

JUNE 3, 2009, 7:58 A.M. ET

## Agrium To Walk From CF Bid If Holders Don't Show Support

DOW JONES NEWSWIRES

Agrium Inc. (AGU) extended its nearly \$4.4 billion tender offer for CF Industries Holdings Inc. (CF) another week, but investor demand so far has been muted.

As a result, Agrium President and Chief Executive Mike Wilson warned, "If we fail to receive a compelling majority, we will conclude we do not have sufficient support from CF stockholders and will walk from the transaction."

Just 1.5 million CF shares have been tendered thus far; there are 49.1 million outstanding.

CF had no immediate comment. The company's board and management have repeatedly rebuffed Agrium's approaches, instead backing a planned takeover of fellow fertilizer company Terra Industries Inc. (TRA).

The jockeying for position comes as fertilizer producers look to take advantage of the drop in sector stock prices since last summer to buy up production capacity ahead of an expected rebound in prices.

Agrium is offering \$40 and one share of its stock for each share of CF. That values CF at \$89.01, an 11% premium to Tuesday's closing price.

-By Kevin Kingsbury, Dow Jones Newswires; 201-938-2136; kevin.kingsbury@dowjones.com