

# ADAMA



**2014 Third Quarter and Year-to-Date  
Financial Results**

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## 2014 Q3 and Year-to-Date business highlights

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- Continued strong business performance in Q3 2014:
  - **4% Q-o-Q increase in sales** driven by solid performances in most regions
  - **Significant increase in net income** (+33% Q-o-Q)
  - Top and bottom line growth achieved in spite of challenging market conditions (including lower agriculture commodity prices) throughout the world
  - Strong Q3 cash flow generation underpins business execution
- Adama's 9 month performance among the best in the industry, with solid revenue growth and improved profitability
- Strategic initiatives:
  - **Signed transaction to acquire China Business from ChemChina.** Transaction expected to close during first half of 2015 following Adama's planned NY IPO
  - Continued global brand rollout – won 2014 Agrow Award for Best Marketing Campaign
  - NIMITZ™, Adama's innovative, proprietary non-fumigant nematicide, achieved regulatory approval in the US
- **China Business Year-to-Date Update:**
  - Solid revenue growth, significant improvement in gross margins, operating and net profitability
  - 9-month 2014 EBITDA already ahead of 2013 full year
  - **Combined Adama and China Business YTD growth of 5.1%, and operating income YTD growth of 15.7%**

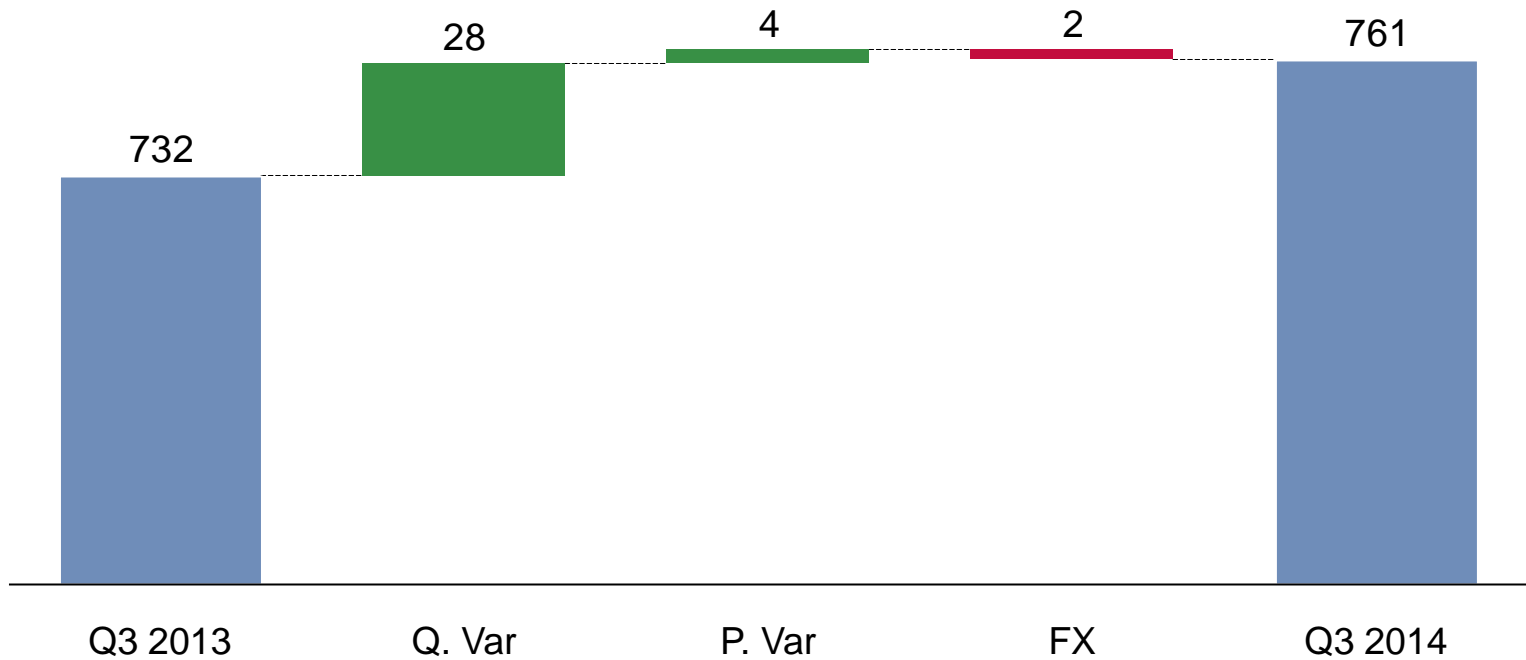
## Financial highlights Q3 2014

\$m	Q3 2014	Q3 2013	Change
Sales	761.5	732.0	+4.0%
Gross Profit	247.9	233.9	+6.0%
<i>Gross Margin</i>	32.6%	32.0%	
Operating Income	70.4	73.5	(4.3%)
<i>Operating Margin</i>	9.2%	10.0%	
Income before Taxes	38.0	34.3	+10.9%
Net Income	24.0	18.0	+33.3%
<i>Net Income Margin</i>	3.2%	2.5%	
Adjusted EBITDA	114.6	113.4	+1.0%
<i>Adjusted EBITDA Margin</i>	15.0%	15.5%	

