



Morgan Stanley Global Chemicals Conference

14-15 November 2012, Boston



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World class integrated phosphate producer

- #1 global producer of high-grade phosphate rock ($P_2O_5 > 35.7\%$) with 7.8 mln t capacity
- #2 global DAP/MAP producer⁽¹⁾ with 3.6 mln t capacity and DAP/MAP/NPK/NPS capacities of 4.1 mln t
- Leading European producer of MCP feed phosphate and the only one in Russia

Large high quality apatite-nepheline resources

- 2.1 bln t of apatite-nepheline ore resources⁽²⁾ (over 75 years of production)
- Al_2O_3 resource of 283 mln t
- Substantial resources of gallium oxide, TiO_2 and rare earth oxides (41% of Russian resources and 96% of the currently developed⁽³⁾)

Self-sufficiency in key feedstocks provides for low costs

- First quartile cash cost of production globally
- 100% self-sufficient in phosphate rock and 92% in ammonia
- Local low-cost supplies of sulphur and potash

Strong position in prime agricultural markets

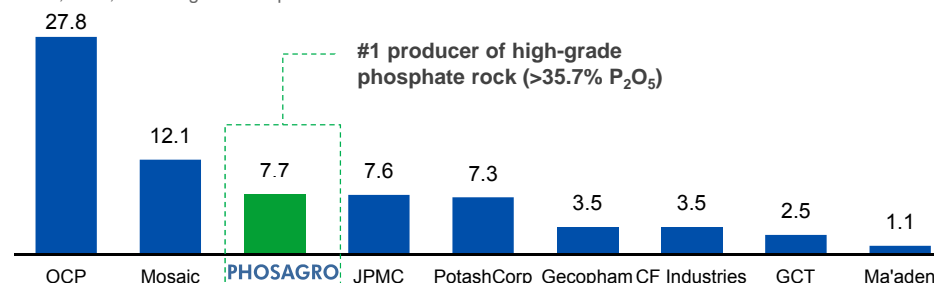
- Established presence through traders in North and South America, Asia and Europe
- Top-3 exporter of DAP/MAP globally
- Leader in the fast-growing Russian market

Strong financial performance

- EBITDA of \$1,204 mn and \$559 mn in 2011 and in H1 2012, respectively
- Net debt/EBITDA: < 0.5x

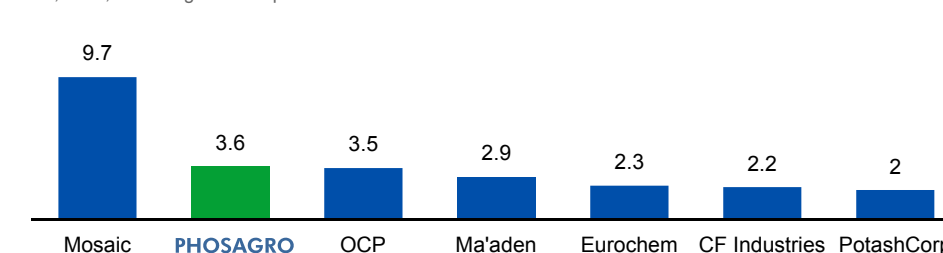
Leading global phosphate rock producers (by production)

2011, mln t, excluding Chinese producers



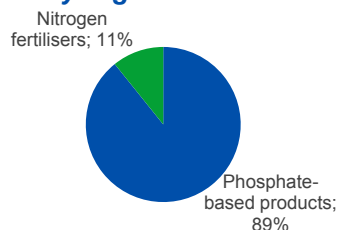
Leading global DAP/MAP producers (by capacity)

2012, mln t, excluding Chinese producers

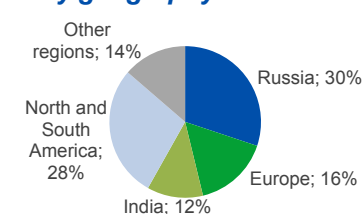


2011 sales breakdown

By segment



By geography



2011 Sales: \$3,420 mln

Note: (1) Excluding Chinese producers

(2) PhosAgro, IMC

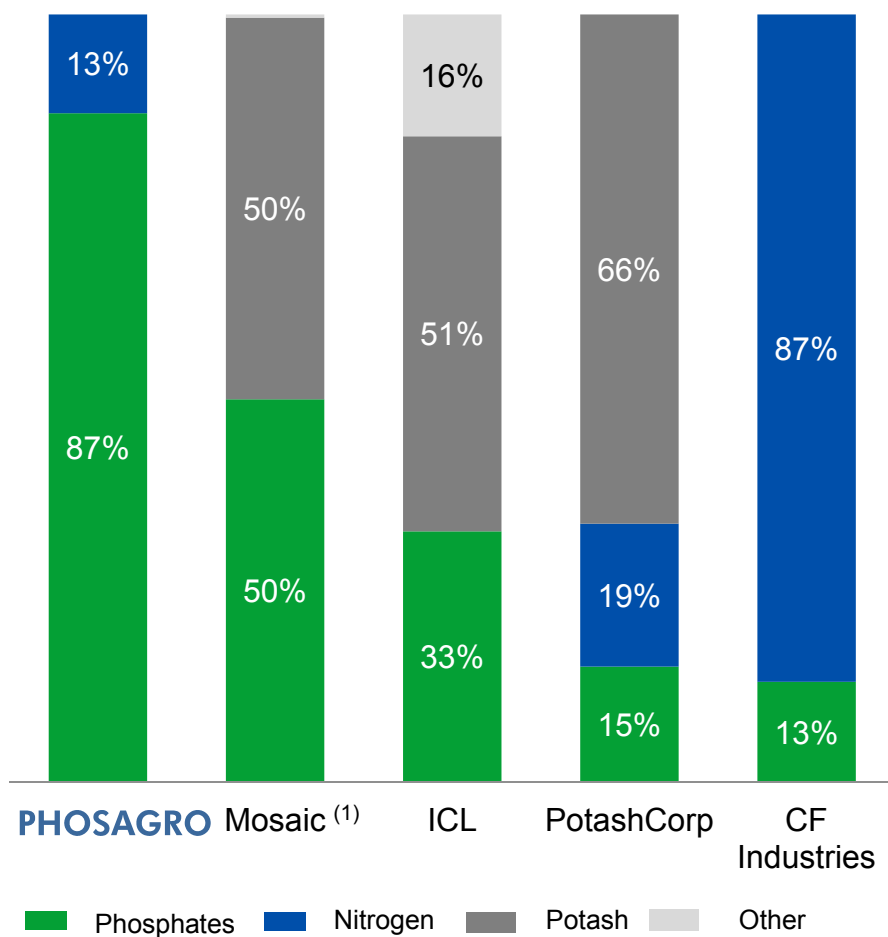
(3) Russian Academy of Science

Source: FERTECON, IFA, companies data, PhosAgro

Source: FERTECON, companies' data

Gross profit breakdown by segment

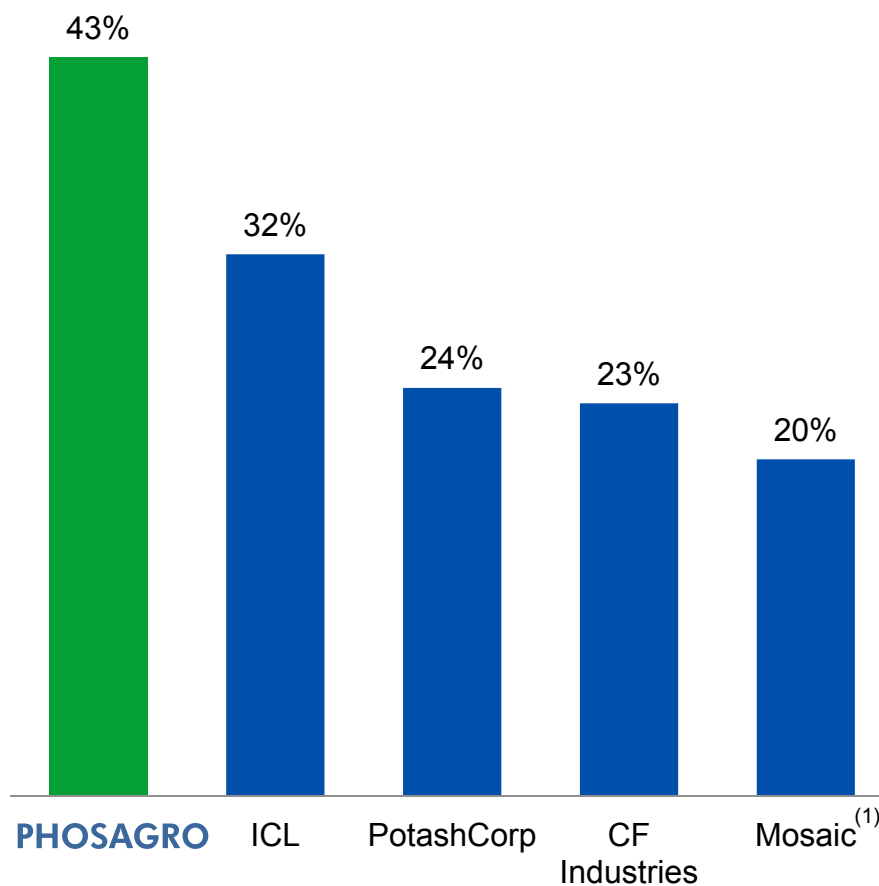
Average gross profit breakdown by segment for 2008-2011



Source: Companies' reports
Note: (1) Calendarised

Phosphate segment gross profit margin

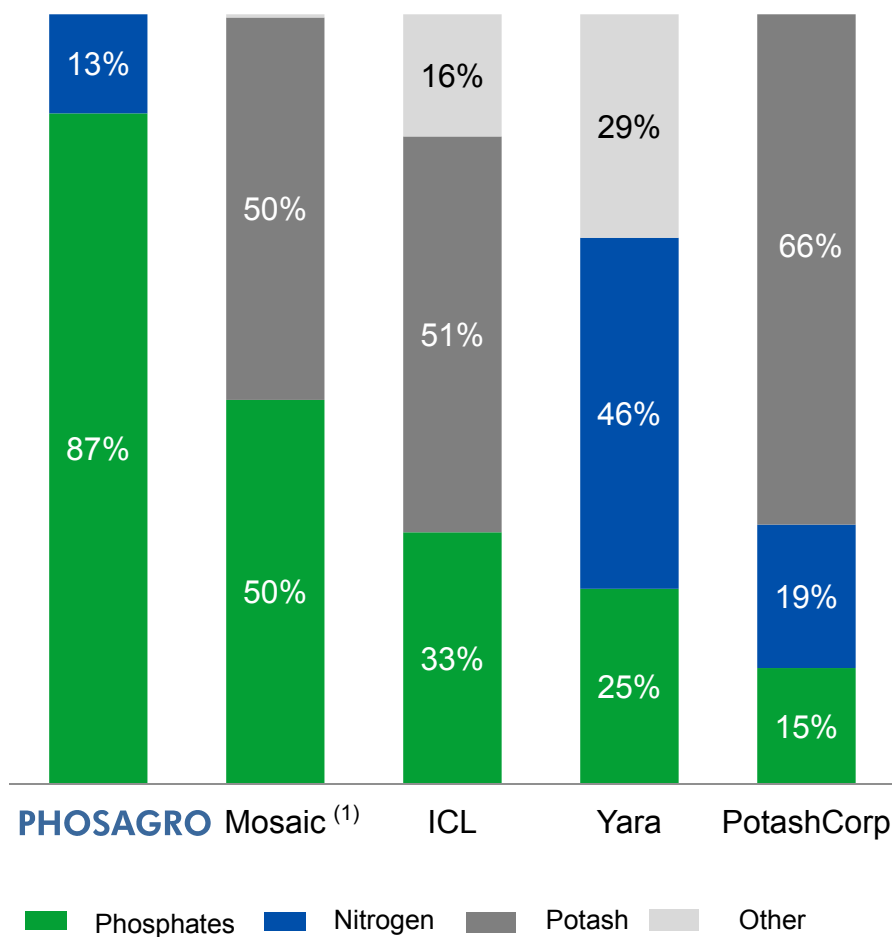
Average gross profit margin of phosphate segment for 2008-2011



