

Macquarie Securities Conference Australia

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Nufarm

Grow a better tomorrow.

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Nufarm – positioned for growth

Opportunities in a growing world

By **2050** the human population is forecast to expand to **9 billion** people...



... requiring **50%** more fuel ...

... **70%** more crop output...



... and **50%** more water

Increasing yield of food crops is fundamental.

From a Crop Protection perspective:



The fundamental need to control weeds, pests and disease in crop production will continue



The number of new molecules discovered with a new mode of action for pest control will continue to decline



The cost to develop and register a new molecule will continue to increase



The regulatory pressure on all existing molecules will continue to increase



Efficiency of agricultural production will continue to drive increased mono cultural practices

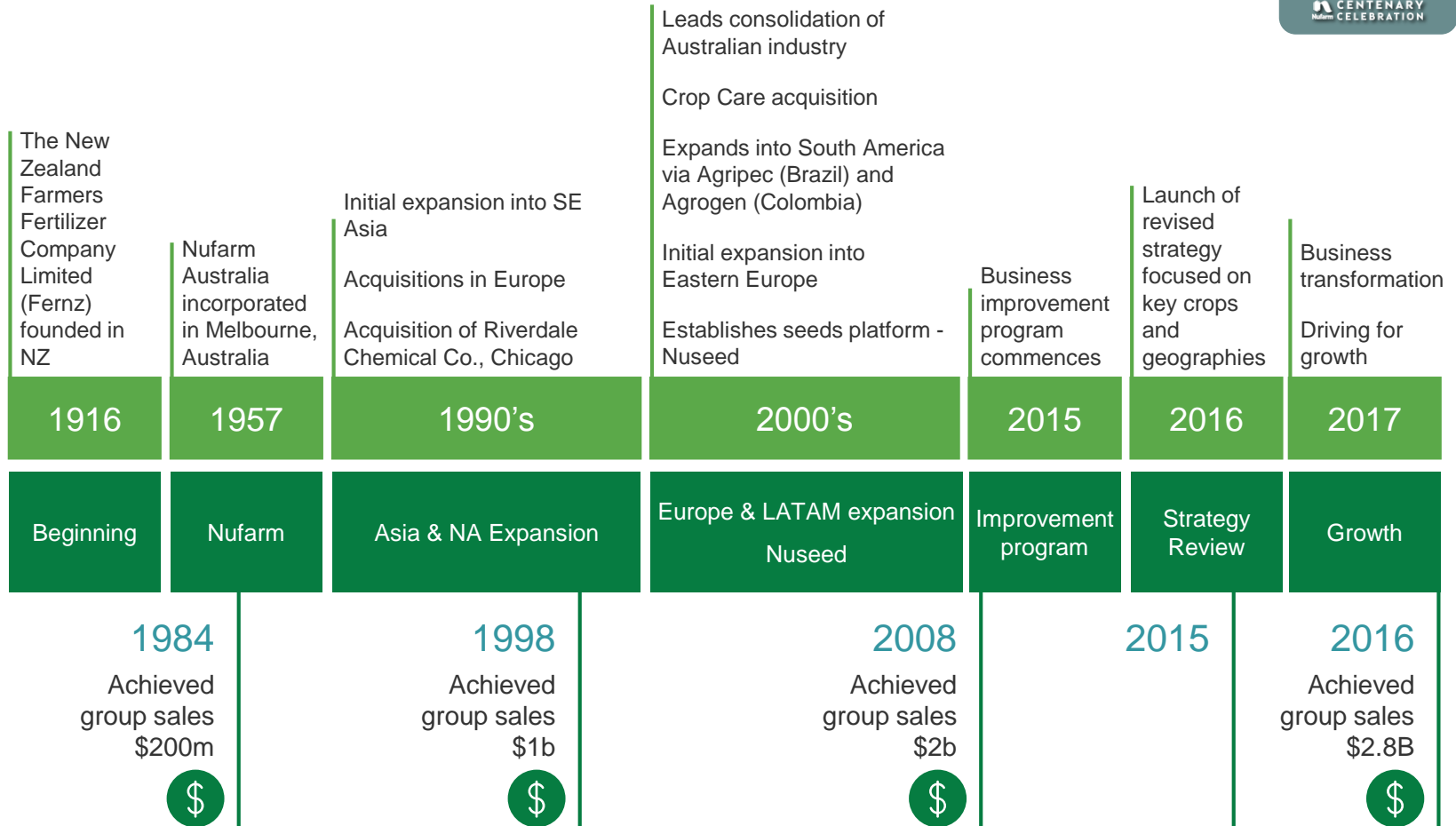


Pest resistance to Crop Protection products will continue to grow



The rate at which biotechnology impacts our business will continue to grow faster

A century of expansion, change and growth



Established global platform

11 Global manufacturing plants

Product development centres in Australia, Europe and the Americas



Established marketing and distribution capability in key agricultural markets



A leader in phenoxy herbicides



Market presence in all key cropping countries

Proprietary seed technologies business with a portfolio focused on canola, sorghum and sunflower crops



Diversified geographic and product segment revenue base



Developing and manufacturing quality herbicides, fungicides and insecticides and seed treatment products