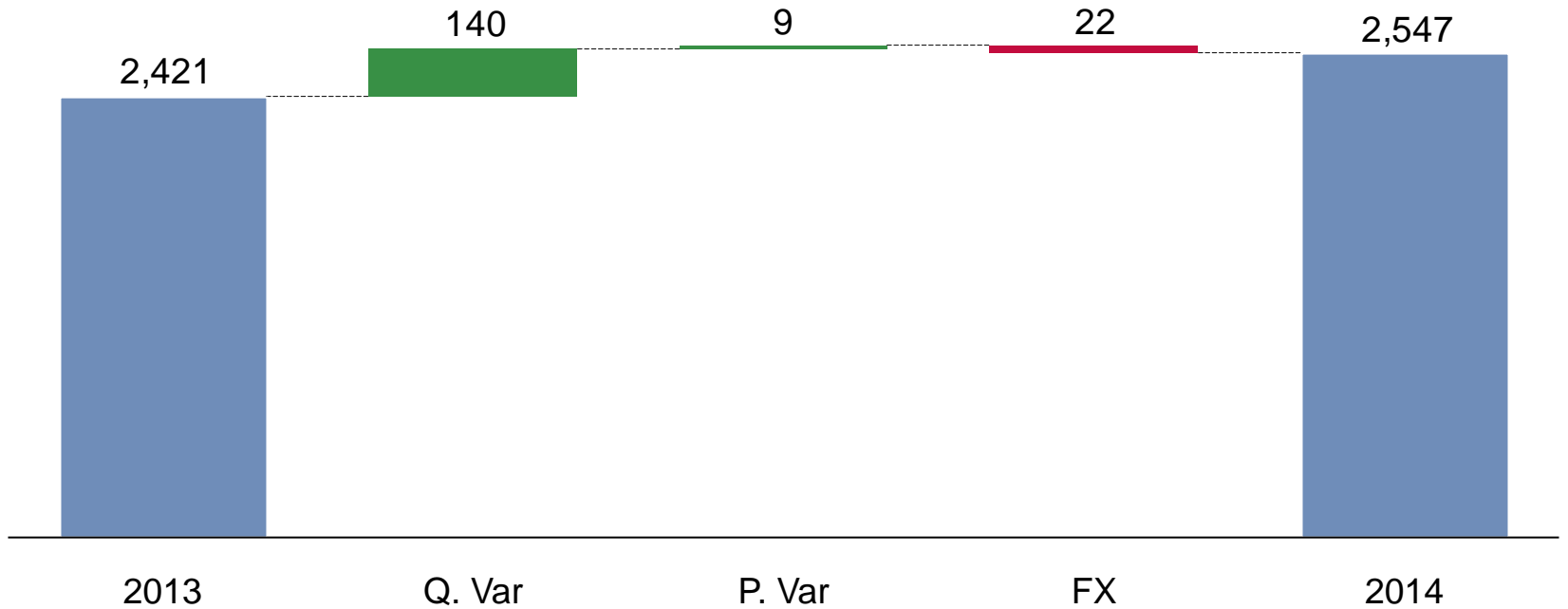
## Financial highlights Jan – Sep 2014

\$mm	Jan-Sep 2014	Jan-Sep 2013	<b>Change</b>
Sales	2,547.1	2,420.7	+5.2%
Gross Profit	840.7	782.1	+7.5%
<i>Gross Margin</i>	33.0%	32.3%	
Operating Income	300.6	297.9	+0.9%
<i>Operating Margin</i>	11.8%	12.3%	
Income before Taxes	218.6	199.8	+9.4%
Net Income	182.1	156.3	+16.6%
<i>Net Income Margin</i>	7.1%	6.5%	
Adjusted EBITDA	427.3	414.5	+2.7%
<i>Adjusted EBITDA Margin</i>	16.8%	17.1%	