Source: Companies' reports
Note: (1) Calendarised

Gross profit breakdown by segment

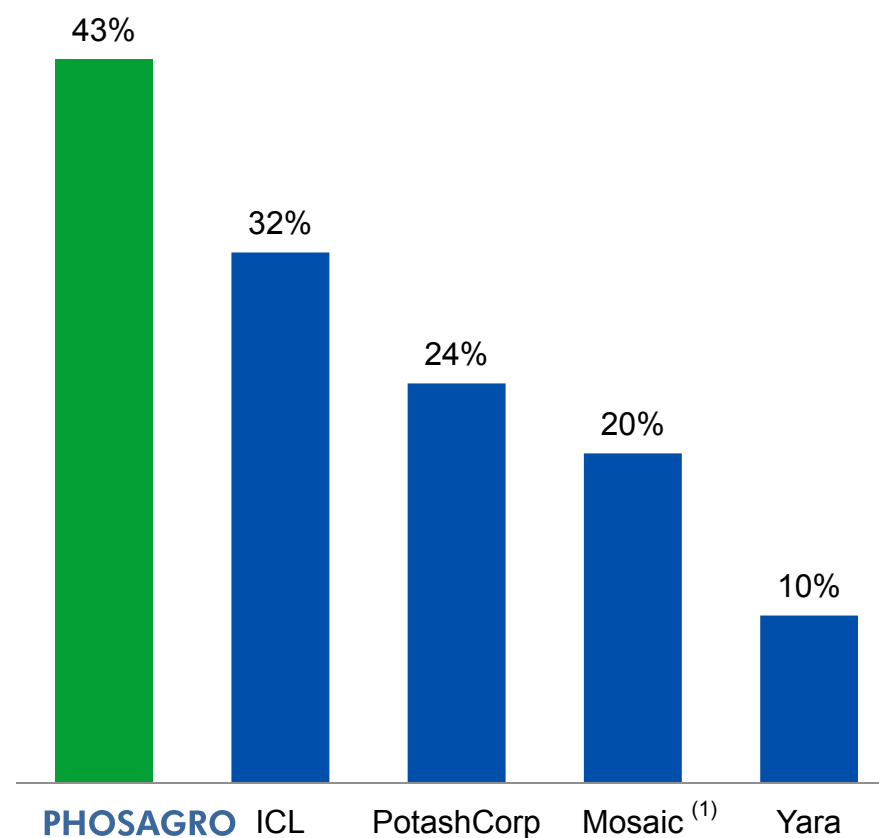
Average gross profit breakdown by segment for 2008-2011



Source: Companies' reports
Note: (1) Calendarised

Phosphate segment gross profit margin

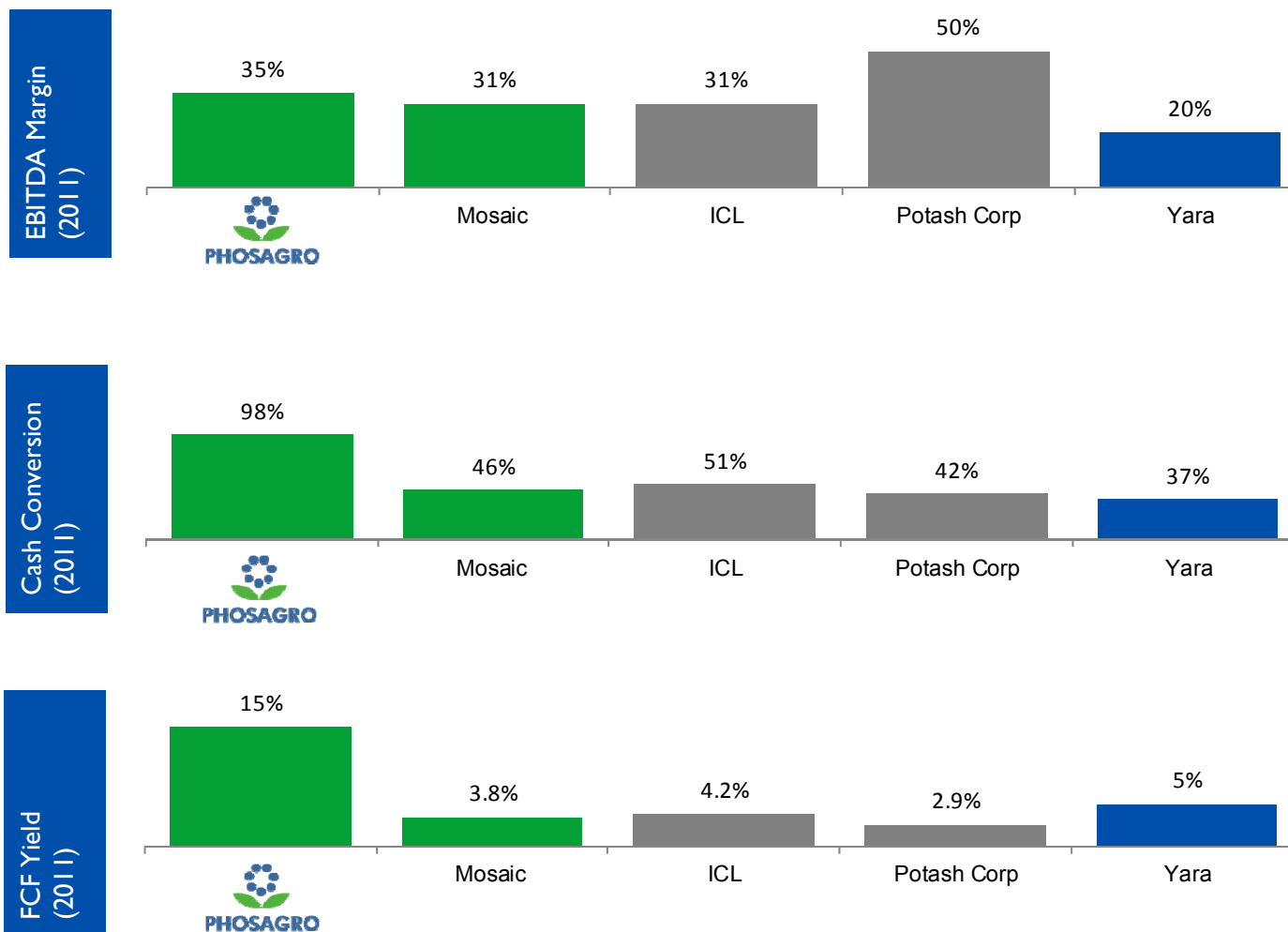
Average gross profit margin of phosphate segment for 2008-2011



Source: Companies' reports
Note: (1) Calendarised

PhosAgro Benchmarks Favourably Against Key Competitors

- PhosAgro compares well against its phosphate peers on EBITDA margin basis
- PhosAgro strongly outperformed all major peers in terms of Cash Conversion and FCF Yield basis



1. Phosphates – an attractive industry



Phosphorus is essential for life

Technical phosphates – 9%⁽¹⁾



- Synthetic detergents



- Metal treatment

- Water treatment



- Lithium phosphate for hybrid and electric vehicle batteries



- Personal care products



- Cheese
- Processed meat



- Soft drinks

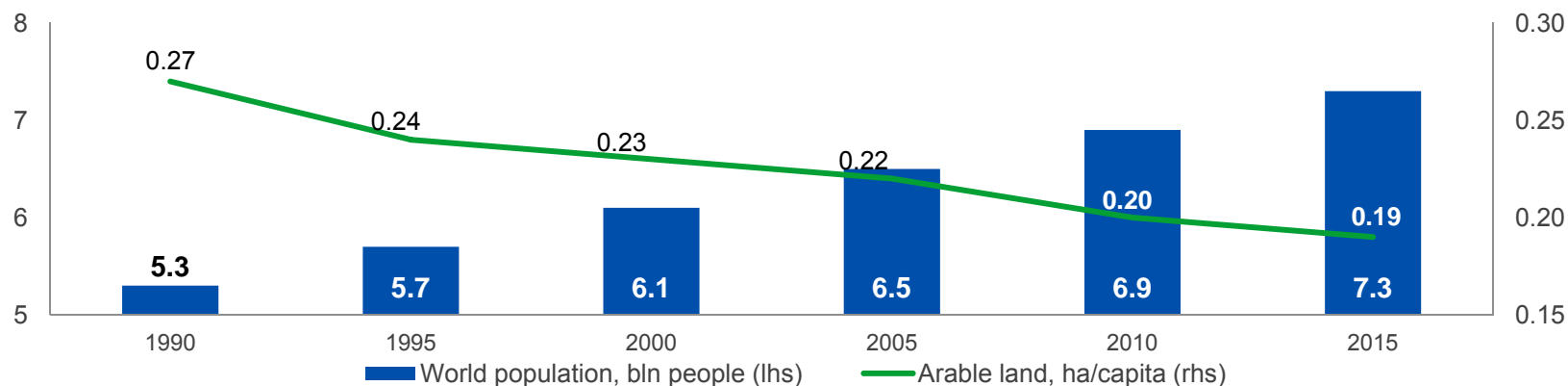
Animal feed – 6%⁽¹⁾



Strong demand fundamentals for fertilisers

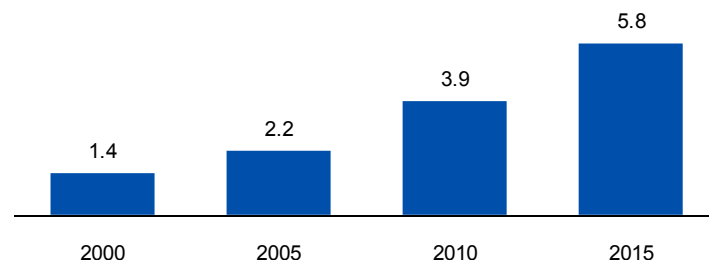
Phosphate is the most important nutrient for distressed land

Population growth and decrease of arable land per capita

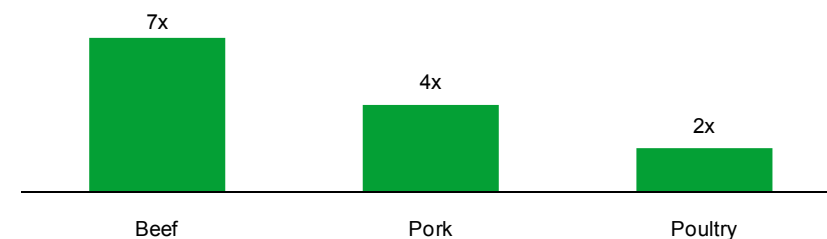


Meat consumption is driving demand for phosphate-based fertilisers and feed phosphates

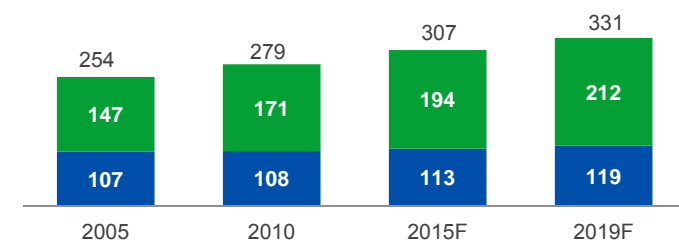
Growing GDP per capita in Emerging Markets
'000 US\$



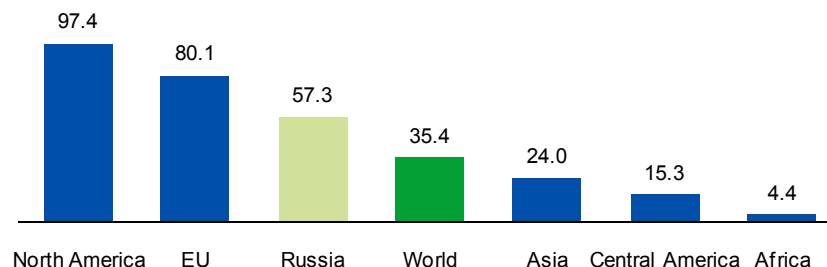
Animal feed a key driver for grain consumption
kg of grain required to produce 1 kg meat



