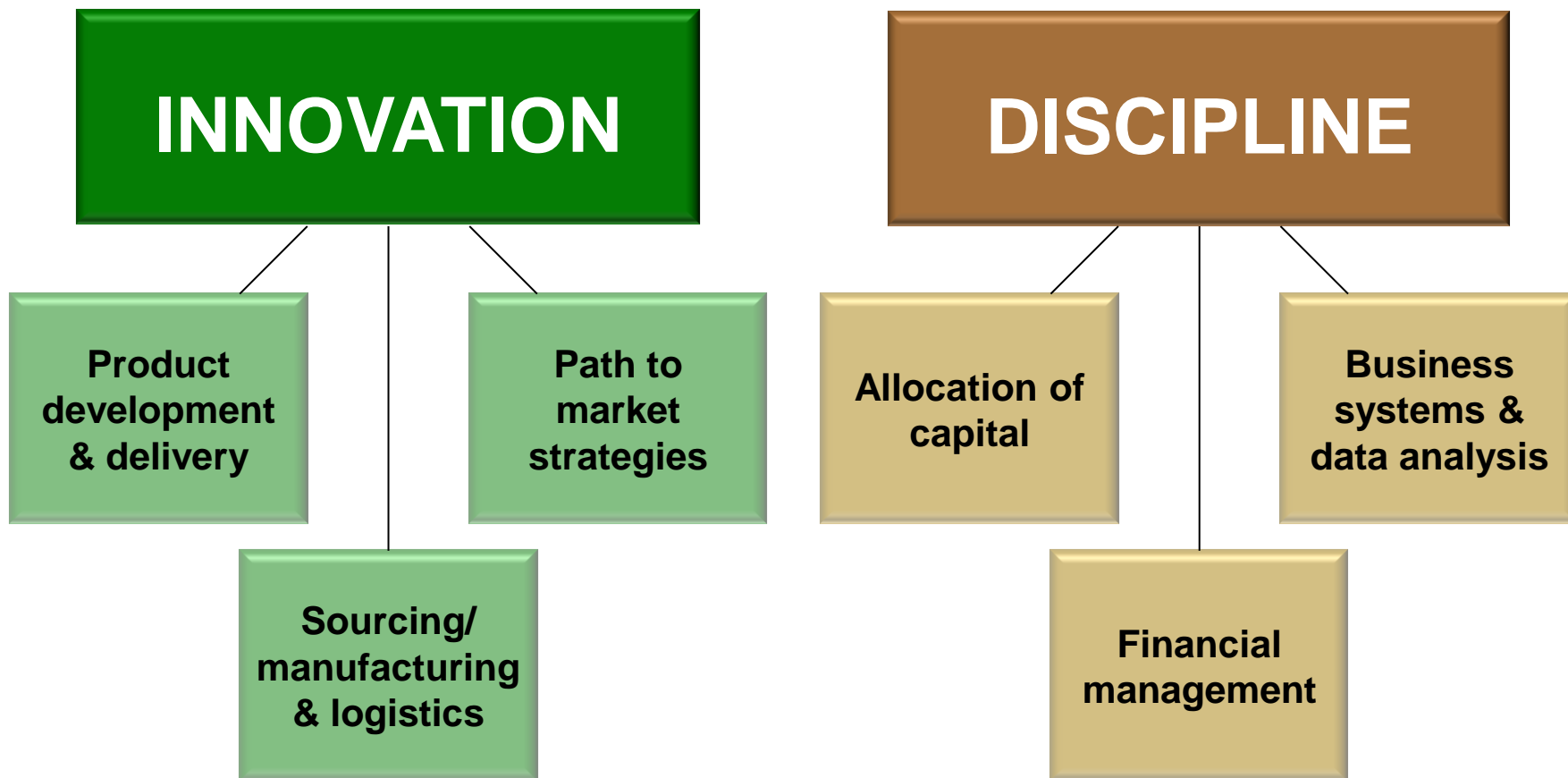


% total revenues \$2.49 billion

## Executing the strategy

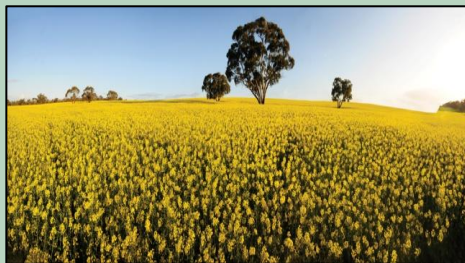
- **Reallocation of capital to support higher growth / higher earnings business**
- **Structural changes to strengthen management; build our capabilities; and ensure organisation is aligned with strategic objectives**
- **Increased engagement and accountability**
  - **Project ReNu**
  - **Measuring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

## Two key areas of greater focus for the business



## A growing seeds platform

### 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**



## 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**

## 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**

