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Innophos Secures Long-Term Viability of Geismar Phosphoric Acid Facility

Settlement With US EPA/Louisiana Environmental Authorities Satisfies Environmental Concerns While Continuing Innophos' Normal Geismar Business Operations Reinforces Company's Ongoing Commitment to Support Customers With Its Purified Phosphoric Acid Product Line and Strengthens Strategic Options for PPA Supply

CRANBURY, N.J., Jan. 12, 2017 /PRNewswire/ -- Innophos Holdings, Inc. (NASDAQ: IPHS) today announced that it has entered into a settlement ("the Settlement") with the United States Environmental Protection Agency ("EPA"), and Louisiana Department of Environmental Quality ("LDEQ"), (collectively "the Government Parties") to address the Government Parties' concerns regarding a small number of manufacturing processes at its Geismar, Louisiana Purified Phosphoric Acid ("PPA") facility. This concludes a multi-year collaborative process between the Company and the Government Parties to reach a mutually acceptable solution.

As part of the Settlement, Innophos will pursue implementation of "Deep Well Injection", a customary process approved by the Government Parties by which Innophos would handle a separated co-product (referred to as "Raffinate"). This solution allows the Company to continue its current PPA operation in Geismar, while satisfying the outstanding environmental concerns raised in 2008 by the Government Parties. The Settlement also confirms several proactive and voluntary improvements previously made to the Geismar facility to address these environmental concerns, further demonstrating the Company's commitment to environmental stewardship at its facilities.

Kim Ann Mink, Chief Executive Officer of Innophos, commented, "We are committed to supporting our Phosphoric Acid customers' needs and believe that the terms of this settlement position us to be able to do so by securing the long-term viability of our Geismar PPA plant. We believe that the agreed upon solution addresses all environmental concerns with minimal effect on our business and operations."

Joshua Horenstein, Vice President and Chief Legal Officer of Innophos, added, " While we stand behind our long-term assertion that our operations at the Geismar facility are in full compliance with all applicable federal and state laws and regulations, this negotiated solution is fair for the public and the Company. As a company committed to environmental protection at our facilities, we are glad to address all of these alleged issues at our Geismar facility by proactively working with the government."

Innophos recently received a permit from the Louisiana Department of Natural Resources ("LDNR") to begin construction of its Deep Well Injection System, which began in late 2016 and is expected to be completed by early 2018. The Company estimates that the capital expenditure for the Deep Well Injection System will be \$16 million, consistent with the range previously disclosed in SEC filings from 2011 - 2013. The majority of this cost is expected to take effect in 2017, with approximately \$2 million of preliminary engineering and equipment investments completed in 2016. This is consistent with Innophos' expectations and was reflected in the Company's most recently issued 2016 guidance on capital expenditures.

In negotiated settlements leading to consent decrees with the Government Parties, it is common for penalties relating to previous "non-compliance" to be assessed. As a result, and consistent with the Company's most recently disclosed expectations, Innophos has agreed to a penalty in the amount of \$1.4 million, which was previously fully accrued by the Company.

About the Company

Innophos is a leading international producer of specialty ingredient solutions that deliver far-reaching, versatile benefits for the food, health, nutrition and industrial markets. The company leverages its expertise in the science and technology of blending and formulating phosphate, mineral and botanical based ingredients to help customers offer products that are tasty, healthy, nutritious and economical. Headquartered in Cranbury, New Jersey, Innophos has manufacturing operations across the United States, in Canada, Mexico and China. For more information, please visit www.innophos.com. 'IPHS-G'

Safe Harbor for Forward-Looking and Cautionary Statements

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. As such, final results could differ from estimates or expectations due to risks and uncertainties, including but not limited to: incomplete or preliminary information; changes in government regulations and policies; continued acceptance of Innophos' products and services in the marketplace; competitive factors; technological changes; Innophos' dependence upon suppliers; Innophos' ability to execute against its strategic growth plans and other risks. For any of these factors, Innophos claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, as amended.

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