







BMO Farm to Market

May 2019

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Included in this presentation are certain non-GAAP financial measures, such as sales excluding divested businesses, adjusted operating income, adjusted operating income excluding divested businesses, adjusted EBITDA excluding divested businesses, adjusted net income excluding divested businesses, adjusted EPS excluding divested businesses and free cash flow, designed to complement the financial information presented in accordance with 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 Annual Report on Form 20-F for the year ended December 31, 2018 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.

ICL- AT A GLANCE

$5.6B

Sales in 2018, with balanced product portfolio

49

Manufacturing plants in 15 countries worldwide

~11,000

Employees worldwide, 4,500 in Israel

TOP 3

Leading supplier across most business lines and target markets

$6.9B

Market Cap as of Apr. 30, 2019
Traded on TASE since 1992
Traded on NYSE since 2014

>3.5%

Industry leading dividend yield

BBB-

Investment grade rating & stable outlook. Net debt to EBITDA reduced from 2.9 as of 2017 year-end to 2.0 as of March 31, 2019

#2

Second largest public Israeli company in terms of sales

DNA OF LEADERSHIP

#1

Globally in bromine

#3

Most competitive globally in potash

#1

Globally in specialty phosphates

#1

Globally in phosphorus based flame retardants

#1

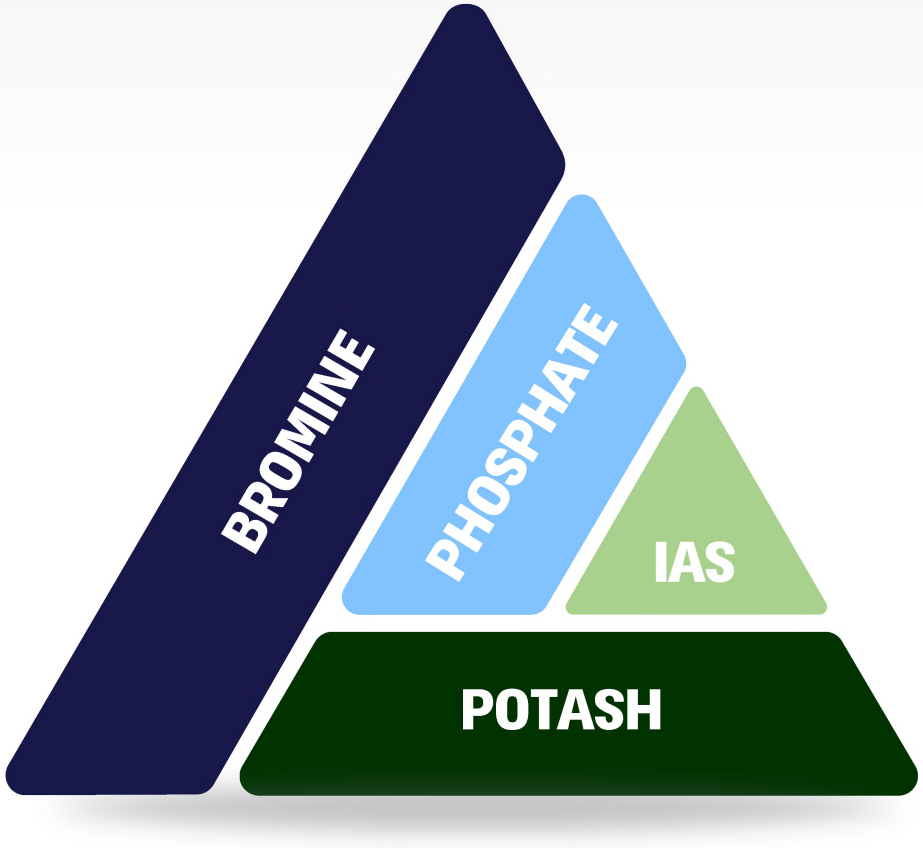
In western Europe in compound PK fertilizers

#1

Globally in soluble phosphate based fertilizers

LEADERSHIP STRATEGY

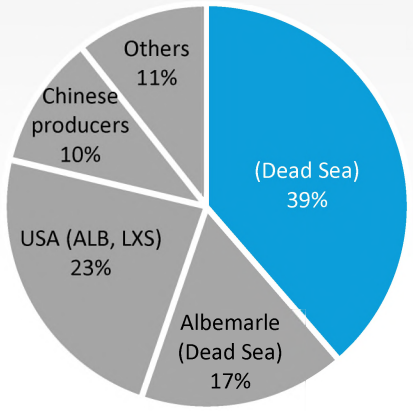
PRESENT

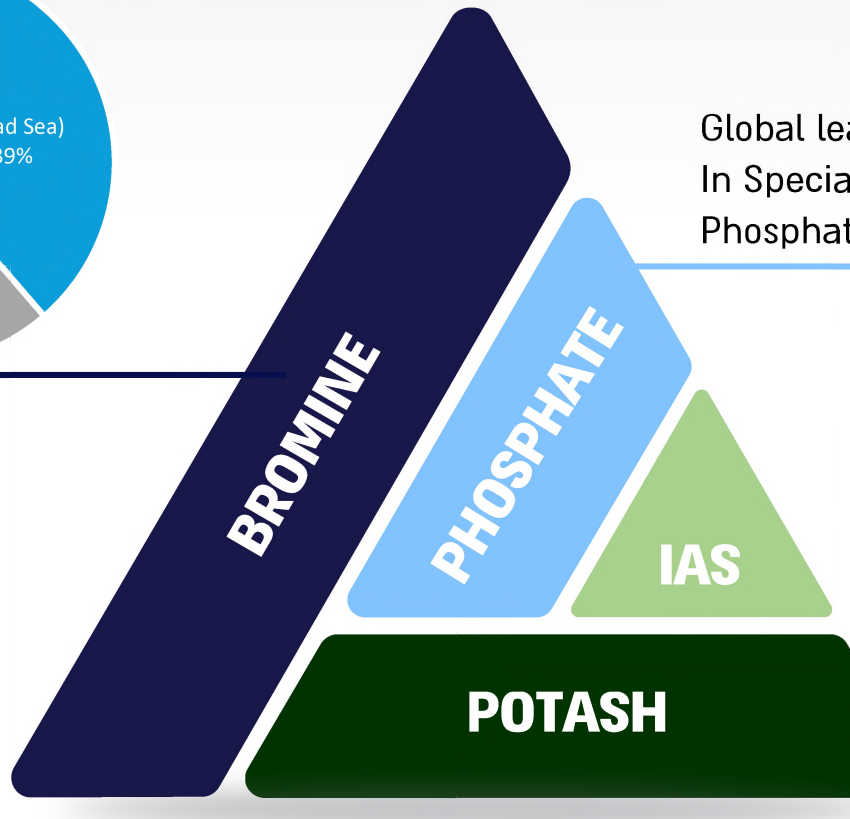


ICL BUSINESS LEADERSHIP

Global leadership
In Bromine

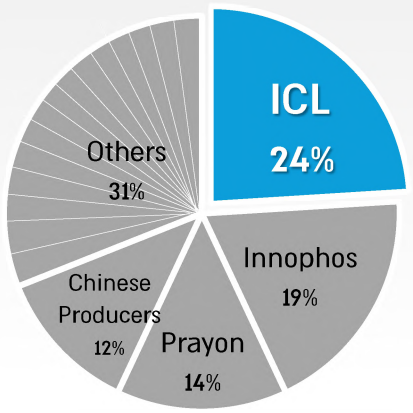
Global Bromine Production Capacity[1]



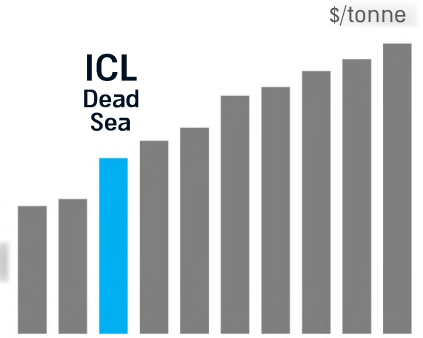


Global leadership
In Specialty
Phosphates

Market Share – Specialty Phosphates – Europe, NA, and LatAm[1]



