FMC CORP
Form 10-K
February 27, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

X Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the fiscal year ended December 31, 2014
or
Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _______ to _______
Commission File Number 1-2376

FMC CORPORATION
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	94-0479804 (I.R.S. Employer Identification No.)
1735 Market Street Philadelphia, Pennsylvania (Address of principal executive offices)	19103 (Zip Code)

Registrant's telephone number, including area code: 215-299-6000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $0.10 par value	New York Stock Exchange Chicago Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
None

INDICATE BY CHECK MARK IF THE REGISTRANT IS A WELL-KNOWN SEASONED ISSUER, AS DEFINED IN RULE 405 OF THE SECURITIES ACT. YES x NO ¨
INDICATE BY CHECK MARK IF THE REGISTRANT IS NOT REQUIRED TO FILE REPORTS PURSUANT TO SECTION 13 AND SECTION 15(d) OF THE ACT. YES ¨ NO x
INDICATE BY CHECK MARK WHETHER THE REGISTRANT (1) HAS FILED ALL REPORTS REQUIRED TO BE FILED BY SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 DURING THE PRECEDING 12 MONTHS (OR FOR SUCH SHORTER PERIOD THAT THE REGISTRANT WAS REQUIRED TO FILE SUCH REPORTS), AND (2) HAS BEEN SUBJECT TO SUCH FILING REQUIREMENTS FOR THE PAST 90 DAYS. YES x NO ¨
INDICATE BY CHECK MARK WHETHER THE REGISTRANT HAS SUBMITTED ELECTRONICALLY AND POSTED ON ITS CORPORATE WEBSITE, IF ANY, EVERY INTERACTIVE DATA FILE REQUIRED TO BE SUBMITTED AND POSTED PURSUANT TO RULE 405 OF REGULATION S-T DURING THE PRECEDING 12

MONTHS (OR FOR SUCH SHORTER PERIOD THAT THE REGISTRANT WAS REQUIRED TO SUBMIT AND POST SUCH FILES) YES x NO ¨

INDICATE BY CHECK MARK IF DISCLOSURE OF DELINQUENT FILERS PURSUANT TO ITEM 405 OF REGULATION S-K IS NOT CONTAINED HEREIN, AND WILL NOT BE CONTAINED, TO THE BEST OF REGISTRANT'S KNOWLEDGE, IN DEFINITIVE PROXY OR INFORMATION STATEMENTS INCORPORATED BY REFERENCE IN PART III OF THIS FORM 10-K OR ANY AMENDMENT TO THIS FORM 10-K x

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INDICATE BY CHECK MARK WHETHER THE REGISTRANT IS A LARGE ACCELERATED FILER, AN ACCELERATED FILER, A NON-ACCELERATED FILER OR A SMALLER REPORTING COMPANY. SEE DEFINITIONS OF “LARGE ACCELERATED FILER,” “ACCELERATED FILER,” AND “SMALLER REPORTING COMPANY” IN RULE 12B-2 OF THE EXCHANGE ACT. (CHECK ONE):

LARGE ACCELERATED FILER X	ACCELERATED FILER
NON-ACCELERATED FILER	SMALLER REPORTING COMPANY

INDICATE BY CHECK MARK WHETHER THE REGISTRANT IS A SHELL COMPANY (AS DEFINED IN RULE 12B-2 OF THE EXCHANGE ACT) YES ¨ NO x

THE AGGREGATE MARKET VALUE OF VOTING STOCK HELD BY NON-AFFILIATES OF THE REGISTRANT AS OF JUNE 30, 2014, THE LAST DAY OF THE REGISTRANT’S SECOND FISCAL QUARTER WAS $9,430,877,574. THE MARKET VALUE OF VOTING STOCK HELD BY NON-AFFILIATES EXCLUDES THE VALUE OF THOSE SHARES HELD BY EXECUTIVE OFFICERS AND DIRECTORS OF THE REGISTRANT.

INDICATE THE NUMBER OF SHARES OUTSTANDING OF EACH OF THE ISSUER’S CLASSES OF COMMON STOCK, AS OF THE LATEST PRACTICABLE DATE

Class	December 31, 2014
Common Stock, par value $0.10 per share	133,317,671

DOCUMENTS INCORPORATED BY REFERENCE

DOCUMENT	FORM 10-K REFERENCE
Portions of Proxy Statement for 2015 Annual Meeting of Stockholders	Part III

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FMC Corporation
2014 Form 10-K Annual Report
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PART I

FMC Corporation (FMC) was incorporated in 1928 under Delaware law and has its principal executive offices at 1735 Market Street, Philadelphia, Pennsylvania 19103. Throughout this Annual Report on Form 10-K, except where otherwise stated or indicated by the context, “FMC”, “We,” “Us,” or “Our” means FMC Corporation and its consolidated subsidiaries and their predecessors. Copies of the annual, quarterly and current reports we file with the Securities and Exchange Commission (“SEC”), and any amendments to those reports, are available on our website at www.FMC.com as soon as practicable after we furnish such materials to the SEC.

ITEM 1. BUSINESS

General

We are a diversified chemical company serving agricultural, consumer and industrial markets globally with innovative solutions, applications and market-leading products. We operate in three distinct business segments: FMC Agricultural Solutions, FMC Health and Nutrition and FMC Minerals. Our FMC Agricultural Solutions segment develops, markets and sells all three major classes of crop protection chemicals – insecticides, herbicides and fungicides. These products are used in agriculture to enhance crop yield and quality by controlling a broad spectrum of insects, weeds and disease, as well as in non-agricultural markets for pest control. The FMC Health and Nutrition segment focuses on food, pharmaceutical ingredients, nutraceuticals, personal care and similar markets. Our food ingredients are used to enhance texture, color, structure and physical stability. The pharmaceutical additives are used for binding, encapsulation and disintegrant applications. Some of our products are increasingly being used as an active ingredients in nutraceutical and pharmaceutical markets. Our FMC Minerals segment manufactures a wide range of inorganic materials, including soda ash and lithium. Soda ash is utilized in markets such as glass and detergents and lithium is utilized in energy storage, specialty polymers and pharmaceutical synthesis.

Discontinued Operations Presentation - FMC Alkali Chemicals

In September 2014, we announced our decision to pursue the sale of our FMC Alkali Chemicals division (“ACD”). On February 3, 2015, we signed a definitive agreement to sell ACD to a wholly owned subsidiary of Tronox Limited and we expect the sale to be completed in early 2015 subject to customary regulatory approvals and closing conditions. We have concluded, as a result of the signing of the definitive agreement, that ACD has met the criteria to be an asset held for sale and therefore will be presented as a discontinued operation in accordance with U.S. generally accepted accounting principles ("GAAP") in future reporting periods. In accordance with GAAP, the reclassification of ACD from a continuing operation to a discontinued operation occurs in the period for which the discontinued operation criteria has been met. Therefore as of December 31, 2014, ACD is accounted for as a continuing operation of FMC and throughout this Form 10-K ACD is included in the results of continuing operations.

Beginning with the first quarter 2015 reporting on Form 10-Q, the results of operations of ACD will be reclassified to reflect the business as a discontinued operation for all periods presented and the assets and liabilities of the business will be reclassified as held for sale. Our FMC Minerals segment, which previously included our FMC Alkali Chemicals and FMC Lithium divisions, will be renamed FMC Lithium.

As of the date of this Form 10-K filing (February 27, 2015) since we have concluded that ACD is classified as a discontinued operation, the following discussion within Item 1 pertains to the continuing businesses of FMC excluding ACD.

All other sections within this Form 10-K, unless explicitly stated, include ACD as a continuing operation.

Cheminova A/S

On September 8, 2014, we entered into a definitive Share Purchase Agreement (the "Purchase Agreement") with Auriga Industries A/S, a Denmark Aktieselskab ("Aurgia") and Cheminova A/S, a Denmark Aktieselskab, a wholly owned subsidiary of Auriga ("Cheminova"). Pursuant to the terms and conditions set forth in the Purchase Agreement, we have agreed to acquire all of the outstanding equity of Cheminova from Auriga for an aggregate purchase price of 8.5 billion Danish Krone or approximately $1.4 billion, excluding net debt to be assumed of approximately $0.3

billion (the “Acquisition”) as of December 31, 2014. We expect to complete the Acquisition in early 2015.

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FMC Strategy

Over the last five years, FMC has undergone a portfolio transformation. During the first part of this year, we expect to close on two significant transactions - the divestiture of our Alkali Chemicals division and the acquisition of Cheminova - that will shape FMC into a stronger, focused company serving agriculture, health and nutrition end markets.

We expect to complete the divestiture of our Alkali Chemicals division in early 2015. The proceeds from the sale will be used to fund the acquisition of Cheminova and allow us to maintain a strong balance sheet and financial flexibility. Subsequently, our FMC Lithium division will become a standalone reporting segment. We intend to make investments that will allow FMC Lithium to take advantage of strong underlying growth potential and leading positions in a well-structured industry.

The integration of Cheminova into FMC Agricultural Solutions is an integral part of FMC's strategy to become a more focused and global agriculture, health and nutrition company with strong competitive positions in fast-growing markets. Our combined company will have broader market access in Europe, Latin America and key Asia-Pacific markets such as India and Australia. Our complementary technologies will lead to improved formulation capabilities and a broader innovation pipeline, resulting in new and differentiated products. The integration strengthens our leadership position in crop protection chemistry and expands our position in a variety of crop segments. The combined company will benefit from deeper regulatory expertise and access to local markets. Following the acquisition, FMC will be positioned among the largest agrochemical companies in world. We will have the scale to operate with greater resources and global reach, but will retain the service, reliability and entrepreneurial spirit of a smaller company.

In Health and Nutrition, we have a portfolio of naturally-derived, functional ingredients that serve health, nutraceutical and nutrition end markets. Our focus is on providing innovative solutions to our customers by leveraging our application know-how in the nutrition, nutraceutical and pharmaceutical markets as well as differentiating the manufacture and delivery of our market leading products through best in class Quality, Service, Reliability (QSR). With QSR at the forefront, we have recently undertaken an effort to optimize our organizational and manufacturing footprints to improve our cost competitiveness. We will continue to implement Manufacturing Excellence programs, pursue process technology improvements and develop innovative application solutions to drive the highest value for our customers.

We will maintain our commitment to enterprise sustainability, including responsible stewardship. As we grow, we will do so in a responsible way. Safety is and will remain of utmost importance. Meeting and exceeding our customers' expectations will continue to be a primary focus. We will, as always, conduct our business in an ethical manner.

