



2005 Year End Results

Doug Rathbone

Managing Director

Headline Results

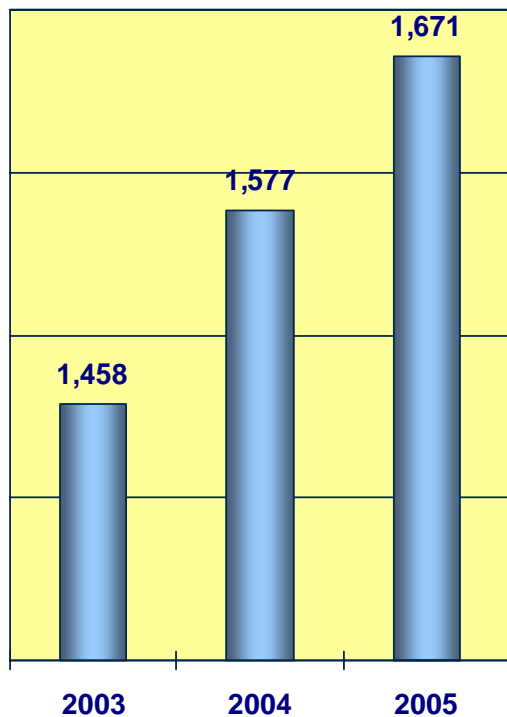


	2005 12 mths to July 31	2004 12 mths to July 31
Group revenues up 5%	\$1.67 billion	\$1.58 billion
Operating profit up 35%	\$103.5 million	\$76.5 million
Earnings per share up 29%	61.2 cents	47.3 cents
Full year dividends up 13%	26 cents	23 cents
Return on funds employed	17.4%	15.7%

