UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2017

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	**94-0479804**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
2929 Walnut Street Philadelphia, Pennsylvania	**19104**
(Address of principal executive offices)	**(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**

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 ☒ 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 ☒

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 ☒ 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 ☒ 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 ☐

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	☐
		EMERGING GROWTH COMPANY	☐

IF AN EMERGING GROWTH COMPANY, INDICATE BY CHECK MARK IF THE REGISTRANT HAS ELECTED NOT TO USE THE EXTENDED TRANSITION PERIOD FOR COMPLYING WITH ANY NEW OR REVISED FINANCIAL ACCOUNTING STANDARDS PROVIDED PURSUANT TO SECTION 13(A) OF THE EXCHANGE ACT. ☐

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

THE AGGREGATE MARKET VALUE OF VOTING STOCK HELD BY NON-AFFILIATES OF THE REGISTRANT AS OF JUNE 30, 2017, THE LAST DAY OF THE REGISTRANT’S SECOND FISCAL QUARTER WAS $9,724,855,894. 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, 2017
Common Stock, par value $0.10 per share	134,330,556

DOCUMENTS INCORPORATED BY REFERENCE

DOCUMENT	FORM 10-K REFERENCE
Portions of Proxy Statement for 2018 Annual Meeting of Stockholders	**Part III**

FMC Corporation
2017 Form 10-K
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PART I

FMC Corporation (FMC) was incorporated in 1928 under Delaware law and has its principal executive offices at 2929 Walnut Street, Philadelphia, Pennsylvania 19104. 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 two distinct business segments: FMC Agricultural Solutions and FMC Lithium. 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. Our FMC Lithium segment manufactures lithium for use in a wide range of lithium products, which are used primarily in energy storage, specialty polymers and chemical synthesis application.

DuPont Crop Protection Business

On March 31, 2017, we entered into a definitive Transaction Agreement (the “Transaction Agreement”) with E. I. du Pont de Nemours and Company (“DuPont"). On November 1, 2017, pursuant to the terms and conditions set forth in the Transaction Agreement, we completed the acquisition of certain assets relating to DuPont's Crop Protection business and research and development organization ("DuPont Crop Protection Business") (collectively, the "DuPont Crop Protection Business Acquisition"). In connection with this transaction, we sold to DuPont our FMC Health and Nutrition segment and paid DuPont $1.2 billion in cash. Our FMC Health and Nutrition business and its results have been presented as a discontinued operation for all periods presented throughout this document.

Cheminova A/S

On April 21, 2015, pursuant to the terms and conditions set forth in the Purchase Agreement, we completed the acquisition of 100 percent of the outstanding equity of Cheminova A/S, a Denmark Aktieselskab ("Cheminova") from Auriga Industries A/S, a Denmark Aktieselskab for an aggregate purchase price of $1.2 billion, excluding assumed net debt and hedged-related costs of approximately $0.6 billion (the “Acquisition”).

At December 31, 2016, we had substantially completed the integration of Cheminova into our FMC Agricultural Solutions segment.

FMC Strategy

FMC has streamlined its portfolio over the past seven years to focus on technology-driven end markets with attractive long-term demand trends. The actions we have taken over the past year have better positioned each of our businesses to capitalize on future growth opportunities.

2017 was a pivotal year for FMC Agricultural Solutions, as we acquired a significant portion of the DuPont Crop Protection Business to transform FMC into a tier-one leader and the fifth largest global provider in the agricultural chemicals market. The acquisition included DuPont’s industry-leading insecticides and herbicides (the majority of which are patented technologies), exceptional discovery research capabilities and a global manufacturing network. FMC’s legacy business also had a strong year, as it reaped the benefits of proactive measures taken in 2015 and 2016 to outperform the market in another challenging year for crop chemical providers. FMC will begin launching its legacy technology pipeline of eight new active ingredients, starting with our bixafen fungicide launch in North America targeted for early 2019. We also launched about 50 new legacy product formulations in 2017, which is key to life cycle management of our products. The DuPont Crop Protection Business Acquisition added 15 discovery leads to our pipeline, and as a result of the acquisition, we expect to spend approximately 8 percent of FMC Agricultural Solutions sales on research and development annually. FMC acquired 14 manufacturing plants from DuPont, and with 26 total plants today, we have the scale to operate this business with greater resources and global reach to address changing market conditions.

FMC is one of the leading global producers of specialty lithium products, and 2017 was a year of significant growth for FMC Lithium. In March, we announced our intention to separate FMC Lithium into a publicly traded company during 2018. We took an important step in December, when we finalized new operating agreements in Argentina. The provincial government of

Catamarca formalized these agreements by passing legislation that sets our royalty rates and our commitments to corporate social responsibility programs, while also paving the way for us to expand capacity. As an independent company, FMC Lithium will have a focused investor base and strong balance sheet, ensuring it has the financial capacity to pursue its growth plans and be a leading force in this critical industry. We made several strategic decisions during the last few years to focus FMC Lithium on downstream, higher-value products. We convert most of our lithium carbonate and chloride production into high-purity materials, including lithium hydroxide used in electric vehicle ("EV") batteries, and butyllithium and lithium metals for specialty applications. In 2017, we expanded capacity in multiple locations, including a new lithium hydroxide plant in China that can produce 9,000 metric tons per year to meet accelerating demand for FMC's products. Commercial sales from this facility began in June, and we had full commercial production for the final four months of 2017. We remain on track to reach 30,000 metric tons of lithium hydroxide manufacturing capacity by the end of 2019, by adding another 12,000 metric tons of capacity. To feed these downstream products, we also announced plans to more than double lithium carbonate production at our Argentina site to approximately 40,000 metric tons per year by 2022. In addition, debottlenecking projects at our major facilities are contributing to short-term capacity increases. We will also continue to invest in other higher growth, higher value segments of the lithium market, including butyllithium for use in chemical synthesis and high purity lithium metal for aerospace and energy storage applications.

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

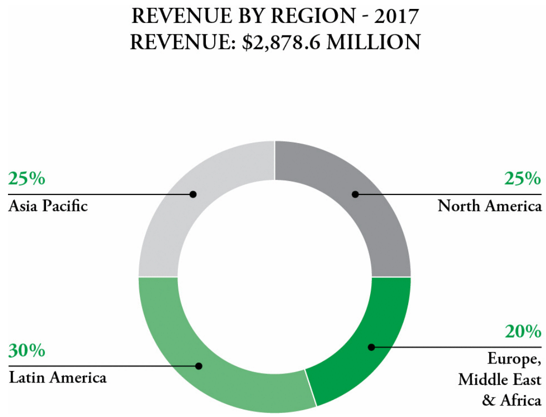
Financial Information About Our Business Segments
(*Financial Information (in Millions)*)

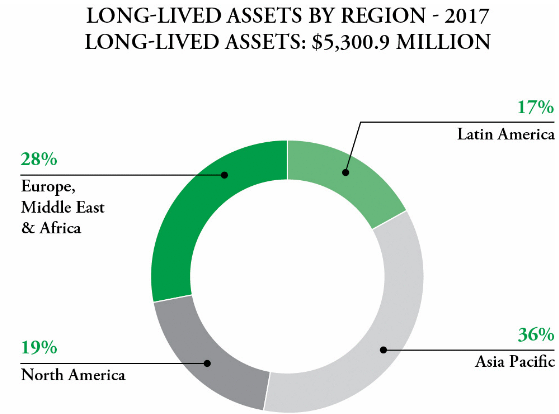
See Note 19 "Segment Information" to our consolidated financial statements included in this Form 10-K. Also see below for selected financial information related to our segments.

The following table shows the principal products produced by our two business segments, their raw materials and uses:

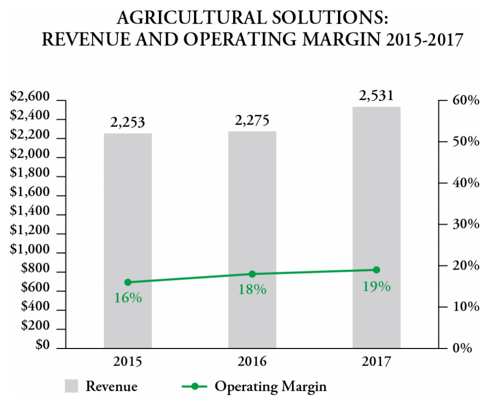
Segment	Product	Raw Materials	Uses
FMC Agricultural Solutions	Insecticides	Synthetic chemical intermediates	Protection of crops, including soybean, corn, fruits and vegetables, cotton, sugarcane, rice, and cereals, from insects and for non-agricultural applications including pest control for home, garden 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 Lithium	Lithium	Various lithium products	Batteries, polymers, pharmaceuticals, greases and lubricants, glass and ceramics and other industrial uses

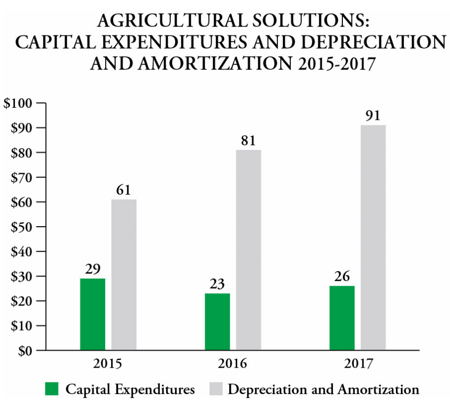
With a worldwide manufacturing and distribution infrastructure, we are better able to respond rapidly to global customer needs, offset downward economic trends in one region with positive trends in another and match local revenues to local costs to reduce the impact of currency volatility. The charts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



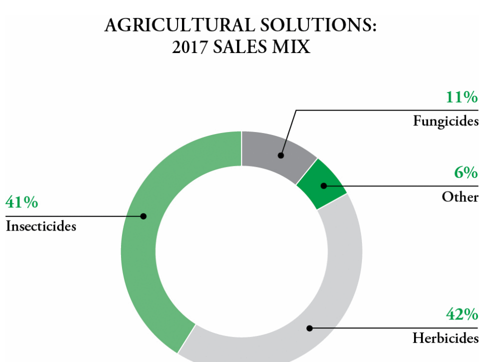


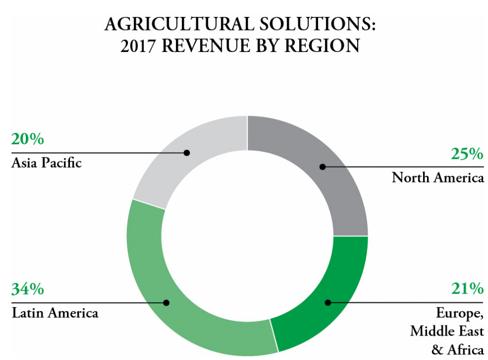
FMC Agricultural Solutions





Overview





Our FMC Agricultural Solutions segment, which represents approximately 88 percent of our 2017 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 of our product lines consist 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. We are also investing substantially in a plant health program that includes biological crop protection products, seed treatments and micronutrients.

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. With the 2015 acquisition of Cheminova, we now access the European markets through our own sales and marketing organizations. With the 2017 acquisition of the DuPont Crop Protection Business, we now access key Asian markets through large distributors, in addition to either 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.

Industry Overview

The three principal categories of agricultural and non-crop chemicals are: herbicides, insecticides and fungicides, representing approximately 42 percent, 28 percent and 27 percent of global industry revenue, respectively.

The agrochemicals industry is relatively consolidated but further consolidation is likely as several of the leading crop protection companies are actively pursuing merger opportunities. Leading crop protection companies FMC, Syngenta AG, Bayer AG, Monsanto Company, BASF AG, DowDuPont, and Adama currently represent approximately 74 percent of the industry's global sales. The next tier of agrochemical producers include Sumitomo Chemical Company Ltd., Nufarm Ltd., Platform Specialty Products Corporation, and United Phosphorous Ltd. FMC employs various differentiated strategies and competes with unique technologies focusing on certain crops, markets and geographies, while also being supported by a low-cost manufacturing model.

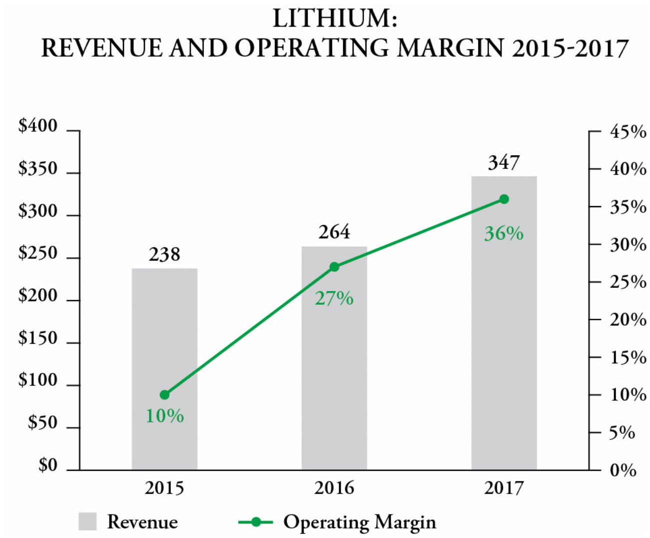
Growth

The 2017 acquisition of a significant portion of the DuPont Crop Protection Business positions FMC among leading agrochemical producers in the world. The acquired insecticides are predominantly based on patent-protected active ingredients and are growing well above market patterns. 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 access to new technologies and products which we can subsequently commercialize.

FMC Lithium



Overview

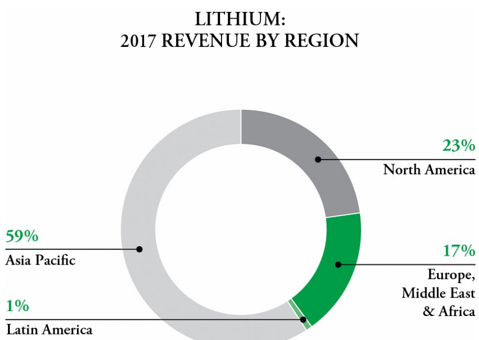
Our FMC Lithium segment represents 12 percent of our 2017 consolidated revenues.

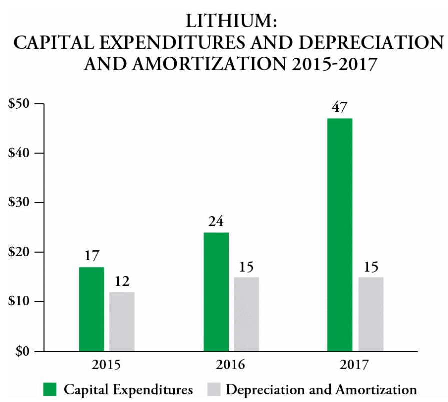
While lithium is sold into a variety of end markets, we have focused our strategy on specialty products that require a high level of manufacturing and technical know-how to meet customer requirements.

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

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.

Industry Overview





FMC Lithium serves a diverse group of 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 vehicles.

Most markets for lithium chemicals are global with significant growth occurring both in Asia and North America, primarily 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. In addition to these producers, Orocobre is ramping up production from its brine source in Argentina and several Chinese producers convert lithium containing hard rock concentrates sourced from Australia into lithium compounds. We expect additional capacity to be added by new and existing producers for the next several years. FMC and Albemarle Corporation are the primary producers of specialty lithium products.

Source and Availability of Raw Materials

Raw materials used by FMC Agricultural Solutions, primarily processed chemicals, are obtained from a variety of suppliers worldwide. We extract ores used in FMC Lithium's manufacturing processes from lithium brines in Argentina.

Patents

We own and license a significant number of U.S. and foreign patents, trademarks, trade secrets and other intellectual property that are cumulatively important to our business. The FMC intellectual property estate provides us with an important competitive advantage. Our patents cover many of our products, processes and product uses as well as many aspects of our research and development activities. Patents are granted by individual jurisdictions and the duration of our patents depends on their respective jurisdictions. We also own many trademarks that are well recognized by customers or product end-users. Unlike patents, ownership rights in trademarks do not expire so long as the trademarks are continued in use and properly protected - we actively monitor and manage our trademarks to maintain such protection. We believe that the invalidity or loss of any particularly significant patent, trademark or license would be a remote possibility and/or would not likely have a material adverse effect on the overall business of FMC.

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 in 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 two 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, reliability, 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 through our manufacturing strategies, establishing effective product stewardship programs and developing strategic alliances that strengthen market access in key countries and regions.

Our 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)	2017	2016	2015
FMC Agricultural Solutions	$ 138.4	$ 131.4	$ 132.4
FMC Lithium	3.1	3.1	3.5
Total	**$ 141.5**	**$ 134.5**	**$ 135.9**

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 7,000 people with about 1,800 people in our domestic operations and 5,200 people in our foreign operations.

Approximately 2 percent of our U.S.-based and 32 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 2018, seven foreign collective-bargaining agreements will be expiring. These contracts affect about 27 percent of our foreign-based employees. There will be no U.S. collective-bargaining agreements expiring in 2018.

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, 2017, 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

Below lists our risk factors updated for these events.

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 Lithium business is sensitive to industry capacity utilization. As a result, pricing tends to fluctuate when capacity utilization changes occur within the 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. Competition for our FMC Agricultural Solutions business, includes not only generic suppliers of the same pesticidal active ingredients, but also alternative proprietary pesticide chemistries, and crop protection technologies that are bred into or applied onto seeds. 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. Also, there are changing competitive dynamics in the agro-chemical industry as some of our competitors are attempting to consolidate, resulting in them having greater scale and diversity. These competitive differences may not be overcome and erode our business.
- Changes in our customer base - Our customer base has the potential to change, especially when long-term supply contracts are renegotiated. Our FMC Lithium business is 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; for example, drought may reduce the need for fungicides, which could result in fewer sales and greater unsold inventories in the market, whereas excessive rain could lead to increased plant disease or weed growth requiring growers to purchase and use more pesticides. 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, Argentina 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. Many countries require re-registration of pesticides to meet new and more challenging requirements; while we defend our products vigorously, these re-registration processes may result in significant additional data costs, reduced number of permitted product uses, or potential product cancellation. 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 through a special registration system that their chemicals can be marketed safely.

- Geographic concentration - Although we have operations in most regions, the majority of our FMC Agricultural Solutions sales outside the United States have principally been to customers in Latin America, including Brazil, Argentina and Mexico. With the acquisition of the DuPont Crop Protection business, we are expanding our international sales, particularly in Europe and key Asian countries such as India. Accordingly, developments in those parts of the world will generally have a more significant effect on our operations. 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.
- Pharmaceutical regulation - Our Lithium facility in Bessemer City, North Carolina, and some of our manufacturing processes at that facility, as well as some of our customers, are subject 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, including raw materials. 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. We use hedging strategies to address material commodity price risks, where hedge strategies are available on reasonable terms. 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 products 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 processes. While we have made supply arrangements to meet planned operating requirements, an inability to obtain the critical raw materials or operate under contract manufacturing arrangements would adversely impact our ability to produce certain products. We increasingly source critical intermediates and finished products from a number of suppliers, largely outside of the U.S. and principally in China. An inability to obtain these products or execute under contract sourcing arrangements would adversely impact our ability to sell products.
- Economic and political change - Our business has been and could continue to be adversely affected by economic and political changes in the markets where we compete including: inflation rates, recessions, trade restrictions, foreign ownership restrictions and 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 the United States government or 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 the United States and 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 foreign exchange controls could adversely affect our business. Realignment of change in regional economic arrangements could have an operational impact on our businesses. In China, unpredictable enforcement of environmental regulations could result in unanticipated shutdowns of manufacturing activity in broad geographic areas due to non-attainment across the entire area rather than specific infractions or actions of individual producers, impacting our contract manufacturers and raw material suppliers.

Operational Risks:

- Market access risk - Our results may be affected by changes in distribution channels, which could impact our ability to access the market.
- Business disruptions - As a part of the DuPont Crop Protection integration we now own and operate large-scale manufacturing facilities in the United States (Mobile), Puerto Rico (Manati) and China (Pudong and Jinshan) in addition to our Legacy active ingredient plants in Denmark (Ronland) and India (Panoli). This presents us with additional operating risks as our operating results will be dependent in part on the continued operation of the various acquired 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 and those of our contract manufacturers 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 contaminated 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.
- 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 the company, our employees, our vendors, or our customers, could result in litigation, violations of various data privacy regulations in some jurisdictions,

and also potentially result in liability to us. This could damage our reputation, or otherwise harm our business, financial condition, or results of operations.

- Capital-intensive business - With the acquisition of DuPont Crop Protection assets and the planned continued expansion of our Lithium business, our business is 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 and the expansion of our business or 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 pricing of our capital will be dependent upon maintaining sufficient credit ratings from credit rating agencies and the state of the capital markets generally. There can be no assurances that we would be able to obtain equity or debt financing on terms we deem acceptable, 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 raise adequate external financing, including as a result of significant disruptions in the global credit markets, we could be forced to restrict our operations and growth opportunities, which could adversely affect our operating results.
- Credit default risks - We may use our existing revolving credit facility to meet our cash needs, to the extent available. In the event of a default in this credit facility or any of our senior notes, we could be required to immediately repay all outstanding borrowings and make cash deposits as collateral for all obligations the facility supports, which we may not be able to do. Any default under any of our credit arrangements could cause a default under many of our other credit agreements and debt instruments. Without waivers from lenders party to those agreements, any such default could have a material adverse effect on our ability to continue to operate.
- 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 result in 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 our 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.
- Compliance with Laws and Regulations: The global regulatory environment is becoming increasingly complex and requires more resources to effectively manage, which may increase the potential for misunderstanding or misapplication of regulatory standards.
- Workforce - 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 and other key members of the organization.

Technology Risks:

- Technological change - 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. Our investment in the discovery and development of new pesticidal active ingredients for FMC Agricultural Solutions relies on discovery of new chemical molecules. Such discovery processes depend on our scientists being able to find new molecules, which are novel and outside of patents held by others, and such molecules being efficacious against target pests without creating an undue risk to human health and the environment, and then meeting applicable regulatory criteria.
- Failure to make process improvements - Failure to continue to make process improvements to reduce costs could impede our competitive position.
- Patents of competitors - Some of our competitors may secure patents on production methods or uses of products that may limit our ability to compete cost-effectively.

Portfolio Management and Integration Risks:

- Portfolio management risks - 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 portfolio in light of our objectives and alignment with our growth strategy. In implementing this strategy we may not be successful in separating underperforming or non-strategic assets. The gains or losses on the divestiture of, or lost operating income from, such assets (e.g., divesting) may affect the company's earnings. Moreover, we may incur asset impairment charges related to acquisitions or divestitures that reduce earnings.

- Continuing integration challenges - Failure to successfully integrate the acquired DuPont business and transition the management information systems of the DuPont business from the ERP system provided under Transition Services Agreement by DuPont to a management information system integrated with FMC's legacy products could result in interruption of operations or failure to achieve synergies we expect. This could cause our future results of operations to be materially worse than expected.
- FMC Lithium separation challenges - We are separating our FMC Lithium business at that same time as we continue to integrate the DuPont assets into FMC Agricultural Solutions as well as implement other major initiatives such as the migration to a single global instance of SAP S4 HANA. These three projects will place significant demands on certain functions who are heavily involved in all three projects, particularly finance and information technology. Failure to successfully execute such projects could materially and adversely affect our expected performance in FMC Agricultural Solutions and/or FMC Lithium.

Financial Risks:

- Exposure to global economic conditions - 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, 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 commodities at prevailing international prices, and we may be unable to collect receivables from such customers.
- Foreign exchange rate risks - We are an international company and face foreign exchange rate risks in the normal course of our business. We are particularly sensitive to the Brazilian real, the euro, the Chinese yuan, the Mexican peso, and the Argentine peso. Our acquisition of DuPont Crop Protection business has significantly expanded our operations and sales in certain foreign countries and correspondingly may increase our exposure to foreign exchange risks.
- Uncertain tax rates - Our future effective tax rates may be materially impacted by numerous items including: a future change in the composition of earnings from foreign and domestic tax jurisdictions, as earnings in foreign jurisdictions are typically taxed at more favorable rates than the United States federal statutory rate; accounting for uncertain tax positions; business combinations; expiration of statute of limitations or settlement of tax audits; changes in valuation allowance; changes in tax law; and the potential decision to repatriate certain future foreign earnings on which United States or foreign withholding taxes have not been previously accrued.
- Uncertain recoverability of investments in long-lived assets - 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.
- Pension and postretirement plans - 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 33 manufacturing facilities in 17 countries as well as one mine in Argentina. Our major research and development facilities are in Newark, Delaware, Ewing, New Jersey, Shanghai, China and Copenhagen, Denmark.

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:

	North America	Latin America	Europe, Middle East and Africa	Asia-Pacific	Total
FMC Agricultural Solutions	4	3	6	13	26
FMC Lithium	1	2	1	3	7
Total	**5**	**5**	**7**	**16**	**33**

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, 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, 2017, there were approximately 9,000 premises and product asbestos claims pending against FMC in several jurisdictions. Since the 1980s, approximately 114,000 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 with claimants have totaled approximately $89 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 asbestos litigation have changed over time. Over the last several years, we have seen changes in the jurisdictions where claims against FMC are being filed and changes in the mix of products named in the various claims. Because these claim trends have yet to form a predictable pattern, 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

Not Applicable.

ITEM 4A. EXECUTIVE OFFICERS OF THE REGISTRANT

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, 2017, are as follows:

Name	Age on 12/31/2017	Office, year of election and other information
Pierre R. Brondeau	60	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); Board Member, T.E. Connectivity Electronics (07-present)
Paul W. Graves	46	Executive Vice President and Chief Financial Officer (12-present); Managing Director, Goldman Sachs Group (06-12)
Andrea E. Utecht	69	Executive Vice President, General Counsel and Secretary (01-present)
Mark A. Douglas	55	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); Board Member, Quaker Chemical (13-present)

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 (Symbol: FMC). There were 2,673 registered common stockholders as of December 31, 2017. Presented below are the 2017 and 2016 quarterly summaries of the high and low prices of the FMC common stock.

	2017				2016			
Common stock prices:	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
High	$ 72.04	$ 77.38	$ 93.44	$ 96.02	$ 42.03	$ 50.57	$ 49.19	$ 60.00

Low	56.42	69.81	72.65	87.56	32.24	36.72	43.26	45.77

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 $88.8 million, $88.6 million and $86.4 million were paid in 2017, 2016 and 2015, respectively.

FMC's annual meeting of stockholders will be held at 2:00 p.m. on Tuesday, April 24, 2018, at FMC Tower, 2929 Walnut Street Philadelphia, Pennsylvania. Notice of the meeting, together with proxy materials, will be mailed approximately five weeks prior to the meeting to stockholders of record as of February 27, 2018.

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 64854 St. Paul, MN 55164-0854
Phone: 1-800-468-9716 (651-450-4064 local and outside the U.S.) www.wellsfargo.com/shareownerservices		

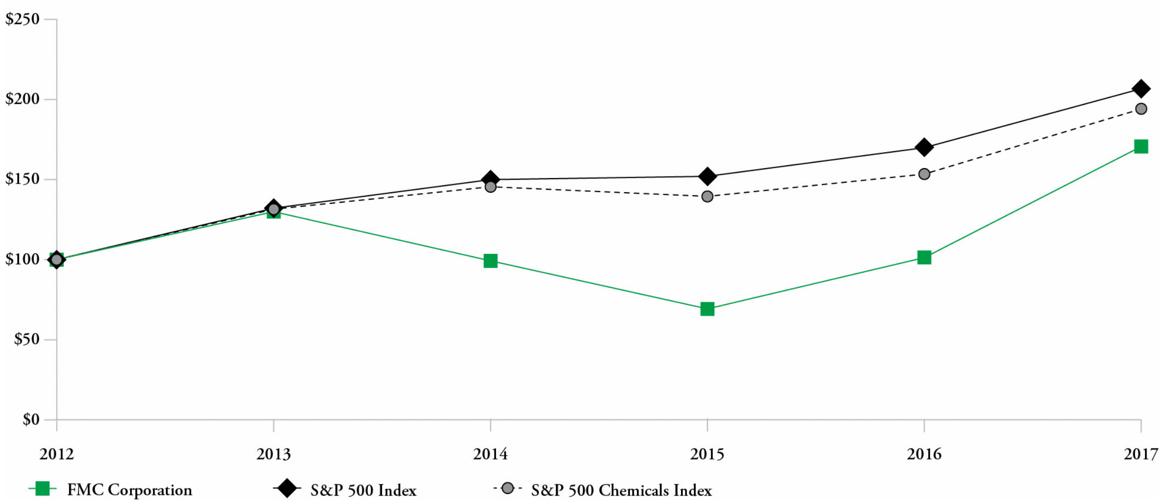
Stockholder Return Performance Presentation

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 with the S&P 500 Index and the S&P 500 Chemicals Index. The comparison assumes $100 was invested on December 31, 2012, in FMC's Common Stock and in both of the indices, and the reinvestment of all dividends.

	2012	2013	2014	2015	2016	2017
FMC Corporation	$ 100.00	$ 129.87	$ 99.18	$ 69.20	$ 101.19	$ 170.54
S&P 500 Index	100.00	132.04	149.89	151.94	169.82	206.62
S&P 500 Chemicals Index	100.00	131.43	145.42	139.42	153.34	194.02

STOCK PERFORMANCE CHART



The following table summarizes information with respect to the purchase of our common stock during the three months ended December 31, 2017:

ISSUER PURCHASES OF EQUITY SECURITIES

			Publicly Announced Program (1)		
Period	**Total Number of Shares Purchased (2)**	**Average Price Paid Per Share**	**Total Number of Shares Purchased**	**Total Dollar Amount Purchased**	**Maximum Dollar Value of Shares that May Yet be Purchased**
October 1-31, 2017	340	$ 93.14	—	$ —	$ 238,779,078
November 1-30, 2017	118	93.68	—	—	238,779,078
December 1-31, 2017	9,274	93.03	—	—	238,779,078
Total	**9,732**	**$ 93.05**	**—**	**$ —**	**$ 238,779,078**

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(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) We also reacquire shares from time to time from employees in connections with vesting, exercise, and forfeiture of awards under our equity compensation plans.

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, 2017, 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, 2017.

	Year Ended December 31,				
(in Millions, except per share data and ratios)	**2017**	**2016**	**2015**	**2014**	**2013**
Income Statement Data:					
Revenue	$ 2,878.6	$ 2,538.9	$ 2,491.0	$ 2,430.5	$ 2,368.7
Income (loss) from continuing operations before equity in (earnings) loss of affiliates, interest income and expense and income taxes	259.8	243.2	(146.5)	246.0	380.6
Income (loss) from continuing operations before income taxes	180.8	180.8	(207.4)	206.8	353.8
Income (loss) from continuing operations	(83.3)	130.7	(212.6)	190.4	342.4
Discontinued operations, net of income taxes (1)	621.7	81.0	711.1	131.7	(34.4)
Net income	$ 538.4	$ 211.7	$ 498.5	$ 322.1	$ 308.0
Less: Net income attributable to noncontrolling interest	2.6	2.6	9.5	14.6	14.1
Net income attributable to FMC stockholders	$ 535.8	$ 209.1	$ 489.0	$ 307.5	$ 293.9
Amounts attributable to FMC stockholders:					
Continuing operations, net of income taxes	$ (85.9)	$ 128.4	$ (222.0)	$ 180.6	$ 336.0
Discontinued operations, net of income taxes	621.7	80.7	711.0	126.9	(42.1)
Net income	$ 535.8	$ 209.1	$ 489.0	$ 307.5	$ 293.9
Basic earnings (loss) per common share attributable to FMC stockholders:					
Continuing operations	$ (0.64)	$ 0.96	$ (1.66)	$ 1.35	$ 2.48
Discontinued operations	4.63	0.60	5.32	0.95	(0.32)
Net income	$ 3.99	$ 1.56	$ 3.66	$ 2.30	$ 2.16
Diluted earnings (loss) per common share attributable to FMC stockholders:					
Continuing operations	$ (0.64)	$ 0.96	$ (1.66)	$ 1.34	$ 2.47
Discontinued operations	4.63	0.60	5.32	0.95	(0.31)
Net income	$ 3.99	$ 1.56	$ 3.66	$ 2.29	$ 2.16
Balance Sheet Data:					
Total assets	$ 9,206.3	$ 6,139.3	$ 6,325.9	$ 5,326.0	$ 5,224.6
Long-term debt	3,094.2	1,801.2	2,037.8	1,140.9	1,178.2
Other Data:					
Ratio of earnings (loss) to fixed charges (2)	3.0	3.4	(1.9)	5.5	11.2
Cash dividends declared per share	$ 0.660	$ 0.660	$ 0.660	$ 0.600	$ 0.540

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(1) Discontinued operations, net of income taxes includes, in periods up to their respective sales, our discontinued FMC Health and Nutrition, FMC Peroxygens and FMC Alkali Chemicals division. It also includes 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. Amount in 2017 includes the divestiture gain associated with FMC Health and Nutrition. Amount in 2015 includes the divestiture gain associated with the FMC Alkali Chemicals division sale while 2014 and 2013 include charges associated with the sale of the FMC Peroxygens business.

(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.

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,” “predicts,” “forecasts,” “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.

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 two distinct business segments: FMC Agricultural Solutions and FMC Lithium. 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. Our FMC Lithium segment manufactures lithium for use in a wide range of lithium products, which are used primarily in energy storage, specialty polymers and chemical synthesis application.

2017 Highlights

The following are the more significant developments in our businesses during the year ended December 31, 2017:

- On November 1, 2017, we successfully completed the acquisition of the DuPont Crop Protection Business which was a significant milestone and transformed FMC into a tier-one leader and the fifth largest global provider in the agricultural chemicals market. This acquisition brought greater scale and regional balance to our business, improved our market access and expanded our product portfolio and technology pipeline significantly. On November 1, 2017, we completed the previously disclosed sale of our FMC Health and Nutrition business to DuPont. The sale resulted in a gain of approximately $918 million ($727 million, net of tax).
- Revenue of $2,878.6 million in 2017 increased $339.7 million or approximately 13 percent versus last year. A more detailed review of revenues by segment is included under the section entitled “Results of Operations”. On a regional basis, sales in North America increased 14 percent, sales in Asia increased 21 percent and sales in Europe, Middle East and Africa (EMEA) increased by 5 percent and sales in Latin America increased by 14 percent.
- Our gross margin, excluding acquisition-related charges, of $1,121.5 million increased approximately $190.3 million or approximately 20 percent versus last year. Gross margin as a percent of revenue is approximately 39 percent versus 37 percent in 2016. The increase in gross margin was primarily driven by improved pricing and mix in our FMC Lithium business as well as the sale of higher margin products from the acquired DuPont Crop Protection Business.
- Selling, general and administrative expenses increased 35 percent from $458.5 million to $618.6 million. The change is primarily due to acquisition-related charges incurred in 2017 related to the DuPont Crop Protection Business Acquisition which was $130.2 million of the increase. Selling, general and administrative expenses, excluding non-operating pension and postretirement charges and acquisition-related charges, of $470.2 million increased $58.5 million or approximately 14 percent. Non-operating pension and postretirement charges and acquisition-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 $141.5 million increased $7.0 million or 5 percent. The increase was due to investments in discovery and product development from the newly acquired state of the art facilities from the DuPont Crop Protection Business Acquisition.
- Net income attributable to FMC stockholders of $535.8 million increased approximately $326.7 million from $209.1 million in the prior year period primarily due to the gain on sale of our discontinued FMC Health and Nutrition of approximately $727 million, net of tax. The increase was partially offset by a provisional income tax charge of $315.9 million related to the recently enacted Tax Cuts and Jobs Act (the "Act"). Adjusted after-tax earnings from continuing operations attributable to FMC stockholders of $368.3 million increased approximately $110.6 million or 43 percent due to higher results in FMC Agricultural Solutions and FMC Lithium. See the disclosure of our Adjusted Earnings Non-GAAP financial measurement below under the section titled “Results of Operations”.

Other 2017 Highlights

In FMC Lithium, we are seeing the benefits of our strategy to grow our business in the technology-driven specialty end markets, where demand continues to accelerate and pricing trends across our portfolio remain favorable. In March, we announced our intention to separate FMC Lithium into a publicly traded company during 2018. In June, we started commercial sales from our new lithium hydroxide facility in China. We expanded production of lithium carbonate at our Argentina site through debottlenecking projects, and we also announced plans to more than double lithium carbonate production at that same site to at least 40,000 metric tons by 2022.

On August 1, 2017, we completed the sale of the Omega-3 business to Pelagia AS for $38 million.

In May 2017, we entered into a new $1.5 billion term loan facility to fund the Transaction Agreement with DuPont.We also entered into an amended and restated $1.5 billion revolving credit facility and amended the existing term loan facility at that time. Among other things, the amendments temporarily increased the maximum leverage ratio financial covenant in order to permit the debt incurred under the contemplated New Term Loan Facility along with certain other changes to permit the expected transaction.

2018 Outlook

We believe the crop protection chemical market will be flat to up low single digits and we believe that the Lithium market will continue to see significant demand growth in 2018. We believe that our 2018 plan is very achievable, as it relies on things we control rather than on expectations of positive external events.

We expect to deliver segment revenue and earnings growth in each business. In FMC Agricultural Solutions, we will focus on the integration of the DuPont Crop Protection Business and on creating a stronger combined business to capitalize on the products and expertise of these two former organizations. We expect to outperform the crop protection market in 2018, owing to our recently acquired products and to our proactive competitive positioning of our legacy business. We believe that FMC Lithium will increase earnings significantly through volume and price increases in 2018.

On a long-term basis, we are a technology-driven company with low-cost operations, a world class research and development organization that balances short-and mid-term developments with long-term innovations, and global scale with strong regional expertise to support local customers.

Please see segment discussions under the section entitled “Results of Operations” for 2018 outlook for each segment.

Results of Operations—2017, 2016 and 2015

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, 2017	2016	2015
Revenue			
FMC Agricultural Solutions	$ 2,531.2	$ 2,274.8	$ 2,252.9
FMC Lithium	347.4	264.1	238.1
Total	**$ 2,878.6**	**$ 2,538.9**	**$ 2,491.0**
Income (loss) from continuing operations before income taxes			
FMC Agricultural Solutions	$ 485.6	$ 399.9	$ 363.9
FMC Lithium	126.7	70.2	23.0
Segment operating profit	**$ 612.3**	**$ 470.1**	**$ 386.9**
Corporate and other	(102.4)	(84.6)	(63.0)
Operating profit before the items listed below	**$ 509.9**	**$ 385.5**	**$ 323.9**
Interest expense, net	(79.1)	(62.9)	(60.9)
Restructuring and other (charges) income (1)	(81.4)	(95.0)	(150.3)
Non-operating pension and postretirement (charges) income (2)	(18.2)	(23.4)	(29.8)
Acquisition related charges (3)	(150.4)	(23.4)	(290.3)
(Provision) benefit for income taxes	(264.1)	(50.1)	(5.2)
Discontinued operations, net of income taxes	621.7	81.0	711.1
Net (income) loss attributable to noncontrolling interests	(2.6)	(2.6)	(9.5)
Net income attributable to FMC stockholders	**$ 535.8**	**$ 209.1**	**$ 489.0**

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(1) See Note 7 to the consolidated financial statements included within this Form 10-K for details of restructuring and other (charges) income by segment:

(in Millions)	Year Ended December 31, 2017	2016	2015
FMC Agricultural Solutions	$ (49.9)	$ (62.4)	$ (123.7)
FMC Lithium	(7.8)	(0.6)	(2.7)
Corporate	(23.7)	(32.0)	(23.9)
Restructuring and other (charges) income	**$ (81.4)**	**$ (95.0)**	**$ (150.3)**

(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. These expenses are included as a component of the line item "Selling, general and administrative expenses" on the consolidated statements of income (loss).

(3) Charges relate to the expensing of the inventory fair value step-up resulting from the application of purchase accounting, transaction costs, costs for transitional employees, other acquired employee related costs, integration related legal and professional third-party fees and gains or losses on hedging purchase price associated with the acquisitions. Amounts represent the following:

(in Millions)	Year Ended December 31, 2017	2016	2015
Acquisition-related charges - *DuPont*			
Legal and professional fees (1) (2)	$ 130.2	$ —	$ —
Inventory fair value amortization (3)	20.2	—	—
Acquisition-related charges - *Cheminova* (4)			
Legal and professional fees (1) (2)	$ —	$ 23.4	$ 60.4
Inventory fair value amortization (3)	—	—	57.8
(Gain)/loss on hedging purchase price (2)	—	—	172.1
Total acquisition-related charges	**$ 150.4**	**$ 23.4**	**$ 290.3**

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(1) Represents transaction costs, costs for transitional employees, other acquired employee related costs and integration related legal and professional third-party fees.

(2) These charges are included in “Selling, general and administrative expense" on the consolidated statements of income (loss).

(3) These charges are included in “Costs of sales and services” on the consolidated statements of income (loss).

(4) Acquisition-related charges and restructuring charges to integrate Cheminova with FMC Agricultural Solutions were completed at the end of 2016.

ADJUSTED EARNINGS RECONCILIATION

The following chart, which is provided to assist the readers of our financial statements, depicts certain after-tax charges (gains). These items are excluded from the measures we use to evaluate business performance and determine certain performance-based compensation. These after-tax items are discussed in detail within the “Other results of operations” 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 (loss) attributable to FMC stockholders.” We believe that this measure provides useful information about our operating results to investors. We also believe that excluding the effect of restructuring and other income and charges, non-operating pension and postretirement charges, certain Non-GAAP tax adjustments 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. 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)	Year Ended December 31, 2017	2016	2015
Net income (loss) attributable to FMC stockholders (GAAP)	$ 535.8	$ 209.1	$ 489.0
Corporate special charges (income), pre-tax	250.0	141.8	470.4
Income tax expense (benefit) on Corporate special charges (income) (1)	(67.5)	(44.9)	(137.8)
Corporate special charges (income), net of income taxes	$ 182.5	$ 96.9	$ 332.6
Discontinued operations attributable to FMC Stockholders, net of income taxes	(621.7)	(80.7)	(711.0)
Non-GAAP tax adjustments (2)	271.7	32.4	94.7
Adjusted after-tax earnings from continuing operations attributable to FMC stockholders (Non-GAAP)	**$ 368.3**	**$ 257.7**	**$ 205.3**

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(1) The income tax expense (benefit) on Corporate special charges (income) is determined using the applicable rates in the taxing jurisdictions in which the Corporate special charge or income occurred and includes both current and deferred income tax expense (benefit) based on the nature of the non-GAAP performance measure.

(2) We exclude the GAAP tax provision, including discrete items, from the Non-GAAP measure of income, and instead include a Non-GAAP tax provision based upon the annual Non-GAAP effective tax rate. The GAAP tax provision includes certain discrete tax items including, but not limited to: income tax expenses or benefits that are not related to current year ongoing business operations; tax adjustments associated with fluctuations in foreign currency remeasurement of certain foreign operations; certain changes in estimates of tax matters related to prior fiscal years; certain changes in the realizability of deferred tax assets; and changes in tax law which includes the impact of the Act enacted on December 22, 2017. Management believes excluding these discrete tax items assists investors and securities analysts in understanding the tax provision and the effective tax rate related to ongoing operations thereby providing investors with useful supplemental information about FMC's operational performance.

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 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.

Beginning in 2018 we will present earnings before interest, taxes, and depreciation and amortization ("EBITDA") by operating segment, which is a Non-GAAP financial measure. We define segment EBITDA as segment operating profit excluding depreciation and amortization expense. We believe that this Non-GAAP financial measure provides a useful metric for management and investors to better assess operating performance and enables transparency to investors and analysts for period-to-period comparability of financial performance. Due to the recent DuPont Crop Protection Business acquisition, we acquired a large number of intangible assets and property, plant, and equipment. The depreciation and amortization on the intangible assets is expected to significantly increase our depreciation and amortization expense.

FMC Agricultural Solutions

	Year Ended December 31,		
(in Millions)	**2017**	**2016**	**2015**
Revenue	$ 2,531.2	$ 2,274.8	$ 2,252.9
Operating Profit	485.6	399.9	363.9

2017 vs. 2016

Revenue of $2,531.2 million increased approximately 11 percent versus the prior year period. Higher volumes contributed 12 percent to the increase while favorable foreign currency had an impact of 1 percent. The acquired DuPont Crop Protection Business contributed 8 percent to these higher volumes, or approximately $193 million. These increases were partially offset by lower pricing which impacted revenue by 2 percent.

Operating profit of $485.6 million increased approximately 21 percent compared to the year-ago period. The higher volumes discussed above impacted the change in operating profit by 43 percent and favorable foreign currency impacted the change in operating profit by 5 percent. The acquired business represented a majority of these higher volumes. Offsetting these increases were lower pricing which had an unfavorable impact of 11 percent as well as higher costs which unfavorably impacted the segment by 16 percent to the increase. The higher costs were also due to the recently acquired business.

For 2018, full-year segment revenue is expected to be approximately $3.95 billion to $4.15 billion and full-year segment EBITDA is expected to be approximately $1.05 billion to $1.15 billion. Full-year depreciation and amortization is expected to be approximately $145 million. We anticipate legacy FMC Agricultural Solutions revenue will grow 2 to 4 percent, while the acquired business is expected to grow by 6 to 10 percent.

FMC Agricultural Solutions Pro Forma Financial Results with Cheminova

FMC Agricultural Solutions Pro Forma Financial Results

(in Millions)	Twelve Months Ended December 31, 2016	2015
Revenue		
Revenue, FMC Agricultural Solutions, as reported (1)	$ 2,274.8	$ 2,252.9
Revenue, Cheminova, pro forma (2)	—	362.0
Pro Forma Combined, Revenue (3)	**$ 2,274.8**	**$ 2,614.9**
Operating Profit		
Operating Profit, FMC Agricultural Solutions, as reported (1)	$ 399.9	$ 363.9
Operating Profit, Cheminova, pro forma (2)	—	19.9
Pro Forma Combined, Operating Profit (3)	**$ 399.9**	**$ 383.8**

(1) As reported amounts are the results of operations of FMC Agricultural Solutions, including the results of the Cheminova acquisition from April 21, 2015 onward.
(2) Cheminova pro forma amounts include the historical results of Cheminova, prior to April 21, 2015. These amounts also include adjustments as if the Cheminova transaction had occurred on January 1, 2015, including the effects of acquisition accounting. The pro forma amounts do not include adjustments for expenses related to integration activities, cost savings or synergies that may have been or may be achieved by the combined segment.
(3) The pro forma combined amounts are not necessarily indicative of what the results would have been had we acquired Cheminova on January 1, 2015 or indicative of future results. For the twelve months ended December 31, 2016, pro forma results and actual results are the same.

