

OCP

1H 2016 EARNINGS CONFERENCE CALL PRESENTATION

SEPTEMBER 23RD 2016

CONFIDENTIAL AND PROPRIETARY

Any use of this material without OCP's specific permission is strictly prohibited



SAFE HARBOR STATEMENT



This presentation has been prepared by OCP S.A. (“OCP”) strictly for discussion purposes, and contains certain statements that are, or may be deemed to be, “forward-looking statements” within the meaning of the safe harbor provisions set forth in the *U.S. Private Securities Litigation Reform Act of 1995*. Such statements include, but are not limited to, liabilities, strategic, industrial, commercial plans and expected future financial and operating results such as revenue growth and earnings. They are based on the current beliefs, expectations and assumptions of OCP’s management as of the date on which they are made in connection with past and/or future financial results, and are subject to significant uncertainties and risks, which OCP shall not be held liable for. These risks and uncertainties include, but are not limited to, risks and uncertainties arising from the future success of current and strategic plans and future financial and operating results and reserves; changes in such plans and results; any difficulty that OCP may experience with the realization of benefits and anticipated levels of capital expenditures for the second half of year 2014 and beyond; the current and future volatility in the credit markets and future market conditions; OCP’s strategy in connection with customer retention, growth, product development and market position; industry trends; volatility in commodity prices; changes in foreign currency, interest and exchange rates; international trade risks; changes in government policy and developments in judicial or administrative proceedings in jurisdictions which OCP is subject to; changes in environmental and other governmental regulation, including regulatory investigations and proceedings; any natural events such as severe weather, fires, floods and earthquakes or man-made or other disruptions of OCP’s operating systems, structures or equipment; the effectiveness of OCP’s processes for managing its strategic priorities; and OCP’s belief that it has sufficient cash and liquidity and/or available debt capacity to fund future financial operations and strategic business investments. Actual results may differ from those set forth in the forward-looking statements contained in this presentation, and OCP undertakes no obligation to publicly update any of its forward-looking statements, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

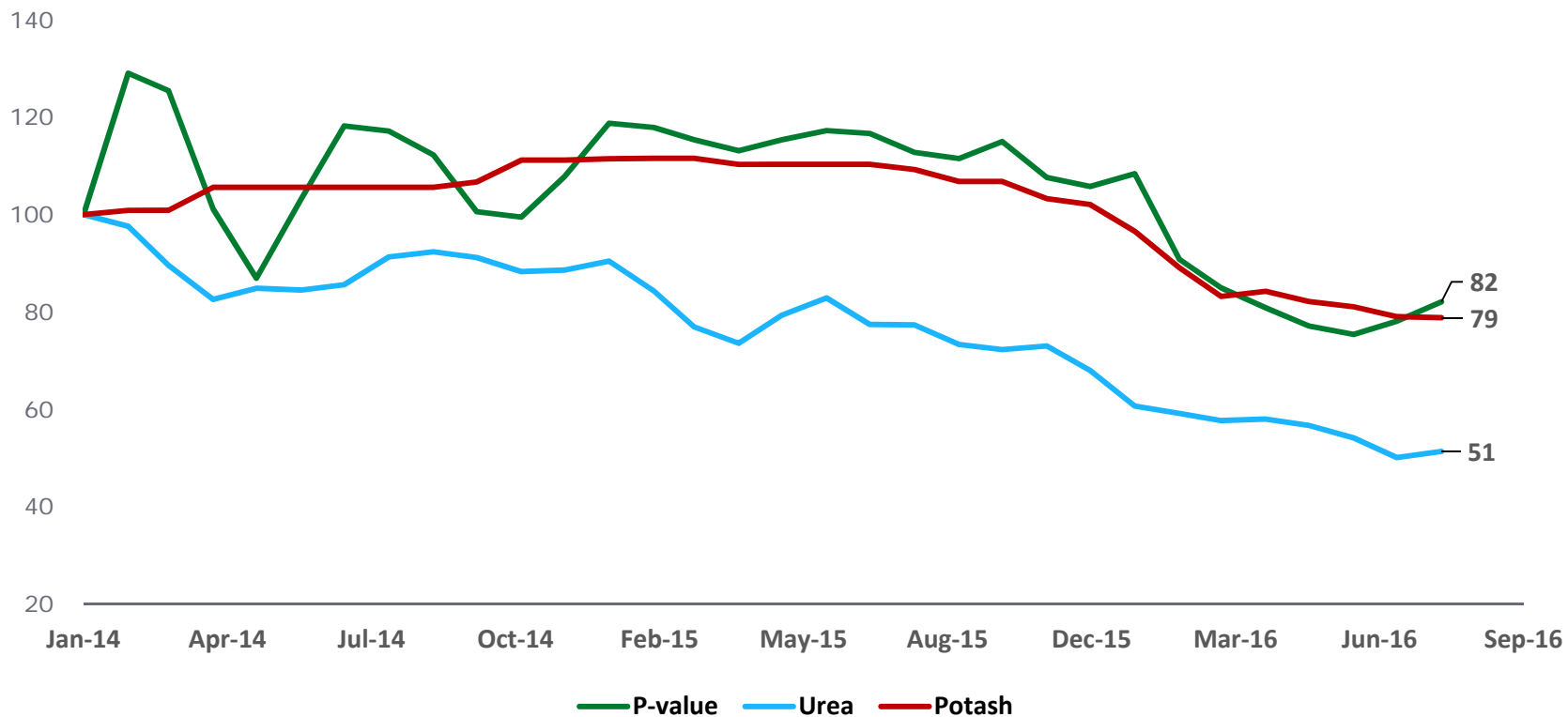
This presentation includes OCP’s financial statements which are produced in Moroccan Dirhams (the local currency). For ease of presentation, financial information included in this presentation is translated into U.S. Dollars, and these translated figures have not been audited. For the purpose of such translated figures, OCP used the following exchange rate table, which sets forth the year average and year-end Dirham/U.S. Dollar exchange rates for the following periods:

	June 2016	June 2015	December 2015
Period End	9,7794	8,2091	9,9008
Average	9,7562	8,1859	9,7627



PHOSPHATE PRICES WEAKENED, BUT REMAINED RESILIENT VERSUS OTHER NUTRIENTS

Nutrient values (base 100 in Jan 2014)

