



PRESS CONTACT

Fleisher Communications and Public Relations

Amiram Fleisher

+972-3-6241241

amiram@fleisher-pr.com

**ICL REPORTS FINANCIAL RESULTS FOR THE FOURTH
QUARTER & FULL YEAR 2009**

- Best Q4 in ICL's History: Operating Profit Doubled YOY to \$254M; Gross Profit Up 35% YOY to \$511M; Revenues Up 10% YOY To \$1.2B; Net Profit Up 15% YOY to \$203M -

-Continued Recovery in Most Target Markets & Especially Fertilizers: 94% & 143% YOY Rise, Respectively, In Quantities of Potash & Phosphate Fertilizers Sold -

- 1.43M Ton Potash Agreements Signed With Indian Customers After Report Date, Representing the Largest Quantity Ever Sold By ICL -

Tel – Aviv, Israel, March 24, 2010 – ICL (TASE:ICL), a multinational fertilizer and specialty chemicals company, today reported results for the fourth quarter and full year ended December 31, 2009.

Financial Results

2009 was the second best year in ICL's history (second only to 2008, an exceptional "spike" year for the fertilizer and chemical industries). The fourth quarter of 2009 was the Company's best fourth quarter on record.

Revenues: The Company's financial results for the fourth quarter of 2009 continued to show evidence of market recovery. Revenues for the quarter were \$1,227 million, up 10% compared with \$1,118 million for the fourth quarter of 2008. The improvement reflected an increase in quantities sold for most of the Company's products, countered by reduced selling prices for some products, including potash and phosphate fertilizers. Sales for the quarter also benefited from changes in the Euro/dollar exchange rate.

For the full year 2009, revenues were \$4,554 million compared with \$6,904 million in 2008. The decrease reflected the dramatic negative impact of the global financial crisis which began in the fourth quarter of 2008 and its affect on demand for the

Company's fertilizers and other products during the first half of 2009. During the second half of the year, demand began to recover. Signs of further recovery have been evident during the first quarter of 2010, including the signing in March of potash supply agreements totaling 1.43 million tons with Indian customers, ICL's largest quantity sales in its history.

Gross profit: Gross profit for the fourth quarter of 2009 was \$511 million, up 35% compared with \$377 million in the fourth quarter of 2008. Gross margin for the fourth quarter of 2009 was 41.6%, compared with 33.7% for the fourth quarter of 2008. The increase in gross profit derived from the higher quantities sold coupled with the Company's ongoing efficiency efforts, and with a reduction in some input costs as compared with 2008 (especially sulfur and energy). This was countered by the reduction of selling prices, as explained above, and a reduction in the production of some of the Company's products.

For the full year 2009, gross profit was \$1,837 million compared with \$3,455 million in 2008. Gross margin for 2009 was 40.3%, compared with 50.0% for 2008. The decrease reflected a sharp reduction in both quantities sold and prices of most of the Company's products as compared with their extraordinary levels in the "spike" year of 2008, together with the reduced production of some of the Company's products. This was countered partially by a reduction of most input costs; by the Company's ongoing efficiency efforts; and by the reduction of shekel-based expenses.

Operating income: Operating income for the fourth quarter of 2009 doubled to \$254 million compared with \$126 million for the fourth quarter of 2008. Operating margin for the third quarter of 2009 was 20.7%, compared with 11.3% for the fourth quarter of 2008. This reflects the improvement in gross profit and reduction of operating expenses, as explained above.

For the full year 2009, operating income totaled \$938 million compared with \$2,335 million in 2008. Operating margin for the year was 20.6%, compared with 33.8% for 2008. The decrease reflected the reduced gross profit, countered partially by a reduction in operating expenses, the effect of the weakness of the shekel, a decrease in shipping costs, and the effect of the Company's cost-cutting program.

Net income: Net income to the Company's shareholders for the fourth quarter of 2009 was \$203 million, an increase of 15% compared with \$176 million for the fourth quarter of 2008.

