Cheminova A/S

Thyborønvej 78
7673 Harboøre

CVR no. 12 76 00 43

Annual report 2019

The annual report was presented and approved at the Company's annual general meeting on

9 July 2020

Kristinn Hauksson
Chairman

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Cheminova A/S for the financial year 1 January – 31 December 2019.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Lemvig, 9 July 2020
Executive Board:

Marc Hullebroeck CEO	Jakob Lyngsø Andersen Executive director	Patrick Charles Day Executive director

Board of Directors:

Andrew David Sandifer Chairman	Diane Sue Allemang Deputy Chairman	
Marc Hullebroeck	William Francis Chester	Jakob Lyngsø Andersen
Nathan Søgaard Hudson	Jens Christian Rønn Iversen	Kapil Kumar Saini

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Independent auditor's report

To the shareholders of Cheminova A/S

Opinion

We have audited the financial statements of Cheminova A/S for the financial year 1 January – 31 December 2019 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

— identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Independent auditor's report

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 9 July 2020
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Jon Beck State Authorised Public Accountant mne32169	David Olafsson State Authorised Public Accountant mne19737

Management's review

Company details

Cheminova A/S
Thyborønvej 78
7673 Harboøre

Telephone:	96 90 96 90
Fax:	96 90 96 91
Website:	www.fmc.com
CVR no.:	12 76 00 43
Financial year:	1 January – 31 December

Board of Directors

Andrew David Sandifer, Chairman
Diane Sue Allemang, Deputy Chairman
Marc Hullebroeck
William Francis Chester
Jakob Lyngsø Andersen
Nathan Søgaard Hudson
Jens Christian Rønn Iversen
Kapil Kumar Saini

Executive Board

Marc Hullebroeck, CEO
Jakob Lyngsø Andersen, Executive director
Patrick Charles Day, Executive director

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
DK-2100 Copenhagen

Management's review

Financial highlights

DKKm	2019	2018	2017	2016	2015
Key figures					
Revenue	3,465	3,242	3,484	3,025	4,066
Gross profit/loss	799	495	854	606	880
Ordinary operating profit/loss	220	-200	372	259	224
Profit/loss from financial income and expenses	-30	-11	-17	105	232
Profit/loss for the year	74	66	155	302	434
Total assets	4,763	4,582	6,056	4,652	5,745
Equity	2,771	2,697	2,631	2,476	2,173
Investment in property, plant and equipment	301	68	23	71	69
Ratios					
Gross margin	23.06%	15.27%	24.51%	20.08%	21.64%
Operating margin	6.44%	7.62%	10.88%	8.83%	6.79%
Return on invested capital	8.14%	9.47%	5.23%	5.09%	4.79%
Current ratio	168.98%	164.79%	128.19%	140.05%	121.90%
Return on equity	2.71%	2.48%	6.07%	12.99%	19.55%
Solvency ratio	58.18%	58.86%	43.44%	53.22%	37.82%

Financial ratios are calculated in accordance with the guidelines "Recomendations & Ratios" issued by the Danish Society of Financial Analysts. The financial ratios have been calculated as follows:

Gross margin $\frac{\text{Gross profit x 100}}{\text{Revenue}}$

Operating margin $\frac{\text{Operating profit/loss x 100}}{\text{Revenue}}$

Return on invested capital $\frac{\text{Operating profit/loss * 100}}{\text{Average invested capital}}$

Current ratio $\frac{\text{Current assets x 100}}{\text{Current liabilities}}$

Return on equity $\frac{\text{Profit/loss from ordinary activities after tax x 100}}{\text{Average equity}}$

Solvency ratio $\frac{\text{Equity ex. non-controlling interests at year end x 100}}{\text{Total equity and liabilities at year end}}$

Management's review

Operating review

Principal activities

Cheminova A/S is a business developing, producing and marketing crop protection products. All activities are carried out with due consideration for the environment and in compliance with sustainability standards.

Cheminova A/S and its entire group were acquired in 2015 by FMC Corporation which is based in Philadelphia, USA. FMC is a publicly traded company engaged in a global business of developing, producing and marketing crop protection products. The Cheminova A/S integration into FMC's crop protection product business was completed in 2016.

Uncertainty regarding recognition and measurement

The preparation of the annual report requires Management to make assumptions and estimates that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses.

In the financial statements for 2019, the following assumptions and uncertainties are worth noting as they have significantly impacted the recognition of assets and liabilities in the financial statements:

Impairment test for development projects

Development projects in progress are tested for impairment at least once a year. The development projects are progressing in line with expectations. Looking at the individual development projects, Management has estimated the need for impairment and believes that the carrying amounts of the individual development projects will be recovered. The current value for development projects in progress is DKK 10 million.

Events after the balance sheet date

No significant events occurred after December 31, 2019, until the day of the signing of the Annual Report 2019.

Development in activities and financial position

Profit/loss for the year

Cheminova A/S realized revenue of DKK 3,465 million in 2019 and has 601 employees.

