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25 March 2015

Report to shareholders

Results for the six months ended 31 January, 2015

First half profit growth and continued progress on working capital

Cost reduction and performance improvement program supports medium term 16% ROFE[3] target

Main points

- **Group revenues: $1.18 billion, up 4%**
- **Statutory profit after tax of $23.1 million, up 23%**
- **Underlying[3] net profit after tax (NPAT) of $26.5 million, up 41%**
- **Underlying[2] Earnings before Interest and Tax (EBIT) of $63.4 million, up 12%**
- **Earnings growth in all major crop protection regions**
- **Seed technologies down at half but growth expected for full year**
- **Average net working capital to sales ratio at 43.9% (2014 1H: 49.4%)**
- **Interim dividend: 4 cents per share, unfranked (2014 interim: 3 cents)**

Six months ended 31 January	2015 $000	2014 $000	Change %
Revenue	1,183,730	1,138,211	4.0%
Gross profit	316,548	305,777	3.5%
Underlying EBITDA [1]	102,442	97,227	5.4%
Underlying EBIT [1][2]	63,426	56,726	11.8%
Operating profit	58,887	56,726	3.8%
Underlying net profit after tax[3]	26,472	18,801	40.8%
Net profit after tax	23,152	18,801	23.1%
Net operating cash flow	(213,112)	(296,059)	28.0%
Basic earnings per share - excluding material items (cents)	7.7	4.7	63.0%
Basic earnings per share (cents)	6.4	4.7	36.4%
Total dividend per share declared in respect of period (cents)	4.0	3.0	33.3%

The financial information contained within our interim financial report has been prepared in accordance with IFRS. Refer to the footnotes, including explanations of the non-IFRS measures used in this announcement. All references to the prior period are to the six months ended 31 January 2014 unless otherwise stated. This report is based on financial statements which have been reviewed by KPMG. Non-IFRS measures have not been subject to audit or review. Refer to the 31 January 2015 Nufarm Limited Interim Financial Report for the independent review report to the members of Nufarm Limited.

Nufarm Limited today released its financial results for the 6 months to 31 January, 2015 and reported a 12% increase in underlying earnings before interest and tax (EBIT) of $63.4 million and a 41% increase in underlying net profit after tax (NPAT) of $26.5 million.

Group revenues were $1.18 billion, an increase of 4% on first half revenues in the previous year ($1.14 billion).

The statutory net profit after tax (NPAT) was $23.1 million, up 23% on the $18.8 million reported for the first six months of the previous financial year. This includes a net impact of $3.3 million associated with restructuring and asset rationalisation costs incurred in the first half period.

Earnings per share (excluding material items) were 7.7 cents, compared to 4.7 cents in the first half of 2014.

Business conditions were challenging in some of the company's major markets, particularly in Australia and in Brazil. Despite this, the company achieved earnings growth in all major crop protection regions. A combination of later than normal sales and a lower margin sales mix resulted in the seed technologies segment generating revenues and an average gross margin below that of the corresponding period last year.

Net debt at 31 January was $890 million, down from $1.02 billion at the same time in the previous year. Net working capital at period end was also lower at $1.17 billion (31 January 2014: $1.33 billion) and the average net working capital to sales ratio at 31 January was 43.9% compared to 49.4% last year.

Interim Dividend

Directors declared an unfranked interim dividend of 4 cents per share (2014 interim dividend: 3 cents).

The interim dividend will be paid on 8 May, 2015 to the holders of all fully paid shares in the company as at the close of business on 10 April, 2015. The interim dividend will be 100% conduit foreign income.

The Dividend Reinvestment Plan (DRP) will be made available to shareholders for the interim dividend.

Directors have determined that the Issue Price will be calculated on the volume weighted average price of the company's ordinary shares on the ASX over a period of 10 consecutive trading days commencing after the record date and concluding prior to the date of allotment of ordinary shares under the plan. The last election date for shareholders who are not yet participants in the DRP is 13 April, 2015. The Board has determined that, for this dividend payment, no discount will apply to shares issued under the DRP. Shares issued under the DRP will rank equally in all respects with existing ordinary shares.

Interest / tax / cash flow

Net external interest expense was $30 million, which was in line with the previous period. While average net debt was lower than in the first half of 2014, this benefit was offset by higher interest rates in Brazil and increased financing costs in Argentina.

At 31 January, the company booked a net foreign exchange gain, mainly relating to financing activities, of $7.9 million, driven primarily by a strengthening US dollar. This compared to a net foreign exchange loss of $3.5 million at 31 January 2014. In the period since 31 January, we have seen considerable currency volatility and, in the month of February, have incurred a foreign exchange loss of approximately $5 million, the majority of which resulted from exposures that are uneconomic to hedge in emerging markets.

Total financing costs in the first six months of 2015 were $25.6 million, well below the $40.8 million recorded for the same period of the prior year.

The company's effective tax rate in the first half was 30.8%, which is in line with the expectation for the full year. This compares to a tax benefit of 18.4% in the first half of 2014, which was impacted by a number of one-off tax credits.

The business recorded a net operating cash outflow of $213 million in the first six months of the year. This compares to a cash outflow of $296 million in the previous period. The improvement in operating cash flow was driven by lower average net working capital. While the second half is expected to see continued progress towards our 2016 target of 40% average net working capital to sales, growth in the business may result in the actual net working capital number at 31 July being higher than at the same time last year. Consequently, operating cash flow will not be as strong as in the prior year.

Business review

The first half period encompasses the key selling season in South America and the summer cropping season in Australia. The larger cereal growing season in Australia and key seasons and demand periods in Nufarm's major northern hemisphere markets occur in the second half of the financial year.

South America's largest market, Brazil, experienced a dry start to the season but average climatic conditions for most of the period. Lower crop prices have contributed to a fall in the total value of crop protection sales in Brazil. The Australian business was again impacted by hot and dry seasonal conditions in the major summer cropping regions of Queensland and northern NSW. However, rainfalls in December and January generated strong demand over the last six weeks of the reporting period.

Gross profit was 26.7% of sales, broadly in line with the first half of the previous year (26.9%). Net expenses were down, as a proportion of sales (21.8% v 22.4%), as were corporate (head office) costs.

Operating segments summary

The following table provides a summary of the performance of the operating segments for the first half of 2015 and the corresponding period of the previous year.