## Q3 2014 sales bridge vs. 2013 (\$m)



## Jan – Sept 2014 sales bridge vs. 2013 (\$m)



# Regional sales performance

## Americas

- Continued momentum and strong performance in Latin America
- Driven by higher quantities sold

## Europe

- Strong sales growth in Q3 and 2014 YTD
- Driven by increase in quantities sold and stronger pricing

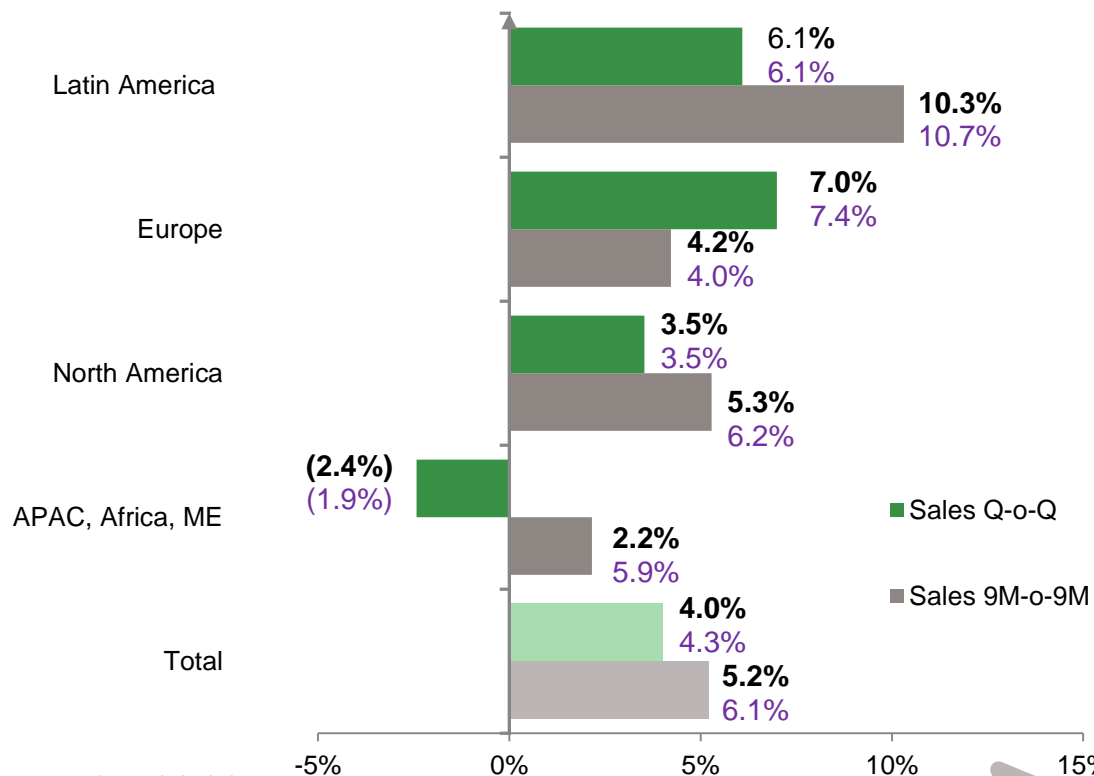
## APAC, Africa & Middle East

- Slight decrease in sales Q-o-Q
- Primarily due to dry weather in Southeast Asia and timing of sales, yielding less quantities sold, but offset somewhat by stronger pricing

