ADAMA Agricultural Solutions Ltd.

Board of Directors Report for Year Ended December 31, 2015

ADAMA

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Adama is one of the world's leading crop protection companies. We strive to Create Simplicity in Agriculture - offering farmers effective and efficient products and services that simplify their lives and help them grow. With one of the most comprehensive and diversified portfolios of differentiated, high-quality products, Adama's approximately 4,900 people reach farmers in over 100 countries across the globe, providing them with solutions to control weeds, insects and disease and improve their yields.

ADAMA

Financial highlights – fourth quarter and full year 2015, as adjusted

Significant improvement in both profits and profitability in the quarter capping a strong year for Adama

Sales of $650 million in the quarter and $3,064 million in 2015:

- Sales growth of 12.6% in the fourth quarter and 7.4% in the full year, at constant exchange rates.
- Reported sales declined by 3.6% in the quarter and by 4.9% in the full year as a result of the strength of the US dollar.

The strong growth was driven by a significant increase in sales in growing markets and from geographical expansion, as well as from sales of new and differentiated products. These factors led to an increase in volumes across all our regions, with overall volumes for the Company up by 7.0% in the fourth quarter and by 5.3% in the full year, despite the continued difficult conditions in agricultural markets and challenging weather conditions in many regions.

Gross profit in the quarter rose by 5.8% to $195 million, reflected by a significant increase of 2.6 percentage points in gross margin to 30.0%, and resulting in a stable gross margin of 31.6% for the year. In addition to the aforementioned volume growth, the strong gross margin performance stemmed from a significant improvement in the portfolio mix, price increases in local currencies, and a significant reduction in manufacturing costs.

Operating income tripled in the quarter to reach $30 million, reflected by a significant increase of 3.2 percentage points in operating margin to 4.7%, and resulting in a stable operating margin of 9.9% for the year, further reflecting a continued reduction in operating expenses.

Strong growth of 44.5% in EBITDA in the quarter to $76 million, reflected by a significant increase of 3.9 percentage points in EBITDA margin to 11.7%, as well as an increase in EBITDA margin for the full year to 15.5%.

Improved operating and free cash flow in the quarter, with stable cash flow over the full year.

Reduced levels of both inventory and accounts receivables at the end of 2015 due to continued improvements in supply chain and collections management, with an emphasis on tight control of credit risk.

These results reflect Adama's outperformance of the sector both in the fourth quarter and the full year.

Results of Operations – Income Statement

Adjusted Income Statement for the fourth quarter of 2015

	Q4 2015 $m	Q4 2014 $m	Change $m	% Change CER	% Change USD
Revenues	**650**	**674**	**-24**	**+12.6%**	**-3.6%**
Gross profit	195	185	+10		+5.8
% of revenue	30.0%	27.4%			
Operating expenses	165	174	-9		-5.4
Operating income (EBIT)	**30**	**11**	**+19**		**+193.0**
% of revenue	4.7%	1.5%			
Financing expenses, net	40	32	+8		+24.5
Net income before taxes	-12	-22	+10		+43.7
Net income	**-20**	**-33**	**+13**		**+37.7**
% of revenue	-3.1%	-4.8%			
EBITDA	**76**	**53**	**+23**		**+44.5**
% of revenue	11.7%	7.8%			

Adjusted Income Statement for full year 2015

	2015 $m	2014 $m	Change $m	% Change CER	% Change USD
Revenues	**3,064**	**3,221**	**-157**	**+7.4%**	**-4.9%**
Gross profit	970	1,025	-55		-5.4
% of revenue	31.6%	31.8%			
Operating expenses	667	712	-45		-6.4
Operating income (EBIT)	**303**	**313**	**-10**		**-3.3**
% of revenue	9.9%	9.7%			
Financing expenses, net	133	120	+13		+10.5
Net income before taxes	168	198	-30		-15.3
Net income	**124**	**151**	**-27**		**-17.9**
% of revenue	4.1%	4.7%			
EBITDA	**474**	**480**	**-6**		**-1.2**
% of revenue	15.5%	14.9%			

Income Statement items adjusted in the above tables, as presented in the financial statements (in USD millions)[1]:

For the fourth quarter of 2015: Operating expenses – $167m (25.7%), operating income (EBIT) – $28m (4.3%), net loss before taxes – $15m (2.3%), net loss – $23m (3.5%), and EBITDA – $74m (11.3%). For the fourth quarter of 2014: Net financing expenses – $36m (5.3%), pretax loss – $26m (3.8%), and net loss – $36m (5.4%).

For 2015: Operating expenses – $669 million (21.9% of sales), operating income (EBIT) – $300m (9.8%), net financing expenses – $140m (4.6%), net income before taxes – $159m (5.2%), net income – $110m (3.6%), and EBITDA – 472 (15.4%). For 2014: Operating expenses – $714m (22.2%), operating income (EBIT) – $311m (9.7%), net financing expenses – $124m (3.7%), net income before taxes – $193m (6.2%), net income – $146m (4.5%) and EBITDA – $478m (14.8%).

[1] The Income Statement items for 2015 that appear in the above tables include adjustments for: a $7 million revaluation in the first two quarters of 2015 in respect of options on debentures issued by the Company; a capital gain of $10 million from the sale of intellectual property in the first quarter of 2015; a $6 million provision in the first and third quarters of 2015 due to a tax related event from 1985; and a $12 million provision in the first and fourth quarters of 2015 due to the early retirement of employees under an agreement from 2010. The Income Statement items for 2014 that appear in the above tables include adjustments for expenses in the amount of $4 million related to the preparation towards an IPO, and for a $2 million provision for the early retirement of employees in the third quarter. For an analysis of the differences between the adjusted Income Statement items and the Income Statement items as reported in the financial statements, see Appendix A.

Summary of developments in the sector and in the Company's activities, and their effect on the Company's results

- **The Company markedly outperformed the sector in both the fourth quarter and the full year 2015** – as a result of deeper penetration by the Company into its markets, significant scale of launches of new and differentiated products, marked volume growth, reduction of manufacturing and procurement costs as well as operating expenses, combined with the effect of currency hedging, the Company succeeded in achieving these strong results despite the macroeconomic factors that negatively affected both the Company and the sector as a whole.
- **Strengthening of the US dollar against global currencies** – the widespread depreciation of currencies against the US dollar over the course of the year, in particular the 33% depreciation of the Brazilian Real, the 10% depreciation of the Euro and the 11% depreciation of the Australian dollar, had a significant negative effect on the reported sales of all companies in the sector reporting in US dollar terms, including the Company. The hedging transactions effected by the Company mitigated this negative impact to a certain extent. On the other hand, although not to the same extent, the depreciation of the currencies, including the depreciation of the Israeli Shekel against the US dollar, also helped the Company to reduce its costs in US dollar terms.
- **Changes in macroeconomic conditions in Brazil and other markets** – due to the traditionally strong seasonal influence of Brazil in the second half of the year, the effects of the political and economic crisis in the country on the Company's results in this period, and on those of the sector, were significant. In addition to the sharp depreciation of the Brazilian Real against the US dollar, which began at the beginning of 2015 and intensified during the third quarter of the year, the performances of both the Company and the sector generally in Brazil were also impacted by the lowering, during the quarter, of Brazil's credit rating to below Investment Grade, and, as a consequence, by a decrease in the availability of credit to customers. The results in Brazil were therefore also impacted by slower collection, higher costs of currency hedging, and by non-cash tax expenses due to the revaluation of tax reserves as a result of the depreciation of the currency. The Company also endeavored to reduce its exposure to currency and customer credit risks in Brazil by avoiding fulfilling certain orders.

  Additional agricultural markets affected by political and economic instability during the year include Argentina, Greece, Russia and Ukraine.
- **Low agricultural commodities prices in the last two years have led to a deterioration in farmers' profitability which, together with relatively high levels of inventory in the distribution channels, led to a slowdown in demand for crop-protection products** – however, notwithstanding these challenging industry conditions, the Company increased its quantities sold in both the fourth quarter and in the full year 2015, due to the launch of new products and the expansion of its business in both existing and new markets.

- **Significant decrease in the price of oil and its derivatives, as well as in the price of industrial inputs, as a result of the slowdown in the global economy** – the decrease in the prices of oil and other inputs during the year served to reduce the Company's production and procurement costs, through the reduction of energy and transportation costs, as well as the costs of both raw materials and intermediates.
- **Negative impact of El Niño** – the extreme drought conditions in Canada and South Africa, the floods in large areas of South America, and a late start to the rainy season in India were some of the negative effects of the El Niño climate phenomenon felt during the year, which led to a slowdown in demand in these areas.
- **Mergers and acquisitions in the sector** – further to several transactions executed in the sector in 2014, additional transactions were announced during 2015 and in the begining of 2016 that have not yet been completed, among them ChemChina's bid to acquire Syngenta.

The Company believes that the aforementioned macroeconomic trends and conditions prevailing in the sector are expected to continue into 2016. Accordingly, the Company expects that the levels of inventory in the distribution channels may pose challenges for sales in the sector and the Company in 2016, and that the Company's results will continue to be significantly affected by the depreciation of currencies compared to the US dollar. In particular, currency hedging transactions executed by the Company for 2016 are at lower exchange rates than in 2015, such that currencies, net of hedging, are expected to have a negative impact on the Company's results, especially in the first half of 2016.

The Company's estimations regarding projected effects on the Company's results in 2016 constitute forward-looking information as defined in the Israeli Securities Law, which is based on the current trends in the global agrochemical market and on the estimations of the Company's management. The Company's projections may not materialize, or materialize in a different manner due, inter alia, to factors which are out of the Company's control, such as developments in the crop protection market, changes in demand for the Company's products, in currencies and in oil prices, and other macroeconomic trends.