Cheminova A/S experienced a satisfactory year with profit before tax of DKK 127 million which was slightly down compared with 2018. The Company's income statement for 2019 shows a profit after tax of DKK 74 million as against DKK 66 million in 2018. Equity in the Company's balance sheet at 31 December 2019 stood at DKK 2,771 million as against DKK 2,697 million at 31 December 2018.

Market and sales

Overall, revenue in 2019 increased compared to 2018 with revenue growth across insecticides, herbicides, and fungicides. New product launches in these areas more than offset portfolio losses due to product rationalization and loss of regulatory approvals to sell certain active ingredients in the European markets. The phase out of the glyphosate business further contributed to the portfolio shift. The product portfolio continued to shift from lower gross margin generic offerings to higher gross margin proprietary products with pricing improvements implemented where commercially possible. We are committed to providing unique, differentiated products to our customers by acquiring and further developing technologies as well as investing in innovation to extend product life cycles.

Management's review

Operating review

Financing

Cheminova A/S has been included in the global cash-pool setup with FMC Corporation.

Outlook

Sales are expected to grow in 2020, with the same level of gross margin and continued focus on cost. The trends in portfolio improvements are also expected to continue as new product launches are expected to replace rationalization and loss of regulatory approvals to market older technology active ingredients. We expect that the overall results for 2020 to be broadly in line with the results for 2019.

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the world. Measures taken by many countries to contain the spread of the virus - including travel bans, quarantines, social distancing, and closures of non-essential services - have triggered significant disruption to businesses worldwide, resulting in an economic slowdown. For FMC, while COVID-19 has limited normal face-to-face interactions with channel partners as well as causing some minor supply chain disruption, Agriculture is considered as "essential" by most governments and the Company does not expect any a significant impact on product supply and/or commercial operations with customers and growers as a result. The business performance for the first six months of 2020 was in line with expectations, which were set before the COVID-19 crisis materialized.

Intellectual capital

The Company and FMC Group are committing considerable resources on maintaining and developing competencies, including continuously updated knowledge of internal and external matters and quality assurance.

Particular risks

The business is sensitive to changes in market risks such as global economic changes, including developments in agriculture, climate change and global crop prices.

Operating risks

The industry entails potentially significant unwanted risks relating to the environment, health, safety, regulation and legislation. An important element in the group's risk management activities is compliance with statutory and ethical requirements, standards and rules.

We try to limit the risks, for example by obtaining recognized environmental and energy management certificates for the factory in Denmark and by educating and training our people with a view to improving attitudes and behaviour in relation to health and safety and the working environment. Read more on www.fmcsustainability.com

We also aim to ensure that the insurance program reflects the risks associated with the group's activities. According to FMC Corporation insurance policy, the financial risk associated with major claims must be transferred to an insurance company, which implies elements as deductibles and self-financing. The level of self-financing is adjusted over time, depending on the financial situation and on the products and prices offered in the global insurance market at any given point in time.

Management's review

Operating review

Financial and Tax risks

Earnings of Cheminova A/S and balance sheet are exposed to a number of financial risks, with foreign exchange risks and tax factors being the primary risks. The group's finance policy lays down the guidelines for the management of financial risks and also contains a description of approved financial instruments and risk limits.

Risk management

Efficient risk management contributes to ensuring robust operations, controlled growth and stable financial results.

Cheminova A/S is applying the central-led risk management principles from FMC Corporation. The aim is to identify financial as well as non-financial risks as early as possible with a view to ensuring the timely handling of such risks.

The group's risks can generally be divided into four categories; Particular risks, Operating risks, Financial risks which are outlined previously, and Long-term strategic risks outlined below.

Long-term strategic risks

In connection with the strategy process, Management performs an evaluation of the opportunities for and limitations to the future sustainable development of the business. This evaluation is based on reports on, for example, trends in the industry and the regions supplemented by sensitivity analyses and risk descriptions.

Environmental matters

The Company's health and safety policies are fully compliant with the local laws and regulations.
The Company is investing in education of its Health and Safety committee to ensure it is compliant with the current developments in work environment community and local laws.

Research and development activities

In 2019, the Company incurred significant research and development costs relating to the Company and FMC Group's core products. Investments in R&D will ensure that the Company can maintain and improve its market position in the coming years.

Corporate social responsibility

Cheminova A/S is governed by the policies of the parent company FMC Corporation regarding CSR. The group level policies include policies of CSR, climate changes, environment, human rights, anti-corruption and social and staff matters.

For further information, we refer to the CSR policies of FMC the statutory requirements for social responsibility, regarding 99a is disclosed in FMC Sustainability Report 2019.

The FMC CSR policies are accessible in the following link:
https://www.fmcsustainability.com/2019-report/

Management's review

Operating review

Diversity & Inclusion

Respect for people is not only a core value of ours, but also a business imperative. We embrace, leverage and respect the diversity of our workforce, our customers and our communities.

Our gender diversity goal was originally set to reach a female representation on management level and on the Board of Directors of Cheminova A/S that reflects the female representation in the overall company.

The female representation in the overall company is currently 25%. The status is that on a management level in general, we have maintained the goal with 11 of 36 managers being female. In 2019, the Company appointed a female member of the board as replacement was due. We are still focused on our target to have 2 female members on the Board of Directors by 2021.

