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**ICL REPORTS RECORD FINANCIAL RESULTS FOR
THE FOURTH QUARTER OF 2010**

- ***ICL's Best-Ever Q4 Across All Parameters: \$1.4B Revenues, \$293M Adjusted Net Income, Record Margins –***
- ***2010: Highest-Ever Quantities of Potash Sold & Record ICL-IP Sales Lead to Annual Revenues of \$5.7B Revenues, \$1.1B Adjusted Net Income –***
- ***\$170M Dividend Brings Total Dividends Distributed in Respect of 2010 Results to \$1.2B -***

Tel – Aviv, Israel, March 28, 2011 – ICL (TASE:ICL), a multinational fertilizer and specialty chemicals company, today reported its financial results for the fourth quarter and full year ended December 31, 2010.

Financial Results

The fourth quarter of 2010 was the Company's best fourth quarter on record across all parameters, and 2010 was the second best year in ICL's history (second only to 2008, an exceptional "spike" year for the fertilizer industry). This reflected strong growth in the quantities sold of most segments, which more than offset the period's decline in selling prices for potash and some other products.

Revenues: For the fourth quarter of 2010, ICL's sales reached \$1,421 million, an all-time record for the fourth quarter and a 16% increase compared with \$1,227 million in the fourth quarter of 2009. The growth reflected increased quantities sold by all segments to all geographical markets, compensating for the reduction in the selling price of potash and some other products and the period's weakening of the dollar as compared to the Euro and pound sterling.

For the full year 2010, ICL's sales increased by 25% to \$5,692 million from \$4,554 million in 2009, making 2010 the Company's second-best-ever year. From a geographical perspective, ICL's sales for the year grew in the majority of its target markets, demonstrating the benefit of its focus on high-potential, rapidly-growing regions. The Company's sales to Asia (primarily India and China) grew by 46% in

2010 to \$1,680 million, and its sales to Latin America (primarily Brazil) grew by 14% to \$620 million.

Gross Profit: For the fourth quarter of 2010, gross profit totaled \$627 million, up 23% compared with the fourth quarter of 2009, reflecting primarily the increased sales. Gross margin for the period rose to 44.1% compared with 41.6% for the parallel period of 2009.

For 2010, gross profit totaled \$2,432 million, up 32% compared with \$1,837 million for 2009. Gross margin for the year increased to 42.7% from 40.3% in 2009, reflecting the higher quantities sold, which more than offset the reduced selling prices and increased raw material and energy costs. Gross margin was also impacted by the increase in shekel-based expenses due to the strengthening of the shekel/dollar exchange rate.

Operating income*: For the fourth quarter of 2010, adjusted operating income increased by 30% to \$349 million from \$268 million in the fourth quarter of 2009. The increase reflected the improved gross margin, countered partially by a rise in operating expenses. Operating margin rose to 24.6% from 21.9% in the parallel period of 2009, reflecting both the rising sales and increased production rates.

For 2010, adjusted operating income increased by 32% to \$1,356 million from \$1,027 million in 2009. This reflected the increase in sales and gross profit, countered partially by increases in sales-related operating expenses, shipping costs and general and administration expenses. Operating margin for the period increased to 23.8% from 22.5% in 2009 due to the rising sales and production rates, countered partially by an increase in input costs.

Net income*: For the fourth quarter of 2010, adjusted net income to shareholders increased by 38% to \$293 million from \$213 million in the fourth quarter of 2009. For 2010, adjusted net income to shareholders increased by 33% to \$1,073 million from \$809 million in 2009.

Cash flow: During 2010, the Company recorded its 2nd-best-ever cash flow from operating activities, reaching \$1,537 million, up 28% from \$1,200 million in 2009. This served as the Company's primary source of financing for the period's investments in fixed assets and debt reduction, as well as dividends paid during the period, including an extraordinary dividend of \$500 million distributed in June 2010. For the fourth quarter, cash flow from operations reached \$427 million, a 34% increase compared with \$319 million in 2009.

Debt: As of December 31, 2010, the Company's net debt totaled \$658 million, a decrease of \$199 million compared with its net debt level on December 31, 2009. On March 14, 2011, the Company signed an agreement with a group of 17 banks from Europe, the US and Israel, setting the terms under which they will provide ICL with a \$675 million revolving credit facility for a period of five years. The basic rate for funds drawn up to \$225 million will be 0.8% over LIBOR, while for larger draw-

downs the interest rate will increase by 0.15%-0.3%.

