

FMC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS)
(Unaudited, in millions, except per share amounts)

	Three Months Ended March 31,	
	2020	2019
Revenue	\$ 1,250.0	\$ 1,192.1
Costs of sales and services	688.5	647.4
Gross margin	\$ 561.5	\$ 544.7
Selling, general and administrative expenses	189.4	183.9
Research and development expenses	67.3	71.2
Restructuring and other charges (income)	13.4	7.8
Total costs and expenses	\$ 958.6	\$ 910.3
Income from continuing operations before non-operating pension and postretirement charges (income), interest expense, net and income taxes	\$ 291.4	\$ 281.8
Non-operating pension and postretirement charges (income)	2.2	3.4
Interest expense, net	40.8	34.5
Income (loss) from continuing operations before income taxes	\$ 248.4	\$ 243.9
Provision (benefit) for income taxes	34.7	36.3
Income (loss) from continuing operations	\$ 213.7	\$ 207.6
Discontinued operations, net of income taxes	(7.5)	9.6
Net income (loss)	\$ 206.2	\$ 217.2
Less: Net income (loss) attributable to noncontrolling interests	—	1.5
Net income (loss) attributable to FMC stockholders	\$ 206.2	\$ 215.7
Amounts attributable to FMC stockholders:		
Income (loss) from continuing operations	\$ 213.7	\$ 206.1
Discontinued operations, net of tax	(7.5)	9.6
Net income (loss)	\$ 206.2	\$ 215.7
Basic earnings (loss) per common share attributable to FMC stockholders:		
Continuing operations	\$ 1.65	\$ 1.56
Discontinued operations	(0.06)	0.07
Basic earnings per common share	\$ 1.59	\$ 1.63
Average number of shares outstanding used in basic earnings per share computations	129.5	131.9
Diluted earnings (loss) per common share attributable to FMC stockholders:		
Continuing operations	\$ 1.64	\$ 1.55
Discontinued operations	(0.06)	0.07
Diluted earnings per common share	\$ 1.58	\$ 1.62
Average number of shares outstanding used in diluted earnings per share computations	130.5	133.2
Other Data:		
Capital additions and other investing activities	\$ 24.6	\$ 20.8
Depreciation and amortization expense	39.1	37.3

FMC CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

**RECONCILIATION OF NET INCOME (LOSS) ATTRIBUTABLE TO FMC STOCKHOLDERS (GAAP) TO
ADJUSTED AFTER-TAX EARNINGS FROM CONTINUING OPERATIONS, ATTRIBUTABLE TO FMC
STOCKHOLDERS (NON-GAAP)**

(Unaudited, in millions, except per share amounts)

	Three Months Ended March 31,	
	2020	2019
Net income (loss) attributable to FMC stockholders (GAAP)	\$ 206.2	\$ 215.7
Corporate special charges (income):		
Restructuring and other charges (income) ^(a)	13.4	7.8
Non-operating pension and postretirement charges (income) ^(b)	2.2	3.4
Transaction-related charges ^(c)	13.0	16.5
Income tax expense (benefit) on Corporate special charges (income) ^(d)	(4.9)	(5.7)
Discontinued operations attributable to FMC stockholders, net of income taxes ^(e)	7.5	(9.6)
Tax adjustment ^(f)	2.2	1.2
Adjusted after-tax earnings from continuing operations attributable to FMC stockholders (Non-GAAP) ⁽¹⁾	\$ 239.6	\$ 229.3
Diluted earnings per common share (GAAP)	\$ 1.58	\$ 1.62
Corporate special charges (income) per diluted share, before tax:		
Restructuring and other charges (income)	0.10	0.06
Non-operating pension and postretirement charges (income)	0.02	0.03
Transaction-related charges	0.10	0.11
Income tax expense (benefit) on Corporate special charges (income), per diluted share	(0.04)	(0.04)
Discontinued operations attributable to FMC stockholders, net of income taxes per diluted share	0.06	(0.07)
Tax adjustments per diluted share	0.02	0.01
Diluted adjusted after-tax earnings from continuing operations per share, attributable to FMC stockholders (Non-GAAP)	\$ 1.84	\$ 1.72
Average number of shares outstanding used in diluted adjusted after-tax earnings from continuing operations per share computations	130.5	133.2

(1) The Company believes that the Non-GAAP financial measure “Adjusted after-tax earnings from continuing operations attributable to FMC stockholders” and its presentation on a per share basis provides useful information about the Company’s operating results to management, investors, and securities analysts. Adjusted earnings excludes the effects of corporate special charges, tax-related adjustments and the results of our discontinued operations. The Company also believes that excluding the effects of these items from operating results allows management and investors to compare more easily the financial performance of its underlying business from period to period.

