

2018 Full Year Results

September, 2018



Disclaimer

General

This presentation has been prepared by Nufarm Limited. The information contained in this presentation is for informational purposes only. The information contained in this presentation is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. The presentation is not intended (nor does it) constitute an offer or invitation by or on behalf of Nufarm Limited, its subsidiaries, or any other person to subscribe for, purchase or otherwise deal in any securities, nor are they intended to be used for the purpose of or in connection with any offers or invitations to subscribe for, purchase or otherwise deal in any securities. This presentation has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person.

Forward looking statements

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Nufarm Limited, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising out of fault or negligence, for any loss arising from the use of the information contained in this presentation.

This presentation includes certain forecasts, prospects or returns, and other forward looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forecasts, prospects or returns, and other forward looking statements. Such forecasts, prospects or returns, and other forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Nufarm Limited, which may cause actual results to differ materially from those expressed in the statements contained in this presentation. Accordingly, no representation or warranty, express or implied, is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness of any forecasts, prospects or returns, or other forward looking statements contained in this presentation.

Before making an investment decision, you should consider, with or without the assistance of a financial advisor, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances. Past performance is no guarantee of future performance.

Non-IFRS information

Nufarm Limited results are reported under international Financial Reporting Standards (IFRS) including Underlying EBIT and Underlying EBITDA which are used to measure segment performance. The presentation also includes certain non-IFRS measures including Underlying net profit after tax and Gross profit margin. These measures are used internally by management to assess the performance of our business, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to audit or review. Certain figures may be subject to rounding differences. Refer to 'Supplementary information' for the definition and calculation of non-IFRS information. All market share information in this presentation is based on management estimates based on internally available information unless otherwise indicated. All amounts are in Australian dollars unless otherwise stated.

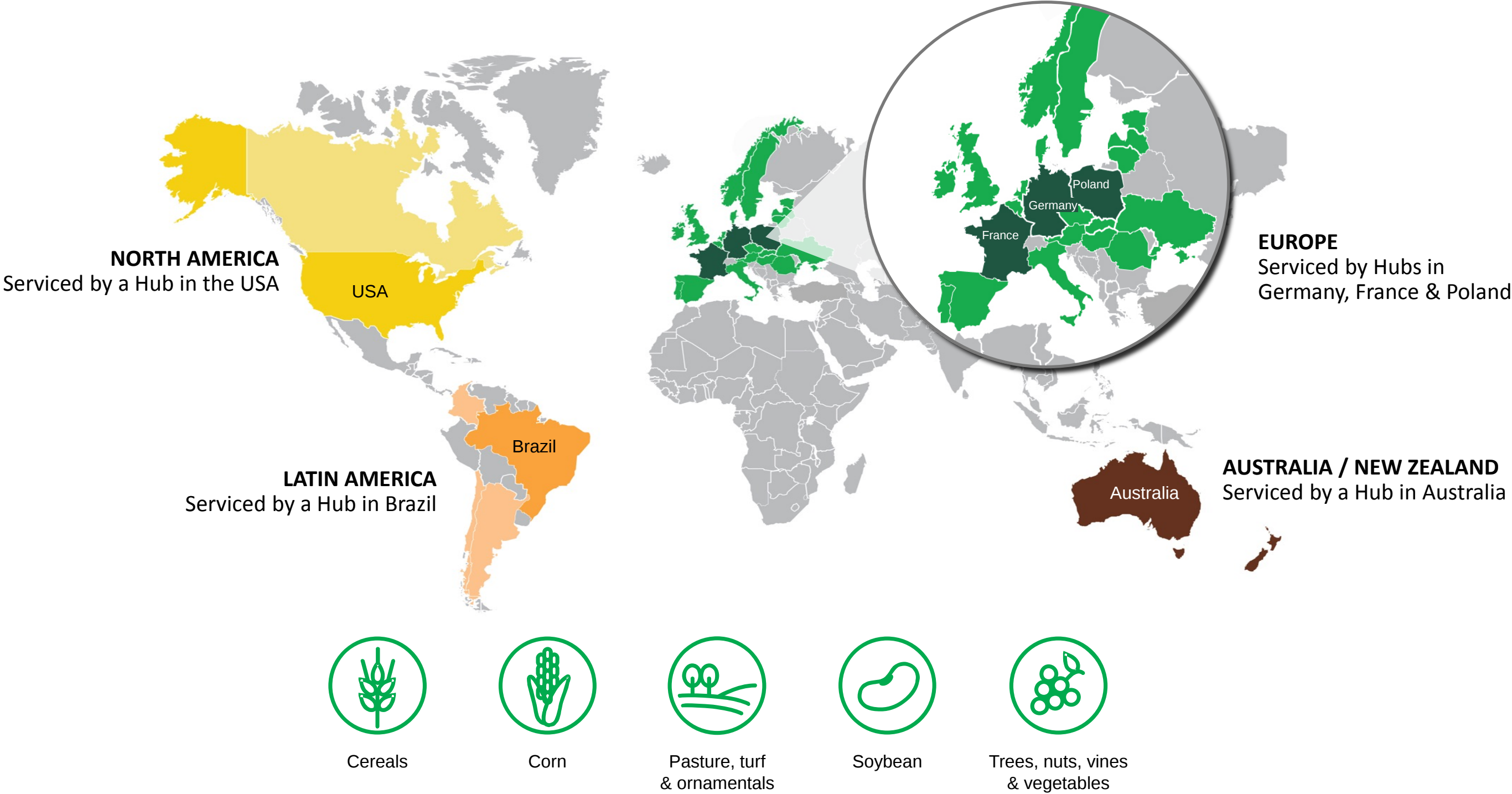
2018 Full Year Results

Overview

Greg Hunt
Managing Director / CEO



Focused strategy that builds on our strengths



Strategy focused on core crops and hub countries

Key messages - 2018

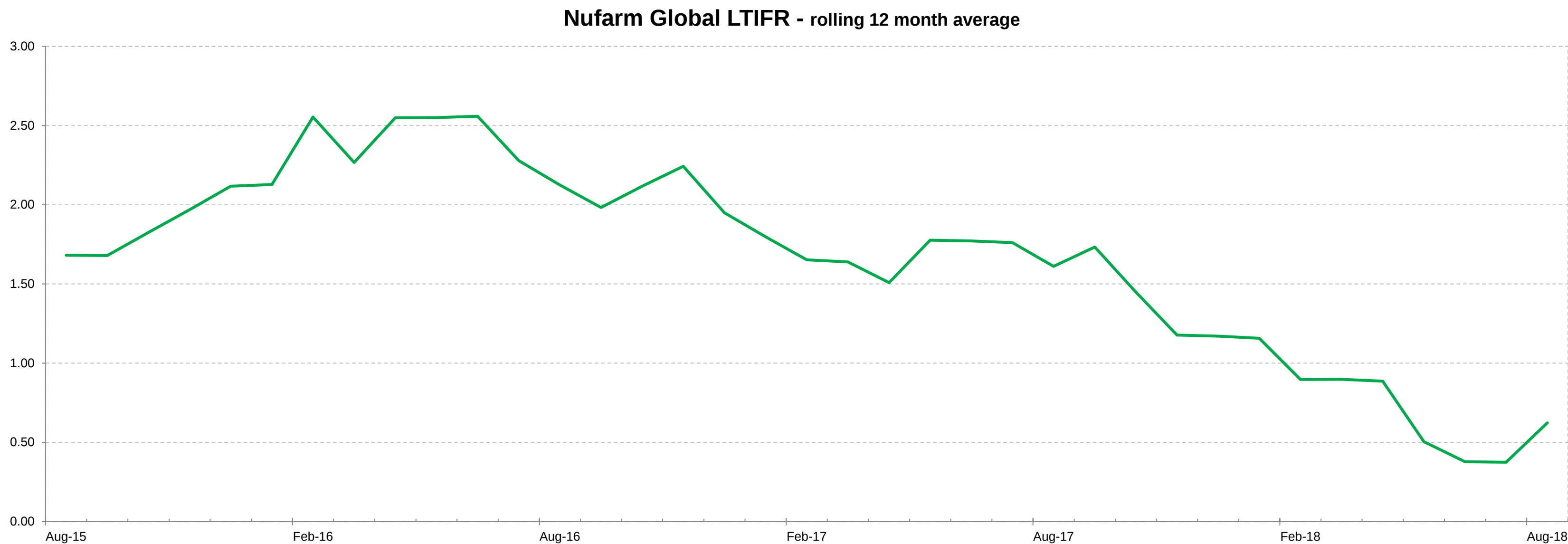
- Improved safety performance
- Revenue growth in all regions except ANZ
- EBIT result in line with July 23 trading update
- Australia impacted by driest autumn in 100 years and very dry winter on east coast
- Europe acquisitions performed strongly in FY18 and is expected to deliver FY19 targets
- Sumitomo partnership delivering benefits with sales growth of 37% (CAGR) over last five years
- Omega-3 canola program secures first regulatory approvals, with commercialization progressing to plan

Strategy execution over last 4 years has delivered:

- Revenue growth of 6% (CAGR)
- Margin expansion above 300 basis points
- EBITDA growth of 8% (CAGR)
- Underlying EPS growth 5% (CAGR)
- Performance improvement program benefits over \$100m, with business transformation benefits to come in FY19/20
- Average NWC/sales down from 49.0% to 40.3%

Executing on the strategy and building a better Nufarm

Prioritising the safety of our people



LTIFR – lost time injury frequency rate is the number of lost time injuries per one million hours worked

Clear performance improvement in the lost time injury frequency rate

Glyphosate safety

- All major regulatory authorities have concluded that glyphosate is unlikely to be carcinogenic when used in accordance with label instructions, supported by over 800 scientific studies and reviews conducted over many decades.
- A federally funded US Ag health study, completed in 2017, which followed more than 89,000 people, including farm workers and their families, for more than 20 years, concluded that 'no association was apparent between glyphosate and any solid tumors or lymphoid malignancies overall'
- Regulators such as the US EPA, the European Food Safety Authority and the APVMA here in Australia, employ rigorous scientific processes and undertake years of analysis and review before products like glyphosate are approved for use
- Glyphosate has been used by growers safely and effectively for more than 40 years
- Nufarm maintains its product registrations and continues to sell glyphosate-based products, and views the likelihood of glyphosate being removed from grower use as low

Glyphosate considered safe to use by major regulatory authorities globally

2018 Full Year Results

Financials

Paul Binfield
Chief Financial Officer



2018 Full year results

- Growth in most of our strategic focus markets
- Gross profit margin largely in line with prior year, when impact of Australia drought and plant shutdown is excluded
- Underlying NPAT down 28%, driven by lower EBIT and higher net financing expense
- Reported NPAT impacted by material items relating to ANZ impairment and business acquisition costs
- ROFE down due to lower EBIT and acquisition impact

(A\$ millions)

	FY18	FY17	Change
Revenue	3,308	3,111	↑ 6%
Underlying gross profit ¹	963	916	↑ 5%
<i>Gross profit margin</i>	29.1%	29.4%	↓ 30bps
Underlying EBITDA ¹	386	390	↓ 1%
<i>EBITDA margin</i>	11.7%	12.5%	↓ 80bps
Underlying EBIT ¹	265	302	↓ 12%
Underlying NPAT ¹	98	136	↓ 28%
Reported NPAT	(16)	114	↓ 114%
ANWC/sales	40.3%	36.8%	↑ 350 bps
Return on funds employed (ROFE) ²	9.4%	13.6%	↓ 420bps
Full year dividend ³	11 cents	13 cents	

