



FMC Corporation (NYSE:FMC)

Kiana Canon and Lerkxue Cheah (LX)
Senior Analysts: Spencer Pederson and Seng Juan Goh (SJ)





Company Overview



Company Overview



Crop Chemicals

Insecticides

Herbicides

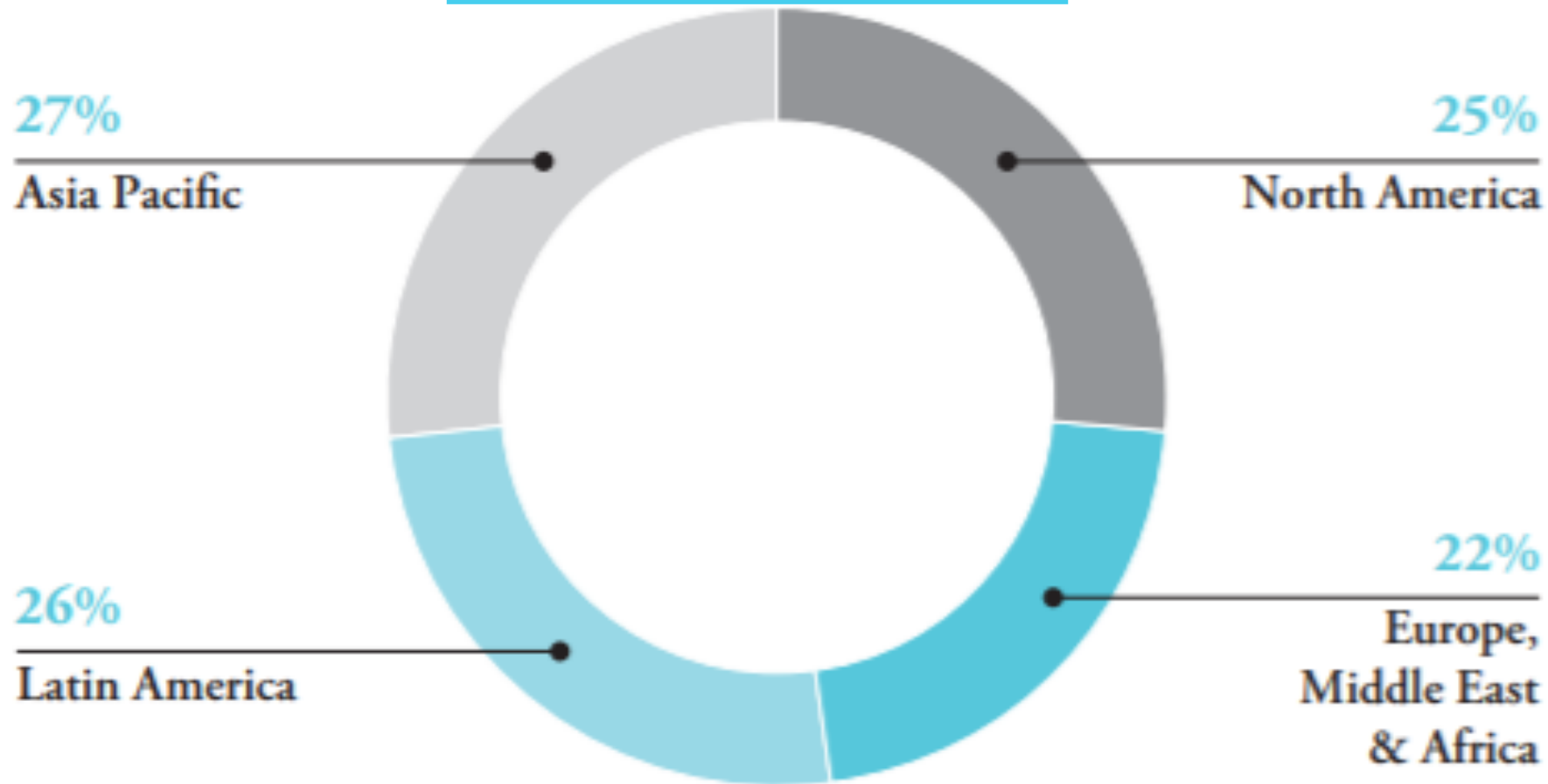
Fungicides



Global Diversification



Market Cap: 10.1 B



Separation & Acquisition



+



Global Crop Protection



Stock Price vs S&P 500





Investment Thesis

