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Israel Corporation Ltd.

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The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

Immediate Report

The Event: ICL - Investor Presentation

Attached is an immediate report of Israel Chemicals Ltd.

The date when the event first became known to the corporation: February 15, 2017

Time: 13:20

Name of report authorized signatory and name of authorized signatory electronic signatory: Maya Alcheh-Kaplan

Position: Vice President, General Counsel and Company's Secretary

Signing Date: February 15, 2017

Name of Electronic Reporter: Maya Alcheh-Kaplan. Position: Vice President, General Counsel and Company's Secretary. Address: Aranha 23, Millennium Tower. Tel Aviv 61204. Phone – 03-6844517 Fax: 03-6844587.

E-mail: mayaak@israelcorp.com.



Q4 2016 Results

Asher Grinbaum | Acting CEO

February 15, 2017



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This presentation and/or other oral or written statements made by ICL during its presentation or from time to time, may contain forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and other applicable securities laws. Whenever words such as "believe," "expect," "anticipate," "intend," "plan," "estimate," "predict" or similar expressions are used, the Company is making forward-looking statements. Such forward-looking statements may include, but are not limited to, those that discuss strategies, goals, financial outlooks, corporate initiatives, existing or new products, existing or new markets, operating efficiencies, or other non-historical matters.

Because such statements deal with future events and are based on ICL's current expectations, they could be impacted or be subject to various risks and uncertainties, including those discussed in the "Risk Factors" section and elsewhere in our Annual Report on Form 20-F for the year ended December 31, 2015, and in subsequent filings with the Tel Aviv Securities Exchange (TASE) and/or the U.S. Securities and Exchange Commission (SEC). Therefore actual results, performance or achievements of the Company could differ materially from those described in or implied by such forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can provide no assurance that expectations will be achieved. Except as otherwise required by law, ICL disclaims any intention or obligation to update or revise any forward-looking statements, which speak only as of the date hereof, whether as a result of new information, future events or circumstances or otherwise. Readers, listeners and viewers are cautioned to consider these risks and uncertainties and to not place undue reliance on such information.

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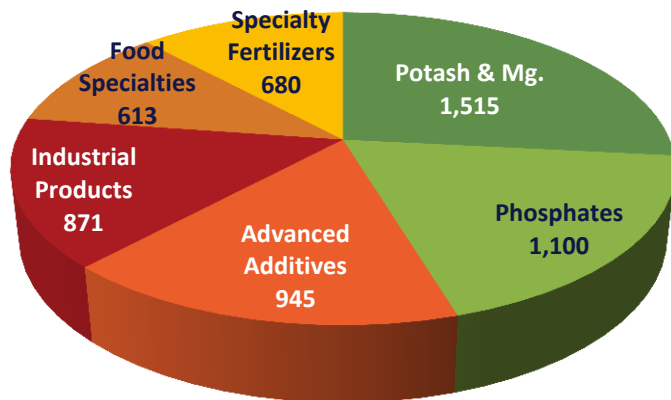
Included in this presentation are certain non-GAAP financial measures, such as Adjusted Operating income and Adjusted Net income, designed to complement the financial information presented in accordance with IFRS because management believes such measures are useful to investors. These non-GAAP financial measures should be considered only as supplemental to, and not superior to, financial measures provided in accordance with IFRS. Please refer to our Q4 2016 press release for the quarter ended December 31, 2016 for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with IFRS.

- Results supported by solid performance of ICL Specialty Solutions and record potash sales volumes
- ICL's internal efforts partially mitigated the challenging business environment
- Strong cash flow generation achieved by strict balance sheet management
- Continued focus on commercial and operational excellence, as well as cash flow generation to form a stronger and more resilient ICL

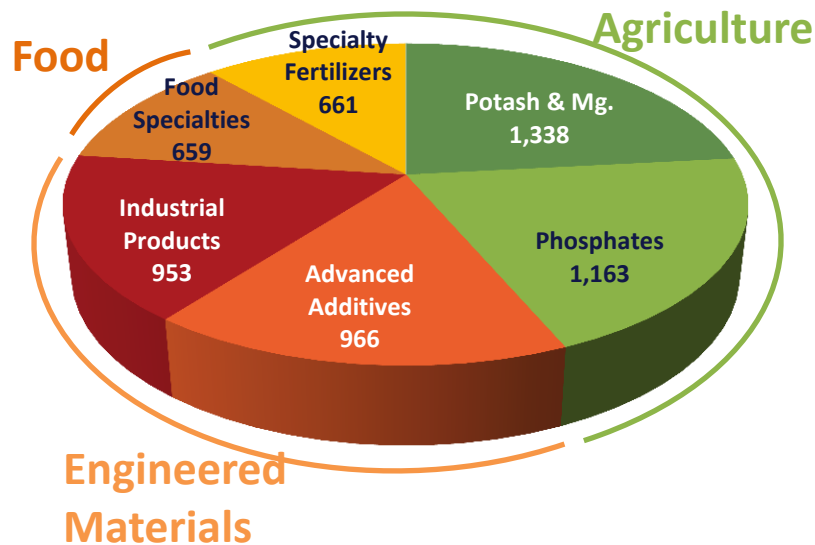
\$ millions	Q4 16	Q4 15	% change	FY2016	FY2015	% change
Sales	1,338	1,427	(6)%	5,363	5,405	(1)%
Net income	32	96	(67)%	(122)	509	(124)%
Adjusted net income	114	180	(37)%	451	699	(35)%
Operating cash flow	257	58	343%	966	573	69%
External potash sales (thousand tonnes)	1,632	1,397	17%	4,818	4,181	15%
Average potash selling price - FOB	202	268	(25)%	211	280	(25)%

See Q4 2016 press release for a reconciliation of Adjusted operating income to operating income and Adjusted net income to net income.