Potash FOB cost by Site and by Company[2]



Among the top 3 most competitive potash producers

1 ICL's estimates 2018
2 CRU September 2018

ICL

ORGANIZATIONAL STRUCTURE ALIGNED WITH STRATEGY

Phosphate Solutions division[1,2]

A leading provider of value added solutions for the industrial, food and agriculture end markets

$2.1B	3%	8%	5%
2018 SALES	YoY Growth (overall)	YoY Growth (specialty)	OP. Margin (overall)

IAS - Innovative Ag Solutions division[1]

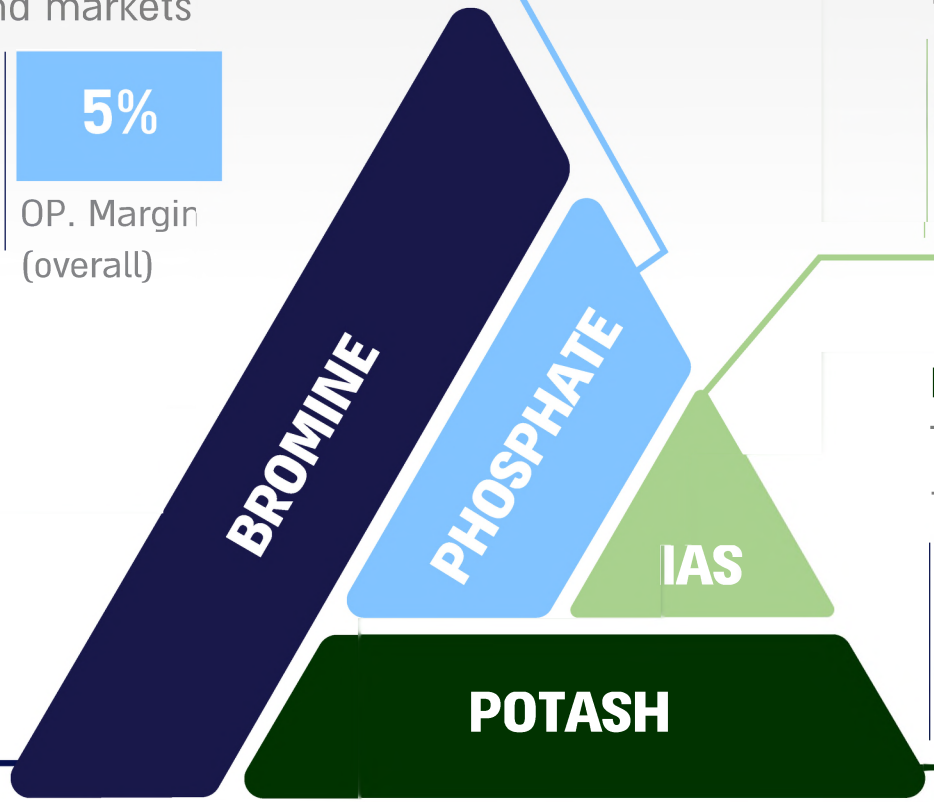
Creating leadership in advanced crop nutrition and agri-centric solutions

$0.74B	7%	4%
2018 SALES	YoY Growth	OP. Margin

Industrial Products division[1]

The global bromine market leader

$1.3B	9%	23%
2018 SALES	YoY Growth	OP. Margin



Potash division[1]

Top-3 most competitive in each of our target markets

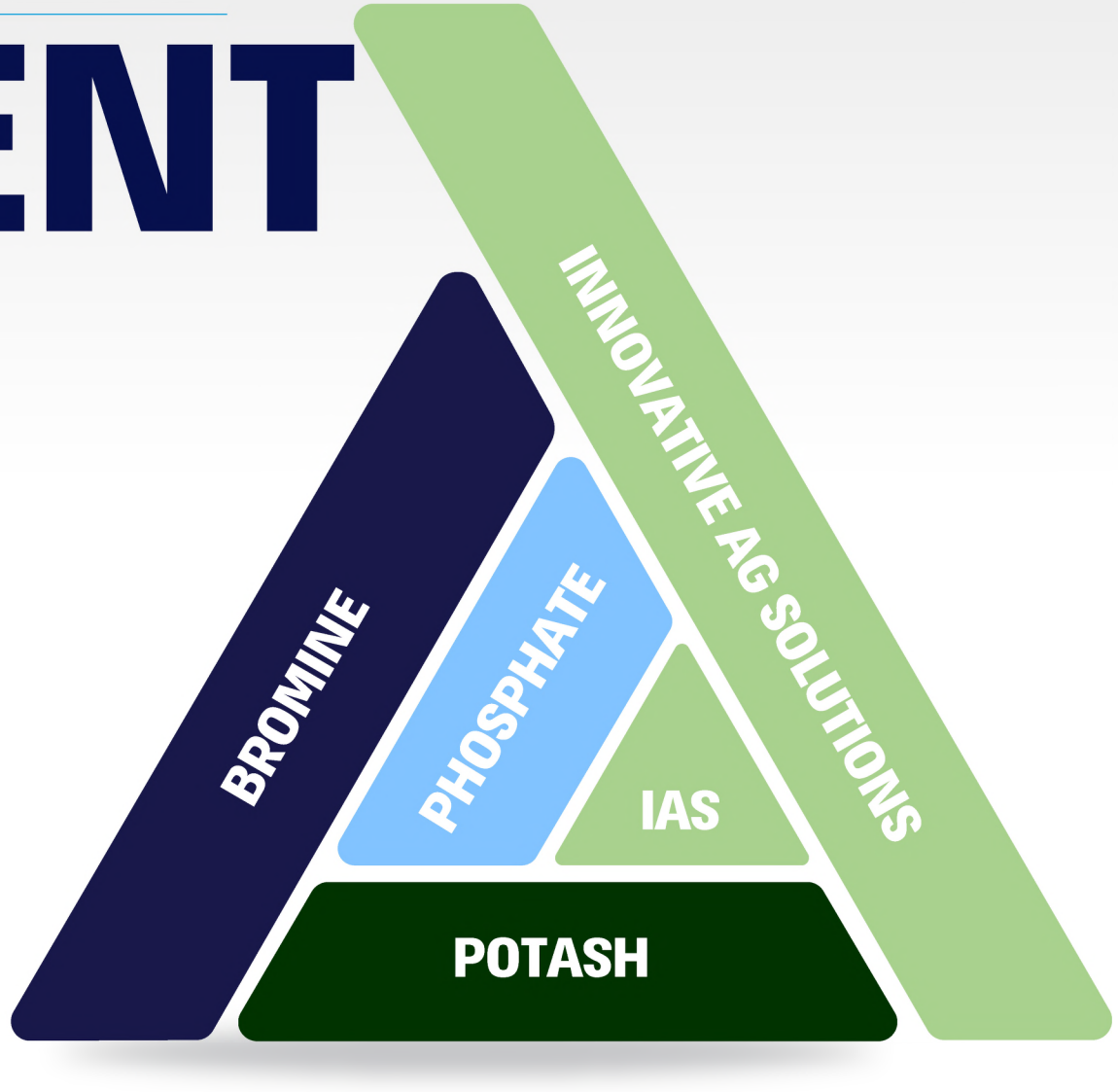
$1.6B	17%	20%
2018 SALES	YoY Growth	OP. Margin

1 Including inter-division sales, segment G&A expenses.
2 Phosphate Solutions division sales after setoffs of intra-division sales and profit, and excluding divested businesses
Sales numbers are rounded to the nearest $10M