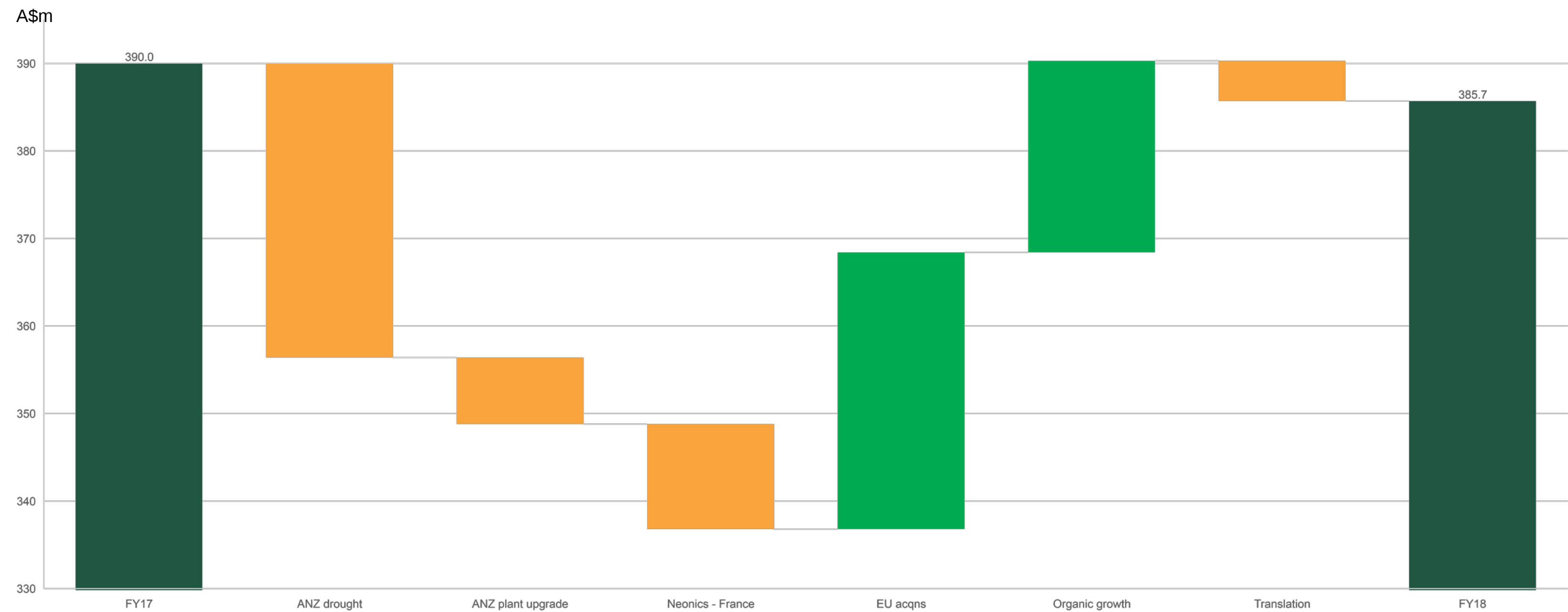
1. Excludes material items

2. ROFE is underlying EBIT divided by the average of opening and closing funds employed (equity + net debt)

3. Unfranked

Controlling the 'controllables' in a challenging environment

EBITDA bridge by driver



ANZ impacted by drought conditions, with Europe boosted by acquisition contribution

Operating expenses reflect investment in acquisitions and transformation

(A\$ millions)

	FY18		FY17	
	A\$m	%/sales	A\$m	%/sales
Underlying sales, marketing and distribution expenses ¹	406	12.3%	364	11.7%
Underlying general and administrative expenses ¹	175	5.3%	166	5.3%
Depreciation and amortisation	86	2.6%	56	1.8%
Total underlying SG&A ¹	667	20.2%	586	18.8%
Corporate costs ²	55		56	
Underlying effective tax rate ¹	33.2%		30.2%	

1. Excludes material items

2. Included with underlying general and administrative expenses above. Represents corporate segment EBIT.

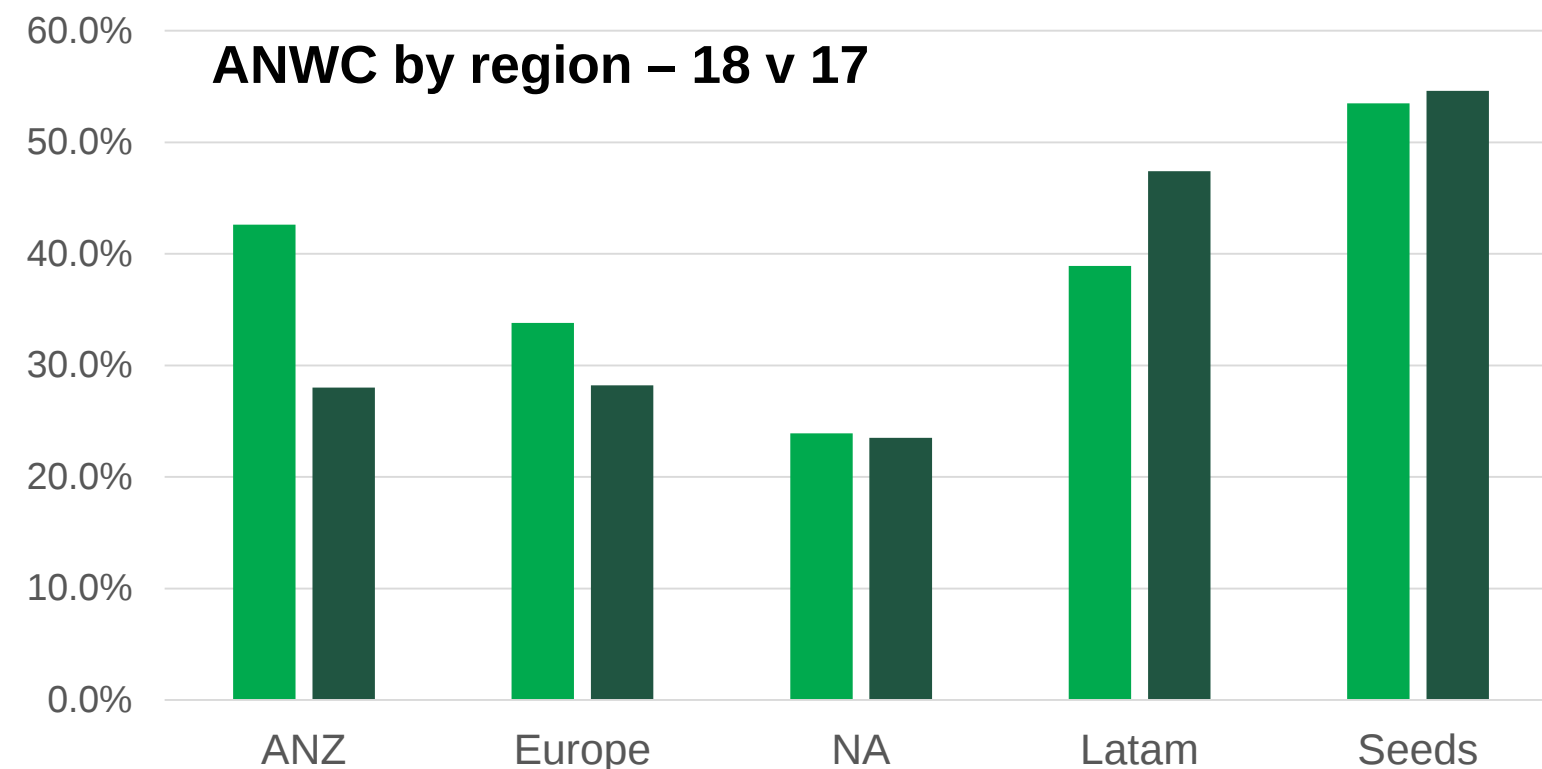
- Investment in sales & marketing resources in Europe to support new acquisitions – 41 new staff recruited
- Distribution costs impacted by higher freight in USA and Brazil, and increased warehousing costs in Australia
- Further initiatives underway to improve the efficiency of back office operations
- Increased amortization of \$30m, with the EU acquisitions accounting for \$21m
- Underlying effective tax rate in FY18 at 33.2%, elevated due to:
 - unrecoverable withholding taxes in Australia due to current year performance
 - One-off prior year adjustment in Canada
- Expect underlying effective tax rate to be 32% in FY19, and 31% in FY20

Control of operating expenses remains a key objective

Working capital

(A\$ millions)

	FY18	FY17	Change
Receivables	1,276	1,101	175
Inventories	1,180	763	417
Payables	(1,131)	(826)	(305)
Net working capital	1,325	1,038	287
ANWC/sales	40.3%	36.8%	350 bps



- ANWC/sales elevated to 40.3%, but expect reduction to below 40% in FY19, with medium term target of 35-37%
- NWC at 31 July higher caused by:
 - higher inventories in Australia
 - in Europe, higher receivables due to the later season moving sales into the 4Q of the financial year
- Reduction in ANWC in LATAM. NA and seeds in line with prior year
- Europe receivables
 - Driven by late season
 - Acquisition receivables adds approx. \$40m to \$50m
 - Credit quality is strong
- Australian inventories - actions
 - Cancelled and deferred \$70m of raw material purchases
 - Some campaign sales in WA
 - Moved raw materials to other regions
 - Minimal plant activity in 1H
 - Obsolescence risk minimal

ANWC/sales medium term target of 35-37%

Interest and net debt

(A\$ millions)

	FY18	FY17
Interest income	(11.0)	(8.6)
Interest expense ¹	94.0	96.1
Lease interest expense	2.0	1.9
Debt establishment costs	6.7	3.8
Net interest expense	91.7	93.2
Net fx (gains)/losses ¹	26.6	13.8
Total financing costs ¹	118.3	107.0
Net debt at period end	1374	680
Average net debt for period ²	1085	886
Leverage at balance date ³	3.0x	1.7x
Average leverage for period ⁴	2.37x	2.27x

1. Excludes material items

2. Average net debt is the average of the month end net debt over the preceding 12 months

3. Leverage is net debt at period end divided by underlying EBITDA, calculated on a pro-forma basis to account for acquisitions

4. Average leverage for the period is average net debt over the preceding 12 months divided by underlying EBITDA

- Net debt increase due to increased net working capital at July 2018 of \$287m and debt associated with acquisitions of \$335m
- Medium term average leverage target 2.0x
- Net interest expense decrease due to lower bank base rates and lower working capital/debt levels in Brazil
- Net foreign exchange loss of \$26.6m. LATAM exchange losses within guidance, and losses incurred in other emerging markets such as Turkey and Ukraine
- Expect net interest expense to be \$105m to \$110m in FY19, accounting for full year acquisition debt funding and higher working capital coming into the year. LATAM exposures will continue to be actively hedged at a cost of approximately \$20m for FY19

Net interest expense moderately lower and solid management of currency exposures

Material items

(A\$ millions)

NPAT reconciliation	FY18	FY17
Underlying NPAT	98.4	135.8
Material items		
Asset rationalization and restructure	(1.5)	23.0
Business acquisition costs	24.1	0.0
High yield bond – termination costs	13.7	0.0
ANZ impairment	70.6	0.0
Total material items – pre tax	106.9	23.0
(-) Tax on material items	(1.6)	(1.7)
ANZ tax loss write-off	20.9	-
Impact of tax rate changes	(12.2)	0.0
Total material items – after tax	114.0	21.3
Reported NPAT	(15.6)	114.5

