

ADAMA



**Business Update
Q3 and YTD 2016**

November 20, 2016

Legal notice

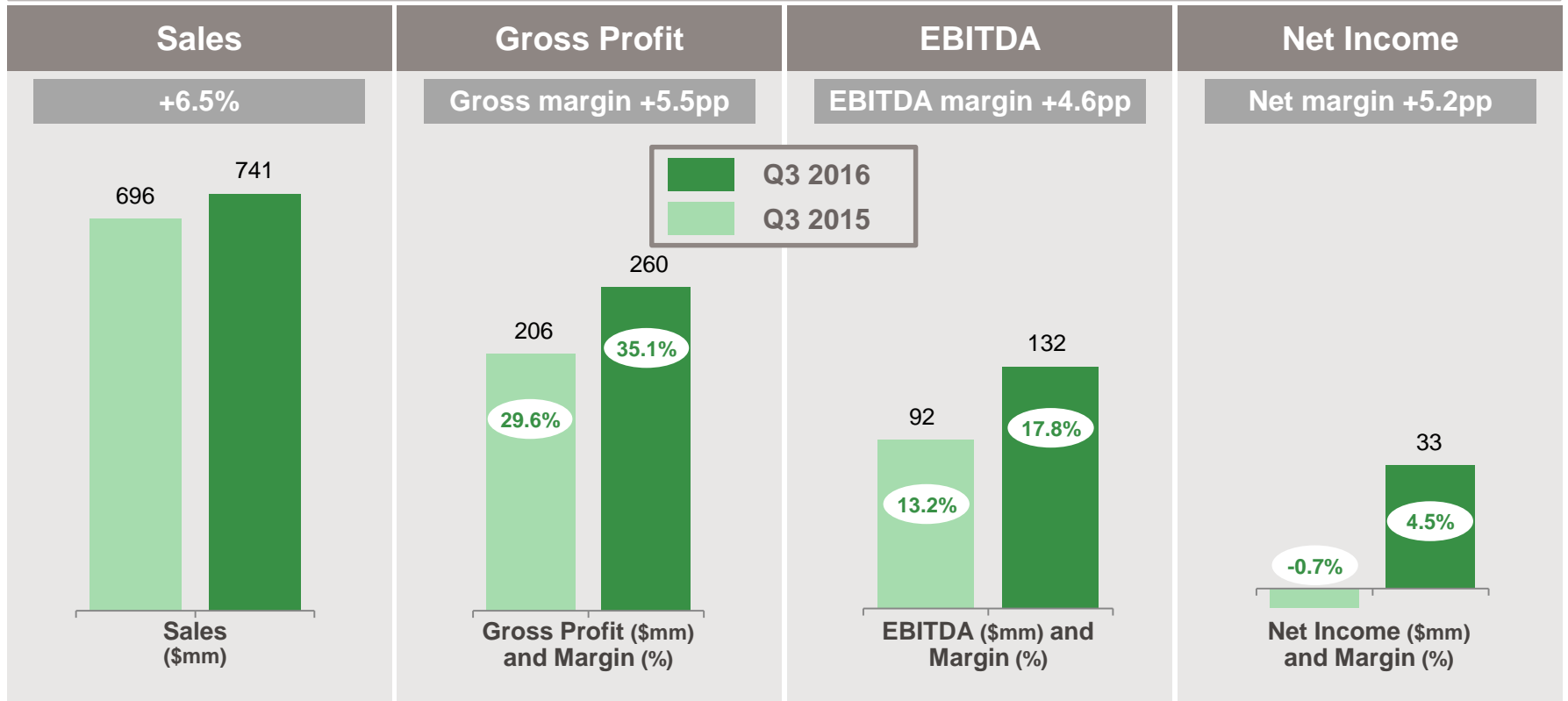
This presentation is for marketing and information purposes only. By this presentation, ADAMA Agricultural Solutions Ltd. (the “Company”) does not intend to give, and the presentation does not constitute, professional or business advice or an offer or recommendation to perform any transaction in the Company’s securities. The accuracy, completeness and/or adequacy of the content of this presentation, as well as any estimation and/or assessment included in this presentation, if at all, is not warranted or guaranteed and the Company disclaims any intention and/or obligation to comply with such content. The Company may make improvements and/or changes in the features or content presented herein at any time. The Company shall not be liable for any loss, claim, liability or damage of any kind resulting from your reliance on, or reference to, any detail, fact or opinion presented herein.

This presentation contains proprietary information of the Company and may not be reproduced, copied, disclosed or utilized in any way, in whole or in part, without the prior written consent of the Company.

The Company’s assessments may not materialize, inter alia, due to factors out of the Company's control, including the risk factors listed in the Company’s annual report, changes in the industry or potential operations of the Company's competitors.