ICL

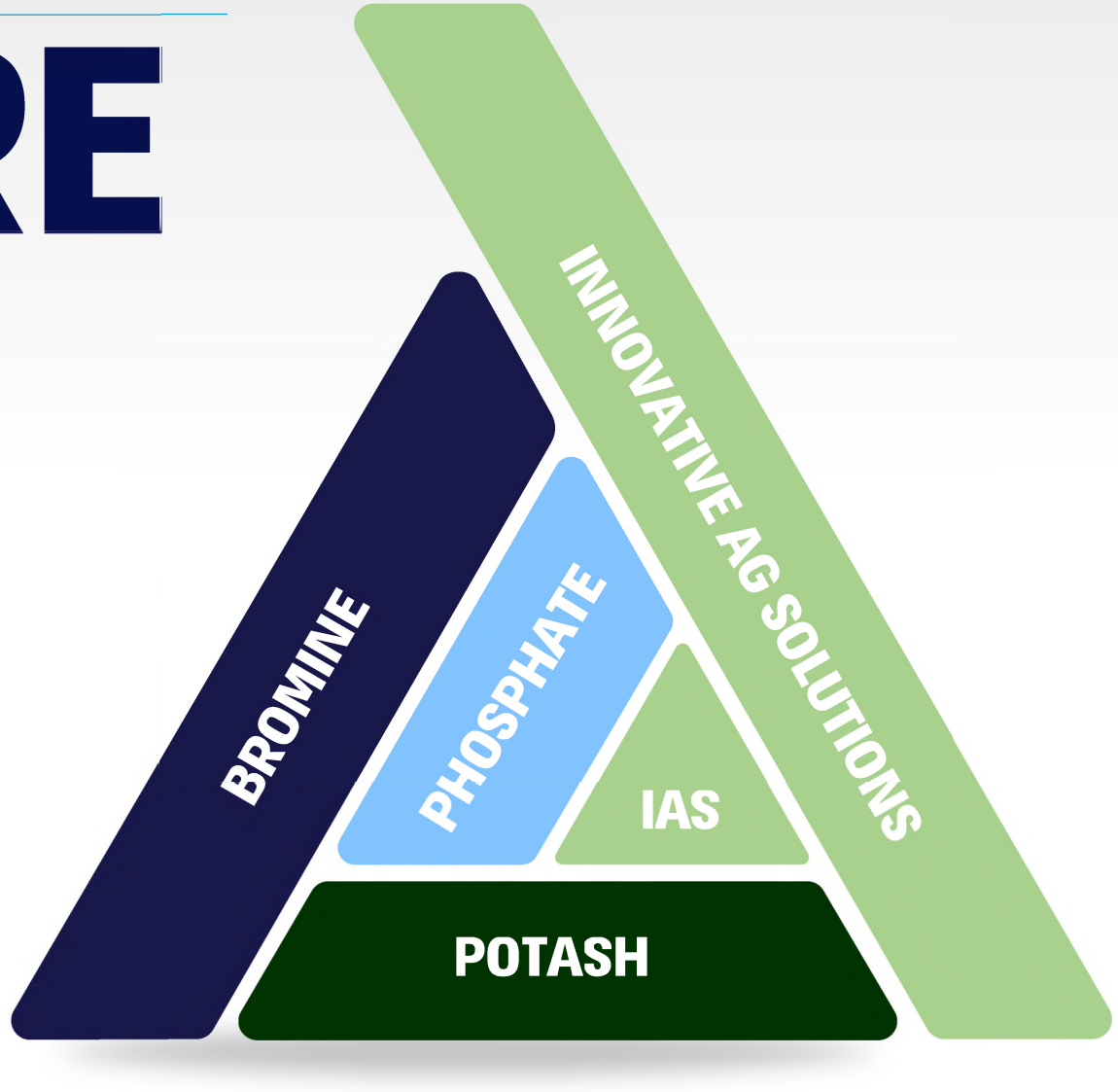
LEADERSHIP STRATEGY

PRESENT

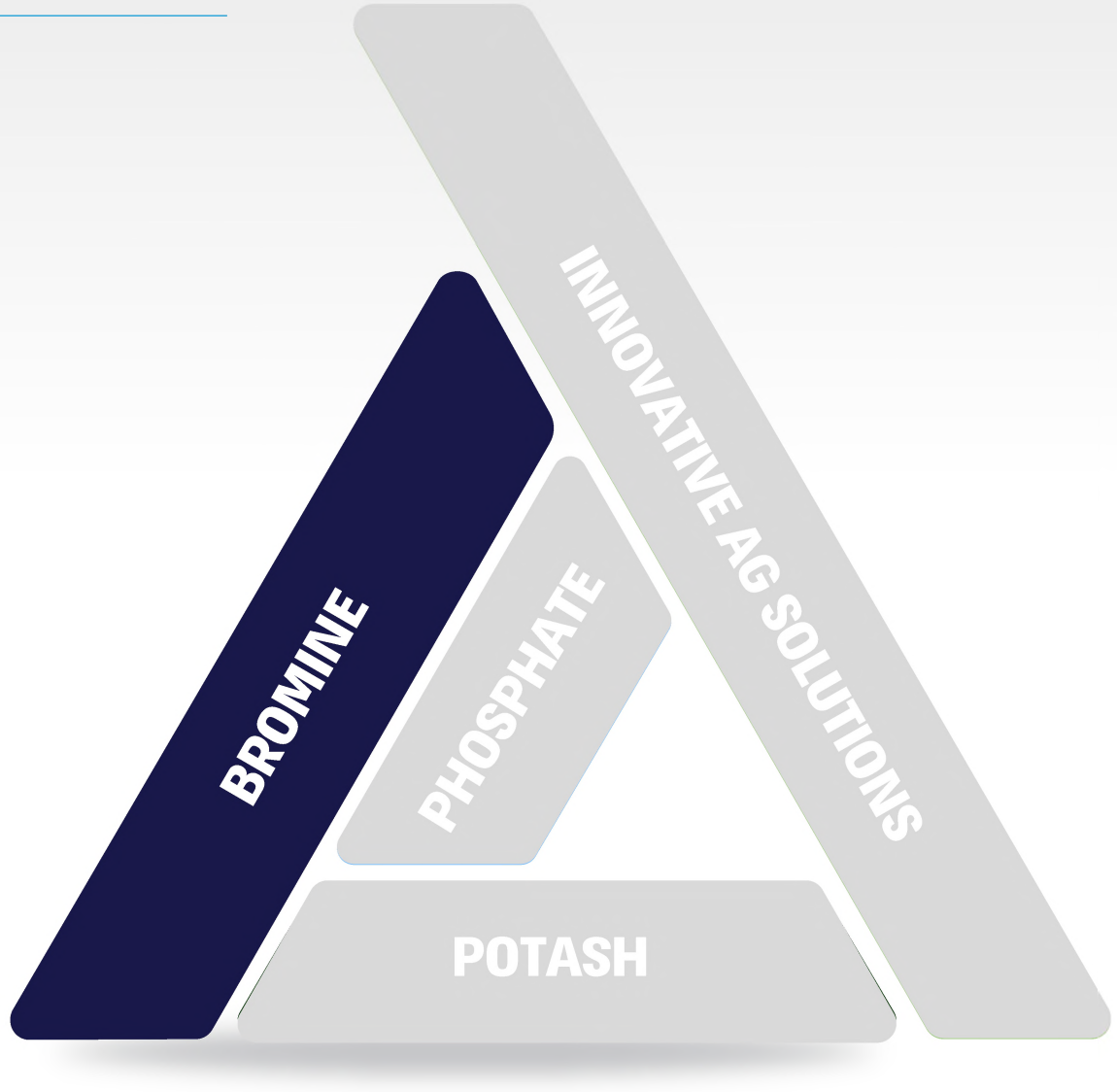


LEADERSHIP STRATEGY

FUTURE



LEADERSHIP STRATEGY



INDUSTRIAL PRODUCTS SOLID LEADERSHIP

THE GLOBAL BROMINE MARKET LEADER

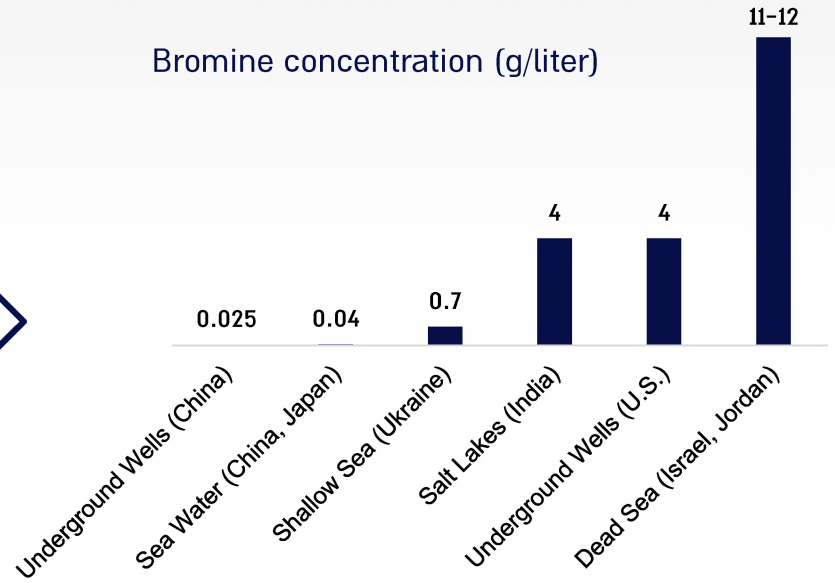
175K TONNES
of bromine were produced in 2018