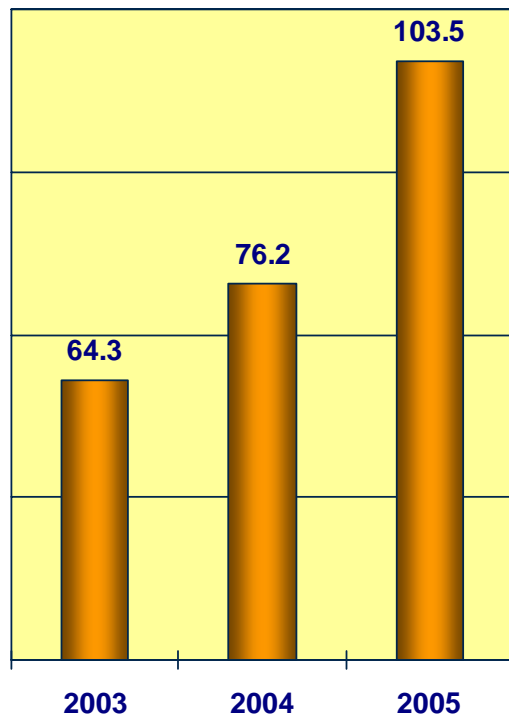
Income



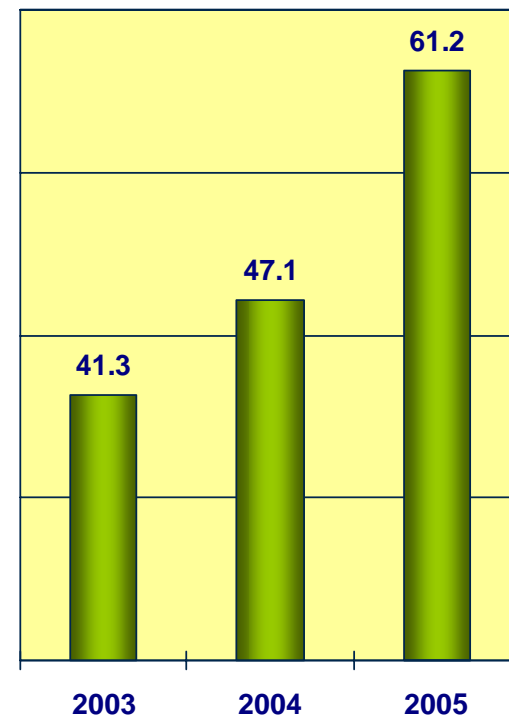
Group Revenues \$m



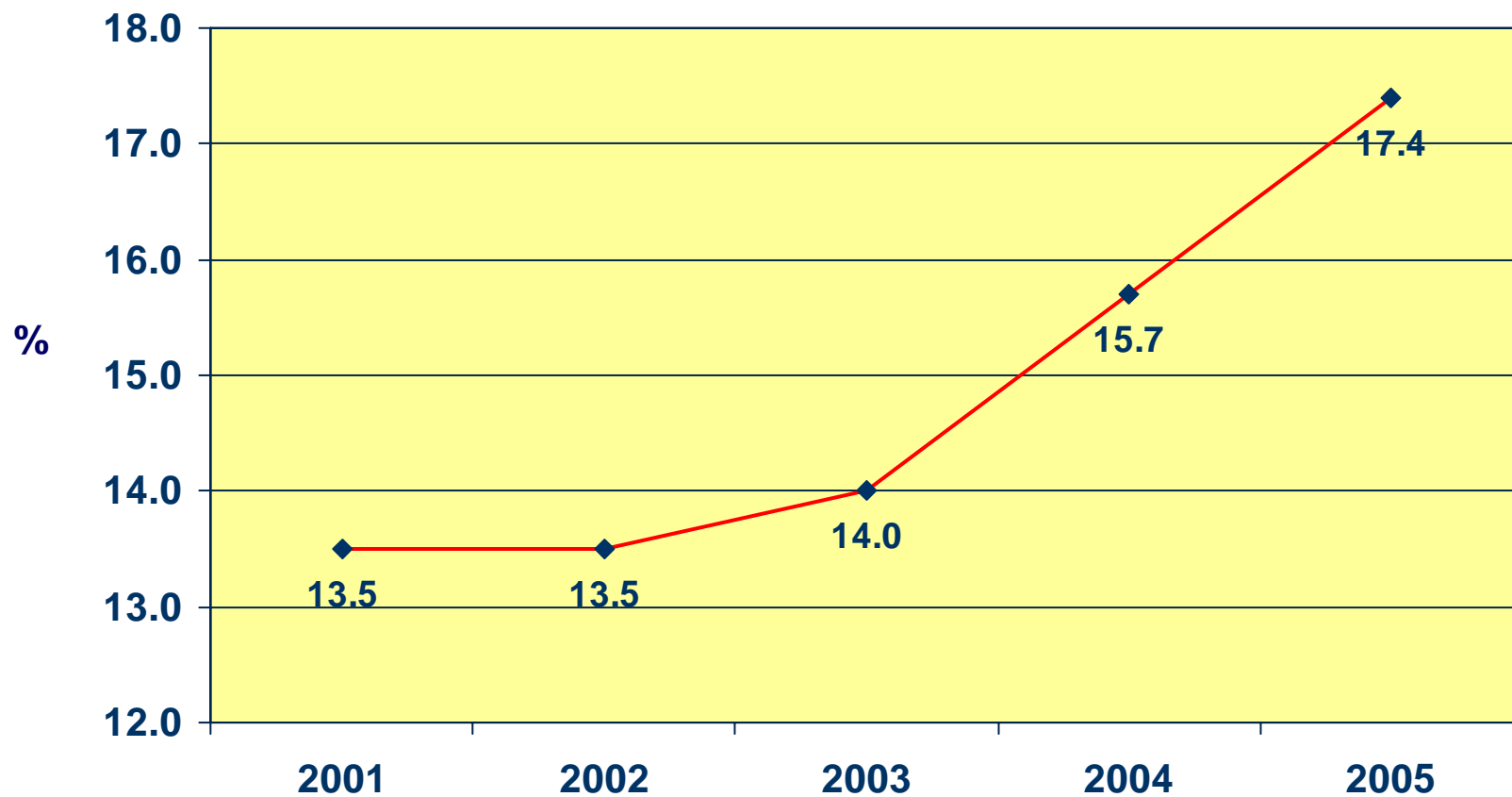
Operating Profit \$m



Earnings / Share ¢



Return on Average Funds Employed

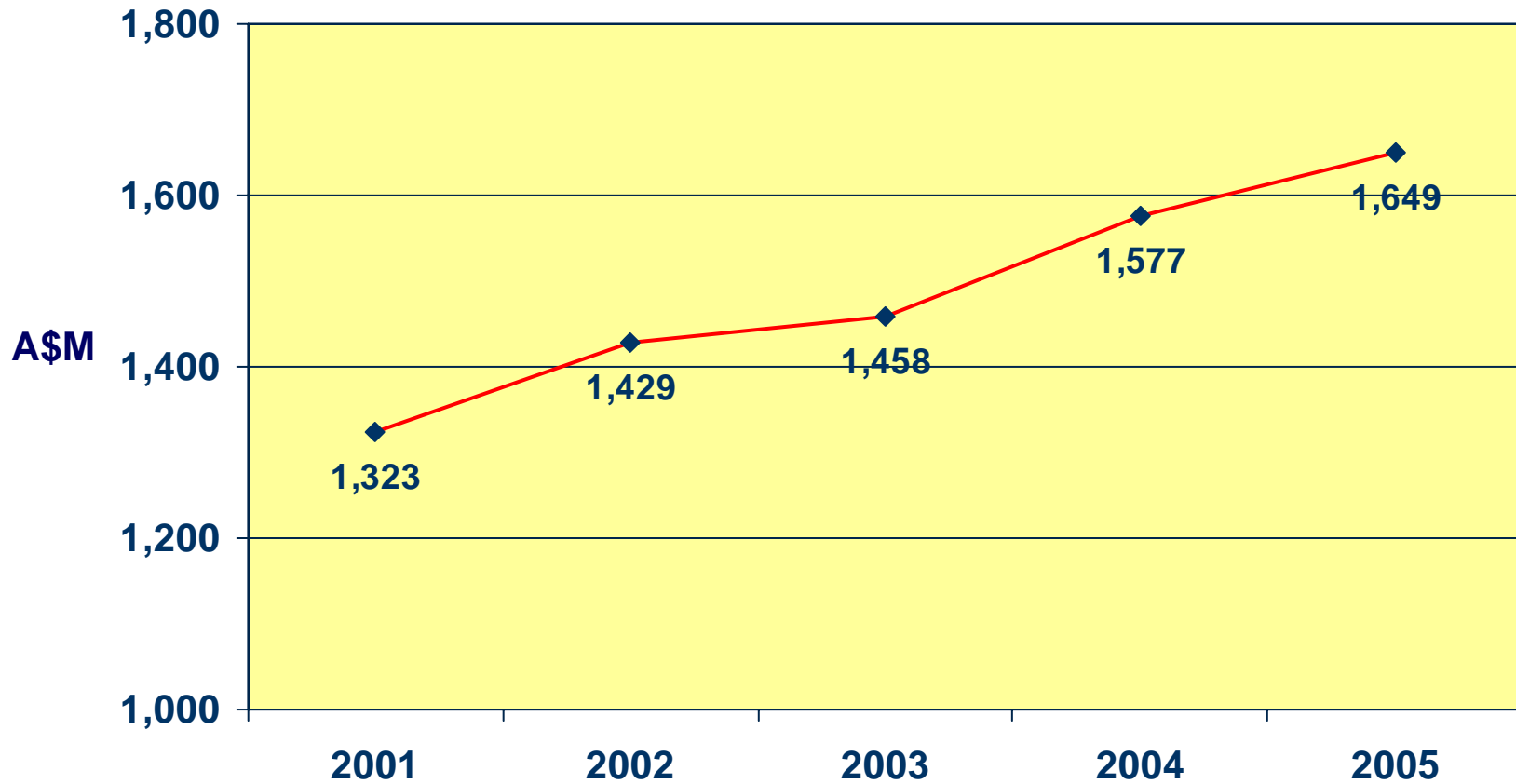




