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ICL REPORTS 54% INCREASE IN Q3 2018 NET INCOME

- ***Third quarter sales of $1.37 billion compared to $1.44 billion for Q3 2017. Excluding divestments, sales increased by 7%***
- ***Third quarter operating income increased by 14% sequentially to $196 million, 9% higher than Q3 2017 and 43% higher when excluding divested businesses***
- ***EPS was $0.10 vs. $0.07 in Q3 2017 and $0.08 in Q2 2018***
- ***Focus on cash flow generation resulted in 11% growth in operating cash flow compared to Q3 2017, despite divestments***
- ***Dividend distribution of 5.1 cents/share, an increase of 20% compared to Q3 2017, reflecting an annualized dividend yield of approximately 3.5%***

***Tel Aviv, Israel, November 1, 2018* – ICL *(NYSE &TASE: ICL*)**, a leading global specialty minerals and specialty chemicals company, today reported its financial results for the third quarter ended September 30, 2018.

Sales for the third quarter were $1,371 million compared to $1,440 million for the comparable period in 2017, or compared to $1,280 million excluding divested businesses. Sequential sales were flat as a result of lower potash sales volume due to delayed supply contracts with customers in China and India. The Company reported operating income of $196 million compared to $180 million for the third quarter of 2017 and net income of $129 million compared to $84 million in the comparable quarter, an increase of 54%. Excluding the contribution of businesses that were divested during 2018, which included exceptional seasonal profit from the Fire Safety business in Q3 2017, adjusted operating income increased by 43%. The Company benefited from higher commodity prices, but also from its ongoing value-focused initiatives in its specialty businesses. Higher commodity and specialty prices more than compensated for the negative impact of lower sales volumes and higher raw materials, energy and transportation costs. Quarterly operating cash flow increased by 11% to $196 million, despite the divestment of high cash generating businesses.

ICL's CEO, Raviv Zoller, stated, "ICL's strong results for the third quarter were driven by improved market conditions and by the Company's continuous focus on cost control and value oriented initiatives. Our overall strong business momentum continued despite a temporary decrease in potash sales volumes due to delays, this year, in signing supply contracts with Chinese and Indian customers."

Zoller continued, "During the third quarter, we also successfully completed important adjustments to our organizational structure to better align with our strategy. They included, among other thing, the consolidation of our phosphate businesses into one segment and the formation of our Innovative Ag Solutions segment. We have set a course to develop new solutions for our customers, leveraging R&D and digital innovation."

Zoller concluded, “We are fostering a company DNA dedicated to employee empowerment, sustainability and corporate responsibility. This was recently reflected in Silver ranking from EcoVadis, a company that monitors the sustainability and CSR activities of companies with global supply chains, and that ranked ICL in the top 7% amongst 33,000 suppliers. We also recently joined the global audit program of Together for Sustainability, an organization that assesses and improves sustainability practices within supply chains in the chemical industry.”

FINANCIAL RESULTS

	7-9/2018		7-9/2017	
	$ millions	% of sales	$ millions	% of sales
Sales	1,371	-	1,440	-
Sales excluding divested businesses	1,371	-	1,280	-
Gross profit	458	33	470	33
Operating income	196	14	180	13
Adjusted operating income - excluding divested businesses (1)	200	15	140	11
Net income - shareholders of the Company	129	9	84	6
Adjusted net income - shareholders of the Company - excluding divested businesses (1)	134	10	70	5
EPS (fully diluted)	0.10	-	0.07	-
Adjusted EPS (fully diluted)	0.10	-	0.09	-
Adjusted EBITDA – excluding divested businesses (2)	295	22	236	18
Cash flows from operating activities	196	-	176	-
Purchases of property, plant and equipment and intangible assets (3)	145	-	98	-

(1) See “Adjustments to reported operating and net income (Non-GAAP)” in the Appendix.

(2) See “Adjusted EBITDA for the periods of activity" in the Appendix.

(3) See “Condensed consolidated statements of cash flows (unaudited)” in the Appendix

Results analysis:

	Sales	Expenses	Operating income
		$ millions	
Q3 2017 figures	**1,440**	**(1,260)**	**180**
Total adjustments Q3 2017*	-	35	35
Adjusted Q3 2017 figures	**1,440**	**(1,225)**	**215**
Divested businesses	(160)	85	(75)
Adjusted Q3 2017 figures (excluding divested businesses)	**1,280**	**(1,140)**	**140**
Quantity	(33)	15	(18)
Price	130	-	130
Exchange rate	(6)	9	3
Raw materials	-	(31)	(31)
Energy	-	(1)	(1)
Transportation	-	(7)	(7)
Operating and other expenses	-	(16)	(16)
Adjusted Q3 2018 figures	**1,371**	**(1,171)**	**200**
Total adjustments Q3 2018*	-	4	4
Q3 2018 figures	**1,371**	**(1,175)**	**196**

** See "Adjustments to reported operating and net income (Non-GAAP)" in the financial appendix.*

Revenue: Sales were $1,371 million in Q3 2018 compared to $1,440 million for the comparable quarter in 2017 as a result of the sale of the Fire Safety and Oil Additives businesses at the end of the first quarter of 2018 together with the sale of Rovita at the beginning of the third quarter of 2018. The negative quantity impact resulted mainly from a 14% decrease in potash sales volumes due to a delay in the signing of supply contracts with China and India, as well as lower quantities sold of green phosphoric acid. This was offset by strong sales of clear brine fluids, bromine and phosphorous based flame retardants and a significant improvement in selling prices across all of ICL's businesses.

