



Chairman's Address
Annual General Meeting of Shareholders - Melbourne
Thursday, December 6, 2012 at 10.00 am

D McGauchie

It is my pleasure to report that Nufarm achieved a strong turnaround in fiscal 2012 and made significant progress on its strategic growth plan.

A general lift in the performance of the business resulted in improved financial results that the team reported in September and your CEO, Doug Rathbone, will have more detail on that success in a few minutes.

Along with the significant improvement in financial performance, we undertook refinancing initiatives that strengthened the company's capital structure; we continued to strengthen the board and senior management team: and we maintained strict discipline on acquisitions and expansion activity.

The program to refinance Nufarm's debt has been very successful, with solid support from the company's lenders. A US\$325 million unsecured bond offering in the United States in October completed the current program, leaving Nufarm's capital structure far more stable and secure than it had been in recent years. Doug will talk more about the capital structure in a few minutes. The refinancing was important work that was well handled by your senior management team and I am very pleased the company is again on such a sound financial footing.

Speaking of the management team, I mentioned at last year's AGM several important additions to the team, including Paul Binfield as CFO, Nathan Morrison as Group Treasurer and Bonita Croft as head of human resources and organisation development.

A further addition in fiscal 2012 was Greg Hunt as Group Executive, Global Marketing and Business Development. Greg started at Nufarm in February and brings substantial agribusiness experience into the role, including a past stint as Managing Director of Elders Australia Limited.

These new executives have brought a fresh perspective to Nufarm and have considerably added to our bench strength at a senior management level. I believe we have now achieved the appropriate balance between the retention of experienced and proven executives and the addition of highly capable new talent. We now have a management team that is strongly positioned to execute on the corporate strategy and meet our business priorities.

The people and talent renewal at Nufarm has also extended to the board room, with two new appointments in the recent past.

Frank Ford, a former Victorian Managing Partner of Deloitte Australia, was appointed in October and his technical financial skills and broad business experience are a welcome addition to the Board.

And as I have already mentioned, at the conclusion of today's meeting, Mr Toshikazu Takasaki will join the Board to represent the interests of our 23 percent shareholder, Sumitomo Chemical Company. Mr Takasaki is a former executive of Sumitomo but is no longer employed by the company. He has considerable international experience, at a senior level, in the crop protection industry and we look forward to his contribution to the Board in the coming years.

And as you would be aware, Peter Margin was appointed to the Board early in fiscal 2012 and was present at last year's AGM.

With these three new director appointments in fiscal 2012, along with the appointments of Anne Brennan and Gordon Davis in fiscal 2011, we have a relatively fresh board with a good set of skills and experience, and a high level of enthusiasm to support the company and represent the interests of shareholders.

Two directors departed in the past year: Bob Edgar and Garry Hounsell.

Bob joined Nufarm in 2009 and his counsel was extremely valuable as we underwent our strategic review and the refinancing of our banking facilities in late 2011. Bob retired from the Board after deciding to reduce the number of boards on which he sat.

Garry Hounsell retired from the Board in October of this year. Garry joined the Nufarm Board in 2004 and his advice to the Board on financial and strategic matters was immensely valuable during a period of great expansion for Nufarm. As Chairman of the Audit Committee, Garry was an active non-executive director who allocated a considerable amount of time and was readily available to support management on a range of fronts. On behalf of all Nufarm shareholders, I would like to publicly thank Garry for his contribution.

The company made only one significant acquisition in fiscal 2012, that of the Seeds 2000 business in the US that I mentioned in my address to you last year. Seeds 2000 has been successfully integrated into Nufarm's rapidly growing seeds business and is performing well. Indeed, the growth of the seeds business has been one of the highlights of the past year, although it should be noted that it remains a relatively small part of our overall business. Its potential to grow in coming years remains significant, and Doug will talk more about that.

On less pleasant matters, I want to briefly touch on the class action lawsuit that we settled last month. I think it is worth explaining to shareholders why we decided against fighting the action in court.