(a) **Three Months Ended March 31, 2020:**

Restructuring and other charges (income) is comprised of charges associated with the continued integration of the DuPont Crop Protection Business. These charges include severance, accelerated depreciation on certain fixed assets, and other costs (benefits) of \$7.0 million. The remaining restructuring and other charges (income) primarily includes charges of environmental sites of \$6.4 million.

Three Months Ended March 31, 2019:

Restructuring and other charges (income) is primarily comprised of charges associated with the integration of the DuPont Crop Protection Business. These charges include severance, accelerated depreciation on certain fixed assets, and other costs (benefits) of \$3.9 million. Additionally, restructuring and other charges (income) includes charges of environmental sites of \$2.6 million and Corporate charges of \$1.3 million.

(b) Our non-operating pension and postretirement charges (income) are defined as those costs (benefits) related to interest, expected return on plan assets, amortized actuarial gains and losses and the impacts of any plan curtailments or settlements. These are excluded from our Adjusted Earnings and are primarily related to changes in pension plan assets and liabilities which are tied to financial market performance and we consider these costs to be outside our operational performance. We continue to include the

service cost and amortization of prior service cost in our Adjusted Earnings results noted above. These elements reflect the current year operating costs to our businesses for the employment benefits provided to active employees.

- (c) Charges related to legal and professional fees associated with acquisition activities. We expect these charges associated with integrating the DuPont Crop Protection Business to be largely completed by the first half of 2020 which coincides with significant portions of the ERP system adoption and the TSA exit.

(in Millions)	Three Months Ended March 31,	
	2020	2019
DuPont Crop Protection Business Acquisition		
Legal and professional fees ⁽¹⁾	\$ 13.0	\$ 16.5
Total Transaction-related charges	\$ 13.0	\$ 16.5

- (1) Represents transaction costs, costs for transitional employees, other acquired employees related costs, and transactional-related costs such as legal and professional third-party fees. These charges are recorded as a component of "Selling, general and administrative expense" on the condensed consolidated statements of income (loss).

- (d) The income tax expense (benefit) on Corporate special charges (income) is determined using the applicable rates in the taxing jurisdictions in which the corporate special charge or income occurred and includes both current and deferred income tax expense (benefit) based on the nature of the non-GAAP performance measure.

- (e) **Three Months Ended March 31, 2020 and 2019**

Discontinued operations, net of income taxes include, in periods up to its separation on March 1, 2019, the results of FMC Lithium, including separation-related costs, as well as provisions, net of recoveries, for environmental liabilities and legal reserves and expenses related to previously discontinued operations. During the three months ended March 31, 2019, we finalized the sale of the first of two parcels of land of our discontinued site in Newark, California. The gain on sale was approximately \$21 million, net of tax, and was partially offset by the results of our FMC Lithium business, which was a net loss due to separation-related costs. These events did not recur in the current period.

- (f) We exclude the GAAP tax provision, including discrete items, from the Non-GAAP measure of income, and include a Non-GAAP tax provision based upon the projected annual Non-GAAP effective tax rate. The GAAP tax provision includes certain discrete tax items including, but are not limited to: income tax expenses or benefits that are not related to continuing operating results in the current year; tax adjustments associated with fluctuations in foreign currency remeasurement of certain foreign operations; certain changes in estimates of tax matters related to prior fiscal years; certain changes in the realizability of deferred tax assets and related interim accounting impacts; and changes in tax law. Management believes excluding these discrete tax items assists investors and securities analysts in understanding the tax provision and the effective tax rate related to continuing operating results thereby providing investors with useful supplemental information about FMC's operational performance.

(in Millions)	Three Months Ended March 31,	
	2020	2019
Non-GAAP tax adjustments		
Revisions to valuation allowances of historical deferred tax assets	\$ (0.5)	\$ 0.4
Foreign currency remeasurement and other discrete items	2.7	0.8
Total Non-GAAP tax adjustments	\$ 2.2	\$ 1.2

RECONCILIATION OF NET INCOME (LOSS) (GAAP) TO ADJUSTED EARNINGS FROM CONTINUING OPERATIONS, BEFORE INTEREST, INCOME TAXES, DEPRECIATION AND AMORTIZATION, AND NONCONTROLLING INTERESTS (NON-GAAP)
(Unaudited, in millions)

	Three Months Ended March 31,	
	2020	2019
Net income (loss) (GAAP)	\$ 206.2	\$ 217.2
Restructuring and other charges (income)	13.4	7.8
Non-operating pension and postretirement charges (income)	2.2	3.4
Transaction-related charges	13.0	16.5
Discontinued operations, net of income taxes	7.5	(9.6)
Interest expense, net	40.8	34.5
Depreciation and amortization	39.1	37.3
Provision (benefit) for income taxes	34.7	36.3
Adjusted earnings from continuing operations, before interest, income taxes, depreciation and amortization, and noncontrolling interests (Non-GAAP) ⁽¹⁾	\$ 356.9	\$ 343.4

- (1) Referred to as Adjusted EBITDA. Defined as operating profit excluding corporate special charges (income) and depreciation and amortization expense.