6 months ended 31 January						
	Revenue			Underlying EBIT		
($000s)	2015	2014	Change %	2015	2014	Change %
Crop protection						
Australia and New Zealand	238,278	248,983	-4.3%	11,221	8,951	25.4%
Asia	83,009	71,225	16.5%	8,558	9,253	-7.5%
Europe	169,412	170,420	-0.6%	3,203	1,496	114.1%
North America	227,911	180,696	26.1%	518	(6,853)	n/a
South America	422,238	412,834	2.3%	65,031	60,032	8.3%
Total Crop protection	*1,140,848*	*1,084,158*	*5.2%*	*88,531*	*72,879*	*21.5%*
Seed Technologies - global	42,882	54,053	-20.7%	(5,235)	3,287	n/a
Corporate	-	-	n/a	(19,870)	(19,440)	-2.2%
Nufarm Group	**1,183,730**	**1,138,211**	**4.0%**	**63,426**	**56,726**	**11.8%**

Australia / New Zealand

The Australian and New Zealand businesses generated $238 million in segment sales, down slightly on the $249 million recorded in the first half of 2014. This represented 21% of total crop protection revenues in the first half period. Underlying EBIT was $11.2 million compared to $8.9 million in the prior period.

Climatic conditions in Australia were again challenging for most of the period, with a dry end to winter and a dry spring season. Some late rains – particularly in the Eastern states – generated strong demand in January and some positive momentum heading into the second half of the year.

While sales were down on the first six months of the prior year, some improvement in margin contributed to a stronger EBIT result in Australia.

Nufarm's 'Weedmaster' glyphosate brand performed strongly and the company continues to hold the leading share in this segment.

In New Zealand, climatic conditions were mixed, with good rains supporting sales activity in the spring pasture and cropping segments, but a dry end to the period, particularly in the South Island. The important dairy market remains challenged due to lower global demand.

New Zealand sales and EBIT were slightly down on the first half of the prior year.

In March of 2014, the company announced a re-organisation of its Australian and New Zealand manufacturing footprint. This involves the closure of manufacturing facilities in Auckland (New Zealand) and in Lytton (Queensland) and Welshpool (Western Australia). Capacity is being relocated to two other existing facilities in Laverton (Victoria) and a facility in Kwinana (Western Australia).

The program is on schedule, with all changes to be fully implemented by June of 2016, with forecast annualised savings of $16 million expected to be realised from the 2017 financial year. The rationalisation of the regional manufacturing footprint will permanently lower the company's cost base; will improve utilisation and overhead recoveries at the retained facilities and will increase Nufarm's competitiveness.

Asia

Asian crop protection sales were $83 million compared to $71 million in the first half of the previous year. Asia accounted for 7% of total crop protection revenues in the period. Underlying EBIT was $8.6 million, slightly down on the first half of 2014 ($9.3 million).

Seasonal conditions across most of Nufarm's markets in Asia were average. Newly established offices in Vietnam and South Korea helped generate increased business in those markets.

North America

North American crop protection sales increased by 26% to $228 million (20% of total crop protection sales) and regional EBIT was $0.5 million, compared to a loss of $6.9 million in the first half of 2014. On a local currency basis, US sales were up by 28% on the previous period, with local currency sales in Canada down on the prior year.

Much of the USA experienced another severe winter, and drought conditions persisted in the Western states.

Nufarm received good support for new products launched in the cropping and industrial vegetative management (IVM) segments and undertook a successful early order and marketing program for its turf and ornamental portfolio. This portfolio is benefitting from the addition of the Valent (Sumitomo) range of products which are now being sold by Nufarm.

In Canada, Nufarm has introduced differentiated burndown products for the canola, soybean and cereals markets and is building its presence in the glyphosate resistance segment.

South America

South American crop protection sales were up slightly on the first half of the previous year ($422 million v $413 million) and represented 37% of total first half crop protection revenues. Underlying EBIT was up by just over 8% to $65.0 million (2014 1H: $60.0 million).

In local currency, sales in Brazil were in line with the prior period. Dry conditions in the central areas of Brazil contributed to a late start to the season and growers delayed purchases of inputs while assessing the impact of lower soft commodity prices. Climatic conditions improved after cropping activity commenced, particularly in the south of the country, which received good rains.

Pest and disease pressure was lower than normal, reducing the opportunity for fungicide and insecticide sales.

Margins in Brazil improved strongly, driven by a better product mix and strong demand for a number of Nufarm's differentiated offerings that were able to command premium pricing.

Sales in Argentina were up strongly on the prior period, with the business benefitting from generally favourable seasonal conditions and a stronger product portfolio. However, very high interest rates and currency volatility added to the risk and cost of doing business.

Europe

European sales were in line with the prior period ($169 million v $170 million) and accounted for 15% of crop protection sales for the group. Regional EBIT improved to $3.2 million, ahead of the $1.5 million posted in the first half of 2014.

Nufarm's branded sales in Europe were up by more than 11% on the prior period, with favourable autumn conditions generating positive demand for crop protection inputs. Technical sales – which generate a lower margin – were down compared to the first half of 2014.

The company successfully launched a number of new products across regional markets, with the collaboration with Sumitomo Chemical Company generating several of those product introductions.

On a local currency basis, European markets generating strongest sales growth included France, Romania, Hungary and Portugal.

Sales in Nufarm's developing markets of Africa and the Middle East (reported as part of the European region) increased strongly, with additional resources invested in building the business in these areas.

On 5 February, 2015, the company announced a rationalisation of its European manufacturing footprint involving the proposed closure of a synthesis facility in The Netherlands and increased production activity at sites in England and France. The changes are estimated to result in annualised savings of €16 million ($23 million) when fully implemented by June 2016 (see ***Subsequent Events***).

Major product segments

Crop Protection

Crop protection sales increased by 5% on the first half of 2014 ($1.14 billion v $1.08 billion) and represented 96% of total group revenues. All regions reported an improvement in crop protection margins.

Herbicide sales were up 7% to $761 million. The higher sales were driven by a combination of stronger overall demand for weed control applications in some markets, and the successful launch and growth of Nufarm herbicide offerings. There was an improvement in the gross margins achieved on glyphosate sales, with differentiated formulations in Brazil ('Crucial') and Australia ('Weedmaster DST') receiving strong support. Phenoxy herbicide sales were up on the prior period, but margins came under pressure in the Americas due to weaker market conditions, higher than normal inventories and increased competition. Dicamba sales were up strongly, driven by additional usage in pre-sowing burndown applications to control glyphosate resistant weeds.

Insecticide sales were down slightly on the prior period ($163 million v $171 million). Generally dry conditions and low insect pressure in key markets reduced demand for insecticide applications.

Fungicide sales were $106 million, up on the $100 million recorded in the first half of 2014. The fungicide portfolio performed strongly in the period, with relatively low disease pressure in Brazil and Australia offset by a positive autumn season in Europe and North America and the continued roll-out of new fungicide products.

Sales of biorational products; plant growth regulators; adjuvants; machinery and industrial products were $109 million (2014 1H: $102 million). The company continues to strengthen its position in the expanding biorational and plant growth regulator segments, with additional product launches helping to grow sales.

Seed Technologies

The company's seed technologies segment includes sales of seeds, managed under our Nuseed business, and seed treatment chemistry. Segment sales were down in the first half compared to the previous year ($43 million v $54 million) and the segment generated a loss of $5.2 million at the underlying EBIT level, compared to a positive contribution of $3.3 million in the corresponding period last year.