The Nufarm Board considered this issue very carefully. We weighed the risks and costs of allowing the class action to proceed to trial as scheduled in September 2013, as well as the ongoing time pressure the litigation would have placed on the management team during a period when we wanted that team focused on the company's strategic growth plans.

In the end, we decided that settlement of the matter was the best outcome for shareholders and we are pleased to put this matter behind us in order that we can be fully focused on the growth of the business.

The disciplined approach by the entire team at Nufarm over the past year has resulted in the company returning to its long term trend of steady, sustainable growth following the up and down spikes in the glyphosate price in the previous few years.

Of course, it will require more hard work and ongoing discipline to maintain that trend, but we believe the remedial actions of the past two years have put the company in a strong position for the future.

I would also like to assure shareholders that the Board is mindful of the importance and value of dividend payments. Given the much improved performance of the business over the past 12 months, we were able to return to a fully franked dividend payment at both the interim and full year periods, albeit we opted for a relatively conservative approach. This was driven by a number of factors including the cash flow impact of the class action settlement payment and the fact that we were still to execute on the now completed US bond offering.

The Board's dividend policy remains that we seek to achieve a payout ratio in the order of 40%. With the continued improvement in the financial performance of the business, our

objective will be to return to that payout ratio as quickly as possible. But we will be prudent in that regard.

I would now like to hand over to Doug Rathbone, who I want to thank on behalf of the Board and all shareholders for his brilliant leadership and hard work once again over the past 12 months.



**Managing Director's Address
Annual General Meeting of Shareholders - Melbourne
Thursday, December 6, 2012 at 10.00 am**

D J Rathbone

Thank you Mr Chairman.

I would also like to welcome Nufarm shareholders – and others with an interest in our company – here to today's annual meeting.

Over the past 12 months we have seen additional progress in the implementation of the company's strategic plan; further positive changes in the business; and a solid set of results for the 2012 financial year, which we reported back in late September.

Today, I will briefly recap on the 2012 reporting period; outline some of the changes and improvements that we have put in place, and update you on how we are seeing trading conditions in the first few months of this, the 2013 financial year.

The 2012 reporting period represented continued earnings growth and the strengthening of a number of important balance sheet parameters.

The statutory net profit of \$72.6 million was a significant improvement on the loss after tax of \$49.9 million in the previous financial year. Underlying EBIT was up 20% to \$206 million and underlying net profit after tax was up 17% to \$115.4 million.

Revenues grew by almost 5%, but – on a constant currency basis – increased by almost 10%. Importantly, our selling, general and administrative expenses increased by only 2.4%, reflecting good discipline in expense management.

Excluding the impact of material items, earnings per share were 38.7 cents, up on the 32.9 cents recorded in the 2011 period.

We experienced earnings growth in all of our major geographic regions except Asia – the smallest of those regions – and we recorded strong growth in our seeds technologies business.

This was achieved against a backdrop of average seasonal conditions in markets such as Australia and Brazil and some challenging seasonal conditions in Indonesia, the USA and a number of European markets.

The inevitable variability in climatic conditions in different parts of the world underscores the importance and value of Nufarm's broad geographic footprint. In the business of agriculture, we think it is vital that we have opportunities to capitalize on favourable climatic conditions to help balance the challenges faced in those parts of the world where conditions are less favourable.

Stepping through our major markets in a little more detail....the performance in Australia, which remains our single largest country market, was very solid.

For the most part, seasonal conditions in Australia were average, although we did experience a late and dry season in Western Australia. Both our Nufarm and Crop Care businesses introduced important new products and we consolidated our market positions in most of the key cropping segments in Australia.

We report Australia in a geographic segment that includes the New Zealand business and that segment recorded both revenue and EBIT growth over the previous year.

The New Zealand performance was well up on the prior financial period and this – together with a much improved contribution from our Croplands machinery business – were key drivers of the higher segment results.