Analysis of the Company's results, as adjusted

Sales

Sales increased by 12.6% in the quarter and by 7.4% in the year, at constant exchange rates, compared with the corresponding periods last year. This was driven by volume growth in each of the main regions in which the Company operates, resulting in overall volume growth for the Company of 7.0% in the quarter and 5.3% in the year, as well as by the raising of prices in local currency terms, in particular in Brazil, despite the challenging market conditions.

The depreciation of local currencies in the main regions in which the Company operates, although partially mitigated by currency hedging, led to a decrease in sales in US dollar terms of 3.6% and 4.9% in the quarter and in the year, respectively, compared to the parallel periods in 2014.

Revenues split by region[2]

Fourth quarter sales:

	Q4 2015 $m	Q4 2014 $m	Estimated % change in CER	% Change in $
Europe	132	140	+7.6	-5.8
North America	147	134	+9.7	+9.4
Latin America	238	265	+20.2	-9.9
Asia Pacific	57	54	+14.3	+3.9
India, Middle East and Africa	76	81	+0.2	-5.7
Of which, Israel	23	23	-0.3	-1.1
Total	**650**	**674**	**+12.6%**	**-3.6%**

Full year sales:

	2015 $m	2014 $m	Estimated % change in CER	% Change in $
Europe	1,116	1,187	+2.9	-6.0
North America	573	545	+6.0	+5.2
Latin America	736	822	+16.6	-10.5
Asia Pacific	273	294	+4.1	-7.0
India, Middle East and Africa	366	373	+5.8	-2.1
Of which, Israel	94	103	-1.2	-8.6
Total	**3,064**	**3,221**	**+7.4%**	**-4.9%**

[2] As a result of the organizational change completed by the Company at the end of 2014 (for details, see Section 1.4.4 of Chapter A of the 2014 Periodic Report), as of the first quarter of 2015 the Company presents the distribution of sales according to the above geographical split.

Noteworthy trends and developments in the various regions affecting the Company's activities

The information included in the shaded boxes provides additional, non-material information about other developments and events that affected the Company's operations during the period.

Europe

Sales in Europe increased by 7.6% in the fourth quarter and by 2.9% in the full year, at constant exchange rates, compared to the corresponding periods in 2014. This growth was achieved despite the very dry weather conditions in certain countries in the region, and was driven by significant volume growth stemming from the launch of new products and the deepening of commercial activities, which was somewhat offset by a decline in selling prices.

In US dollar terms, sales in Europe decreased by 5.8% and 6.0% in the quarter and the year, respectively, compared to the corresponding periods in 2014, reflecting the impact of the depreciation of local currencies.

- In the first half of 2015, a reduction in sugar beet acreage in the northern part of Europe, due to a decrease in quotas set by the European Union as a result of surplus crops in the prior year, led to a decrease in demand for products for this important crop. On the other hand, due to the warm weather in central Europe, there was increased demand for cereal fungicides. In the second half of 2015, the drought in parts of central Europe led to a reduction in acreage for oilseed rape and other winter cereals, leading to a decrease in demand for products for these crops.
- In Ukraine, despite the challenging macroeconomic conditions in the country, the Company significantly increased its sales and improved its profitability as a result of the expansion of its sales network and increasing proximity to leading customers, alongside new launches of differentiated products. Tight management of customer credit also enabled rapid responses and ensured good collection levels, even under the tough conditions prevailing in the country.
- The Company delivered a strong performance in South Eastern Europe and Italy owing to an increased focus on differentiated products and key customers.
- The Company continues to improve its portfolio mix in the region and, among other initiatives, launched BREVIS™ in selected key markets. This is an innovative, patent-protected product for the thinning of apples and pears, which helps foster the growth of larger fruit, without the need for manual work, special lifting equipment and excessive amounts of energy.

North America

Sales in North America increased by 9.7% in the fourth quarter and by 6.0% in the full year, at constant exchange rates, compared to the corresponding periods in 2014, despite the challenging market conditions in the region, including the harsh drought in Canada. This increase stemmed from the continued focus on increasing engagement with key customers and from the launch of additional products, which led to significant volume growth in both the quarter and in the full year.

In US dollar terms, and despite the depreciation of the Canadian dollar by 16.3% in 2015, sales in North America increased by 9.4% in the quarter and by 5.2% in the year, compared to the corresponding periods in 2014.

- The Company deepened its commercial activities in the United States in order to strengthen its engagement with farmers in crops with high added value, to improve its differentiated portfolio to meet farmers' needs in these crops, and to increase demand for its related products. Among other initiatives, the Company launched NIMITZ™, a novel, patent-protected product that dramatically simplifies the control of nematodes, and in particular, prevents having to engage in complex soil fumigation treatments.
- The Company advanced its collaboration with companies of the ChemChina Group, and during the year, began to commercialize in the United States, in significant volumes, important products from these companies, such as PARAZON® and ETHEPHON.
- The Company's results in Canada were negatively affected by the harsh drought in that country and by the depreciation of the Canadian dollar.
- The positive momentum of the Company's Consumer and Professional Solutions business in the United States continued as a result of the implementation of the Company's strategy to strengthen its direct access to the market, as well as the launch of differentiated products which significantly contributed to its profitability, such as ENCLAVE®, an innovative and unique broad-spectrum fungicide comprised of a mixture of four active ingredients.

Noteworthy trends and developments in the various regions affecting the Company's activities

Latin America

Sales in Latin America increased by 20.2% in the fourth quarter and by 16.6% in the full year, at constant exchange rates, compared to the corresponding periods in 2014, despite the challenging conditions in the region, including harsh droughts in some areas and floods in others due to El Niño, and the macroeconomic crisis in Brazil, which deteriorated in the second half of 2015. The increase in sales stemmed from both growth in volumes as well as price increases.

In US dollar terms, sales in Latin America decreased by 9.9% in the quarter and by 10.5% in the year, compared to the coresponding periods in 2014, reflecting the impact of the significant depreciation of currencies in the region, which was partially offset by price increases in local currencies.

- The political and economic crisis in Brazil, which worsened in the second half of the year, resulted in a shortage of credit alongside the volatile depreciation of the Brazilian Real, an increase in the country's credit risk and in the costs of hedging. These factors, together with the relatively low prevailing agricultural commodity prices, all contributed to the extremely difficult conditions in the country's agricultural sector, including the exhaustion of customer credit lines and high inventory levels throughout the distribution channels.
- These conditions led the Company to take proactive steps in order to reduce its exposure to the Brazilian crisis, including the decision not to fulfill certain orders, and in so doing, to limit its sales in the country. By taking these steps, the Company succeeded in preserving, and even slightly increasing, its market share, while significantly reducing its exposure to currency and credit risks.
- The Company continued to invest in strengthening its marketing activities in Brazil and in the further differentiation of its portfolio, and launched four unique products during the year.
- In Colombia and the other countries of the Andean region, and in Mexico, the Company delivered good performances, despite the depreciation of the local currencies and difficult weather conditions.

Asia-Pacific

Sales in Asia-Pacific increased by 14.3% in the fourth quarter and by 4.1% in the full year, at constant exchange rates, compared to the corresponding periods in 2014, despite the harsh El Niño-related drought in several countries of Southeast Asia, such as Thailand. The increase in sales was driven by increased marketing activity and the launch of new products, which resulted in significant volume growth. Prices of some less-differentiated products declined to a certain extent.

In US dollar terms, sales in Asia-Pacific increased by 3.9% in the quarter and decreased by 7.0% in the year, compared to the corresponding periods in 2014, reflecting the impact of the depreciation of the local currencies, most notably of the Australian dollar by 11% over the course of the year.

- The Company has continued to differentiate its portfolio in the region, and launched 10 unique products during the year, including the nematicide NIMITZ™, which was successfully launched in Australia.
- The Company refocused its businesses in several markets in the region, including Thailand, Vietnam and Korea, with an emphasis on building up marketing and distribution networks that improve direct access to customers, as well as promoting products that have high added-value for the farmer.
- In Australia and New Zealand the Company continued with its positive momentum, supported by the new brand, a range of differentiated products and increasing proximity to the farmers.

Noteworthy trends and developments in the various regions affecting the Company's activities

India, Middle East and Africa

Sales in the region remained stable in the fourth quarter, while sales for the full year increased by 5.8%, at constant exchange rates, compared with the corresponding periods in 2014. This increase stemmed from a significant growth in volumes, resulting from the launch during the year of differentiated products, as well as an increase in sales of products launched during the previous year, combined with expansion in main focus markets, and was achieved despite the drought in several main countries in the region, among them India and South Africa. This growth was partially offset by a decline in selling prices, especially of less-differentiated products.

In US dollar terms, sales in the region decreased by 5.7% in the quarter and by 2.1% in the year, compared to the corresponding periods in 2014, reflecting the impact of the depreciation of the local currencies, most notably of the South African Rand by almost 35%.

- Despite the drought in south west India, the Company's sales in the country grew, and it successfully launched, among others, the differentiated fungicide CUSTODIA™, which is a mixture of two active ingredients, facilitating dual action against a wide range of diseases.
- During 2015 the Company successfully launched its activities in Turkey.
- The Company's performance in South Africa was impacted by harsh drought and by the resulting high levels of inventory in the distribution channels.
- The Company refocused its activities in all markets in the region, with an emphasis on more profitable sales and a reduction in the sale of less-differentiated products, especially in the markets of West Africa.


The Company is continuing to realize its strategic objectives, including the development and enhancement of its go-to-market approach and its commercial network, the transformation of its product portfolio, the strengthening of its global brand and its commercial and operational integration in China.

Innovation, Research & Development, and Registration (IDR)

- During 2015, the IDR Division, which was established at the end of the previous year, initiated a comprehensive, in-depth and systematic review of the Company's portfolio, and as a result, is increasingly directing research, development and registration resources towards higher value-added, more unique and differentiated products.
- During the year, innovative, patented products such as NIMITZ™ and BREVIS™ were launched in several key countries in the Americas, Australia, Europe and Israel, and hundreds of new registrations were obtained worldwide.

