EDITED TRANSCRIPT

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<<Rosemarie Morbelli, Gabelli Reserarch Analyst>>

So I just would like to thank our next speaker for accommodating us, in light of Ferro's last minute cancellation. It is my pleasure to introduce Dr. Kim Ann Mink, who is Chief Executive Officer and President of Innophos. Kim Ann joined Innophos in her current position in December of 2015. She was previously with Dow Chemical, where she served as Business President of Elastomers, Electrical and Telecommunications. Prior to joining Dow, she was in Executive position with Rohm and Haas, prior to its acquisition by Dow.

Innophos was formerly a division of Rhodia. The company produces nutritional specialty ingredients for food, beverage, nutritional supplements and industrial end markets. These products are derived from specialty phosphates. Two-third of the revenues are generated from products used in consumer-oriented applications. In addition, Innophos produces a granular fertilizer, used for enhancing crop yields. The company has 19 million shares outstanding and stock price of $29.58, market cap of $600 million, net debt of $195 million, and an enterprise value of $796 million. Dr. Mink joined Innophos with the mission of improving operations and returning to growth.

I will now let her bring us up-to-date on the company's short-term and long-term strategy. Kim Ann?

<<Kim Mink, President, Chief Executive Officer, Director>>

Good morning and thank you for joining us today. As many of you know, I joined Innophos as the CEO, just in December 2015, and this is my first investor conference since joining. So I'm very, very excited to be here today. Joining me is Mark Feuerbach, our Vice President of Investor Relations and our Interim Chief Financial Officer.

What I'd like to do over the next 15, 20 minutes or so, is to really give you a brief overview of our business, the markets that we participate in and the portfolio of our product application. Then I'd like to just spend a little bit of time taking you through our strategic priorities and some of the actions that we're taking in our attempt to transform the company. And then I'll do a brief overview of the financial performance before Mark and I open it up to your questions.

But before I get started, I'd like to just note the Safe Harbor provisions or forward-looking statements that we might make today, and I encourage you to read that in your handout, assuming Mark will give out the handout. Okay.

So for those of you – do I do it from here?

<<Rosemarie Morbelli, Gabelli Reserarch Analyst>>

Yes.

<<Kim Mink, President, Chief Executive Officer, Director>>

I'm sorry. I didn't fix the bottom. Thank you. Okay. For those of you who are not familiar with Innophos, Innophos is a leading international producer of performance-critical and nutritional specialty ingredients with applications in food, beverage, dietary supplements, pharmaceutical, oral care and industrial end use markets. Innophos combines more than a century of experience in specialty phosphate manufacturing with a growing capability in other specialty ingredients to supply a product range that is produced to stringent regulatory manufacturing standards and the quality demanded by customers worldwide. In fact, as a company, our history dates back more than a century, and we have maintained our market leadership over these years by evolving the business to really be more aligned with market trends and customer needs.

In fact, over the past number of years that the company has really transformed themselves to be oriented more towards higher margin, more differentiated food and beverage ingredients. Now what's shown here, as a company, our business is predominantly North American focused; however, we are starting to have more of a growing export business in certain markets in Latin America, Asia and EMEA.

In 2015, Innophos achieved annual revenue of $789 million, and in spite of the difficult macro environment, we did generate $67 million of free cash flow and returned $164 million of cash to our shareholders, which is six times the full-year net income, and 2.5 times free cash flow.

I joined Innophos because I do believe in the future of the company, and the potential of what we can achieve. And at its core, Innophos really has a strong combination of assets, and we hold leading positions in key markets, and we serve top-tier customers. In order to unlock the full potential of the business, the Board did usher in new executive leadership and while at the same time making changes to the Board itself. As you – as it was mentioned, I joined Innophos as the CEO just in December 2015, and at the same time, we made changes to our board where we added two directors to our Board and that is Peter Thomas, who's Chairman, CEO & President of Ferro Corporation; and Bob Zatta, former acting CEO and long-time CFO at Rockwood Holding. It's under this new leadership that we've already begun initiatives as part of our strategic transformation, while at the same time really resetting the strategic direction of the company.

