



Q3 2016 Results

Asher Grinbaum | Acting CEO

November 23, 2016



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Included in this presentation are certain non-GAAP financial measures, such as Adjusted Operating income and Adjusted Net income, designed to complement the financial information presented in accordance with U.S. GAAP because management believes such measures are useful to investors. These non-GAAP financial measures should be considered only as supplemental to, and not superior to, financial measures provided in accordance with GAAP. Please refer to our quarterly Report on Form 6-F for the quarter ended September 30, 2016 filed with TASE and the SEC for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.

- Quarterly results demonstrate ICL's unique advantages: diversification into Specialty Solutions and competitive position of core assets
- Disciplined working capital, cost reductions and CAPEX management resulted in positive cash flow
- Efficiency measures and strict capital management will further improve financial position

\$ millions	Q3 16	Q2 16	% change	Q3 15	% change
Sales	1,383	1,377	0.4%	1,379	0.3%
Adjusted operating income	164	163	0.6%	242	(32.2)%
Net income	(340)	120	NA	121	NA
Adjusted net income	120	132	(9.1)%	155	(22.6)%
Operating cash flow	249	238	4.6%	124	100.8%
External potash sales (thousand tonnes)	1,293	1,010	28%	1,091	18.5%
Average potash selling price - FOB	199	221	(10)%	283	(29.7)%

See Q3 2016 press release for a reconciliation of Adjusted operating income to operating income and Adjusted net income to net income.

Essential Minerals

\$ million	Q3 2016	Q3 2015
Sales*	621	620
Adj. O/I**	82	191

- **Potash sales volumes** increase supported by market stabilization following contracts signing in China and India
- **ICL'S Potash competitiveness** continue to improve with year-on-year and sequential decline in cost per tonne
- Competitive price pressure in the **commodity phosphate** market continues

Specialty Solutions

\$ million	Q3 2016	Q3 2015
Sales*	831	803
Adj. O/I**	178	138

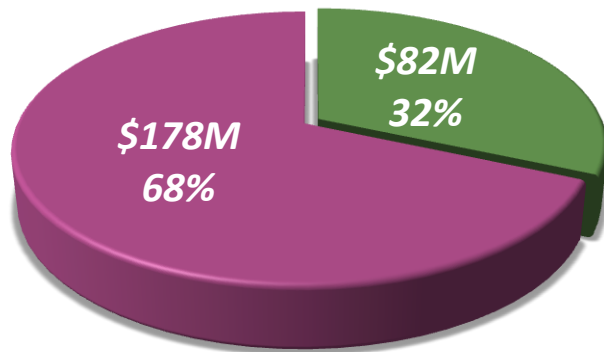
- High operating margins in **ICL Industrial Products** supported by **new products** and **cost efficiencies**
- Improved performance trend in **ICL Advanced Additives** continued, supported by a **seasonal driven mix** and **cost efficiencies**
- **ICL Food Specialties** benefitted from **solution offerings** in dairy proteins and **growth in new products**, mitigating continued competitiveness in the phosphate base business
- **Growth in Specialty Agriculture** partially mitigated the commodity driven price pressure in the market, impacting **ICL Specialty Fertilizers**

* Including inter-business units sales

** Excluding G&A and unallocated expenses

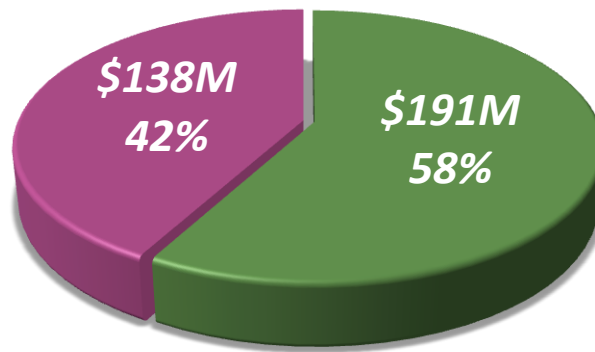
Adjusted operating income

Q3 2016



■ Essential Minerals ■ Specialty Solutions

Q3 2015



■ Essential Minerals ■ Specialty Solutions

Excluding G&A and unallocated expenses

See Q3 2016 reports for a reconciliation of Adjusted operating income to operating income.

