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**ICL REPORTS FINANCIAL RESULTS FOR
THE THIRD QUARTER OF 2010**

- *Cash Generation Momentum Continues: Operating Cash Flow Totaled \$1.1B for 9-Month Period, \$370M for Q3 –*
- *Fertilizer Sales Up 55% for the 9-Month Period -*

Tel – Aviv, Israel, November 23, 2010 – ICL (TASE:ICL), a multinational fertilizer and specialty chemicals company, today reported results for the third quarter ended September 30, 2010.

Financial Results

Revenues: For the nine months ended September 30, 2010, ICL's sales increased by 28% to \$4,271 million from \$3,328 in the parallel period of 2009. The increase derived from a sharp increase in the quantities sold of almost all of the Company's products, countered by a reduction in the prices of fertilizers and several other products.

For the three month period, revenues were \$1,394 million, a 4% increase compared with the third quarter of 2009. This modest improvement reflected an increase in quantities sold of most of the Company's products, countered partially by a reduction in fertilizer prices and by the weakening of the dollar compared to the Euro and the Company's other operating currencies.

Operating income: For the nine months ended September 30, 2010, operating income increased by 47% to \$1,007 million from \$684 million in the first nine months of 2009. The increase reflects the higher sales,

together with higher production of bromine and other products, which increased the Company's gross margin for the period. This was countered partially by increases in transportation expenses and the strengthening of the shekel as compared to the dollar, which increased expenses as expressed in dollar terms. Operating margin for the period increased to 23.6% from 20.6% in the parallel period of 2009.

For the three month period, operating income totaled \$319 million, an 11% increase compared with \$288 million for the third quarter of 2009. Operating margin for the third quarter of 2010 increased to 22.9% from 21.4% in the third quarter of 2009.

Income tax: For the nine months ended September 30, 2010, the Company's income tax expenses totaled \$181 million, a 56% increase compared to \$116 million in the parallel period of 2009. The increase reflected high taxes of \$47 million paid during the third quarter of 2010 (representing a tax rate of 16.1%), reflecting the appreciation of the shekel against the dollar. This compared to low taxes of \$6 million paid in the third quarter of 2009, due to a one-time tax benefit of \$26 million related to a reduction in the tax rate.

Net income: Notwithstanding the significant increase in tax expense, net income to the Company's shareholders for the first nine months of 2010 increased by 37% to \$779 million from \$568 million in the parallel period of 2009.

For the third quarter of 2010, net income decreased to \$243 million from \$257 million in the third quarter of 2009, reflecting the one-time tax benefit explained above.

Cash flow: For the nine-month period, the Company recorded its 2nd-best-ever cash flow from operating activities, reaching \$1,110 million, a 26% increase from \$881 million in the comparable period of 2009. This served as the Company's primary financing source for the period's investments in fixed assets and debt reduction, as well for its ability to distribute dividends totaling \$1 billion during the 9-month period.

For the third quarter, cash flow from operations reached \$370 million, a 53% increase compared with \$242 million in the third quarter of 2009.

Debt: As of September 30, 2010, the Company's net debt totaled \$949 million, an increase of \$93 million compared with its net debt level on December 31, 2009.

Highlights of Core Business Segments

- **ICL Fertilizers:** sales for the nine month period totaled \$2,341 million, up 55% compared with the parallel period of 2009, representing 52.0% of total revenues (before offsets of inter-segment sales). The increase derived from a sharp rise in sales of potash and phosphate fertilizers and higher selling prices for phosphate fertilizers, offset somewhat by lower prices for potash and phosphate rock.

During the nine month period, ICL Fertilizers sold 4.1 million tons of potash (including internal sales), more than double the quantity sold during the parallel period of 2009, and 1.4 million tons of phosphate fertilizers, a 74% increase compared with the first nine months of 2009.

Operating income for the nine month period was \$721 million, a 43% increase compared with \$504 million in the first nine months of 2009. The increase reflected the higher sales, partially offset by a decrease in the selling prices of potash and phosphate rock. Operating margin for the nine-month period declined to 30.8% from 33.3% in the parallel period of 2009.