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Financial Information About Our Business Segments
(Financial Information (in Millions))
See Note 19 "Segment Information" to our consolidated financial statements included in this Form 10-K. Also see below for selected financial information related to our segments.
The following table shows the principal products produced by our three business segments and their raw materials and uses:

Segment	Product	Raw Materials	Uses
FMC Agricultural Solutions	Insecticides	Synthetic chemical intermediates	Protection of crops, including cotton, sugarcane, rice, corn, soybeans, cereals, fruits and vegetables from insects and for non-agricultural applications including pest control for home, garden and other specialty markets
	Herbicides	Synthetic chemical intermediates	Protection of crops, including cotton, sugarcane, rice, corn, soybeans, cereals, fruits and vegetables from weed growth and for non-agricultural applications including turf and roadsides
	Fungicides	Synthetic and biological chemical intermediates	Protection of crops, including fruits and vegetables from fungal disease
FMC Health and Nutrition	Microcrystalline Cellulose	Specialty pulp	Drug dry tablet binder and disintegrant, food ingredient
	Carrageenan	Refined seaweed	Food ingredient for thickening and stabilizing, pharmaceutical and nutraceutical encapsulates
	Alginates	Refined seaweed	Food ingredient, pharmaceutical excipient, healthcare and industrial uses
	Natural Colorants	Plant sources, select insect species	Food, pharmaceutical and cosmetics
	Pectin	Citrus fruit peels	Food ingredients for texture and stabilizing
	Omega-3 EPA/DHA	Fish oils	Nutraceutical and pharmaceutical uses.
FMC Minerals (To be renamed "FMC Lithium")	Lithium	Extracted lithium	Batteries, polymers, pharmaceuticals, greases and lubricants, glass and ceramics and other industrial uses
	Soda Ash [(1)]	Mined trona ore	Glass, chemicals, detergents

(1) Product of FMC Alkali Chemicals division, expected to be sold in early 2015.

With a worldwide manufacturing and distribution infrastructure, we are able to respond rapidly to global customer needs, offset downward economic trends in one region with positive trends in another and match local revenues to local costs to mitigate the impact of currency volatility. The charts below detail our sales and long-lived assets by major geographic region.

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FMC Agricultural Solutions

Overview

Our FMC Agricultural Solutions segment, which represents approximately 54 percent of our 2014 consolidated revenues, operates in the agrochemicals industry. This segment develops, manufactures and sells a portfolio of crop protection, professional pest control and lawn and garden products.

Products and Markets

FMC Agricultural Solutions' portfolio is comprised of three major pesticide categories: insecticides, herbicides and fungicides. The majority our product line consists of insecticides and herbicides, and we have a small but fast-growing portfolio of fungicides mainly used in high value crop segments. Our insecticides are used to control a wide spectrum of pests, while our herbicide portfolio primarily targets a large variety of difficult-to-control weeds.

In the Latin American region, which includes the large agricultural market of Brazil, we sell directly to large growers through our own sales and marketing organization, and we access the market through independent distributors. In North America, we access the market through several major national and regional distributors and have our own sales and marketing organization in Canada. We currently access key European markets utilizing a distributor model and through joint venture arrangements. Following the Cheminova acquisition, we will use a combination of our existing model alongside Cheminova’s direct market access positions. We access key Asian markets either through local independent distributors or our own sales and marketing organizations. Through these and other alliances, along with our own targeted marketing efforts, access to novel technologies and our innovation initiatives, we expect to maintain and enhance our access in key agricultural and non-crop markets and develop new products that will help us continue to compete effectively.

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Industry Overview

The three principal categories of agricultural and non-crop chemicals are: herbicides, insecticides and fungicides, representing approximately 40 percent, 20 percent and 20 percent of global industry revenue, respectively.

The agrochemicals industry is relatively consolidated. Leading crop protection companies, Syngenta AG, Bayer AG, Monsanto Company, BASF AG, The Dow Chemical Company and E. I. du Pont de Nemours and Company (DuPont), currently represent approximately 65 percent of the industry's global sales. The next tier of agrochemical producers include FMC, ADAMA Agricultural Solutions, Ltd., Sumitomo Chemical Company Ltd., Nufarm Ltd., Arysta LifeScience Corp., United Phosphorous Ltd. and Cheminova AS. FMC employs various differentiated strategies and competes with unique technologies focusing on certain crops, markets and geographies, as well as supported by a low-cost manufacturing model.

Growth

The acquisition of Cheminova positions FMC among leading agrochemical producers in the world. Our complementary technologies will lead to improved formulation capabilities and a broader innovation pipeline, resulting in new and differentiated products. We will take advantage of enhanced market access positions and an expanded portfolio to deliver near-term growth.

We will continue to grow by obtaining new and approved uses for existing product lines and acquiring, accessing, developing, marketing, distributing and/or selling complementary chemistries and related technologies in order to strengthen our product portfolio and our capabilities to effectively service our target markets and customers.

Our growth efforts focus on developing environmentally compatible and sustainable solutions that can effectively increase farmers' yields and provide cost-effective alternatives to chemistries which may be prone to resistance. 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. Our external growth efforts include product acquisitions, in-licensing of chemistries and technologies and alliances that bolster our market access, complement our existing product portfolio or provide entry into adjacent spaces. We have entered into a range of development and distribution agreements with other companies that provide us access to new technologies and products which we can subsequently commercialize.

FMC Health and Nutrition

Overview

Our FMC Health and Nutrition segment, which represents 21 percent of our 2014 consolidated revenues, is focused on high-performance food ingredients, pharmaceutical excipients and omega-3 oils. The majority of FMC Health and Nutrition sales are to customers in non-cyclical end markets. We believe our future growth in this segment will continue to be based on the value-added performance capabilities of these products and our research and development capabilities, as well as on the alliances and close working relationships we have developed with key global customers.

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Products and Markets

Our product offerings into the food markets principally provide texture, structure and physical stability ("TSPS") solutions to thicken and stabilize certain food products. Our formulation ingredients serving the pharmaceutical industry function as binders, disintegrants, suspending agents, and control-release compounds for the production of both solid and liquid pharmaceutical products. The majority of our nutraceutical product offerings are high purity omega-3.

FMC Health and Nutrition is a supplier of microcrystalline cellulose ("MCC"), carrageenan, alginates, natural colorants, pectin and omega-3, all naturally derived ingredients that have high value-added applications in the production of food, pharmaceutical, nutraceutical and other specialty consumer products. MCC, processed from specialty grades of renewable hardwood and softwood pulp, provides binding and disintegrant properties for dry tablets and capsules and has unique functionality that improves the texture and stability of many food products. Carrageenan and alginates, both processed from natural seaweed, are used in a wide variety of food, pharmaceutical and oral care applications. Natural colorants are utilized in specialty products used in the food, beverage, personal care, nutrition and pharmaceutical markets. Pectin, derived from natural citrus fruit peels, is utilized as a hydrocolloid texturant and stabilizer. Omega-3 is sourced from fish oils and utilized in other pharmaceutical and nutraceutical applications.

Industry Overview

Food Ingredients

The industry is dispersed geographically, with the majority of our sales in Europe, North America and Asia. The food ingredients market is comprised of a large number of suppliers due to the broad spectrum of chemistries employed. Segment leadership, global position and investment in technology are key factors to sustaining profitability. The top suppliers of TSPS ingredients include FMC, DuPont, J.M. Huber Corporation, Kerry Group plc and Cargill Incorporated.

Pharmaceutical & Nutraceutical Ingredients

Competitors tend to be grouped by chemistry. Our principal MCC competitors include J. Rettenmaier & Sôhne GmbH, Ming Tai Chemical Co., Ltd., Asahi Kasei Corporation and Blanver Farmoquimica Ltda. While pricing pressure from low-cost producers is a common competitive dynamic, companies look to offset that pressure by providing the most reliable and broadest range of products and services. Our customers are pharmaceutical firms who depend upon reliable therapeutic performance of their drug products.

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FMC Minerals (to be renamed FMC Lithium)

Overview

Our FMC Minerals segment, which in 2014 included the results of our FMC Alkali Chemicals division, represents 26 percent of our 2014 consolidated revenues, and during FY2014 participated in the alkali chemicals and lithium products markets.

Products and Markets

Effective February 2015, our FMC Minerals segment has been renamed FMC Lithium as the FMC Alkali Chemicals division has been classified as a discontinued operation, as FMC Alkali Chemicals is under contract to be sold, and the sale is expected to be completed in early 2015. The following discussion pertains only to the FMC Lithium business.

Lithium

Lithium is a business based on both inorganic and organic lithium chemistries. While lithium is sold into a variety of end markets, we have focused our strategy on the energy storage, polymer and pharmaceutical markets and other industrial markets.

The electrochemical properties of lithium make it an ideal material for portable energy storage in high performance applications, including smart phones, tablets, laptop computers, military devices and aerospace and other next-generation energy storage technologies. Lithium is a critical element in advanced batteries for use in hybrid electric, plug-in hybrids and all-electric vehicles.

Organolithium products are highly valued in the polymer market as initiators in the production of synthetic rubbers and elastomers. Organolithiums are also sold to fine chemical and pharmaceutical customers who use lithium's unique chemical properties to synthesize high value-added products.

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Industry Overview

FMC Lithium serves a diverse group of markets, from economically sensitive industrial sectors to technology-intensive specialty markets. Our product offerings are primarily inorganic and generally have few cost-effective substitutes. A major growth driver for lithium in the future will be the rate of adoption of electric and hybrid electric batteries in automobiles.

The markets for lithium chemicals are global with significant growth occurring outside the U.S. in Japan, China and South Korea, driven by the development and manufacture of lithium ion batteries. There are three key producers of lithium compounds: FMC, Albemarle Corporation, previously Rockwood Holdings, Inc. and Sociedad Química y Minera de Chile S.A. Spodumene ore is also converted to lithium compounds by a large number of Chinese producers. We expect a few new producers may add primary inorganics capacity to the global lithium supply in the future. FMC and Albemarle Corporation are the primary producers of lithium specialties.

Source and Availability of Raw Materials

Our raw material requirements vary by business segment and primarily include processed chemicals, seaweed, specialty wood pulps, mineral-related natural resources (lithium brines) and energy sources such as gas, coal, oil and electricity. During 2014 we encountered no significant difficulties in obtaining adequate supplies of our raw materials. Raw materials used by FMC Agricultural Solutions, primarily processed chemicals, are obtained from a variety of suppliers worldwide. Raw materials used by FMC Health and Nutrition include various types of seaweed, specialty pulps, natural colorant raw materials and fish oils that are all sourced on a global basis and purchased from selected global producers/suppliers. We extract ores used in FMC Lithium’s manufacturing processes from lithium brines in Argentina.

Patents

We own a number of U.S. and foreign patents, trademarks and licenses that are cumulatively important to our business. We do not believe that the loss of any individual or combination of related patents, trademarks or licenses would have a material adverse effect on the overall business of FMC. The duration of our patents depends on their respective jurisdictions.

Seasonality

The seasonal nature of the crop protection market and the geographic spread of the FMC Agricultural Solutions business can result in significant variations in quarterly earnings among geographic locations. FMC Agricultural Solutions' products sold into the northern hemisphere (North America, Europe and parts of Asia) serve seasonal agricultural markets from March through September, generally resulting in earnings in the first, second and third quarters. Markets in the southern hemisphere (Latin America and parts of the Asia Pacific region, including Australia) are served from July through February, generally resulting in earnings in the third, fourth and first quarters. The remainder of our business is generally not subject to significant seasonal fluctuations.