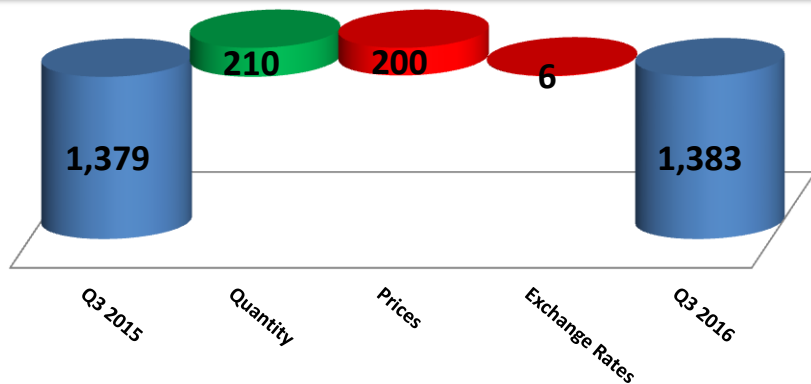
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Financial Results

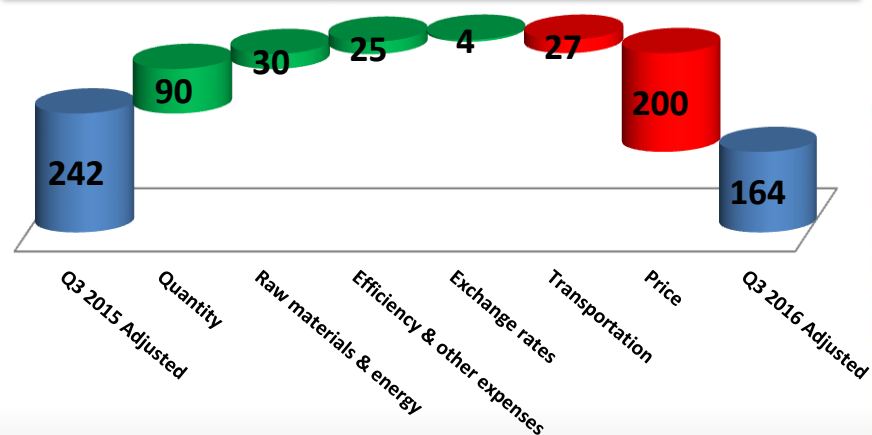
Kobi Altman
CFO

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Net income	(340)	120	NA	121	NA
Adjusted net income	120	132	(9.1)%	155	(22.6)%
Cash flow from operations	249	238	4.6%	124	100.8%
Capital Expenditures	153	154	(0.6)%	164	(6.7)%
Free cash flow	96	85	12.9%	(36)	NA