Market developments:

1. During the first nine months of 2010, imports of potash increased significantly in a number of key countries.
 - **China:** potash imports for the period totaled 3.6 million tons, compared to 1.8 million tons in the parallel period of 2009. According to publicly-available industry announcements, it is estimated that China's potash imports for all of 2010 will total more than 5 million tons.
 - **India:** potash imports for the period totaled over 4.4 million tons, compared to 1.9 million tons in the parallel period of 2009.
 - **Brazil:** potash imports totaled 4.5 million tons, up 1.9 million tons compared to the parallel period of 2009.

2. In its November 2010 Outlook, the US Department of Agriculture (USDA) made the following forecasts:

- **Reduced world grain stocks expected in 2010/2011**, due primarily to the lower-than-expected production achieved earlier in the year in the US, Russia and Europe due to extreme weather conditions.
- **A reduction in the grain stock-to-use ratio to 19% for 2010/2011** compared to 22.4% for 2009/2010.
- **A rise in grain prices** due to the constriction of supply.

- **ICL Industrial Products:** sales for the first nine months of 2010 were \$967 million, a 31% increase from the \$739 million recorded in the parallel period of 2009, representing 21.5% of total revenues (before offsets of inter-segment sales). The increase reflects a sharp rise in quantities sold of the segment's products (primarily for its flame retardants), together with the ongoing strengthening of prices.

Operating income for the first nine months of 2010 totaled \$140 million, a major increase compared with \$5 million in the parallel period of 2009. The dramatic increase reflected the significant rise in quantities sold and the effect of rising selling prices, together with a reduction in energy and raw material costs. In addition, the operating income for 2009 was particularly low due to significant one-time provisions taken for early-retirement benefits. Operating margin for the nine-month period rose to 14.5% from 0.7% in the parallel period of 2009.

Market developments: During the third quarter of 2010, demand for the segment's flame retardants and most other products continued to grow significantly due to the strengthening of demand for consumer electronics, automobiles and building supplies. As a result of this increased demand, and also due to the rising prices of competing products from China, where bromine resources are becoming depleted and therefore more expensive to produce, the segment's selling prices rose during the period. On the other hand, demand for the Company's drilling fluids declined temporarily due to the ecological crisis in deep wells in the Gulf of Mexico, which created a halt in drilling activities in the region.

- **ICL Performance Products:** sales for the first nine months of 2010 totaled \$1,013 million, unchanged from their level in the parallel period of 2009, representing 22.5% of total revenues (before offsets of inter-segment sales). Although the segment sold higher quantities of most of its products during the period, the benefit was mitigated by reduced selling prices as compared with the parallel period of 2009.

Operating income for the nine month period increased by 10% to \$152 million from \$138 million for the parallel period of 2009, reflecting increased quantities sold countered partially by the decreased selling prices.

Market developments: During the third quarter of 2010, demand for the segment's products continued to be much stronger than in 2009, despite the uncertainty that currently characterizes the US market.

Dividends:

- On April 27, 2010, the Company paid a dividend totaling \$155 million in respect of its fourth quarter 2009 results. This brought the total dividend paid in respect of 2009 results to \$530 million.
- On June 28, 2010, the Company paid a \$500 million one-time dividend and a \$168 million dividend in respect of the Company's first quarter results.
- On September 20, 2010, the Company paid a dividend totaling \$177 million in respect of its second quarter results.
- The Company's Board of Directors today declared a dividend totaling \$170 million to be paid on January 12, 2011 in respect of its third quarter results.

About ICL

ICL is one of the world's leading fertilizer and specialty chemicals companies. For a world challenged by population growth and scarce resources, ICL makes products that increase global food and water supplies and improve industrial materials and processes.

ICL produces approximately a third of the world's bromine and is the 6th largest potash producer in the world. ICL is a leading supplier of fertilizers in Europe and a major player in specialty fertilizer market segments. One of the world's most integrated manufacturers and suppliers of phosphate products, ICL has become the world's leading provider of pure phosphoric acid and a major specialty phosphate player.

ICL is comprised of three core segments: ICL Fertilizers, ICL Industrial Products and ICL Performance Products. Its major production activities are located in Israel, Europe, the US, South America and China, and are supported by major global marketing and logistics networks. ICL benefits from exclusive concessions to extract minerals from Israel's Dead Sea, a vast source of high-quality and low-cost potash, bromine, magnesium chloride and sodium chloride. ICL also mines phosphate rock from Israel's Negev Desert and potash and salt from its mines in Spain and the UK.

