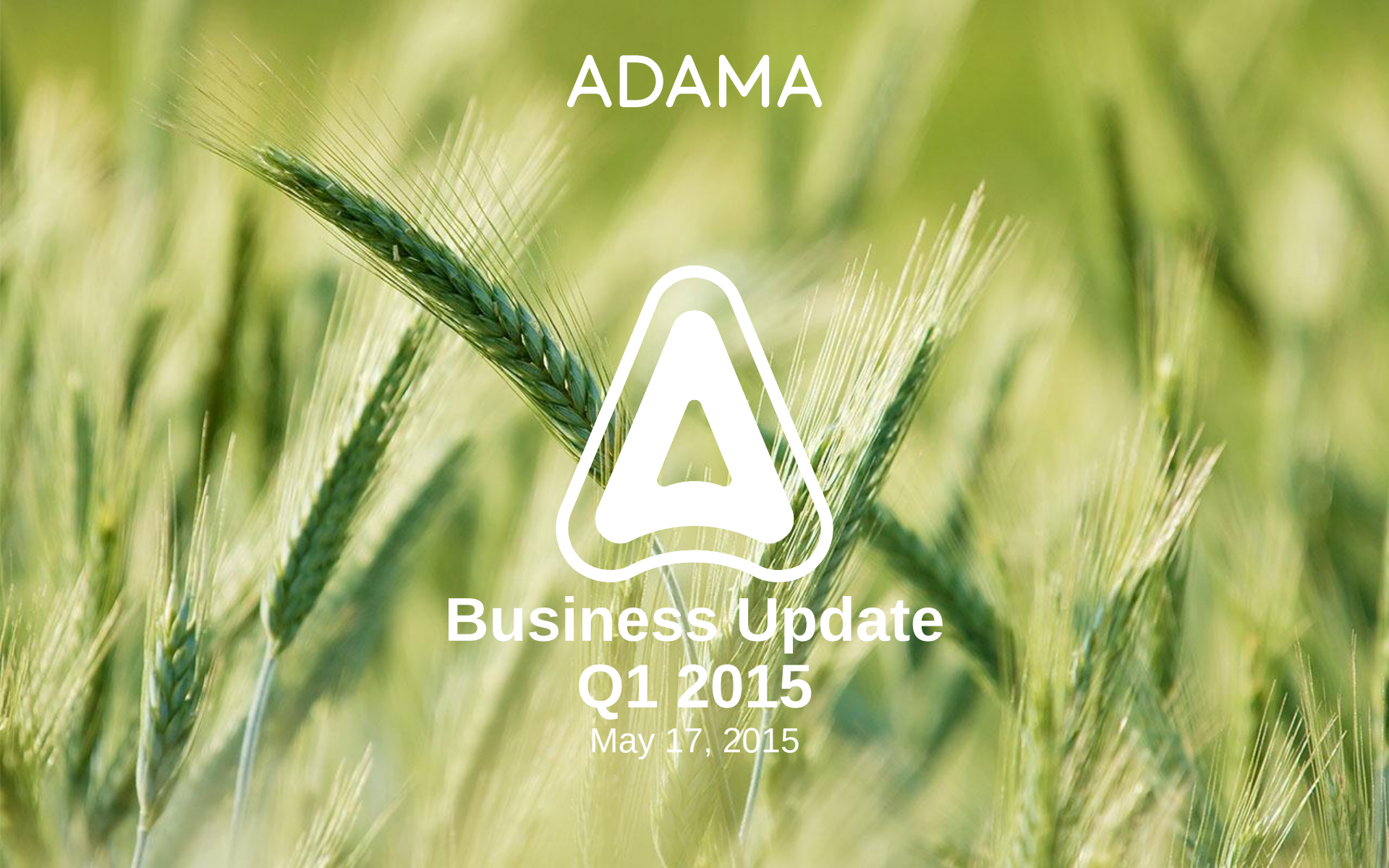

Business Update
Q1 2015

May 17, 2015

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Financial Highlights

Adjusted, ($ million)	Q1 2015	Q1 2014	Change
Sales	**866.7**	**909.7**	(4.7%)
Gross Profit	**294.8**	**313.1**	(5.8%)
As % of Sales	*34.0%*	*34.4%*	
Operating Expenses	169.3	182.4	(7.2%)
As % of Sales	*19.5%*	*20.1%*	
Operating Income (EBIT)	**125.5**	**130.7**	(3.9%)
As % of Sales	*14.5%*	*14.4%*	
Income before Taxes	115.1	105.8	+5.0%
As % of Sales	*13.3%*	*11.6%*	
Net Income	**94.4**	**98.7**	(4.4%)
As % of Sales	*10.9%*	*10.9%*	
EBITDA	**166.8**	**171.5**	(2.7%)
As % of Sales	*19.2%*	*18.8%*	

