

Interim Results

6 months to January 31, 2007

March, 2007



Doug Rathbone
Managing Director

Interim results to January 31, 2007



- Profit result is in line with guidance at AGM
- Tough period for Australia
- Improving confidence in Brazil
- Quiet period in North America / Europe
- Strong growth drivers for agriculture, going forward

Interim results 2007



	1H 2007 \$m	1H 2006 \$m
Group Sales	580	603
Operating profit	13.9	32.7
Non operating items	2.0	1.5
Reported result	15.9	34.2
Agripec contribution	13.7	18.3
Interim dividend	11.0 cents	10.0 cents

Kevin Martin
Chief Financial Officer

Headline analysis



Profit after tax

	2007	2006
Profit as reported		
Continuing operations	11.5	23.8
Discontinued operations	4.4	10.7
Minority interest	-	-0.3
Total	15.9	34.2
Non operating items	-2.0	-1.5
Operating profit	13.9	32.7
Agripec contribution	13.7	18.3
Nufarm contribution	0.2	14.4

Operating profit pre agripec contribution



	2007	2006	Difference			
Profit from operations	14,694	26,072				
Add head office costs	13,148	14,923				
	<u>27,842</u>	<u>40,995</u>	-13,153			
Add/(deduct) material items	-3,436	7,207	-10,643			
Regional operating profit	<u>24,406</u>	<u>48,202</u>	<u>-23,796</u>			
				GP	Exp	Total
Australasia	22,048	44,125	-22,077	-20	8	-12
Americas	1,714	88	1,626	6	-5	1
Europe	644	3,989	-3,345	-8	-5	-13
	<u>24,406</u>	<u>48,202</u>	<u>-23,796</u>	<u>-21</u>	<u>-2</u>	<u>-23</u>

Profit reporting Agripec financial year

December, R1 millions	2006	2005	2004
Cash	59	44	63
Net working capital	243	343	242
Fixed assets	70	68	42
Other assets	85	79	28
Borrowings	-28	-85	-9
Other liabilities	-55	-86	-127
Net assets	374	362	239
EBITDA	<u>7</u>	<u>78</u>	<u>225</u>

Profit reporting Nufarm financial year

AUD millions

	1st half	2nd half	Total
2005	22.4	8	30.4
2006	18.3	-9.8	8.5
2007	13.4	0.7	14.1

Second half 2006

- **Currency appreciation**
- **Low commodity price**
- **Credit crisis**
 - Discounts
 - Product returns

Second half 2007

- **'Stable' currency**
- **High commodity price**
- **Confidence high**
- **Government fund to acquire old debts**

Working Capital



Increase /<decrease>
between years

\$ millions

	Inventory	Receivables	Payables	Total
Australia	43	27	17	87
New Zealand		-43		-43
Europe	16	22	15	53
Americas	4	15	24	43
	63.2	20.7	56.8	140

Doug Rathbone
Managing Director

6 months in review

AUSTRALIA

- **Reduced post-emergent activity**
- **Summer cropping - worst in 20 years**
- **Some margin pressure**
- **Signs of recovery in January**

Interim results 2007



6 months in review

NORTH AMERICA

- **Sales up on previous first half**
- **Well positioned for major selling period**
- **New products meeting early expectations**