ICL's shares are traded on the Tel Aviv Stock Exchange (TASE: ICL).

Forward Looking Statement

This press release contains forward-looking assessments and judgments regarding macro-economic conditions and the Group's markets, and there is no certainty as to whether, when and/or at what rate these projections will materialize. Management's projections are likely to change in light of market fluctuations, especially in ICL's manufacturing locations and target markets. In addition, ICL is likely to be affected by changes in the demand and price environment for its products as well as the cost of shipping and energy, whether caused by actions of governments, manufacturers or consumers. ICL can also be affected by changes in the capital markets, including fluctuations in currency exchange rates, credit availability, interest rates, etc.

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(financial tables follow)

ICL
PRINCIPAL FINANCIAL RESULTS
THREE MONTHS AND NINE ENDED SEPTEMBER 30, 2010

	3 months ended September 30,				9 months ended September 30,			
	2010		2009		2010		2009	
	\$ millions	% of sales	\$ millions	% of sales	\$ millions	% of sales	\$ millions	% of sales
Net Sales	1,393.7	100.0	1,346.5	100.0	4,270.9	100.0	3,327.6	100.0
Gross profit	584.1	41.9	574.8	42.7	1,805.1	42.3	1,325.9	39.8
Operating income	319.1	22.9	287.7	21.4	1,007.0	23.6	684.0	20.6
Pre-tax income	290.7	20.9	264.3	19.6	963.2	22.6	686.3	20.6
Net income to the Company's shareholders	242.9	17.4	256.6	19.1	779.3	18.2	567.7	17.1
EBITDA*	374.0	26.8	380.8	28.3	1164.2	27.3	880.3	26.5
Operating cash flow	369.6		242.2		1,110.2		881.0	
Investment in property, plant and equipment less grants received	(76.6)		79.8		237.1		248.7	

* EBITDA is calculated as follows:

	3 months ended Sept. 30,		9 months ended Sept. 30,	
	2010	2009	2010	2009
Net income	242.9	256.6	779.3	567.7
Amortization & depreciation	53.9	51.5	158.3	150.1
Financing expenses, net	30.3	24.1	45.8	(0.7)
Taxes on income	46.9	6.2	180.8	116.2
Unusual or one-time expenses	-	42.4	-	47.0
EBITDA	<u>374.0</u>	<u>380.8</u>	<u>1,164.2</u>	<u>880.3</u>

ICL
PRINCIPAL RESULTS FROM CORE MANAGERIAL
SEGMENTS
THREE MONTHS AND NINE ENDED SEPTEMBER 30, 2010

	3 months ended September 30,				9 months ended September 30,			
	2010		2009		2010		2009	
Sales CIF by segment	\$ million	% of gross sales	\$ millions	% of gross sales	\$ millions	% of gross sales	\$ millions	% of gross sales
ICL Fertilizers	753.3	51.1	677.1	47.7	2,340.9	52.0	1,513.4	42.8
ICL Industrial Products	315.5	21.4	280.6	19.8	966.6	21.5	738.5	20.9
ICL Performance Products	351.9	23.9	380.9	26.8	1,013.0	22.5	1,013.6	28.6
Other and offsets	(27.0)		7.9		(49.6)		62.1	
Total	1,393.7		1,346.5		4,270.9		3,327.6	

Note: Segment sales data and their percentage of total sales are before offsets of inter-segment sales.

	3 months ended September 30,				9 months ended September 30,			
	2010		2009		2010		2009	
Operating income by segment	\$ million	% of segment sales	\$ millions	% of segment sales	\$ millions	% of segment sales	\$ million	% of segment sales
ICL Fertilizers	212.5	28.2	253.5	37.4	720.7	30.8	503.8	33.3
ICL Industrial Products	52.6	16.7	(8.0)	(2.9)	139.8	14.5	4.9	0.7
ICL Performance Products	53.3	15.1	35.2	9.2	152.3	15.0	138.1	13.6
Other and offsets	0.7		7.0		(5.8)		37.2	
Total	319.1	22.9	287.7	21.4	1,007.0	23.6	684.0	20.6