Competition

We encounter substantial competition in each of our three business segments. We market our products through our own sales organization and through alliance partners, independent distributors and sales representatives. The number of our principal competitors varies from segment to segment. In general, we compete by providing advanced technology, high product quality and reliability, and quality customer and technical service, and by operating in a cost-efficient manner.

Our FMC Agricultural Solutions segment competes primarily in the global chemical crop protection market for insecticides, herbicides and fungicides. Industry products include crop protection chemicals and, for certain major competitors, genetically engineered (crop biotechnology) products. Competition from generic agrochemical producers is significant as a number of key product patents held industry-wide have expired in the last decade. In general, we compete as an innovator by focusing on product development, including novel formulations, proprietary mixes, and advanced delivery systems and by acquiring or licensing (mostly) proprietary chemistries or technologies that complement our product and geographic focus. We also differentiate ourselves by our global cost-competitiveness via our manufacturing strategies, establishing effective product stewardship programs and developing strategic alliances that strengthen market access in key countries and regions.

Our FMC Health and Nutrition segment has significant positions in markets that include alginate, carrageenan, and microcrystalline cellulose. We compete with both direct suppliers of cellulose and seaweed extract as well as suppliers of other hydrocolloids, which may provide similar functionality in specific applications. In microcrystalline cellulose, competitors are typically smaller than we are, while in seaweed extracts (carrageenan and alginates) and omega-3 fish oils, we compete with other broad-based chemical companies.

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The to-be-renamed FMC Lithium segment sells lithium-based products worldwide. We and our two most significant competitors in lithium extract the element from naturally occurring lithium-rich brines located in the Andes Mountains of Argentina and Chile, which are believed to be the world's most significant and lowest cost sources of lithium.

Research and Development Expense

We perform research and development in all of our segments with the majority of our efforts focused in the FMC Agricultural Solutions segment. The development efforts in the FMC Agricultural Solutions segment focus on developing environmentally sound solutions and new product formulations that cost-effectively increase farmers' yields and provide alternatives to existing and new chemistries. Our research and development expenses in the last three years are set forth below:

	Year Ended December 31,		
(in Millions)	2014	2013	2012
FMC Agricultural Solutions	$111.8	$100.5	$95.4
FMC Health and Nutrition	10.0	10.5	9.9
FMC Minerals	6.5	6.7	6.7
Total	$128.3	$117.7	$112.0

Environmental Laws and Regulations

A discussion of environmental related factors can be found in Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in Note 10 "Environmental Obligations" in the notes to our consolidated financial statements included in this Form 10-K.

Employees

We employ approximately 6,000 people (including approximately 1,000 employees who currently work in our FMC Alkali Chemicals division), with about 2,500 people in our domestic operations and 3,500 people in our foreign operations.

Approximately 10 percent of our U.S.-based (excluding our FMC Alkali Chemicals division) and 35 percent of our foreign-based employees, respectively, are represented by collective bargaining agreements. We have successfully concluded most of our recent contract negotiations without any material work stoppages. In those rare instances where a work stoppage has occurred, there has been no material effect on consolidated sales and earnings. We cannot predict, however, the outcome of future contract negotiations. In 2015, two foreign collective-bargaining agreements will expire. These contracts affect about 20 percent of our foreign-based employees.

Securities and Exchange Commission Filings

Securities and Exchange Commission (SEC) filings are available free of charge on our website, www.fmc.com. Our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports are posted as soon as practicable after we furnish such materials to the SEC.

In accordance with New York Stock Exchange (NYSE) rules, on May 22, 2014, we filed a certification signed by our Chief Executive Officer (CEO) that, as of the date of the certification, he was unaware of any violation by FMC of the NYSE's corporate governance listing standards. We also file with each Form 10-Q and our Form 10-K certifications by the CEO and Chief Financial Officer under sections 302 and 906 of the Sarbanes-Oxley Act of 2002.

ITEM 1A. RISK FACTORS

Among the factors that could have an impact on our ability to achieve operating results and meet our other goals are:

Industry Risks:

Pricing and volumes in our markets are sensitive to a number of industry specific and global issues and events including:

- Capacity utilization - Our businesses are sensitive to industry capacity utilization. As a result, pricing tends to fluctuate when capacity utilization changes occur within our industry.
-

Competition - All of our segments face competition, which could affect our ability to maintain or raise prices, successfully enter certain markets or retain our market position. Our FMC Agricultural Solutions, competition includes not only generic suppliers of the same pesticidal active ingredient, but also alternative proprietary pesticide chemistries, crop protection technologies that are bred into or applied onto seeds, and intellectual property regarding production or use of

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pesticides. Increased generic presence in agricultural chemical markets has been driven by the number of significant product patents and product data protections that have expired in the last decade, and this trend is expected to continue.

- Changes in our customer base - Our customer base has the potential to change, especially when long-term supply contracts are renegotiated. Our FMC Minerals and FMC Health and Nutrition businesses are most sensitive to this risk.
- Climatic conditions - Our FMC Agricultural Solutions markets are affected by climatic conditions, which could adversely impact crop pricing and pest infestations. Adverse weather conditions can impact our ability to extract lithium efficiently from our lithium reserves in Argentina. Natural disasters can impact production at our facilities in various parts of the world. The nature of these events makes them difficult to predict.
- Changing regulatory environment - Changes in the regulatory environment, particularly in the United States, Brazil, China and the European Union, could adversely impact our ability to continue producing and/or selling certain products in our domestic and foreign markets or could increase the cost of doing so. Our FMC Agricultural Solutions business is most sensitive to this general regulatory risk given the need to obtain and maintain pesticide registrations in every country in which we sell our products. Compliance with changing laws and regulations may involve significant costs or capital expenditures or require changes in business practice that could result in reduced profitability. In the European Union, the regulatory risk specifically includes chemicals regulation known as REACH (Registration, Evaluation, and Authorization of Chemicals), which affects each of our business segments to varying degrees. The fundamental principle behind the REACH regulation is that manufacturers must verify that their chemicals can be marketed safely through a special registration system.
- Geographic concentration - Although we have operations in most regions throughout the globe, the majority of our FMC Agricultural Solutions sales outside the United States have principally been to customers in Brazil, Argentina and Mexico. With the acquisition of Cheminova, we will expand the reach of international sales to include Europe and key Asian countries. Accordingly, developments in those parts of the world generally have a more significant effect on our operations than developments in other places. Our operations outside the United States are subject to special risks and restrictions, including: fluctuations in currency values; exchange control regulations; changes in local political or economic conditions; governmental pricing directives; import and trade restrictions; import or export licensing requirements and trade policy; restrictions on the ability to repatriate funds; and other potentially detrimental domestic and foreign governmental practices or policies affecting U.S. companies doing business abroad.
- Food and pharmaceutical regulation - Some of our manufacturing processes and facilities, as well as some of our customers, are subjected to regulation by the U.S. Food and Drug Administration (FDA) or similar foreign agencies. Regulatory requirements of the FDA are complex, and any failure to comply with them including as a result of contamination due to acts of sabotage could subject us and/or our customers to fines, injunctions, civil penalties, lawsuits, recall or seizure of products, total or partial suspension of production, denial of government approvals, withdrawal of marketing approvals and criminal prosecution. Any of these actions could adversely impact our net sales, undermine goodwill established with our customers, damage commercial prospects for our products and materially adversely affect our results of operations.
- Climate change regulation - Changes in the regulation of greenhouse gases, depending on their nature and scope, could subject our manufacturing operations to significant additional costs or limits on operations.
- Fluctuations in commodity prices - Our operating results could be significantly affected by the cost of commodities such as raw materials and energy, including natural gas. We may not be able to raise prices or improve productivity sufficiently to offset future increases in commodity pricing. Accordingly, increases in commodity prices may negatively affect our financial results. Where practical, we use hedging strategies to address material commodity price risks, where hedge strategies are available on reasonable terms. We also use raw material supply agreements that contain terms designed to mitigate the risk of short-term changes in commodity prices. However, we are unable to avoid the risk of medium- and long-term increases. Additionally, fluctuations in commodity prices could negatively impact our customers' ability to sell their product at previously forecasted prices resulting in reduced customer liquidity. Inadequate customer liquidity could affect our customers’ abilities to pay for our products and, therefore,

affect existing and future sales or our ability to collect on customer receivables.

- Supply arrangements - Certain raw materials are critical to our production process. While we have made supply arrangements to meet planned operating requirements, an inability to obtain the critical raw materials or execute under the contract manufacturing arrangements would adversely impact our ability to produce certain products. We increasingly source critical intermediates and finished products from a limited number of suppliers. An inability to obtain these products or execute under our existing contract sourcing arrangements would adversely impact our ability to sell products. In FMC Minerals geological conditions can affect production of raw materials.
- Economic and political change - Our business could be adversely affected by economic and political changes in the markets where we compete including: inflation rates, recessions, trade restrictions, foreign ownership restrictions and

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economic embargoes imposed by the United States or any of the foreign countries in which we do business; changes in laws, taxation, and regulations and the interpretation and application of these laws, taxes, and regulations; restrictions imposed by foreign governments through exchange controls or taxation policy; nationalization or expropriation of property, undeveloped property rights, and legal systems or political instability; other governmental actions; and other external factors over which we have no control. Economic and political conditions within foreign jurisdictions or strained relations between countries can cause fluctuations in demand, price volatility, supply disruptions, or loss of property. In Argentina, continued inflation and tightening of foreign exchange controls along with deteriorating economic and financial conditions could adversely affect our business.