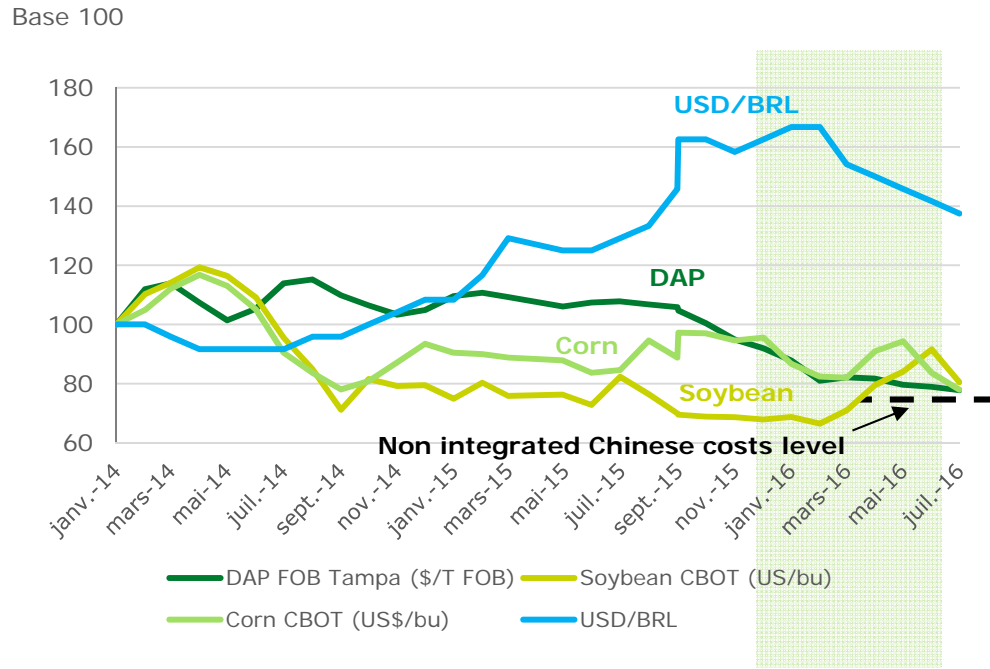


Sources: CRU, P-value is equivalent to the Commercial Gross Margin (CGM) = DAP Fob Morocco prices minus Raw material costs (Sulphur and Ammonia)
 Potash FOB Vancouver
 Urea FOB Black sea



HIGHER CONSUMPTION AND LOWER RAW MATERIALS PARTIALLY OFFSET WEAKER DAP PRICES IN 1H

Price evolution of DAP FOB Tampa and Soybean



	Actual 1H2014	Actual 1H2015	Actual 1H2016
OCP DAP Price (\$/T)	451	480	356

1H 2016 market environment

Macroeconomic Drivers

- Stable FX markets overall, even a recovery of Brazilian R\$
- Higher soybean prices (9.0-10.0\$/bu), and to a lesser extent corn prices (3.5 – 4.0\$/bu) in 1H
- Some market disruptions caused by El Niño in South Asia and East Africa in late 2015/early 2016

Demand Overview

- Increasing consumption in several regions:
 - ✓ Recovery in Brazil (+11%) and Argentina (+77%)
 - ✓ Increasing consumption in India for Kharif season (as from April) thanks to good monsoon
 - ✓ Higher consumption in North America (+3%)
 - ✓ Tax incentives on fertilizer imports and Nitrate product ban in Turkey supported DAP imports (~ +140%)

Supply overview

- Significant decrease in Chinese exports (-31% y-o-y)
- However, Chinese inventories remain high
- Increasing phosphoric acid production and exports from Jordan, Senegal and Tunisia

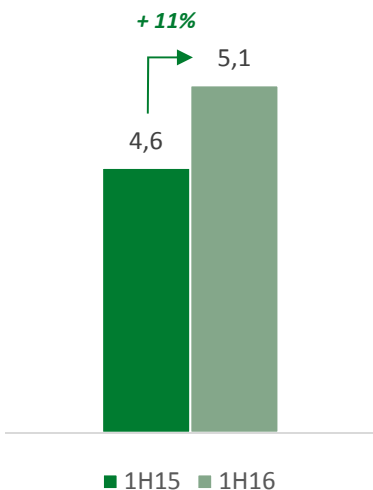
Sources: CRU, Reuters

HIGHER CONSUMPTION IN ALL REGIONS PARTLY MANAGED BY INVENTORY DRAW DOWN

Recovery in Brazilian deliveries



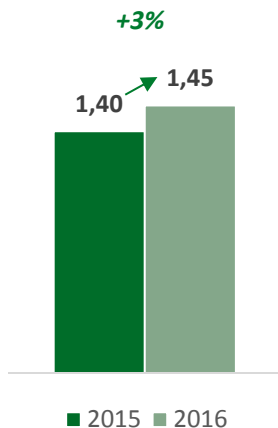
Phosphate fertilizer's Consumption in MT



Higher consumption in USA



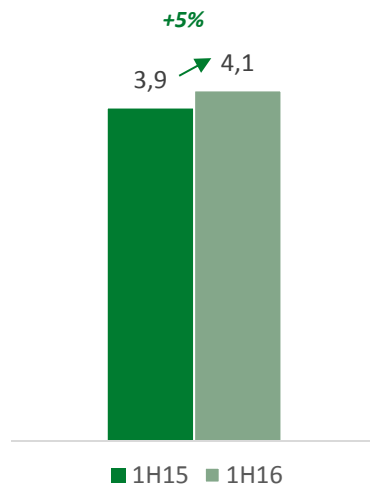
DAP/MAP Consumption¹ in MT P₂O₅



Lower cons. in India with high stocks



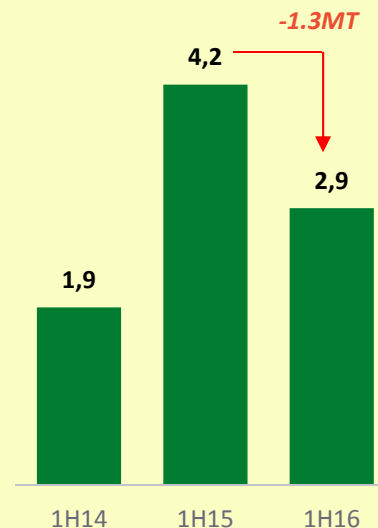
DAP Deliveries² for Kharif in MT



Strong decrease in Chinese exports partly substituted by OCP new capacities



Phosphate fertilizer exports (Mt)



Sources: CFMW, Brazil, Singapore and India office, CMM analysis
 1: =TFI: Import+Prod-Export- Stocks variation over the period
 2: =OCP India: Imprt+Prod+Beg Stock-Stocks variation from April to August
 3: = Endind stokcs – Beginning stocks during 1H

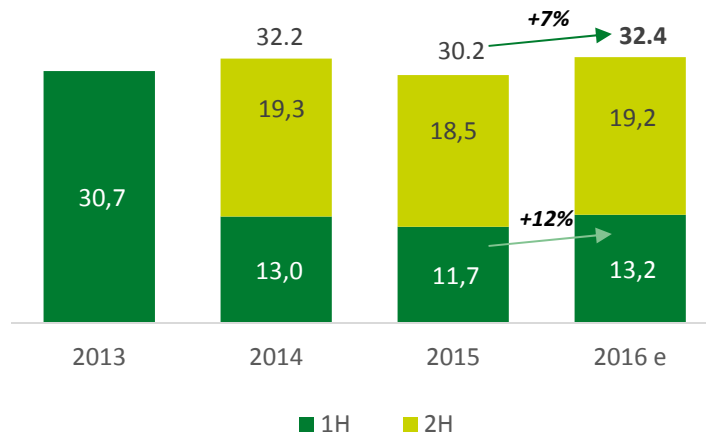


BRAZILIAN CONSUMPTION IS RECOVERING



Deliveries are expected to recover in 2016, thanks to low input prices...