With higher value sales in the period down on the prior year, the segment generated an average gross margin of 41% versus 49% in the first half of 2014. A higher value product mix in the second half is expected to result in a stronger average gross margin by year end.

The business faced some challenging conditions in the first half in a number of its higher value markets. Dry conditions in Australia limited summer sorghum and sunflower plantings; increased competitive activity in the China sunflower market impacted on sales and margins; and US based seed treatment sales were down on the prior half year period.

Changing dynamics in the China confectionary sunflower market are resulting in a deterioration in both sales and value potential for Nuseed and the company is re-evaluating its focus on, and investment in, that market. With confectionary markets in North America and Europe continuing to develop positively, the company still sees substantial opportunities for growth in this high value segment.

There was an increased investment in research and development in the seeds business, with excellent progress on the continued development of new hybrid varieties and other pipeline projects.

The first field trials associated with the company's DHA omega-3 canola project were completed and produced encouraging data. Follow-up field trials are now underway.

A combination of adverse weather and increased competition resulted in lower than expected sales of seed treatment applications in the first half. A number of new alliances were finalised that will provide access to additional chemistry for seed treatment products, with these new products expected to generate higher sales over the coming years.

Balance Sheet

Net debt at the end of the first half was $890 million, some $130 million lower than at January 31, 2014 ($1.02 billion). Despite growth in the business and an adverse currency impact, average net debt for the first half was $793 million compared to $908 million in the first half of 2014.

Average net working capital for the half was $160 million lower than for the same period last year. Average net working capital to sales was 43.9%, also well down on the 49.4% at the end of January last year. Management is targeting average net working capital to sales to be at or below 40% by 31 July 2016 (31 July 2014: 47.7%).

All major crop protection regions reported an improvement in average net working capital to sales. Across the group, receivables were up slightly on the prior period; inventories were down; and payables were higher.

Gearing (net debt to net debt plus equity) was 34.8% (2014 1H: 38.3%).

Subsequent events

Managing director

On 4 February 2015, the company announced that Managing Director and Chief Executive Officer Doug Rathbone had stepped down and that the Group Executive for Commercial Operations, Greg Hunt, had been appointed Chief Operating Officer and Acting Chief Executive Officer.

The company has retained the services of Mr Rathbone as a consultant to the company for 12 months from 23 March 2015. Mr Rathbone will consult exclusively to Nufarm on a number of specific commercial activities and his remuneration will be commensurate with the work undertaken on these projects.

European manufacturing restructure

On 5 February 2015, the company announced a rationalisation of its manufacturing operations in Europe, involving the planned closure of a synthesis facility in Botlek (The Netherlands) and increased activity at plants in Wyke (England) and Gaillon (France). The changes will be implemented over a period of approximately 18 months and, when complete, are estimated to result in annualised savings of €16 million.

Associated with these changes, the company will incur one-off restructuring costs of up to €30 million, the majority of which will be booked in the second half of the current financial year.

Some €15 million are non-cash costs. There will be incremental capital expenditure of €9 million associated with the changes to existing facilities.

Performance improvement program

On 5 February, 2015, the company announced that it is pursuing a $100 million cost reduction and continuous improvement program. The program is expected to result in a net benefit (measured at an EBIT level) of $100 million and an increase in Return on Funds Employed (ROFE) to 16% in the medium term.

The projected savings associated with the European manufacturing restructure (€16 million or approximately $23 million) are included in this target. Additional initiatives are currently being implemented or evaluated in areas including procurement; supply chain; logistics; product development; and potential savings associated with selling, general and administrative (SG&A) expenses.

Outlook

Nufarm's sales and earnings remain heavily weighted to the second six months of the financial year, with the major cropping seasons in Australia, North America and Europe occurring in that period. The majority of sales relating to the seed technologies segment also take place in the second half.

Australian climatic conditions in the February-March period have been generally more favourable than at the same time in the previous year. Western Australia, however, is still relatively dry and good rains will be needed ahead of the crop planting period to drive sales demand in that region. With some improvement in demand, the business is expected to generate a stronger second half result than in 2014.

A more normal spring season in the USA will be a key driver of earnings recovery in our North American business. With a stronger product portfolio in the crop and non-crop (turf and ornamental) segments, the business is well positioned to capitalize on more positive seasonal conditions, should they occur. Channel stocks, however, are higher than normal and this may weigh on demand as the season gets underway.

The second six months represents the smaller sales season in Brazil. It is estimated that safrinha (second season) corn plantings are down by up to 10% on the previous year, which – together with relatively low insect and disease pressure - will reduce crop protection requirements.

Given normal seasonal conditions, the European business is expected to have a slightly stronger second half than in the previous year.

A re-phasing of some sales from first half to second half will result in the seed technologies segment generating a stronger performance in the period, with this segment expected to again post EBIT growth on a full year basis. The second half is expected to see continued positive progress on the canola omega-3 program with the objective of moving into a regulatory approval process by calendar year end.

Management will remain strongly focused on working capital efficiency initiatives; on continued progress associated with the restructuring programs in Australia and Europe; and on securing further cost savings and efficiencies throughout the business.

Given relatively normal seasonal conditions in our key geographic markets, the company remains confident of generating improved profitability over the prior year.

Greg Hunt
Acting Chief Executive Officer

IFRS and Non-IFRS financial information

Nufarm results are reported under International Financial Reporting Standards (IFRS) including Underlying EBIT and Underlying EBITDA which are used to measure segment performance. This release also includes certain non-IFRS measures including Underlying net profit after tax and Gross profit margin. These measures are used internally by management to assess the performance of our business, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to audit or review.

The following notes explain the terms used throughout this profit release:

(1) Underlying EBIT is earnings before net finance costs, taxation and material items. Underlying EBITDA is Underlying EBIT before depreciation and amortisation of $39.016 million for the six months ended 31 January 2015 and $40.501 million for the six months ended 31 January 2014. We believe that Underlying EBIT and Underlying EBITDA provide useful information, but should not be considered as an indication of, or an alternative to, Profit / (loss) for the period as an indicator of operating performance or as an alternative to cash flow as a measure of liquidity.

(2) Underlying EBIT is used to reflect the underlying performance of Nufarm's operations. Underlying EBIT is reconciled to Operating profit below:

Six months ended 31 January	2015	2014
	$000	$000
Underlying EBIT	63,426	56,726
Material items impacting operating profit	(4,539)	-
Operating profit	58,887	56,726

(3) Non-IFRS measures are defined as follows:

- Underlying net profit after tax – comprises Profit / (loss) for the period attributable to the equity holders of Nufarm Limited less material items.
- Average gross margin – defined as average gross profit as a percentage of revenue.
- Average gross profit – defined as revenue less a standardized estimate of production costs excluding material items and non-product specific rebates and other pricing adjustments.
- Net external interest expense – comprises Interest income – external, Interest expense – external and Lease expense – finance charges as described in note 17 to the 31 January 2015 Nufarm Limited interim financial report.
- ROFE – defined as underlying EBIT divided by the average of opening and closing funds employed (total equity plus net debt).
- Net debt – total debt less cash and cash equivalents.
- Average net debt – net debt measured at each month end as an average.
- Net working capital – current trade and other receivables and inventories less current trade and other payables.
- Average net working capital – net working capital measured at each month end as an average.

