



# Q1 2019 Earnings Presentation



May 7, 2019

# Safe Harbor Statement

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Statements made in this presentation that are forward-looking statements are subject to various risks and uncertainties concerning specific factors described in FMC Corporation's 2018 Form 10-K and other SEC filings. Such information contained herein represents management's best judgment as of the date hereof based on information currently available. FMC Corporation does not intend to update this information and disclaims any legal obligation to the contrary. Historical information is not necessarily indicative of future performance.

## Non-GAAP Financial Terms

These slides contain certain “non-GAAP financial terms” which are defined on our website [www.fmc.com](http://www.fmc.com). Such non-GAAP financial terms used in this presentation focus on expected Adjusted Earnings for all EBITDA and EPS references. Although we provide forecasts for adjusted EPS, adjusted EBITDA, adjusted cash from operations and free cash flow (all of which are non-GAAP financial measures), we are not able to forecast the most directly comparable measures calculated and presented in accordance with GAAP. Certain elements of the composition of the GAAP amounts are not predictable, making it impractical for us to forecast. Such elements include, but are not limited to restructuring, acquisition charges, and discontinued operations and related cash activity. As a result, no GAAP outlook is provided.

# FMC Reported Financial Results

	Q1 2019	Q1 2018 <sup>^</sup>	19 vs. '18
Revenue	\$1,192	\$1,108	8%
Adj. EBITDA <sup>(1)</sup>	\$343	\$330	4%
% Revenue	28.8%	29.7%	
Adjusted EPS <sup>(1)</sup>	\$1.72	\$1.58	9%
GAAP Net Income	\$217	\$270	-19%
% Revenue	18.2%	24.3%	
GAAP EPS	\$1.62	\$1.96	-17%

Note: Amounts in millions of USD, except EPS

(1) Denotes non-GAAP financial term. Refer to definitions at the beginning of this presentation.

(2) Refers to midpoint of company guidance issued on February 11, 2019.

3 <sup>^</sup> Recast Q1 2018 excludes the former Lithium segment.

## Q1 Highlights

- 14% organic revenue growth, excluding a 6% FX headwind
- Company EBITDA margins of ~29%, despite significant cost and FX headwinds

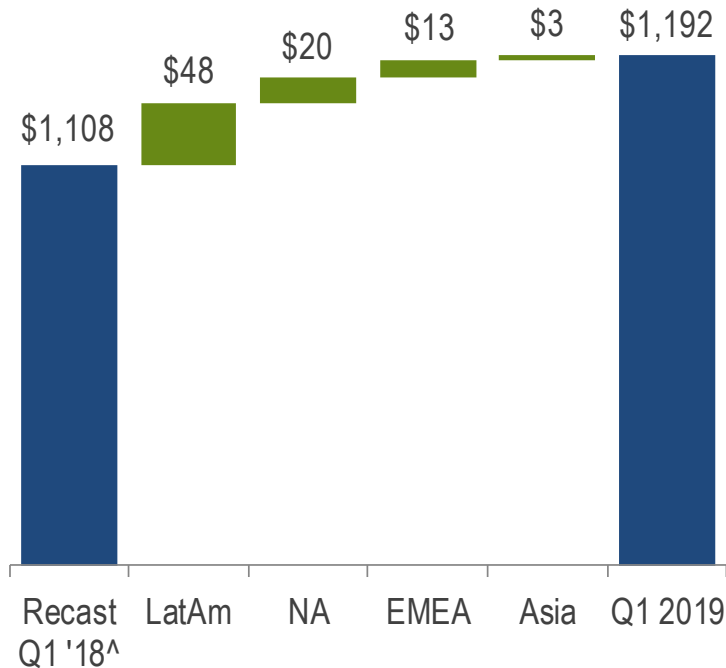
## Outperformance

Q1 Adj. EPS <sup>1</sup> vs. Guidance <sup>2</sup>	+9 cents
EBITDA	+9 cents
D&A	+1 cent
Interest Expense	-1 cent
Share count	+1 cent

