

OCP Reports Earnings for Second Quarter and First Half 2017

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CASABLANCA, Morocco, September 12, 2017 – OCP S.A. (“OCP” or the “Company”), a global leader in the fertilizer industry, today reported results for the second quarter and first half ended June 30, 2017.

Management Commentary

“OCP consolidated its leadership position in the first half, achieving higher revenues, while maintaining solid profitability and an EBITDA margin ahead of the industry average. This performance reflects our capacity and cost leadership position, together with our commercial flexibility, driving increased sales of customized products to high growth markets where OCP has created and developed demand.

OCP is at the forefront of major structural shifts in the industry. We have successfully cultivated new markets like Africa, which accounted for almost 40% of our first half fertilizer exports, and have expanded our portfolio of customized products to represent more than a third of total fertilizer exports. These achievements, combined with lower production costs and our unique flexibility across the value chain, enable OCP to achieve industry leading performance across cycles and are clearly reflected in our financial results,” said Mr. Mostafa Terrab, Chairman and Chief Executive Officer of OCP.

First Half 2017 Key Figures

- First half 2017 revenues were MAD 23,152 million (US\$ 2.33 billion), up from MAD 21,656 million (US\$ 2.22 billion) in the first half of 2016.
- EBITDA was MAD 5,908 million (US\$ 594 million), stable compared to MAD 5,916 million (US\$ 606 million) for the same period last year, leading to an EBITDA margin of 26%.
- The investment program proceeded according to plan, with capital expenditures totaling MAD 7,434 million (US\$ 748 million) in the first half of 2017.

Second Quarter 2017 Key Figures

- Second quarter revenues were MAD 11,751 million (US\$ 1.19 billion), compared to MAD 11,279 (US\$ 1.16 billion) in the prior year quarter, and MAD 11,401 million (US\$ 1.14 billion) in the 2017 first quarter.
- EBITDA was MAD 2,567 million (US\$ 262 million), versus MAD 3,023 million (US\$ 312 million) in the year-ago quarter, leading to an EBITDA margin of 22%.

FIRST HALF 2017

Operating and Financial Results

First half 2017 revenues grew 7% year-over-year to MAD 23,152 million (US\$ 2.33 billion). The increase was supported by 28% growth in rock revenues, 17% growth in fertilizer revenues, and reflects higher rock and fertilizer volumes, which more than offset lower prices across all product categories. During the period, OCP achieved record fertilizer exports, due to strong demand for customized product from the African market, where exports grew 44% as OCP expanded sales to all regions of the Continent.

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Gross profit increased to MAD 15,124 million (US\$ 1.52 billion), compared with MAD 14,440 million (US\$ 1.48 billion) a year earlier due to higher volumes and lower raw material prices. First half 2017 EBITDA was MAD 5,908 million (US\$ 594 million), broadly stable compared to MAD 5,916 million (US\$ 606 million) for the same period in 2016. EBITDA margin was 26%, slightly below the first half 2016 level of 27%, as the benefit of lower raw material costs as well as increased rock and fertilizer volumes were offset by the impact of lower phosphate prices. Production costs continued to improve as the ongoing ramp up of the slurry pipeline resulted in increased cost savings totaling MAD 807 million in the first half of 2017, compared with MAD 436 million for the year ago period.

First half 2017 EBIT was MAD 3,094 million (US\$ 311 million), compared with MAD 4,073 million (US\$ 418 million) in 2016. The decline primarily reflects the commissioning of new facilities and their associated depreciation costs

Balance Sheet and Cash Flow

Available cash (cash, cash equivalents) was MAD 3,997 million (US\$ 415 million) at June 30, 2017. Net financial debt was MAD 42,896 million (US\$ 4.5 billion), and the Net Financial Debt/EBITDA ratio was 3.45x as of June 30, 2017.

SECOND QUARTER 2017

Operating and Financial Results

Second quarter revenues increased 4% to MAD 11,751 million (US\$ 1.19 billion), compared to MAD 11,279 million (US\$ 1.16 billion) in the prior-year period. On a sequential basis, revenues rose 7%. Gross profit increased to MAD 7,645 million (US\$ 777 million) from MAD 7,471 million (US\$ 771 million) in the second quarter of 2016.