Nufarm Limited

RESULTS FOR ANNOUNCEMENT TO THE MARKET

12 months ended 31 July 2014 $000		Consolidated 6 months ended 31 Jan 2015 $000	6 months ended 31 Jan 2014 $000	increase / (decrease) $000	increase / (decrease) %
	TRADING RESULTS				
2,622,704	Revenue from ordinary activities	1,183,730	1,138,211	45,519	4%
	Profit/(loss) from ordinary activities after tax attributable to members				
86,411	- Before material items	26,472	18,801	7,671	41%
37,707	- After material items	23,152	18,801	4,351	23%
	Net profit/(loss) attributable to members				
86,411	- Before material items	26,472	18,801	7,671	41%
37,707	- After material items	23,152	18,801	4,351	23%

DIVIDENDS AND DISTRIBUTIONS

Dividends to shareholders	Amount per security (cents)	Franked amount per security (cents)
Interim dividend paid for the period ended 31 January 2014	3.0	3.0
Final dividend paid for the period ended 31 July 2014	5.0	-
Interim dividend for the period ended 31 January 2015	4.0	-

An interim dividend of 4 cents per share, unfranked, will be paid on 8 May 2015 to all holders of ordinary shares in the company as of 10 April 2015. Conduit foreign income is attributed to the dividend in full.

The Dividend Reinvestment Plan (DRP) will be made available to shareholders for the interim dividend. Shares issued under the DRP will rank equally in all respects from the date of allotment with existing ordinary shares.

Directors have determined that the Issue Price will be calculated on the volume weighted average of the company's ordinary shares on the ASX over a period of 10 consecutive trading days commencing after the record date and concluding prior to the date of allotment of ordinary shares under the plan. The last election date for shareholders who are not yet participants in the DRP is 13 April 2015. The Directors have determined that, for this dividend payment, no discount will apply to shares issued under the DRP.

Nufarm Step-up Securities distribution

	Distribution rate	Total amount $000	Payment date
Nufarm Step-up Securities distribution	6.63%	8,339	15 Oct 2014
Nufarm Step-up Securities distribution	6.52%	8,156	15 April 2014
Nufarm Step-up Securities distribution	6.95%	8,749	15 Oct 2013

OTHER SUMMARY DATA

31 July 2014	Metric	31 Jan 2015	31 Jan 2014
24%	Gearing ratio (net debt/net debt plus equity)	35%	38%
$2.84	Net tangible assets per ordinary share	$2.75	$2.90
3,445	Staff employed	3,548	3,547

Directors' report

The board of directors of Nufarm Limited has pleasure in submitting its report together with the condensed consolidated financial statements as at and for the six month period ended 31 January 2015 and the auditor's review report thereon.

Directors

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

Non-executive directors

DG McGauchie AO (chairman)
AB Brennan
GR Davis
FA Ford
Dr WB Goodfellow
PM Margin
T Takasaki

Executive director

DJ Rathbone AM (resigned 4 February 2015)

Except as noted, all directors held their position as a director throughout the entire period and up to the date of this report.

Principal activities

Nufarm 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. The company also operates a seeds business focused on canola, sorghum and sunflower seeds.

Nufarm employs in excess of 3,500 people at its various locations in Australia & New Zealand, Asia, the Americas, Europe and Africa. The company is listed on the Australian Stock Exchange (symbol NUF), and its head office is located at Laverton North in Melbourne.

Results

The net profit attributable to members of the group for the six months to 31 January 2015 is $23.152 million, after including the material items described in note 7. The comparable figure for the six months to 31 January 2014 was a net profit of $18.801 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 2015.

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.

DG McGauchie AO	FA Ford
Director	Director

Melbourne
25 March 2015

Nufarm Limited

Condensed consolidated income statement

for the six months ended 31 January 2015

	Note	31 Jan 2015 $000	31 Jan 2014 $000
Revenue	6	**1,183,730**	**1,138,211**
Cost of sales		(867,182)	(832,434)
Gross profit		**316,548**	**305,777**
Other income		5,585	5,911
Sales, marketing and distribution expenses		(159,289)	(150,691)
General and administrative expenses		(85,696)	(79,387)
Research and development expenses		(18,004)	(25,118)
Share of net profits/(losses) of associates	11	(257)	234
Operating profit		**58,887**	**56,726**
Financial income excluding foreign exchange gains/(losses)		4,188	2,594
Net foreign exchange gains/(losses)		7,881	(3,537)
Net financial income		12,069	(943)
Financial expenses		(37,682)	(39,864)
Net financing costs	17	**(25,613)**	**(40,807)**
Profit before tax		**33,274**	**15,919**
Income tax benefit/(expense)		(10,177)	2,925
Profit for the period		**23,097**	**18,844**
Attributable to:			
Equity holders of the parent	14	23,152	18,801
Non-controlling interest	14	(55)	43
Profit for the period		**23,097**	**18,844**
Earnings per share attributable to ordinary equity holders			
Basic earnings per share (cents)	14	6.4	4.7
Diluted earnings per share (cents)	14	6.4	4.7

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 2015

	31 Jan 2015 $000	31 Jan 2014 $000
Net profit / (loss) for the period	23,097	18,844
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Foreign exchange translation differences for foreign operations	72,012	(1,909)
Effective portion of changes in fair value of cash flow hedges	2,145	(368)
Effective portion of changes in fair value of net investment hedges	(2,791)	(5,185)
Items that will not be reclassified to profit or loss:		
Actuarial gains/(losses) on defined benefit plans	(19,222)	(7,425)
Income tax on share based payment transactions	484	(38)
Other comprehensive income / (loss) for the period, net of income tax	52,628	(14,925)
Total comprehensive income / (loss) for the period	75,725	3,919
Attributable to:		
Shareholders of the company	75,780	3,876
Non-controlling interest	(55)	43
Total comprehensive income / (loss) for the period	75,725	3,919