FY2015 Sales* (\$ million)



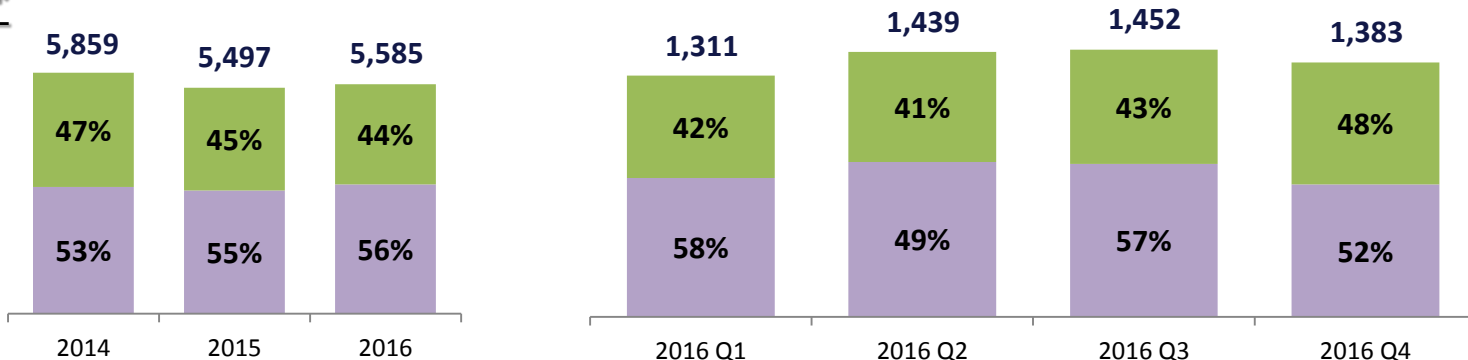
FY2016 Sales* (\$ million)



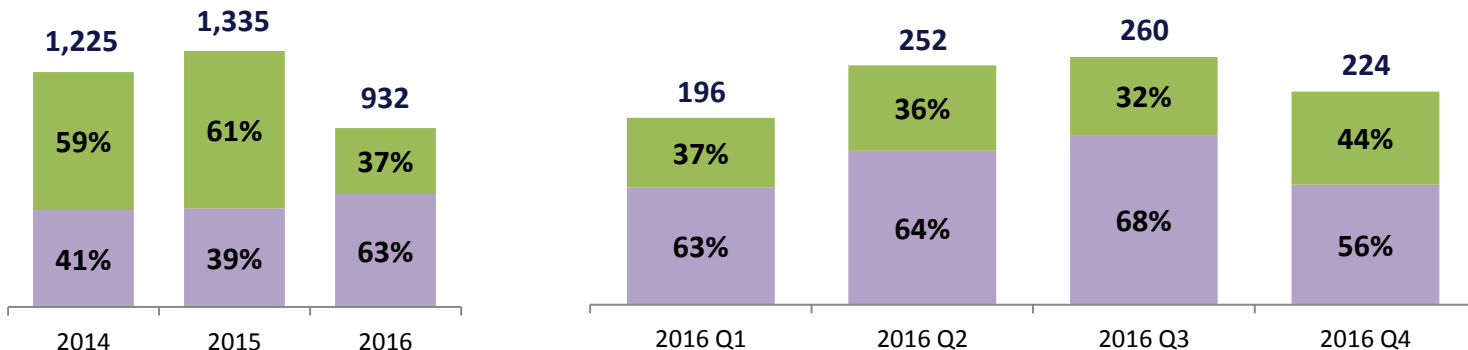
*Before elimination of inter-business lines' sales

Focus on Specialty Solutions Promoting Stability Despite Fertilizer Cycle

Sales (\$M)*



Divisional Operating Income (\$M)**



* Before elimination of inter-business lines' sales

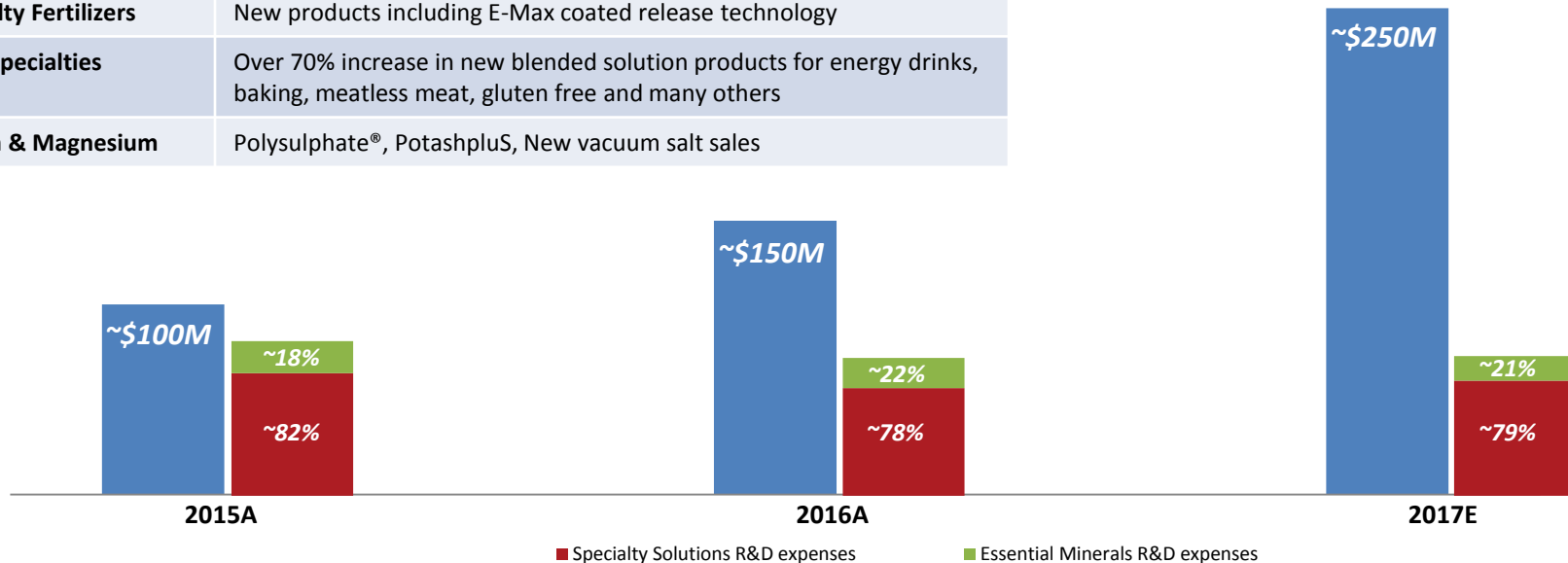
** Excluding G&A, unallocated expenses and eliminations