Actual Results for 2016 vs. Pro Forma Combined Results for 2015

Revenue of $2,274.8 million decreased approximately 13 percent versus pro forma combined revenue the prior year period. Volumes contributed to 14 percent of the decline and unfavorable foreign currency contributed another one percent to the decline. These declines were partially offset by favorable pricing which contributed a 2 percent increase. The lower volumes were partially due to actions we took to eliminate certain product sales in Latin America. Refer to the chart below for discussion on revenue by region. These actions reduced revenue by approximately $175 million compared to the pro forma revenue for 2015.

Operating profit of $399.9 million increased approximately 4 percent compared to the pro forma combined operating profit for the prior period. Improved pricing and mix impacted pro forma operating profit by 10 percent which was predominantly experienced in both Brazil and North America and favorable foreign currency impacted pro forma results by 4 percent. Lower costs, primarily selling, general and administrative in nature also favorably impacted results by 10 percent. The lower volumes noted above had a negative impact on pro forma operating profit of 20 percent.

FMC Agricultural Solutions Combined Revenue by Region

(in Millions)	Twelve Months Ended December 31, 2017	2016	2015 (1)
Europe, Middle East and Africa (EMEA) (2) (6)	$ 523.8	$ 516.3	$ 585.7
North America (3) (7)	626.7	557.8	595.2
Latin America (4) (8)	866.6	758.8	965.3
Asia (5) (9)	514.1	441.9	468.7
Total	**$ 2,531.2**	**$ 2,274.8**	**$ 2,614.9**

(1) Combined revenue by region for the twelve months ended December 31, 2015 includes the results of Cheminova assuming the acquisition occurred on January 1, 2015. The pro forma combined revenue by region amounts are not necessarily indicative of what the results would have been had we acquired Cheminova on January 1, 2015 or indicative of future results.

2017 vs. 2016

(2) Increase in the twelve months ended December 31, 2017 was driven by strong sales in France as we moved to direct market access. Additionally, favorable pricing and new product launches in cereal herbicides and fungicides contributed to the increase. These increases were partially offset by a late start to the season in Northwestern Europe in the first quarter of 2017.

(3) Increase in the twelve months ended December 31, 2017 was driven by strong demand for both pre- and post-emergent herbicides, as well as foliar insecticides.

(4) Increase for the twelve months ended December 31, 2017 was driven by growth in soybean applications in Brazil, as well as increased insecticide volumes in Argentina and Mexico. Additionally, successful product launches contributed to the revenue increase.

(5) The increase in the twelve months ended December 31, 2017 was primarily due to successful product launches in China, strong demand for rice insecticides in Indonesia and increased herbicide demand in Australia.

Actual Results for 2016 vs. Pro Forma Combined Results for 2015

(6) Decrease in the twelve months ended December 31, 2016 was driven by unfavorable weather in both Central and Western Europe. Additionally, the shift in the timing of sales as a result of our change to a direct market access model across Europe and product rationalization each contributed to the decline in revenue.

(7) Decrease in the twelve months ended December 31, 2016 was driven by elevated channel inventory levels and lower demand due to the deterioration in farm incomes which resulted in more cautious purchasing decisions.

(8) Lower sales volumes in Brazil contributed to the reduction in revenue for the twelve months ended December 31, 2016. Continued product rationalization resulted in lower revenues as well as the decision to allow the existing channel inventory to reduce. The volumes were also impacted by our disciplined approach to reduce our credit exposure in Brazil. Additionally, foreign exchange headwinds from the Mexican Peso contributed to the revenue decrease.

(9) Decline in the twelve months ended December 31, 2016 was driven by softer demand in China as well as our actions to reduce channel inventories in India, following two years of drought.

FMC Lithium

	Year Ended December 31,		
(in Millions)	**2017**	**2016**	**2015**
Revenue	$ 347.4	$ 264.1	$ 238.1
Operating Profit	126.7	70.2	23.0

2017 vs. 2016

Revenue of $347.4 million increased by approximately 32 percent versus the prior-year period driven by improved pricing and mix, which accounted for a 23 percent increase. Additionally, higher volumes impacted revenue by 9 percent. Foreign currency had a minimal impact on the change in revenue.

Segment operating profit of $126.7 million increased approximately $57 million versus the year ago period. The improved pricing and mix noted above impacted operating profit by approximately $60 million while volume contributed to the change by $11 million. These increases were offset by higher raw material prices and energy prices as well as expansion related costs by approximately $13 million. Foreign currency had a negative impact of less than $1 million on the change in operating profit.

Full year segment revenue is expected to be approximately $420 million to $460 million for 2018 and full-year segment EBITDA is expected to be approximately $180 million to $200 million. Full-year depreciation and amortization is expected to be approximately $20 million.

2016 vs. 2015

Revenue of $264.1 million increased by approximately 11 percent versus the prior-year period driven by favorable pricing of Carbonate, Chloride, and Hydroxide, which accounted for 14 percent of the change. This was offset by lower volumes due to increased demand from downstream products, which impacted revenues by 3 percent.

Segment operating profit of $70.2 million increased approximately $47 million versus the year ago period. The favorable pricing noted above impacted operating profit by approximately $33 million while volume had a negative impact on operating profit of $3 million. Favorable foreign currency impacts increased operating profit by approximately $3 million. Additionally, lower raw material prices, lower energy prices and increased manufacturing efficiencies improved operating profit by approximately $14 million.

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 (loss).

2017 vs. 2016

Corporate and other expenses of $102.4 million increased by $17.8 million from $84.6 million in 2016. The increase was driven by approximately $6 million of corporate incentives due to higher business results and share-based compensation. Additionally, the prior period included approximately $7 million of LIFO income that did not recur in 2017. The remaining increase was due to other corporate items including corporate facility costs, foreign exchange losses and other shared corporate costs.

2016 vs. 2015

Corporate and other expenses of $84.6 million increased by $21.6 million from $63.0 million in the same period in 2015. Approximately $10 million of the increase is driven by the higher incentive compensation due to improved business performance as well as costs associated with the relocation of our Corporate headquarters which totaled approximately $2 million. The remaining $9 million increase was primarily the result of other project initiatives.

Interest expense, net

2017 vs. 2016

Interest expense, net of $79.1 million increased by approximately 26 percent compared to $62.9 million in 2016. The increase was driven by the impacts of higher foreign debt balances of approximately $6 million, the addition of the 2017 Term Loan Facility of $6 million, and increases in interest rates of approximately $4 million.

2016 vs. 2015

Interest expense, net of $62.9 million increased by 3 percent as compared to $60.9 million in 2015. The slight increase was due to higher foreign debt balances, partially offset by lower term balance and other minor factors.

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)	**2017**	**2016**	**2015**
Restructuring charges and asset disposals	$ 16.3	$ 43.4	$ 124.0
Other charges (income), net	65.1	51.6	26.3
Total restructuring and other charges (income) (1)	**$ 81.4**	**$ 95.0**	**$ 150.3**

(1) See Note 7 within the consolidated financial statements included in this Form 10-K for more information.

2017

Restructuring and asset disposal charges in 2017 were primarily associated with charges in our FMC Lithium segment of $7.8 million related to miscellaneous restructuring. There were also impairment charges of intangible assets within FMC Agricultural Solutions of $2.2 million. In Corporate, there were asset write-downs of approximately $5.5 million. Amounts also include miscellaneous restructuring charges of $0.8 million.

Other charges (income), net in 2017 consisted of a $42.1 million impairment on certain indefinite-lived intangible assets from the acquired DuPont Crop Protection Business Acquisition as a result of a triggering event due to the Act. Other charges (income) also includes $16.6 million for continuing environmental sites treated as Corporate charges. Additionally, we incurred exit costs of $4.8 million resulting from the termination and de-consolidation of our interest in a variable interest entity that was previously consolidated and was part of our FMC Agricultural Solutions segment. We had other miscellaneous charges, net of approximately $1.6 million.

2016

Restructuring and asset disposal charges in 2016 totaled $43.4 million. Included in this were final charges totaling $42.3 million associated with the integration of Cheminova into our existing FMC Agricultural Solutions segment. This amount included final adjustments to severances, long lived asset write offs, contract termination costs and other miscellaneous items. There were miscellaneous restructuring charges of $1.1 million.

Other charges (income), net in 2016 consisted of $36.8 million for continuing environmental sites treated as Corporate charges, $13.2 million associated with a license agreement to obtain certain technology and intellectual property rights for new compounds still under development and $4.2 million as a result of the Argentina government's action to devalue its currency. These charges were offset by other miscellaneous income of $2.6 million.

2015

Restructuring and asset disposal charges in 2015 totaled $124.0 million. Included in this were significant charges totaling $118.3 million associated with charges as part of the integration of Cheminova into our existing FMC Agricultural Solutions segment. The Cheminova charges included those associated with the sale of Consagro, which amounted to $64.5 million. There were other miscellaneous restructuring charges in both FMC Agricultural Solutions and Corporate of $5.7 million.

Other charges (income), net in 2015 consisted of environmental charges of $21.7 million, the impacts of the Argentina currency devaluation in December of 2015 of $10.7 million, and $20.5 million of expenses associated with acquired in-process research and development activity. Partially offsetting these amounts was a gain of $26.6 million related to the sale of our remaining ownership interest in a Belgian-based pesticide distribution company, Belchim Crop Protection N.V. ("Belchim").

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 (loss).

2017 vs. 2016

The charge for 2017 was $18.2 million compared to $23.4 million in 2016. The decrease was the result of $22.8 million lower amortization of net actuarial losses as a result of a change in estimate in fiscal 2017 to amortize the gains and losses over the expected life time of the inactive population rather than the average remaining service period of the active participants which was partially offset by an increase of $15.4 million for recognized losses due to plan settlements. See Note 13 for more information.

2016 vs. 2015

The charge for 2016 was $23.4 million compared to $29.8 million in 2015. The decrease in charges was in part due to the estimation method used in 2016 to calculate the interest cost components of our net periodic benefit cost as described in the Critical Accounting Policies section of Item 7 within this Form 10-K. The decrease was also the result of $15.1 million lower amortization of net actuarial losses. These decreases were partially offset by an increase of $17.7 million for recognized losses due to plan settlements. See Note 13 for more information.

Acquisition-related charges

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

Provision for income taxes

A significant amount of our earnings is generated by our foreign subsidiaries (e.g. Denmark, Singapore and Hong Kong), which tax earnings at lower rates than the United States federal statutory rate. Our future effective tax rates may be materially impacted by numerous items including: a future change in the composition of earnings from foreign and domestic tax jurisdictions, as earnings in foreign jurisdictions are typically taxed at more favorable rates than the United States federal statutory rate; accounting for uncertain tax positions; business combinations; expiration of statute of limitations or settlement of tax audits; changes in valuation allowance; changes in tax law; and the potential decision to repatriate certain future foreign earnings on which United States or foreign withholding taxes have not been previously accrued. As a result of the Act, we currently estimate our effect tax rate for 2018 will increase by low single digits as a result of a minimum tax on overseas income, combined with a restriction on the use of foreign tax credits to offset this additional tax. In foreign jurisdictions, with a tax rate outside the U.S. of less than around 13 percent, we will have an additional U.S. tax bill under the GILTI provisions of the Act.

Provision for income taxes for 2017 was expense of $264.1 million resulting in an effective tax rate of 146.1 percent primarily attributable to the $315.9 million of provisional tax expense associated with the Act. Provision for income taxes for 2016 was expense of $50.1 million resulting in an effective tax rate of 27.7 percent and provision for income taxes for 2015 was $5.2 million resulting in an effective tax rate of negative 2.5 percent. During 2015, our FMC Agricultural Solutions business in Brazil experienced significant current and cumulative losses driven by unfavorable market conditions. As of December 31, 2016, sufficient positive evidence to realize the net deferred tax assets in Brazil was not available and a full valuation allowance against those assets remains established. Note 11 to the consolidated financial statements included in this Form 10-K includes more details on the drivers of the GAAP effective rate and year-over-year changes. We believe showing the reconciliation below of our GAAP to Non-GAAP effective tax rate provides investors with useful supplemental information about our tax rate on the core underlying business.

	Twelve Months Ended December 31,								
	2017			2016			2015		
(in Millions)	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	$ 180.8	$ 264.1	146.1%	$ 180.8	$ 50.1	27.7%	$ (207.4)	$ 5.2	(2.5)%
Corporate special charges	250.0	67.5		141.8	44.9		470.4	137.8	
Tax adjustments (1)		(271.7)			(32.4)			(94.7)	
	$ 430.8	$ 59.9	**13.9%**	$ 322.6	$ 62.6	**19.4%**	$ 263.0	$ 48.3	**18.4 %**

(1) Tax adjustments in 2017 were primarily associated with the provisional income tax expense recorded as a result of the enactment of the Act in December 2017. See Note 11 for additional discussion. Tax adjustments in 2016 were primarily associated with valuation allowance adjustments to U.S. state deferred tax balances. Tax adjustments in 2015 were primarily associated with valuation allowance adjustments taken in our Brazil subsidiaries.

The primary drivers for the decrease in the year-to-date effective tax rate for 2017 compared to 2016 are shown in the table above. The remaining change was due to reduced domestic earnings in our FMC Agricultural Solutions business and the impact of the full integration of Cheminova into our global supply chain.

Discontinued operations, net of income taxes

Our discontinued operations, in periods up to its sale, represent our discontinued FMC Health and Nutrition and FMC Alkali Chemicals business results as well as adjustments to retained liabilities from other previously 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. See Note 9 to the consolidated financial statements for additional details on our discontinued operations.

2017 vs. 2016

Discontinued operations, net of income taxes represented income of $621.7 million in 2017 compared to income of $81.0 million in 2016. The increase was primarily driven by the divestiture of FMC Health and Nutrition to DuPont which resulted in an after-tax gain of approximately $727 million. Amount also includes the impairment charge of approximately $148 million, net of tax to write down our Omega-3 business to its sales price.

2016 vs. 2015

Discontinued operations, net of income taxes represented income of $81.0 million in 2016 compared to income of $711.1 million in 2015. The change was driven by the divestiture of our discontinued FMC Alkali Chemicals division which resulted in an after-tax gain of $702.1 million in 2015.

Net income attributable to FMC stockholders

2017 vs. 2016

Net income attributable to FMC stockholders increased to $535.8 million from $209.1 million. The increase was primarily due to the gain on sale recorded in discontinued operations, net of income taxes as discussed above, offset by the impacts of U.S. Tax Reform and increases in acquisition-related charges. Refer to Note 11 to these consolidated financial statements.

2016 vs. 2015

Net income attributable to FMC stockholders decreased to $209.1 million from $489.0 million. The decrease was primarily due to the gain from the sale of our discontinued FMC Alkali Chemicals division in 2015 which was partially offset by lower acquisition-related costs in 2016.

Liquidity and Capital Resources

Cash and cash equivalents at December 31, 2017 and 2016, were $283.0 million and $64.2 million, respectively. Of the cash and cash equivalents balance at December 31, 2017, $97.2 million was held by our foreign subsidiaries. As a result of the Act, we recognized a one-time transition tax on the deemed repatriation of foreign earnings and the remeasurement of the Company's U.S. net deferred tax asset. See Note 11 to these consolidated financial statements for more information. The cash held by foreign subsidiaries for permanent reinvestment is generally used to finance the subsidiaries' operating activities and future foreign investments. We have not provided additional income taxes for any additional outside basis differences inherent in our investments in subsidiaries because the investments are essentially permanent in duration or we have concluded that no additional tax liability will arise upon disposal. Determining the amount of unrecognized deferred tax liability related to any remaining undistributed foreign earnings not subject to the transition tax and additional outside basis difference in these entities (i.e., basis difference in excess of that subject to the one-time transition tax) is not practicable or in process and not yet complete. We are still in the process of analyzing the impact of the Act on our indefinite reinvestment assertion.

At December 31, 2017, we had total debt of $3,185.6 million as compared to $1,893.0 million at December 31, 2016. Total debt included $2,993.0 million and $1,798.8 million of long-term debt (excluding current portions of $101.2 million and $2.4 million) at December 31, 2017 and 2016, respectively. As of December 31, 2017, we were in compliance with all of our debt covenants. See Note 12 in the consolidated financial statements included in this Form 10-K for further details. Following the DuPont Crop Protection Business Acquisition, the maximum leverage ratio temporarily stepped up to 4.75 from 3.5 and will step down to 4.5 in accordance with the provisions of the Credit Facility and the 2014 and 2017 Term Loan Facilities in the third quarter of 2018. We will take a variety of steps, if necessary, to ensure compliance with the maximum leverage ratio at the applicable measurement dates.

On November 1, 2017, we borrowed $1.5 billion under our previously announced senior unsecured term loan facility to finance the DuPont Crop Protection Business Acquisition. $1.2 billion was used to fund a cash payment to DuPont. The remaining $300 million will be used to pay various obligations related to the transaction, including taxes payable on the gain from the sale of FMC Health and Nutrition. See Note 12 in the consolidated financial statements included in this Form 10-K for further details.

The increase in long-term debt was due to the drawing down of funds under the 2017 Term Loan Facility and increased foreign debt balances, which were partially offset by prepayments of the 2014 Term Loan Facility. At December 31, 2017, $450.0 million and $1,500.0 million remained outstanding under the 2014 and 2017 Term Loan Facilities, respectively. The scheduled maturities of the 2014 and 2017 Term Loan Facilities are on April 21, 2020 and November 1, 2022, respectively. The borrowings under the 2014 and 2017 Term Loan Facilities 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 2014 and 2017 Term Loan Facilities.

Our short-term debt, which consists of foreign borrowings and our commercial paper program. Foreign borrowings increased from $85.5 million at December 31, 2016 to $91.4 million at December 31, 2017 while outstanding commercial paper decreased $6.3 million.

Our commercial paper program allows us to borrow at rates generally more favorable than those available under our credit facility. At December 31, 2017, we had no borrowings under the commercial paper program.

Statement of Cash Flows

Cash provided (required) by operating activities was $314.5 million, $368.9 million and $(471.2) million for 2017, 2016 and 2015, respectively.

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

	Twelve months ended December 31,		
(in Millions)	**2017**	**2016**	**2015**
Income (loss) from continuing operations before equity in (earnings) loss of affiliates, interest income and expense and income taxes	$ 259.8	$ 243.2	$ (146.5)
Corporate special charges and depreciation and amortization (1)	363.0	242.9	547.2
Operating income before depreciation and amortization (Non-GAAP)	**$ 622.8**	**$ 486.1**	**$ 400.7**
Change in trade receivables, net (2)	(262.4)	11.8	140.6
Change in inventories (3)	(96.8)	79.0	27.8
Change in accounts payable (4)	331.7	(29.7)	(294.4)
Change in accrued customer rebates (5)	16.9	(5.2)	9.5
Change in advance payments from customers (6)	140.5	(10.0)	60.6
Change in all other operating assets and liabilities (7)	(166.9)	84.8	30.8
Cash basis operating income (Non-GAAP)	**$ 585.8**	**$ 616.8**	**$ 375.6**
Restructuring and other spending (8)	(8.2)	(18.0)	(24.7)
Environmental spending, continuing, net of recoveries (9)	(20.5)	(28.1)	(32.2)
Pension and other postretirement benefit contributions (10)	(56.5)	(65.8)	(75.4)
Net interest payments (11)	(82.2)	(62.0)	(56.8)
Tax payments, net of refunds (12)	(25.0)	(50.2)	(331.1)
Excess tax benefits from share-based compensation (13)	—	(0.4)	(1.4)
Payments associated with the Cheminova purchase price hedges (14)	—	—	(264.8)
Acquisition legal and professional fees (15)	(78.9)	(23.4)	(60.4)
Cash provided (required) by operating activities of continuing operations	**$ 314.5**	**$ 368.9**	**$ (471.2)**

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(1) Represents the sum of corporate special charges and depreciation and amortization.

(2) The changes in cash flows related to trade receivables in 2017 and 2016 were primarily driven by timing of collections. Note, that approximately $213 million of the change in receivables for 2017 was due to receivable build from the acquired DuPont Crop Protection Business as we did not acquire any receivables as part of the transaction. Collection timing is more pronounced in our FMC Agricultural Solutions business where sales, particularly in Brazil, can have a longer collection period. Additionally, timing of collection is impacted as amounts for both periods include carry-over balances remaining to be collected in Latin America, where collection periods are measured in months rather than weeks. During 2017, we collected approximately $848 million of receivables in Brazil. A significant proportion of the collections in Brazil are coming from those accounts that were past due at the start of the year, improving the quality of the remaining receivable balance.

(3) Changes in inventory are a result of inventory levels being adjusted to take into consideration the change in market conditions mostly in FMC Agricultural Solutions.

(4) The change in cash flows related to accounts payable is primarily driven by the timing of payments made to suppliers and vendors. Note that approximately $191 million of the change in payables for 2017 was due to payable build from the acquired DuPont Crop Protection Business as we did not acquire any payables as part of the transaction. The change in accounts payable in 2015 was also attributable to inventory reduction activities across the company particularly as we integrated Cheminova as well as adjusting inventory levels in light of market conditions at the time. These events did not repeat in 2016.

(5) These rebates are associated with our FMC Agricultural Solutions segment in North America and Brazil and generally settle in the fourth quarter of each year. The changes year over year are primarily associated with the mix in sales eligible for rebates and incentives in 2017 compared to 2016 and timing of rebate payments.

(6) The advance payments from customers represent advances from our FMC Agricultural Solutions segment customers. Revenue associated with advance payments is recognized, generally in the first quarter of each year, as shipments are made and title, ownership and risk of loss pass to the customer. Approximately $85 million of the change for 2017 was attributable to the acquired DuPont Crop Protection Business.

(7) Changes in all periods presented primarily represent timing of payments associated with all other operating assets and liabilities, including guarantees issued to vendors under our vendor finance program.

(8) See Note 7 in our consolidated financial statements included in this Form 10-K for further details.

(9) Included in our results for each of the years presented are environmental charges for environmental remediation at our operating sites of $16.6 million, $36.8 million and $21.7 million, respectively. The amounts in 2017 will be spent in future years. The amounts represent environmental remediation spending at our operating sites which were recorded against pre-existing reserves, net of recoveries. Environmental obligations for continuing operations primarily represent obligations at shut down or abandoned facilities within businesses that do not meet the criteria for presentation as discontinued operations.
(10) Amounts include voluntary contributions to our U.S. qualified defined benefit plan of $44.0 million, $35.0 million and $65.0 million, respectively.
(11) Interest payments increased through the year primarily due to higher foreign debt balances, the addition of the 2017 Term Loan Facility, and increases in interest rates.
(12) Tax payments in 2015 primarily represent the tax paid on the gain associated with the sale of the discontinued FMC Alkali Chemicals division.
(13) Amounts are presented as a financing activity in the consolidated statement of cash flows in 2016 and 2015, from share-based compensation.
(14) Represents payments for the Cheminova purchase price hedges. See Note 3 to the consolidated financial statements for more information.
(15) 2017 activity represents payments for legal and professional fees associated with the DuPont Crop Protection Business Acquisition. acquisitions. 2016 and 2015 activity represents payments for legal an professional fees associated with the Cheminova acquisition. See Note 3 to the consolidated financial statements for more information.

Cash provided (required) by operating activities of discontinued operations was $21.0 million, $128.9 million and $113.1 million for 2017, 2016 and 2015, respectively.

Cash required by operating activities of discontinued operation is directly related to environmental, other postretirement benefit liabilities, self-insurance, long-term obligations related to legal proceedings and historical restructuring activities.

Amounts in 2017 and 2015 included divestiture costs associated with the sale of our FMC Health and Nutrition and FMC Alkali Chemicals business as well as related operating activities.

Cash provided (required) by investing activities of continuing operations was $(1,349.5) million, $(100.8) million and $(1,230.4) million for 2017, 2016 and 2015, respectively.

The changes in cash required by investing activities are primarily due to the acquisitions of the DuPont Crop Protection Business in 2017 and Cheminova in 2015.

Cash provided (required) by investing activities of discontinued operations was $15.7 million, $(34.4) million and $1,579.1 million for 2017, 2016 and 2015, respectively.

Cash provided by investing activities of discontinued operations in 2017 includes the cash proceeds from the sale of the Omega-3 business for $38.0 million while the amount in 2015 includes the proceeds of $1.65 billion from sale of our FMC Alkali Chemicals business.

Cash provided (required) by financing activities was $1,213.1 million, $(377.0) million and $(16.7) million in 2017, 2016 and 2015, respectively.

The change in cash provided by financing activities in 2017 primarily related to the increase in proceeds from borrowings of long-term debt, partially offset by higher repayments of long-term debt during the year.

The change in cash required by financing activities in 2016 primarily related to repayments of borrowings under our term loan and redemption of certain outstanding industrial revenue bonds.

2018 Outlook

In 2018, we expect a continued improvement in cash generation. In aggregate, we expect cash basis operating income to increase driven by significantly higher earnings within each segment, including a full year of results from the DuPont Crop Protection Business Acquisition partially offset by higher working capital requirements in 2018.

Other potential liquidity needs

Our cash needs for 2018 include operating cash requirements, capital expenditures, scheduled mandatory payments of long-term debt, dividend payments, share repurchases, contributions to our pension plans, environmental and asset retirement obligation spending and costs associated with acquisition-related charges as well as costs to integrate the DuPont Crop Protection Business into FMC Agricultural Solutions. We plan to meet our liquidity needs through available cash, cash generated from operations, commercial paper issuances and borrowings under our committed revolving credit facility. At December 31, 2017 our remaining borrowing capacity under our credit facility was $1,354.0 million.

Projected 2018 capital expenditures and expenditures related to contract manufacturers are expected to increase to approximately $250 million primarily driven by the lithium expansion as well as expenditures from the recently acquired DuPont Crop Protection Business. Additionally, we will incur corporate level spending associated with the two year implementation of a new SAP system.

Projected 2018 spending includes approximately $60 to $65 million of net environmental remediation spending. This spending does not include expected spending on capital projects relating to environmental control facilities or expected spending for environmental compliance costs, which we will include as a component of "Costs of sales and services" in our consolidated statements of income (loss) since these amounts are not covered by established reserves. Capital spending to expand, maintain or replace equipment at our production facilities may trigger requirements for upgrading our environmental controls, which may increase our spending for environmental controls over the foregoing projections.

As a result of the Act, we will have to pay a transition tax of $202.7 million which is payable over the next eight years.

Our U.S. Pension Plan assets decreased slightly from $1,203.3 million at December 31, 2016 to $1,334.9 million at December 31, 2017. Our U.S. Pension Plan assets comprise approximately all of our total plan assets with the difference representing plan assets related to foreign pension plans. See Note 13 to the consolidated financial statements included within this Form 10-K for details on how we develop our long-term rate of return assumptions. We made contributions of $44.0 million and $35.0 million in 2017 and 2016, respectively, and intend to contribute $30 million in 2018. Our contributions in 2016, 2017 and our intended contribution in 2018 are all in excess of the minimum requirements. Our contributions in excess of minimums are done with the objective of avoiding variable rate Pension Benefit Guaranty Corporation ("PBGC") premiums as well as potentially reducing future funding volatility. In 2017, we changed our U.S. qualified pension plan’s investment strategy to a liability hedging approach with an objective of minimizing funded status volatility. As a result, we expect lower contributions in future periods. While we do not believe that the contribution in 2018 will have a material impact on our current and future liquidity needs, the volatility of interest rates and equity returns may require greater contributions in the future.

During the year ended December 31, 2017, no shares were repurchased under the publicly announced repurchase program. At December 31, 2017, $238.8 million remained unused under our Board-authorized repurchase program. 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. We also reacquire shares from time to time from employees in connections with vesting, exercise and forfeiture of awards under our equity compensation plans.

Dividends

On January 18, 2018, we paid dividends aggregating $22.3 million to our shareholders of record as of December 31, 2017. This amount is included in “Accrued and other liabilities” on the consolidated balance sheet as of December 31, 2017. For the years ended December 31, 2017, 2016 and 2015, we paid $88.8 million, $88.6 million and $86.4 million in dividends, respectively.

Commitments

We provide guarantees to financial institutions on behalf of certain FMC Agricultural Solutions customers, principally Brazilian customers, for their seasonal borrowing. The total of these guarantees was $58.4 million at December 31, 2017. These guarantees arise during the ordinary course of business from relationships with customers and nonconsolidated affiliates. Non-performance by the guaranteed party triggers the obligation requiring us to make payments to the beneficiary of the guarantee. Based on our experience these types of guarantees have not had a material effect on our consolidated financial position or on our liquidity. Our expectation is that future payment or performance related to the non-performance of others is considered unlikely.

Short-term debt consisted of foreign credit lines at December 31, 2017 and foreign credit lines and commercial paper December 31, 2016. We provide parent-company guarantees to lending institutions providing credit to our foreign subsidiaries.

In connection with our property and asset sales and divestitures, we have agreed to indemnify the buyer for certain liabilities, including environmental contamination and taxes that occurred prior to the date of sale. Our indemnification obligations with respect to these liabilities may be indefinite as to duration and may or may not be subject to a deductible, minimum claim amount or cap. In cases where it is not possible for us to predict the likelihood that a claim will be made or to make a reasonable estimate of the maximum potential loss or range of loss, no specific liability has been recorded. If triggered, we may be able to recover certain of the indemnity payments from third parties. In cases where it is possible, we have recorded a specific liability within our Reserve for Discontinued Operations. Refer to Note 9 for further details.

Our total significant committed contracts that we believe will affect cash over the next four years and beyond are as follows:

Contractual Commitments	Expected Cash Payments by Year					
(in Millions)	2018	2019	2020	2021	2022 & beyond	Total
Debt maturities [1]	$ 192.6	$ 302.5	$ 452.0	$ 302.6	$ 1,950.4	$ 3,200.1
Contractual interest [2]	102.3	101.7	76.5	69.0	92.0	441.5
Lease obligations [3]	25.5	24.3	22.5	19.9	183.9	276.1
Certain long-term liabilities [4]	3.6	3.7	3.7	3.9	38.3	53.2
Derivative contracts [5]	—	—	—	—	—	—
Purchase obligations [6]	4.4	0.1	0.1	0.1	—	4.7
Total [7]	**$ 328.4**	**$ 432.3**	**$ 554.8**	**$ 395.5**	**$ 2,264.6**	**$ 3,975.6**

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(1) Excluding discounts.

(2) Contractual interest is the interest we are contracted to pay on our long-term debt obligations. We had $1,974.3 million of long-term debt subject to variable interest rates at December 31, 2017. The rate assumed for the variable interest component of the contractual interest obligation was the rate in effect at December 31, 2017. Variable rates are determined by the market and will fluctuate over time.

(3) Obligations associated with operating leases, before sub-lease rental income.

(4) Obligations associated with our Ewing, NJ and Shanghai, China research and technology centers.

(5) Derivative contracts were in a net asset position as of December 31, 2017. See Note 17. As a result, they are excluded from the table above.

(6) Purchase obligations consist of agreements to purchase goods and services that are enforceable and legally binding and specify all significant terms, including fixed or minimum quantities to be purchased, price provisions and timing of the transaction. We have entered into a number of purchase obligations for the sourcing of materials and energy where take-or-pay arrangements apply. Since the majority of the minimum obligations under these contracts are take-or-pay commitments over the life of the contract and not a year by year take-or-pay, the obligations in the table related to these types of contacts are presented in the earliest period in which the minimum obligation could be payable under these types of contracts.

(7) As of December 31, 2017, the liability for uncertain tax positions was $93.9 million. This liability is excluded from the table above. Additionally, accrued pension and other postretirement benefits and our environmental liabilities as recorded on our consolidated balance sheets are excluded from the table above. Due to the high degree of uncertainty regarding the timing of potential future cash flows associated with these liabilities, we are unable to make a reasonably reliable estimate of the amount and periods in which these liabilities might be paid. Also excluded from the table above is the liability attributable to the transition tax on deemed repatriated foreign earnings incurred as a result of the Act of $202.7 million.

Contingencies

See Note 18 to our consolidated financial statements included in this Form 10-K.

Climate Change

As a global corporate citizen, we are concerned about the consequences of climate change and will take prudent and cost effective actions that reduce Green House Gas (GHG) emissions to the atmosphere.

FMC is committed to doing its part to address climate change and its impacts. We have set 2025 goals that we will reduce both energy intensity and GHG intensity for our operations by 15 percent from our 2013 baseline year. To date, our FMC Agricultural Solutions and FMC Lithium segments have reduced energy use by 13 percent and 16 percent and GHG intensity by 4 percent and 19 percent, respectively. FMC has been reporting its GHG emissions and mitigation strategy to CDP (formerly Carbon Disclosure Project) since 2016. FMC detailed the business risks and opportunities we have due to climate change and its impacts in our CDP climate change reports.

Even as we take action to control the release of GHGs, additional warming is anticipated. Long-term, higher average global temperatures could result in induced changes in natural resources, growing seasons, precipitation patterns, weather patterns, species distributions, water availability, sea levels, and biodiversity. These impacts could cause changes in supplies of raw materials used to maintain FMC's production capacity and could lead to possible increased sourcing costs. Depending on how pervasive the climate impacts are in the different geographic locations experiencing changes in natural resources, FMC's customers could be impacted. Demand for FMC's products could increase if our products meet our customers' needs to adapt to climate change impacts or decrease if our products do not meet their needs. Within our own operations, we continually assess our manufacturing sites worldwide for risks and opportunities to increase our preparedness for climate change. We are continuing to evaluate sea level rise and storm surge at our plants located within 4 meters of sea level to understand timing of potential impacts and response actions that may need to be taken. To lessen FMC's overall environmental footprint, we have taken actions to increase the energy efficiency in our manufacturing sites. We have also committed to 2025 goals to reduce our water use in high-risk areas by 20 percent and our waste intensities by 15 percent. To date, FMC Agricultural Solutions and FMC Lithium have reduced our water use in high risk areas by 21 percent and 13 percent and our waste disposal intensity by 20 percent and 20 percent, respectively.

In our product portfolio, we see market opportunities for our products to address climate change and its impacts. For example, FMC Agricultural Solutions' products can help customers increase yield, energy and water efficiency, and decrease greenhouse gas emissions. Our products can also help growers adapt to more unpredictable growing conditions and the effects these types of threats have on crops. FMC Lithium's products can be used in energy storage applications, fuel-efficient and electric vehicles, lighter-weight aluminum in the aircraft and aerospace industries.

We are improving existing products and developing new platforms and technologies that help mitigate impacts of climate change. Agricultural Solutions is developing products with a lighter environmental footprint in its biologicals products. FMC Lithium is researching new applications of our lithium products in a range of industries. These business opportunities could lead to new products and services for our existing and potential customers. Beyond our products and operations, FMC recognizes that energy consumption throughout our supply chain can impact climate change and product costs. Therefore, we will actively work with our entire value chain - suppliers, contractors, and customers - to improve their energy efficiencies and to reduce their GHG emissions.

We continue to follow legislative and regulatory developments regarding climate change because the regulation of greenhouse gases, depending on their nature and scope, could subject some of our manufacturing operations to additional costs or limits on operations. In December 2015, 195 countries at the United Nations Climate Change Conference in Paris reached an agreement to reduce GHGs. It remains to be seen how and when each of these countries will implement this agreement. The United States is a signatory to the Paris Agreement, but on June 1, 2017, President Trump announced that the United States would withdraw from the Paris Agreement and on August 4, 2017, the United States delivered notice of its intention to withdraw to United Nations. On October 16, 2017, the United States Environmental Protection Agency (EPA) Filed notice of a rulemaking to repeal the lean Power Plan. EPA followed this action with the issuance of an advance notice of proposed rulemaking seeking comment on the proper roles of the state and federal government in regulating emissions from electric power plants, and also seeking information on technologies and strategies for reducing emissions from existing plants.

Notwithstanding the United States' withdrawal from the Paris Agreement, will actively manage climate risks and incorporate them in our decision making as indicated in our responses to the CDP Climate Change Module. FMC remains deeply committed to reducing our GHG emissions and energy consumption at all of our facilities around the world.

Some of our foreign operations are subject to national or local energy management or climate change regulation, such as our plant in Denmark that is subject to the EU Emissions Trading Scheme. At present, that plant's emissions are below its designated cap.

During 2018 we will be assessing the GHG impact of our facilities acquired from DuPont and will adjust our disclosures and targets accordingly.

Future GHG regulatory requirements may result in increased costs of energy, additional capital costs for emissions control or new equipment, and/or costs associated with cap and trade or carbon taxes. We are currently monitoring regulatory developments. The costs of complying with possible future climate change requirements are difficult to estimate at this time.

Recently Adopted and Issued Accounting Pronouncements and Regulatory Items

See Note 2 "Recently Issued and Adopted Accounting Pronouncements and Regulatory Items" to our consolidated financial statements included in this Form 10-K.

Off-Balance Sheet Arrangements

See Note 18 to our consolidated financial statements included in this Form 10-K and Part I, Item 3 - Legal Proceedings for further information regarding any off-balance sheet arrangements.

Fair Value Measurements

See Note 17 to our consolidated financial statements included in this Form 10-K for additional discussion surrounding our fair value measurements.

Critical Accounting Policies

Our consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles (U.S. GAAP). The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. We have described our accounting policies in Note 1 "Principal Accounting Policies and related Financial Information" to our consolidated financial statements included in this Form 10-K. We have reviewed these accounting policies, identifying those that we believe to be critical to the preparation and understanding of our consolidated financial statements. We have reviewed these critical accounting policies with the Audit Committee of the Board of Directors. Critical accounting policies are central to our presentation of results of operations and financial condition in accordance with U.S. GAAP and require management to make estimates and judgments on certain matters. We base our estimates and judgments on historical experience, current conditions and other reasonable factors.

Revenue recognition and trade receivables

We recognize revenue when the earnings process is complete, which is generally upon transfer of title. This transfer typically occurs either upon shipment to the customer or upon receipt by the customer. In all cases, we apply the following criteria in recognizing revenue: persuasive evidence of an arrangement exists, delivery has occurred, the selling price is fixed or determinable and collection is reasonably assured. Rebates due to customers are accrued as a reduction of revenue in the same period that the related sales are recorded based on the contract terms.

We periodically enter into prepayment arrangements with customers, primarily in our FMC Agricultural Solutions segment, and receive advance payments for product to be delivered in future periods. These advance payments are recorded as deferred revenue and classified as “Advance payments from customers” on the consolidated balance sheet. Revenue associated with advance payments is recognized as shipments are made and title, ownership and risk of loss pass to the customer.

We record amounts billed for shipping and handling fees as revenue. Costs incurred for shipping and handling are recorded as costs of sales and services. Amounts billed for sales and use taxes, value-added taxes, and certain excise and other specific transactional taxes imposed on revenue-producing transactions are presented on a net basis and excluded from sales in the consolidated income statements. We record a liability until remitted to the respective taxing authority.

Trade receivables consist of amounts owed from customer sales and are recorded when revenue is recognized. The allowance for trade receivables represents our best estimate of the probable losses associated with potential customer defaults. In developing our allowance for trade receivables, we use a two stage process which includes calculating a general formula to develop an allowance to appropriately address the uncertainty surrounding collection risk of our entire portfolio and specific allowances for customers where the risk of collection has been reasonably identified either due to liquidity constraints or disputes over contractual terms and conditions.

Our method of calculating the general formula consists of estimating the recoverability of trade receivables based on historical experience, current collection trends, and external business factors such as economic factors, including regional bankruptcy rates, and political factors. Our analysis of trade receivable collection risk is performed quarterly, and the allowance is adjusted accordingly.

We also hold long-term receivables that represent long-term customer receivable balances related to past-due accounts which are not expected to be collected within the current year. Our policy for the review of the allowance for these receivables is consistent with the discussion in the preceding paragraph above on trade receivables. Therefore on an ongoing basis, we continue to evaluate the credit quality of our long-term receivables utilizing aging of receivables, collection experience and write-offs, as well as existing economic conditions, to determine if an additional allowance is necessary.

On January 1, 2018, Accounting Standards Update 2014-09, *Revenue from Contracts with Customers,* became effective. See Note 2 to these consolidated financial statements for more information.

Environmental obligations and related recoveries

We provide for environmental-related obligations when they are probable and amounts can be reasonably estimated. Where the available information is sufficient to estimate the amount of liability, that estimate has been used. Where the information is only sufficient to establish a range of probable liability and no point within the range is more likely than any other, the lower end of the range has been used.

Estimated obligations to remediate sites that involve oversight by the United States Environmental Protection Agency (“EPA”), or similar government agencies, are generally accrued no later than when a Record of Decision (“ROD”), or equivalent, is issued, or upon completion of a Remedial Investigation/Feasibility Study (“RI/FS”), or equivalent, that is submitted by us to the appropriate government agency or agencies. Estimates are reviewed quarterly by our environmental remediation management, as well as by financial and legal management and, if necessary, adjusted as additional information becomes available. The estimates can change substantially as additional information becomes available regarding the nature or extent of site contamination, required remediation methods, and other actions by or against governmental agencies or private parties.

Our environmental liabilities for continuing and discontinued operations are principally for costs associated with the remediation and/or study of sites at which we are alleged to have released hazardous substances into the environment. Such costs principally include, among other items, RI/FS, site remediation, costs of operation and maintenance of the remediation plan, management costs, fees to outside law firms and consultants for work related to the environmental effort, and future monitoring costs. Estimated site liabilities are determined based upon existing remediation laws and technologies, specific site consultants' engineering studies or by extrapolating experience with environmental issues at comparable sites.

Included in our environmental liabilities are costs for the operation, maintenance and monitoring of site remediation plans (OM&M). Such reserves are based on our best estimates for these OM&M plans. Over time we may incur OM&M costs in excess of these reserves. However, we are unable to reasonably estimate an amount in excess of our recorded reserves because we cannot reasonably estimate the period for which such OM&M plans will need to be in place or the future annual cost of such remediation, as conditions at these environmental sites change over time. Such additional OM&M costs could be significant in total but would be incurred over an extended period of years.

Included in the environmental reserve balance, other assets balance and disclosure of reasonably possible loss contingencies are amounts from third party insurance policies, which we believe are probable of recovery.

Provisions for environmental costs are reflected in income, net of probable and estimable recoveries from named Potentially Responsible Parties ("PRPs") or other third parties. Such provisions incorporate inflation and are not discounted to their present values.

In calculating and evaluating the adequacy of our environmental reserves, we have taken into account the joint and several liability imposed by Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and the analogous state laws on all PRPs and have considered the identity and financial condition of the other PRPs at each site to the extent possible. We have also considered the identity and financial condition of other third parties from whom recovery is anticipated, as well as the status of our claims against such parties. Although we are unable to forecast the ultimate contributions of PRPs and other third parties with absolute certainty, the degree of uncertainty with respect to each party is taken into account when determining the environmental reserve by adjusting the reserve to reflect the facts and circumstances on a site-by-site basis. Our liability includes our best estimate of the costs expected to be paid before the consideration of any potential recoveries from third parties. We believe that any recorded recoveries related to PRPs are realizable in all material respects. Recoveries are recorded as either an offset in "Environmental liabilities, continuing and discontinued" or as "Other assets" in our consolidated balance sheets in accordance with U.S. accounting literature.

See Note 10 to our consolidated financial statements included in this Form 10-K for changes in estimates associated with our environmental obligations.

Impairments and valuation of long-lived and indefinite-lived assets

Our long-lived assets primarily include property, plant and equipment, goodwill and intangible assets. The assets and liabilities of acquired businesses are measured at their estimated fair values at the dates of acquisition. The excess of the purchase price over the estimated fair value of the net assets acquired, including identified intangibles, is recorded as goodwill. The determination and allocation of fair value to the assets acquired and liabilities assumed is based on various assumptions and valuation methodologies requiring considerable management judgment, including estimates based on historical information, current market data and future expectations. The principal assumptions utilized in our valuation methodologies include revenue growth rates, operating margin estimates and discount rates. Although the estimates were deemed reasonable by management based on information available at the dates of acquisition, those estimates are inherently uncertain.

We test for impairment whenever events or circumstances indicate that the net book value of our property, plant and equipment may not be recoverable from the estimated undiscounted expected future cash flows expected to result from their use and eventual disposition. In cases where the estimated undiscounted expected future cash flows are less than net book value, an impairment loss is recognized equal to the amount by which the net book value exceeds the estimated fair value of assets, which is based on discounted cash flows at the lowest level determinable. The estimated cash flows reflect our assumptions about selling prices, volumes, costs and market conditions over a reasonable period of time.

We perform an annual impairment test of goodwill and indefinite-lived intangible assets in the third quarter of each year, or more frequently whenever an event or change in circumstances occurs that would require reassessment of the recoverability of those assets. In performing our evaluation we assess qualitative factors such as overall financial performance of our reporting units, anticipated changes in industry and market structure, competitive environments, planned capacity and cost factors such as raw material prices. Based on our assessment for 2017, we determined that no goodwill impairment charge to our continuing operations was required. The majority of the Brands intangible asset relates to our proprietary brand portfolio for which the fair value was substantially in excess of the carrying value. During the third quarter of 2017, we recorded a $1 million impairment charge in our generic brand portfolio which is part of the FMC Agricultural Solutions segment. The carrying value of the generic portfolio subsequent to the charge is approximately $4 million. Separately, as a result of the Act we performed an impairment assessment on the recently acquired brand portfolio and recorded an impairment charge of approximately $42 million solely due to the new tax legislation. See Note 11 for more details.

See Note 7 to our consolidated financial statements included in this Form 10-K for charges associated with long-lived asset disposal costs and the activity associated with the restructuring reserves.

