



**FMC Corporation**

***Deutsche Bank SMID Cap Conference  
Naples, FL  
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***William G. Walter  
Chairman, President and CEO***



## Disclaimer

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### **Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995**

- These slides and the accompanying presentation contain “forward-looking statements” that represent management’s best judgment as of the date hereof based on information currently available. Actual results of the Company may differ materially from those contained in the forward-looking statements.
- Additional information concerning factors that may cause results to differ materially from those in the forward-looking statements is contained in the Company’s periodic reports filed under the Securities Exchange Act of 1934, as amended.
- The Company undertakes no obligation to update or revise these forward-looking statements to reflect new events or uncertainties.

### **Non-GAAP Financial Terms**

- These slides contain certain “non-GAAP financial terms” which are defined in the appendix. In addition, we have provided reconciliations of non-GAAP terms to the closest GAAP term in the appendix.



# FMC Corporation

LTM ending December 31, 2008 (\$ millions)

FMC CORPORATION		
Revenue:	\$3,115	
EBITDA:	\$664	
Margin*:	21.3%	

INDUSTRIAL CHEMICALS	SPECIALTY CHEMICALS	AGRICULTURAL PRODUCTS
Revenue: \$1,297	Revenue: \$764	Revenue: \$1,059
EBITDA: \$269	EBITDA: \$185	EBITDA: \$258
Margin*: 20.7%	Margin*: 24.2%	Margin*: 24.4%

- **Leading Market Positions**
- **Diverse End Markets - Low Correlation to Economic Cycles**
- **Diversified and Integrated Cost Structure**
- **Limited Dependence on Petrochemical Feedstocks**

\* EBITDA margin

## **Disciplined Approach to Unlocking Value**

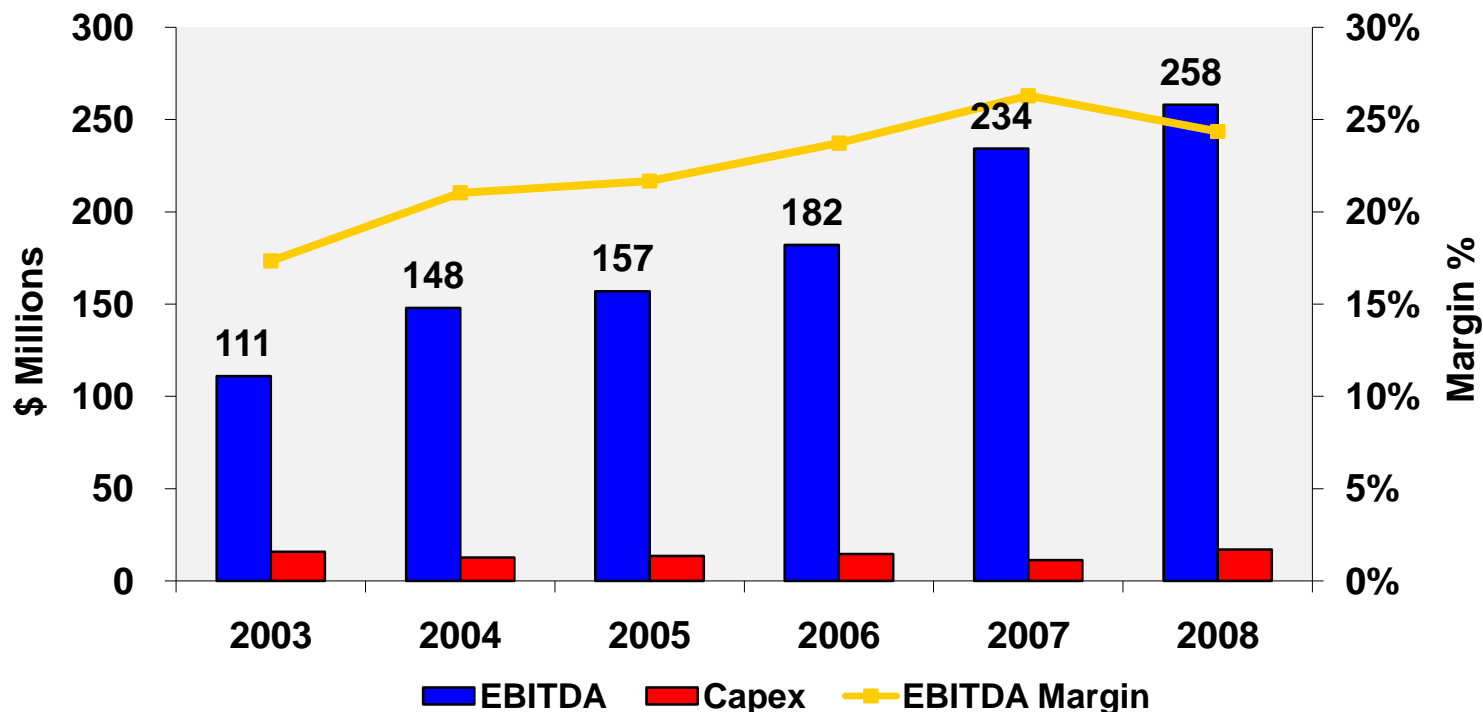
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- **Realizing the inherent operating leverage within FMC**
  - Sustaining earnings growth > 10% per year <sup>(1)</sup>
  