Marketing and Product Strategy

- The Company is in the process of implementing a new go-to-market approach, facilitating more direct contact with end customers and increased proximity to farmers, in order to better understand their needs and to provide them with improved solutions. This approach has already been implemented in several key markets such as Brazil and France, and it is expected to be expanded to 20 more countries over the next two years.
- The Company's Marketing function has recently been combined with Product Strategy into a single division, managed by Walter Costa, who joined the Company in early 2016 after having managed FMC's agrochemical business in Brazil.

Operations

- In the culmination of a 10-year project, during the fourth quarter of 2015 the Company's plants in Israel, located in Ashdod and Neot Hovav, were connected to natural gas power stations. This development is expected to lead to both an improvement in the Company's environmental footprint as well as a reduction in production costs.
- During the year, the Company launched key facilities at Neot Hovav, including the NIMITZ™ production facility, as well as new production lines at the production facility for RIMON™, a differentiated insecticide.

Build-up and integration of activities in China

- The Company is continuing to progress towards the realizaion of its strategic goals in China, especially the establishment of its commercial and operational activities in the country.
- During the year, the Company started building its sales network by recruiting dozens of new salespeople, and at the beginning of 2016 launched its direct sales activity in the Chinese market. The Company is becoming the sole commercial platform in China for the marketing of formulated products of several CNAC companies.
- On the operational side, the construction of the Company's new, state-of-the-art formulation and packaging center in the city of Huai'an is progressing, and the plant is expected to come on-stream at the end of 2016.

Gross profit

In the fourth quarter, the Company increased its gross profit in all main regions of its operations, resulting in an increase of 2.6 percentage points in the Company's gross margin compared to the corresponding period in 2014. This increase stemmed from improving the differentiation and focus of its product portfolio, price increases in local currency terms, and significant volume growth, as well as from a marked reduction in production and procurement costs, all against the backdrop of significant negative currency headwinds.

In the full year, despite an improvement in gross margins in most of its main regions, the Company's overall gross margin was largely stable in comparison with 2014, while the gross profit declined in absolute terms. This decline reflects the impact of the depreciation of local currencies, as well as the tight management of currency and credit risks in Brazil with a focus on collections, which was partially mitigated by a continued improvement in the Company’s product portfolio, as well as by a significant decrease in manufacturing and procurement costs and the impact of currency hedging.

Operating income

Tight expense management and the positive effect of the depreciation of the currencies, as well as a decrease in variable expenses, contributed to a marked decrease in operating expenses, both in absolute terms as well as in percentage of sales terms, both in the fourth quarter and in the full year. The reduction in Sales and Marketing expenses, in both absolute and percentage terms, in the quarter and in the full year, as compared with the corresponding periods in 2014, arose mainly from a reduction in payroll, marketing and variable costs. The reduction in General and Administrative costs, in both absolute and percentage terms, in both the quarter and the full year, as compared with the corresponding periods in 2014, was due mainly to a reduction in professional services.

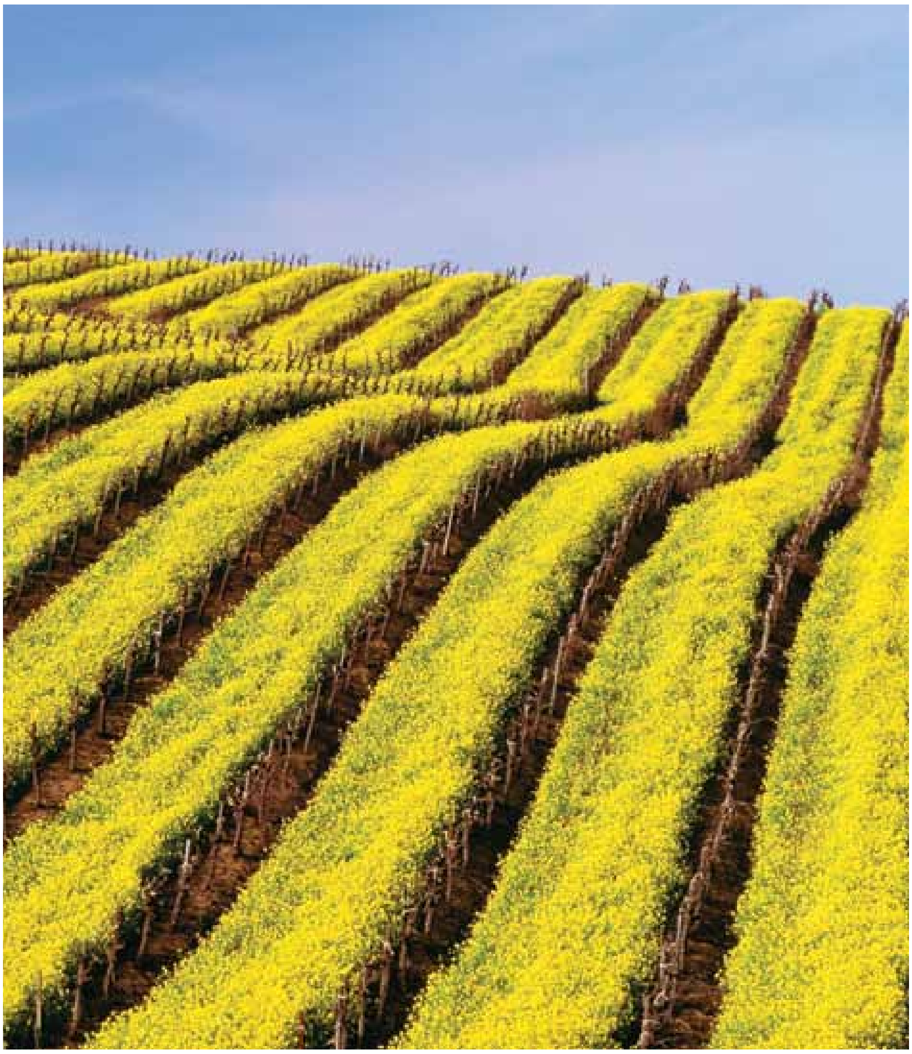
Sales and Marketing expenses in the fourth quarter and in the full year were $130 million (19.9% of sales) and $534 million (17.4% of sales), respectively, as compared with $140 million (20.8% of sales) and $571 million (17.7% of sales), respectively, in the corresponding periods in 2014.

Research and Development expenses in the quarter and the full year were $7 million (1.2% of sales) and $30 million (1.0% of sales), respectively, as compared with $8 million (1.1% of sales) and $34 million (1.0% of sales), respectively, in the corresponding periods in 2014.

General and Administrative expenses in the quarter and in the full year were $27 million (4.1% of sales) and $103 million (3.3% of sales), respectively, compared to $28 million (4.2% of sales) and $112 million (3.5% of sales), respectively, in the corresponding periods in 2014.

Financing expenses

Financing expenses in the fourth quarter and the full year increased compared to the corresponding periods in 2014 as a result of higher costs of financial hedging, as well as interest rate differentials between the US dollar and local currencies that serve to further increase hedging costs. The elevated cost is caused by the increased volatility in the exchange rates during the year, compared to the corresponding periods in 2014. This increase was partially offset by a decrease in financing expenses related to CPI-linked debentures issued by the Company, as a result of the decrease in the Israeli Consumer Price Index during the year.



Tax expenses

Tax expenses in the fourth quarter and the full year were $8 million and $44 million, respectively, slightly lower than the $10 million and $47 million, respectively, in the corresponding periods in 2014.

Despite the decrease in pre-tax loss in the quarter, tax expenses were lower relative to the corresponding period in 2014 due to the strengthening of the Brazilian Real against the dollar during the fourth quarter, which led to a revaluation of tax assets and to an erosion of non-cash tax provisions in Brazil.

The decrease in tax expenses for the year is relatively moderate considering the decrease in pre-tax income, which is due to non-cash tax expenses in Brazil resulting from the significant weakening of the Brazilian Real compared to the dollar over the course of the full year, which led to an erosion of tax assets and to a revaluation of non-cash tax provisions in Brazil.

Revenues by operating segment

Fourth quarter sales split by operating segment

	Q4 2015 $m	%	Q4 2014 $m	%	Change $m	Change %
Crop protection (Agro)	605	93.0%	631	93.7%	-26	-4.2%
Other (Non-Agro)	45	7.0%	43	6.3%	+2	+5.6%

Full year sales split by operating segment

	2015 $m	%	2014 $m	%	Change $m	Change %
Crop protection (Agro)	2,884	94.1%	3,029	94.0%	-145	-4.8%
Other (Non-Agro)	180	5.9%	192	6.0%	-12	-6.3%

Financial Condition and Liquidity

Owing to changes made to the Company's Receivables Financing Facility Agreement[3] in the first quarter of 2015, the trade receivables within the framework of the Receivables Financing Facility Agreement (in the amount of $192 million as of December 31, 2015) are not included in the balance sheet.

Cash flow and investment in fixed assets

In the fourth quarter the Company generated positive operating cash flow of $14 million. Adjusting for the reduction in receivables resulting from the amendment to the Receivables Financing Facility Agreement described above, adjusted operating cash flow in the fourth quarter amounted to $97 million compared to $44 million in the fourth quarter last year.

The improvement in cash flow in the quarter, after adjusting for the reduction in receivables, stemmed from a decrease in net loss, a reduction in inventories, and a decrease in receivables (in light, inter alia, of a reduction in sales in US dollar terms) which were offset by a decrease in payables due to a decrease in procurement and other costs.