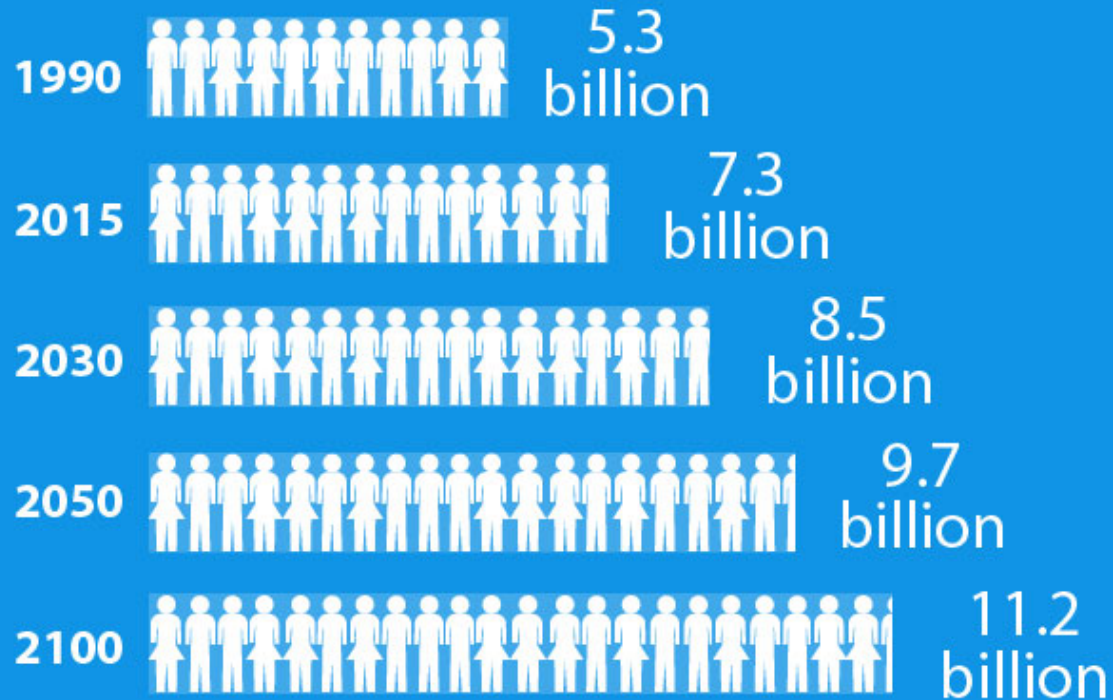


Population Growth



World Population

Projected world population until 2100



To Feed ...

+2 billion



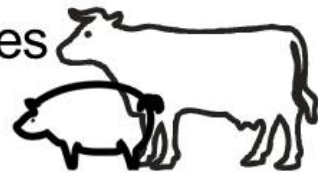
By 2050

We Need ...

+1 billion tonnes of cereal



+200 million tonnes of livestock



every year

Source: State of the World's Land and Water Resources for Food and Agriculture, December 2011
© China Water Risk