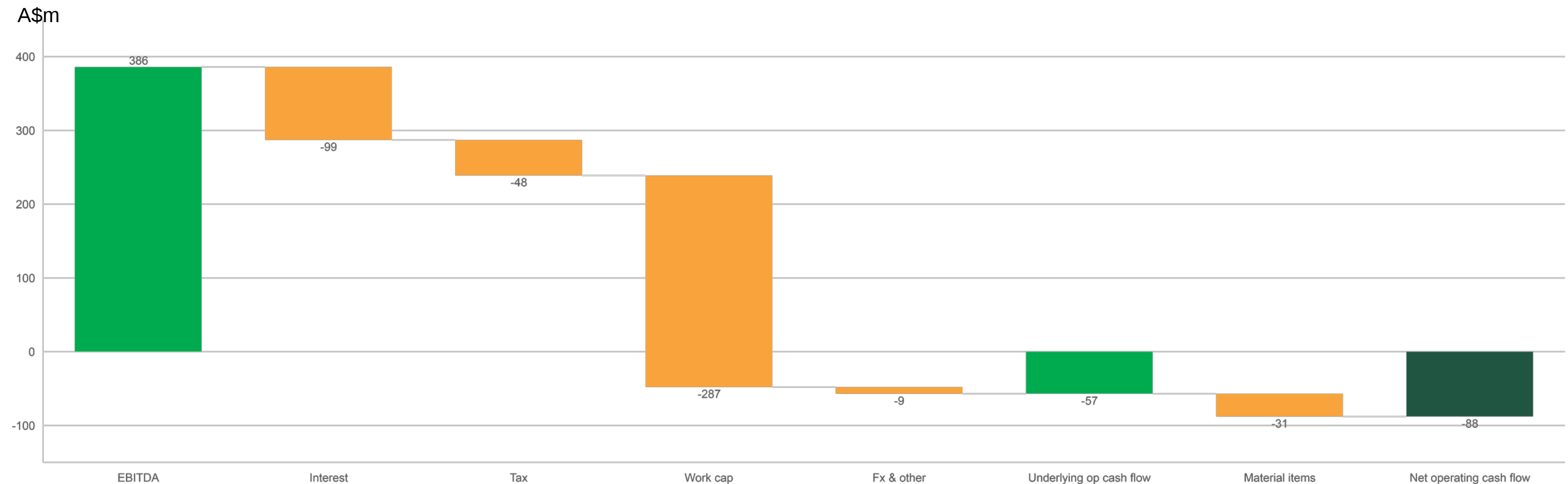
Material items relate to:

- Impairment of the Australian business driven by the lower earnings in FY18 and FY19, and a higher discount rate applied to future cash flows from the business (\$70.6m)
- Lower FY18 and FY19 Australian earnings also caused tax asset write-off of \$20.9m
- Costs associated with the European portfolio acquisitions of \$24.1m
- Early termination of the 2019 high yield bond and the unwind of the currency hedges associated with the bond (\$13.7m), cash outflow \$0.3m
- Change in corporate tax rates in USA, France and Argentina led to re-measurement of the group's deferred tax position resulting in a credit of \$12.2m
- Cash outflow related to material items is \$26.1m

Material items largely ANZ impairment and non-cash in nature

Operating cash flow

- Operating cash flow significantly impacted by higher July net working capital
- Expect FY19 PPE and intangibles capex to be \$160m to \$170m (FY18: \$193m)
- Expect FY19 depreciation and amortization to be \$160m to \$170m (FY18: \$121m)



Future cash flow improvement will be driven by higher earnings, further sustainable improvements in working capital management and a portfolio mix that features stronger cash conversion