- **Focusing the portfolio on higher growth businesses**
  - Managing Specialty Chemicals and Agricultural Products for growth
  - Managing Industrial Chemicals for cash
  
- **Maintaining financial strength and flexibility**
  - Solid balance sheet, conservative liquidity profile, strong cash flow
  - Investing in higher growth businesses
  - Pursuing external growth opportunities
  - Returning cash to shareholders – dividend and share repurchase

<sup>(1)</sup> Earnings before restructuring and other income and charges



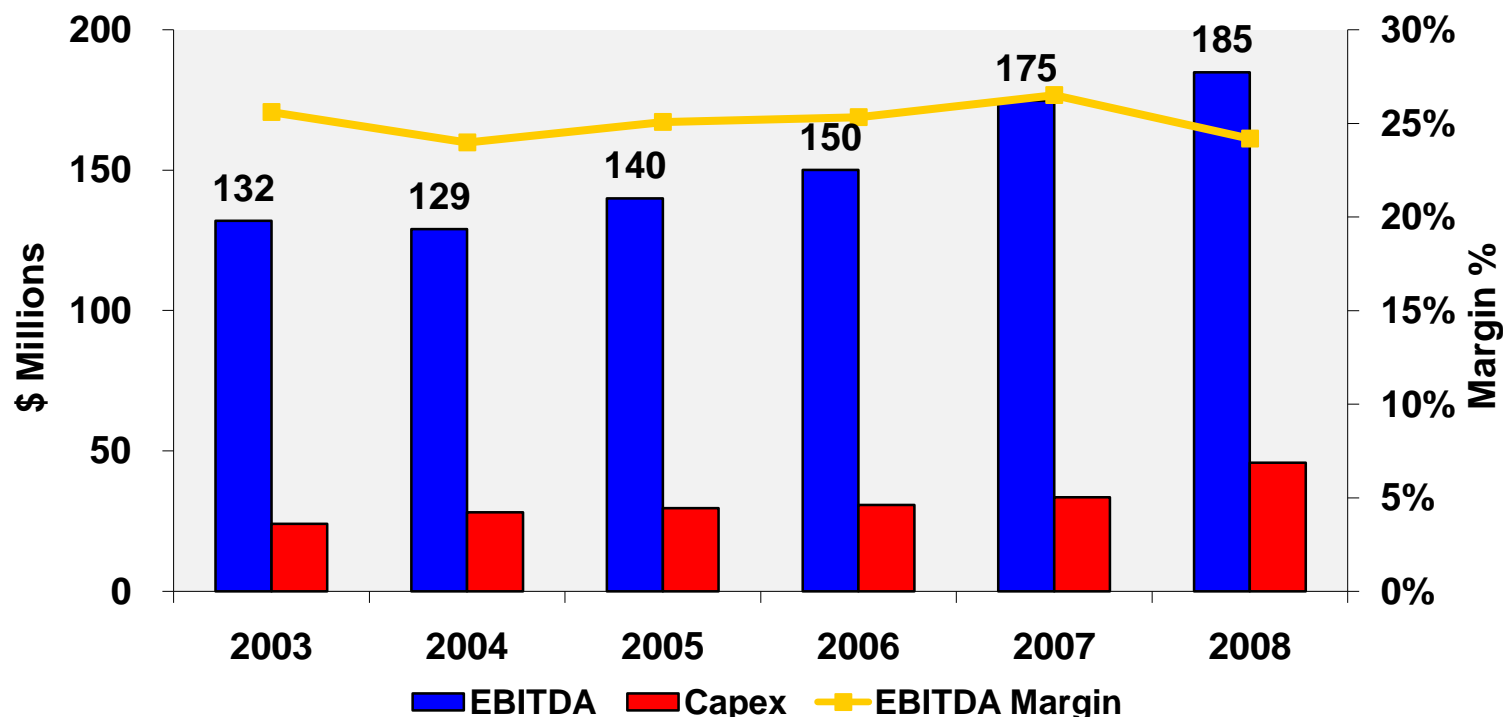
## Agricultural Products



- **Strong niche positions in the Americas, Europe and Asia**
- **Proprietary, branded insecticides and herbicides**
- **Strategic Focus:**
  - Selected products, crops and regions
  - Shifting to significantly shorter innovation cycle
  - Reducing global supply chain and overhead costs