Share Buybacks



\$200M buybacks 2018

\$1B buybacks 2019-2020

Dividend Yield

2017

2018

2019

0.8%

1%

2%

Introduction of New Products



3RIVE3D



CAPTURE
3RIVE 3D

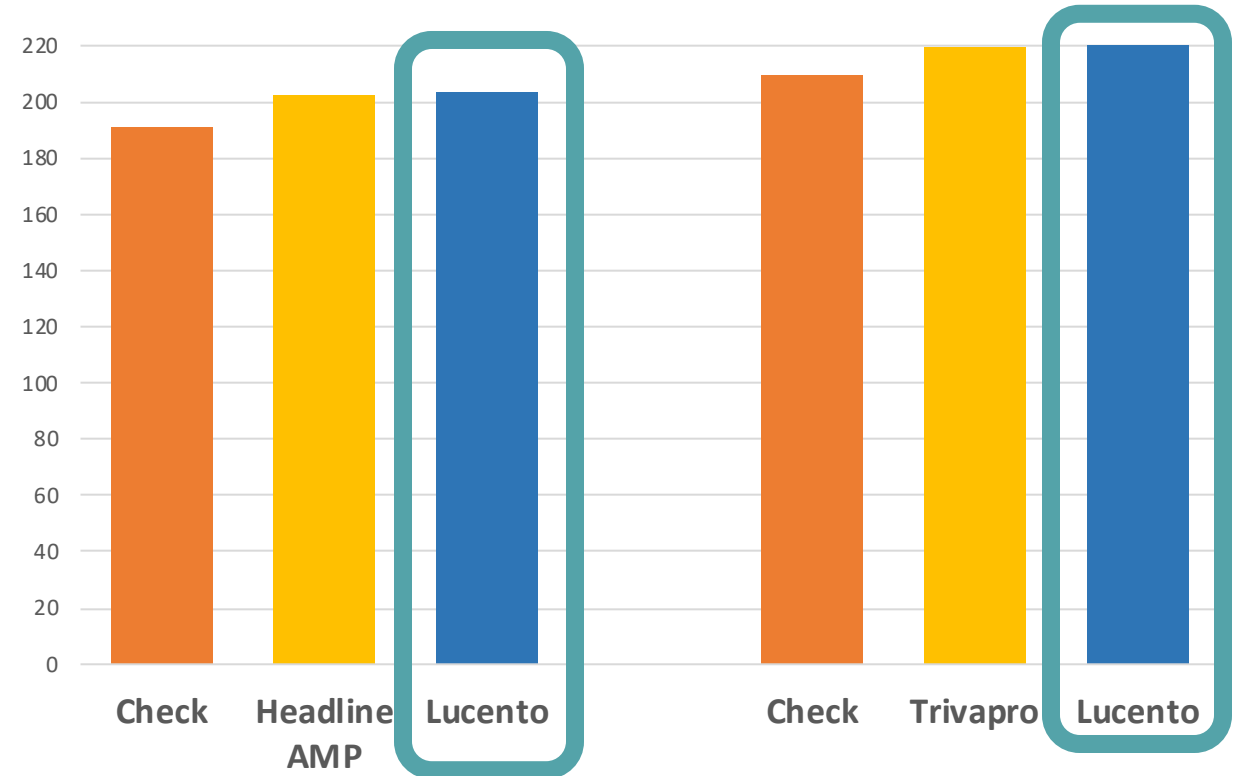
Sustainable way to apply
pesticides efficiently