Note: Factors do not sum to 9 cents, due to rounding

# Q1 2019 Revenue Increased 8% with Strong Growth in all Regions

## Regional Revenue Bridge



Note: Amounts in millions of USD

## Q1 2019 Revenue Drivers

**Total: +8%**

Volume: +9%  
 F/X: -6%  
 Price/Mix: +5%

### Latin America

- Q1 '19 Revenue: \$207 mil. (+30% YOY, +40% ex-FX)
- Strong growth on cotton
- Talstar® and Hero® insecticides strong on soybean
- Boral® herbicide on sugarcane

### North America

- Q1 '19 Revenue: \$318 mil. (+7% YOY)
- Good demand for pre-emergent herbicides, including Authority® Supreme herbicide
- Insecticides in high demand for tree fruits and vegetables
- Anthem® herbicide on corn
- Lucento® fungicide launched

### EMEA

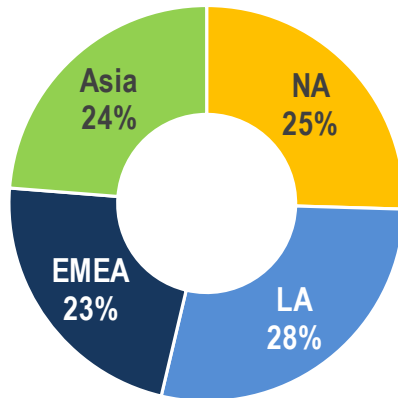
- Q1 '19 Revenue: \$412 mil. (+3% YOY, +11% ex-FX)
- Favorable weather drove a solid start to the season
- Strong demand for diamides
- Growth in Turkey and southwest Europe
- New direct market access in Belgium and Netherlands

### Asia

- Q1 '19 Revenue: \$255 mil. (+1% YOY, +8% ex-FX)
- High growth in China driven by diamides
- Strong cross-selling of legacy FMC products in India
- Adverse weather conditions persisted in Australia
- Pakistan, Japan >10% growth

# Regional and Crop Balance

2018 Regional Revenue

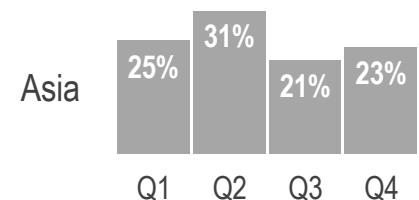
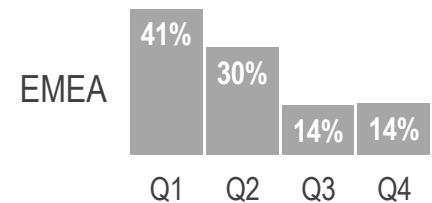
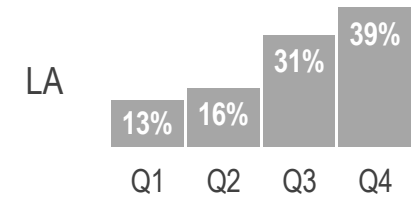
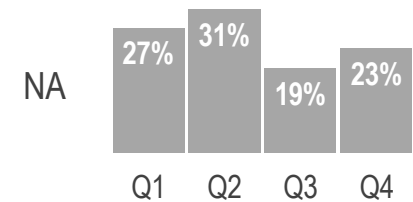


## THE BENEFITS OF BALANCE

FMC has nearly 25% of revenue in each of its four geographic regions

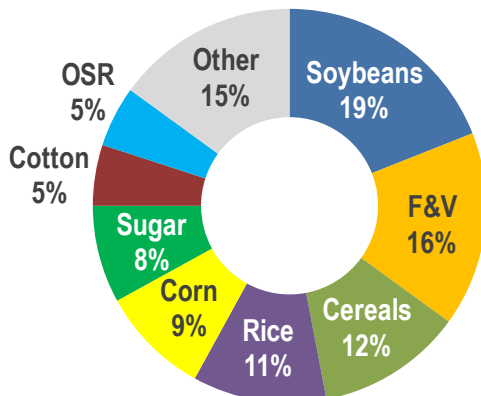
**Regional balance** provides a natural hedge against weather and macroeconomic events in any particular region, country, or part of a country