Specialty Solutions

Essential Minerals

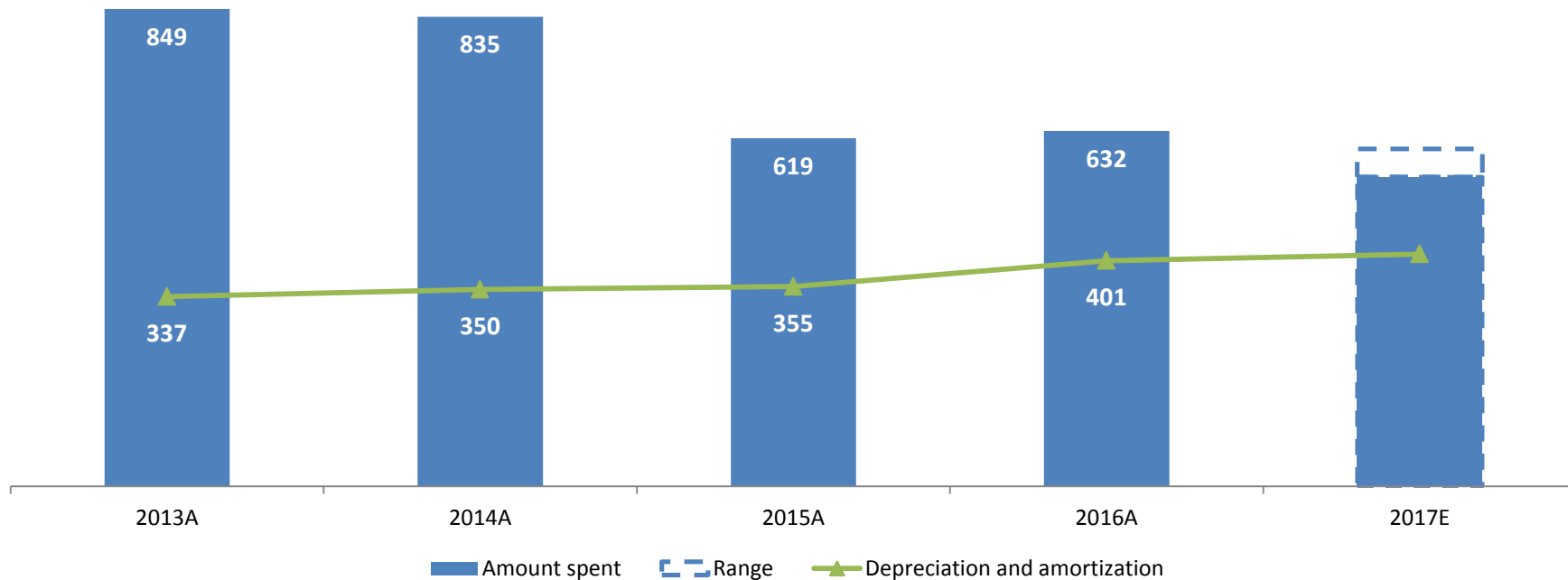
Annual sales of new products (\$M)

ICL Industrial Products	New polymeric flame retardants (FR-122P), FR-1410
ICL Specialty Fertilizers	New products including E-Max coated release technology
ICL Food Specialties	Over 70% increase in new blended solution products for energy drinks, baking, meatless meat, gluten free and many others
ICL Potash & Magnesium	Polysulphate®, Potashplus®, New vacuum salt sales



Annual R&D investment: ~\$70-80 million

CapEx* (\$M)



* Figures are based on the consolidated cash flow statement

2017 Main Challenges

Potash prices moderately recovering from trough levels, but are still low.

Continued price pressure in several parts of the phosphate value chain



Focus for 2017

**Continue
strengthening our
specialty businesses**

**Continue improving
our assets'
competitiveness**

**Continue improving
balance sheet
position**

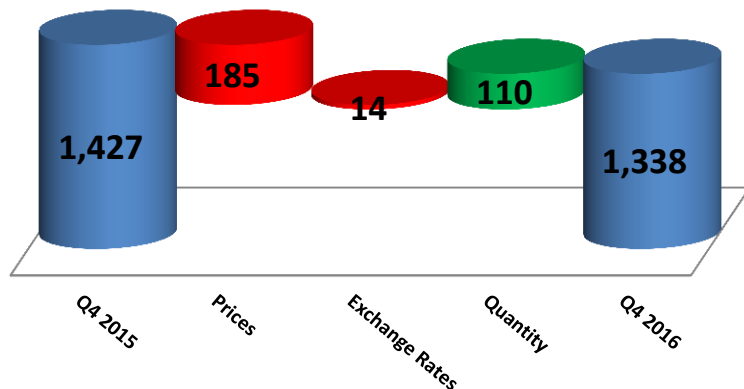
The background features several thick, curved lines in various colors including red, green, purple, orange, teal, and brown, which sweep across the frame. A solid dark blue horizontal band is positioned in the center, serving as a backdrop for the text.

Financial Results

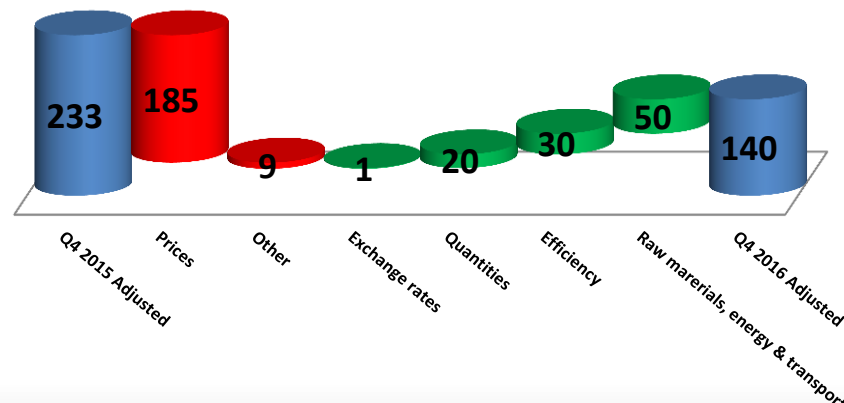
Kobi Altman
CFO

\$ millions	Q4 16	Q4 15	% change	2016FY	2015FY	% change
Sales	1,338	1,427	(6)%	5,363	5,405	(1)%
Adjusted operating income	140	233	(40)%	582	994	(41)%
Net income	32	96	(67)%	(122)	509	(124)%
Adjusted net income	114	180	(37)%	451	699	(35)%
Cash flow from operations	257	58	343%	966	573	67%
Capital Expenditures	138	150	(1)%	632	619	2%
Free cash flow	127	(89)	243%	346	(27)	1,381%

Q4 2016 Sales (\$M)



Q4 2016 Adjusted operating income (\$M)



Specialty Solutions

\$ million	Q4 2016	Q4 2015	FY2016	FY2015
Sales*	720	723	3,148	2,997
Division O/I**	126	113	589	514

- Sequential and year over year operating margin expansion in **ICL Industrial Products** supported by **improved portfolio** and **cost efficiencies**
- Solid performance and operating margin improvement in **ICL Advanced Additives** continued despite pricing pressure in several markets
- Dairy protein and new products sales drove improvement in **ICL Food Specialties'** operating margins despite continued competitiveness in the phosphate base business
- ICL Specialty Fertilizers** impacted by competitive pressure due to commodity price decrease, adverse weather conditions and low crop prices