Apply 500 acres at one
refill

Introduction of New Products



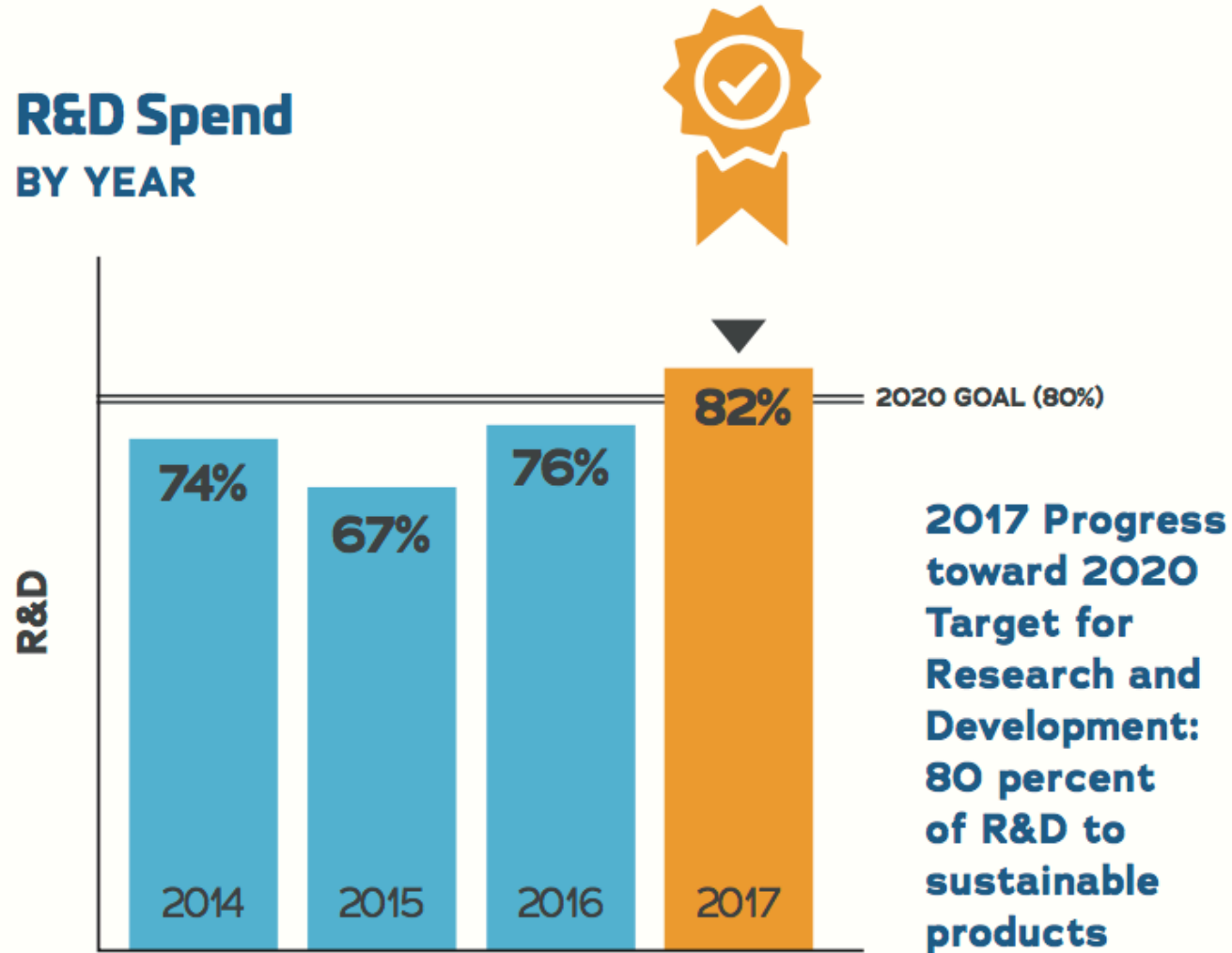
2017/2018 Multi-Site Corn Yield Data



Sustainability (Biologicals)



R&D Spend BY YEAR



FRACTURE[®]
FUNGICIDE

ETHOS[®]
3D
INSECTICIDE / FUNGICIDE

Sustainability



Goals by 2025:

↓ **15%**
ENERGY

↓ **15%**
GHG EMISSIONS

↓ **15%**
WASTE

↓ **20%**
WATER USE

2017 Performance

↓ **14%**
ENERGY intensity

↓ **21%**
GHG EMISSIONS intensity

↓ **16%**
WASTE intensity

↑ **15%**
WATER USE intensity in high-risk areas



Risks



Expiration of Patent



Rynaxypyr™

CYAZYPYR

2022

2024

Organic Movement



Retail sales of natural and organic food in the U.S. from 2000 to 2017 (in billion U.S. dollars)