For the full year 2009, net income to the Company's shareholders was \$770 million compared with \$2,004 million in 2008.

Cash flow: Cash flow from operating activities for 2009 totaled \$1,200 million.

Debt: As of December 31, 2009, the Company's net debt totaled \$857 million, a reduction of \$230 million compared to the end of 2008.

Share Ownership: Potash Corporation of Saskatchewan Inc. (“PCS”) (NYSE: POT) has recently reported that it purchased 32.44 million shares of ICL's ordinary shares throughout January and February, bringing its holdings in ICL to 13.9% of the Company.

Market Trends

As a result of the global financial crisis which began at the end of 2008 and its dramatic affect on demand throughout the world, demand for all of the Company's products decreased significantly during the fourth quarter of 2008 and the first half of 2009. This decrease was felt most strongly by the Company in its sale of fertilizers (especially potash), which were lower in 2009 than in 2008. The primary markets which evidenced a high level of activity during 2009 were Brazil and India. Towards the end of 2009, with the recovery in world markets, demand from other markets began to strengthen.

In January 2010, ICL Fertilizers signed agreements with a number of customers in China for the delivery of 620,000 tons of potash (including an option) during 2010. In addition, in March, ICL Fertilizers announced that it will supply its customers in India with a total of 1.43 million tons of potash (including options) at \$370 per ton over a 12-month period beginning in April 2010. This quantity is the largest ever sold by ICL.

Highlights of Core Business Segments

- **ICL Fertilizers:** sales for the fourth quarter of 2009 were \$633 million, up 24% compared with the fourth quarter of 2008, representing 49.1% of total revenues (before offsets of inter-segment sales). The increase reflects a 94% increase in the quantity of potash sold due to rising activities in India and Brazil. It also reflects a 143% increase in quantities sold of phosphate fertilizers due to steadily rising demand in India, Brazil and other markets. Despite the increase in demand, the price pressure on phosphate fertilizers continued during the first half of the year, with prices stabilizing only in the second half. In the fourth quarter, the price of phosphate fertilizers began to rise, and the trend has continued into the first quarter of 2010.

For the full year 2009, sales were \$2,147 million, a reduction of 49.5% compared with 2008, representing 44.5% of total revenues (before offsets of inter-segment sales). This reflected the year's sharp decrease in quantities sold of all products and the reduction of average selling prices.

Operating income for the fourth quarter was \$219 million, an 82% increase compared to the fourth quarter of 2008. Operating margin for the period increased to 34.6% compared with 23.7% in the fourth quarter of 2008. The increase reflected the rise in sales and decline in input costs (especially sulfur), countered partially by a decline in some selling prices.

For the full year 2009, operating income was \$723 million compared with \$2,019 million in 2008, with the operating margin for the year declining to 33.7% compared to 47.5% for 2008. The decline compared to 2008 reflected the lower sales.

- **ICL Industrial Products:** sales for the fourth quarter of 2009 were \$277 million, an increase of 6% compared to the fourth quarter of 2008, representing 21.4% of total revenues (before offsets of inter-segment sales). The increase reflects an increase in the quantity sold for most of the segment's products. Sales of flame retardants began to improve significantly in the third quarter of 2009, resulting in a return to year-over-year growth in the fourth quarter. In addition, during the first two months of 2010, there was a marked resurgence of demand for the segment's drilling brines. Further, there has been a shortage of bromine in China due to mining issues faced recently by Chinese bromine suppliers, including the reduction of brines available for the manufacture of bromine and a reduction of the concentration of bromine in the brines.

For the full year 2009, sales were \$1,015 million, a reduction of 19% compared with 2008, representing 21.0% of total revenues (before offsets of inter-segment sales). This reflected the year's decrease in quantities sold and selling prices of most of the segment's products, including its bromine-based flame retardants, water treatment biocides and magnesium salts.