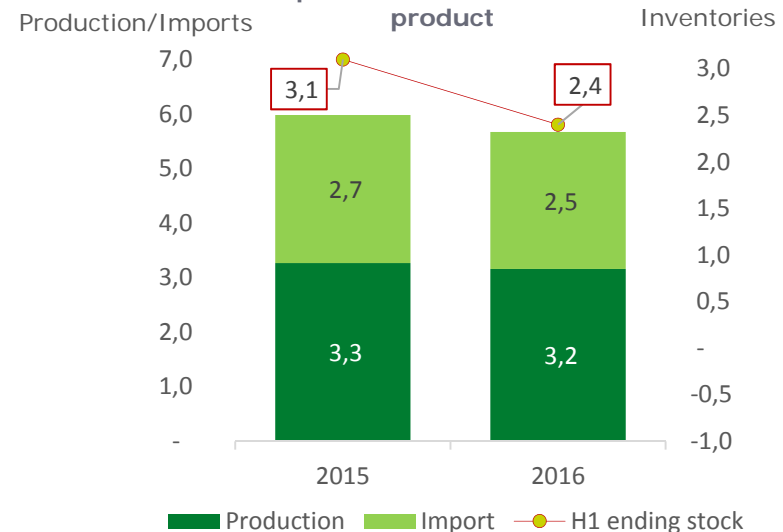
End user fertilizer's Consumption in MT product



- Deliveries forecast to reach 2014 levels (32.4 MT as blended formulas)
- Farmers are enjoying historical low input prices (Soybean barter ratios¹ at 18-19 Vs 25 in beginning of the year)

...Which resulted in higher consumption and lower inventories in 1H

1H P-Fertilizer production, import & inventories in MT product



- **1H: higher consumption (+0.5 MT), lower imports and lower production (-0.2 MT) resulted into lower inventories (-0.7 MT)**
- Going forward: expect strong Safrinha and sugarcane area renovation
- Stable prices and Forex in comparison with previous years

Sources: ANDA, OCP do Brasil, Agroconsult

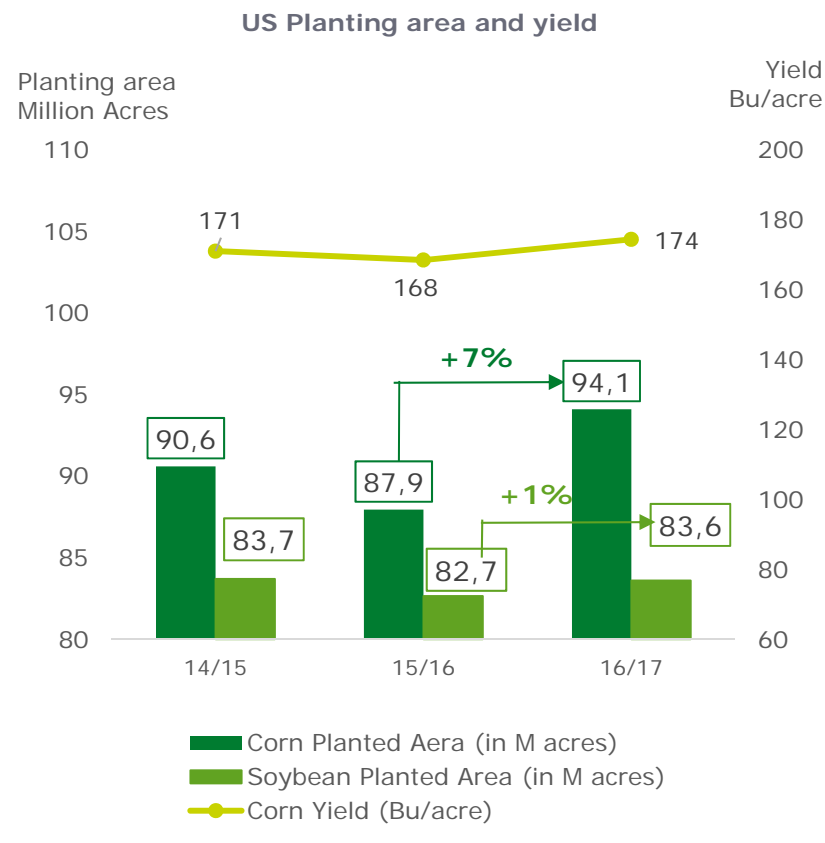
1. Barter ratio represents number of bag of 60kg of soybean traded against 1 Ton of inputs package



AFFORDABLE FERTILIZERS UNDERSCORES INVESTMENT BY U.S. FARMERS IN UPCOMING SEASON

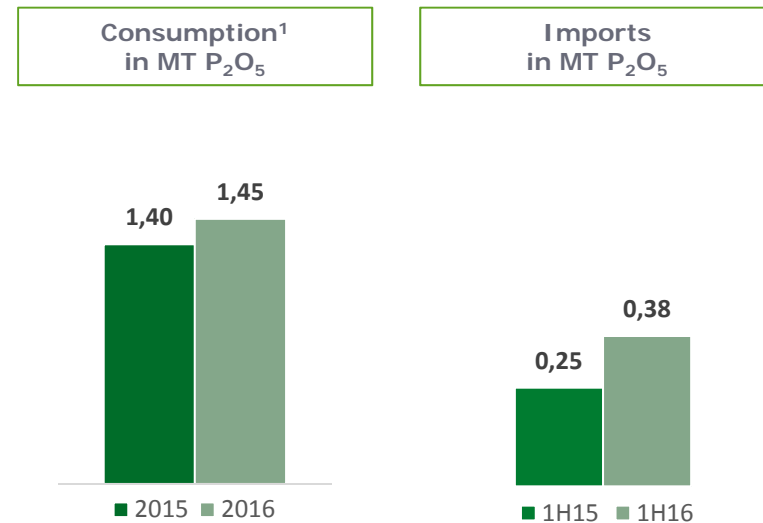


3rd highest corn planting area since 1940's with strong yield...