Second quarter EBITDA amounted to MAD 2,567 million (US\$ 262 million), compared to MAD 3,023 million (US\$ 312 million) in the year-ago period.

Second quarter EBIT was MAD 1,193 million (US\$ 122 million), compared to MAD 1,685 million (US\$ 175 million) in the Q2 2016.

The same factors that impacted first half results are reflected in second quarter financial performance.

First Half 2017 Corporate Highlights

OCP's industrial development program moved forward, with key achievements in the first half at the Jorf Lasfar Platform, including:

- The commissioning of the third fertilizer unit (JFC3)
- The construction of a new sulfuric line and power plant
- The commencement of the second drying line

Summary and Outlook

Phosphate demand continues to be strong, amid stable crop fundamentals and lower input prices, which are supporting consumption among key import markets, namely India, Latin America and Africa. Looking ahead to the second half of the year, the phosphate market remains supply-driven and price-sensitive to Chinese export behavior. Within this environment, OCP expects to continue to outperform the industry average, thanks to our strong fundamental position.

2017 represents a milestone year for OCP as we complete the first phase of our industrial development plan, which will significantly expand our fertilizer capacity, extend our rock export

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capacity, and generate further significant operating efficiencies, thereby extending OCP's market leadership. These strategic initiatives will position OCP as the primary beneficiary of a pickup in market conditions, and help capture a significant portion of phosphate incremental demand growth in the coming years.

Conference Call

OCP senior management will host a conference call at 10 a.m. EDT and 3 p.m. London/Morocco time on September 12, 2017, to discuss the financial results. Qualified institutional buyers, bondholders, securities analysts and market makers are invited to participate in the call. Conference call details are available at OCP's Investor Relations portal on the Intralinks website. Eligible parties that have not already registered for access to the Intralinks portal may do so by contacting Mrs. Ghita Laraki, Investors Relations at g.laraki@ocpgroup.ma [1]

Forward Looking Statements

This press release has been prepared by OCP S.A. ("OCP") and contains certain statements that are, or may be deemed to be, "forward-looking statements" within the meaning of the safe harbor provisions set forth in the U.S. Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, liabilities, strategic, industrial, commercial plans and expected future financial and operating results such as revenue growth and earnings. They are based on the current beliefs, expectations and assumptions of OCP's management as of the date on which they are made in connection with past and/or future financial results, and are subject to significant uncertainties and risks, which OCP shall not be held liable for. These risks and uncertainties include, but are not limited to, risks and uncertainties arising from the future success of current and strategic plans and future financial and operating results and reserves; changes in such plans and results; any difficulty that OCP may experience with the realization of benefits and anticipated levels of capital expenditures for 2016 and beyond; the current and future volatility in the credit markets and future market conditions; OCP's strategy in connection with customer retention, growth, product development and market position; industry trends; volatility in commodity prices; changes in foreign currency, interest and exchange rates; international trade risks; changes in government policy and developments in judicial or administrative proceedings in jurisdictions which OCP is subject to; changes in environmental and other governmental regulation, including regulatory investigations and proceedings; any natural events such as severe weather, fires, floods and earthquakes or man-made or other disruptions of OCP's operating systems, structures or equipment; the effectiveness of OCP's processes for managing its strategic priorities; and OCP's belief that it has sufficient cash and liquidity and/or available debt capacity to fund future financial operations and strategic business investments. Actual results may differ from those set forth in the forward-looking statements contained in this release, and OCP undertakes no obligation to publicly update any of its forward-looking statements, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise. This press release includes financial information which, for ease of presentation, has been translated into U.S. Dollars, and these translated figures have not been audited. For the purpose of such translated figures, OCP used the following exchange rate table, which sets forth the year average and year-end USD/MAD exchange rates for the following periods:

	June 2017	June 2016	December 2016
Period End	9,6243	9,7794	10,0825
Average	9,9374	9,7562	9,8074

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