Operating income for the fourth quarter was \$16.0 million, an increase of 54% compared to \$10.4 million for the fourth quarter of 2008. Operating margin for the quarter increased to 5.8% from 4.0% in the fourth quarter of 2008, reflecting the higher sales and recovering prices achieved towards the end of the year.

For the full year 2009, operating income was \$21 million compared with \$105 million for 2008. The decrease reflected the lower sales, countered partially by reduced energy and raw material costs, the effect of the Company's cost-cutting programs, and to the strengthening of the dollar, which decreased shekel-denominated and Euro-denominated expenses as expressed in dollar terms.

- **ICL Performance Products:** sales for the fourth quarter of 2009 were \$314 million, an 8% decrease compared to \$342 million in the fourth quarter of 2009, representing 24.4% of total revenues (before offsets of inter-segment sales). The decrease reflects lower quantities sold and selling prices for most of the segment's products.

For the full year 2009, sales for the segment totaled \$1,328 million, a reduction of 14% compared \$1,543 million in 2008, representing 27.5% of total revenues (before offsets of inter-segment sales). This reflected the year's decrease in quantities sold of most of the segment's products, together with the strengthening of the dollar compared to the Euro, which reduced Euro-denominated sales when expressed in dollar terms. The decline was countered partially by a rise in prices secured for some of the segment's products compared to their level in 2008, especially in North America.

Operating income for the quarter was \$25 million compared with \$33 million for the fourth quarter of 2008. For the full year 2009, operating income was \$163 million compared with \$254 million for 2008. The decrease reflected the lower sales and reduced production, countered partially by reduced energy and raw material costs.

Dividends:

- On May 4, 2009, the Company paid a dividend totaling \$175 million in respect of its fourth quarter 2008 results.
- On June 17, 2009, the Company paid a dividend totaling \$100 million in respect of its first quarter results.
- On September 16, 2009, the Company paid a dividend totaling \$100 million in respect of its second quarter results.
- On December 22, 2009, the Company paid a dividend totaling \$175 million in respect of its third quarter results.
- The Company's Board of Directors today declared that a dividend totaling \$155 million would be paid on April 27, 2010 in respect of its fourth quarter 2009 results. This brings the total dividend paid in respect of 2009 results to \$530 million.

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 approximately 9% of its potash. 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 TWELVE MONTHS ENDED DECEMBER 31,
2009

	3 months ended December 31,				12 months ended December 31,			
	2009		2008		2009		2008	
	\$ millions	% of sales	\$ millions	% of sales	\$ millions	% of sales	\$ millions	% of sales
Net Sales	1,226.7	100.0	1,118.1	100.0	4,554.3	100.0	6,904.0	100.0
Reported gross profit	510.6	41.6	377.2	33.7	1,836.5	40.3	3,455.3	50.0
Adjusted gross profit**	510.6	41.6	501.0	44.8	1,836.5	40.3	3,619.1	52.4
Reported operating income	254.2	20.7	125.9	11.3	938.2	20.6	2,335.5	33.8
Adjusted operating income**	268.4	21.9	297.1	26.6	1,026.7	22.5	2,588.7	37.5
Reported net income to the Company's shareholders	202.7	16.5	175.8	15.7	770.4	16.9	2,004.2	29.0
Adjusted net income to the Company's shareholders**	213.1	17.4	279.1	25.0	808.7	17.8	2,202.3	31.9
EBITDA*	315.4	27.9	310.3	27.8	1,223.0	26.2	2,747.5	39.8
Operating cash flow	318.7		450.4		1,199.7		1,854.1	
Investment in property, plant and equipment less grants received	96.9		79.7		345.6		318.0	

* EBITDA is calculated as follows:

	3 months ended December 31,		12 months ended December 31,	
	2009	2008	2009	2008
Reported net income to the Company's shareholders	202.7	175.8	770.4	2,004.2
Amortization & depreciation	51.6	38.7	201.7	182.2
Financing expenses, net	(5.4)	24.4	(6.1)	122.1
Taxes on income	52.3	(52.6)	168.5	233.2
Unusual or one-time expenses	14.2	124.0	88.5	205.8
EBITDA	<u>315.4</u>	<u>310.3</u>	<u>1,223.0</u>	<u>2,747.5</u>

** During the reporting period, the Company's gross profit, operating profit and net

profit were affected by one-time charges and provisions including:

- 1) A one-time provision taken by ICL Fertilizers & ICL Industrial Products with respect to the segments' Early Retirement programs.
- 2) A one-time provision taken by ICL Performance Products for the reduction of the value of fixed assets.
- 3) A tax credit reflecting the effect of a change in the Israeli government's Investment Incentive policies on the Company's financial reports.

To facilitate meaningful comparisons between the Company's operating results for all periods, the Company has presented adjusted gross profit, operating profit and net profit which exclude these one-time factors.

Following is a detailed accounting of these one-time charges and provisions:

<i>In \$millions</i>	3 months ended December 31, 2009	12 months ended December 31, 2009
Provision for Early Retirement benefits	10.7	57.7
One-time provision for reduction of value of fixed assets taken by ICL Performance Products	3.5	30.8
Effect of one-time expenses on Operating Income	14.2	88.5
Tax consequences of one-time expenses	(3.8)	(23.9)
Tax credits due to change in tax law	-	(26.3)
Effect of one-time expenses and tax credits on Net Income	10.4	38.3

ICL
PRINCIPAL RESULTS FROM CORE MANAGERIAL SEGMENTS
THREE MONTHS AND TWELVE MONTHS ENDED DECEMBER 31, 2009

	3 months ended December 31,				12 months ended December 31,			
	2009		2008		2009		2008	
Sales CIF by segment	\$ millions	% of gross sales	\$ millions	% of gross sales	\$ millions	% of gross sales	\$ millions	% of gross sales
ICL Fertilizers	633.2	49.1	508.8	42.2	2,146.6	44.5	4,251.7	57.6
ICL Industrial Products	276.6	21.4	260.7	21.6	1,015.1	21.0	1,254.2	17.0
ICL Performance Products	314.4	24.4	342.0	28.4	1,328.0	27.5	1,543.4	20.9
Other and offsets	2.5		6.6		64.6		(145.3)	
Total	1,226.7		1,118.1		4,554.3		6,904.0	

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

	3 months ended December 31,				12 months ended December 31,			
	2009		2008		2009		2008	
Reported operating income by segment	\$ millions	% of segment sales	\$ millions	% of segment sales	\$ millions	% of segment sales	\$ millions	% of segment sales
ICL Fertilizers	219.3	34.6	120.4	23.7	723.1	33.7	2,018.6	47.5
ICL Industrial Products	16.0	5.8	10.4	4.0	20.9	2.1	104.9	8.4
ICL Performance Products	24.6	7.8	33.3	9.7	162.7	12.3	254.2	16.5
Other and offsets	(5.7)		(38.2)		31.5		(42.2)	
Total	254.2		125.9		938.2		2,335.5	

	3 months ended December 31,				12 months ended December 31,			
	2009		2008		2009		2008	
Adjusted (see above) operating income by segment	\$ millions	% of segment sales	\$ millions	% of segment sales	\$ millions	% of segment sales	\$ millions	% of segment sales
ICL Fertilizers	217.5	34.3	225.6	44.3	731.3	34.1	2,163.8	50.9
ICL Industrial Products	28.5	10.3	18.4	7.1	70.4	6.9	136.9	10.9
ICL Performance Products	28.1	8.9	43.9	12.8	193.5	14.6	282.8	18.3
Other and offsets	(5.7)		9.2		31.5		5.2	
Total	268.4		297.1		1,026.7		2,588.7	