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

Nufarm Limited

Condensed consolidated balance sheet

As at 31 January 2015

	Note	31 Jan 2015 $000	31 July 2014 $000	31 Jan 2014 $000
Current assets				
Cash and cash equivalents	16	292,567	241,638	217,053
Trade and other receivables		1,012,102	724,555	923,012
Inventories		883,550	632,901	921,147
Current tax assets		47,692	30,362	59,519
Total current assets		2,235,911	1,629,456	2,120,731
Non-current assets				
Receivables		66,682	67,481	37,253
Equity accounted investments		8,530	7,786	6,325
Other investments		517	477	449
Deferred tax assets		254,466	235,741	219,620
Property, plant and equipment		388,423	371,055	412,494
Intangible assets		939,501	859,450	886,655
Total non-current assets		1,658,119	1,541,990	1,562,796
TOTAL ASSETS		3,894,030	3,171,446	3,683,527
Current liabilities				
Bank overdraft	16	1,189	-	-
Trade and other payables		730,362	515,933	512,256
Loans and borrowings	16	372,268	318,948	439,268
Employee benefits		20,002	19,423	18,943
Current tax payable		10,158	20,605	25,399
Provisions		13,586	15,701	3,055
Total current liabilities		1,147,565	890,610	998,921
Non-current liabilities				
Payables		27,865	42,326	47,055
Loans and borrowings	16	808,724	436,057	800,336
Deferred tax liabilities		147,158	124,562	125,877
Employee benefits		93,556	69,191	61,102
Total non-current liabilities		1,077,303	672,136	1,034,370
TOTAL LIABILITIES		2,224,868	1,562,746	2,033,291
NET ASSETS		1,669,162	1,608,700	1,650,236
Equity				
Issued capital		1,073,332	1,068,871	1,067,654
Reserves		(177,102)	(248,573)	(208,718)
Retained earnings		520,826	536,241	539,136
Equity attributable to equity holders of the parent		1,417,056	1,356,539	1,398,072
Non-controlling interest:				
Nufarm Step-up Securities		246,932	246,932	246,932
Other		5,174	5,229	5,232
TOTAL EQUITY		1,669,162	1,608,700	1,650,236

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 2015

	Attributable to equity holders of the Company						Non-controlling interest		Total equity
	Share Capital $000	Translation Reserve $000	Other Reserves $000	Capital Profit Reserve $000	Retained Earnings $000	Total $000	Nufarm Step-up Securities $000	Other $000	$000
Balance at 1 August 2013	1,063,992	(196,643)	(35,654)	33,627	547,302	1,412,624	246,932	5,189	1,664,745
Profit/(loss) after taxation	-	-	-	-	18,801	18,801	-	43	18,844
Other comprehensive income:									
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	(7,425)	(7,425)	-	-	(7,425)
Foreign exchange translation differences for foreign operations	-	(1,909)	-	-	-	(1,909)	-	-	(1,909)
Gains/(losses) on cash flow hedges taken to equity	-	-	(368)	-	-	(368)	-	-	(368)
Gains/(losses) on net investment hedges taken to equity	-	-	(5,185)	-	-	(5,185)	-	-	(5,185)
Income tax on share based payment transactions	-	-	(38)	-	-	(38)	-	-	(38)
Total comprehensive income / (loss) for the period	-	(1,909)	(5,591)	-	11,376	3,876	-	43	3,919
Transactions with owners, recorded directly in equity									
Accrued employee share award entitlement	-	-	881	-	-	881	-	-	881
Issuance of shares under employee share plans	2,172	-	(2,172)	-	-	-	-	-	-
Remeasurement of non-controlling interest option	-	-	(1,257)	-	-	(1,257)	-	-	(1,257)
Dividends paid to shareholders	-	-	-	-	(13,166)	(13,166)	-	-	(13,166)
Dividend reinvestment plan	1,490	-	-	-	-	1,490	-	-	1,490
Distributions to Nufarm Step-up Security holders	-	-	-	-	(6,376)	(6,376)	-	-	(6,376)
Balance at 31 January 2014	1,067,654	(198,552)	(43,793)	33,627	539,136	1,398,072	246,932	5,232	1,650,236
Balance at 1 August 2014	1,068,871	(258,779)	(23,421)	33,627	536,241	1,356,539	246,932	5,229	1,608,700
Profit/(loss) after taxation	-	-	-	-	23,152	23,152	-	(55)	23,097
Other comprehensive income:									
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	(19,222)	(19,222)	-	-	(19,222)
Foreign exchange translation differences for foreign operations	-	72,012	-	-	-	72,012	-	-	72,012
Gains/(losses) on cash flow hedges taken to equity	-	-	2,145	-	-	2,145	-	-	2,145
Gains/(losses) on net investment hedges taken to equity	-	-	(2,791)	-	-	(2,791)	-	-	(2,791)
Income tax on share based payment transactions	-	-	484	-	-	484	-	-	484
Total comprehensive income / (loss) for the period	-	72,012	(162)	-	3,930	75,780	-	(55)	75,725
Transactions with owners, recorded directly in equity									
Accrued employee share award entitlement	-	-	2,242	-	-	2,242	-	-	2,242
Issuance of shares under employee share plans	2,104	-	(2,104)	-	-	-	-	-	-
Remeasurement of non-controlling interest option	-	-	(517)	-	-	(517)	-	-	(517)
Dividends paid to shareholders	-	-	-	-	(13,218)	(13,218)	-	-	(13,218)
Dividend reinvestment plan	2,357	-	-	-	-	2,357	-	-	2,357
Distributions to Nufarm Step-up Security holders	-	-	-	-	(6,127)	(6,127)	-	-	(6,127)
Balance at 31 January 2015	1,073,332	(186,767)	(23,962)	33,627	520,826	1,417,056	246,932	5,174	1,669,162

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 2015

	Note	31 Jan 2015 $000	31 Jan 2014 $000
Cash flows from operating activities			
Cash receipts from customers		982,993	1,015,683
Cash paid to suppliers and employees		(1,133,182)	(1,256,783)
Cash generated from operations		(150,189)	(241,100)
Interest received		4,188	2,594
Dividends received		505	215
Interest paid		(32,642)	(29,914)
Income tax paid		(27,157)	(27,854)
Material items		(7,817)	-
Net cash used in operating activities		(213,112)	(296,059)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		1,825	449
Proceeds from sales of business and investments		-	2,240
Payments for plant and equipment		(24,121)	(22,631)
Payments for acquired intangibles and major product development expenditure		(26,087)	(31,478)
Net investing cash flows		(48,383)	(51,420)
Cash flows from financing activities			
Proceeds from borrowings		636,698	599,632
Repayment of borrowings		(321,889)	(275,653)
Debt establishment transaction costs		(1,009)	(4,719)
Distribution to NSS holders	14	(8,339)	(8,749)
Dividends paid	14	(10,861)	(11,676)
Net financing cash flows		294,600	298,835
Net increase/(decrease) in cash and cash equivalents		33,105	(48,644)
Cash and cash equivalents at the beginning of the period		241,638	264,972
Exchange rate fluctuations on foreign cash balances		16,635	725
Cash and cash equivalents at the end of the period	16	291,378	217,053

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

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 2015 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 2014 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*, the Corporations Act 2001 and IAS 34: *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 2014.

These condensed consolidated interim financial statements were approved by the Board of Directors on 25 March 2015.

3 Accounting policies

(a) 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 2014.