Changing diets – growth in meat consumption
mln t



Meat Consumption by Region
kg meat/capita/year



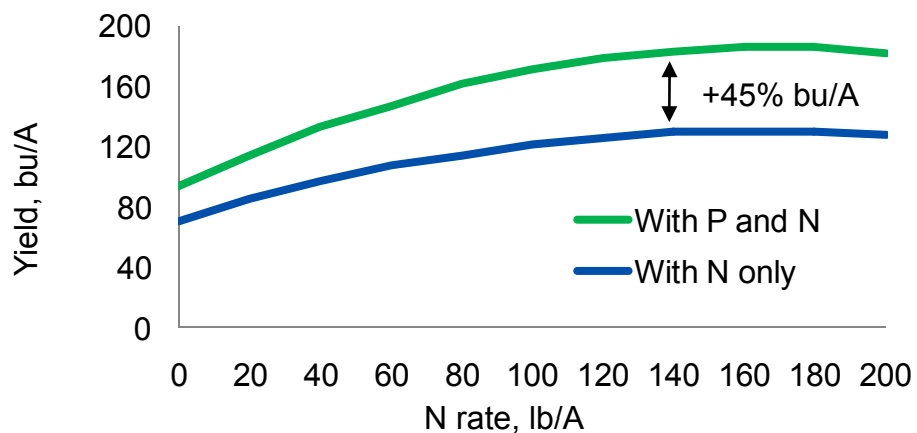
Fertilisers – 85%⁽¹⁾



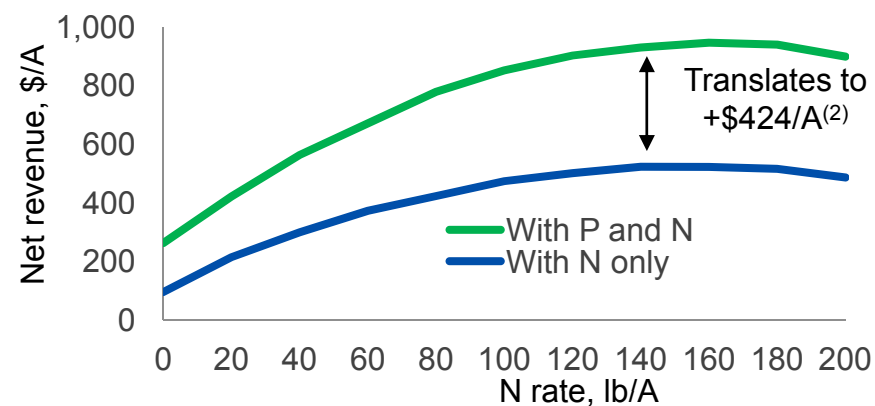
Without phosphate fertilisers

With phosphate fertilisers

Effect of phosphate and nitrogen fertilisers on corn yield



Effect of phosphate and nitrogen fertilisers on net farmer revenue



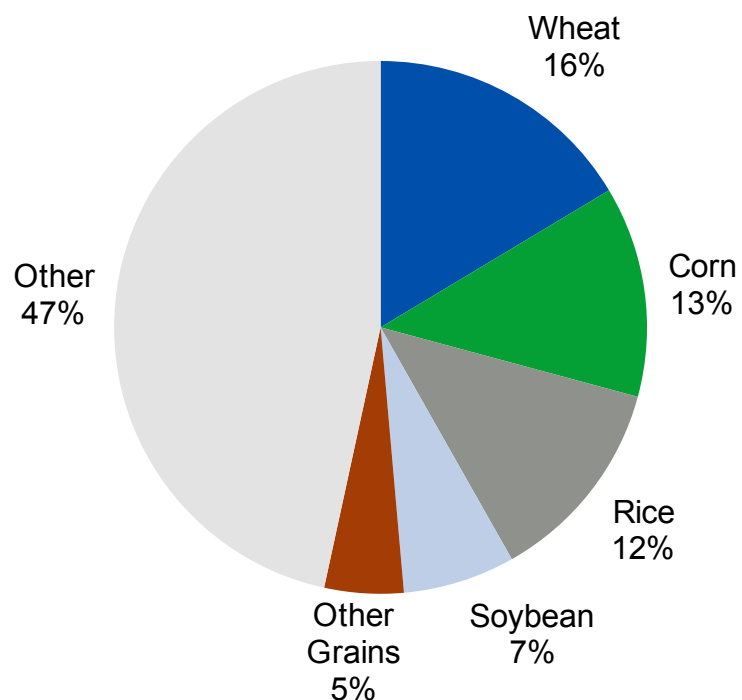
Source: FERTECON, International Plant Nutrition Institute

Note: (1) as percentage of total phosphorus consumption

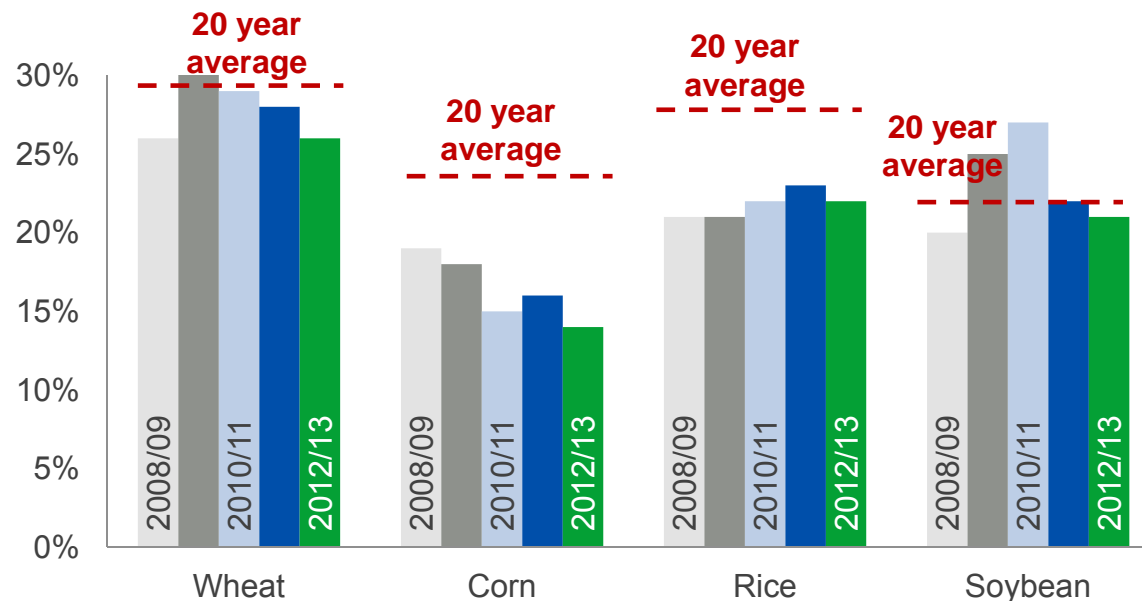
(2) as corn price of US\$ 8/bu

Stock-to-use ratios for the key phosphate-using crops are at low levels driving crop prices

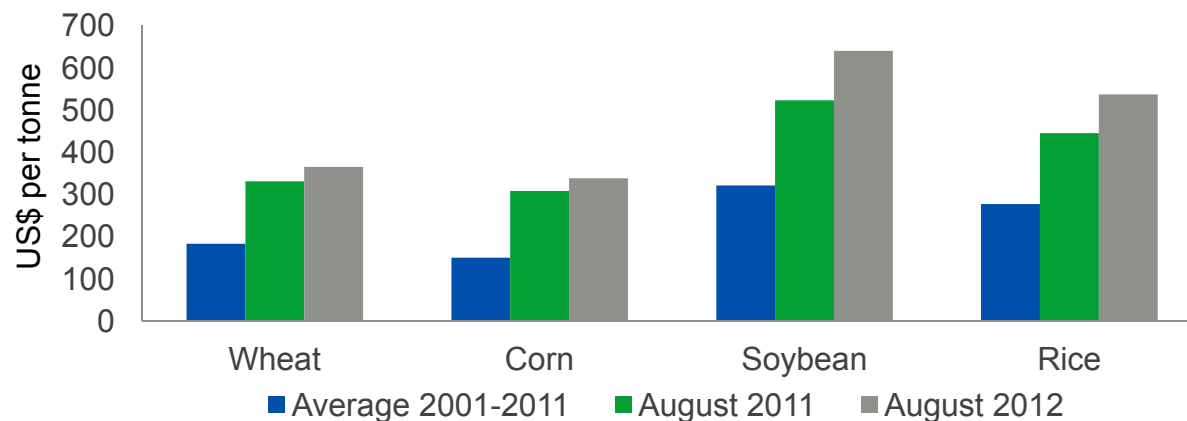
Phosphate fertiliser use by crop



World grain stocks-to-use ratios, %



Crop prices

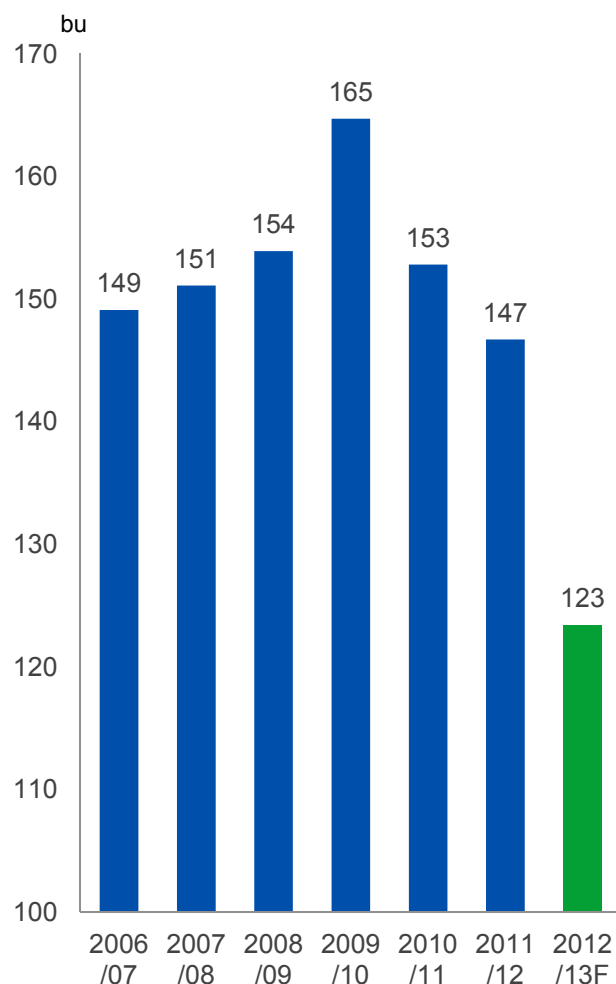


Source: IFA

Source: USDA, FAO

Significant room for further growth of use of phosphate fertilisers

Corn yield per harvested acre in US

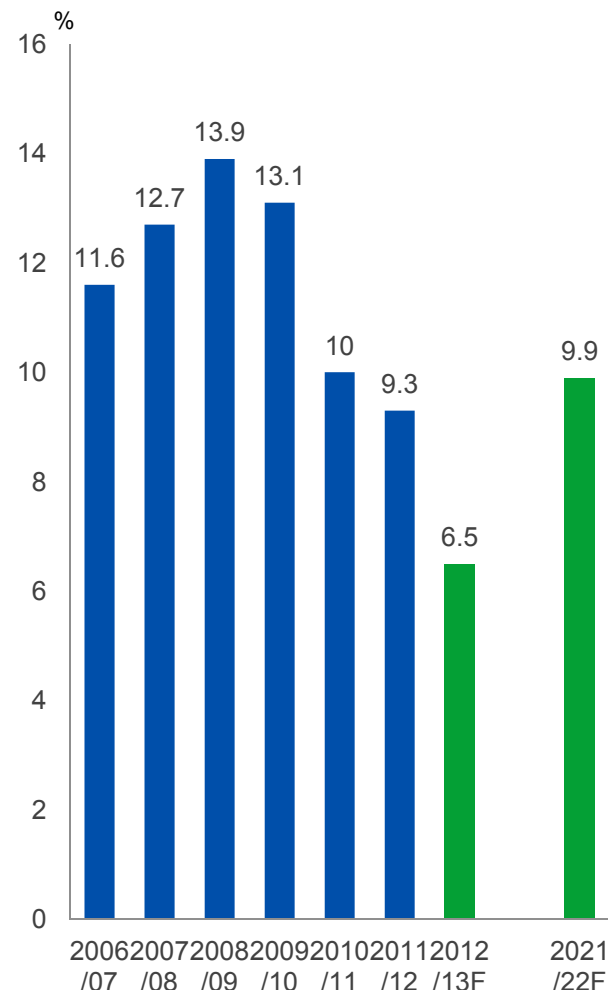


■ - Actual

■ - Forecast

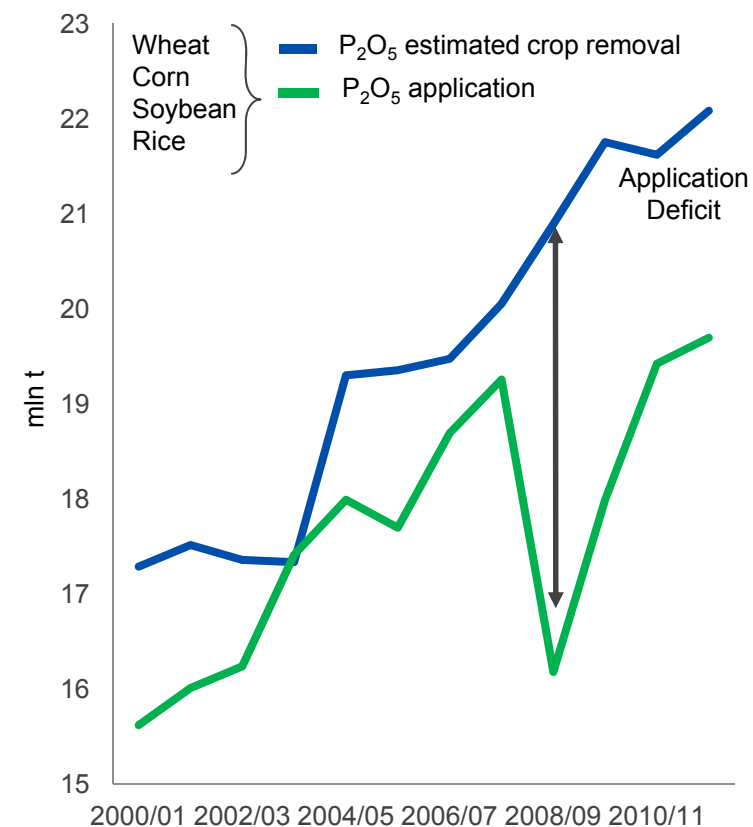
Decreasing corn yields in US

US corn stocks-to-use ratios, %



Tight corn supply-demand balance due to low stock-to-use ratio

Insufficient application of phosphate fertilisers creates significant room for growth