Operating income: The Company reported operating income of $196 million in Q3 2018 compared to $180 million for the third quarter of 2017. Excluding divested businesses, adjusted operating income increased to $200 million compared to $140 million in Q3 2017. The increase was driven by a $52/tonne rise in the potash average realized price per tonne compared to the corresponding quarter last year, as well as higher prices of phosphate fertilizers, phosphate-based acids and food additives and across ICL Industrial Products' businesses (as part of value-oriented sales initiatives). Exchange rates contribution derived mainly from the devaluation of the Israeli shekel and the euro against the dollar decreasing production costs, partly offset by the devaluation of the euro against the dollar decreasing revenues. Price and exchange rates contribution was partly offset by lower sales quantities, higher sulphur prices, which increased raw materials costs throughout the phosphate value chain, higher raw materials prices used for bromine and phosphorous based flame retardants and higher transportation costs resulting from an increase in marine transportation prices. The negative impact of operating and other expenses derived mainly from an increase in royalties and sales commissions, as a result of higher prices, as well as an insurance income that was recorded in the corresponding quarter last year.

Financing expenses, net: The net reported financing expenses in Q3 2018 amounted to $23 million, compared to $36 million in the corresponding quarter last year, a decrease of $13 million, which was driven mainly by a decrease in the amount of $8 million resulting from exchange rate differences and hedging transactions. In addition, there was a $5 million decrease in interest expenses due to the significant reduction of net financial liabilities.

Tax expenses: Tax expenses for Q3 2018 amounted to $45 million, reflecting an effective tax rate of 26%. The lower tax rate compared with the corresponding quarter last year is mainly due to a decrease in the tax rate in the US, lower weight of profits before taxes generated in the US following the divestiture of businesses at the end of the first quarter of 2018 and a decrease in tax provisions in Israel.

Cash flow & debt level: In Q3 2018, operating cash flow increased by $20 million compared to the corresponding quarter in 2017 to $196 million. The strong results of Q3 2018 compared with the corresponding quarter last year more than compensated for an increase in the net working capital. The increase was achieved despite the notable contribution from the highly cash generating divested fire safety and oil additives businesses in Q3 2017. Cash flow used for the purchase of property, plant, equipment and intangible assets amounted to $145 million compared to $98 million in Q3 2017, mainly due to investments in the P9 pumping station at the Dead Sea.

The Company's net financial liabilities at the end of the third quarter amounted to $2,205 million, a decrease of $832 million compared to December 31, 2017. The significant decrease is mainly from proceeds received from the sale of ICL's Fire Safety and Oil Additives businesses.

ICL'S ORGANIZATIONAL STRUCTURE

As part of management's efforts to enhance ICL's leading market position and promote its growth, the Company organizational structure was aligned with its strategy as of Q3 2018. ICL's operations are now divided into four segments: Industrial Products (bromine value chain and complementary businesses), Potash, Phosphate Solutions (P2O5 Chain) and Innovative Ag Solutions. This structure will serve to optimize the businesses of each of the Company's minerals value chains and provide managers of ICL's segments with the tools to streamline operation, promote efficiency and eliminate redundancies. The alignment will further enable the Company to focus on creating leadership in areas where it is currently not an industry leader, leveraging the Company's R&D, industrial know-how and digital innovation.

REVIEW OF OPERATING SEGMENTS

Industrial Products

The Bromine value chain segment recorded another strong quarter driven by higher prices and sales volumes across most of its business lines. The segment benefited from strong demand from oil and gas drilling projects in the Gulf of Mexico and in Israel which drove higher sales of clear brine fluids. Bromine and phosphate-based flame retardants sales also benefitted from environmentally-related regulatory pressure in China and raw material shortages among competitors.

Industrial Products accounted for 24% of sales and 36% of profit attributed to the business segments in the third quarter compared to 20% of sales and 28% of profit attributed to the business segments in Q3 2017.

Significant Highlights and Business Environment

- During the third quarter of 2018 the price of elemental bromine price in China increased compared to the second quarter of 2018 as local bromine production was affected by strict environmental related regulatory pressure and the upcoming winter.
- Despite stable market demand, ICL’s sales of bromine-based flame retardants increased compared to Q3 2017 mainly due to higher prices and volumes of TBBA in China and FR-245 as a result of a production shortage in the market.
- Clear brine fluids sales were higher compared to the corresponding quarter mainly due to continuation of higher drilling activity in the Gulf of Mexico and a major Israeli gas drilling project, which was concluded at the end of Q3 2018.
- Sales of phosphorous-based flame retardants in ICL’s markets (US and Europe) increased compared to the corresponding quarter as a result of continuous strict environmental related regulatory pressure in China which impacted competitors’ supply, supporting ICL’s sales volume and prices.
- The segment recorded higher profitability for magnesia products as a result of higher selling prices and continued focus on applications with higher margins.

Results of Operations

	7-9/2018 $ millions	7-9/2017 $ millions
Total Sales	**328**	289
Sales to external customers	**325**	286
Sales to internal customers	**3**	3
Segment profit	**95**	77
Depreciation and Amortization	**16**	15
Capital expenditures	**14**	12

Sales analysis	$ millions
Total sales Q3 2017	**289**
Quantity	20
Price	19
Exchange rate	-
Total sales Q3 2018	**328**

Segment profit analysis	$ millions
Segment profit Q3 2017	**77**
Quantity	6
Price	19
Exchange rate	(2)
Raw materials	(5)
Energy	-
Transportation	-
Operating and other (expenses) income	-
Segment profit Q3 2018	**95**

The increase in the segment's profit in Q3 2018 over the corresponding period in 2017 resulted from higher sales volumes of flame retardants and industrial solutions and higher selling prices for the segment's bromine-based industrial solutions and flame retardants, phosphorus-based flame retardants and magnesia products. Prices more than compensated for higher raw material costs.