2018 Regional Revenue Breakdown by Quarters



Note: LA and EMEA do not total 100%, due to rounding

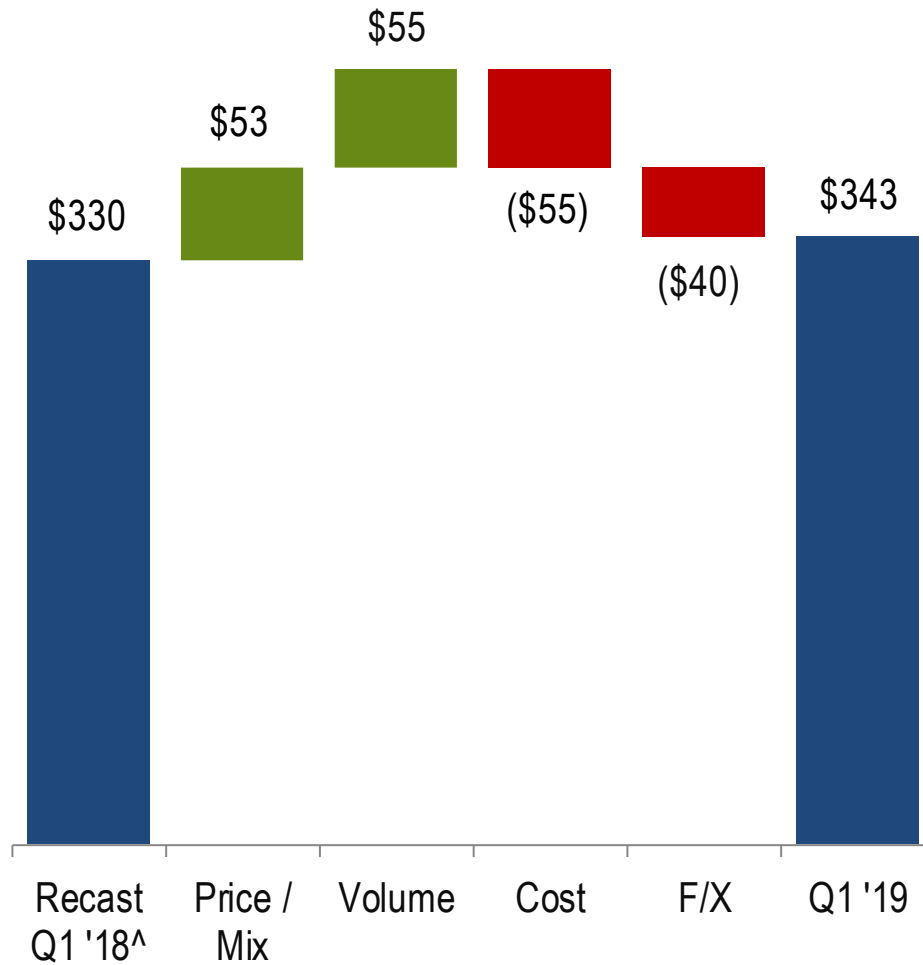
FMC Crop Exposure



60% of FMC revenue is in niche crops

**Crop balance** means FMC is not overly reliant on any single crop

# Q1 2019 Adj. EBITDA Bridge



## Q1 EBITDA Drivers

EBITDA \$13 million above midpoint of guidance

Volume the biggest driver

Price increases strong across all geographies

Cost + FX impact \$95 million in the quarter

Note: Amounts in millions of USD

6 ^ Recast Q1 '18 excludes the former Lithium segment.