During the current reporting period, a number of new or amended standards became applicable for the first time. These standards did not materially affect the entity's accounting policies or any of the amounts recognised in the financial statements but there will be some changes to the disclosures in the 31 July 2015 annual report as a consequence of these amendments.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2015, and have not been applied in preparing these interim financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group, except for AASB 9 *Financial Instruments*, which becomes mandatory for the group’s 2019 consolidated financial statements and IFRS 15 *Revenue from contracts with customers*, which becomes mandatory for 2018 consolidated financial statements. AASB 9 could change the classification and measurement of financial assets and IFRS 15 could change revenue recognition practices. The group does not currently plan to adopt these standards early and the extent of the impact (if any) has not been determined.

(b) Reclassification

Comparatives have been adjusted to present them on the same basis as current period figures.

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.

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 2014.

5 Financial risk management

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 2014.

The group holds a number of derivative contracts to manage its exposure to foreign currency and interest rate risk. A selection of these derivative contracts are designated and accounted for as net investment, cash flow and fair value hedges as at 31 January 2015.

The movement in the foreign currency translation reserve relates to the translation differences from converting the net assets of overseas subsidiaries from their functional currencies to the presentation currency of the group, which is Australian dollars.

6 Segment reporting

Segment information is presented in respect of the group's key operating segments. The operating segments are based on the group's management and internal reporting structure.

Operating segments
The group operates predominantly along two business lines, being crop protection and seed technologies.

The crop protection business deals in the manufacture and sale of crop protection products used by farmers to protect crops from damage caused by weeds, pests and disease. It is managed by major geographic segments, being Australia and New Zealand, Asia, Europe, North America and South America. The North America region includes Canada and USA.
The South America region includes Brazil, Argentina, Chile, Uruguay, Paraguay, Bolivia, Colombia, Mexico and other Andean and Central American countries.

The seed technologies business deals in the sale of seeds and seed treatment products. The seed technologies business is managed on a worldwide basis.

Information regarding the results of each operating segment is included below. Performance is measured based on underlying EBIT as included in the internal management reports that are reviewed by the group's CEO. Underlying EBIT is used to measure performance as management believes that such information is the most relevant in evaluating the results of each segment. 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. The corporate segment comprises mainly corporate expenses, interest-bearing loans, borrowings and corporate assets.

2015 Operating segments	Crop Protection						Seed Technologies	Corporate	Group
	Australia and New Zealand $000	Asia $000	Europe $000	North America $000	South America $000	Total $000	Global $000	$000	Total $000
Revenue									
Total segment revenue	238,278	83,009	169,412	227,911	422,238	1,140,848	42,882	-	1,183,730
Results									
Underlying EBITDA [(a)]	19,943	10,264	18,895	8,260	66,611	123,973	(2,102)	(19,429)	102,442
Depreciation & amortisation excluding material items	(8,722)	(1,706)	(15,692)	(7,742)	(1,580)	(35,442)	(3,133)	(441)	(39,016)
Underlying EBIT [(a)]	**11,221**	**8,558**	**3,203**	**518**	**65,031**	**88,531**	**(5,235)**	**(19,870)**	**63,426**
Material items included in operating profit (refer note 7)									(4,539)
Material items included in net financing costs (refer note 7)									-
Net financing costs (excluding material items)									(25,613)
Profit / (loss) before tax									**33,274**

2014 Operating segments	Crop Protection						Seed Technologies	Corporate	Group
	Australia and New Zealand $000	Asia $000	Europe $000	North America $000	South America $000	Total $000	Global $000	$000	Total $000
Revenue									
Total segment revenue	248,983	71,225	170,420	180,696	412,834	1,084,158	54,053	-	1,138,211
Results									
Underlying EBITDA (a)	19,082	10,700	17,747	956	62,009	110,494	5,688	(18,955)	97,227
Depreciation & amortisation excluding material items	(10,131)	(1,447)	(16,251)	(7,809)	(1,977)	(37,615)	(2,401)	(485)	(40,501)
Underlying EBIT (a)	**8,951**	**9,253**	**1,496**	**(6,853)**	**60,032**	**72,879**	**3,287**	**(19,440)**	**56,726**
Material items included in operating profit (refer note 7)									-
Material items included in net financing costs (refer note 7)									-
Net financing costs (excluding material items)									(40,807)
Profit / (loss) before tax									**15,919**

(a) Underlying EBIT is earnings before net finance costs, taxation and material items. Underlying EBITDA is Underlying EBIT, before depreciation, amortisation and impairments.

6 Segment reporting (continued)

Geographical information	Revenue by location of customer	
	31 Jan 2015	31 Jan 2014
	$000	$000
Australia	205,890	211,500
New Zealand	37,378	43,651
Asia	87,559	71,225
Europe	183,842	176,608
USA	213,788	178,741
Rest of North America	18,773	29,482
Brazil	343,192	351,732
Rest of South America	93,308	75,272
Total	1,183,730	1,138,211

7 Items of material income and expense

Material items are those items where their nature and/or amount is considered material to the financial statements. Such items included within the group's profit for the half year are detailed below.

	Consolidated		Consolidated	
	31 Jan 2015	31 Jan 2015	31 Jan 2014	31 Jan 2014
	$000	$000	$000	$000
	Pre-tax	After-tax	Pre-tax	After-tax
Material items by category:				
Asset rationalisation and restructuring	(4,539)	(3,320)	-	-
	(4,539)	(3,320)	-	-

Asset rationalisation and restructuring

Asset rationalisation and restructuring costs relate to the planning and execution of certain group wide business restructuring initiatives undertaken during the 6 month period ended 31 January 2015.

7 Items of material income and expense (continued)

Material items are classified by function as follows:

Six months ended 31 January 2015 $'000s	Cost of sales	Selling, marketing and distribution expense	General & administrative expense	Net financing costs	Total Pre-tax
Asset rationalisation and restructuring	-	(1,360)	(3,179)	-	(4,539)
	-	(1,360)	(3,179)	-	(4,539)
Total material items included operating profit	-	(1,360)	(3,179)	-	(4,539)

Six months ended 31 January 2014 $'000s	Cost of sales	Selling, marketing and distribution expense	General & administrative expense	Net financing costs	Total Pre-tax
None	-	-	-	-	-
Total material items included operating profit	-	-	-	-	-
Total material items included operating profit	-	-	-	-	-

8 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.

9 Other expenses

The following expenses were included in the operating result:

	Consolidated 31 Jan 2015 $000	Consolidated 31 Jan 2014 $000
Depreciation and amortisation	(39,016)	(40,501)

10 Acquisition of businesses

Business acquisitions - 2015

No business acquisitions arose in the six months ended 31 January 2015.

Business acquisitions - 2014

No business acquisitions arose in the six months ended 31 January 2014.

