

**PRELIMINARY \*HALF YEAR REPORT ANNOUNCEMENT**

**NUFARM FINANCE (NZ) LIMITED**

(Name of Listed Issuer)

**For Half Year Ended : 31 January 2008**

(referred to in this report as the "current half year")

**RESULTS FOR ANNOUNCEMENT TO THE MARKET**

Preliminary \*half year report on consolidated results (including the results for the previous corresponding \*half year in accordance with Listing Rule 10.4.1.

This report has been prepared in a manner which complies with generally accepted accounting practice and gives a true and fair view of the matters to which the report relates [see Note [X] attached] and is based on unaudited financial statements.

The Listed Issuers ultimate parent has a formally constituted Audit Committee of the Board of Directors.

[PLEASE REFER TO ATTACHED NOTES WHEN COMPLETING THIS FORM]

1 CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE	*Consolidated Statement Financial Performance		
	Current *half Year \$AUD'000	*Up/Down %	Previous corresponding *half Year \$AUD'000
<b>1.1 OPERATING REVENUE</b>			
(a) Trading Revenue			
(b) Other Revenue	10,156	4.7%	9,702
(c) Total Operating Revenue			
<b>1.2 OPERATING *SURPLUS (DEFICIT) BEFORE TAXATION</b>	12,779	81.9%	7,024
(a) Less taxation on operating result	4,217	81.9%	2,318
<b>1.3 OPERATING *SURPLUS (DEFICIT) AFTER TAX</b>	8,562	81.9%	4,706
(a) Extraordinary Items after Tax [detail in Item 3]			
(b) Unrealised net change in value of investment properties			
<b>1.4 NET *SURPLUS (DEFICIT) FOR THE PERIOD</b>			
(a) Net *Surplus (Deficit) attributable to minority interests			
<b>1.5 NET SURPLUS (DEFICIT) ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER</b>	8,562	81.9%	4,706

2 DETAILS OF SPECIFIC RECEIPTS/OUTLAYS, REVENUES/ EXPENSES FOR *HALF YEAR	*Consolidated Statement of Financial Performance	
	Current *half Year \$AUD'000	Previous corresponding *half Year \$AUD'000
<b>2.1 INCLUDED IN CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE</b>		
(a) Interest revenue included in Item 1.1(b)	10,156	9,702
(b) # Unusual items for separate disclosure (gain/loss) (detail - Item 3)	2,824	
(c) Equity earnings (gain/loss) (detail - Item 16)		
(d) Interest expense included in Item 1.2 (include all forms of interest, etc)		5,134
(e) Leasing and renting expenses		
(f) Depreciation		
(g) Diminution in the value of assets (other than depreciation)		
(h) Amortisation of goodwill		
(i) Amortisation of other intangible assets		259
(j) Impairment of goodwill		
(k) Impairment of other intangible assets		

Consolidated Statement of Financial Performance	
Current *half Year \$AUD'000	Previous corresponding *half Year \$AUD'000

## 2.2 SUPPLEMENTARY ITEMS

- (a) # Interest costs excluded from Item 2.1(d) and capitalised
- (b) # Outlays (other than those arising from the acquisition of an existing business) capitalised in intangibles
- (c) Unrecognised differences between the carrying value and market value of publicly traded investments

#Items marked in this way need to be shown only there their inclusion as revenue or exclusion from expenses has had a material effect on reported \*surplus (deficit)

3 DISCONTINUED, UNUSUAL (INCLUDING NON RECURRING), AND EXTRAORDINARY ITEMS OF THE GROUP	Group - Current *Half *half Year	
	Operating Revenue \$AUD'000	Operating Surplus \$AUD'000
<b>DETAILS AND COMMENTS</b>		
Discontinued Activities:		
(Disclose Operating Revenue and Operating Surplus)		
<b>TOTAL DISCONTINUED ACTIVITIES</b>		
Material Unusual (including Non Recurring) Items (included in 1.2)	2,824	
Description: Mark-to-market gain on interest rate cap on Nufarm step-up securities distribution		
<b>TOTAL MATERIAL NON RECURRING ITEMS</b>	2,824	
Extraordinary Items (Ref. Item 1.3(a))		
Description:		
<b>TOTAL EXTRAORDINARY ITEMS</b>		

