First: **Consolidated Financial Results of the Company from 1/1/2015 till 30/9/2015**

1) **Potash Production**

Total quantity produced was 1728 thousand MT as of the end of the Third Quarter of 2015, compared with 1528 thousand MT for the same period last year. The Company expects to meet its full year budget by the end of the year.

![Production Thousands Tons](image)

2) **Potash Sales Quantity**

Total quantity sold was 1595 thousand MT as of the end of the Third Quarter of 2015, compared with 1678 thousand MT for the same period of last year, a decrease of 5%.

![Sales Thousands Tons](image)
3) **Sales Revenues and Other Revenues**

Consolidated sales revenues were JD 386.3 Million as for the period ended September 30, 2015 compared to JD 399.3 million for the same period of last year, a decrease of 3.3%. Interest and other revenues were JD 8.6 million for the period ended September 30, 2015 compared to JD 9.1 million for the same period of last year, a decrease of 5.5%.

4) **Cost of Sales**

Total consolidated cost of sales amounted to JD 231.4 million during the first nine months period for the year 2015 compared to JD298.4 million for the same period of last year, a decrease of 22.5%.

5) **Profits**

Consolidated profits before income tax amounted to JD 118 million during the first nine months for the year 2015 compared to JD 78.5 million for the same period of last year. Net profits after tax were JD 95.5 million compared to JD 69.7 million for the same period of last year, an increase of 37%. **The increase in profits was attributed to an increase in selling prices along with a decrease in production costs and cost of goods sold, namely fuel and freight charges. This is in addition to the deferral of dredging operations for this year.**

The below charts show the increase in Arab Potash Company net profit and the decrease in cost of goods sold for the nine months ended 30, September 2015 compared to the same period last year:
Basic and Diluted earnings per share for the nine months period ended September 30, 2015 were JD 1.147 compared to 0.836 for the same period last year.

Second: Dividends

Arab Potash Company AGM approved in its ordinary meeting held on 23 April 2015 to distribute JD 99,981 thousand as dividends to shareholders which represents 120% of the paid up capital of JD 83,318 thousand.
**Third: The Company’s Projects**

1. **Production expansion.** Based on market projections, which indicate an increase in long-term demand for potash, the Board of Directors approved the project for a phased expansion in production. The first phase will raise production capacity by 65,000 tons per year and will be completed in 30 months. The second phase will raise production by 180,000 tons annually at a cost of JD 199 million. Construction work for this expansion is projected to be completed in 2018. This will be in addition to the project to increase the production capacity of granular potash by 250,000 tons per year at a cost of JD9 million, which is expected to be completed in 2016.

2. **Downstream industries.** Expansion plans were not limited to potash, but extended to downstream industries. The decision was made for KEMAPCO to expand the production capacity of potassium nitrate from 135,000 tons a year to 175,000 tons a year. Work will be completed in 20 months, at a cost of JD 15 million.

3. **Energy Diversification.** This project aims to protect the environment from pollution, and it will contribute to reducing production costs and increasing competitiveness. Accordingly, it will improve the returns on the production expansion. The Company engaged an international consultant to study the possibility of using renewable energy, and concluded that the optimal choice is to proceed with the project to generate electricity using solar cells at a capacity of 33 MW. The project will be completed in two years. Studies will also continue on a JD190 million project to generate electricity and steam using gas.

4. **Financing the construction of Wadi Ibn Hammad Dam** in full, to the value of JD 26 million. The dam will be built in cooperation with the Ministry of Water and Irrigation and the Jordan Valley Authority. Work started three months ago on the project which will be completed in three years. Upon completion, the dam will harvest about four million cubic meters of rainwater. The Wadi Ibn Hammad Dam will fulfill two objectives: first, to provide drinking water for citizens in the Kingdom's largest concentration of pockets of poverty, and second to address a portion of APC's water needs. Pursuant to the plan to unify local community development strategies with affiliate and subsidiary companies, the Board of Directors of the Jordan Bromine Company allocated $400,000, or more than JD 280,000 to study the construction of Wadi Assal Dam in the Valley area.
5. **Construction of a new industrial port in Aqaba**, APC Jordan Phosphate Mines Company have formed a joint venture (Jordan Industrial Ports Company) to commence a project that will raise the speed of handling on the export pier by refurbishing the original jetty in addition to constructing a new jetty. This effort is in conjunction with the Government’s plans to develop the Aqaba ports. Work on this project has started with an initial cost of JD 118 million, financed equally between the Jordan Phosphate Mines Company and APC. The project is projected to be completed in 2016.

