



Media release  
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### **Unprecedented demand pushes urea price up**

Over the past six months unprecedented worldwide demand for nitrogen fertilisers has been driving up the price of urea.

Ballance has today announced that it can no longer absorb these increased costs, and has raised the price of urea by \$48 to \$567 per tonne, effective immediately.

'Internationally the prices of fertilisers with major nitrogen content have gone through the roof in response to increasing global demand, partially driven by the production of biofuels in the United States and Brazil,' says Chief Financial Officer David O'Reilly.

'The international price of urea has increased by more than US\$80 a tonne over the last six months.'

'Despite our local urea manufacturing plant at Kapuni, we still import significant quantities of urea to meet customer demand, and we have had no choice but to increase prices in line with market value.'

Mr O'Reilly says that Ballance has worked hard to delay the increase until the peak autumn season demand has been met, and as winter approaches, demand for urea will now begin to slow up.

He says that the new price is still very competitive, especially when compared to the Australian market.

'We appreciate that price increases are never popular and we will continue to work hard to ensure New Zealand farmers have access to cost-effective fertiliser.'

**ENDS**