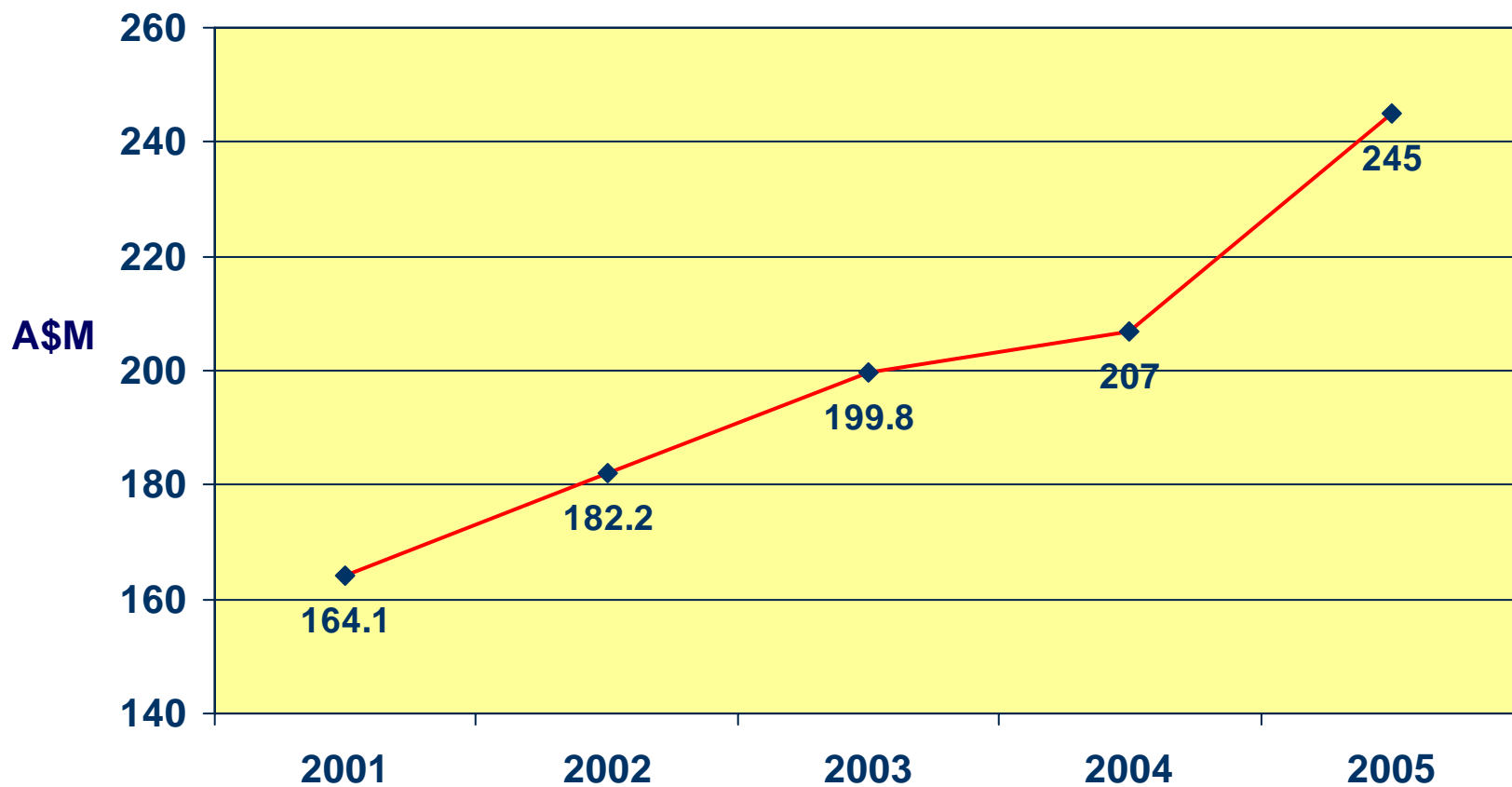
Kevin Martin

Chief Financial Officer

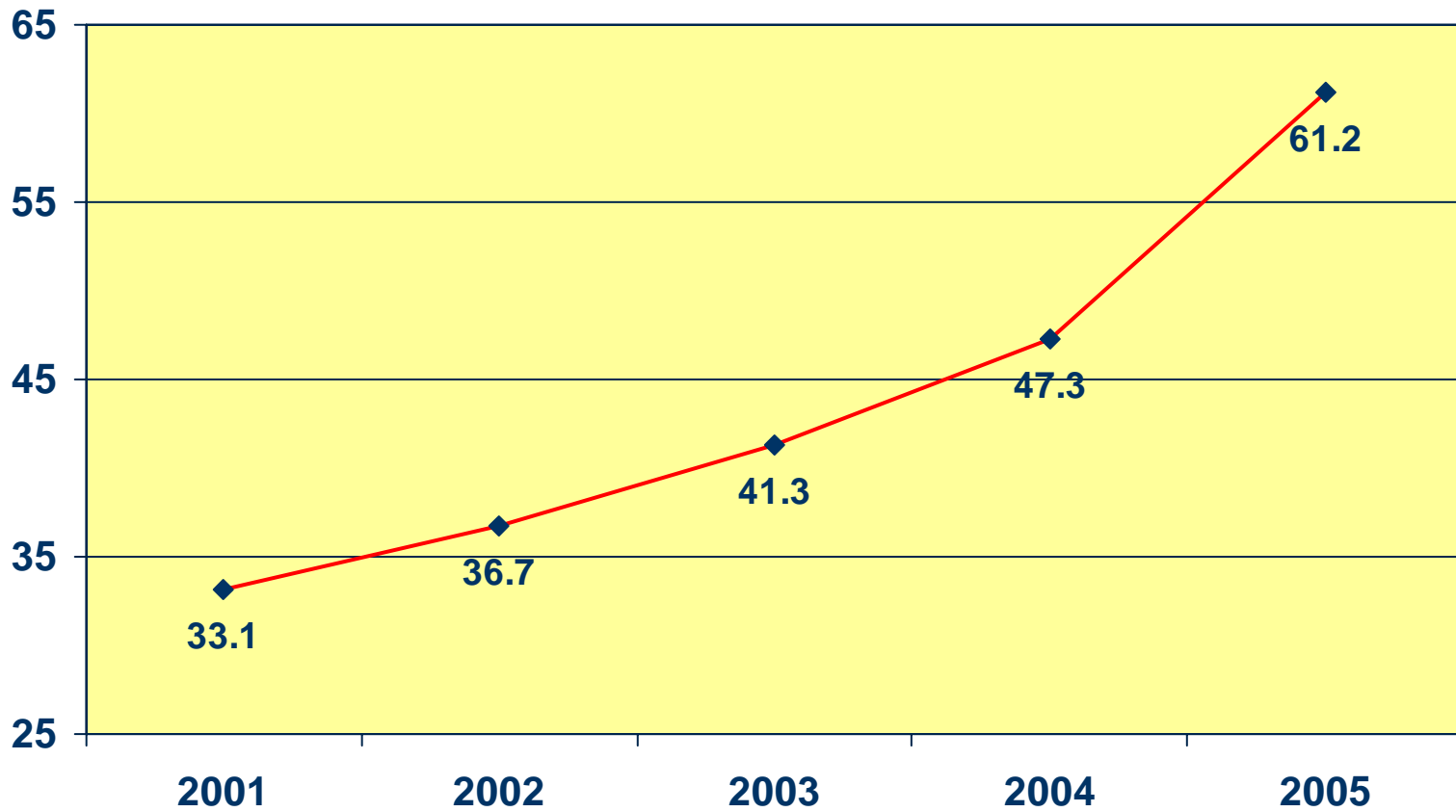
Sales



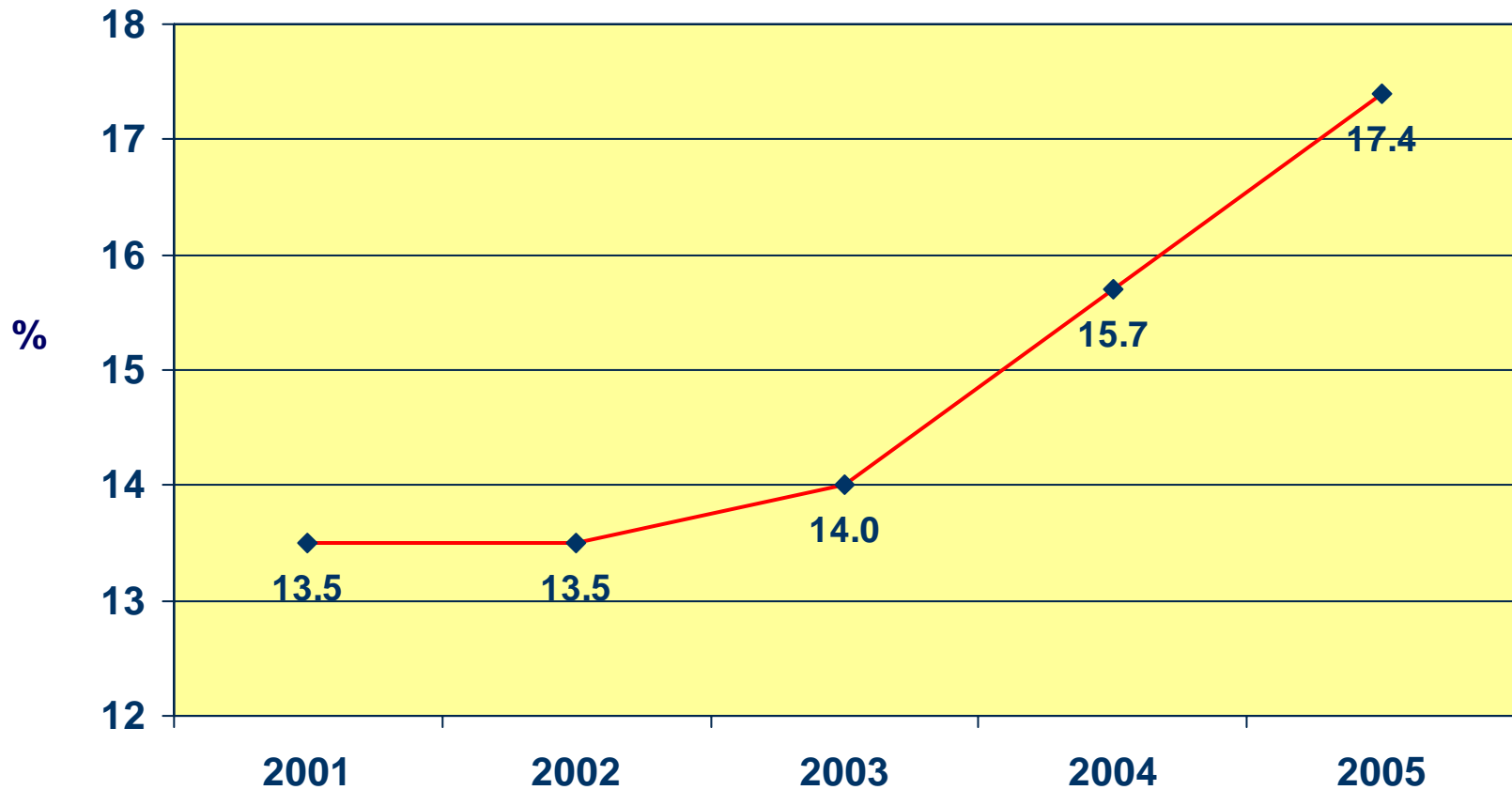
EBITDA



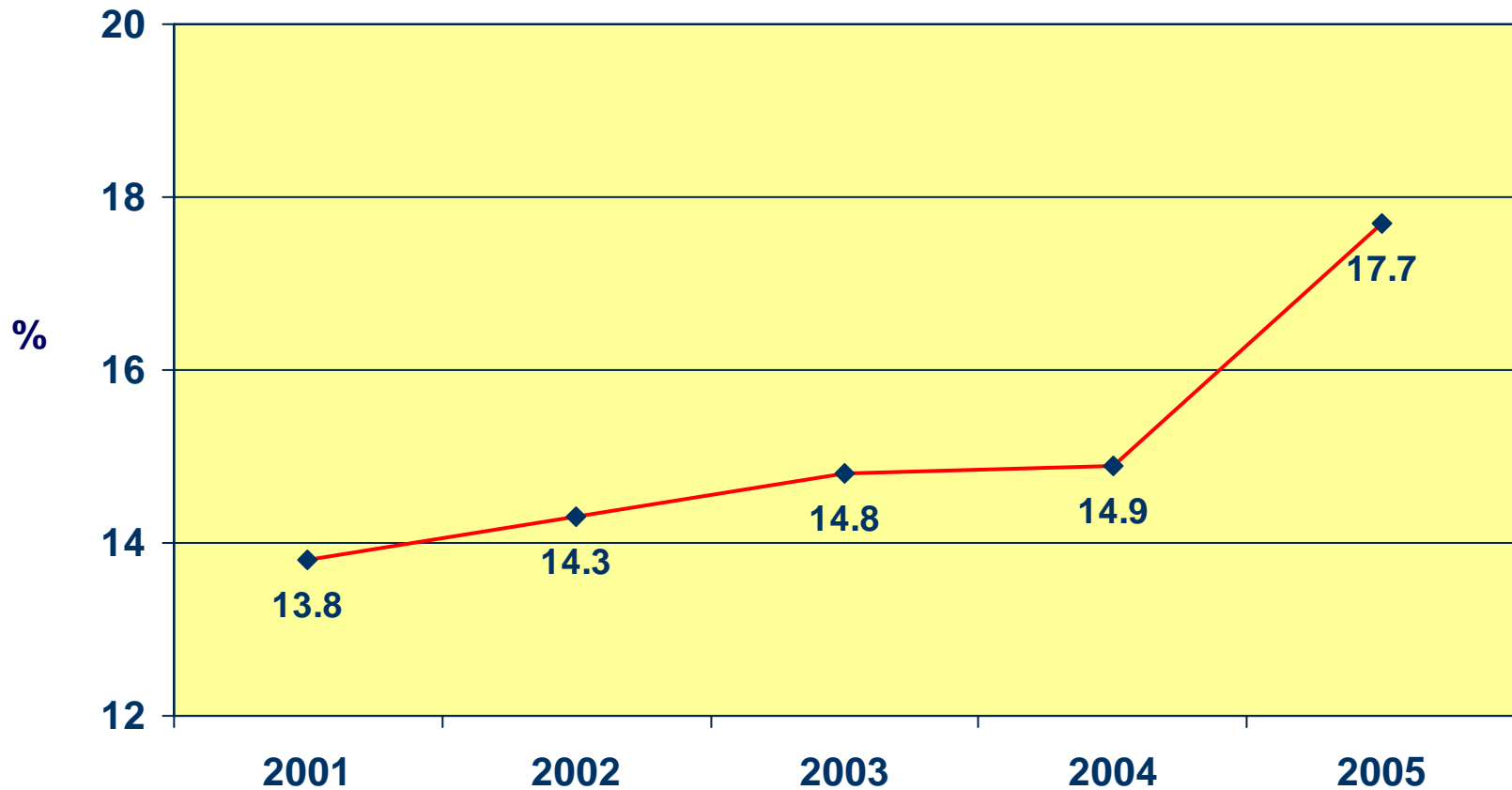
Earnings per Share



Return on Average Funds Employed



Op Profit after Tax to Ave Shareholder Funds



Analysis of profit growth



	Profit after tax
Result 2004	76.2
LESS Business disposed in 2005	<u>(5.0)</u>
	71.2
ADD Agripec	<u>19.1</u>
	90.3
Core business improvement	<u>13.2</u>
	103.5
Non-operating items	<u>0.8</u>
	<u>104.3</u>