...which has so far translated into a higher consumption

US DAP/MAP consumption and imports in 1H



Sources: USDA, TFI

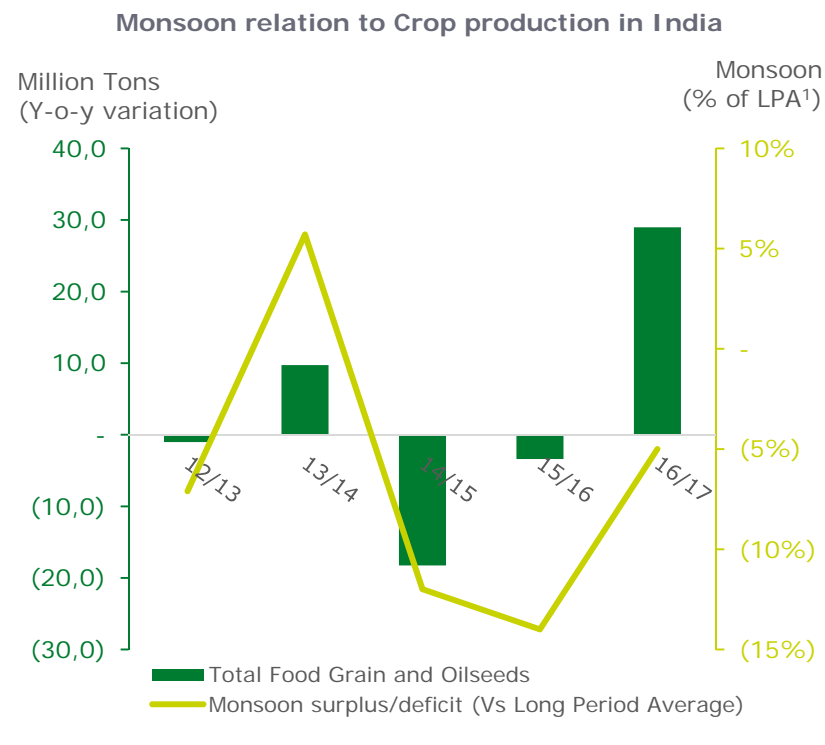
1: =TFI: Import+Prod-Export- Stocks variation over the period



STRONG INDIAN CONSUMPTION FOR THE KHARIF SEASON, DESPITE HIGH INVENTORIES

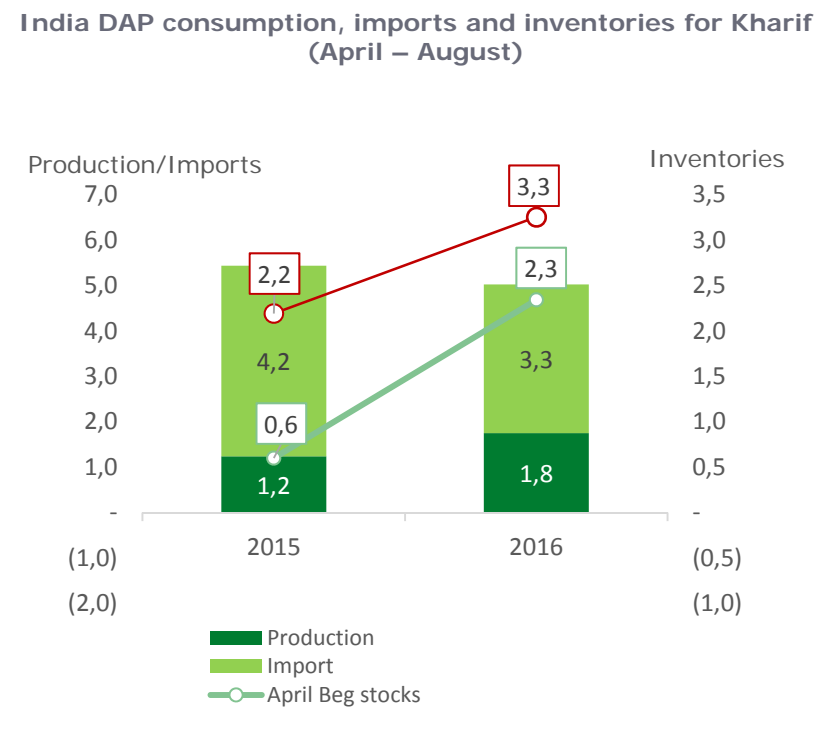


Expected good food grain production after 2 years of low production...



- *Expectations for good monsoon has boosted consumption after 2 consecutive years of underperformance*
- *Food Grain and Oilseed production estimates are higher*
- *DAP importers' margins are comfortable (> 40\$/t)*

...which is supportive for Kharif season fertilizers consumption

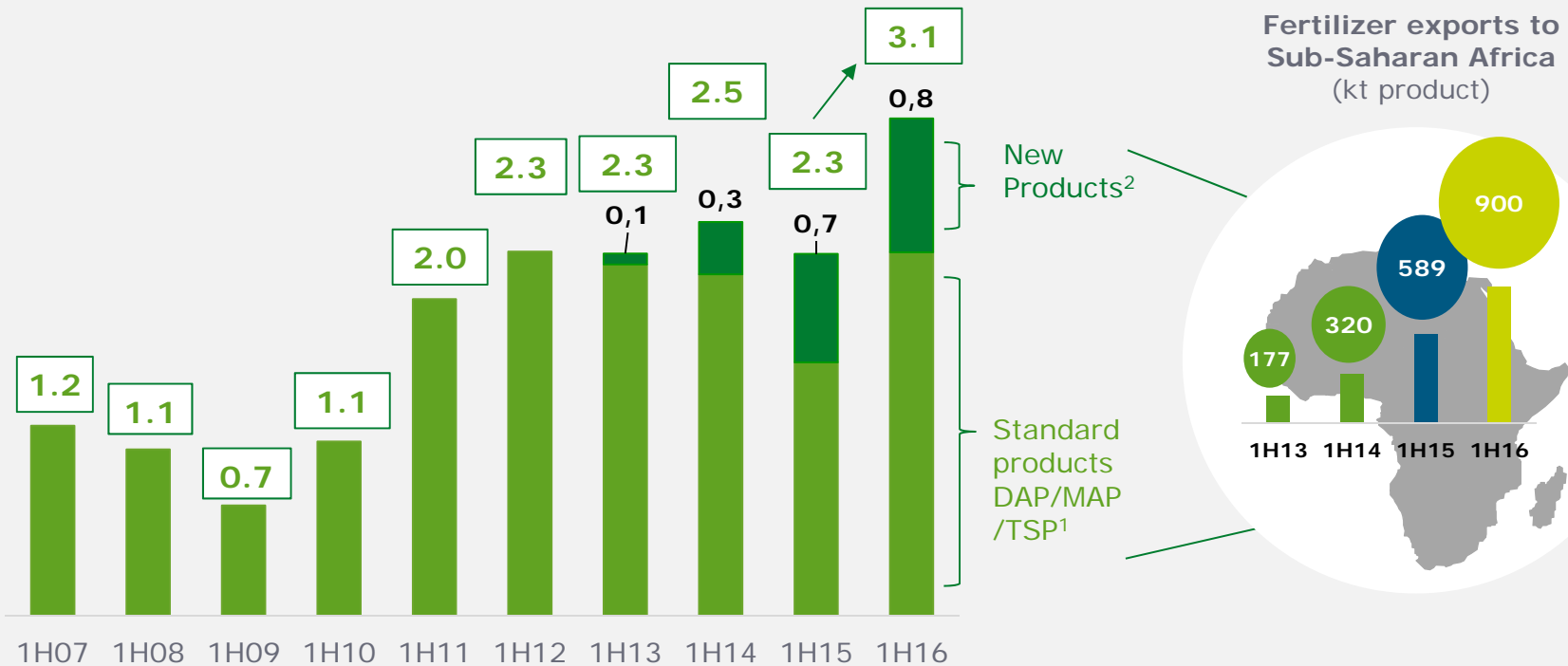


- *Kharif deliveries increased to 4.1 from 3.9 MT: higher production was offset by lower imports and less inventory building over the period (1 MT Vs 1.6 MT)*
- *Going forward: healthy consumption to remain in place, and may increase if MRP is lowered.*