3,200 Employees globally



2016 Crop Protection Market Snapshot

\$50 billion

in Crop Protection Chemical sales

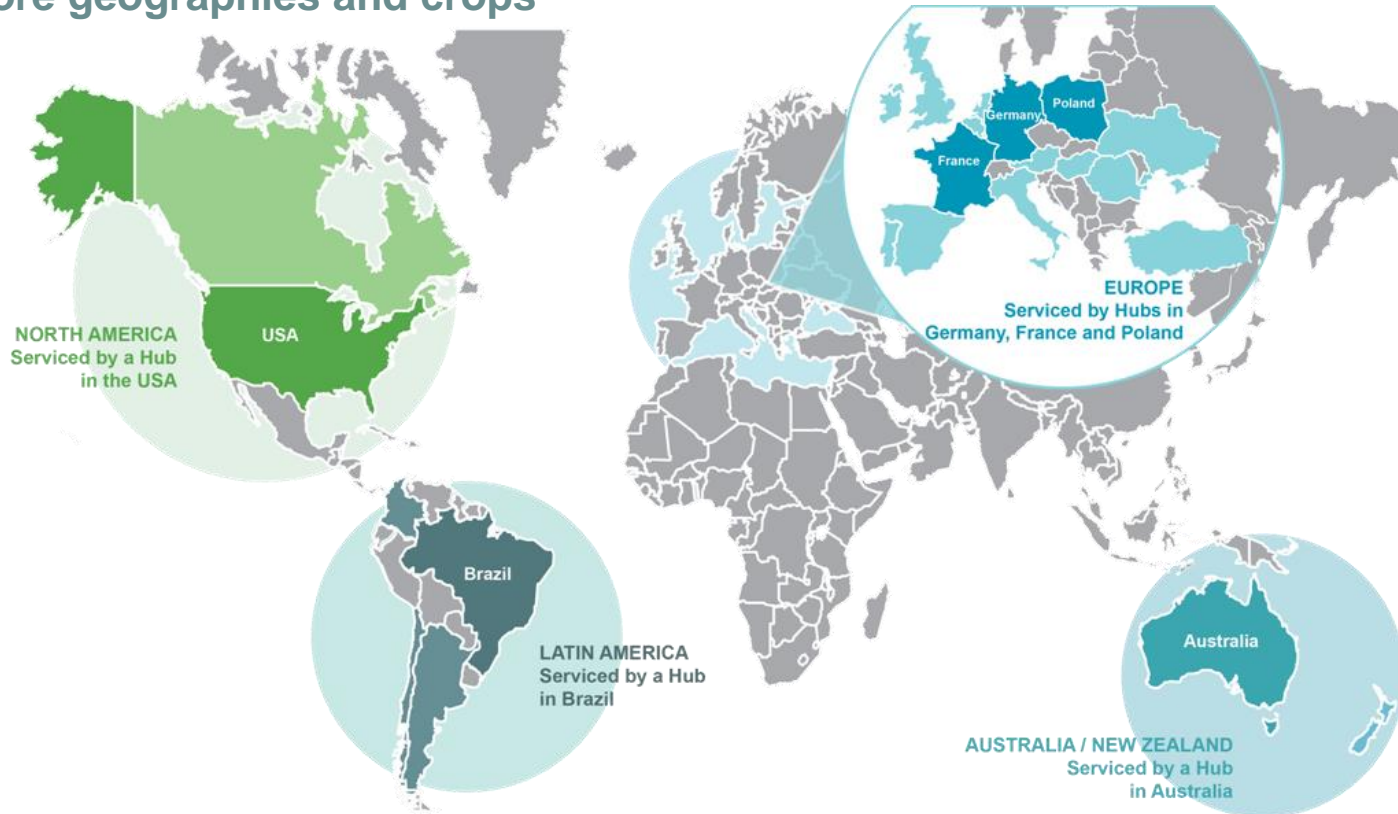
\$56 billion

total Agrochemicals sales



A focused strategy that builds on our strengths

Core geographies and crops



Pasture,
turf & ornamentals



Soybean



Cereal



Corn



Trees, nuts, vines
& vegetables

Delivering on our goals

Over the last 2 years we have achieved strong growth despite industry headwinds

Financial achievements: Delivering on commitments



- Margin expansion +300bps
- Underlying EBIT increased \$86m (43%) in FY14 to FY16