Operational Risks:

- Market access risk - Our results may be affected by changes in distribution channels, which could impact our ability to access the market. In certain FMC Agricultural Solutions segments, we access the market through joint ventures in which we do not have majority control. Where we do not have a strong product portfolio or market access relationships, we may be vulnerable to changes in the distribution model or influence of competitors with stronger product portfolios.
- Business disruptions - Although historically, we have engaged in contract manufacturing and have not owned and operated its own manufacturing facilities, Cheminova (upon acquisition) owns and operates large-scale manufacturing facilities in Denmark and India. After the Cheminova acquisition is completed, our operating results will be dependent on the continued operation of its various production facilities and the ability to manufacture products on schedule. Interruptions at these facilities may materially reduce the productivity and profitability of a particular manufacturing facility, or our business as a whole, during and after the period of such operational difficulties. Although we take precautions to enhance the safety of our operations and minimize the risk of disruptions, our operations are subject to hazards inherent in chemical manufacturing and the related storage and transportation of raw materials, products and wastes. These potential hazards include, explosions, fires, severe weather and natural disasters, mechanical failure, unscheduled downtimes, supplier disruptions, labor shortages or other labor difficulties, information technology systems outages, disruption in our supply chain or manufacturing and distribution operations, transportation interruptions, chemical spills, discharges or releases of toxic or hazardous substances or gases, shipment of incorrect or off-specification product to customers, storage tank leaks, other environmental risks, or other sudden disruption in business operations beyond our control as a result of events such as acts of sabotage, terrorism or war, civil or political unrest, natural disasters, pandemic situations and large scale power outages. Some of these hazards may cause severe damage to or destruction of property and equipment or personal injury and loss of life and may result in suspension of operations or the shutdown of affected facilities.
- Our manufacturing operations and those of our key contract manufacturers inherently entail hazards that require continuous oversight and control, such as leaks, ruptures, fire, explosions, chemical spills, discharges or releases of toxic or hazardous substances or gases, other environmental risks, mechanical failure or other hazards beyond our control such as acts of sabotage, terrorism or war, civil or political unrest, natural disasters, pandemic situations, large scale power outages or vehicle accidents. If operational risks materialize, they could result in loss of life, damage to the environment, or loss of production, all of which could negatively impact our ongoing operations, reputation, financial results, and cash flow.
- Information technology security risks - As with all Enterprise Information systems, our information technology systems could be penetrated by outside parties intent on extracting information, corrupting information, or disrupting business processes. Our systems have in the past been, and likely will in the future be, subject to unauthorized access attempts. Unauthorized access could disrupt our business operations and could result in failures or interruptions in our computer systems and in the loss of assets and could have a material adverse effect on our business, financial condition or results of operations. In addition, breaches of our security measures or the accidental loss, inadvertent disclosure, or unapproved dissemination of proprietary information or sensitive or confidential information about us, our employees, our vendors, or our customers, could result in litigation and potential liability for us, damage our reputation, or otherwise harm our business, financial condition, or results of operations.
-

Capital-intensive business - With our impending acquisition of Cheminova, our business will be more capital intensive than it has been historically. We rely on cash generated from operations and external financing to fund our growth and ongoing capital needs. Limitations on access to external financing could adversely affect our operating results. Moreover, interest payments, dividends, the expansion of our business and pursuit of other business opportunities may require significant amounts of capital. We believe that our cash from operations and available borrowings under our revolving credit facility will be sufficient to meet these needs in the foreseeable future. However, if we need external financing, our access to credit markets and the cost of new capital will be dependent upon the state of the capital markets generally and the market participants' assessment of the adequacy of our creditworthiness. There can be no assurances that we would be able to obtain equity or debt financing on acceptable terms, and it is possible that the cost of any financings could increase significantly, thereby increasing our expenses and decreasing our net income. If we are unable to generate sufficient cash flow or obtain adequate external financing, including as a result of significant disruptions in the global

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credit markets, we could be forced to restrict our operations and growth opportunities, adversely affecting our operating results.

- We may use our $1.5 billion revolving credit facility to provide for our cash needs, including supporting our commercial paper program. As of December 31, 2014, we had approximately $924 million of available credit capacity, after considering utilization for letters of credit and support for our commercial paper program. In the event of a default under our credit agreements or any of our senior notes, we could be required to repay immediately outstanding borrowings, redeem commercial paper notes outstanding, and make cash deposits as collateral for letters of credit that the facility supports, and we may not have the financial resources to do so. A default under any of our credit arrangements could cause a default under other credit agreements and debt instruments. Without waivers from lenders party to those agreements, any such default could have a materially adverse effect on our ability to continue business operations.
- Litigation and environmental risks - Current reserves relating to our ongoing litigation and environmental liabilities may ultimately prove to be inadequate.
- Hazardous materials - We manufacture and transport certain materials that are inherently hazardous due to their toxic or volatile nature. While we take precautions to handle and transport these materials in a safe manner, if they are mishandled or released into the environment, they could cause property damage or personal injury claims against us.
- Environmental Compliance - We are subject to extensive federal, state, local, and foreign environmental and safety laws. regulations, directives, rules and ordinances concerning, among other things, emissions in the air, discharges to land and water, and the generation, handling, treatment, disposal and remediation of hazardous waste and other materials. We may face liability arising out of the normal course of business, including alleged personal injury or property damage due to exposure to chemicals or other hazardous substances at our current or former facilities or chemicals that we manufacture, handle or own. We take our environmental responsibilities very seriously, but there is a risk of environmental impact inherent in its manufacturing operations and transportation of chemicals. Any substantial liability for environmental damage could have a material adverse effect on our financial condition, results of operations and cash flows.
- Inability to attract and retain key employees - The inability to recruit and retain key personnel or the unexpected loss of key personnel may adversely affect our operations. In addition, our future success depends in part on our ability to identify and develop talent to succeed senior management.

Technology Risks:

- Our ability to compete successfully depends in part upon our ability to maintain a superior technological capability and to continue to identify, develop and commercialize new and innovative, high value-added products for existing and future customers.
- Failure to continue to make process improvements to reduce costs could impede our competitive position.

Portfolio Management Risks:

- We expect to complete the acquisition of Cheminova and the divestiture of our FMC Alkali Chemicals division in early 2015. The majority of our expected proceeds from the sale of the FMC Alkali Chemicals division will be used to settle a portion of the borrowings that will be used to complete the acquisition of Cheminova. Any significant delay in the sale of our Alkali Chemicals division or an inability to complete the sale of our Alkali Chemicals division could materially and adversely affect our financial results, as a result of the acquisition borrowings remaining outstanding longer than expected. The expected sale of the Alkali Chemicals division is subject to various conditions, complex in nature and may be affected by unanticipated developments or changes in market conditions. Completion of the divestment of our FMC Alkali Chemicals division will be contingent upon customary closing conditions, including receipt of regulatory approvals.
- We continuously review our portfolio which includes the evaluation of potential business acquisitions that may strategically fit our business and strategic growth initiatives. If we are unable to successfully integrate and develop our acquired businesses, we could fail to achieve anticipated synergies which would include expected cost savings and revenue growth. Failure to achieve these anticipated synergies, could materially and adversely affect our financial results. In addition to strategic acquisitions we evaluate the diversity of our diverse portfolio in light of our objectives

and alignment with its growth strategy. As part of this evaluation we may not be successful in separating underperforming or non-strategic assets and gains or losses on the divestiture of, or lost operating income from, such assets may affect the company's earnings. Moreover, we may incur asset impairment charges related to acquisitions or divestitures that reduce its earnings.

- In particular, if we are unable to successfully integrate and develop Cheminova as planned, after the acquisition has been completed, could result in our inability to achieve the synergies we have projected and could thereby cause our future results of operations to be materially and adversely worse than expected. Part of the synergies we expect to generate is the improvement of the cost-efficiency of Cheminova's business operations. Another is to reduce the mix of Cheminova's sales from generic, lower margin products to more differentiated and higher margin products. Yet another will be the

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favorable rationalization of the different distribution channels used by FMC and Cheminova in overlapping European markets. There can be no assurances that we will be successful in achieving these planned synergies.

Financial Risks:

- Deterioration in the global economy and worldwide credit and foreign exchange markets could adversely affect our business. A worsening of global or regional economic conditions or financial markets could adversely affect our customers' ability to meet the terms of sale or our suppliers' ability to perform all their commitments to us. A slowdown in economic growth in our international markets, particularly Latin American regions, or a deterioration of credit or foreign exchange markets could adversely affect customers, suppliers and our overall business there. Customers in weakened economies may be unable to purchase our products, or it could become more expensive for them to purchase imported products in their local currency, or sell their commodity at prevailing international prices, and we may be unable to collect receivables from such customers.
- We are an international company and face foreign exchange rate risks in the normal course of our business. We are particularly sensitive to the euro, the Brazilian real and the Chinese yuan. To a lesser extent, we are sensitive to the Mexican peso, the Argentine peso, the British pound sterling and several Asian currencies, including the Japanese yen. Our acquisition of Cheminova will significantly expand our operations and sales in foreign countries and correspondingly increase our exposure to foreign exchange risks.
- Our effective tax rate is favorably impacted by the fact that a portion of our earnings are taxed at more favorable rates in some jurisdictions outside the United States. Changes in tax laws or in their application with respect to matters such as transfer pricing, dividends from subsidiaries or restriction in tax relief allowed on intercompany debt could increase our effective tax rate and adversely affect our financial results.
- We have significant investments in long-lived assets and continually review the carrying value of these assets for recoverability in light of changing market conditions and alternative product sourcing opportunities.
- Obligations related to our pension and postretirement plans reflect certain assumptions. To the extent our plans' actual experience differs from these assumptions, our costs and funding obligations could increase or decrease significantly.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

FMC leases executive offices in Philadelphia, Pennsylvania and operates 30 manufacturing facilities and mines in 19 countries. Our major research and development facilities are in Ewing, New Jersey and Shanghai, China.

We have long-term mineral rights to the Salar del Hombre Muerto lithium reserves in Argentina. Our FMC Lithium division requires the lithium brine that is mined from these reserves, without which other sources of raw materials would have to be obtained.

We believe our facilities are in good operating conditions. The number and location of our owned or leased production properties for continuing operations are:

	United States	Latin America & Canada	Western Europe	Asia-Pacific	Total
FMC Agricultural Solutions	2	1	1	3	7
FMC Health and Nutrition	2	1	8	4	15
FMC Minerals	2	2	1	3	8
Total	6	4	10	10	30

ITEM 3. LEGAL PROCEEDINGS

Like hundreds of other industrial companies, we have been named as one of many defendants in asbestos-related personal injury litigation. Most of these cases allege personal injury or death resulting from exposure to asbestos in premises of FMC or to asbestos-containing components installed in machinery or equipment manufactured or sold by discontinued operations. The machinery and equipment businesses we owned or operated did not fabricate the asbestos-containing component parts at issue in the litigation,

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and to this day, neither the U.S. Occupational Safety and Health Administration nor the Environmental Protection Agency has banned the use of these components. Further, the asbestos-containing parts for this machinery and equipment were accessible only at the time of infrequent repair and maintenance. A few jurisdictions have permitted claims to proceed against equipment manufacturers relating to insulation installed by other companies on such machinery and equipment. We believe that, overall, the claims against FMC are without merit.

As of December 31, 2014, there were approximately 11,000 premises and product asbestos claims pending against FMC in several jurisdictions. Since the 1980s, approximately 106,000 asbestos claims against FMC have been discharged, the overwhelming majority of which have been dismissed without any payment to the claimant. Since the 1980s, settlements by us with claimants have totaled approximately $63.6 million.

We intend to continue managing these asbestos-related cases in accordance with our historical experience. We have established a reserve for this litigation within our discontinued operations and believe that any exposure of a loss in excess of the established reserve cannot be reasonably estimated. Our experience has been that the overall trends in terms of the rate of filing of asbestos-related claims with respect to all potential defendants has changed over time, and that filing rates as to us in particular have varied significantly over the last several years. We are a peripheral defendant - that is, we have never manufactured asbestos or asbestos-containing components. As a result, claim filing rates against us have yet to form a predictable pattern, and we are unable to project a reasonably accurate future filing rate and thus, we are presently unable to reasonably estimate our asbestos liability with respect to claims that may be filed in the future.

See Note 1 “Principal Accounting Policies and Related Financial Information—Environmental Obligations,” Note 10 “Environmental Obligations” and Note 18 “Guarantees, Commitments and Contingencies” in the notes to our consolidated financial statements included in this Form 10-K, the content of which are incorporated by reference to this Item 3.