In 2018, FMC Corporation created a new senior leadership role to oversee Diversity and Inclusion to ensure we have a strategic focus on driving actions that foster an inclusive culture. FMC has reviewed its people processes, recruitment, talent assessment & review, Learning & Development etc. These initiatives are all intended to support our overall Diversity & Inclusion agenda and to attract more female candidates for management and board roles. For further insights to our initiatives and achievements within D&I, please refer to FMC Sustainability Report for 2019.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2019	2018
Revenue	2	3,465,269	3,242,378
Production costs	3, 4	-2,666,132	-2,747,073
Gross profit		799,137	495,305
Distribution costs	3, 4	-84,287	-88,733
Administrative expenses	3, 4	-211,512	-292,294
Research and development costs	3, 4	-283,576	-314,758
Other operating income	5	2,801	447,032
Operating profit		222,563	246,552
Write-down of financial assets		-64,657	-98,962
Financial income	6	51,198	51,391
Financial expenses	7	-81,615	-62,408
Profit before tax		127,489	136,573
Tax on profit/loss for the year	8	-53,055	-70,595
Profit for the year	9	74,434	65,978

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2019	2018
ASSETS			
Fixed assets			
Intangible assets	10		
Finished development projects		296,547	351,911
Sales and registation rights etc.		95,935	78,026
Goodwill		1,567	1,767
Software		1,525	1,180
Intangible assets under development		10,348	8,044
		405,922	440,928
Property, plant and equipment	11		
Land and buildings		83,689	86,042
Technical plant and machinery		155,179	112,829
Fixtures and fittings, tools and equipment		1,583	3,459
Right-of-use assets		167,983	0
Plant under construction		91,158	50,429
		499,592	252,759
Investments			
Equity investments in group entities	12	679,981	672,866
Equity investments in associates	12	210,340	210,340
Receivables from group entities	13	370,463	559,840
		1,260,784	1,443,046
Total fixed assets		2,166,298	2,136,733
Current assets			
Inventories			
Raw materials and consumables		250,314	288,108
Work in progress		482,001	709,522
Finished goods and goods for resale		201,123	161,025
		933,438	1,158,655
Receivables			
Trade receivables		229,309	217,236
Receivables from group entities		1,316,520	1,020,552
Other receivables		86,231	40,962
Deferred tax asset	14	24,485	1,901
Prepayments	15	3,454	4,469
		1,659,999	1,285,120
Cash at bank and in hand		2,839	1,800
Total current assets		2,596,276	2,445,575
TOTAL ASSETS		4,762,574	4,582,308

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2019	2018
EQUITY AND LIABILITIES			
Equity			
Contributed capital	16	300,000	300,000
Reserve for development costs		65,415	71,290
Retained earnings		2,405,903	2,325,594
Total equity		2,771,318	2,696,884
Provisions			
Other provisions	17	454,798	401,339
Total provisions		454,798	401,339
Liabilities other than provisions			
Non-current liabilities other than provisions	18		
Lease obligations		154,577	0
Current liabilities other than provisions			
Lease obligations, current liabilities	18	18,833	0
Trade payables		591,898	656,347
Payables to group entities		540,498	485,386
Other payables		230,652	336,365
Deferred income	19	0	5,987
		1,381,881	1,484,085
Total liabilities other than provisions		1,536,458	1,484,085
TOTAL EQUITY AND LIABILITIES		4,762,574	4,582,308

Fees to auditor appointed at the general meeting	20
Contractual obligations, contingencies, etc.	21
Mortgages and collateral	22
Related party disclosures	23

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Statement of changes in equity

DKK'000	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2018	300,000	50,430	2,280,476	2,630,906
Transferred over the profit appropriation	0	20,860	45,118	65,978
Equity at 1 January 2019	300,000	71,290	2,325,594	2,696,884
Transferred over the profit appropriation	0	-5,875	80,309	74,434
Equity at 31 December 2019	300,000	65,415	2,405,903	2,771,318

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Cheminova A/S for 2019 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year, with the exception of the implementation of IFRS 16.

Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Cheminova A/S and group entities are included in the consolidated financial statements of FMC Corporation, 2929 Walnut Street, Philadelphia, PA 19104, USA (listed on New York Stock Exchange).

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of FMC Corporation, 2929 Walnut Street, Philadelphia, PA 19104, USA (listed on New York Stock Exchange).

Change in accounting policies

With effect from 1 January 2019, the Company has chosen to use IFRS 16 Leases as the basis of interpretation for recognising and measurement of leases to which the Company is the lessee.

Consequently, with effect from 1 January 2019, the Company recognises all finance and operating leases in the balance sheet as a right-of-use asset and a lease liability except from:

- Short-term leases with a maximum lease term of 12 months
- Leases for low-value assets.

For such leases, lease payments are recognised on a straight-line basis in the income statement over the lease term.