Q3 2016 Sales

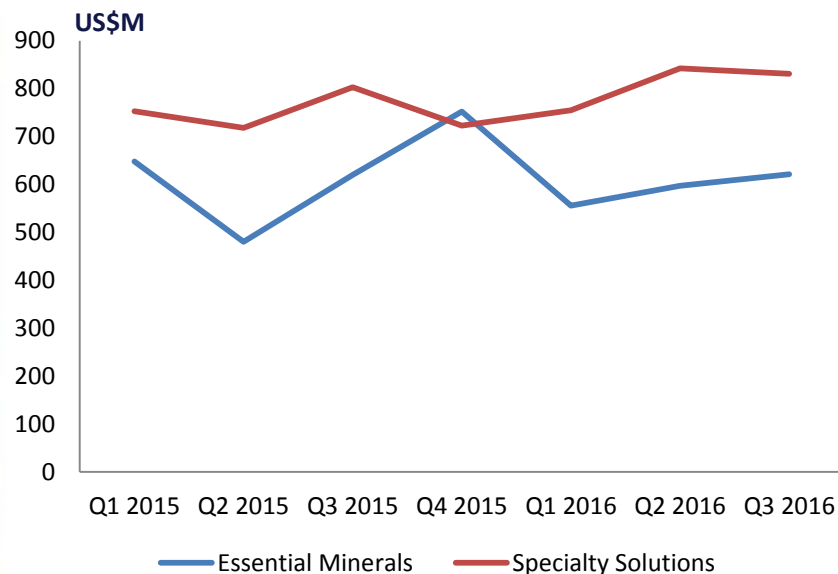


Q3 2016 Adjusted operating income

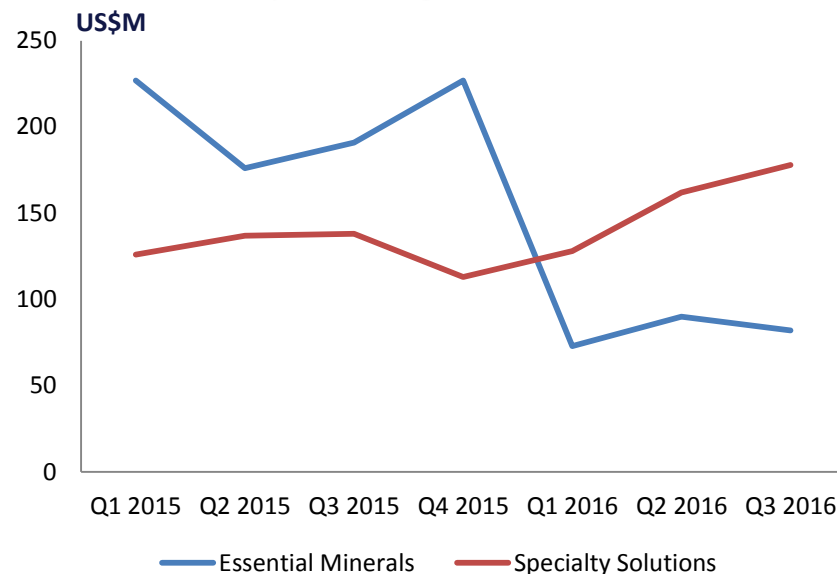


Divisional Evolution of Sales and Adjusted Operating Income

Sales



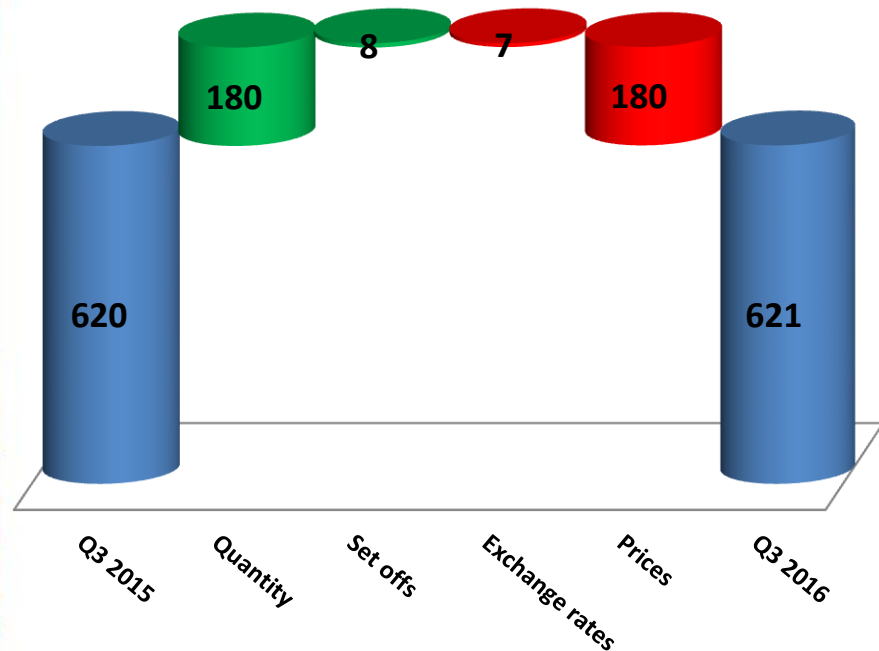
Operating Income