Pension and other postretirement benefits

We provide qualified and nonqualified defined benefit and defined contribution pension plans, as well as postretirement health care and life insurance benefit plans to our employees and retirees. The costs (benefits) and obligations related to these benefits reflect key assumptions related to general economic conditions, including interest (discount) rates, healthcare cost trend rates, expected rates of return on plan assets and the rates of compensation increase for employees. The costs (benefits) and obligations for these benefit programs are also affected by other assumptions, such as average retirement age, mortality, employee turnover, and plan participation. To the extent our plans' actual experience, as influenced by changing economic and financial market conditions or by changes to our own plans' demographics, differs from these assumptions, the costs and obligations for providing these benefits, as well as the plans' funding requirements, could increase or decrease. When actual results differ from our assumptions, the difference is typically recognized over future periods. In addition, the unrealized gains and losses related to our pension and postretirement benefit obligations may also affect periodic benefit costs (benefits) in future periods.

Historically, we have amortized unrecognized gains and losses using the corridor method over the average remaining service period of active participants of approximately eight years. As of January 1, 2017, approximately 95% of the participants in our U.S. qualified plan and approximately 93% of the participants in our U.S. postretirement life plan were inactive. Therefore, for fiscal 2017, we amortized gains and losses over the average remaining life expectancy of the inactive population for these two plans. The gain/loss amortization period for the U.S. qualified pension plan increased from about eight years to about nineteen years as a result of this change. We consider this a change in estimate and, accordingly, have accounted for it prospectively beginning in 2017. For fiscal 2017, the change in estimate from amortizing gains and losses over the expected lifetime of the inactive population rather than the average remaining service period of active participants reduced US pension and postretirement net periodic benefit cost by approximately $20 million when compared to the prior estimate.

We use several assumptions and statistical methods to determine the asset values used to calculate both the expected rate of return on assets component of pension cost and to calculate our plans' funding requirements. The expected rate of return on plan assets is based on a market-related value of assets that recognizes investment gains and losses over a five-year period. We use an actuarial value of assets to determine our plans' funding requirements. The actuarial value of assets must be within a certain range, high or low, of the actual market value of assets, and is adjusted accordingly.

We select the discount rate used to calculate pension and other postretirement obligations based on a review of available yields on high-quality corporate bonds as of the measurement date. In selecting a discount rate as of December 31, 2017, we placed particular emphasis on a discount rate yield-curve provided by our actuary. This yield-curve, when populated with projected cash flows that represent the expected timing and amount of our plans' benefit payments, produced an effective discount rate of 3.68 percent for our U.S. qualified plan, 3.29 percent for our U.S. nonqualified, and 3.41 percent for our U.S. other postretirement benefit plans.

The discount rates used at our December 31, 2017 and 2016 measurement dates for the U.S. qualified plan were 3.68 percent and 4.22 percent, respectively. The effect of the change in the discount rate from 4.22 percent to 3.68 percent at December 31, 2017 resulted in a $77.5 million increase to our U.S. qualified pension benefit obligations. The effect of the change in the discount rate from 4.50 percent at December 31, 2015 to 4.22 percent at December 31, 2016 resulted in a $0.3 million increase to the 2017 U.S. qualified pension expense.

The change in discount rate from 4.22 percent at December 31, 2016 to 3.68 percent at December 31, 2017 was attributable to a decrease in yields on high quality corporate bonds with cash flows matching the timing and amount of our expected future benefit payments between the 2016 and 2017 measurement dates. Using the December 31, 2017 and 2016 yield curves, our U.S. qualified plan cash flows produced a single weighted-average discount rate of approximately 3.68 percent and 4.22 percent, respectively.

In developing the assumption for the long-term rate of return on assets for our U.S. Plan, we take into consideration the technical analysis performed by our outside actuaries, including historical market returns, information on the assumption for long-term real returns by asset class, inflation assumptions, and expectations for standard deviation related to these best estimates. We also consider the historical performance of our own plan's trust, which has earned a compound annual rate of return of approximately 7.9 percent over the last 20 years (which is in excess of comparable market indices for the same period) as well as other factors which are discussed in Note 13 to our consolidated financial statements in this Form 10-K. Our long-term rate of return for the fiscal year ended December 31, 2017, 2016 and 2015 was 6.50 percent, 7.00 percent and 7.25 percent, respectively.

On December 31, 2015, we changed the method we used to estimate the service cost and interest cost components of our net periodic benefit cost for our US defined benefit pension plans. We use a full yield curve approach in the estimate of these components of benefit cost by applying specific spot rates along the yield curve used in the determination of the benefit obligation to the relevant projected cash flows as we believe this provides a better estimate of service and interest costs.

For the sensitivity of our pension costs to incremental changes in assumptions see our discussion below.

Sensitivity analysis related to key pension and postretirement benefit assumptions.

A one-half percent increase in the assumed discount rate would have decreased pension and other postretirement benefit obligations by $73.6 million and $70.3 million at December 31, 2017 and 2016, respectively, and decreased pension and other postretirement benefit costs by $0.4 million, $5.2 million and $6.4 million for 2017, 2016 and 2015, respectively. A one-half percent decrease in the assumed discount rate would have increased pension and other postretirement benefit obligations by $81.3 million and, $78.5 million at December 31, 2017 and 2016, respectively, and increased pension and other postretirement benefit cost by $0.4 million, $5.7 million and $6.5 million for 2017, 2016 and 2015, respectively.

A one-half percent increase in the assumed expected long-term rate of return on plan assets would have decreased pension costs by $6.0 million, $6.0 million and $5.8 million for 2017, 2016 and 2015, respectively. A one-half percent decrease in the assumed long-term rate of return on plan assets would have increased pension costs by $6.0 million, $6.0 million and $5.8 million for 2017, 2016 and 2015, respectively.

Further details on our pension and other postretirement benefit obligations and net periodic benefit costs (benefits) are found in Note 13 to our consolidated financial statements in this Form 10-K.

Income taxes

We have recorded a valuation allowance to reduce deferred tax assets in certain jurisdictions to the amount that we believe is more likely than not to be realized. In assessing the need for this allowance, we have considered a number of factors including future taxable income, the jurisdictions in which such income is earned and our ongoing tax planning strategies. In the event that we determine that we would not be able to realize all or part of our net deferred tax assets in the future, an adjustment to the deferred tax assets would be charged to income in the period such determination was made. Similarly, should we conclude that we would be able to realize certain deferred tax assets in the future in excess of the net recorded amount, an adjustment to the deferred tax assets would increase income in the period such determination was made.

Additionally, we file income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. Certain income tax returns for FMC entities taxable in the U.S. and significant foreign jurisdictions are open for examination and adjustment. We assess our income tax positions and record a liability for all years open to examination based upon our evaluation of the facts, circumstances and information available at the reporting date. For those tax positions where it is more likely than not that a tax benefit will be sustained, we have recorded the largest amount of tax benefit with a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. We adjust these liabilities, if necessary, upon the completion of tax audits or changes in tax law.

On December 22, 2017, the Act was enacted in the United States. The Act reduces the U.S. federal corporate tax rate from 35% to 21%, requires companies to pay a one-time transition tax on earnings of certain foreign subsidiaries that were previously tax deferred and creates new taxes on certain foreign sourced earnings.

As of December 31, 2017, we had not completed our accounting for the tax effects of enactment of the Act, however, as described further in Note 11, we have made a reasonable estimate of the effects on our existing deferred tax balances and the one-time transition tax.

See Note 11 to our consolidated financial statements included in this Form 10-K for additional discussion surrounding income taxes.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our earnings, cash flows and financial position are exposed to market risks relating to fluctuations in commodity prices, interest rates and foreign currency exchange rates. Our policy is to minimize exposure to our cash flow over time caused by changes in commodity, interest and currency exchange rates. To accomplish this, we have implemented a controlled program of risk management consisting of appropriate derivative contracts entered into with major financial institutions.

The analysis below presents the sensitivity of the market value of our financial instruments to selected changes in market rates and prices. The range of changes chosen reflects our view of changes that are reasonably possible over a one-year period. Market value estimates are based on the present value of projected future cash flows considering the market rates and prices chosen.

At December 31, 2017, our net financial instrument position was a net asset of $4.4 million compared to a net liability of $2.5 million at December 31, 2016. The change in the net financial instrument position was primarily due to exchange rate fluctuations in our foreign exchange portfolio.

Since our risk management programs are generally highly effective, the potential loss in value for each risk management portfolio described below would be largely offset by changes in the value of the underlying exposure.

Commodity Price Risk

Energy costs are diversified among coal, electricity and natural gas. We attempt to mitigate our exposure to increasing energy costs by hedging the cost of future deliveries of natural gas and by entering into fixed-price contracts for the purchase of coal and fuel oil. To analyze the effect of changing energy prices, we have performed a sensitivity analysis in which we assume an instantaneous 10 percent change in energy market prices from their levels at December 31, 2017 and 2016, with all other variables (including interest rates) held constant.

		Hedged energy exposure vs. Energy market pricing	
(in Millions)	**Net Asset / (Liability) Position on Consolidated Balance Sheets**	**Net Asset / (Liability) Position with 10% Increase**	**Net Asset / (Liability) Position with 10% Decrease**
Net asset/(liability) position at December 31, 2017	$—	$—	$—
Net asset/(liability) position at December 31, 2016	$2.0	$3.3	$0.8

Foreign Currency Exchange Rate Risk

The primary currencies for which we have exchange rate exposure are the U.S. dollar versus the euro, the Chinese yuan, the Brazilian real and the Argentine peso. Foreign currency debt and foreign exchange forward contracts are used in countries where we do business, thereby reducing our net asset exposure. Foreign exchange forward contracts are also used to hedge firm and highly anticipated foreign currency cash flows.

To analyze the effects of changing foreign currency rates, we have performed a sensitivity analysis in which we assume an instantaneous 10 percent change in the foreign currency exchange rates from their levels at December 31, 2017 and 2016, with all other variables (including interest rates) held constant.

		Hedged Currency vs. Functional Currency	
(in Millions)	**Net Asset / (Liability) Position on Consolidated Balance Sheets**	**Net Asset / (Liability) Position with 10% Strengthening**	**Net Asset / (Liability) Position with 10% Weakening**
Net asset/(liability) position at December 31, 2017	$4.4	$10.8	$(3.2)
Net asset/(liability) position at December 31, 2016	$(4.5)	$31.9	$(39.0)

Interest Rate Risk

One of the strategies that we can use to manage interest rate exposure is to enter into interest rate swap agreements. In these agreements, we agree to exchange, at specified intervals, the difference between fixed and variable interest amounts calculated on an agreed-upon notional principal amount. As of December 31, 2017 and 2016, we had no interest rate swap agreements.

Our debt portfolio at December 31, 2017 is composed of 38 percent fixed-rate debt and 62 percent variable-rate debt. The variable-rate component of our debt portfolio principally consists of borrowings under our 2014 and 2017 Term Loan Facilities, commercial paper program, Credit Facility, variable-rate industrial and pollution control revenue bonds, and amounts outstanding under foreign subsidiary credit lines. Changes in interest rates affect different portions of our variable-rate debt portfolio in different ways.

Based on the variable-rate debt in our debt portfolio at December 31, 2017, a one percentage point increase in interest rates would have increased gross interest expense by $19.7 million and a one percentage point decrease in interest rates would have decreased gross interest expense by $19.7 million for the year ended December 31, 2017.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

FMC CORPORATION

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

	Year Ended December 31,		
(in Millions, Except Per Share Data)	**2017**	**2016**	**2015**
Revenue	$ 2,878.6	$ 2,538.9	$ 2,491.0
Costs and Expenses			
Costs of sales and services	$ 1,777.3	$ 1,607.7	$ 1,690.6
Gross Margin	$ 1,101.3	$ 931.2	$ 800.4
Selling, general and administrative expenses	$ 618.6	$ 458.5	$ 660.7
Research and development expenses	141.5	134.5	135.9
Restructuring and other charges (income)	81.4	95.0	150.3
Total costs and expenses	2,618.8	2,295.7	2,637.5
Income (loss) from continuing operations before equity in (earnings) loss of affiliates, interest income and expense and income taxes	$ 259.8	$ 243.2	$ (146.5)
Equity in (earnings) loss of affiliates	(0.1)	(0.5)	—
Interest income	(0.9)	(0.6)	(1.3)
Interest expense	80.0	63.5	62.2
Income (loss) from continuing operations before income taxes	$ 180.8	$ 180.8	$ (207.4)
Provision for income taxes	264.1	50.1	5.2
Income (loss) from continuing operations	$ (83.3)	$ 130.7	$ (212.6)
Discontinued operations, net of income taxes	621.7	81.0	711.1
Net income	$ 538.4	$ 211.7	$ 498.5
Less: Net income attributable to noncontrolling interests	2.6	2.6	9.5
Net income attributable to FMC stockholders	**$ 535.8**	**$ 209.1**	**$ 489.0**
Amounts attributable to FMC stockholders:			
Continuing operations, net of income taxes	$ (85.9)	$ 128.4	$ (222.0)
Discontinued operations, net of income taxes	621.7	80.7	711.0
Net income attributable to FMC stockholders	**$ 535.8**	**$ 209.1**	**$ 489.0**
Basic earnings (loss) per common share attributable to FMC stockholders:			
Continuing operations	$ (0.64)	$ 0.96	$ (1.66)
Discontinued operations	4.63	0.60	5.32
Net income attributable to FMC stockholders	**$ 3.99**	**$ 1.56**	**$ 3.66**
Diluted earnings (loss) per common share attributable to FMC stockholders:			
Continuing operations	$ (0.64)	$ 0.96	$ (1.66)
Discontinued operations	4.63	0.60	5.32
Net income attributable to FMC stockholders	**$ 3.99**	**$ 1.56**	**$ 3.66**

The accompanying notes are an integral part of these consolidated financial statements.

FMC CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Year Ended December 31,		
(in Millions)	**2017**	**2016**	**2015**
Net Income	$ 538.4	$ 211.7	$ 498.5
Other comprehensive income (loss), net of tax:			
Foreign currency adjustments:			
Foreign currency translation gain (loss) arising during the period	$ 172.7	$ (48.7)	$ (97.3)
Reclassification of foreign currency translations losses	13.9	—	—
Total foreign currency translation adjustments (1)	$ 186.6	$ (48.7)	$ (97.3)
Derivative instruments:			
Unrealized hedging gains (losses) and other, net of tax of $0.5, ($0.2) and $0.4	$ (1.2)	$ 7.3	$ 0.7
Reclassification of deferred hedging (gains) losses and other, included in net income, net of tax of ($0.1), $3.3 and ($2.7)	(0.7)	6.0	(3.0)
Total derivative instruments, net of tax of $0.4, $3.1 and ($2.3)	$ (1.9)	$ 13.3	$ (2.3)
Pension and other postretirement benefits:			
Unrealized actuarial gains (losses) and prior service (costs) credits, net of tax of $1.9, ($7.7) and ($16.1) (2)	$ 0.6	$ (26.9)	$ (26.4)
Reclassification of net actuarial and other (gain) loss, amortization of prior service costs and settlement charges, included in net income, net of tax of $14.5, $20.6 and $23.2 (3)	51.6	39.2	44.1
Total pension and other postretirement benefits, net of tax of $16.4, $12.9 and $7.1	$ 52.2	$ 12.3	$ 17.7
Other comprehensive income (loss), net of tax	$ 236.9	$ (23.1)	$ (81.9)
Comprehensive income	$ 775.3	$ 188.6	$ 416.6
Less: Comprehensive income attributable to the noncontrolling interest	1.4	0.6	9.1
Comprehensive income attributable to FMC stockholders	**$ 773.9**	**$ 188.0**	**$ 407.5**

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(1) Income taxes are not provided on the equity in undistributed earnings of our foreign subsidiaries or affiliates since it is our intention that such earnings will remain invested in those affiliates indefinitely. The amount for 2017 includes reclassification to net income due to the divestiture of our FMC Health and Nutrition segment which includes the portion of FMC Health and Nutrition sold to DuPont and the Omega-3 business sold to Pelagia AS. See Note 9 for more information. In accordance with accounting guidance, this amount was previously factored into the lower of cost or fair value test associated with the 2017 Omega-3 asset held for sale write-down charges.

(2) At December 31 of each year, we remeasure our pension and postretirement plan obligations at which time we record any actuarial gains (losses) and prior service (costs) credits to other comprehensive income. During the year ended December 31, 2017, due to the announced plans to divest of FMC Health and Nutrition business, we triggered a curtailment of our U.S. pension plans. As a result, we revalued our pension plans as of March 31, 2017 in addition to the normal December 31st remeasurement, which resulted in adjustments to comprehensive income. See Note 13 for more information.

(3) For more detail on the components of these reclassifications and the affected line item in the consolidated statements of income (loss) see Note 15 within these consolidated financial statements.

The accompanying notes are an integral part of these consolidated financial statements.

FMC CORPORATION

CONSOLIDATED BALANCE SHEETS

(in Millions, Except Share and Par Value Data)	December 31, 2017	December 31, 2016
ASSETS		
Current assets		
Cash and cash equivalents	$ 283.0	$ 64.2
Trade receivables, net of allowance of $38.7 in 2017 and $17.6 in 2016	2,043.5	1,692.5
Inventories	992.5	478.9
Prepaid and other current assets	326.4	232.1
Current assets of discontinued operations held for sale	7.3	381.5
Total current assets	$ 3,652.7	$ 2,849.2
Investments	1.4	1.0
Property, plant and equipment, net	1,025.2	538.1
Goodwill	1,198.9	498.7
Other intangibles, net	2,631.8	719.9
Other assets including long-term receivables, net	443.6	454.7
Deferred income taxes	252.7	242.1
Noncurrent assets of discontinued operations held for sale	—	835.6
Total assets	**$ 9,206.3**	**$ 6,139.3**
LIABILITIES AND EQUITY		
Current liabilities		
Short-term debt and current portion of long-term debt	$ 192.6	$ 94.2
Accounts payable, trade and other	714.2	317.4
Advance payments from customers	380.6	239.8
Accrued and other liabilities	497.7	358.5
Accrued customer rebates	266.6	246.7
Guarantees of vendor financing	51.5	104.5
Accrued pension and other postretirement benefits, current	5.7	7.1
Income taxes	99.2	11.0
Current liabilities of discontinued operations held for sale	1.3	59.0
Total current liabilities	$ 2,209.4	$ 1,438.2
Long-term debt, less current portion	2,993.0	1,798.8
Accrued pension and other postretirement benefits, long-term	59.3	137.3
Environmental liabilities, continuing and discontinued	346.2	306.4
Deferred income taxes	173.2	130.4
Noncurrent liabilities of discontinued operations held for sale	—	67.7
Other long-term liabilities	718.1	267.5
Commitments and contingent liabilities (Note 18)		
Equity		
Preferred stock, no par value, authorized 5,000,000 shares; no shares issued in 2017 or 2016	$ —	$ —
Common stock, $0.10 par value, authorized 260,000,000 shares in 2017 and 2016; 185,983,792 shares issued in 2017 and 2016	18.6	18.6
Capital in excess of par value of common stock	450.7	418.6
Retained earnings	3,952.4	3,505.5
Accumulated other comprehensive income (loss)	(240.3)	(478.4)
Treasury stock, common, at cost - 2017: 51,653,236 shares, 2016: 52,293,686 shares	(1,499.6)	(1,506.6)
Total FMC stockholders' equity	$ 2,681.8	$ 1,957.7
Noncontrolling interests	25.3	35.3
Total equity	**$ 2,707.1**	**$ 1,993.0**
Total liabilities and equity	**$ 9,206.3**	**$ 6,139.3**

The accompanying notes are an integral part of these consolidated financial statements.

FMC CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in Millions)	Year Ended December 31, 2017	2016	2015
Cash provided (required) by operating activities of continuing operations:			
Net income	$ 538.4	$ 211.7	$ 498.5
Discontinued operations	(621.7)	(81.0)	(711.1)
Income (loss) from continuing operations	$ (83.3)	$ 130.7	$ (212.6)
Adjustments from income from continuing operations to cash provided (required) by operating activities of continuing operations:			
Depreciation and amortization	$ 113.0	$ 100.6	$ 76.8
Equity in (earnings) loss of affiliates	(0.1)	(0.5)	—
Restructuring and other charges (income)	81.4	95.0	150.3
Deferred income taxes	104.2	53.3	18.2
Pension and other postretirement benefits	25.9	32.5	42.5
Share-based compensation	21.1	20.2	15.4
Excess tax benefits from share-based compensation	—	(0.4)	(1.4)
Changes in operating assets and liabilities, net of effect of acquisitions and divestitures:			
Trade receivables, net	$ (262.4)	$ 11.8	$ 140.6
Guarantees of vendor financing	(54.7)	55.0	11.5
Inventories	(96.8)	79.0	27.8
Accounts payable, trade and other	331.7	(29.7)	(294.4)
Advance payments from customers	140.5	(10.0)	60.6
Accrued customer rebates	16.9	(5.2)	9.5
Income taxes (1)	122.1	(31.9)	(265.3)
Pension and other postretirement benefit contributions	(56.5)	(65.8)	(75.4)
Environmental spending, continuing, net of recoveries	(20.5)	(28.1)	(32.2)
Restructuring and other spending	(8.2)	(18.0)	(24.7)
Acquisition-related charges (2)	(78.9)	(23.4)	(264.8)
Change in other operating assets and liabilities, net (3)	19.1	3.8	146.4
Cash provided (required) by operating activities of continuing operations	$ 314.5	$ 368.9	$ (471.2)
Cash provided (required) by operating activities of discontinued operations:			
Environmental spending, discontinued, net of recoveries	$ (32.3)	$ (21.8)	$ (17.9)
Operating activities of discontinued operations, net of divestiture costs	86.1	176.3	166.0
Other discontinued spending	(32.8)	(25.6)	(35.0)
Cash provided (required) by operating activities of discontinued operations	$ 21.0	$ 128.9	$ 113.1

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(1) The twelve months ended December 31, 2015 includes approximately $340.3 million in income tax payments principally driven by the sale of our Alkali Chemicals business. See Note 9 for more details.

(2) Total cash payments during the year ended December 31, 2015 associated with the Cheminova acquisition hedges were $264.8 million, which includes $165.2 million that were accrued and paid within the period.

(3) Changes in all periods represent timing of payments associated with all other operating assets and liabilities.

The accompanying notes are an integral part of these consolidated financial statements.

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FMC CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

	Year Ended December 31,		
(in Millions)	**2017**	**2016**	**2015**
Cash provided (required) by investing activities of continuing operations:			
Capital expenditures	$ (85.7)	$ (91.2)	$ (53.4)
Proceeds from disposal of property, plant and equipment	2.2	1.9	1.9
Acquisitions, net [3]	(1,225.6)	—	(1,205.1)
Proceeds from sale of investments	—	—	66.4
Other investing activities	(40.4)	(11.5)	(40.2)
Cash provided (required) by investing activities of continuing operations	$ (1,349.5)	$ (100.8)	$ (1,230.4)
Cash provided (required) by investing activities of discontinued operations:			
Proceeds from divestiture	$ 38.0	$ —	$ 1,649.8
Other discontinued investing activities	(22.3)	(34.4)	(70.7)
Cash provided (required) by investing activities of discontinued operations	$ 15.7	$ (34.4)	$ 1,579.1
Cash provided (required) by financing activities of continuing operations:			
Increase (decrease) in short-term debt	$ (3.1)	$ (19.4)	$ (547.3)
Proceeds from borrowing of long-term debt	1,598.9	2.8	1,650.0
Financing fees	(11.0)	(0.7)	—
Repayments of long-term debt	(302.3)	(242.6)	(1,036.6)
Acquisitions of noncontrolling interests	—	(20.0)	—
Transactions with noncontrolling interests	(0.5)	—	—
Dividends paid [4]	(88.8)	(88.6)	(86.4)
Issuances of common stock, net	22.5	4.1	5.9
Excess tax benefits from share-based compensation	—	0.4	1.4
Repurchases of common stock under publicly announced program	—	(11.2)	—
Other repurchases of common stock	(2.6)	(1.8)	(3.7)
Cash provided (required) by financing activities	$ 1,213.1	$ (377.0)	$ (16.7)
Effect of exchange rate changes on cash and cash equivalents	4.0	—	(4.8)
Increase (decrease) in cash and cash equivalents	$ 218.8	$ (14.4)	$ (30.9)
Cash and cash equivalents, beginning of period	64.2	78.6	109.5
Cash and cash equivalents, end of period	**$ 283.0**	**$ 64.2**	**$ 78.6**

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(3) Represents the cash portion of the total purchase consideration paid for the DuPont Crop Protection Business Acquisition. See Note 3 for more information on the non-cash consideration transferred to DuPont.

(4) See Note 15 regarding quarterly cash dividend.

Cash paid for interest, net of capitalized interest was $98.8 million, $81.6 million and $74.7 million, and income taxes paid, net of refunds was $33.3 million, $62.8 million and $340.3 million in December 31, 2017, 2016 and 2015, respectively. Net interest payments of $16.6 million, $19.6 million, and $17.9 million and tax payments, net of refunds of $8.3 million, $12.6 million, and $9.2 million were allocated to discontinued operations for the year ended December 31, 2017, 2016 and 2015, respectively. Accrued additions to property, plant and equipment at December 31, 2017, 2016 and 2015 were $11.6 million, $3.4 million and $19.4 million respectively.

The accompanying notes are an integral part of these consolidated financial statements.

FMC CORPORATION

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	FMC Stockholders'						
(in Millions, Except Per Share Data)	Common Stock, $0.10 Par Value	Capital In Excess of Par	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Non-controlling Interest	Total Equity
Balance December 31, 2014	**$ 18.6**	**$ 401.9**	**$ 2,984.5**	**$ (375.8)**	**$ (1,498.7)**	**$ 33.5**	**$ 1,564.0**
Net income			489.0			9.5	498.5
Stock compensation plans		14.4			6.3		20.7
Excess tax benefits from share-based compensation		1.4					1.4
Shares for benefit plan trust					(2.2)		(2.2)
Net pension and other benefit actuarial gains/(losses) and prior service costs, net of income tax				17.7			17.7
Net hedging gains (losses) and other, net of income tax				(2.3)			(2.3)
Foreign currency translation adjustments				(96.9)		(0.4)	(97.3)
Dividends ($0.66 per share)			(88.5)				(88.5)
Repurchases of common stock					(3.7)		(3.7)
Balance December 31, 2015	**$ 18.6**	**$ 417.7**	**$ 3,385.0**	**$ (457.3)**	**$ (1,498.3)**	**$ 42.6**	**$ 1,908.3**
Net income			209.1			2.6	211.7
Stock compensation plans		19.9			4.3		24.2
Excess tax benefits from share-based compensation		(0.4)					(0.4)
Shares for benefit plan trust					0.4		0.4
Net pension and other benefit actuarial gains/(losses) and prior service costs, net of income tax				12.3			12.3
Net hedging gains (losses) and other, net of income tax				13.3			13.3
Foreign currency translation adjustments				(46.7)		(2.0)	(48.7)
Dividends ($0.66 per share)			(88.6)				(88.6)
Repurchases of common stock					(13.0)		(13.0)
Transactions with noncontrolling interests (1)		(18.6)				(7.9)	(26.5)
Balance December 31, 2016	**$ 18.6**	**$ 418.6**	**$ 3,505.5**	**$ (478.4)**	**$ (1,506.6)**	**$ 35.3**	**$ 1,993.0**
Net income			535.8			2.6	538.4
Stock compensation plans		33.0			9.6		42.6
Shares for benefit plan trust					(0.2)		(0.2)
Net pension and other benefit actuarial gains/(losses) and prior service costs, net of income tax				52.2			52.2
Net hedging gains (losses) and other, net of income tax				(1.9)			(1.9)
Foreign currency translation adjustments				187.8		(1.2)	186.6
Dividends ($0.66 per share)			(88.9)				(88.9)
Repurchases of common stock					(2.4)		(2.4)
Noncontrolling interests associated with an acquisition (1)						12.7	12.7
Transactions with noncontrolling interests (1)		(0.9)				(24.1)	(25.0)
Balance December 31, 2017	**$ 18.6**	**$ 450.7**	**$ 3,952.4**	**$ (240.3)**	**$ (1,499.6)**	**$ 25.3**	**$ 2,707.1**

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(1) See Notes 3 and 15 for more detail on the acquisitions of noncontrolling interest and transactions with noncontrolling interest, respectively.

The accompanying notes are an integral part of these consolidated financial statements.

FMC CORPORATION

Notes to Consolidated Financial Statements

Note 1: Principal Accounting Policies and Related Financial Information

Nature of operations. We are a diversified chemical company serving agricultural, consumer and industrial markets globally with innovative solutions, applications and market-leading products. We operate in two distinct business segments: FMC Agricultural Solutions and FMC Lithium. 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 pest control in non-agricultural markets. Our FMC Lithium segment manufactures lithium for use in a wide range of lithium products, which are used primarily in energy storage, specialty polymer and chemical synthesis application.

Basis of consolidation and basis of presentation. The accompanying consolidated financial statements of FMC Corporation and its subsidiaries were prepared in accordance with accounting principles generally accepted in the United States of America. Our consolidated financial statements include the accounts of FMC and all entities that we directly or indirectly control. All significant intercompany accounts and transactions are eliminated in consolidation.

In March 2017, our FMC Health and Nutrition segment was classified as a discontinued operation. For more information on our discontinued operations see Note 9. We have recast all the data within this filing to present FMC Health and Nutrition as a discontinued operation retrospectively for all periods presented including held for sale balance sheet treatment.

Estimates and assumptions. In preparing the financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) we are required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results are likely to differ from those estimates, but we do not believe such differences will materially affect our financial position, results of operations or cash flows.

Cash equivalents. We consider investments in all liquid debt instruments with original maturities of 3 months or less to be cash equivalents.

Trade receivables, net of allowance. Trade receivables consist of amounts owed to us from customer sales and are recorded when revenue is recognized. The allowance for trade receivables represents our best estimate of the probable losses associated with potential customer defaults. In developing our allowance for trade receivables, we use a two stage process which includes calculating a general formula to develop an allowance to appropriately address the uncertainty surrounding collection risk of our entire portfolio and specific allowances for customers where the risk of collection has been reasonably identified either due to liquidity constraints or disputes over contractual terms and conditions.

Our method of calculating the general formula consists of estimating the recoverability of trade receivables based on historical experience, current collection trends, and external business factors such as economic factors, including regional bankruptcy rates, and political factors. Our analysis of trade receivable collection risk is performed quarterly, and the allowance is adjusted accordingly. The allowance for trade receivable was $38.7 million and $17.6 million as of December 31, 2017 and 2016, respectively. The allowance for long-term receivables was $47.1 million and $49.1 million at December 31, 2017 and 2016. The provision to the allowance for receivables charged against operations was $22.1 million, $21.9 million and $5.9 million for the years ended December 31, 2017, 2016 and 2015, respectively. See Note 8 for more information.

Investments. Investments in companies in which our ownership interest is 50 percent or less and in which we exercise significant influence over operating and financial policies are accounted for using the equity method. Under the equity method, original investments are recorded at cost and adjusted by our share of undistributed earnings and losses of these investments. Majority owned investments in which our control is restricted are also accounted for using the equity method. All other investments are carried at their fair values or at cost, as appropriate. We are party to several joint venture investments throughout the world, which individually and in the aggregate are not significant to our financial results.

Inventories. Inventories are stated at the lower of cost or market value. Inventory costs include those costs directly attributable to products before sale, including all manufacturing overhead but excluding distribution costs. All domestic inventories, excluding materials and supplies, are determined on a last-in, first-out (“LIFO”) basis including DuPont and our remaining inventories are recorded on either a first-in, first-out (“FIFO”) basis or average cost. The method for the acquired DuPont Crop Protection Business includes LIFO and average cost. See Note 5 for more information.

Property, plant and equipment. We record property, plant and equipment, including capitalized interest, at cost. We recognize acquired property, plant and equipment, from acquisitions at its estimated fair value. Depreciation is provided principally on the straight-line basis over the estimated useful lives of the assets (land improvements — 20 years, buildings — 20 to 40 years, and machinery and equipment — three to 18 years). Gains and losses are reflected in income upon sale or retirement of assets. Expenditures that extend the useful lives of property, plant and equipment or increase productivity are capitalized. Ordinary repairs and maintenance are expensed as incurred through operating expense.

Capitalized interest. We capitalized interest costs of $3.1 million in 2017, $3.2 million in 2016 and $4.2 million in 2015. These costs were associated with the construction of certain long-lived assets and have been capitalized as part of the cost of those assets. We amortize capitalized interest over the assets' estimated useful lives.

Impairments of long-lived assets. We review the recovery of the net book value of long-lived assets whenever events and circumstances indicate that the net book value of an asset may not be recoverable from the estimated undiscounted future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the net book value, we recognize an impairment loss equal to an amount by which the net book value exceeds the fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell.

Asset retirement obligations. We record asset retirement obligations ("AROs") at fair value at the time the liability is incurred if we can reasonably estimate the settlement date. The associated AROs are capitalized as part of the carrying amount of related long-lived assets. In future periods, the liability is accreted to its present value and the capitalized cost is depreciated over the useful life of the related asset. We also adjust the liability for changes resulting from the passage of time and/or revisions to the timing or the amount of the original estimate. Upon retirement of the long-lived asset, we either settle the obligation for its recorded amount or incur a gain or loss.

In our FMC Lithium segment, we have mining operations and legal reclamation obligations related to these facilities upon closure of the mines. Also, we have obligations at the majority of our manufacturing facilities in the event of permanent plant shutdown. Certain of these obligations are recorded in our environmental reserves described in Note 10. For certain AROs not already accrued, we have calculated the fair value of these AROs and concluded that the present value of these obligations was immaterial at December 31, 2017 and 2016.

The carrying amounts for the AROs for the years ended December 31, 2017 and 2016 are $1.9 million and $1.8 million, respectively. These amounts are included in "Other long-term liabilities" on the consolidated balance sheet.

Restructuring and other charges. We continually perform strategic reviews and assess the return on our businesses. This sometimes results in a plan to restructure the operations of a business. We record an accrual for severance and other exit costs under the provisions of the relevant accounting guidance.

Additionally, as part of these restructuring plans, write-downs of long-lived assets may occur. Two types of assets are impacted: assets to be disposed of by sale and assets to be abandoned. Assets to be disposed of by sale are measured at the lower of carrying amount or estimated net proceeds from the sale. Assets to be abandoned with no remaining future service potential are written down to amounts expected to be recovered. The useful life of assets to be abandoned that have a remaining future service potential are adjusted and depreciation is recorded over the adjusted useful life.

Capitalized software. We capitalize the costs of internal use software in accordance with accounting literature which generally requires the capitalization of certain costs incurred to develop or obtain internal use software. We assess the recoverability of capitalized software costs on an ongoing basis and record write-downs to fair value as necessary. We amortize capitalized software costs over expected useful lives ranging from three to 10 years. See Note 20 for the net unamortized computer software balances.

Goodwill and intangible assets. Goodwill and other indefinite life intangible assets are not subject to amortization. Instead, they are subject to at least an annual assessment for impairment by applying a fair value-based test.

We test goodwill and indefinite life intangibles for impairment annually using the criteria prescribed by U.S. GAAP accounting guidance for goodwill and other intangible assets. Based upon our annual impairment assessments conducted in 2017 and 2016, we did not record any goodwill impairments. See Note 4 for more information on indefinite life intangibles. In 2017, we recorded a $42.1 million impairment charge to write down certain indefinite-lived intangible assets of the acquired DuPont Crop Protection Business as a result of the Act passed in the fourth quarter of 2017. See Note 11 for more details. In 2015, we recorded indefinite-lived intangible impairments of $9.3 million. These amounts were associated with Cheminova integration and restructuring activities within FMC Agricultural Solutions. These items are discussed further in Note 7.

Finite-lived intangible assets consist primarily of patents, access rights, customer relationships, brands, registration rights, industry licenses, developed formulations and other intangibles and are being amortized over periods of three to 50 years. See Note 4 for additional information on goodwill and intangible assets and Notes 4 and 7 for additional information on the indefinite life intangible impairments.

Revenue recognition. We recognize revenue when the earnings process is complete, which is generally upon transfer of title. This transfer typically occurs either upon shipment to the customer or upon receipt by the customer. In all cases, we apply the following criteria in recognizing revenue: persuasive evidence of an arrangement exists, delivery has occurred, the selling price is fixed or determinable and collection is reasonably assured. Rebates due to customers are accrued as a reduction of revenue in the same period that the related sales are recorded based on the contract terms.

We periodically enter into prepayment arrangements with customers, primarily in our FMC Agricultural Solutions segment, and receive advance payments for product to be delivered in future periods. These advance payments are recorded as deferred revenue and classified as “Advance payments from customers” on the consolidated balance sheet. Revenue associated with advance payments is recognized as shipments are made and title, ownership and risk of loss pass to the customer.

We record amounts billed for shipping and handling fees as revenue. Costs incurred for shipping and handling are recorded as costs of sales and services. Amounts billed for sales and use taxes, value-added taxes, and certain excise and other specific transactional taxes imposed on revenue-producing transactions are presented on a net basis and excluded from sales in the consolidated income statements. We record a liability until remitted to the respective taxing authority.

Research and Development. Research and development costs are expensed as incurred. In-process research and development acquired as part of asset acquisitions, which include license and development agreements, are expensed as incurred and included as a component of “Restructuring and other charges (income)" on the consolidated statements of income (loss).

Income and other taxes. We provide current income taxes on income reported for financial statement purposes adjusted for transactions that do not enter into the computation of income taxes payable and recognize deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities. We do not provide income taxes on the equity in undistributed earnings of consolidated foreign subsidiaries as it is our intention that such earnings will remain invested in those companies.

Foreign currency. We translate the assets and liabilities of our foreign operations at exchange rates in effect at the balance sheet date. For foreign operations for which the functional currency is not the U.S. dollar we record translation gains and losses as a component of accumulated other comprehensive income in equity. The foreign operations' income statements are translated at the monthly exchange rates for the period.

We record remeasurement gains and losses on monetary assets and liabilities, such as accounts receivables and payables, which are not in the functional currency of the operation. These remeasurement gains and losses are recorded in income as they occur. We generally enter into foreign currency contracts to mitigate the financial risk associated with these transactions. See “Derivative financial instruments” below and Note 17.

Derivative financial instruments. We mitigate certain financial exposures, including currency risk, interest rate risk and commodity price exposures, through a controlled program of risk management that includes the use of derivative financial instruments. We enter into foreign exchange contracts, including forward and purchased option contracts, to reduce the effects of fluctuating foreign currency exchange rates.

We recognize all derivatives on the balance sheet at fair value. On the date the derivative instrument is entered into, we generally designate the derivative as either a hedge of the variability of cash flows to be received or paid related to a forecasted transaction (cash flow hedge) or a hedge of the fair value of a recognized asset or liability or of an unrecognized firm commitment (fair value hedge). We record in accumulated other comprehensive income or loss changes in the fair value of derivatives that are designated as, and meet all the required criteria for, a cash flow hedge. We then reclassify these amounts into earnings as the underlying hedged item affects earnings. We record immediately in earnings changes in the fair value of derivatives that are not designated as cash flow hedges.

We formally document all relationships between hedging instruments and hedged items, as well as the risk management objective and strategy for undertaking various hedge transactions. This process includes relating derivatives that are designated as fair value or cash flow hedges to specific assets and liabilities on the balance sheet or to specific firm commitments or forecasted transactions. We also formally assess, both at the inception of the hedge and throughout its term, whether each derivative is highly effective in offsetting changes in fair value or cash flows of the hedged item. If we determine that a derivative is not highly effective as a hedge, or if a derivative ceases to be a highly effective hedge, we discontinue hedge accounting with respect to that derivative prospectively.

Treasury stock. We record shares of common stock repurchased at cost as treasury stock, resulting in a reduction of stockholders' equity in the consolidated balance sheets. When the treasury shares are contributed under our employee benefit plans or issued for option exercises, we use a FIFO method for determining cost. The difference between the cost of the shares and the market price at the time of contribution to an employee benefit plan is added to or deducted from the related capital in excess of par value of common stock.

Segment information. We determined our reportable segments based on our strategic business units, the commonalities among the products and services within each segment and the manner in which we review and evaluate operating performance.

We have identified FMC Agricultural Solutions and FMC Lithium as our reportable segments. Segment disclosures are included in Note 19. 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 and research and development expenses). 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), investment gains and losses, loss on extinguishment of debt, asset impairments, LIFO inventory adjustments, acquisition related costs, non-operating pension and postretirement charges, and other income and expense items. Information about how restructuring and other charges (income) relate to our businesses at the segment level is discussed in Note 7.

Segment assets and liabilities are those assets and liabilities that are recorded and reported by segment operations. Segment operating capital employed represents segment assets less segment liabilities. Segment assets exclude corporate and other assets, which are principally cash equivalents, the LIFO reserve on inventory, deferred income taxes, eliminations of intercompany receivables and property and equipment not attributable to a specific segment, such as capitalized interest. Segment liabilities exclude substantially all debt, income taxes, pension and other postretirement benefit liabilities, environmental reserves and related recoveries, restructuring reserves, fair value of currency contracts, intercompany eliminations, and reserves for discontinued operations.

Geographic segment revenue is based on the location of our customers. Geographic segment long-lived assets include investments, net property, plant and equipment, and other non-current assets. Geographic segment data is included in Note 19.

Stock compensation plans. We recognize compensation expense in the financial statements for all share options and other equity-based arrangements. Share-based compensation cost is measured at the date of grant, based on the fair value of the award, and is recognized over the employee's requisite service period. See Note 14 for further discussion on our share-based compensation.

Environmental obligations. We provide for environmental-related obligations when they are probable and amounts can be reasonably estimated. Where the available information is sufficient to estimate the amount of liability, that estimate has been used. Where the information is only sufficient to establish a range of probable liability and no point within the range is more likely than any other, the lower end of the range has been used.

Estimated obligations to remediate sites that involve oversight by the United States Environmental Protection Agency ("EPA"), or similar government agencies, are generally accrued no later than when a Record of Decision ("ROD"), or equivalent, is issued, or upon completion of a Remedial Investigation/Feasibility Study ("RI/FS"), or equivalent, that is submitted by us and the appropriate government agency or agencies. Estimates are reviewed quarterly and, if necessary, adjusted as additional information becomes available. The estimates can change substantially as additional information becomes available regarding the nature or extent of site contamination, required remediation methods, and other actions by or against governmental agencies or private parties.

Our environmental liabilities for continuing and discontinued operations are principally for costs associated with the remediation and/or study of sites at which we are alleged to have released hazardous substances into the environment. Such costs principally include, among other items, RI/FS, site remediation, costs of operation and maintenance of the remediation plan, management costs, fees to outside law firms and consultants for work related to the environmental effort, and future monitoring costs. Estimated site liabilities are determined based upon existing remediation laws and technologies, specific site consultants' engineering studies or by extrapolating experience with environmental issues at comparable sites.

Included in our environmental liabilities are costs for the operation, maintenance and monitoring of site remediation plans ("OM&M"). Such reserves are based on our best estimates for these OM&M plans. Over time we may incur OM&M costs in excess of these reserves. However, we are unable to reasonably estimate an amount in excess of our recorded reserves because we cannot reasonably estimate the period for which such OM&M plans will need to be in place or the future annual cost of such remediation, as conditions at these environmental sites change over time. Such additional OM&M costs could be significant in total but would be incurred over an extended period of years.

Included in the environmental reserve balance, other assets balance and disclosure of reasonably possible loss contingencies are amounts from third party insurance policies which we believe are probable of recovery.

Provisions for environmental costs are reflected in income, net of probable and estimable recoveries from named Potentially Responsible Parties ("PRPs") or other third parties. Such provisions incorporate inflation and are not discounted to their present values.

In calculating and evaluating the adequacy of our environmental reserves, we have taken into account the joint and several liability imposed by Comprehensive Environmental Remediation, Compensation and Liability Act ("CERCLA") and the analogous state laws on all PRPs and have considered the identity and financial condition of the other PRPs at each site to the extent possible. We have also considered the identity and financial condition of other third parties from whom recovery is anticipated, as well as the status of our claims against such parties. Although we are unable to forecast the ultimate contributions of PRPs and other third parties with absolute certainty, the degree of uncertainty with respect to each party is taken into account when determining the environmental reserve on a site-by-site basis. Our liability includes our best estimate of the costs expected to be paid before the consideration of any potential recoveries from third parties. We believe that any recorded recoveries related to PRPs are realizable in all material respects. Recoveries are recorded as either an offset in "Environmental liabilities, continuing and discontinued" or as "Other assets" in our consolidated balance sheets in accordance with U.S. accounting literature.

Pension and other postretirement benefits. We provide qualified and nonqualified defined benefit and defined contribution pension plans, as well as postretirement health care and life insurance benefit plans to our employees and retirees. The costs (or benefits) and obligations related to these benefits reflect key assumptions related to general economic conditions, including interest (discount) rates, healthcare cost trend rates, expected rates of return on plan assets and the rates of compensation increase for employees. The costs (or benefits) and obligations for these benefit programs are also affected by other assumptions, such as average retirement age, mortality, employee turnover, and plan participation. To the extent our plans' actual experience, as influenced by changing economic and financial market conditions or by changes to our own plans' demographics, differs from these assumptions, the costs and obligations for providing these benefits, as well as the plans' funding requirements, could increase or decrease. When actual results differ from our assumptions, the difference is typically recognized over future periods. In addition, the unrealized gains and losses related to our pension and postretirement benefit obligations may also affect periodic benefit costs (or benefits) in future periods. See Note 13 for additional information relating to pension and other postretirement benefits.

Note 2: Recently Issued and Adopted Accounting Pronouncements and Regulatory Items

New Accounting guidance and regulatory items

In February 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-02, *Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*. This new standard permits a company to reclassify the income tax effects of the change in the U.S federal corporate income tax rate on the gross deferred tax amounts and related valuation allowances as well as other income tax effects related to the application of the Act within Accumulated other comprehensive income ("AOCI") to retained earnings. There are also new required disclosures such as a description of the accounting policy for releasing income tax effects from AOCI as well as certain disclosures in the period of adoption if a company elects to reclassify the income tax effects. The new standard is effective for fiscal years beginning after December 15, 2018 (i.e. a January 1, 2019 effective date), and interim periods within those fiscal years, with early adoption permitted. We are evaluating the effect the guidance will have on our consolidated financial statements.