Peer Analysis



Peer Analysis



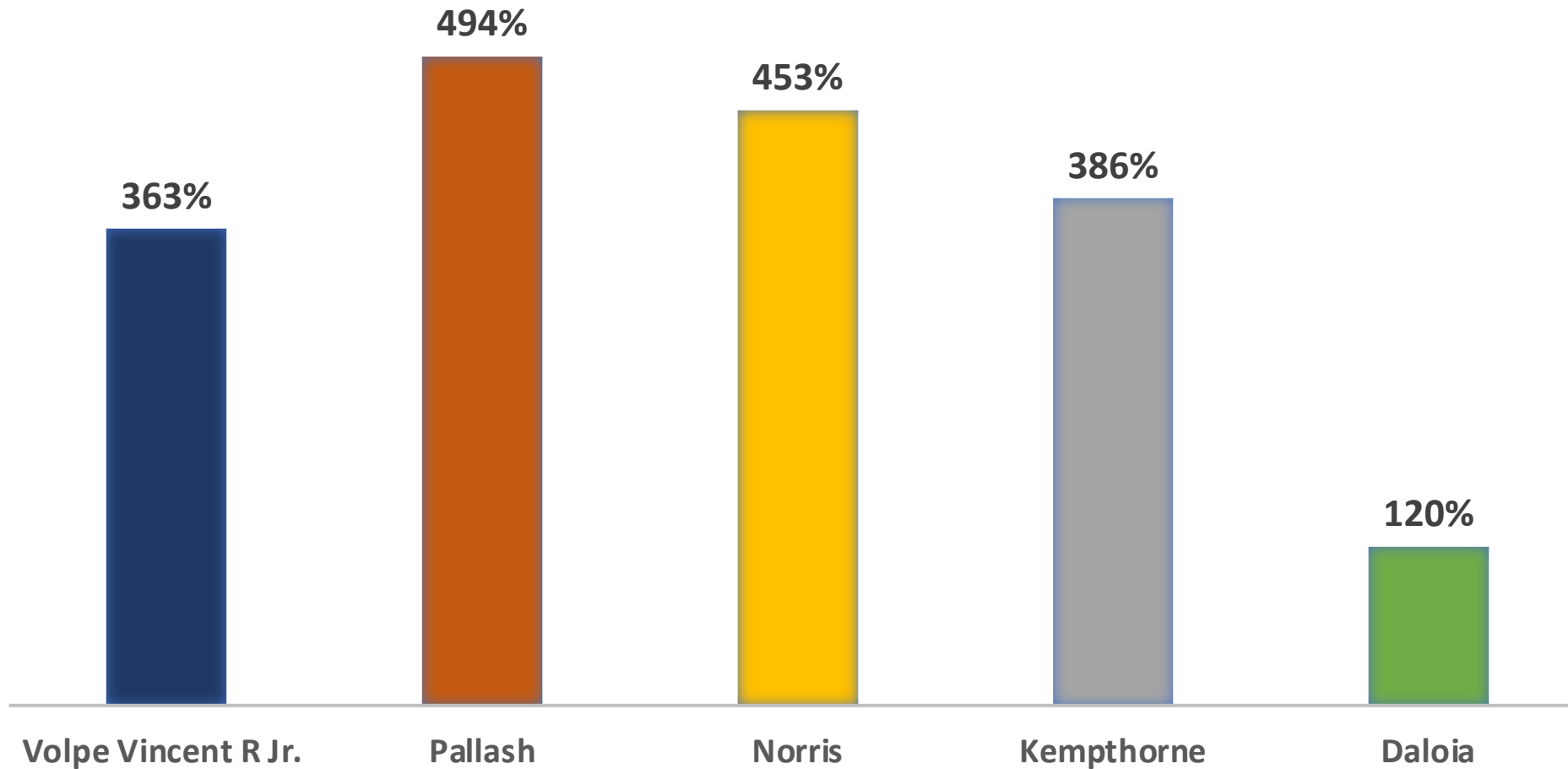
	Market Cap (M)	ROE (%)	EV/EBITDA	Div Yld
FMC Corporation	10,494	21.0	9.53	2.00%
*Adama	4,280	11.2	4.80	0.55%
*UPL	6,230	21.6	11.57	0.82%
*Nufarm	1,742	- 1.71	9.42	1.12%