In the full year, the Company generated positive operating cash flow of $107 million. Adjusting for the reduction in receivables resulting from the amendment to the Receivables Financing Facility Agreement described above, adjusted operating cash flow in the full year amounted to $168 million, compared to $179 million in 2014.

Despite the decrease in net income in the year, there was no significant change in the operating cash flow in the period (after adjusting for the abovementioned reduction in receivables). Similarly to the quarter, this strong operating cash flow performance in the full year was achieved through the reduction in inventories, a decrease in receivables (in light, inter alia, of a reduction in sales in US dollar terms) which were offset by a decrease in payables due to a decrease in procurement and other costs.

The Company's investments in the fourth quarter and in the full year amounted to $54 million and $193 million, respectively, compared to $39 million and $199 million (adjusting for a deposit in the amount of $53 million whose terms were changed in 2014 and was therefore reclassified as cash), respectively, in the parallel periods last year. These investments included, primarily, investments in product registrations, intangible assets and fixed assets. The investments in fixed assets in the quarter and in the year, which included investments in plant and equipment, including facilities for the maintenance of the environment, amounted, net of investment grants, to $24 million and $117 million respectively, compared to $14 million and $101 million, respectively, in the corresponding periods last year. The investments reflected a stable amount of investment in Israel and an increased amount of investment for construction in China.

In the fourth quarter, the Company generated negative free cash flow of $40 million. Adjusting for the abovementioned reduction in receivables resulting from the amendment to the Receivables Financing Facility Agreement, the Company generated positive adjusted free cash flow in the quarter of $43 million, compared to $5 million in the corresponding quarter in 2014.

In the full year, the Company generated negative free cash flow over the year of $86 million. Adjusting for the abovementioned reduction in receivables resulting from the amendment to the Receivables Financing Facility Agreement, the Company generated negative adjusted free cash flow for the year of $25 million. This compares with positive free cash flow of $33 million in 2014, and (adjusting for the abovementioned reclassification of a $53 million deposit in 2014 as cash) adjusted negative free cash flow of $20 million in 2014.

Current assets

Total current assets at the end of 2015 amounted to $2,627 million compared to $3,039 million at the end of 2014.[4]

[3] For more information about the Receivables Financing Facility Agreement and the amendments made in the first quarter of 2015, see Note 4 to the Company's financial statements as of December 31, 2015.

[4] A non-material adjustment of the comparative figures was effected in 2014.

Cash, current liabilities and long-term loans

The Company's total financial liabilities at the end of 2015, including bank loans and debentures, amounted to $1,554 million (of which 20.8% was short term), compared to $1,640 million (of which 28.9% was short term) at the end of 2014.

The Company's balances of cash and short-term investments at the end of 2015 amounted to $400 million, compared to $416 million at the end of 2014.

The Company's net debt at the end of 2015, including bank loans, debentures, the effects of hedging transactions attributed to debt, net of cash and short-term investments, amounted to $1,184 million, compared to $1,333 million at the end of 2014, which then included receivables under the securitization facility in the amount of $155 million.

As of December 31, 2015, during 2015 and as of the date of publication of this report, the Company complied with the financial covenants included in its securitization plan and financing agreements.[5]

Shareholders' equity

The Company's shareholders' equity at the end of 2015, after distribution of a $100 million dividend during the year, amounted to $1,567 million, compared to $1,591 million at the end of 2014.[4] Equity as a proportion of the total assets was 36.2% as of December 31, 2015, and 33.6% on December 31, 2014.

The Company's issued and paid-up share capital at the end of 2015 is 137,990,881 ordinary shares of NIS 3.12 par value each.

Financial ratios

As at December 31:	2015	2014
Ratio of current assets to current liabilities (current ratio)	1.87	1.64
Ratio of current assets, excluding inventory, to current liabilities (quick ratio)	1.05	0.98
Ratio of financial liabilities to total assets[6]	35.9%	34.6%
Ratio of financial liabilities to total equity, gross[7]	99.2%	103.1%

5 For more information about the financial covenants that apply to the Company pursuant to the provisions of the financing agreements and the Receivables Financing Facility Agreement, see Section 23.4 in Chapter A of the Periodic Report for 2015, and Note 20 to the financial statements as of December 31, 2015.

6 In the comparative figures for 2014, the financial liabilities include also liabilities in respect of the Receivables Financing Facility Agreement in the amount of $155 million which, as of the first quarter of 2015, is no longer included in the balance sheet.

7 In the comparative figures for 2014, a non-material adjustment of the comparative figures was effected such that the financial liabilities include liabilities in respect of the Receivables Financing Facility Agreement in the amount of $155 million which, as of the first quarter of 2015, is no longer included in the balance sheet.

Financing sources

The Company finances its business operations from its equity and from external funding sources.[8]

Warning signs[9]

In view of the consolidated financial structure of the Group, and based on the financial data appearing in the Company's consolidated financial statements as reviewed by the Company's management, the Board of Directors determined that the fact that the Company's separate, unconsolidated reports indicate an ongoing negative cash flow from operating activities does not point to a liquidity problem, and accordingly, as of the date of the report, there are no Warning Signs in the Company.

The main considerations behind the resolution of the Board of Directors include, inter alia, the Company's consolidated financial statements reflect a positive level of working capital and cash flow from operating activities. This positive working capital, which includes, at the reporting date, a cash balance of $395 million, is the principal source for the repayment of the Company's liabilities.

Based on the structure of the operations of the Group, the manufacturing companies in Israel, ADAMA Makhteshim and ADAMA Agan, are the principal manufacturers of the Group's products that are sold by the Group's marketing companies all over the world, so that there is a current liability of the marketing companies towards the manufacturing companies and in return for debentures issued by the Company, allocated to the manufacturing companies as loans at identical terms to those of the debentures, including the repayment date.

8 For details, see Section 23, Financing and Credit, and also Section 22.2, Customer Credit, and Section 22.5, Supplier Credit in Chapter A of the 2015 periodic report.

9 As defined in Article 10B(4) of the Securities Regulations (Periodic and Immediate Reports), 1970.

Market Risks – Exposure and Risk Management

The Company conducts its business in various currencies. Due to its activities, the Company is exposed to market risks, primarily exchange rate fluctuations, partial adjustment of the prices of products to reflect the prices of raw materials, changes in the level of the CPI, and changes in the LIBOR interest rate. The Company's Board of Directors has approved the use of accepted financial instruments for hedging against exposure to exchange rate fluctuations and a rise in the CPI. The Company effects these transactions only through banks and exchanges which must comply with capital adequacy requirements or maintain a level of collateral based on various scenarios.[10]

The exchange rate fluctuations of the currencies during the quarter and the year impact various sections of the Company's financial statements.[11] The net impact of the changes in currency exchange rates in the period after the date of the financial statements on the balance sheet exposure is not material, due to the high rate of balance sheet hedging carried out by the Company.

The Company's Chief Financial Officer ("CFO"), Mr. Aviram Lahav, is responsible for the Company's market risk management.[12]

The Company's market risk management policy

The Company's policy is to maintain as high as possible correlation between the currency in which it sells its products and the currency with which it purchases its raw materials. The Company continually examines its balance sheet and economic exposures 12 months in advance, based on forecasts of its income and expenses. As at the date of approval of the financial statements, the Company hedges most of its balance sheet exposure and part of its economic exposure with respect to the principal currencies in which the Company operates, while there is no correlation between them. As at the date of the approval of the financial statements, no material changes have occurred in the Company's risk management policy.

Currency risks

The Company reports its consolidated financial statements in US dollars, which is its functional currency, while its operations, sales and purchases of raw materials are carried out in various currencies. Therefore, fluctuations in the exchange rate of the selling currency against the purchasing currency impact the Company's results. In the Company's assessment, the Group's most significant exposures are to the Euro, the Israeli Shekel and the Brazilian Real. The Company has lesser exposures to other currencies. The strengthening of the US dollar against the other currencies in which the Company operates reduces the level of the Company's dollar sales and vice versa.

On an annual perspective, around 36% of the Company's sales are to the European bloc and therefore the impact of long-term trends on the Euro may affect the Company's results and profitability.

On an ongoing basis, the Company aggregates its foreign currency exposure deriving from the effect of fluctuations in exchange rates on its assets, including inventory of finished products in selling countries, liabilities and cash flow denominated in foreign currencies. High volatility in the exchange rates of these currencies could increase the costs of transactions to hedge against currency exposure, thereby increasing the Company's financing costs.

The Company uses commonly accepted financial instruments to hedge most of its substantial net balance sheet exposure to any particular currency. Nonetheless, since as part of these operations

10 For details relating to credit risk and liquidity risk, see Note 29 to the consolidated financial statements of the Company for 2015.

11 For details of exchange rates of the main currencies in which the Company is active compared to the dollar and details of the Libor rate, refer to Appendix 4.

12 For information about Mr. Lahav's education, qualifications and business experience, see section 26A in Chapter D of this period report.

the Company hedges against most of its balance sheet exposure and only against part of its economic exposure, exchange rate volatility might impact the Company's results and profitability. As of the date of approval of the financial statements, the Company has hedged most of its balance sheet exposure for 2016 as it is on the date of publication of this report.

In addition, as the Company's product sales depend directly on the cyclical nature of the agricultural seasons, the Company's income and its exposure to the various currencies is not evenly distributed over the year. Countries in the northern hemisphere have similar agricultural seasons and therefore, in these countries, the highest sales are usually during the first half of the calendar year. During this period, the Company is most exposed to the Euro, the Polish Zloty and the British Pound. In the southern hemisphere, the seasons are opposite and most of the local sales are carried out during the second half of the year. During these months, most of the Company's exposure pertains to the Brazilian Real. The Company has more sales in markets in the northern hemisphere and therefore, the Company's sales are higher during the first half of the year than during the second half of the year.[13]

Exposure to CPI

The main portion of the debentures issued by the Company is linked to the Israeli Consumer Price Index (CPI) and therefore an increase in the CPI is liable to lead to an increase in the Company's financing expenses. As at the date of approval of the financial statements, the Company has hedged most of its exposure to this risk on an ongoing basis, through CPI hedging transactions.