# FY 2019 and Q2 Earnings Outlook

FY 2019 <sup>(2)</sup>

Q2 2019 <sup>(2)</sup>

FMC Revenue  
&  
Adjusted  
EBITDA <sup>(1)</sup>

Revenue: \$4.5 to \$4.6 billion  
Adj. EBITDA: \$1.18 to \$1.22 billion

Revenue: \$1.185 to \$1.215 billion  
Adj. EBITDA: \$325 to \$345 million

Revenue growth of +6% YOY at midpoint (+9% organic)

Revenue growth of +4% YOY at midpoint (+8% organic)

Adj. EBITDA growth of +8% YOY at midpoint

Adj. EBITDA growth of +5% YOY at midpoint

Cost headwinds diminish in 2H 2019

FMC Adjusted  
EPS <sup>(1,3)</sup>

\$5.62 to \$5.82  
+9% YOY at midpoint

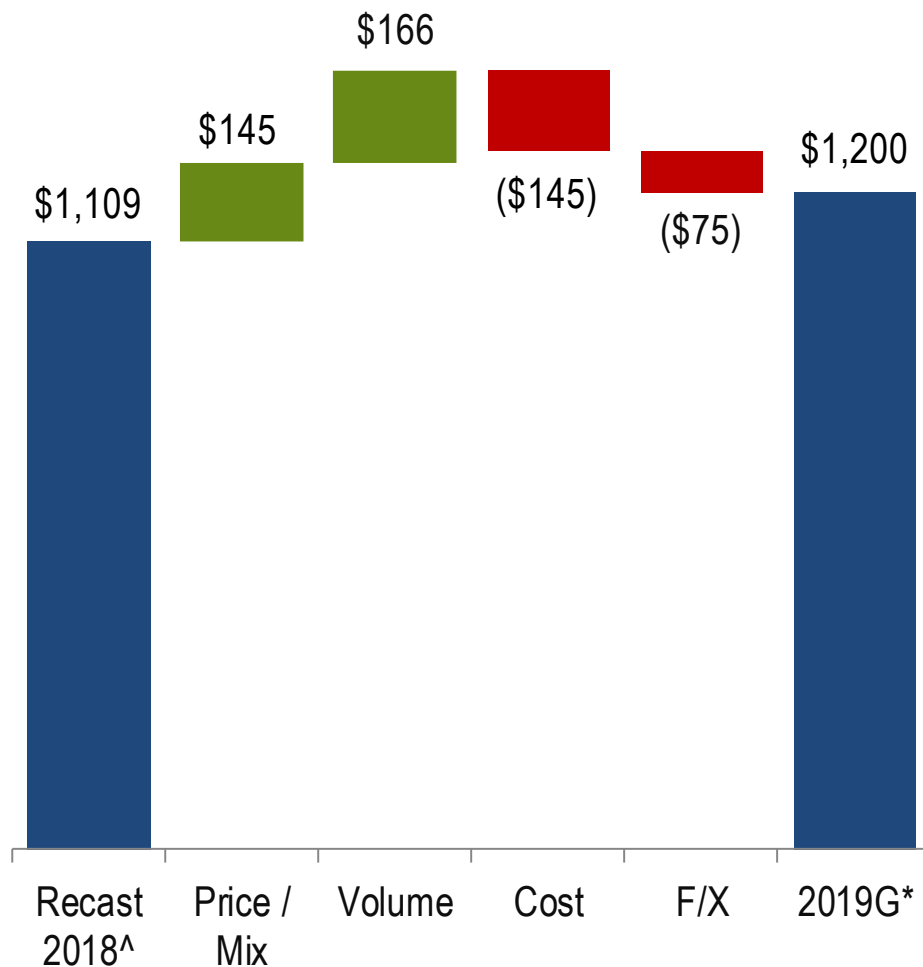
\$1.60 to \$1.70  
+10% YOY at midpoint

(1) Denotes non-GAAP financial term. Refer to definitions at the beginning of this presentation.

(2) Growth is measured versus estimated recast 2018 financials, as presented in 8-K filing from 3/22/2019, which exclude the former Lithium segment.

(3) EPS estimates assume 133.5 million diluted shares, which includes the impact of \$100 million in share repurchases completed in Q1 2019 but does not include the benefit of repurchases made after March 31, 2019.