Sources: OCP India, India Meteorological Department as of September 14th
 1. Long Period Average: average monsoon over last 30 years

OCP ACHIEVED SOLID FERTILIZERS EXPORTS: INCREASED SALES IN AFRICA & AMERICAS

OCP Group fertilizer exports (in MT)



► Breakdown: +0.3 MT in Latin America, +0.3 MT in Africa and +0.2 MT in North America

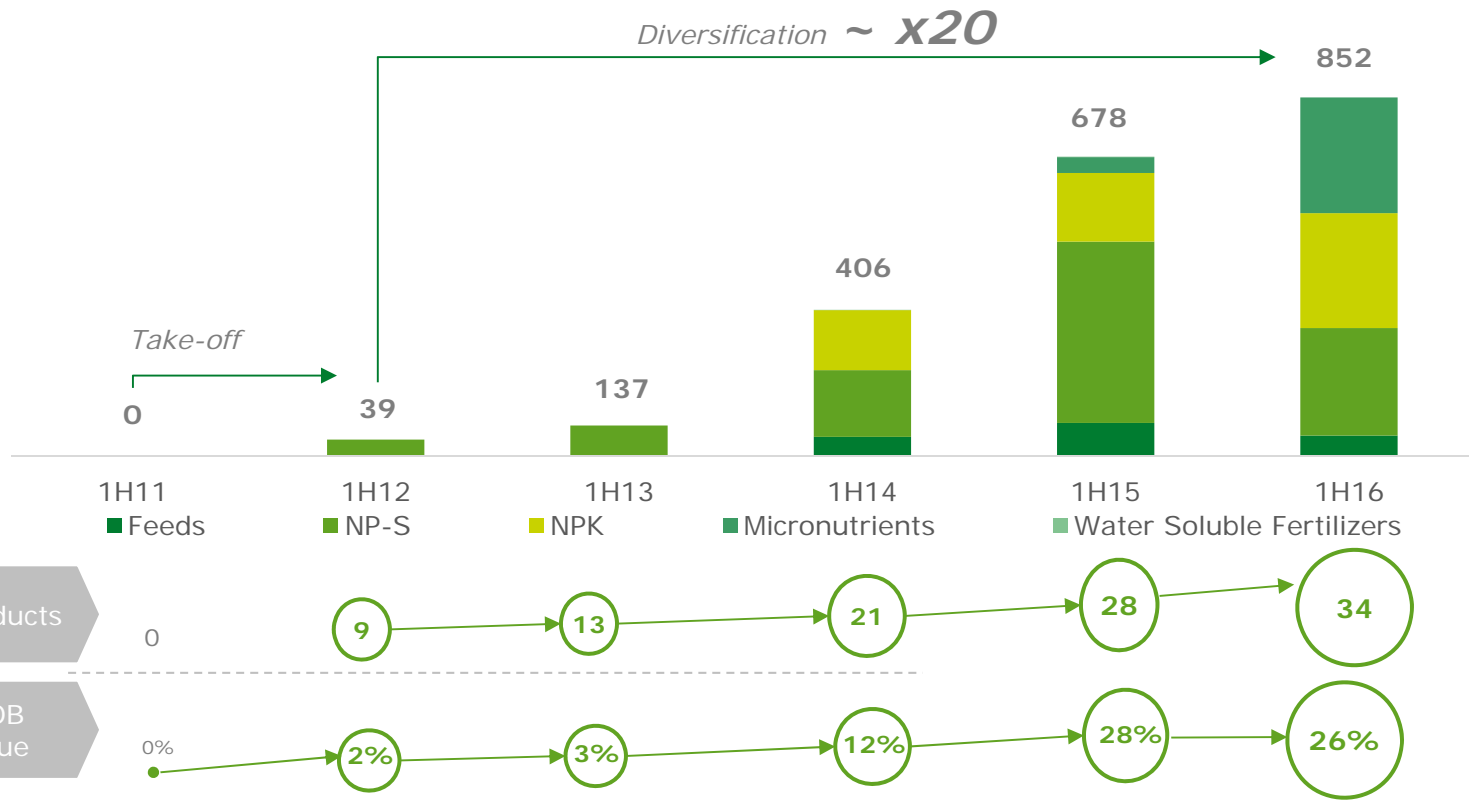
Source: OCP

1. Delta in sum are due to sum of rounded numbers
2. New Products and DAP/MAP/TSP refer to export sales



SPECIALTY PRODUCTS CONTRIBUTED TO OCP'S RESILIENCE AND ADDED VALUE

OCP sales of new finished products (Kt product)



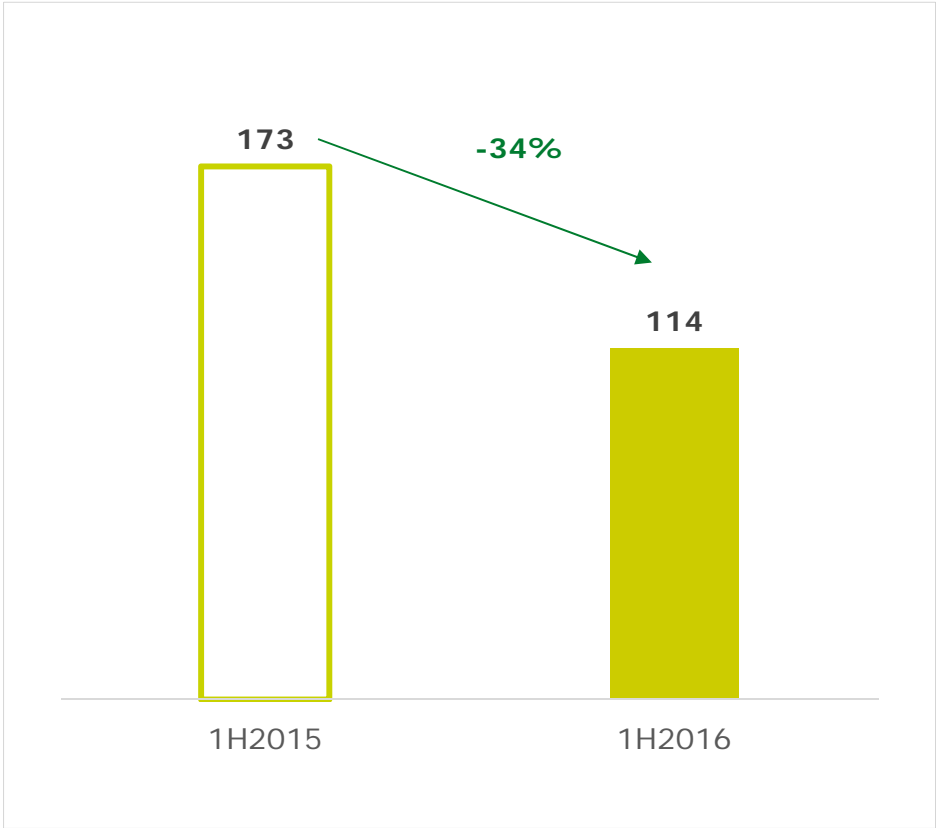
Source: OCP

New products development allows OCP to:

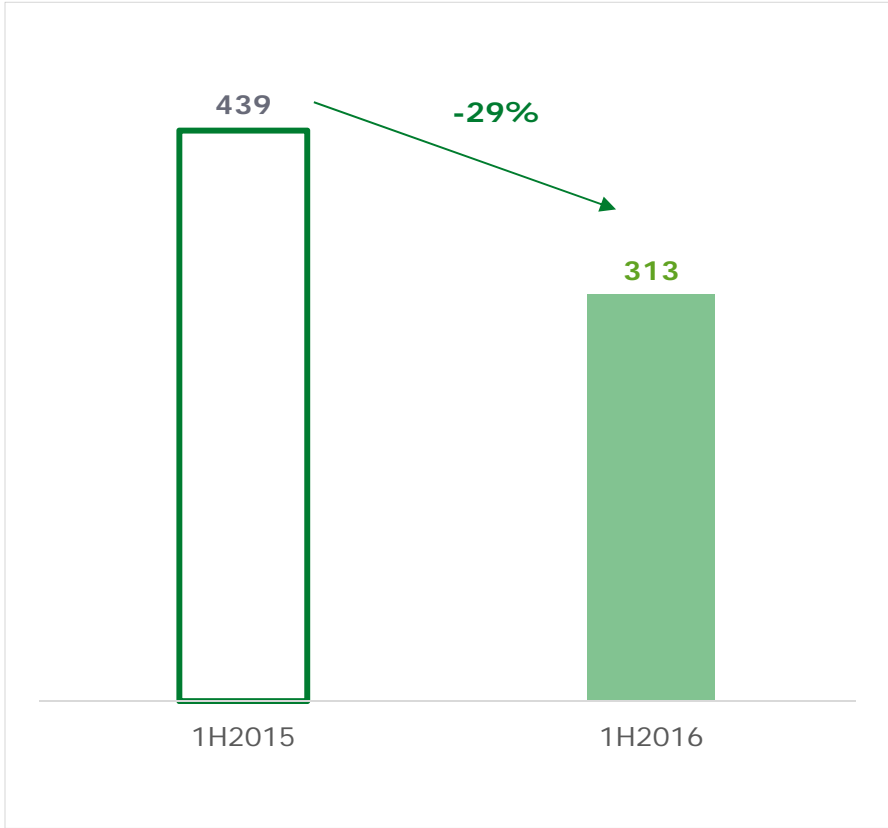
- Diversify its product portfolio
- Improve profitability
- Penetrate et reinforce his presence in new markets

OCP BENEFITED FROM DECREASING RAW MATERIAL COSTS

FOB Middle East Average Price Index (\$/T)

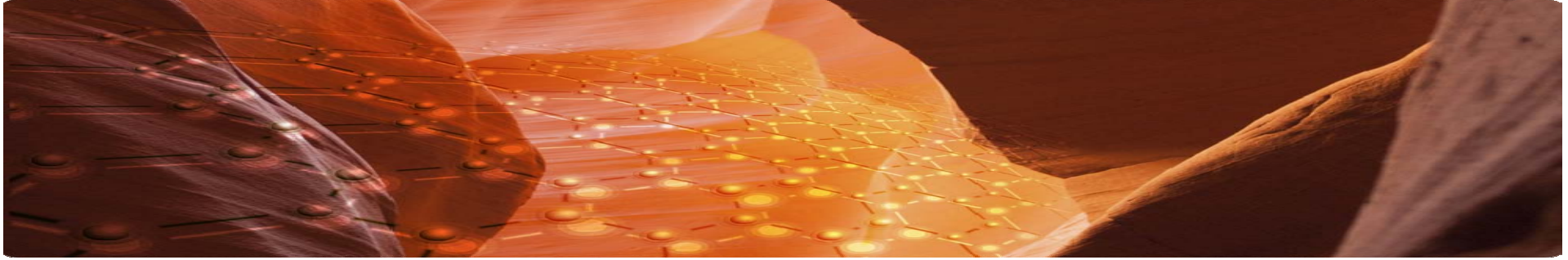


FOB Yuzhny Average Price Index (\$/T)



Source: CRU





Financial overview



1H 2016 FINANCIAL RESULTS OVERVIEW

Key component
of global food
security

- ✦ First half revenues decreased by 10% compared with the same period last year. Despite this trend, revenues from fertilizers were up 3%
- ✦ First half EBITDA decreased to US\$ 606 million from US\$ 890 million (-32%) in the year-ago period. EBITDA margin remained strong at 27%
- ✦ Adjusted cash flow related to operating activities decreased by -39% year over year to US\$ 426 million in the first half 2016
- ✦ Investment program initiated by OCP in 2008 proceeded according to plan, with US\$ 523 million spent during the first half 2016