- ANWC% sales down from 47.7% in FY14 to 39.9% in FY16, releasing more than \$200m of capital
- Clear path established to deliver improved free cash flow and debt reduction
- ROFE is at 13.2% (FY16), up from 9.1% in 2014

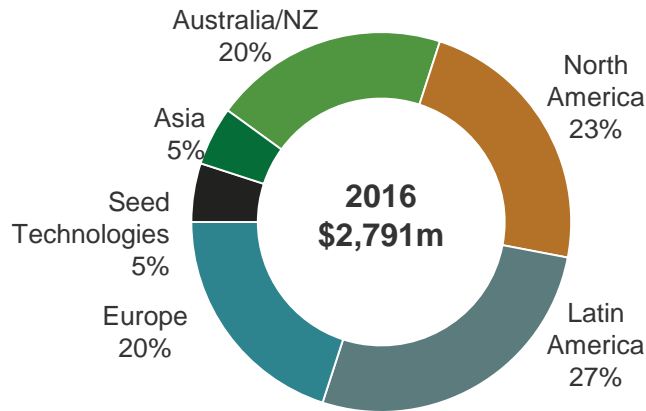
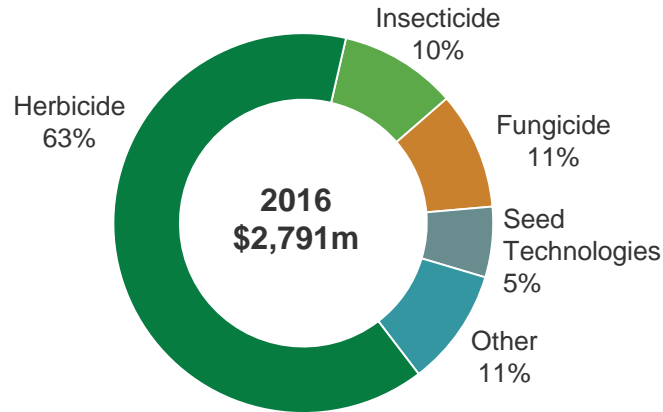
Strategic achievements: Primed for growth



- Completed strategy review – Focus on core crops and key geographies
- Performance Improvement Project on track to deliver \$116m net benefit
- Transformation being executed through the business, including:
 - manufacturing optimisation;
 - supply chain improvements;
 - rationalised product portfolio;
 - back-office efficiencies.