Nutrient removal rate

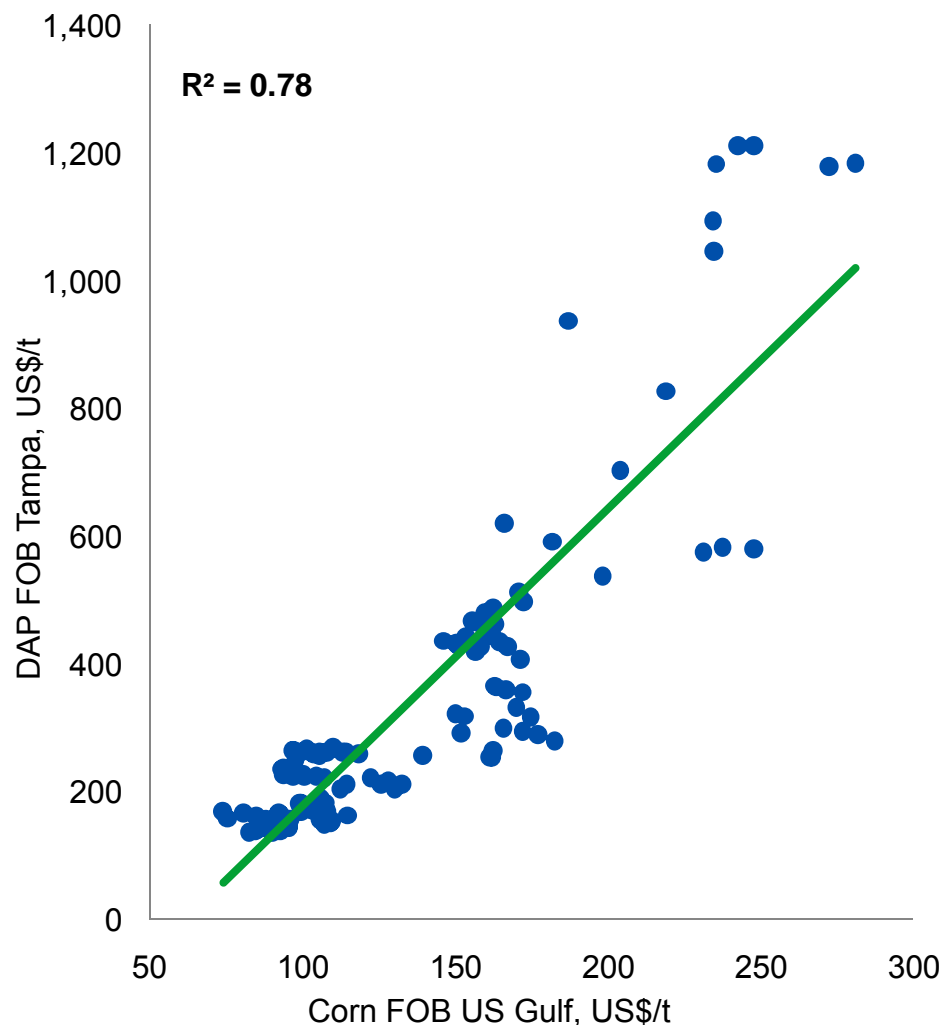
kg P₂O₅/t of crop

Wheat	Corn	Rice	Soybeans
11.3	6.7	6.4	16.7

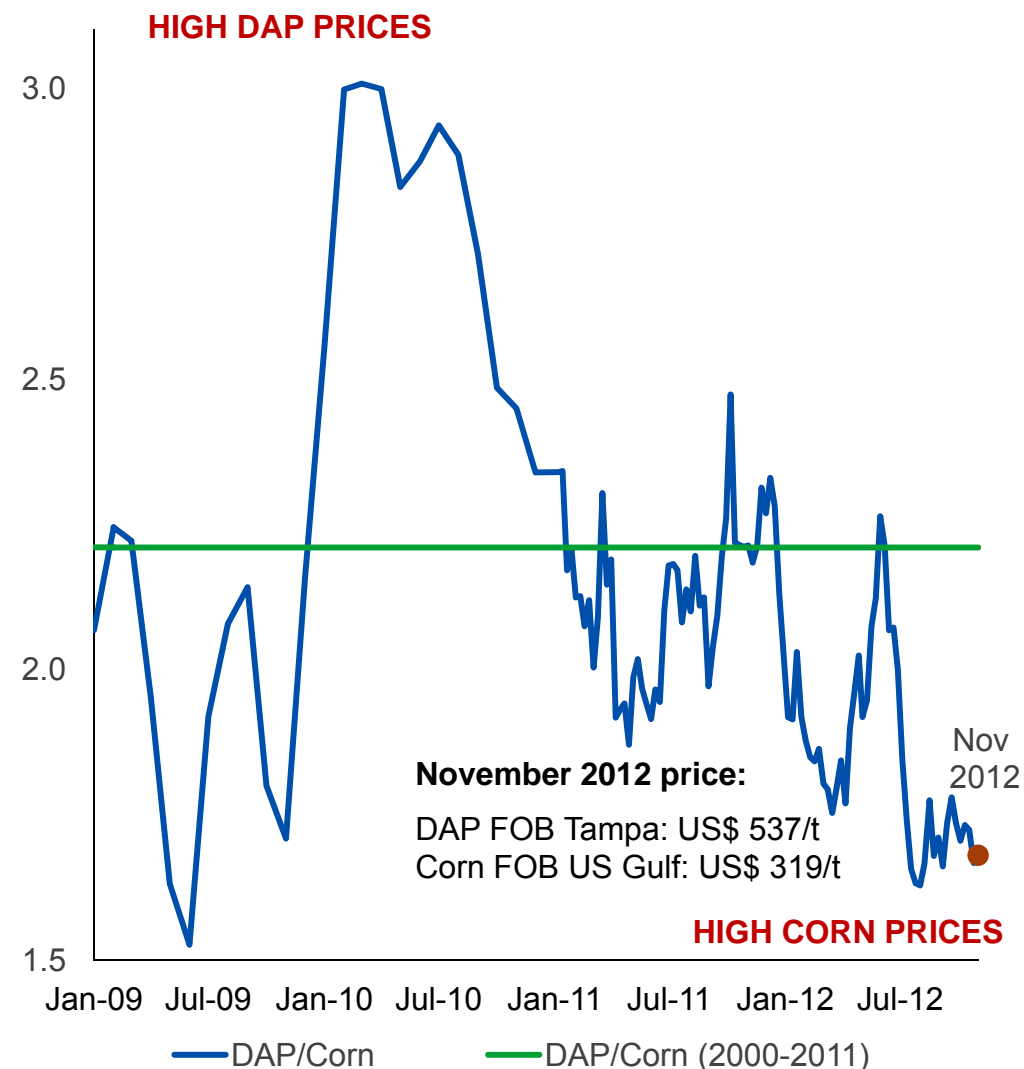
High grain prices driven by market imbalance motivate farmers to use more fertilisers

Corn prices relative to DAP Prices

10 year correlation

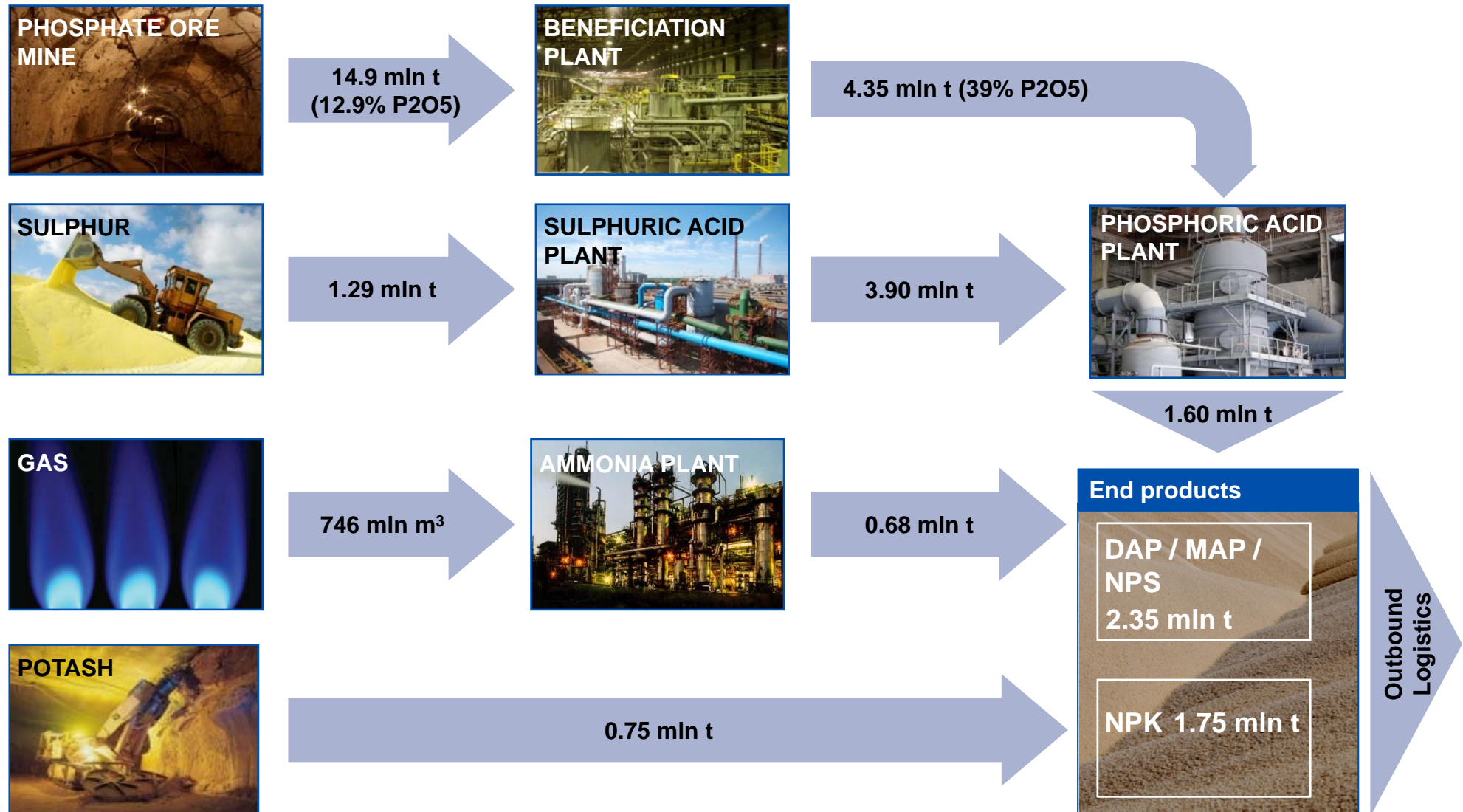


Corn to DAP prices ratio



Need for a combination of feedstocks and complexity of production process act as barriers to entry

Overview of integrated phosphate-based production model based on PhosAgro's consumption ratios