ITEM 4. MINE SAFETY DISCLOSURES

Information regarding mine safety and other regulatory actions at our mine in Green River, Wyoming is included in Exhibit 95 to this Form 10-K.

ITEM 4A. EXECUTIVE OFFICERS OF THE REGISTRANT

Information concerning directors, appearing under the caption "III. Board of Directors" in our Proxy Statement to be filed with the SEC in connection with the Annual Meeting of Stockholders scheduled to be held on April 28, 2015 (the "Proxy Statement"), information concerning the Audit Committee, appearing under the caption "IV. Information About the Board of Directors and Corporate Governance-Committees and Independence of Directors-Audit Committee" in the Proxy Statement, information concerning the Code of Ethics, appearing under the caption "IV. Information About the Board of Directors and Corporate Governance—Corporate Governance-Code of Ethics and Business Conduct Policy" in the Proxy Statement, and information about compliance with Section 16(a) of the Securities Exchange Act of 1934 appearing under the caption "VII. Other Matters—Section 16(a) Beneficial Ownership Reporting Compliance" in the Proxy Statement, is incorporated herein by reference in response to this Item 4A.

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The executive officers of FMC Corporation, the offices they currently hold, their business experience since at least January 1, 2010 and their ages as of December 31, 2014, are as follows:

Name	Age on 12/31/2014	Office, year of election and other information
Pierre R. Brondeau	57	President, Chief Executive Officer and Chairman of the Board (10-present); President and Chief Executive Officer of Dow Advanced Materials, a specialty materials company (08-09); President and Chief Operating Officer of Rohm and Haas Company, a predecessor of Dow Advanced Materials (07-08); Executive Vice President and Business Group Executive, Electronic Materials and Specialty Materials (03-07); Vice President and Business Group Executive, Electronic Materials, (03); President and Chief Executive Officer, Rohm and Haas Electronic Materials LLC and Regional Director, Europe, (03); Board Member, T.E. Connectivity Electronics (07 – Present), Marathon Oil Company (10-present)
Paul W. Graves	43	Executive Vice President and Chief Financial Officer (12-present); Managing Director, Goldman Sachs Group (00-12)
Andrea E. Utecht	66	Executive Vice President, General Counsel and Secretary (01-present); Senior Vice President, Secretary and General Counsel, Atofina Chemicals, Inc. (96-01)
Eric W. Norris	48	Vice President, Global Business Director, FMC Health and Nutrition (14-present); Vice President, Global Business Director, FMC Lithium (12-14); Global Commercial Director, FMC Lithium (09-12)
Edward T. Flynn	56	President, FMC Minerals (12-present); General Manager Alkali Chemicals Division, President FMC Wyoming Corp. (02-12); Chief Information Officer (00-02)
Mark A. Douglas	52	President, FMC Agricultural Solutions (12-present); President, Industrial Chemicals Group (11-12); Vice President, Global Operations and International Development (10-11); Vice President, President Asia, Dow Advanced Materials (09-10); Corporate Vice President, President Asia, Rohm and Haas Company (07-09); Board Member, Quaker Chemical (13-present)
Thomas C. Deas, Jr.	64	Vice President and Treasurer (01-present); Vice President, Treasurer and CFO, Applied Tech Products Corp. (98-01); Vice President, Treasurer and CFO, Airgas, Inc. (97-98); Vice President, Treasurer and CFO, Maritrans, Inc. (96-97); Vice President—Treasury and Assistant Treasurer, Scott Paper Company (88-96)

All officers are elected to hold office for one year or until their successors are elected and qualified. No family relationships exist among any of the above-listed officers, and there are no arrangements or understandings between any of the above-listed officers and any other person pursuant to which they serve as an officer. The above-listed officers have not been involved in any legal proceedings during the past ten years of a nature for which the SEC requires disclosure that are material to an evaluation of the ability or integrity of any such officer.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDERS MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

FMC common stock of $0.10 par value is traded on the New York Stock Exchange and the Chicago Stock Exchange (Symbol: FMC). There were 3,145 registered common stockholders as of December 31, 2014. Presented below are the 2014 and 2013 quarterly summaries of the high and low prices of the FMC common stock.

Common stock prices:	2014 First Quarter	Second Quarter	Third Quarter	Fourth Quarter	2013 First Quarter	Second Quarter	Third Quarter	Fourth Quarter
High	$83.94	$79.14	$71.53	$59.67	$63.15	$64.96	$72.35	$75.68
Low	$67.31	$69.50	$56.98	$51.04	$56.26	$55.18	$60.57	$70.01

Our Board of Directors has declared regular quarterly dividends since 2006; however, any future payment of dividends will depend on our financial condition, results of operations, conditions in the financial markets and such other factors as are deemed relevant by our Board of Directors. Total cash dividends of $78.1 million, $73.6 million and $47.8 million were paid in 2014, 2013 and 2012, respectively.

FMC's annual meeting of stockholders will be held at 2:00 p.m. on Tuesday, April 28, 2015, at The Top of the Tower, 1717 Arch Street, 50^{th} Floor, Philadelphia, Pennsylvania. Notice of the meeting, together with proxy materials, will be mailed approximately 30 days prior to the meeting to stockholders of record as of March 3, 2015.

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Transfer Agent and Registrar of Stock:
Wells Fargo Bank, N.A.
Shareowner Services

1110 Centre Pointe Curve, Suite 101 Mendota Heights, MN 55120-4100	or	P.O. Box 64874 St. Paul, MN 55164-0856

Phone: 1-800-401-1957
(651-450-4064 local and outside the U.S.)
www.wellsfargo.com/shareownerservices

Stockholder Return Performance Presentation

The graph that follows shall not be deemed to be incorporated by reference into any filing made by FMC under the Securities Act of 1933 or the Securities Exchange Act of 1934.

The following Stockholder Performance Graph compares the five-year cumulative total return on FMC's Common Stock for the period from January 1, 2010 to December 31, 2014 with the S&P 500 Index and the S&P 500 Chemicals Index. The comparison assumes $100 was invested on December 31, 2009, in FMC's Common Stock and in both of the indices, and the reinvestment of all dividends.

	2009	2010	2011	2012	2013	2014
FMC Corporation	$100.00	$144.17	$156.35	$214.16	$278.13	$212.41
S&P 500 Index	$100.00	$114.82	$117.22	$135.83	$179.36	$203.60
S&P 500 Chemicals Index	$100.00	$121.44	$119.96	$148.02	$194.55	$215.26

The following table summarizes information with respect to the purchase of our common stock during the three months ended December 31, 2014:

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ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased (2)	Average Price Paid Per Share	Publicly Announced Program (1)		
			Total Number of Shares Purchased	Total Dollar Amount Purchased	Maximum Dollar Value of Shares that May Yet be Purchased
October 1-31, 2014	—	$—	—	$—	$ 250,000,000
November 1-30, 2014	350	$57.19	—	—	250,000,000
December 1-31, 2014	5,669	$54.99	—	—	250,000,000
Total Q4 2014	6,019	$55.12	—	$—	$ 250,000,000

(1) This repurchase program does not include a specific timetable or price targets and may be suspended or terminated at any time. Shares may be purchased through open market or privately negotiated transactions at the discretion of management based on its evaluation of market conditions and other factors.

(2) Represents reacquired shares for employees exercises in connection with the vesting and forfeiture of awards under our equity compensation plans.

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ITEM 6. SELECTED FINANCIAL DATA
SELECTED CONSOLIDATED FINANCIAL DATA
The selected consolidated financial and other data presented below for, and as of the end of, each of the years in the five-year period ended December 31, 2014, are derived from our consolidated financial statements. The selected consolidated financial data should be read in conjunction with our consolidated financial statements for the year ended December 31, 2014.

	Year Ended December 31,				
(in Millions, except per share data and ratios)	2014	2013	2012	2011	2010
Income Statement Data:					
Revenue	$4,037.7	$3,874.8	$3,409.9	$3,036.3	$2,686.9
Income from continuing operations before equity in (earnings) loss of affiliates, interest income and expense and income taxes	545.4	659.0	639.1	587.4	492.2
Income from continuing operations before income taxes	485.0	615.9	597.7	553.2	457.6
Income from continuing operations	411.5	467.3	463.2	420.3	327.0
Discontinued operations, net of income taxes [1]	(89.4)	(159.3)	(27.5)	(38.1)	(142.1)
Net income	322.1	308.0	435.7	382.2	184.9
Less: Net income attributable to noncontrolling interest	14.6	14.1	19.5	16.3	12.4
Net income attributable to FMC stockholders	$307.5	$293.9	$416.2	$365.9	$172.5
Amounts attributable to FMC stockholders:					
Continuing operations, net of income taxes	396.9	453.2	443.7	404.0	314.6
Discontinued operations, net of income taxes	(89.4)	(159.3)	(27.5)	(38.1)	(142.1)
Net income	$307.5	$293.9	$416.2	$365.9	$172.5
Basic earnings (loss) per common share attributable to FMC stockholders:					
Continuing operations	$2.97	$3.34	$3.21	$2.83	$2.17
Discontinued operations	(0.67)	(1.18)	(0.20)	(0.26)	(0.98)
Net income	$2.30	$2.16	$3.01	$2.57	$1.19
Diluted earnings (loss) per common share attributable to FMC stockholders:					
Continuing operations	$2.96	$3.33	$3.20	$2.81	$2.15
Discontinued operations	(0.67)	(1.17)	(0.20)	(0.26)	(0.97)
Net income	$2.29	$2.16	$3.00	$2.55	$1.18
Balance Sheet Data:					
Total assets	$5,340.5	$5,235.2	$4,373.9	$3,743.5	$3,319.9
Long-term debt	1,155.4	1,188.8	914.5	798.6	619.4
Other Data:					
Ratio of earnings to fixed charges [2]	7.5x	12.5x	12.7x	12.7x	10.7x

Cash dividends declared per share	$0.600	$0.540	$0.405	$0.300	$0.250

(1) Discontinued operations, net of income taxes includes our discontinued FMC Peroxygens business and other historical discontinued gains and losses related to adjustments to our estimates of our retained liabilities for environmental exposures, general liability, workers' compensation, postretirement benefit obligations,legal defense, property maintenance and other costs, losses for the settlement of litigation and gains related to property sales.

(2) In calculating this ratio, earnings consist of income (loss) from continuing operations before income taxes plus interest expense, net of amortization expense related to debt discounts, fees and expenses, amortization of capitalized interest, interest included in rental expenses (assumed to be one-third of rent) and Equity in (earnings) loss of affiliates. Fixed charges consist of interest expense, amortization of debt discounts, fees and expenses, interest capitalized as part of fixed assets and interest included in rental expenses.

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FORWARD-LOOKING INFORMATION

Statement under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995: We and our representatives may from time to time make written or oral statements that are “forward-looking” and provide other than historical information, including statements contained in Management’s Discussion and Analysis of Financial Condition and Results of Operations within, in our other filings with the SEC, or in reports to our stockholders.

