



CF Industries abandons year-long bid for rival fertilizer producer Terra Industries

By Stewart Doan

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Washington, Jan. 15 – CF Industries announced Thursday that it has abandoned its year-long effort to purchase rival nitrogen fertilizer producer Terra Industries. CF also said that it has sold all its Terra shares, with a net gain that more than offsets the expense it incurred in connection with the proposed acquisition.

“It is clear that an acquisition of Terra now would require a significant increase in our offer, given the substantial uplift in equity values in the fertilizer sector,” said Stephen R. Wilson, chairman, president and chief executive officer of CF Industries. “While the strategic merits of a transaction are undeniable, it is not in the best interests of CF Industries stockholders to increase our offer to the level that we believe now would be required for Terra to agree to an acquisition.”

CF added it was pleased that prospects for nitrogen and phosphate fertilizers have improved in the view of investors, a view it said it shares.

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