- **Gross margin \$ flat between years**
 - Lower gross profit % (41% to 38%):
 - Asia;
 - Argentina; and
 - Higher glyphosate tech costs
- **Cost savings across Group**

Operating Margin Comparison Crop Protection		
	2005	2004
Crop protection sales	1,580,789	1,452,861
Operating result per segment note	191,915	163,468
Percentage	12.1%	11.3%
Exclude Agripec	22,611	
	169,304	163,468
	10.7%	11.3%

Agripec result



	1 st half	2 nd half	Full yr
Operating profit before tax	25.9	11.6	37.5
Goodwill	<u>(4.0)</u>	<u>(3.8)</u>	<u>(7.8)</u>
Profit before tax	21.9	7.8	29.7
Tax	<u>(3.5)</u>	<u>(3.6)</u>	<u>(7.1)</u>
Profit after tax	18.4	4.2	22.6
Interest after tax	<u>(0.2)</u>	<u>(3.3)</u>	<u>(3.5)</u>
Profit share to Nufarm after tax	<u>18.2</u>	<u>0.9</u>	<u>19.1</u>



Net working capital

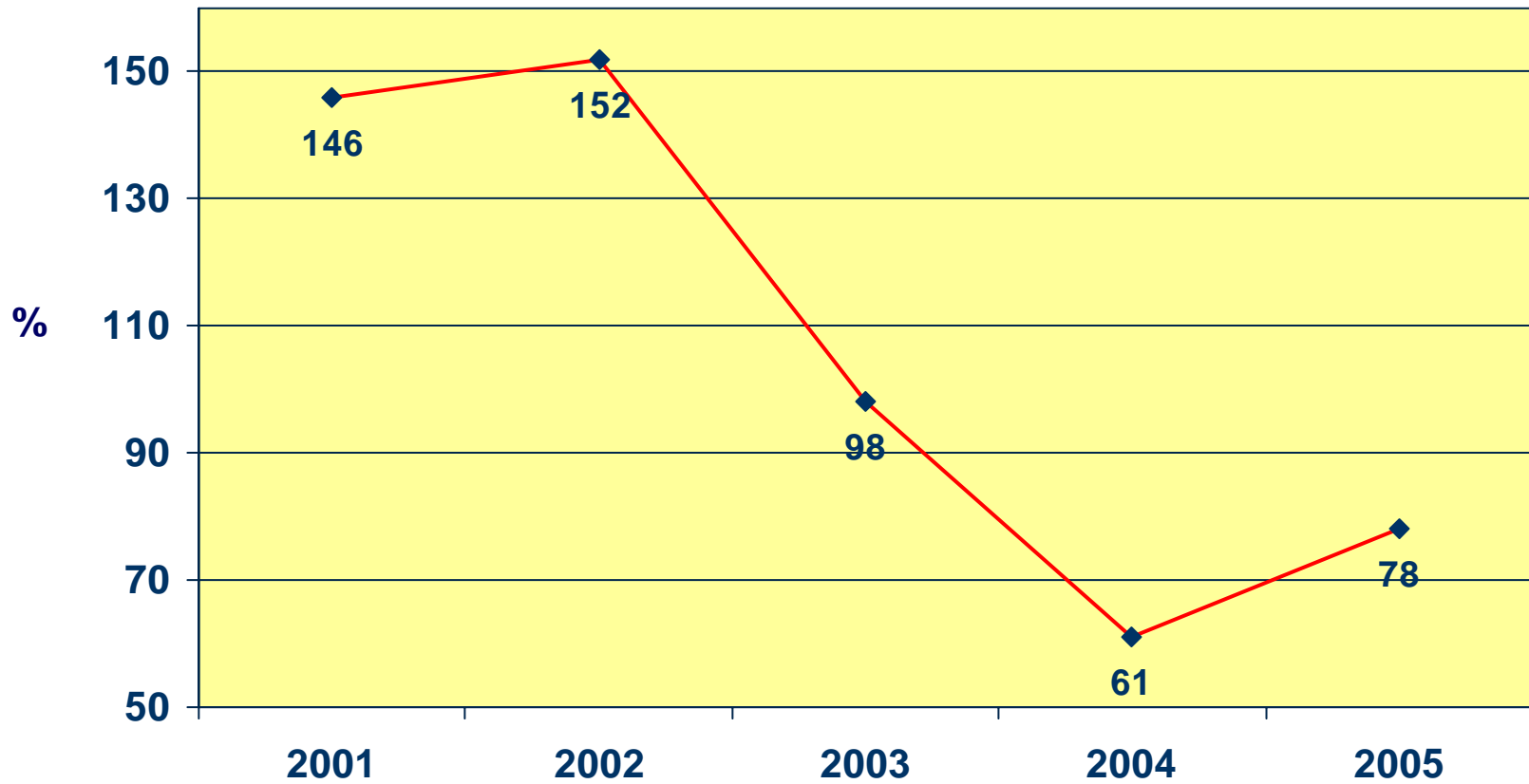
July 2004	266.7
LESS sold business	<u>(17.7)</u>
	249.0
July 2005	<u>317.5</u>
	<u>68.5</u>
Australia	60.0
Americas	20.0
Europe	<u>(12.0)</u>
	<u>68.0</u>

Funds from operations



Funds from operations 2004		203.0
LESS Securitisation utilisation movement		
2004 increase	63	
2005 decrease	<u>6</u>	(69.0)
LESS working capital movement 2005		<u>(68.0)</u>
		66.0
NET all other differences		<u>(3.0)</u>
		<u>63.0</u>

Group Gearing





- **Applies July 2006**
- **Restate balance sheet 2005**
 - **Opening balance sheet August 2004**
 - **Restate July 2005 profit**
- **No impact on cash flow**
- **No major impact on balance sheet**
- **Increase future operating earnings compared to AGAAP**

Operating earnings



AGAAP July operating	103.5
PLUS non-operating items	<u>0.8</u>
	104.3
AIFRS adjustment	
Goodwill amortisation	18.4
Staff share payments	(0.7)
Reverse intangible write-off	<u>2.8</u>
AIFRS headline result	124.8
Non-operating items	<u>(3.4)</u>
OPERATING RESULT	<u>121.4</u>

