

# Q2 2013 – Financial Results

August 7<sup>th</sup> 2013



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# Introduction



- Continued business momentum in Q2 and H1 2012
  - Increase in quantities sold in Europe and APAC & Africa regions
  - Price increase off-set higher costs of raw materials
  - Improved product mix
  - Challenging weather conditions in North America and Europe
- Strong net income growth with a 14.7% increase QoQ and a 5.4% increase HoH
- Increased raw materials costs and unfavorable exchange rate environment result in 0.5% decrease in gross profit QoQ and 1.2% increase HoH
- ChemChina asset integration progressing:
  - Announced appointment of Chen Lichtenstein, MAI Deputy CEO as President and CEO of CNAC
  - Announced intention to engage with Chinese authorities in order to approve an outline to launch a partial tender offer launch tender offer for Sanonda B-shares



# Financial Results



# Q2 2013 financial results



million \$	Q2'2013	Q2'2012	% Var
Sales	803.3	783.4	2.6%
Gross Profit	253.4 31.5%	254.6 32.5%	-0.5%
Operating Income	93.3 11.6%	100.8 12.9%	-7.4%
Income before Taxes	62.8	63.7	-1.5%
Net Income	48.2	42.0	14.7%
EBITDA	132.6 16.5%	136.1 17.4%	-2.5%



# H1 2013 financial results



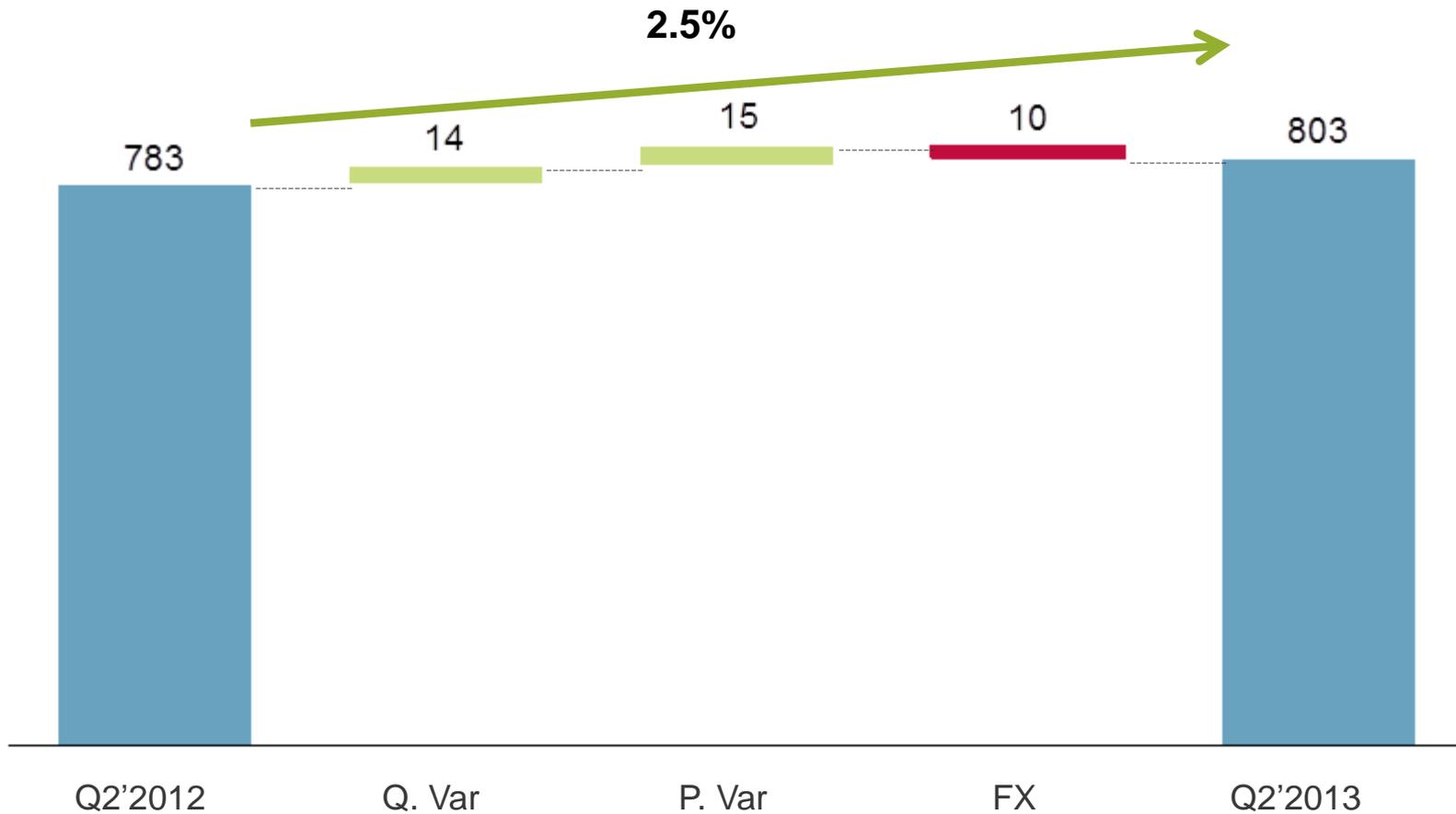
million \$	1-6'2013	1-6'2012	% Var
Sales	1,688.6	1,611.5	4.9%
Gross Profit	548.2	541.6	1.2%
	32.5%	33.6%	
Operating Income	224.4	225.8	-0.6%
	13.3%	14.0%	
Income before Taxes	165.6	165.3	0.2%
Net Income	138.4	131.3	5.4%
EBITDA	301.1	299.3	0.7%
	17.8%	18.6%	
Inventories	1,127.1	1,095.9	