Now although I've only been at the helm for just under three months, barely 100 days, I've already identified three critical areas of improvement where change is very, very quickly needed; operational excellence, commercial excellence and strategic growth. And I'll be covering those areas later in more detail.

Lastly, the Board and I have determined that we will continue to support the dividend at the current level, and in spite of the challenging environment we continue to generate significant free cash flow and our balance sheet and liquidity remains strong.

Now as I mentioned, our core business is in the Specialty Phosphates area, which really accounts for 93% of our total revenue. We are one of three main players in North American Specialty Phosphate industry, which is an approximate $1.5 billion market. Now recently, we have been navigating a challenging industry environment with weak demand and pricing pressures from our competitors, but despite these headwinds, we believe we are in fact well positioned to benefit from certain mega trends that provide strong secular growth opportunities in the industry. So for example, in the food, beverage and nutrition side, there has been growing trends – clear trends in the recent years towards healthier living, and this in particular is really about the ingredients in the food that we eat.

On the industrial side of our business, we actually see significant long-term opportunities that we believe we can take advantage of and be part of the effort to address the aging infrastructure in the United States.

So, this next slide really shows the broad range of applications into which our products fall. If you take a look at, for example, our food ingredient products Cal-Rise® and Levair®, they not only serve as critical components for quality, texture and leavening in baked goods, but for example, Cal-Rise actually provides a healthier alternative to the food industry, which allows them to reduce sodium and add calcium. You're seeing many of our ingredients bring very important functional and nutritional properties into the end-used products into which they are formulated, and typically, they bring these benefits at a very low cost relative to the customer's overall product cost. Another example, our recently launched product NutraTab™, which is a new blend of calcium phosphate, offers great impressibility and higher calcium content per tablet; both benefits very, very important when you're picking an excipient in the pharmaceutical area.

Then finally, another example is our INNOVALT® product, which is used in industrial application and it is designed to enhance the performance of asphalt for safer, longer lasting roads. It's probably important to mention then in early December 2015, Congress passed and the President signed a five-year Surface Transportation Reauthorization bill, it was called Fixing America's Surface Transportation Act or FAST Act. So really, by passing this bill, Congress really provided a greater degree of certainty, the state transportation department, transit agencies and other local and state guarantees that continue to get significant support from the federal government's highway trust fund. I guess the last point I'd like to make here is that while the industry as a whole has been challenged by headwinds, we are seeing positive growth in several of our end-use markets, particularly of the ones listed here, meat and seafood and poultry, pharmaceutical tablet excipients, mineral fortifications and water treatment.

Now with regard to our phosphate manufacturing footprint in North America, as some of you may know who are familiar with the industry, there was substantial consolidation in the industry towards the turn of the century, and then this was followed by significant restructuring as far back as 2006. So, at the end of that then, the industry footprint was reset and really with a healthy operating rate and as you can see here, our plants in North America really operate as part of a network, but each of the manufacturing facilities in this network really serve a critical purpose and specific specialty product application. It is important to note though that we have no duplication of product lines, no duplication of product lines across our phosphate sites with the exception of purified phosphoric acid, or PPA, which is necessary due to demand level. Now, at this point, we're going to continue to operate in this way, while focusing really on implementing lean manufacturing initiatives across all of the assets in our network.

Moving to the next slide, you will see our strategic pillars in support of our transformation. These three pillars, as you see here, really service as a framework today on how we are trying to make improvements in the company, while at the same time really resetting our direction for future growth. Ultimately, we will be then constructing a roadmap with a strategic direction of Innophos, while at the same time identifying value creation levers that really will drive significant and sustainable improvements in our financial performance.

We go to the next slide, let's look through my operational lens. I recognize that I must break down existing functional silos in the company that continue to exist and continue to remain, and we need to do that to eliminate competing goals and objectives. Why do I want to do that? That will really lead to better alignment between our financial commitment, our demand – supply and demand plans, and our working capital projections.