2018 Full Year Results

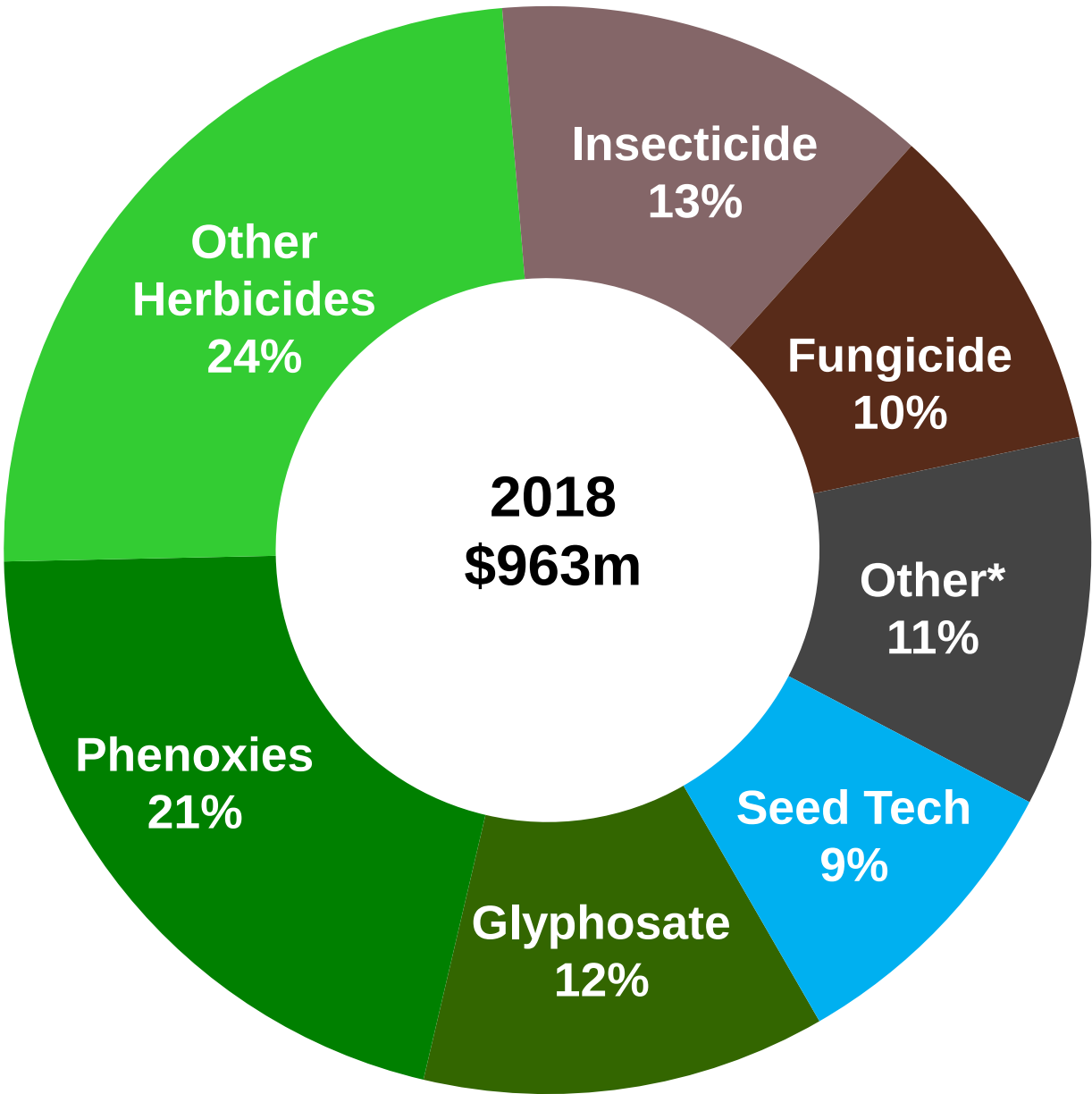
Segment results

Greg Hunt
Managing Director / CEO

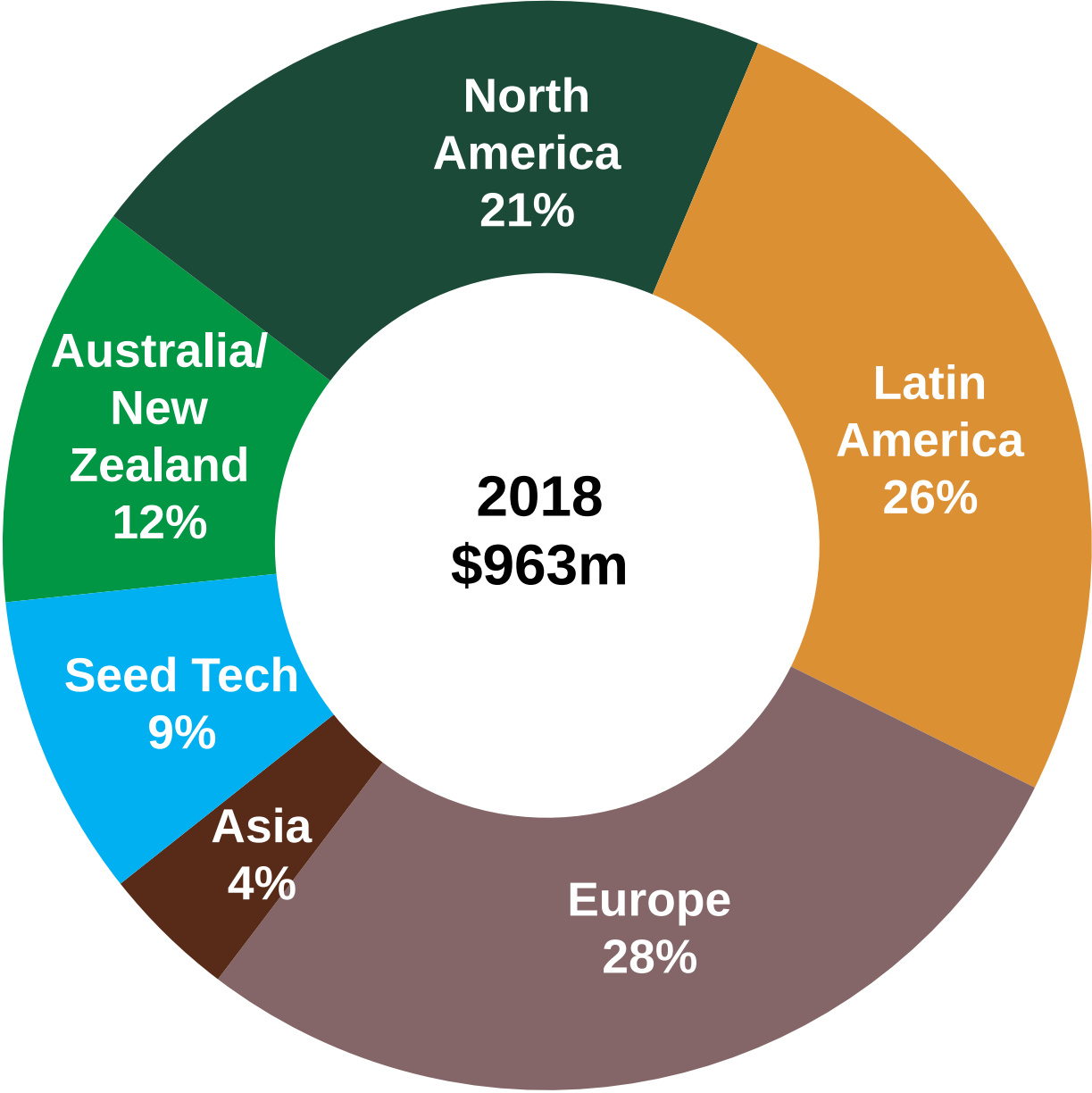


Major segments

Gross profit by product



Gross profit by geography

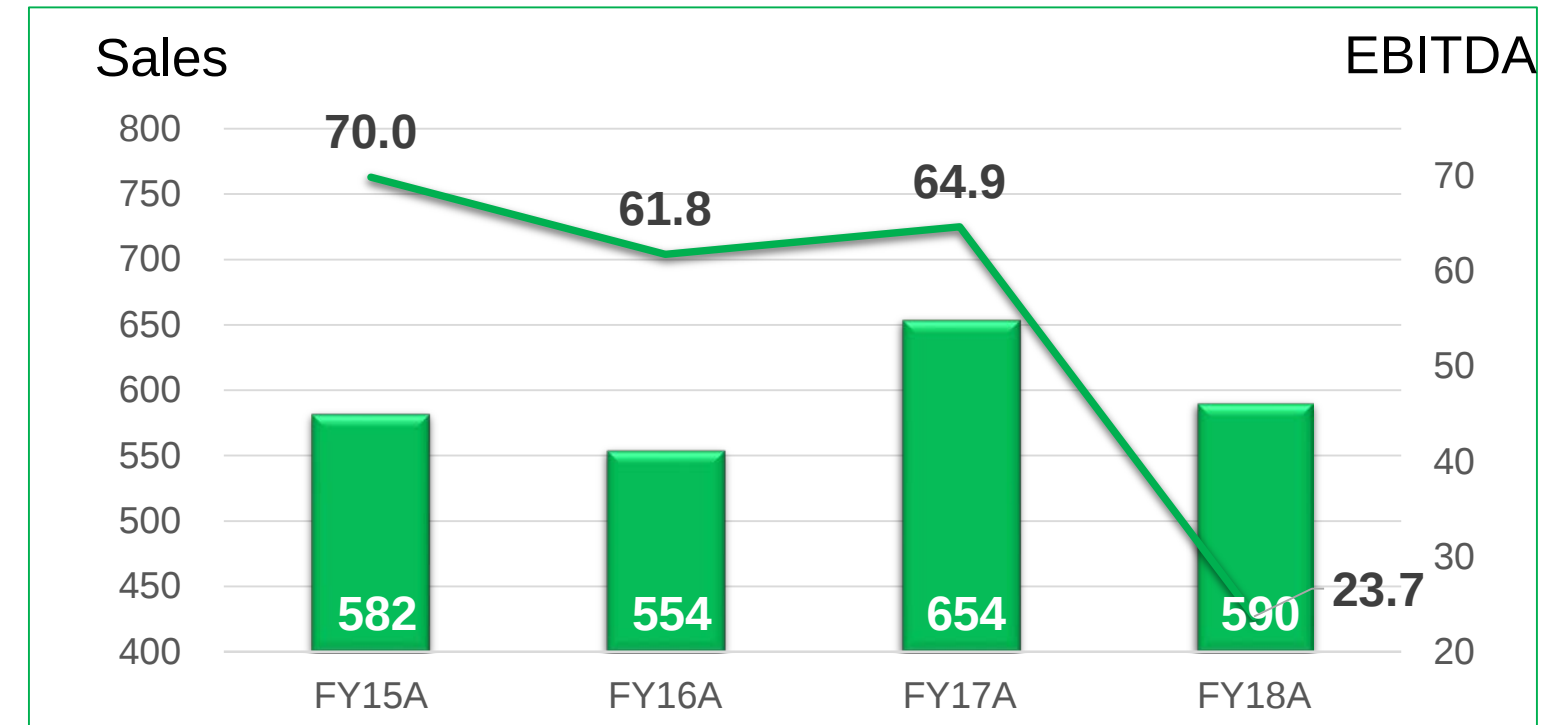


 Other includes Croplands equipment, adjuvants, PGR's and industrial products

Balanced product portfolio and geographic diversity

Region – Australia/New Zealand

A\$(m)	FY18	FY17	%
Sales	590.2	654.2	-10%
Underlying EBIT	9.2	51.6	-82%
Underlying EBITDA	23.7	64.9	-63%
Underlying EBITDA Margin	4.0%	9.9%	



Nufarm drivers

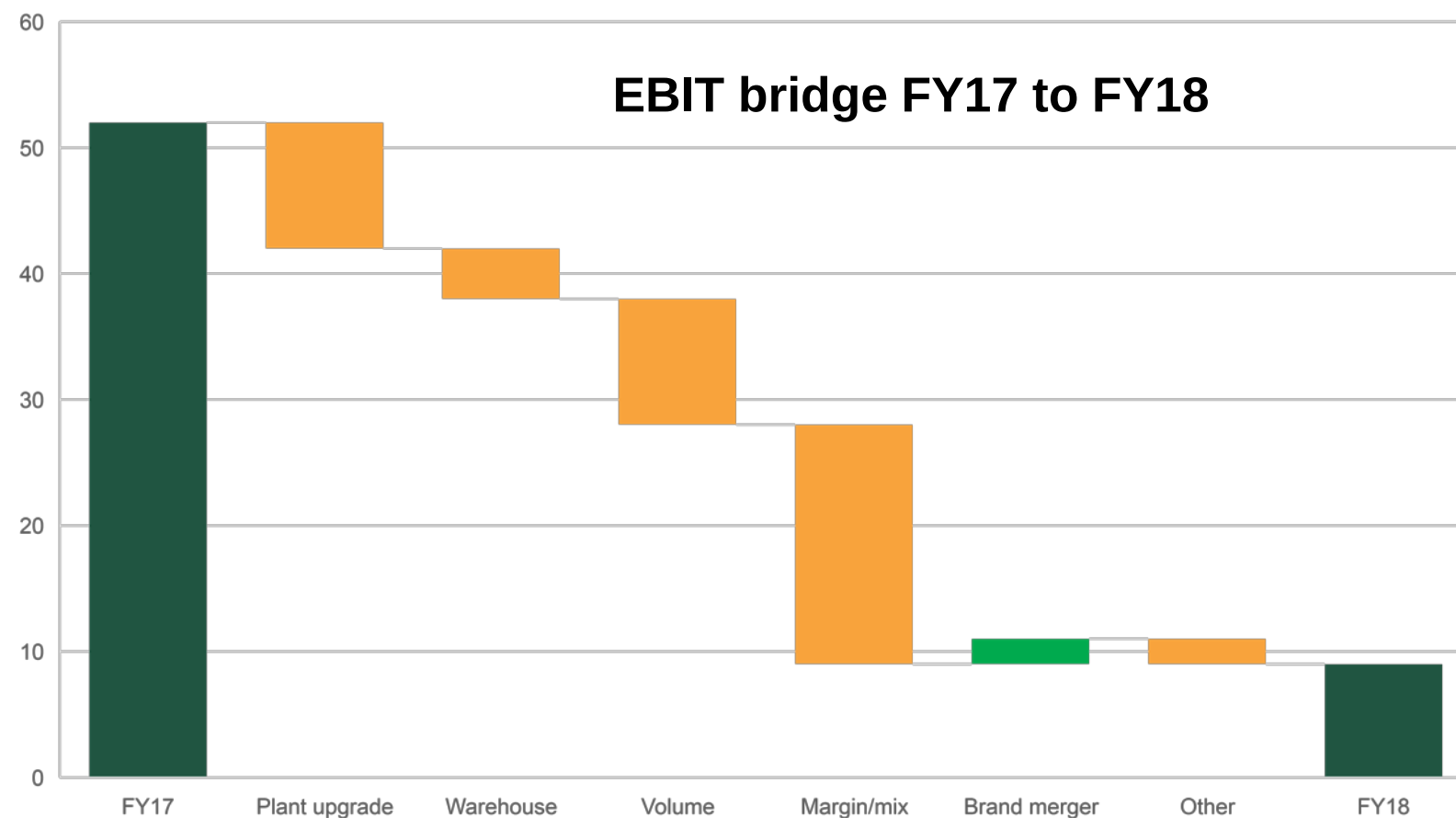
- Sales down 10% due dry autumn and mixed winter conditions. Lost sales mainly high-value post-emergent products. Margin pressure across the portfolio, exacerbated by dry season
- Plant upgrade necessitated shutdown, with EBIT impact of \$8m
- Nufarm and Crop Care brands combined with positive customer feedback
- Continued focus on customer centricity and share recovery
- Impairment loss of \$71m resulted from lower earnings in FY18 and FY19, and higher discount rate applied to future cash flows

Market drivers

- Poor autumn season across the country – one of the driest on record. Winter season very poor in NSW/QLD, average in VIC/SA and good in WA
- High levels of imports in 1Q18 led to competitive pricing environment, and high channel inventories going into FY19
- NZ market conditions favourable in pasture and horticulture segments

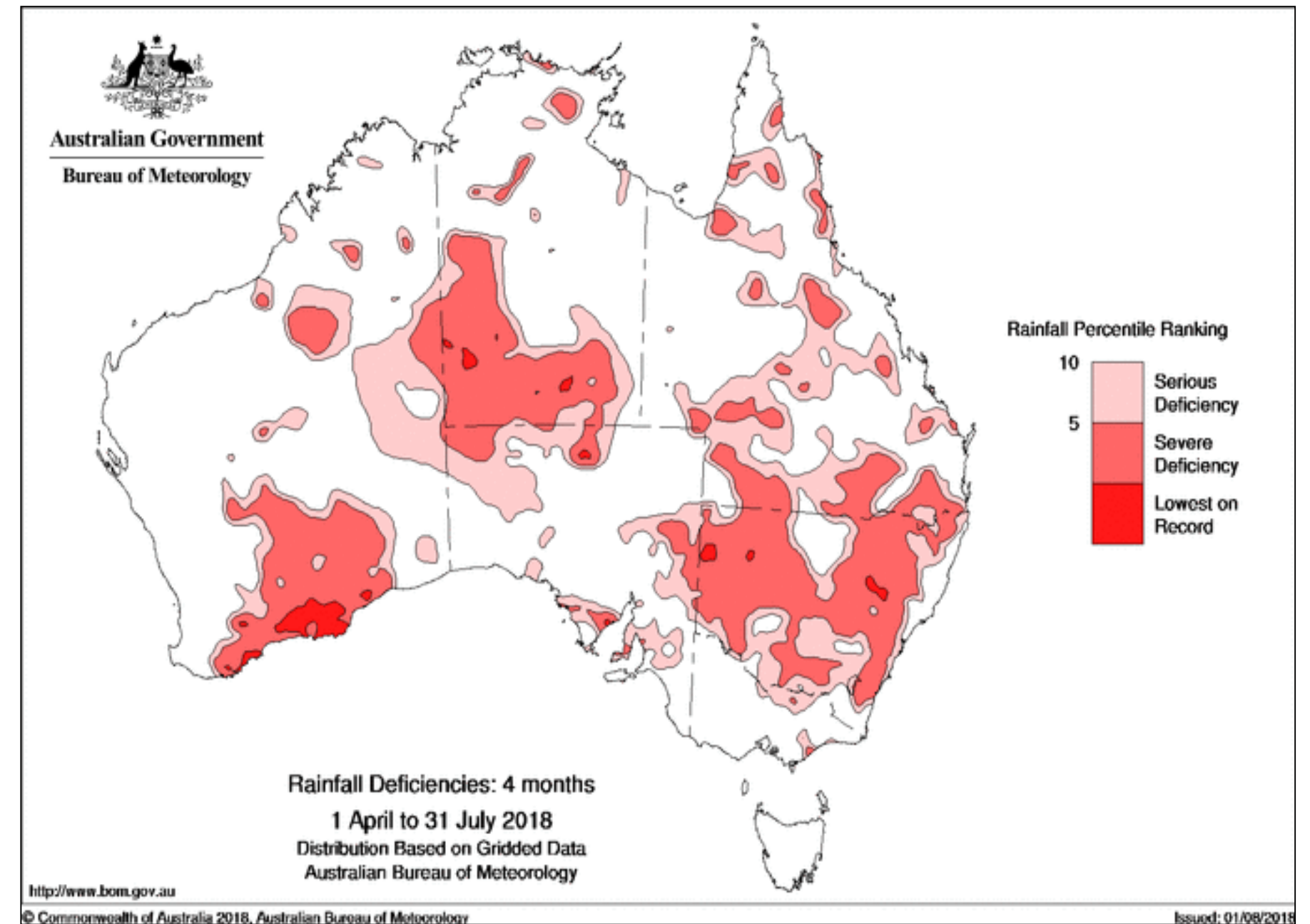
One of the driest autumn/winter periods on record for large areas of Australia