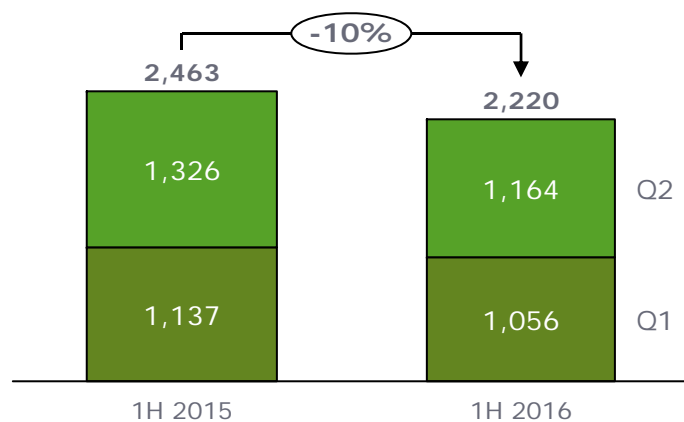
Accounts are presented in IFRS



1H 2016 FINANCIAL SNAPSHOT

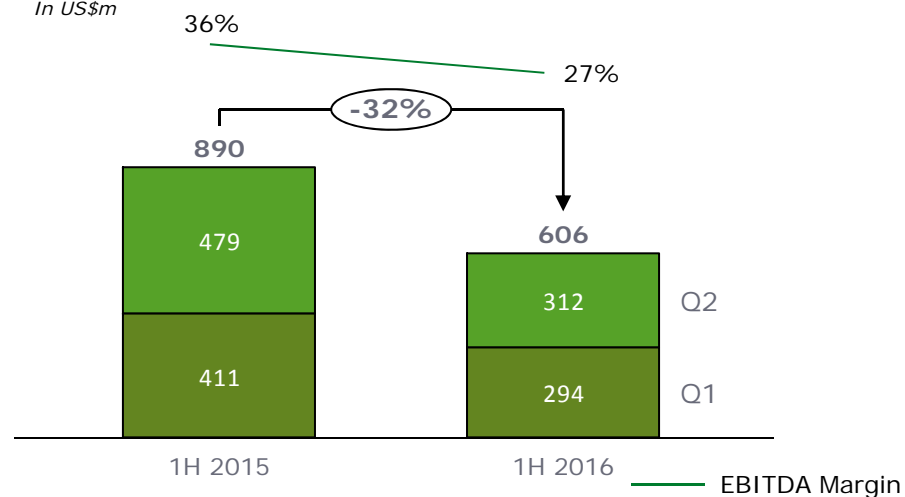
Revenue

In US\$m



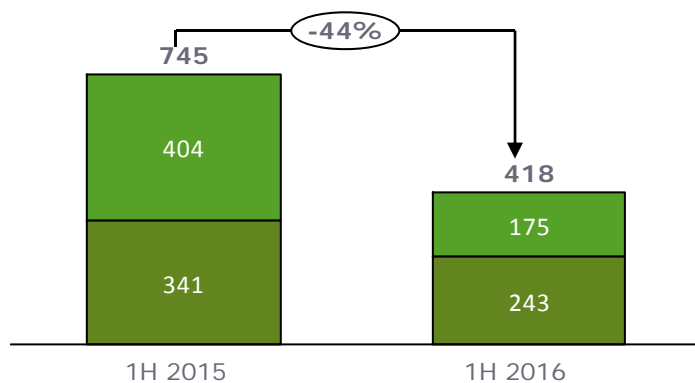
EBITDA

In US\$m



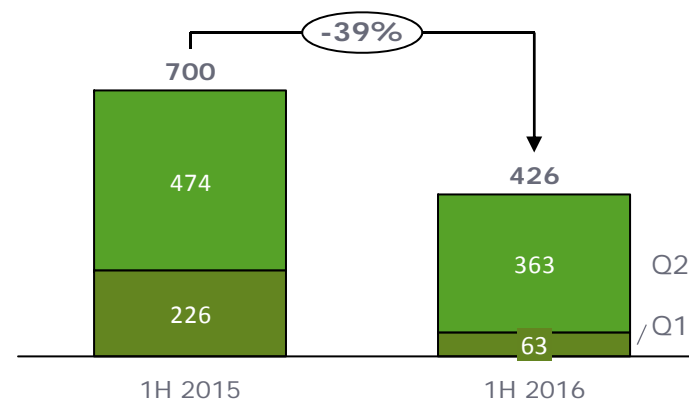
EBIT

In US\$m



Adjusted Cash Flow from Operating Activities^{1,2}

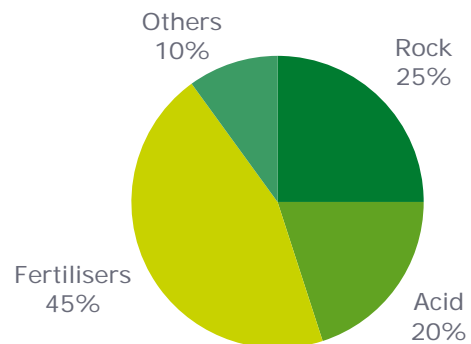
In US\$m



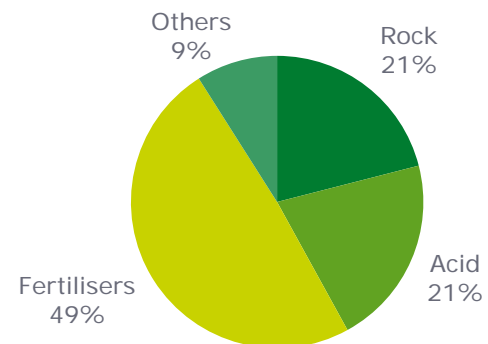
1. Adjusted for the transfer of OCP's internal pension fund
2. Adjusted for regularization of tax payable related to FY2015