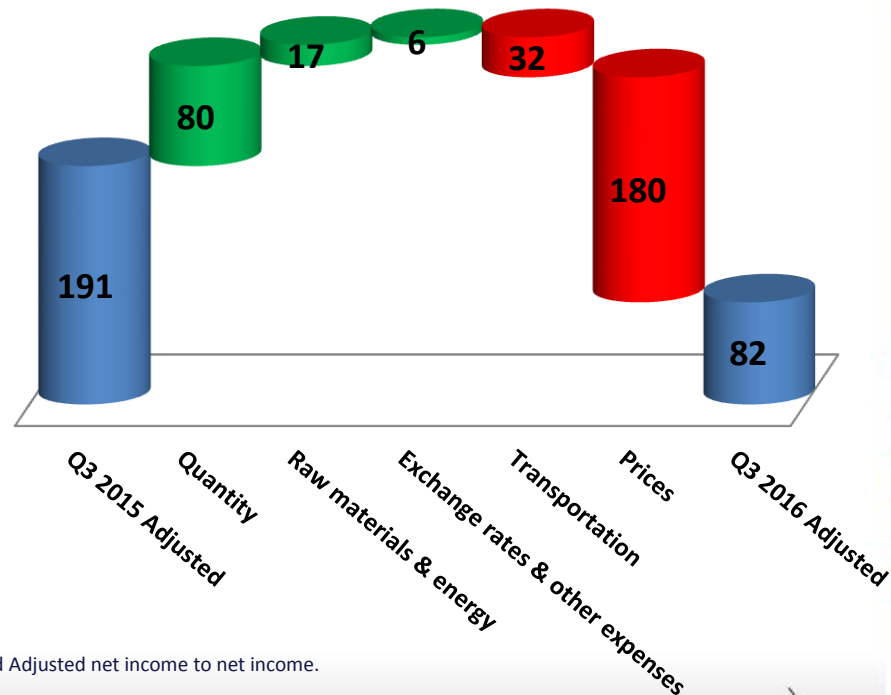
Excluding G&A and unallocated expenses

See Q3 2016 press release for a reconciliation of Adjusted operating income to operating income and Adjusted net income to net income.

Sales (\$M)



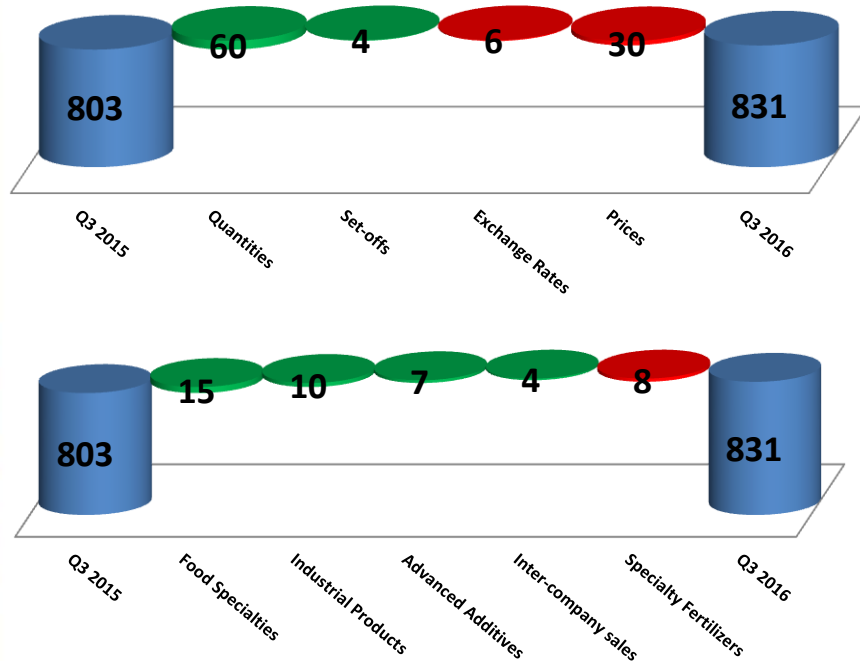
Adjusted Operating income (\$M)