In some cases, we have identified forward-looking statements by such words or phrases as “will likely result,” “is confident that,” “expect,” “expects,” “should,” “could,” “may,” “will continue to,” “believe,” “believes,” “anticipates,” “predic “estimates,” “projects,” “potential,” “intends” or similar expressions identifying “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including the negative of those words and phrases.

Such forward-looking statements are based on our current views and assumptions regarding future events, future business conditions and the outlook for the company based on currently available information. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any results, levels of activity, performance or achievements expressed or implied by any forward-looking statement. These factors include, among other things, the risk factors listed in Item 1A of this Form 10-K. We wish to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made.

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We are a diversified chemical company serving agricultural, consumer and industrial markets globally with innovative solutions, applications and market-leading products. We operate in three distinct business segments: FMC Agricultural Solutions, FMC Health and Nutrition and FMC Minerals. Our FMC Agricultural Solutions segment develops, markets and sells all three major classes of crop protection chemicals – insecticides, herbicides and fungicides. These products are used in agriculture to enhance crop yield and quality by controlling a broad spectrum of insects, weeds and disease, as well as in non-agricultural markets for pest control. The FMC Health and Nutrition segment focuses on food, pharmaceutical ingredients, nutraceuticals, personal care and similar markets. Our food ingredients are used to enhance texture, color, structure and physical stability. The pharmaceutical additives are used for binding, encapsulation and disintegrant applications. Some of our products are increasingly being used as an active ingredients in nutraceutical and pharmaceutical markets. Our FMC Minerals segment manufactures a wide range of inorganic materials, including soda ash and lithium. Soda ash is utilized in markets such as glass and detergents and lithium is utilized in energy storage, specialty polymers and pharmaceutical synthesis.

2014 Highlights

The following are the more significant developments in our businesses during the year ended December 31, 2014:

- Revenue of $4,037.7 million in 2014 increased $162.9 million or four percent versus last year. Revenue increases are associated with sales growth in all segments. A more detailed review of revenues by segment are included under the section entitled "Results of Operations". On a regional basis, sales in Latin America decreased by four percent, sales in North America were up seven percent, sales in Asia were up 14 percent and sales in Europe, Middle East and Africa (EMEA) increased by six percent.
- Our gross margin, excluding acquisition/divestiture related charges, of $1,379.2 million increased approximately $34 million or approximately two percent versus last year. Gross margin as a percent of revenues of approximately 34 percent declined one hundred basis points compared to 2013. The increase in gross margin did not result in increased gross margin percent primarily due to unfavorable currency movements and product mix of sales in FMC Agricultural Solutions.
- Selling, general and administrative expenses increased 20 percent from $515.8 million to $621.2 million. Selling, general and administrative expenses, excluding non-operating pension and postretirement charges and acquisition/divestiture related charges, of $469.9 million decreased $3.0 million or approximately one percent. Non-operating pension and postretirement charges and acquisition/divestiture related charges are presented in our Adjusted Earnings Non-GAAP financial measurement below under the section titled "Results of Operations".
- Research and Development expenses of $128.3 million increased $10.6 million or nine percent, largely due to spending in FMC Agricultural Solutions to fund investments in earlier stage active ingredient research, biological crop protection development projects and rapid market innovation initiatives.
- Adjusted earnings after-tax from continuing operations attributable to FMC stockholders of $541.1 million increased approximately $12.7 million or two percent. See the disclosure of our Adjusted Earnings Non-GAAP financial measurement below under the section titled "Results of Operations".

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Other 2014 Highlights

On September 8, 2014, we announced that we will no longer proceed with the planned separation of FMC into two distinct public entities. At that time we announced the acquisition of Cheminova and divestiture of our FMC Alkali Chemicals division.

In October 2014 we purchased the remaining 6.25 percent ownership interest from the last remaining non-controlling interest holder in a legal entity within our FMC Alkali Chemicals division, which increased our ownership from 93.75 percent to 100 percent. We paid $95.7 million to the minority shareholder in 2014.

Also in October 2014, we entered into a $2.0 billion term loan facility for the purposes of funding the acquisition of Cheminova and amended our $1.5 billion revolving credit facility in conjunction with the term loan facility.

2015

During the first part of this year, we expect to close on two significant transactions - the divestiture of our Alkali Chemicals division and the acquisition of Cheminova - that will shape FMC into a stronger, focused company serving agriculture, health and nutrition end markets.

The integration of Cheminova into FMC Agricultural Solutions is an integral part of FMC's strategy to become a more focused and global agriculture, health and nutrition company with strong competitive positions in fast-growing markets. Our combined company will have broader market access in Europe, Latin America and key Asia-Pacific markets such as India and Australia.

On February 5, 2015 we signed a definitive agreement to sell our FMC Alkali Chemicals division to Tronox Limited. We expect the sale to be completed in early 2015 subject to customary regulatory approvals and closing conditions. The proceeds from the sale will be used to fund the acquisition of Cheminova and allow us to maintain a strong balance sheet and financial flexibility.

Subsequent to the sale of our FMC Alkali Chemicals division, our FMC Lithium division will become a standalone reporting segment. We intend to make investments that will allow the business to take advantage of strong underlying growth potential and leading positions in a well-structured industry.

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Results of Operations—2014, 2013 and 2012

Overview

The following presents a reconciliation of our segment operating profit to the net income attributable to FMC stockholders as seen through the eyes of our management. For management purposes, we report the operating performance of each of our business segments based on earnings before interest and income taxes excluding corporate expenses, other income (expense), net and corporate special income/(charges).

SEGMENT RESULTS RECONCILIATION

(in Millions)	Year Ended December 31,		
	2014	2013	2012
Revenue			
FMC Agricultural Solutions	$2,173.8	$2,145.7	$1,763.8
FMC Health and Nutrition	828.2	762.0	680.8
FMC Minerals	1,035.7	970.0	966.2
Eliminations	—	(2.9)	(0.9)
Total	$4,037.7	$3,874.8	$3,409.9
Income (loss) from continuing operations before income taxes			
FMC Agricultural Solutions	$497.8	$539.0	$454.0
FMC Health and Nutrition	187.9	169.5	161.6
FMC Minerals	166.7	128.3	171.4
Eliminations	—	—	(0.4)
Segment operating profit	$852.4	$836.8	$786.6
Corporate and other	(72.3)	(82.7)	(78.6)
Operating profit before the items listed below	780.1	754.1	708.0
Interest expense, net	(59.5)	(42.2)	(40.7)
Corporate special (charges) income:			
Restructuring and other (charges) income (1)	(56.5)	(47.9)	(27.5)
Non-operating pension and postretirement charges (2)	(10.5)	(38.1)	(34.9)
Business separation costs (3)	(23.6)	—	—
Acquisition-related charges (4)	(145.0)	(10.0)	(7.2)
Provision for income taxes	(73.5)	(148.6)	(134.5)
Discontinued operations, net of income taxes	(89.4)	(159.3)	(27.5)
Net income attributable to noncontrolling interests	(14.6)	(14.1)	(19.5)
Net income attributable to FMC stockholders	$307.5	$293.9	$416.2

(1) See Note 7 to the consolidated financial statements included within this Form 10-K for details of restructuring and other charges (income). Amounts for the years ended 2014, 2013 and 2012 relate to FMC Agricultural Solutions of $(4.5) million, $32.6 million and $8.5 million; FMC Health and Nutrition of $14.1 million, $1.0 million and $0.7 million; FMC Minerals of $0.1 million, $6.4 million and $13.0 million; and Corporate of $46.8 million, $7.9 million and $5.3 million, respectively.

(2) Our non-operating pension and postretirement costs are defined as those costs related to interest, expected return on plan assets, amortized actuarial gains and losses and the impacts of any plan curtailments or settlements. These costs are primarily related to changes in pension plan assets and liabilities which are tied to financial market performance and we consider these costs to be outside our operational performance. We exclude these non-operating pension and postretirement costs from our segments as we believe that removing them provides a better understanding of the underlying profitability of our businesses, provides increased transparency and clarity in the performance of our retirement plans and enhances period-over-period comparability. We continue to include the service cost and amortization of prior service cost in our operating segments noted above. We believe these

elements reflect the current year operating costs to our businesses for the employment benefits provided to active employees.

(3) Charges are associated with the previously planned separation of our FMC Corporation into two independent public companies. On September 8, 2014, we announced that we would no longer proceed with the planned separation of FMC into two distinct public entities. At that time we announced the acquisition of Cheminova; see Note 3 within these consolidated financial statements included within this Form 10-K for more information. These charges are included within "Business separation costs" on our consolidated income statement. These costs were primarily related to professional fees associated with separation activities within the finance and legal functions through September 8, 2014.

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(4) Charges related to the expensing of the inventory fair value step-up resulting from the application of acquisition purchase accounting, legal and professional fees and gains or losses on hedging purchase price associated with the planned or completed acquisitions and costs incurred associated with the divestiture of our FMC Alkali Chemicals division. Amounts represent the following:

	Twelve Months Ended December 31,		
(in Millions)	2014	2013	2012
Acquisition related charges - Cheminova			
Legal and professional fees [1]	$32.2	$—	$—
Unrealized loss/(gain) on hedging purchase price [1]	99.6	—	—
Acquisition related charges			
Legal and professional fees [1]	—	4.8	—
Inventory fair value step-up amortization [2]	4.2	5.2	7.2
Divestiture related charges - FMC Alkali Chemicals division			
Legal and professional fees [1]	9.0	—	—
Acquisition/divestiture related charges	$145.0	$10.0	$7.2

(1) On the consolidated statements of income, these charges are included in “Selling, general and administrative expenses”.
(2) On the consolidated statements of income, these charges are included in “Costs of sales and services”.

ADJUSTED EARNINGS RECONCILIATION

The following chart, which is provided to assist the readers of our financial statements, depicts certain charges (gains) that are excluded by us in the measures we use to evaluate business performance and determine certain performance-based compensation. These items are discussed in detail within the section that follows. Additionally, the chart below discloses our Non-GAAP financial measure “Adjusted after-tax earnings from continuing operations attributable to FMC stockholders” reconciled from the GAAP financial measure “Net income attributable to FMC stockholders”. We believe that this measure provides useful information about our operating results to investors and securities analysts. We also believe that excluding the effect of "Corporate special charges (income)" from operating results and discontinued operations allows management and investors to compare more easily the financial performance of our underlying businesses from period to period. "Corporate special charges (income)" are defined as: restructuring and other income and charges, non-operating pension and postretirement charges, acquisition/divestiture related charges, business separation charges as well as certain tax adjustments, This measure should not be considered as a substitute for net income (loss) or other measures of performance or liquidity reported in accordance with GAAP.