Potash

Strong market conditions, supported by a tight supply-demand balance during Q3 2018, resulted in a higher than expected increase in contract prices in China and India, and a continuous upward trend in spot prices. This was offset by a 14% decrease in sales volumes to 1.2 million tonnes due to a delay in the signing of supply contracts with Chinese and Indian customers.

ICL Potash accounted for 27% of sales and 37% of profit attributed to segments in the third quarter of 2018, compared to 24% of sales and 23% of profit attributed to segments in Q3 2017.

Significant Highlights and Business Environment

- The grain price index, which peaked in May/June this year, declined during Q3 mainly due to the China/US trade dispute and positive crop yields projected for this year by the USDA (US Department of Agriculture). Despite the above, fertilizers affordability is still favorable, mainly in Brazil, where the farmers' position improved due to higher exports to China and the devaluation of the Brazilian real against the US dollar.

- Based on the WASDE (World Agricultural Supply and Demand Estimates) report published by the USDA in October 2018, the grain stock to use ratio for the 2018/2019 agricultural year is expected to decrease to 22.6%, compared with 25.2% at the end of the 2017/2018 agricultural year, and compared with 25.5% in the 2016/2017 agricultural year.

- The FAO (Food and Agriculture Organization of the UN) raised its October forecast for global cereal production in 2018 by 3 million tonnes from the previous report in September, to 2,591 million tonnes, which remains 63 million tonnes (2.4%) below last year's record high.

- Potash prices continued to firm during Q3 2018, supported by healthy demand and delayed entry of new capacity. According to CRU (Fertilizer Week Historical Prices of October 2018), the average CFR Brazil price of granular Potash (all supply sources) for Q3 2018 was $330 per tonne, up by 7.0% and 23.8% compared to Q2 2018 and Q3 2017, respectively. Prices continued to firm in the fourth quarter and current average prices in Brazil are around $350 per tonne (CRU - Fertilizer Week Historical Prices of October 2018).

- On August 28, 2018, India signed a contract to import potash at $290 CFR, which marks an increase of $50 per tonne compared to last year's contract. The supply period is from September 2018 to June 2019. ICL signed a contract to supply 775 thousand tonnes (including optional quantities) to its customers in India for the same period.

- On September 17, 2018, BPC signed the first Chinese MOP supply contract of 2018 at a price of $290 per tonne CFR, which marks an increase of $60 per tonne compared to last year's level, to be supplied until June 2019. ICL has signed a contract to supply 905 thousand tonnes (excluding optional quantities) to its customers in China for the same period.

- According to preliminary data from China, potash imports during January to September 2018 reached 5.6 million tonnes, a 1% increase compared to the corresponding period last year.

- According to the FAI (Fertilizer Association of India), potash imports during January to September 2018 amounted to 3.3 million tonnes, a 6% increase over the imports during the corresponding period last year. The Indian Rupee experienced a significant weakness against the US dollar during the past few months, reaching almost 75 Rupee per one US dollar. This could negatively impact future demand.

- According to ANDA (Brazilian National Fertilizer Association), potash imports into Brazil during the first nine months of 2018 amounted to 7.2 million tonnes, an increase of 3% over the comparable period in 2017.

- It looks like ramp-up of new capacity is slower than initially announced with technical challenges accounting for the majority of the delays. EuroChem recently reported its first export shipment to South East Asia from its Usolskiy mine while its VolgaKaliy mine still experiences water inflow in its cage shaft and production start is currently delayed to 2019. The K+S Bethune mine in Canada is also ramping-up slower than previously announced and the Garlyk mine in Turkmenistan still produces at a low utilization rate.

- The Potash segment continues to optimize its European mineral assets: ICL Iberia is progressing with construction of a new access tunnel to its mine at the Suria site with completion expected at the end of 2019. In September 2018 a definitive Urban Master Plan (PDU) was approved constituting the next stage in the Suria site expansion. The Company continues to implement efficiency measures to reduce its cost per tonne.

- ICL Boulby mine in the UK ceased to produce MOP at the end of Q2 2018. In addition to losses recorded in 2017, ICL Boulby recorded notable losses during Q3 2018 and is expected to continue to record losses throughout the transition from potash to Polysulphate, which also included two weeks of shutdown in part of ICL Boulby’s production facilities in Q3 2018.

- Part of the Company's strategy is to grow its FertilizerspluS platform (previously also referred to as semi-specialty fertilizers), mainly utilizing Polysulphate as a base for a product portfolio including PotashpluS, PKpluS and others. During Q3 2018, an improved quality of PotashpluS was achieved and commercial sales are expected to start by the end of 2018. In the first nine months of 2018, total sales of FertilizerspluS reached $73 million.

- The new power station in Sodom became operational during Q3 2018, including initiation of sales of electricity to the Israeli Electric Corporation and others.

Results of Operations

	7-9/2018	7-9/2017
	$ millions	$ millions
Sales		
Potash sales to external customers	321	315
Potash sales to internal customers	23	12
Other and eliminations*	65	45
Total sales	409	372
Gross profit	171	141
Segment profit	97	65
Depreciation and Amortization	32	32
Capital expenditures	72	41
Average realized price (in $)**	287	235

* Mainly includes Polysulphate produced in the UK mine, salt produced in underground mines in UK and Spain, magnesium based products and sales of electricity produced in Israel.

**Potash average realized price ($/tonne) is calculated by dividing total potash revenue by total sales quantities. The difference between FOB price and average realized price is mainly marine transportation costs.