Essential Minerals

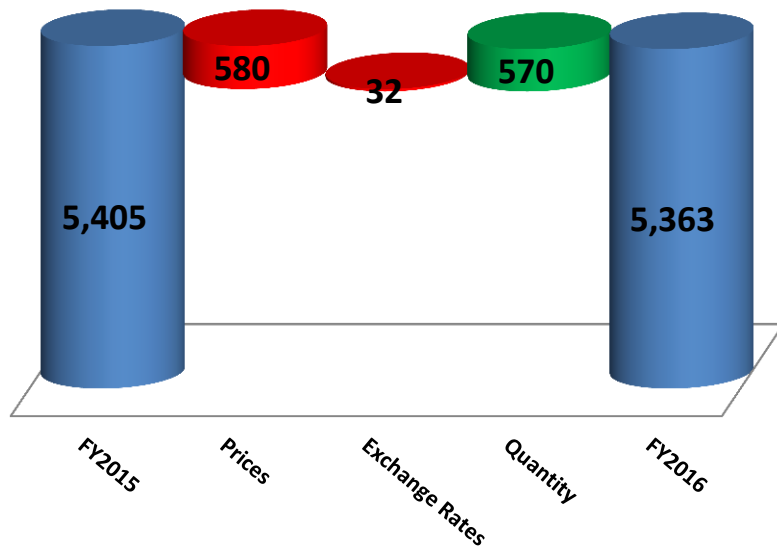
\$ million	Q4 2016	Q4 2015	FY2016	FY2015
Sales*	663	752	2,437	2,500
Division O/I**	98	227	343	821

- Record quarterly potash volumes**, supported by strong sales to China and Brazil, highlight our logistical advantages enhanced by operational excellence initiatives
- Record potash production** at ICL Dead Sea in 2016 driven by operational efficiency measures.
- ICL's Potash competitiveness** continued to improve with year-on-year and sequential decline in cost per tonne
- Phosphate performance negatively impacted by challenging** market environment as prices continued to decline
- Lower phosphate production in China and higher raw material prices have recently led to **price stabilization** and moderate recovery.

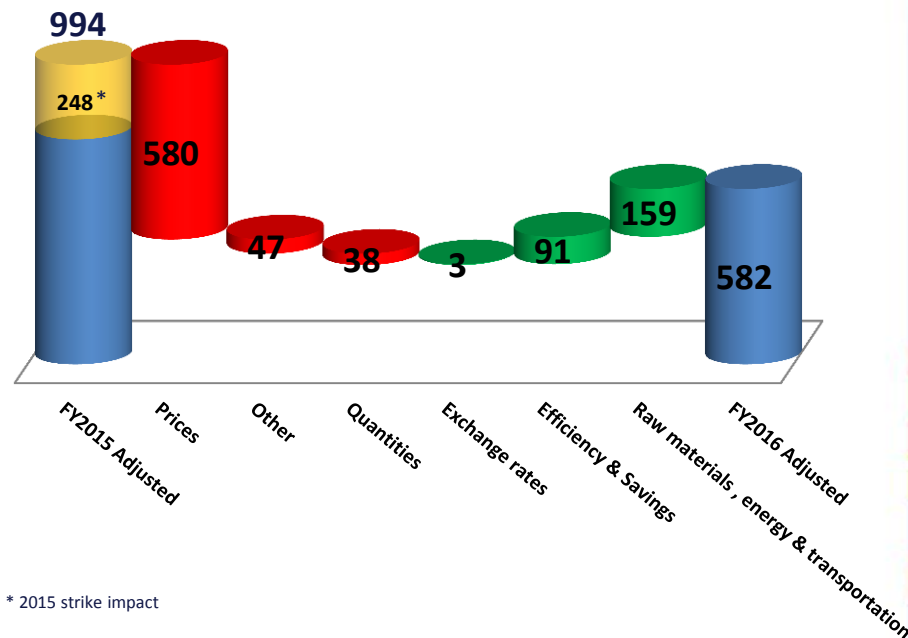
* Including inter-business lines' sales

** Excluding G&A, unallocated expenses and eliminations

FY2016 Sales (\$M)

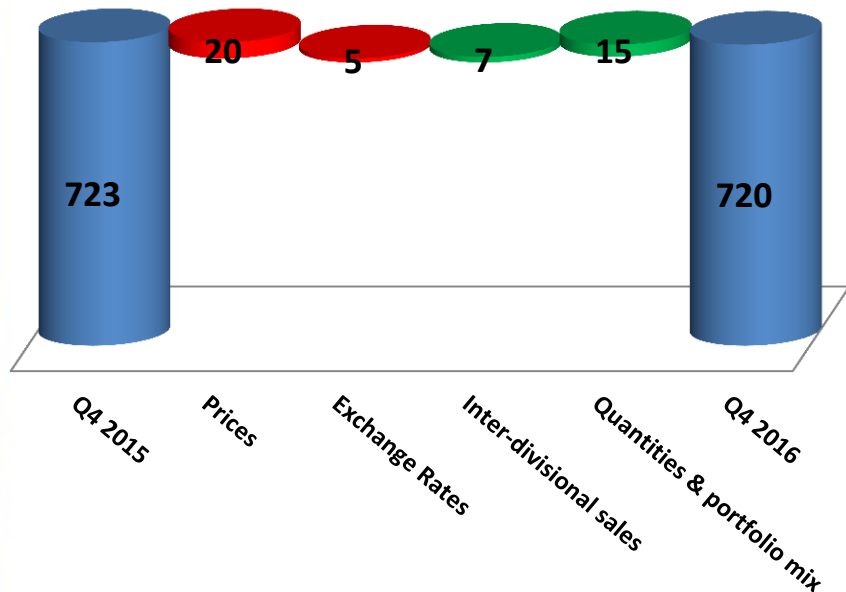


FY2016 Adjusted operating income (\$M)

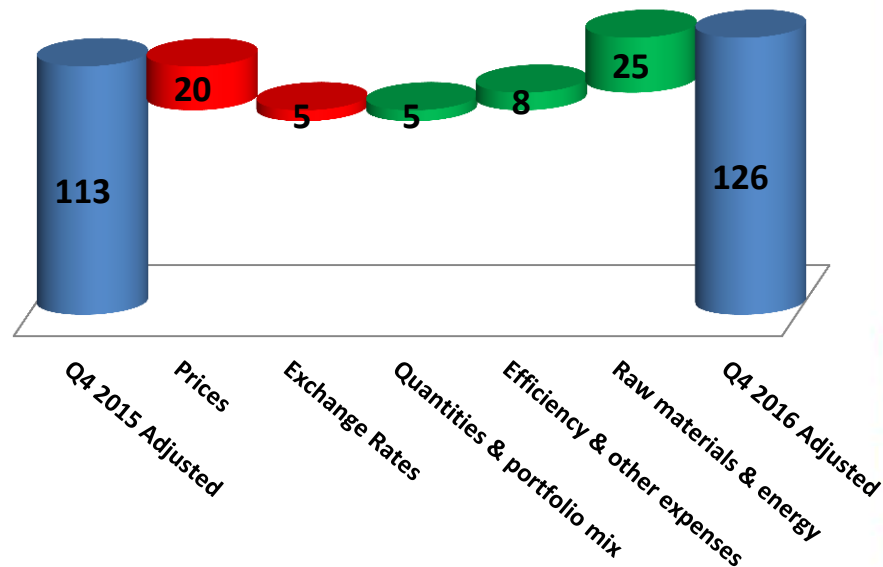


* 2015 strike impact

Sales (\$M)