To this end, in order to promote shared accountability of the company's performance, I have rolled out a clear set of core financial metrics and that makes up our corporate scorecard, the metric which include as shown on the slide: volume, EBITDA, working capital, expense, CapEx, and ROIC. Going forward then, this dashboard of scorecards really becomes a critical tool embedded in our revitalized business management process, again philosophically establishing a more routine and robust integrated business management process, which is not only founded on cross functional collaboration, but data driven decision making really will ensure better alignment and integration of a balanced supply and demand and financial planning.

Further, I firmly believe that we need to have much clearer and higher visibility into our full supply chain and that's really to drive better inventory management, supply chain cost and risks, and ultimately to improve customer satisfaction. Doing that properly, that really enables us to respond more effectively and quickly to changing market conditions. And then finally, in the area of manufacturing, we are looking to implement as I said a number of lean manufacturing initiatives across those assets that I showed you to drive efficiency, reduce cost, and increase utilization.

Now briefly turning to the next slide and looking at the commercial excellence pillar, where we're really evaluating a number of ways to improve the infrastructure of our commercial operations. So, here this includes, looking at our customer base by segmentation to allow for better and more meaningful alignment of products and service offerings with our customer needs and preferences. This will also help us to evaluate the sales channel in order to ensure that we are, in fact, have the right go-to-market strategy across all of our products and our sales professionals.

Going clockwise, further, we're working to strengthen our activity around pricing by establishing purposeful decision processes, of course, really grounded on robust tools to ensure that we are, in fact, catching the value we're trying to deliver to the market. Now, this really will require the right process and the discipline, so that we can be more decisive and move more swiftly to better manage both our price and our margin.

And then finally, moving to the next slide. It is imperative that we also develop the appropriate strategy for future growth. And while we have just recently launched a formal strategic review of the company and the business, I believe going forward, it will be critical for us to improve how we manage our current product portfolio.

How we strategically invest on our innovation to develop a new complementary product line that really addresses the higher value market needs, as well as evaluate adjacent market for growth opportunities. In addition, I believe developing a robust marketing organization, one where we have a gap currently in the company, dovetails with a strong R&D organization is really critical to ensuring a sustained focus on growth going forward, and that will be really built around market leadership, innovation, and customer intimacy.

Now, until we complete this strategic review this year, looking at the business and going to the next slide, our capital allocation priorities will remain the same and they're shown here on the slide. Our first priority remains investing in support of growth objectives.

Second priority and as we have demonstrated with the regular payments of our dividends, because we do believe cash returned to our shareholders are an important component of the value creation strategy. And then finally, we will opportunistically consider buying back our stock, although at the current time we do not have any authorized program. So, where do we go from here?

Moving to slide 13, this outlines really my immediate priorities and next steps in what is starting as a journey that includes as I mentioned implementation of the identified operational commercial excellence initiative. In addition, we're also finalizing our restructuring efforts that we announced in 2015, which are largely complete though we continue to diligently and aggressively look for additional cost reduction opportunities.

Further, we are working and are very committed to have this as a priority this year to find an appropriate solution for GTSP, or our Granulated Triple Super Phosphate, business to really minimize its volatility on the entire company including toll producing for a fertilizer company. Again, continuing to support the dividend at current levels and finally I'm working very closely with my fellow board members really to identify the longer term strategic priorities and key business goals.

Now, before we open it up to Q&A, I'd like to just give us a – give you a brief overview of our financial performance. So if you want to move to slide 15. As you can see here in 2015, we generated net sales of $789 million, adjusted EBITDA of $118 million, and a ROIC of 9%. But as you should also see, our financial performance has been trending downward for the last few years. And this was primarily a result due to the softening demand in the industry and other headwinds that has impacted our business. Although, the market environment will continue to remain the same as we continue through 2016, and we will continue to be a bit challenged, we are taking clear accountability in this company, and we are in fact very focused on increasing our efficiency, taking more aggressive approaches to cost reductions, how we manage price, volume, margin, and our innovation growth, because for me it's really about taking responsibility for controlling what we can control.