4 STATEMENT OF MOVEMENTS IN EQUITY	Statement of Movements In Equity	
	Current *half Year \$AUD'000	Previous corresponding *half Year \$AUD'000
<b>4.1 *NET SURPLUS (DEFICIT) ATTRIBUTABLE TO MEMBERS OF LISTED ISS</b>	8,562	4,706
(a) *Net Surplus (Deficit) attributable to minority interest		
<b>4.2 OTHER RECOGNISED REVENUE AND EXPENSES</b>		
(a) *Increases (decreases) in hedging reserves	( 8,963)	
(b) Current Translation Differences		
(c) Minority interest in other recognised revenue and expenses		
<b>4.3 TOTAL RECOGNISED REVENUES AND EXPENSES</b>		
<b>4.4 OTHER MOVEMENTS</b>		
(a) Contributions by Owners		
(b) Distributions to NSS Holders (net of tax)	( 7,217)	
(c) Other (Tax on NSS Distribution)		246,932
<b>4.5 EQUITY AT BEGINNING OF HALF YEAR/FULL YEAR*</b>	258,716	8,205
<b>4.6 EQUITY AT END OF HALF YEAR/FULL YEAR</b>	251,098	259,843

5 EARNINGS PER SECURITY	Earnings Per Security	
	Current *half Year	Previous corresponding *half Year
Calculation of basic and fully diluted, EPS in accordance with IAS33: Earnings Per Share		
(a) Basic EPS (cents per share)	0.13	0.47
(b) Diluted EPS (if materially different from (a))		
<b>NET TANGIBLE ASSETS PER SECURITY</b>	25.11	25.98

6 MATERIAL ACQUISITIONS OF SUBSIDIARIES (See Note (V))		
(a) Name of subsidiary or group of subsidiaries	n/a	n/a
(b) Percentage of ownership acquired		
(c) Contribution to consolidated net *Surplus (Deficit) (Item 1.4)	\$	
(d) Date from which such contribution has been calculated	\$	

7 MATERIAL DISPOSALS OF SUBSIDIARIES (See Note (VII) attached)		
(a) Name of subsidiary or group of subsidiaries	n/a	n/a
(b) Contribution to consolidated net *Surplus (Deficit) (Item 1.4)	\$	
(c) Date from which such contribution has been calculated		
(d) Contribution to consolidated net *Surplus (Deficit) (Item 1.4) for the previous corresponding half year/full year		
(e) Contribution to consolidated net *Surplus (Deficit) (Item 1.4) from sale of subsidiary	\$	

**8 REPORTS FOR INDUSTRY AND GEOGRAPHICAL SEGMENTS**

Information on the industry and geographical segments of the Listed Issuer is to be reported for the \*half year/ /full year in accordance with the provisions of SSAP:23: Financial Reporting for Segments. Because of the differing nature and extent of segments among Listed Issuers, no complete proforma is provided, and the segment information should be completed separately and attached to this report. However, the following shows a suitable list of items for presentation and indicates which amounts should agree with items included elsewhere in the \*half year/full year report:

**SEGMENTS**

**Industry**

- Operating revenue:
  - \* Sales to customers outside the group
  - \* Intersegment sales
  - \* Unallocated revenue
- Total revenue [consolidated total equal to Item 1.1(c) above]
- Segment result
- Unallocated expenses
- Operating surplus (Deficit) after tax (Item 1.3)
- Segment assets
- Unallocated assets
- Total assets (Equal to Item 9.3)

**Geographical**

- Operating revenue:
  - \* Sales to customers outside the group
  - \* Intersegment sales
  - \* Unallocated revenue
- Total revenue [consolidated total equal to Item 1.1(c) above]
- Segment result
- Unallocated expenses
- Operating surplus (Deficit) after tax (Item 1.3)
- Segment assets
- Unallocated assets
- Total assets (Equal to Item 9.3)