Risks related to raw material prices

Approximately 75% of the cost of the Company's sales derives from raw material costs. Most of the Company's raw materials are distant derivatives of oil prices and therefore, a material increase or decrease in oil prices affects the costs of raw materials.

To reduce exposure to fluctuations in the prices of raw materials, the Company customarily engages in long-term purchase contracts for key raw materials, wherever possible. Similarly, the Company acts to adjust its sales prices, if possible, to reflect the changes in the costs of raw materials.

As at the date of approval of the financial statements, the Company has not engaged in any hedging transactions against increases in oil and other raw material costs.

Interest rate risks

The Company is exposed to changes in the US dollar LIBOR interest rate as the Company has dollar denominated liabilities, which bear variable LIBOR interest. The Company prepares a quarterly summary of its exposure to changes in the LIBOR interest rate and periodically examines hedging the variable interest rate by converting it to a fixed rate. As of the date of approval of the financial statements, the Company has not carried out hedging for such exposure, since US dollar interest rates have been relatively stable.

The Company maintains internal documentation regarding the designation of financial instruments for exposures, reflecting the link between the instruments and the exposure. At least once every quarter, the Company's Board of Directors and its Financial Statements Review Committee discuss the Company's exposure to market risks and the actions taken by the Company's management in this regard. The Company's management examines the control procedures on an ongoing basis and updates them according to the scope of operations and the risks arising from these operations.

[13] For more information, see Note 29 to the Company's financial statements for 2015.

A summary of sensitivity tests carried out by the Company for changes in exchange rates for balance-sheet balances, net of instruments for hedging such balances (in thousands of US dollars) is as follows[14]:

US Dollar/NIS	Profit (loss) from changes		Base Asset	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Exchange rate	4.292	4.097	3.902	3.707	3.512
Total	**(10,381)**	**(8,351)**	**(4,289)**	**3,531**	**8,945**

Euro/US Dollar	Profit (loss) from changes		Base Asset	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Exchange rate	0.980	1.034	1.088	1.143	1.197
Total	**(376)**	**(179)**	**(4,828)**	**582**	**839**

US Dollar/Brazilian Real	Profit (loss) from changes		Base Asset	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Exchange rate	4.295	4.100	3.905	3.710	3.514
Total	**(6,510)**	**(2,801)**	**35,449**	**2,642**	**5,929**

GBP/US Dollar	Profit (loss) from changes		Base Asset	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Exchange rate	1.334	1.408	1.482	1.556	1.631
Total	**(181)**	**(91)**	**1,296**	**91**	**181**

US Dollar/Polish Zloty	Profit (loss) from changes		Base Asset	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Exchange rate	4.291	4.096	3.901	3.706	3.511
Total	**(3,472)**	**(1,728)**	**34,359**	**1,728**	**3,472**

US Dollar/South African Rand	Profit (loss) from changes		Base Asset	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Exchange rate	17.114	16.336	15.558	8.062	7.637
Total	**(264)**	**(100)**	**(732)**	**100**	**264**

[14] For sensitivity test tables see Appendix C to this report.

Corporate Governance

Terms of employment and remuneration of the Company's officers

As part of the 2015 financial statement approval process, the Company's Board of Directors discussed the employment and remuneration terms of each of the Company's executive officers[15], in accordance with the Company's remuneration policy.[16]

After examining the remuneration awarded to each of the senior officers, and after being presented with the contribution of each officer during 2015 as well as comparable data, the Board of Directors came to the conclusion that such remunerations comply with the compensation policy and are appropriate, fair and reasonable considering the size of the Company, the scope and complexity of its business activities, the duties and responsibilities of each of the senior officers who devote their best efforts and time in promoting the Company's businesses and their contribution to the development of the Company's businesses, the challenge in recruiting and retaining high quality human resources in the Company's global competitive environment and its character as a private company with publicly issued debentures.

Directors with accounting and financial expertise

As of the date of publication of this report, there are four directors in the Company approved by the Board of Directors as having accounting and financial expertise: Mr. Gustavo Traiber (external director), Ms. Dalit Braun (external director), Mr. Jiashu Cheng (independent director), and Mr. Lu Xiaobao (director).[17]

Independent directors

The Company’s Articles of Association do not contain provisions concerning the number of independent directors.

As of the date of approval of the financial statements, the Company’s Audit Committee confirmed that Mr. Jiashu Cheng, who was appointed on March 12, 2015 is an independent director, as this term is defined in the Companies Law, 1999.

[15] Including those stipulated in the provisions of Regulation 21 to the Securities Regulations (Periodic and Immediate Reports), 1970.

[16] For details about the Company's compensation policy, see the immediate report published by the Company on November 10, 2014 (reference No. 2014-01-191292).

[17] In accordance with the Board of Director’s decision, the minimum number of directors with accounting and financial expertise in the Company is two (2). For additional details about the aforementioned directors, see Regulation 26 in Chapter D of this Periodic Report.

The Internal Auditor

- Mr. Yehoshua Hazenfratz, CPA, serves as internal auditor of the Company.
- To the best of the Company's knowledge, based on the declaration of the internal auditor, the internal auditor complies with the corresponding legal provisions.[18]
- To date, as the internal auditor informed the Company, the internal auditor does not hold any securities of the Company or of any entity related to it.
- To the best of the Company's management's knowledge, and as the Company was informed by the internal auditor, the internal auditor does not have any material business connections or other material connections with the Company or with an entity related to it and the internal auditor's other business connections do not cause a conflict of interest with his position as internal auditor of the Company.
- The internal auditor is an external service provider of the Company on behalf of the accounting firm Shiff Hazenfratz & Co., Risk Control and Management Consultancy, in which he is a partner. Other than his position as the internal auditor of the Company, the internal auditor is not employed by the Company, nor provides it with any other external services.
- Mr. Yehoshua Hazenfratz was appointed to serve as the Company's internal auditor at the recommendation of the Company's Audit Committee, and in terms of the Company's Board of Directors resolution of November 2007. In the Company's Audit Committee and Board of Directors meetings, Mr. Hazenfratz was appointed as the internal auditor after his qualifications and experience were examined in depth. Mr. Hazenfratz was found suitable to serve as the Company's internal auditor, inter alia considering the scope and complexity of the Company's operations. In February 2012, the Company's Board of Directors approved the continuation of Mr. Hazenfratz's service as internal auditor of the Company.[19]
- The person within the organization who is in charge of the internal auditor is the Company's Chief Executive Office ("CEO").
- The internal auditor's audit plan is an annual plan that is derived from a multi-year work plan. The internal auditor's annual work plans are prepared by the internal auditor of the Company, in coordination with, and with the approval of, the Board of Directors, under the supervision of the CEO, and approved by the Board of Directors after receiving the recommendations of the Company's Audit Committee. The considerations guiding the preparation of the plan are based on the issues considered to be appropriate for in-depth examination according to their risk level, for the purpose of locating deficiencies, streamlining systems, guaranteeing protection of the Company's assets, and ensuring compliance with the Company's procedures and the laws of the countries in which the Company operates. The audit work plan is adapted to the developments and findings of the audit. Changes in the work plan are contingent upon the approval of the Board of Directors.
- The internal audit work plan also includes auditing the follow-up of implementation of the recommendations of the internal auditor and the Audit Committee by the Company's management, or by the internal auditor.
- The internal auditor receives an invitation, together with background material, to the Company's Audit Committee meetings and is present at the Committee meetings at which significant transactions are examined and approved.[20] In addition, the internal auditor receives, upon request, minutes of the meetings of the Company's Board of Directors at which such transactions are approved.

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18 The internal auditor complies with the provisions of Section 146 to the Companies Law and with the provisions of Section 8 to the Internal Audit Law

19 Pursuant to the provisions of Amendment No. 17 to the Companies Law, 1999 entering into effect.

20 As the term is defined in the fourth amendment to the Securities Regulations (Periodic and Immediate Reports), 1970.

- The internal auditor also serves as the internal auditor of the Group companies in Israel, ADAMA Makhteshim and ADAMA Agan. The auditing of the Group outside Israel is carried out by the accounting firm Deloitte.
- Material investees of the Company are audited according to a multi-year audit plan that includes a range of auditing topics, once every several years for each investee.
- The scope of the internal auditor's service is determined by the Audit Committee based on the audit plan that is approved by the Board of Directors. In 2015, the number of internal audit work hours at the Company and its subsidiaries totaled to approximately 3,059 hours. The scope of the work is set according to the needs of the audit plan and is not limited by the Company.

	Work hours
Internal audit in the Company and its investees	3,059
Internal audit in the Company's investees	2,340
Internal audit of operations in Israel	2,115
Internal audit of operations outside of Israel	944

The scope of the auditing work hours in the Company and its investees is set based on the audit plan proposed by the internal auditor in conjunction with the management and approved by the Audit Committees of the various Boards of Directors.