6. **New Intake Pump Station.** The decision was taken to proceed with this project in order to pump brine from the Dead Sea at a cost of JD 190 million. The project is expected to commence in 2020.

7. **Cost reduction.** In order to reduce operating costs, APC contracted Alexander Proudfoot Company to work on a vital project to reduce operating costs and improve the efficiency of production processes and systems at the Company's sites in Ghor Al Safi and Aqaba. Alexander Proudfoot was selected because it has more than 67 years of experience in improving industrial processes as well as a distinguished track record of successful cooperation with fertilizer production companies.

Forth: **Subsidiaries and Affiliates**

1) **Jordan Safi Salt Company (JOSSCO) Under liquidation**
   
The Liquidation Committee, appointed by the Company’s General Assembly, has not finished liquidation procedures as of September 30, 2015.

2) **Numiera Mixed Salts and Mud Company**
   
   This company was established for the purpose of packaging and distributing mixed salts and Dead Sea mud for the cosmetic industry. The Company owns 100% of the share capital of JD 800 Thousand. The company realized a net profit of JD 24 thousand for the period ended September 30, 2015.

3) **Jordan Magnesia Company (JORMAG)**
   
   The company was established with a share capital of JD 30.0 million for the purpose of producing magnesium oxide used in the fire bricks industry as well
as for Magnesium Hydroxide and Magnesium derivatives. The Company owns 55.3% of the share capital.

The Company is going to increase its investment in the paid in capital of Jordan Magnesia Co. to a percentage ownership of 92.549% during 2015, through increasing the paid in capital of the company to become JOD 60 million, by means of capitalizing the accrued liabilities of Jordan Magnesia to Arab Potash Co.

The Board of Directors is still working on finding the optimal solution for Jordan Magnesia Company, and in this regard a steering committee was formed to look into the feasibility study of options for the future of the company. The Steering Committee put together the Terms of Reference for the feasibility study, and after seeking quotations the Committee selected the consultant that will work on the study to be presented to the Board of Directors.

APC allocated an amount of JD 62.7 million as provision for losses as of September 30, 2015. The Company has not been in operation since 2005.

4) Arab Fertilizers & Chemicals Industries LTD (KEMAPCO)

The company was established with a share capital of JD 29 million for the purpose of producing NOP and DCP. The Company owns 100% of the share capital. KEMAPCO realized a net profit of JD 10 Million for the period ended September 30, 2015.

5) Jordan Bromine Company (JBC)

The company was established for the purpose of producing bromine and bromine derivatives. Its production is marketed through Albemarle Corporation/USA based on the marketing agreement signed with them. The Company’s share capital is JD 30 million and JD 24.7 million as additional paid in capital, equally divided between both partners. Jordan Bromine realized a net profit of JD39 million for the period ended September 30, 2015.

6) Jordan Dead Sea Industries Company (JODICO)

A limited liability company with a share capital of JD 100 thousand, and owned wholly by APC.

7) Nippon-Jordan Fertilizers Company (NJFC)
The company was established to produce NPK and phosphate ammonium fertilizer and to market the production in the Japanese Market. The Company share capital is JD 16.7 million. APC owns 20% of this company.

8) **Jordan Industrial Ports Company (JIPC)**

The company was established on 17th. May 2009 for the purpose of developing the existing industrial jetties through rehabilitation, refurbishment and constructing new deep water jetty to accommodate vessels up to 100,000 DWT at the Aqaba industrial port. JIPC is a joint venture company established between APC & JPMC as equal shareholders with authorized capital being JD 1,000,000 JD. During 2014 JIPC Capital was increased by JD 15,000,000 at par value of JD 1 Per share to reach JD 16,000,000. APC invested an amount of JD 7,500,000 to increase its investment in JIPC to 8,000,000 shares, APC’s percentage of ownership did not change. During the second quarter of 2015 JIPC Capital was increased by JD 10,000,000 at par value of JD 1 Per share to reach JD 26,000,000. APC invested an additional amount of JD 5,000,000 to increase its investment in JIPC to 13,000,000 shares without changing APC’s percentage of ownership.