<b>Consolidated Statement of Financial Position</b>			
(Note (VIII) attached has particular relevance for the preparation)	At end of current *half Year \$AUD'000	As shown in last Annual Report \$AUD'000	If half yearly as shown in last half yearly report \$AUD'000
<b>9 CURRENT ASSETS:</b>			
(a) Cash	4,913	6,832	10,621
(b) Trade receivables	6,493	15,028	
(c) Investments			
(d) Inventories			
(e) Other assets, current	8,772	2,379	3,932
<b>TOTAL CURRENT ASSETS</b>	<b>20,178</b>	<b>24,239</b>	<b>14,553</b>
<b>9.1 NON-CURRENT ASSETS</b>			
(a) Trade receivables			
(b) Investments			
(c) Inventories			
(d) Property, plant and equipment			
(e) Goodwill			
(f) Deferred Taxation Assets	1,148	1,148	1,237
(g) Other Intangible Assets			
(h) Other assets, non current	254,243	260,139	276,975
<b>9.2 TOTAL NON-CURRENT ASSETS</b>	<b>255,391</b>	<b>261,287</b>	<b>278,212</b>
<b>9.3 TOTAL ASSETS</b>	<b>275,569</b>	<b>285,526</b>	<b>292,765</b>
<b>9.4 CURRENT LIABILITIES</b>			
(a) Trade Creditors			344
(b) Income in advance, current			
(c) Secured loans			
(d) Unsecured loans (bank overdraft)	483	2,189	7,655
(e) Provisions, current			1,753
(f) Other liabilities, current	163	6,503	3,340
<b>TOTAL CURRENT LIABILITIES</b>	<b>646</b>	<b>8,692</b>	<b>13,092</b>
<b>9.5 NON-CURRENT LIABILITIES</b>			
(a) Accounts payable, non-current			
(b) Secured loans			
(c) Unsecured loans			
(d) Provisions, non-current			
(e) Deferred Taxation Liability, non-current			
(f) Other liabilities, non-current	23,825	18,117	19,830
<b>9.6 TOTAL NON-CURRENT LIABILITIES</b>	<b>23,825</b>	<b>18,117</b>	<b>19,830</b>
<b>9.7 TOTAL LIABILITIES</b>	<b>24,471</b>	<b>26,809</b>	<b>32,922</b>
<b>9.8 NET ASSETS</b>	<b>251,098</b>	<b>258,717</b>	<b>259,843</b>
<b>9.9 SHAREHOLDERS' EQUITY</b>			
(a) Share capital (optional)	9,985	9,985	9,985
(b) Reserves (optional) (i) Revaluation reserve			
(ii) Other reserves	(8,963)		
(c) Retained Surplus (accumulated Deficit) (optional)	3,144	1,800	2,926
<b>9.10 SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER</b>	<b>4,166</b>	<b>11,785</b>	<b>12,911</b>
(a) Nufarm Step-up Securities	246,932	246,932	246,932
<b>9.1 TOTAL SHAREHOLDERS' EQUITY</b>	<b>251,098</b>	<b>258,717</b>	<b>259,843</b>
(a) Returns on Assets (%) (EBIT divided by Total Assets)	4.64%	0.28%	2.40%
(b) Return on Equity (%) (Net Income divided by Shareholders' Equity)	205.5%	8.2%	36.4%
(c) Debt to Equity Ratio (%) (Total Liabilities divided by Shareholders' Equity)	9.7%	10.4%	12.7%

(See Note (IX) attached )	Consolidated Statement of cashflows for *half/full year	
	Current *half Year \$AUD'000	Corresponding *half Year \$AUD'000
<b>10 CASH FLOWS RELATING TO OPERATING ACTIVITIES</b>		
(a) Receipts from customers		
(b) Interest received	9,239	5,770
(c) Dividends received		
(d) Payments to suppliers and employees	(200)	(87)
(e) Interest paid		(9,983)
(f) Income taxes paid		
(g) Distribution on NSS securities		
<b>NET OPERATING FLOWS</b>	<b>9,039</b>	<b>(4,300)</b>