Adjusted operating income (\$M)

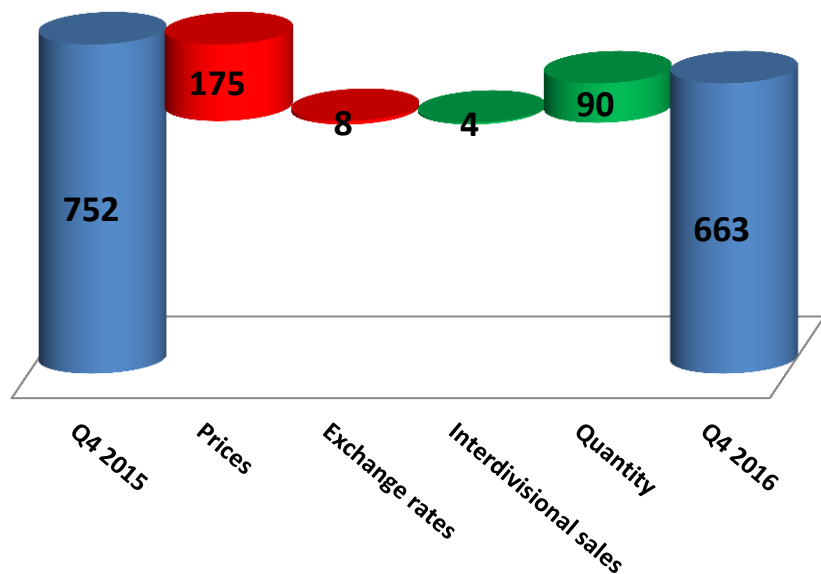


Excluding G&A and unallocated expenses

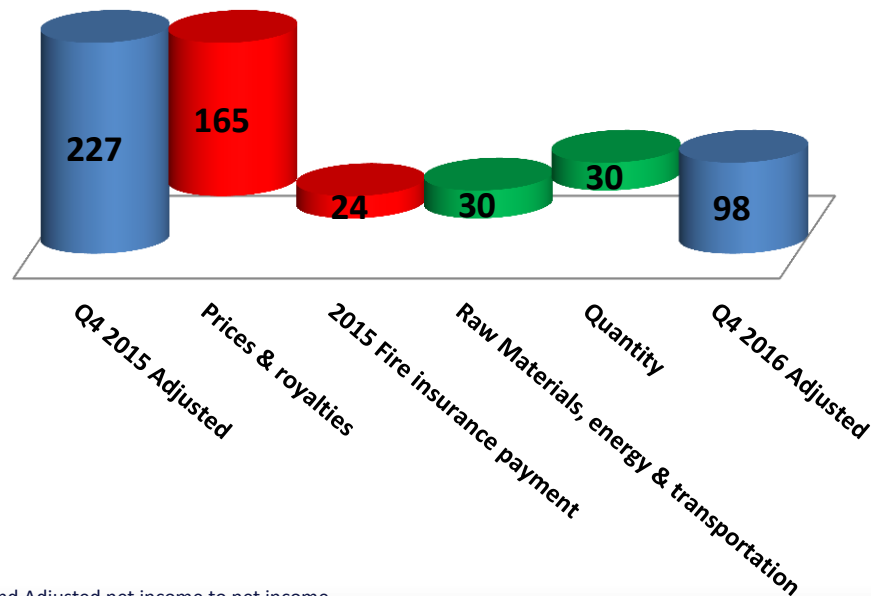
See Q4 2016 financial reports for a reconciliation of Adjusted operating income to operating income and Adjusted net income to net income.

Numbers may not add due to rounding and set offs

Sales (\$M)



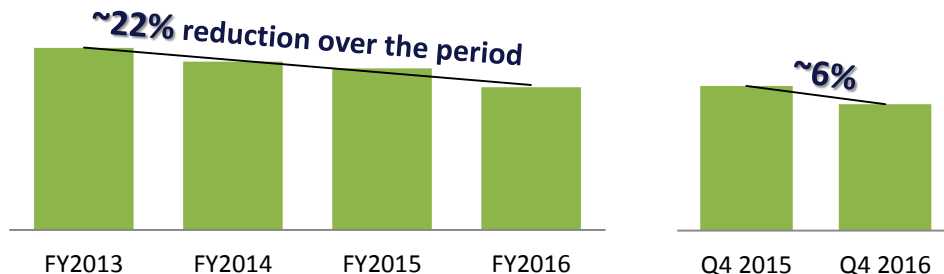
Adjusted operating income (\$M)



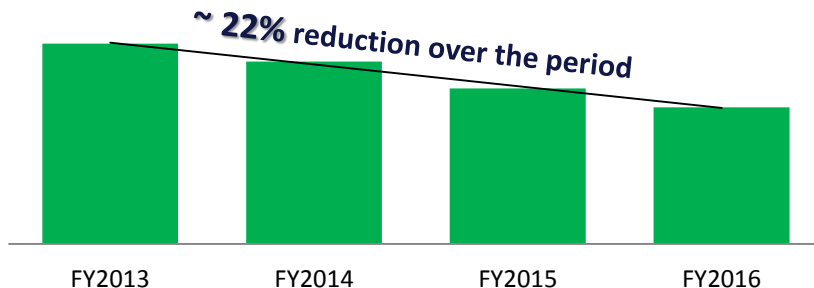
Excluding G&A and unallocated expenses

See Q4 2016 financial reports for a reconciliation of Adjusted operating income to operating income and Adjusted net income to net income.