# Sales bridge Q2 2013 vs. Q2 2012 (\$million)



Growth in constant currency – 3.8%

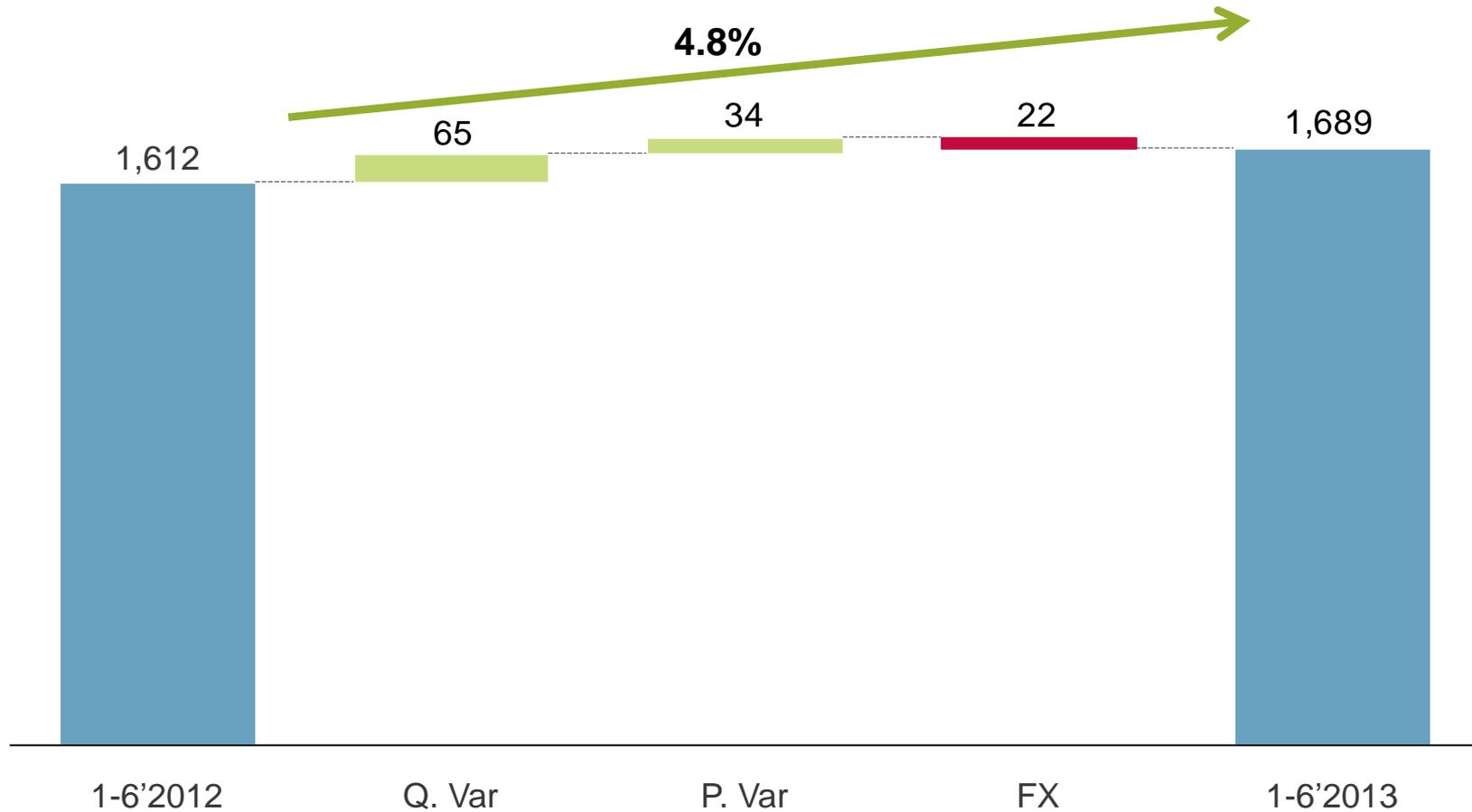




# Sales bridge H1 2013 vs. H1 2012 (\$million)



Growth in constant currency – 6.2%





# Regional sales analysis



## Americas

- Challenging weather conditions in the US