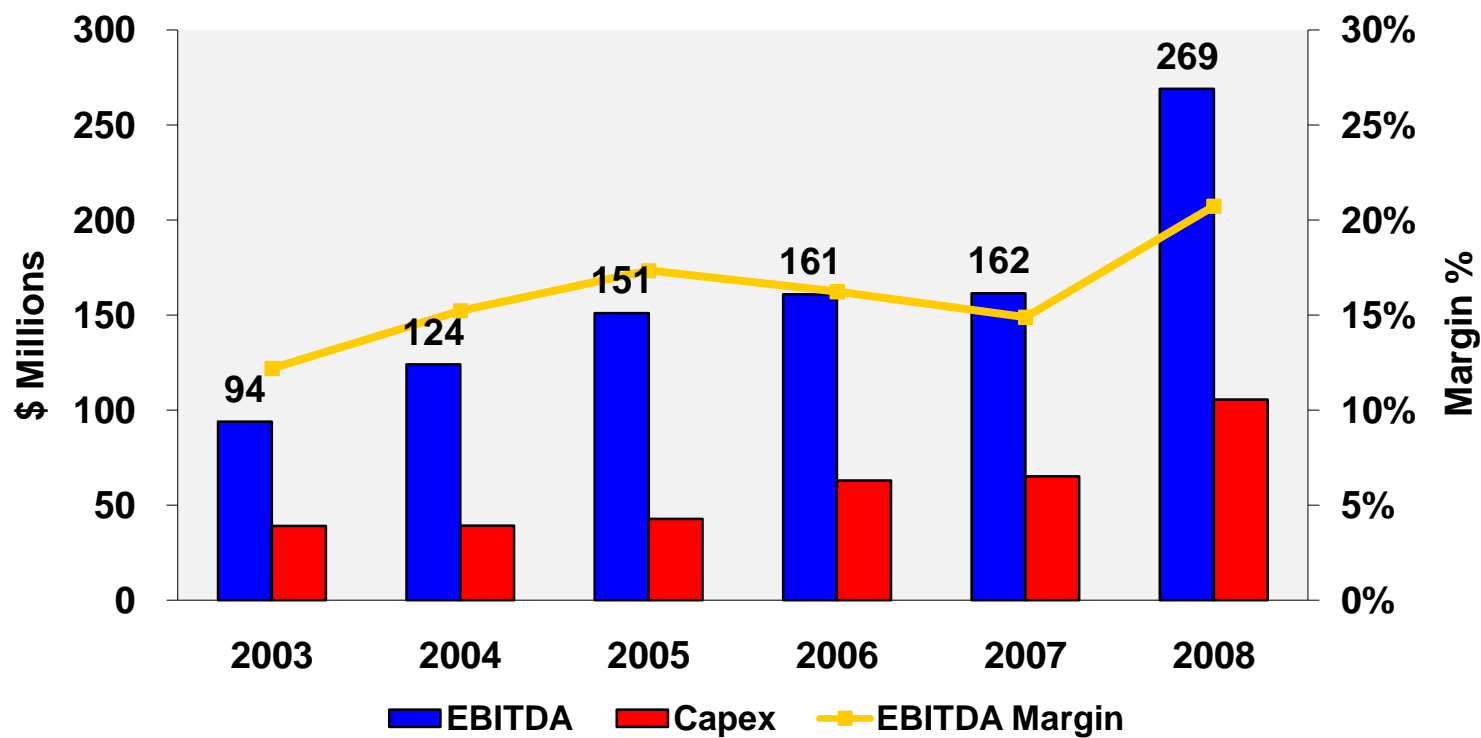
## Specialty Chemicals



- **BioPolymers – pharmaceutical and food ingredients**
- **Lithium focus on specialties – pharmaceuticals and energy storage**
- **Strategic Focus:**
  - Growing core market segments
  - Commercializing new technology platforms
  - Pursuing financially attractive bolt-on acquisitions



## Industrial Chemicals



- #1 North American manufacturer of soda ash and peroxygens
- Low cost, proprietary production technologies
- Strategic Focus:
  - Managing for cash generation
  - Continued top line growth driven primarily by higher selling prices
  - Aggressive cost management

## **FMC in Summary**

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- **Great businesses, each with EBITDA >\$185 million**
- **Sustained double-digit earnings growth <sup>(1)</sup>**
  - Diverse end-markets, low correlation to economic cycles
  - Diversified and integrated cost structure
  - Products aligned with global secular growth trends
- **Strategic and financial flexibility**
  - Solid balance sheet
  - Conservative liquidity profile
  - Strong cash flow
- **Disciplined approach to unlocking value**

(1) Earnings before restructuring and other income and charges

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**Glossary of Financial Terms  
&  
Reconciliations of GAAP to Non-GAAP**



## Non-GAAP Financial Terms

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These slides contain certain “non-GAAP financial terms” which are defined below. In addition, we have provided reconciliations of non-GAAP terms to the closest GAAP term in the appendix of this presentation.

**EBITDA** (Earnings Before Interest, Taxes, Depreciation and Amortization) is the sum of *Income (loss) from continuing operations before income taxes* and *Depreciation and Amortization*.

**EBITDA Margin** is the quotient of **EBITDA** (defined above) divided by *Revenue*.