Potash – Production and Sales

Thousands of tonnes	7-9/2018	7-9/2017
Production	1,151	1,181
Total sales (including internal sales)	1,200	1,394
Closing inventory	655	597

In Q3 2018, potash production was 30,000 tonnes lower than in the corresponding quarter last year mainly due to the termination of potash production in ICL Boulby at the end of the second quarter of 2018 as part of the transition to the Polysulphate production. This decrease was partly offset by increased production in ICL Dead Sea. The quantity of potash sold in Q3 2018 was 194 thousand tonnes lower than in the corresponding quarter last year mainly due to a decrease in potash sales to Asia, as a result of the delay in the signing of contracts with China and India and lower sales to South America.

Sales analysis	$ millions
Total sales Q3 2017	**372**
Quantity	(15)
Price	54
Exchange rate	(2)
Total sales Q3 2018	**409**

Segment profit analysis	$ millions
Segment profit Q3 2017	**65**
Quantity	(9)
Price	54
Exchange rate	1
Energy	(1)
Transportation	(4)
Operating and other (expenses) income	(9)
Segment profit Q3 2018	**97**

The increase in the segment’s profit was driven by higher prices, offset by lower sales quantities, higher energy and marine transportation costs, as well as an increase in operating and other expenses, deriving mainly from an increase in royalties and sales commissions as a result of higher prices as well as expenses in connection with ICL Dead Sea collective labor agreement which was signed in Q2 2018.

Phosphate Solutions

The Phosphate Solutions segment operates two main streams: Phosphate Specialties and Phosphate Commodities. The segment’s strategy is to be a leading provider of value-added specialty solutions based on phosphate for the Industrial, Food and Agriculture markets. The goal is to outgrow the market by enhancing customer relationships and in parallel, optimizing upstream capabilities directed towards specialty products. The diversification into higher value-added specialty products leverages ICL's integrated business model and provides it with additional margins on top of the commodity margin.

During Q3, the segment’s performance improved significantly as higher prices more than compensated for lower sales volumes and higher raw material costs. During the quarter, consolidation of commodity and specialty businesses remained on track, with a focus on value chain optimization and strategy execution.

The Phosphate Solutions segment accounted for 37% of sales and 24% of income attributed to the segments in Q3 2018 compared to 34% of sales and 19% of income attributed to the segments in Q3 2017.

Significant Highlights and Business Environment

Phosphate Specialties

Phosphate Specialties include phosphate-based food applications and industrial applications, both of which are downstream parts of ICL's phosphate value chain, as well as dairy proteins business.

- Excluding the divestment of Rovita in the beginning of Q3 2018, global sales of Specialty Phosphates and dairy proteins increased by 4% compared to the corresponding quarter last year to $303 million, while higher prices drove approximately 18% growth in profit to $46 million.

- Phosphate based acids performance was favorably impacted by demand from new European customers that imported acid in the past. This offset lower volumes sold as a result of higher prices. Performance also benefitted from higher volumes and improved pricing, supported by market conditions in the United States, including an upward price trend in anticipation of tariffs imposition on imported Chinese products which became effective on September 24. In China, ongoing growth is being driven by price increases and diversification of the acid customer base. Results in South America continued to be solid as a result of higher prices, while acid exports from Brazil to other South American countries remained stable.

- Phosphate salts' performance was favorably driven by increased prices which more than compensated for increased costs of certain raw materials. Sales of phosphate-based food additives to the bakery and dairy markets in Europe were similar to the third quarter last year, while sales to the meat market were negatively impacted by the transition to a new distributor in Russia. In North America, industrial salts revenues increased compared to the corresponding quarter last year due to higher volumes and improved pricing while food salts experienced volume losses in the Americas in lower premium product lines. Continued growth in China was driven by an increase in the YPH Joint Venture's local market share for salts, predominantly in the body care markets, as well as ongoing efforts to penetrate new end markets.

- The Paints and Coatings business experienced ongoing strong performance globally during Q3 2018. The sales increase was driven both by strong volumes and higher selling prices.

- The strong recovery in the dairy protein business during the quarter resulted from improved demand from a key account in the Chinese market as well as ongoing customer base diversification and a continuous focus on developing organic dairy solutions for the infant food industry.

- In July 2018 ICL divested and transferred the assets and business of Rovita GmbH which produces a commodity milk protein. In the corresponding quarter of 2017, the business reported sales of $9 million and operating loss of approximately $1 million.

Phosphate Commodities

- Results were positively impacted by higher prices partly offset by higher sulphur prices.
- The phosphate market continued to firm moderately during Q3 2018. Improved demand, higher sulphur prices and slower than expected ramp-up of new production in Morocco and Saudi Arabia, led to price increases. Higher sulphur prices and environmental related regulatory pressure increased Chinese production costs and squeezed Chinese producers' margins.
- Market observers are forecasting stability in global phosphate fertilizers prices until the end of 2018, when higher supply is expected to result from the ramping-up of Saudi Arabia's Wa'ad al Shamal facility and increased Chinese exports, which could drive price decreases in 2019.
- Sulphur prices continued their upward trend which started in the third quarter of 2016. The average price CFR China during Q3 2018 reached $162 per tonne, a 12% increase over Q2 2018 and 39% higher than Q3 2017. At the end of September 2018, sulphur prices reached $183 per tonne CFR China and this upward trend is expected to continue in the fourth quarter (according to CRU - Fertilizer Week Historical Prices, October 2018).
- Brazil phosphate fertilizers (SSP, TSP, MAP and DAP) imports during January to September 2018 totaled 4.1 million tonnes, down 5.3% on imports during the comparable period in 2017. The main decline was in the import of MAP and DAP, in the amount of 11% and 30% respectively, while imports of SSP and TSP increased by 26% and 2%, respectively, during the same period.
- The Moroccan producer, OCP, said it agreed its fourth-quarter phosphoric acid contracts with Indian buyers at $768 per tonne P_2O_5 CFR, an increase of $10 per tonne compared to the third quarter of 2018. This follows an increase of $28 per tonne agreed in the third quarter.
- According to the FAI (Fertilizer Association of India), DAP imports during the first nine months of 2018 increased by 46% to 4.5 million tonnes compared to the corresponding period last year. On the other hand, domestic DAP production decreased by 25% compared to the corresponding period last year, to 2.7 million tonnes, mainly due to the increase in phosphoric acid prices.
- Average prices (according to CRU-Fertilizer Week Historical Prices, September 2018):