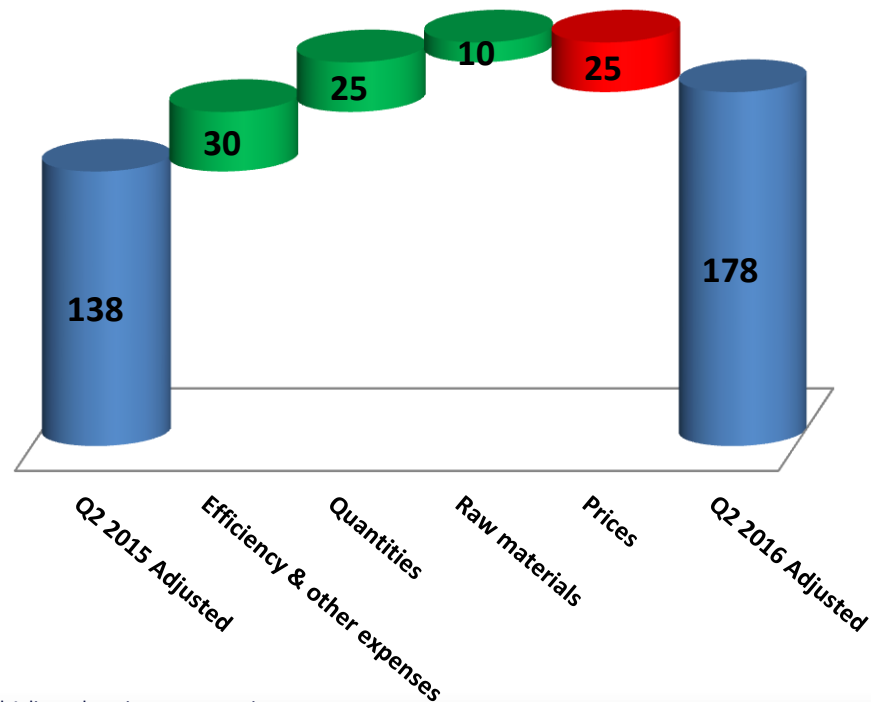
Excluding G&A and unallocated expenses

See Q3 2016 financial reports for a reconciliation of Adjusted operating income to operating income and Adjusted net income to net income.

Sales (\$M)



Adjusted Operating income (\$M)

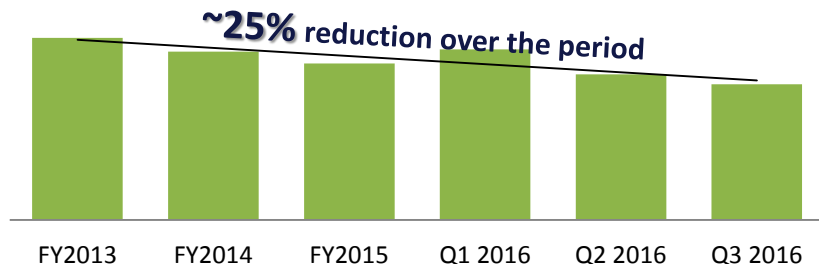


Excluding G&A and unallocated expenses

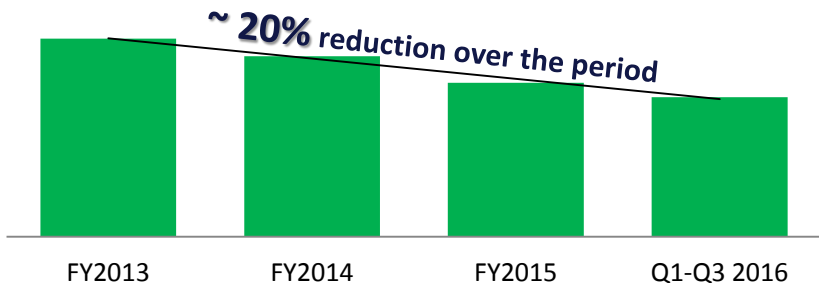
See Q3 2016 financial reports for a reconciliation of Adjusted operating income to operating income and Adjusted net income to net income.