11 Equity accounted investments

The group has the following equity accounted investments:

	Country	Ownership and voting interest		Share of after tax profit/(loss)	
		31 Jan 2015	31 Jan 2014	31 Jan 2015 $000	31 Jan 2014 $000
Excel Crop Care Ltd	India	14.69%	14.69%	781	601
F&N joint ventures	East Europe	50%	50%	(544)	(17)
Lotus Agrar joint venture	Germany	50%	50%	(494)	(331)
Other				-	(19)
Share of after tax profits/(losses) of equity accounted investments				(257)	234

Nufarm's investment in Excel Crop Care Ltd is equity accounted due to Nufarm holding 14.69% of voting rights in Excel Crop Care Ltd, the transactions undertaken between the parties and Nufarm's ability to appoint two directors to the board. The relationship extends to manufacturing and marketing collaborations and the sale/purchase of crop protection products.

The F&N joint ventures represents the group's interest in three joint ventures with FMC Corporation, which operate in Poland, Czech Republic and Slovakia. The joint ventures sell Nufarm and FMC products within their country.

Lotus Agrar is a joint venture with Verwaltungsgesellschaft Hermann Stroetmann GmbH & Co. KG. This joint venture sells generic agrochemicals in Germany.

12 Property plant and equipment

Acquisition and disposals

During the six months ended 31 January 2015, the group acquired assets with a cost of $24.121 million (six months ended 31 January 2014: $22.631 million). No assets were acquired through business combinations in the six months to 31 January 2015 (six months ended 31 January 2014: $nil). Assets with a book value of $1.592 million were disposed of during the six months ended 31 January 2015 (six months ended 31 January 2014: $0.338 million). There were no assets disposed of through the sale of discontinued operations in the six month period to 31 January 2015 or in the comparative period for 2014.

Capital commitments

During the six months ended 31 January 2015, the group entered into contracts to purchase property, plant and equipment for $6.621 million (six months ended 31 January 2014: $3.459 million).

13 Contingent assets and liabilities

The company's 2013 annual financial report previously disclosed a contingent liability of $74.6 million in respect of potential pre-acquisition tax liabilities of its Brazilian business, which was acquired in 2007. The company continued to defend the related tax claims during the period. The agreements relating to the purchase of the business included indemnities which allow Nufarm to recover the majority of any such tax liabilities from the previous owners. These indemnities have been confirmed via an independent arbitration process.

During December 2013, the company elected to participate in a federal tax program instigated by the Brazilian government that allows taxpayers to reduce their tax liabilities by offering discounts on claims (including penalties and interest) applying to a period ending on 30 November, 2008. The decision to participate in the program reduced the company's potential future liability and provided a final resolution of the claims to which the program applied.

Entering into the program gave rise a tax liability which originally was to result in a cash outflow of approximately $300,000 per month for 5 years commencing January 2014 and the utilisation of tax losses. In November 2014 the company elected to take advantage of changes to the federal tax program which allowed for the balance of the aforementioned liabilities to be fully settled via the utilisation of tax losses.

As previously disclosed, cash inflows from the previous owner, via enforcement of the indemnities currently under arbitration, will follow the settlement of the tax obligations.

The recognition of the liability during the year ended 31 July 2014 was offset by the benefit of previously unrecognised tax assets. The tax assets will be recovered via a combination of recoupment in the normal course of business and enforcement of the indemnities provided by the previous owner.

At 31 January 2015, the total contingent liability relating to future potential tax liabilities in Brazil is $21.6 million (2014: $12.2 million) which relate to claims not covered by the federal tax program, some of which may also be covered by the indemnities. These cases will continue to be defended.

Further to the above, the group has a contingent asset in respect of potential pre-acquisition tax credits of its Brazilian business acquired in 2007. Whilst the credits are deemed to be valid, the Brazilian courts are currently deliberating the value of the credits and therefore the full amount of this contingent asset is yet to be established. Such credits can be used to offset future federal tax payable.

14 Capital and reserves

Dividends

	31 Jan 2015 $000	31 Jan 2014 $000
Dividends paid during the period:		
There was a 5 cent (2014: 5 cent) prior year final dividend declared and paid by the group during the six months ended 31 January 2015:		
$0.05 per ordinary share (2014: $0.05)	(13,218)	(13,166)

Dividends declared in respect of the period:

Subsequent to the half year end on 25 March 2015, the company declared an interim dividend of 4 cents per share ($10.598 million) which will be paid on 8 May 2015 (31 January 2014: 3 cents per share). In accordance with Australian Accounting Standards, dividends declared post balance date are not recorded as a liability at the end of the period to which they relate.

Distributions on the Nufarm Step-up Securities

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

	31 Jan 2015 $000	31 Jan 2014 $000
Nufarm Step-up Securities distribution rate 6.63% (2014: 6.95%)	(8,339)	(8,749)

The distribution on the Nufarm Step-up Securities reported in the statement of changes in equity has been reduced by the tax benefit on the distribution, giving an after-tax amount of $6.127 million (six months ended 31 January 2014: $6.376 million).

Earnings / (loss) per share

	31 Jan 2015 $000	31 Jan 2014 $000
Net profit/(loss) for the six months ended 31 January	23,097	18,844
Net (profit)/loss attributable to non-controlling interests	55	(43)
Net profit/(loss) attributable to equity holders of the parent	23,152	18,801
Nufarm Step-up Securities distribution (net of tax)	(6,127)	(6,376)
Earnings/(loss) used in the calculations of basic and diluted earnings per share	17,025	12,425
Earnings/(loss) from continuing operations	17,025	12,425
(Add)/subtract after tax impact of material items profit/(loss) (refer note 7)	(3,320)	-
Earnings/(loss) excluding material items used in the calculation of underlying earnings per share	20,345	12,425

	Number of shares	
	31 Jan 2015	31 Jan 2014
Weighted average number of ordinary shares used in calculation of basic earnings per share	264,456,311	263,317,974
Weighted average number of ordinary shares used in calculation of diluted earnings per share	265,690,278	264,621,997

Earnings / (loss) per share

	Cents per share	
	31 Jan 2015	31 Jan 2014
Basic earnings / (loss) per share - from continuing operations	6.4	4.7
Diluted earnings / (loss) per share - from continuing operations	6.4	4.7
Basic earnings per share - excluding items of material income and expense from note 7	7.7	4.7
Diluted earnings per share - excluding items of material income and expense from note 7	7.7	4.7

15 Assets held for sale

There were no assets held for sale in the current period or 2014.