Further, if you go on to slide 16, we do have a history as shown here and are likely to continue to generate strong free cash flow. In addition, it's important to note, our cash flow generation has been relatively stable regardless of the economic cycle.

Now, focusing on our balance sheet and on the next slide, slide 17, we are maintaining a healthy leverage ratio of less than 2 times EBITDA. While this is within our target range, we would consider higher level if the right transaction presents itself. Also, noteworthy to mention is in Q4 2015, we reduced our net debt by $5 million and our gross debt by $73 million and this was due primarily to advanced payments from foreign entities in conjunction with the cash repatriation program. And lastly by optimizing foreign tax credits, we have enabled $266 million of future cash returns to the United States. And as part of our operational excellence initiative, we are focusing on further reducing our working capital.

So in summary, Innophos is a market leader with strong underlying business fundamentals, and despite challenges we face in the industry, our financial performance has remained relatively stable and our cash flow is strong, which has allowed us to maintain the commitment to the dividend. I've ID-ed critical areas for improvement and although much work has to be done, I'm very, very excited about what the future holds as my team and I pen a new chapter in Innophos' journey.

So with that said, I think, Mark and I can open it up to questions.

<<Rosemarie Morbelli, Gabelli Reserarch Analyst>>

Maybe I will start with the first one. You are doing a lot of restructuring, you are working on lean manufacturing, what kind of savings do you anticipate from all of those ongoing projects?

<<Kim Mink, President, Chief Executive Officer, Director>>

We don't – where we will not be talking about that today, but when we do our earnings release in the first quarter, which is around the end of April, we will be able to tell the investor community ranges and it's a great question because we're really looking at supply chain, we're looking at manufacturing, hence the lean manufacturing. And then we're also, as I said in the commercial excellence area, really trying to get that pricing discipline. That's a very, very important lever. So we are committed to discussing that in more detail in about a month; very important because that's going to be the lower-hanging fruit for 2016.

<<Rosemarie Morbelli, Gabelli Reserarch Analyst>>

And the higher pricing may end up being – getting you to lose some business, I am guessing, at which point your manufacturing facility are not going to be operating as efficiently as currently, let's say. So any change in the potential consolidation of some of those manufacturing?

<<Kim Mink, President, Chief Executive Officer, Director>>

Just a couple of different things. First of all, we are looking at – in an effort with this company as I've said, we've really been trying to change our mix over the years. So when we are tight in our capacity as we are now getting that right mix is going to be very critical. So there may be some areas we want to walk away from and that's an okay thing for me provided that I can then fill the capacity with other higher margin products. Again, moving to higher margin more differentiated, so things like the NutraTab, the Cal-Rise, those are relatively new products that we launched over the last couple of years, and we're seeing very, very nice growth for the interval. So that is the hope in that. Now, there's one thing that I will do and you'll be – I'm – discuss the details, but shortly you will be hearing that we are going to do some consolidation in one of our areas in the nutrition side where I will be closing one of my plants. And that you'll be hearing in the industry in the next couple of weeks.

<<Rosemarie Morbelli, Gabelli Reserarch Analyst>>

Thank you. Yes, questions from the audience?

Q&A

<Q – Unidentified Analyst>: Yes. Kim, congratulations. Who – you mentioned your competitors are cutting price, who are the competitors and what niches are they in?

<A – Kim Ann Mink>: Yes. So we – as I said, we are one of three main players in North American Specialty Phosphate, so ICL and PCS or PotashCorp, so ICL is in the area of the salt, like we are, PCS is more in the acid side. We also are getting some quite frankly competitive – seeing very strong competitive activity from some of the generic producers, particularly on the acid side from China, and then also from some of the European competitors.

<Q – Unidentified Analyst>: Do you have an NOL, tax wise carry forward?