Only few countries have domestic resource base which is significant enough to produce phosphate fertilisers

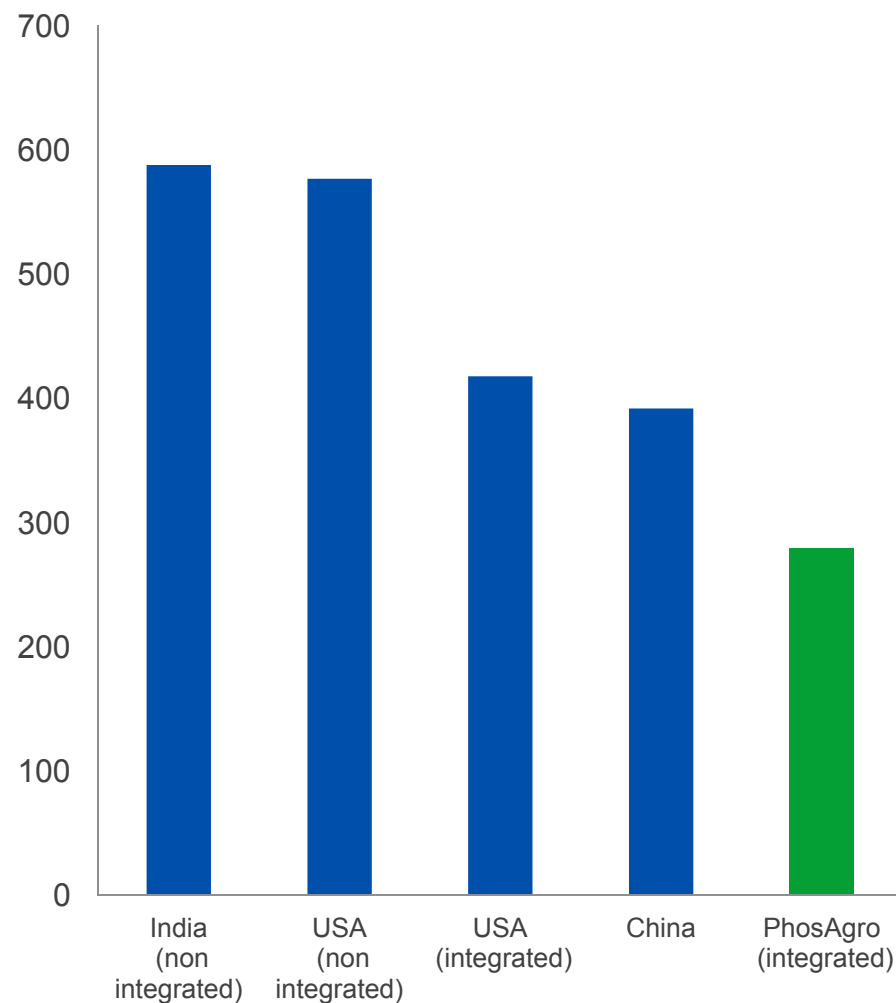
Production/resources of phosphate rock, natural gas and sulphur

Region	Phosphate Rock, mln t		Natural Gas, bln cm		Sulphur, k t	
	Production	Resources	Production	Resources	Production	Import
World	180.7	65,000	3,276	208,400	77,184	28,600
1 Russia	10	4,300	607	44,600	7,305	0
2 USA	27.6	1,400	651	8,500	9,091	3,066
3 Saudi Arabia	5*	7,690	100	8,200	3,200	0
4 Canada	1.0	2.0	161	2,000	7,091	0
5 China	75.1	3,700	103	3,100	15,626	10,085
6 Kazakhstan	1.5	3,100	19	1,900	2,857	0
7 Mexico	1.4	1,000	53	400	1,374	368
8 Iraq	-	5,800	2	3,600	125	0
9 Australia	2.0	250	45	3,800	991	513
10 Peru	2.2	1,453	11	400	490	0
11 Brazil	6.1	310	17	500	522	1,952
12 India	2.1	85	46	1,200	2,776	1,807

Significant cost advantage for integrated producers

Estimated DAP production cash costs⁽¹⁾

FOB, US\$ per tonne DAP



Key feedstock integration in the World Phosphate Industry⁽²⁾

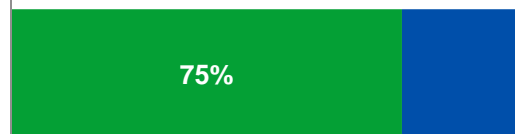
Phosphate rock+ammonia+local sulphur = Fully integrated



Phosphate rock and ammonia integration



Phosphate rock integration



■ Integrated ■ Non-integrated

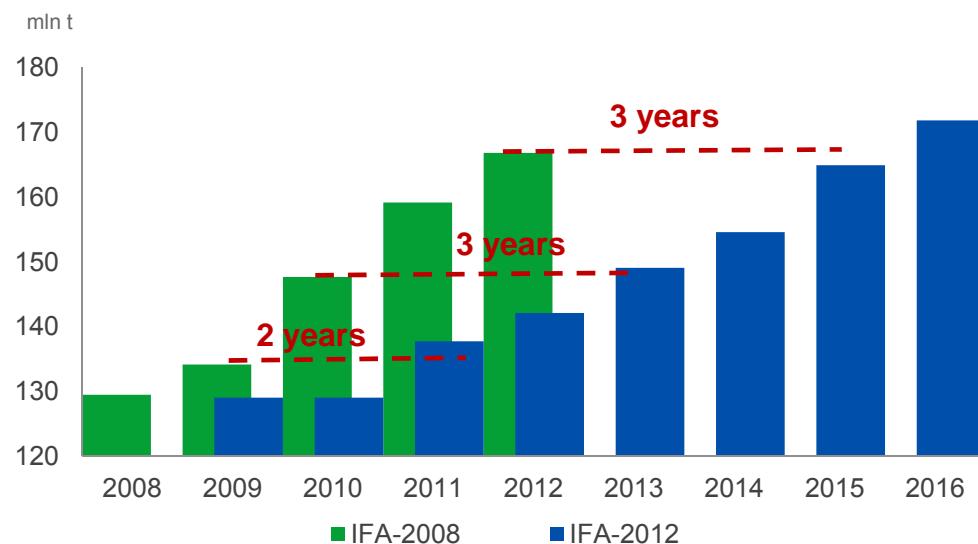
Source: companies' data, FERTECON, China Fert Market Weekly, PhosAgro

Note: (1) as of October 2012

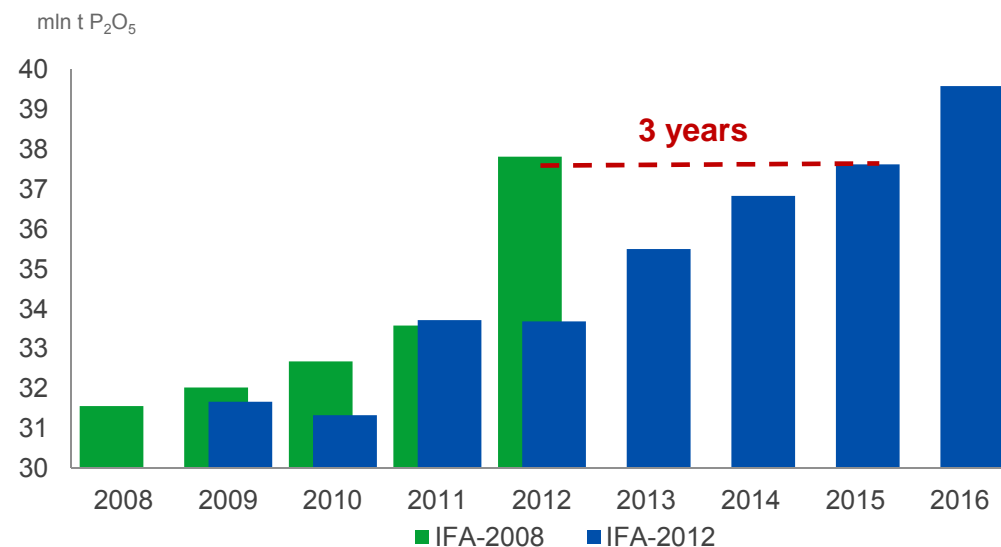
(2) by phosphoric acid capacities, excluding China

Commissioning phosphate rock and phosphoric acid capacities

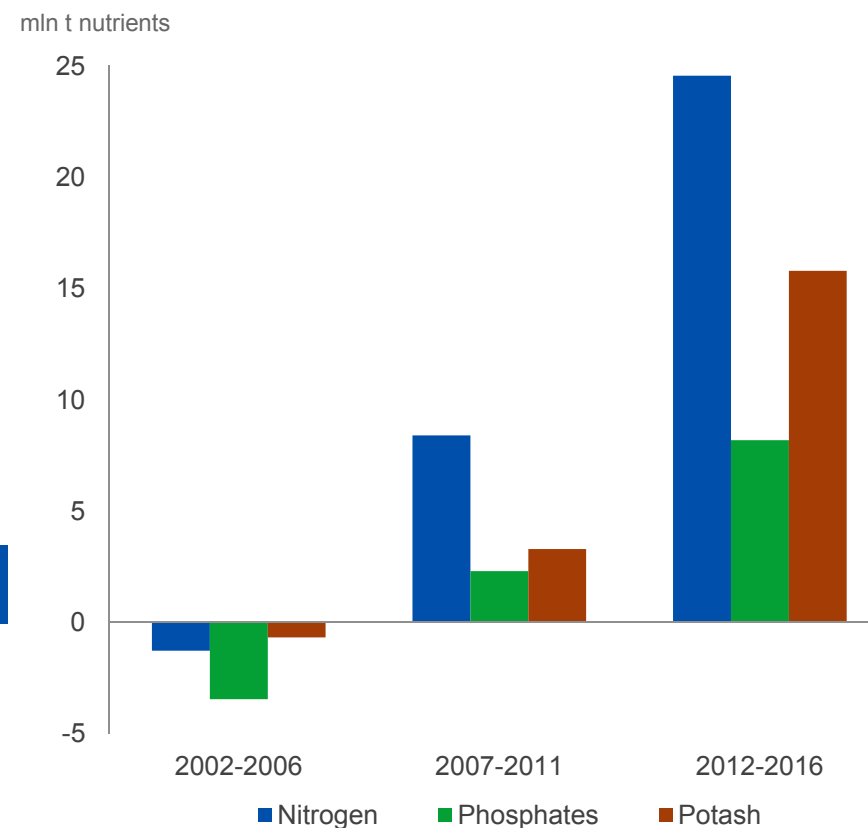
Delays in addition of new phosphate rock capacities (excl. China)



Delays in commissioning phosphoric acid capacities (excl. China)



Changes in world fertiliser capacities (excl. China)



- Less new projects are announced in phosphates
- Commissioning of new capacities is delayed
- Shutdown in phosphate fertiliser capacities was more significant while less new commissioning in the past 5 years in comparison with nitrogen and potash sectors

Production facilities

Capacity – mln t / year

Ma'aden



Phosphate rock mine	12.0	26.6
Beneficiation plant	5.0	7.8
Sulphuric Acid Plant	4.7	4.6
Phosphoric Acid Plant	1.5	1.9
Ammonia Plant	1.1	1.1
DAP Plant	2.9	4.1
Key products	DAP	MAP, DAP, NPK, NPS

