



***Oppenheimer
Industrials Conference
Presentation***

By

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**Chief Financial Officer
Innophos Holdings, Inc.**

October 3, 2008

Safe Harbor

During the course of this presentation, management may make forward-looking statements regarding financial performance and future events.

We will attempt to identify these statements by use of words such as expect, believe, anticipate, intend, and other words that denote future events. You should understand that, even though our forward looking statements are based on assumptions we believe are reasonable when made, they are still subject to uncertainties that could cause actual results to differ materially from those in the forward-looking statements.

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Innophos

**We are the industry leader...
our specialty phosphates are
essential to the functionality,
performance and safety of
thousands of everyday
products.**

Diversified End Markets

Cover a Broad Range of Everyday Products

Specialty Salts and Specialty Acids (\$293 million)

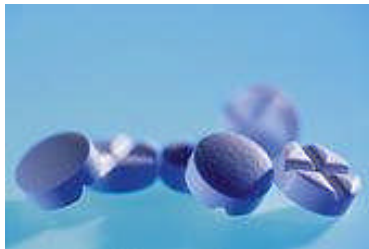
Calcium fortification



Bakery leavening



Pharmaceutical tablet excipients



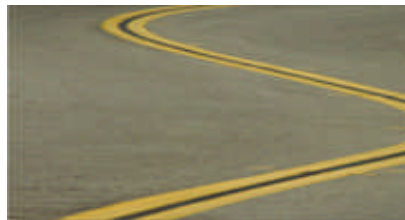
Deli meat ingredients



Toothpaste abrasives

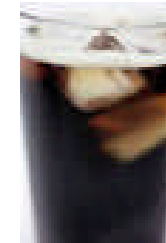


Asphalt modifiers



Purified Phosphoric Acid (\$129 million)

Beverage flavoring



STPP and Other Products (\$157 million)

Detergents



Fertilizers



Innophos' Established Competitive Strengths Provide a Unique Business Advantage

- ◆ **Largest specialty phosphates producer in North America, the only supplier with #1 or #2 position in all product lines.**
- ◆ **Diversified end markets historically have provided steady demand growth and industry conditions support earnings growth.**
- ◆ **New sales and distribution channels for high margin proprietary products support growth in Asia and Europe and improve overall sales mix.**
- ◆ **Pricing improvement and productivity increases drive excellent free cash flow, which strengthens financial position.**

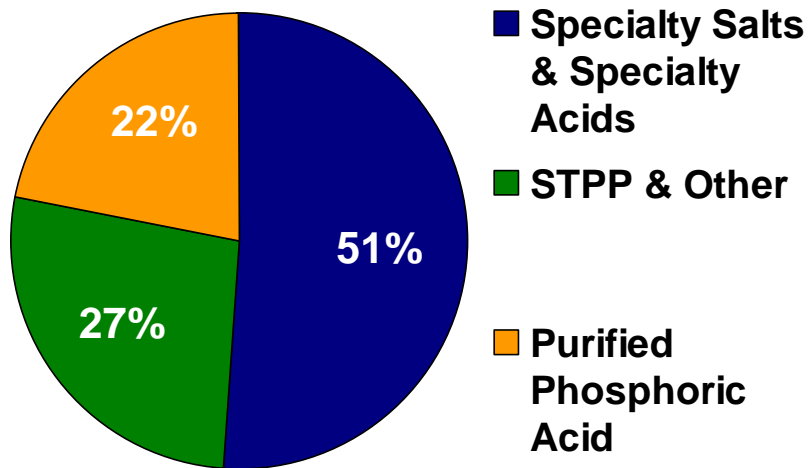
Innophos has the #1 or #2 Position in All Product Lines

	<u>Position</u>	<u>Approx. N.A. Market Share*</u>
Specialty Salts & Specialty Acids	#1	40%
Purified Phosphoric Acids	Tied #1 (a)	45%
STPP	#2	25%