When changing its basis of interpretation, the Company has used the lessee accounting model under IFRS 16 from 1 January 2019 without restatement of comparative figures. The effect of the change as of 1 January 2019 has been recognised directly in equity. The Company has applied the following practical expedients for right-of-use assets and lease liabilities previously accounted for as operating leases:

- Applied a single discount rate to a portfolio of leased assets with reasonably similar characteristics.
- Not recognised leases for which the lease term ends within 12 months from the date of transition
- Excluded initial direct costs from the measurement of the right-use-assets at 1 January 2019.
- At 1 January 2019, the right-of-use asset is measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments.
- Not applied the new lease definition to contracts that were not previously identified as containing a lease applying IAS 17 and IFRIC 4.
- On 1 January 2019, not separated non-lease components from lease components, but considered them a single lease component.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Explanation of the accounting effect of changed accounting policies:

DKK'000	2019
Below, the operating lease liability in accordance with IAS 17 disclosed in the financial statements for 2018 has been reconciled with the lease liability recognised in the balance sheet at 1 January 2019 (date of transition):	
Operating lease liabilities disclosed at 31 December 2018	280,000
Effect of discounting lease liabilities	-97,564
Lease liabilities recognised at 1 January 2019	182,436

Profit/loss for the year remains substantially unchanged. This is due to the depreciation of the right-of-use assets and interest costs from the lease liabilities being almost equal to the operating lease expense.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Significant accounting estimates

In preparing the annual report, management necessarily makes estimates and assumptions, which form the basis of the presentation, recognition and measurement of the reported assets and liabilities as at the balance sheet date as well as the income and expenses reported for the financial period.

The estimates made by Management are based on historical experience and on a number of other assumptions and factors, which are deemed to be reasonable in the circumstances. The result of this process forms the basis of the assessment of the income and expenses reported, which do not appear from other material.

The estimates made and the underlying assumptions are reassessed on a regular basis. Changes to accounting estimates are recognized in the financial period, in which the change is made, and in future financial periods if the change affects both the period, in which the change is made and subsequent financial periods.

The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise, which may lead to the actual results deviating from such estimates.

Income statement

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

other sales-related taxes. Revenue is recognized in the income statement, when risk and rewards of ownership have transfered to the buyer, and risk has passed.

Government grants

Government grants comprise development and financing grants, investment grants etc. Grants are recognized, when there is reasonable certainty that they will be received.

Grants for the purchase of assets and development projects are offset against the cost of the asset. Grants to cover costs incurred are offset against the costs incurred.

Production costs

Production cost comprises the consumption of raw materials, including delivery costs, repairs and maintenance, wages and salaries, and other costs of sales as well as depreciation and amortization. In addition, any direct support costs including analytics, HR and IT to the plant is considered as production costs. Write-down for inventories and write-down in connection with anticipated bad debt losses are also included.

Distribution costs

Distributions costs include costs incurred in connection with marketing and sales, including wages and salaries, rent, advertising, freight, customs duties as well as depreciation, amortization, impairment losses and writedowns, bad debts and amortization of borrowing costs.

Administrative expenses

Administrative costs comprise salaries for administrative staff and management plus other office costs, including depreciation, amortization and impairment losses and writedowns, IT operations and canteen costs.

Other operating income

Other operating income comprises income of a secondary nature in relation to the Company's main objectives, including, among other things, the disposal of non-current assets and royalties.

Research and development costs

Development and registration costs include wages and salaries and any other costs, which relate to the company's development projects, including depreciation, amortization, impairment losses and write-downs. These costs also include costs incurred in respect of development projects, where such costs do not fulfil the capitalization requirements. Also included are costs incurred on an ongoing basis in connection with the defense and maintenance of registration rights in respect of the company's products.

Financial income and expenses

Financial income and expenses comprise interest, capital gains and losses on securities and write-downs concerning securities, payables and foreign currency transactions, amortization of financial liabilities, including financial lease obligations as well as supplementary payments and refunds under the tax prepayment scheme etc. Realized and unrealized gains and losses on derivative financial instruments which cannot be classified as hedging agreements are also included. Interest income and expenses are

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

accrued based on the principal amount and the effective interest rate.

Tax on profit/loss for the year

Cheminova A/S is jointly taxed with its Danish sister company FMC A/S. Current income tax is distributed among the jointly taxed Danish companies in proportion to their taxable incomes.

Current tax payable is based on the taxable profit/loss for the year. The company's current tax liability is calculated using tax rates that have been enacted at the balance sheet date. Tax for the year, comprising the expected current tax for the year and deferred tax for the year, is recognized in the income statement with the portion attributable to the net profit/loss for the year and in other comprehensive income with the portion attributable to items recognized in other comprehensive income.

Current tax is recognized in the balance sheet under receivables, where excess on-account tax has been paid and under payables, where the on-account tax paid does not cover the current tax.

Deferred tax is measured using the balance sheet liability method on all temporary differences between carrying amount and tax base of assets and liabilities. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are recognized to the extent that it is probable that tax losses allowed for carryforward can be offset against tax profits. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed on the balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset, when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Balance sheet

Intangible assets

Goodwill

Goodwill arises from the acquisition of sales rights representing the excess of cost over the Company's interest in the fair value of the assets.