NO.1
World's leading elemental bromine producer, with 40% of market production capacity

240K TONNES
of bromine compounds and 90k tonnes of phosphorus compounds sold in 2018

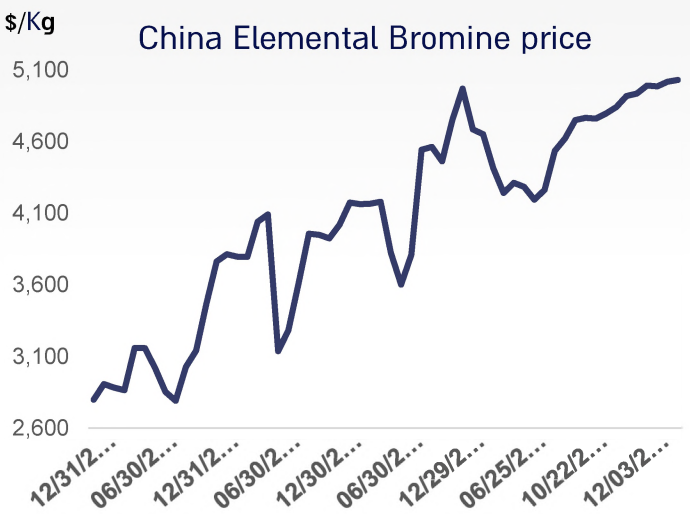
NO.1
Largest isotank fleet. Unparalleled knowledge and experience of handling all safety and environmental aspects

UNIQUE ADVANTAGE



The Dead Sea has the highest concentration of bromine globally and is practically the only resource in the world that is not depleting

BROMINE PRICES IN CHINA



Strict enforcement of environmental and safety regulations in China, the depletion of Chinese resources and our superior quality enable us to capitalize on our leading market position