The Asian business represented 6% of our crop protection revenues in 2012. A poor monsoon season in Indonesia – our largest Asian market – and increased local competition in the glyphosate segment resulted in underlying EBIT being down on the previous year.

Nufarm's North American crop protection revenues increased by some 12% in 2012, despite very severe drought conditions that impacted major crops in the USA. Our key selling opportunities in those crops are at the beginning of the planting cycle, meaning we were not exposed to significant downside as conditions deteriorated.

Our US turf and ornamental business performed strongly and we were able to take advantage of improved agricultural conditions in Canada, where we also benefitted from the addition of a number of Sumitomo products to our portfolio.

Underlying EBIT in North America increased from \$16.5 million in 2011 to \$33.3 million in 2012 – a very strong improvement.

A key highlight of the 2012 period was the continued improvement in operating performance in South America, and Brazil in particular.

Regional EBIT increased from \$4.1 million in the previous year to \$17.5 million in 2012, reflecting the ongoing benefit of restructuring initiatives and a much more diversified business in Brazil, which is now the world's largest country market in terms of crop protection sales.

In local currency, sales in Brazil were up by 14% and margins on those sales were also stronger.

The strengthening of our position in this important market has been a key objective for the company and it was very satisfying to see ongoing growth and improvement over the 2012 period.

While European sales – in Australian dollars – were slightly down on the previous year, this was largely attributable to currency impacts. And despite this, the region generated an underlying EBIT result that was up by some 13%.

Climatic conditions in Europe were varied and, at important times of the year, quite challenging. The company also had to carefully manage credit exposure in those European markets where general economic and credit conditions have been under considerable pressure.

A significant contributor to the improved results in Europe was the performance of our local manufacturing units, which produce phenoxy herbicide products for markets around the world. Those products have been in strong demand and we captured better overhead recoveries at those facilities.

On a product basis, the 2012 financial period saw Nufarm's herbicides business improve, despite some increased pressure on glyphosate margins in some of our markets. It was a generally poor year for fungicide sales, with low levels of fungal disease in key regions including the Americas. Our insecticide sales were down year on year, but this included the impact of several products that were phased out of our Brazilian business. We have replaced those products and expect to see good growth and stronger margins from those replacement products over time.

Our seed technologies segment – which is now reported separately in our accounts – was a star performer in 2012. Sales increased by 39% on the previous year and underlying EBIT increased to \$30.6 million.

While still a relatively small part of our overall business – and generating just over 5% of total revenues – seed technologies contributed nearly 15% of the group's underlying EBIT, reflecting the relatively high margins we are able to secure in this part of the business.

Seed technologies includes both our seeds operations – where we are focused in canola, sunflower and sorghum – and our seed treatment chemistry. We achieved growth in both of these areas and added new resources which will help support additional future growth.

We also completed the acquisition of a US based sunflower business called Seeds 2000 and the breeding assets of Super Seeds in Serbia. These acquisitions have strengthened our market positions and have added considerably to our new product pipeline.

While the improvement in the underlying profitability of the business was very satisfying, 2012 also saw a strong focus on balance sheet management and I believe some of our achievements on that front were equally important.

Average net debt was down on the previous year, even taking into account the additional debt impact associated with the Seeds 2000 acquisition. Closer attention to working capital management also saw a reduction in both year end net working capital, and in average net working capital as a proportion of sales. We have now brought that ratio down from close to 54% in 2010 to just over 45% in 2012. And we see scope for some further improvement.

Finally, I would like to reflect on the substantial progress we have made in strengthening the capital structure of the company.

As I reported to you at last year's AGM, the company completed a major refinancing in late November of that year involving a new syndicated banking facility. This complemented the trade receivables securitization facility that had been executed several months earlier.

In October of this year – and immediately following the public release of our 2012 results – the company successfully completed a senior unsecured notes offering in the US market.

These financing initiatives combine to provide Nufarm with a stable, diversified and flexible funding structure that provides a platform for the future growth of the business.