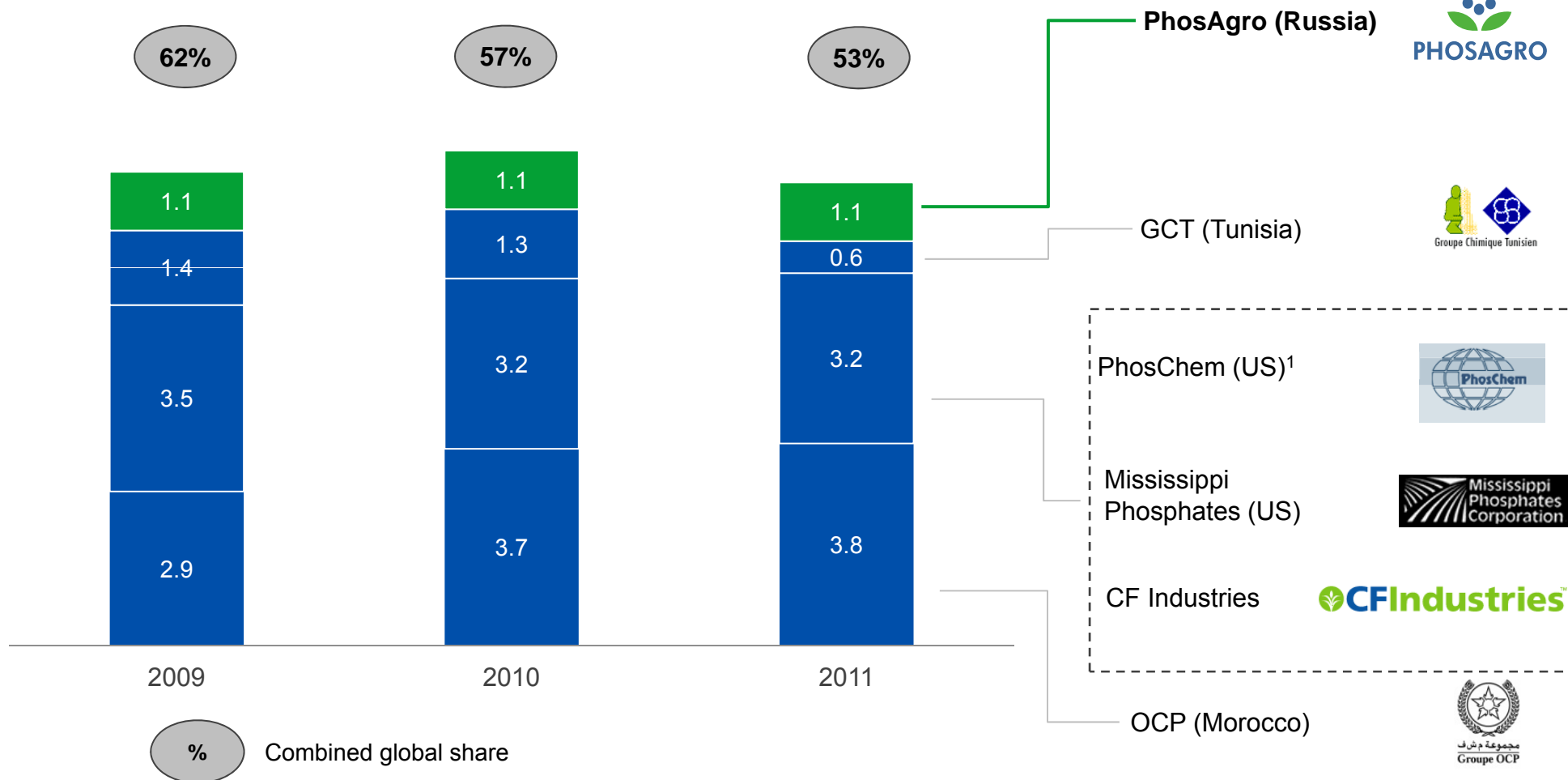
Ma'aden – total est. CAPEX⁽¹⁾: US\$ 5.8bln

Construction period: 6 years +

Phosphate is a consolidated industry

Global export volumes MAP / DAP / TSP / Phosphoric acid

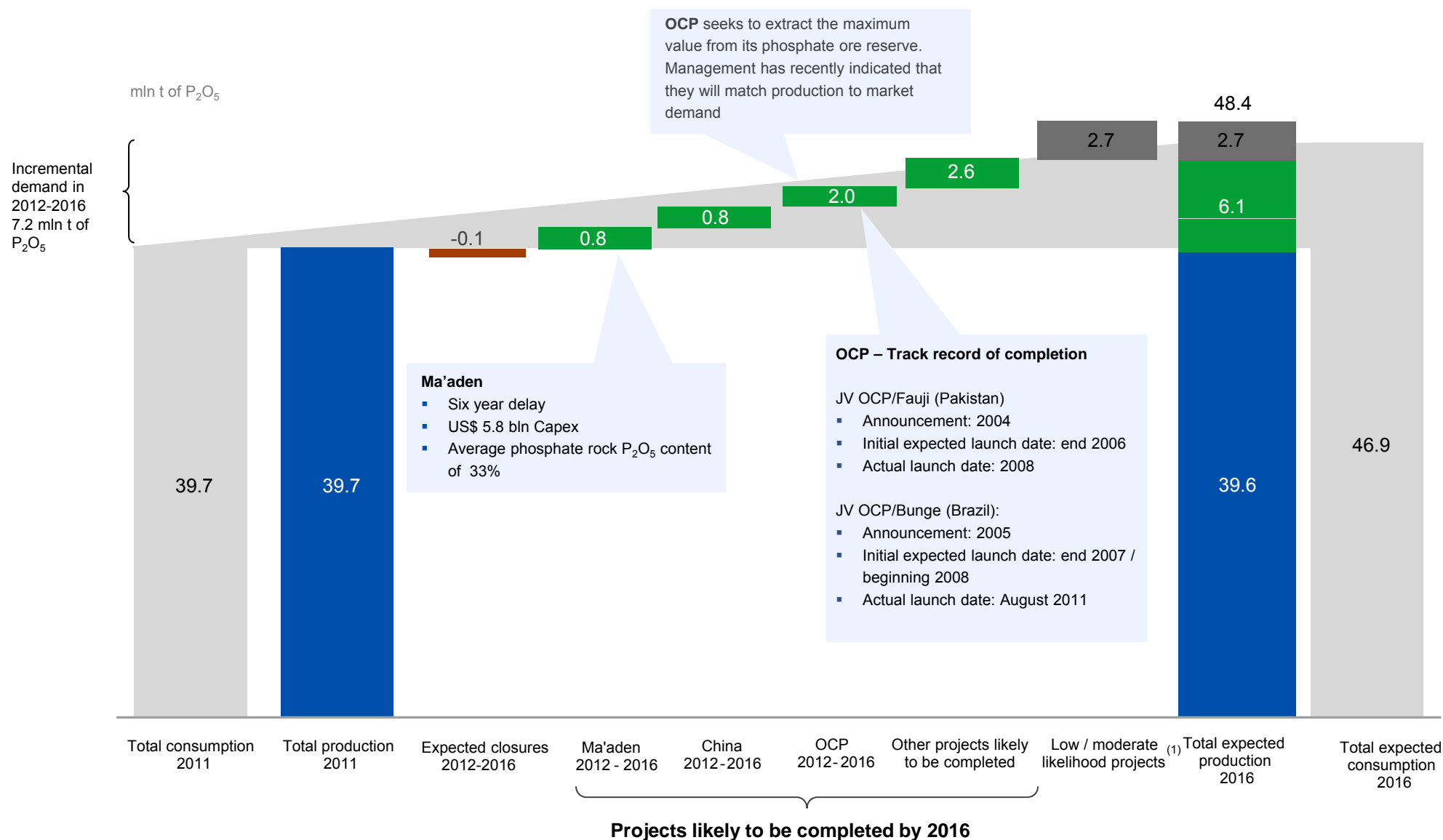
mln t P_2O_5



Source: Fertecon, IFA, Bloomberg, companies reports

Note: (1) PhosChem – Phosphate Chemical Export Association Inc. (Members: Mosaic, PCS)

Timing and completion of new capacities is uncertain

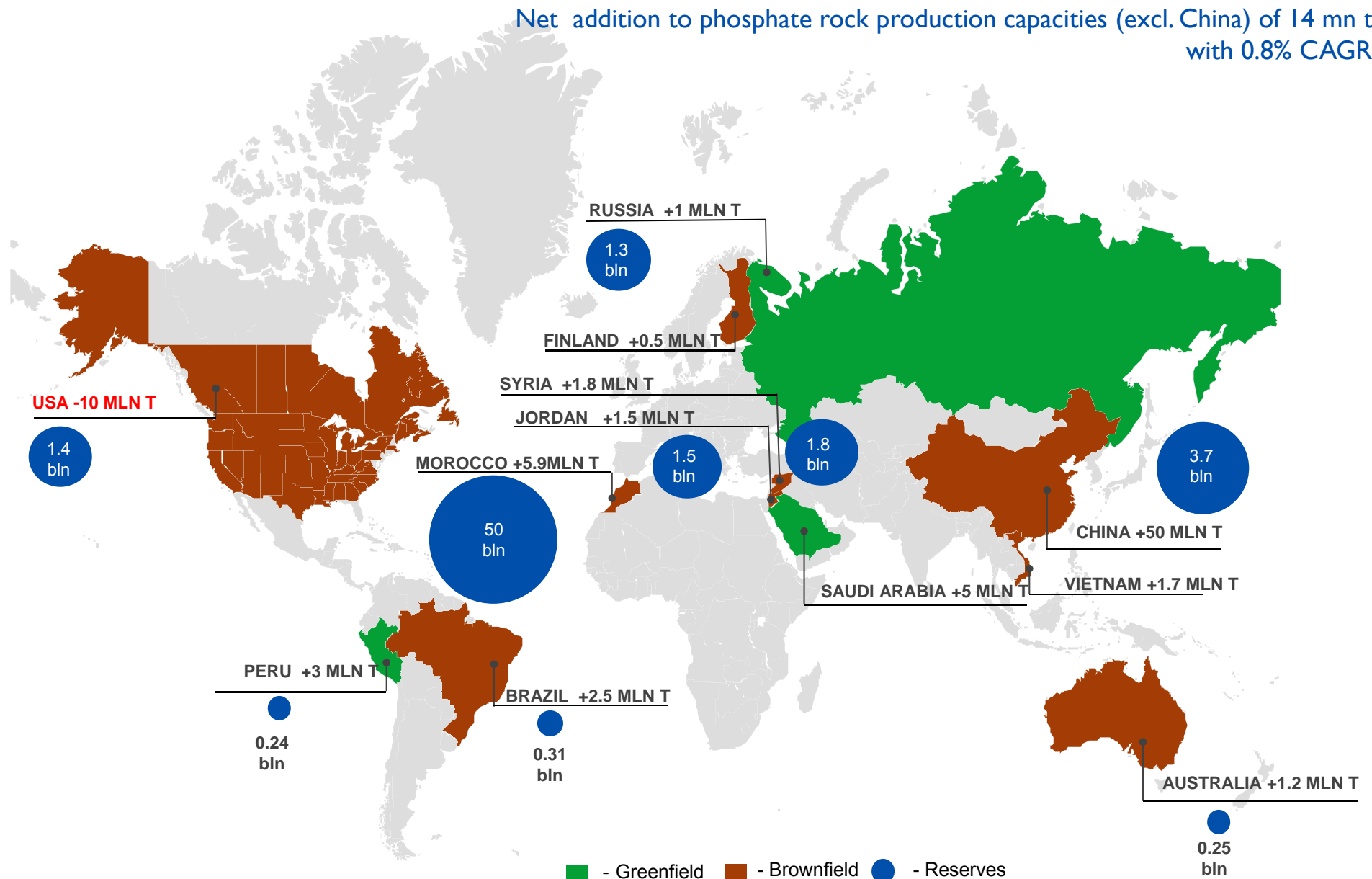


Note: (1) Projects with low / moderate likelihood of completion by 2016

Source: FERTECON, closures and new projects at 100% nameplate capacity, Fertiliser Week, IFA, companies' data