Goodwill on sales rights is amortized over the estimated useful life which is calculated on the basis of the management's experience within the individual areas of activity. The amortization period cannot exceed 10 years.

For the purpose of impairment testing, goodwill is compared to the latest forecast and business plan for the particular sales right. Goodwill is tested for impairment annually, or more frequently when there is an indication that the sales right may be impaired. If the recoverable amount of the cash-generating sales right is less than the carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the sales right and then to the other assets of the sales right.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Acquired sales and registration rights, know-how and software

These intangible assets are measured at cost less accumulated amortization and impairment losses. The assets are amortized in accordance with the straight-line method over their expected useful lives, such lives being 3-10 years.

Internally generated intangible assets – development and registration costs

Expenditure on research activities is recognized in the income statement in the period in which it is incurred.

An internally generated intangible asset arising from the Company's attainment of sales and registration rights is recognized only if all of the conditions specified in the Danish Fiancial Statements Act are met. Expenditure in respect of development projects is recognized if certain criteria are fulfilled under intangible assets and is measured at cost less accumulated amortization and impairment. Internal interest rate (3.0%) is included in the cost. Capitalization is usually subject to it being deemed to be sufficiently certain that future earnings will cover the development costs. Moreover, capitalisation assumes that all required public registration and authority approvals can be expected to be obtained and that the development costs can be reliably measured. Interests for borrowing costs have been included in the cost price of constructed assets. Recognition is based on an effective interest rate of 3.0% (3.0%), corresponding to the Group's weighted average borrowing costs in respect of general borrowing. No specific loans have been arranged for the construction or development of assets.

Internally generated intangible assets are amortized on a straight-line basis over their useful lives. The amortisation period is usually 5 - 10 years, however not exceeding 10 years, depending on the future expected revenue and profit flow. Where no internally generated intangible asset can be recognized, development costs are recognized in the income statement in the period in which they are incurred.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Property, plant and equipment

Land and buildings, technical plant and machinery, and other fixtures and fittings, tools and equipment are carried at cost less accumulated depreciation and impairment losses. Land is not depreciated. Assets in the course of construction for production, rental or administrative purposes are carried at cost, less any impairment losses.

Cost comprises the purchase price, costs directly related to the purchase and costs of preparing the asset up until such time as the asset is ready for use. The cost of own production of non-current assets includes direct and indirect expenses incurred in respect of wages and salaries, consumption of materials as well as subsuppliers and borrowing costs relating to the period of construction.

Depreciation of the assets commences when the assets are ready for their intended use. Depreciation is based on cost less the expected residual value after the end of their useful lives. Depreciation is charged using the straight-line method over the expected useful lives, which are:

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Depreciation of the assets commences when the assets are ready for their intended use. Depreciation is based on cost less the expected residual value after the end of their useful lives. Depreciation is charged using the straight-line method over the expected useful lives, which are:

Office and laboratory buildings, residentialand tenement buildings and garages	15-45 years
Production and factory buildings androad systems	15-45 years
Technical plant and machinery	4-15 years
Fixtures and fittings, tools and equipment	2-10 years

The uselife and residual value are reassesed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

The gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets at the time of the sale and is recognized in the income statement as other operating income or other operating costs, respectively.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Leased asssets and lease liablities

When entering into a contract, the Company assesses whether the contract is a lease or contains a lease component. A lease is defined as a contract or part of a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. When assessing whether a contract contains a lease component, it must be considered whether, during the period of use, the lessee has the right to substantially all economic benefits from the use of the identified asset and the right to direct the use of the identified asset.

The Company recognises a right-of-use asset and a lease liability at the commencement date.

The Company leases cars including a service component in the payments to the lessor. This service is separated from the lease payment when measuring the lease liability. If the Company is unable to reliably separate lease components and non-lease components, it is considered a single lease component.

Lease liabilities recognised as "Credit institutions and interest-bearing liabilities" are initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease payments consist of fixed and variable lease payments that depend on an index or a rate, guaranteed residual values, purchase options and extension options if the Company is reasonably certain to exercise the option and termination penalties if the lease term reflects the Company exercising an option to terminate the lease. The lease liability is subsequently adjusted as follows if:
— The value of the index or rate on which the lease payments are based is changed.
— The exercise of options is changed in order to extend or terminate the lease due to significant events or a significant change in circumstances within the Company's control.
— The lease term is changed if the option is exercised in order to extend or terminate the lease.
— Estimated residual value guarantee is changed.
— The contract is renegotiated or modified.
Any subsequent adjustment of the future lease liability is recognised as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is DKK 0, a negative adjustment to the right-of-use asset is, however, recognised in the income statement.

The right-of-use asset is initially measured at cost comprising amount of initial measurement of the lease liability plus any initial direct costs and any estimated costs of dismantling and removal of the asset at the end of the lease term which the Company is under an obligation to incur and any prepaid lease payments and less any lease incentives received.

The right-of-use asset is depreciated over the shorter of the lease term and the useful life of the right-of-use asset.

Short-term leases with a maximum lease term of 12 months and leases for low-value assets are not recognised in the balance sheet.

