

## news | Nufarm's exclusive distribution rights

12 February, 2002

### Monsanto Appoints Nufarm as its Exclusive Distributor of Roundup

Nufarm (ASX: NUF) and Monsanto (NYSE: MON) announced today that they have signed a Memorandum of Understanding in which Monsanto will appoint Nufarm as its exclusive distributor for the *Roundup* family of herbicides in Australia and New Zealand. Nufarm also has agreed to purchase Monsanto's selective chemistry business in Australia and New Zealand.

The proposed agreement is subject to approval by the Australian Competition and Consumer Commission, (ACCC). The companies hope to secure ACCC approval in order to finalise the agreement as soon as possible.

Nufarm's Managing Director, Mr Doug Rathbone, said, "the proposed agreement will result in significant costs savings associated with the distribution and sales of the companies' products. The crop protection market is very competitive and this agreement will enable Monsanto to deliver its *Roundup* brand of herbicides to farmers in Australia and New Zealand more efficiently."

Monsanto's Australia Managing Director, Mr Terry Bunn, said the transaction would combine Nufarm's distribution and sales strengths with Monsanto's product development and marketing capabilities. "Monsanto will also be able to focus its efforts on the development and marketing of its expanding range of biotechnology related products, such as Ingard and Bollgard Cotton, Roundup Ready Cotton and Roundup Ready Canola," said Mr Bunn. "This agreement will enable Monsanto to invest in new technology that will improve productivity for farmers in Australia and New Zealand."

The two companies have had a supply relationship in Australia and New Zealand since the 1980's when Nufarm began sourcing the active molecule "glyphosate" to formulate its own brands. "This agreement strengthens that supply relationship by adding the *Roundup* brand of herbicides to the products offered by Nufarm," Mr Rathbone said.

Mr Rathbone commented that Nufarm will be able to increase sales while spreading its costs over a larger portfolio with greater efficiency. Nufarm will continue to supply its own brands of glyphosate based herbicides.

He said the acquisition of Monsanto's selective chemistry business will strengthen Nufarm's existing range of crop protection products.

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