Numbers may not add due to rounding and set offs

Potash average realized full cost per tonne sold



Green phosphoric Acid Cost \$/tonne FOB



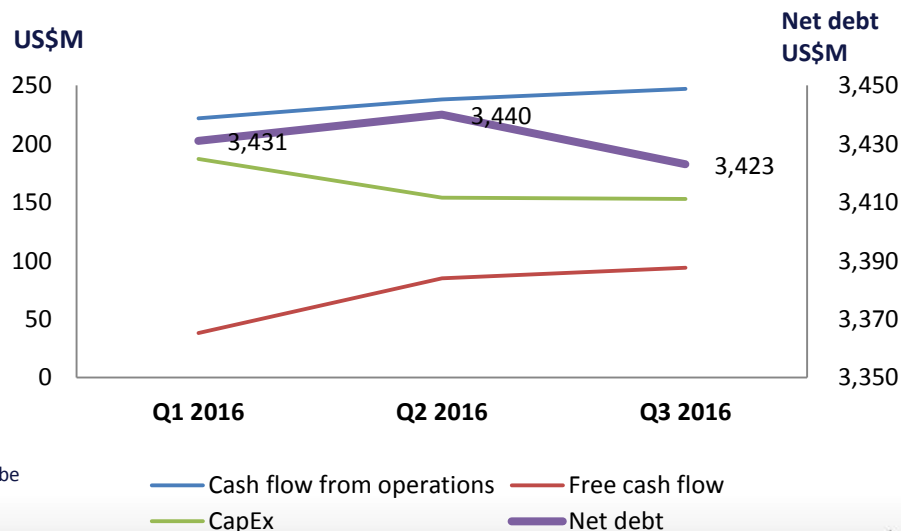
* Run-rate, compared to 2013

\$400M annual efficiency gain contribution by 2016 year-end*



Maintain Robust Financial Position Despite Commodity Market Weakness

- ❑ Local rating maintained high level at 'ilAA' with stable outlook
- ❑ International rating downgraded one notch to 'BBB-' but remained investment-grade with stable outlook
- ❑ Strong Israeli rating is a major advantage, providing access to financing in Israel at attractive costs



A security rating is not a recommendation to buy, sell or hold securities. It may be subject to revision or withdrawal at any time by the assigning rating organization, and each rating should be evaluated independently of any other rating

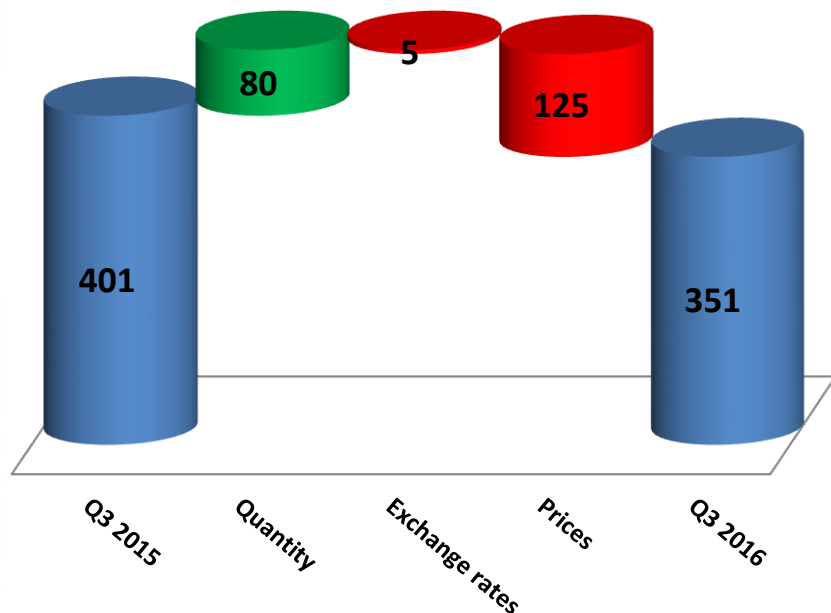
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Thank You