- Continued business advancement in Brazil and Canada

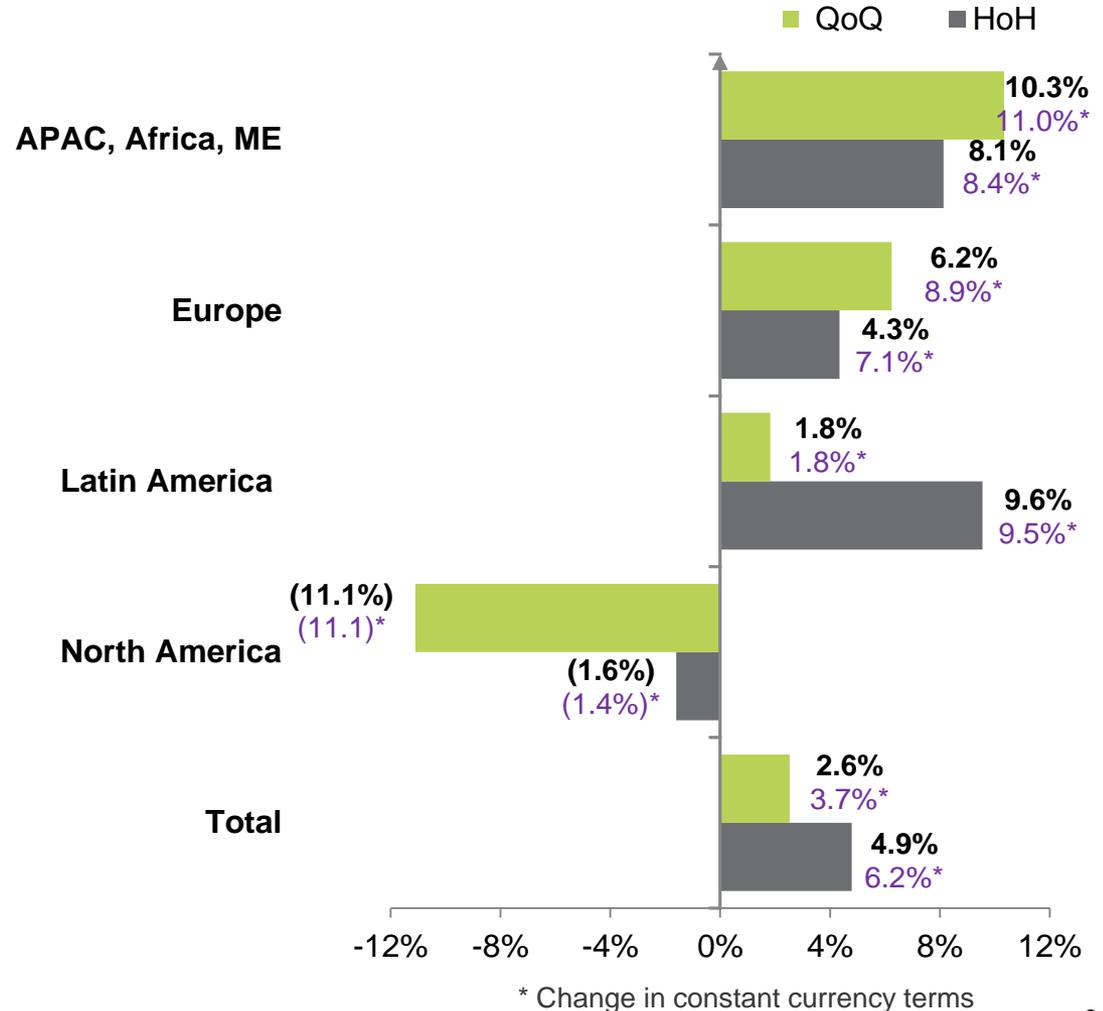
## APAC

- Regional growth despite negative exchange rate effect
- Improved weather conditions in Australia late in the quarter
- Improved weather conditions in India coupled with product launches supported sales growth