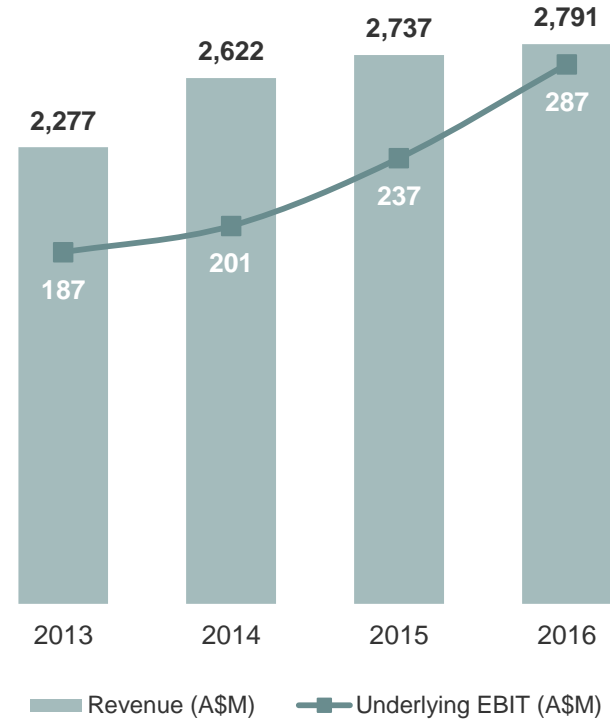


A diversified and growing revenue base



A diversified geographic and product footprint

4 year revenue & profit growth



Steady growth across our key markets


Strengthening our global supply chain



- Sales countries
- Crop protection production
- ★ Regional HQ



Supply chain excellence







Key initiatives


- Manufacturing footprint and efficiency program
- Global procurement
- Supply chain processes and systems

Business transformation investments

- Supply chain processes and systems
- Procurement systems

Portfolio revenue and margin growth

 <p>Crop plans & portfolio gaps identified</p>	 <p>Project reviews</p>	 <p>M&A opportunities</p>	 <p>Sumitomo & other strategic alliances</p>
<ul style="list-style-type: none"> • New strategy strengthens focus on key crops and key geographies, highlights portfolio gaps and investment priorities • Focus on leveraging investments into multiple core regions and crops 	<ul style="list-style-type: none"> • More efficient use of capital through centred decision making • Leveraging existing products and projects into other core countries and crops • Use of value based price positioning 	<ul style="list-style-type: none"> • Unprecedented consolidation in the sector results in forced sales of high quality assets 	<ul style="list-style-type: none"> • Aligning with technology providers without go to market capabilities • Sumitomo alliance • Working with Third Parties who are seeking to expand molecular reach

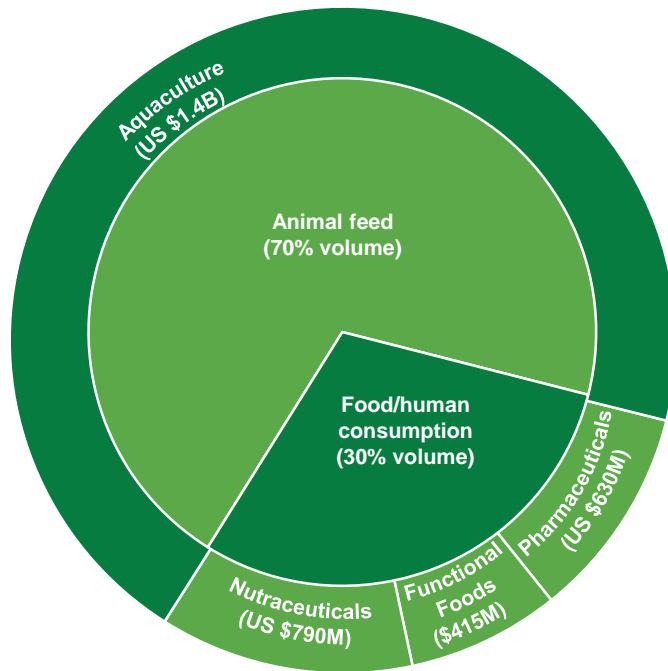
 <p>Portfolio excellence</p>	<p>Key initiatives</p> <ul style="list-style-type: none"> • Portfolio rationalisation • One Nufarm portfolio team to leverage investment globally 	<p>Business transformation investments</p> <ul style="list-style-type: none"> • Optimise annual R&D investment
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Omega-3 canola opportunity