In August 2017, the FASB issued ASU No. 2017-12, *Derivatives and Hedging (Topic 815)*. This ASU amends and simplifies existing hedge accounting guidance and allows for more hedging strategies to be eligible for hedge accounting. In addition, the ASU amends disclosure requirements and how hedge effectiveness is assessed. The new standard is effective for fiscal years beginning after December 15, 2018 (i.e. a January 1, 2019 effective date), with early adoption permitted in any interim period after issuance of this ASU. We are evaluating the effect the guidance will have on our consolidated financial statements.

In May 2017, the FASB issued ASU No. 2017-09, *Stock Compensation - Scope of Modification Accounting*. This ASU provides guidance on which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting in Topic 718. The new standard is effective for fiscal years beginning after December 15, 2017 (i.e. a January 1, 2018 effective date). We believe the adoption will not have a material impact on our consolidated financial statements.

In March 2017, the FASB issued ASU No. 2017-07, *Compensation - Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. This ASU provides requirements for presentation and disclosure of service and other components of net benefit cost on the financial statements. The new standard is effective for fiscal years beginning after December 15, 2017 (i.e. a January 1, 2018 effective date). We believe the adoption will not have a material impact on our consolidated financial statements other than potential changes to the presentation of net periodic pension and postretirement benefit costs on our consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-04, *Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment* . This ASU changes the subsequent measurement of goodwill impairment by eliminating Step 2 from the impairment test. Under the new guidance, an entity will measure impairment using the difference between the carrying amount and the fair value of the reporting unit. The new standard is effective for fiscal years beginning after December 15, 2019 (i.e. a January 1, 2020 effective date), with early adoption permitted for goodwill impairment tests with measurement dates after January 1, 2017. We believe the adoption will not have a material impact on our consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-01, *Business Combinations*. This new ASU clarified the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The new standard is effective for fiscal years beginning after December 15, 2017 (i.e. a January 1, 2018 effective date) and will be applied prospectively. We will continue to assess the effects the amendments will have on future acquisitions or disposals.

In October 2016, the FASB issued ASU No. 2016-16, *Income Taxes (Topic 740), Intra-Entity Transfers of Assets Other Than Inventory* . Under the new guidance, an entity will recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. The new standard is effective for fiscal years beginning after December 15, 2018 (i.e. a January 1, 2019 effective date), with early adoption permitted only in the first quarter of a fiscal year. Based on our assessment, we believe the adoption will not have a material impact on our consolidated financial statements.

In August 2016, the FASB issued ASU No. 2016-15, *Statements of Cash Flows (Topic 230), Classification of Certain Cash Receipts and Cash Payments*. This ASU addresses eight specific cash flow issues with the goal of reducing the existing diversity in practice in how certain cash receipts and cash payments are both presented and classified in the statement of cash flows. The new standard is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years (i.e. a January 1, 2018 effective date). We have reviewed the eight cash flow issues and do not believe there will be any significant changes to FMC and our presentation of certain cash receipts and payments within the consolidated cash flow statement upon adoption.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments" (*"ASU 2016-13"*)*. ASU 2016-13 replaces the incurred loss impairment methodology with a methodology that reflects expected credit losses. The update is intended to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. The new standard is effective for fiscal years beginning after December 15, 2019 (i.e. a January 1, 2020 effective date), with early adoption permitted for fiscal years beginning after December 15, 2018. We are evaluating the effect the guidance will have on our consolidated financial statements.

In February 2016, the FASB issued its new lease accounting guidance in ASU No. 2016-02, *Leases (Topic 842)*. Under the new guidance, lessees will be required to recognize for all leases (with the exception of short-term leases) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The new standard is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years (i.e. a January 1, 2019 effective date). While we are still evaluating the definitive impacts this ASU will have on our consolidated financial statements, we have performed an initial impact assessment by surveying the lease population. At a minimum, total assets and total liabilities will likely increase in the period of adoption.

In January 2016, the FASB issued ASU No. 2016-01, *Financial Instruments – Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, which amends the guidance in U.S. GAAP on the classification and measurement of financial instruments. Changes to the current guidance primarily affect the accounting for equity investments, financial liabilities under the fair value option, and the presentation and disclosure requirements for financial instruments. The new standard is effective for fiscal years and interim periods beginning after December 15, 2017 (i.e. a January 1, 2018 effective date), and upon adoption, an entity should apply the amendments by means of a cumulative-effect adjustment to the balance sheet at the beginning of the first reporting period in which the guidance is effective. Early adoption is not permitted except for the provision to record fair value changes for financial liabilities under the fair value option resulting from instrument-specific credit risk in other comprehensive income. Based on an initial assessment, we believe the adoption will not have a material impact on our consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. This guidance will replace most existing revenue recognition guidance in U.S. GAAP. We will be adopting this standard as of January 1, 2018 using the modified retrospective adoption method. While we are still finalizing the effect that ASU 2014-09 will have on our consolidated financial statements and related disclosures, we have performed an impact assessment by analyzing certain existing material revenue transactions and arrangements that are representative of our business segments and their revenue streams. Additionally, we have assessed any potential impacts on our internal controls and processes related to both the implementation and ongoing compliance of the new guidance. Based on the assessment performed to date, we do not expect material changes to our current policies related to the timing of revenue recognition and the accounting for costs; however, we will be finalizing our assessment in advance of the filing of our first quarter 2018 Form 10-Q. The standard will impact our disclosures including disclosures presenting further disaggregation of revenue. We are in the process of developing our new footnote disclosures required under the new standard. As a result of the evaluations performed to date, we do not expect a material cumulative catchup effect to our retained earnings; however, we do expect balance sheet adjustments related to the presentation of sales returns liabilities and corresponding refund assets. Due to the transaction with E. I. du Pont de Nemours and Company, we are performing further impact assessments of this standard related to the acquired business and continue to finalize any potential impacts.

Recently adopted accounting guidance

In March 2016, the FASB issued ASU No. 2016-09, *Compensation - Stock Compensation (Topic 718)* ("ASU 2016-09"). ASU 2016-09 identifies areas for simplification involving several aspects of accounting for share-based payment transactions, including the income tax consequences, classification of awards as equity or liabilities, an option to recognize gross stock compensation expense with actual forfeitures recognized as they occur, as well as certain classifications on the statement of cash flows. The new standard was effective for annual reporting periods beginning after December 15, 2016, including interim periods within those years (i.e. a January 1, 2017 effective date). We adopted this standard prospectively beginning in 2017. The adoption impacted our recognition of excess tax benefit, which is recorded within "Provision for income taxes" on the consolidated statements of income (loss). Additionally, the presentation of excess tax benefit on our consolidated statements of cash flows was impacted as it is now shown within cash flows from operating activities. The excess tax benefit recognized within provision for income taxes for the year ended December 31, 2017 was approximately $2.9 million.

In July 2015, the FASB issued ASU No. 2015-11, *Simplifying the Measurement of Inventory.* This standard changes the criteria by which to measure inventory. Prior to the issuance of this new standard, inventory was measured at the lower of cost or market value. This required three separate data points in order to measure inventory. The three data points were cost, market with a ceiling of net realizable value and market with a floor of net realizable value less a normal profit margin. This amendment eliminates the two data points defining "market" and replaces them with one, net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. This amendment does not impact inventory measured using last-in, first-out. This standard was effective for annual reporting periods beginning after December 15, 2016, (i.e. a January 1, 2017 effective date). We adopted this standard beginning in 2017. The adoption did not have an impact on the consolidated financial statements.

Note 3: Acquisitions

2017 Acquisition

DuPont Crop Protection Business

On November 1, 2017, pursuant to the terms and conditions set forth in the Transaction Agreement entered into with E. I. du Pont de Nemours and Company (“DuPont"), we completed the acquisition of certain assets relating to DuPont's Crop Protection business and research and development ("R&D") organization (the "DuPont Crop Protection Business") (collectively, the "DuPont Crop Protection Business Acquisition"). In connection with this transaction, we sold to DuPont our FMC Health and Nutrition segment and paid DuPont $1.2 billion in cash which was funded with the 2017 Term Loan Facility which was secured for the purposes of the Acquisition. See Note 12 for more details. The following table illustrates each component of the consideration paid as part of the DuPont Crop Protection Business Acquisition:

(in Millions)	Amount
Cash purchase price, net	$ 1,225.6
Fair value of FMC Health and Nutrition sold to DuPont	1,968.6
Total purchase consideration	**$ 3,194.2**

The Transaction Agreement also contained a provision for working capital adjustments. The DuPont Crop Protection Business is being integrated into our FMC Agricultural Solutions segment and has been included within our results of operations since the date of acquisition. Revenue and U.S. GAAP Income (loss) from continuing operations before income taxes attributable to the DuPont Crop Protection Business, since the date of acquisition, for the twelve months ended December 31, 2017 was approximately $193.5 million and $27.6 million, respectively. The Income (loss) from continuing operations before income taxes attributable to the DuPont Crop Protection Business includes the inventory fair value step-up amortization recorded in "Cost of sales and services" on the consolidated statements of income (loss).

In connection with the DuPont Crop Protection Business Acquisition, we entered into a customary transitional services agreement with DuPont to provide for the orderly separation and transition of various functions and processes. These services will be provided by DuPont to us for up to 24 months after closing, with an optional six months extension. These services include information technology services, accounting, human resource and facility services among other services, while we assume the operations of the DuPont Crop Protection Business.

As part of the DuPont Crop Protection Business Acquisition, we acquired various manufacturing contracts. The manufacturing contracts have been recognized as an asset or liability to the extent the terms of the contract are favorable or unfavorable compared with market terms of the same or similar items at the date of the acquisition. We also entered into supply agreements with DuPont to supply technical insecticide products required for their retained seed treatment business at cost. The unfavorable liability is recorded within both "Accrued and other liabilities" and "Other long-term liabilities" on the consolidated balance sheets and is reduced and recognized to revenues within earnings as sales are made. The amount recognized in revenue for the two months ended December 31, 2017 was approximately $4.2 million.

Certain manufacturing sites and R&D sites will be transferred to us at a later date due to various local timing constraints; however, we will still obtain the economic benefit from these sites during the period from November 1, 2017 to when the sites legally transfer. No additional consideration will be paid at the date of transfer.

In the third quarter of 2017, both the European Commission and Competition Commission of India had conditionally approved our acquisition of certain assets of DuPont's Crop Protection business. The DuPont Crop Protection Business Acquisition was conditioned upon us divesting the portfolio of products required by the respective regulatory bodies. These divestitures are expected to impact FMC Agricultural Solutions' annual 2018 operating profit by approximately $20 million. On February 1, 2018, we sold a portion of FMC's European herbicide Portfolio to Nufarm Limited and received proceeds of approximately $85 million plus $2 million of working capital. The gain on sale is expected to be approximately $80 million. This divestiture satisfied FMC's commitments to the European Commission related to the DuPont Crop Protection Business Acquisition. In December 2017, the Competition Commission of India issued its final order describing the required Indian remedy. We have begun the process to divest products in compliance with that order, and we expect the transaction to be completed during the second half of 2018.

Purchase Price Allocation

We applied acquisition accounting under the U.S. GAAP business combinations guidance. Acquisition accounting requires, among other things, that assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date. The net assets of the DuPont Crop Protection Business Acquisition will be recorded at the estimated fair values using primarily Level 2 and Level 3 inputs (see Note 17 for an explanation of Level 2 and Level 3 inputs). In valuing acquired assets and assumed liabilities, valuation inputs include an estimate of future cash flows and discount rates based on the internal rate of return and the weighted average rate of return.

The allocation of the purchase price to the assets acquired and liabilities assumed, including the residual amount allocated to goodwill, is based upon preliminary information and is subject to change within the measurement period (up to one year from the acquisition date) as additional information concerning final asset and liability valuations is obtained. The primary areas of the preliminary purchase price allocation that are not yet finalized relate to the fair value of inventories, property, plant and equipment, intangible assets, legal reserves, contingent liabilities, including uncertain tax positions, deferred tax assets and liabilities as well as other assets and liabilities. During the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date that, if known, would have resulted in revised estimated values of those assets or liabilities as of that date we will revise the preliminary purchase price allocation. The effect of measurement period adjustments to the estimated fair values will be reflected as if the adjustments had been completed on the acquisition date. The impact of all changes that do not qualify as measurement period adjustments will be included in current period earnings.

The following table summarizes the consideration paid for the DuPont Crop Protection Business and the amounts of the assets acquired and liabilities assumed as of the acquisition date, which have been allocated on a preliminary basis.

Preliminary Purchase Price Allocation

(in Millions)		
Trade receivables (1)	$	45.8
Inventories (2)		379.6
Other current assets		90.1
Property, plant & equipment		436.4
Intangible assets:		
Indefinite-lived brands		1,178.2
Customer relationships (3)		723.8
Goodwill (4)		691.8
Deferred tax assets		76.7
Other noncurrent assets		11.3
Total fair value of assets acquired	$	3,633.7
Accounts payable, trade and other (1)	$	32.9
Accrued and other current liabilities (5)		107.8
Accrued pension and other postretirement benefits, long-term		7.6
Environmental liabilities (6)		2.6
Deferred tax liabilities		32.6
Other long-term liabilities (5)		256.0
Total fair value of liabilities assumed	$	439.5
Total consideration paid	**$**	**3,194.2**
Less: Noncontrolling interest		(12.5)
Total consideration paid less noncontrolling interest	**$**	**3,181.7**

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(1) Represents the accounts receivable and accounts payable of the legal entity stock sales as part of the DuPont Crop Protection Acquisition. As part of the Transaction Agreement, these balances will be settled subsequent to the closing date through reimbursement between FMC and DuPont. The offsetting amounts due from and due to DuPont are recorded within Other current assets and Accrued and other current liabilities, respectively.

(2) Fair value of finished goods inventory acquired included a step-up in the value of approximately $80.3 million, of which $20.2 million was amortized during 2017 and included in "Cost of sales and services" on the consolidated statements of income (loss).

(3) The weighted average useful life of the acquired customer relationships is approximately 20 years.

(4) Goodwill largely consists of expected cost synergies and economies of scale resulting from the business combination.

(5) Includes the short-term and long-term portions of the unfavorable supply contract with Dupont recorded in Accrued and other current liabilities and Other long-term liabilities, respectively.

(6) Represents both the short-term and long-term portion of the environmental obligations at certain sites of the acquired DuPont Crop Protection Business that is indemnified by DuPont as part of the Transaction Agreement. The indemnification asset was recorded within Other assets.

2015 Acquisition

Cheminova A/S

On April 21, 2015, pursuant to the terms and conditions set forth in the Purchase Agreement, we completed the acquisition of 100 percent of the outstanding equity of Cheminova A/S, a Denmark *Aktieselskab* ("Cheminova") from Auriga Industries A/S, a Denmark *Aktieselskab* for an aggregate purchase price of $1.2 billion, excluding assumed net debt and hedge-related costs totaling $0.6 billion (the "Cheminova Acquisition"). The Cheminova Acquisition was funded with the October 10, 2014 term loan which was secured for the purposes of the Cheminova Acquisition. See Note 12 for more information.

Cheminova is being integrated into our FMC Agricultural Solutions segment and has been included within our results of operations since the date of acquisition. The acquisition of Cheminova broadened our supply capabilities and strengthened our geographic footprint, particularly in Europe. Revenue and Income (Loss) from continuing operations before income taxes attributable to Cheminova, since the date of acquisition, for the twelve months ended December 31, 2015 was approximately $461.8 million of revenues and $68.1 million of income, respectively.

Unaudited Pro Forma Financial Information

The following unaudited pro forma results of operations assume that the DuPont Crop Protection Business Acquisition occurred at the beginning of the periods presented. The pro forma amounts include certain adjustments, including interest expense on the borrowings used to complete the acquisition, depreciation and amortization expense and income taxes. The pro forma amounts for the twelve month period below exclude acquisition-related charges. The pro forma results do not include adjustments related to cost savings or other synergies that are anticipated as a result of the acquisition. Accordingly, these unaudited pro forma results are presented for informational purposes only and are not necessarily indicative of what the actual results of operations would have been if the acquisitions had occurred as of January 1, 2016, nor are they indicative of future results of operations.

	Year Ended December 31,	
(in Millions)	**2017**	**2016**
Pro forma Revenue	$ 4,204.0	$ 3,978.2
Pro forma Diluted earnings per share from continuing operations	2.62	4.00

Acquisition-related charges

Pursuant to U.S. GAAP, costs incurred to complete the acquisitions as well as costs incurred to integrate both the DuPont Crop Protection Business and Cheminova into our operations are expensed as incurred. The following table summarizes the costs incurred associated with these combined activities.

	Year Ended December 31,		
(in Millions)	**2017**	**2016**	**2015**
Acquisition-related charges - *DuPont*			
Legal and professional fees (1)	$ 130.2	$ —	$ —
Inventory fair value amortization (2)	20.2	—	—
Acquisition-related charges - *Cheminova* (3)			
Legal and professional fees (1)	$ —	$ 23.4	$ 60.4
Inventory fair value amortization (2)	—	—	57.8
(Gain)/loss on hedging purchase price (4)	—	—	172.1
Total acquisition-related charges	**$ 150.4**	**$ 23.4**	**$ 290.3**
Restructuring charges and asset disposals			
Cheminova restructuring (3)	$ —	$ 42.3	$ 118.3
Total restructuring charges (5)	**$ —**	**$ 42.3**	**$ 118.3**

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(1) Represents transaction costs, costs for transitional employees, other acquired employee related costs and integration related legal and professional third-party fees. These charges are included in “Selling, general and administrative expense" on the consolidated statements of income (loss).

(2) These charges are included in “Costs of sales and services” on the consolidated statements of income (loss).

(3) Acquisition-related charges and restructuring charges to integrate Cheminova with FMC Agricultural Solutions were completed at the end of 2016.

(4) See "Cheminova Acquisition Hedge Costs" below for more information on these charges. These charges are included in “Selling, general and administrative expense” on the consolidated statements of income (loss).

(5) See Note 7 for more information. These charges are recorded as a component of “Restructuring and other charges (income)” on the consolidated statements of income (loss).

Cheminova Acquisition Hedge Costs

Pursuant to the terms and conditions set forth in the Purchase Agreement, we agreed to acquire all of the outstanding equity of Cheminova from Auriga for an aggregate purchase price of $8.5 billion Danish krone ("DKK"). At the time we entered into the Purchase Agreement, the U.S. dollar ("USD" or “$”) to DKK exchange rate was USD $1.00 to DKK $5.77, resulting in a USD purchase price of $1.47 billion, excluding assumed debt of approximately $0.3 billion. In order to minimize our exposure to adverse changes in the USD to DKK exchange rate from September 8, 2014 to April 21, 2015 (the acquisition close date), we entered into a series of foreign currency forward contracts ("FX forward contracts"). The FX forward contracts provided us the ability to fix the USD to DKK exchange rate for most of the DKK $8.5 billion purchase price, thereby limiting our exposure to foreign currency rate fluctuations. Over the period from September 2014 to April 21, 2015 the USD strengthened against the DKK by approximately 21 percent to an exchange rate of USD $1.00 to DKK $6.96. The strengthening of the USD against the DKK results in a lower USD purchase price for Cheminova. Partially offsetting this was a mark-to-market net loss settlement on the FX forward contracts of $172.1 million in 2015 and $99.6 million in 2014.

Note 4: Goodwill and Intangible Assets

The changes in the carrying amount of goodwill by business segment for the years ended December 31, 2017 and 2016, are presented in the table below:

(in Millions)	FMC Agricultural Solutions	FMC Lithium	Total
Balance, December 31, 2015	**$ 479.5**	**$ —**	**$ 479.5**
Purchase price allocation adjustments	20.4	—	20.4
Foreign currency adjustments	(1.2)	—	(1.2)
Balance, December 31, 2016	**$ 498.7**	**$ —**	**$ 498.7**
Acquisitions (1)	691.8	—	691.8
Foreign currency adjustments	8.4	—	8.4
Balance, December 31, 2017	**$ 1,198.9**	**$ —**	**$ 1,198.9**

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(1) Represents goodwill recorded as a result of the DuPont Crop Protection Business Acquisition. See Note 3 for more details.

Our fiscal year 2017 annual goodwill impairment test was performed during the third quarter ended September 30, 2017. We determined no goodwill impairment existed and that the fair value was substantially in excess of the carrying value for each of our goodwill reporting units. There were no events or circumstances indicating that goodwill might be impaired as of December 31, 2017.

Our intangible assets, other than goodwill, consist of the following:

(in Millions)	Weighted avg. useful life at December 31, 2017	December 31, 2017 Gross	December 31, 2017 Accumulated Amortization	December 31, 2017 Net	December 31, 2016 Gross	December 31, 2016 Accumulated Amortization	December 31, 2016 Net
Intangible assets subject to amortization (finite life)							
Customer relationships	19 years	$ 1,122.5	$ (73.3)	$ 1,049.2	$ 356.9	$ (43.7)	$ 313.2
Patents	8 years	2.0	(0.6)	1.4	2.2	(0.4)	1.8
Brands [1]	12 years	15.7	(6.2)	9.5	13.6	(4.7)	8.9
Purchased and licensed technologies	10 years	57.3	(28.9)	28.4	60.3	(30.1)	30.2
Other intangibles	39 years	2.9	(2.0)	0.9	2.9	(1.9)	1.0
		$ 1,200.4	**$ (111.0)**	**$ 1,089.4**	**$ 435.9**	**$ (80.8)**	**$ 355.1**
Intangible assets not subject to amortization (indefinite life)							
Crop Protection Brands [2]		$ 1,136.1		$ 1,136.1	$ —		$ —
Brands [1] [3]		405.6		405.6	363.4		363.4
In-process research and development		0.7		0.7	1.4		1.4
		$ 1,542.4		**$ 1,542.4**	**$ 364.8**		**$ 364.8**
Total intangible assets		**$ 2,742.8**	**$ (111.0)**	**$ 2,631.8**	**$ 800.7**	**$ (80.8)**	**$ 719.9**

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(1) Represents trademarks, trade names and know-how.

(2) Represents the proprietary brand portfolios, consisting of trademarks, trade names and know-how, acquired from the DuPont Crop Protection Business Acquisition. In the fourth quarter of 2017, the Act was enacted and was identified to be a triggering event. As a result we performed an impairment assessment on the recently acquired brand portfolio and we recorded an impairment charge of approximately $42 million solely due to the new tax legislation. See Note 11 for more details.

(3) The majority of the Brands relate to our proprietary brand portfolios acquired from the Cheminova acquisition for which the fair value was substantially in excess of the carrying value. During the third quarter of 2017 and 2016, we recorded a $1 million impairment charge in our generic brand portfolio which is part of the FMC Agricultural Solutions segment. The carrying value of the generic portfolio subsequent to each charge was approximately $4 million and $6 million, respectively.

At December 31, 2017, the finite-lived and indefinite life intangibles were allocated among our business segments as follows:

(in Millions)	Finite life	Indefinite life
FMC Agricultural Solutions	$ 1,088.4	$ 1,542.4
FMC Lithium	1.0	—
Total	**$ 1,089.4**	**$ 1,542.4**

(in Millions)	Year Ended December 31, 2017	2016	2015
Amortization Expense	$ 27.4	$ 23.6	$ 17.6

The estimated pre-tax amortization expense for each of the five years ending December 31, 2018 to 2022 is $60.5 million, $60.3 million, $60.2 million, $60.0 million, and $60.0 million, respectively.

Note 5: Inventories

Inventories consisted of the following:

	December 31,	
(in Millions)	2017	2016
Finished goods	$ 353.7	$ 220.1
Work in process	542.4	219.3
Raw materials, supplies and other	224.1	166.7
FIFO inventory	**$ 1,120.2**	**$ 606.1**
Less: Excess of FIFO cost over LIFO cost	(127.7)	(127.2)
Net inventories	**$ 992.5**	**$ 478.9**

Approximately 22% and 23% of our inventories in 2017 and 2016, respectively were recorded on the LIFO basis.

Note 6: Property, Plant and Equipment

Property, plant and equipment consisted of the following:

	December 31,	
(in Millions)	2017	2016
Land and land improvements	$ 166.9	$ 88.6
Buildings	462.6	231.5
Machinery and equipment	753.1	563.1
Construction in progress	78.5	38.4
Total cost	**$ 1,461.1**	**$ 921.6**
Accumulated depreciation	(435.9)	(383.5)
Property, plant and equipment, net	**$ 1,025.2**	**$ 538.1**

Depreciation expense was $65.7 million, $55.5 million, and $41.3 million in 2017, 2016 and 2015, respectively.

Note 7: Restructuring and Other Charges (Income)

The following table shows total restructuring and other charges included in the respective line items of the consolidated statements of income (loss):

	Year Ended December 31,		
(in Millions)	2017	2016	2015
Restructuring charges and asset disposals	$ 16.3	$ 43.4	$ 124.0
Other charges (income), net	65.1	51.6	26.3
Total restructuring and other charges (income)	**$ 81.4**	**$ 95.0**	**$ 150.3**

RESTRUCTURING CHARGES AND ASSET DISPOSALS

(in Millions)	Restructuring Charges: Severance and Employee Benefits (1)	Restructuring Charges: Other Charges (Income) (2)	Asset Disposal Charges (3)	Total
Other items	$ 0.1	$ 4.6	$ 11.6	$ 16.3
Year ended December 31, 2017	**$ 0.1**	**$ 4.6**	**$ 11.6**	**$ 16.3**
Cheminova restructuring	$ 18.6	$ 6.0	$ 17.7	$ 42.3
Other items	—	1.1	—	1.1
Year ended December 31, 2016	**$ 18.6**	**$ 7.1**	**$ 17.7**	**$ 43.4**
Cheminova restructuring	$ 23.5	$ 2.7	$ 92.1	$ 118.3
Other items	5.7	—	—	5.7
Year ended December 31, 2015	**$ 29.2**	**$ 2.7**	**$ 92.1**	**$ 124.0**

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(1) Represents severance and employee benefit charges.

(2) Primarily represents costs associated with lease payments, contract terminations, and other miscellaneous exit costs. Other income primarily represents favorable developments on previously recorded exit costs and recoveries associated with restructuring.

(3) Primarily represents accelerated depreciation and impairment charges on long-lived assets, which were or are to be abandoned. To the extent incurred, the acceleration effect of re-estimating settlement dates and revised cost estimates associated with asset retirement obligations due to facility shutdowns, are also included within the asset disposal charges.

Cheminova Restructuring

In 2015, we completed the acquisition of Cheminova; see Note 3 for more details. As part of the integration of Cheminova into our existing FMC Agricultural Solutions segment we engaged in various restructuring activities. These restructuring activities included workforce reductions, relocation of current operating locations, lease and other contract termination costs and fixed asset accelerated depreciation as well as other long-term asset disposal charges at several of our FMC Agricultural Solutions' facilities. In 2016, these restructuring activities continued; however, the restructuring charges were completed at the end of 2016. Included within these activities was the decision to exit our generic crop protection business in Brazil, Consagro Agroquimica Ltda. (Consagro), which occurred via sale in 2015.

Roll forward of restructuring reserves

The following table shows a roll forward of restructuring reserves that will result in cash spending. These amounts exclude asset retirement obligations.

(in Millions)	Balance at 12/31/15 (4)	Change in reserves (2)	Cash payments	Other (3)	Balance at 12/31/16 (4)	Change in reserves (2)	Cash payments	Other (3)	Balance at 12/31/17 (4)
Cheminova restructuring	$ 8.7	$ 24.6	$ (18.1)	$ (4.1)	$ 11.1	$ —	$ (6.5)	$ (3.4)	$ 1.2
Other workforce related and facility shutdowns (1)	1.6	1.1	(0.4)	(0.9)	1.4	4.7	(1.7)	0.9	5.3
Restructuring activities related to discontinued operations (5)	3.3	8.0	(7.9)	—	3.4	8.1	(10.5)	(1.0)	—
Total	**$ 13.6**	**$ 33.7**	**$ (26.4)**	**$ (5.0)**	**$ 15.9**	**$ 12.8**	**$ (18.7)**	**$ (3.5)**	**$ 6.5**

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(1) Primarily severance costs related to workforce reductions and facility shutdowns described in the Other Items sections above.

(2) Primarily severance, exited lease, contract termination and other miscellaneous exit costs. The accelerated depreciation and impairment charges noted above impacted our property, plant and equipment or intangible balances and are not included in the above tables.

(3) Primarily foreign currency translation adjustments.

(4) Included in “Accrued and other liabilities” on the consolidated balance sheets.

(5) Cash spending associated with restructuring activities of discontinued operations is reported within "Other discontinued spending" on the consolidated statements of cash flows.

Other charges (income), net

(in Millions)	Year Ended December 31, 2017	2016	2015
Environmental charges, net	$ 16.6	$ 36.8	$ 21.7
Impairment of intangibles	42.1	—	—
Argentina devaluation	—	4.2	10.7
Belchim crop protection sale	—	—	(26.6)
Other items, net	6.4	10.6	20.5
Other charges (income), net	**$ 65.1**	**$ 51.6**	**$ 26.3**

Environmental charges, net

Environmental charges represent the net charges associated with environmental remediation at continuing operating sites, see Note 10 for additional details. Environmental obligations for continuing operations primarily represent obligations at shut down or abandoned facilities within businesses that do not meet the criteria for presentation as discontinued operations.

Impairment of intangibles

In 2017, we recorded an impairment charge on certain acquired indefinite-lived intangible assets from the DuPont Crop Protection Business Acquisition solely as a result of the United States' enactment of the Act. See Note 11 for more details.

Argentina Devaluation

On December 17, 2015, the Argentina government initiated actions to significantly devalue its currency. These actions continued into a portion of first quarter of 2016. These actions created an immediate loss associated with the impacts of the remeasurement of our local balance sheet. The loss was attributable to our Lithium and Agricultural Solutions operations. Because of the severity of the event and its immediate impact to our operations in the country, the charge associated with the remeasurement was included within restructuring and other charges in our condensed consolidated income statement during the period. We believe these actions have ended and do not expect further charges for remeasurement to be included within restructuring and other charges.

Belchim Crop Protection Sale

During 2015 we sold our remaining ownership interest in a Belgian-based pesticide distribution company, Belchim Crop Protection N.V. ("Belchim"). Prior to and subsequent to the sale, Belchim was accounted for as a cost method investment. The gain on the sale was $26.6 million.

The cash proceeds from the sale in 2015 of $27.5 million are included within "Proceeds from sale of investment" on the Consolidated Statements of Cash Flows.

Other items, net

In 2017, other items, net primarily relates to exit costs resulting from the termination and de-consolidation of our interest in a variable interest entity that was previously consolidated and was part of our FMC Agricultural Solutions segment.

In 2016, we sold our remaining ownership interest in several joint ventures. The aggregate loss on the sale of the various interests of $2.9 million was recorded as "Restructuring and other charges (income)" on the consolidated statements of income (loss). Additionally, we had a gain of $2.1 million from the sale of certain Corporate fixed assets. The cash proceeds from these sales of $6.8 million is included within "Other investing activities" on the consolidated statements of cash flows.

During 2016 and 2015, our FMC Agricultural Solutions segment entered into collaboration and license agreements with various third parties for the purposes of obtaining certain technology and intellectual property rights relating to 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. The charges related to these arrangements were $13.2 million and $20.5 million in 2016 and 2015, respectively.

Note 8: Receivables

The following table displays a roll forward of the allowance for doubtful trade receivables for fiscal years 2016 and 2017.

(in Millions)		
Balance, December 31, 2015	**$**	**13.9**
Additions — charged to expense		9.8
Transfer from (to) allowance for credit losses (see below)		(7.8)
Net recoveries, write-offs and other		1.7
Balance, December 31, 2016	**$**	**17.6**
Additions — charged to expense		8.4
Transfer from (to) allowance for credit losses (see below)		9.5
Net recoveries, write-offs and other		3.2
Balance, December 31, 2017	**$**	**38.7**

The company has non-current receivables that represent long-term customer receivable balances related to past due accounts which are not expected to be collected within the current year. The net long-term customer receivables were $106.7 million as of December 31, 2017. These long-term customer receivable balances and the corresponding allowance are included in "Other assets including long-term receivables, net" on the consolidated balance sheets.

A portion of these long-term receivables have payment contracts. We have no reason to believe payments will not be made based upon the credit quality of these customers. Additionally, we also hold significant collateral against these customers including rights to property or other assets as a form of credit guarantee. If the customer does not pay or gives indication that they will not pay, these guarantees allow us to start legal action to block the sale of the customer's harvest. On an ongoing basis, we continue to evaluate the credit quality of our non-current receivables using aging of receivables, collection experience and write-offs, as well as evaluating existing economic conditions, to determine if an additional allowance is necessary.

The following table displays a roll forward of the allowance for credit losses related to long-term customer receivables for fiscal years 2016 and 2017.

(in Millions)		
Balance, December 31, 2015	**$**	**29.2**
Additions — charged to expense		12.1
Transfer from (to) allowance for doubtful accounts (see above)		7.8
Net recoveries, write-offs and other		—
Balance, December 31, 2016	**$**	**49.1**
Additions — charged to expense		13.7
Transfer from allowance for doubtful accounts (see above)		(9.5)
Net recoveries, write-offs and other		(6.2)
Balance, December 31, 2017	**$**	**47.1**

Note 9: Discontinued Operations

FMC Health and Nutrition:

On August 1, 2017, we completed the sale of the Omega-3 business to Pelagia AS for $38 million.

On November 1, 2017, we completed the previously disclosed sale of our FMC Health and Nutrition business to DuPont. The sale resulted in a gain of approximately $918 million ($727 million, net of tax). In connection with the sale, we entered into a customary transitional services agreement with DuPont to provide for the orderly separation and transition of various functions and processes. These services will be provided by us to DuPont for up to 24 months after closing, with an optional 6 months extension. These services include information technology services, accounting, human resource and facility services among other services, while DuPont assumes the operations of FMC Health and Nutrition.

Assets held for sale under U.S. GAAP are required to be reported at the lower of carrying value or fair value, less costs to sell. However, the fair value of the Omega-3 business, which was previously part of the broader FMC Health and Nutrition reporting unit, was significantly less than its carrying value, which included accumulated foreign currency translation adjustments that were subsequently reclassified to earnings after completion of the sale. As a result, we recorded an impairment charge for the year ended December 31, 2017 of approximately $168 million ($148 million, net of tax).

The results of our discontinued FMC Health and Nutrition operations are summarized below:

	Year Ended December 31,		
(in Millions)	2017	2016	2015
Revenue	$ 562.9	$ 743.5	$ 785.5
Costs of sales and services	370.5	474.9	510.5
Income (loss) from discontinued operations before income taxes (1)	$ 113.7	$ 158.5	$ 76.9
Provision for income taxes	9.7	43.8	42.2
Total discontinued operations of FMC Health and Nutrition, net of income taxes, before divestiture related costs and adjustments (2)	**$ 104.0**	**$ 114.7**	**$ 34.7**
Gain on sale of FMC Health and Nutrition, net of income taxes of $190.8 million (3)	727.1	—	—
Adjustment to FMC Health and Nutrition Omega-3 net assets held for sale, net of income taxes (4)	(147.8)	—	—
Discontinued operations of FMC Health and Nutrition, net of income taxes, attributable to FMC Stockholders	**$ 683.3**	**$ 114.7**	**$ 34.7**

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(1) For the years ended ended December 31, 2017, 2016 and 2015, amount includes $16.6 million, $19.8 million and $19.2 million of allocated interest expense and $8.1 million, $12.3 million and $93.7 million of restructuring and other charges (income), respectively. For the year ended December 31, 2017 amount includes $3.9 million of a pension curtailment charge. See Note 13 for more information of the pension curtailment charge. Interest was allocated in accordance with relevant discontinued operations accounting guidance.

(2) In accordance with US GAAP, effective March 2017 we stopped amortizing and depreciating all assets classified as held for sale.

(3) Includes $27.9 million of divestiture related costs, net of tax as well as incremental tax cost of $14.7 million for the year ended December 31, 2017 related to certain legal entity restructuring executed during the third quarter to facilitate the FMC Health and Nutrition divestiture.

(4) Represents the impairment charge for the year ended December 31, 2017 of approximately $168 million ($148 million, net of tax) associated with the disposal activities of the Omega-3 business to write down the carrying value to its fair value.

The following table presents the major classes of assets and liabilities of FMC Health and Nutrition:

	December 31,	
(in Millions)	2017	2016
Assets		
Current assets of discontinued operations held for sale (primarily trade receivables and inventories)	$ 7.2	$ 381.5
Property, plant & equipment (1)	0.1	464.0
Goodwill (1)	—	278.8
Other intangibles, net (1)	—	73.5
Other noncurrent assets (1)	—	19.3
Total assets of discontinued operations held for sale (2)	**$ 7.3**	**$ 1,217.1**
Liabilities		
Current liabilities of discontinued operations held for sale	(1.3)	(59.0)
Noncurrent liabilities of discontinued operations held for sale	—	(67.7)
Total liabilities of discontinued operations held for sale (2)	**$ (1.3)**	**$ (126.7)**
Total net assets (3)	**$ 6.0**	**$ 1,090.4**

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(1) Presented as "Noncurrent assets of discontinued operations held for sale" on the consolidated balance sheet as of December 31, 2016.

(2) Presented as "Current assets / liabilities of discontinued operations held for sale" on the consolidated balance sheet as of December 31, 2017.

(3) In connection with the divestiture of FMC Health and Nutrition, certain sites will transfer to DuPont subsequent to November 1, 2017 due to various local timing constraints. Amounts at December 31, 2017 represent the net assets of FMC Health and Nutrition that will be transferred to DuPont subsequent to the closing date.

FMC Alkali:

On April 1, 2015, we completed the sale of our FMC Alkali Chemicals division ("ACD") for $1,649.8 million to a wholly owned subsidiary of Tronox Limited ("Tronox"). The sale resulted in approximately $1,198.5 million in after-tax cash proceeds and in a pre-tax gain of $1,080.2 million ($702.1 million net of tax) for the year ended December 31, 2015.

The results of our discontinued FMC ACD operations are summarized below:

	Year Ended December 31,
(in Millions)	**2015**
Revenue	$ 194.0
Costs of sales and services	149.2
Income (loss) from discontinued operations before income taxes [1]	$ 1,096.1
Provision for income taxes	379.0
Total discontinued operations of FMC ACD, net of income taxes	**$ 717.1**
Less: discontinued operations of FMC ACD attributable to noncontrolling interests	—
Discontinued operations of FMC ACD, net of income taxes, attributable to FMC Stockholders	**$ 717.1**

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(1) For the year ended December 31, 2015 amounts include approximately $2.2 million of allocated interest expense, $15.0 million of divestiture related charges as well as a $5.3 million pension curtailment charge. Interest was allocated in accordance with relevant discontinued operations accounting guidance.

In addition to our discontinued FMC Health and Nutrition and FMC ACD, our discontinued operations in our financial statements includes 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.

Our discontinued operations comprised the following:

	Year Ended December 31,		
(in Millions)	**2017**	**2016**	**2015**
Adjustment for workers' compensation, product liability, and other postretirement benefits and other, net of income tax benefit (expense) of ($0.1), ($0.5) and $1.0, respectively	$ 3.0	$ 2.5	$ (1.1)
Provision for environmental liabilities, net of recoveries, net of income tax benefit (expense) of $24.9, $12.9 and $16.7, respectively [1]	(51.2)	(24.0)	(28.8)
Provision for legal reserves and expenses, net of recoveries, net of income tax benefit of $7.2, $6.6 and $6.3, respectively	(13.4)	(12.2)	(10.8)
Discontinued operations of FMC Health and Nutrition, net of income tax benefit (expense) of ($180.1), ($43.8) and ($42.2), respectively	683.3	114.7	34.7
Discontinued operations of FMC Alkali Chemicals, net of income tax benefit (expense) of zero, zero and ($379.0), respectively	—	—	717.1
Discontinued operations, net of income taxes	**$ 621.7**	**$ 81.0**	**$ 711.1**

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(1) See a roll forward of our environmental reserves as well as discussion on significant environmental issues that occurred during the year in Note 10.

Reserves for Discontinued Operations at December 31, 2017 and 2016

	December 31,	
(in Millions)	**2017**	**2016**
Workers' compensation, product liability, and indemnification reserves	$ 22.6	$ 6.8
Postretirement medical and life insurance benefits reserve, net	7.6	7.8
Reserves for legal proceedings	33.0	34.0
Reserve for discontinued operations [(1)]	**$ 63.2**	**$ 48.6**

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(1) Included in "Other long-term liabilities" on the consolidated balance sheets. Also refer to Note 7 for discontinued restructuring reserves and Note 10 for discontinued environmental reserves.

The discontinued postretirement medical and life insurance benefits liability equals the accumulated postretirement benefit obligation. Associated with this liability is a net pre-tax actuarial gain and prior service credit of $8.4 million ($5.6 million after-tax) and $6.5 million ($3.5 million after-tax) at December 31, 2017 and 2016, respectively. The estimated net pre-tax actuarial gain and prior service credit that will be amortized from accumulated other comprehensive income into discontinued operations during 2018 are $1.2 million and zero, respectively.

Net spending in 2017, 2016 and 2015 was $2.4 million, $1.3 million and $0.8 million, respectively, for workers' compensation, product liability and other claims; $1.0 million, $1.1 million and $1.1 million, respectively, for other postretirement benefits; and $18.9 million, $15.3 million and $22.9 million, respectively, related to reserves for legal proceedings associated with discontinued operations.

Note 10: Environmental Obligations

We are subject to various federal, state, local and foreign environmental laws and regulations that govern emissions of air pollutants, discharges of water pollutants, and the manufacture, storage, handling and disposal of hazardous substances, hazardous wastes and other toxic materials and remediation of contaminated sites. We are also subject to liabilities arising under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and similar state laws that impose responsibility on persons who arranged for the disposal of hazardous substances, and on current and previous owners and operators of a facility for the clean-up of hazardous substances released from the facility into the environment. We are also subject to liabilities under the Resource Conservation and Recovery Act ("RCRA") and analogous state laws that require owners and operators of facilities that have treated, stored or disposed of hazardous waste pursuant to a RCRA permit to follow certain waste management practices and to clean up releases of hazardous substances into the environment associated with past or present practices. In addition, when deemed appropriate, we enter certain sites with potential liability into voluntary remediation compliance programs, which are also subject to guidelines that require owners and operators, current and previous, to clean up releases of hazardous substances into the environment associated with past or present practices.

Environmental liabilities consist of obligations relating to waste handling and the remediation and/or study of sites at which we are alleged to have released or disposed of hazardous substances. These sites include current operations, previously operated sites, and sites associated with discontinued operations. We have provided reserves for potential environmental obligations that we consider probable and for which a reasonable estimate of the obligation can be made. Accordingly, total reserves of $432.1 million and $378.1 million, respectively, before recoveries, existed at December 31, 2017 and 2016.

The estimated reasonably possible environmental loss contingencies, net of expected recoveries, exceed amounts accrued by approximately $200 million at December 31, 2017. This reasonably possible estimate is based upon information available as of the date of the filing and the actual future losses may be higher given the uncertainties regarding the status of laws, regulations, enforcement policies, the impact of potentially responsible parties, technology and information related to individual sites.

Additionally, although potential environmental remediation expenditures in excess of the reserves and estimated loss contingencies could be significant, the impact on our future consolidated financial results is not subject to reasonable estimation due to numerous uncertainties concerning the nature and scope of possible contamination at many sites, identification of remediation alternatives under constantly changing requirements, selection of new and diverse clean-up technologies to meet compliance standards, the timing of potential expenditures and the allocation of costs among Potentially Responsible Parties ("PRPs") as well as other third parties. The liabilities arising from potential environmental obligations that have not been reserved for at this time may be material to any one quarter's or year's results of operations in the future. However, we believe any liability arising from such potential environmental obligations is not likely to have a material adverse effect on our liquidity or financial condition as it may be satisfied over many years.

The table below is a roll forward of our total environmental reserves, continuing and discontinued, from December 31, 2014 to December 31, 2017.

(in Millions)		Operating and Discontinued Sites Total
Total environmental reserves, net of recoveries at December 31, 2014	**$**	**284.3**
2015		
Provision		66.9
Spending, net of recoveries		(57.0)
Acquisitions		47.2
Foreign currency translation adjustments		(0.5)
Net Change		56.6
Total environmental reserves, net of recoveries at December 31, 2015	**$**	**340.9**
2016		
Provision		81.0
Spending, net of recoveries		(52.6)
Foreign currency translation adjustments		(2.6)
Net Change		25.8
Total environmental reserves, net of recoveries at December 31, 2016	**$**	**366.7**
2017		
Provision		106.0
Spending, net of recoveries		(63.6)
Acquisitions [(1)]		2.6
Foreign currency translation adjustments		6.5
Net Change		51.5
Total environmental reserves, net of recoveries at December 31, 2017	**$**	**418.2**

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(1) See Note 3 for more details. Amount relates to environmental obligations at certain sites of the acquired DuPont Crop Protection Business.

To ensure we are held responsible only for our equitable share of site remediation costs, we have initiated, and will continue to initiate, legal proceedings for contributions from other PRPs. At December 31, 2017 and 2016, we have recorded recoveries representing probable realization of claims against U.S. government agencies, insurance carriers and other third parties. Recoveries are recorded as either an offset to the "Environmental liabilities, continuing and discontinued" or as "Other assets including long-term receivables, net" on the consolidated balance sheets.

The table below is a roll forward of our total recorded recoveries from December 31, 2015 to December 31, 2017:

(in Millions)	December 31, 2015	Increase (Decrease) in Recoveries	Cash Received	December 31, 2016	Increase (Decrease) in Recoveries	Cash Received	December 31, 2017
Environmental liabilities, continuing and discontinued	$ 7.3	$ 7.8	$ (3.7)	$ 11.4	$ 2.5	$ —	$ 13.9
Other assets [(1)]	22.7	7.3	(2.8)	27.2	15.9	(10.8)	32.3
Total	**$ 30.0**	**$ 15.1**	**$ (6.5)**	**$ 38.6**	**$ 18.4**	**$ (10.8)**	**$ 46.2**

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(1) The amounts are included within "Prepaid and other current assets" and "Other assets including long-term receivables, net" on the consolidated balance sheets. See Note 20 for more details. Increase in recoveries in 2017 includes $2.6 million related to indemnification for the acquired environmental liability from the DuPont Crop Protection Business Acquisition that existed prior to the closing of the transaction.