# Projected FY 2019 Adj. EBITDA and Revenue Drivers (YOY)



## FY 2019 Adj. EBITDA Drivers

Volume increases +15%

Price coverage of  
Cost + FX headwinds ~65%

Projected costs increased by  
\$30M due to supply disruptions  
from China

## FY 2019 Revenue Drivers

Total: +6%

Volume:	F/X:	Price/Mix:
+6%	-3%	+3%

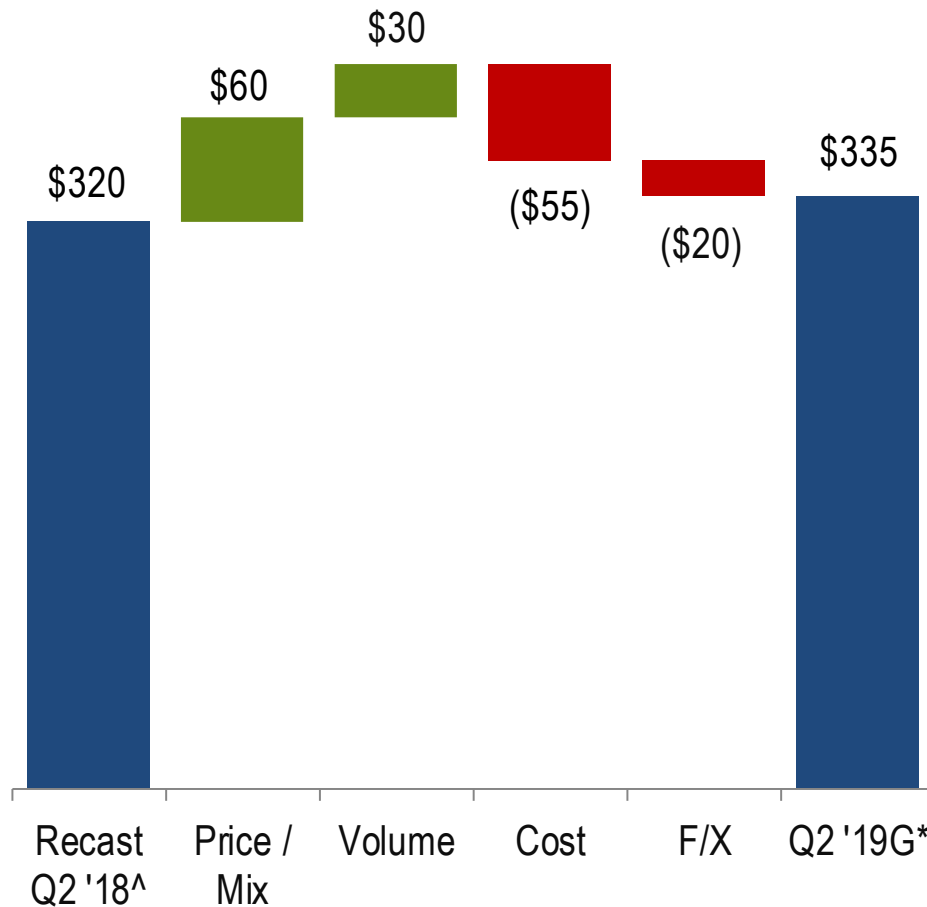
Note: Amounts in millions of USD

<sup>^</sup> Recast 2018 excludes the former Lithium segment.

\* Midpoint of guidance



# Projected Q2 2019 Adj. EBITDA and Revenue Drivers (YOY)



## Q2 2019 Adj. EBITDA Drivers

Volume increases	+9%
Price coverage of Cost + FX headwinds	~80%

## Q2 2019 Revenue Drivers

<b>Total: +4%</b>	Volume: +4%	F/X: -4%	Price/Mix: +4%
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Note: Amounts in millions of USD

<sup>^</sup> Recast Q2 '18 excludes the former Lithium segment.