Balance sheet items



	Impact on July 2005 Balance Sheet
Recognise defined benefit pension plan	(17.9)
Staff share-based payments	0.6
Intangible asset amortisation	18.4
Adjustment to minority interests	(0.2)
Adjustment to tax assets	<u>(0.5)</u>
	0.4
Net equity AGAAP	<u>616.6</u>
Net equity AIFRS	<u>617.0</u>

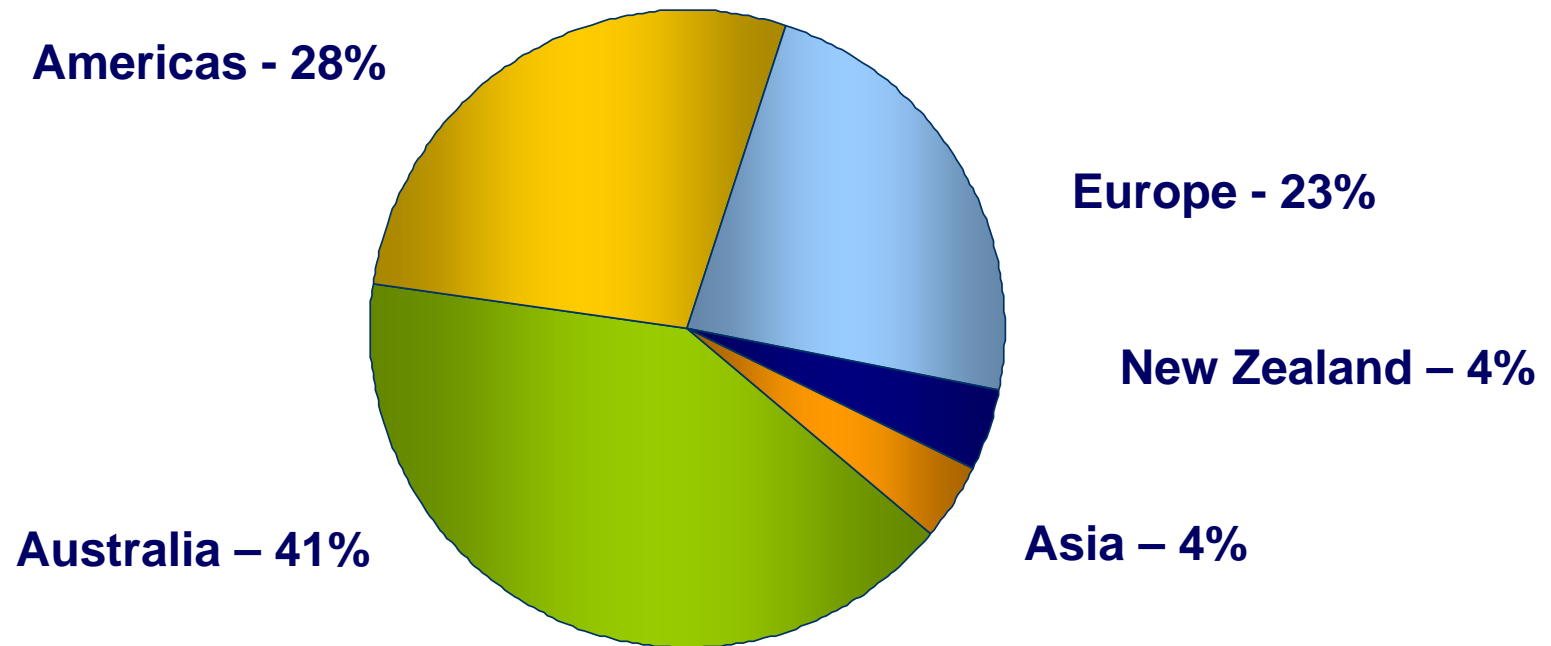
Doug Rathbone

Managing Director

Major Drivers:

- **Revenue and profit growth in major overseas markets**
- **'Robust' performance from Australian business**
- **Significant contribution from Agripec / Brazil**
- **Margin pressure – higher input costs, but good cost control**
- **Non core business divestments complete**

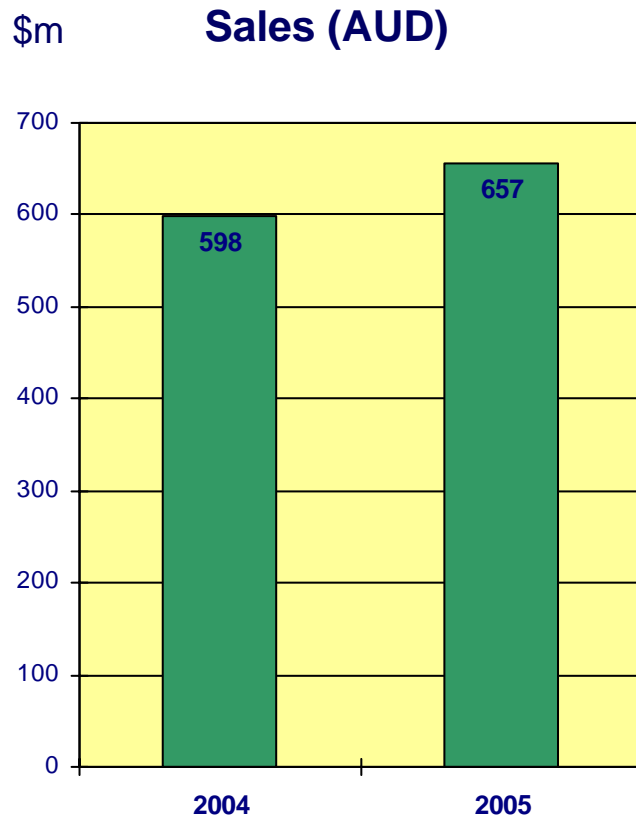
Nufarm Sales by Geography - 2005



Total sales - \$1,581 million

Regional Markets Review

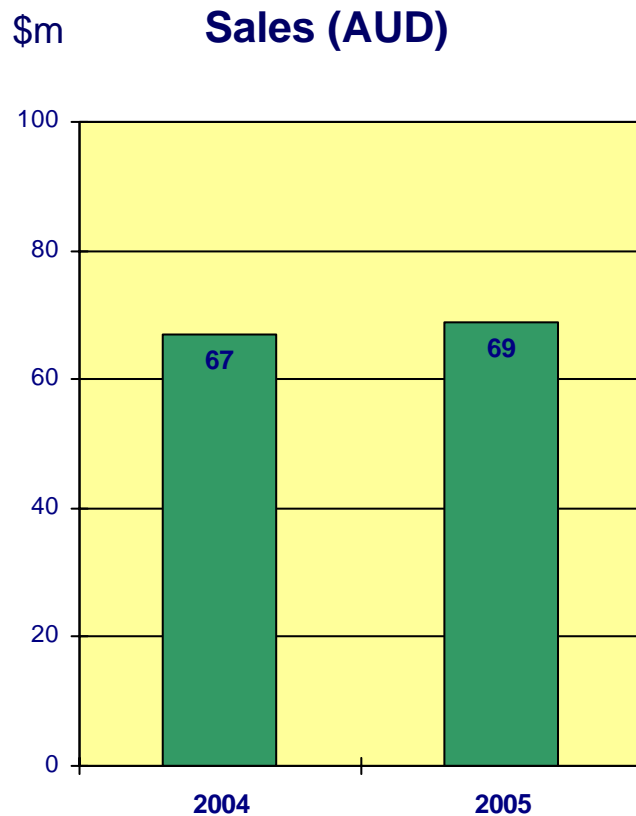
Australia



- **Seasonal impacts**
 - Good summer cropping
 - Top season in the West
 - Late break in other regions
- **Full year of BASF products**
 - Strong growth in horticulture
 - Excellent position in cereal fungicides
- **Margin pressure**
 - Higher input costs (inc. glyphosate tech)
 - Competitive pressures
 - Costs under control