$/tonne, FOB Morocco	3Q18	2Q18	3Q17	3Q18 vs. 2Q18	3Q18 vs. 3Q17
DAP	**441**	419	352	5%	25%
TSP	**354**	323	271	10%	31%
Phosphate Rock (68-72% BPL)	**96**	89	86	8%	12%

- For information relating to the permits for the Rotem's gypsum ponds, please see Note 6 to the Company’s condensed consolidated interim financial statements as at September 30, 2018.

Results of Operations

	7-9/2018	7-9/2017
	$ millions	$ millions
Total Sales	530	520
Sales to external customers	513	495
Sales to internal customers	17	25
Segment profit	63	52
Depreciation and Amortization	39	44
Capital expenditures	42	42

Phosphate Solutions: Backward Integrated Value Chain

Thousands of tonnes	7-9/2018	7-9/2017
Phosphate rock		
Production	1,232	1,096
Green phosphoric acid		
Used for production of phosphate commodities	148	108
Used for production of phosphate specialties	77	72
Other	5	5
Phosphate fertilizers		
Production	615	490
Sales*	614	564
Pure phosphoric acid		
Production	73	70

* To external customers.

Production of phosphate rock in the third quarter of 2018 increased mainly due to a shutdown at ICL Rotem Zin plant during the third quarter of 2017, as a result of lower prices and as a result of a discontinuation of sales to a major Israeli customer. Green phosphoric acid used for production of phosphate commodities increased due to higher phosphate fertilizers production in the YPH JV in China. The increase in Green phosphoric acid used for production of phosphate specialties is mainly part of the segment's strategy for increasing production of phosphate-based specialty products. Production of phosphate fertilizers increased mainly due to increased production in the YPH joint venture. Higher sales of phosphate fertilizers derived mainly from an increase in sales to North America and higher sales of the YPH joint venture in China. Production of pure phosphoric acid increased slightly mainly due to reduced production in the third quarter of 2017 at ICL Rotem.

Sales analysis	$ millions
Total sales Q3 2017	**520**
Divested businesses	(9)
Total sales Q3 2017	**511**
Quantity	(27)
Price	52
Exchange rate	(6)
Total sales Q3 2018	**530**

Segment profit analysis	$ millions
Segment profit Q3 2017	**52**
Divested businesses	1
Segment profit Q3 2017	**53**
Quantity	(9)
Price	52
Exchange rate	2
Raw materials	(21)
Energy	-
Transportation	(3)
Operating and other (expenses) income	(11)
Segment profit Q3 2018	**63**

The increase in the segment's profit derived mainly from higher selling prices of phosphate fertilizers, phosphate-based acids and food additives (partly attributed to our value focused strategy) as well as from higher sales quantities of dairy proteins, mainly to China. This more than compensated for the negative impact of higher sulphur prices, lower sales quantities of green phosphoric acid (partly due to the segment's strategy of increasing production of phosphate-based specialty products) and of phosphate-based food additives (mainly as part of the value focused strategy) as well as other expenses mainly as a result of an insurance income in Israel recorded in the corresponding quarter last year.

Innovative Ag Solutions

The Company's new Innovative Ag Solutions ("IAS") segment was established on the foundations of the ICL specialty fertilizers business. The segment aims to achieve global leadership by creating new solutions for its customers, leveraging what the Company believes are the segment's strengths which include, among others, R&D capabilities, vast agronomic experience, global footprint, backward integration to potash and phosphate and chemistry know-how. The specialty fertilizers business produces liquid, soluble, slow release and controlled release fertilizers.

The IAS segment will also function as ICL's innovative arm, which will seek to focus on R&D, as well as implement digital innovation.

ICL's Innovative Ag Solutions ("IAS") segment accounted for 11% of sales and 3% of income attributed to the segments in the third quarter of 2018, compared to 10% of sales and 3% of income attributed to the segments in the third quarter of 2017.

Significant Highlights and Business Environment

- Higher sales volumes and prices led to higher revenues. However, higher expenses, including raw material costs and costs related to the realignment of the segment, resulted in lower profit margins.
- Sales in Europe and China increased compared to Q3 2017, while remaining flat in the US.
- Sales volumes of specialty agriculture products increased in most product lines including coated Fertilizers, liquid NPK, straight fertilizers and traded materials. In addition, an increase was recorded in the prices of Straight fertilizers (mainly MKP and PeKacid).
- Sales to the Turf & Ornamental market were stable. The severe drought across Europe during the quarter led to limited application, mainly in the Turf & Landscape market. This was offset by an increase in the sales of wetting agents & liquid fertilizers, as well as controlled release and water-soluble fertilizers for ornamental horticulture.

Results of Operations

	7-9/2018	7-9/2017
	$ millions	$ millions
Total Sales	161	154
Sales to external customers	157	149
Sales to internal customers	4	5
Segment profit	7	9
Depreciation and Amortization	5	4
Capital expenditures	3	2

Sales analysis	$ millions	
Total sales Q3 2017	**154**	
Quantity	4	⇧
Price	3	⇧
Total sales Q3 2018	**161**	

Segment profit analysis	$ millions	
Segment profit Q3 2017	**9**	
Quantity	1	⇧
Price	3	⇧
Raw materials	(3)	⇩
Operating and other (expenses) income	(3)	⇩
Segment profit Q3 2018	**7**	

Revenues of the IAS segment increased moderately over the parallel quarter in 2017 as a result of higher prices of straight fertilizers and increased sales of specialty agriculture products. Dry weather in Europe, an increase in raw material costs (mainly ammonia and caustic soda) and higher expenses related to strategy execution resulted in lower profit margins for the segment.