(in Millions)	Years Ended December 31, 2014	2013	2012
Net income attributable to FMC stockholders (GAAP)	$307.5	$293.9	$416.2
Corporate special charges (income), pre-tax	235.6	96.0	69.6
Income tax expense (benefit) on Corporate special charges (income)	(87.5)	(35.3)	(25.1)
Corporate special charges (income), net of income taxes	148.1	60.7	44.5
Discontinued operations, net of income taxes	89.4	159.3	27.5
Tax expenses (benefit) adjustments	(3.9)	14.5	(18.1)
Adjusted after-tax earnings from continuing operations attributable to FMC stockholders (Non-GAAP)	$541.1	$528.4	$470.1

In the discussion below, please refer to our chart titled "Segment Results Reconciliation" within the Results of Operations section. All comparisons are between the periods unless otherwise noted.
Segment Results

For management purposes, segment operating profit is defined as segment revenue less segment operating expenses (segment operating expenses consist of costs of sales and services, selling, general and administrative expenses ("SG&A") and research and development expenses ("R&D")). We have excluded the following items from segment operating profit: corporate staff expense, interest income and expense associated with corporate debt facilities and investments, income taxes, gains (or losses) on divestitures of businesses, restructuring and other charges (income), non-operating pension and postretirement charges, investment gains and

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losses, loss on extinguishment of debt, asset impairments, Last-in, First-out (“LIFO”) inventory adjustments, acquisition/divestiture related charges, business separation costs and other income and expense items.
Information about how each of these items relates to our businesses at the segment level and results by segment are discussed below and in Note 19 to our consolidated financial statements included in this Form 10-K.
FMC Agricultural Solutions

(in Millions)	Year Ended December 31,		
	2014	2013	2012
Revenue	$2,173.8	$2,145.7	$1,763.8
Operating Profit	497.8	539.0	454.0

2014 vs. 2013
Revenue of $2,173.8 million increased approximately one percent versus the prior year period due to higher sales in North America, Asia and EMEA offset by a decline in sales in Latin America.
Sales in Latin America of $1,120.7 million decreased five percent due to weak demand conditions in Brazil, particularly in sugarcane and cotton segments, as drought and lower planted area reduced herbicide and insecticide demand. This was partially offset by growth in other Latin American countries such as Argentina and Mexico as FMC gained market share. Sales in North America of $560.2 million increased 11 percent primarily driven by strong demand for pre-emergent herbicides into soybeans and growth from new product introductions into various crop segments. Revenue in Asia of $343.6 million increased nine percent reflecting sales growth in Australia, Pakistan, Korea and China. Sales in Europe, Middle East and Africa (EMEA) increased seven percent to $149.3 million primarily due to higher herbicide volumes.
FMC Agricultural Solutions' operating profit of $497.8 million decreased approximately eight percent compared to the year-ago period, reflecting relatively flat sales, unfavorable currency impacts, increases to SG&A as well as additional planned R&D investments and changes in product mix. SG&A costs were approximately $2 million higher and R&D costs were approximately $12 million higher than the prior year period with spending on marketing, sales and technology investments.
In 2015, we expect that earnings contributions from the Cheminova acquisition, the continued spread of weed resistance in North and Latin America, and market share gains in Asia and EMEA will drive full-year segment earnings 15 to 30 percent higher than 2014.

2013 vs. 2012
Revenue of $2,145.7 million increased approximately 22 percent versus the prior year period due to sales growth in North America, Latin America and Asia, partially offset by declines in EMEA.
Sales in Latin America of $1,184.7 million increased 23 percent driven by Brazil volume growth in herbicide and insecticide sales for soybeans, including growth from new and recently launched products. Sales in North America of $506.1 million increased 37 percent driven by strong demand for pre-emergent herbicides and at-plant insecticides as well as growth from new product introductions. Revenue in Asia of $315.4 million increased 14 percent reflecting sales growth in China, Indonesia, Australia and a number of other key countries. EMEA declined 12 percent to $139.5 million primarily due to unfavorable weather conditions and lower insecticide sales.
FMC Agricultural Solutions' operating profit of $539.0 million increased approximately 19 percent compared to the year-ago period, reflecting the sales growth described in the preceding paragraph, a favorable geographic mix and selected price increases. Selling, general and administrative costs were approximately $9 million or three percent higher compared to the prior year due to increased spending on growth initiatives and higher people-related costs to support the higher sales. Research and development costs also increased period over period by approximately $5 million due to increased spending associated with various innovation projects.

Certain Regulatory Issues

We intend to defend vigorously all our products in the U.S., EU and other countries as our pesticide products are reviewed in the ordinary course of regulatory programs during 2015 as part of the ongoing cycle of re-registration of our pesticide products around the world.

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FMC Health and Nutrition

(in Millions)	Year Ended December 31,		
	2014	2013	2012
Revenue	$828.2	$762.0	$680.8
Operating Profit	187.9	169.5	161.6

2014 vs. 2013

Revenue was $828.2 million, an increase of approximately nine percent versus the prior-year period. Revenue from higher volumes in health markets, including acquisitions completed in 2013, and higher volumes in overall nutrition markets increased sales by approximately six percent and two percent, respectively. Favorable pricing and mix, primarily in nutrition-related products increased sales by one percent.

Segment operating profit of $187.9 million increased by 11 percent versus the prior-year period driven by higher demand for pharmaceutical excipients and texture and stability products in North America. These were slightly offset by increased raw material costs, particularly seaweed, and reduced demand for nutrition products into the Chinese beverage market.

For 2015, full-year segment earnings are expected to increase by mid-single digit percent. Earnings growth is expected to come from moderate demand recovery in the Chinese beverage market, continued demand for pharmaceutical products, particularly excipients, and benefits from operational improvements.

2013 vs. 2012

Revenue was $762.0 million, an increase of approximately 12 percent versus the prior-year period. This increase was due to volume increases of three percent in core product lines, revenue from acquisitions which increased sales by six percent, favorable pricing and foreign currency impacts which increased sales by two and one percent, respectively.

Segment operating profit of $169.5 million increased by five percent versus the prior year period as revenue growth was partially offset by acquisition integration costs, higher raw material costs and costs associated with our Manufacturing Excellence program. Selling, general and administrative costs also increased approximately $6 million compared to the prior year due to the addition of the Epax business within the segment.

FMC Minerals

(in Millions)	Year Ended December 31,		
	2014	2013	2012
Revenue	$1,035.7	$970.0	$966.2
Operating Profit	166.7	128.3	171.4

2014 vs. 2013

Revenue of $1,035.7 million increased by seven percent over the prior year. Volume gains in Alkali and Lithium along with improvements in soda ash pricing contributed to the higher revenue.

Alkali revenues of $779.0 million increased four percent over the prior year. Higher average prices and volume increases each contributed a 2 percent increase in revenue, respectively. The most notable price increases were realized in Asian export markets.

Lithium revenues of $256.7 million increased 15 percent compared to the prior year. Higher production volume that allowed for additional sales, particularly for energy storage applications contributed a 19 percent increase in revenue, partially offset by lower pricing which negatively impacted revenues by four percent.

Segment operating profit of $166.7 million increased approximately 30 percent versus the prior year. Operating profit was driven by higher volumes, improved pricing and lower operating costs in Alkali as well as higher volumes in Lithium . These increases were partially offset by unfavorable currency and operating costs associated with Lithium’s Argentine operations and higher energy costs in Alkali.

For 2015, reported segment earnings, which will include only our FMC Lithium business, are expected to be within the range of $15 to $25 million. We anticipate higher prices for both lithium hydroxide and carbonate driven by increased

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demand for energy storage applications will be offset by reduced sourcing of lithium carbonate from third parties and higher operating costs in Argentina.

2013 vs. 2012

Revenue of $970.0 million, was essentially flat period over period. Volume gains of three percent driven by Alkali sales were offset by unfavorable pricing year over year. Unfavorable pricing was primarily driven by Alkali, slightly offset by favorable pricing in Lithium.

Alkali revenues of $747.0 million increased two percent over the prior year due to volume gains of six percent which were partially offset by reduced pricing of four percent.

Lithium revenues of $223.0 million decreased four percent compared to the prior year due to unfavorable sales mix. Production and sales volumes on a lithium carbonate equivalent basis were relatively flat year over year, as lower production in Argentina due to operational issues was offset by higher third party product purchases.

Segment operating profit of $128.3 million decreased approximately 25 percent versus the prior year. The decrease was primarily due to lower average export pricing in soda ash. Additionally, production factors, such as poor geological conditions at the alkali mine as well as poor weather at the lithium mine and unfavorable currency in lithium impacted the results.

Corporate and other

Corporate expenses are included as a component of the line item “Selling, general and administrative expenses” except for last in, first-out (LIFO) related charges that are included as a component of "Cost of sales and other services" on our consolidated statements of income.

2014 vs. 2013

Corporate and other expenses of $72.3 million decreased by $10.4 million from $82.7 million in the same period in 2013. The decrease period over period is primarily due to a decrease of $5.1 million in employees' incentive accruals and a decrease of $4.6 million in pension service charges. Reduced pension service charges are primarily driven by the higher discount rate utilized to calculate the 2014 expense.

2013 vs. 2012

Corporate and other expenses of $82.7 million increased by $4.1 million from $78.6 million in the same period in 2012. The increase period over period is due to increased costs of approximately $4 million primarily representing costs associated with the transformation of our finance organization. This transformation is similar to past initiatives to improve our organization.

Interest expense, net

2014 vs. 2013

Interest expense, net for 2014 of $59.5 million increased approximately 41% percent as compared to 2013 of $42.2 million. The increase is primarily driven by the issuance of $400 million in Senior Notes in November 2013. The $400 million debt issuance, with an interest rate of 4.10 percent, was utilized to fund the acquisition of Epax and to fund working capital requirements of our businesses.

2013 vs. 2012

Interest expense, net for 2013 of $42.2 million increased approximately four percent compared to 2012 of $40.7 million. The increase was primarily due to higher overall debt levels driven by funding requirements for the acquisition of Epax and our share repurchases during 2013.

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Corporate special (charges) income

Restructuring and other (charges) income

Our restructuring and other (charges) income are comprised of restructuring, assets disposals and other charges (income) as described below:

	Year Ended December 31,		
(in Millions)	2014	2013	2012
Restructuring Charges and Asset Disposals	$17.3	$9.6	$17.7
Other Charges (Income), Net	39.2	38.3	9.8
Total Restructuring and Other Charges	$56.5	$47.9	$27.5

2014

Restructuring and asset disposal charges in 2014 of $17.3 million were primarily associated with our Health and Nutrition restructuring as well as other miscellaneous exit costs. Other charges (income) net in 2014 of $39.2 million were primarily related to corporate environmental charges of $43.7 million and charges of $22.1 million associated with our FMC Agricultural Solutions segment which entered into collaboration and license agreements with various third-party companies for the purpose of obtaining certain technology and intellectual property rights relating to new compounds still under development. Offsetting these charges is income from the sale of a portion of our ownership interest in a pesticide distribution company which resulted in a gain on the sale of approximately $26.6 million.

