



# PAC Partners

## Agribusiness & Food Conference

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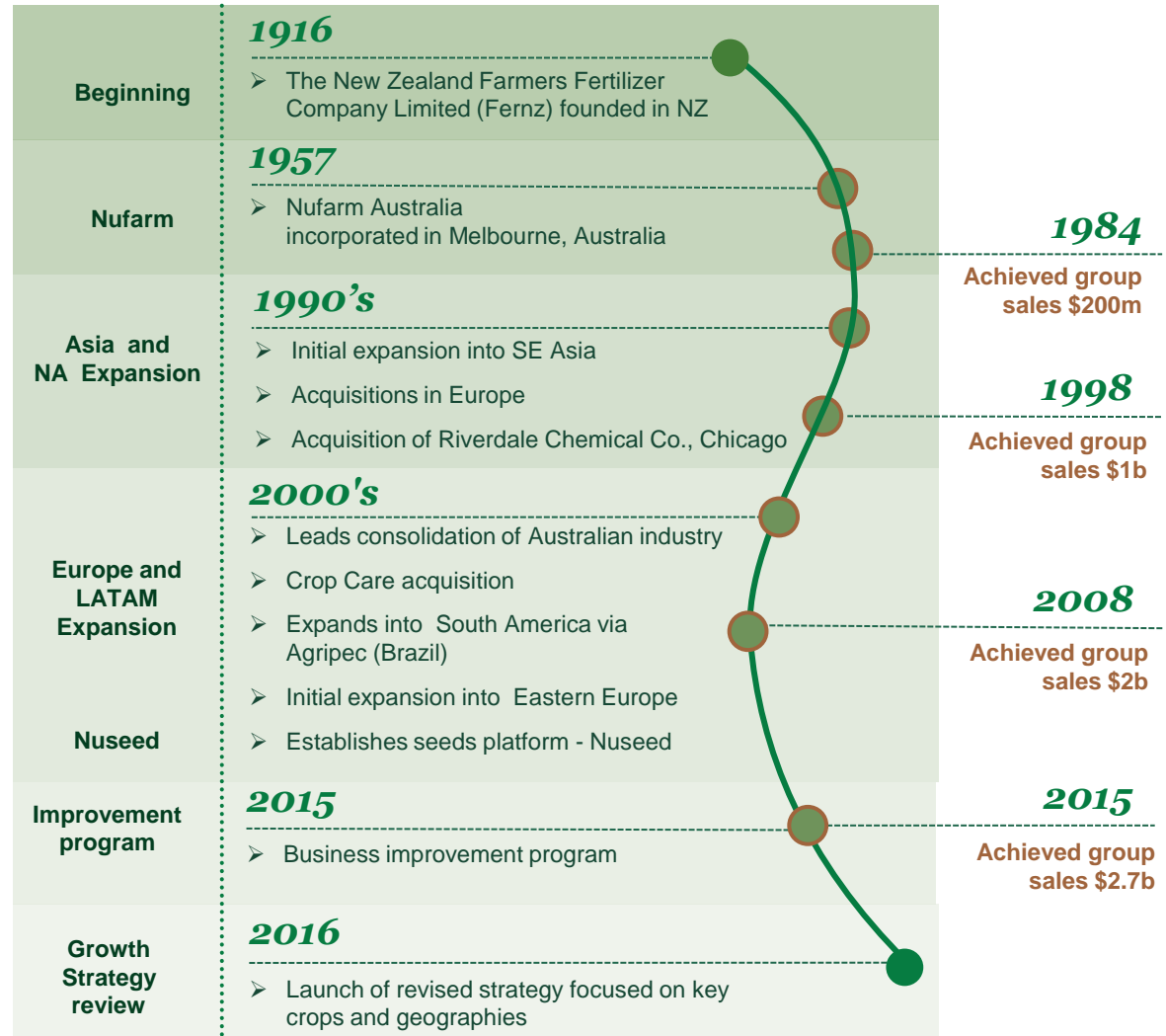
April, 2016



Grow a better tomorrow.