**ROIC** (Return on Invested Capital) is the sum of *Earnings from continuing operations before restructuring and other income and charges* and after-tax *Interest expense* divided by the sum of *Short-term debt*, *Current portion of long-term debt*, *Long-term debt* and *Total shareholders' equity*.



## Segment Financial Terms

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These slides contain references to segment financial items. Some of the segment financial terms are “non-GAAP financial terms” and are defined below. In addition, we have provided reconciliations of non-GAAP terms to the closest GAAP term in the appendix of this presentation.

**EBITDA** (Earnings Before Interest, Taxes, Depreciation and Amortization) **for a segment** is the sum of *Income (loss) from continuing operations before income taxes for that segment* and *Depreciation and Amortization for that segment*.

**EBITDA Margin for a segment** is the quotient of **EBITDA** (defined above) divided by *Revenue for that segment*.



## EBITDA Reconciliation: LTM 12/31/2008

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Reconciliation of LTM 12/31/2008 consolidated income from continuing operations before income taxes (a GAAP measure) to LTM 12/31/2008 EBITDA (a Non-GAAP measure)

*(Unaudited, in \$ millions)*

	<u>LTM 12/31/2008</u>
Income (loss) from continuing operations before income taxes	\$454.9
Restructuring and other charges/(income), net	53.3
Interest expense, net	31.9
Depreciation and amortization	<u>124.2</u>
<b>EBITDA (Non-GAAP)</b>	<b>\$664.3</b>



## Segment EBITDA Reconciliation: LTM 12/31/2008

Reconciliation of LTM 12/31/2008 segment operating profit (a GAAP measure) to LTM 12/31/2008 EBITDA (a Non-GAAP measure)

*(Unaudited, in millions)*

Segment	<u>Industrial Chemicals</u>	<u>Specialty Chemicals</u>	<u>Agricultural Products</u>
LTM 12/31/2008 segment operating profit (GAAP)	\$201.4	\$152.0	\$245.2
Add:			
Depreciation and Amortization	<u>67.6</u>	<u>32.9</u>	<u>12.4</u>
LTM 12/31/2008 EBITDA (Non-GAAP)	\$269.0	\$184.9	\$257.6

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