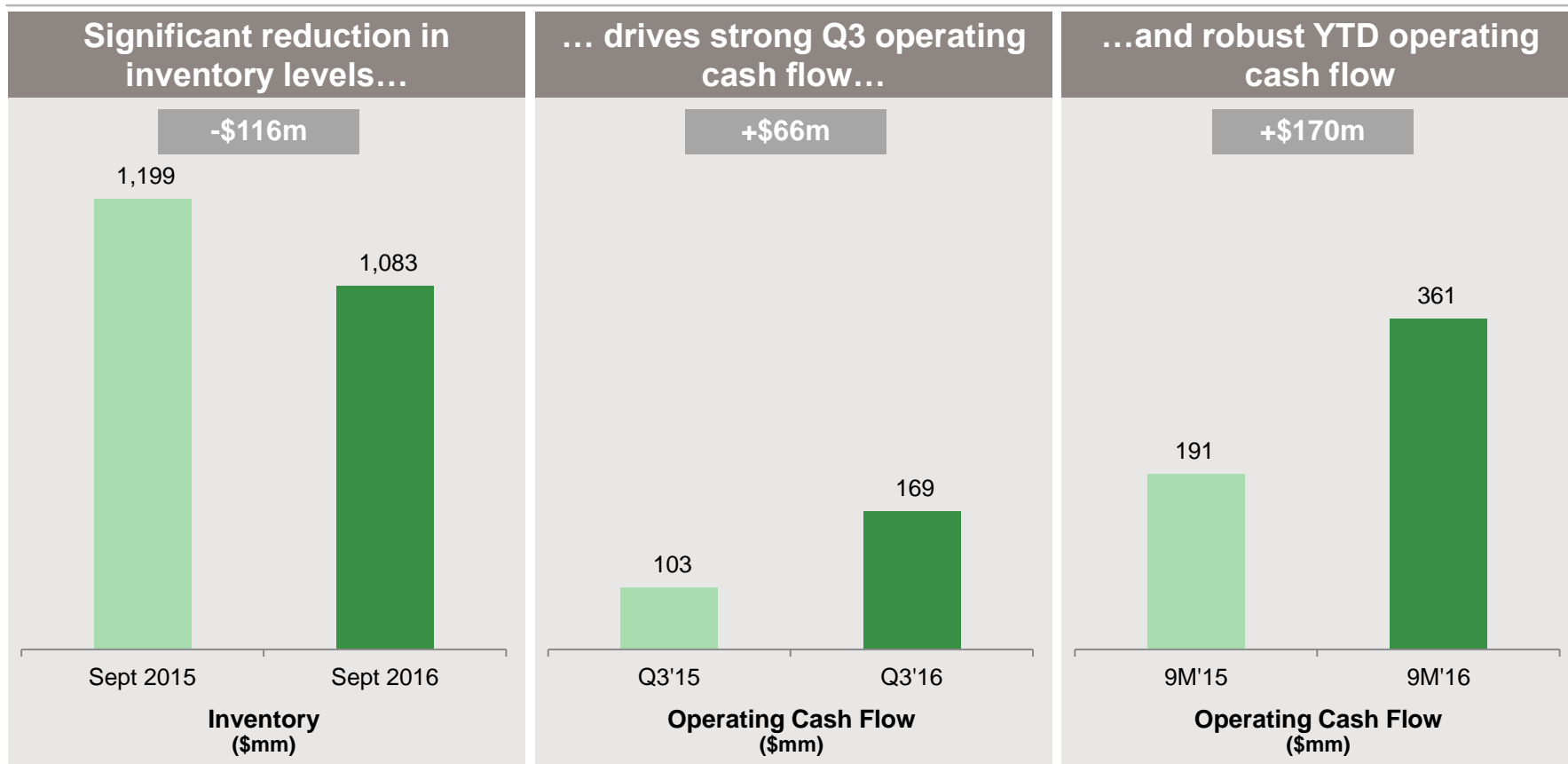
All information included in this presentation relates only to the date which it refers to, and the Company does not undertake to update such information afterwards.