The table below provides detail of current and long-term environmental reserves, continuing and discontinued.

(in Millions)	December 31, 2017	December 31, 2016
Environmental reserves, current, net of recoveries (1)	$ 72.0	$ 60.3
Environmental reserves, long-term continuing and discontinued, net of recoveries (2)	346.2	306.4
Total environmental reserves, net of recoveries	**$ 418.2**	**$ 366.7**

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(1) These amounts are included within "Accrued and other liabilities" on the consolidated balance sheets.
(2) These amounts are included in "Environmental liabilities, continuing and discontinued" on the consolidated balance sheets.

Our net environmental provisions relate to costs for the continued remediation of both operating sites and for certain discontinued manufacturing operations from previous years. The net provisions are comprised as follows:

(in Millions)	Year Ended December 31, 2017	2016	2015
Continuing operations (1)	$ 16.6	$ 36.8	$ 21.7
Discontinued operations (2)	76.1	36.9	45.5
Net environmental provision	**$ 92.7**	**$ 73.7**	**$ 67.2**

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(1) Recorded as a component of "Restructuring and other charges (income)" on our consolidated statements of income. See Note 7. Environmental obligations for continuing operations primarily represent obligations at shut down or abandoned facilities within businesses that do not meet the criteria for presentation as discontinued operations.
(2) Recorded as a component of "Discontinued operations, net of income taxes" on our consolidated statements of income (loss). See Note 9.

On our consolidated balance sheets, the net environmental provisions affect assets and liabilities as follows:

(in Millions)	Year Ended December 31, 2017	2016	2015
Environmental reserves (1)	$ 106.0	$ 81.0	$ 66.9
Other assets (2)	(13.3)	(7.3)	0.3
Net environmental provision	**$ 92.7**	**$ 73.7**	**$ 67.2**

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(1) See above roll forward of our total environmental reserves as presented on our consolidated balance sheets.
(2) Represents certain environmental recoveries. See Note 20 for details of "Other assets including long-term receivables, net" as presented on our consolidated balance sheets.

Significant Environmental Sites

Pocatello

From 1949 until 2001, we operated the world's largest elemental phosphorus plant in Power County, Idaho, just outside the city of Pocatello. Since the plant's closure, FMC has worked with the EPA, the State of Idaho, and the Shoshone-Bannock Tribes ("Tribes") to develop a proposed cleanup plan for the property. In September 2012, the EPA issued an Interim Record of Decision ("IROD") that is environmentally protective and that ensures the health and safety of both workers and the general public. Since the plant's closure, we have successfully decommissioned our Pocatello plant, completed closure of the RCRA ponds and formally requested that the EPA acknowledge completion of work under a June 1999 RCRA Consent Decree. Future remediation costs include completion of the IROD that addresses groundwater contamination and existing waste disposal areas on the Pocatello plant portion of the Eastern Michaud Flats Superfund Site. In June 2013, the EPA issued a Unilateral Administrative Order to us under which we will implement the IROD remedy. Our current reserves factor in the estimated costs associated with implementing the IROD. In addition to implementing the IROD, we continue to conduct work pursuant to CERCLA unilateral administrative orders to address air emissions from beneath the cap of several of the closed RCRA ponds.

The amount of the reserve for this site was $35.2 million and $44.3 million at December 31, 2017 and 2016, respectively.

Pocatello Tribal Litigation

For a number of years, we engaged in disputes with the Tribes concerning their attempts to regulate our activities on the reservation. On March 6, 2006, a U.S. District Court Judge found that the Tribes were a third-party beneficiary of a 1998 RCRA Consent Decree and ordered us to apply for any applicable Tribal permits relating to the nearly-complete RCRA Consent Decree work. The third-party beneficiary ruling was later reversed by the Ninth Circuit Court of Appeals, but the permitting process continued in the tribal legal system. We applied for the tribal permits, but preserved objections to the Tribes' jurisdiction.

In addition, in 1998, we entered into an agreement (“1998 Agreement”) that required us to pay the Tribes $1.5 million per year for waste generated from operating our Pocatello plant and stored on site. We paid $1.5 million per year until December 2001 when the plant closed. In our view the agreement was terminated, as the plant was no longer generating waste. The Tribes claimed that the 1998 Agreement has no end date.

On April 25, 2006, the Tribes' Land Use Policy Commission issued us a Special Use Permit for the “disposal and storage of waste” at the Pocatello plant and imposed a $1.5 million per annum permit fee. The permit and fee were affirmed by the Tribal Business Council on July 21, 2006. We sought review of the permit and fee in Tribal Court, in which the Tribes also brought a claim for breach of the 1998 Agreement. On May 21, 2008, the Tribal Court reversed the permit and fee, finding that they were not authorized under tribal law, and dismissed the Tribes' breach of contract claim. The Tribes appealed to the Tribal Court of Appeals.

On May 8, 2012, the Tribal Court of Appeals reversed the May 21, 2008 Tribal Court decision and issued a decision finding the permit and fee validly authorized and ordering us to pay waste permit fees in the amount of $1.5 million per annum for the years 2002-2007 ($9.0 million in total), the Tribes' demand as set forth in the lawsuit. It also reinstated the breach of contract claim. The Tribes have filed additional litigation to recover the permit fees for the years since 2007, but that litigation has been stayed pending the outcome of the appeal in the Tribal Court of Appeals.

Following a trial on certain jurisdictional issues which occurred during April 2014, the Shoshone-Bannock Tribal Appellate Court issued a Statement of Decision finding in favor of the Tribes’ jurisdiction over FMC and awarding costs on appeal to the Tribes. The Tribal Appellate Court conducted further post-trial proceedings and on May 6, 2014 issued Finding and Conclusions and a Final Judgment consistent with its earlier Statement of Decision.

On September 28, 2017, the District Court issued a decision finding that the Tribal Court has jurisdiction over FMC to require FMC to pay a $1.5 million per year fee to the Tribes for hazardous wastes “stored” on the Reservation. We do not believe it is probable that we will incur a loss for this matter due to legal principles established by the United States Supreme Court and the United States Court of Appeals for the Ninth Circuit that we believe were not followed by the District Court. Our reasonably possible estimate continues to include the estimated costs of an adverse decision and does not need to be adjusted as a result of the District Court's decision. On October 12, 2017, we filed a notice of appeal to the Ninth Circuit. The District Court Judgment has been stayed pending the outcome of the appeal to the Ninth Circuit.

We have estimated a reasonably possible loss for this matter and it has been reflected in our total reasonably possible loss estimate previously discussed within this note.

Middleport

Our Middleport, NY facility is currently an Agricultural Solutions formulation and packaging plant that formerly manufactured arsenic-based and other products. As a result of past manufacturing operations and waste disposal practices at this facility, releases of hazardous substances have occurred at the site that have affected soil, sediment, surface water and groundwater at the facility's property and also in adjacent off-site areas. The impact of our discontinued operations was the subject of an Administrative Order on Consent (“1991 AOC”) entered into with the EPA and New York State Department of Environmental Conservation (“NYSDEC”, and collectively with EPA, the “Agencies”) in 1991. The AOC requires us to (1) define the nature and extent of contamination caused by our historical plant operations, (2) take interim corrective measures and (3) evaluate Corrective Action Management Alternatives (“CMA”) for discrete contaminated areas, known as “operable units” of which there are eleven.

We have defined the nature and extent of the contamination in certain areas, have constructed an engineered cover, closed the RCRA regulated surface water impoundments and are collecting and treating both surface water runoff and ground water, which has satisfied the first two requirements of the 1991 AOC. To date, we have evaluated and proposed CMAs for five of the eleven identified operable units.

Middleport Litigation

In 2013, we received from the NYSDEC, a Final Statement of Basis ("FSOB") with NYSDEC's selected CMA for three of the operable units that had been combined for evaluative purposes ("OUs 2, 4 and 5"). The FSOB includes the same CMA as the Preliminary Statement of Basis, which we continue to believe is overly conservative and is not consistent with the 1991 AOC, which governs the remedy selection.

In order to negotiate with the NYSDEC with respect to the FSOB, we entered into a tolling agreement with the agency. The tolling agreement served as a "standstill" agreement to the FSOB so that time spent negotiating with the NYSDEC did not go against the statute of limitations under the FSOB. The tolling agreement expired on April 30, 2014. We were not able to reach an agreement with the NYSDEC; thus, on May 1, 2014, we submitted a Notice of Dispute to the EPA pursuant to the terms of the 1991 AOC seeking review of the remedy chosen by the NYSDEC. On May 30, 2014, 30 days after the tolling period expired, we filed an action in the Supreme Court of New York formally challenging the NYSDEC's FSOB. In that lawsuit, we are contending that NYSDEC breached the 1991 AOC by not following the procedures set forth in it for remedy selection. On June 3, 2014, we received a letter from the EPA (dated May 22, 2014) declining to review the Notice of Dispute. On June 20, 2014, we filed an action in the United States District Court for the Western District of New York seeking a declaratory judgment that the EPA is obligated under the 1991 AOC to hear the dispute. On January 31, 2017, the District Court dismissed FMC's complaint, ruling that EPA's letter was not a final agency action subject to review. FMC responded to the Court's dismissal of FMC's action by filing a Motion to Vacate Judgment and For Leave to Amend Complaint on March 2, 2017. The purpose of this motion is to allow FMC to amend its Complaint to add a citizen's suit under RCRA against the United States for EPA's failure to perform its non-discretionary duties under the 1991 AOC. Simultaneously, FMC served EPA with a 60-day notice letter, which is a procedural precursor to filing the citizen's suit complaint.

On August 20, 2015, the Supreme Court of New York dismissed our state action on procedural grounds. We appealed that dismissal to the New York Supreme Court Appellate Division, Third Department. On October 20, 2016, the New York Supreme Court Appellate Division, Third Department, issued a decision on our appeal of the August 20, 2015 dismissal of our action challenging the NYSDEC's unilateral implementation of a remedy that is not consistent with the 1991 AOC. The Third Department found that NYSDEC does not have the authority to implement a remedy unilaterally using state funds prior to issuing an order and remanded the case to NYSDEC for further proceedings not inconsistent with the Court's decision. Under the Court's ruling, an order would have to be preceded by an opportunity for an administrative hearing. On February 2, 2017, the Third Department granted NYSDEC's motion for leave to appeal the decision to the New York Court of Appeals. Both NYSDEC and FMC have submitted their briefs on the appeal and oral argument has been scheduled for March 21, 2018. FMC anticipates a decision from the Court of Appeals to be issued within the second quarter of 2018.

In June 2017, in parallel with the ongoing state litigation over the 1991 AOC and the FSOB, NYSDEC started the formal process of issuing to FMC a Part 373 Hazardous Waste Management Permit ("Part 373 permit"). A draft permit was issued, which, as written, would supersede the 1991 AOC, and ultimately result in its termination. FMC is proceeding through the administrative process, and contends, among other things, that such permit is not necessary given that the scope of the 1991 AOC properly addresses all corrective action requirements, and that hazardous waste has not been treated, stored, or disposed of at the Middleport facility for decades. A financial assurance mechanism has been requested by the draft Part 373 permit to address the remaining operable units and closure of the site surface impoundments, for which the final amount will be determined through the administrative proceeding.

Middleport Reserves

During 2017, we increased the reserve by $32.0 million, which reflects our best estimate for remediation costs associated with the operable unit that comprises the southern portion of the tributary ("OU 6"). The increased costs are based on estimates for the proposed CMA developed through a work study requested by the NYSDEC that was submitted on November 1, 2017. This increase has been reflected within the environmental reserves balance above. NYSDEC has not yet commented or responded to the proposed CMA for OU 6.

Our reserve continues to include the estimated liability for clean-up to reflect the costs associated with our recommended CMAs for OUs 2, 4 and 5 and OU 6. Our estimated reasonably possible environmental loss contingencies exposure reflects the additional cost of the CMA proposed in the FSOB for OUs 2, 4 and 5. The amount of the reserve for this site is $73.9 million and $46.7 million at December 31, 2017 and 2016, respectively. FMC is in various stages of evaluating the remaining operable units.

Other Potentially Responsible Party ("PRP") Sites

We have been named a PRP at 32 sites on the federal government's National Priorities List ("NPL"), at which our potential liability has not yet been settled. We have received notice from the EPA or other regulatory agencies that we may be a PRP, or PRP equivalent, at other sites, including 55 sites at which we have determined that it is probable that we have an environmental liability for which we have recorded an estimate of our potential liability in the consolidated financial statements. In cooperation with appropriate government agencies, we are currently participating in, or have participated in, a Remedial Investigation/Feasibility Study ("RI/FS"), or equivalent, at most of the identified sites, with the status of each investigation varying from site to site. At certain sites, a RI/FS has only recently begun, providing limited information, if any, relating to cost estimates, timing, or the involvement of other PRPs; whereas, at other sites, the studies are complete, remedial action plans have been chosen, or a ROD has been issued.

One site where FMC is listed as a PRP is the Portland Harbor Superfund Site ("Portland Harbor"), that includes the river and sediments of a 12 mile section of the lower reach of the Willamette River in Portland, Oregon that runs through an industrialized area. Portland Harbor is listed on the NPL. FMC formerly owned and operated a manufacturing site adjacent to this section of the river and has since sold its interest in this business. Currently, FMC and 70 other parties including the current owner of the former FMC site are involved in a non-judicial allocation process to determine each party's respective share of the cleanup costs. FMC and several other parties have been sued by the Confederated Bands and Tribes of the Yakama Nation for reimbursement of cleanup costs and the costs of performing a natural damage assessment. Based on the information known to date, we are unable to develop a reasonable estimate of our potential exposure of loss at this time. We intend to defend this matter.

On January 6, 2017, EPA issued its Record of Decision ("ROD") for the Portland Harbor Superfund Site. Any potential liability to FMC will represent a portion of the costs of the remedy the EPA has selected for Portland Harbor. Based on the current information available in the ROD as well as the large number of responsible parties for the Superfund Site, we are unable to develop a reasonable estimate of our potential exposure for Portland Harbor at this time. We have no reason to believe that the ultimate resolution of our potential obligations at Portland Harbor will have a material adverse effect on our consolidated financial position, liquidity or results of operations. However, adverse results in the outcome of the EPA allocation could have a material adverse effect on our consolidated financial position, results of operations in any one reporting period, or liquidity.

Note 11: Income Taxes

On December 22, 2017, the Tax Cuts and Jobs Act ("the Act") was enacted in the United States. The Act significantly revised the U.S. corporate income tax structure resulting in changes to the Company's expected U.S. corporate taxes due for 2017 and in future periods. Effective January 1, 2018, the Act, among other things, reduces the U.S. federal corporate tax rate from 35% to 21%, creates new provisions related to foreign sourced earnings, and eliminates the deduction for domestic production activities. The Act also requires companies to pay a one-time transition tax on the cumulative earnings and profits of certain foreign subsidiaries that were previously not repatriated and therefore not taxed for U.S. income tax purposes. Taxes due on the one-time transition tax are payable as of December 31, 2017 and may be paid to the tax authority over eight years.

In December 2017, the SEC issued Staff Accounting Bulletin No. 118 ("SAB 118"), which addresses situations where the accounting is incomplete for the income tax effects of the Act. SAB 118 directs taxpayers to consider the impact of the Act as "provisional" when the Company does not have the necessary information available, prepared or analyzed (including computations) to finalize the accounting for the change in tax law. Companies are provided a measurement period of up to one year to obtain, prepare, and analyze information necessary to finalize the accounting for provisional amounts or amounts that cannot be estimated as of December 31, 2017. We will continue to refine our calculations as additional analysis is completed related to the Act. Additional information that may affect our provisional amounts would include further clarification and guidance on how the IRS will implement tax reform, including guidance with respect to executive compensation and transition tax, further clarification and guidance on how state taxing authorities will implement tax reform and the related effect on our state income tax returns, completion of our 2017 tax return filings, and the potential for additional guidance from the SEC or the FASB related to tax reform. The accounting is expected to be complete when the 2017 U.S. corporate income tax return is filed in 2018.

Reduction of U.S. Federal Corporate Tax Rate

We re-measured certain U.S. deferred tax assets and liabilities as of December 31, 2017 based on the rates at which they are expected to reverse in the future, which is generally 21%. However, we are still analyzing certain aspects of the Act and refining our calculations, which could potentially affect the measurement of these balances or potentially give rise to changes in deferred tax amounts. As we continue to analyze the Act and refine our calculations, it could give rise to additional changes in our valuation allowance and the realizability of certain U.S. deferred tax assets. The provisional income tax expense recorded related to the re-measurement of our deferred tax balance for the period ending December 31, 2017 was $113.2 million.

Deemed Repatriation Transition Tax

The one-time transition tax associated with the Act is based on our total post-1986 earnings and profits ("E&P") that was previously deferred from U.S. federal taxation. During the period ending December 31, 2017, we recorded a provisional amount for our one-time transition tax liability for our foreign subsidiaries of $202.7 million, resulting in an increase in income tax expense. We have not yet completed our calculation of the total post-1986 E&P for our foreign subsidiaries or the tax pools of our foreign subsidiaries. Further, the transition tax is based in part on the amount of those earnings held in cash and other specified assets. This amount may change when we finalize the calculation of post-1986 foreign E&P previously deferred from U.S. federal taxation and finalize the amounts held in cash or other specified assets. We have not provided additional income taxes for any additional outside basis differences inherent in our investments in subsidiaries because the investments are essentially permanent in duration or we have concluded that no additional tax liability will arise upon disposal. Determining the amount of unrecognized deferred tax liability related to any remaining undistributed foreign earnings not subject to the transition tax and additional outside basis difference in these entities (i.e., basis difference in excess of that subject to the one-time transition tax) is not practicable. We are still in the process of analyzing the impact of the Act on our indefinite reinvestment assertion.

Provisions Related to Foreign Sourced Earnings

Beginning in 2018, the Act subjects a U.S. shareholder of a controlled foreign corporation to current tax on “global intangible low-taxed income” (GILTI) and establishes a tax on certain payments from corporations subject to US tax to related foreign persons, also referred to as base erosion and anti-abuse tax (BEAT). Additionally, we recorded an impairment charge to write down certain indefinite-lived intangible assets of the acquired DuPont Crop Protection Business as a result of the triggering event associated with the Act. The triggering event represented the expected tax rate increase from the GILTI minimum tax to be imposed on certain of our foreign subsidiaries where these intangible assets are recorded.

Because of the complexity of the new international tax provisions included in the Act that are not applicable to the Company until 2018, the Company is continuing to evaluate these provisions of the Act and the application of ASC 740. To date, the Company has not made an accounting policy election with respect to the period in which to recognize tax pertaining to GILTI and has therefore not provided any deferred tax impacts of GILTI in its consolidated financial statements for the year ended December 31, 2017.

The impacts of the Act are presented herein as part of our results from continuing operations.

Domestic and foreign components of income (loss) from continuing operations before income taxes are shown below:

	Year Ended December 31,		
(in Millions)	**2017**	**2016**	**2015**
Domestic	$ (155.9)	$ (48.5)	$ (280.4)
Foreign	336.7	229.3	73.0
Total	**$ 180.8**	**$ 180.8**	**$ (207.4)**

The provision (benefit) for income taxes attributable to income (loss) from continuing operations consisted of:

	Year Ended December 31,		
(in Millions)	**2017**	**2016**	**2015**
Current:			
Federal (1) (3)	$ 97.5	$ (24.6)	$ (80.9)
Foreign	58.4	21.6	68.9
State	4.0	(0.2)	(1.0)
Total current	**$ 159.9**	**$ (3.2)**	**$ (13.0)**
Deferred:			
Federal (2)	$ 119.4	$ 27.6	$ 21.1
Foreign	(14.8)	9.5	(0.8)
State	(0.4)	16.2	(2.1)
Total deferred	**$ 104.2**	**$ 53.3**	**$ 18.2**
Total	**$ 264.1**	**$ 50.1**	**$ 5.2**

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(1) The transition tax on deemed repatriated foreign earnings incurred as a result of the Act is $202.7 million and reflected as component of tax expense in the U.S for the current year.

(2) The remeasurement of the Company's U.S. net deferred tax asset as a result of the Act resulted in tax expense of $113.2 million in the current year which is presented as a component of deferred tax expense in the U.S.

(3) In 2015, the gain from the sale of our discontinued Alkali business created overall domestic taxable income. Exclusive of this gain, we incurred a loss from domestic continuing operations that reduced current taxes payable in 2015 and as such is presented as a reduction to 2015 current tax expense.

Significant components of our deferred tax assets and liabilities were attributable to:

	December 31,	
(in Millions)	**2017**	**2016**
Reserves for discontinued operations, environmental and restructuring	$ 101.6	$ 148.5
Accrued pension and other postretirement benefits	19.3	39.6
Capital loss, foreign tax and other credit carryforwards	4.0	22.5
Net operating loss carryforwards	207.0	165.8
Deferred expenditures capitalized for tax	4.0	15.3
Other	153.3	191.4
Deferred tax assets	**$ 489.2**	**$ 583.1**
Valuation allowance, net	(272.0)	(289.6)
Deferred tax assets, net of valuation allowance	**$ 217.2**	**$ 293.5**
Property, plant and equipment, net	137.9	181.8
Deferred tax liabilities	**$ 137.9**	**$ 181.8**
Net deferred tax assets	**$ 79.3**	**$ 111.7**

We evaluate our deferred income taxes quarterly to determine if valuation allowances are required or should be adjusted. GAAP accounting guidance requires companies to assess whether valuation allowances should be established against deferred tax assets based on all available evidence, both positive and negative, using a "more likely than not" standard. In assessing the need for a valuation allowance, appropriate consideration is given to all positive and negative evidence related to the realization of deferred tax assets. This assessment considers, among other matters, the nature and severity of current and cumulative losses, forecasts of future profitability, the duration of statutory carryforward periods, and tax planning alternatives. We operate and derive income from multiple lines of business across multiple jurisdictions. As each of the respective lines of business experiences changes in operating results across its geographic footprint, we may encounter losses in jurisdictions that have been historically profitable, and as a result might require additional valuation allowances to be recorded. We are committed to implementing tax planning actions, when deemed appropriate, in jurisdictions that experience losses in order to realize deferred tax assets prior to their expiration.

During 2016, due to forecasts of domestic state taxable earnings, we concluded that there is insufficient positive evidence to realize certain portions of the U.S. state net deferred tax assets and established an additional valuation allowance in the amount of $17.7 million. As of December 31, 2017, we continue to maintain a valuation allowance against certain U.S. state deferred tax assets that the Company has concluded are not more likely than not realizable.

During 2015, our Agricultural Solutions business in Brazil experienced significant current and cumulative losses driven by unfavorable market conditions. As of December 31, 2017, sufficient positive evidence to realize the net deferred tax assets in Brazil was not available and a full valuation allowance against those assets remains established.

At December 31, 2017, we had net operating loss and tax credit carryforwards as follows: U.S. state net operating loss carryforwards of $29.9 million (tax-effected) expiring in future years through 2037, foreign net operating loss carryforwards of $177.1 million (tax-effected) expiring in various future years, $0.7 million of capital loss carryforwards expiring in 2020 and other tax credit carryforwards of $3.3 million expiring in various future years.

The effective income tax rate applicable to income from continuing operations before income taxes was different from the statutory U.S. federal income tax rate due to the factors listed in the following table:

	Year Ended December 31,		
	2017	2016	2015
U.S. Federal statutory rate	$ 63.3	$ 63.3	$ (72.6)
Impacts of Tax Cuts and Jobs Act (1)	315.9	—	—
Foreign earnings subject to different tax rates	(79.0)	(49.3)	(75.8)
Capital loss on internal restructuring	(45.3)	—	—
State and local income taxes, less federal income tax benefit	(1.5)	16.0	(2.4)
Manufacturer's production deduction and miscellaneous tax credits	(10.1)	0.8	(4.0)
Tax on intercompany dividends and deemed dividends for tax purposes	10.6	2.1	10.2
Changes to unrecognized tax benefits	7.2	4.9	8.5
Nondeductible expenses	12.2	5.7	6.4
Change in valuation allowance	(32.0)	7.9	160.7
Exchange gains and losses (2)	29.4	(12.1)	(20.4)
Other	(6.6)	10.8	(5.4)
Total Tax Provision	**$ 264.1**	**$ 50.1**	**$ 5.2**

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(1) As a result of the Act, the Company has recognized provisional income tax expense of $202.7 million and $113.2 million related to the transition tax on deemed repatriation of foreign earnings and the remeasurement of the Company’s U.S. net deferred tax asset, respectively.

(2) Includes impact of transaction gains or losses on net monetary assets for which no corresponding tax expense or benefit is realized and the tax provision for statutory taxable gains or losses in foreign jurisdictions for which there is no corresponding amount in income before taxes.

The material factors contributing to the increase in income tax expense from continuing operations in 2017 as compared to 2016 are the provisional income tax expense recorded upon the enactment of the Act, partially offset by the tax effect of internal restructuring and an increase to the foreign earnings in low tax jurisdictions.

The material factors contributing to the increase in income from continuing operations in 2016 compared to 2015 were prior year Cheminova acquisition related charges incurred by our domestic operations, improved results in our Agricultural Solutions business, primarily in Brazil, and significant prior year restructuring charges. These increases did not significantly impact the tax benefit attributable to foreign earnings subject to different tax rates as the statutory tax rates in the jurisdictions to which these items relate are similar to the U.S. Federal statutory rate. Reduced earnings from operations located in jurisdictions with lower tax rates than the U.S. Federal statutory rate resulted in a decreased tax benefit for foreign earnings subject to different tax rates in 2016 as compared to 2015.

Uncertain Income Tax Positions

U.S. GAAP accounting guidance for uncertainty in income taxes prescribes a model for the recognition and measurement of a tax position taken or expected to be taken in a tax return, and provides guidance on derecognition, classification, interest and penalties, disclosure and transition.

We file income tax returns in the U.S. federal jurisdiction, and various states and foreign jurisdictions. The income tax returns for FMC entities taxable in the U.S. and significant foreign jurisdictions are open for examination and adjustment. As of December 31, 2017, the U. S. federal and state income tax returns are open for examination and adjustment for the years 2014 - 2017 and 1998 - 2017, respectively. Our significant foreign jurisdictions, which total 17, are open for examination and adjustment during varying periods from 2007 - 2017.

As of December 31, 2017, we had total unrecognized tax benefits of $84.0 million, of which $22.5 million would favorably impact the effective tax rate from continuing operations if recognized. As of December 31, 2016, we had total unrecognized tax benefits of $111.6 million, of which $34.9 million would favorably impact the effective tax rate if recognized. Interest and penalties related to unrecognized tax benefits are reported as a component of income tax expense. For the years ended December 31, 2017, 2016 and 2015, we recognized interest and penalties of $5.2 million, $4.4 million, and $2.0 million, respectively, in the consolidated statements of income (loss). As of December 31, 2017 and 2016, we have accrued interest and penalties in the consolidated balance sheets of $13.1 million and $9.6 million, respectively.

Due to the potential for resolution of federal, state, or foreign examinations, and the expiration of various jurisdictional statutes of limitation, it is reasonably possible that our liability for unrecognized tax benefits will decrease within the next 12 months by a range of $13.5 million to $14.7 million.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

(in Millions)	2017	2016	2015
Balance at beginning of year	$ 111.6	$ 97.1	$ 45.9
Increases related to positions taken in the current year	9.4	22.3	21.4
Increases for tax positions on acquisitions	—	—	25.1
Increases and decreases related to positions taken in prior years	(4.6)	2.6	7.4
Decreases related to lapse of statutes of limitations	(14.2)	(10.2)	(2.7)
Settlements during the current year	(0.3)	(0.2)	—
Decreases for tax positions on dispositions	(17.9)	—	—
Balance at end of year [(1)]	**$ 84.0**	**$ 111.6**	**$ 97.1**

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(1) At December 31, 2017, 2016, and 2015 we recognized an offsetting non-current deferred asset of $59.8 million, $74.4 million, and $65.5 million respectively, relating to specific uncertain tax positions presented above.

Note 12: Debt

Debt maturing within one year:

Debt maturing within one year consists of the following:

	December 31,	
(in Millions)	2017	2016
Short-term foreign debt [(1)]	$ 91.4	$ 85.5
Commercial paper	—	6.3
Total short-term debt	**$ 91.4**	**$ 91.8**
Current portion of long-term debt	101.2	2.4
Short-term debt and current portion of long-term debt	**$ 192.6**	**$ 94.2**

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(1) At December 31, 2017, the average effective interest rate on the borrowings was 8.2%.

Long-term debt:

Long-term debt consists of the following:

	December 31, 2017		December 31,	
(in Millions)	Interest Rate Percentage	Maturity Date	2017	2016
Pollution control and industrial revenue bonds (less unamortized discounts of $0.2 and $0.2, respectively)	1.95% - 6.45%	2021 - 2032	$ 51.6	$ 51.6
Senior notes (less unamortized discounts of $1.1 and $1.4, respectively)	3.95% - 5.20%	2019 - 2024	998.9	998.6
2014 Term Loan Facility	2.8%	2020	450.0	750.0
2017 Term Loan Facility	2.8%	2022	1,500.0	—
Revolving Credit Facility (1)	4.1%	2022	—	—
Foreign debt	0 - 10.8%	2018 - 2024	106.9	10.7
Debt issuance cost			(13.2)	(9.7)
Total long-term debt			**$ 3,094.2**	**$ 1,801.2**
Less: debt maturing within one year			101.2	2.4
Total long-term debt, less current portion			**$ 2,993.0**	**$ 1,798.8**

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(1) Letters of credit outstanding under the Revolving Credit Facility totaled $146.0 million and available funds under this facility were $1,354.0 million at December 31, 2017.

Maturities of long-term debt

Maturities of long-term debt outstanding, excluding discounts, at December 31, 2017, are $101.2 million in 2018, $302.5 million in 2019, $452.0 million in 2020, $302.6 million in 2021, $1,500.1 million in 2022 and $450.3 million thereafter.

Covenants

Among other restrictions, the Revolving Credit Facility and 2014 and 2017 Term Loan Facilities contain financial covenants applicable to FMC and its consolidated subsidiaries related to leverage (measured as the ratio of debt to adjusted earnings) and interest coverage (measured as the ratio of adjusted earnings to interest expense). Our actual leverage for the four consecutive quarters ended December 31, 2017 was 2.8 which is below the maximum leverage of 4.75. By the end of 2018, the maximum leverage ratio will step down to 4.5 in accordance with the provisions of the Credit Facility and the 2014 and 2017 Term Loan Facilities. Our actual interest coverage for the four consecutive quarters ended December 31, 2017 was 12.8 which is above the minimum interest coverage of 3.5. We were in compliance with all covenants at December 31, 2017.

Term Loan Facility

On November 1, 2017, we borrowed $1.5 billion under our previously announced senior unsecured term loan facility ("2017 Term Loan Facility"). The proceeds of the borrowing were used to finance the Acquisition and will also be used to pay anticipated taxes associated with the gain on the sale of FMC Health and Nutrition and other transaction costs.

The scheduled maturity of the 2017 Term Loan Facility is on the fifth anniversary of this closing date. The 2017 Term Loan 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 related agreement to the 2017 Term Loan Facility. 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 one percent; and the Eurocurrency rate for a one-month period plus one percent.

The 2017 Term Loan Facility contains financial and other covenants, including a maximum leverage ratio of 4.75 and minimum interest coverage ratio of 3.5 immediately following the DuPont Crop Protection Business Acquisition. The 2017 Term Loan Facility also contains a cross-default provision whereby a default under our other indebtedness in excess of $50 million, after grace periods and absent a waiver from the lenders, would be an event of default under the agreement of the 2017 Term Loan Facility and could result in a demand for payment of all amounts outstanding under this facility.

Revolving Credit Facility

On May 2, 2017, 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 May 2, 2022.

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 one percent; and the Eurocurrency rate for a one-month period plus one 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 0.15 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 2017 Term Loan Facility discussed above along with certain other changes to permit the expected transaction.

Fees incurred to secure the Revolving Credit Facility have been deferred and will be amortized over the term of the arrangement.

Compensating Balance Agreements

We maintain informal credit arrangements in many foreign countries. Foreign lines of credit, which include overdraft facilities, typically do not require the maintenance of compensating balances, as credit extension is not guaranteed but is subject to the availability of funds.

Note 13: Pension and Other Postretirement Benefits

The funded status of our U.S. qualified and nonqualified defined benefit pension plans, our United Kingdom, Germany, France, and Belgium defined benefit pension plans, plus our U.S. other postretirement healthcare and life insurance benefit plans for continuing operations, together with the associated balances and net periodic benefit cost recognized in our consolidated financial statements as of December 31, are shown in the tables below.

We are required to recognize in our consolidated balance sheets the overfunded and underfunded status of our defined benefit postretirement plans. The overfunded or underfunded status is defined as the difference between the fair value of plan assets and the projected benefit obligation. We are also required to recognize as a component of other comprehensive income the actuarial gains and losses and the prior service costs and credits that arise during the period.

The following table summarizes the weighted-average assumptions used to determine the benefit obligations at December 31 for the U.S. Plans:

	Pensions and Other Benefits	
	December 31,	
	2017	2016
Discount rate qualified	3.68%	4.22%
Discount rate nonqualified plan	3.29%	3.55%
Discount rate other benefits	3.41%	3.77%
Rate of compensation increase	3.10%	3.60%

The following table summarizes the components of our defined benefit postretirement plans and reflect a measurement date of December 31:

FMC CORPORATION

Notes to Consolidated Financial Statements — (Continued)

(in Millions)	Pensions		Other Benefits (1)	
	December 31,			
	2017	2016	2017	2016
Change in projected benefit obligation				
Projected benefit obligation at January 1	$ 1,378.7	$ 1,411.6	$ 19.2	$ 20.0
Service cost	7.3	8.0	—	—
Interest cost	44.8	49.8	0.7	0.8
Actuarial loss (gain) (2)	82.2	61.9	1.7	—
Amendments	—	0.6	(0.1)	—
Acquisitions (4)	7.6	—	—	—
Foreign currency exchange rate changes	3.4	(7.9)	—	—
Plan participants' contributions	—	—	0.7	0.7
Special termination benefits	2.3	—	—	—
Settlements	(54.3)	(62.7)	—	—
Transfer of liabilities from continuing to discontinued operations	—	—	(0.9)	—
Curtailments	(5.0)	—	0.4	—
Benefits paid	(81.2)	(82.6)	(2.7)	(2.3)
Projected benefit obligation at December 31	**$ 1,385.8**	**$ 1,378.7**	**$ 19.0**	**$ 19.2**
Change in plan assets				
Fair value of plan assets at January 1	$ 1,253.5	$ 1,233.2	$ —	$ —
Actual return on plan assets	165.2	104.2	—	—
Foreign currency exchange rate changes	3.2	(2.8)	—	—
Company contributions	54.5	64.2	2.0	1.6
Plan participants' contributions	—	—	0.7	0.7
Actual expenses	(1.0)	—	—	—
Settlements	(54.3)	(62.7)	—	—
Other	—	—	—	—
Benefits paid	(81.2)	(82.6)	(2.7)	(2.3)
Fair value of plan assets at December 31	**$ 1,339.9**	**$ 1,253.5**	**$ —**	**$ —**
Funded Status				
U.S. plans with assets	$ (6.6)	$ (88.3)	$ —	$ —
U.S. plans without assets	(29.8)	(33.3)	(19.0)	(19.2)
Non-U.S. plans with assets	(7.6)	(0.7)	—	—
All other plans	(1.9)	(2.9)	—	—
Net funded status of the plan (liability)	**$ (45.9)**	**$ (125.2)**	**$ (19.0)**	**$ (19.2)**
Amount recognized in the consolidated balance sheets:				
Accrued benefit liability (3)	(45.9)	(125.2)	(19.0)	(19.2)
Total	**$ (45.9)**	**$ (125.2)**	**$ (19.0)**	**$ (19.2)**

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(1) Refer to Note 9 for information on our discontinued postretirement benefit plans.

(2) In 2017, the Society of Actuaries released an updated mortality table projection scale for measurement of retirement program obligations. Adoption of this new projection scale has decreased the U.S. defined benefit obligations by approximately $9 million at December 31, 2017.

(3) Recorded as "Accrued pension and other postretirement benefits, current and long-term" on the consolidated balance sheets.

(4) Refer to Note 3 for information on our acquired pension plans as part of the DuPont Crop Protection Acquisition.

The amounts in accumulated other comprehensive income (loss) that have not yet been recognized as components of net periodic benefit cost are as follows:

(in Millions)	Pensions 2017	Pensions 2016	Other Benefits [1] 2017	Other Benefits [1] 2016
	December 31,			
Prior service (cost) credit	$ (1.9)	$ (3.5)	$ (0.2)	$ (0.5)
Net actuarial (loss) gain	(398.3)	(468.1)	5.5	9.2
Accumulated other comprehensive income (loss) – pretax	**$ (400.2)**	**$ (471.6)**	**$ 5.3**	**$ 8.7**
Accumulated other comprehensive income (loss) – net of tax	**$ (248.4)**	**$ (300.6)**	**$ 3.5**	**$ 5.6**

(1) Refer to Note 9 for information on our discontinued postretirement benefit plans.

The accumulated benefit obligation for all pension plans was $1,359.6 million and $1,367.4 million at December 31, 2017 and 2016, respectively.

(in Millions) **Information for pension plans with projected benefit obligation in excess of plan assets**	December 31 2017	December 31 2016
Projected benefit obligations	$ 1,385.8	$ 1,405.5
Accumulated benefit obligations	1,359.6	1,367.4
Fair value of plan assets	1,339.9	1,277.3

(in Millions) **Information for pension plans with accumulated benefit obligation in excess of plan assets**	December 31 2017	December 31 2016
Projected benefit obligations	$ 39.2	$ 1,405.5
Accumulated benefit obligations	37.5	1,367.4
Fair value of plan assets	5.0	1,277.3

Other changes in plan assets and benefit obligations for continuing operations recognized in other comprehensive loss (income) are as follows:

(in Millions)	Pensions 2017	Pensions 2016	Other Benefits [1] 2017	Other Benefits [1] 2016
	Year Ended December 31,			
Current year net actuarial loss (gain)	$ (2.6)	$ 40.5	$ 2.1	$ —
Current year prior service cost (credit)	—	0.2	(0.1)	—
Amortization of net actuarial (loss) gain	(16.4)	(39.8)	1.0	1.1
Amortization of prior service (cost) credit	(0.5)	(0.7)	0.1	—
Amortization of transition obligation	—	—		—
Recognition of prior service cost due to curtailment	—	—	(0.3)	—
Transfer of actuarial (loss) gain from continuing to discontinued operations	—	—	0.6	—
Curtailment (loss) [2]	(5.0)	0.4	—	—
Settlement (loss)	(47.3)	(21.0)	—	—
Foreign currency exchange rate changes on the above line items	0.4	(7.1)	—	—
Total recognized in other comprehensive (income) loss, before taxes	**$ (71.4)**	**$ (27.5)**	**$ 3.4**	**$ 1.1**
Total recognized in other comprehensive (income) loss, after taxes	**$ (52.2)**	**$ (13.4)**	**$ 2.1**	**$ 0.5**

(1) Refer to Note 9 for information on our discontinued postretirement benefit plans.
(2) During the year ended December 31, 2017, due to the announced plans to divest of FMC Health and Nutrition business, we triggered a curtailment of our U.S. pension plans. As a result, we revalued our pension plans as of March 31, 2017 in addition to the normal

December 31st remeasurement, which resulted in adjustments to comprehensive income. The $5.0 million shown above reflects the adjustment to the continuing operations liability and other comprehensive income, based on the revaluation of the plan. The associated curtailment expense was recorded under "Discontinued operations, net of income taxes", as discussed below.

The estimated net actuarial loss and prior service cost for our pension plans that will be amortized from accumulated other comprehensive income (loss) into our net annual benefit cost (income) during 2018 are $13.2 million and $0.4 million, respectively. The estimated net actuarial gain and prior service cost for our other benefits that will be amortized from accumulated other comprehensive income (loss) into net annual benefit cost (income) during 2018 will be $(0.7) million and $(0.1) million.

The following table summarizes the weighted-average assumptions used for and the components of net annual benefit cost (income):

	Year Ended December 31,					
	Pensions			Other Benefits (1)		
(in Millions, except for percentages)	2017	2016	2015	2017	2016	2015
Discount rate	4.22%	4.50%	4.15%	3.77%	3.97%	4.15%
Expected return on plan assets	6.50%	7.00%	7.25%	—	—	—
Rate of compensation increase	3.60%	3.60%	3.60%	—	—	—
Components of net annual benefit cost (in millions):						
Service cost	$ 7.3	$ 8.0	$ 11.9	$ —	$ —	$ —
Interest cost	44.8	49.8	59.6	0.7	0.8	0.9
Expected return on plan assets	(78.5)	(85.5)	(86.2)	—	—	—
Amortization of prior service cost	0.5	0.7	0.9	(0.1)	—	0.1
Amortization of net actuarial and other (gain) loss	16.4	39.2	54.3	(0.9)	(1.2)	(1.2)
Recognized (gain) loss due to curtailments	—	—	4.8	—	—	0.5
Recognized (gain) loss due to settlement	35.7	20.3	2.6	—	—	—
Net annual benefit cost	**$ 26.2**	**$ 32.5**	**$ 47.9**	**$ (0.3)**	**$ (0.4)**	**$ 0.3**

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(1) Refer to Note 9 for information on our discontinued postretirement benefit plans.

For the year ended December 31, 2017, we recognized a curtailment loss of $3.9 million associated with the disposal of our FMC Health and Nutrition Business, which was recorded within "Discontinued operations, net of income taxes" within the consolidated statements of income (loss). The curtailment loss in 2015 is associated with the disposal of our FMC Alkali Chemicals division.

For the year ended December 31, 2017, we recorded a settlement charge of $35.7 million. The settlement charge includes $3.2 million related to the non-qualified plan in the U.S. and a $32.5 million settlement charge related to the termination of the U.K. pension plan.

Historically, we have amortized unrecognized gains and losses using the corridor method over the average remaining service period of active participants of approximately eight years. As of January 1, 2017, approximately 95% of the participants in our U.S. qualified plan and approximately 93% of the participants in our U.S. postretirement life plan were inactive. Therefore, for fiscal 2017, we amortized gains and losses over the average remaining life expectancy of the inactive population for these two plans. The gain/loss amortization period for the U.S. qualified pension plan increased from about eight years to about 19 years as a result of this change. We consider this a change in estimate and, accordingly, have accounted for it prospectively beginning in 2017. For fiscal 2017, the change in estimate from amortizing gains and losses over the expected lifetime of the inactive population rather than the average remaining service period of active participants reduced US pension and postretirement net periodic benefit cost by approximately $20 million when compared to the prior estimate.

Our U.S. qualified defined benefit pension plan ("U.S. Plan") holds the majority of our pension plan assets. The expected long-term rate of return on these plan assets was 6.50% for the year ended December 31, 2017, 7.00% for the year ended December 31, 2016 and 7.25% for the year ended December 31, 2015. The expected long-term rate of return on these plan assets decreased by 0.5% in 2017 compared to 2016, due to a change in future market expectations while the asset allocation remained relatively constant for the majority of 2017. The new liability hedging strategy, described below, was implemented in late 2017 and will impact the expected rate of return in 2018. In developing the assumption for the long-term rate of return on assets for our U.S.

Plan, we take into consideration the technical analysis performed by our outside actuaries, including historical market returns, information on the assumption for long-term real returns by asset class, inflation assumptions and expectations for standard deviation related to these best estimates. We also consider the historical performance of our own plan's trust, which has earned a compound annual rate of return of approximately 7.9 percent over the last 20 years (which is in excess of comparable market indices for the same period) and other factors. Given an actively managed investment portfolio, the expected annual rates of return by asset class for our portfolio, assuming an estimated inflation rate of approximately 2.3 percent, is between 6.3 percent and 7.7 percent for equities, and between 4.2 percent and 4.8 percent for fixed-income investments, which generates a total expected portfolio return that is in line with our assumption for the rate of return on assets. The target asset allocation at December 31, 2017, by asset category, is 20 percent equity securities and 80 percent fixed income investments.

Our U.S. qualified pension plan's investment strategy is a liability hedging approach with an objective of minimizing funded status volatility. The portfolio is comprised of approximately 80% fixed income and 20% equities. This strategy was implemented in December 2017. The fixed income (liability hedging) weighting will likely continue to gradually increase as the plan's funded status increases. The remaining equity investments are weighted towards value equities and diversified across U.S. and non-U.S. stocks. Investment performance and related risks are measured and monitored on an ongoing basis through annual liability measurements, periodic asset liability studies, and quarterly investment portfolio reviews.

The following tables present our fair value hierarchy for our major categories of pension plan assets by asset class. See Note 17 for the definition of fair value and the descriptions of Level 1, 2 and 3 in the fair value hierarchy.

(in Millions)	12/31/2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and short-term investments	$ 123.0	$ 123.0	$ —	$ —
Equity securities:				
Common stock	194.1	194.1	—	—
Mutual funds and other investments	27.3	27.3	—	—
Fixed income investments:				
Investment contracts	150.8	—	150.8	—
Mutual funds	805.6	805.6	—	—
Investments measured at net asset value (1)	39.1			
Total assets	**$ 1,339.9**	**$ 1,150.0**	**$ 150.8**	**$ —**

(in Millions)	12/31/2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and short-term investments	$ 118.6	$ 118.6	$ —	$ —
Equity securities:				
Common stock	692.0	692.0	—	—
Mutual funds and other investments	154.6	154.6	—	—
Fixed income investments:				
Investment contracts	198.8	—	153.2	45.6
Mutual funds	11.2	11.2	—	—
Other investments:				
Other	(0.5)	(0.5)	—	—
Investments measured at net asset value (1)	78.8			
Total assets	**$ 1,253.5**	**$ 975.9**	**$ 153.2**	**$ 45.6**

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(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position. These investments are redeemable with the fund at net asset value under the original terms of the partnership agreements and/or subscription agreements and operations of the underlying

funds. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Furthermore, changes to the liquidity provisions of the funds may significantly impact the fair value of the interest in the funds.