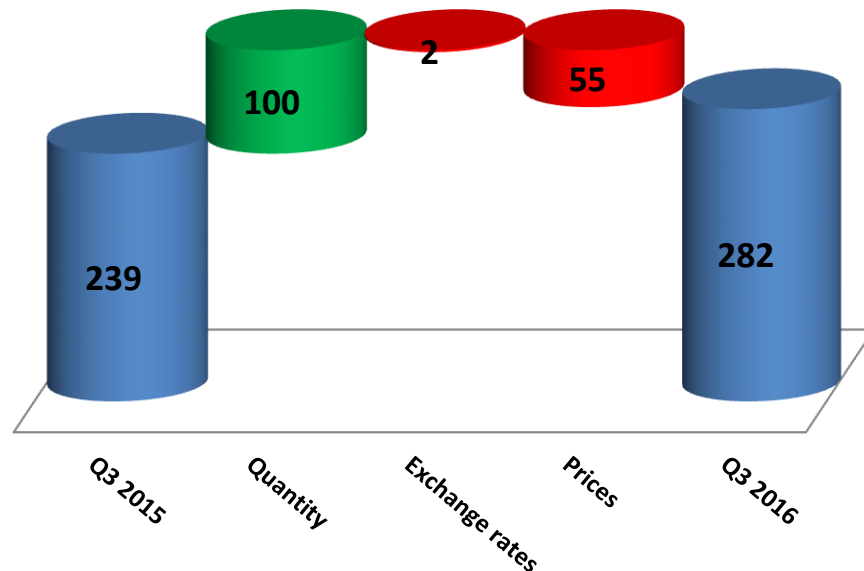
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Appendix

Potash & Magnesium (\$M)



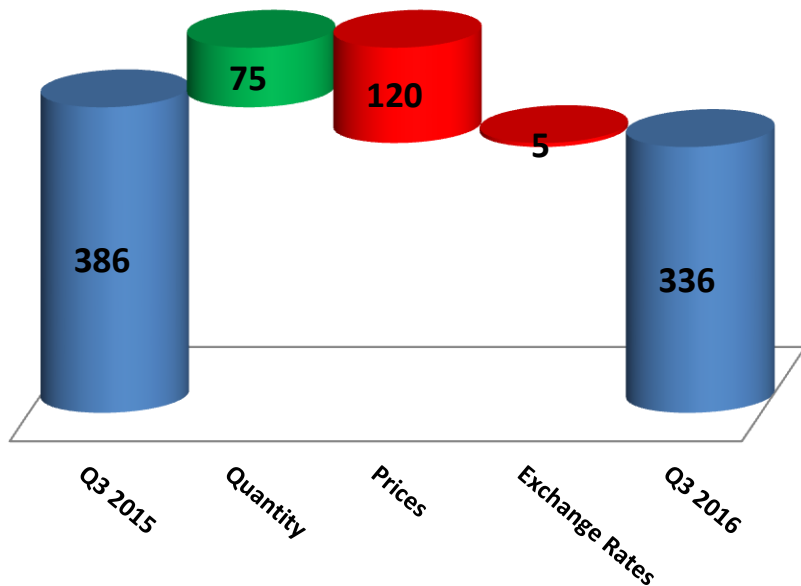
Phosphates (\$M)