DIVIDEND DISTRIBUTION

In respect of ICL's third quarter 2018 results, the Board of Directors declared a dividend totaling 5.1 cents per share or about $66 million. The dividend will be paid on December 19, 2018, with a record date of December 4, 2018.

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About ICL

ICL is a global specialty minerals and chemicals company operating bromine, potash, and phosphate mineral value chains in a unique, integrated business model. ICL extracts raw materials from well-positioned mineral assets and utilizes technology and industrial know-how to add value for customers in key agricultural and industrial markets worldwide. ICL focuses on strengthening leadership positions in all of its core value chains. It also plans to strengthen and diversify its offerings of innovative agro solutions by leveraging ICL's existing capabilities and agronomic know-how, as well as the Israeli technological ecosystem. ICL shares are dually listed on the New York Stock Exchange and the Tel Aviv Stock Exchange (NYSE and TASE: ICL). The company employs approximately 12,000 people worldwide, and its sales in 2017 totaled US$5.4 billion. For more information, visit the Company's website at www.icl-group.com.

Forward Looking Statement

This press release contains statements that constitute “forward-looking statements”, many of which can be identified by the use of forward-looking words such as “anticipate”, “believe”, “could”, “expect”, “should”, “plan”, “intend”, “estimate” and “potential” among others. Forward-looking statements include, but are not limited to assessments and judgments regarding macro-economic conditions and ICL’s markets, operations and financial results. Forward-looking assessments and judgments are based on our management’s current beliefs and assumptions and on information currently available to our management. Such statements are subject to risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements due to various factors, including, but not limited to, market fluctuations, especially in ICL’s manufacturing locations and target markets; the difference between actual resources and our resources estimates ;changes in the demand and price environment for ICL's products as well as the cost of shipping and energy, whether caused by actions of governments, manufacturers or consumers; changes in the capital markets, including fluctuations in currency exchange rates, credit availability, interest rates;changes in the competition structure in the market;and the factors in “Item 3. Key Information—D. Risk Factors” in the Company's annual report on Form 20-F filed with the U.S. Securities and Exchange Commission on March 7, 2018. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update or revise them or any other information contained in this press release, whether as a result of new information, future developments or otherwise.

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(Financial tables follow and are also available in
Excel format on our website located at www.icl-group.com)

Appendix:

We disclose in this Quarterly press release non-IFRS financial measures titled adjusted operating income, adjusted net income and adjusted EPS attributable to the Company's shareholders and adjusted EBITDA. Our management uses these measures to facilitate operating performance comparisons from period to period. We calculate our adjusted operating income by adjusting our operating income to add certain items, as set forth in the reconciliation table "Adjustments to reported operating and net income" below. Certain of these items may recur. We calculate our adjusted net income attributable to the Company's shareholders by adjusting our net income attributable to the Company's shareholders to add certain items, as set forth in the reconciliation table "Adjustments to reported operating and net income" below, excluding the total tax impact of such adjustments and adjustments attributable to the non-controlling interests. We calculate our adjusted EBITDA by adding back to the net income attributable to the Company's shareholders the depreciation and amortization, financing expenses, net, taxes on income and the items presented in the reconciliation table "Adjusted EBITDA for the periods of activity" below which were adjusted for in calculating the adjusted operating income and adjusted net income attributable to the Company's shareholders.

You should not view adjusted operating income, adjusted net income attributable to the Company's shareholders or adjusted EBITDA as a substitute for operating income or net income attributable to the Company's shareholders determined in accordance with IFRS, and you should note that our definitions of adjusted operating income, adjusted net income attributable to the Company's shareholders and adjusted EBITDA may differ from those used by other companies. However, we believe adjusted operating income, adjusted net income attributable to the Company's shareholders and adjusted EBITDA provide useful information to both management and investors by excluding certain expenses that management believes are not indicative of our ongoing operations. Our management uses these non-IFRS measures to evaluate the Company's business strategies and management's performance. We believe that these non-IFRS measures provide useful information to investors because they improve the comparability of the financial results between periods and provide for greater transparency of key measures used to evaluate our performance.

We present a discussion in the period-to-period comparisons of the primary drivers of changes in the Company's results of operations. This discussion is based in part on management's best estimates of the impact of the main trends in its businesses. We have based the following discussion on our financial statements. You should read the following discussion together with our financial statements.

Condensed Consolidated Statements of Income (Unaudited)

(In millions, except per share data)

	For the three-month period ended		For the nine-month period ended		For the year ended
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	December 31, 2017
	$ millions	$ millions	$ millions	$ millions	$ millions
Sales	**1,371**	1,440	**4,146**	4,057	5,418
Cost of sales	**913**	970	**2,799**	2,814	3,746
Gross profit	**458**	470	**1,347**	1,243	1,672
Selling, transport and marketing expenses	**191**	194	**588**	557	746
General and administrative expenses	**63**	60	**195**	191	261
Research and development expenses	**13**	12	**42**	40	55
Other expenses	**14**	35	**38**	52	90
Other income	**(19)**	(11)	**(869)**	(37)	(109)
Operating income	**196**	180	**1,353**	440	629
Finance expenses, net	**23**	36	**92**	99	124
Share in earnings of equity-accounted investees	**(1)**	-	**-**	2	-
Income before income taxes	**172**	144	**1,261**	343	505
Provision for income taxes	**45**	62	**110**	145	158
Net income	**127**	82	**1,151**	198	347
Net loss attributable to the non-controlling interests	**(2)**	(2)	**(7)**	(11)	(17)
Net income attributable to the shareholders of the Company	**129**	84	**1,158**	209	364
Earnings per share attributable to the shareholders of the Company:					
Basic earnings per share (in dollars)	**0.10**	0.07	**0.91**	0.16	0.29
Diluted earnings per share (in dollars)	**0.10**	0.07	**0.91**	0.16	0.29
Weighted-average number of ordinary shares outstanding:					
Basic (in thousands)	**1,276,257**	1,277,588	**1,276,454**	1,275,587	1,276,072
Diluted (in thousands)	**1,278,222**	1,279,202	**1,278,155**	1,277,195	1,276,997