Regional Markets Review

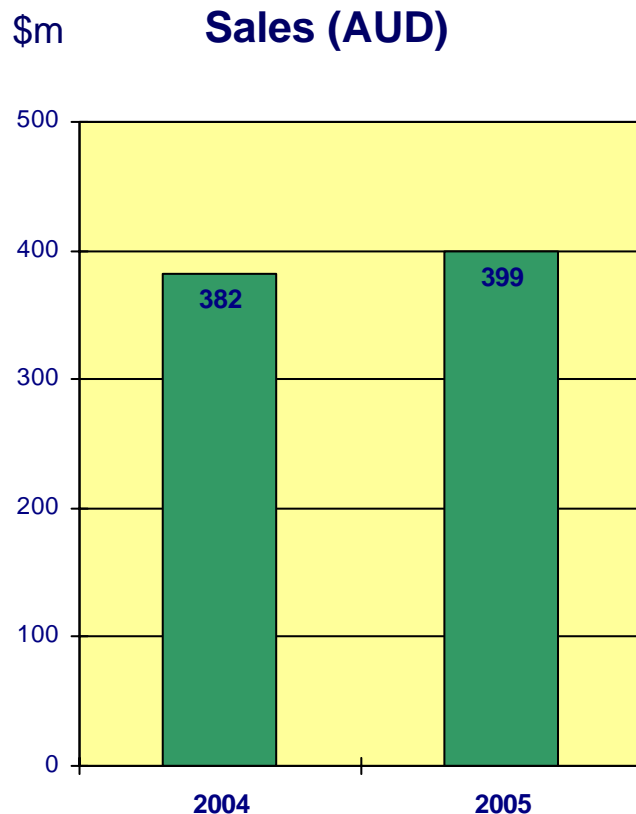
New Zealand



- Dry autumn restricted agchem inputs into pasture
- Increased competition at supply end
- Significant consolidation in distribution
 - PGG Wrightson with 50% share

Regional Markets Review

North America

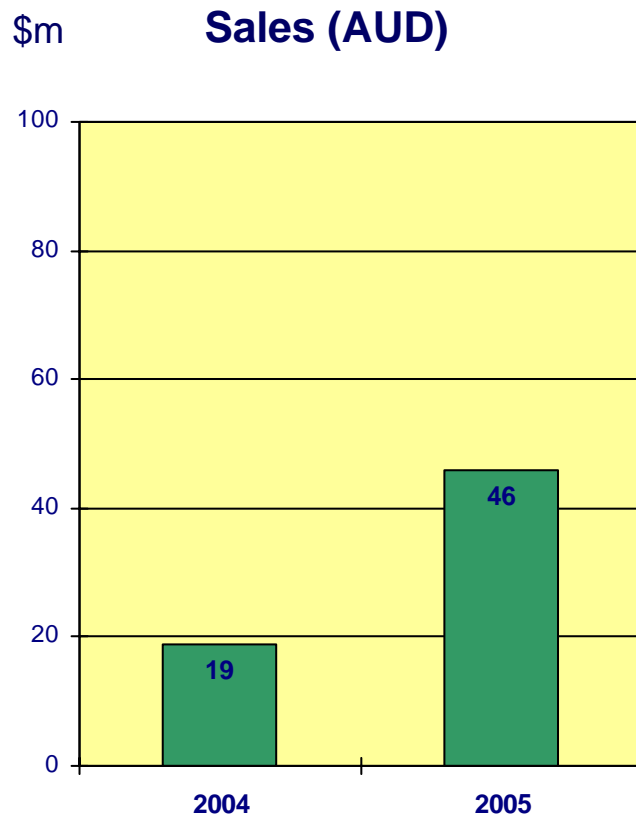


- **Product mix and margin growth drives higher profit in Canada**
- **15% sales growth in US (local currency)**
- **Volume and market share gains in US**
 - Ag: excellent support from distribution channel
 - Turf: strong growth in formulation / IVM segments

Regional Markets Review

South America

(excludes Agripec)



■ Increased business in South America

- Argentina: broader product portfolio; margin pressure
- U46 brand triples phenoxy sales in Brazil
- Growth in Chile; Colombia

Regional Markets Review

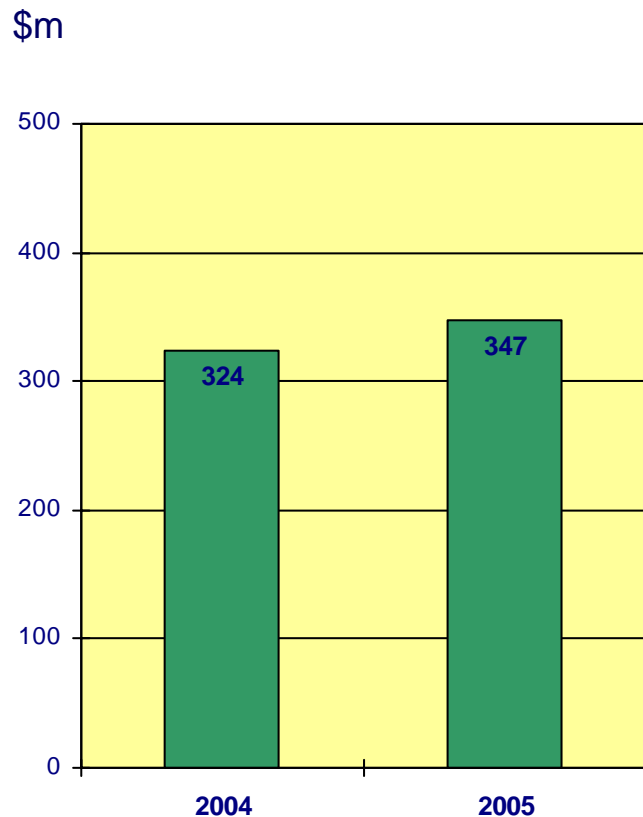
Agripec / Brazil

- **Net profit contribution is significant**
- **Management integration and reporting systems now in place**
- **Excellent platform for growth in Brazil**