Region – Australia/New Zealand



Nufarm outlook for FY19

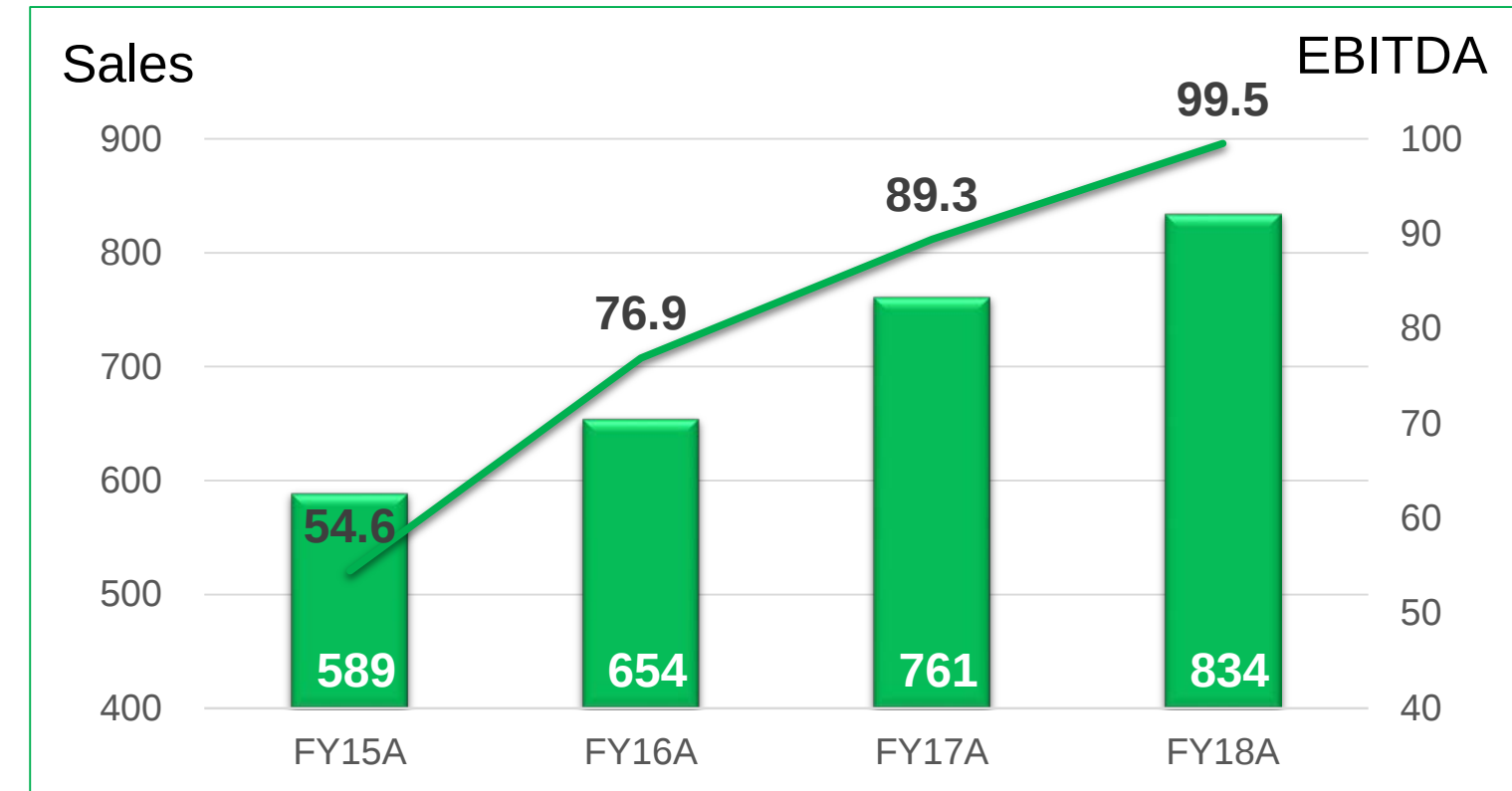
- Plant upgrade costs – one-off in FY18
- Partial recovery of margin/mix losses assuming average 2019 winter season and good post-emergent market
- Continue to invest in brand and grower pull-through initiatives
- Manufacturing under-recoveries due to reduced throughput



Expect partial earnings recovery in FY19, and return to ~\$50m EBIT in FY20, assuming average seasons

Region – North America

A\$(m)	FY18	FY17	%
Sales	833.7	761.1	10%
Underlying EBIT	77.5	70.3	10%
Underlying EBITDA	99.5	89.3	11%
Underlying EBITDA Margin	11.9%	11.7%	



Nufarm drivers

- Revenue growth reflects higher volumes and focused product portfolio aimed at targeted segments
- Support from customer base continues to rise – delivering on our promise to be ‘easy to do business with’
- Continued support for glyphosate at grower level
- New Greenville, Mississippi, formulation facility will help drive sales growth into south-eastern US markets

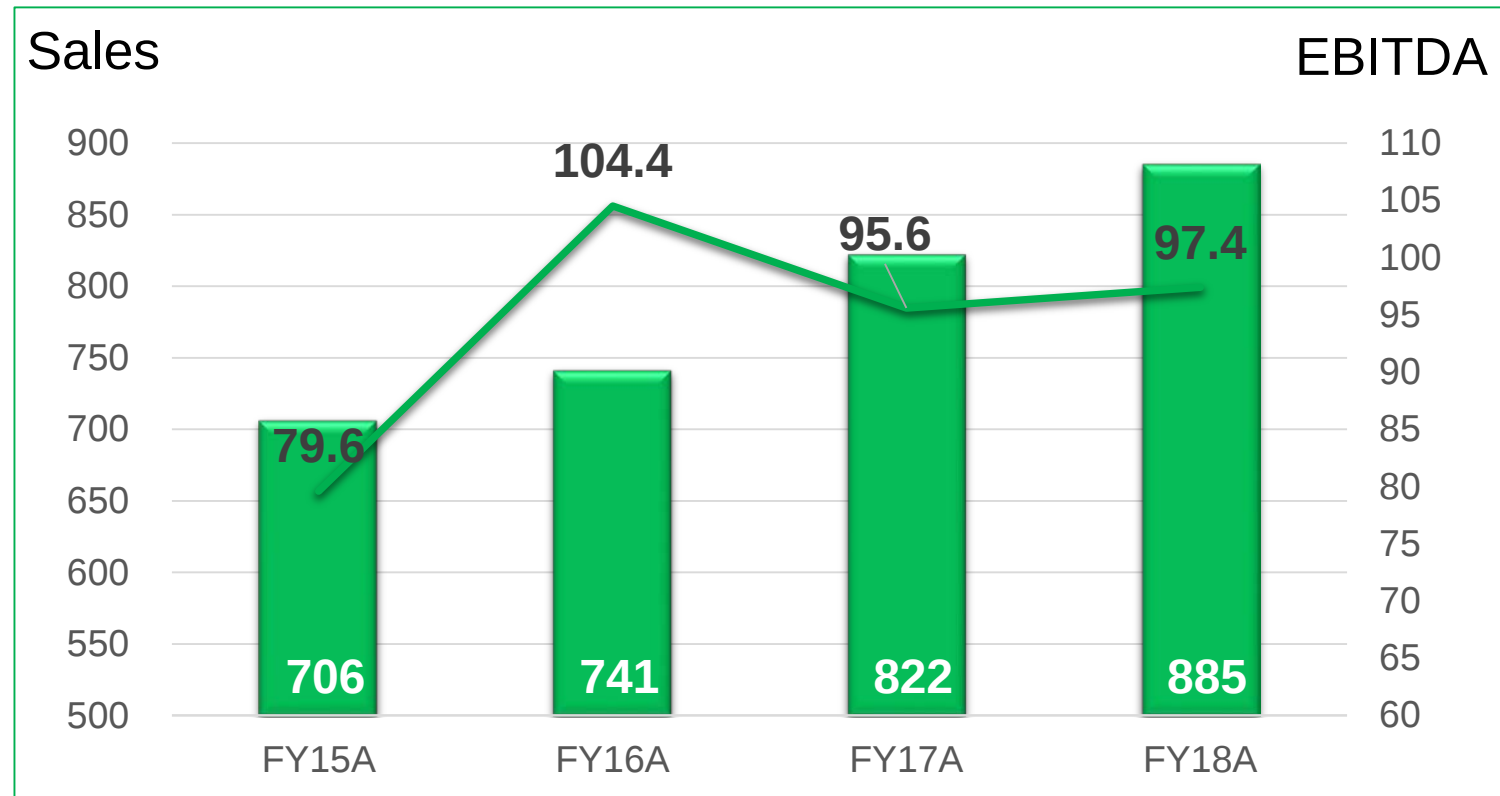
Market drivers

- A mixed season, with an extended winter giving a late start in both Canada and the USA, but conditions improved once crops were planted
- Low soft commodity pricing has reduced farmer input spend
- Glyphosate resistance opportunities continue to increase
- Industry consolidation – channel and end users want choice
- Uncertainty around tariffs on both exports and crop protection inputs

Expect continued strong sales and earnings growth in FY19

Region – Latin America

A\$(m)	FY18	FY17	%
Sales	885.2	821.8	8%
Underlying EBIT	90.8	89.4	2%
Underlying EBITDA	97.4	95.6	2%
Underlying EBITDA Margin	11.0%	11.6%	



Nufarm drivers

- Brazil sales up 11% in AUD, mostly volume-driven, with good sales in the pasture segment and new products that address herbicide resistance
- Margins impacted by competitive pricing, higher costs of actives from China and increased logistics costs
- In constant currency, sales for LATAM were up 17% and EBIT up 12%
- Argentina sales down 16% in AUD, but margins improved as we focused on higher-margin products
- Brazil channel inventories at normal levels
- Interest expense and exchange losses in line with guidance