Note: In constant currency terms, sales grew by 0.4% in the first quarter. Income before taxes, and net income have been adjusted for one-time expenses.

Q1 2015 Business Highlights

Increase in sales in constant currencies

Increase in volumes of over 2% (versus declines of 5-7% for most peers)

Reported numbers impacted by major currency headwinds, partially mitigated by hedging

Growth and profit compare well against all larger and like-size peers in our sector

Focus on efficiency reduced manufacturing and sourcing costs

Benefits of lower oil prices and move to natural gas starting to make impact

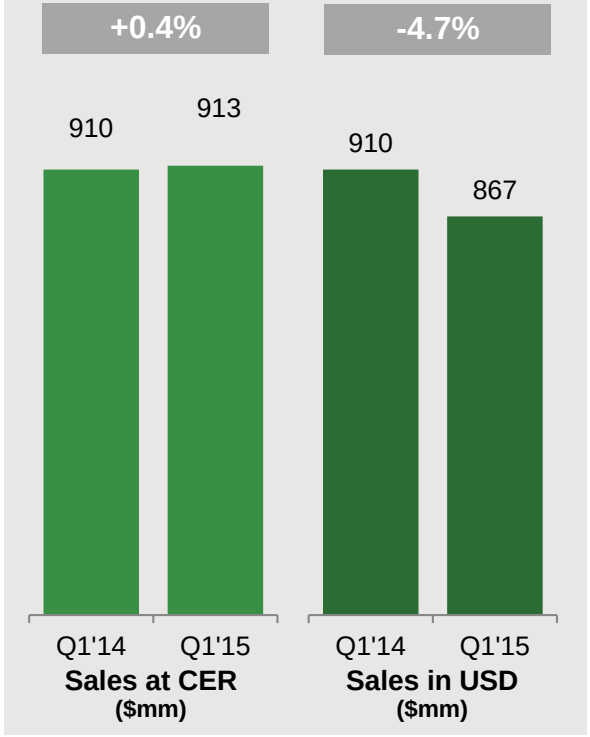
Reduction in Operating Expenses resulting from tight focus on operations and effect of currencies

Increase in operating profit and EBITDA margin, despite challenging Ag environment

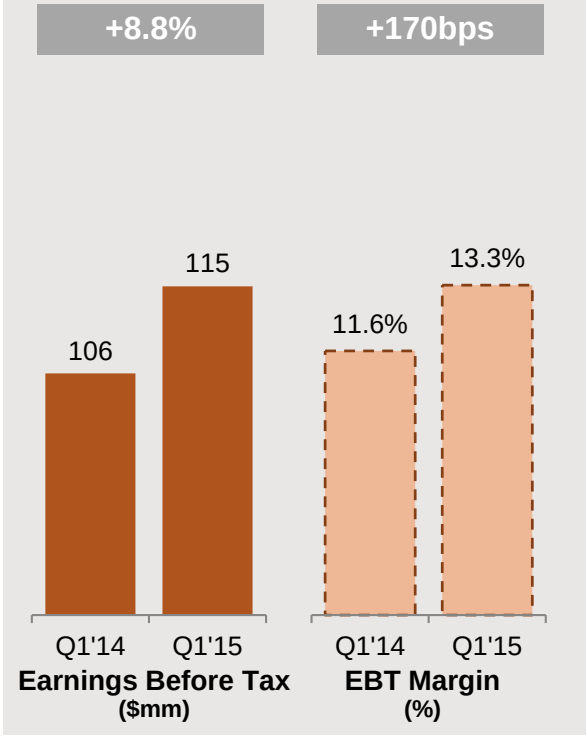
Significant improvement in Free Cash Flow, largely due to reduction of inventory and lower working capital