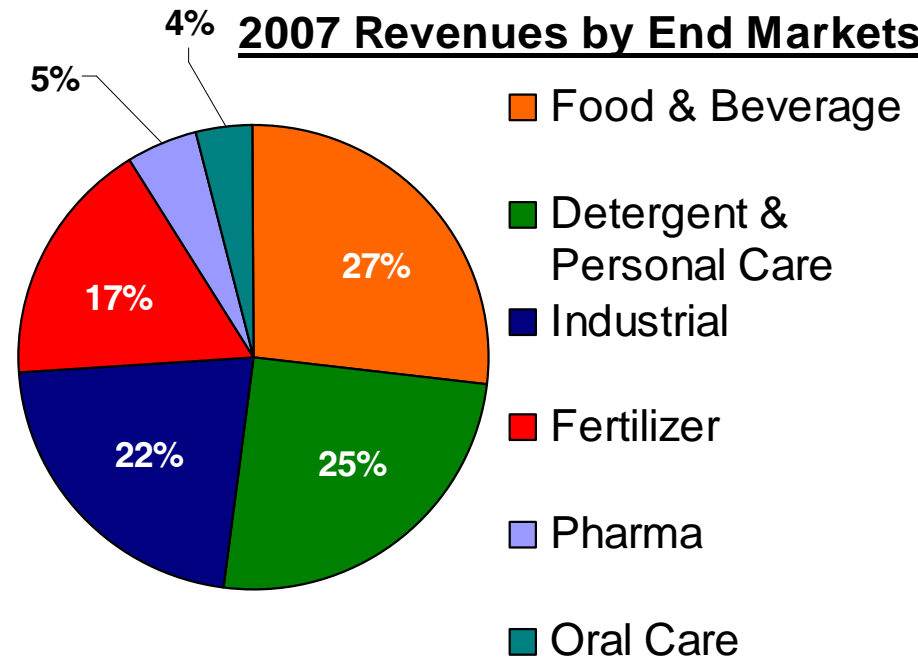
(a) Based on production

* Product line market; management estimates

2007 Revenues by Product



2007 Revenues by End Markets



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Industry Conditions Support Earnings Growth

- ◆ High industry capacity utilization, in part due to absence of Chinese supply, creates favorable supply-demand balance and sustainable profit potential for Innophos.
- ◆ High capital, transportation and handling costs limit new capacity/imports.
- ◆ A stable customer base, relationships that span many decades.
- ◆ Position in niche markets produces better margins and pricing power.
- ◆ Broad demand for IPHS phosphates in a wide variety of end products.

New Sales and Distribution Channels Enable Growth Outside of the Americas

- ◆ **In-sourced pharma commercial support is helping IPHS to exceed targets for excipient share growth in Europe.**
- ◆ **Additional personnel in Brazil, Singapore and Germany support the growth of proprietary product sales.**
- ◆ **New technical support personnel allow IPHS to work with customers to develop solutions to meet very specific needs.**
- ◆ **IPHS is taking share in proprietary products: YOY European and Asian volumes up 40%.**

Innophos' Immediate Financial Goal: Finish De-Levering

- ◆ Focus on de-levering through simultaneous earnings growth and debt paydown.
- ◆ IPHS expects to no longer consider itself a “highly leveraged” company as of 4Q08.
 - ◆ \$21 million debt payments in 2007
 - ◆ Significant net debt reduction in 2008 (\$200M year-end net debt target).
 - ◆ Estimated \$83 million bank debt payment in Q1'09.



Uses of Cash Flow

- ◆ Reinvest Prudently
- ◆ Sustained Return of Cash to Shareholders via Dividend
- ◆ Pay down debt (through Q209)
- ◆ Bolt on Acquisitions

Financial Results Demonstrate Over Four Straight Years of Sustained Progress

(\$ in millions)	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	LTM Q2 '08	Q2 '08
Net Sales	\$504	\$538	\$536	\$542	\$579	\$717	\$264
Op. Income	\$17	\$35	\$41	\$31	\$48	\$138	\$90
% Margin	3.4%	6.5%	7.7%	5.7%	8.3%	19.2%	34.1%
Net Income	\$1	\$15	(\$12)	(\$33)	(\$5)	\$70	\$59
% Margin	0.2%	2.8%	-2.2%	-6.1%	-0.9%	9.8%	22.3%
EBITDA *	\$65	\$74	\$88	\$78	\$95	\$190	\$105
% Margin	12.9%	13.7%	16.4%	14.4%	16.4%	26.5%	39.8%
* as reported							
Net Debt	n/a	\$372	\$470	\$369	\$369	\$341	
	Rhodia	Bain	Recap	IPO Complete	Insourcing Complete	Price Increases	