Environmental protection: In 2010, ICL invested approximately \$100 million in projects related to environmental protection, bringing its total investment during the past three years to approximately \$300 million. This is the largest investment in environmental protection projects that has been made by any Israeli company. In 2011, ICL expects to increase its environmental project budget by 20% to approximately \$120 million.

Global Pro Acquisition: On February 28, 2011, ICL acquired the Global Professional business of The Scotts Miracle-Gro Company for \$270 million. The acquisition was undertaken in line with the Company's strategy to expand its core businesses in directions that offer high growth potential. ICL financed the acquisition from its internal resources.

Highlights of Core Business Segments

- **ICL Fertilizers:** the segment's 2010 sales rose by 45% to \$3.1 billion, representing 51.7% of total revenues (before offsets of inter-segment sales). The increase reflected a sharp rise in quantities sold of potash, phosphate fertilizers and phosphate rock, which compensated for the lower prices of potash compared to 2009.

During 2010, ICL Fertilizers sold 5.6 million tons of potash (including internal sales), up 105% compared with 2009 and 17% compared with 2008, demonstrating the benefit of ICL's ability to stockpile potash during periods of weak demand. During 2008-2009, when fertilizer demand declined due to the economic crisis, the Company created a record potash inventory of approximately 3 million tons, and then drew down from this inventory throughout 2010 to supply the increased demand generated by recovering markets. Sales of phosphate fertilizers during 2010 totaled 1.7 million tons, a 63% increase compared with 2009.

During 2010, the segment's sales to Asia (primarily India and China) increased by 46% to \$1,102 million, and its 2010 sales to Latin America (primarily Brazil) increased by 17% to \$517 million. This significant rise in sales, together with the Company's recent signing of contracts to supply 500,000 tons of potash to Chinese distributors during the first half of 2011, demonstrates the Company's focus on these strategic markets.

ICL Fertilizers' operating income for 2010 totaled \$965 million, a 33% increase compared with \$723 million in 2009. The increase reflected the higher quantities sold of potash and phosphate fertilizers together with the higher selling prices of phosphate fertilizers, offset partially by decreased selling prices for potash and phosphate rock. Operating margin for the year declined to 31.1% from 33.7% in 2009.

Market developments:

- According to Fertecon, global demand for potash totaled approximately 52.4 million tons in 2010, up 21% compared with 2009. Demand was particularly strong in Brazil and the US.
- In its March 2011 Outlook, the U.S. Department of Agriculture (USDA) forecast that the world grain stock-to-use ratio will fall to 19.6% at the end of the 2010/2011 agricultural season, a level that is significantly lower than its historical average.
- Throughout 2010, grain prices rose steadily throughout the world, an indicator that often precedes an increase in fertilizer demand.

- **ICL Industrial Products:** the segment's sales for 2010 reached an all-time record of \$1.3 billion, up 29% compared with 2009, representing 21.9% of total revenues (before offsets of inter-segment sales). The increase reflects a sharp rise in quantity sold of flame retardants and other products, made possible in part by the segment's ongoing manufacturing capacity expansion program.

The segment's operating income for 2010 totaled \$207 million, a 10-fold increase compared with \$21 million in 2009. This reflected a significant rise in quantities sold and produced of most of the segment's products, a continuous rise in selling prices for some of the segment's products, and reduced energy and raw material costs. Operating margin for 2010 rose to 15.7% from 2.1% in 2009.

Market developments: In 2010, world demand for flame retardants and most of the segment's other products grew significantly due to a general resurgence in demand for consumer electronics, automobiles and building supplies. This, together with the decreased quantity of bromine produced by China, has led to a significant increase in the segment's sales of bromine and other products as well as to a rise in selling prices.

- **ICL Performance Products:** the segment's sales for 2010 totaled \$1.3 billion, up 1% compared with 2009, and representing 22.3% 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 of some of its products. The segment was also affected by the strengthening of the dollar as compared with the Euro, which reduced its sales as expressed in dollar terms. The segment's operating income for 2010 increased by 13% to \$185 million from \$163 million in 2009.

Market developments: The segment's target markets recovered gradually throughout 2010, leading to an increase in demand for most of the segment's products. This growth derived in part from the need of its customers to restock their inventories, which had reached historically low levels during the economic crisis.