- The internal auditor and the team of employees under him are required to carry out the audit while strictly complying with the criteria prescribed for conducting a professional, reliable, independent audit that is not dependent on the audited body. The Board of Directors relied on the internal auditor's reports concerning his compliance with the professional standards according to which the audit is carried out.
- The internal auditor of the Company has free, coordinated access to relevant documents, information and information systems of the Company and of the subsidiaries, including financial and other information as well as an independent status. With regard to the subsidiaries outside Israel, the internal auditor examines whether audits have been conducted in each subsidiary and whether there is a work plan for the following year, based on reports the internal auditor receives from the auditors of the relevant companies.
- At the meetings of the Audit Committee in 2015, inter alia, the internal audit reports which were submitted in writing to the Chairman of the Audit Committee and to the Company's CEO were discussed.[21]
- In the opinion of the Company's Board of Directors, the scope, nature and continuity of the internal auditor's activities and his work plan are reasonable and fulfill the Company's internal audit goals.
- The remuneration paid to the internal auditor is based on working hours and according to the work plan that is approved by the Board of Directors. At the beginning of each year, the auditor submits a proposal for the annual audit plan which includes the planned number of work hours. The Board of Directors determines the audit work plan and the number of work hours. The auditor does not exceed the number of work hours without the consent of the Board of Directors. In the event that additional tasks are allocated to the auditor during the course of the audit year, the Board of Directors determines the number of work hours for the additional tasks. In 2015 the internal auditor's remuneration for his work in Israel amounted to approximately $109 thousand. The total payment for audit activities outside of Israel amounted to

[21] On January 19, 2015 the Audit Committee discussed two reports issued in January 2015. On February 15, 2015, the Audit Committee discussed two reports issued in February 2015. On June 9, 2015, the Audit Committee discussed a report issued in June 2015. On July 22, 2015, the Audit Committee discussed a report issued in July 2015. On November 5, 2015, the Audit Committee discussed a report issued in October 2015. On January 13, 2016, the Audit Committee discussed two reports, one of which was issued at the end of December 2015, and the other in January 2016. And on January 17, 2016, the Audit Committee discussed a report issued in January 2016.

approximately $162 thousand. The Company estimates that since the remuneration is based on working hours, such remuneration does not affect the professional considerations of the internal auditor.

Donations

The Company sees contribution and assistance to the community in Israel and in the countries in which it operates around the world as an integral part of its activities. This contribution and assistance to the community in Israel, particularly in the south of the country and in communities close to the locations of the Company's plants, and worldwide with regard to communities in the vicinity of its sites of operation, constitute a key tier in the Company's vision and objectives. The Company believes that it has a responsibility towards the community in the locations in which it operates, as it recognizes that business leadership goes together with social-value leadership.

Social responsibility, involvement with, and contribution to, the community are strategic goals that constitute an integral part of the Company's work plan, which allocates substantial financial resources towards this issue annually. Community activities are carried out also with the involvement of Company employees at all levels, while assimilating social responsibility and environmental protection.

The Company has decided to focus on activities for the benefit

of the community in education and in a variety of excellence programs, as well as on bridging gaps and strengthening at-risk populations. The Company puts special emphasis on the promotion of education in subjects like chemistry, agriculture and sustainability, which are fields that align with the core of the Company's business activities, as well as on investments connected to health, culture, art, sport, heritage, welfare, and in Israel also to those serving in the IDF.

In 2015 the Company donated an amount of approximately $1.5 million, of which approximately $1.3 million in Israel.

Company's auditor

The primary auditors of the Company and its investee companies are the accounting firm Somekh Chaikin of the KPMG group ("KPMG").

The fees paid to KPMG in 2015 for auditing services, services connected to the audit, including auditing the effectiveness of the internal control, tax consultancy services concerning the Company's financial statements in Israel amounted to $950.3 thousand (for 20.6 thousand work hours), compared to $1,069 thousand (for 21.1 thousand hours) in 2014. KPMG did not provide other services to the Company in Israel during 2015. In 2014, KPMG's fees for other services amounted to $350 thousand (for 6 thousand work hours).

Fees paid to KPMG in 2015 for auditing services outside of Israel amounted to $2,522 thousand (for 30.0 thousand working hours), compared to $3,028 thousand (for 27.6 thousand hours) in 2014. KPMG did not provide other services for the Company outside of Israel during 2015. In 2014, KPMG's fees for other services outside of Israel amounted to $763 thousand (for 5.6 thousand work hours).

The fees for auditing services are more than half of the total paid to the auditors by the Company in the reporting year. The fees are paid on the basis of working hours. The Company's Board of Directors approves the auditors' fees.

Approval process of the financial statements

The members of the Financial Statements Review Committee (the "Committee") in the Company are members of the Audit Committee – Mr. Gustavo Traiber, who acts as Chairman of the Committee, Ms. Dalit Braun, and Mr. Jiashu Cheng. All the Committee Members gave a declaration prior to their appointment, concerning their education and experience, based on which the Company regards them as having accounting and financial expertise or as having the ability to read and understand financial statements.[22] As part of the process for approval of the financial statements, the CFO presented to the Committee a detailed document with the financial results, and the committee discussed them as reflected in the financial statements, as well as the assessments and estimates made in connection with them, the internal controls relating to the financial statements, the integrity and appropriateness of the disclosure in them, and the accounting policy adopted and the accounting treatment applied in matters that are material to the Company. The Committee also discussed other material issues. The Committee met on March 10, 2016 to review the financial statements for the year ended December 31, 2015.[23]

Representatives of the Company's auditors, who are invited to the meetings of the Financial Statements Review Committee and of the Board of Directors at which the financial statements (which are sent several days prior to the meeting) are discussed and approved, provided their comments and responded to questions on material issues arising from the data presented in the financial statements under discussion. The Company's Internal Auditor was notified of the Committee's and of the Board of Directors meetings and invited to attend. After discussing the financial statements, the Committee drafted its recommendations concerning their approval of the financial statements and submitted them in writing to

[22] For details about the education and experience of the Committee Members, see Regulation 26 to Chapter D to this period report.

[23] Other than the Committee Members, the meeting was attended by the following senior officers: the General Counsel, the CFO, and the Company Controller.

the Board of Directors, within a reasonable period of time prior to the date of the Board's discussions.

When presenting the financial statements to the Board of Directors, the Company's CEO presented the main results of the Company's operations during the period under review and referred to key initiatives and material events that occurred during the period. In addition, the CFO presented a detailed document with the Company's financial results in the period under review, while comparing them with prior periods and highlighting material issues arising from them. During the reviews, the Company's management responded to questions from the members of the Board of Directors on all areas of the Company's operations.

The Board of Directors of the Company discussed the Company's financial statements as of December 31, 2015 and resolved to approve them.

Buybacks

The Company did not repurchase any Company securities in 2015.

For information concerning index-linked balances and events that occurred after the date of the report connected to the Company's financial state, see Note 29 and Note 32 to the Company's financial statements for 2015, respectively. For information about the debentures held by the public at the reporting date, see Appendix B.

The Company's Board of Directors and management express their gratitude to the Company's officers, managers and employees, and thank them for their large contribution, willingness, and ability to cope with the challenges that the Company faced in 2015

Yang Xingqiang	**Chen Lichtenstein**	**Aviram Lahav**
Chairman of the Board	President & CEO	CFO

March 14, 2016

Appendix

Appendix A – Analysis of the gaps between the adjusted income statement items and the income statement items in the financial statements

	Adjusted		Adjustments		Reported	
$m	Q4 2015	Q4 2014	Q4 2015	Q4 2014	Q4 2015	Q4 2014
Revenues	650	674	-	-	650	674
Gross profit	195	185	-	-	195	185
Operating expenses	165	174	2.4	-	167	174
Operating income (EBIT)	30	11	-2.4	-	28	11
Finance expenses, net	40	32	-	3.5	40	36
Net income before taxes	-12	-22	-2.4	-3.5	-15	-26
Net income	-20	-33	-2.4	-3.5	-23	-36
EBITDA	76	53	-2.4	-	74	53

	Adjusted		Adjustments		Reported	
$m	2015	2014	2015	2014	2015	2014
Revenues	3,064	3,221	-	-	3,064	3,221
Gross profit	970	1,025	-	-	970	1,025
Operating expenses	667	712	2.4	1.8	670	714
Operating income (EBIT)	303	313	-2.4	-1.8	300	311
Finance expenses, net	133	120	6.5	3.5	140	124
Net income before taxes	168	198	-8.9	-5.3	159	193
Net income	124	151	-14.5	-5.3	110	146
EBITDA	474	480	-2.4	-1.8	472	478

The income statement items for 2015 that appear in the above tables include adjustments for: the revaluation in the first and second quarter of options on debentures issued by the Company in the first quarter of 2015 in the amount of $6.5 million; capital gain of $10 million from the sale of intellectual property in the first quarter of 2015; a tax provision of $5.6 million in the first and third quarters of 2015 for an event that occurred in 1985; and a provision of $12.4 million in the first and fourth quarters of 2015 due to the early retirement of employees resulting from an agreement executed in 2010.

The income statement items for 2014 that appear in the above tables include adjustments that are due to expenses for the preparation towards an IPO in the amount of $3.5 million, and for a provision of $1.8 million in the third quarter for the early retirement of employees resulting from an agreement executed in 2010.

Appendix B – Details of the Company's debentures as at the end of 2015

Series	Date of issue	Rating	Total par value on date of issue (in NIS millions)	Type of interest	Nominal interest rate	Effective interest rate at reporting date	Market value on December 31, 2014 (in NIS millions)
Series B (1) (3) (4) (5) (8)	Dec. 06	ilAA- (9)	1,650	CPI-linked annual interest	5.15%	5.1%	4,225 (10)
	Jan. 12		514				
	Jan. 13		600				
	Feb. 15		533.33				
	Feb. 15		533				
	Feb-May 15		267				
Series D (2) (3) (5) (6) (7)	Dec. 06	ilAA- (9)	235	Annual interest	6.50%	0.6%	411.7
	Mar. 09		472				
	Jan. 12		541				
	Feb. 14		488				

Series	Dates of interest payments	Dates of principal payments	Linkage basis	Nominal par value at December 31, 2015 (in NIS millions)	CPI-linked nominal par value at December 31, 2015 (in NIS millions)	Carrying value of debenture balances at December 31, 2015 (in USD millions)	Carrying value of interest payable on December 31, 2015 (in USD millions)	Fair value at December 31, 2015 (in USD millions)
Series B (1) (3) (4) (5) (8)	Twice a year on May 31 and Nov. 30 of each of the years 2006-2036	Nov. 30 of each of the years 2020- 2036	CPI for October 2006	3,483.1 (10)	4,162.5 (10)	1,054 (10)	4.5 (10)	1,082.9 (10)
Series D (2) (3) (5) (6) (7)	Twice a year on May 31 and on Nov, 30 in each of the years 2006-2016	Nov. 30 of each of the years 2011- 2016	Unlinked	388.5	388.5	100.8	0.5	105.5

1 The trustee for debentures (Series B) is Aurora Fidelity Trust Company Ltd., 12 Menachem Begin Road, Ramat Gan (Tel: 03-6005946; Fax: 03-6120675). Contact person: Adv. Iris Shlevin, CEO. E-mail: ishlevin@aurorafidelity.com. Series B is considered a material liability of the Company.