We are receiving strong support from our lenders, who recognize and acknowledge the progress we have made in strengthening the business and executing on a sound strategic growth plan.

Reflective of that support, an additional lender has recently been added to the banking syndicate, increasing our head room and further mitigating refinancing risk.

We are utilizing our capital to support our growth strategy, which involves targeting higher value and more defensible product and market segments.

In the past 12 months we have either completed, progressed or approved projects including the construction of a new phenoxy herbicide formulation facility in India; a new insecticide, fungicide and seed treatment production facility in Chicago; and new facilities for our Australian seeds business in Horsham, here in Victoria.

Together with ongoing investment in product development; better business information systems and stronger management structures, these facilities will help deliver sustainable growth over the long term.

In summary, 2012 was a year in which the company achieved solid earnings growth; demonstrated strong discipline in areas of capital management; took considerable risk out of our financing position; and implemented further positive changes that strengthen the company.

I would now like to turn to some comments on how the business is performing in the current financial year.

It is important to remember that the first quarter of our financial year is a relatively quiet trading period in most of Nufarm's markets and we remain a business in which earnings are weighted to the second six months of the financial period, when the major cropping seasons take place in the Northern Hemisphere and here in Australia.

Australian wheat farmers are now harvesting their winter crop. For most cropping regions in Australia, the late winter and spring periods were dry, leading to relatively low demand for crop protection inputs.

Summer cropping activity – which is concentrated in Queensland and Northern NSW – is now underway and, while water storage levels are adequate to support irrigated crops in those regions, further rainfall is needed to generate stronger demand for industry products, due to the current low levels of insect pressure and fungal disease. Rains are also needed to boost demand for summer weed control.

Consequently, Australia is tracking behind the 2012 performance in the first quarter of the current financial year, but I again note that the major selling months are still ahead of us.

Sales in Asia are tracking slightly ahead of the same period last year, with a more favourable monsoon season in Indonesia generating stronger demand in plantation crops.

While we have seen some much needed rainfall in the Midwest and southern regions of the USA in recent months, drought impacts are still being felt with water storages being well down on average. The winter months are a comparatively quiet sales period and we will have a better indication of both seasonal and business conditions early in the new calendar year.

US farmers – particularly those involved in the corn and soy segments – have a strong economic incentive to plant big crops next season.

Also in the US, we are progressing the fit-out of our new fungicide, insecticide and seed treatment formulation facility in Chicago, with initial production activity scheduled to start in the next few weeks. This facility represents a good example of how we are supporting our strategic growth plans with targeted capital investment.

In Canada, market conditions are generally good and we are seeing increased demand for a range of products. Our business there is benefitting from the addition of Sumitomo's range of products to our portfolio as well as the launch of several new Nufarm products.

The first quarter coincides with the key selling season for a number of major crops in Brazil, particularly soybean.

Our Brazilian business has performed very strongly in this period and both sales and profit are significantly up on 2012. Brazilian soy farmers have been able to capitalize on a higher crop price resulting from the US drought and plantings are therefore expected to be up on the previous year. This is despite some dry weather in the South of Brazil which has delayed activity in that region.

We have seen the opposite impact in parts of Argentina, where excessive rains have hindered planting activity. Never-the-less, product demand has also been strong in that market and we are tracking well ahead of our performance for the same period last year.

Our European businesses are also tracking to expectations in the first quarter, with more favourable autumn seasonal conditions in most markets and a high level of activity in our locally based manufacturing plants. Sales activity in France, Germany and some of our Eastern European markets is up on the same period last year.

We have made positive progress in the restructuring of our European management, with the appointment of a new head of Europe – in July – and a much closer co-ordination of product development, marketing and other key activities within the region.

First quarter sales in our Seed Technologies Segment are in line with the previous year, but demand is building and the outlook for our seed and seed treatment business remains positive.