The following table summarizes the changes in fair value of the Level 3 investments as of December 31, 2016 and December 31, 2017:

(in Millions)	Investment Contracts (1)
Balance, December 31, 2016	**$ 45.6**
Settlements	(45.6)
Net transfers	$ (45.6)
Balance, December 31, 2017	**$ —**

(1) Investment contracts consist of insurance group annuity contracts purchased to match the pension benefit payment stream owed to certain selected plan participant demographics within a few major U.K. defined benefit plans. Annuity contracts are valued using a discounted cash flow model utilizing assumptions such as discount rate, mortality, and inflation.

The changes in fair value for categories other than investment contracts was not considered material.

We made the following contributions to our pension and other postretirement benefit plans:

	Year Ended December 31,	
(in Millions)	2017	2016
U.S. qualified pension plan	$ 44.0	$ 35.0
U.S. nonqualified pension plan	9.4	4.8
Non-U.S. plans	1.1	24.3
Other postretirement benefits, net of participant contributions	2.0	1.6
Total	**$ 56.5**	**$ 65.7**

In 2016, we made a $21 million payment into our U.K. pension plan in order to annuitize our remaining pension obligation. This action removed all future funding requirements for this plan. The assets of approximately $45 million supporting the remaining pension obligation were moved into an annuity at December 31, 2016 which qualified as a Level 3 investment in the fair value hierarchy above table. In October 2017, we completed the buy-out of the annuity, completing the plan termination and relieving us of the pension liability for the U.K. pension plan. The termination resulted in a settlement charge of $32.5 million.

We expect our voluntary cash contributions to our U.S. qualified pension plan to be $30 million in 2018.

The following table reflects the estimated future benefit payments for our pension and other postretirement benefit plans. These estimates take into consideration expected future service, as appropriate:

	Estimated Net Future Benefit Payments (in Millions)	
(in Millions)	Pension Benefits	Other Benefits
2018	$85.9	$1.9
2019	$86.4	$1.9
2020	$85.5	$1.8
2021	$85.1	$1.7
2022	$86.0	$1.7
2023 - 2027	$415.2	$6.9

Assumed health care cost trend rates have an effect on the other postretirement benefit obligations and net periodic other postretirement benefit costs reported for the health care portion of the other postretirement plan. A one-percentage point change in the assumed health care cost trend rates would be immaterial to our net periodic other postretirement benefit costs for the year ended December 31, 2017, and our other postretirement benefit obligation at December 31, 2017.

FMC Corporation Savings and Investment Plan. The FMC Corporation Savings and Investment Plan is a qualified salary-reduction plan under Section 401(k) of the Internal Revenue Code in which substantially all of our U.S. employees may participate by contributing a portion of their compensation. For eligible employees participating in the Plan, except for those employees covered by certain collective bargaining agreements, the Company makes matching contributions of 80 percent of the portion of those contributions up to five percent of the employee's compensation. Eligible employees participating in the Plan that do not participate in the U.S. qualified pension plan are entitled to receive an employer contribution of five percent of the employee's eligible compensation. Charges against income for all contributions were $9.7 million in 2017, $7.7 million in 2016, and $7.7 million in 2015.

Note 14: Share-based Compensation

Stock Compensation Plans

We have a share-based compensation plan, which has been approved by the stockholders, for certain employees, officers and directors. This plan is described below.

FMC Corporation Incentive Compensation and Stock Plan

The FMC Corporation Incentive Compensation and Stock Plan (the "Plan") provides for the grant of a variety of cash and equity awards to officers, directors, employees and consultants, including stock options, restricted stock, performance units (including restricted stock units), stock appreciation rights, and multi-year management incentive awards payable partly in cash and partly in common stock. The Compensation and Organization Committee of the Board of Directors (the "Committee"), subject to the provisions of the Plan, approves financial targets, award grants, and the times and conditions for payment of awards to employees. The total number of shares of common stock authorized for issuance under the Plan is 30.2 million of which approximately 5.1 million shares of common stock are available for future grants of share based awards under the Plan as of December 31, 2017. The FMC Corporation Non-Employee Directors' Compensation Policy, administered by the Nominating and Corporate Governance Committee of the Board of Directors, sets forth the compensation to be paid to the directors, including stock options, stock appreciation rights, restricted stock, restricted stock units, performance-based restricted stock units, and cash awards to be made to directors under the Plan.

Stock options granted under the Plan may be incentive or nonqualified stock options. The exercise price for stock options may not be less than the fair market value of the stock at the date of grant. Awards granted under the Plan vest or become exercisable or payable at the time designated by the Committee, which has generally been three years from the date of grant. Incentive and nonqualified options granted under the Plan expire not later than 10 years from the grant date.

Under the Plan, awards of restricted stock and restricted stock units may be made to selected employees. The awards vest over periods designated by the Committee, which has generally been three years, with vesting conditional upon continued employment. Compensation cost is recognized over the vesting periods based on the market value of the stock on the date of the award. Restricted stock units granted to directors under the Plan vest immediately if granted as part of, or in lieu of, the annual retainer; other restricted stock units granted to directors vest at the Annual Meeting of Shareholders in the calendar year following the May 1 annual grant date (but are subject to forfeiture on a pro rata basis if the director does not serve the full year except under certain circumstances).

At December 31, 2017 and 2016, there were restricted stock units representing an aggregate of 228,366 shares and 207,511 shares of common stock, respectively, credited to the directors' accounts.

Stock Compensation

We recognized the following stock compensation expense:

(in Millions)	Year Ended December 31, 2017	2016	2015
Stock Option Expense, net of taxes of $2.4, $2.6 and $2.4 (1)	$ 4.5	$ 4.4	$ 4.1
Restricted Stock Expense, net of taxes of $3.5, $3.8 and $3.0 (2)	6.4	6.5	5.1
Performance Based Expense, net of taxes of $1.5, $1.1 and $0.3	2.8	1.8	0.5
Total Stock Compensation Expense, net of taxes of $7.4, $7.5 and $5.7 (3)	**$ 13.7**	**$ 12.7**	**$ 9.7**

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(1) We applied an estimated forfeiture rate of 4.0% per stock option grant in the calculation of the expense.
(2) We applied an estimated forfeiture rate of 2.0% of outstanding grants in the calculation of the expense.
(3) This expense is classified as "Selling, general and administrative expenses" in our consolidated statements of income (loss). Total stock compensation expense, net of tax, not included in the above table of $4.4 million, zero, and $0.6 million for the years ended December 31, 2017, 2016 and 2015, respectively, is included in "Discontinued operations, net of income taxes" in the consolidated statements of income (loss).

We received $22.5 million, $4.1 million and $5.9 million in cash related to stock option exercises for the years ended December 31, 2017, 2016 and 2015, respectively. The shares used for the exercise of stock options occurring during the years ended December 31, 2017, 2016 and 2015 came from treasury shares.

For tax purposes, share-based compensation expense is deductible in the year of exercise or vesting based on the intrinsic value of the award on the date of exercise or vesting. For financial reporting purposes, share-based compensation expense is based upon grant-date fair value and amortized over the vesting period. Excess tax benefits represent the difference between the share-based compensation expense for financial reporting purposes and the deduction taken for tax purposes. The excess tax benefit (expense) recorded in stockholders' equity for the years ended December 31, 2016 and 2015 totaled $(0.4) million and $1.4 million, respectively. Beginning in 2017, these excess tax benefits were recorded directly to income tax expense which totaled $2.9 million in 2017. Refer to Note 2 for further information on the accounting change.

Stock Options

The grant-date fair values of the stock options we granted in the years ended December 31, 2017, 2016 and 2015 were estimated using the Black-Scholes option valuation model, the key assumptions for which are listed in the table below. The expected volatility assumption is based on the actual historical experience of our common stock. The expected life represents the period of time that options granted are expected to be outstanding. The risk-free interest rate is based on U.S. Treasury securities with terms equal to the expected timing of stock option exercises as of the grant date. The dividend yield assumption reflects anticipated dividends on our common stock. Employee stock options generally vest after a three year period and expire ten years from the date of grant.

Black Scholes valuation assumptions for stock option grants:

	2017	2016	2015
Expected dividend yield	1.15%	1.77%	0.95%
Expected volatility	27.04%	26.57%	40.95%
Expected life (in years)	6.5	6.5	6.5
Risk-free interest rate	2.10%	1.39%	1.74%

The weighted-average grant-date fair value of options granted during the years ended December 31, 2017, 2016 and 2015 was $15.66, $8.54 and $24.68 per share, respectively.

The following summary shows stock option activity for employees under the Plan for the three years ended December 31, 2017:

(Shares in Thousands)	Number of Options Granted But Not Exercised	Weighted-Average Remaining Contractual Life (in Years)	Weighted-Average Exercise Price Per Share	Aggregate Intrinsic Value (in Millions)
December 31, 2014 (1,023 shares exercisable and 1,903 shares expected to vest or be exercised)	**1,931**	**5.5 years**	**$ 42.46**	**$ 32.7**
Granted	408		63.37	
Exercised	(213)		27.77	6.6
Forfeited	(55)		62.38	
December 31, 2015 (1,200 shares exercisable and 832 shares expected to vest or be exercised)	**2,071**	**5.6 years**	**$ 47.52**	**$ 8.7**
Granted	933		37.39	
Exercised	(171)		25.59	3.5
Forfeited	(84)		51.17	
December 31, 2016 (1,292 shares exercisable and 1,373 shares expected to vest or be exercised)	**2,749**	**6.1 years**	**$ 45.34**	**$ 37.6**
Granted	370		57.63	
Exercised	(590)		39.93	20.1
Forfeited	(94)		49.10	
December 31, 2017 (920 shares exercisable and 1,452 shares expected to vest or be exercised)	**2,435**	**6.3 years**	**$ 48.37**	**$ 112.7**

The number of stock options indicated in the above table as being exercisable as of December 31, 2017, had an intrinsic value of $42.2 million, a weighted-average remaining contractual term of 3.7 years, and a weighted-average exercise price of $48.72.

As of December 31, 2017, we had total remaining unrecognized compensation cost related to unvested stock options of $6.1 million which will be amortized over the weighted-average remaining requisite service period of approximately 1.63 years.

Restricted and Performance Based Equity Awards

The grant-date fair value of restricted stock awards and stock units under the Plan is based on the market price per share of our common stock on the date of grant, and the related compensation cost is amortized to expense on a straight-line basis over the vesting period during which the employees perform related services, which is typically three years except for those eligible for retirement prior to the stated vesting period as well as non-employee directors.

Starting in 2014, we began granting performance based restricted stock awards. The performance based share awards represent a number of shares of common stock to be awarded upon settlement based on the achievement of certain market-based performance criteria over a three year period. These awards generally vest upon the completion of a three year period from the date of grant; however certain performance criteria is measured on an annual basis. The fair value of the equity classified performance-based share awards is determined based on the number of shares of common stock to be awarded and a Monte Carlo valuation model.

The following table shows our employee restricted award activity for the three years ended December 31, 2017:

	Restricted Equity		Performance Based Equity	
(Number of Awards in Thousands)	Number of awards	Weighted-Average Grant Date Fair Value	Number of awards	Weighted-Average Grant Date Fair Value
Nonvested at December 31, 2014	**428**	**$ 57.86**	**—**	**$ —**
Granted	163	56.33	32	81.06
Vested	(190)	49.06	—	—
Forfeited	(25)	64.27	—	—
Nonvested at December 31, 2015	**376**	**$ 57.36**	**32**	**$ 81.06**
Granted	271	37.44	126	41.66
Vested	(120)	56.12	—	—
Forfeited	(31)	52.67	—	—
Nonvested at December 31, 2016	**496**	**$ 48.56**	**158**	**$ 49.55**
Granted	121	57.66	105	66.93
Vested	(98)	64.75	—	—
Forfeited	(30)	47.60	(3)	52.74
Nonvested at December 31, 2017	**489**	**$ 47.63**	**260**	**$ 53.36**

As of December 31, 2017, we had total remaining unrecognized compensation cost related to unvested restricted awards of $12.7 million which will be amortized over the weighted-average remaining requisite service period of approximately 1.61 years.

Note 15: Equity

The following is a summary of our capital stock activity over the past three years:

	Common Stock Shares	Treasury Stock Shares
December 31, 2014	185,983,792	52,666,121
Stock options and awards	—	(338,106)
December 31, 2015	185,983,792	52,328,015
Stock options and awards	—	(244,329)
Repurchases of common stock, net	—	210,000
December 31, 2016	185,983,792	52,293,686
Stock options and awards	—	(640,450)
December 31, 2017	**185,983,792**	**51,653,236**

Accumulated other comprehensive income (loss)

Summarized below is the roll forward of accumulated other comprehensive income (loss), net of tax.

(in Millions)	Foreign currency adjustments	Derivative Instruments (1)	Pension and other postretirement benefits (2)	Total
Accumulated other comprehensive income (loss), net of tax at December 31, 2014	**$ (50.4)**	**$ (3.9)**	**$ (321.5)**	**$ (375.8)**
2015 Activity				
Other comprehensive income (loss) before reclassifications	$ (96.9)	$ 0.7	$ (26.4)	$ (122.6)
Amounts reclassified from accumulated other comprehensive income (gain)	—	(3.0)	44.1	41.1
Accumulated other comprehensive income (loss), net of tax at December 31, 2015	**$ (147.3)**	**$ (6.2)**	**$ (303.8)**	**$ (457.3)**
2016 Activity				
Other comprehensive income (loss) before reclassifications	$ (46.7)	$ 7.3	$ (26.9)	$ (66.3)
Amounts reclassified from accumulated other comprehensive income (gain)	—	6.0	39.2	45.2
Accumulated other comprehensive income (loss), net of tax at December 31, 2016	**$ (194.0)**	**$ 7.1**	**$ (291.5)**	**$ (478.4)**
2017 Activity				
Other comprehensive income (loss) before reclassifications	$ 173.9	$ (1.2)	$ 0.6	$ 173.3
Amounts reclassified from accumulated other comprehensive income (gain)	13.9	(0.7)	51.6	64.8
Accumulated other comprehensive income (loss), net of tax at December 31, 2017	**$ (6.2)**	**$ 5.2**	**$ (239.3)**	**$ (240.3)**

(1) See Note 17 for more information.
(2) See Note 13 for more information.

Reclassifications of accumulated other comprehensive income (loss)

The table below provides details about the reclassifications from accumulated other comprehensive income (loss) and the affected line items in the consolidated statements of income (loss) for each of the periods presented.

Details about Accumulated Other Comprehensive Income Components	Amounts Reclassified from Accumulated Other Comprehensive Income (1)			Affected Line Item in the Consolidated Statements of Income (Loss)
	Year Ended December 31,			
(in Millions)	2017	2016	2015	
Foreign currency translation adjustments:				
Divestiture of FMC Health and Nutrition (2)	$ (13.9)	$ —	$ —	Discontinued operations, net of income taxes
Derivative instruments:				
Foreign currency contracts	$ (10.0)	$ (11.2)	$ 43.0	Costs of sales and services
Energy contracts	0.8	(2.3)	(4.8)	Costs of sales and services
Foreign currency contracts	10.0	4.2	(32.5)	Selling, general and administrative expenses
Total before tax	**$ 0.8**	**$ (9.3)**	**5.7**	
	(0.1)	3.3	(2.7)	Provision for income taxes
Amount included in net income	**$ 0.7**	**$ (6.0)**	**3.0**	
Pension and other postretirement benefits (3):				
Amortization of prior service costs	$ (0.5)	$ (0.8)	$ (0.9)	Selling, general and administrative expenses
Amortization of unrecognized net actuarial and other gains (losses)	(14.4)	(38.4)	(52.2)	Selling, general and administrative expenses
Recognized loss due to settlement/curtailment	(51.2)	(20.6)	(14.2)	Selling, general and administrative expenses; Discontinued operations, net of income taxes
Total before tax	**$ (66.1)**	**$ (59.8)**	**$ (67.3)**	
	14.5	20.6	23.2	Provision for income taxes
Amount included in net income	**$ (51.6)**	**$ (39.2)**	**$ (44.1)**	
Total reclassifications for the period	**$ (64.8)**	**$ (45.2)**	**$ (41.1)**	Amount included in net income

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(1) Amounts in parentheses indicate charges to the consolidated statements of income (loss).

(2) The reclassification of historical cumulative translation adjustments was the result of the sale of our FMC Health and Nutrition and Omega-3 business. The loss recognized from this reclassification is considered permanent for tax purposes and therefore no tax has been provided. See Note 9 within these consolidated financial statements for more information. In accordance with accounting guidance, this amount was previously factored into the lower of cost or fair value test associated with the Omega-3 asset held for sale write-down charges.

(3) Pension and other postretirement benefits amounts include the impact from both continuing and discontinued operations. For detail on the continuing operations components of pension and other postretirement benefits, see Note 13.

Transactions with Noncontrolling Interest

As part of the DuPont Crop Protection Business Acquisition, we acquired an 80 percent controlling interest in DuPont Agricultural Chemicals Limited, Shanghai, a joint venture registered in the People's Republic of China.

During the first quarter of 2017, we terminated our interest in a variable interest entity. See Note 7 for more information.

During the third quarter 2016, we terminated a joint venture in Argentina for which we had a controlling interest. See Note 7 for more information. During the fourth quarter 2016, we also acquired the remaining noncontrolling interest in a joint venture in China.

Dividends and Share Repurchases

On January 18, 2018, we paid dividends totaling $22.3 million to our shareholders of record as of December 31, 2017. This amount is included in “Accrued and other liabilities” on the consolidated balance sheets as of December 31, 2017. For the years ended December 31, 2017, 2016 and 2015, we paid $88.8 million, $88.6 million and $86.4 million in dividends, respectively.

In 2017, zero shares were repurchased under the publicly announced repurchase program. At December 31, 2017, $238.8 million remained unused under our Board-authorized repurchase program. 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. We also reacquire shares from time to time from employees in connection with the vesting, exercise and forfeiture of awards under our equity compensation plans.

Note 16: Earnings Per Share

Earnings per common share ("EPS") is computed by dividing net income by the weighted average number of common shares outstanding during the period on a basic and diluted basis.

Our potentially dilutive securities include potential common shares related to our stock options, restricted stock and restricted stock units. Diluted earnings per share (“Diluted EPS”) considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an antidilutive effect. Diluted EPS excludes the impact of potential common shares related to our stock options in periods in which the option exercise price is greater than the average market price of our common stock for the period. For the year ended December 31, 2017, we had a net loss from continuing operations attributable to FMC stockholders. As a result, all 1.5 million potential common shares were excluded from Diluted EPS. For the year ended December 31, 2016, there were 0.6 million potential common shares excluded from Diluted EPS. For the year ended December 31, 2015, we also had a net loss from continuing operations attributable to FMC stockholders and all 1.7 million potential common shares were excluded from Diluted EPS.

Our non-vested restricted stock awards contain rights to receive non-forfeitable dividends, and thus, are participating securities requiring the two-class method of computing EPS. The two-class method determines EPS by dividing the sum of distributed earnings to common stockholders and undistributed earnings allocated to common stockholders by the weighted average number of shares of common stock outstanding for the period. In calculating the two-class method, undistributed earnings are allocated to both common shares and participating securities based on the weighted average shares outstanding during the period.

Earnings applicable to common stock and common stock shares used in the calculation of basic and diluted earnings per share are as follows:

	Year Ended December 31,		
(in Millions, Except Share and Per Share Data)	**2017**	**2016**	**2015**
Earnings (loss) attributable to FMC stockholders:			
Continuing operations, net of income taxes	$ (85.9)	$ 128.4	$ (222.0)
Discontinued operations, net of income taxes	621.7	80.7	711.0
Net income attributable to FMC stockholders	**$ 535.8**	**$ 209.1**	**$ 489.0**
Less: Distributed and undistributed earnings allocable to restricted award holders	—	(0.4)	—
Net income allocable to common stockholders	**$ 535.8**	**$ 208.7**	**$ 489.0**
Basic earnings (loss) per common share attributable to FMC stockholders:			
Continuing operations	$ (0.64)	$ 0.96	$ (1.66)
Discontinued operations	4.63	0.60	5.32
Net income	**$ 3.99**	**$ 1.56**	**$ 3.66**
Diluted earnings (loss) per common share attributable to FMC stockholders:			
Continuing operations	$ (0.64)	$ 0.96	$ (1.66)
Discontinued operations	4.63	0.60	5.32
Net income	**$ 3.99**	**$ 1.56**	**$ 3.66**
Shares (in thousands):			
Weighted average number of shares of common stock outstanding - Basic	134,255	133,890	133,696
Weighted average additional shares assuming conversion of potential common shares	—	648	—
Shares – diluted basis	**134,255**	**134,538**	**133,696**

Note 17: Financial Instruments, Risk Management and Fair Value Measurements

Our financial instruments include cash and cash equivalents, trade receivables, other current assets, certain receivables classified as other long-term assets, accounts payable, and amounts included in investments and accruals meeting the definition of financial instruments. The carrying value of these financial instruments approximates their fair value. Our other financial instruments include the following:

Financial Instrument	Valuation Method
Foreign exchange forward contracts	Estimated amounts that would be received or paid to terminate the contracts at the reporting date based on current market prices for applicable currencies.
Commodity forward and option contracts	Estimated amounts that would be received or paid to terminate the contracts at the reporting date based on quoted market prices for applicable commodities.
Debt	Our estimates and information obtained from independent third parties using market data, such as bid/ask spreads for the last business day of the reporting period.

The estimated fair value of the financial instruments in the above table have been determined using standard pricing models which take into account the present value of expected future cash flows discounted to the balance sheet date. These standard pricing models utilize inputs derived from, or corroborated by, observable market data such as interest rate yield curves and currency and commodity spot and forward rates. In addition, we test a subset of our valuations against valuations received from the transaction's counterparty to validate the accuracy of our standard pricing models. Accordingly, the estimates presented may not be indicative of the amounts that we would realize in a market exchange at settlement date and do not represent potential gains or losses on these agreements. The estimated fair values of foreign exchange forward contracts and commodity forward and option contracts are included in the tables within this Note. The estimated fair value of debt is $3,250.6 million and $1,964.9 million and the carrying amount is $3,185.6 million and $1,893.0 million as of December 31, 2017 and December 31, 2016, respectively.

We enter into various financial instruments with off-balance-sheet risk as part of the normal course of business. These off-balance sheet instruments include financial guarantees and contractual commitments to extend financial guarantees under letters of credit, and other assistance to customers. See Note 18 for more information. Decisions to extend financial guarantees to customers, and the amount of collateral required under these guarantees is based on our evaluation of creditworthiness on a case-by-case basis.

Use of Derivative Financial Instruments to Manage Risk

We mitigate certain financial exposures, including currency risk, commodity purchase exposures and interest rate risk through a program of risk management that includes the use of derivative financial instruments. We enter into foreign exchange contracts, including forward and purchased option contracts, to reduce the effects of fluctuating foreign currency exchange rates.

We formally document all relationships between hedging instruments and hedged items, as well as the risk management objective and strategy for undertaking various hedge transactions. This process includes relating derivatives that are designated as fair value or cash flow hedges to specific assets and liabilities on the balance sheet or to specific firm commitments or forecasted transactions. We also assess both at the inception of the hedge and on an ongoing basis, whether each derivative is highly effective in offsetting changes in fair values or cash flows of the hedged item. If we determine that a derivative is not highly effective as a hedge, or if a derivative ceases to be a highly effective hedge, we discontinue hedge accounting with respect to that derivative prospectively.

Foreign Currency Exchange Risk Management

We conduct business in many foreign countries, exposing earnings, cash flows, and our financial position to foreign currency risks. The majority of these risks arise as a result of foreign currency transactions. Our policy is to minimize exposure to adverse changes in currency exchange rates. This is accomplished through a controlled program of risk management that includes the use of foreign currency debt and forward foreign exchange contracts. We also use forward foreign exchange contracts to hedge firm and highly anticipated foreign currency cash flows, with an objective of balancing currency risk to provide adequate protection from significant fluctuations in the currency markets.

The primary currencies for which we have exchange rate exposure are the U.S. dollar versus the Brazilian Real, the Euro, the Chinese yuan, the Mexican peso and the Argentine peso.

Commodity Price Risk

We are exposed to risks in energy costs due to fluctuations in energy prices, particularly natural gas. We attempt to mitigate our exposure to increasing energy costs by hedging the cost of future deliveries of natural gas.

Interest Rate Risk

We use various strategies to manage our interest rate exposure, including entering into interest rate swap agreements to achieve a targeted mix of fixed and variable-rate debt. In the agreements we exchange, at specified intervals, the difference between fixed and variable-interest amounts calculated on an agreed-upon notional principal amount. As of December 31, 2017 and December 31, 2016, we had no such swap agreements in place.

Concentration of Credit Risk

Our counterparties to derivative contracts are primarily major financial institutions. We limit the dollar amount of contracts entered into with any one financial institution and monitor counterparties' credit ratings. We also enter into master netting agreements with each financial institution, where possible, which helps mitigate the credit risk associated with our financial instruments. While we may be exposed to credit losses due to the nonperformance of counterparties, we consider this risk remote.

Financial Guarantees and Letter-of-Credit Commitments

We enter into various financial instruments with off-balance-sheet risk as part of the normal course of business. These off-balance-sheet instruments include financial guarantees and contractual commitments to extend financial guarantees under letters of credit and other assistance to customers. See Notes 1 and 18 for more information. Decisions to extend financial guarantees to customers, and the amount of collateral required under these guarantees, is based on our evaluation of creditworthiness on a case-by-case basis.

Accounting for Derivative Instruments and Hedging Activities

Cash Flow Hedges

We recognize all derivatives on the balance sheet at fair value. On the date we enter into the derivative instrument, we generally designate the derivative as a hedge of the variability of cash flows to be received or paid related to a forecasted transaction (cash flow hedge). We record in AOCI changes in the fair value of derivatives that are designated as and meet all the required criteria for, a cash flow hedge. We then reclassify these amounts into earnings as the underlying hedged item affects earnings. In contrast we immediately record in earnings changes in the fair value of derivatives that are not designated as cash flow hedges.

As of December 31, 2017, we had open foreign currency forward contracts in AOCI in a net after-tax gain position of $4.4 million designated as cash flow hedges of underlying forecasted sales and purchases. Current open contracts hedge forecasted transactions until December 31, 2018. At December 31, 2017, we had open forward contracts with various expiration dates to buy, sell or exchange foreign currencies with a U.S. dollar equivalent of approximately $380.0 million.

As of December 31, 2017, we had no open commodity contracts in AOCI designated as cash flow hedges of underlying forecasted purchases. At December 31, 2017, we had zero mmBTUs (millions of British Thermal Units) in aggregate notional volume of outstanding natural gas commodity forward contracts.

Approximately $4.1 million of net after-tax gains, representing open foreign currency exchange contracts, will be realized in earnings during the twelve months ending December 31, 2018 if spot rates in the future are consistent with forward rates as of December 31, 2017. The actual effect on earnings will be dependent on the actual spot rates when the forecasted transactions occur. We recognize derivative gains and losses in the “Costs of sales and services” line in the consolidated statements of income (loss).

Derivatives Not Designated As Hedging Instruments

We hold certain forward contracts that have not been designated as cash flow hedging instruments for accounting purposes. Contracts used to hedge the exposure to foreign currency fluctuations associated with certain monetary assets and liabilities are not designated as cash flow hedging instruments, and changes in the fair value of these items are recorded in earnings.

We had open forward contracts not designated as cash flow hedging instruments for accounting purposes with various expiration dates to buy, sell or exchange foreign currencies with a U.S. dollar equivalent of approximately $2,450.3 million at December 31, 2017.

Fair Value of Derivative Instruments

The following tables provide the gross fair value and net balance sheet presentation of our derivative instruments as of December 31, 2017 and 2016.

	December 31, 2017				
	Gross Amount of Derivatives				
(in Millions)	Designated as Cash Flow Hedges	Not Designated as Hedging Instruments	Total Gross Amounts	Gross Amounts Offset in the Consolidated Balance Sheet [(3)]	Net Amounts
Derivatives					
Foreign exchange contracts	$ 7.0	$ 1.2	$ 8.2	$ (1.5)	$ 6.7
Total derivative assets [(1)]	**$ 7.0**	**$ 1.2**	**$ 8.2**	**$ (1.5)**	**$ 6.7**
Foreign exchange contracts	(3.6)	(0.2)	(3.8)	1.5	(2.3)
Total derivative liabilities [(2)]	**$ (3.6)**	**$ (0.2)**	**$ (3.8)**	**$ 1.5**	**$ (2.3)**
Net derivative assets (liabilities)	**$ 3.4**	**$ 1.0**	**$ 4.4**	**$ —**	**$ 4.4**

	December 31, 2016				
	Gross Amount of Derivatives				
(in Millions)	Designated as Cash Flow Hedges	Not Designated as Hedging Instruments	Total Gross Amounts	Gross Amounts Offset in the Consolidated Balance Sheet [3]	Net Amounts
Derivatives					
Foreign exchange contracts	$ 9.8	$ 0.8	$ 10.6	$ (6.2)	$ 4.4
Energy contracts	2.0	—	2.0	—	2.0
Total derivative assets [1]	**$ 11.8**	**$ 0.8**	**$ 12.6**	**$ (6.2)**	**$ 6.4**
Foreign exchange contracts	(5.5)	(9.6)	(15.1)	6.2	(8.9)
Total derivative liabilities [2]	**$ (5.5)**	**$ (9.6)**	**$ (15.1)**	**$ 6.2**	**$ (8.9)**
Net derivative assets (liabilities)	**$ 6.3**	**$ (8.8)**	**$ (2.5)**	**$ —**	**$ (2.5)**

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(1) Net balance is included in “Prepaid and other current assets” in the consolidated balance sheets.
(2) Net balance is included in “Accrued and other liabilities” in the consolidated balance sheets.
(3) Represents net derivatives positions subject to master netting arrangements.

The following tables summarize the gains or losses related to our cash flow hedges and derivatives not designated as hedging instruments.

Derivatives in Cash Flow Hedging Relationships

(in Millions)	Contracts: Foreign exchange	Contracts: Energy	Contracts: Other	Total
Accumulated other comprehensive income (loss), net of tax at December 31, 2014	**$ (0.6)**	**$ (4.6)**	**$ 1.3**	**$ (3.9)**
2015 Activity				
Unrealized hedging gains (losses) and other, net of tax	$ 0.4	$ 0.4	$ (0.1)	$ 0.7
Reclassification of deferred hedging (gains) losses, net of tax				
Effective Portion (1)	(5.9)	2.9	—	(3.0)
Total derivative instrument impact on comprehensive income, net of tax	$ (5.5)	$ 3.3	$ (0.1)	$ (2.3)
Accumulated other comprehensive income (loss), net of tax at December 31, 2015	**$ (6.1)**	**$ (1.3)**	**$ 1.2**	**$ (6.2)**
2016 Activity				
Unrealized hedging gains (losses) and other, net of tax	$ 6.1	$ 1.2	$ —	$ 7.3
Reclassification of deferred hedging (gains) losses, net of tax				
Effective Portion (1)	$ 5.1	$ 1.5	$ (0.1)	$ 6.5
Ineffective Portion (1)	(0.5)	—	—	(0.5)
Total derivative instrument impact on comprehensive income, net of tax	$ 10.7	$ 2.7	$ (0.1)	$ 13.3
Accumulated other comprehensive income (loss), net of tax at December 31, 2016	**$ 4.6**	**$ 1.4**	**$ 1.1**	**$ 7.1**
2017 Activity				
Unrealized hedging gains (losses) and other, net of tax	$ (0.4)	$ (0.8)	$ —	$ (1.2)
Reclassification of deferred hedging (gains) losses, net of tax				
Effective Portion (1)	$ 0.3	$ (0.6)	$ (0.3)	$ (0.6)
Ineffective Portion (1)	(0.1)	—	—	(0.1)
Total derivative instrument impact on comprehensive income, net of tax	$ (0.2)	$ (1.4)	$ (0.3)	$ (1.9)
Accumulated other comprehensive income (loss), net of tax at December 31, 2017	**$ 4.4**	**$ —**	**$ 0.8**	**$ 5.2**

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(1) Amounts are included in "Cost of sales and services" and "Interest expense" on the consolidated statements of income (loss).

Derivatives Not Designated as Hedging Instruments

(in Millions)	Location of Gain or (Loss) Recognized in Income on Derivatives	Amount of Pre-tax Gain or (Loss) Recognized in Income on Derivatives (1) — Year Ended December 31, 2017	2016	2015
Foreign Exchange contracts	Cost of Sales and Services	$ (12.2)	$ (42.7)	$ (47.9)
	Selling, general & administrative (2)	—	—	(172.1)
Total		**$ (12.2)**	**$ (42.7)**	**$ (220.0)**

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(1) Amounts in the columns represent the gain or loss on the derivative instrument offset by the gain or loss on the hedged item.
(2) Charges represent loss on the Cheminova acquisition hedge. See Note 3 within these consolidated financial statements for more information.

Fair-Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market participants are defined as buyers or sellers in the principle or most advantageous market for the asset or liability that are independent of the reporting entity, knowledgeable and able and willing to transact for the asset or liability.

Fair-Value Hierarchy

We have categorized our assets and liabilities that are recorded at fair value, based on the priority of the inputs to the valuation technique, into a three-level fair-value hierarchy. The fair-value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the assets and liabilities fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair-value measurement of the instrument.

Recurring Fair Value Measurements

The following tables present our fair-value hierarchy for those assets and liabilities measured at fair-value on a recurring basis in our consolidated balance sheets.

(in Millions)	December 31, 2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Derivatives – Foreign exchange [1]	$ 6.7	$ —	$ 6.7	$ —
Other [2]	30.1	30.1	—	—
Total Assets	**$ 36.8**	**$ 30.1**	**$ 6.7**	**$ —**
Liabilities				
Derivatives – Foreign exchange [1]	$ 2.3	$ —	$ 2.3	$ —
Other [3]	46.6	38.8	7.8	—
Total Liabilities	**$ 48.9**	**$ 38.8**	**$ 10.1**	**$ —**

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(1) See the Fair Value of Derivative Instruments table within this Note for classifications on our consolidated balance sheets.
(2) Consists of a deferred compensation arrangement, through which we hold various investment securities, recognized on our balance sheet. Both the asset and liability are recorded at fair value. Asset amounts included in “Other assets including long-term receivables, net” in the consolidated balance sheets.
(3) Primarily consists of a deferred compensation arrangement recognized on our balance sheet. Both the asset and liability are recorded at fair value. Liability amounts included in “Other long-term liabilities” in the consolidated balance sheets.

(in Millions)	December 31, 2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Derivatives – Commodities: [1]				
Energy contracts	$ 2.0	$ —	$ 2.0	$ —
Derivatives – Foreign exchange [1]	4.4	—	4.4	—
Other [2]	25.3	25.3	—	—
Total Assets	**$ 31.7**	**$ 25.3**	**$ 6.4**	**$ —**
Liabilities				
Derivatives – Foreign exchange [1]	8.9	—	8.9	—
Other [3]	31.1	30.5	0.6	—
Total Liabilities	**$ 40.0**	**$ 30.5**	**$ 9.5**	**$ —**

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(1) See the Fair Value of Derivative Instruments table within this Note for classifications on our consolidated balance sheets.

(2) Consists of a deferred compensation arrangement, through which we hold various investment securities, recognized on our balance sheet. Both the asset and liability are recorded at fair value. Asset amounts included in “Other assets including long-term receivables, net” in the consolidated balance sheets.

(3) Primarily consists of a deferred compensation arrangement recognized on our balance sheet. Both the asset and liability are recorded at fair value. Liability amounts included in “Other long-term liabilities” in the consolidated balance sheets.

Nonrecurring Fair Value Measurements

The following tables present our fair value hierarchy for those assets and liabilities measured at fair value on a non-recurring basis in our consolidated balance sheets during the year ended December 31, 2017 and 2016. See Note 3 for the assets and liabilities measured on a non-recurring basis at fair value associated with our acquisitions.

(in Millions)	December 31, 2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Gains (Losses) (Year Ended December 31, 2017)
Assets					
Impairment of Crop Protection intangibles (1)	$ 1,136.1	$ —	$ —	$ 1,136.1	$ (42.1)
Impairment of intangibles (2)	4.3	—	—	4.3	(1.3)
Total Assets	**$ 1,140.4**	**$ —**	**$ —**	**$ 1,140.4**	**$ (43.4)**

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(1) Represents impairment charge to write down certain indefinite-lived intangible assets of the acquired DuPont Crop Protection Business as a result of a triggering event for the United States' enactment of the Act. See Note 11 for further details on the tax legislation.

(2) We recorded an impairment charge, related to our FMC Agricultural Solutions segment, to write down the carrying value of the generic brand portfolio of approximately $1 million to its fair value.

(in Millions)	December 31, 2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Gains (Losses) (Year Ended December 31, 2016)
Assets					
Impairment of intangibles (1)	5.9	—	—	5.9	(1.0)
Total Assets	**$ 5.9**	**$ —**	**$ —**	**$ 5.9**	**$ (1.0)**

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(1) We recorded an impairment charge, related to our FMC Agricultural Solutions segment, to write down the carrying value of the generic brand portfolio of approximately $1 million to its fair value.

Note 18: Guarantees, Commitments and Contingencies

Guarantees

We continue to monitor the conditions that are subject to guarantees and indemnifications to identify whether a liability must be recognized in our financial statements.

The following table provides the estimated undiscounted amount of potential future payments for each major group of guarantees at December 31, 2017. These guarantees arise during the ordinary course of business from relationships with customers and nonconsolidated affiliates. Non-performance by the guaranteed party triggers the obligation requiring us to make payments to the beneficiary of the guarantee. Based on our experience these types of guarantees have not had a material effect on our consolidated financial position or on our liquidity. Our expectation is that future payment or performance related to the non-performance of others is considered unlikely.

(in Millions)		
Guarantees:		
Guarantees of vendor financing - short term (1)	$	51.5
Guarantees of vendor financing - long term (1)		0.2
Other debt guarantees (2)		6.7
Total	**$**	**58.4**

(1) Represents guarantees to financial institutions on behalf of certain FMC Agricultural Solutions customers for their seasonal borrowing. The short-term amount is recorded on the consolidated balance sheets as "Guarantees of vendor financing." The long-term amount is recorded on the consolidated balance sheets within "Other long-term liabilities."

(2) These guarantees represent support provided to third-party banks for credit extended to various FMC Agricultural Solutions customers and nonconsolidated affiliates. The liability for the guarantees is recorded at an amount that approximates fair value (i.e. representing the stand-ready obligation) based on our historical collection experience and a current assessment of credit exposure. We believe the fair value of these guarantees is immaterial. The majority of these guarantees have an expiration date of less than one year.

Excluded from the chart above are parent company guarantees we provide to lending institutions that extend credit to our foreign subsidiaries. Since these guarantees are provided for consolidated subsidiaries the consolidated financial position is not affected by the issuance of these guarantees. Also excluded from the chart, in connection with our property and asset sales and divestitures, we have agreed to indemnify the buyers for certain liabilities, including environmental contamination and taxes that occurred prior to the date of sale or provided guarantees to third parties relating to certain contracts assumed by the buyer. Our indemnification or guarantee obligations with respect to these liabilities may be indefinite as to duration and may or may not be subject to a deductible, minimum claim amount or cap. As such, it is not possible for us to predict the likelihood that a claim will be made or to make a reasonable estimate of the maximum potential loss or range of loss. If triggered, we may be able to recover some of the indemnity payments from third parties. We have not recorded any specific liabilities for these guarantees.

Commitments

Leases

We lease office space, plants and facilities, and various types of manufacturing, data processing and transportation equipment. Leases of real estate generally provide for our payment of property taxes, insurance and repairs. Our capital leases primarily relate to two of our research and technology centers in the U.S. and China. Our capital lease asset balances (net of accumulated amortization of $2.3 million and $1.8 million), which are classified as buildings within our property, plant and equipment on our consolidated balance sheets, were $16.4 million and $16.9 million as of December 31, 2017 and 2016, respectively. Amortization of capital lease assets is included within depreciation expense. See Note 20 within these consolidated financial statements for obligations associated with our capital leases.

	Year ended December 31,		
(in Millions)	2017	2016	2015
Operating leases rent expense	$ 27.6	$ 21.2	$ 16.0

	Future Minimum Lease Payments	
(in Millions)	Operating Leases	Capital Leases
2018	$25.5	$3.6
2019	$24.3	$3.7
2020	$22.5	$3.7
2021	$19.9	$3.9
2022	$19.4	$3.9
Thereafter	$164.5	$34.4

Purchase Obligations

Our minimum commitments under our take-or-pay purchase obligations associated with the sourcing of materials and energy total approximately $4.7 million. Since the majority of our minimum obligations under these contracts are over the life of the contract on a year-by-year basis, we are unable to determine the periods in which these obligations could be payable under these contracts. However, we intend to fulfill the obligations associated with these contracts through our purchases associated with the normal course of business.

Contingencies

Competition / antitrust litigation related to the discontinued FMC Peroxygens segment. We are subject to actions brought by private plaintiffs relating to alleged violations of European and Canadian competition and antitrust laws, as further described below.

European competition action. Multiple European purchasers of hydrogen peroxide who claim to have been harmed as a result of alleged violations of European competition law by hydrogen peroxide producers assigned their legal claims to a single entity formed by a law firm. The single entity then filed a lawsuit in Germany in March 2009 against European producers, including our wholly-owned Spanish subsidiary, Foret. Initial defense briefs were filed in April 2010, and an initial hearing was held during the first quarter of 2011, at which time case management issues were discussed. At a subsequent hearing in October 2011, the Court indicated that it was considering seeking guidance from the European Court of Justice (“ECJ”) as to whether the German courts have jurisdiction over these claims. After submission of written comments on this issue by the parties, on March 1, 2012, the judge announced that she would refer the jurisdictional issues to the ECJ, which she did on April 29, 2013. On May 21, 2015, the ECJ issued its decision, upholding the jurisdiction of the German court. The case is now back before the German judge. We filed a motion to dismiss the proceedings in September 2015. We do not anticipate a response by the court until the spring of 2018. Since the case is in the preliminary stages and is based on a novel procedure - namely the attempt to create a cross-border “class action” which is not a recognized proceeding under EU or German law - we are unable to develop a reasonable estimate of our potential exposure of loss at this time. We intend to vigorously defend this matter.

Canadian antitrust actions. In 2005, after public disclosures of the U.S. federal grand jury investigation into the hydrogen peroxide industry (which resulted in no charges brought against us) and the filing of various class actions in U.S. federal and state courts, which have all been settled, putative class actions against us and five other major hydrogen peroxide producers were filed in provincial courts in Ontario, Quebec and British Columbia under the laws of Canada. The other five defendants have settled these claims for a total of approximately $20.6 million. On September 28, 2009, the Ontario Superior Court of Justice certified a class of direct and indirect purchasers of hydrogen peroxide from 1994 to 2005. Our motion for leave to appeal the class certification decision was denied in June 2010. The case was largely dormant while the Canadian Supreme Court considered, in different litigation, whether indirect purchasers may recover overcharges in antitrust actions. In October 2013 the Court ruled that such recovery is permissible. Thereafter, the plaintiffs' moved to dismiss certain downstream purchasers (those who purchased products that contain hydrogen peroxide or were made using hydrogen peroxide) from the case and to reduce the class period to November 1, 1998 through December 31, 2003 - thereby eliminating six of the eleven years of the originally certified class period. The Court has approved this request. Since the proceedings are in the preliminary stages with respect to the merits, we are unable to develop a reasonable estimate of our potential exposure of loss at this time. We intend to vigorously defend these matters.

Asbestos claims. 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.

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 asbestos litigation have changed over time. Over the last several years, we have seen changes in the jurisdictions where claims against FMC are being filed and changes in the mix of products named in the various claims. Because these claim trends have yet to form a predictable pattern, we are presently unable to reasonably estimate our asbestos liability with respect to claims that may be filed in the future.

Other contingent liabilities. In addition to the matters disclosed above, we have certain other contingent liabilities arising from litigation, claims, products we have sold, guarantees or warranties we have made, contracts we have entered into, indemnities we have provided, and other commitments or obligations incident to the ordinary course of business. In Brazil, we are subject to claims from various governmental agencies regarding alleged additional indirect (non-income) taxes or duties as well as product liability matters related to our operations. These disputes take many years to resolve as the matters move through administrative or judicial courts. We have provided reserves for such Brazilian matters that we consider probable and for which a reasonable estimate of the obligation can be made in the amount of $2.2 million and $6.7 million as of December 31, 2017 and 2016, respectively. The aggregate estimated reasonably possible loss contingencies related to such Brazilian matters exceed amounts accrued by approximately $77.1 million at December 31, 2017. This reasonably possible estimate is based upon information available as of the date of the filing and the actual future losses may be higher given the uncertainties regarding the ultimate decision by administrative or judicial authorities in Brazil. Regarding other contingencies arising from operations, some of these contingencies are known - for example pending product liability litigation or claims - but are so preliminary that the merits cannot be determined, or if more advanced, are not deemed material based on current knowledge. Some contingencies are unknown - for example, claims with respect to which we have no notice or claims which may arise in the future, resulting from products we have sold, guarantees or warranties we have made, or indemnities we have provided. Therefore, we are unable to develop a reasonable estimate of our potential exposure of loss for these contingencies, either individually or in the aggregate, at this time. Based on information currently available and established reserves, we have no reason to believe that the ultimate resolution of our known contingencies, including the matters described in this Note, will have a material adverse effect on our consolidated financial position, liquidity or results of operations. However, there can be no assurance that the outcome of these contingencies will be favorable, and adverse results in certain of these contingencies could have a material adverse effect on our consolidated financial position, results of operations in any one reporting period, or liquidity.

See Note 10 for the Pocatello tribal litigation, Middleport litigation, and Portland Harbor litigation for legal proceedings associated with our environmental contingencies.