## Sales change by region

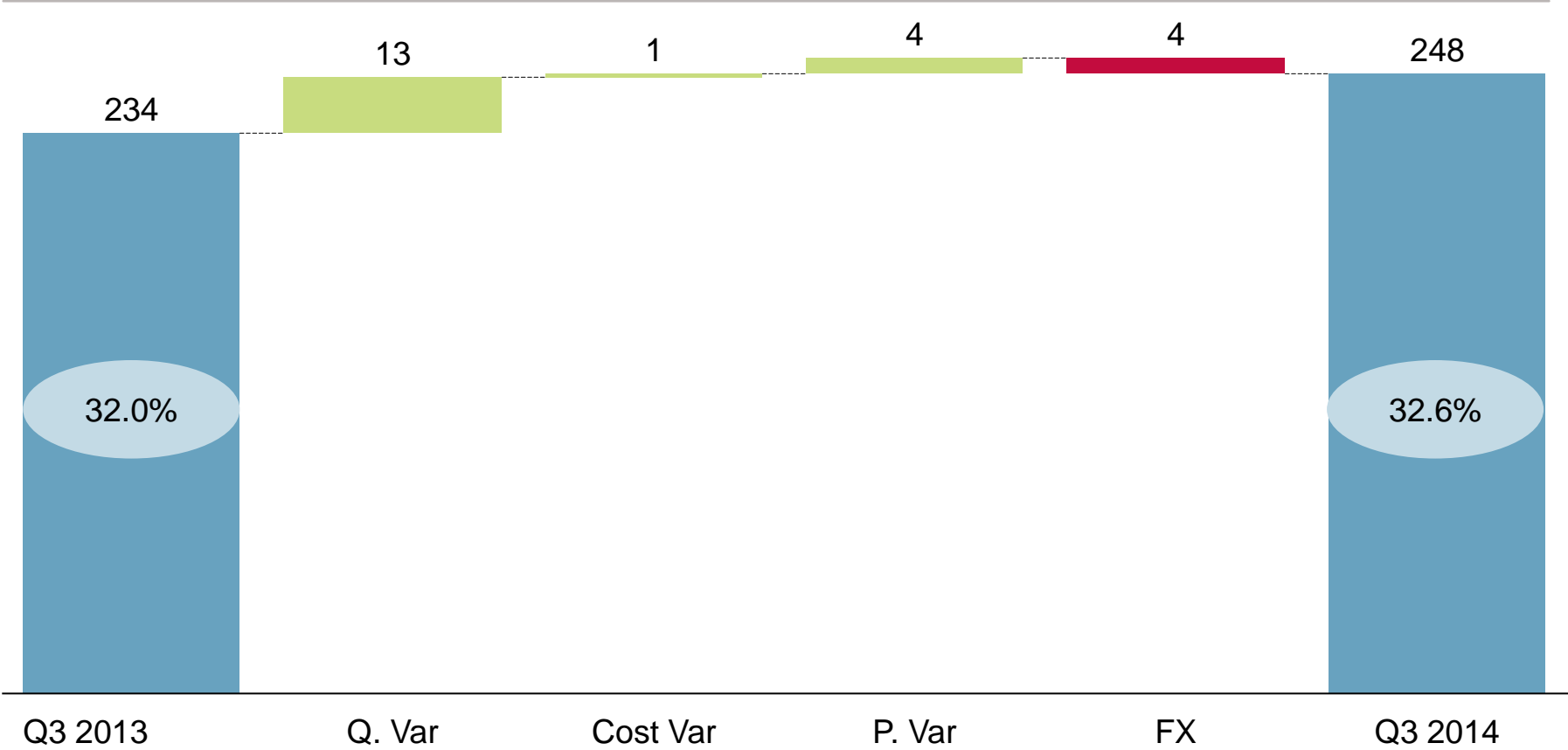
Based on USD sales

Based on local currency

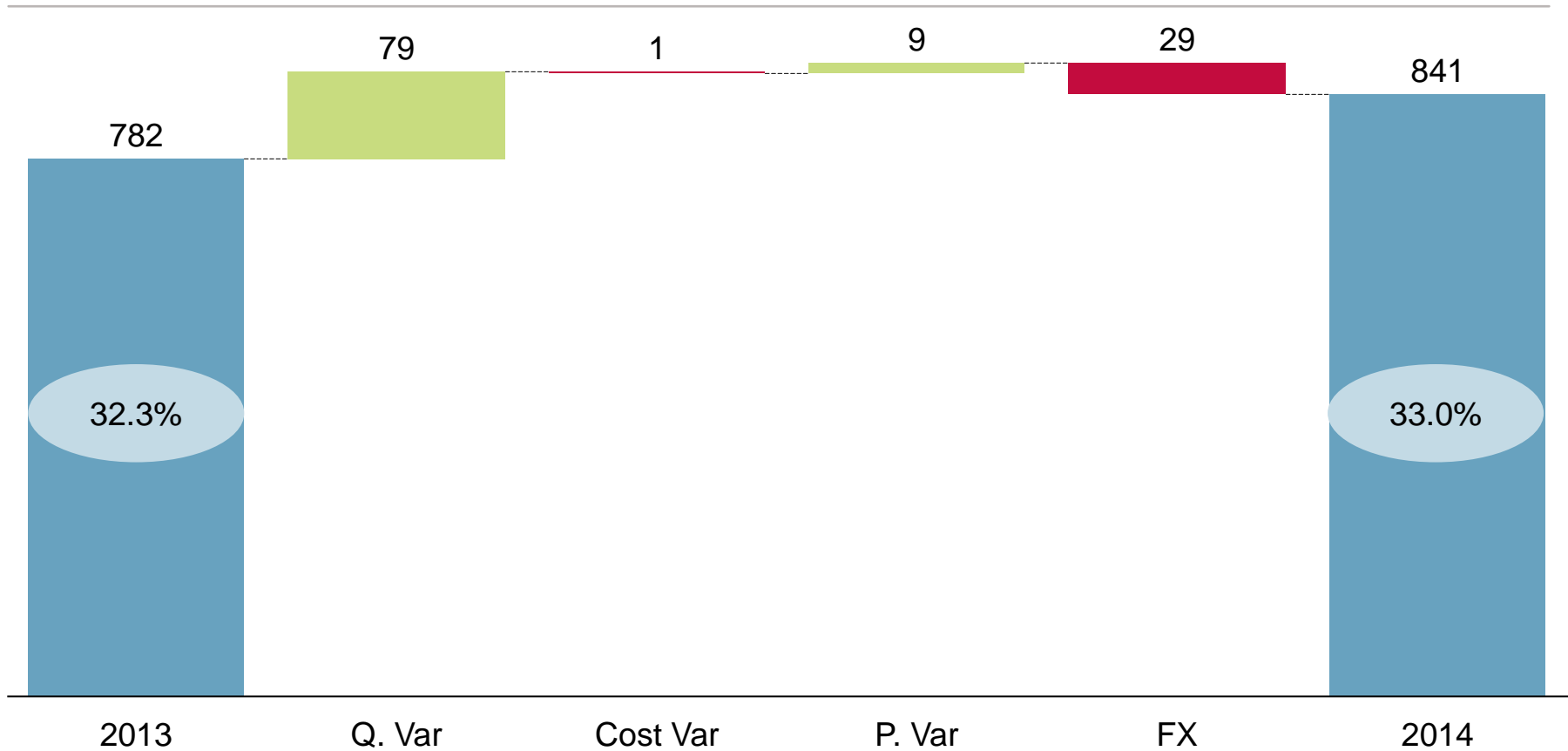




# Q3 2014 gross profit analysis vs. 2013 (\$m)



## Jan-Sept 2014 gross profit analysis vs. 2013 (\$m)

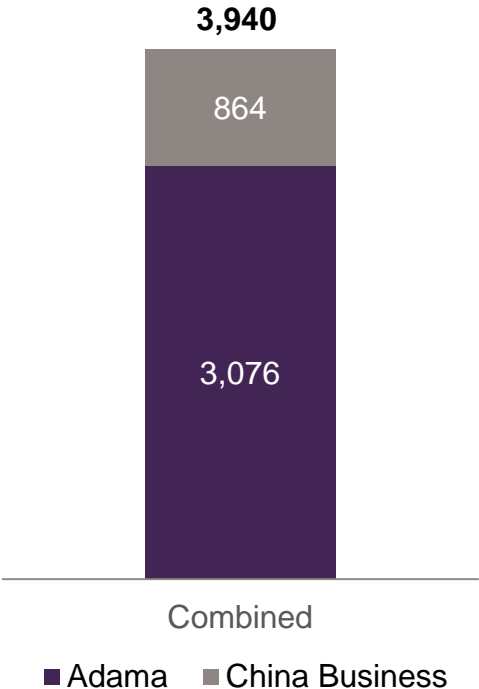