Within the past few months, we have seen a very positive market response to our unique 'Monola' healthy canola oil (which is now used by KFC and other food companies here in Australia); increased interest from large potential industry partners in our proprietary food grade sorghum program; further progress on our collaboration with CSIRO and the Australian Grains Research and Development Corporation on the canola omega 3 project; and opportunities for expanded market access for our leading confectionary sunflower varieties.

To help support innovation and growth in our seeds business, we are completing work on a new science and innovation centre near Sacramento in California, and – as I have mentioned - a new facility for our Australian seeds business at Horsham in Victoria.

Our rapid growth in this segment has been aided by a number of seed business acquisitions over recent periods and we continue to assess some attractive opportunities in that space.

Looking ahead...our first half results will benefit from the strong performance of our South American operations and an improved outcome in Europe, which will more than offset what is likely to be a weaker first half result in Australia.

While we have several months of trading to complete the period, underlying EBIT is expected to be up strongly and at least 15% ahead of the 2012 interim result.

This is despite some currency headwinds in markets like Brazil, where the Real has depreciated against the Australian dollar over the past year. The 2012 interim result included a significant benefit from net foreign exchange gains, while – in the year to date – currency movements have resulted in a foreign exchange loss. Exchange rate fluctuations across our key currency exposures will determine how that position unfolds over the balance of the year.

While our major selling periods are still some months away – and we need to see how both seasonal and business conditions unfold in the second half of our financial year – we remain very confident of generating an improved underlying EBIT outcome for the current full year.

Before handing back to the Chairman, I would like to acknowledge the hard work and dedication of Nufarm's employees around the world. As shareholders are aware, this company has emerged from a difficult period.

We are fortunate, within Nufarm, to have a loyal and talented group of people who have enthusiastically applied themselves to the task of lifting the company's performance and who have embraced the changes and improvements we have made to the business.

Supplemented by some important new additions, it is largely the executive and management teams that were in place that have successfully seen us through our challenges and have placed the company back on the path of sustainable and profitable growth.

A recently completed global survey of Nufarm employees indicated strong engagement and a higher level of job satisfaction than in a similar survey 2 years earlier. That improvement is reflected across our global businesses and various job functions and is particularly strong among employees who were directly involved in business improvement and efficiency initiatives undertaken during the past year.

Consistent with our strategy, Nufarm employees are demonstrating a strong commitment to innovation and discipline across all areas of the business and – on behalf the Board, executive, and all shareholders – I would like to thank them for their ongoing efforts.

I'll now pass the meeting back to the Chairman.....

Thank you.

Nufarm Limited 2012 Annual General Meeting

December 6, 2012



**Mr Donald McGauchie
Chairman**

A large industrial machine, likely a corn mill, is shown from a high angle. A thick stream of yellow corn kernels is falling from a hopper into a large rotating drum. The drum is covered with a grid of metal bars, and the corn is being processed into a fine meal. The background is a bright, overexposed area, possibly a factory floor or outdoor setting.

