FMC CORPORATION AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF NET INCOME (GAAP) TO AFTER-TAX INCOME FROM CONTINUING OPERATIONS, EXCLUDING RESTRUCTURING AND OTHER INCOME AND CHARGES (NON-GAAP)
(Unaudited, in millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Net income (GAAP)	$ 37.1	$ 35.1	$ 91.5	$ 119.1
Discontinued operations, net of income taxes (a)	4.3	3.5	19.3	(6.9)
Restructuring and other (income) charges, net (b)	16.9	0.8	132.1	67.6
In-process research and development (c)	1.0	-	2.0	2.0
Loss on extinguishment of debt (d)	0.3	-	0.3	-
Tax effect of restructuring and other (income) charges, in-process research and development, and loss on extinguishment of debt	(6.6)	(0.3)	(50.4)	(15.2)
Tax adjustments (e)	-	1.3	(0.3)	1.3
After-tax income from continuing operations, excluding restructuring and other income and charges (Non-GAAP)	**$ 53.0**	**$ 40.4**	**$ 194.5**	**$ 167.9**
Diluted earnings per common share (GAAP)	$ 0.48	$ 0.44	$ 1.18	$ 1.50
Discontinued operations per diluted share	0.06	0.05	0.24	(0.09)
Restructuring and other (income) charges, net per diluted share, before tax	0.22	0.01	1.70	0.85
In-process research and development per diluted share, before tax	0.01	-	0.03	0.03
Loss on extinguishment of debt per diluted share, before tax	0.01	-	0.01	-
Tax effect of restructuring and other (income) charges, in-process research and development and loss on extinguishment of debt	(0.09)	(0.01)	(0.65)	(0.19)
Tax adjustments per diluted share	-	0.02	(0.01)	0.02
Diluted after-tax income from continuing operations per share, excluding restructuring and other income and charges (Non-GAAP)	**$ 0.69**	**$ 0.51**	**$ 2.50**	**$ 2.12**
Average number of shares used in diluted after-tax income from continuing operations per share computations	77.3	79.0	77.8	79.3

(a) Discontinued operations for the three and nine months ended September 30, 2007 as well as the three months ended September 30, 2006 primarily includes provision for environmental liabilities and legal reserves and expenses related to previously discontinued operations. Discontinued operations for the nine months ended September 30, 2006 primarily includes gain from sale of land located in San Jose, California to the City of San Jose of $14.1 million partially offset by provision for environmental liabilities and legal reserves and expenses related to previously discontinued operations. The land sale completed the sale of land that was formerly used by our defense business, which we divested in 1997.

(b) *2007*
Amounts for the three months ended September 30, 2007 include continued charges related to the closure of our Baltimore agricultural chemicals facility ($14.5 million), charges associated with the abandonment of previously idled fixed assets at various facilities at Foret which is part of our Industrial Chemicals segment ($4.0 million) and charges associated with continuing environmental sites in Corporate ($1.0 million). Charges for the three months ended September 30, 2007 also include $2.7 million of severance costs, of which $1.4 million related to our Industrial Chemicals segment and $1.3 million related to our Agricultural Products segment.

For the nine months ended September 30, 2007, amounts include charges related to the closure of our Baltimore facility ($89.7 million charges through the nine months ended September 30, 2007), charges associated with the asset abandonment of one of our Foret co-generation facilities which is part of our Industrial Chemicals segment ($6.5 million after minority interest) and charges related to the settlement of all claims with Solutia and Astaris (now known as Siratsa) regarding our contribution of PPA technology to the Astaris joint venture in our Industrial Chemicals segment ($22.5 million). Remaining charges for the nine months ended September 30, 2007 primarily include the Foret charges for previously idled fixed assets described above for the three months ended September 30, 2007 ($4.0 million) as well as charges associated with continuing environmental sites in Corporate ($6.2 million) and severance costs ($5.0 million) primarily in our Industrial Chemicals segment.

In addition to the line item "Restructuring and other charges" as presented in the condensed consolidated statements of operations and discussed in detail above this line item in the above reconciliation includes the following:

- A $0.4 million gain related to cash received from our Astaris joint venture whose assets were substantially sold in 2005. On the condensed consolidated statements of operations this gain is included in "Equity in (earnings) loss of affiliates" for the nine months ended September 30, 2007.

- Minority interest of $1.4 million related to the abandonment of one of our Foret co-generation facilities as previously discussed above. We own 75% of this entity. The minority interest is included in "Minority interests" in the condensed consolidated statements of operations for the nine months ended September 30, 2007.

- A non-cash gain of $6.1 million related to an adjustment to our last in, first out (LIFO) inventory reserves as a result of a correction in determining our initial LIFO inventory base year. This gain was recorded to "Costs of sales and services" for the three and nine months ended September 30, 2007 in the condensed consolidated statements of operations.

2006

Amounts were not significant for the three months ended September 30, 2006. For the nine months ended September 30, 2006 amounts primarily include charges related to the settlement of an antitrust class action involving our microcrystalline cellulose product in our Specialty Chemicals segment ($25.0 million), abandonment of a building at one of our manufacturing locations in our Agricultural Products segment ($6.0 million) and asset abandonment and severance charges related to workforce reductions at our Princeton, New Jersey R&D facility ($5.3 million) also in our Agricultural Products segment, and a charge of €25 million (US$30 million) related to a fine imposed on us by the European Commission as a result of alleged violations of competition law in the hydrogen peroxide business in Europe prior to 2000. This fine is associated with our Industrial Chemicals segment. We have appealed the decision of the European Commission.

(c) *Proprietary Fungicide Agreement*

In the second quarter of 2006, our Agricultural Products segment entered into agreements in which we were granted an initial right to further develop a third party's proprietary fungicide in certain geographic markets. Under those agreements, we paid $2.0 million and recorded the amount as a charge to “In-process research and development” in the condensed consolidated statement of operations for the nine months ended September 30, 2006.

In the first quarter of 2007, our Agricultural Products segment acquired further rights from this third-party company to develop their proprietary fungicide. In acquiring those further rights, we paid an additional $1.0 million and have recorded this amount as a charge to “In-process research and development” in the condensed consolidated statement of operations for the nine months ended September 30, 2007.

Collaboration and License Agreement

In the third quarter of 2007, our Agricultural Products segment entered into a collaboration and license agreement with a third-party company for the purpose of obtaining certain technology and intellectual property rights. We accrued an initial $1.0 million upon entering into this agreement and have recorded the amount as a charge to “In-process research and development” in the condensed consolidated statement of operations for the three and nine months ended September 30, 2007.

(d) Amount for the three and nine months ended September 30, 2007 represents loss on the early extinguishment of debt related to the Domestic credit agreement which replaced the 2005 credit agreement. The loss represents the write-off of deferred financing fees associated with our previous credit agreements.

(e) Tax adjustments which were not significant in any period presented are related to adjustments for prior year tax matters.