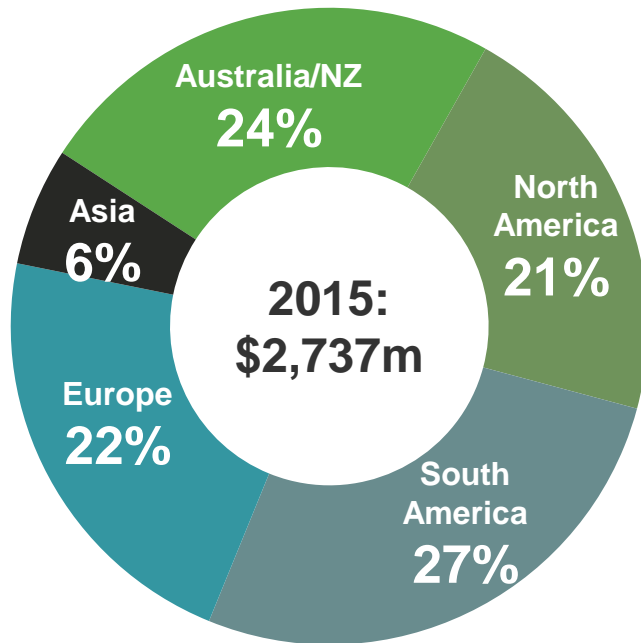
# The evolution of Nufarm



Grow a better tomorrow.

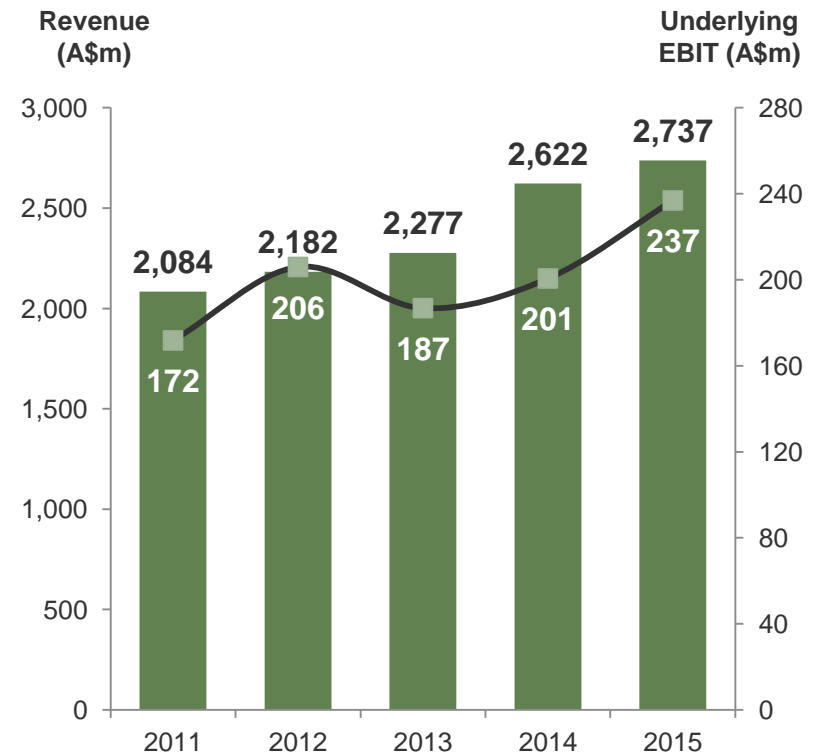
# Nufarm today

We have a balanced and growing revenue base



A balanced and diversified geographic footprint

## 5 year revenue & profit growth



Steady growth across our key markets



# Nufarm's strengths

- Global manufacturing, marketing and distribution platform
- Diversified business across geographies and product segments
- Established position and recognised brand in target markets and segments
- Established specialty seeds platform
- Well positioned in growing industry – driven by global population growth and decreasing available land for agriculture

A vertical strip on the left side of the slide shows a close-up of green plant leaves, likely from a crop, with some small white flowers or buds visible.

# We are building a company for the future

## One Nufarm

- Refreshed management team
- Performance improvement program that is delivering
- Manufacturing rationalisation resulting in the closure of 5 plants and better utilisation of our remaining facilities
- Centralisation of our procurement function, to take advantage of our global purchasing leverage
- Centralisation of our product portfolio development function to ensure a better return on investment
- Clear strategic growth plan with a focus on core markets and crops

# One Nufarm



PEOPLE | VALUES | CULTURE

Improvements in these areas and investment into a better customer experience will drive sustainable growth.