Strong growth, record Q3 profit and profitability



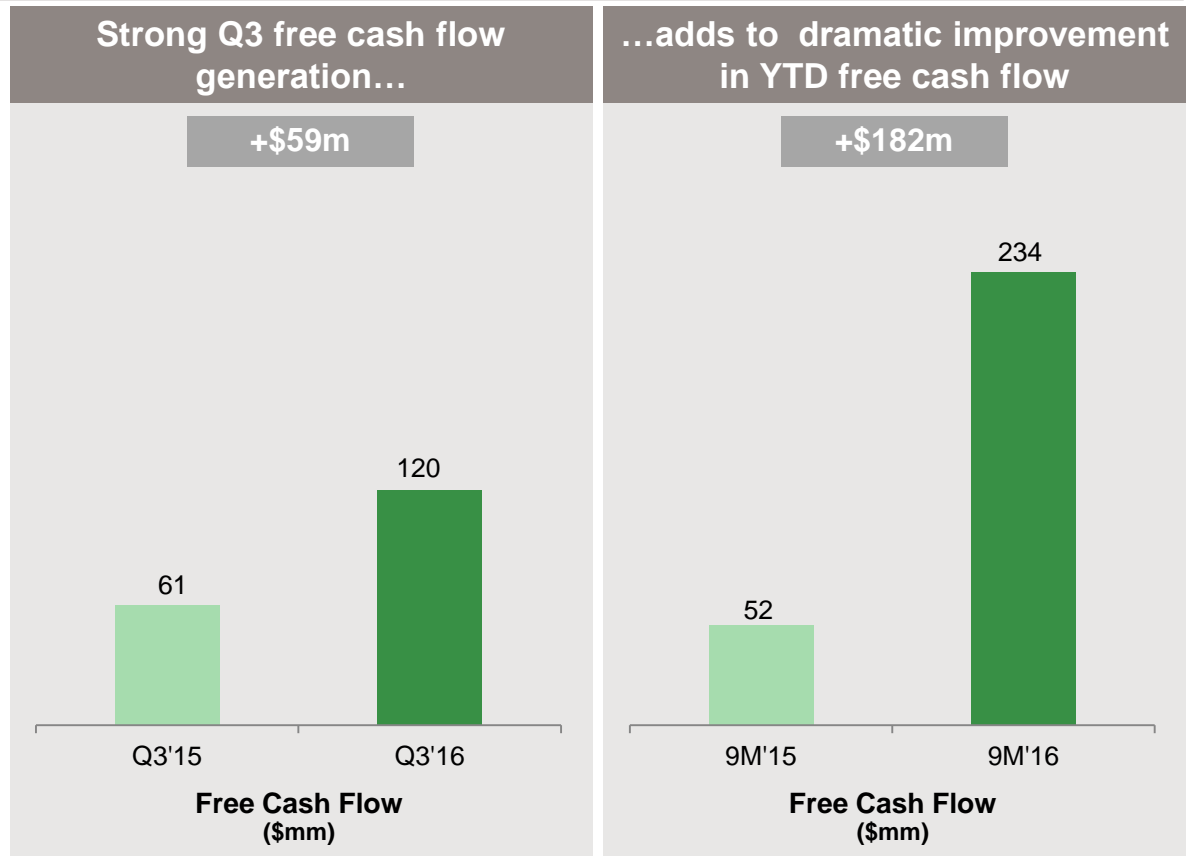
Robust volume growth of an improved product mix, together with reduced costs drive record profit and profitability

Strong profit increase and reduction in inventories lead to robust cash flow generation



Note: To aid comparability, cash flow figures for 9M 2015 are shown adjusted for the amendment to the Receivables Financing Facility Program which occurred on March 31, 2015 as if the amendment had occurred on January 1, 2015.

Strong improvement in free cash flow



Note: To aid comparability, cash flow figures for 9M 2015 are shown adjusted for the amendment to the Receivables Financing Facility Program which occurred on March 31, 2015 as if the amendment had occurred on January 1, 2015.