Potash average realized full cost per tonne sold



Green phosphoric Acid Cost \$/tonne FOB

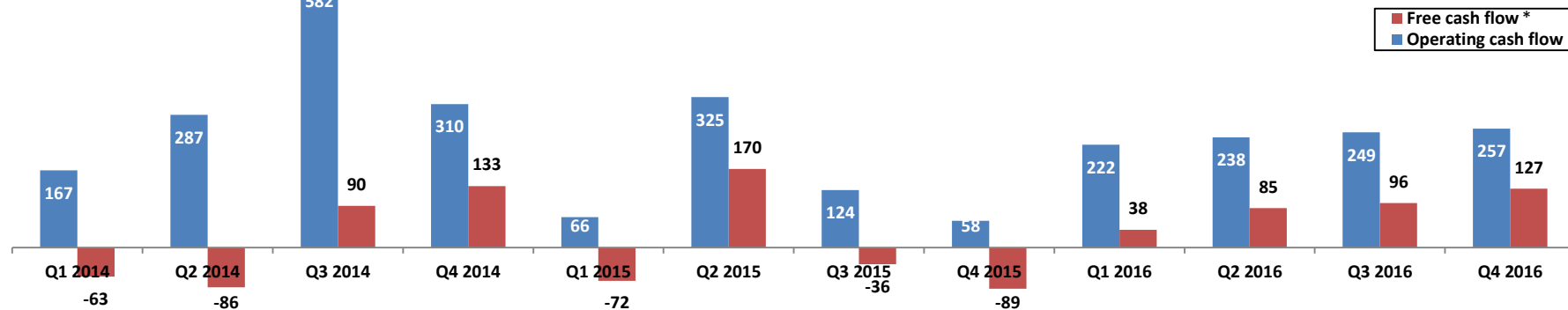


**2017 Efficiency and Value Creation Target:
~\$100 million**

- ✓ **Mineral asset competitiveness**
- ✓ **Balance sheet position improvement**
- ✓ **Specialty businesses commercial excellence**

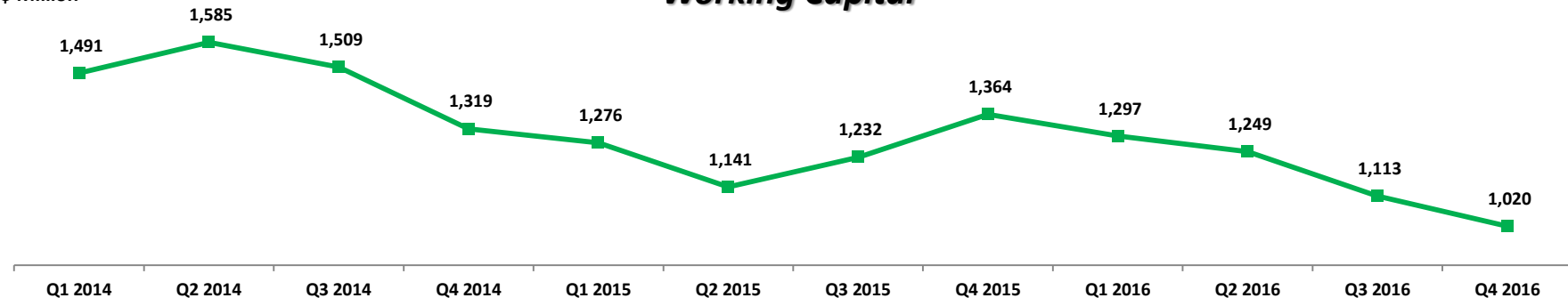
\$ Million

Cash Flow



\$ Million

Working Capital

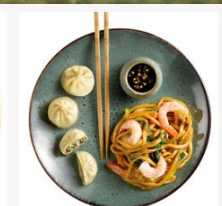


The background features several thick, curved lines in various colors including red, green, purple, orange, teal, and brown, which sweep across the frame. A solid dark blue horizontal band is positioned in the center, serving as a backdrop for the text. The overall aesthetic is modern and graphic.

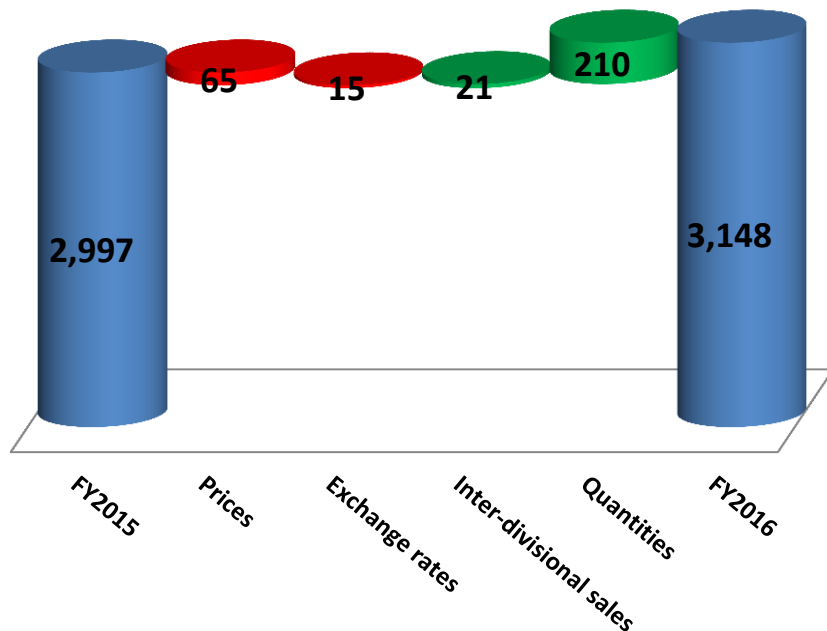
Thank You

The background features several thick, curved lines in various colors including red, green, purple, orange, teal, and brown, which sweep across the frame. A solid dark blue horizontal band is positioned in the center, serving as a backdrop for the text. The overall aesthetic is modern and graphic.

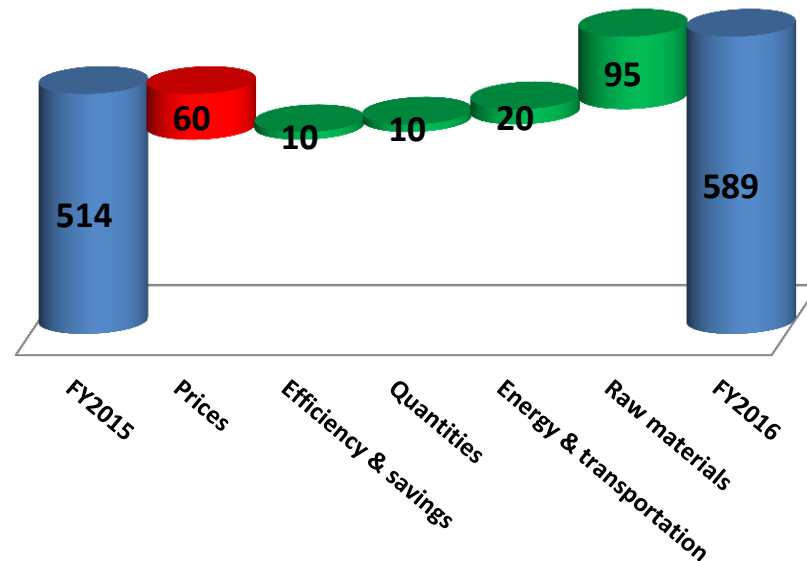
Appendix



Sales (\$M)



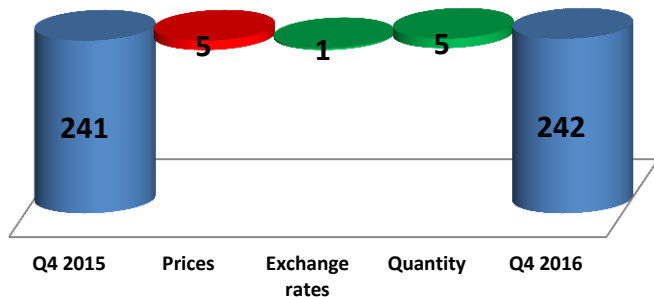
Adjusted operating income (\$M)



Excluding G&A and unallocated expenses

See Q4 2016 financial reports for a reconciliation of Adjusted operating income to operating income and Adjusted net income to net income.