2 The trustee for debentures (Series D) is Hermetic Trust (1975) Ltd., 113 Hayarkon Street, Tel Aviv, Israel; (Tel: 03-5274867, Fax: 03-5271736). Contact person: Dan Avnon or Meirav Ofer. Email: hermetic@hermetic.co.il. Series D is considered a material liability of the Company.

3 At the date of the report, the Company was in compliance with all the terms and undertakings under the Deed of Trust, and no conditions existed giving rise to a cause of action for immediate repayment of the debentures.

4 On January 9, 2013 the Company issued, in a private placement by way of series expansion, NIS 600,000,000 par value of debentures (Series B). For details, see the Company's immediate reports dated January 6 and 8, 2013 (Refs. 2013-01-004971 and 2013-01-008559).

5 On January 16, 2012 the Company issued, by way of series expansion under a shelf prospectus published by the Company in May 2010, NIS 513,527,000 par value debentures (Series B) and NIS 540,570,000 par value of debentures (Series D). For more details, see the Company's immediate report dated January 17, 2012 (Ref: 2012-01-017373) and the amending report of the same date (Ref: 2012-01-018225).

6 On March 25, 2009 the Company issued, by way of series expansion under a shelf prospectus published by the Company in May 2008, NIS 472,000,000 par value of debentures (Series D). For more details, see the Company's immediate report dated March 26, 2009 (Ref: 2009-01-067944).

7 On February 11, 2014 the Company issued, in a private placement by way of series expansion, NIS 487,795,000 par value of debentures (Series D). For more details, see the Company's immediate report dated February 12, 2014 (Ref: 2014-01-038191).

8 On February 1, 2015, the Company issued, in a private placement by way of series expansion, NIS 533,330,000 par value of debentures (Series B). For more details, see the Company's immediate report dated February 2, 2015 (Ref: 2015-01-023371). In addition, within the scope of the said private placement, the Company issued 2,666,650 options convertible to up to NIS 266,666,650 par value of debentures (Series B), which, as to the date of this report, were exercised in full.

9 438,520 options were exercised and converted into NIS 43,852,000 par value of debentures (Series B) of the Company.

10 On September 15, 2013, Maalot confirmed a rating of ilA+ for the Company's debentures (Ref. 2013-01-146784). On February 3, 2014, Maalot confirmed a rating of ilA+ for the Company's debentures (series D) issued upon a private placement of up to NIS 550 million (Ref. 2014-01-030130). On July 1, 2014, Maalot announced that it has raised the rating for the Company's debentures (B and D series) from ilA+ to a rating of ilAA- with stable outlook (ref. 2014-01-104136). On January 22, 2015, Maalot confirmed a rating of ilAA- for the Company's debentures (series B) issued upon a private placement of up to NIS 800 million (Ref. 2015-01-017026). On July 6, 2015, Maalot ratified the aforementioned rating for the Company (Ref. 2015-01-066279). On August 18, 2015, Maalot notified that there is no immediate change in the Company's rating following the possible transaction by the Company's shareholders to exchange their Company shares for shares of Hubei Sanonda Co. Ltd. (Ref. 2015-01-098901).

11 Net of debentures purchased by a wholly-owned subsidiary, which, as of December 31, 2015, holds 67,909,858 debentures (Series B), which as to the end of the reported year, accounts for 1.91% of total issued debentures (Series B).

Appendix C - Sensitivity analysis tables

Effects of exchange rate changes on balance sheet hedging transactions (in USD thousands)

	Profit (loss) from changes		Fair value	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
EUR/USD	1,539	779	(42,039)	(376)	(1,077)
GBP/USD	1,385	693	1,627	(693)	(1,385)
USD/ZAR	1,336	700	1,911	(700)	(1,336)
USD/PLN	346	181	1,591	(181)	(346)
USD/ILS	(147,994)	(77,158)	(33,919)	72,338	146,559
USD/BRL	21,185	11,046	101	(11,205)	(21,766)

Effect of volatility changes on balance sheet hedging transactions (in USD thousands)

	Profit (loss) from changes		Fair value	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
EUR/USD	7	3	(42,039)	(3)	(7)
GBP/USD	0	0	1,627	0	0
USD/ZAR	0	0	1,911	0	0
USD/PLN	0	0	1,591	0	0
USD/ILS	(32)	(17)	(33,919)	18	37
USD/BRL	(28)	(14)	101	15	31

Effect of base currency interest rate changes on balance sheet hedging transactions on cash balances (in USD thousands)

	Profit (loss) from changes		Fair value	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
EUR/USD	(18)	(9)	(42,039)	9	18
GBP/USD	(3)	(1)	1,627	1	3
USD/ZAR	11	6	1,911	(6)	(11)
USD/PLN	3	1	1,591	(1)	(3)
USD/ILS	(5)	(3)	(33,919)	3	5
USD/BRL	733	367	101	(367)	(733)

Effect of base currency interest rate changes on balance sheet hedging transactions on cash balances (in USD thousands)

	Profit (loss) from changes		Fair value	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
EUR/USD	(4)	(2)	(42,039)	2	4
GBP/USD	2	1	1,627	(1)	(2)
USD/ZAR	(2)	(1)	1,911	1	2
USD/PLN	(2)	(1)	1,591	1	2
USD/ILS	16	8	(33,919)	(8)	(16)
USD/BRL	(52)	(26)	101	26	52

Effect of exchange rates on economic hedging transactions (in USD thousands)

	Profit (loss) from changes		Fair value	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
EUR/USD	44,384	22,013	24,483	(21,113)	(41,476)
GBP/USD	1,385	1,643	1,060	(1,643)	(1,385)
USD/PLN	1,865	977	710	(977)	(1,865)
USD/ILS	(10,659)	(5,584)	(3,331)	5,584	10,659

Effect of fluctuations on economic hedging transactions (in USD thousands)

	Profit (loss) from changes		Fair value	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
EUR/USD	70	35	24,483	(35)	(70)
GBP/USD	0	0	1,060	0	(0)
USD/PLN	0	0	710	0	0
USD/ILS	0	0	(3,331)	(0)	0

Effect of base currency interest changes on economic hedging transactions (in USD thousands)

	Profit (loss) from changes		Fair value	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
EUR/USD	(333)	(167)	24,483	167	333
GBP/USD	(8)	(4)	1,060	4	8
USD/PLN	4	2	710	(2)	(4)
USD/ILS	(12)	(6)	(3,331)	6	12

Effect of base currency interest changes on economic hedging transactions (in USD thousands)

	Profit (loss) from changes		Fair value	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
EUR/USD	13	7	24,483	(7)	(13)
GBP/USD	6	3	1,060	(3)	(6)
USD/PLN	(2)	(1)	710	1	2
USD/ILS	47	24	(3,331)	(24)	(47)

Sensitivity to USD/NIS exchange rate changes (in USD thousands)

	Profit (loss) from changes		Base Asset	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Rate	4.292	4.097	3.902	3.707	3.512
Assets					
Cash and cash equivalents	(2,181)	(1,091)	21,810	1,091	2,181
Receivables	(1,009)	(504)	10,088	504	1,009
Financial assets	(1,667)	(833)	16,667	833	1,667
Investments, long term loans and debit balances	(3)	(2)	32	2	3
Total assets	**(4,860)**	**(2,430)**	**48,597**	**2,430**	**4,860**
Other long-term liabilities					
Bank and other credit	(0)	(0)	(1)	0	0
Trade payables	11,985	5,992	119,848	(5,992)	(11,985)
Other payables	8,739	4,370	87,391	(4,370)	(8,739)
Current tax liabilities	72	36	724	(36)	(72)
Debentures	115,717	57,858	1,157,169	(57,858)	(115,717)
Other long term liabilities	18	9	180	(9)	(18)
Employee benefits	5,942	2,971	59,423	(2,971)	(5,942)
Total liabilities	**142,473**	**71,237**	**1,424,734**	**(71,237)**	**(142,473)**
Difference	**137,614**	**68,807**	**(1,376,137)**	**(68,807)**	**(137,614)**
Instruments for hedging cash balances					
Options	(64,183)	(33,257)	659,250	27,353	58,380
Forward contracts	(64,155)	(33,605)	712,598	33,605	64,155
Total	**(147,994)**	**(77,158)**	**1,371,848**	**72,338**	**146,559**
Difference	**(10,381)**	**(8,351)**	**(4,289)**	**3,531**	**8,945**
Instruments for hedging projected transactions					
Forward contracts	(10,659)	(5,584)	116,397	5,584	10,659
Total	**(10,659)**	**(5,584)**	**116,397**	**5,584**	**10,659**

Sensitivity to USD/Euro exchange rate changes (in USD thousands)