Growth in revenues at constant currencies, marked improvement in profitability

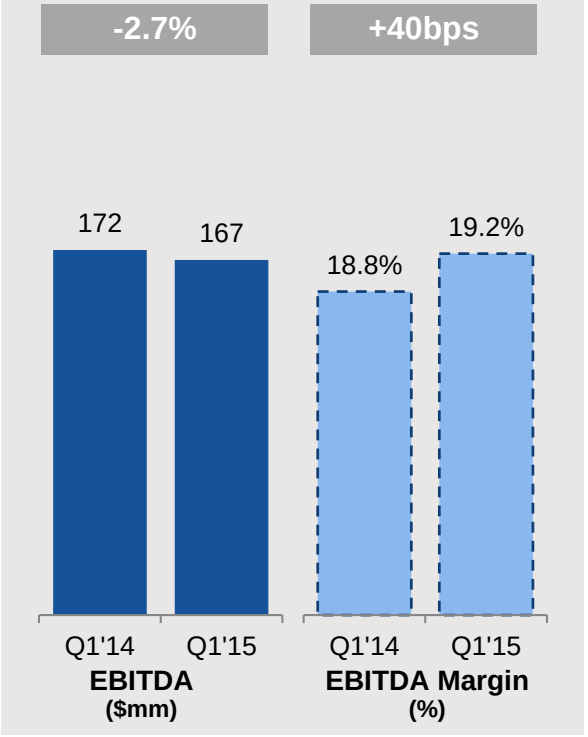
Sales +0.4% at CER



EBT margin up 170bps

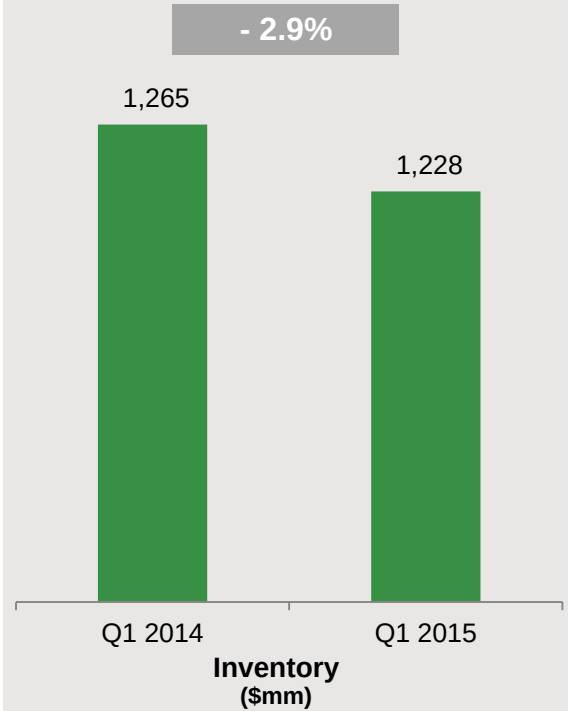


EBITDA margin up 40bps

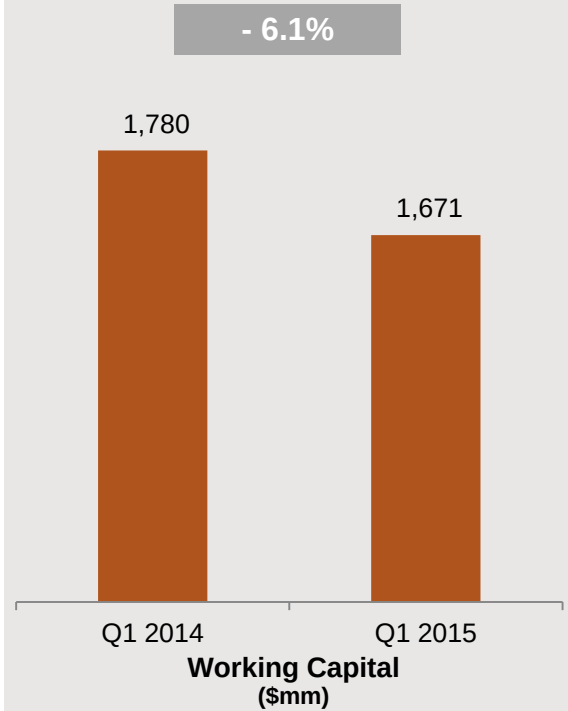


Strong inventory and working capital management contributing to significant improvement in free cash flow