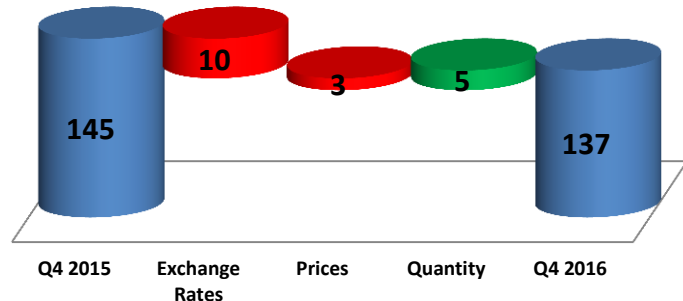
Industrial Products



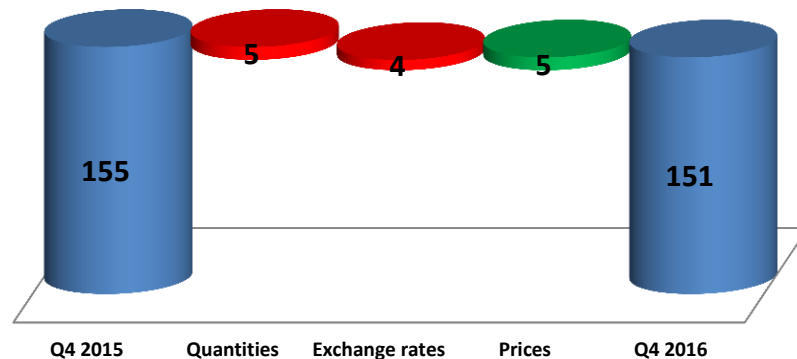
Advanced Additives

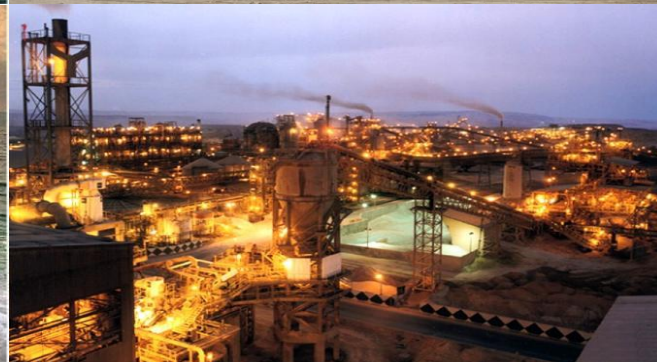


Specialty Fertilizers

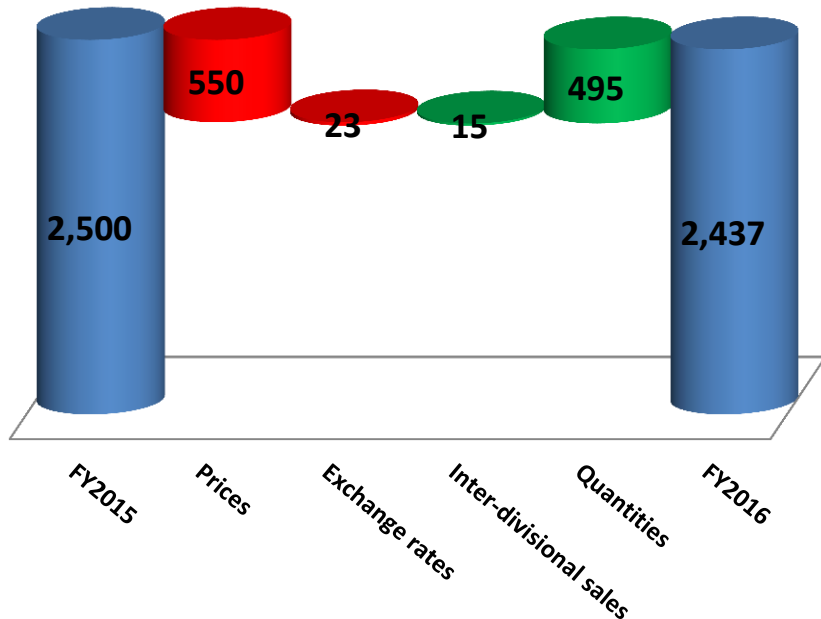


Food Specialties

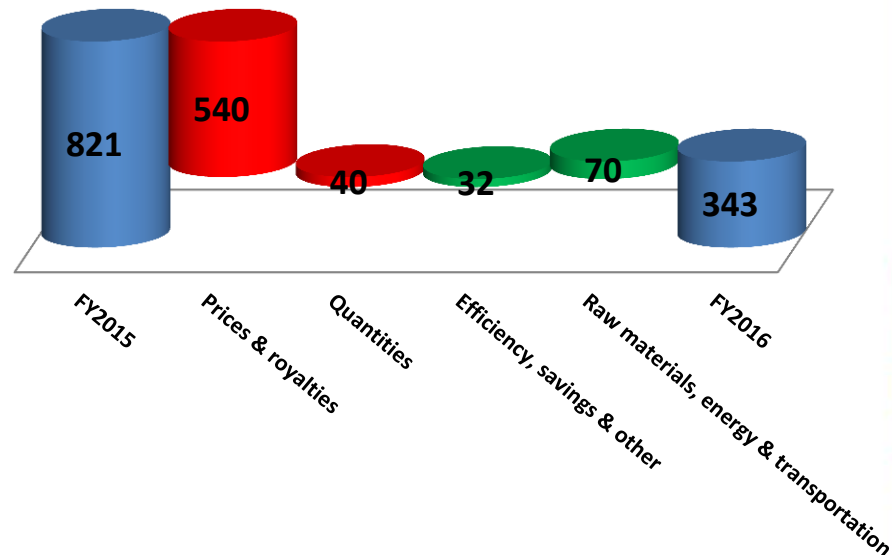




Sales (\$M)