## Europe

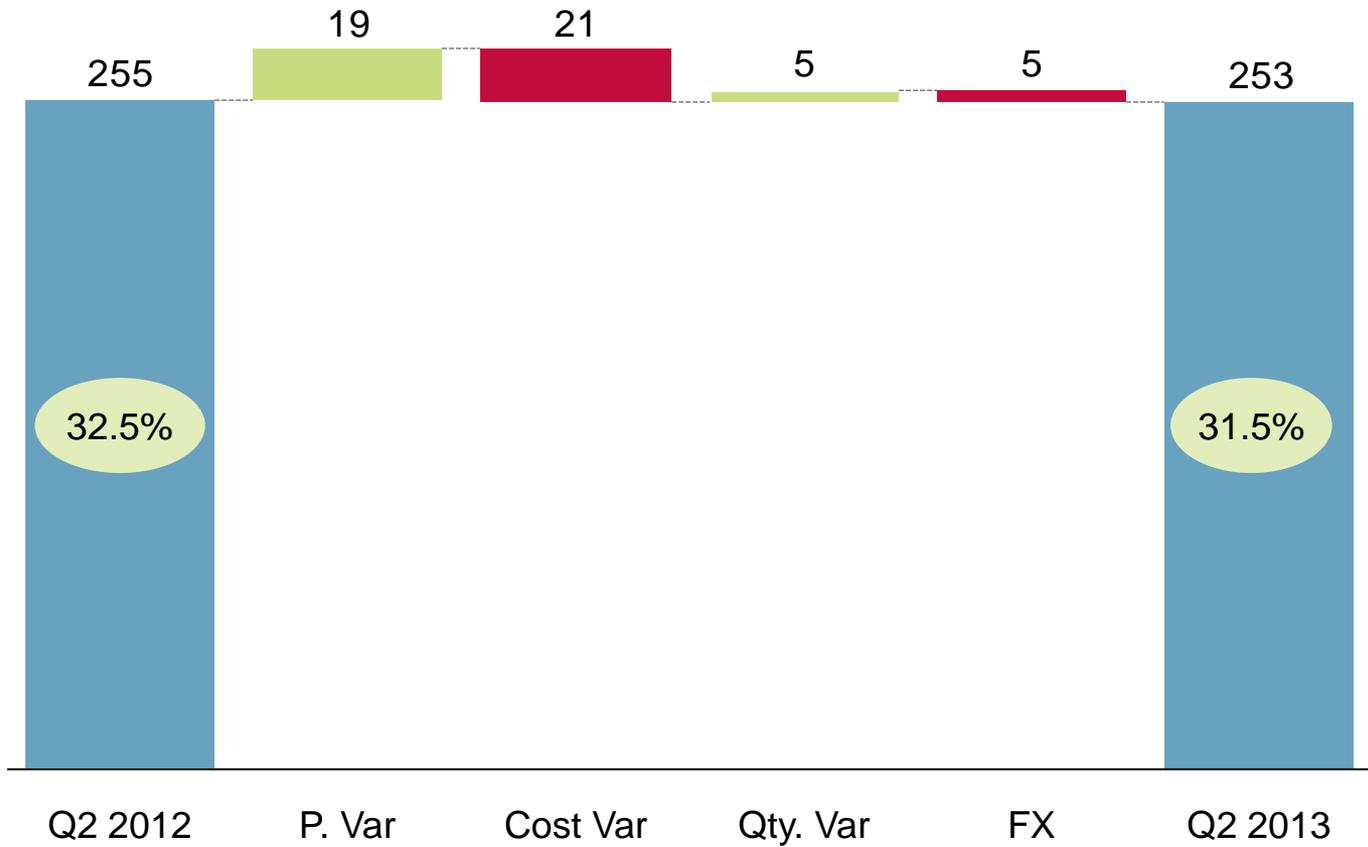
- Cold and wet weather conditions resulted in delay start to the season
- Sales growth driven by increase in selling prices and quantities sold