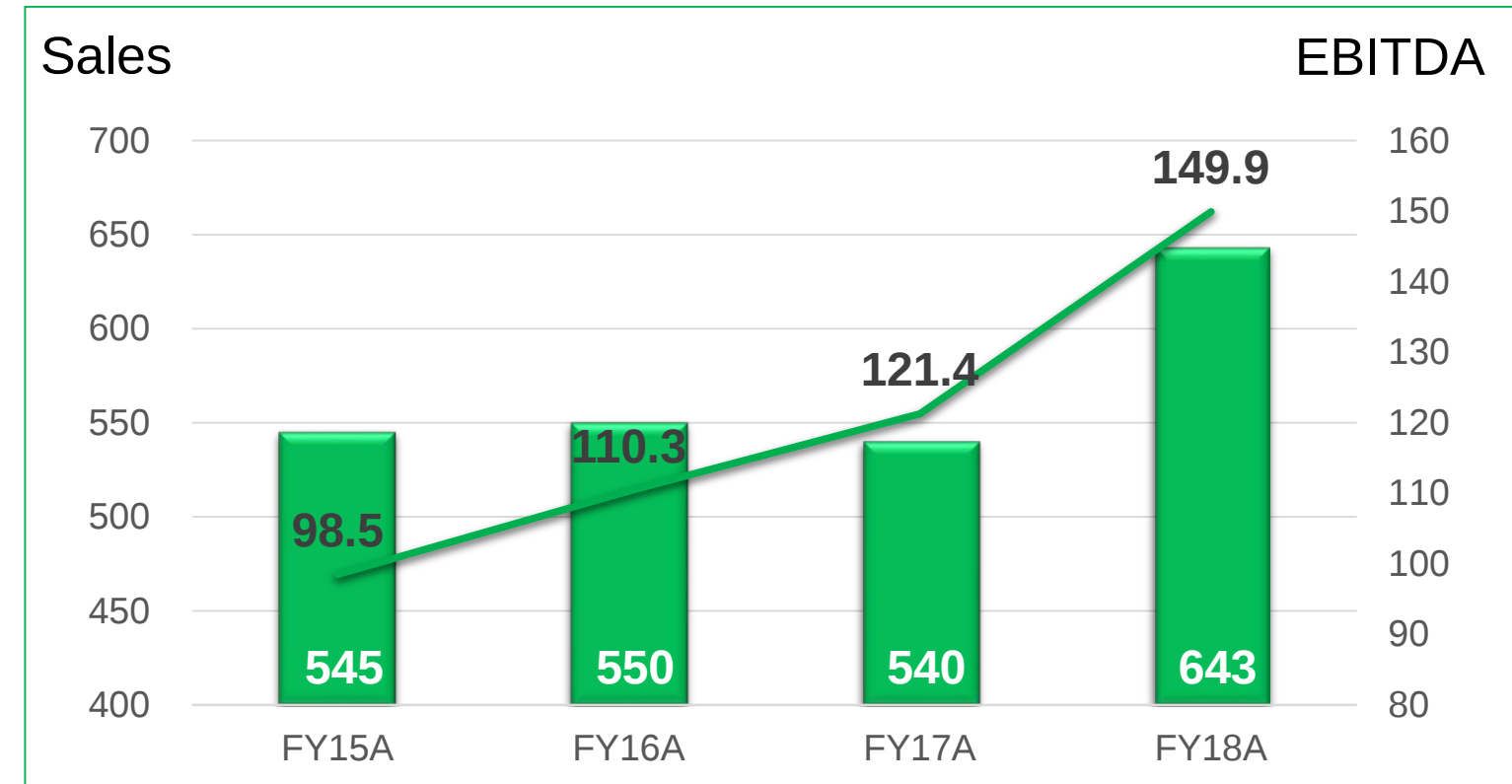
Market drivers

- Overall Brazil crop protection market value down 7% in USD in CY17, mainly due channel stock adjustments. Expect market to grow in CY18
- Brazil weather conditions very good
- Credit conditions in Brazil eased on improved grower profitability, leading to better NWC management
- Argentina impacted by drought during the growing season. Soybean and corn production expected to be down 30%.
- Reintroduction of export taxes on corn and wheat in Argentina

Industry channel inventories back to normal levels by end of calendar 2017

Region – Europe

A\$(m)	FY18	FY17	%
Sales	642.6	539.8	19%
Underlying EBIT	86.5	85.8	1%
Underlying EBITDA	149.9	121.4	24%
Underlying EBITDA Margin	23.3%	22.5%	



Nufarm drivers

- Sales growth primarily driven by the European portfolio acquisitions
- The European business was impacted by the late start to the season and the very dry finish
- Continued portfolio focus on high value products, differentiation and pricing discipline
- Back-office harmonization cost-out project slightly delayed but will be completed in FY19
- Acquired businesses performed strongly and sales/marketing plans developed to deliver in FY19

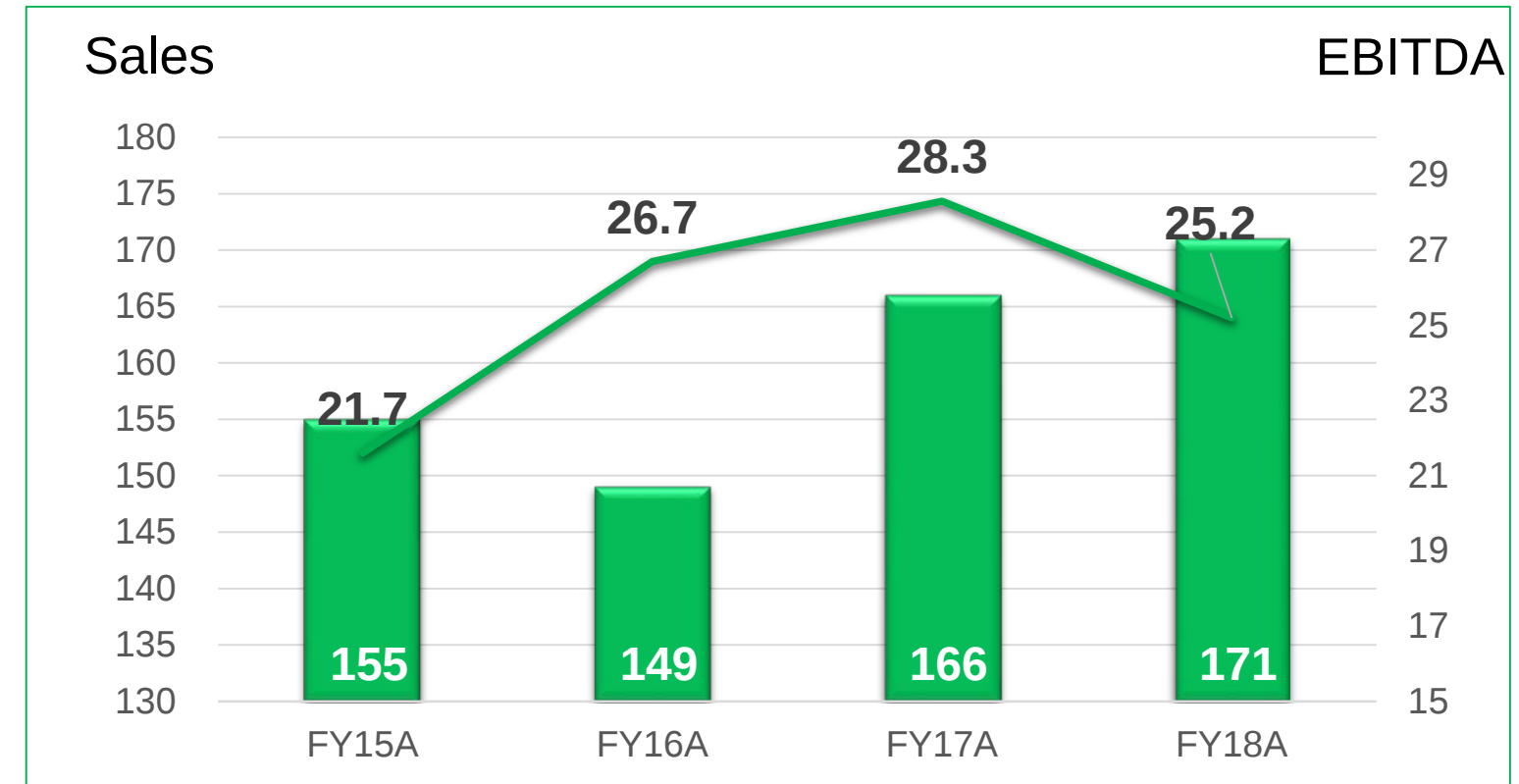
Market drivers

- Adverse conditions across central and northern Europe. Late start to the season, followed by a short spring and a hot, dry summer. Harvests are expected to be below average.
- Low pest pressure impacts insecticide and fungicide markets
- Regulatory environment challenging

Acquisition integration well progressed. Expect to deliver FY19 acquisition targets

Region – Asia

A\$(m)	FY18	FY17	%
Sales	170.7	165.6	3%
Underlying EBIT	22.2	24.4	-9%
Underlying EBITDA	25.2	28.3	-11%
Underlying EBITDA Margin	14.8%	17.1%	



Nufarm drivers

- Indonesia sales up 8.6% in local currency, 3% in AUD, driven by market share gains and new product launches
- Increased sales into China +23%, but mainly lower margin products
- Japan sales down 18% due to loss of high margin product sales to generic competition

Market drivers

- Seasonal conditions in Indonesia average through FY18, compared to above average in FY17
- Overall, palm oil pricing was relatively stable during the year
- Increased generic competition in Japan

Established sales and marketing JV with Fuhua in china



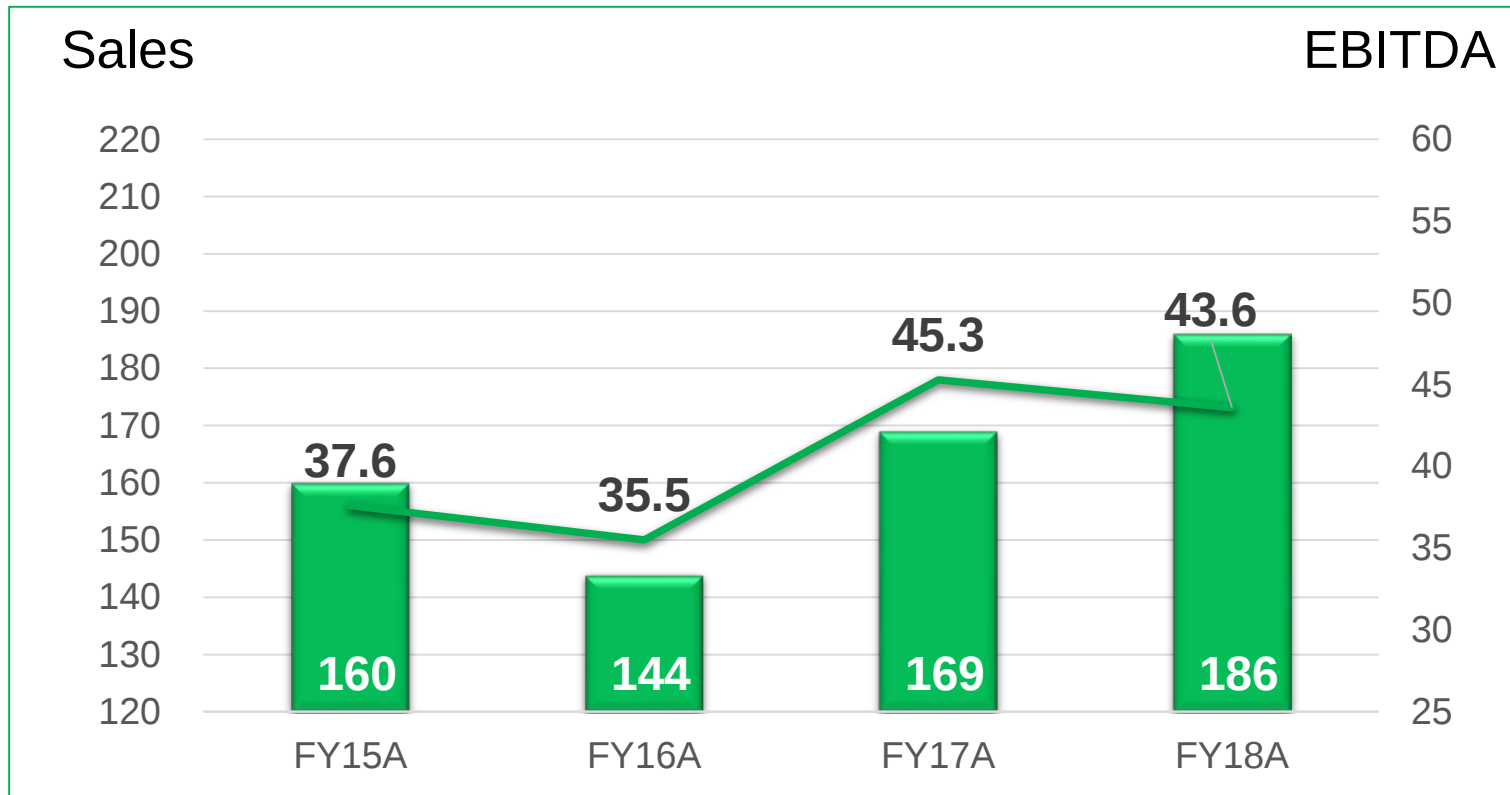
2018 Full Year Results

Seed technologies

Brent Zacharias
Group Executive, Nuseed

Region – Seed technologies

A\$(m)	FY18	FY17	%
Sales	185.5	168.6	10%
Underlying EBIT	34.3	36.4	-6%
Underlying EBITDA	43.6	45.3	-4%
Underlying EBITDA Margin	23.5%	26.9%	