**All foreign currency adjusted to USD on 4/26/19*



Ownership of Shares

Insider Holdings





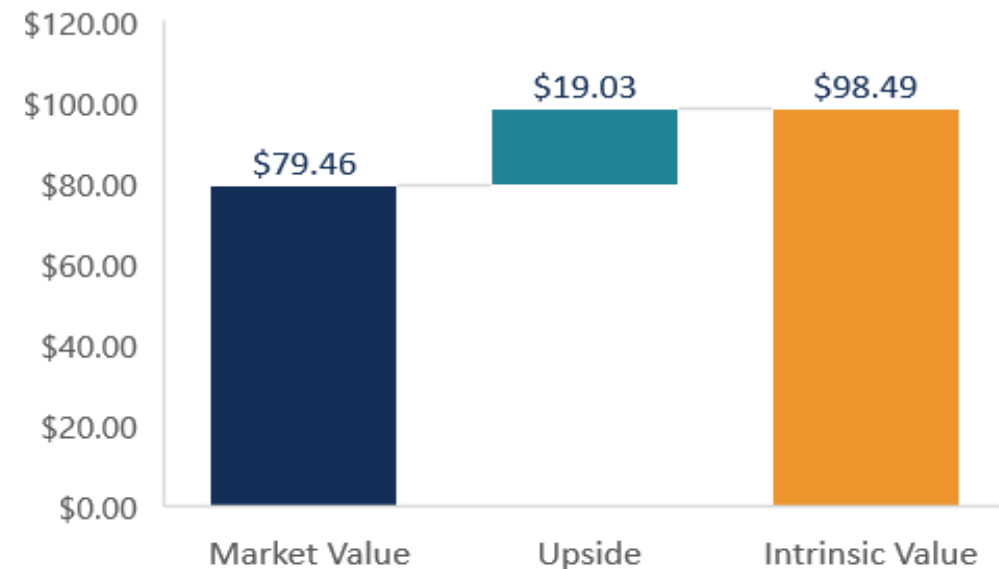
Valuation

Discounted Cash Flow (DCF)



WACC	13%
Growth (1 st & 2 nd year)	12%
Growth subsequent year	3%

Market Value vs Intrinsic Value



\$98.49

Sensitivity Analysis



		<u>Terminal Growth Rate</u>				
<u>EV/EBITDA</u>	98.49	1.00%	2.00%	3.00%	4.00%	5.00%
7.6		85.38	88.11	91.38	95.38	100.39
8.6		88.93	91.66	94.94	98.94	103.94
9.6		92.49	95.22	98.49	102.50	107.50
10.6		96.05	98.78	102.05	106.05	111.06
11.6		99.60	102.33	105.61	109.61	114.61