(See Note (IX) attached )		
<b>11 CASH FLOWS RELATING TO INVESTING ACTIVITIES</b>		
(a) Cash proceeds from sale of property, plant and equipment		
(b) Cash proceeds from sale of equity investments		
(c) Loans repaid by other entities	1,520	
(d) Cash paid for purchases of property, plant and equipment		
(e) Interest paid - capitalised		
(f) Cash paid for purchases of equity investments		
(g) Loans to other entities		
(h) Other cash flows relating to investing activities		
<b>NET INVESTING CASH FLOWS</b>	<b>1,520</b>	

(See Note (IX) attached )		
<b>12 CASH FLOWS RELATED TO FINANCING ACTIVITIES</b>		
(a) Cash proceeds from issue of shares, options, etc.		244,915
(b) Borrowings		(58,887)
(c) Repayment of borrowings		(195,228)
(d) Dividends paid		
(e) Distribution on NSS securities	(10,772)	(3,755)
<b>NET FINANCING CASH FLOWS</b>	<b>(10,772)</b>	<b>(12,955)</b>

(See Note (IX) attached )		
<b>13 NET INCREASE (DECREASE IN CASH HELD)</b>		
(a) Cash at beginning of *half year/full year	4,643	20,221
(b) Exchange rate adjustments to Item 12.3(a) above		
<b>(c) CASH AT END OF *HALF YEAR/FULL YEAR</b>	<b>4,430</b>	<b>2,966</b>

**14 NON-CASH FINANCING AND INVESTING ACTIVITIES**

Provide details of financing and investing transactions which have had a material effect on group assets and liabilities but did not involve cash flows:

**Nufarm Step-up Securities**

On 24 November 2006, the company repaid the capital notes that were on issue and issued a new hybrid security called Nufarm Step-up Securities (NSS). The NSS are perpetual step up securities. 2,510,000 NSS were allotted at an issue price of \$100 per security raising \$251 million. The NSS are listed on the ASX under the code 'NFNG' and on the NZDX under the code 'NFFHA'. The after-tax costs associated with the issue of the NSS, totalling \$4.1 million, have been deducted from the proceeds.

Distributions on the NSS are at the discretion of the directors and are floating rate, unfranked, non-cumulative and subordinated. However, distributions of profits and capital by Nufarm Limited are restricted if distributions to NSS holders are not made, until such time that Nufarm Finance (NZ) Limited makes up the arrears. The first distribution date for the NSS is 15 April 2007 and on a six-monthly basis after this date. The floating rate is the average mid-rate for bills with a term of six months plus a margin of 1.90%. The "Step-Up Date" is five years from issue date, and provides the issuer with the following options: (a) keep the NSS on issue whereby the margin will step up by the Step-up margin; or (b) redeem the NSS for face value, or exchange them for a number of ordinary shares in Nufarm. The exchange ratio is calculated based on the average market price of Nufarm ordinary shares for 20 business days prior to exchange date less a 2.5% discount.

**Capital Notes**

On 24 November 2006, the company repaid the capital notes with a face value of NZD225 million (AUD195.2 million) were repaid. The capital notes were repaid from the proceeds of the Nufarm Step-up Securities.

**15 RECONCILIATION OF CASH**

For the purposes of the above Statement of cash flows, cash includes:

Current *half Year AUD\$'000	Previous Corresponding *half Year AUD\$'000
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Cash at the end of the \*half year/full year as shown in the statement of cash flows is reconciled to the related items in the financial statements as follows:

Cash on hand and at bank	4,914	10,621
Deposits at call		
Bank overdraft	( 483)	( 7,655)
Other (provide details eg Term Deposits)		
<b>Total = Cash at End of *Half/Full Year (Item 13(c) above)</b>	<b>4,431</b>	<b>2,966</b>

**16 EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES**

Information attributable to the reporting group's share of investments in associates and other material interests is to be disclosed by way of separate note below (refer FRS-38 Accounting for Investments in Associates).