A close-up photograph of several young green seedlings with purple stems growing out of dark, rich soil. The background is softly blurred, showing more seedlings and a bright light source creating a lens flare effect. The overall scene conveys a sense of growth and agricultural progress.

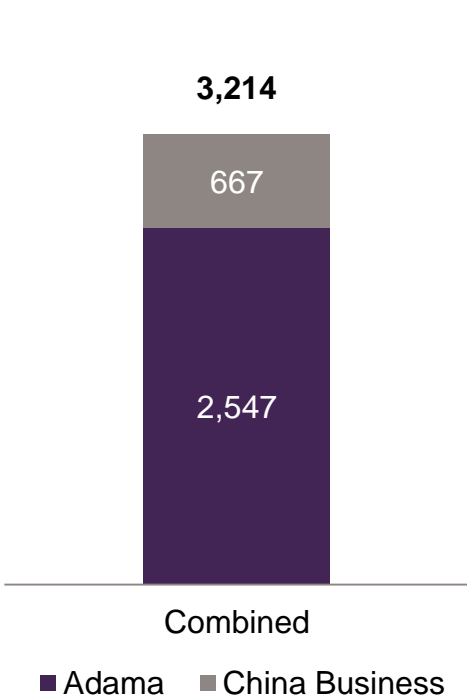
The China business Adama is acquiring, is a vital and distinct building block for Adama to capture the China opportunity and become the world's most competitive and largest provider of off-patent, increasingly unique crop protection and yield enhancing solutions

# The China Business adds a major new growth engine to Adama

2013 Sales (\$mm)



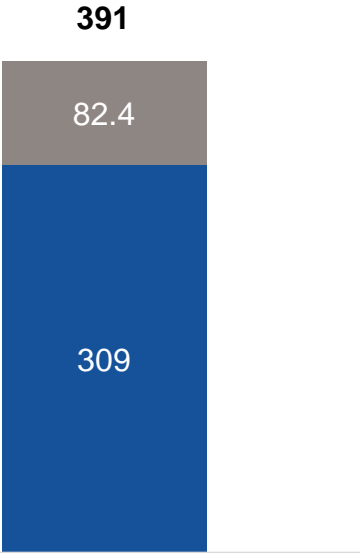
2014 YTD Sales (\$mm)