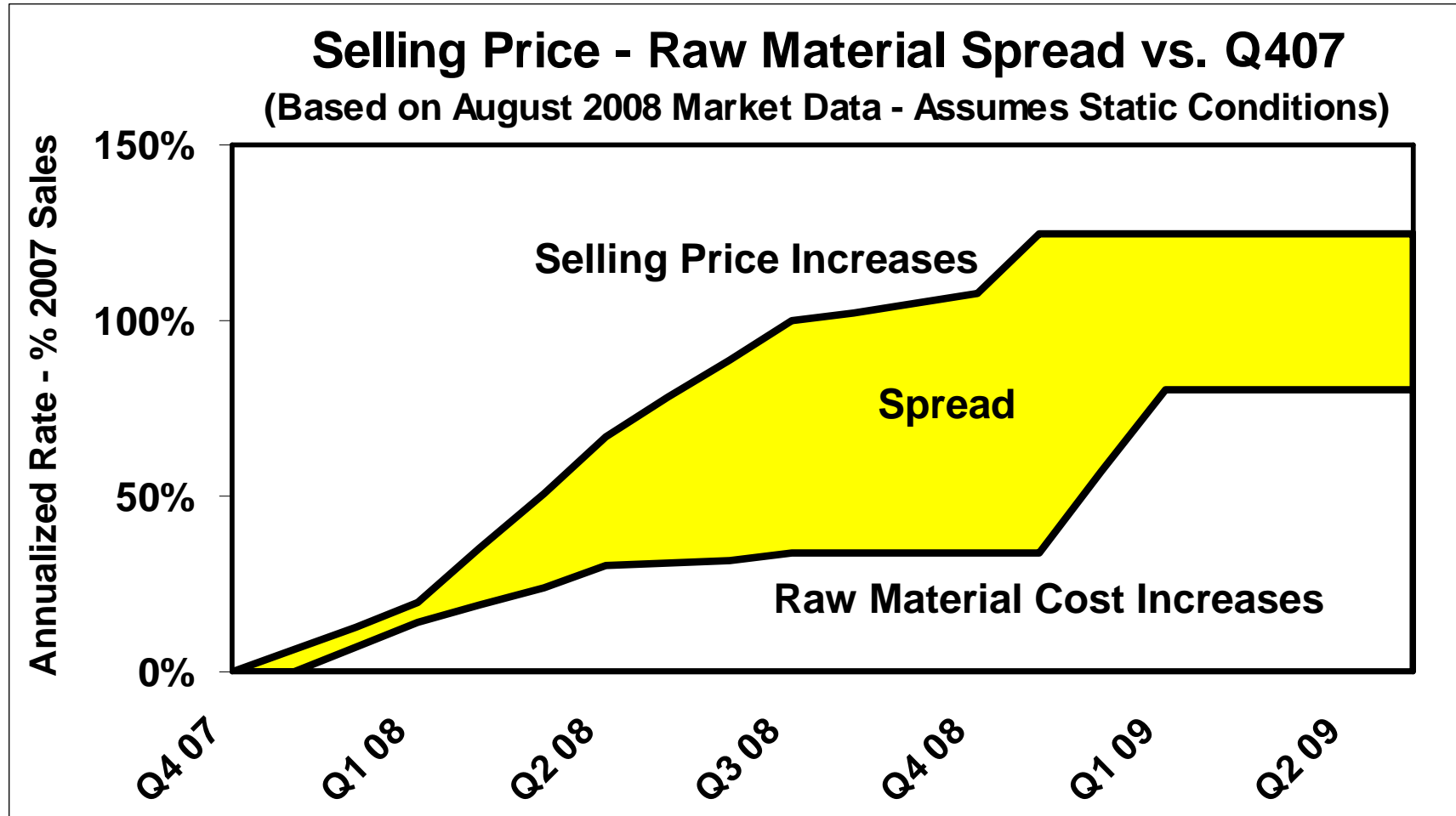


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Market Outlook – 2008 & 2009

- ◆ IPHS is responding to strong specialty phosphate market demand by raising its specialty phosphate prices.
- ◆ The market is accepting IPHS price increases, particularly for Specialty Salts and Specialty Acids. IPHS recently announced U.S. price increase effective October 15th.
- ◆ High world demand for fertilizers is causing key raw material costs to rapidly increase. However, it appears sulfur prices have peaked and begun to drop.
- ◆ IPHS buys key raw materials under long term contracts that help to buffer short term raw material cost changes with pricing formulas. Our costs below spot market levels.
- ◆ During remainder of 2008 and 2009, Innophos anticipates expanded selling price – raw material spreads.
- ◆ IPHS sells a by-product into the phosphate fertilizer markets; these markets recently have seen softness.

Rapid Pricing Response Driving Significant Margin Expansion...