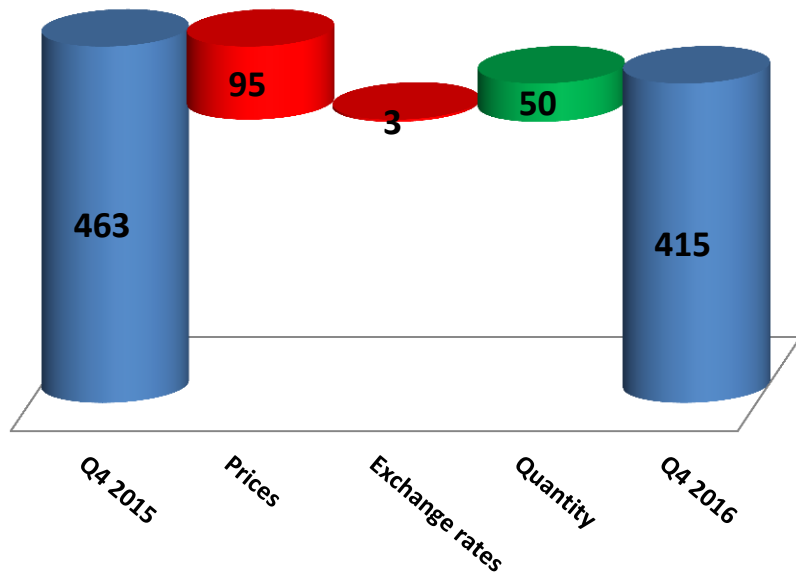
Adjusted operating income (\$M)



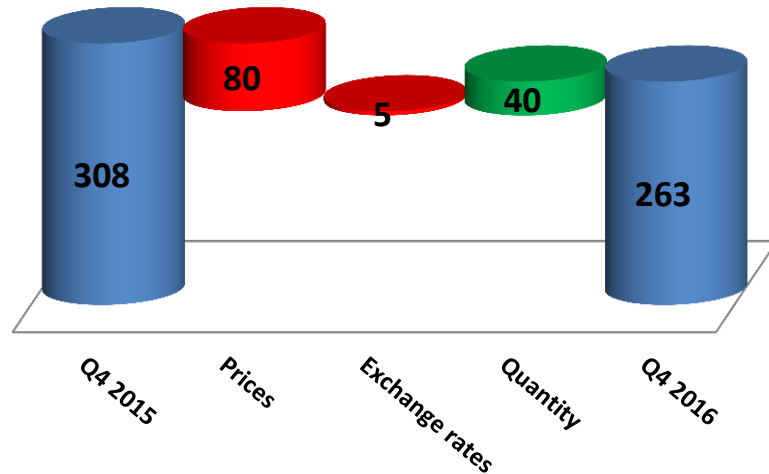
Excluding G&A and unallocated expenses

See Q4 2016 financial reports for a reconciliation of Adjusted operating income to operating income and Adjusted net income to net income.

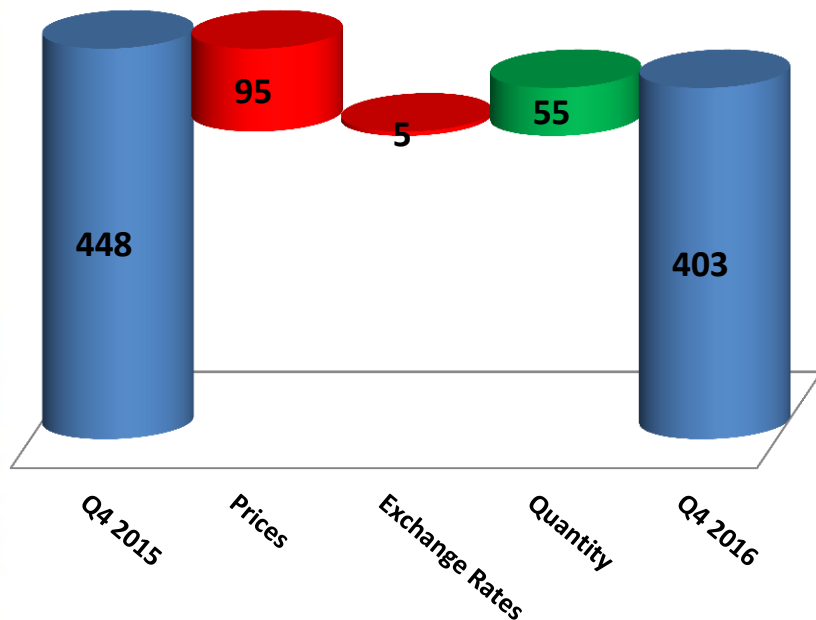
Potash & Magnesium (\$M)



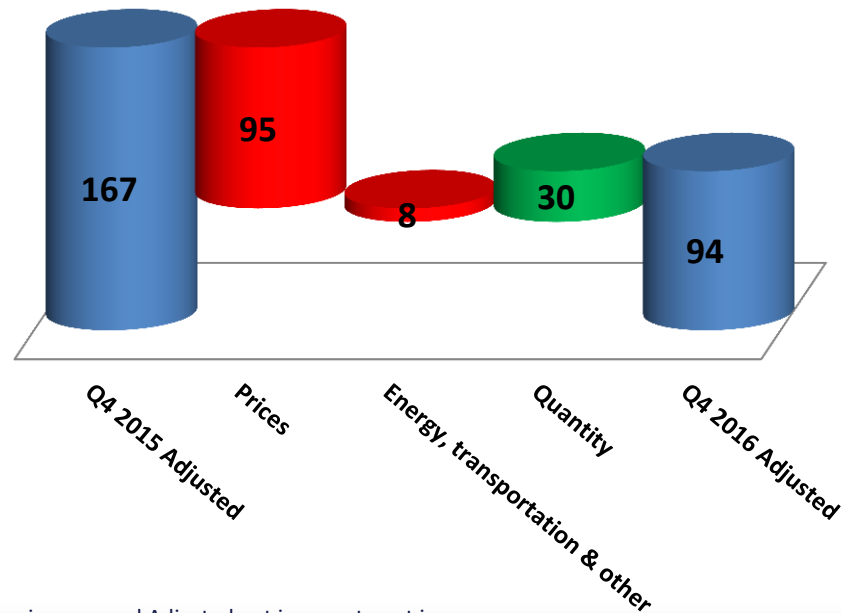
Phosphates (\$M)



Sales (\$M)



Adjusted operating income (\$M)



Excluding G&A and unallocated expenses

See Q4 2016 financial reports for a reconciliation of Adjusted operating income to operating income and Adjusted net income to net income.