Condensed Consolidated Statements of Financial Position (Unaudited)

	September 30, 2018	September 30, 2017	December 31, 2017
	$ millions	$ millions	$ millions
Current assets			
Cash and cash equivalents	**102**	109	83
Short-term investments and deposits	**85**	86	90
Trade receivables	**1,000**	1,056	932
Inventories	**1,225**	1,208	1,226
Assets held for sale	**-**	122	169
Other receivables	**269**	197	225
Total current assets	**2,681**	2,778	2,725
Non-current assets			
Investments in equity-accounted investees	**28**	30	29
Investments at fair value through other comprehensive income	**149**	253	212
Deferred tax assets	**112**	139	132
Property, plant and equipment	**4,580**	4,458	4,521
Intangible assets	**672**	839	722
Other non-current assets	**421**	359	373
Total non-current assets	**5,962**	6,078	5,989
Total assets	**8,643**	8,856	8,714
Current liabilities			
Short-term credit	**671**	801	822
Trade payables	**686**	694	790
Provisions	**50**	83	78
Liabilities held for sale	**-**	-	43
Other current liabilities	**587**	667	595
Total current liabilities	**1,994**	2,245	2,328
Non-current liabilities			
Long-term debt and debentures	**1,721**	2,658	2,388
Deferred tax liabilities	**274**	275	228
Long-term employee provisions	**542**	621	640
Provisions	**199**	180	193
Other non-current liabilities	**4**	10	7
Total non-current liabilities	**2,740**	3,744	3,456
Total liabilities	**4,734**	5,989	5,784
Equity			
Total shareholders' equity	**3,775**	2,789	2,859
Non-controlling interests	**134**	78	71
Total equity	**3,909**	2,867	2,930
Total liabilities and equity	**8,643**	8,856	8,714

Condensed Consolidated Statements of Cash Flows (Unaudited)

	For the three-month period ended		For the nine-month period ended		For the year ended
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	December 31, 2017
	$ millions	$ millions	$ millions	$ millions	$ millions
Cash flows from operating activities					
Net income	**127**	82	**1,151**	198	347
Adjustments for:					
Depreciation and amortization	**94**	97	**296**	286	390
Impairment	**3**	14	**17**	14	28
Exchange rate and interest expenses, net	**37**	12	**43**	110	137
Share in earnings of equity-accounted investees, net	**1**	-	-	(2)	-
Gain from divestiture of businesses	-	-	**(841)**	(6)	(54)
Other capital losses (gains)	-	6	-	(3)	-
Share-based compensation	**4**	2	**17**	13	16
Deferred tax expenses (income)	**37**	(19)	**64**	(12)	(46)
	176	112	**(404)**	400	471
Change in inventories	**(17)**	81	**(59)**	105	57
Change in trade and other receivables	**62**	(96)	**(117)**	(40)	21
Change in trade and other payables	**(131)**	19	**(103)**	(83)	(45)
Change in provisions and employee benefits	**(21)**	(22)	**(72)**	(10)	(4)
Net change in operating assets and liabilities	**(107)**	(18)	**(351)**	(28)	29
Net cash provided by operating activities	**196**	176	**396**	570	847
Cash flows from investing activities					
Proceeds from deposits, net	**(3)**	(21)	**7**	(59)	(65)
Purchases of property, plant and equipment and intangible assets	**(145)**	(98)	**(393)**	(317)	(457)
Proceeds from divestiture of businesses net from transaction expenses paid	**(1)**	-	**906**	6	6
Proceeds from sale of equity-accounted investee	-	-	-	-	168
Dividends from equity-accounted investees	-	-	-	3	3
Proceeds from sale of property, plant and equipment	-	-	**2**	12	12
Net cash provided by (used in) investing activities	**(149)**	(119)	**522**	(355)	(333)
Cash flows from financing activities					
Dividends paid to the Company's shareholders	**(56)**	(32)	**(176)**	(181)	(237)
Receipt of long-term debt	**140**	251	**1,476**	896	966
Repayment of long-term debt	**(241)**	(259)	**(1,989)**	(1,034)	(1,387)
Short-term credit from banks and others, net	**64**	13	**(193)**	129	147
Net cash used in financing activities	**(93)**	(27)	**(882)**	(190)	(511)
Net change in cash and cash equivalents	**(46)**	30	**36**	25	3
Cash and cash equivalents as at the beginning of the period	**155**	79	**88**	87	87
Net effect of currency translation on cash and cash equivalents	**(7)**	-	**(22)**	(3)	(2)
Cash and cash equivalents included as part of assets held for sale	-	-	-	-	(5)
Cash and cash equivalents as at the end of the period	**102**	109	**102**	109	83

Additional Information

	For the three-month period ended		For the nine-month period ended		For the year ended
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	December 31, 2017
	$ millions	$ millions	$ millions	$ millions	$ millions
Income taxes paid	**17**	19	**35**	57	127
Interest paid	**21**	19	**72**	74	111

