

January 27, 2015

ICL to Acquire Prolactal GmbH

ICL hereby wishes to report that its Food Specialties business unit, which is part of its Performance Products segment, has entered today into a share purchase agreement to acquire Prolactal GmbH and its subsidiary, Rovita GmbH (collectively, "**Prolactal**"). Prolactal, whose plants are based in Hartberg, Austria, and in Engelsberg, Germany, is a leading European producer of dairy proteins and other ingredients for the food and beverage industries and employees approximately 200 people.

Prolactal, a privately-held company with annual revenues (for 2014) of approximately €100 million, produces and sells an extensive range of functional dairy proteins used broadly in the beverage, dairy and meat industries to stabilize and improve the nutrition of beverages and foods processed under a variety of conditions. The acquisition is expected to be EPS accretive for ICL from the first year of consolidation. The transaction reflects an EV/ expected EBITDA for 2015 of 9. ICL expects the acquisition to contribute to its growth and development in the global food market.

The transaction is expected to close during the first quarter of 2015, subject, inter alia, to the receipt of regulatory approvals in Austria and Germany. There is no certainty that the closing of this transaction will occur or that it will occur as expected.

Name of the authorized signatory on the report and name of authorized electronic reporter:
Lisa Haimovitz
Position: VP General Counsel and Company Secretary
Signature Date: January 27, 2015