# Performance improvement program



|                                   | Description of Area   | Specific Examples   | Est. gross savings |         |
|-----------------------------------|---|---|--------------------|---------|
|                                   |   |   | Low                | High    |
| Manufacturing footprint           | <ul style="list-style-type: none"> <li>Optimising plant utilisation</li> <li>Lowering fixed cost base</li> <li>Ensuring capacity to meet new growth</li> <li>Protecting Nufarm's unique positions (Phenoxies, Granulation)</li> </ul> | <ul style="list-style-type: none"> <li>Consolidation of Australian manufacturing footprint (6 plants to 3)</li> </ul>   | \$16M              |         |
|                                   |   | <ul style="list-style-type: none"> <li>In Europe, closure of Botlek (The Netherlands)</li> </ul>  | \$24M              |         |
| Manufacturing efficiencies        | <ul style="list-style-type: none"> <li>Improving productivity</li> <li>Reducing waste, duplication and rework</li> <li>Lowering manufacturing overhead</li> </ul>   | <ul style="list-style-type: none"> <li>Review complete at Wyke (UK)</li> </ul>  | \$5M**             |         |
|                                   |   | <ul style="list-style-type: none"> <li>Review complete at Laverton (AUS)</li> </ul>   | \$6M**             |         |
|                                   |   | <ul style="list-style-type: none"> <li>Reviews at other production facilities</li> </ul>  | \$10M              | \$15M   |
| Procurement                       | <ul style="list-style-type: none"> <li>Centralising to leverage global scale</li> <li>Investing in better systems and increased capabilities</li> <li>Establishing a global procurement hub in Shanghai</li> </ul>                    | <ul style="list-style-type: none"> <li>Various initiatives that will deliver a 2-4% saving on our annual raw material spend of \$1.6B</li> <li>Indirect procurement</li> </ul>  | \$45M**            | \$65M** |
| Supply chain & logistics          | <ul style="list-style-type: none"> <li>Establishing a globally integrated supply chain which will deliver benefits in areas such as inventory management, lower logistics costs and improved supply reliability</li> </ul>            | <ul style="list-style-type: none"> <li>Consolidation of warehousing</li> <li>Establishment of one center-led global supply chain operating with standardised systems and processes across all inbound and outbound markets</li> </ul>           | \$10M              | \$15M   |
| Selling, General & Administrative | <ul style="list-style-type: none"> <li>Removing duplication and implementing an operating model that best serves the needs of a global business</li> <li>Ongoing vigilance on discretionary spend</li> </ul>                          | <ul style="list-style-type: none"> <li>Lowering head office costs via a more streamlined management structure</li> </ul>  | \$5M**             |         |
|                                   |   | <ul style="list-style-type: none"> <li>Moving to a shared service model to reduce overhead within regions</li> </ul>  | \$15M              | \$20M   |
| Product Portfolio                 | <ul style="list-style-type: none"> <li>Developing a product portfolio that better meets the needs of our customers – the farmers, and thus allows for stronger margins</li> </ul>   | <ul style="list-style-type: none"> <li>Removing low margin and slow moving products</li> <li>Focusing product development in countries and product and crop specialties where Nufarm has distinct competitive advantage to win share</li> </ul> | \$5M               | \$10M   |
| <b>TOTAL:</b>                     |   |   | \$141M**           | \$181M  |

\*\* Updated April 2016



# Focused on our core crops

Demand for major crops is projected to increase significantly to feed a growing population. Our opportunity is about depth not breadth. We are prioritising our investments to leverage our deep expertise in these crops:



**PASTURE,  
TURF &  
ORNAMENTALS**



**SOYBEAN**



**TREES, NUTS,  
VINES &  
VEGETABLES**



**CORN**



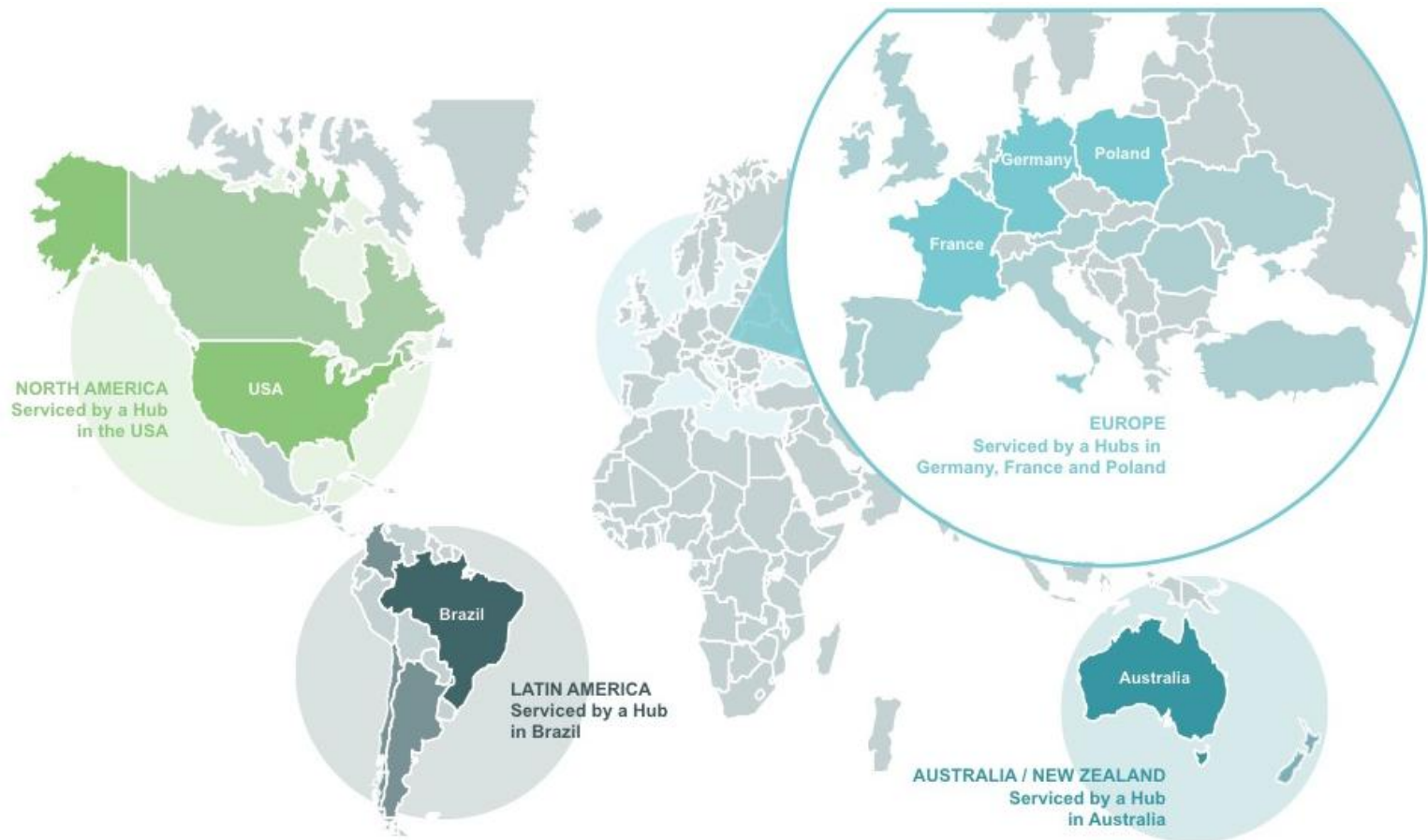
**CEREAL**

**Grow a better tomorrow.**



# Focused on our core markets

- Nufarm has four hubs, Latin America, North America, Australia & New Zealand & Europe
- From our hubs we access markets where we have the greatest prospects for profitable growth
- For longer term growth options we maintain a presence in Asia and have sales in over 100 countries



# Our strategy



# Trading update

- **Australia** Earnings recovery expected, driven by lower cost base and disciplined pricing, however, dependent on seasonal rainfall
- **North America** Business to benefit from expanded portfolio and stronger channel support
- **South America** Market conditions still challenging but larger Safrinha (second corn season) expected
- **Europe** Continued growth expected, aided by new product introductions and a lower cost base
- **Seeds** Very challenging second half with reduced canola plantings in Australia, low sorghum pricing and sunflower over supply in USA
- **Group** We remain confident of delivering another solid increase in underlying EBIT growth, however, a stronger Australian dollar (~0.77) will put pressure on full year underlying net profit after tax.



# Investment highlights

1

We are a leading supplier of crop protection products

2

We have a strong and diversified global footprint

3

We have a pipeline of differentiated products that will help drive growth across our business

4

We have established strategic alliances and commercial relationships with major industry participants

5

We have significant scope to strengthen margins and free up additional capital to help support the growth of the business



**Grow a better tomorrow.**



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