INDUSTRIAL PRODUCTS MAIN GOALS

A WORLD LEADER AND BEYOND

CONCRETING OUR GLOBAL LEADERSHIP OF THE BROMINE MARKET



Increasing Demand via new bromine applications



Advocacy & Regulation

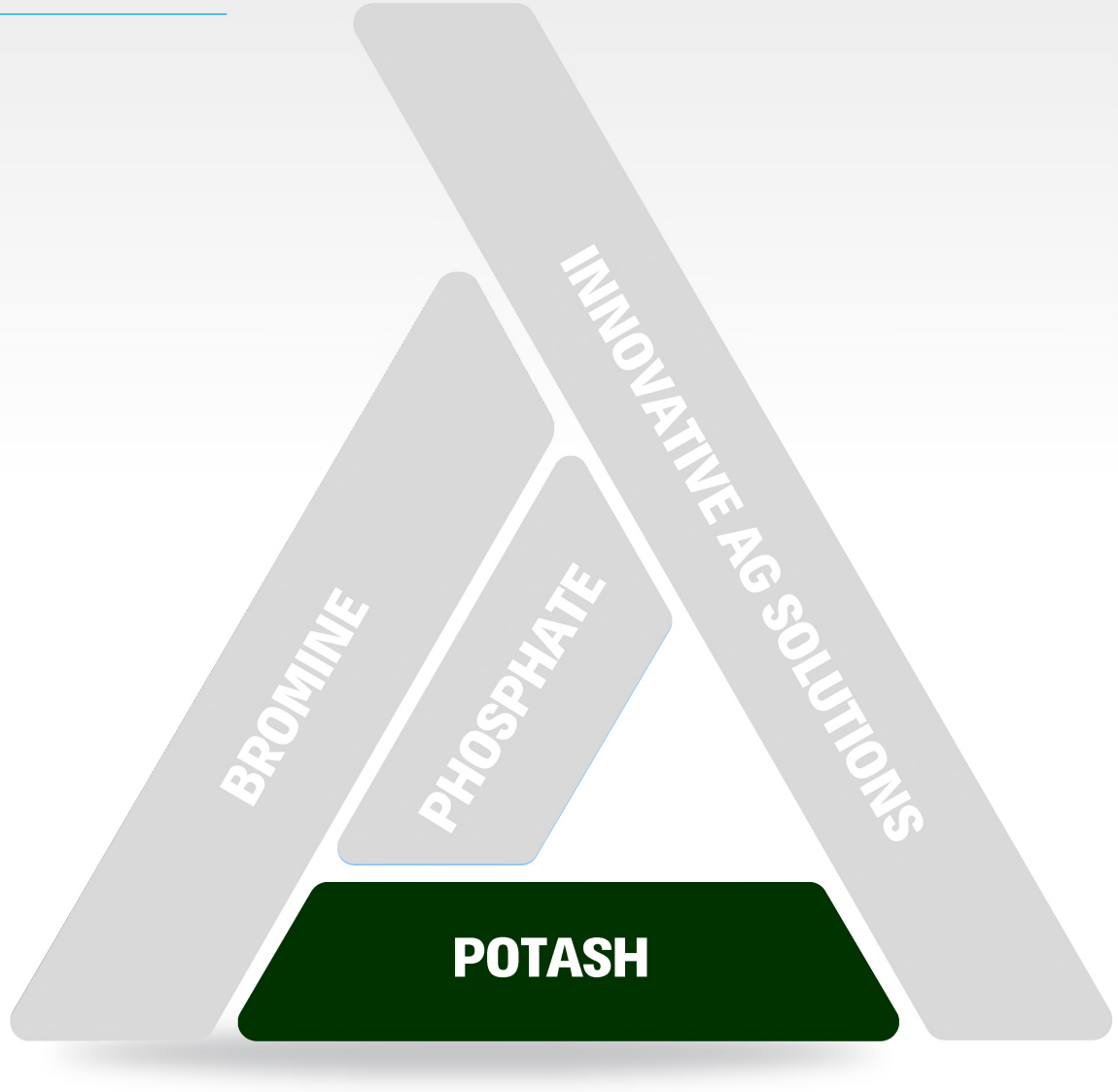


Value over volume



Enhancing complementary business

LEADERSHIP STRATEGY

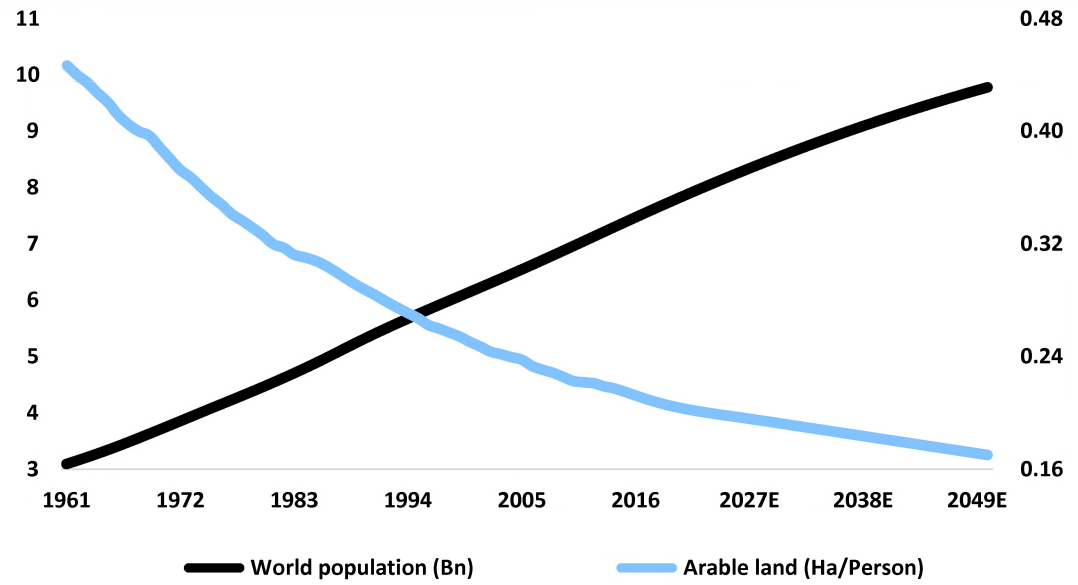


POTASH

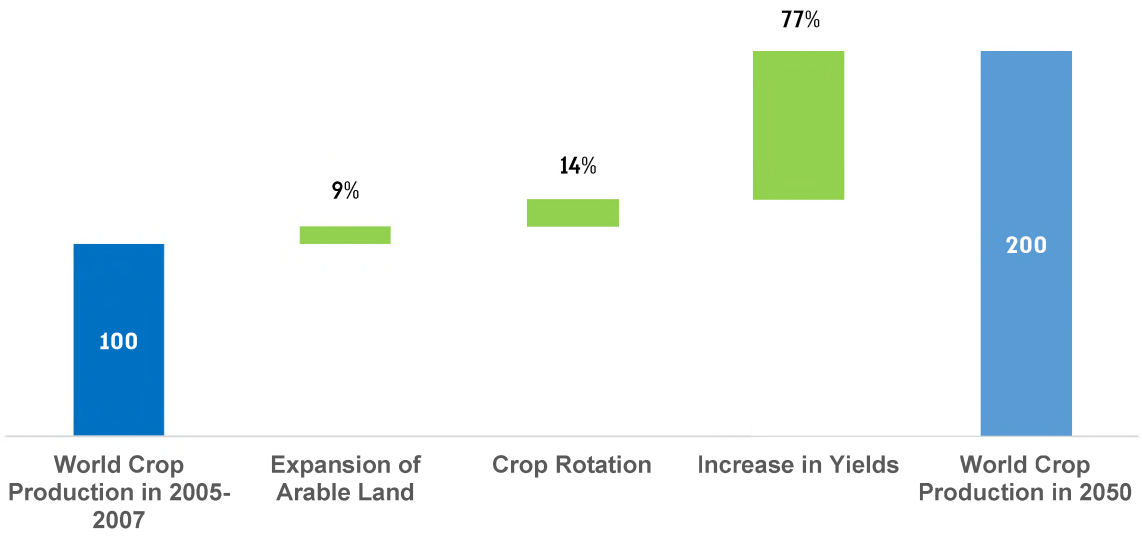
MEETING THE GLOBAL NEED TO FEED THE WORLD'S GROWING POPULATION

Without an improvement in crop yields, the demand for food will far outpace production

World Arable Land Projections



Grain production (indexed to 100)



Source: FAO

POTASH ICL'S UNIQUE POSITION

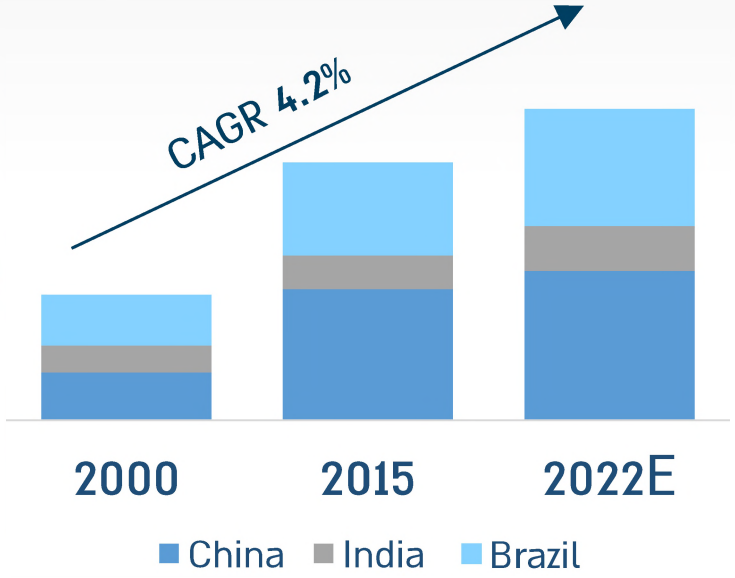
STRONG POSITION

4.9 MILLION TONNES
of potash were produced in 2018

80% PRODUCED FROM THE DEAD SEA
One of the world's lowest cost sites due to evaporation process and logistic advantages

NO.6
Potash manufacturer in the world
The sole producer of polysulphate

WELL ESTABLISHED IN GROWING MARKETS



China, India and Brazil are about 80% of ICL's target markets

Source: CRU

LOWER COST AND FASTER TIME-TO-MARKET



Shorter mine-to-port distances and shorter shipping routes to emerging markets

POTASH ICL'S UNIQUE POSITION

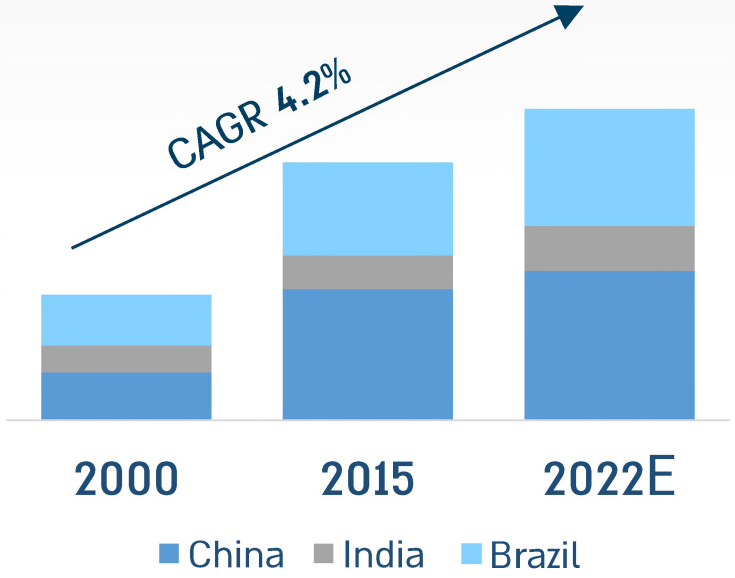
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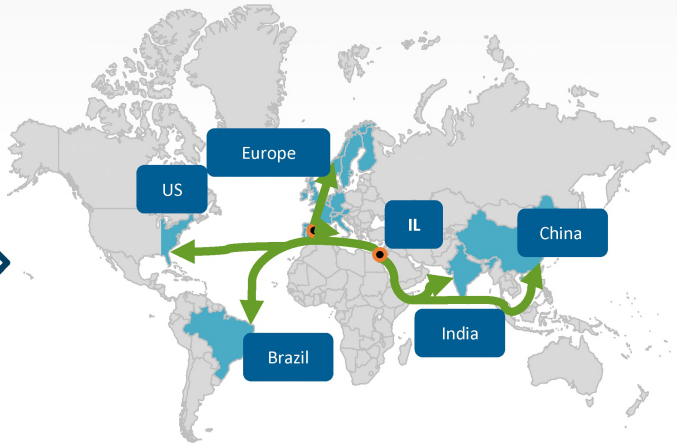
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Source: CRU