Equity investments in group entities and associates

Equity investments in subsidiaries and associates are recognized and measured in accordance with the cost method. Write-down is made to lower of cost and recoverable amount. This means that the investments are measured at the cost price at the acquisition, adjusted for additional capital increases. Received dividends are recorded as profit and do not effect the investment value.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Impairment of fixed assets

At each balance sheet date, the company reviews the carrying amounts of its property, plant and equipment, intangible assets and equity investments in subsidiaries and associates to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of the asset is the higher of fair value less selling costs and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The impairment is recognized as an expense in the income statement.

Where the impairment is subsequently reversed, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognized for the asset in prior years. A reversal of impairment is recognized as income in the income statement.

Inventories

Inventories are stated at the lower of cost calculated according to the FIFO method and net realizable value. Cost comprises direct materials, direct labor costs and the share of indirect production overheads that has been incurred in bringing the inventories to their present location and condition. Indirect production overheads include the share of capacity costs directly related to own production of goods and work in progress. Indirect production overheads include indirect materials and wages and salaries as well as maintenance and depreciation of the plant, factory buildings and equipment used in the production process as well as costs relating to production administration and management.

The net realizable value of inventories is calculated as the sales sum less completion costs and costs necessary to make the sale and is determined by taking into account marketability, obsolescence and the development in the expected selling price.

Receivables

Receivables comprise trade receivables and other receivables. Receivables are included in the category loans and receivables which are financial assets with fixed or identifiable payments which are not listed in an active market and which are not derivative financial instruments.

Receivables are measured at amortized cost and are initially recognized at fair value. Write-down is carried out to cover expected bad debts on the basis of individual assessments of the risk of loss.

Prepayments

Prepayments under assets comprise costs incurred in respect of future financial years. Prepayments are measured at cost.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Equity

Dividends

Dividend is recognized as a liability at the time of adoption by the general meeting. The expected dividend payment for the year is disclosed as a separate item under equity.

Reserve for development costs

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividend, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established.

The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

Provisions

Provisions are recognized, when the Company, following a past event, has a legal or constructive obligation, the settlement of which is expected to result in an outflow from the Company of economic benefits. Provisions are measured as the best estimate of the expenses necessary to discharge the liabilities as at the balance sheet date. Provisions expected to fall due more than one year from the balance sheet date are measured at present value.

Future obligations related to the environment costs following past events are measured at present value.

Payables

Interest-bearing loans are recognized initially at fair value, net of direct loan costs. Subsequent measurements are made at amortized cost. Finance costs, including premiums payable on settlement or redemption and direct costs, are accounted for on an accrual basis in the income statement using the effective interest method and are added to the carrying amount of the instrument to the extent that the loans are not settled in the period in which they arise.

Trade payables

Trade payables are non-interest-bearing and are measured on initial recognition at fair value. Subsequent measurements are made at amortized cost.

Financial statements 1 January – 31 December

Notes

2 Segment information

Segment information is provided on business segments and geographical markets. The segment information is in line with the Group's accounting policies, risk and internal financial management.

DKK'000	2019	2018
Region		
Europe	3,384,538	3,156,795
Latin America	3,471	7,341
North America	7,839	0
Other	69,421	78,242
	3,465,269	3,242,378
HIFO		
Insecticides	1,448,106	1,383,611
Herbicides	1,043,868	924,999
Fungicides	541,067	539,497
Other	432,228	394,271
	3,465,269	3,242,378

3 Staff costs and incentive schemes

Staff costs

Wages and salaries	351,052	362,920
Pensions	26,618	26,792
Other social security costs	19,069	20,970
Other staff costs	25,184	16,761
	421,923	427,443
Average number of full-time employees	601	657
Staff costs are recognised in the financial statements as:		
Production	218,360	232,746
Distribution	5,397	14,833
Administration	124,342	113,721
Research and development costs	73,824	66,143
	421,923	427,443

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Notes

DKK'000	2019	2018
Remuneration of Executive Board		
Remuneration	6,587	10,129
Retirement benefit contribution	519	633
Bonus	4,456	4,453
Other	3,863	1,275
	15,425	16,490

4 Depreciation, amortisation, impairment losses and write-downs

	2019	2018
Production costs	56,495	34,877
Selling and distribution costs	41,172	37,284
Administrative costs	875	792
Research and development costs etc.	55,565	220,249
	154,107	293,202

5 Other operating income

	2019	2018
NUFARM Divestment	0	446,335
Other income	2,801	697
	2,801	447,032

6 Financial income

	2019	2018
Interest income from group entities	51,198	51,391
	51,198	51,391

7 Financial expenses

	2019	2018
Interest expense to group entities	4,569	10,136
Other financial costs	17,209	22,252
Exchange adjustments costs	59,837	30,020
	81,615	62,408

The Company's activities exposure is primarily to the financial risks of changes in exchange rates and interest rates. The exposure is handled by FMC Corporation where the expense/income of the hedging activities then is transferred to Cheminova A/S.