A tale of two halves		
Impacts	Aug – Dec 2004	Jan – July 2005
Economic	<ul style="list-style-type: none"> ▪ USD exchange rate: R3.05 ▪ Soybean price: R53 per bag ▪ No credit issues 	<ul style="list-style-type: none"> ▪ USD exchange rate: R2.37 ▪ Soybean price: R32 per bag ▪ Collections at historic lows
Seasonal	<ul style="list-style-type: none"> ▪ 6.4% increase in soybean plantings ▪ Climatic conditions raise expectation re Asian Rust ▪ 40% growth in demand for fungicides → Asian Rust 	<ul style="list-style-type: none"> ▪ 13% decrease in corn plantings ▪ Severe drought in Southern States ▪ Substantial stocks of fungicides remain in stock

Regional Markets Review

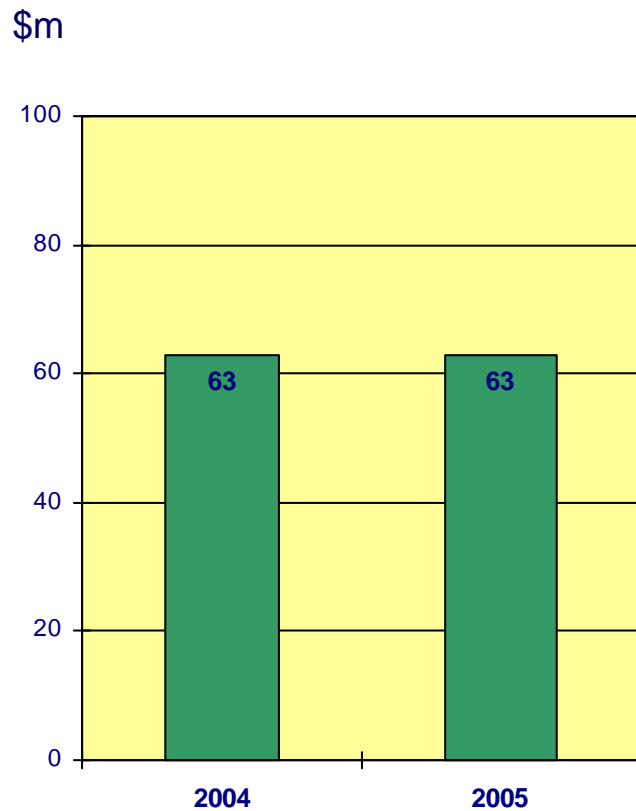
Europe



- Sales up 18% in France; excellent progress on realignment of business
- Strong growth in Germany driven by higher fungicide sales
- Broader product range in UK
- Drought in Spain/Portugal, but marginal growth for Nufarm

Regional Markets Review

Asia



- Lower sales into Asia from other regional businesses
- Increased sales generated by Asian businesses
- Margins in Indonesia impacted by changes to regulatory system

In summary:

- **Strong result reflects benefits of expanding global platform**
- **Margins slipped and are a key focus going forward**
- **Nufarm in an excellent position to capitalise on future growth opportunities**

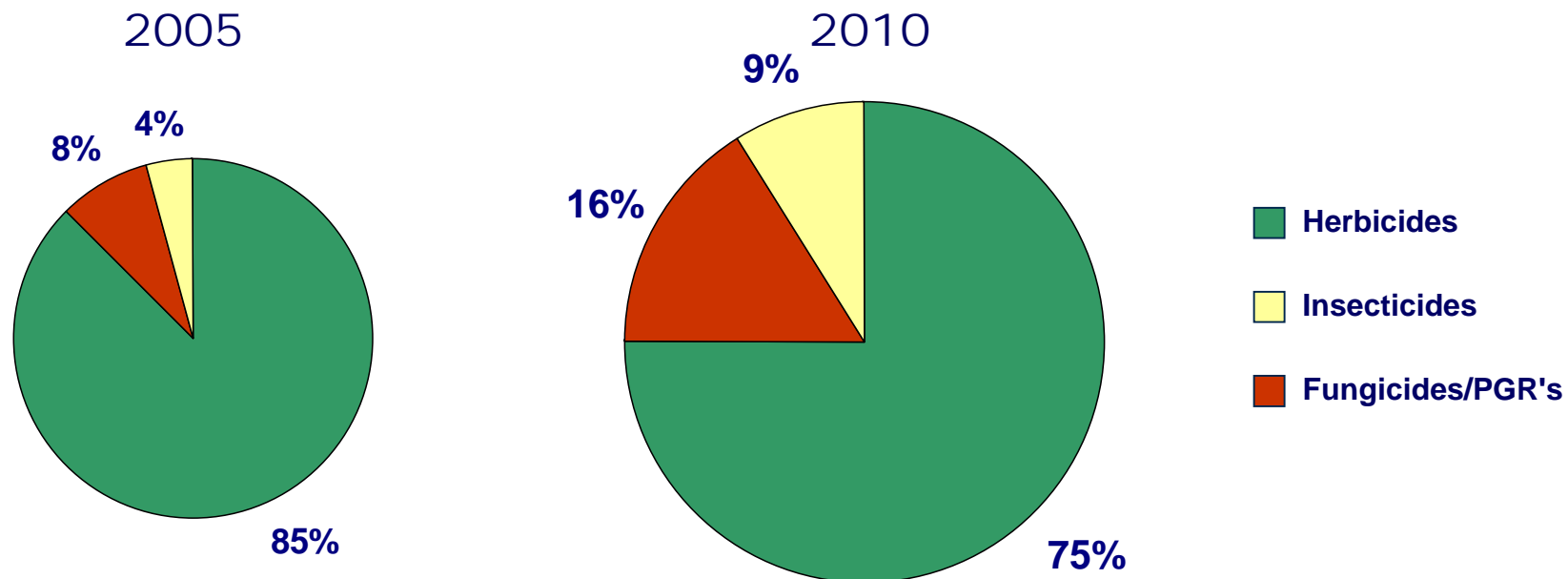
Brian Benson

Group General Manager, Agriculture

Growth strategy firmly in place

- **Building the platform**
- **Expanding the portfolio**
- **Driving margin improvement**
- **Establishing the brand**
- **People / management structures**

Nufarm growth & diversification objectives



2005 → 2010

- Double insecticide \$ sales
- Three fold increase in fungicide \$ sales

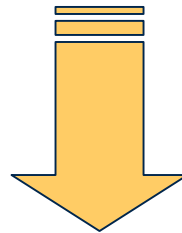
Global development projects

Product Category	Herbicides	Fungicides	Insecticides
2006 product introductions	5	3	4
% of 'new' sales to 2010	31%	33%	36%

Doug Rathbone

Managing Director

- **Stronger contributions anticipated from all regions**
- **Agripec well placed to deliver growth**



10% earnings growth target very achievable