LOWER COST AND FASTER TIME-TO-MARKET



Shorter mine-to-port distances and shorter shipping routes to emerging markets

POTASH OUR GOALS

TOP-3

To be Among the Top-3 most competitive players in in our strategic markets

5MT

Maintain stable production of about 5 million tonnes per year

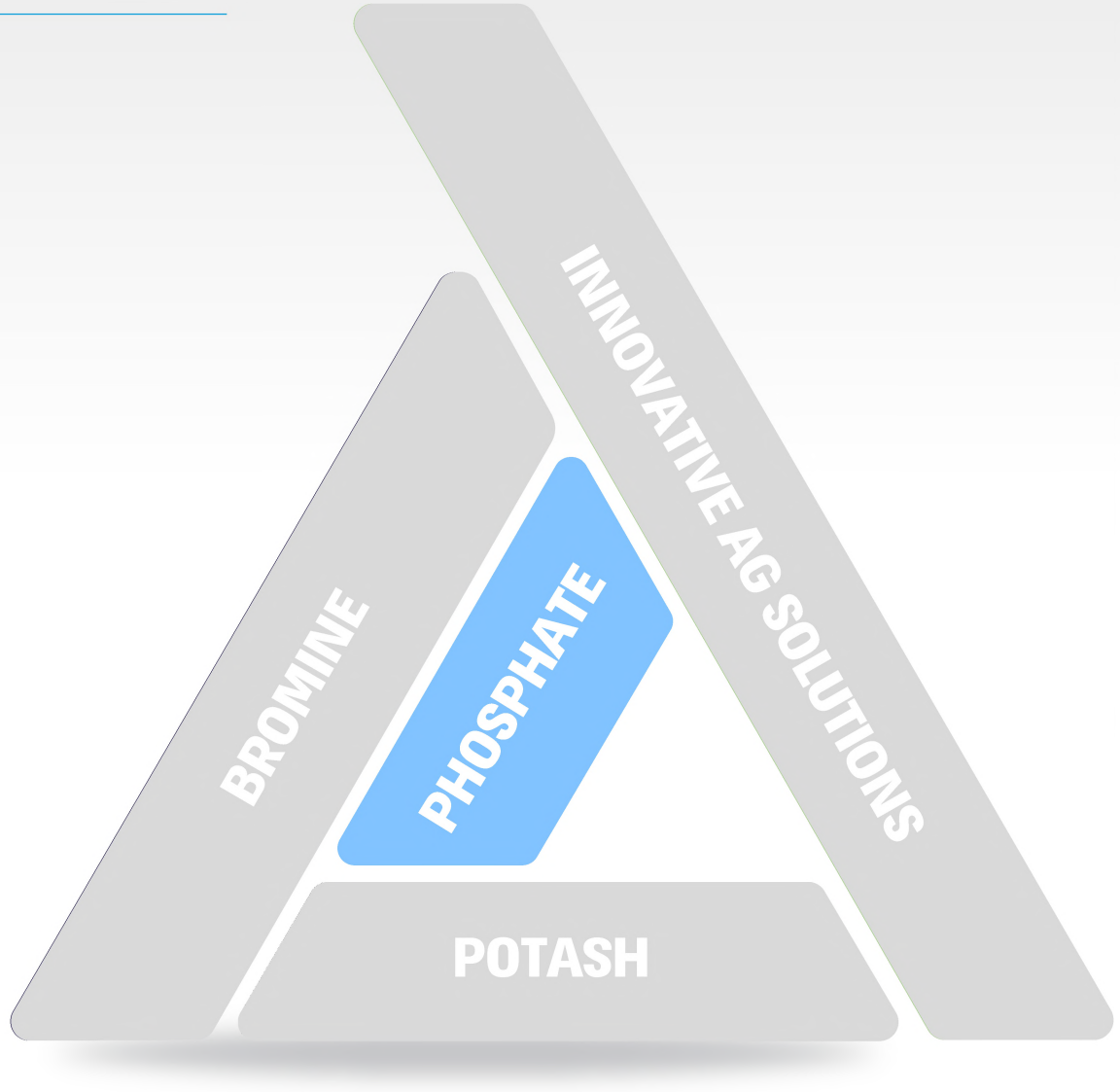
10%

Improve cost competitiveness by 10% within 5 years

1M

Produce 1 million tonnes of polysulphate in the UK by 2020

LEADERSHIP STRATEGY



PHOSPHATE SOLUTIONS ICL'S RECIPE FOR LEADERSHIP

UNIQUE BACKWARD INTEGRATION MODEL

5M TONNES
of phosphate rock and 2,300K tonnes of fertilizers produced in 2018

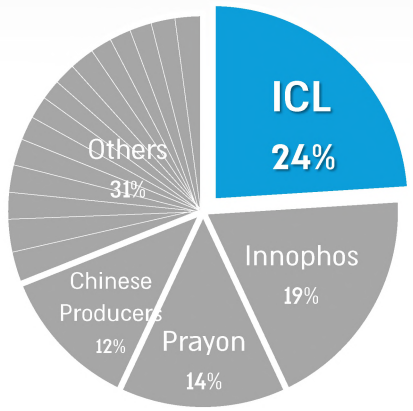
Over 90% of phosphate rock
used internally for fertilizers and specialty products

1.2M TONNES
of green phosphoric acid produced in 2018

290K TONNES
of purified phosphoric acid produced in 2018

WITH A LEADING MARKET POSITION

Market Share – Specialty Phosphates – Europe, NA, and LatAm[1]



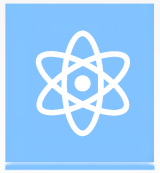
Source: ICL estimates (2017)

AND VALUABLE INNOVATIVE PRODUCTS

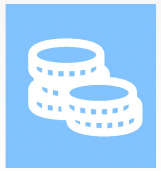
ICL is focused on value proposition - high-end solutions, original patents and creative proposals for food and industrial manufacturers

PHOSPHATE SOLUTIONS OUR GOALS

A leading provider of value added solutions for the industrial, food and agriculture end markets



Increase capacity of purified phosphoric acid, the base raw material for our downstream specialty products & solutions