**16.1 GROUP SHARE OF RESULTS OF ASSOCIATES**

Equity Earnings	
Current *half Year \$AUD'000	Previous corresponding *half Year \$AUD'000
Not applicable	

- (a) OPERATING \*SURPLUS (DEFICIT) BEFORE TAX
- (b) Less tax
- (c) OPERATING \*SURPLUS (DEFICIT) AFTER TAX
  - (i) Extraordinary items
- (d) NET \*SURPLUS (DEFICIT) AND EXTRAORDINARY ITEMS AFTER TAX

**16.2 MATERIAL INTERESTS IN CORPORATIONS NOT BEING SUBSIDIARIES**

- (a) The group has a material (from group's viewpoint) interest in the following corporations:

Name	Percentage of ordinary shares held at end of *half Year		Contribution to net *surplus (deficit) (Item 1.5)	
	Current *Half/Full Year	Previous Corresponding *Half/Full Year	Current *Half/Full Year AUD\$'000	Previous Corresponding *Half/Full Year AUD\$'000
<b>Equity Accounted Associates</b>			<i>Equity Accounted in current year</i>	
			Not applicable	
<b>Other Material Interests</b>			<i>Not Equity Accounted in current year</i>	
			Not applicable	

(b) Investments in Associates

	Current *half Year \$AUD'000	Previous Corresponding *half Year \$AUD'000
Carrying value of investments in associates beginning of half year/ full year	Not applicable	
Share of changes in associates' post acquisition surpluses/and reserves:	Not applicable	
- Retained surplus		
- Reserves		
Net goodwill amortisation and impairment adjustments in the period		
Less Dividends received in the period		
Equity carrying value of investments at the end of half year/full year		
Amount of goodwill included in carrying value at end of that half year/full year		

**17 ISSUED AND QUOTED SECURITIES AT END OF CURRENT \*HALF YEAR/FULL YEAR**

Category of Securities	Number Issued	Quoted	Number	Paid-Up Value Cen (If not fully paid)
<b>PREFERENCE SHARES:</b>				
# (Description)	-----		-----	
		Not applicable		
Issued during current *half year/full year	-----		-----	
<b>ORDINARY SHARES:</b>				
	10,000,000		10,000,000	
	-----		-----	
Issued during current *half year/full year	-----		-----	
<b>CONVERTIBLE NOTES</b>				
# (Description)	-----		-----	
	-----		-----	
Issued during current *half year/full year	-----		-----	
<b>OPTIONS:</b>				
	Issued	Quoted	Exercise Price	Expiry Date
	-----	-----	-----	-----
	Not applicable			
Issued during current *half year/full year	-----		-----	
<b>DEBENTURES - Totals only:</b>				
		\$		
<b>UNSECURED NOTES - Totals only:</b>				
		\$		
<b>OTHER SECURITIES</b>				
	\$246,932.00	\$		

# Description includes rate of dividend or interest and any redemption or conversion rights together with the prices and dates thereof.

**18 COMMENTS BY DIRECTORS**

If no report in any section, state NIL. If insufficient space below, provide details in the form of notes to be attached to this report.

- (a) Material factors affecting the revenues and expenses of the group for the current \*half year

*NIL*

- (b) Significant trends or events since end of current \*half/full year

*NIL*

- (c) Changes in accounting policies since last Annual Report and/or last Half Yearly to be disclosed

In the period, the company has elected to adopt hedge accounting for the foreign exchange contracts on the related party loans extended from the Nufarm step-up securities proceeds.

- (d) Critical Accounting Policies - Management believes the following to be critical accounting policies. That is they are both important to the portrayal of the Issuer's financial condition and results, as they require management to make judgments and estimates about matters that they are inherently uncertain

*NIL*

- (e) Management's discussion and analysis of financial condition, result and/or operations (optional) - this section should contain forward looking statements that should outline where these involve risk and uncertainty.

*None*

- (f) Other comments

**19 DIVIDEND**

- (a) Dividend Yield as at balance date (%) (Annual dividend per share divided by price per share)

*Not applicable*

- (b) Tax Adjusted Dividend Yield as at balance date (%) (Annual net dividend per share divided by price per share)

*Not applicable*

**20 ANNUAL MEETING (if full year report)**

- (a) To be held at

*Not applicable*

- (b) Date 200 Time

- (c) Approximate date of availability of Annual Report

If this \*half year/full year report was approved by resolution of the Board of Directors, please indicate date of meeting:



(signed by) Authorised Officer of Listed Issuer

\*Delete as required

*27/3/08*

(date)