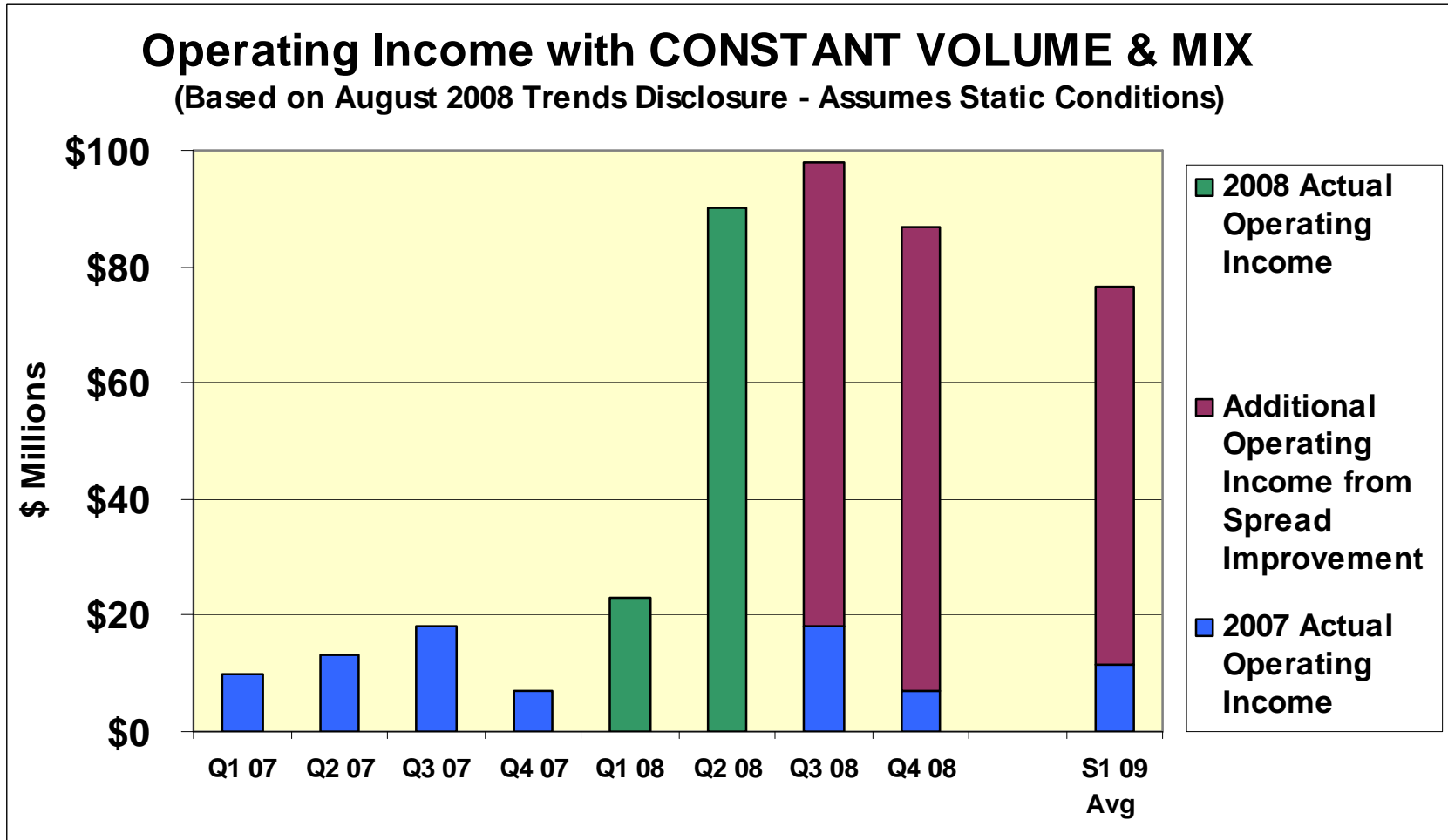


Graphic representation of market trends
as disclosed in Q2 '08 filings



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...Leading to a Significant Quarterly Operating Income Expansion for 2008 & 2009 Compared to 2007



Graphic representation of market trends
 as disclosed in Q2 '08 filings



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In Summary...

- ◆ Largest specialty phosphates producer in North America, the only supplier with #1 or #2 position in all product lines.
- ◆ Diversified end markets historically have provided steady demand growth and industry conditions support earnings growth.
- ◆ New sales and distribution channels for high margin proprietary products support growth in Asia and Europe and improve overall sales mix.
- ◆ Pricing improvement and productivity increases drive excellent free cash flow, which strengthens financial position.



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