Growth in phosphate rock production capacities 2000-2011

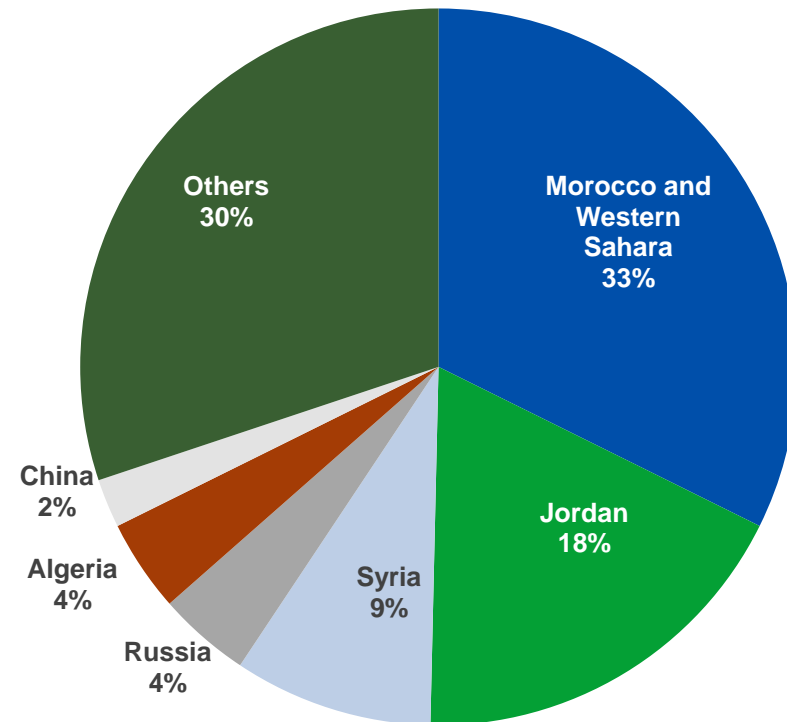
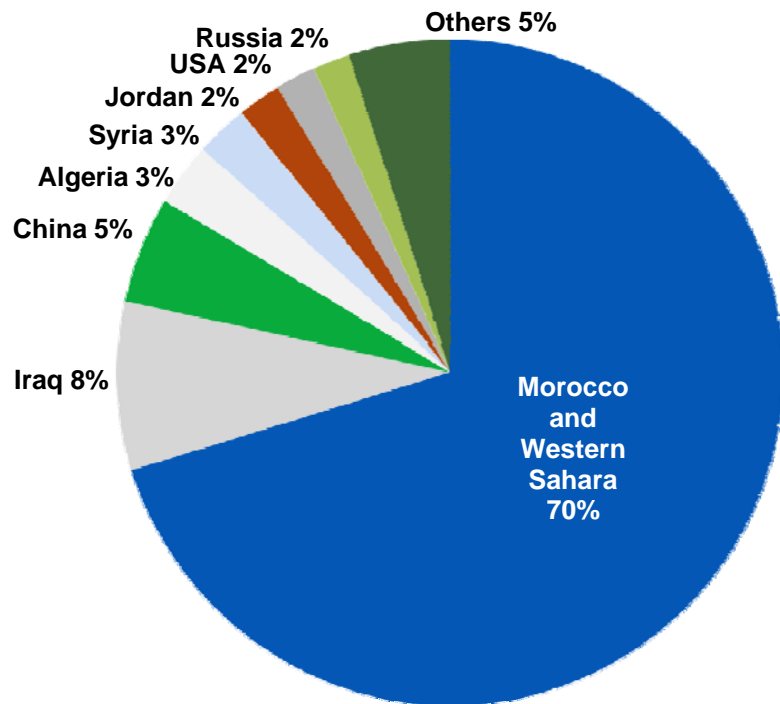
Net addition to phosphate rock production capacities (excl. China) of 14 mn t with 0.8% CAGR



Concentrated phosphate rock market

Morocco controls most of world phosphate ore reserves

Only few countries export phosphate rock



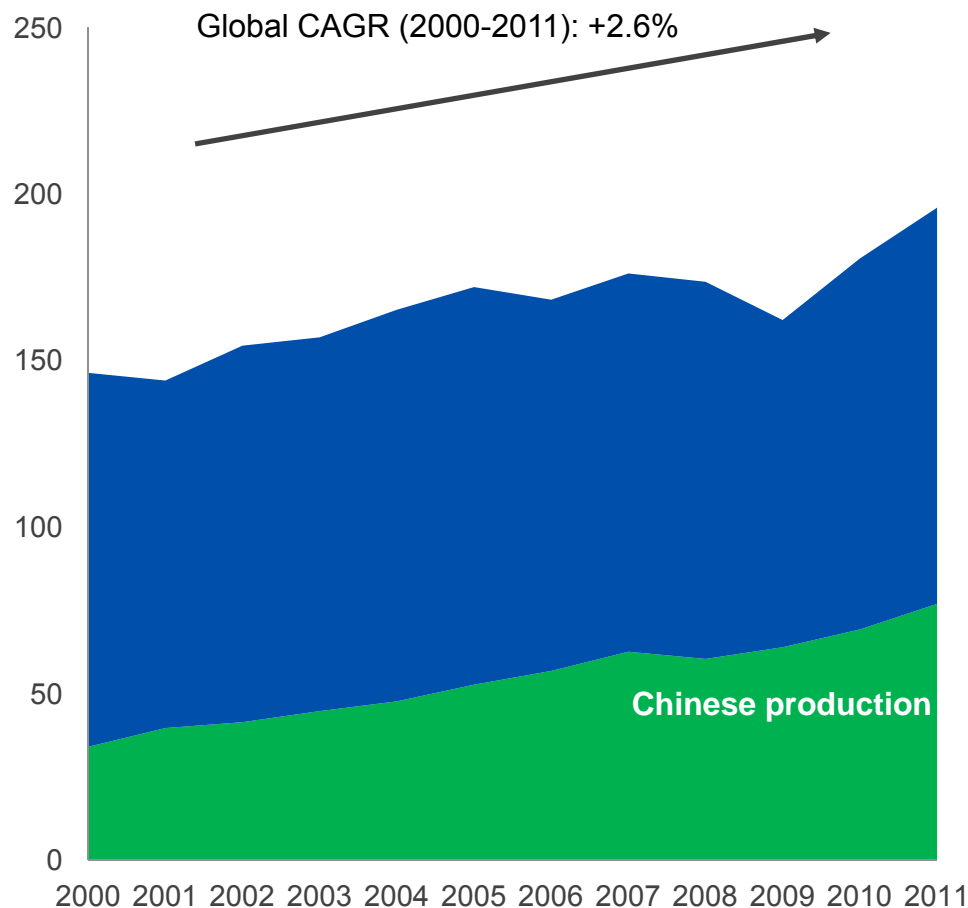
Consolidation drivers

- Deposits of phosphate ore are located in a limited number of countries. And Morocco controls most of the world's phosphate ore reserves
- Only few countries export significant volumes of phosphate rock and Morocco has a substantial share in export sales of phosphate rock respectively

Stagnating production of phosphates

Global phosphate rock production is mainly driven by China ...

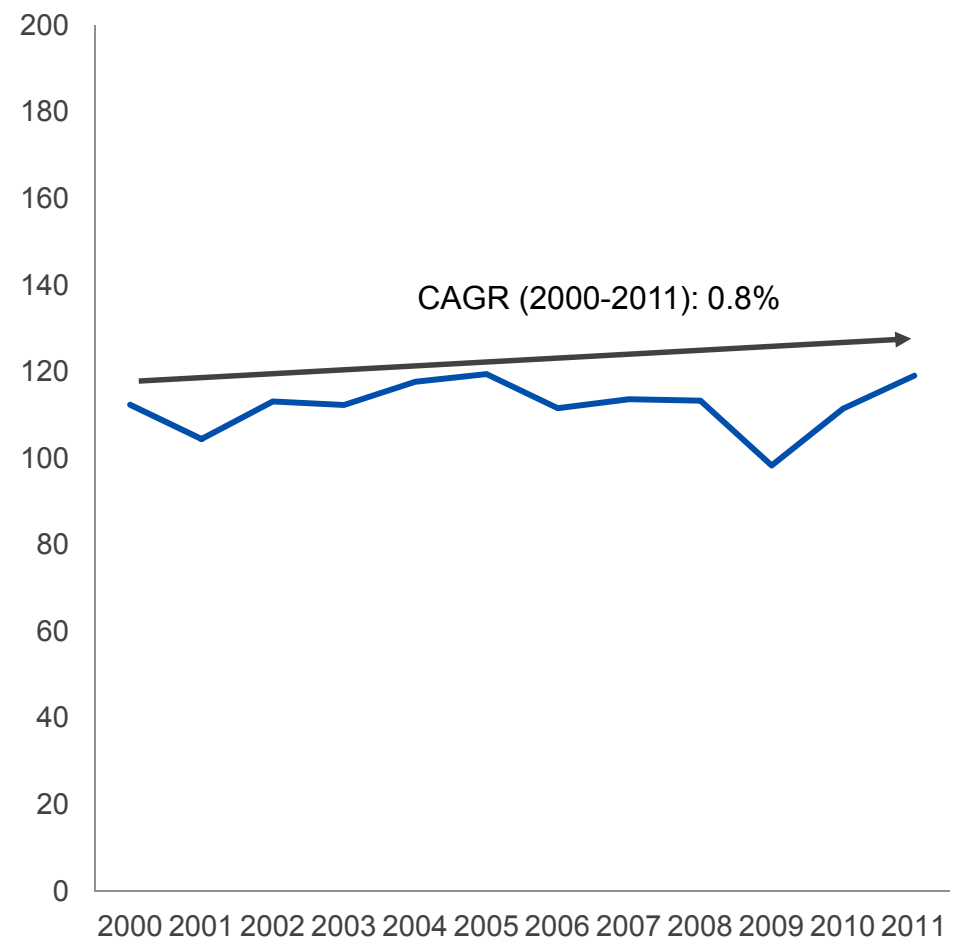
Mln tonnes



Source: IFA, FERTECON

... with stagnating production in the rest of the world

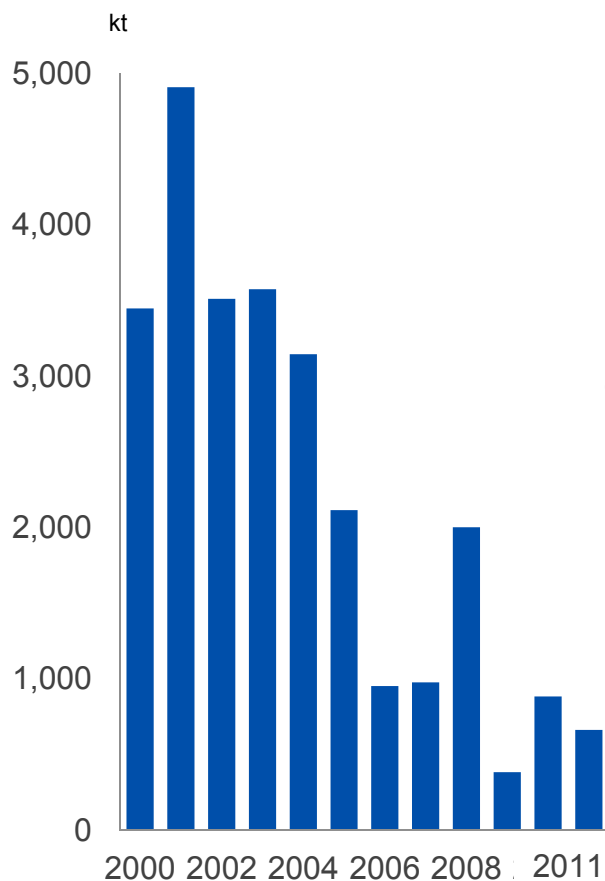
Mln tonnes



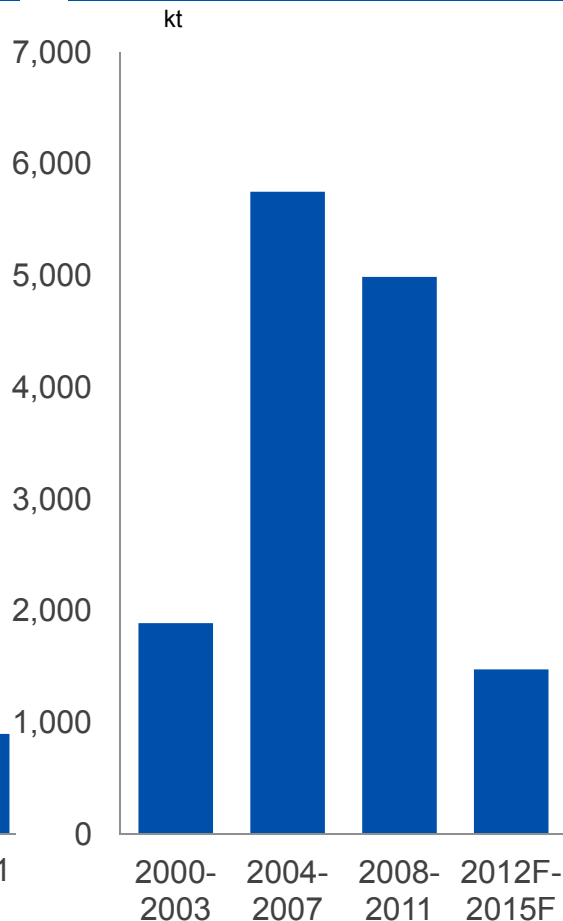
Source: IFA, China Fert Market Weekly, FERTECON