Nufarm drivers

- Loss of Imidacloprid 600 seed treatment sales in France, with an estimated \$11m EBIT impact due to regulatory changes
- Growth in seed treatment in USA, successful new product launches in Brazil and addition of seed treatment products from European acquisitions
- Nuseed delivered market share gains in sunflower and sorghum markets in Europe, North America and Latin America
- Omega-3 canola registrations and commercialization on track

Market drivers

- Seasonal conditions generally positive, except for pre-plant drought conditions in the Australian canola season
- Positive indications for FY19 growth in all segments, subject to seasonal conditions

Expanded seed treatment portfolio and omega-3 canola commercialization on track

Omega-3 canola update

Commercialization on track, subject to appropriate regulatory approvals

Regulatory status

- Regulatory approval in Australia (food, feed and cultivation)
- Regulatory approval in USA (cultivation)
- Anticipate USA food and feed approval prior to 2019 crop season
- Anticipate Canada cultivation, food and feed approvals mid 2019
- Filing completed in China, multiple other countries

Pre-commercialisation plans well advanced

- 2017 crop (3,000 acres) crushed and delivered through pilot supply chain to pre-commercial trials
- 2018 crop (15,000 acres) harvest complete and moving to crush, confirming stewarded supply chain
- Feeding trials underway with multiple aquaculture firms
- Initial data on performance to be received in December 2018

Strong intellectual property position

- Intellectual property position further strengthened with >20 additional patents granted in FY18
- USA federal court infringement proceeding commenced against BASF and Cargill for their technology activities
- Continued clear pathway to commercialization of our omega-3 canola

Commercialization target and timing of earnings contribution

- Nuseed will initially cultivate omega-3 canola in USA under strict stewardship protocols
- Pending regulatory approvals, first commercial contracts anticipated by end of FY19
- Positive EBITDA contribution expected in FY21 after scale-up phase is completed

Nuseed is well positioned to be the first to market with a sustainable and scalable alternative source of long chain omega-3

2018 Full Year Results

Growth opportunities

Greg Hunt
Managing Director / CEO

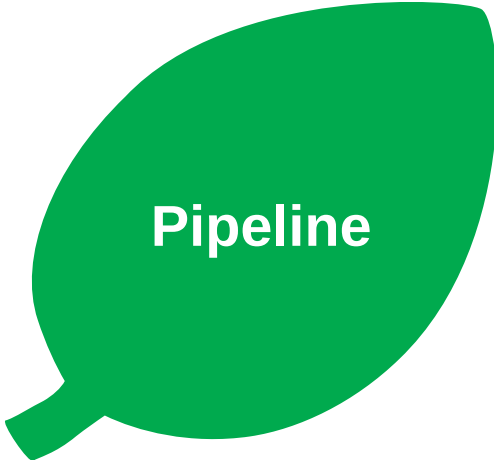


Growth opportunities remain strong



Portfolio

Growing our share in our core geographies based on our existing portfolio



Pipeline

Strengthening our pipeline of grower-focused crop protection and seed solutions



Partners

Building alliances with partners around the world to deliver access to new chemistries for growers and channel partners



Acquisitions

Pursuing portfolio acquisitions that align with our strategy and enhance our offer to channel partners and growers



Beyond Yield

Investing in new seed solutions and technologies such as our world-leading omega-3 canola

Multiple growth platforms

Portfolio growth/pipeline

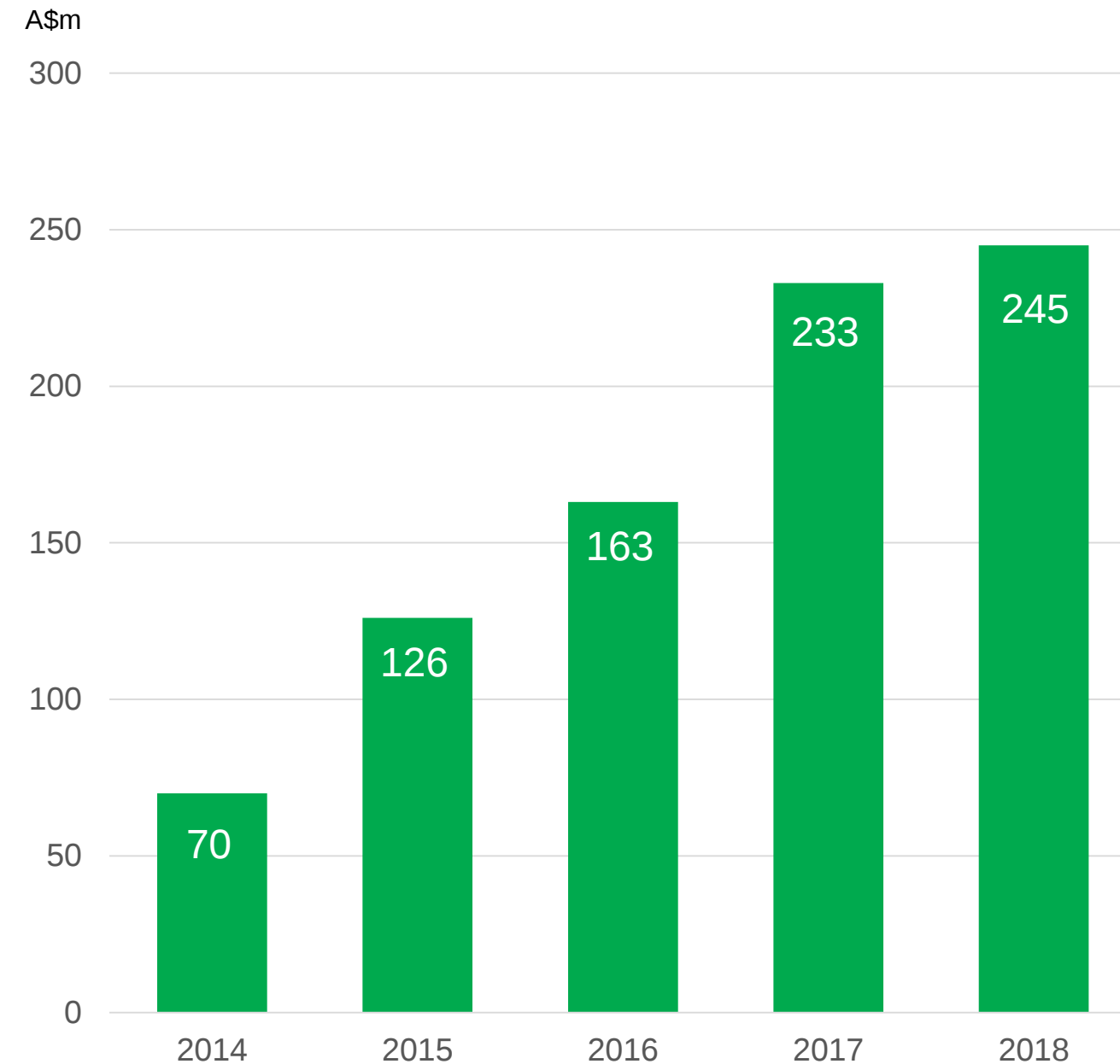


Key development targets

Crop	Target	Timing
Soybeans	Herbicide – 2 nd gen pre-em	2025
	Fungicide – ASB rust	2023
Cereals	Graminicide	2019-21
	Fungicide – septoria	2024
Corn	Herbicide – grass & broadleaf	2023
Pasture	Herbicide – woody weeds	2018

Growth in differentiated portfolio drives margin expansion

Our partnership with Sumitomo continues to grow



Nufarm sales of Sumitomo products

Growth has come from

- Exclusive distribution agreements for core crops and key countries
- Joint product innovation and formulation development with core molecules
- Increased access to a wider portfolio

Highlights in FY18

- Extended a series of global collaboration agreements (Oct 17)
- Extended US Turf and Ornamental agreement for 5 years (Aug 18)
- Agreement to develop new premixture fungicides with Sumitomo's novel compound targeting Asian Soybean Rust in Brazil (Nov 17)
- Agreement to explore distribution of Sumitomo's new fungicide for key European markets, targeting 2022 launch (Sept 18)

Nufarm's sales of Sumitomo products have grown 37% CAGR since 2014

European acquisitions expected to deliver FY19 financial targets

Contribution (A\$m)	FY18	FY19 Target ¹
Sales	69	280
EBITDA	32	110-115
EBIT	11	55-60

¹ Notes

Targets per acquisition projections

Assumes timely supply from vendors under the TSA, with transfer to Nufarm sourcing at appropriate time

Assumes average seasonal conditions in key cropping countries; no major impact from government policy changes; and a stable currency environment

Rationale

- Acquired 50 brands and 260 product registrations
- Enhanced position with increased scale and broader portfolio strengthening channel partner relationships
- Aligns with core crops and key hub countries
- Opportunity to capture cross-selling synergies
- Attractive margins and cash flow conversion

Integration

- Comprehensive portfolio provides channel with a strong, alternative partner and gives cross-selling opportunities
- Positive engagement with channel partners
- Strong FY18 sales
- Recruitment on track: 41 people added in sales, customer marketing, regulatory and field development to date
- Sales and marketing plans agreed for next season with training ongoing

Acquisitions increase scale and presence in Europe

2018 Full Year Results

Outlook

Greg Hunt
Managing Director / CEO



Group outlook

Assumptions

- Outlook assumes average seasonal conditions for the major selling periods in our key markets, and no material impacts from government policy changes or third party supply interruptions outside of our control. It should also be noted that heightened volatility currently exists in relation to various potential industry-wide impacts, including currency movements

Full year

- The combination of revenue growth, partial recovery in the Australian business and the full year impact of the European acquisitions is expected to result in earnings growth in 2019. This is despite an expectation that soft commodity prices will remain low and market conditions will remain competitive. EBITDA is expected to be in the \$500 to \$530 million range for the FY19 financial year
- An improvement in net working capital is anticipated, with the net working capital to sales ratio expected to return to a level below 40%. The completion of the supply chain investment and a commitment to the company's Integrated Business Planning (IBP) process should help drive the average net working capital to sales down to the 35% to 37% range over the medium term. An increased EBITDA and lower net working capital position at July 2019 will strengthen cash flow and result in lower group net debt levels and reduced leverage.