Financial statements 1 January – 31 December

Notes

DKK'000	2019	2018
8 Tax on profit/loss for the year		
Current tax for the year	60,898	96,295
Adjustment of deferred tax for the year	-21,806	-41,538
Tax provisions related to foreign activities	3,671	8,199
Adjustment of deferred tax related to foreign activities	-778	4,689
Adjustment relating to previous years	10,555	2,069
Withholding tax not refundable	515	881
	53,055	70,595
9 Proposed profit appropriation		
Reserves in for development costs	-5,875	20,860
Retained earnings	80,309	45,118
	74,434	65,978

Financial statements 1 January – 31 December

Notes

10 Intangible assets

DKK'000	Finished development projects	Sales and registration rights etc.	Goodwill	Software	Intangible assets under development	Total
Cost at 1 January 2019	678,455	657,493	39,210	219,343	8,044	1,602,545
Additions for the year	0	62,893	0	1,226	4,935	69,054
Disposals for the year	0	0	0	0	-2,631	-2,631
Transfers for the year	0	0	0	0	0	0
Cost at 31 December 2019	678,455	720,386	39,210	220,569	10,348	1,668,968
Amortisation and impairment losses at 1 January 2019	-326,544	-579,467	-37,443	-218,163	0	-1,161,617
Amortisation for the year	-55,364	-44,984	-200	-881	0	-101,429
Amortisation and impairment losses at 31 December 2019	-381,908	-624,451	-37,643	-219,044	0	-1,263,046
Carrying amount at 31 December 2019	296,547	95,935	1,567	1,525	10,348	405,922

Completed development projects

Completed development projects relate to development and test of crop protection products. The project is amortised over 5 - 10 years due to character and use of the assets.

Development projects in progress

Development projects in progress comprise crop protection products. The projects is expected to be completed in 2020-2023 where considerable economic benefits are expected.

Goodwill

Goodwill is amortised over 7 years.

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11 Property, plant and equipment

DKK'000	Land and buildings	Technical plant and machinery	Fixtures and fittings, tools and equipment	Right-of-use assets	Plant under construction	Total
Cost at 1 January 2019	521,121	2,342,262	166,168	0	50,429	3,079,980
Additions for the year	0	0	0	185,964	114,773	300,737
Disposals for the year	0	0	0	0	-1,226	-1,226
Transfers for the year	4,550	68,268	0	0	-72,818	0
Cost at 31 December 2019	525,671	2,410,530	166,168	185,964	91,158	3,379,491
Depreciation and impairment losses at 1 January 2019	-435,079	-2,229,433	-162,709	0	0	-2,827,221
Depreciation for the year	-6,903	-25,918	-1,876	-17,981	0	-52,678
Depreciation and impairment losses at 31 December 2019	-441,982	-2,255,351	-164,585	-17,981	0	-2,879,899
Carrying amount at 31 December 2019	83,689	155,179	1,583	167,983	91,158	499,592

DKK'000	2019	1/1 2019
Right-of-use assets		
Land and buildings	155,576	168,639
Technical plant and machinery	12,407	13,797
	167,983	182,436
Lease liabilities		
Current	154,577	0
Non-current	18,833	0
	173,410	0

Financial statements 1 January – 31 December

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12 Equity investments in group entities and associates

DKK'000	Equity investments in group entities	Equity investments in associates
Cost at 1 January	883,297	210,340
Capital increase	72,320	0
Cost at 31 December	955,617	210,340
Revaluations at 1 January	-210,431	0
Other adjustments	-547	0
Revaluations for the year, net	-64,658	0
Revaluations 31 December	-275,636	0
Carrying amount at 31 December	679,981	210,340

Name/legal form	Registered office	Voting rights and ownership interest	Equity	Profit/loss for the year
Subsidiaries:			DKK'000	DKK'000
FMC Agro Limited (2018)	Great Britain	100,00%	195,735	19,777
Cheminova Deutschland GmbH & Co.KG (2018)	Germany	99,99%	148,854	56,209
FMC Agro Austria GmbH (2019) *	Austria	100,00%	32,230	25,528
Althallier Italy S.r.l. (2019)	Italy	100,00%	34,410	3,287
Cheminova Agro France S.A.S. (2018)	France	100,00%	57,858	6,135
FMC Agricultural Solutions S.A.U. (2018)	Spain	100,00%	102,756	16,167
Cheminova Agro Italia S.r.l. (2018)	Italy	100,00%	79,713	16,950
FMC Agro Bulgaria EOOD (2018)	Bulgaria	100,00%	15,253	2,452
FMC-Agro Hungary Kft. (2018)	Hungary	100,00%	56	12
FMC Agro Polska S.P. z.o.o. (2018)	Poland	100,00%	40,464	7,533
FMC LLC (2019)	Russia	99,98%	96	34
Pytech Chemicals GmbH (2018)	Switzerland	100,00%	412,055	8,898
Cheminova China Ltd. (2018)	China	100,00%	4,797	-10
Cheminova Uruguay S.A. (2018)	Uruguay	100,00%	88,888	11,397
Cheminova India Ltd. (2019)	India	99,99%	1,458	-99
FMC Taiwan Co., LTD (2018)	Taiwan	100,00%	1,675	2,084
Cheminova Agro de Argentina S.A. (2019)	Argentina	97,50%	66,583	-27,684
FMC New Zealand Limited (2018)	New Zealand	100,00%	805	-58
FMC India Private Limited (2019)	India	45,06%	7,744	-2,392