\* Midpoint of guidance

# 2019 Cash Flow Outlook

(\$ in millions)

	Q1 '19	Q1 '18 <sup>^</sup>	'19 vs. '18	2019 Outlook
Adjusted Cash from Operations <sup>1</sup>	(\$263)	(\$33)	(\$230)	\$750 - \$850
Capital Additions and Other Investing Activities	(\$19)	(\$15)	(\$4)	(\$140) - (\$160)
Legacy and Transformation <sup>2</sup>	(\$55)	\$16	(\$71)	(\$200) - (\$250)
FCF (before Dividends and Repurchases)	(\$337)	(\$32)	(\$305)	\$375 - \$475
Adjusted Earnings <sup>1</sup>	\$229	\$215	\$14	\$745 - \$770

**No change to 2019 cash flow outlook.** Excluding one-time items in the prior year period, Q1 '19 cash flow was consistent with the prior year and our expectations. Recast Q1 '18 cash flow benefited from meaningful one-time impacts:

1. Step down in A/R, due to collections on past due balances in Brazil
2. Lower cash use for inventory, given inventory levels in the acquired business
3. Significant increase in A/P, related to the ramp up of the acquired business
4. Proceeds from required anti-trust divestiture

**Buybacks on track.** Expect to repurchase up to \$500 million in FMC shares in 2019.

**Repurchased \$100 million in Q1, plus \$50 million so far in Q2**

(1) Denotes non-GAAP financial term. Refer to definitions at the beginning of this presentation.

(2) Legacy Liabilities include liabilities from discontinued operations, net of legacy liabilities from continuing operations that are already captured in Adjusted Cash from Operations. Transformation costs include SAP implementation, DuPont Integration and Livent Separation.

<sup>^</sup> Recast 2018 excludes the former Lithium segment.

# Appendix – Other Financial Items (1)

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Interest Expense	\$137 – \$143 million
Adjusted Tax Rate	14 – 16 percent
Non-Controlling Interest	\$4 – \$6 million
Full-Year Weighted Avg. Diluted Shares Outstanding (WADSO) (2)	~133.5 million
Depreciation & Amortization	\$150 – \$160 million
Capital Additions and Other Investing Activities	\$140 – \$160 million

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(1) As posted in 2019 Outlook Statement on May 6, 2019

(2) Outlook for WADSO includes the impact of \$100 million in share repurchases completed in Q1 2019 but does not include the benefit of repurchases after March 31, 2019.

# Appendix – Summary of 2018 Recast Financials (1)

	1Q '18	2Q '18	3Q '18	4Q '18	FY 2018
<b>Revenue</b>	<b>\$ 1,107.9</b>	<b>\$ 1,154.4</b>	<b>\$ 923.6</b>	<b>\$ 1,099.4</b>	<b>\$ 4,285.3</b>
<b>Adj. EBITDA (2)</b>	<b>\$ 329.5</b>	<b>\$ 319.6</b>	<b>\$ 186.5</b>	<b>\$ 273.3</b>	<b>\$ 1,108.9</b>
D&A	(\$ 34.8)	(\$ 38.8)	(\$ 37.8)	(\$ 38.8)	(\$ 150.2)
Interest Expense	(\$ 33.9)	(\$ 34.4)	(\$ 33.4)	(\$ 31.4)	(\$ 133.1)
Taxes	(\$ 43.5)	(\$ 39.9)	(\$ 16.6)	(\$ 6.3)	(\$ 106.3)
Non-controlling interest	(\$ 2.4)	(\$ 2.8)	(\$ 2.0)	\$ 0.5	(\$ 6.7)
<b>Adj. Earnings (2)</b>	<b>\$ 214.9</b>	<b>\$ 203.7</b>	<b>\$ 96.7</b>	<b>\$ 197.3</b>	<b>\$ 712.6</b>
Share Count	136.2	136.2	136.4	135.1	135.9
<b>Adjusted EPS (2)</b>	<b>\$ 1.58</b>	<b>\$ 1.50</b>	<b>\$ 0.71</b>	<b>\$ 1.46</b>	<b>\$ 5.24</b>

(1) As filed in 8-K on March 22, 2019. Recast financials exclude the former Lithium segment. GAAP financials filed separately in 8-K on March 7, 2019.

(2) Denotes non-GAAP financial term. Refer to definitions at the beginning of this presentation.