RECONCILIATION OF CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES OF CONTINUING OPERATIONS (GAAP) TO FREE CASH FLOW (NON-GAAP)
(Unaudited)

(In Millions)	Three Months Ended March 31,	
	2020	2019
Cash provided (required) by operating activities of continuing operations (GAAP)	\$ (308.9)	\$ (282.9)
Transaction and integration costs	22.5	19.9
Adjusted cash from operations ⁽¹⁾	\$ (286.4)	\$ (263.0)
Capital expenditures	(15.5)	(19.1)
Other investing activities	(9.1)	(1.7)
Capital additions and other investing activities	\$ (24.6)	\$ (20.8)
Cash provided (required) by operating activities of discontinued operations	(19.4)	5.7
Cash provided (required) by investing activities of discontinued operations	—	9.2
Transaction and integration costs	(22.5)	(19.9)
Investment in Enterprise Resource Planning system	(18.6)	(12.6)
Legacy and transformation	\$ (60.5)	\$ (17.6)
Free cash flow (Non-GAAP) ⁽²⁾	\$ (371.5)	\$ (301.4)

- (1) Adjusted cash from operations is defined as cash provided (required) by operating activities of continuing operations excluding the effects of transaction-related cash flows.
- (2) Free cash flow is defined as Adjusted cash from operations reduced by spending for capital additions and other investing activities as well as legacy and transformation spending. We believe that this Non-GAAP financial measure provides a useful basis for investors and securities analysts about the cash generated by routine business operations, including capital expenditures, in addition to assessing our ability to repay debt, fund acquisitions and return capital to shareholders through share repurchases and dividends. Our use of free cash flow has limitations as an analytical tool and should not be considered in isolation or as a substitute for an analysis of our results under U.S. GAAP.

FMC CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited, in millions)

	March 31, 2020	December 31, 2019
Cash and cash equivalents	\$ 436.2	\$ 339.1
Trade receivables, net of allowance of \$22.9 in 2020 and \$26.3 in 2019	2,460.1	2,231.2
Inventories	1,062.7	1,017.0
Prepaid and other current assets	513.0	487.5
Total current assets	\$ 4,472.0	\$ 4,074.8
Property, plant and equipment, net	735.7	758.0
Goodwill	1,459.6	1,467.5
Other intangibles, net	2,611.7	2,629.0
Deferred income taxes	234.5	257.4
Other long-term assets	675.7	686.0
Total assets	\$ 10,189.2	\$ 9,872.7
Short-term debt and current portion of long-term debt	\$ 250.2	\$ 227.7
Accounts payable, trade and other	838.4	900.1
Advanced payments from customers	213.5	492.7
Accrued and other liabilities	630.3	680.6
Accrued customer rebates	389.0	280.6
Guarantees of vendor financing	64.3	75.7
Accrued pensions and other postretirement benefits, current	4.3	4.3
Income taxes	66.5	62.2
Total current liabilities	\$ 2,456.5	\$ 2,723.9
Long-term debt, less current portion	\$ 3,531.8	\$ 3,031.1
Long-term liabilities	1,498.2	1,556.3
Equity	2,702.7	2,561.4
Total liabilities and equity	\$ 10,189.2	\$ 9,872.7

FMC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited, in millions)

	Three Months Ended March 31,	
	2020	2019
Cash provided (required) by operating activities of continuing operations	\$ (308.9)	\$ (282.9)
Cash provided (required) by operating activities of discontinued operations	(19.4)	5.7
Cash provided (required) by investing activities of continuing operations	(43.2)	(33.4)
Cash provided (required) by investing activities of discontinued operations	—	9.2
Cash provided (required) by financing activities of continuing operations	474.8	287.6
Cash provided (required) by financing activities of discontinued operations	—	(37.2)
Effect of exchange rate changes on cash	(6.2)	(1.2)
Increase (decrease) in cash and cash equivalents	\$ 97.1	\$ (52.2)
Cash and cash equivalents of continuing operations, beginning of period	\$ 339.1	\$ 134.4
Cash and cash equivalents of discontinued operations	—	27.3
Cash and cash equivalents, beginning of period	\$ 339.1	\$ 161.7
Cash and cash equivalents, end of period	\$ 436.2	\$ 109.5