Value based product positioning



Innovation new applications & solutions

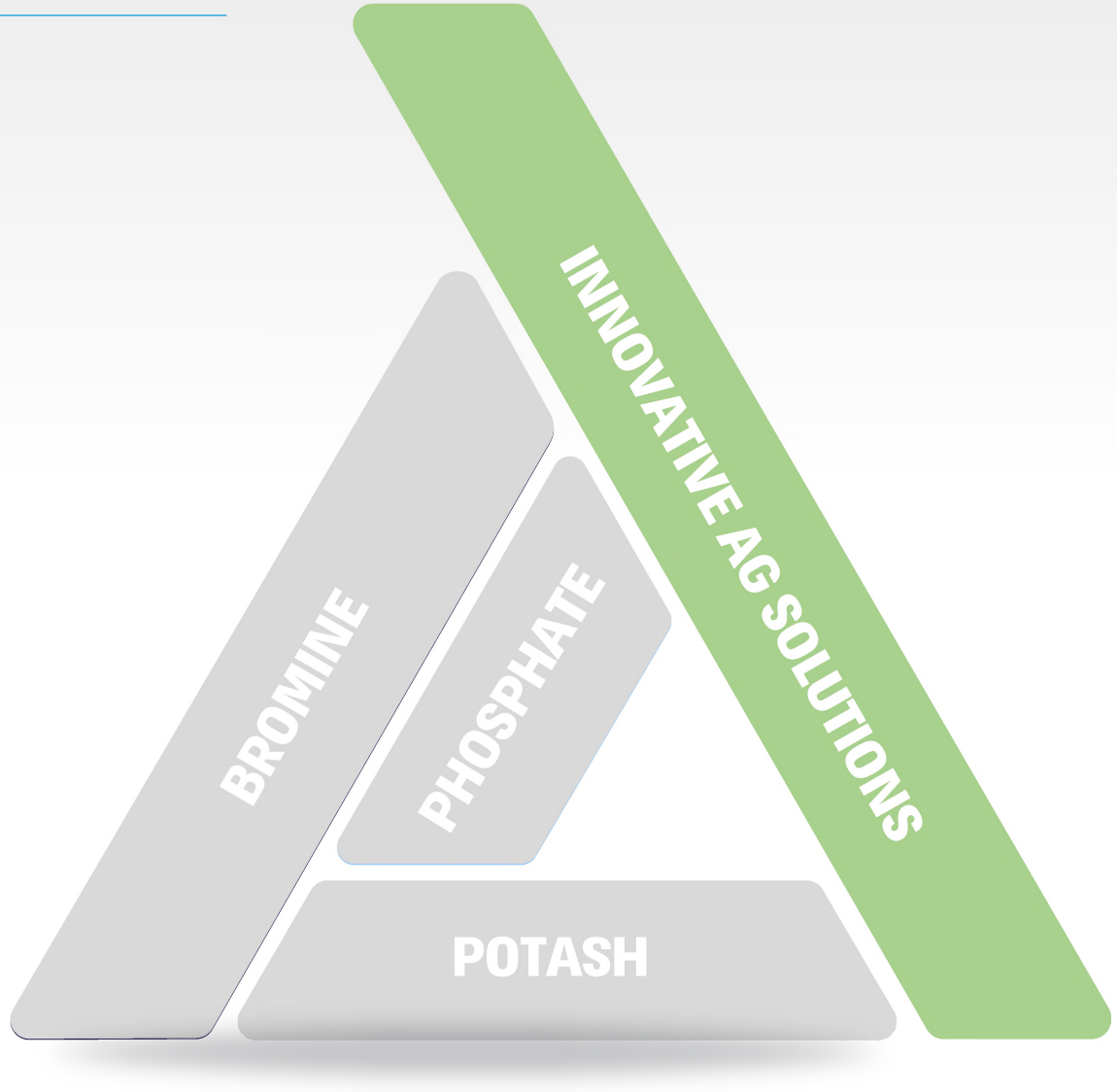


Geographic expansion



Outgrow the market

LEADERSHIP STRATEGY



INNOVATIVE AG SOLUTIONS CREATING LEADERSHIP

SPECIALTY FERTILIZERS - THE FOUNDATION FOR THE FUTURE

~850K TONNES
of soluble, liquid and controlled release fertilizer capacity

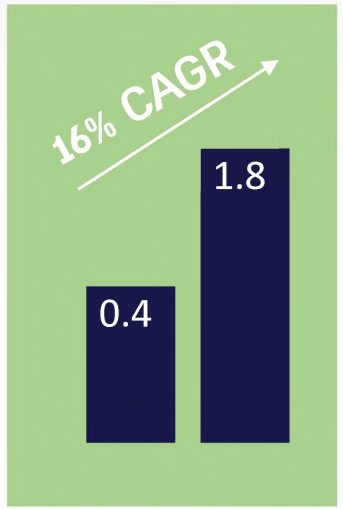
OVER 300
agronomists in sales and customer support

25 YEARS
of experience, know-how accumulation and R&D capability building

FASTEST GROWING
segment of the fertilizer market

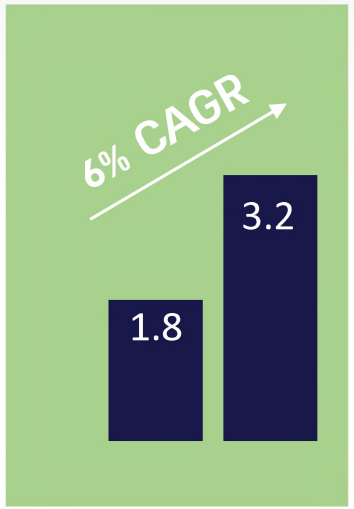
FAST GROWING INDUSTRY

Market Dynamics 2006- 2016 (Mt)[1]



Controlled Release Fertilizers

Potential market in 2026[1]: 4.5 Mt (10% CAGR)



Soluble Fertilizers

Potential market in 2026[1]: 5.7 Mt (10% CAGR)

DIVERSIFIED PORTFOLIO



1 IFA publications, RAMS & Co analysis

INNOVATIVE AG SOLUTIONS

Creating leadership in advanced crop nutrition and farmer centric solutions



PORTFOLIO

Develop new advanced specialty fertilizers, including niche products, to expand our Value-added product portfolio



GROWTH

Grow specialty fertilizers sales from $ 700 million to $ 1 billion in five years while Improving operating margins



UNIQUE R&D CAPABILITIES

Rely on decades of chemical and industrial knowledge to establish ICL as an agro-tech solution leader



GET CLOSER TO GROWER

Through expansion of our offering and our geographical footprint.
Utilize M&A and partnerships potential



INNOVATION

Leveraging technology and industrial know how via collaboration with agronomists and scientists in order to benefit our customers

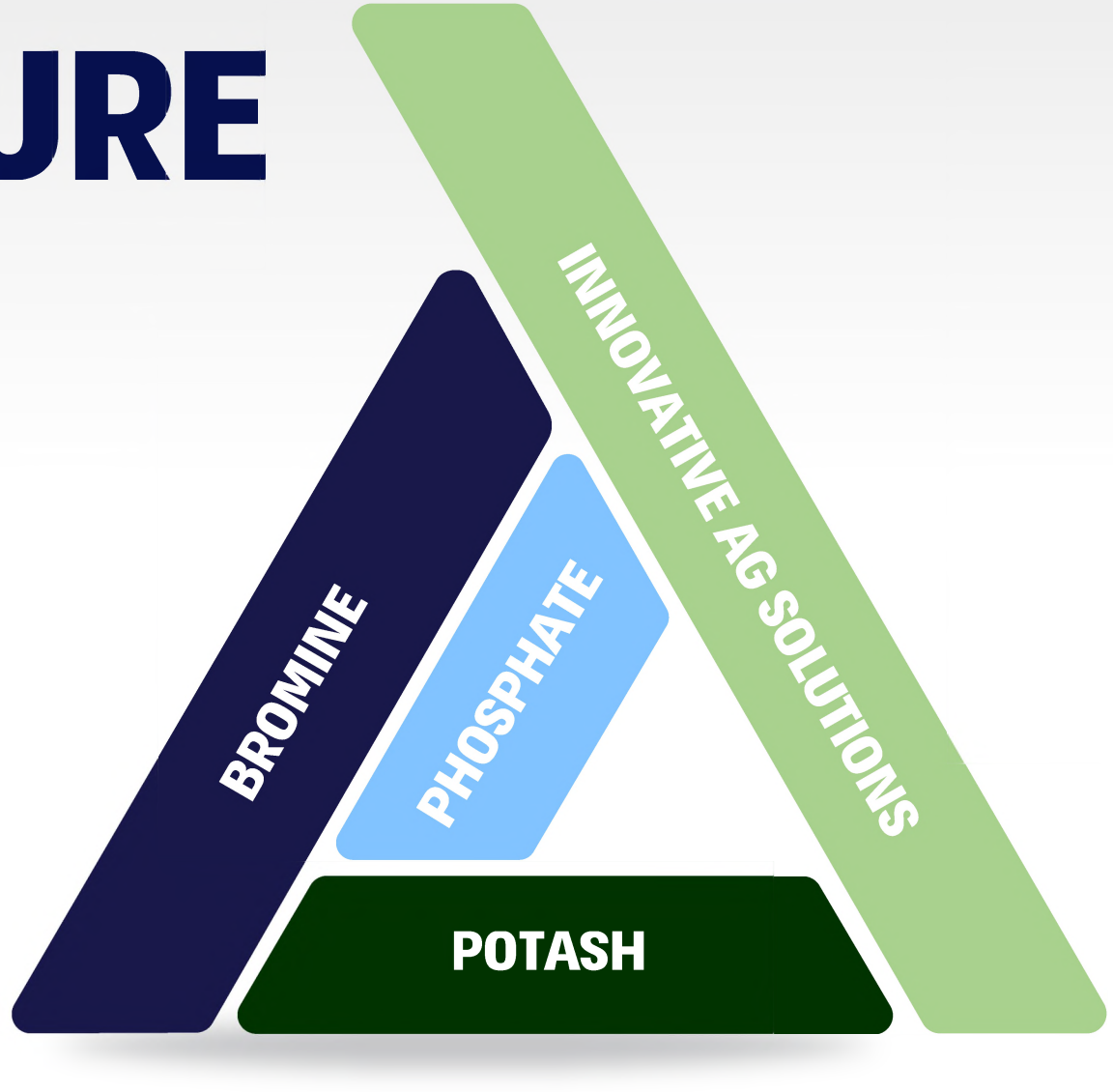


DIGITAL TRANSFORMATION

Leveraging precision agriculture in order to offer farmers advanced digital solutions