16 Net debt

	31 Jan 2015 $000	31 Jan 2014 $000
Current		
Bank loans - secured	258,914	278,949
Bank loans - unsecured	118,240	164,683
Deferred debt establishment costs	(6,308)	(5,106)
Finance lease liabilities - secured	586	365
Other loans - unsecured	836	377
Loans and borrowings - current	372,268	439,268
Non current		
Bank loans - secured	379,936	396,590
Bank loans - unsecured	4,845	41,113
Senior unsecured notes	416,799	361,436
Deferred debt establishment costs	(7,826)	(13,389)
Finance lease liabilities - secured	13,149	12,982
Other loans - unsecured	1,821	1,604
Loans and borrowings - non current	808,724	800,336
Cash and cash equivalents	(292,567)	(217,053)
Bank overdraft	1,189	-
Net cash and cash equivalents	(291,378)	(217,053)
Net debt	**889,614**	**1,022,551**

	31 Jan 2015 $000	31 Jan 2014 $000
Accessible		
Bank loan facilities and Senior unsecured notes	1,806,824	1,494,941
Other facilities	2,657	1,981
Total financing facilities	1,809,481	1,496,922
Utilised		
Bank loan facilities and Senior unsecured notes	1,178,734	1,242,771
Other facilities	2,657	1,981
Total financing facilities	1,181,391	1,244,752

Key group facilities include a $300 million group trade receivables securitisation facility, a US$325 million senior unsecured notes offering due in October 2019, and a senior secured syndicated bank facility of $530 million, of which $30 million is due in December 2017, $490 million is due in December 2016 and $10 million is due in December 2015. On 19 December 2013, the refinancing of the syndicated bank facility was completed with the facility increasing from $406 million to $530 million.

The majority of debt facilities that reside outside the Senior unsecured notes, syndicated bank facility and the group trade receivables securitisation facility are regional working capital facilities, primarily located in Brazil and Europe totalling $686 million (2014: $474 million).

17 Finance income and expense

	31 Jan 2015 $000	31 Jan 2014 $000
Net foreign exchange gains/(losses)	7,881	(3,537)
Financial income excluding foreign exchange gains/(losses)	4,188	2,594
Net financial income	12,069	(943)
Interest expense - external	(33,282)	(31,651)
Interest expense - debt establishment transaction costs	(3,412)	(7,334)
Lease expense - finance charges	(988)	(879)
Financial expenses	(37,682)	(39,864)
Net financing costs	(25,613)	(40,807)

18 Financial instruments

The fair values of financial assets and financial liabilities, together with the carrying amounts in the condensed consolidated balance sheet, are as follows:

Consolidated
31 January 2015

	Carrying value $000	Fair value $000
Cash and cash equivalents	292,567	292,567
Trade and other receivables	1,058,292	1,058,292
Forward exchange contracts and options:		
Assets	7,479	7,479
Liabilities	(19,138)	(19,138)
Interest rate swaps	9,664	9,664
Trade and other payables excluding derivatives	(735,740)	(735,740)
Bank overdraft	(1,189)	(1,189)
Secured bank loans	(638,850)	(638,850)
Unsecured bank loans	(123,085)	(123,085)
Senior unsecured notes	(416,799)	(417,833)
Other loans	(2,657)	(2,657)
Finance leases	(13,735)	(13,735)
	(583,191)	(584,225)

31 January 2014

	Carrying value $000	Fair value $000
Cash and cash equivalents	217,053	217,053
Trade and other receivables	958,226	958,226
Forward exchange contracts and options:		
Assets	2,039	2,039
Liabilities	(8,704)	(8,704)
Interest rate swaps	(20,050)	(20,050)
Trade and other payables excluding derivatives	(530,557)	(530,557)
Bank overdraft	-	-
Secured bank loans	(675,539)	(675,539)
Unsecured bank loans	(205,796)	(205,796)
Senior unsecured notes	(361,436)	(362,872)
Other loans	(1,981)	(1,981)
Finance leases	(13,347)	(13,347)
	(640,092)	(641,528)

18 Financial instruments (continued)

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

* Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
* Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
* Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Consolidated			
2015	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Derivative financial assets	-	20,492	-	20,492
	-	20,492	-	20,492
Derivative financial liabilities	-	(22,487)	-	(22,487)
	-	(22,487)	-	(22,487)

	Consolidated			
2014	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Derivative financial assets	-	2,039	-	2,039
	-	2,039	-	2,039
Derivative financial liabilities	-	(28,754)	-	(28,754)
	-	(28,754)	-	(28,754)

There have been no transfers between levels in either 2015 or 2014.

Valuation techniques used to derive fair values

The fair value of financial instruments that are not traded in an active market (for example, over–the–counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

19 Subsequent events

Managing Director

On 4 February 2015, the company announced that Managing Director and Chief Executive Doug Rathbone had stepped down and that the Group Executive for Commercial Operations, Greg Hunt, had been appointed Chief Operating Officer and is Acting Chief Executive.

The company has also sought to retain the services of Mr Rathbone as a consultant to the company for 12 months from 23 March 2015. Mr Rathbone will consult exclusively to Nufarm on a number of specific commercial activities and his remuneration will be commensurate with those activities.

Debt refinancing

Subsequent to 31 January 2015 the senior secured syndicated bank facility has been partially refinanced such that the total facility amount has increased to $540 million; of which $150 million is due in February 2018, $30 million is due in December 2017, $350 million is due in December 2016 and $10 million is due in December 2015.

19 Subsequent events

European manufacturing footprint review

On 5 February 2015, the company announced a rationalisation of its manufacturing operations in Europe, involving the planned closure of a synthesis facility in Botlek (The Netherlands) and increased activity at plants in Wyke (England) and Gaillon (France). The changes will be implemented over a period of approximately 18 months and, upon completion, are estimated to result in annualised savings of €16 million ($23 million).

Associated with these changes, the company will incur one-off restructuring costs of up to €30 million ($44 million), the majority of which will be booked in the second half of the current financial year. Approximately €15 million ($22 million) are non-cash costs. There will be incremental capital expenditure of €9 million ($13 million) associated with the changes to existing facilities.

A consultation process is now underway with relevant worker representative groups.

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 2015 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,* the Corporations Regulations 2001 and IAS 34: *Interim Financial Reporting*

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.

Signed in accordance with a resolution of the directors:

DG McGauchie AO
Director

FA Ford
Director

Melbourne
25 March 2015

Directory

Directors
DG McGauchie AO - chairman
AB Brennan
GR Davis
FA Ford
Dr WB Goodfellow
PM Margin
T Takasaki

Company secretary
R Heath

Solicitors
Arnold Bloch Leibler & Co
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Melbourne Victoria 3000 Australia

Auditors
KPMG
147 Collins Street
Melbourne Victoria 3000 Australia

Trustee for Nufarm Step-up Securities
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Share registrar
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Nufarm Limited
ACN 091 323 312

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 2015 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

Gordon Sangster
Partner

Melbourne

25 March 2015

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

Report on the financial report

We have reviewed the accompanying half-year financial report of Nufarm Limited (the 'Group'), which comprises the condensed consolidated balance sheet as at 31 January 2015, condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes 1 to 19 comprising a summary of significant accounting policies and other explanatory information 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 half-year.

Directors' responsibility for the half-year financial report

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report 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 half-year 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 2015 and its performance for the half-year 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 half-year 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 half-year 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 2015 and of its performance for the half-year ended on that date; and

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

KPMG

Gordon Sangster
Partner

Melbourne

25 March 2015