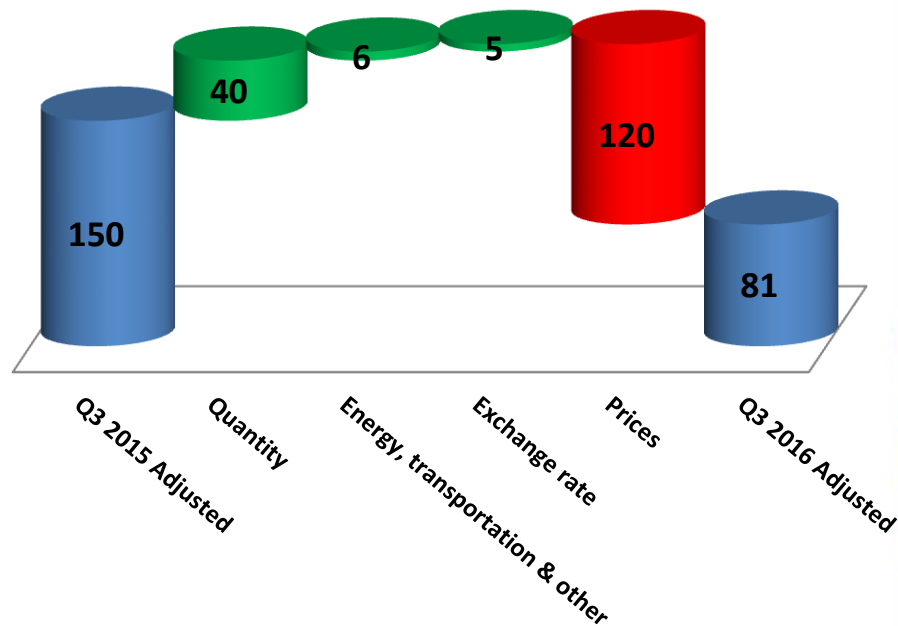
See Q3 2016 financial reports for a reconciliation of Adjusted operating income to operating income and Adjusted net income to net income.

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Sales (\$M)



Adjusted Operating income (\$M)



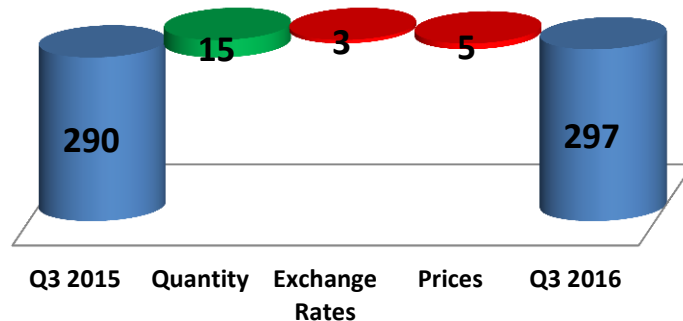
Excluding G&A and unallocated expenses

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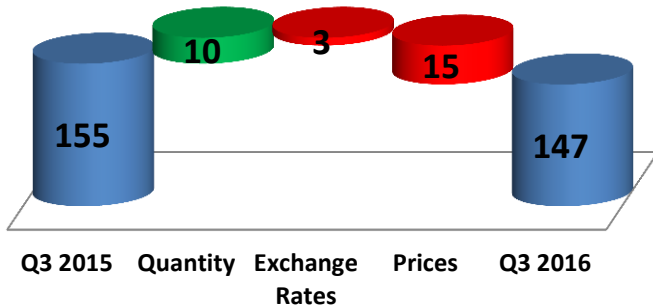
Industrial Products



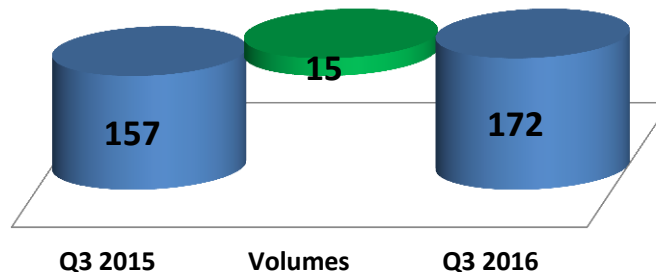
Advanced Additives



Specialty Fertilizers



Food Specialties



See Q2 2016 financial reports for a reconciliation of Adjusted operating income to operating income and Adjusted net income to net income.

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