## Sales change by region - Based on USD sales



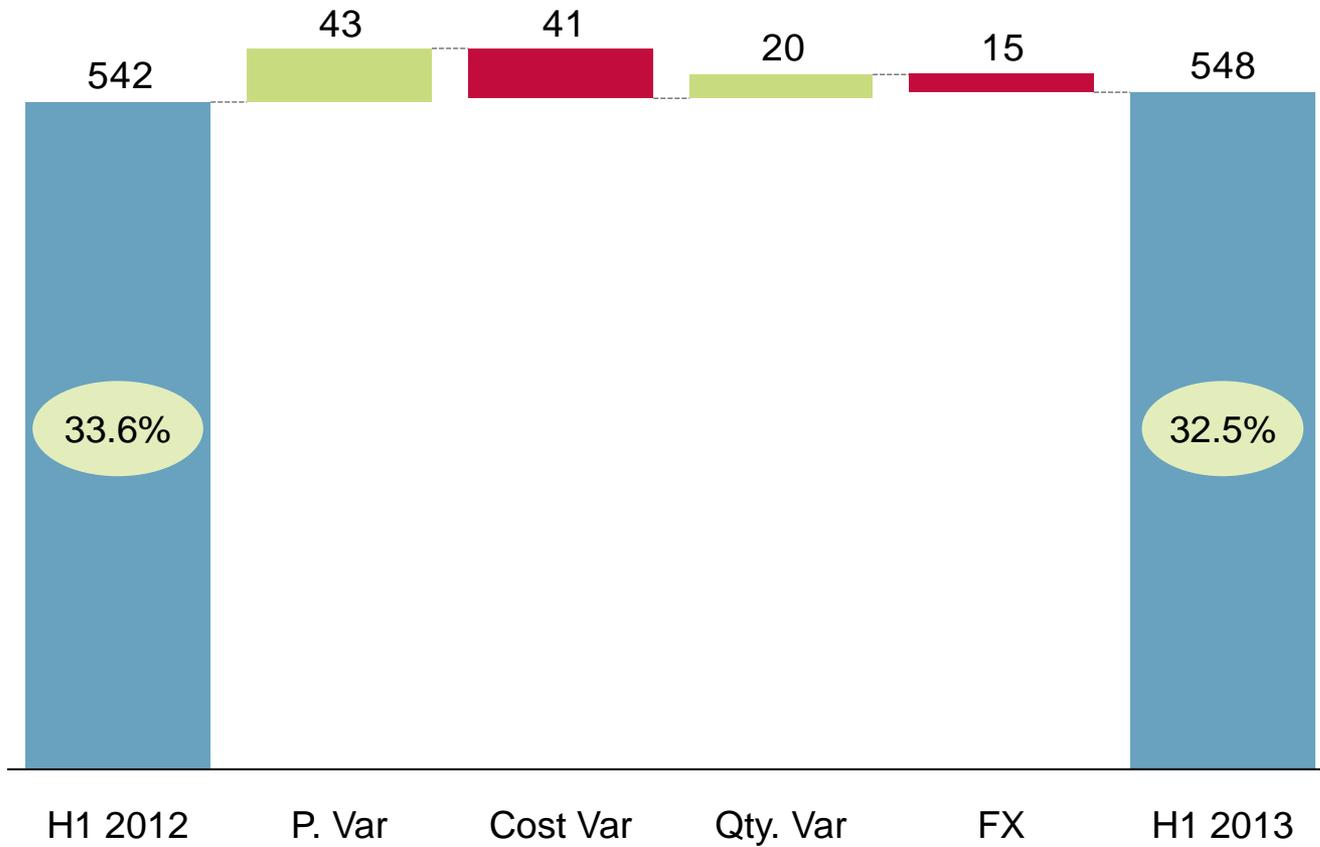


# GP analysis Q2 2013 vs. Q2 2012





# GP analysis H1 2013 vs. H1 2012





# Key Achievements



## Key achievements Q2 2013



1. Continued top line and bottom line growth despite major weather challenges in North America and currency erosion across regions
2. **97** new registrations obtained
3. Continued progress in portfolio differentiation
4. Market presence expansion through:
  - Acquisition of majority stake in ChileAgro
  - Creation of Servicidas de Colombia – a JV in Colombia
  - Establishment of a subsidiary in Lithuania – UAB Mabeno
5. Continuous progress achieved in relation to ChemChina integration process in China



**Thank you**