Interim results 2007



6 months in review

SOUTH AMERICA

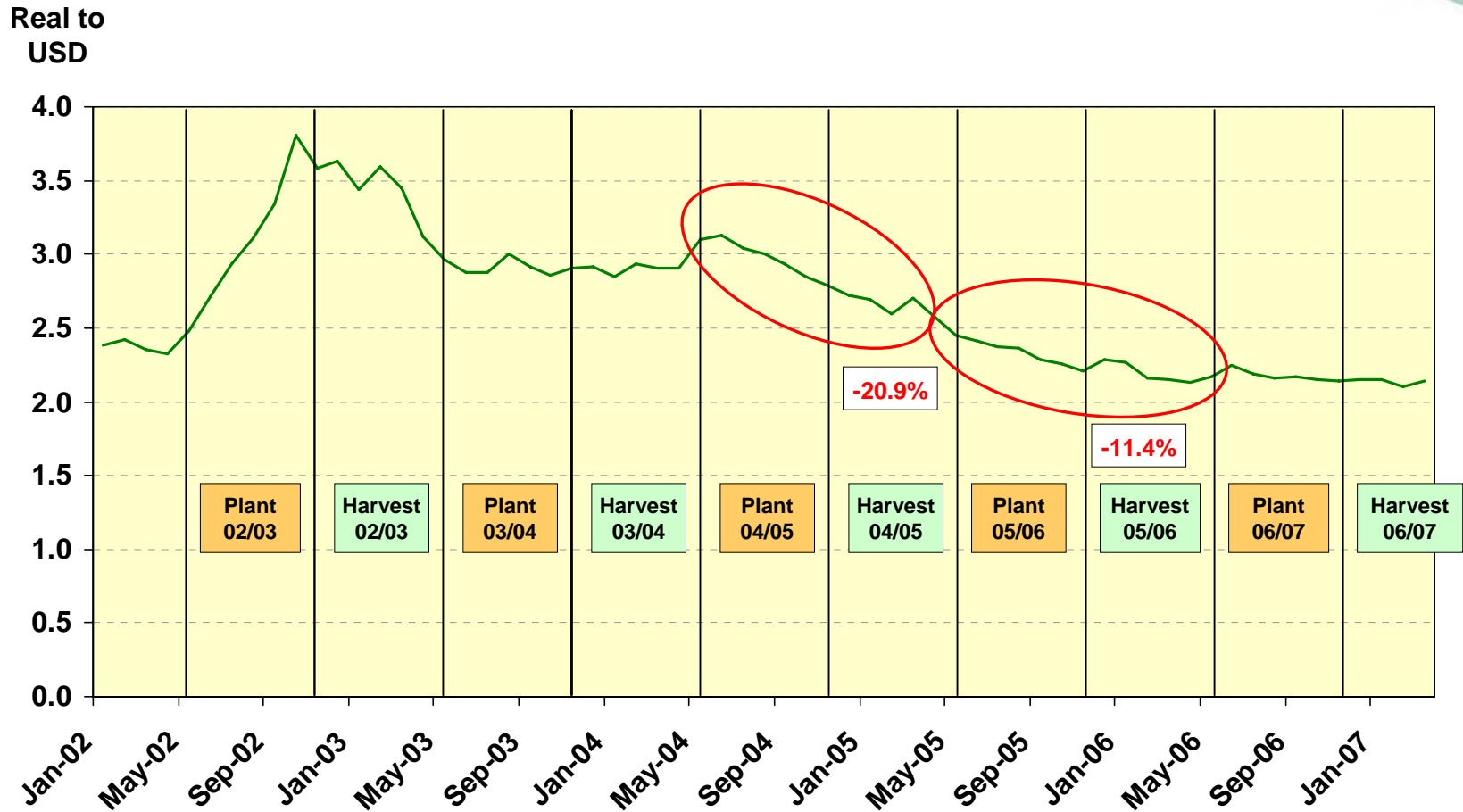
- **Strong sales growth and profit improvement in Argentina**
- **Initial full first half contribution from Agrogen (Colombia)**
- **Sales growth in Chile**

6 months in review

AGRIPEC / BRAZIL

- **Improved 'macro' conditions**
 - **Currency more stable**
 - **Good season**
 - **Higher commodity prices**

Exchange rate impact on grower returns



6 months in review

AGRIPEC / BRAZIL

- **'Risk averse' selling**
- **Increased confidence re collections**
- **Commenced 'barter' trade**

6 months in review

EUROPE

- **Mild winter**
- **Sales growth in all markets**
- **Central / Eastern Europe - good progress**
- **Italian acquisition good platform for further growth**
- **Timing and product mix impacted margins; start up costs of new businesses**

Current trading conditions
Outlook to year end

Outlook - Full year 2007

AUSTRALIA

- **Improved sentiment / cause for optimism**
- **Strong rebound if conditions allow**
- **Well positioned to take advantage**
- **Margin recovery anticipated in second half**

Outlook - Full year 2007

NORTH AMERICA

- **Buoyant ag sector (corn/ethanol impact)**
- **Seasonal conditions positive**
- **Continued growth in turf/specialty**

Outlook - Full year 2007

BRAZIL

- **Payments outlook much improved**
- **'Safrinha' (small season) plantings strong**
- **Product portfolio expansion continues**

Portfolio expansion

- **10 new product introductions in 07/08**
- **Additional opportunities in corn, cotton, wheat and pasture**
- **Sugar cane portfolio now a priority**

Outlook - Full year 2007

EUROPE

- **Good season anticipated**
- **Additional products**
- **Romania/Eastern Europe sales growth**

Outlook in summary

- **Seasonal conditions expected to be positive**
- **Australia will need strong rebound**
- **US and Europe set to meet growth targets**
- **Agripec to approx 'break even' in second half**

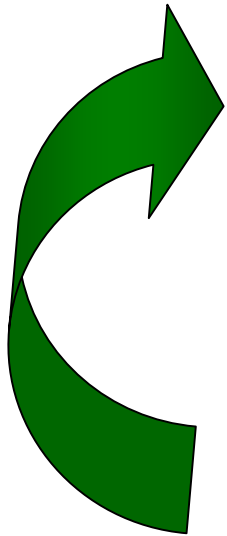
Interim results 2007



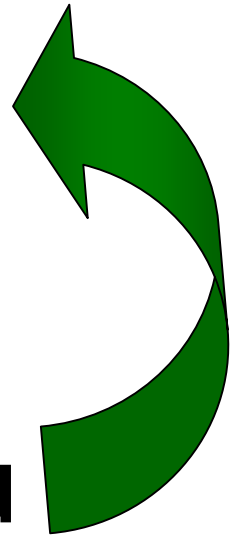
Guidance: Unchanged

Headline profit:	<u>Approx</u>	<u>\$160m</u>
Profit on chlor alkali:		\$24m
Operating profit:		136m (inc NSS interest benefit)