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.
- On January 12, 2011, the Company paid a dividend totaling \$170 million in respect of its third quarter results.
- **The Company's Board of Directors today declared that a dividend totaling \$170 million would be paid on May 12, 2011 in respect of its fourth quarter 2010 results. This brings the total dividend paid in respect of 2010 results to \$1,185 million.**

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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 FULL YEAR ENDED DECEMBER 31, 2010

	3 months ended December 31,				12 months ended December 31,			
	2010		2009		2010		2009	
	\$ millions	% of sales	\$ millions	% of sales	\$ millions	% of sales	\$ millions	% of sales
Net Sales	1,420.6	100.0	1,226.7	100.0	5,691.5	100.0	4,554.3	100.0
Gross profit	627.0	44.1	510.6	41.6	2,432.1	42.7	1,836.5	40.3
Reported operating income	339.1	23.9	254.2	20.7	1,346.1	23.7	938.2	20.6
Adjusted operating income*	349.1	24.6	268.4	21.9	1,356.1	23.8	1,026.7	22.5
Pre-tax income	332.2	23.4	256.5	20.9	1,295.4	22.8	942.8	20.7
Reported net income to the Company's shareholders	245.4	17.3	202.7	16.5	1,024.7	18.0	770.4	16.9
Adjusted net income to the Company's shareholders*	293.4	20.7	213.1	17.4	1,072.7	18.8	808.7	17.8
EBITDA**	407.9	28.0	318.3	25.9	1,572.1	27.4	1,225.9	26.9
Operating cash flow	426.8		318.7		1,537.0		1,199.7	
Investment in property, plant and equipment less grants received	96.4		96.9		333.4		345.7	

* The Company's Operating Income and Net Income for the reporting period were impacted by the following one-time expenses unrelated to the Company's ongoing business. Adjusted Operating Income and Adjusted Net Income to the Company's Shareholders exclude these one-time expenses.

- In December 2010, storms damaged a cargo loader in the port of Eilat, making it unavailable for use for 30 days. During that period, loading of some of ICL Fertilizers' products proceeded at a slower-than-usual pace, and some ships were rerouted for loading at Ashdod. This resulted in increased shipping expenses during the period.
- During the fourth quarter of 2010, ICL Fertilizers' sulfuric acid facility malfunctioned. This slowed the Company's production of phosphoric acid during certain periods of the reporting period.
- As a result of an agreement with tax authorities, during the fourth quarter of 2011 the Company recorded a one-time expense totaling approximately \$40 million related to final tax assessments for the years 2004-2008.

** EBITDA is calculated as follows:

	3 months ended December 31,		12 months ended December 31,	
	2010	2009	2010	2009
Net income	245.4	202.7	1,024.7	770.4
Amortization & depreciation	59.1	54.5	217.4	204.6
Financing expenses, net	7.4	(5.4)	53.2	(6.1)
Taxes on income	86.0	52.3	266.8	168.5
Unusual or one-time expenses	10.0	14.2	10.0	88.5
EBITDA	<u>407.9</u>	<u>318.3</u>	<u>1,572.1</u>	<u>1,225.9</u>

ICL
PRINCIPAL RESULTS FROM CORE MANAGERIAL SEGMENTS
THREE MONTHS AND FULL YEAR ENDED DECEMBER 31, 2010

Sales CIF by segment	3 months ended December 31,				12 months ended December 31,			
	2010		2009		2010		2009	
	\$ millions	% of gross sales	\$ millions	% of gross sales	\$ millions	% of gross sales	\$ millions	% of gross sales
ICL Fertilizers	766.4	51.0	633.2	49.1	3,107.3	51.7	2,146.6	44.5
ICL Industrial Products	346.6	23.1	276.6	21.4	1,313.2	21.9	1,015.1	21.0
ICL Performance Products	327.1	21.8	314.4	24.4	1,340.0	22.3	1,328.0	27.5
Other and offsets	(19.5)		2.5		(69.0)		64.6	
Total	1,420.6		1,226.7		5,691.5		4,554.3	

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

Reported operating income by segment	3 months ended December 31,				12 months ended December 31,			
	2010		2009		2010		2009	
	\$ millions	% of segment sales	\$ millions	% of segment sales	\$ millions	% of segment sales	\$ millions	% of segment sales
ICL Fertilizers	244.4	31.9	219.3	34.6	965.1	31.1	723.1	33.7
ICL Industrial Products	66.8	19.3	16.0	5.8	206.6	15.7	20.9	2.1
ICL Performance Products	32.7	10.0	24.7	7.9	185.1	13.8	162.7	12.3
Other and offsets	(4.8)		(5.8)		(10.7)		31.5	
Total	339.1		254.2		1,346.1		938.2	