**Combined YTD  
Adama and China  
Business Revenue  
Growth:  
5.1%**

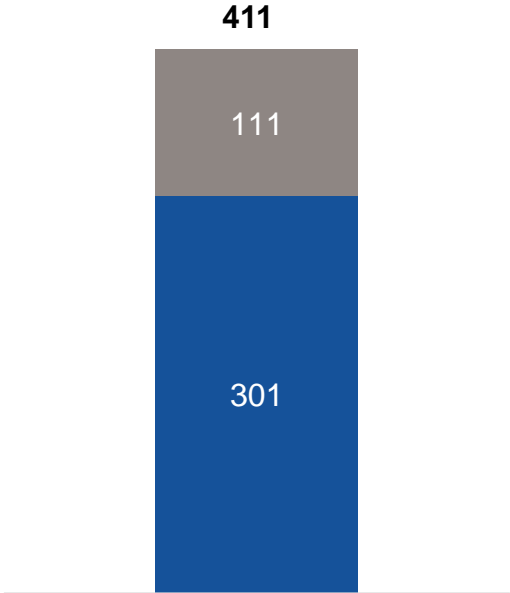
# The China Business adds a major new growth engine to Adama

2013 Operating Profit (\$mm)



■ Adama ■ China Business

2014 YTD Operating Profit (\$mm)

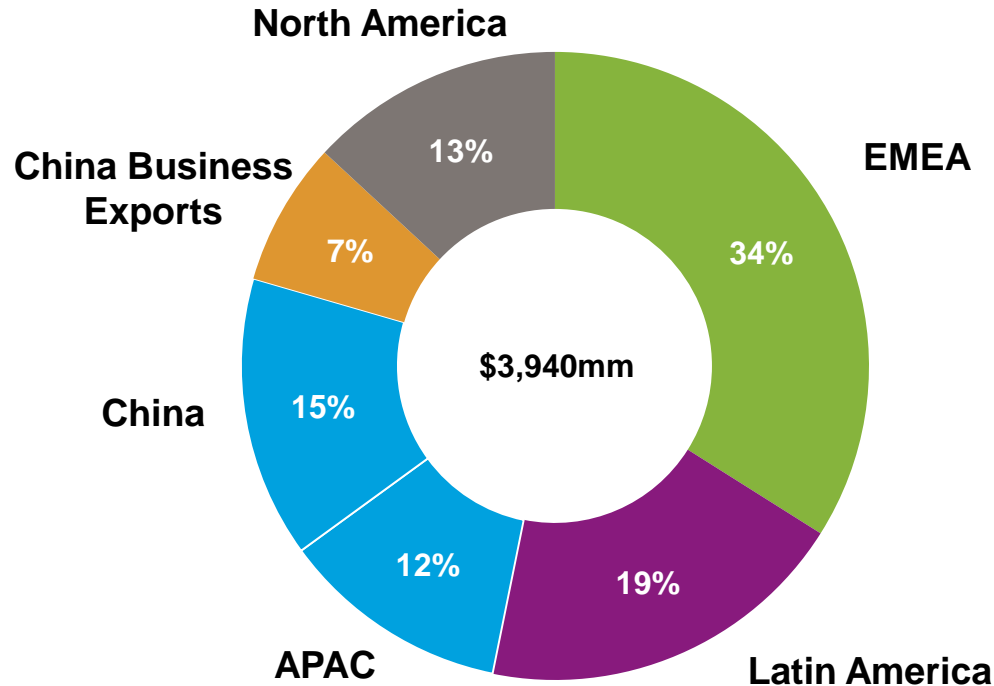


■ Adama ■ China Business

**Combined YTD  
Adama and China  
Business Operating  
Profit Growth:  
15.7%**

# The China Business adds a major new growth engine to Adama

## 2013 Sales By Geography



Note: Information presented on a combined business basis, representing the summation of results for Adama and the China Business. Regional sales split illustrates the way we intend to report our regional split as from 2015 onwards. China Business exports to be incorporated in relevant region post close of acquisition.

ADAMA



Thank You