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FMC Quimica Chile Limitada	Chile	0,000527%	0	0
Agro Cheminova C. R. Sociedad Anonima **	Costa Rica	100,00%	0	0
Croptech LLC **	US	100,00%	0	0
Cheminova Agro A/S Greek Branch (2018)	Greece	100,00%	12,830	1,883
Cheminova AS Rep Office (Russia) **	Russia	100,00%	0	0
Cheminova Agro de Panama S.A. (Panama) * (2018)	Panama	100,00%	238,411	61
Denagro S.L.* (2018)	Spain	100,00%	18,734	0
CGNS (2018)	U.K.	25,00%	427	695
Cheminova A/S Rep. Office (Ukraine) (2019)	Ukraine	100,00%	124	42
Verdi-Crop Ltd. (U.K.) **	U.K.	100,00%	0	0
Sprayon Agricultural Product Ltd. (U.K.) **	U.K.	100,00%	0	0
Cheminova Verwaltungsgesellschaft *	Germany	100,00%	11,534	4,285
Cheminova Grundbesits GmbH & Ko KG *	Germany	100,00%	956	96
			1,574,446	153,282

All foreign subsidiaries are recognised and measured as separate entities.
Year figures in brackets indicate the year for the most recent annual report.
Subsidaries marked with a * are indirectly owned by LM Wind Power A/S.
For subsidiaries marked with ** there are no published annual reports.

13 Receivables from group entities

DKK'000	Receivables from group entities
Balance at 1 January 2019	559,840
Exchange adjustment	0
Additions for the year	0
Installments	-189,377
Balance at 31 December 2019	370,463
Receivables from group entities due after more than 5 years	75,408

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DKK'000	2019	2018

14 Deferred tax

	2019	2018
Deferred tax at 1 January	-1,901	35,955
Deferred tax adjustment for the year	-21,806	-41,538
Deferred tax adjustment for the year related to foreign activities	-778	3,682
	-24,485	-1,901
Provision for deferred tax relate to:		
Intangible assets	62,611	75,524
Property, plant and equipment	-15,124	-23,572
Provisions, other	-72,802	-55,462
German deferred tax	830	1,609
	-24,485	-1,901

15 Prepayments

Prepayments consist of insurance, IT, rent, transport and turbine service.

16 Share capital

The contributed capital consists of 300,000 shares of a nominal value of DKK 1,000 each.

All shares rank equally.

17 Provisions

	2019	2018
Anniversary bonus	2,929	3,146
Enviromental reserve	444,973	390,168
Tax provision regarding foreign juristictions	6,896	8,025
	454,798	401,339
The provisions are expected to be activated as follows:		
0-1 years	52,683	38,642
1-5 years	118,948	131,397
>5 years	283,167	231,300
	454,798	401,339

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18 Non-current liabilities other than provisions

DKK'000	Total debt at 31/12 2019	Repayment, first year	Outstanding debt after five years
Lease obligations	173,410	18,833	59,595
	173,410	18,833	59,595

19 Deferred income

Deferred income consists of payments in respect of income in subsequent years.

DKK'000	2019	2018

20 Fees to auditor appointed at the general meeting

KPMG		
Audit	849	925
Tax	0	0
Non-audit services	119	75
	968	1,000

21 Contractual obligations, contingencies, etc.

Contingent assets

The Company respects intellectual property rights such as patents, trademarks, and registration data. Own rights and the freedom to operate in relation to the rights of other companies are proactively defended. Internal processes are implemented to prevent patent infringements, and the Company will concurrently defend its patent rights against other companies.

Joint taxation

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax as well as for the joint registration for VAT. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail an increase in the entities' liability. The Group as a whole is not liable to any other parties.

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22 Mortgages and collateral

Bank guarantees of DKK 31,7 million has been provided for customers and authorities.

23 Related party disclosures

Cheminova A/S' related parties comprise the following:

Control

FMC Luxembourg S.à.r.l., 6 rue Eugène Ruppert, L-2453 holds the majority of the share capital in the Company.

The ultimate parent in the group is FMC Corporation.

Related party transactions

DKK'000	2019	2018
Revenue from related parties	2,505,228	2,376,614
Purchase of goods from related parties	663,720	884,166
Hedge	67,876	104,863
Recharges*	449,059	237,249
Royalties	7,023	15,300

Remuneration to the Company's Executive Board is disclosed in note 3.

Payables to associates and subsidiaries are disclosed in the balance sheet.

*Please note recharges includes multiple items, eg IT Allocations, Payroll , EIC Recharges and adhoc.

Consolidated financial statements

The financial statements of Cheminova A/S and group entities are included in the consolidated financial statements of FMC Corporation, 2929 Walnut Street, Philadelphia, PA 19104, USA (listed on New York Stock Exchange).

The consolidated financial statements can be downloaded at www.fmc.com.