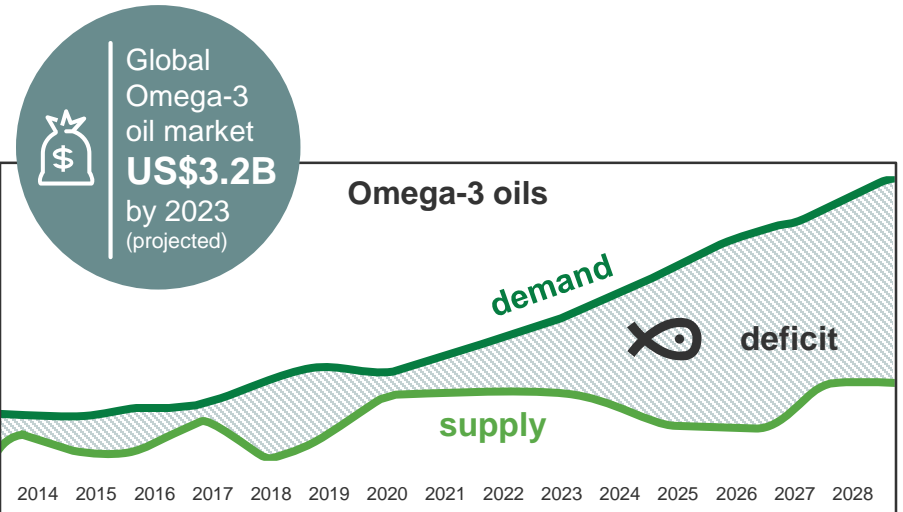


Well advanced in the development of a proprietary, sustainable and land-based source of healthy long-chain omega-3 oils

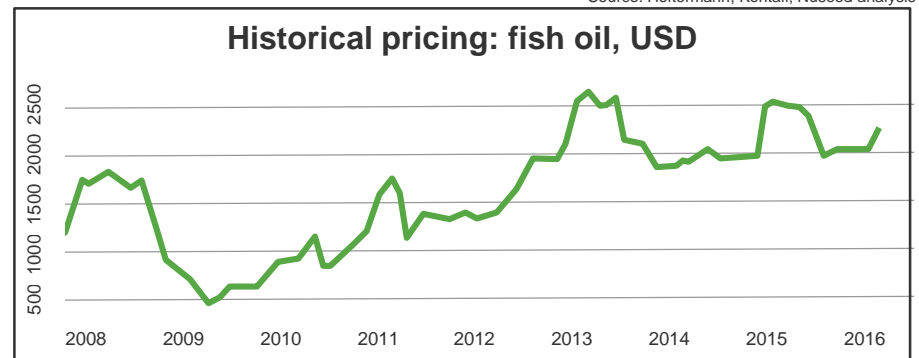
Global omega-3 market Projected value: 2023



Source: GOED, Kontali, Holtermann, Nuseed analysis



Source: Holtermann, Kontali; Nuseed analysis



Source: Oil World

Current trading conditions & outlook



Market conditions remain competitive with relatively low soft commodity prices prevailing due to high inventories and strong global crop harvests

Seasonal conditions in Australia currently above average, which should support strong plantings for the winter crop

Prolonged winter conditions in some European markets delaying sales activity, but a positive outlook remains for full year

Latin America impacted by negative market conditions in Argentina, resulting in second half 2017 regional performance coming in below the comparative period of 2016. Business in Brazil tracking well.

Excellent customer support for Nufarm's offering in North America. US business building on strong first half performance.

Stronger Australian canola segment is driving better second half performance from seed business

Interest costs are expected to be moderately lower than last year. Net foreign exchange impacts will continue to include hedging costs in Latin America.

Assuming average seasonal conditions in major markets, we expect to achieve another year of improved underlying EBIT growth in FY17

Investment outlook

Value proposition



Global manufacturing, marketing and distribution platform



Diversified business across geographies and products. Established positions in key agricultural markets and segments.



Valuable differentiated product portfolio with proven expertise in bringing new products to market. Positioned to build on our strength in core crops and countries.



Established strategic alliances and commercial relationships with major industry participants



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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