<A – Kim Ann Mink>: No.

<Q – Unidentified Analyst>: No. So you basically, your dividend is after tax, your CapEx and is reasonably high relative to you. Why – what the reason that you want to maintain the dividend, is just the legacy that some director can't bite the apple or I mean, if I was this new CEO like you are coming out of us, you would want to start with a great cash flow and a great flexibility than your balance sheet, so are you going to be an EPS story and EBITDA story or cash flow story?

<A – Kim Ann Mink>: With the strategic review that we're doing right now, I want to get through that over the next six months. Clearly everything is out on the table and we will be discussing that. Right now, though, I felt strongly to – committed to continue with the dividend. We do have a good cash flow and because of that, I did continue with that. However, as I said, my first priority is to really invest in the strategic objectives and the growth of the company.

<Q – Unidentified Analyst>: Okay, one last niche, you've got a plant in Nashville that produces ingredients for asphalt. What exactly goes into asphalt? Why do have it historically in Nashville? How big is it?

<A – Kim Ann Mink>: Yeah. Well, INNOVALT, which is the product that we make, which is one of our phosphate salt. It does go into Asphalt as I said and it's used to upgrade the roads again to make some longer and higher quality and so forth. Nashville, it was targeted there because that is where we had capacity and that's where we had some of the expertise.

<Q – Unidentified Analyst>: How many dollars is that for you?

<A – Kim Ann Mink>: Right now, it's in the lower – single digit percent of our total revenue, but it's something that we've just launched in the last couple of years and we are in fact now also looking at some minor product modifications to actually continue during – in that INNOVALT product line.

<Q – Unidentified Analyst>: Let me beat the horse, Kim, is that the basic product that you have in the – in the fast – in the infrastructure plate?

<A – Kim Ann Mink>: The INNOVALT product is an upgraded product from that one.

<Q – Unidentified Analyst>: But that's it – that's the total...

<A – Kim Ann Mink>: We're now putting out a product line together as I said.

<Q – Unidentified Analyst>: Yeah, thank you, it's well done.

<A – Kim Ann Mink>:...for broader product line.

<Q – Unidentified Analyst>: I have just one last question. What is your definition of the right acquisition?

<A – Kim Ann Mink>: Something that we're really looking at adjacent markets right now. So something that we can leverage or perhaps existing knowledge and experience in some of the markets, but where we would also really expand beyond phosphates, quite frankly and we need to do that to ensure that we've got more tools in our toolkit, if you will, but again something where perhaps we also have some common – some common – commonality when it comes to customers as we did in the nutrition side. So it offered us new technology, some new segments, higher growth segments, more differentiated, but where we could leverage some of the experience that we had.

<Q – Unidentified Analyst>: Thank you. One more question, I'm sorry. Who are your largest shareholders, both institutional and insiders?

<A – Kim Ann Mink>: Mark, I'll let you to take that.

<A – Mark Feuerbach>: The – from an insider point of view, Kim Ann is one of our larger shareholders today, herself, myself, and Chuck Brodheim, who's our controller. On the institutionals, it's BlackRock is number one today, Vanguard is...

<Q – Unidentified Analyst>: [Question Inaudible]

<A – Mark Feuerbach>: Nobody would file any percentage today.

<Q – Unidentified Analyst>: How much does management own

<A – Mark Feuerbach>: Would be about 1%.

<Q – Unidentified Analyst>: kind of stock price, the current price, who are the owners that sold into that? You leveraged up the company bought stock back at $60, the stocks now half of that price. So, can you share with us who sold into it?

<A – Mark Feuerbach>: Our largest holder last year was...

<Q – Unidentified Analyst>: [Question Inaudible]

<A – Mark Feuerbach >: Yeah. The name is escaping me right now, I apologize.

<<Rosemarie Morbelli, Gabelli Reserarch Analyst>>

With this, thank you very much. We are looking forward to the transformation.

<<Kim Mink, President, Chief Executive Officer, Director>>

Thank you.