LEADERSHIP STRATEGY

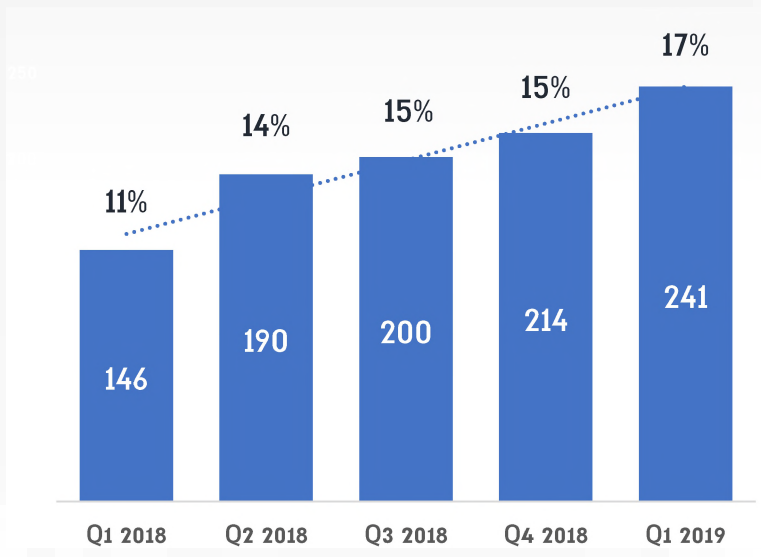
PRESENT&FUTURE



Continued Sequential Growth in Main Financial Parameters

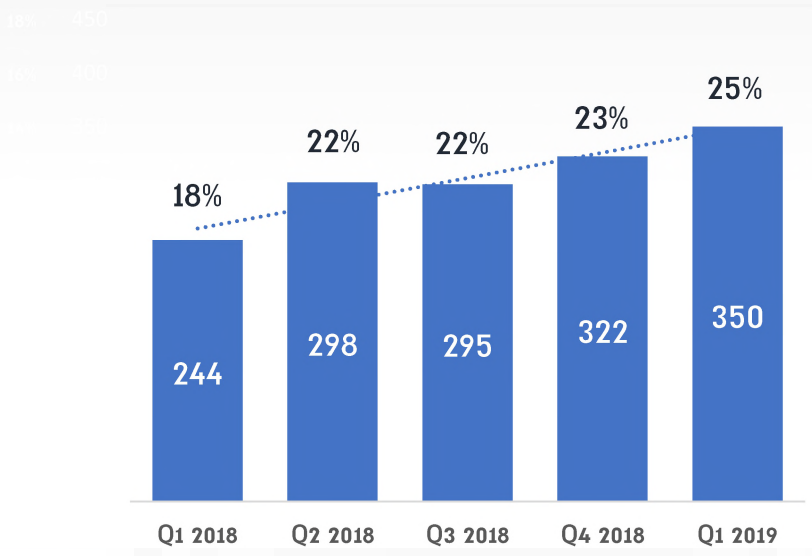
$ millions

Adjusted operating income
excluding divested businesses[1]



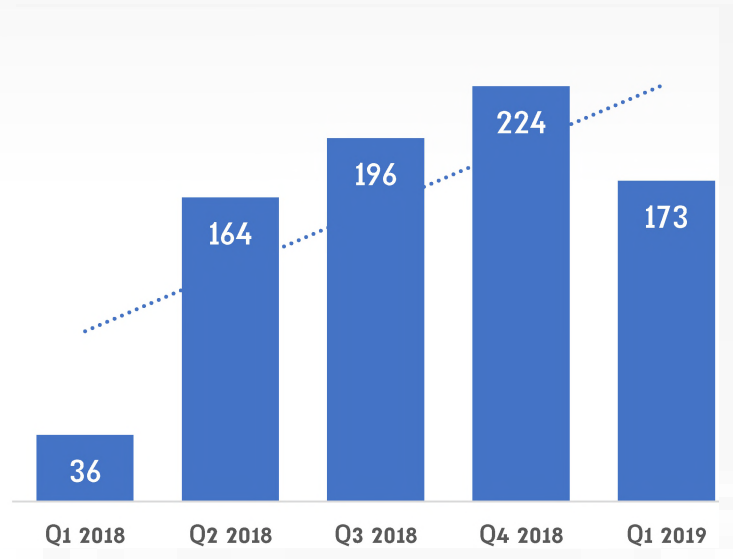
Adjusted operating income
% Adjusted operating income
Trend line

Adjusted EBITDA
excluding divested businesses[1]



Adjusted EBITDA
% Adjusted EBITDA margin
Trend line

Operating cash flow



Operating cash flow
Trend line

Adjusted operating income, adjusted EBITDA and operating cash flow for Q1 2019 include the impact of the new IFRS 16 accounting standard in the amounts of $2 million, $15 million and $18 million respectively.

(1) Adjusted operating income and adjusted EBITDA excluding divested businesses are non-GAAP financial measures. See Appendix to this presentation for reconciliation tables.

KEY TAKEAWAYS



STRONG START TO 2019



STRATEGY EXECUTION IS BEARING FRUITS



CONTINUOUS PROGRESS TOWARDS LONG-TERM VALUE CREATION



THANK YOU

visit us at www.icl-group.com

Appendix

Reconciliation Tables (1/2)

Calculation of adjusted income before tax ($ millions)	Q1 19	Q1 18	FY2018
Adjusted operating income	241	151	753
Finance expenses	(35)	(15)	(158)
Share in earnings (losses) of equity-accounted investees and adjustments to financial expenses	-	1	13
Adjusted income before tax	**206**	**137**	**608**

Calculation of adjusted operating income and adjusted operating income excluding divested businesses ($ millions)	Q1 19	Q4 18	Q3 18	Q2 18	Q1 18
Operating income	227	166	196	172	985
Capital gain	-	-	-	-	(841)
Impairment of assets	-	-	3	16	-
Provision for early retirement and dismissal of employees	-	-	-	-	7
Provision for legal claims	14	30	1	-	-
Provision for closure costs	-	18	-	-	-
Total adjustments[1]	14	48	4	16	(834)
Adjusted operating income	**241**	**214**	**200**	**188**	**151**
Divested businesses' profit	-	-	-	2	(5)
Adjusted operating income excluding divested businesses	**241**	**214**	**200**	**190**	**146**

(1) See detailed reconciliation table in the Q1 2019 6-K and in the Q2-Q4 2018 PR

Reconciliation Tables (2/2)

Calculation of adjusted net income excluding divestments to net income ($ millions)	Q1 19	Q4 18	Q3 18	Q2 18	Q1 18
Net income attributable to the shareholders of the Company	**139**	**82**	**129**	**101**	**928**
Total adjustments to operating income[1]	14	48	4	16	(832)
Adjustments to finance expenses[1]	-	7	3	-	-
Total tax impact of the above operating income & finance expenses adjustments[1]	(3)	(13)	(2)	(4)	12
Contribution from divested businesses	-	-	-	2	(1)
Total adjusted net income excluding divested businesses - shareholders of the Company	**150**	**124**	**134**	**115**	**105**
Weighted-average diluted number of ordinary shares outstanding	1,282,689	1,283,152	1,278,780	1,278,222	1,277,595
Adjusted EPS excluding divestments (US dollar)	**0.12**	**0.10**	**0.10**	**0.09**	**0.08**

Calculation of adjusted EBITDA excluding divestments to net income ($ millions)	Q1 19	Q4 18	Q3 18	Q2 18	Q1 18
Net income attributable to the shareholders of the Company	139	82	129	101	928
Depreciation and Amortization	111	107	94	105	97
Financing expenses, net	35	66	23	54	15
Taxes on income	51	19	45	20	45
Adjustments[1]	14	48	4	16	(834)
Contribution from divested businesses	-	-	-	2	(7)
Adjusted EBITDA excluding divested businesses	**350**	**322**	**295**	**298**	**244**

(1) See detailed reconciliation table "**Adjustments to reported operating and net income (Non-GAAP)**" in the Q1 2019 6-K and in the Q2-Q4 2018 PR