Financial highlights

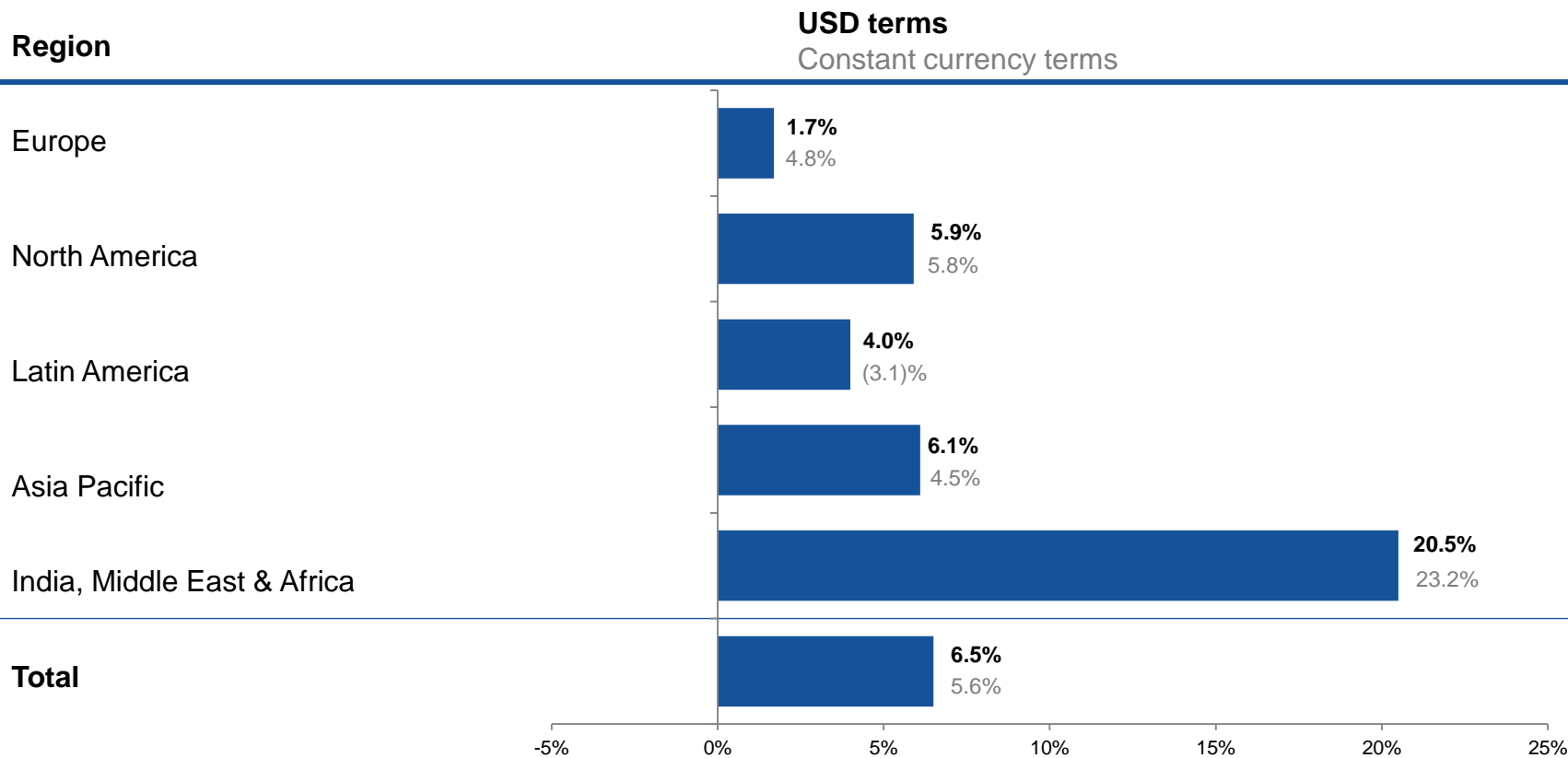
<i>Adjusted, (\$ million)</i>	Q3 2016	Q3 2015	% Change CER	%Change USD	9M 2016	9M 2015	% Change CER	%Change USD
Sales	741	696	5.6%	+6.5%	2,402	2,414	+4.1	-0.5%
Gross Profit	260	206		+26.3%	827	774		+6.8%
<i>As % of Sales</i>	<i>35.1%</i>	<i>29.6%</i>			<i>34.4%</i>	<i>32.1%</i>		
Operating Expenses	175	157		+11.6%	514	502		+2.3%
Operating Income (EBIT)	85	49		+72.7%	313	272		+15.1%
<i>As % of Sales</i>	<i>11.5%</i>	<i>7.1%</i>			<i>13.0%</i>	<i>11.3%</i>		
Net Income	33	-5			191	145		+32.1%
<i>As % of Sales</i>	<i>4.5%</i>	<i>-0.7%</i>			<i>7.9%</i>	<i>6.0%</i>		
EBITDA	132	92		+43.5%	446	398		+12.2%
<i>As % of Sales</i>	<i>17.8%</i>	<i>13.2%</i>			<i>18.6%</i>	<i>16.5%</i>		

Note:

CER: Change in Constant Exchange Rate terms, estimated
 Net income and EBITDA have been adjusted for certain one-time expenses

Regional sales performance

Q3 2016 vs. Q3 2015



Record results: robust worldwide sales growth and strong increase in profit and profitability

- **Q3 sales up 6.5% to \$741 million, with growth across all regions**
 - Significant 8.4% increase in volumes in Q3, up 5.6% YTD
 - 9M sales of \$2.4 billion, up 4.1% in constant currencies and in line with last year in USD terms
 - Driven by launches of new, differentiated products in many markets
- **Significant growth in all profit and profitability metrics, with 73% growth in operating income, lead to all-time Q3 record gross profit and EBITDA, record-high EBITDA in the year-to-date**
 - **Q3 Gross profit up 26%** to a record \$260 million, margin up by 5.5 p.p. to 35.1%; YTD gross profit up 7% to \$827 million, a 2.3 p.p. increase in margin to 34.4%
 - **Q3 Operating income up 73%** to \$85 million, a 4.4 p.p. increase in margin to 11.5%; YTD operating income up 15% to \$313 million, a 1.7 p.p. increase in margin to 13.0%
 - **Q3 EBITDA up 44%** to a record \$132 million, a 4.6 p.p. increase in margin to 17.8%; YTD EBITDA up 12% to a record \$446 million, a 2.1 p.p. increase in margin to 18.6%
 - **YTD Net income up 32%:** Q3 net income of \$33 million, with net income margin of 4.5%, compared to -\$5 million in Q3 2015; YTD net income up 32% to \$191 million, a 1.9 p.p. increase in margin to 7.9%.
- **Strong YTD free cash flow of \$234m, up \$182 million over the same period last year**
 - Q3 free cash flow of \$120 million, double last year's level
 - Reduction of \$116 million in inventory from a year ago

Sector-leading performance in spite of ongoing subdued agricultural market conditions