2013

Restructuring and asset disposal charges in 2013 of $9.6 million were primarily associated with the announced Lithium restructuring. Other charges (income) net in 2013 of $38.3 million primarily related to charges associated with collaboration and license agreements entered into by our FMC Agricultural Solutions segment for the purpose of obtaining certain technology and intellectual property rights relating to new compounds still under development. The rights and technology obtained is referred to as in-process research and development and in accordance with GAAP, the amounts paid were expensed as incurred since they were acquired outside of a business combination.

2012

Restructuring and asset disposal charges in 2012 primarily included charges of $13.3 million associated with the Lithium restructuring. Other charges (income) net in 2012 were primarily due to charges of $5.8 million for environmental remediation at operating sites and a $4.4 million charge related to our FMC Agricultural Solutions segment for the purpose of acquiring certain rights to a fungicide still under development.

The activity of the restructuring charges listed above are also included within Note 7 to our consolidated financial statements included in this Form 10-K. We believe the restructuring plans implemented are on schedule and the benefits and savings either have been or will be achieved.

Non-operating pension and postretirement (charges) income

Non-operating pension and postretirement (charges) income are included in “Selling, general and administrative expenses” on our consolidated statements of income.

2014 vs. 2013

The charge for 2014 was $10.5 million compared to $38.1 million for 2013. The decrease in charges was primarily attributable to lower amortization of net actuarial losses of $21.1 million compared to 2013.

2013 vs. 2012

The charge for 2013 was $38.1 million compared to $34.9 million for 2012. The increase in charges were primarily the result of a settlement charge of $7.4 million, partially offset by lower interest costs of $3.7 million. The settlement charge was associated with the acceleration of previously deferred actuarial losses triggered by the lump-sum payout to former executives in 2013.

Business Separation costs

On September 8, 2014, we announced that we would no longer proceed with the planned separation of FMC into two distinct public entities. At that time we announced the acquisition of Cheminova and divestiture of our FMC Alkali Chemicals division.

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Acquisition-related charges

A detailed description of the acquisition/divestiture related charges is included in Note 19 to the consolidated financial statements included within this Form 10-K under the Segment Results Reconciliation above within the Results of Operations section of the Management's Discussion and Analysis.

Provision for income taxes

	Twelve Months Ended December 31								
(in Millions)	2014			2013			2012		
	Income (Expense)	Tax Provision (Benefit)	Effective Tax Rate	Income (Expense)	Tax Provision (Benefit)	Effective Tax Rate	Income (Expense)	Tax Provision (Benefit)	Effective Tax Rate
GAAP - Continuing operations	$485.0	$ 73.5	15.2 %	$615.9	$ 148.6	24.1 %	$597.7	$ 134.5	22.5 %
Corporate special charges	235.6	87.5		96.0	35.3		69.6	25.1	
Tax adjustments (1)		3.9			(14.5)			18.1	
	$720.6	$ 164.9	22.9 %	$711.9	$ 169.4	23.8 %	$667.3	$ 177.7	26.6 %

(1) Tax adjustments in 2014 were primarily associated with revisions to our tax liabilities associated with prior year tax matters. Tax
adjustments in 2013 were primarily associated with adjustments to U.S. state deferred tax balances
established prior to 2013 driven by a change in enacted tax rates and other state related items. Tax adjustments in 2012 were primarily driven by a reduction in our valuation allowance related to state net operating losses expected to be recoverable in future years.

The primary drivers for the fluctuations in the effective effective tax rate from 2012 to 2014 are provided in the table above. Excluding the items in the table above, the decrease in the effective tax rates from 2012 to 2014 was primarily due to a shift in earnings mix as it relates to domestic versus foreign income. Foreign profits are generally taxed at lower rates compared to domestic income. See Note 11 to the Consolidated Financial Statements for additional details related to the provisions for income taxes on continuing operations, as well as items that significantly impact our effective tax rate.

Discontinued operations, net of income taxes

Our discontinued operations represent our discontinued FMC Peroxygens segment results as well as adjustments to retained liabilities from previous discontinued operations. The primary liabilities retained include environmental liabilities, other postretirement benefit liabilities, self-insurance, long-term obligations related to legal proceedings and historical restructuring activities.

2014 vs 2013

Discontinued operations, net of income taxes represented a loss of $89.4 million for December 31, 2014, compared to a loss of $159.3 million for 2013. The loss in 2014 was driven by provisions for environmental liabilities of $36.7 million and legal reserves of $14.3 million and the final divestiture charge on the sale of our FMC Peroxygens business of $34.4 million. The loss in 2014 was less than the loss in 2013 due to the charge of $156.7 million ($122.1 million after-tax) in 2013 associated with our discontinued FMC Peroxygens segment. A large portion of the 2013 charge was associated with a write down of the FMC Peroxygens segment assets held for sale to fair value. See Note 9 within our consolidated financial statements included in this Form 10-K for more information.

2013 vs. 2012

Discontinued operations, net of income taxes totaled a charge of $159.3 million for 2013, compared to a charge of $27.5 million 2013. The increase was a result of a charge of $156.7 million ($122.1 million after-tax) associated with our discontinued FMC Peroxygens segment. The charge was primarily associated with a write down of the FMC Peroxygens segment assets held for sale to fair value.

Net income attributable to FMC stockholders

2014 vs 2013

Net income attributable to FMC stockholders increased to $307.5 million in 2014, from $293.9 million in 2013. The increase was driven by improvements in FMC Health and Nutrition and FMC Minerals segment operating profits, lower effective tax rate, lower non-operating pension and postretirement charges and reduced charges associated with discontinued operations. Mostly offsetting these improvements were costs associated with our previously planned

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business separation, the acquisition of Cheminova, the divestiture of our FMC Alkali Chemicals division, lower FMC Agricultural Solutions segment earnings and higher interest expense.

2013 vs. 2012

Net income attributable to FMC stockholders decreased to $293.9 million in 2013, from $416.2 million in 2012. This fluctuation year over year is described in more detail above, however the primary driver is the $122.1 million after-tax charge associated with our discontinued FMC Peroxygens business.

Liquidity and Capital Resources

Cash and cash equivalents at December 31, 2014 and 2013, were $109.5 million and $123.2 million, respectively. Of the cash and cash equivalents balance at December 31, 2014, $84.8 million were held by our foreign subsidiaries. Our intent is to reinvest permanently the earnings of our foreign subsidiaries and therefore we have not recorded taxes that would be payable if we repatriated these earnings.

Term Loan Facility

On October 10, 2014, we entered into a term loan agreement (the “Term Loan Agreement”), that provides for a senior unsecured term loan facility of up to $2 billion (the “Term Loan Facility”) to consummate the acquisition of Cheminova (the "Acquisition"). The Term Loan Facility is a senior unsecured obligation that ranks equally with our other senior unsecured obligations. The proceeds of the loans to be made pursuant to the Term Loan Facility will be available in one or more drawings on the closing date of the Term Loan Facility, which will be substantially concurrent with the closing of the Acquisition. The scheduled maturity of the Term Loan Facility is on the fifth anniversary of this closing date. The proceeds will be used to finance the Acquisition as well as to pay fees and expenses incurred in connection with the Acquisition and the other transactions contemplated by or related to the Acquisition or the Term Loan Facility.

Loans under the Term Loan Agreement will bear interest at a floating rate, which will be a base rate or a Eurocurrency rate equal to the London interbank offered rate for the relevant interest period, plus in each case an applicable margin, as determined in accordance with the provisions of the Term Loan Agreement. The base rate will be the highest of: the rate of interest announced publicly by Citibank, N.A. in New York, New York from time to time as its “base rate”; the federal funds effective rate plus 1/2 of 1 percent; and the Eurocurrency rate for a one-month period plus 1 percent.

We are required to pay a commitment fee on the average daily unused amount from October 10, 2014 until the date on which all commitments are terminated, payable quarterly, at a rate per annum equal to an applicable percentage in effect from time to time for commitment fees. The initial commitment fee is 0.125 percent per annum. The applicable margin and the commitment fee are subject to adjustment as provided in the Term Loan Agreement.

The Term Loan Agreement contains financial and other covenants, including a maximum leverage ratio and minimum interest coverage ratio. Fees incurred to secure the Term Loan Facility have been deferred and will be amortized over the term of the arrangement.

Revolving Credit Facility

On October 10, 2014 we entered into an amended and restated credit agreement (the "Revolving Credit Agreement"). The unsecured Revolving Credit Agreement provides for a $1.5 billion revolving credit facility, with an option, subject to certain conditions and limitations, to increase the aggregate amount of the revolving credit commitments to $2.25 billion (the "Revolving Credit Facility"). The current termination date of the Revolving Credit Facility is October 10, 2019.

Revolving loans under the Revolving Credit Facility will bear interest at a floating rate, which will be a base rate or a Eurocurrency rate equal to the London interbank offered rate for the relevant interest period, plus, in each case, an applicable margin, as determined in accordance with the provisions of the Revolving Credit Agreement. The base rate will be the highest of: the rate of interest announced publicly by Citibank, N.A. in New York, New York from time to time as its “base rate”; the federal funds effective rate plus 1/2 of 1 percent; and the Eurocurrency rate for a one-month period plus 1 percent. We are also required to pay a facility fee on the average daily amount (whether used or unused) at a rate per annum equal to an applicable percentage in effect from time to time for the facility fee, as determined in accordance with the provisions of the Revolving Credit Agreement. The initial facility fee is 0.125 percent per annum.

The applicable margin and the facility fee are subject to adjustment as provided in the Revolving Credit Agreement. The Revolving Credit Agreement contains customary financial and other covenants, including a maximum leverage ratio and minimum interest coverage ratio. The financial covenant levels have been amended in order to permit the debt incurred under the contemplated Term Loan Facility discussed above along with certain other changes to permit the Acquisition and the divestiture of our FMC Alkali Chemicals division.

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At December 31, 2014, we had total debt of $1,678.6 million as compared to $1,851.9 million at December 31, 2013. This included $1,153.4 million and $1,154.1 million of long-term debt (excluding current portions of $2.0 million and $34.7 million) at December 31, 2014 and 2013, respectively. Our short-term debt, consists of foreign borrowings and our commercial paper program. Foreign borrowings increased from $7.1 million at December 31, 2013 to $36.6 million at December 31, 2014 while outstanding commercial paper decreased from $656.0 million to $486.6 million at December 31, 2013 and 2014, respectively. Our commercial paper program allows us to borrow at rates generally more favorable than those available under our credit facility. At December 31, 2014, the average effective interest rate on these borrowings was 0.48%.

Statement of Cash Flows

Cash provided by operating activities was $418.9 million, $378.8 million and $422.3 million for 2014, 2013 and 2012, respectively.

The table below presents the components of net cash provided by operating activities.

(in Millions)	Twelve months ended December 31,		
	2014	2013	2012
Income from continuing operations before equity in (earnings) loss of affiliates, interest income and expense and income taxes	$545.4	$659.0	$639.1
Significant non-cash expenses [1]	175.6	221.6	220.6
Operating income before non-cash expenses (Non-GAAP)	$721.0	$880.6	$859.7
Change in trade receivables [2]	(276.9)	(394.5	