Agriculture
Sustainable growth drivers



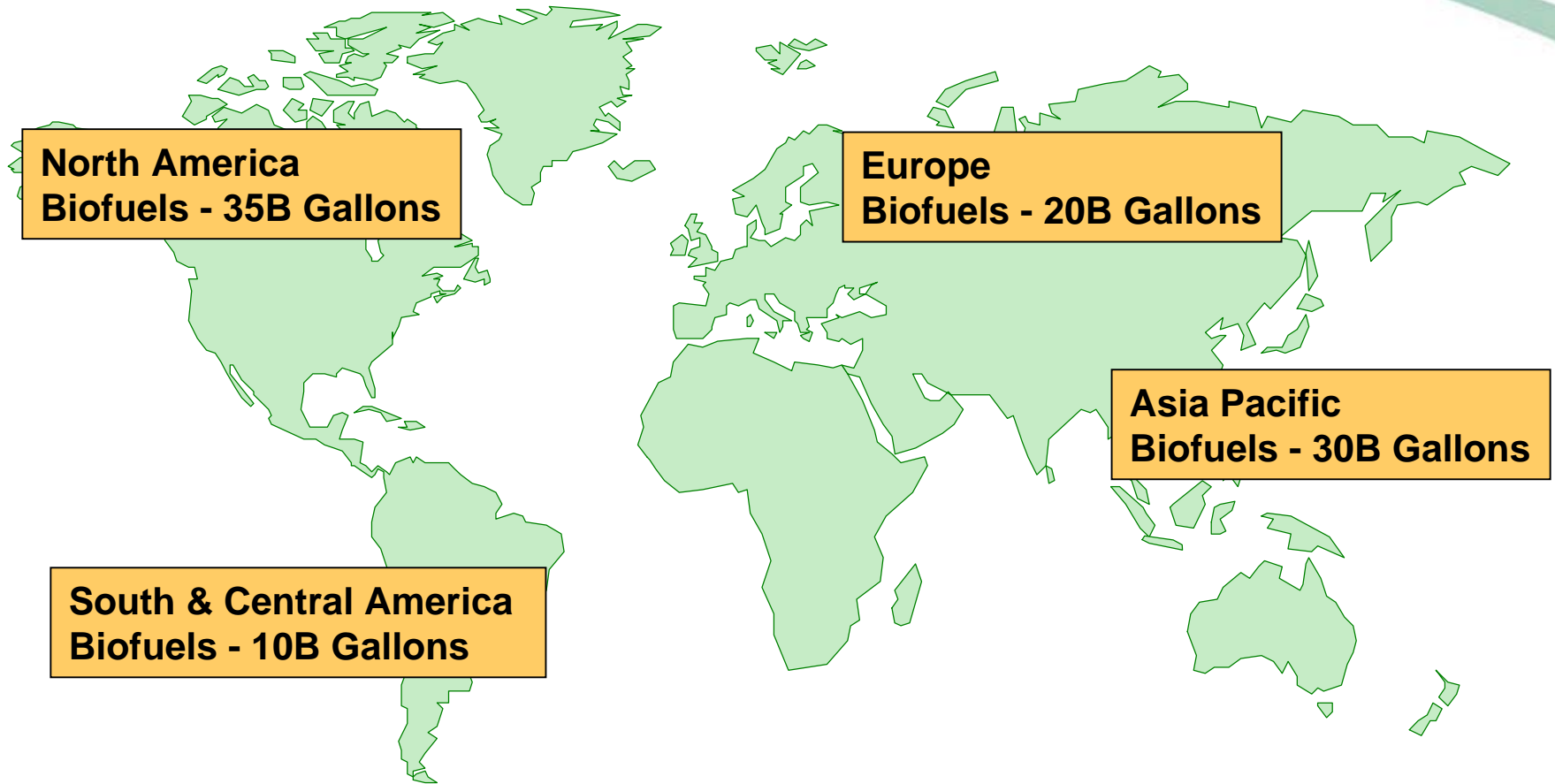
**Demand for
food**



**Emerging demand
for 'bio fuels'**

Global biofuels opportunity to 2020 (or sooner)

95 billion gallons - 435 billion litres



Food or fuel?



Achieving industry leading growth in the global crop protection business

Nufarm Limited

Head office: 103-105 Pipe Road, Laverton North, Vic. Australia.

Tel: 61 3 9282 1000 Fax: 61 3 9282 1111 www.nufarm.com