1H 2016 REVENUE BREAKDOWN

First half 2015 revenue by product



First half 2016 revenue by product

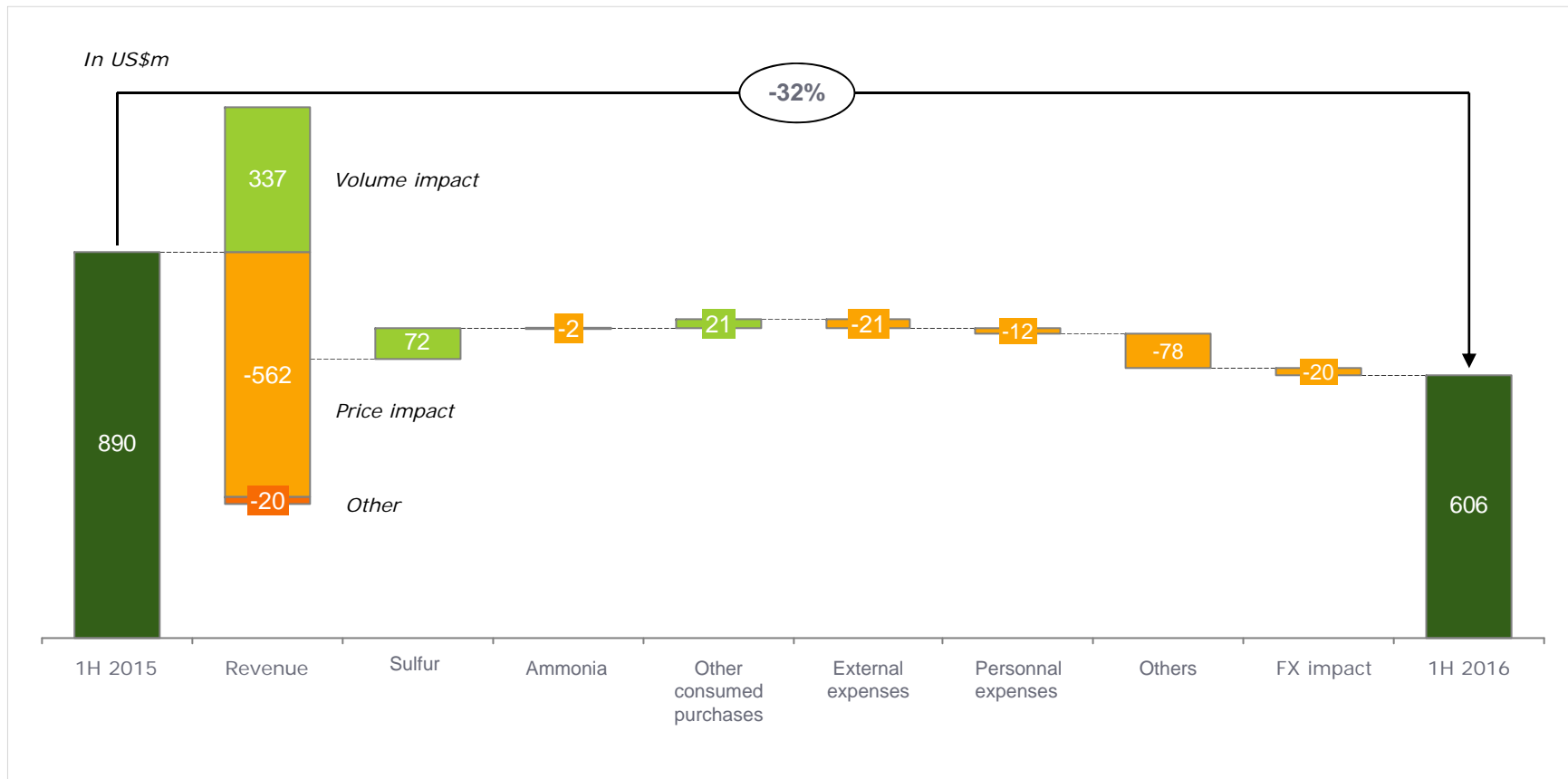


First Half 2016 revenue bridge

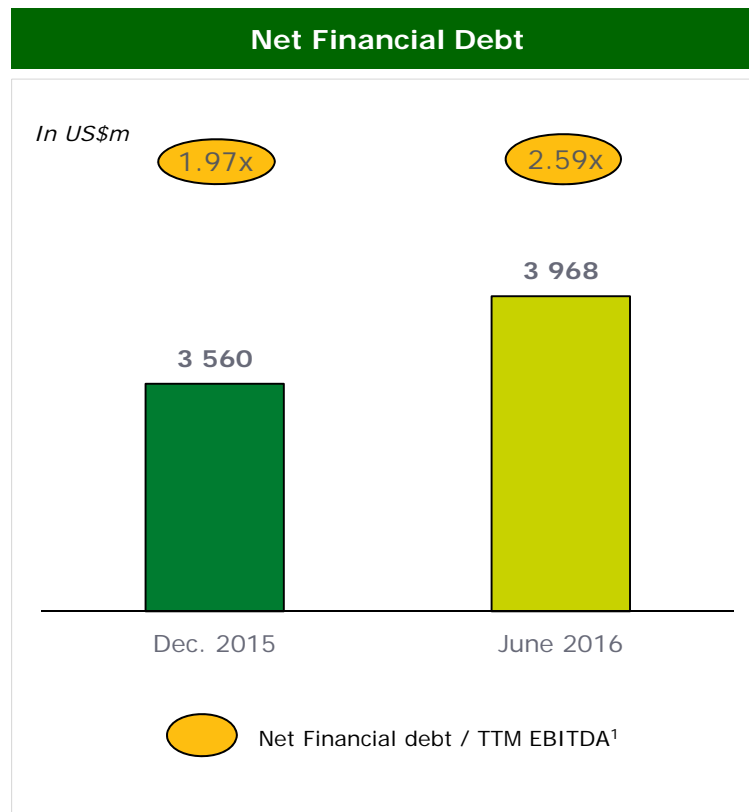
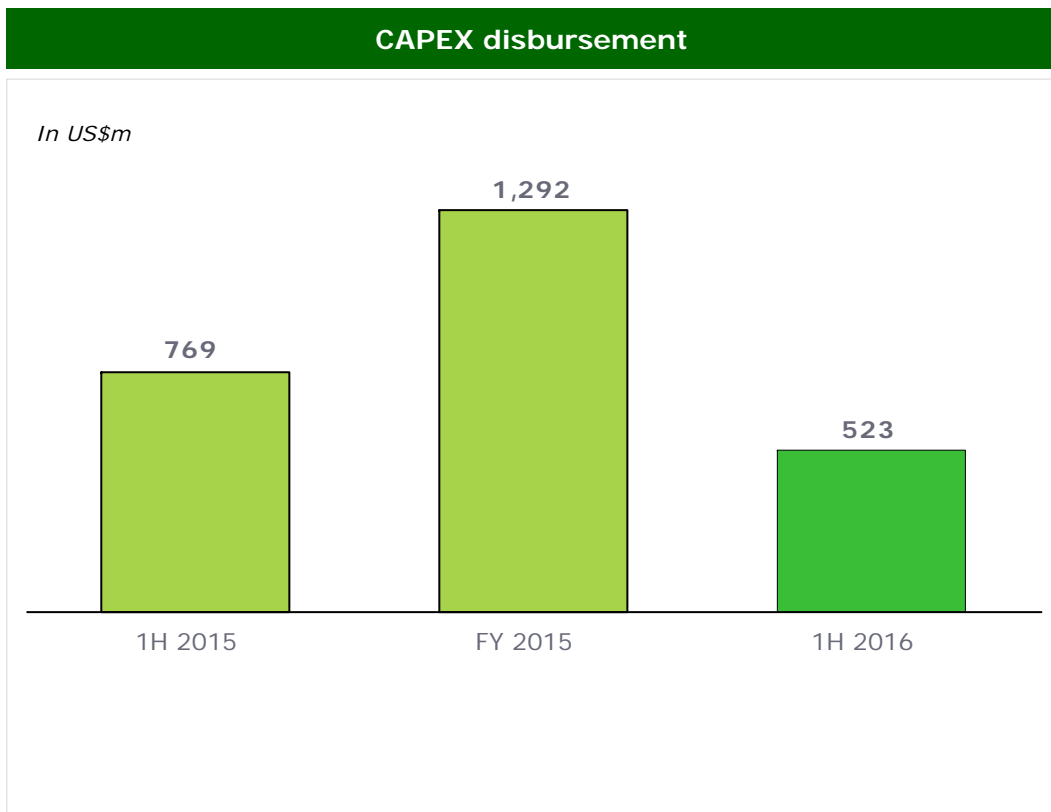


1H 2016 KEY FINANCIAL FIGURES

First Half 2016 EBITDA bridge



CASH FLOW HIGHLIGHTS AND LEVERAGE



1. Trailing twelve months EBITDA



OUTLOOK



Demand	<ul style="list-style-type: none">❑ Record crop production in key regions signals slightly lower crop prices (Corn: 3.1-3.4\$/bu, Soybean 9.5-9.7\$/bu). However lower input prices would prompt continuous consumption growth in overall regions❑ Low inventories in Brazil, favorable weather conditions worldwide
Supply	<ul style="list-style-type: none">❑ Additional capacities from OCP❑ High inventory levels in China could further affect export's prices
Raw Materials	<ul style="list-style-type: none">❑ Stable to weak Sulfur and Ammonia prices, due to additional capacities (in UAE for Sulphur and in Russia, the USA and Saudi Arabia for Ammonia)

✓ Stable outlook globally for prices, subject to raw materials variations: slightly better in 3Q and marginally down in 4Q due to seasonality

✓ Producers' behavior and inventories management will be a key driver for 2H

