



Chairman's Address
to the Annual General Meeting of Shareholders - Melbourne
Thursday, December 8, 2005 at 10.00 am

K M Hoggard

Ladies and Gentlemen

On behalf of the Board it is very pleasing to report another excellent year for the company. The tax paid operating profit of \$103.5 million represented a 35% increase on the record figure achieved in the previous year, and was marginally in excess of guidance provided to the market. This was a meritorious performance as it was achieved in a very competitive international market, and climatic conditions in a number of the geographies the company services were less than ideal.

The result of course included a \$19.1 million contribution from the Brazilian investment made part way through this year. Despite the fact that this figure was lower than had been forecast, for the reasons outlined in the annual report, it was still a very satisfactory return on investment. It has also provided a platform for the company's future growth in South America.

This region – along with eastern Europe – will see significant development in agricultural industries; and it is important that Nufarm is well placed to take advantage of the resulting opportunities.

It must be very pleasing from a shareholder perspective to see the total shareholder return of 63% over the last 12 months. Over the last 2 years the market has recognised that the company has demonstrated sustained growth in quality earnings, and gained confidence in the ability for that to continue. There is also a greater understanding of the corporate strategies, the benefits of geographical diversification, and the recognition of the international quality of the management team.

These factors have influenced the share value appreciation and this coupled with steady growth in the dividend rate have led to very good shareholder returns over the last 3 years.

The company has now virtually completed the divestiture of its industrial chemicals and non core operations. It has become a pure play crop protection business with the exception of the two 80% owned chlor alkali plants in Western Australia. We believe that this simplifies the understanding of the market on the future business direction.

The company now has a strong branded market position in most of the worlds significant agricultural geographies. It has an operational presence in strategic locations around the world, and is seeking to increase its product portfolio and take advantage of some good growth prospects.

The Board has every confidence that the compound operational profit growth experienced over the last 10 years will continue.

Finally - on behalf of the Board - I would like to express my appreciation for the efforts and commitment of Nufarm employees over this past 12 month period. We are indeed fortunate to have a group of people – now operating in many different countries around the world – who make such an important contribution to Nufarm's success.

I now ask Doug Rathbone to provide you with an operational review.