Note 19: Segment Information

	Year Ended December 31,		
(in Millions)	2017	2016	2015
Revenue (1)			
FMC Agricultural Solutions	$ 2,531.2	$ 2,274.8	$ 2,252.9
FMC Lithium	347.4	264.1	238.1
Total	**$ 2,878.6**	**$ 2,538.9**	**$ 2,491.0**
Income (loss) from continuing operations before income taxes			
FMC Agricultural Solutions	$ 485.6	$ 399.9	$ 363.9
FMC Lithium	126.7	70.2	23.0
Segment operating profit (2)	**$ 612.3**	**$ 470.1**	**$ 386.9**
Corporate and other	(102.4)	(84.6)	(63.0)
Operating profit before the items listed below	**$ 509.9**	**$ 385.5**	**$ 323.9**
Interest expense, net	(79.1)	(62.9)	(60.9)
Restructuring and other (charges) income (3)	(81.4)	(95.0)	(150.3)
Non-operating pension and postretirement (charges) income (4)	(18.2)	(23.4)	(29.8)
Acquisition related charges (5)	(150.4)	(23.4)	(290.3)
(Provision) benefit for income taxes	(264.1)	(50.1)	(5.2)
Discontinued operations, net of income taxes	621.7	81.0	711.1
Net (income) loss attributable to noncontrolling interests	(2.6)	(2.6)	(9.5)
Net income attributable to FMC stockholders	**$ 535.8**	**$ 209.1**	**$ 489.0**

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(1) Our FMC Agricultural Solutions and FMC Lithium segments each have one product line group, and therefore net sales to external customers within each of those segments are included in the table above.

(2) Referred to as Segment Earnings.

(3) See Note 7 for details of restructuring and other (charges) income. Below provides the detail the (charges) income by segment:

	Year Ended December 31,		
(in Millions)	2017	2016	2015
FMC Agricultural Solutions	$ (49.9)	$ (62.4)	$ (123.7)
FMC Lithium	(7.8)	(0.6)	(2.7)
Corporate	(23.7)	(32.0)	(23.9)
Restructuring and other (charges) income	**$ (81.4)**	**$ (95.0)**	**$ (150.3)**

(4) 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. These expenses are included as a component of the line item "Selling, general and administrative expenses" on our consolidated statements of income (loss).

(5) Charges relate to the expensing of the inventory fair value step-up resulting from the application of purchase accounting, transaction costs, costs for transitional employees, other acquired employee related costs, integration related legal and professional third-party fees and gains or losses on hedging purchase price associated with the acquisitions. Amounts represent the following:

FMC CORPORATION

Notes to Consolidated Financial Statements — (Continued)

(in Millions)	Year Ended December 31, 2017	2016	2015
Acquisition-related charges - *DuPont*			
Legal and professional fees [(1) (2)]	$ 130.2	$ —	$ —
Inventory fair value amortization [(3)]	20.2	—	—
Acquisition-related charges - *Cheminova* [(4)]			
Legal and professional fees [(1) (2)]	$ —	$ 23.4	$ 60.4
Inventory fair value amortization [(3)]	—	—	57.8
(Gain)/loss on hedging purchase price [(2)]	—	—	172.1
Total acquisition-related charges	**$ 150.4**	**$ 23.4**	**$ 290.3**

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(1) Represents transaction costs, costs for transitional employees, other acquired employee related costs and integration related legal and professional third-party fees.

(2) These charges are included in “Selling, general and administrative expense" on the consolidated statements of income (loss).

(3) These charges are included in “Costs of sales and services” on the consolidated statements of income (loss).

(4) Acquisition-related charges and restructuring charges to integrate Cheminova with FMC Agricultural Solutions were completed at the end of 2016.

(in Millions)	December 31, 2017	2016
Operating capital employed [(1)]		
FMC Agricultural Solutions	$ 6,216.3	$ 3,097.2
FMC Lithium	393.9	312.2
Total operating capital employed	**$ 6,610.2**	**$ 3,409.4**
Segment liabilities included in total operating capital employed	1,957.9	1,025.0
Assets of discontinued operations held for sale	7.3	1,217.1
Corporate items	630.9	487.8
Total assets	**$ 9,206.3**	**$ 6,139.3**
Segment assets [(2)]		
FMC Agricultural Solutions	$ 8,094.0	$ 4,082.7
FMC Lithium	474.1	351.7
Total segment assets	**$ 8,568.1**	**$ 4,434.4**
Assets of discontinued operations held for sale	7.3	1,217.1
Corporate items	630.9	487.8
Total assets	**$ 9,206.3**	**$ 6,139.3**

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(1) We view operating capital employed, which consists of assets, net of liabilities, reported by our operations and excluding corporate items such as cash equivalents, debt, pension liabilities, income taxes and LIFO reserves, as our primary measure of segment capital.

(2) Segment assets are assets recorded and reported by the segments and are equal to segment operating capital employed plus segment liabilities. See Note 1.

	Year Ended December 31,								
	Capital Expenditures [1]			Depreciation and Amortization			Research and Development Expense		
(in Millions)	2017	2016	2015	2017	2016	2015	2017	2016	2015
FMC Agricultural Solutions	$ 26.2	$ 23.1	$ 29.2	$ 90.5	$ 80.8	$ 60.5	$ 138.4	$ 131.4	$ 132.4
FMC Lithium	47.4	24.4	17.4	15.2	14.8	12.2	3.1	3.1	3.5
Corporate	12.1	43.7	6.8	7.3	5.0	4.1	—	—	—
Total	**$ 85.7**	**$ 91.2**	**$ 53.4**	**$ 113.0**	**$ 100.6**	**$ 76.8**	**$ 141.5**	**$ 134.5**	**$ 135.9**

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(1) Cash spending associated with contract manufacturers in our FMC Agricultural Solutions segment, which are not included in the table above was $15.9 million, $10.4 million and $14.2 million for the years ended December 31, 2017. 2016 and 2015, respectively.

Geographic Segment Information

	Year Ended December 31,		
(in Millions)	2017	2016	2015
Revenue from continuing operations (by location of customer)			
North America [1]	$ 708.1	$ 623.0	$ 642.7
Europe, Middle East, and Africa	583.4	558.5	372.1
Latin America [1]	868.6	761.2	913.8
Asia Pacific	718.5	596.2	562.4
Total	**$ 2,878.6**	**$ 2,538.9**	**$ 2,491.0**

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(1) In 2017, countries with sales in excess of 10 percent of consolidated revenue consisted of the U.S. and Brazil. Sales for the years ended December 31, 2017, 2016 and 2015 for the U.S. totaled $655.2 million, $596.4 million and $601.2 million and for Brazil totaled $598.5 million, $490.9 million and $642.2 million, respectively.

	December 31,	
(in Millions)	2017	2016
Long-lived assets [1]		
North America [2]	$ 981.1	$ 389.1
Europe, Middle East, and Africa [2]	1,493.3	1,120.6
Latin America	925.0	375.2
Asia Pacific	1,901.5	327.5
Total	**$ 5,300.9**	**$ 2,212.4**

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(1) Geographic segment long-lived assets exclude long-term deferred income taxes and assets of discontinued operations held for sale on the consolidated balance sheets.

(2) The countries with long-lived assets in excess of 10 percent of consolidated long-lived assets at December 31, 2017 are Singapore, which totaled $1,414.9 million, the U.S., which totaled $976.9 million, and Denmark, which totaled $1,096.2 million, respectively. The long-lived assets over the threshold at December 31, 2016 are the U.S. which totaled $387.8 million and Denmark which totaled $1,030.3 million, respectively.

Note 20: Supplemental Information

The following tables present details of prepaid and other current assets, other assets, accrued and other liabilities and other long-term liabilities as presented on the consolidated balance sheets:

	December 31,	
(in Millions)	2017	2016
Prepaid and other current assets		
Prepaid insurance	$ 8.2	$ 7.7
Tax related items including value added tax receivables	127.3	115.4
Environmental obligation recoveries (Note 10)	7.0	8.4
Derivative assets (Note 17)	6.7	6.4
Argentina government receivable (1)	3.2	5.1
Acquisition related items (2)	54.7	—
Other prepaid and current assets	119.3	89.1
Total	**$ 326.4**	**$ 232.1**

	December 31,	
(in Millions)	2017	2016
Other assets including long-term receivables, net		
Non-current receivables (Note 8)	$ 106.7	$ 123.5
Advance to contract manufacturers	79.1	75.1
Capitalized software, net	26.6	31.7
Environmental obligation recoveries (Note 10)	25.3	18.8
Argentina government receivable (1)	44.5	41.7
Income taxes deferred charges	67.2	80.6
Deferred compensation arrangements	30.1	25.3
Other long-term assets	64.1	58.0
Total	**$ 443.6**	**$ 454.7**

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(1) We have various subsidiaries that conduct business within Argentina, primarily in our FMC Agricultural Solutions and FMC Lithium segments. At December 31, 2017 and 2016, $37.9 million and $39.1 million of outstanding receivables due from the Argentina government, which primarily represent export tax and export rebate receivables, were denominated in U.S. dollars. As with all outstanding receivable balances we continually review recoverability by analyzing historical experience, current collection trends and regional business and political factors among other factors.

(2) Represents $32.9 million of accounts payable of the legal entity stock sales as part of the DuPont Crop Protection Acquisition as well as $21.8 million of deferred goodwill as a result of the delayed sites. As part of the Transaction Agreement, the accounts payable will be settled subsequent to the closing date through reimbursement between FMC and DuPont. This amount represents the offsetting asset recorded for amounts due back from DuPont. The deferred goodwill will be recognized as the sites are transferred to FMC. See Note 3 for more details.

	December 31,			
(in Millions)	**2017**		**2016**	
Accrued and other liabilities				
Restructuring reserves (Note 7)	$	6.5	$	15.9
Dividend payable (Note 15)		22.3		22.1
Accrued payroll		92.4		55.2
Environmental reserves, current, net of recoveries (Note 10)		72.0		60.3
Derivative liabilities (Note 17)		2.3		8.9
Acquisition related items (1)		45.8		—
Unfavorable contracts (2)		65.7		—
Other accrued and other liabilities		190.7		196.1
Total	**$**	**497.7**	**$**	**358.5**

	December 31,			
(in Millions)	**2017**		**2016**	
Other long-term liabilities				
Asset retirement obligations, long-term (Note 1)	$	1.9	$	1.8
Transition tax related to Tax Cuts and Jobs Act (3)		186.5		—
Contingencies related to uncertain tax positions (Note 11)		93.9		101.6
Deferred compensation arrangements (Note 17)		38.8		30.5
Self insurance reserves (primarily workers' compensation)		6.1		9.9
Lease obligations		22.5		28.0
Reserve for discontinued operations (Note 9)		63.2		48.6
Guarantees of vendor financing (Note 18)		0.2		1.9
Unfavorable contracts (2)		243.9		—
Other long-term liabilities		61.1		45.2
Total	**$**	**718.1**	**$**	**267.5**

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(1) Represents the accounts receivable of the legal entity stock sales as part of the DuPont Crop Protection Acquisition. As part of the Transaction Agreement, this balance will be settled subsequent to the closing date through reimbursement between FMC and DuPont. Amount represents the offsetting liability recorded for amounts due back to DuPont.

(2) Represents the technical insecticide product supply agreements with DuPont for use in their retained seed treatment business. Refer to Note 3 for more details.

(3) Represents noncurrent portion of overall transition tax to be paid over eight years.

Note 21: Quarterly Financial Information (Unaudited)

(in Millions, Except Share and Per Share Data)	2017 1Q	2017 2Q	2017 3Q	2017 4Q	2016 1Q	2016 2Q	2016 3Q	2016 4Q
Revenue	$ 596.0	$ 656.8	$ 646.2	$ 979.6	$ 606.4	$ 615.3	$ 628.8	$ 688.4
Gross margin	216.2	234.4	265.9	384.8	216.0	235.4	214.6	265.2
Income (loss) from continuing operations before equity in (earnings) loss of affiliates, net interest income and expense and income taxes	54.4	52.0	59.3	43.0	62.2	82.5	70.0	28.5
Income (loss) from continuing operations (1)	45.0	48.7	70.9	(247.9)	26.0	46.8	48.5	9.4
Discontinued operations, net of income taxes (2)	(168.8)	26.6	(15.1)	779.0	22.7	20.2	31.1	7.0
Net income (loss)	$ (123.8)	$ 75.3	$ 55.8	$ 531.1	$ 48.7	$ 67.0	$ 79.6	$ 16.4
Less: Net income (loss) attributable to noncontrolling interests	0.4	0.6	0.6	1.0	0.4	1.8	(0.1)	0.5
Net income (loss) attributable to FMC stockholders	**$ (124.2)**	**$ 74.7**	**$ 55.2**	**$ 530.1**	**$ 48.3**	**$ 65.2**	**$ 79.7**	**$ 15.9**
Amounts attributable to FMC stockholders:								
Continuing operations, net of income taxes	$ 44.5	$ 48.2	$ 70.4	$ (249.0)	$ 25.6	$ 45.0	$ 48.9	$ 8.9
Discontinued operations, net of income taxes	(168.7)	26.5	(15.2)	779.1	22.7	20.2	30.8	7.0
Net income (loss)	**$ (124.2)**	**$ 74.7**	**$ 55.2**	**$ 530.1**	**$ 48.3**	**$ 65.2**	**$ 79.7**	**$ 15.9**
Basic earnings (loss) per common share attributable to FMC stockholders (3):								
Continuing operations	$ 0.33	$ 0.36	$ 0.52	$ (1.85)	$ 0.19	$ 0.34	$ 0.36	$ 0.07
Discontinued operations	(1.26)	0.20	(0.11)	5.79	0.17	0.15	0.23	0.05
Basic net income (loss) per common share	**$ (0.93)**	**$ 0.56**	**$ 0.41**	**$ 3.94**	**$ 0.36**	**$ 0.49**	**$ 0.59**	**$ 0.12**
Diluted earnings (loss) per common share attributable to FMC stockholders (3):								
Continuing operations	$ 0.33	$ 0.36	$ 0.52	$ (1.85)	$ 0.19	$ 0.34	$ 0.36	$ 0.07
Discontinued operations	(1.25)	0.20	(0.11)	5.79	0.17	0.15	0.23	0.05
Diluted net income (loss) per common share	**$ (0.92)**	**$ 0.56**	**$ 0.41**	**$ 3.94**	**$ 0.36**	**$ 0.49**	**$ 0.59**	**$ 0.12**
Weighted average shares outstanding:								
Basic	134.0	134.2	134.4	134.5	133.8	133.9	134.0	133.9
Diluted	135.1	135.6	135.9	134.5	134.3	134.6	134.7	134.8

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(1) The Company recorded a provisional income tax expense of $315.9 million as a result of the enactment of the Act during the fourth quarter of 2017. See Note 11 for more details.

(2) In the first quarter of 2017, we recorded an impairment charge associated with our discontinued Omega-3 business. In the fourth quarter of 2017, we recorded a gain on sale of the FMC Health and Nutrition business. See Note 9 for more details.

(3) The sum of quarterly earnings per common share may differ from the full-year amount.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
FMC Corporation:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of FMC Corporation and subsidiaries (the "Company") as of December 31, 2017 and 2016, the related consolidated statements of income (loss), comprehensive income (loss), changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2017, and the related notes and financial statement schedule II - valuation and qualifying accounts and reserves (collectively, the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2017, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 28, 2018 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ **KPMG LLP**

We have served as the Company's auditor since 1928.

Philadelphia, Pennsylvania
February 28, 2018

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Exchange Act Rule 13a-15(f). FMC's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles. Internal control over financial reporting includes those written policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of FMC;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles;
- provide reasonable assurance that receipts and expenditures of FMC are being made only in accordance with authorization of management and directors of FMC; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the consolidated financial statements.

Internal control over financial reporting includes the controls themselves, monitoring and internal auditing practices and actions taken to correct deficiencies as identified.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

We assessed the effectiveness of our internal control over financial reporting as of December 31, 2017. We based this assessment on criteria for effective internal control over financial reporting described in "Internal Control—Integrated Framework (COSO 2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Management's assessment included an evaluation of the design of our internal control over financial reporting and testing of the operational effectiveness of our internal control over financial reporting. We reviewed the results of our assessment with the Audit Committee of our Board of Directors.

FMC acquired DuPont's Crop Protection Business during 2017, and we excluded from our assessment of the effectiveness of FMC's internal control over financial reporting as of December 31, 2017, the Crop Protection Business's internal control over financial reporting which represented 42% of FMC's consolidated total assets (including amounts resulting from the purchase price allocation) and 7% of consolidated revenues as of and for the year ended December 31, 2017.

Based on this assessment, we determined that, as of December 31, 2017, FMC has effective internal control over financial reporting.

KPMG LLP, our independent registered public accounting firm, has issued an attestation report on the effectiveness of internal control over financial reporting as of December 31, 2017, which appears on the following page.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
FMC Corporation:

Opinion on Internal Control Over Financial Reporting

We have audited FMC Corporation and subsidiaries' (the "Company") internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated balance sheets of the Company as of December 31, 2017 and 2016, and the related consolidated statements of income (loss), comprehensive income (loss), changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2017, and related notes and financial statement schedule II - valuation and qualifying accounts and reserves, and our report dated February 28, 2018 expressed an unqualified opinion on those consolidated financial statements.

The Company acquired DuPont's Crop Protection Business during 2017, and management excluded from its assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2017, the Crop Protection Business' internal control over financial reporting which represented 42% of the Company's total assets (including amounts resulting from the purchase price allocation) and 7% of consolidated revenue as of and for the year ended December 31, 2017. Our audit of internal control over financial reporting of the Company also excluded an evaluation of the internal control over financial reporting of the Crop Protection Business.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Philadelphia, Pennsylvania
February 28, 2018

FMC CORPORATION

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS AND RESERVES

FOR YEARS ENDED DECEMBER 31, 2017, 2016 and 2015

(in Millions)	Balance, Beginning of Year	Provision /(Benefit) Charged to Costs and Expenses	Provision /(Benefit) Charged to Other Comprehensive Income	Net recoveries and write-offs [1]	Balance, End of Year
December 31, 2017					
Reserve for doubtful accounts [2]	$ 66.7	22.1	—	(3.0)	$ 85.8
Deferred tax valuation allowance	289.6	(20.2)	2.6	—	272.0
December 31, 2016					
Reserve for doubtful accounts [2]	$ 43.1	21.9	—	1.7	$ 66.7
Deferred tax valuation allowance	273.2	19.8	(3.4)	—	289.6
December 31, 2015					
Reserve for doubtful accounts	$ 37.1	5.9	—	0.1	$ 43.1
Deferred tax valuation allowance	118.9	153.9	0.4	—	273.2

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(1) Write-offs are net of recoveries.
(2) Includes short-term and long-term portion.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Evaluation of disclosure controls and procedures. Based on management's evaluation (with the participation of the Company's Chief Executive Officer and Chief Financial Officer), the Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) are effective to provide reasonable assurance that information required to be disclosed by the Company in reports filed or submitted under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Management's annual report on internal control over financial reporting. Refer to Management's Report on Internal Control Over Financial Reporting which is included in Item 8 of Part II of this Annual Report on Form 10-K and is incorporated by reference to this Item 9A.

Audit report of the independent registered public accounting firm. Refer to Report of Independent Registered Public Accounting Firm which is included in Item 8 of Part II of this Annual Report on Form 10-K and is incorporated by reference to this Item 9A.

(b) Change in Internal Controls. In connection with the acquisition of a significant portion of the DuPont Crop Protection Business, the Company entered into a transitional services agreement with DuPont for DuPont to provide information technology services, accounting, human resource and facility services, business processes and associated internal controls for a period of up to 24 months with an optional six month extension in order to allow for an orderly separation and transition of various functions and processes. Management has established controls to mitigate the risk over financial reporting and will continue to monitor and evaluate the sufficiency of the controls. The Company is currently evaluating the acquired DuPont Crop Protection Business processes, information technology systems, and other components of internal controls over financial reporting as a part of the Company's integration activities which may result in periodic control changes. Such changes will be disclosed as required by applicable SEC guidance.

(c) The scope of management’s assessment of the effectiveness of its internal control over financial reporting included the Company’s consolidated operations except for the operations of the DuPont Crop Protection Business, which FMC acquired on November 1, 2017. The DuPont Crop Protection Business represented 42% of the Company’s total assets (including amounts resulting from the purchase price allocation) and 7% of the consolidated revenue as of and for the year ended December 31, 2017. The DuPont Crop Protection Business will be included within scope of management's assessment of its internal control over financial reporting in the Company's Annual Report on Form 10-K for the year ending December 31, 2018.

ITEM 9B. OTHER INFORMATION

None.

PART III

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

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 24, 2018 (the "Proxy Statement"), information concerning executive officers, appearing under the caption "Item 4A. Executive Officers of the Registrant" in Part I of this Form 10-K, 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 10.

ITEM 11. EXECUTIVE COMPENSATION

The information contained in the Proxy Statement in the section titled "VI. Executive Compensation" with respect to executive compensation, in the section titled "IV. Information About the Board of Directors and Corporate Governance—Director Compensation" and "—Corporate Governance—Compensation and Organization Committee Interlocks and Insider Participation" is incorporated herein by reference in response to this Item 11.

ITEM 12.SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information contained in the section titled "V. Security Ownership of FMC Corporation" in the Proxy Statement, with respect to security ownership of certain beneficial owners and management, is incorporated herein by reference in response to this Item 12.

Equity Compensation Plan Information

The table below sets forth information with respect to compensation plans under which equity securities of FMC are authorized for issuance as of December 31, 2017. All of the equity compensation plans pursuant to which we are currently granting equity awards have been approved by stockholders.

(Shares in thousands, except per share data)

Plan Category	Number of Securities to be issued upon exercise of outstanding options and restricted stock awards (A) [2]	Weighted-average exercise price of outstanding options awards (B) [1]	Number of Securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (A)) (C)
Equity Compensation Plans approved by stockholders	3,412	$ 48.37	5,123

(1) Taking into account all outstanding awards included in this table, the weighted-average exercise price of such stock options is $48.37 and the weighted-average term-to-expiration is 6.3 years.

(2) Includes 2,435 thousand stock options and 749 thousand restricted stock awards granted to employees and 228 thousand Restricted Stock Units held by directors.

ITEM 13.CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information contained in the Proxy Statement concerning our independent directors and related party transactions under the caption "IV. Information About the Board of Directors and Corporate Governance- Committees and Independence of Directors," and the information contained in the Proxy Statement concerning our related party transactions policy, appearing under the caption "IV. Information About the Board of Directors and Corporate Governance—Corporate Governance—Related Party Transactions Policy," is incorporated herein by reference in response to this Item 13.

ITEM 14.PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information contained in the Proxy Statement in the section titled “II. The Proposals to be Voted On—Ratification of Appointment of Independent Registered Public Accounting Firm” is incorporated herein by reference in response to this Item 14.

PART IV

ITEM 15.EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Documents filed with this Report

1. Consolidated financial statements of FMC Corporation and its subsidiaries are incorporated under Item 8 of this Form 10-K.
2. The following supplementary financial information is filed in this Form 10-K:

	Page
Financial Statements Schedule II – Valuation and qualifying accounts and reserves for the years ended December 31, 2017, 2016 and 2015	108

The schedules not included herein are omitted because they are not applicable or the required information is presented in the financial statements or related notes.

3. Exhibits: See attached Index of Exhibits

(b) Exhibits

Exhibit No.	Exhibit Description
	(2) Plan of acquisition, reorganization, arrangement, liquidation or succession
*2.1a	Stock and Asset Purchase Agreement, dated as of February 3, 2015, by and among FMC Corporation, Tronox US Holdings Inc. and Tronox Limited (Exhibit 2.1 to the Current Report on Form 8-K/A filed on February 4, 2015)
*2.1b	Transaction Agreement, dated March 31, 2017, by and between E.I. du Pont de Nemours and Company and FMC Corporation (Exhibit 2.1 to the Current Report on Form 8-K filed on April 4, 2017)
*2.1c	Purchase Price Allocation Side Letter Agreement, dated as of May 12, 2017, by and between the Company and FMC Corporation (Exhibit 10.26 to the Quarterly Report on Form 10-Q filed on November 7, 2017)
	(3) Articles of Incorporation and By-Laws
*3.1	Restated Certificate of Incorporation, as amended through May 23, 2013 (Exhibit 3.1 to the Quarterly Report on Form 10-Q filed on July 30, 2013)
*3.2	Restated By-Laws of FMC Corporation as of December 22, 2016 (Exhibit 3.2 to the Annual Report on Form 10-K filed on February 28, 2017)
	(4) Instruments defining the rights of security holders, including indentures. FMC Corporation undertakes to furnish to the SEC upon request, a copy of any instrument defining the rights of holders of long-term debt of FMC Corporation and its consolidated subsidiaries and for any of its unconsolidated subsidiaries for which financial statements are required to be filed.
*4.1	Indenture, dated as of November 15, 2009, by and between FMC Corporation and U.S. Bank National Association, as trustee (Exhibit 4.1 to the Current Report on Form 8-K filed on November 30, 2009)
*4.2	First Supplemental Indenture, dated as of November 30, 2009, by and between FMC Corporation and U.S. Bank National Association, as trustee (including the form of the Note) (Exhibit 4.2 to the Current Report on Form 8-K filed on November 30, 2009)
*4.3	Second Supplemental Indenture, dated as of November 22, 2011, by and between the Company and U.S. Bank National Association, as trustee (including the form of the Note) (Exhibit 4.2 to the Current Report on Form 8-K filed on November 22, 2011)
*4.4	Third Supplemental Indenture, dated as of November 15, 2013, by and between the Company and U.S. Bank National Association, as trustee (including the form of the Note) (Exhibit 4.1 to the Current Report on Form 8-K filed on November 15, 2013)
	(10) Material contracts

*10.1	Credit Agreement, dated as of August 5, 2011, among FMC Corporation and certain Foreign Subsidiaries, the Lenders and Issuing Banks Parties Thereto, Citibank, N.A., as Administrative Agent, Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as Joint Lead Arrangers, Bank of America, N.A., as Syndication Agent, DNB NOR Bank ASA, The Bank of Tokyo-Mitsubishi UFJ, Ltd., and Sumitomo Mitsui Banking Corp., as Co-Documentation Agents, and DNB NOR Bank ASA, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corp., BNP Paribas, HSBC Bank USA, National Association, and U.S. Bank, National Association, as Co-Senior Managing Agents (Exhibit 10.1 to the Current Report on Form 8-K filed on August 8, 2011)
*10.1a	Amendment and Consent No. 1, dated as of August 5, 2013, to the Credit Agreement, dated as of August 5, 2011, among FMC Corporation, certain subsidiaries of FMC Corporation party thereto, the lenders and issuing banks party thereto, and Citibank, N.A., as Administrative Agent for such lenders (Exhibit 10.1 to the Quarterly Report on Form 10-Q filed on October 29, 2013)
*10.1b	Amended and Restated Credit Agreement, dated as of October 10, 2014, among FMC Corporation, certain subsidiaries of FMC Corporation party thereto, the lenders and issuing banks party thereto, and Citibank, N.A., as Administrative Agent for such lenders (Exhibit 10.1 to the Current Report on Form 8-K filed on October 14, 2014)
*10.1c	Term Loan Agreement, dated as of October 10, 2014, among FMC Corporation, certain subsidiaries of FMC Corporation party thereto, the lenders party thereto, and Citibank, N.A., as Administrative Agent for such lenders (Exhibit 10.2 to the Current Report on Form 8-K filed on October 14, 2014)
*10.1d	Amendment No. 2, dated as of March 24, 2016, to the Amended and Restated Credit Agreement, dated as of October 10, 2014, among FMC Corporation, certain subsidiaries of FMC Corporation party thereto, the lenders and issuing party thereto, and Citibank, N.A., as Administrative Agent for such lenders (Exhibit 10.1 to the Current Report on Form 8-K filed on March 28, 2016)
*10.1e	Amendment No. 2, dated as of March 24, 2016, to the Term Loan Agreement, dated as of October 10, 2014, among FMC Corporation, certain subsidiaries of FMC Corporation party thereto, the lenders and issuing party thereto, and Citibank, N.A., as Administrative Agent for such lenders (Exhibit 10.2 to the Current Report on Form 8-K filed on March 28, 2016)
*10.1f	Amendment No. 3, dated as of May 2, 2017, to the Term Loan Agreement, dated as of October 10, 2014, among FMC Corporation, certain subsidiaries of FMC Corporation party thereto, the lenders and issuing party thereto, and Citibank, N.A., as Administrative Agent for such lenders (Exhibit 10.3 to the Current Report on Form 8-K filed on May 2, 2017)
*10.1g	Term Loan Agreement, dated as of May 2, 2017, among FMC Corporation, certain subsidiaries of FMC Corporation party thereto, the lenders party thereto, and Citibank, N.A., as Administrative Agent for such lenders. (Exhibit 10.2 to the Current Report on Form 8-K filed on May 2, 2017)
*10.1h	Second Amended and Restated Credit Agreement, dated as of May 2, 2017, among FMC Corporation, certain subsidiaries of FMC Corporation party thereto, the lenders and issuing banks party thereto, and Citibank, N.A., as Administrative Agent for such lenders. (Exhibit 10.1 to the Current Report on Form 8-K filed on May 2, 2017)
*10.2	Asset Purchase Agreement among FMC Corporation, Solutia Inc., Astaris LLC, Israel Chemicals Limited and ICL Performance Products Holding Inc., dated as of September 1, 2005 (Exhibit 10 to the Quarterly Report on Form 10-Q/A filed on November 8, 2005)
†*10.3	FMC Corporation Compensation Plan for Non-Employee Directors As Amended and Restated Effective February 20, 2009 (Exhibit 10.4 to the Annual Report on Form 10-K filed on February 23, 2009)
†*10.3.a	Non-Employee Director Restricted Stock Unit Award Agreement - Annual Grant (Exhibit 10.4.a to the Annual Report on Form 10-K filed on February 23, 2009)
†*10.3.b	Non-Employee Director Restricted Stock Unit Award Agreement - Annual Retainer (Exhibit 10.4.b to the Annual Report on Form 10-K filed on February 23, 2009)
†*10.4	FMC Corporation Salaried Employees' Equivalent Retirement Plan, as amended and restated effective as of January 1, 2009 (Exhibit 10.5 to the Annual Report on Form 10-K filed on February 23, 2009)
†*10.5	FMC Corporation Salaried Employees' Equivalent Retirement Plan Grantor Trust, as amended and restated effective as July 31, 2001 (Exhibit 10.6.a to the Quarterly Report on Form 10-Q filed on November 7, 2001)
†*10.6	FMC Corporation Non-Qualified Savings and Investment Plan, as adopted by the Company on December 17, 2008 (Exhibit 10.7 to the Annual Report on Form 10-K filed on February 23, 2009)

†*10.7	FMC Corporation Non-Qualified Savings and Investment Plan Trust, as amended and restated effective as of September 28, 2001 (Exhibit 10.7.a to the Quarterly Report on Form 10-Q filed on November 7, 2001)

†* 10.7.a	First Amendment to FMC Corporation Non-Qualified Savings and Investment Plan Trust between Fidelity Management Trust Company and FMC Corporation, effective as of October 1, 2003 (Exhibit 10.15a to the Annual Report on Form 10-K filed on March 11, 2004)
†* 10.7.b	Second Amendment to FMC Corporation Non-Qualified Savings and Investment Plan Trust, effective as of January 1, 2004 (Exhibit 10.12b to the Annual Report on Form 10-K filed on March 14, 2005)
†*10.7.c	Third Amendment to FMC Corporation Non-Qualified Savings and Investment Plan Trust between Fidelity Management Trust Company and FMC Corporation, effective as of February 14, 2005 (Exhibit 10.8.c to the Annual Report on Form 10-K filed on February 23, 2009)
†*10.7.d	Fourth Amendment to FMC Corporation Non-Qualified Savings and Investment Plan Trust between Fidelity Management Trust Company and FMC Corporation, effective as of July 1, 2005 (Exhibit 10.8.d to the Annual Report on Form 10-K filed on February 23, 2009)
†*10.7.e	Fifth Amendment to FMC Corporation Non-Qualified Savings and Investment Plan Trust between Fidelity Management Trust Company and FMC Corporation, effective as of April 23, 2008 (Exhibit 10.8.e to the Annual Report on Form 10-K filed on February 23, 2009)
†*10.7.f	Sixth Amendment to FMC Corporation Non-Qualified Savings and Investment Plan Trust between Fidelity Management Trust Company and FMC Corporation, effective as of March 26, 2009 (Exhibit 10.7.f to the Annual Report on Form 10-K filed on February 28, 2017)
†*10.7.g	Seventh Amendment to FMC Corporation Non-Qualified Savings and Investment Plan Trust between Fidelity Management Trust Company and FMC Corporation, effective as of April 1, 2017 (Exhibit 10.7.g to the Annual Report on Form 10-K filed on February 28, 2017)
†10.8	FMC Corporation Incentive Compensation and Stock Plan as amended and restated through April 25, 2017
†*10.8a	Form of Employee Restricted Stock Unit Agreement Pursuant to the FMC Corporation Incentive Compensation and Stock Plan (Exhibit 10.8.a to the Annual Report on Form 10-K filed on February 28, 2017)
†*10.8b	Form of Nonqualified Stock Option Agreement Pursuant to the FMC Corporation Incentive Compensation and Stock Plan (Exhibit 10.8.b to the Annual Report on Form 10-K filed on February 28, 2017)
†*10.8c	Form of Key Manager Restricted Stock Agreement Pursuant to the FMC Corporation Incentive Compensation and Stock Plan (Exhibit 10.8.c to the Annual Report on Form 10-K filed on February 28, 2017)
*10.8d	Form of Performance-Based Restricted Stock Unit Award Agreement Pursuant to FMC Corporation Incentive Compensation and Stock Plan (Exhibit 10.8d to the Quarterly Report on Form 10-Q filed on August 2, 2017)
†*10.9	FMC Corporation Executive Severance Plan, as amended and restated effective as of January 1, 2009 (Exhibit 10.10 to the Annual Report on Form 10-K filed on February 23, 2009)
†*10.10	FMC Corporation Executive Severance Grantor Trust Agreement, dated July 31, 2001 (Exhibit 10.10.a to the Quarterly Report on Form 10-Q filed on November 7, 2001)
†*10.11	Amended and Restated Executive Severance Agreement, dated November 6, 2012, between FMC Corporation and Pierre Brondeau. (Exhibit 10.2 to FMC Corporation's Current Report on Form 8-K filed on November 9, 2012) Pursuant to Instruction 2 to Item 601 of Regulation S-K, an Amended and Restated Executive Severance Agreement that is substantially identical in all material respects, except as to the parties thereto, between the Company and Mark A. Douglas was not filed.
†*10.12	Amended and Restated Executive Severance Agreement, dated November 6, 2012, between FMC Corporation and Andrea E. Utecht. (Exhibit 10.12 to FMC Corporation’s Annual Report on Form 10-K filed on February 18, 2014)
†*10.13	Amended and Restated Executive Severance Agreement, entered into as of November 5, 2014, by and between FMC Corporation and Eric Norris (Exhibit 10.13 to the Annual Report on Form 10-K filed on February 28, 2017)
*10.14	Joint Venture Agreement between FMC Corporation and Solutia Inc., made as of April 29, 1999 (Exhibit 2.I to Solutia’s Current Report on Form 8-K filed on April 27, 2000)
*10.14.a	First Amendment to Joint Venture Agreement between FMC Corporation and Solutia Inc., effective as of December 29, 1999 (Exhibit 2.II to Solutia’s Current Report on Form 8-K filed on April 27, 2000)
*10.14.b	Second Amendment to Joint Venture Agreement between FMC Corporation and Solutia Inc., effective as of February 9, 2000 (Exhibit 2.III to Solutia’s Current Report on Form 8-K filed on April 27, 2000)

*10.14.c	Third Amendment to Joint Venture Agreement between FMC Corporation and Solutia Inc., effective as of March 31, 2000 (Exhibit 2.IV to Solutia's Current Report on Form 8-K filed on April 27, 2000)
*10.14.d	Fourth Amendment to Joint Venture Agreement between FMC Corporation and Solutia Inc., dated November 4, 2005 (Exhibit 10 to FMC Corporation's Current Report on Form 8-K filed on November 9, 2005)
*10.15	Separation and Distribution Agreement by and between FMC Corporation and FMC Technologies, Inc., dated as of May 31, 2001 (Exhibit 2.1 to Form S-1/A for FMC Technologies, Inc. (Registration No. 333-55920) filed on June 6, 2001)
†*10.16	Letter Agreement dated October 23, 2009 between FMC Corporation and Pierre Brondeau (Exhibit 10.18 to FMC Corporation's Annual Report on Form 10-K filed on February 22, 2010)
†*10.16.a	Amendment to October 23, 2009 Letter Agreement, dated November 6, 2012, between FMC Corporation and Pierre Brondeau. (Exhibit 10.1 to FMC Corporation's Current Report on Form 8-K filed on November 9, 2012)
†*10.17	Executive Severance Agreement, dated November 6, 2012, between FMC Corporation and Paul W. Graves. (Exhibit 10.3 to FMC Corporation's Current Report on Form 8-K filed on November 9, 2012)
10.18	Retention Letter, dated April 4, 2017, between FMC Corporation and Eric Norris
12	Computation of Ratios of Earnings to Fixed Charges
21	FMC Corporation List of Significant Subsidiaries
23.1	Consent of KPMG LLP
31.1	Chief Executive Officer Certification
31.2	Chief Financial Officer Certification
32.1	Chief Executive Officer Certification of Annual Report
32.2	Chief Financial Officer Certification of Annual Report
101	Interactive Data File

* Incorporated by reference
† Management contract or compensatory plan or arrangement

ITEM 16. FORM 10-K SUMMARY

Optional disclosure, not included in this Report.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FMC CORPORATION
(Registrant)

By: /S/ PAUL W. GRAVES

Paul W. Graves
Executive Vice President and Chief Financial Officer

Date: February 28, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

Signature	Title	Date
/S/ PAUL W. GRAVES **Paul W. Graves**	Executive Vice President and Chief Financial Officer	February 28, 2018
/S/ NICHOLAS L. PFEIFFER **Nicholas L. Pfeiffer**	Vice President, Corporate Controller and Chief Accounting Officer	February 28, 2018
/S/ PIERRE R. BRONDEAU **Pierre R. Brondeau**	President, Chief Executive Officer and Chairman of the Board	February 28, 2018
/S/ G. PETER D'ALOIA **G. Peter D'Aloia**	Director	February 28, 2018
/S/ EDUARDO E. CORDEIRO **Eduardo E. Cordeiro**	Director	February 28, 2018
/S/ C. SCOTT GREER **C. Scott Greer**	Director	February 28, 2018
/S/ DIRK A. KEMPTHORNE **Dirk A. Kempthorne**	Director	February 28, 2018
/S/ PAUL J. NORRIS **Paul J. Norris**	Director	February 28, 2018
/S/ ROBERT C. PALLASH **Robert C. Pallash**	Director	February 28, 2018
/S/ VINCENT R. VOLPE, JR. **Vincent R. Volpe, Jr.**	Director	February 28, 2018
/S/ WILLIAM H. POWELL **William H. Powell**	Director	February 28, 2018
/S/ MARGARETH OEVRUM **Margareth Oevrum**	Director	February 28, 2018
/S/ K'LYNNE JOHNSON **K'Lynne Johnson**	Director	February 28, 2018

FMC CORPORATION

INCENTIVE COMPENSATION AND STOCK PLAN

(As Amended and Restated on April 25, 2017)

Section 1.HISTORY AND PURPOSE

1.1. **History**. This Plan was created on February 16, 2001 as a result of the merger of the FMC 1995 Management Incentive Plan with the FMC 1995 Stock Option Plan. Since that time, this Plan has been amended on several occasions and stockholders of the Company have authorized the issuance of up to 28,977,508 shares of Common Stock under this Plan.

On April 25, 2017, the Plan was amended and restated to incorporate various additional design changes and to increase the number of shares of Common Stock authorized for issuance hereunder by an additional 1,250,000 shares. Awards granted before April 25, 2017 are not governed by this document, but rather are governed by the terms of the Plan in effect on their applicable Grant Date.

1.2. **Purpose**. The purpose of the Plan is to give the Company a competitive advantage in attracting, retaining and motivating officers, employees, directors and consultants of the Company and its Affiliates.

SECTION 2. DEFINITIONS

2.1. **General.** For purposes of the Plan, the following terms are defined as set forth below:

(a) "***Affiliate***" means a corporation or other entity controlled by, controlling or under common control with the Company, including, without limitation any corporation, partnership, joint venture or other entity during any period in which at least a fifty percent (50%) voting or profits interest is owned, directly or indirectly, by the Company or any successor to the Company.

(b) "***Award***" means a Management Incentive Award, Stock Option, Stock Appreciation Right, Restricted Stock Unit, Restricted Stock or other award authorized under the Plan.

(c) "***Award Cycle***" means a period designated by the Committee over which Awards are to be earned.

(d) "***Board***" means the Board of Directors of the Company.

(e) "***Cause***" means (1) "Cause" as defined in any Individual Agreement to which the participant is a party, or (2) if there is no such Individual Agreement, or, if it does not define "Cause": (A) the participant having been convicted of, or pleading guilty or nolo contendere to, a felony under federal or state law; (B) the Willful and continued failure on the part of the participant to substantially perform his or her employment duties in any material respect (other than such failure resulting from Disability), after a written demand for substantial performance is delivered to the participant that specifically identifies the manner in which the Company believes the participant has failed to perform his or her duties, and after the participant has failed to resume substantial performance of his or her duties within thirty (30) days of such demand; or (C) Willful and deliberate conduct on the part of the participant that is materially injurious to the Company or an Affiliate; or (D) prior to a Change in Control, such other events as will be determined by the Committee. The Committee will, unless otherwise provided in an Individual Agreement with the participant, determine whether "Cause" exists.

(f) "***Change in Control***" has the meaning set forth in Section 14.4 Definition of Change in Control.

(g) "***Code***" means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto.

(h) "***Committee***" means the Compensation and Organization Committee of the Board, or such other committee as the Board may designate to administer the Plan. Notwithstanding the foregoing, the Committee, in accordance with 8 Del. C. 1953, § 157(c), may delegate to one or more officers of the Company the authority to grant Awards to Eligible Individuals who are not subject to the requirements of Section 16 of the Exchange Act and, in that case and with respect to the issuance of such Awards, any reference herein to "the Committee" will also mean the officer or officers so appointed.

(i) "***Common Stock***" means (1) the common stock of the Company, par value $.10 per share, subject to adjustment as provided in Section 4.2 Adjustments or (2) if there is a merger or consolidation and the Company is not the surviving corporation, the capital stock of the surviving corporation given in exchange for such common stock of the Company.

(j) "***Company***" means FMC Corporation, a Delaware corporation.

(k) "***Covered Employee***" means a participant who has received a Management Incentive Award, Restricted Stock or Restricted Stock Units, who has been designated as such by the Committee and who is or may be a "covered employee" within the meaning of Section 162(m)(3) of the Code in the year in which the Management Incentive Award, Restricted Stock or Restricted Stock Units are expected to be taxable to such participant.

(l) "***Disability***" means, unless otherwise provided by the Committee, (1) "Disability" as defined in any individual agreement to which the participant is a party, or (2) if there is no such individual agreement, or, if such agreement does not define "Disability," then "Disability" shall be determined in accordance with the Company's long-term disability plan.

(m) "***Effective Date***" means April 25, 2017, the effective date of the Plan's most recent restatement.

(n) "***Eligible Individuals***" means officers, employees, directors and consultants of the Company or any of its Affiliates.

(o) "***Exchange Act***" means the Securities Exchange Act of 1934, as amended from time to time, and any successor thereto.

(p) "***Expiration Date***" means the date on which an Award becomes unexercisable and/or not payable by reason of lapse of time or otherwise as provided in Section 6.2 Expiration Date.

(q) "***Fair Market Value***" means, except as otherwise provided by the Committee, as of any given date, the closing price for shares of Common Stock on the New York Stock Exchange for the specified date (as of 4:00 p.m. Eastern Standard Time or Eastern Daylight Savings Time, whichever is then in effect), or, if the shares were not traded on the New York Stock Exchange on such date, then on the next preceding date on which the shares were traded, all as reported by such source as the Committee may select.

(r) "***Good Reason***" means (1) "Good Reason" as defined in any Individual Agreement to which the participant is a party, or (2) if there is no such Individual Agreement, or, if it does not define "Good Reason": (A) a material, adverse change in title, authority or duties (including the assignment of duties materially inconsistent with the participant's position); (B) a reduction in the participant's base salary; or (C) a relocation of the participant's principal worksite more than 50 miles. However, none of the foregoing events or conditions will constitute Good Reason unless the participant provides the Company with written objection to the event or condition within 30 days following the occurrence thereof, the Company does not reverse or otherwise cure the event or condition within 30 days of receiving that written objection, and the participant resigns his or her employment within 30 days following the expiration of that cure period.

(s) "***Grant Date***" means the date designated by the Committee as the date of grant of an Award.

(t) "***Incentive Stock Option***" means any Stock Option designated as, and qualified as, an "incentive stock option" within the meaning of Section 422 of the Code.

(u) "***Individual Agreement***" means a severance, employment, consulting or similar agreement between a participant and the Company or one of its Affiliates.

(v) "***Management Incentive Award***" means an Award granted under Section 8 Management Incentive Awards.

(w) "***Non-Employee Director***" has the meaning defined in Rule 16b-3(b)(3)(i) promulgated under the Exchange Act, or any successor definition adopted by the Securities and Exchange Commission.

(x) "***Nonqualified Stock Option***" means any Stock Option that is not an Incentive Stock Option.

(y) "***Notice***" means the written evidence of an Award granted under the Plan in such form as the Committee will from time to time determine.

(z) "***Performance Goals***" means the performance goals established by the Committee in connection with the grant of Management Incentive Awards, Restricted Stock or Restricted Stock Units as set forth in the Notice. In the case of Qualified Performance-Based Awards, Performance Goals will be set by the Committee within the time period prescribed by Section 162(m) of the Code and related regulations and will be based on the Fair Market Value of the Common Stock and/or other criteria set forth in Exhibit A.