**Mr Doug Rathbone
Chief Executive Officer**

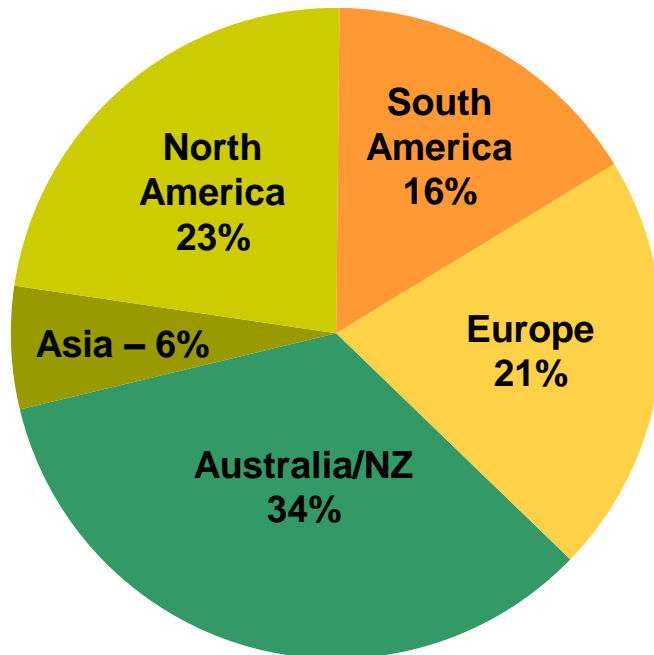
Review of 2012 financial year

- **Statutory net profit: \$72.6 million** (2011: loss of \$49.9m)
- **Underlying EBIT: \$206 million** (up 20%)
- **Underlying NPAT: \$115.4 million** (up 17%)
- **Group revenues: \$2.18 billion** (up 5%)

Review of 2012 financial year

- **Growth in all major regions, except Asia**
- **Strong growth in seed technologies**
- **Mixed seasonal/climatic conditions**

Review of 2012 financial year

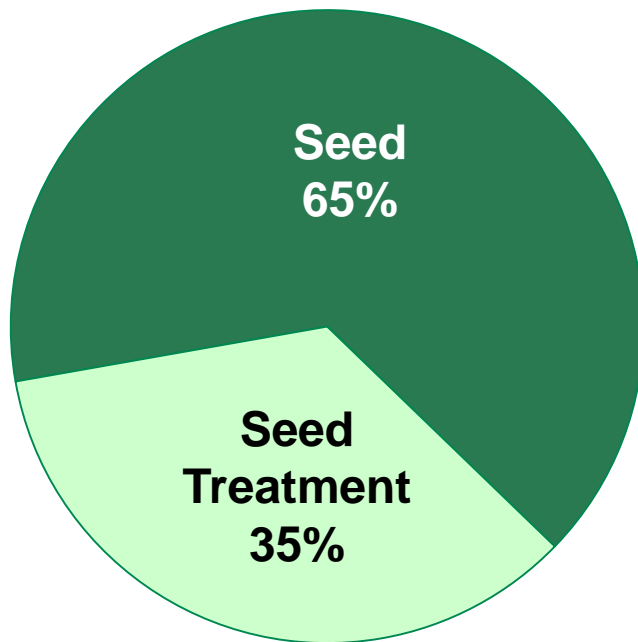


Total Crop Protection
revenues: \$2,061m

- Solid results in Australia/NZ
- Asia down on previous year
- North America revenues and EBIT improvement
- Strong performance in South America
- European growth driven by strong manufacturing performance

Review of 2012 financial year

Seed Technologies segment:



Total segment revenues:
\$121m

- Sales up by 39% (\$121m)
- Now a significant contributor to overall EBIT
- Acquisition of Seeds 2000 sunflower business

Review of 2012 financial year

Balance sheet:

- **Lower average net debt**
- **Lower average net working capital as a proportion of sales**
- **Capital structure**
 - **Refinancing in November 2011**
 - **Trade receivables securitisation facility**
 - **Unsecured notes offering**

Review of 2012 financial year

Summary:

- **Solid earnings growth**
- **Disciplined capital management**
- **Positive changes to strengthen the business**

2013 First Quarter update

- **Predominantly dry conditions across most of Australia**
 - Tracking behind first quarter 2011
- **Asian conditions in line with expectations**
- **Quiet sales period in North America, but anticipating strong cropping activity for next season**
 - Positive demand in Canada
- **Brazil conditions are very strong, despite some dry weather in south**
 - Argentina also up on previous year
- **Improved autumn conditions in European markets**
- **First quarter seeds performance similar to last year, but outlook is positive**

Outlook for 2013 First Half

- **Improvement in South America and Europe will more than offset lower result in Australia**
- **Underlying EBIT expected to be at least 15% ahead of first half 2012**
- **Some currency headwinds (Brazilian Real has depreciated significantly)**

Nufarm Limited 2012 Annual General Meeting

December 6, 2012