Financial Bridge Analysis

ADAMA

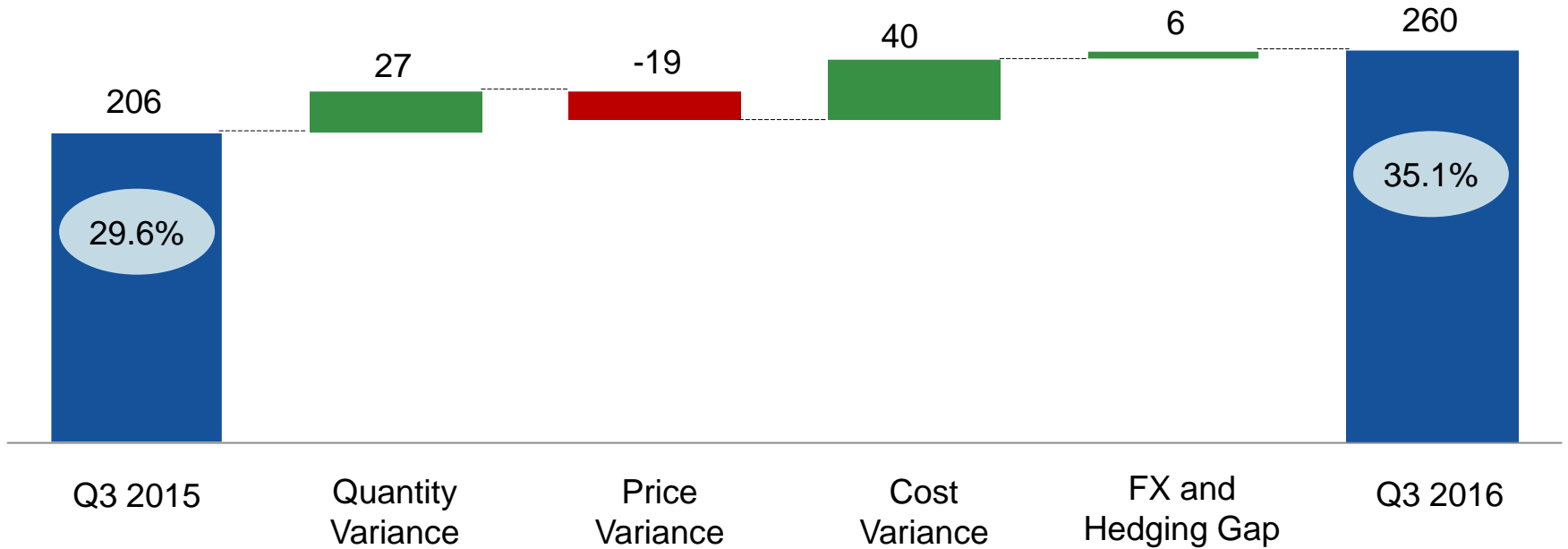
Q3 sales bridge analysis

In USDm



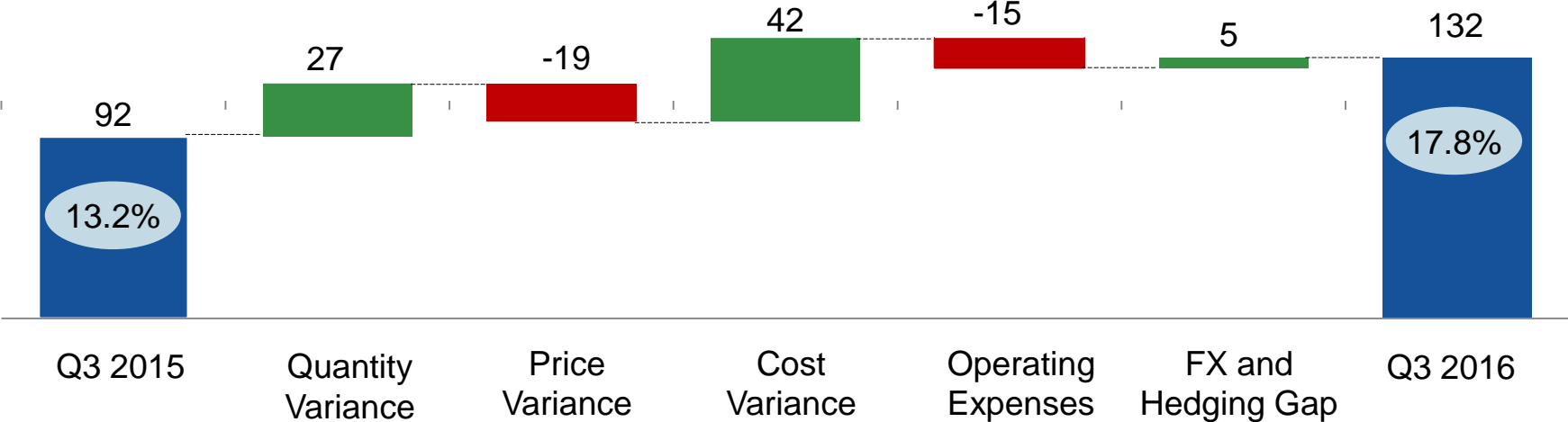
Q3 gross profit bridge analysis

In USDm



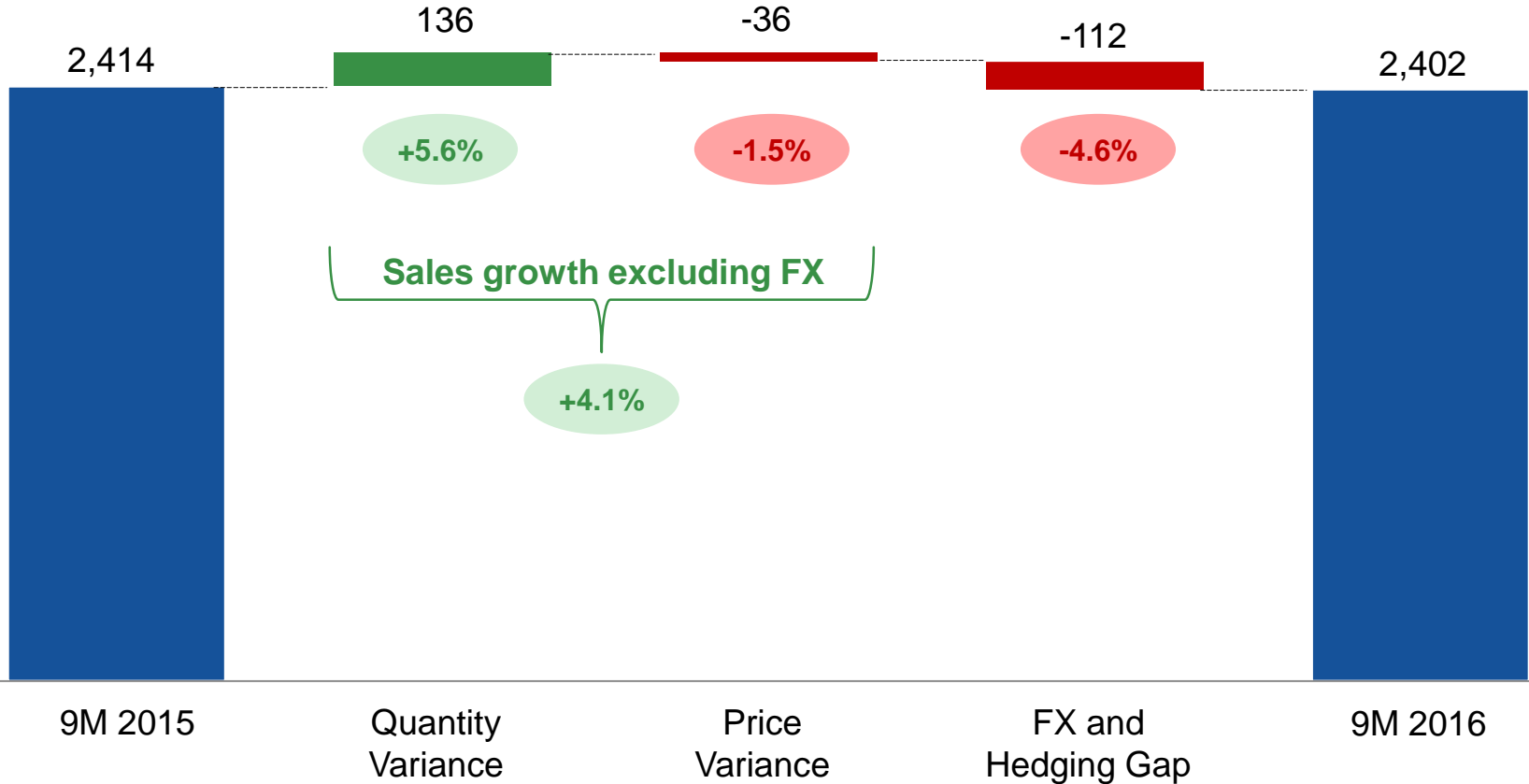
Q3 EBITDA bridge analysis

In USDm



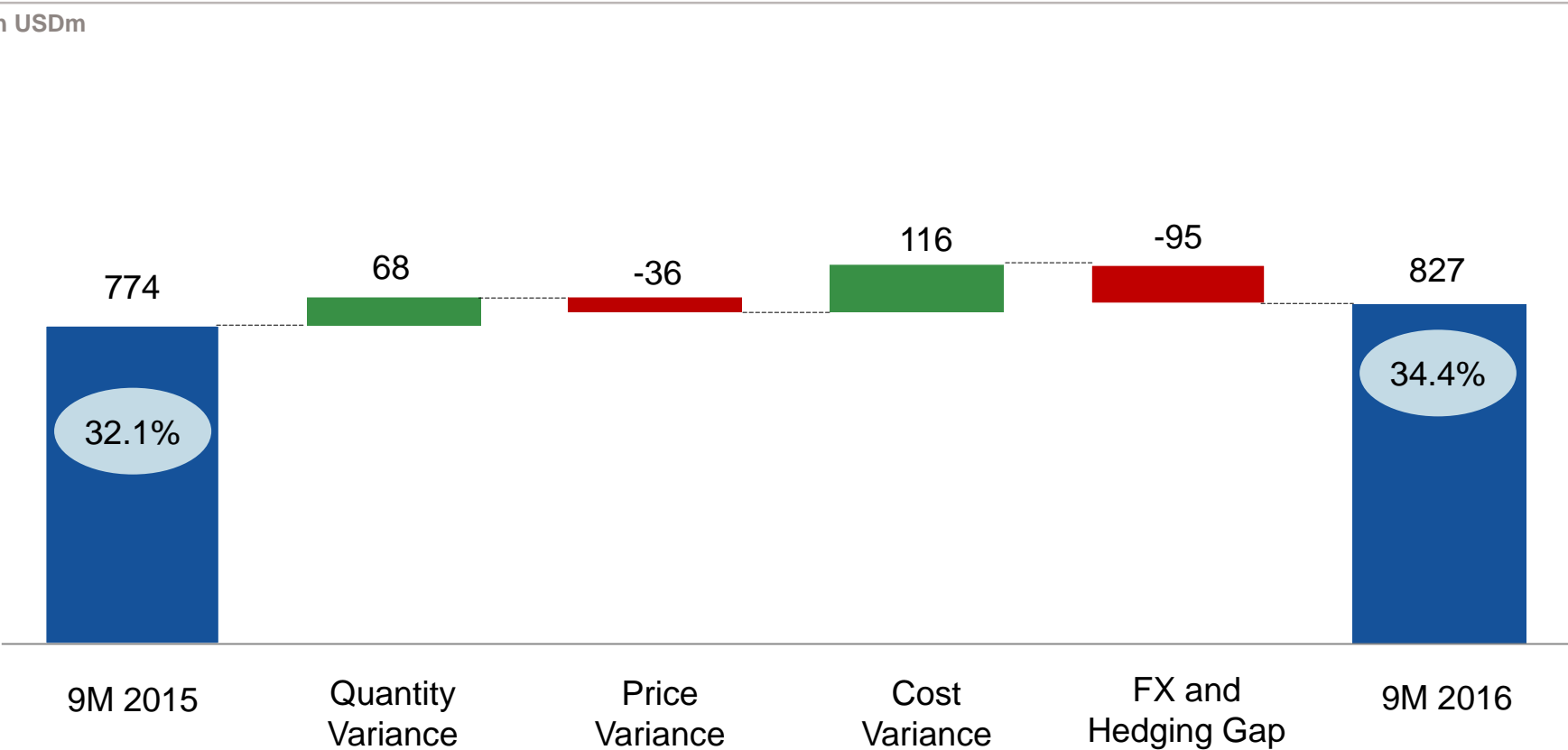
9M sales bridge analysis

In USDm



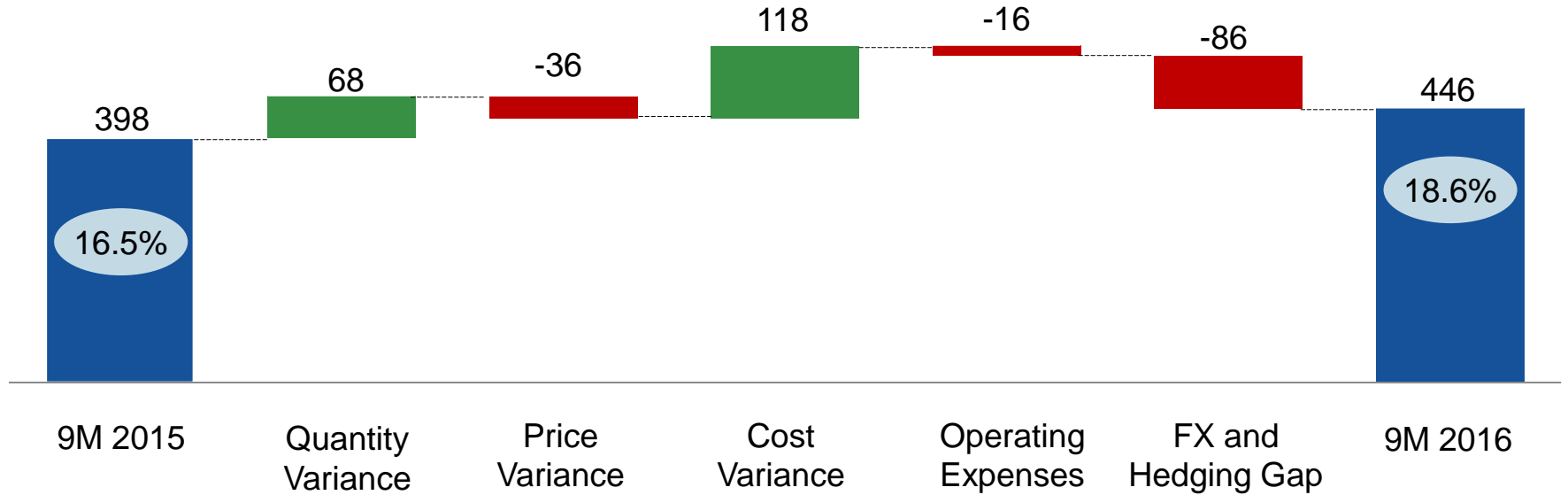
9M gross profit bridge analysis

In USDm



9M EBITDA bridge analysis

In USDm





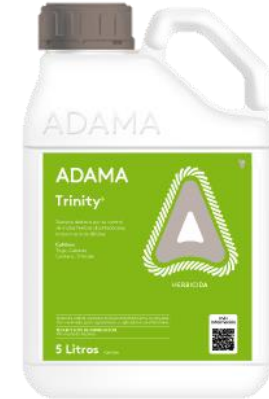
Regional Highlights

ADAMA

Regional highlights

Europe

- Sales up by 4.8% in the quarter, in CER, with significant higher-margin volume growth aided by expectation of good harvests in Eastern Europe as well as increased demand for fungicides in southern Europe.
- Sales in 9M lower by 0.8%, in CER, reflecting the extended cold and rainy weather in H1 and a certain decrease in selling prices in several countries in the region, partly passing on to customers some of the benefit of the products' significantly reduced cost.
- TRINITY®, a unique mixture of three active ingredients for weed control in cereals, and a product that provides reduced AI content whilst addressing resistance issues, performed well in eastern European markets.