Group outlook

Full year (continued)

- Net interest expense is expected to increase in the 2019 financial year, given the full year funding of the acquisitions. Net foreign exchange impacts will continue to include anticipated hedging costs of approximately \$20 million for Brazil and Argentina.

Half year

- Given the ongoing drought-related impacts in Australia and some planned maintenance related plant shutdowns in Europe, first half EBITDA is expected to be similar to that generated in the first half of FY18. At an EBIT level, earnings are likely to be below the FY18 first half, as the increased amortization associated with the European acquisitions will more than offset the first half earnings contribution from those portfolios, which are weighted to the second half of the year.

EBITDA expected to be in the \$500m to \$530m range for FY19, with steady improvement in working capital, however EBIT behind in first half

Thankyou

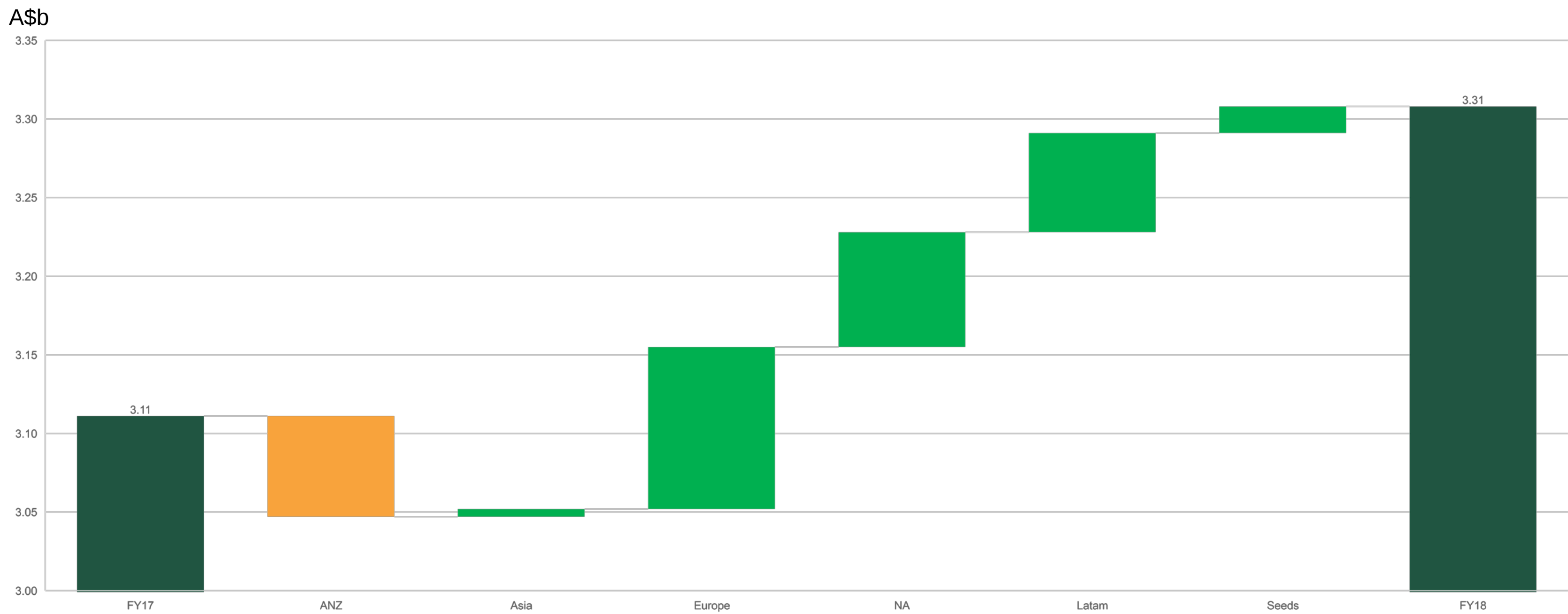
2018 Full Year Results

**Supplementary
information**

Non IFRS disclosures and definitions

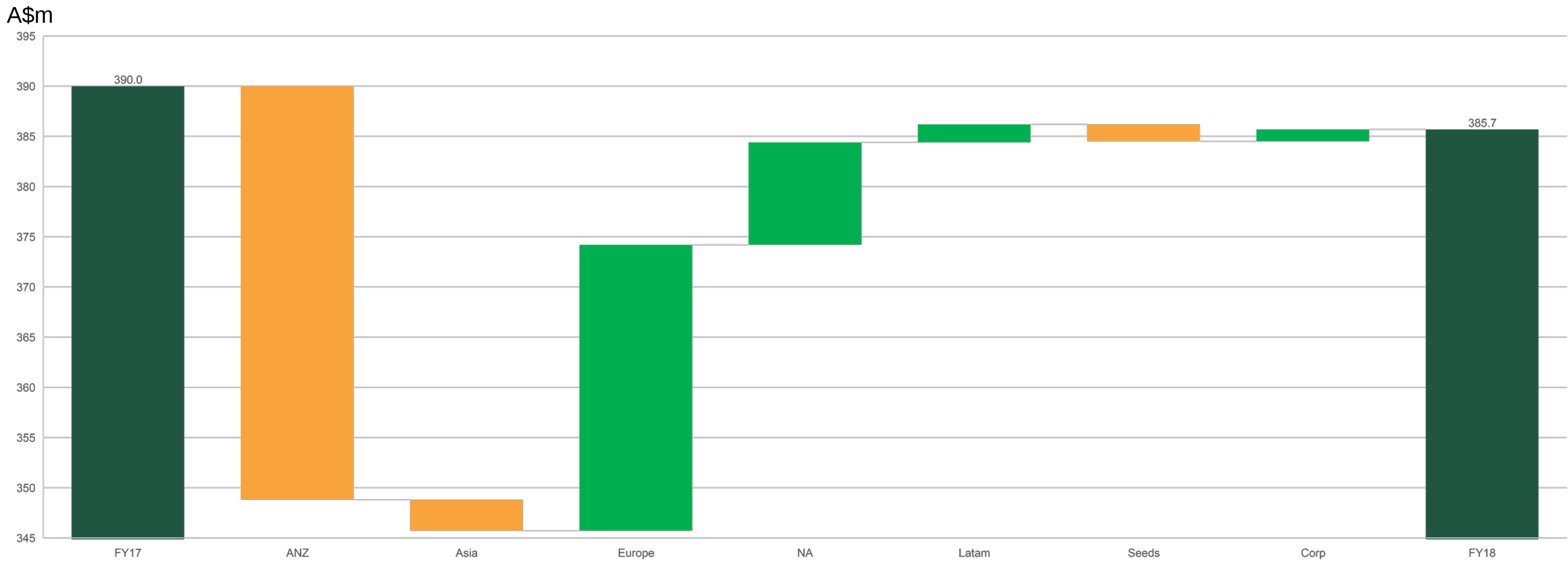
Term	Definition
Underlying NPAT	Profit / (loss) for the period attributable to the equity holders of Nufarm Limited less material items
Underlying EBIT	Earnings before net finance costs, taxation and material items
Underlying EBITDA	Earnings before net finance costs, taxation, depreciation and amortisation and material items
Gross profit margin	Gross profit as a percentage of revenue
Average gross profit	Revenue less a standardised estimate of production costs excluding material items and non-product specific rebates and other pricing adjustments
Average gross margin	Average gross profit as a percentage of revenue
Net debt	Total debt less cash and cash equivalents
Average net debt	Net debt measured at each month end as an average
Net working capital	Current trade and other receivables, non-current trade receivables and inventories less current trade and other payables
Average net working capital	Net working capital measured at each month end as an average
ANWC/sales (%)	Average net working capital as a percentage of last twelve months revenue
Net external interest expense	Net external interest expense – comprises Interest income – external, Interest expense – external/debt establishment transaction costs and Lease amortization - finance charges as described in the Nufarm Limited financial report
Gearing	Net debt / (net debt plus equity)
Constant currency	Comparison removing the impact from the fluctuation in exchange rates between all foreign currency denominated amounts and the Australian dollar
Return on funds employed	Underlying EBIT divided by the average of opening and closing funds employed (total equity + net debt)

Revenue growth



Revenue growth in all regions, except ANZ

EBITDA bridge by region



ANZ impacted by drought conditions, with Europe boosted by acquisition contribution.
Growth in North America and Latin America

Constant currency results

(A\$ millions)

	Full year ended 31 July			
	2018 Reported currency	2018 Constant currency ¹	2017 Reported currency	Constant currency %
Revenue	3307.8	3373.9	3111.1	8.4%
Underlying SG&A expenses ²	666.6	676.8	585.4	15.6%
Underlying EBITDA ²	385.7	390.2	390.0	0.0%
Underlying EBIT ²	265.1	272.0	302.3	(10.0%)

A\$1 =	Average exchange rates FY18 v FY17		
	FY18	FY17	%
BRL	2.583	2.433	6.2%
USD	0.774	0.754	2.6%
EUR	0.648	0.690	(6.1%)
GBP	0.574	0.593	(3.3%)
ARS	15.410	11.756	31.1%

1. 2018 reported results converted at 2017 foreign currency exchange rates

2. Excludes material items

Translation impact:

- Sales growth 8.4% on constant currency basis
- Underlying EBITDA in line with last year on constant currency basis
- Stronger Euro and GBP benefits results, offset by weaker USD, BRL and ARS

Non IFRS information reconciliation

	12 months ended 31 July 2018			12 months ended 31 July 2017		
	Underlying \$000	Material items \$000	Total \$000	Underlying \$000	Material items \$000	Total \$000
Revenue	3,307,847	-	3,307,847	3,111,115	-	3,111,115
Cost of sales	(2,344,413)	-	(2,344,413)	(2,195,350)	2,515	(2,197,865)
Gross Profit	963,434	-	963,434	915,765	2,515	913,250
Other income	7,256	-	7,256	12,370	(894)	13,264
Sales, marketing and distribution expenses	(480,141)	509	(480,650)	(410,648)	419	(411,067)
General and administrative expenses	(186,478)	89,095	(275,573)	(174,757)	20,909	(195,666)
Research and development expenses	(39,046)	-	(39,046)	(40,321)	94	(40,415)
Share of net profits/(losses) of associates	78	-	78	(124)	-	(124)
Operating profit	265,103	89,604	175,499	302,285	23,043	279,242
Financial income	10,978	-	10,978	8,591	-	8,591
Financial expense	(102,739)	15,899	(118,638)	(101,774)	-	(101,774)
Net foreign exchange gains/(losses)	(26,573)	1,373	(27,946)	(13,812)	-	(13,812)
Net financing costs	(118,334)	17,272	(135,606)	(106,995)	-	(106,995)
Profit before tax	146,769	106,876	39,893	195,290	23,043	172,247
Income tax benefit/(expense)	(48,792)	7,108	(55,900)	(58,892)	(1,687)	(57,205)
Profit for the period	97,977	113,984	(16,007)	136,398	21,356	115,042
Attributable to:						
Equity holders of the parent	98,396	113,984	(15,588)	135,823	21,356	114,467
Non-controlling interest	(419)	-	(419)	575	-	575
Profit for the period	97,977	113,984	(16,007)	136,398	21,356	115,042

Non IFRS information reconciliation

Twelve months ended 31 July	2018 \$000	2017 \$000
Underlying EBIT	265,103	302,285
Material items impacting operating profit	(89,604)	(23,043)
Operating profit	175,499	279,242
Underlying EBIT	265,103	302,285
add Depreciation and amortisation excluding material items	120,550	87,731
Underlying EBITDA	385,653	390,016