Adjustments to Reported Operating and Net Income

	7-9/2018	7-9/2017
	$ millions	$ millions
Operating income	**196**	180
Impairment of assets (1)	**3**	18
Provision for legal claims (2)	**1**	17
Total adjustments to operating income	**4**	35
Adjusted operating income	**200**	215
Net income attributable to the shareholders of the Company	**129**	84
Total adjustments to operating income	**4**	35
Adjustments to finance expenses (3)	**3**	3
Total tax impact of the above operating income & finance expenses adjustments	**(2)**	(7)
Total adjusted net income - shareholders of the Company	**134**	115

(1) *Impairment in value and write-down of assets. In 2018, write-off of Rovita's assets following its divestment and write off of an intangible asset regarding a specific ICL R&D project related to ICL's phosphate-based products. In 2017, relating to impairment of an intangible asset in Spain, write-down of an investment in Namibia and impairment of assets in China and the Netherlands.*

(2) *Provision for legal claims. In 2018, an increase of a provision in connection with prior periods in respect of royalties' arbitration in Israel mostly offset by a VAT refund related to prior periods in Brazil (2002-2015). In 2017: judgment relating to a dispute with the National Company for Roads in Israel regarding damage caused to bridges by DSW, a decision of the European Commission concerning past grants received by a subsidiary in Spain, claims for damages related to the contamination of the water in certain wells at the Suria site in Spain, a provision in connection with prior periods in respect of royalties' arbitration in Israel, reversal of the provision for retroactive electricity charges in connection with prior periods and settlement of the dispute with Great Lakes (a subsidiary of Chemtura Corporation).*

(3) *Interest and linkage expenses. In 2018, an increase in provision related to the royalties' arbitration in Israel (see also above) and in 2017 related to a decision of the European Commission in the third quarter which was fully offset by income in connection with the resolution of the Appeals Court for Tax Matters in Belgium in the following quarter.*

Results of Divested Businesses:

$ million	7-9/2017
Sales	160
Operating income	75
Net income	45

Calculation of Adjusted EBITDA:

	7-9/2018	7-9/2017
	$ millions	$ millions
Net income attributable to the shareholders of the Company	129	84
Depreciation and Amortization	94	97
Financing expenses, net	23	36
Taxes on income	45	62
Adjustments *	4	35
Total adjusted EBITDA	295	314

** See "Adjustments to reported operating and net income (Non-GAAP)" above.*

Sales by Main Countries:

	7-9/2018		7-9/2017	
	$ millions	% of sales	$ millions	% of sales
USA	245	18	314	22
China	226	16	208	14
Brazil	189	14	197	14
United Kingdom	86	6	79	5
Germany	80	6	93	6
France	71	5	74	5
Spain	60	4	61	4
Israel	56	4	34	2
Australia	40	3	31	2
Italy	31	2	24	2
All other	287	22	325	24
Total	1,371	100	1,440	100

Sales by Geographical Regions:

	7-9/2018		7-9/2017	
	$ millions	% of Sales	$ millions	% of sales
Europe	446	33	462	36
Asia	352	26	339	23
North America	262	19	345	23
South America	204	15	214	12
Rest of the world	107	7	80	6
Total	1,371	100	1,440	100

Europe – the decrease derives mainly from the divestiture of the Fire Safety, Oil Additives (P_2S_5) and Rovita businesses together with a decrease in the quantities sold of green phosphoric acid. The decrease was partly offset by an increase in potash quantities sold and phosphate fertilizers selling prices.

Asia –the increase derives mainly from an increase in the quantities sold and selling prices of phosphate fertilizers and bromine-based flame retardants together with an increase in the selling prices of potash and bromine-based industrial solutions. The increase was partly offset by a decline in green phosphoric acid and potash quantities sold.

North America – the decrease derives mainly from the divestiture of the Fire Safety and Oil Additives (P_2S_5) businesses. The decrease was partly offset by an increase in the selling prices and quantities sold of phosphate fertilizers and in the quantities sold of clear brine fluids.

South America – the decrease derives mainly from a decrease in the quantities sold of potash and phosphate fertilizers. The decrease was partly offset by an increase in potash selling prices.

Rest of the world – the increase derives mainly from an increase in the quantities of dairy protein products sold.

Operating segment data:

	Industrial Products	Potash	Phosphate Solutions	Innovative Ag Solutions	Other Activities	Adjustments	Consolidated
				$ millions			
For the three-month period ended September 30, 2018							
Sales to external parties	325	368	513	157	8	-	1,371
Inter-segment sales	3	41	17	4	1	(66)	-
Total sales	328	409	530	161	9	(66)	1,371
Segment profit	95	97	63	7	1	-	263
General and administrative expenses					-	-	(63)
Other expenses not allocated to the segments							(4)
Operating income							196
Financing expenses, net							(23)
Share in losses of equity-accounted investee							(1)
Income before taxes on income							172
Capital expenditures	14	72	42	3	(1)	-	130
Depreciation, amortization and impairment	16	32	39	5	1	4	97

	Industrial Products	Potash	Phosphate Solutions	Innovative Ag Solutions	Other Activities	Adjustments	Consolidated
	$ millions						
For the three-month period ended September 30, 2017							
Sales to external parties	286	345	495	149	165	-	1,440
Inter-segment sales	3	27	25	5	4	(64)	-
Total sales	289	372	520	154	169	(64)	1,440
Segment profit	77	65	52	9	75	(3)	275
General and administrative expenses							(60)
Other expenses not allocated to the segments							(35)
Operating income							180
Financing expenses, net							(36)
Income before taxes on income							144
Capital expenditures	12	41	42	2	1	2	100
Depreciation ,amortization and impairment	15	32	44	4	2	14	111