- The Company obtained registrations for several unique products, among which are TOUAREG®, a herbicide for early post-emergence weed control in cereals in Spain, AFAENA®, a herbicide for oil-seed rape and potatoes in France, and QUANTUM® R-OK, a fungicide for grapes and other crops in Italy.



North America

- Sales up by 5.8% in the quarter and by 7.5% in the nine-month period, in CER, driven by significant higher-margin volume growth and focus on higher value-added products and increased engagement with farmers.
- In particular, the Company saw strong demand from cotton growers, for whom the Company has developed a comprehensive offering, including DIAMOND®, an insect growth regulator for broad-spectrum insect control, REDI-PIK®, a defoliant and regrowth inhibitor that provides consistent foliage drop for higher quality harvest, and SETUP®, a growth regulator used to boost overall recoverable yield.
- The Company continues to bring to market key effective products of Sanonda.



Regional highlights (cont'd.)

Latin America

- Sales lower by 3.1% in Q3 in CER, with the Company performing strongly in Brazil, while containing sales due to credit considerations and partly passing on to customers some of the benefit of the products' significantly reduced cost.
- Sales up by 2.9% in 9M in CER, with stable volumes and increased prices.
- The Company obtained new registrations for a number of differentiated products, including BANJO®, a fungicide for use in potatoes, and FUNGINIL®, a fungicide for vegetables, both in Brazil, as well as BREVIS™, an innovative, proprietary product that promotes growth of bigger and more uniform fruit, in Chile. In Mexico, Adama's proprietary nematocide NIMITZ™ has performed well following its launch late last year.



Nematode conference in Brazil

India, Middle East & Africa

- Sales up by a 23.2% in Q3 and by 13.1% in 9M, in CER, with significant volume growth due, among other factors, to the launch of new, differentiated products.
- Adama continues to deliver strong results in India, where significant volume growth was driven by an enhanced portfolio of differentiated products, among them the unique herbicides SHAKED®, DEKEL™ and TAMAR®, as well as the newly launched APROPO®, a unique fungicide for rice growers, and capitalizing on the ongoing strong demand for CUSTODIA™, a broad-spectrum fungicide, and AGIL™, a herbicide for a wide range of grasses.
- The Company's business in Turkey continues to develop nicely, with increasing customer engagement and with an expanding product portfolio now offering solutions the sugar beet segment.



Launch of APROPO® in India

Regional highlights (cont'd.)

Asia Pacific

- Sales up by 4.5% in Q3 and by 10.5% in 9M, in CER, driven by significant volume growth.
- Consistent focus on strengthening the quality of the business and driving demand for an increasingly differentiated portfolio yielded good results in the Pacific and North East Asia, which outweighed the impact of adverse weather conditions and high inventory levels in the distribution channels in South East Asian markets.
- Adama obtained registrations for a number of key products, including Venom[®], a differentiated high-load formulation for insect and mite control in fruits and vegetables and broadacre crops in Australia; Folpan[®], a fungicide in fruits and ornamentals in New Zealand; X-Grow, a differentiated biostimulant, and Custodia[®], a differentiated fungicide for rice, fruits and vegetables, both in Thailand.
- Adama is continuing the build-up of its commercial presence in China, where it is recruiting and training a highly skilled sales team to commercialize its differentiated, branded portfolio. In addition, ongoing integration of the CNAC commercial teams is on track to create a single commercial platform for the Chinese market in the coming year.



Farmer meetings in China

ADAMA

