

## **Nufarm delivers 35 per cent NPAT growth on strength in seeds and crop protection portfolio**

27 May 2026 | News

**Underlying EBITDA rises 18 per cent; net debt reduced by \$135 million as Crop Protection and Seed Technologies drive margin expansion and cash flow strength**



**Underlying EBITDA rises 18 per cent; net debt reduced by \$135 million as Crop Protection and Seed Technologies drive margin expansion and cash flow strength**

Nufarm Limited reported a strong performance for the half year ended 31 March 2026, marked by robust earnings growth, improved cash generation, and continued progress on balance sheet deleveraging, supported by disciplined execution across Crop Protection and Seed Technologies businesses.

### **Strong Earnings and Cash Flow Expansion**

For 1H FY26, statutory net profit after tax stood at \$38 million, up 28 per cent year-on-year, while underlying NPAT rose 35 per cent year-on-year to \$52 million. Underlying EBITDA increased 18 per cent year-on-year to \$243 million, reflecting improved margins and portfolio quality.

Free cash flow improved significantly by \$193 million year-on-year, driven by stronger earnings conversion and working capital discipline. Net debt reduced to \$1.23 billion, down \$135 million year-on-year, while net debt to underlying EBITDA improved to 3.6x, a reduction of 20 per cent year-on-year.

### **Crop Protection Drives Margin Expansion**

The Crop Protection segment delivered underlying EBITDA of \$223 million, up 3 per cent year-on-year, and up 6 per cent in constant currency, despite adverse foreign exchange movements and weather-related impacts.

Europe was a key outperformer, with underlying EBITDA rising 19 per cent year-on-year (17 per cent in local currency), supported by improved product mix and lower operating costs from performance improvement initiatives. North America delivered an 11 per cent year-on-year increase in underlying EBITDA in local currency, led by strength in Turf & Ornamental and Canada, while continued regulatory timelines impacted new product revenue in the U.S.

In APAC, underlying EBITDA declined 15 per cent year-on-year, reflecting dry weather conditions in Australia and currency headwinds, partially offset by strong performance in Asia, particularly Indonesia.

### **Seed Technologies Delivers Strong Turnaround**

Seed Technologies reported underlying EBITDA of \$58 million, compared to \$27 million in the prior corresponding period, driven by strong growth in Hybrid Seeds and significant improvement in Emerging Platforms.

Hybrid Seeds EBITDA rose 7 per cent year-on-year, supported by demand for edible oils and renewable fuels, expansion in South America, and growth in Australian canola, alongside new product launches including IMI-tolerant canola and sorghum varieties.

Emerging Platforms recorded an underlying EBITDA loss of \$4 million, representing a \$26 million improvement year-on-year, driven by progress in omega-3 canola trials and regulatory milestones, including planting trials in Argentina and consumption deregulation in Japan.

### **Strategic Partnerships and Capital Allocation Focus**

During the period, Nufarm expanded its strategic partnership with bp, extending the agreement to 2050, supporting the scale-up of carinata seed technology and securing milestone-based funding, reinforcing long-term visibility in renewable fuel-linked agricultural systems.

The company also outlined a strategy refresh focused on capital efficiency, portfolio prioritisation, and higher-return markets, including selective exits, external innovation partnerships, and increased focus on margin quality.

A cost savings program of \$50 million was announced, with full run-rate benefits targeted by the end of FY27, supported by operational efficiencies, portfolio rationalisation, and changes to the operating model. Cash implementation costs are expected to be approximately \$15 million, largely in FY27.

### **Segment Performance: Regional Highlights**

Europe delivered strong margin expansion and cost-led earnings growth, while North America saw steady improvement driven by high-value product focus. APAC performance was mixed, with weather-related weakness in Australia offset by strong growth in Asia. The company noted continued focus on higher-value product portfolios and regulatory-driven innovation pipelines.

### **Outlook Reaffirmed**

Nufarm reaffirmed its FY26 outlook for underlying EBITDA and leverage, expecting strong full-year earnings growth under normal seasonal conditions. Net debt and leverage are expected to decline further, with leverage targeted at approximately 2.0x net debt to underlying EBITDA by end-FY26, compared to 2.7x in FY25.

Free cash flow is expected to remain positive, supported by seasonal working capital unwind and disciplined capital expenditure, which is expected to remain below \$200 million.

Crop Protection is expected to deliver continued EBITDA growth supported by margin expansion and cost savings, while Seed Technologies is expected to see strong growth in Hybrid Seeds and a further \$40 million improvement in Emerging Platforms, driven by expanded carinata partnerships and omega-3 progress.

Nufarm enters the second half of FY26 with stronger earnings momentum, improving cash flow, and a simplified operating model, underpinned by disciplined capital allocation, strategic partnerships, and a clear focus on high-return agricultural technologies.