 1% in TGF
 
 4% in Stock Price

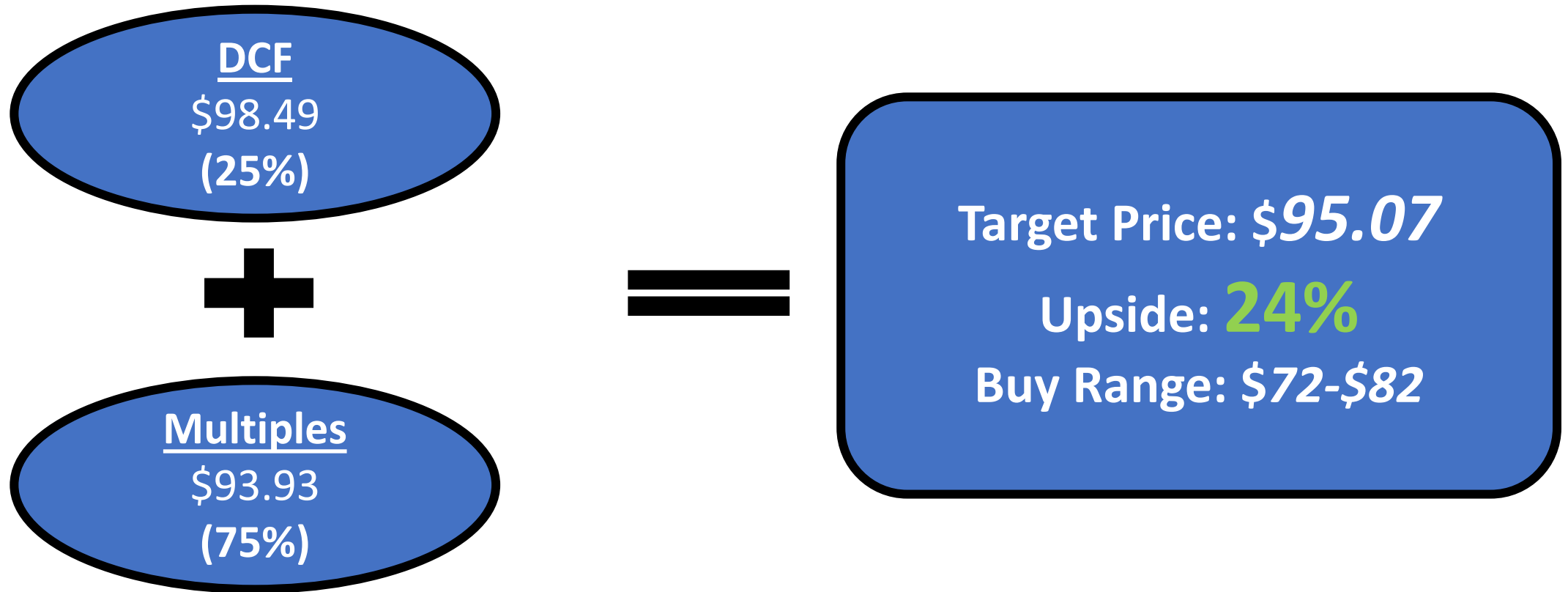
Multiple Analysis



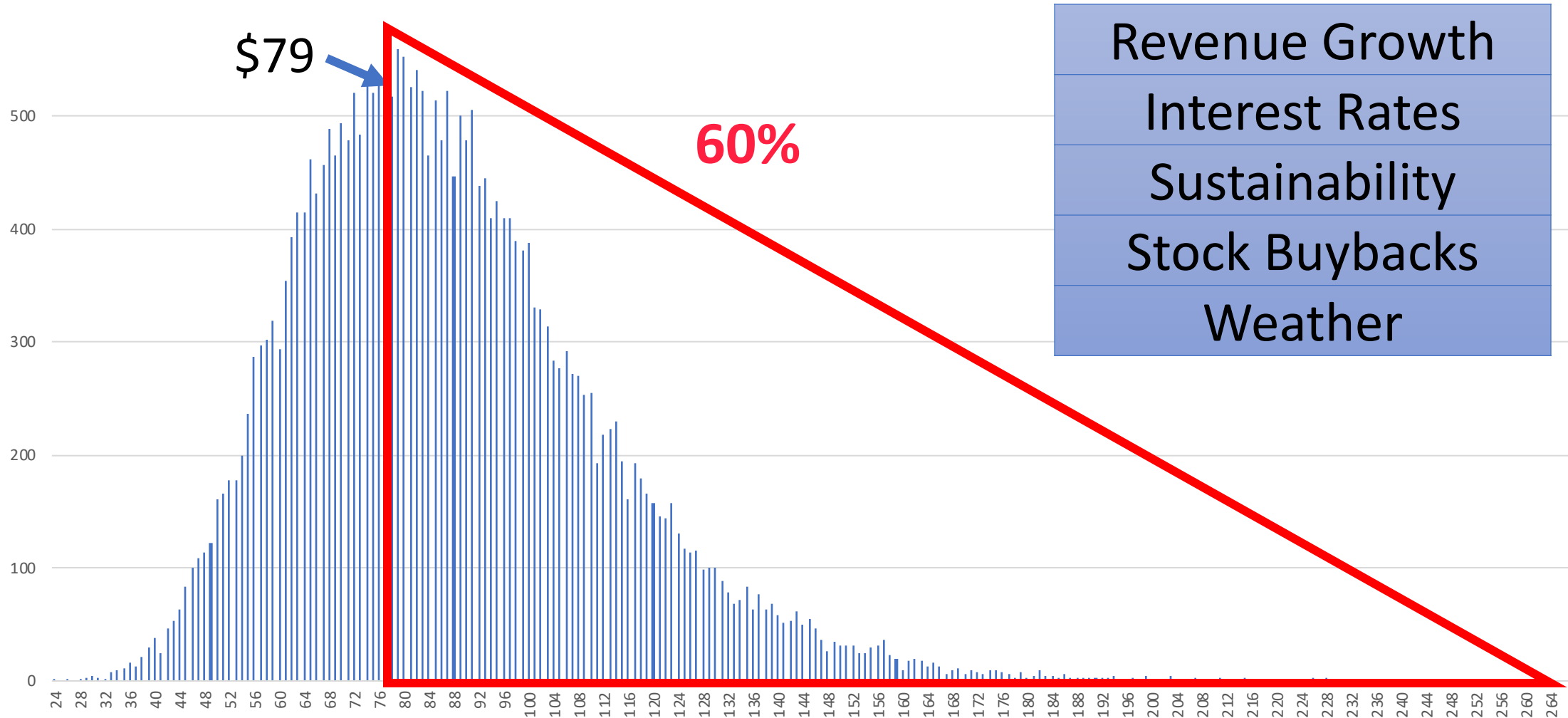
EV/EBITDA

\$93.93

Valuation



Monte Carlo





Conclusion





Q&A