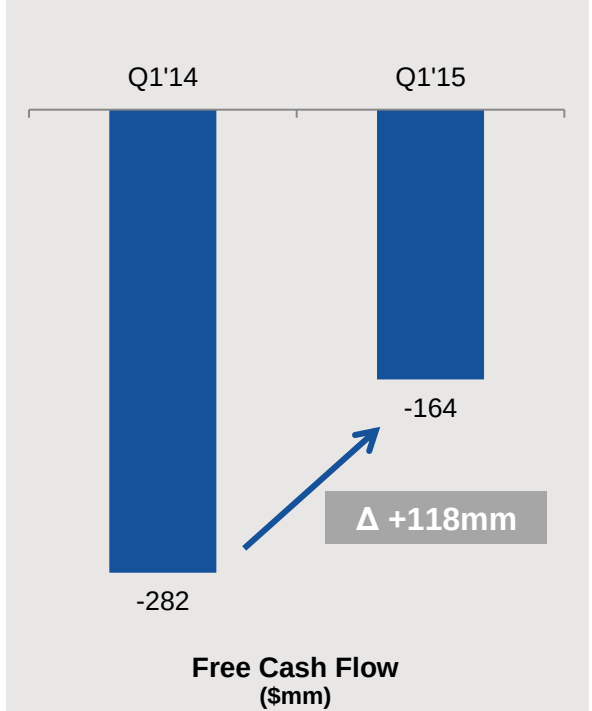
Inventory improvement $37mm



Working capital improvement $109mm

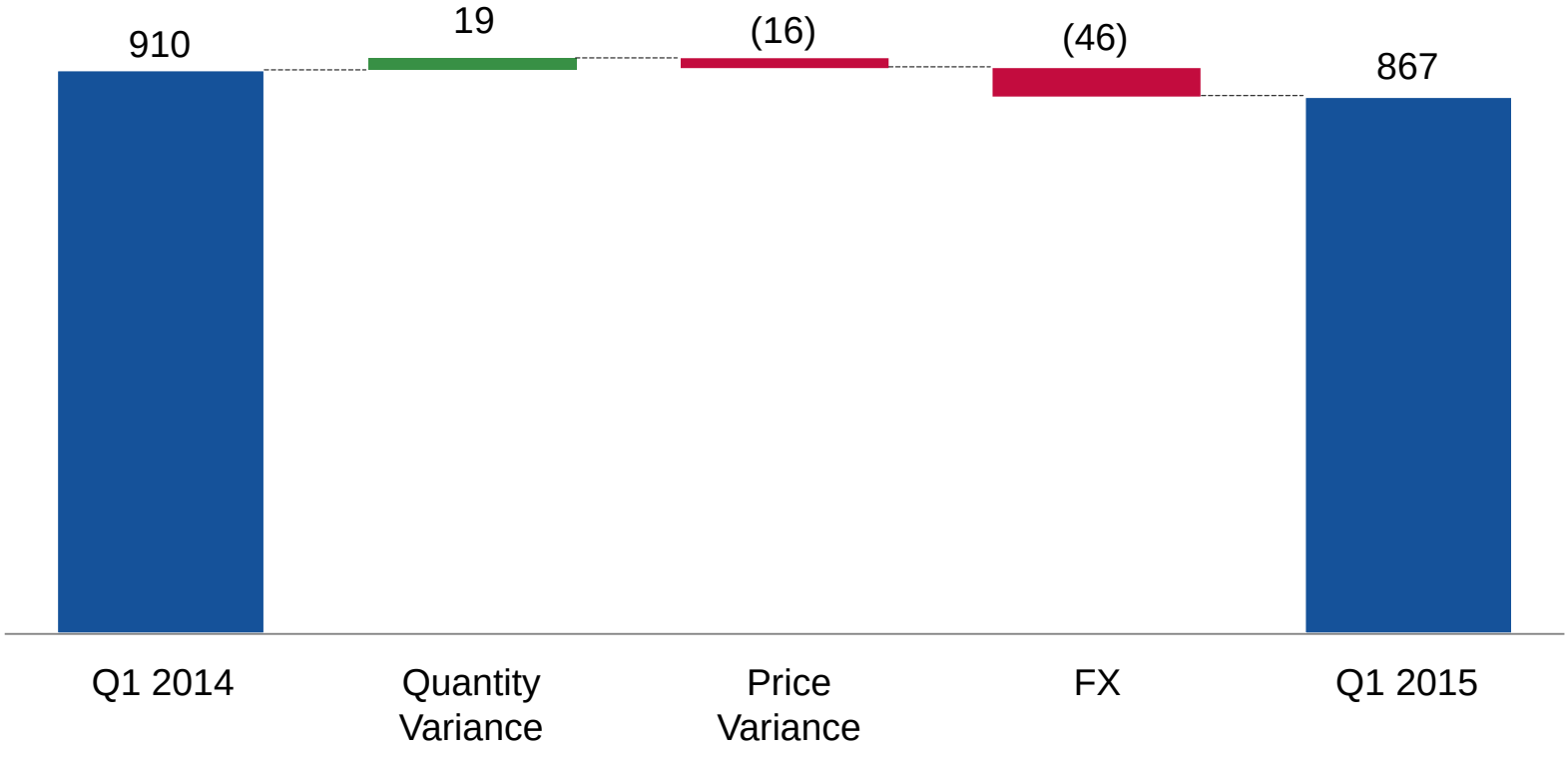


Free Cash Flow up $118m



Note: As of Q1 2015, receivables under the receivables financing facility are no longer reported on the Balance Sheet. To ensure comparability, the 2014 Q1 Working Capital in the above chart has been adjusted from the as-reported numbers to exclude the balance of receivables under the receivables financing facility.

Q1 Sales Bridge Analysis



Q1 Gross Profit Bridge Analysis

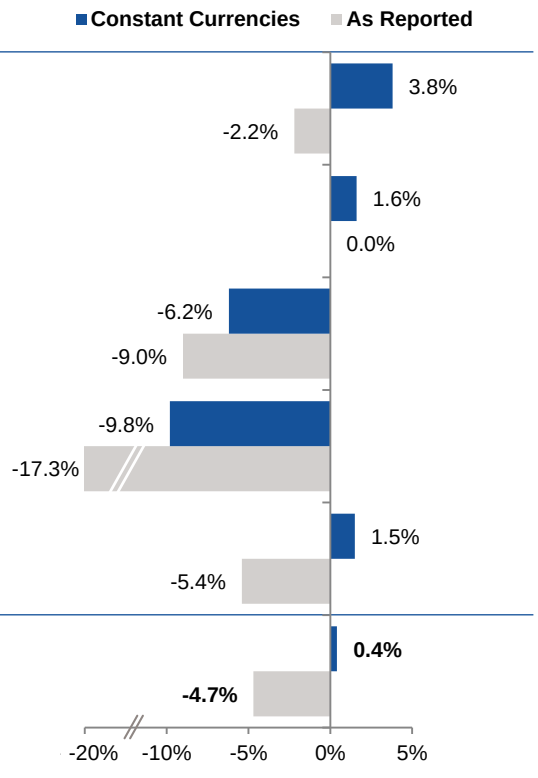


Regional Sales Performance

- **Europe**
  - Solid sales growth in local currency terms, driven by increase in quantities sold due to conducive weather conditions
- **North America**
  - Resilient performance given relatively late start to the season
- **Latin America**
  - Challenging quarter driven by Brazil, with sharp local currency fluctuations, and lower quantities
- **Asia Pacific**
  - Challenging quarter, especially in Thailand, reflected in lower quantities and prices
- **India, Middle East & Africa**
  - Solid sales growth in local currency terms, driven by increase in quantities sold offset by a decrease in South Africa due to drought

Sales change by region

Region	Sales	%
Europe	457	53%
North America	138	16%
Latin America	124	14%
Asia Pacific	78	9%
India, Middle East & Africa	70	8%
Total	**867**	**100%**

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