	Profit (loss) from changes		Base Asset	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Rate	0.980	1.034	1.088	1.143	1.197
Assets					
Cash and cash equivalents	(6,448)	(3,224)	64,476	3,224	6,448
Short term investments	(1)	(0)	8	0	1
Receivables	(10,381)	(5,190)	103,808	5,190	10,381
Financial assets	(1,514)	(757)	15,137	757	1,514
Current tax assets	(268)	(134)	2,682	134	268
Investments, long term loans and debit balances	(234)	(117)	2,342	117	234
Total assets	**(18,845)**	**(9,423)**	**188,453**	**9,423**	**18,845**
Other long-term liabilities					
Bank and other credit	588	294	5,879	(294)	(588)
Trade payables	9,188	4,594	91,884	(4,594)	(9,188)
Other payables	6,212	3,106	62,115	(3,106)	(6,212)
Current tax liabilities	192	96	1,920	(96)	(192)
Bank loans (including current maturities)	1	0	5	(0)	(1)
Other long term liabilities	65	33	653	(33)	(65)
Put options for non-controlling interests	304	152	3,039	(152)	(304)
Employee benefits	381	190	3,805	(190)	(381)
Total liabilities	**16,930**	**8,465**	**169,300**	**(8,465)**	**(16,930)**
Difference	**(1,915)**	**(958)**	**19,153**	**958**	**1,915**
Instruments for hedging cash balances					
Options + Forward contracts	1,539	779	(23,981)	(376)	(1,077)
Total	**1,539**	**779**	**(23,981)**	**(376)**	**(1,077)**
Difference	**(376)**	**(179)**	**(4,828)**	**582**	**839**
Instruments for hedging projected transactions					
Options	26,947	13,295	(298,880)	(12,394)	(24,040)
Forward contracts	22,838	11,419	(222,004)	(11,419)	(22,838)
Total	**44,384**	**22,013**	**(520,884)**	**(21,113)**	**(41,476)**

Sensitivity to USD/BRL exchange rate changes (in USD thousands)

	Profit (loss) from changes		Base Asset	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Rate	4.295	4.100	3.905	3.710	3.514
Assets					
Cash and cash equivalents	(2,496)	(1,248)	24,955	1,248	2,496
Trade receivables	(25,983)	(12,992)	259,831	12,992	25,983
Financial assets	(1,918)	(959)	19,175	959	1,918
Investments, long term loans and debit balances	(2,610)	(1,305)	26,101	1,305	2,610
Total assets	**(33,006)**	**(16,503)**	**330,062**	**16,503**	**33,006**
Other long-term liabilities					
Trade payables	1,051	526	10,510	(526)	(1,051)
Other payables	2,389	1,194	23,887	(1,194)	(2,389)
Current tax liabilities	285	142	2,849	(142)	(285)
Bank credit (including current maturities)	144	72	1,438	(72)	(144)
Other long term liabilities	1,443	721	14,429	(721)	(1,443)
Total liabilities	**5,311**	**2,656**	**53,113**	**(2,656)**	**(5,311)**
Difference	**(27,695)**	**(13,847)**	**276,949**	**13,847**	**27,695**
Instruments for hedging cash balances					
Options	2,589	1,318	(28,000)	(1,477)	(3,169)
Forward contracts	18,596	9,728	(213,500)	(9,728)	(18,596)
Total	**21,185**	**11,046**	**(241,500)**	**(11,205)**	**(21,766)**
Difference	**(6,510)**	**(2,801)**	**35,449**	**2,642**	**5,929**

Sensitivity to USD/GBP exchange rate changes (in USD thousands)

	Profit (loss) from changes		Base Asset	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Rate	1.334	1.408	1.482	1.556	1.631
Assets					
Cash and cash equivalents	(372)	(186)	3,723	186	372
Trade receivables	(2,171)	(1,085)	21,705	1,085	2,171
Financial assets	(43)	(22)	432	22	43
Total assets	**(2,586)**	**(1,293)**	**25,860**	**1,293**	**2,586**
Other long-term liabilities					
Bank and other credit	112	56	1,121	(56)	(112)
Trade payables	162	81	1,618	(81)	(162)
Other payables	746	373	7,455	(373)	(746)
Total liabilities	**1,019**	**510**	**10,194**	**(510)**	**(1,019)**
Difference	**(1,567)**	**(783)**	**15,666**	**783**	**1,567**
Instruments for hedging cash balances					
Forward contracts	1,385	693	(14,370)	(693)	(1,385)
Total	**1,385**	**693**	**(14,370)**	**(693)**	**(1,385)**
Difference	**(181)**	**(91)**	**1,296**	**91**	**181**
Instruments for hedging projected transactions					
Forward contracts	1,385	1,643	34,004	(1,643)	(1,385)
Total	**1,385**	**1,643**	**34,004**	**(1,643)**	**(1,385)**

Sensitivity to USD/PLN exchange rate changes (in USD thousands)

	Profit (loss) from changes		Base Asset	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Rate	4.291	4.096	3.901	3.706	3.511
Assets					
Cash and cash equivalents	(2,002)	(1,001)	20,022	1,001	2,002
Trade receivables	630	315	(6,299)	(315)	(630)
Financial assets	(274)	(137)	2,739	137	274
Prepayments net of provision for taxes	(64)	(32)	636	32	64
Total assets	**(1,710)**	**(855)**	**17,098**	**855**	**1,710**
Other long-term liabilities					
Bank and other credit	969	485	9,691	(485)	(969)
Trade payables	432	216	4,322	(216)	(432)
Other payables	390	195	3,904	(195)	(390)
Other long term liabilities	82	41	820	(41)	(82)
Current tax liabilities	41	21	410	(21)	(41)
Employee benefits	4	2	39	(2)	(4)
Total liabilities	**1,919**	**959**	**19,186**	**(959)**	**(1,919)**
Difference	**209**	**104**	**(2,088)**	**(104)**	**(209)**
Instruments for hedging cash balances					
Forward contracts	346	181	(3,823)	(181)	(346)
Total	**346**	**181**	**(3,823)**	**(181)**	**(346)**
Difference	**555**	**286**	**(5,911)**	**(286)**	**(555)**
Inventories*	(4,027)	(2,014)	40,270	2,014	4,027
Difference including inventory	(3,472)	(1,728)	34,359	1,728	3,472
Instruments for hedging projected transactions					
Forward contracts	1,865	977	21,257	(977)	(1,865)
Total	**1,865**	**977**	**21,257**	**(977)**	**(1,865)**

* The accounting hedging for inventories was carried out against the inventory in the customer's country for selling in PLN to the end customer

Sensitivity to USD/ZAR exchange rate changes (in USD thousands)

	Profit (loss) from changes		Base Asset	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Rate	17.114	16.336	15.558	14.780	14.002
Assets					
Cash and cash equivalents	(323)	(161)	3,229	161	323
Trade receivables	(1,334)	(667)	13,337	667	1,334
Financial assets	(34)	(17)	338	17	34
Total asset	**(1,690)**	**(845)**	**16,904**	**845**	**1,690**
Other long-term liabilities					
Trade payables	11	5	108	(5)	(11)
Other payables	70	35	696	(35)	(70)
Current tax liabilities	10	5	103	(5)	(10)
Total liabilitie	**91**	**45**	**907**	**(45)**	**(91)**
Difference	**(264)**	**(100)**	**(732)**	**100**	**264**
Instruments for hedging cash balances					
Forward contracts	1,336	700	(16,729)	(700)	(1,336)
Total	**1,336**	**700**	**(16,729)**	**(700)**	**(1,336)**
Difference	**(264)**	**(100)**	**(732)**	**100**	**264**
Instruments for hedging projected transactions					
Forward contracts	33	17	(448)	(17)	(33)
Total	**33**	**17**	**(448)**	**(17)**	**(33)**

Sensitivity of financial instruments to interest rate changes (in USD thousands)

	Profit (loss) from changes		Fair value	Profit (loss) from changes	
	+10%	+5%		-5%	-10%
Changes in linked NIS interest rates					
Debentures Series B	45,424	23,103	(1,082,871)	(23,920)	(48,695)
CPI transaction	0	0	(1,970)	(0)	(0)
Total	**45,424**	**23,103**	**(1,084,841)**	**(23,920)**	**(48,695)**
Changes in unlinked NIS interest rates					
Debentures Series D	52	26	(105,521)	(26)	(53)
Total	**52**	**26**	**(105,521)**	**(26)**	**(53)**
Changes in USD interest rates					
USD loans	750	377	(66,603)	(381)	(766)
USD investments	(5)	(2)	573	2	5
Total	**745**	**375**	**(66,030)**	**(379)**	**(761)**
Changes in BRL interest rates					
Investments in BRL	(182)	(93)	3,001	97	197
Loans in BRL	19	10	(1,282)	(10)	(20)
Total	**(163)**	**(83)**	**1,719**	**87**	**177**

Appendix D - Exchange rate data for the Company's principal functional currencies

	December 31			Q4 Average			Annual Average		
	2015	2014	Change	2015	2014	Change	2015	2014	Change
EUR/USD	1.088	1.215	(10.4%)	1.095	1.249	(12.3%)	1.110	1.327	(16.4%)
USD/BRL	3.905	2.656	47.0%	3.842	2.545	51.0%	3.331	2.354	41.5%
USD/PLN	3.901	3.507	11.2%	3.893	3.374	15.4%	3.770	3.155	19.5%
USD/ZAR	15.558	11.557	34.6%	14.195	11.213	26.6%	12.742	10.836	17.6%
AUD/USD	0.731	0.819	(10.8%)	0.720	0.855	(15.8%)	0.752	0.901	(16.6%)
GBP/USD	1.482	1.559	(4.9%)	1.518	1.583	(4.1%)	1.529	1.647	(7.2%)
USD/ILS	3.902	3.889	0.3%	3.872	3.824	1.3%	3.878	3.571	8.6%
USD L 3M	0.61%	0.26%	138.8%	0.41%	0.24%	70.8%	0.31%	0.23%	34.8%