(aa) "***Plan***" means the FMC Corporation Incentive Compensation and Stock Plan, as set forth herein and as hereafter amended from time to time.

(bb) "***Qualified Performance-Based Award***" means a Management Incentive Award, an Award of Restricted Stock or an Award of Restricted Stock Units designated as such by the Committee, based upon a determination that (1) the recipient is or may become a Covered Employee; and (2) the Committee wishes such Award to qualify for the Section 162(m) Exemption.

(cc) "***Restricted Stock***" means an Award granted under Section 11 Restricted Stock.

(dd) "***Restricted Stock Units***" means an Award granted under Section 12 Restricted Stock Units.

(ee) "***Section 162(m) Exemption***" means the exemption from the limitation on deductibility imposed by Section 162(m) of the Code that is set forth in Section 162(m)(4)(C) of the Code.

(ff) "***Stock Appreciation Right***" means an Award granted under Section 10 Stock Appreciation Rights.

(gg) "***Stock Option***" means an Award granted under Section 9 Stock Options.

(hh) "***Termination of Employment***" means the termination of the participant's employment with, or performance of services for, the Company and any of its Affiliates. Temporary absences from employment because of illness, vacation or leave of absence and transfers among the Company and its Affiliates will not be considered Terminations of Employment.

(ii) "***Vesting Date***" means the date on which an Award becomes vested, and, if applicable, fully exercisable and/or payable by or to the participant as provided in Section 6.3 Vesting.

(jj) "***Willful***" means any action or omission by the participant that was not in good faith and without a reasonable belief that the action or omission was in the best interests of the Company or its Affiliates. Any act or omission based upon authority given pursuant to a duly adopted resolution of the Board, or, upon the instructions of the chief executive officer or any other senior officer of the Company, or, based upon the advice of counsel for the Company will be conclusively presumed to be taken or omitted by the participant in good faith and in the best interests of the Company and/or its Affiliates.

2.2. **Other Definitions**. In addition, certain other terms used herein have definitions given to them in the first place in which they are used.

SECTION 3. ADMINISTRATION

3.1. **Committee Administration**. The Committee is the administrator of the Plan. Among other things, the Committee has the authority, subject to the terms of the Plan:

(a) To select the Eligible Individuals to whom Awards are granted;

(b) To determine whether and to what extent Awards are granted;

(c) To determine the amount of each Award;

(d) To determine the terms and conditions of any Award, including, but not limited to, the option price, any vesting condition, restriction or limitation regarding any Award and the shares of Common Stock relating thereto, based on such factors as the Committee will determine;

(e) To modify, amend or adjust the terms and conditions of any Award, at any time or from time to time; and

(f) To determine under what circumstances an Award may be settled in cash or Common Stock or a combination of cash and Common Stock.

The Committee has the authority to adopt, alter and repeal administrative rules, guidelines and practices governing the Plan, to interpret the terms and provisions of the Plan, any Award, any Notice and any other agreement relating to any Award and to take any action it deems appropriate for the administration of the Plan.

3.2. **Committee Action**. The Committee may act only by a majority of its members then in office unless it allocates or delegates its authority to a Committee member or other person to act on its behalf. Except to the extent prohibited by applicable law or applicable rules of a stock exchange, the Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to any other person or persons. Any such allocation or delegation may be revoked by the Committee at any time.

Any determination made by the Committee or its delegate with respect to any Award will be made in the sole discretion of the Committee or such delegate. All decisions of the Committee or its delegate are final, conclusive and binding on all parties.

3.3. **Board Authority**. Any authority granted to the Committee may also be exercised by the full Board. To the extent that any permitted action taken by the Board conflicts with action taken by the Committee, the Board action will control.

SECTION 4. SHARES

4.1. Shares Available For Issuance.

4.1.1. The maximum number of shares of Common Stock that may be delivered to participants and their beneficiaries under the Plan will be 30,227,508 (consisting of 28,977,508 shares previously authorized, plus an additional 1,250,000 shares added in connection with the restatement of the Plan on April 25, 2017). Shares subject to an Award under the Plan may be authorized and unissued shares or may be treasury shares.

4.1.2. All the shares of Common Stock authorized for issuance hereunder will be available for issuance pursuant to any type of Award. However, Awards of Stock Options and Stock Appreciation Rights will count against the number of shares of Common Stock remaining available for issuance under the Plan as one share of Common Stock for each share covered by such Awards, and other Awards will count against the number of shares of Common Stock remaining available for issuance under the Plan as two shares of Common Stock for each share covered by such Awards.

4.1.3. No Award will be counted against the shares of Common Stock available for issuance under the Plan if the Award is payable to the participant only in the form of cash.

4.1.4. To the extent any Award is forfeited or cancelled without consideration or any Stock Option or Stock Appreciation Right terminates, expires or lapses without being exercised, the shares of Common Stock subject to such Award will again become available for delivery in connection with new Awards under the Plan based on the applicable ratio specified above in Section 4.1.2.

4.2. **Adjustments**. In the event of a stock dividend, stock split, merger, consolidation, separation or other change in capitalization, spin-off, extraordinary dividend or distribution, reorganization (whether or not such reorganization comes within the definition of such term in Section 368 of the Code), reclassification, recapitalization, partial or complete liquidation of the Company or other similar event or transaction, the Committee shall make such equitable substitutions or adjustments in the number, kind, and price of shares, or the identity of the issuer of shares, reserved for issuance under the Plan or subject to outstanding Awards granted under the Plan, and the maximum limitation upon any Awards to be granted to any participant, as the Committee determines to be necessary or appropriate to fulfill the purposes for which the Plan was adopted and the Awards were granted; provided, however, that no such substitution or adjustment will be made if such substitution or adjustment would give rise to any tax under

Section 409A of the Code; and provided further, that the number of shares subject to any Award will always be a whole number. Any such adjusted price will be used to determine the amount payable in cash or shares, as applicable, by the Company upon the exercise of any Award.

4.3. **No Liberal Share Recycling.** Upon exercise of a Stock Option, the full number of shares of Common Stock subject to that exercise shall count against the number of shares of Common Stock remaining available for issuance under the Plan, even if the option price of that Stock Option is satisfied through net-settlement or by delivering shares of Common Stock to the Company (either by actual delivery or attestation). Upon exercise of a Stock Appreciation Right that is settled in shares of Common Stock, the full number of shares subject to that Stock Appreciation Right (rather than the net number of shares actually delivered upon exercise) shall count against the number of shares of Common Stock remaining available for issuance granted under the Plan. Shares of Common Stock withheld from an Award to satisfy tax withholding requirements shall not again be made available for issuance under the Plan. Shares of Common Stock repurchased on the open market with the proceeds from the exercise of an Option shall not again be made available for issuance under the Plan.

4.4. **Award Limits**.

4.4.1. No participant may be granted Stock Options and Stock Appreciation Rights covering in excess of 500,000 shares of Common Stock in any calendar year.

4.4.2. No participant may be granted Awards of Restricted Stock Units or shares of Restricted Stock with respect to more than 500,000 shares of Common Stock in any calendar year if such Awards are designated as Qualified Performance Based Awards.

4.4.3. No participant may be paid more than $11,000,000 in any calendar year in respect of Management Incentive Awards that are designated as Qualified Performance Based Awards.

4.4.4. The maximum total grant date fair value of Awards (as measured by the Company for financial accounting purposes) granted to any participant in his or her capacity as a Non-Employee Director in any single calendar year shall not exceed $500,000. This limitation will not apply to Awards granted to a Non-Employee Director solely in his or her capacity as non-executive chairman of the Board.

SECTION 5. ELIGIBILITY

Awards may be granted under the Plan to Eligible Individuals. Incentive Stock Options may be granted only to employees of the Company and its subsidiaries or parent corporation (within the meaning of Section 424(f) of the Code).

SECTION 6. TERMS AND CONDITIONS OF AWARDS

6.1. **General**. Awards will be in the form and upon the terms and conditions as determined by the Committee, subject to the terms of the Plan. The Committee is authorized to grant Awards independent of, or in addition to other Awards granted under the Plan. The terms and conditions of each Award may vary from other Awards. Awards will be evidenced by Notices, the terms and conditions of which will be consistent with the terms of the Plan and will apply only to such Award.

6.2. **Expiration Date**. Unless otherwise provided in the Notice, the Expiration Date of an Award will be the earlier of the date that is ten (10) years after the Grant Date or the date of the participant's Termination of Employment.

6.3. **Vesting**. Each Award vests and becomes fully payable, exercisable and/or released of any restriction on the Vesting Date. The Vesting Date of each Award, as determined by the Committee, will be set forth in the Notice. The Vesting Date of any Award payable in shares of Common Stock will not be earlier than the first anniversary of Grant Date. Notwithstanding the foregoing, such minimum vesting requirement shall not apply to Awards with respect to up to (a) 252,137 shares of Common Stock (5% of the shares available for issuance under the Plan on the Effective Date), plus (b) 5% of any shares that again become available for issuance under the Plan by virtue of the application of Section 4.1.4. For avoidance of doubt, the minimum vesting requirement set forth in this paragraph will not prevent acceleration of vesting pursuant to the discretion of the Committee, the terms of the applicable Notice, the terms of Section 14 or otherwise.

SECTION 7. QUALIFIED PERFORMANCE-BASED AWARDS

The Committee may designate a Management Incentive Award, or an Award of Restricted Stock or an Award of Restricted Stock Units as a Qualified Performance-Based Award, in which case, the Award is contingent upon, and may not vest until, the attainment of Performance Goals has been certified by the Committee. The amount of the Qualifying Performance-Based Award actually paid to a participant at the discretion of the Committee may be less, but shall not be more, than the amount determined by the applicable Performance Goals.

SECTION 8. MANAGEMENT INCENTIVE AWARDS

8.1. **Management Incentive Awards**. The Committee is authorized to grant Management Incentive Awards, subject to the terms of the Plan. Notices for Management Incentive Awards will indicate the Award Cycle, any applicable Performance Goals, any applicable designation of the Award as a Qualified Performance-Based Award, the Vesting Date of the Award and the form of payment of the Award. Unless otherwise provided in a Notice, in order to be eligible to receive payment in respect of a Management Incentive Award, a participant must be an employee of the Company during the entire Award Cycle applicable to the Management Incentive Award.

8.2. **Settlement**. Unless otherwise specified in the applicable Notice, payment in respect of a Management Incentive Award will be made in cash, by the 15^{th} day of the third month following the year in which such Award is earned. The foregoing notwithstanding, Management Incentive Awards payable in cash may be deferred in accordance with the FMC Corporation Nonqualified Savings and Investment Plan, as it may be amended from time to time.

SECTION 9. STOCK OPTIONS

9.1. **Stock Options.** The Committee is authorized to grant Stock Options, including both Incentive Stock Options and Nonqualified Stock Options, subject to the terms of the Plan. Notices will indicate whether the Stock Option is intended to be an Incentive Stock Option or a Nonqualified Stock Option, the option price, the term and the number of shares to which it pertains. To the extent that any Stock Option is not designated as an Incentive Stock Option, or, even if so designated does not qualify as an Incentive Stock Option on or subsequent to its Grant Date, it will constitute a Nonqualified Stock Option. No Incentive Stock Option will be granted hereunder on or after the 10^{th} anniversary of the date of stockholder approval of the Plan (or, if the stockholders approve an amendment that increases the number of shares subject to the Plan, the 10^{th} anniversary of the date of such approval); *provided*, *however*, that Incentive Stock Options granted prior to such 10^{th} anniversary may extend beyond that date.

9.2. **Option Price**. The option price per share of Common Stock purchasable under a Stock Option will be determined by the Committee and will not be less than the Fair Market Value of the Common Stock subject to the Stock Option on the Grant Date.

9.3. **Incentive Stock Options**. The terms of the Plan addressing Incentive Stock Options and each Incentive Stock Option will be interpreted in a manner consistent with Section 422 of the Code and all valid regulations issued thereunder.

9.4. **Exercise**. Stock Options will be exercisable at such time or times and subject to the terms and conditions set forth in the Notice. A participant can exercise a Stock Option, in whole or in part, at any time on or after the Vesting Date and before the Expiration Date by giving written notice of exercise to the Company specifying the number of shares of Common Stock subject to the Stock Option to be purchased. Such notice will be accompanied by payment in full to the Company of the option price by certified or bank check or such other cash equivalent instrument as the Company may accept. If approved by the Committee, payment in full or in part may also be made in the form of Common Stock (by delivery of such shares or by attestation) already owned by the optionee of the same class as the Common Stock subject to the Stock Option, based on the Fair Market Value of the Common Stock on the date the Stock Option is exercised.

If approved by the Committee, payment in full or in part may also be made by delivering a properly executed exercise notice to the Company, together with a copy of irrevocable instructions to a broker to deliver promptly to the Company the amount of sale or broker loan proceeds necessary to pay the option price, and, if requested, by the amount of any federal, state, local or foreign withholding taxes. To facilitate the foregoing, the Company may enter into agreements for coordinated procedures with one or more brokerage firms, but any loans by a broker in connection with an exercise shall be arranged between the broker and the employee, and not by the Company.

In addition, if approved by the Committee, a Stock Option may be exercised by a “net cashless exercise” procedure whereby all or any portion of the option price and/or any required tax withholding may be satisfied by a reduction in the number of shares issued upon exercise. In that case, the number of shares of Common Stock issued upon exercise will be equal to: (a) the product of (i) the number of shares as to which the Stock Option is then being exercised on a net cashless basis, and (ii) the excess of (A) the Fair Market Value on the date of exercise, over (B) the option price and/or any required tax withholding associated with the net cashless exercise (expressed on a per share basis), divided by (b) the Fair Market Value on the date of exercise. A number of shares of Common Stock equal to the difference between the number of shares as to which the Stock Option is then being exercised and the number of shares actually issued upon such exercise will be deemed to have been retained by the Company in satisfaction of the option price and/or any required tax withholding.

9.5. **Automatic Exercise**. Immediately before the time at which any Option is scheduled to expire in accordance with the terms and conditions of the Plan and the applicable option Notice document, such Option shall be deemed automatically exercised, if such Option satisfies the following conditions:

(a) Such Stock Option is covered by a then current registration statement or a Notification under Regulation A under the 1933 Act; and

(b) the last reported sale price of a Share on the principal exchange on which Shares are listed on the date of determination, or if such date is not a trading day, the last preceding trading day, exceeds the option price per Share by such amount as may be determined by the Committee or its delegate from time to time. Absent a contrary determination, such excess per Share shall be $0.01.

A Stock Option subject to this Section 9.5 shall be exercised via cashless exercise (as described in the last paragraph of Section 9.4), such that following the date of exercise and subject to the other terms and conditions of the Plan, the Company shall deliver to the Optionee shares of Common Stock having a value, at the time of exercise, equal to the excess (if any) of (A) the Fair Market Value of such shares over (B) the sum of (1) the aggregate option price for such shares, plus (2) the applicable tax withholding for such exercise; provided that if such cashless exercise would not result in the issuance of a whole number of shares, the Company shall pay cash in lieu of any fractional share.

9.6. **Settlement**. As soon as practicable after the exercise of a Stock Option: a) if the shares purchased are represented by certificates, the Company will deliver to or on behalf of the optionee certificates of Common Stock for the number of shares purchased; or (b) if not represented by certificates, the shares purchased shall be registered by means of book entry. No shares of Common Stock will be issued until full payment therefor has been made. An optionee will have all of the rights of a stockholder of the Company holding Common Stock, including, but not limited to, the right to vote the shares and the right to receive dividends, when the optionee has given written notice of exercise, has paid in full for such shares and, if requested, has given the representation described in Section 18 General Provisions. The Committee may give optionees dividend equivalent rights.

9.7. **Nontransferability**. No Stock Option will be transferable by the optionee other than by will or by the laws of descent and distribution. All Stock Options will be exercisable, subject to the terms of the Plan, only by the optionee, the guardian or legal representative of the optionee, or any person to whom such Stock Option is transferred pursuant to this paragraph, it being understood that the terms “holder” and “optionee” include such guardian, legal representative and other transferee. No Stock Option will be subject to execution, attachment or other similar process.

9.8. **Cashing Out**. On receipt of written notice of exercise, the Committee may elect to cash out all or part of the portion of the shares of Common Stock for which a Stock Option is being exercised by paying the optionee an amount, in cash or Common Stock, equal to the excess of the Fair Market Value of the Common Stock over the option price times the number of shares of Common Stock for which the Stock Option is being exercised on the effective date of such cash-out.

SECTION 10. STOCK APPRECIATION RIGHTS.

10.1. **Stock Appreciation Rights**. The Committee is authorized to grant Stock Appreciation Rights, subject to the terms of the Plan. Notices of Stock Appreciation Rights will indicate the price, the term, the method of exercise and the form of payment. The Committee may also grant dividend equivalent rights in association with any Stock Appreciation Right. A Stock Appreciation Right exercise price may never be less than the Fair Market Value of the underlying Common Stock on the Grant Date of such Stock Appreciation Right.

10.2. **Exercise**. A participant can exercise Stock Appreciation Rights, in whole or in part, at any time after the Vesting Date and before the Expiration Date by giving written notice of exercise to the Company specifying the number of Stock Appreciation Rights to be exercised.

10.3. **Settlement**. As soon as practicable after the exercise of a Stock Appreciation Right, an optionee will be entitled to receive an amount in cash, shares of Common Stock or a combination of cash and shares of Common Stock, as determined by the Committee, in value equal to the excess of the Fair Market Value on the date of exercise of one share of Common Stock over the Stock Appreciation Right price per share multiplied by the number of shares in respect of which the Stock Appreciation Right is being exercised.

10.4. **Nontransferability.** No Stock Appreciation Right will be transferable by the participant other than by will or by the laws of descent and distribution. All Stock Appreciation Rights will be exercisable, subject to the terms of the Plan, only by the participant, the guardian or legal representative of the participant, or any person to whom such Stock Appreciation Right is transferred pursuant to this paragraph, it being understood that, for this purpose, the term “participant” includes such guardian, legal representative and other transferee. No Stock Appreciation Right will be subject to execution, attachment or other similar process.

SECTION 11. RESTRICTED STOCK

11.1. **Restricted Stock.** The Committee is authorized to grant Restricted Stock, subject to the terms of the Plan. Notices for Restricted Stock may be in the form of a Notice and book-entry registration or issuance of one or more stock certificates. Any certificate issued in respect of shares of Restricted Stock will be registered in the name of such participant and will bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award, substantially in the following form:

> THE TRANSFERABILITY OF THIS CERTIFICATE AND THE SHARES OF STOCK REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS, INCLUDING, BUT NOT LIMITED TO, FORFEITURE OF THE FMC CORPORATION INCENTIVE COMPENSATION AND STOCK PLAN AND A RESTRICTED STOCK NOTICE. COPIES OF SUCH PLAN AND NOTICE ARE ON FILE AT THE OFFICES OF FMC CORPORATION.

The Committee may require that the certificates evidencing such shares be held in custody by the Company until the restrictions thereon will have lapsed and that, as a condition of any Award of Restricted Stock, the participant will have delivered a stock power, endorsed in blank, relating to the Common Stock covered by such Award. The Notice or certificates will indicate any applicable Performance Goals and any applicable designation of the Restricted Stock as a Qualified Performance-Based Award. Unless otherwise provided in a Notice, in order to be eligible to vest in an Award of Restricted Stock, a participant must be an employee of the Company during the entire Award Cycle applicable to the Restricted Stock.

11.2. **Participant Rights**. Subject to the terms of the Plan and the Notice or certificate of Restricted Stock, the participant will not be permitted to sell, assign, transfer, pledge or otherwise encumber shares of Restricted Stock until the Vesting Date. Notwithstanding the foregoing, if approved by the Committee, a participant may pledge Restricted Stock as security for a loan to obtain funds to pay the option price for Stock Options. Except as provided in the Plan and the Notice or certificate of the Restricted Stock, the participant will have, with respect to the shares of Restricted Stock, all of the rights of a stockholder of the Company holding Common Stock, including, but not limited to, the right to vote the shares and to receive dividends with respect to the shares; provided that, in the discretion of the Committee, cash or property payable as a dividend on Restricted Stock may be subjected to the same vesting conditions as the Restricted Stock giving rise to the payment or may be converted into a number of additional shares of Restricted Stock (again, having the same vesting conditions as the Restricted Stock giving rise to the payment) determined by dividing the amount of the cash or the fair market value of the property otherwise distributable (as determined by the Committee) by the Fair Market Value on the dividend payment date.

11.3. **Settlement**. As soon as practicable after the Vesting Date for any share of Restricted Stock; (a) if the share is represented by a legended certificate, that legended certificate will be exchanged for a new certificate that does not contain the legend described above in Section 11.1 and the new certificate will be delivered to the participant, or (b) if the share is registered by means of book entry, the Company will direct its transfer agent to remove the stop-transfer order associated with the satisfied vesting condition(s).

SECTION 12. RESTRICTED STOCK UNITS

12.1. **Restricted Stock Units**. The Committee is authorized to grant Restricted Stock Units, subject to the terms of the Plan. Each Restricted Stock Unit will represent the right to receive one share of Common Stock (or cash equal to the Fair Market Value thereof) on or after the date such Restricted Stock Unit becomes vested. Notices of Restricted Stock Units will indicate the applicable vesting criteria (including, as applicable, the Vesting Date(s) and/or Performance Goals), any applicable designation of the Award as a Qualified Performance-Based Award, the time and form of payment, whether the Award includes dividend equivalent rights and such other terms and conditions as the Committee may specify. Unless otherwise provided in a Notice, in order to be eligible to vest in an Award of Restricted Stock Units, a participant must be an employee of the Company during the entire Award Cycle applicable to the Restricted Stock Units.

12.2. **Settlement**. Payment in respect of a Restricted Stock Unit will be made the 15th day of the third month following the year in which such Restricted Stock Unit becomes vested, unless such payment is deferred in accordance with any applicable requirements of Section 409A of the Code (either under the terms of the Notice or by such other means as the Committee may permit). Unless otherwise specified in the applicable Notice, payment in respect of Restricted Stock Units will be made in shares of Common Stock.

SECTION 13. OTHER AWARDS

The Committee is authorized to make, either alone or in conjunction with other Awards, Awards of cash or Common Stock and Awards that are valued in whole or in part by reference to, or are otherwise based upon, Common Stock, including, without limitation, convertible debentures.

SECTION 14. CHANGE IN CONTROL

14.1. **No Automatic Acceleration**. This Plan does not require automatic acceleration of the vesting of Awards upon a Change in Control. Rather, unless otherwise provided in the applicable Notice, whether and to what extent the vesting of Awards will accelerate in connection with a Change in Control will be determined in the discretion of the Committee. The Committee may also make additional substitutions, adjustments and/or settlements of outstanding Awards in connection with a Change in Control as it deems appropriate and consistent with the Plan's purposes, subject to any applicable requirements or limitations of Section 409A of the Code.

14.2. **Termination of Options and SARs**. Notwithstanding any other provision of the Plan or any Notice, the Committee may, in its discretion, cause any vested Stock Option and/or Stock Appreciation Right not exercised prior to a Change in Control (including any such Award that has become vested on an accelerated basis in connection with such Change in Control) to terminate upon such Change in Control.

14.3. **Termination of Management Incentive Awards**. Notwithstanding any other provision of the Plan, in the event of a Change in Control, the Committee in its discretion may cause the early termination of the Award Cycle for any outstanding Management Incentive Award. In that event, (a) unless otherwise determined by the Committee, the Management

Incentive Award will be earned with respect to an amount equal to the greater of (i) the target amount of the Award, pro-rated to reflect the portion of the Award Cycle that has transpired prior to the Change in Control, or (ii) the amount that would otherwise have been earned under the terms of that Award based on actual performance through the time immediately prior to the Change in Control (without adjustment or pro-ration of the applicable Performance Goals); and (b) the Management Incentive Award will be settled in cash within 30 days following the Change in Control (except for Management Incentive Awards deferred under the FMC Corporation Nonqualified Savings and Investment Plan, which awards will be settled at the time specified in accordance with the FMC Corporation Nonqualified Savings and Investment Plan).

14.4. **Definition of Change in Control**. For purposes of the Plan, a "Change in Control" will mean the happening of any of the following events:

(a) An acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of twenty percent (20%) or more of either (1) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (2) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); excluding, however, the following: (A) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by the Company, or (D) any acquisition pursuant to a transaction which complies with Subsections (1), (2) and (3) of Subsection (c) of this Section 14.4;

(b) A change in the composition of the Board such that the individuals who, as of the Effective Date, constitute the Board (such Board will be hereinafter referred to as the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, for purposes of this Section 14.4, that any individual who becomes a member of the Board subsequent to the Effective Date, whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) will be considered as though such individual were a member of the Incumbent Board; but, provided further, that any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board will not be so considered as a member of the Incumbent Board;

(c) Consummation of a reorganization, merger or consolidation, sale or other disposition of all or substantially all of the assets of the Company, or acquisition by the Company of the assets or stock of another entity ("Corporate Transaction"); excluding, however, such a Corporate Transaction pursuant to which (1) all or substantially all of the individuals and entities who are the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than sixty percent (60%) of, respectively, the outstanding shares of common stock, and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (2) no Person (other than the Company, any employee benefit plan (or related trust) of the Company or such corporation resulting from such Corporate Transaction) will beneficially own, directly or indirectly, twenty percent (20%) or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the outstanding voting securities of such corporation entitled to vote generally in the election of directors except to the extent that such ownership existed prior to the Corporate Transaction, and (3) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction; or

(d) The approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

SECTION 15. CLAWBACK PROVISIONS

15.1. Notwithstanding anything in the Plan to the contrary, the Committee may, in the event of serious misconduct by a participant (including, without limitation, any misconduct prejudicial to or in conflict with the Company or its Affiliates, or any Termination of Employment for Cause), or any activity of a participant in competition with the business of the Company or any Affiliate, (a) cancel any outstanding Award granted to such participant, in whole or in part, whether or not vested or deferred, and/or (b) if such conduct or activity occurs within one year following the exercise or payment of an Award, require such participant to repay to the Company any gain realized or payment received upon the exercise or payment of such Award (with such gain or payment valued as of the date of exercise or payment). Such cancellation or repayment obligation will be effective as of the date specified by the Committee. Any repayment obligation may be satisfied in Common Stock or cash or a combination thereof (based upon the Fair Market Value of Common Stock on the day of payment), and the Committee may provide for an offset to any future payments owed by the Company or any Affiliate to the participant if necessary to satisfy the repayment obligation. The determination of whether a participant has engaged in a serious breach of conduct or any activity in competition with the business of the Company or any Affiliate will be made by the Committee in good faith. This Section 15 will have no application following a Change in Control.

15.2. Without limiting the generality of Section 15.1, all Awards shall additionally be subject to the forfeiture, clawback, disgorgement and other provisions set forth in the Company's

Clawback Policy, as the same shall be in effect from time to time. Sections 15.1 and 15.2 shall be applied so as to avoid duplication of recovery, i.e. the recovery of the same incentive compensation more than once under both Sections, from the same Award recipient.

SECTION 16. AMENDMENT AND TERMINATION

The Committee may amend, alter, or discontinue the Plan or any Award, prospectively or retroactively, but no amendment, alteration or discontinuation may impair the rights of a recipient of any Award without the recipient's consent, except such an amendment made to comply with applicable law, stock exchange rules or accounting rules.

No amendment will be made without the approval of the Company's stockholders to the extent such approval is required by applicable law or stock exchange rules, or to the extent such amendment increases the number of shares available for delivery under the Plan.

SECTION 17. UNFUNDED STATUS OF PLAN

It is presently intended that the Plan constitute an "unfunded" plan. The Committee may authorize the creation of trusts or other arrangements to meet the obligations created under the Plan to deliver Common Stock or make payments; provided, however, that unless the Committee otherwise determines, the existence of such trusts or other arrangements is consistent with the "unfunded" status of the Plan.

SECTION 18. GENERAL PLAN PROVISIONS

18.1. **General Provisions**. The Plan will be administered in accordance with the following provisions and any other rule, guideline and practice determined by the Committee:

(a) Each person purchasing or receiving shares pursuant to an Award may be required to represent to and agree with the Company in writing that he or she is acquiring the shares without a view to the distribution of the shares.

(b) The certificates for shares issued under an Award may include any legend which the Committee deems appropriate to reflect any restrictions on transfer.

(c) Notwithstanding any other provision of the Plan, any Award, any Notice or any other agreements made pursuant thereto, the Company is not required to issue or deliver any shares of Common Stock prior to fulfillment of all of the following conditions:

(i) Listing or approval for listing upon notice of issuance, of such shares on the New York Stock Exchange, or such other securities exchange as may at the time be the principal market for the Common Stock;

(ii) Any registration or other qualification of such shares of the Company under any state or federal law or regulation, or the maintaining in effect of any such registration or other qualification which the Committee deems necessary or advisable; and

(iii) Obtaining any other consent, approval, or permit from any state or federal governmental agency which the Committee deems necessary or advisable.

(d) The Company will not issue fractions of shares. Whenever, under the terms of the Plan, the aggregate number of shares required to be issued to a participant at a particular time includes a fractional share, one additional whole share will be issued to the participant in lieu of and in satisfaction for that fractional share.

(e) In the case of a grant of an Award to any Eligible Individual of an Affiliate, the Company may, if the Committee so directs, issue or transfer the shares of Common Stock, if any, covered by the Award to the Affiliate, for such lawful consideration as the Committee may specify, upon the condition or understanding that the Affiliate will transfer the shares of Common Stock to the Eligible Individual in accordance with the terms of the Award specified by the Committee pursuant to the provisions of the Plan. All shares of Common Stock underlying Awards that are forfeited or canceled revert to the Company.

18.2. **Employment**. The Plan will not constitute a contract of employment, and adoption of the Plan will not confer upon any employee any right to continued employment, nor will it interfere in any way with the right of the Company or an Affiliate to terminate at any time the employment of any employee or the membership of any director on a board of directors or any consulting arrangement with any Eligible Individual.

18.3. **Tax Withholding Obligations**. No later than the date as of which the Company reasonably believes an amount first becomes includible in the gross income of the participant for federal income tax purposes with respect to any Award under the Plan, the participant will pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any federal, state, local or foreign taxes of any kind required by law to be withheld with respect to such amount. Unless otherwise determined by the Company, shares of Common Stock may be withheld to satisfy the Company's tax withholding obligation with respect to Awards settled in Company Stock, at the time such Awards become taxable, up to an amount equal to the maximum statutory tax rates (including the employee's portion of payroll or similar taxes) prevailing in the jurisdiction(s) applicable to the relevant Participant (determined without regard to whether such maximum rate exceeds the actual taxes that may ultimately be payable by that participant) and based on the Fair Market Value of such shares at the time of withholding. The obligations of the Company under the Plan will be conditional on such payment or arrangements, and the Company and its Affiliates will, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the participant. The Committee may establish such procedures as it deems appropriate, including making irrevocable elections, for the settlement of withholding obligations with Common Stock.

18.4. **Beneficiaries**. The Committee will establish such procedures as it deems appropriate for a participant to designate a beneficiary to whom any amounts payable in the event of the participant's death are to be paid or by whom any rights of the participant, after the participant's death, may be exercised.

18.5. **Governing Law**. The Plan and all Awards made and actions taken thereunder will be governed by and construed in accordance with the laws of the State of Delaware, without reference to principles of conflict of laws. Notwithstanding anything herein to the contrary, in the event an Award is granted to an Eligible Individual who is employed or providing services outside the United States and who is not compensated from a payroll maintained in the United States, the Committee may modify the provisions of the Plan and/or any such Award as they pertain to such individual to comply with and account for the tax and accounting rules of the applicable foreign law so as to maintain the benefit intended to be provided to such participant under the Award.

18.6. **Nontransferability**. Awards under the Plan are not transferable except by will or by laws of descent and distribution; provided, that this section shall not restrict the transferability of unrestricted cash or shares of Common Stock that were unrestricted when issued or that by their terms have become unrestricted.

18.7. **Severability**. Wherever possible, each provision of the Plan and of each Award and of each Notice will be interpreted in such a manner as to be effective and valid under applicable law. If any provision of the Plan, any Award or any Notice is found to be prohibited by or invalid under applicable law, then (a) such provision will be deemed amended to and to have contained from the outset such language as will be necessary to accomplish the objectives of the provision as originally written to the fullest extent permitted by law; and (b) all other provisions of the Plan and any Award will remain in full force and effect.

18.8. **No Strict Construction**. No rule of strict construction will be applied against the Company, the Committee or any other person in the interpretation of the terms of the Plan, any Award, any Notice, any other agreement or any rule or procedure established by the Committee.

18.9. **Stockholder Rights**. Except as otherwise provided herein, no participant will have dividend, voting or other stockholder rights by reason of a grant of an Award or a settlement of an Award in cash.

18.10. **Express Prohibition of Option Repricing**. Without the approval of the Company's stockholders, the Committee will not reduce the exercise price of a Stock Option or Stock Appreciation Right after the Grant Date or cancel an outstanding Stock Option or Stock Appreciate Right and grant a new Stock Option or Stock Appreciation Right with a lower exercise price in substitution therefor (other than, in either case, in accordance with the adjustment provisions in Section 4.2). Similarly, without the approval of the Company's stockholders, the Committee will not agree to make a cash payment in exchange for a participant's agreement to cancel a Stock Option or Stock Appreciation Right where the exercise price of the applicable Award is greater than the then current Fair Market Value.

Exhibit A

Criteria for Performance Goals

Performance Goals will be based on one or more of the following performance criteria: (i) the attainment of certain target levels of, or a specified percentage increase in, net sales, unit sales, revenues, market share, earnings, operating earnings, income before income taxes, net income, pretax income before allocation of corporate overhead and bonus, earnings before income tax, earnings before interest and taxes and earnings before interest, taxes, gross margins, depreciation and amortization, or a combination of any or all of the foregoing; (ii) the attainment of certain target levels of, or a percentage increase in, after-tax or pre-tax profits including that attributable to continuing and/or other operations; (iii) the attainment of certain target levels of, or a specified increase in, cash outflow or operational cash flow; (iv) the achievement of a certain level of, reduction of, or other specified objectives with regard to limiting the level of increase in, all or a portion of, the Company's bank debt or other long-term or short-term public or private debt or other similar financial obligations of the Company, which may be calculated net of such cash balances and/or other offsets and adjustments as may be established by the Committee; (v) the attainment of a specified level of, or specified percentage increase in, earnings per share or earnings per share from continuing operations; (vi) the attainment of certain target levels of, or a specified increase in, return on capital employed or return on invested capital or assets; (vii) the attainment of certain target levels of, or a percentage increase in, after-tax or pre-tax return on stockholders' equity or total shareholder return; (viii) the attainment of certain target levels of, or a specified increase in, economic value added targets based on a cash flow return on investment formula; (ix) the growth in the value of an investment in the shares of Common Stock assuming the reinvestment of dividends; (x) the attainment of a specified level of, or specified percentage rate of change in, all or certain costs, inventory, assets (specified or total) and/or working capital; and/or (xi) the attainment of a specified level of, or specified percentage rate of change in, customer satisfaction, employee satisfaction, diversity, and/or retention.

The above-described Performance Goals may be measured on a consolidated basis, or only with respect to certain entities, divisions or operational units. In addition, the Performance Goals may be measured either in absolute terms, relative to prior periods, and/or relative to the performance of other peer companies or indices selected by the Committee. Also, to the extent applicable, these Performance Goals may be measured on an aggregate or per share basis.

The Committee may adjust the aforementioned criteria to exclude the effects (either on a before or after-tax basis) of any one or more of: (i) "extraordinary items" (meaning all items determined to be extraordinary or unusual in nature or infrequent in occurrence or related to a corporate transaction (including a disposition or acquisition) or related to a change in accounting principles, all as determined in accordance with standards established by Opinion No. 30 of the Accounting Principles Board), (ii) business restructurings, discontinued operations, non-operating pension and post-retirement charges, changes in foreign currency exchange rates, changes in estimates of tax matters related to prior years, changes in the realizability of deferred tax assets, changes in laws or regulations, or (iii) to the extent consistent with any applicable requirements of Section 162(m) of the Code, such other items specified by the Committee. Such adjustments may be applied on a consolidated basis, or only with respect to certain entities, divisions or operational units.

Explanatory Note: The terms of Mr. Norris's departure from FMC Corporation (the "Company") as set forth in the below letter were subsequently modified based upon discussions with Company management, as follows. The Company waived the condition that Mr. Norris commence employment with DuPont following the closing of the Company's divestiture of its Health and Nutrition business to DuPont in order to receive his cash retention bonus and 2017 annual incentive plan cash payment. And all FMC stock options held by Mr. Norris were either exercised or canceled on or before December 31, 2017.

FMC Corporation

April 4, 2017

Mr. Eric Norris

Dear Eric,

As you are aware, FMC recently announced the divestiture of Health and Nutrition business. You play a critical role in ensuring a successful divestiture to DuPont. Outlined below are the terms of this retention letter to allow you to focus on business operations, yet at the same time address the concerns you may have for your own financial and professional career well-being.

- **Cash Retention:**

  You are being offered a cash retention incentive of $205,900 for your leadership in successfully transitioning the Health and Nutrition business to DuPont. In order to receive the cash retention payment, you must successfully support the sale of the business, transition and maintain employment with DuPont for two (2) months after the close date. The incentive payment is subject to all applicable taxes.

- **Annual Incentive Plan (AI/LIP):**

  Your 2017 annual incentive plan (AI/LIP) will remain unchanged for the time that the Health and Nutrition business is owned by FMC. You will be eligible to receive a pro-rated 2017 annual incentive, calculated based on target (1.0), provided you transition employment to DuPont. The pro-rated annual incentive payout will be payable within sixty (60) days following the close date and is subject to all applicable taxes.

- **Long Term Incentive Plan (Equity):**

FMC will pro-rate and accelerate the vesting of your outstanding restricted stock units upon close date. Following the closing, FMC will calculate the taxes required to be withheld upon the vesting of the stock units and deduct the appropriate number of shares to cover those taxes. The remaining shares will be deposited into your Fidelity account. The remaining shares belong to you and may thereafter be sold at any time, provided of course that you are not then in possession of any material non-public information about FMC.

Until the third anniversary of the closing date, employment with DuPont will be treated the same as employment with FMC for purposes of the survival and vesting of your FMC stock options. This will allow sufficient time for your stock options to become fully vested. Any such stock option that has not been exercised by the third anniversary of the closing, and that has not previously expired by its terms, including as a result of termination of employment with DuPont, will then expire.

Your outstanding 2015 performance-based cash award will be pro-rated at the closing date and paid based on actual results, subject to all applicable taxes, at the end of each vesting period.

Your outstanding 2016 and 2017 performance-based restricted stock units will be pro-rated at the closing date based on the number of days employed during each applicable performance measurement period outlined in the grant agreements and based on the actual Relative Total Shareholder Return for the full measurement period, as applicable. The pro-rated performance-based restricted stock units will remain outstanding and will vest and be delivered to you, at the same time as delivery would have been made had you not had a cessation of employment.

- **FMC Employees' Retirement Plan (Defined Benefit Plan/Pension Plan):**

The FMC Corporation Employees' Retirement Program covers salaried and non-union hourly employees hired before July 1, 2007. Often referred to as the "defined benefit plan" or "pension plan," this plan provides retirement income based on years of service and salary while working at FMC. You will not lose the vested pension benefits you have earned while employed with FMC. Upon divestiture, you will not earn additional benefits after the close date. As you are not yet retirement eligible, the earliest your benefit may be paid will be the first of the month after you turn age 55. You may choose to defer receipt of your benefit to a later date but not beyond age 70 ½.

As part of this program, FMC has added a special provision to the Retirement Program for employees who are at least age 50 and have completed at least 10 years of service as of the closing date, but who are not yet retirement eligible. Under this special provision, you will be provided additional credits to be eligible for early retirement provisions at age 62. This qualifies you for the Retirement Program's early retirement provision resulting in an unreduced monthly pension benefit at age 62. You may, but are not required to, begin reduced payments as early as age 55. By qualifying for early retirement, your benefit will be calculated under the Retirement Program's early retirement provisions rather than the reduction that would apply had you left employment before qualifying for early retirement.

Eric, these benefits are being provided to you in appreciation of your leadership and the effort to ensure a successful completion of the Health and Nutrition divestiture to DuPont. These benefits will take effect upon the completion of this divestiture. Please treat this letter and its terms as highly confidential. Please acknowledge receipt and acceptance of this retention letter by signing in the area indicated below and returning it to my attention April 10, 2017.

If you have any questions, or if I can offer further assistance, please let me know.

Sincerely,

/s/ Kyle Matthews

Kyle Matthews

CC: Pierre Brondeau

My signature below represents acknowledgement and acceptance of this retention letter as outlined above. I also acknowledge that this letter does not constitute an employment contract nor provide a specific term of employment, and that any employment relationship to be established is "at will" and as such can be terminated at any time by me or FMC.

Accepted and Agreed:

/s/ Eric Norris April 10, 2017

Eric Norris Date

Exhibit 12

FMC CORPORATION

STATEMENTS OF COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

	Year ended December 31,				
(in Millions, Except Ratios)	**2017**	**2016**	**2015**	**2014**	**2013**
Earnings:					
Income from continuing operations before income taxes	$ 180.8	$ 180.8	$ (207.4)	$ 206.8	$ 353.8
Equity in (earnings) loss of affiliates	(0.1)	(0.5)	—	0.3	(0.8)
Interest expense and amortization of debt discount, fees and expenses	80.0	63.5	62.2	39.1	27.8
Amortization of capitalized interest	1.5	1.2	1.6	1.4	0.8
Interest included in rental expense	5.9	7.1	7.8	5.3	4.9
Total earnings	$ 268.1	$ 252.1	$ (135.8)	$ 252.9	$ 386.5
Fixed charges:					
Interest expense and amortization of debt discount, fees and expenses	$ 80.0	$ 63.5	$ 62.2	$ 39.1	$ 27.8
Interest capitalized as part of fixed assets	2.1	2.5	3.2	2.0	1.9
Interest included in rental expense	5.9	7.1	7.8	5.3	4.9
Total fixed charges	$ 88.0	$ 73.1	$ 73.2	$ 46.4	$ 34.6
Ratio of earnings to fixed charges (1)	3.0	3.4	(1.9)	5.5	11.2

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(1) In calculating this ratio, earnings consist of income (loss) from continuing operations before income taxes plus interest expense, net, 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.

Exhibit 21

FMC CORPORATION

SIGNIFICANT SUBSIDIARIES OF THE REGISTRANT

The following is a list of the Company's consolidating subsidiaries, as of December 31, 2017, except for certain subsidiaries of the Registrant which do not, in the aggregate, constitute a significant subsidiary as that term is defined in Rule 12b-2 under the Securities Exchange Act of 1934. This list does not include equity affiliate investments and cost investment.

Name of Subsidiary	State or Country of Incorporation
FMC Corporation (the Registrant)	Delaware
FMC Agricultural Products International AG	Switzerland
FMC Agroquímica de México S.R.L de C.V.	Mexico
FMC Chemicals Netherlands BV	Netherlands
FMC Chemical International, AG	Switzerland
FMC Chemicals Limited	United Kingdom
FMC Chemical sprl	Belgium
FMC Finance BV	Netherlands
FMC Foret SA	Spain
FMC India Private Limited	India
FMC of Canada Limited	Canada
FMC Química do Brasil Ltda	Brazil
FMC (Suzhou) Crop Care Co., Ltd	China
Minera del Altiplano SA	Argentina
PT Bina Guna Kimia	Indonesia
Cheminova India Ltd	India
Cheminova A/S	Denmark
FMC Agro Singapore Pte	Singapore
Closed Joint Stock Company "DuPont Khimprom"	Russia
FMC International Switzerland Sarl	Switzerland
DuPont Agricultural Caribe Industries, Ltd	Bermuda
DuPont Agricultural Chemicals Ltd, Shanghai	China
MdA Lithium Holdings LLC	United States
FMC Switzerland II GmbH	Switzerland
FMC Switzerland III GmbH	Switzerland

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
FMC Corporation:

We consent to the incorporation by reference in the registration statements on Form S-3 (No. 333-209746) and Form S-8 (Nos. 333-64702, 333-62683, 333-36973, 333-24039, 333-18383, 333-69805, 333-69714, 333-111456, 333-172387, and 333-172388) of FMC Corporation of our reports dated February 28, 2018, with respect to the consolidated balance sheets of FMC Corporation and subsidiaries as of December 31, 2017 and 2016, and the related consolidated statements of income (loss), comprehensive income (loss), changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2017, and the related notes and financial statement schedule II - valuation and qualifying accounts and reserves (collectively, the “consolidated financial statements”), and the effectiveness of internal control over financial reporting as of December 31, 2017, which reports appear in the December 31, 2017 annual report on Form 10-K of FMC Corporation.

/s/ KPMG LLP
Philadelphia, Pennsylvania
February 28, 2018

Exhibit 31.1

CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Pierre R. Brondeau, certify that:

1. I have reviewed this Annual Report on Form 10-K of FMC Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonable likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2018

/s/ Pierre R. Brondeau

Pierre R. Brondeau
President and Chief Executive Officer

Exhibit 31.2

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Paul W. Graves, certify that:

1. I have reviewed this Annual Report on Form 10-K of FMC Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonable likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2018

/s/ Paul W. Graves

Paul W. Graves
Executive Vice President and
Chief Financial Officer

Exhibit 32.1

CEO CERTIFICATION OF ANNUAL REPORT

I, Pierre R. Brondeau, President and Chief Executive Officer of FMC Corporation ("the Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, based on my knowledge that:

(1) the Annual Report on Form 10-K of the Company for the year ended December 31, 2017 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 28, 2018

/s/ Pierre R. Brondeau

Pierre R. Brondeau
President and Chief Executive Officer

Exhibit 32.2

CFO CERTIFICATION OF ANNUAL REPORT

I, Paul W. Graves, Executive Vice President and Chief Financial Officer of FMC Corporation ("the Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, based on my knowledge that:

(1) the Annual Report on Form 10-K of the Company for the year ended December 31, 2017 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 28, 2018

/s/ Paul W. Graves

Paul W. Graves
Executive Vice President and
Chief Financial Officer