Development of Chinese phosphate exports

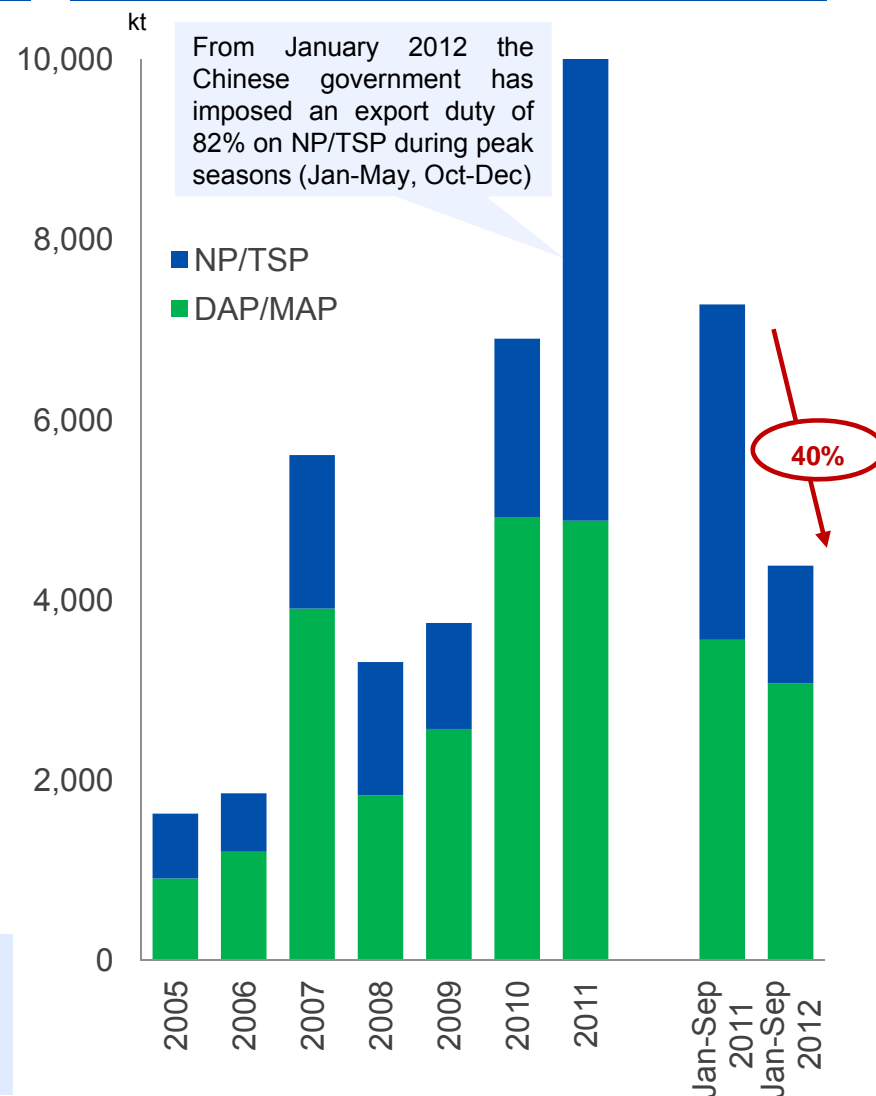
Chinese phosphate rock exports



Commissioning of new H_3PO_4 capacities

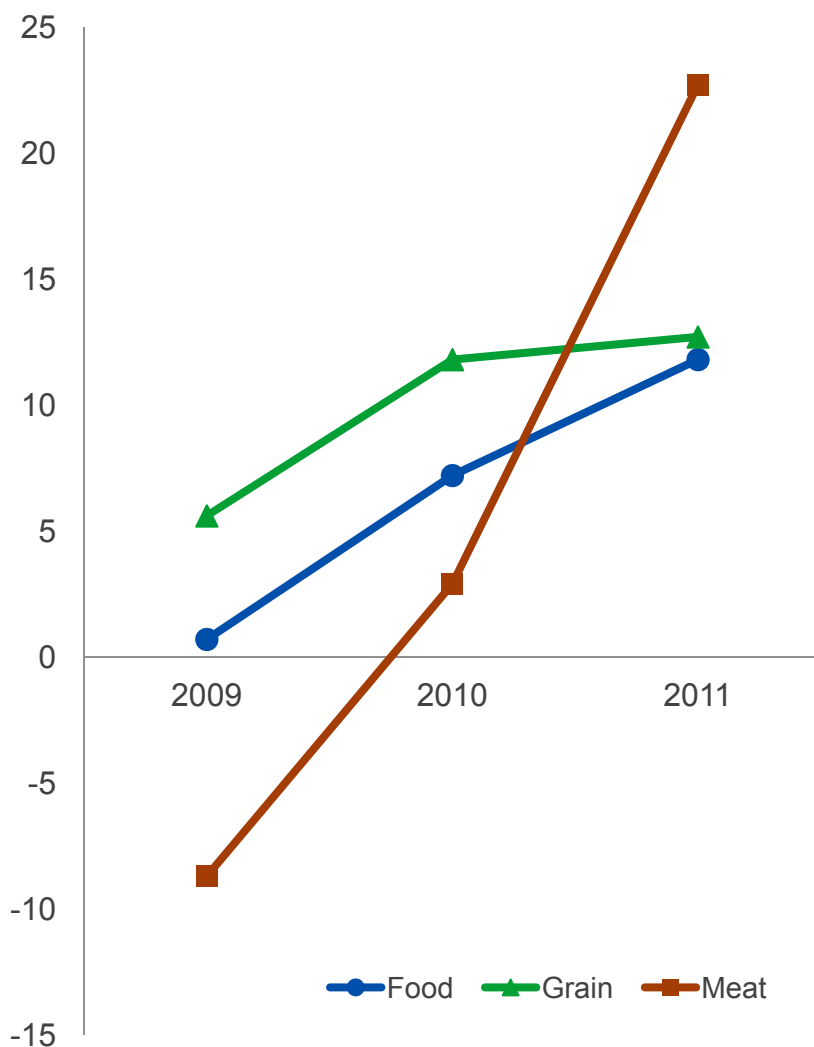


Chinese exports of DAP / MAP / NP / TSP

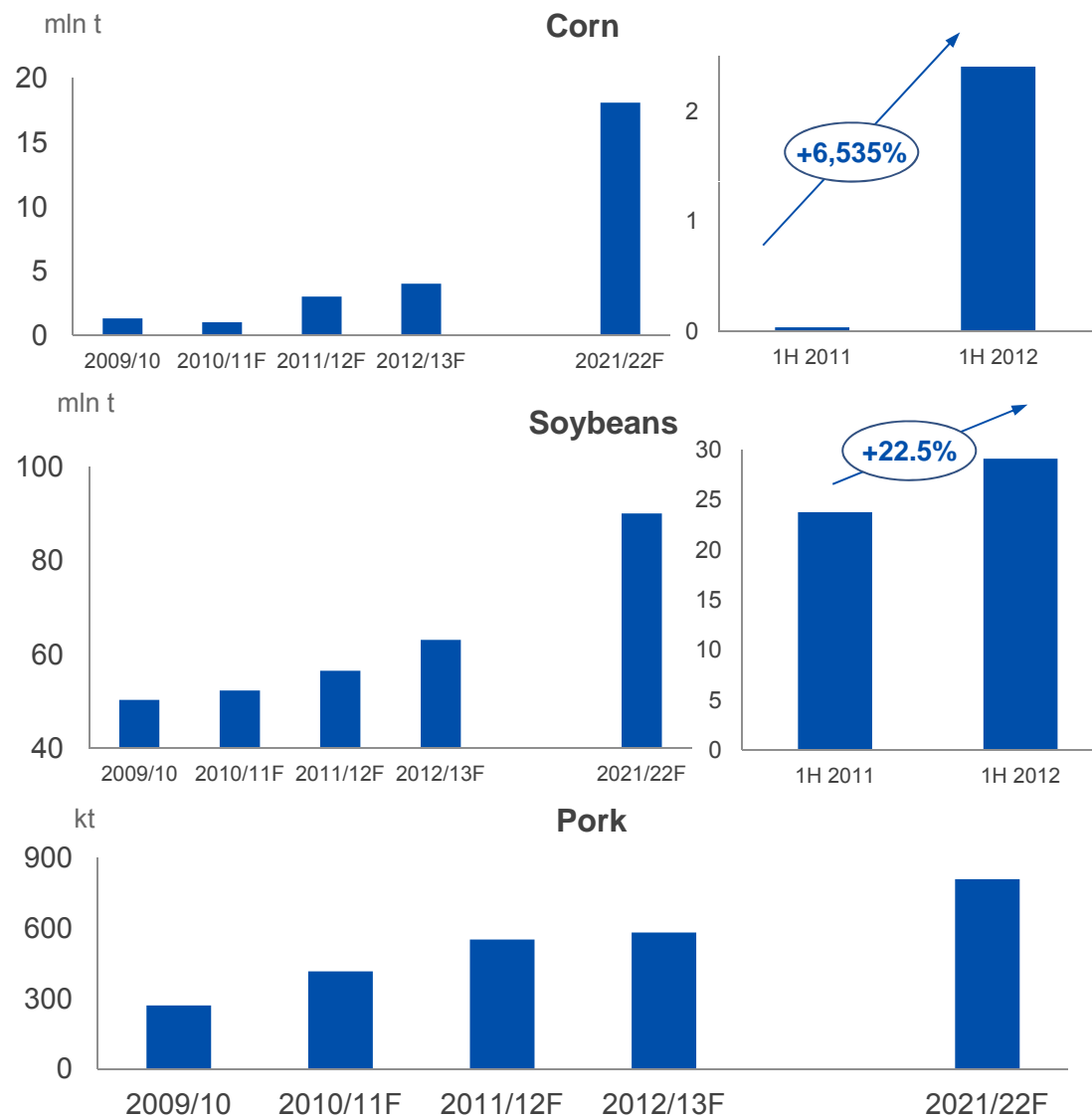


In the second half of 2011, phosphate rock prices increased several times with an overall price hike of USD 11-13/t. In 2012 the price has already increased by USD 8-10/t. The price of the rock ($P_2O_5 > 30\%$) has reached USD 126/t⁽¹⁾

Consumer price indices in China, %



Chinese food imports



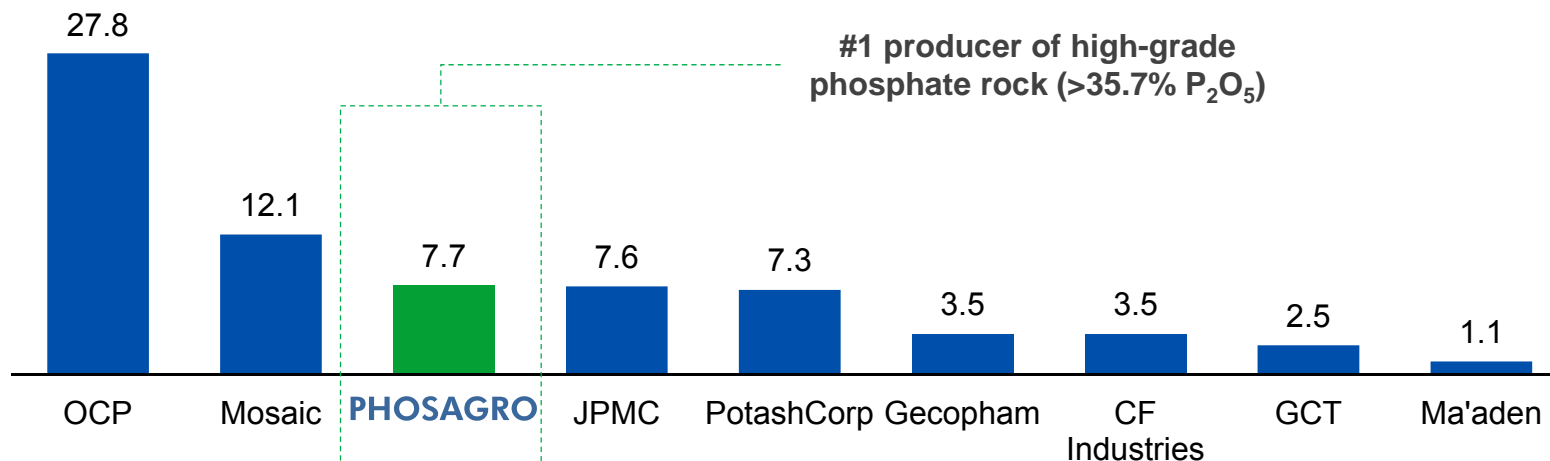
An aerial photograph of a massive open-pit mine. The mine's interior is characterized by numerous horizontal terraced levels, creating a stepped appearance. The rock faces are a mix of dark grey and light grey, indicating different geological strata. Several winding roads and tracks are visible across the various levels of the mine. In the background, the mine is surrounded by rolling green hills with sparse vegetation. The sky above is filled with large, white, fluffy clouds.

2. Company Highlights

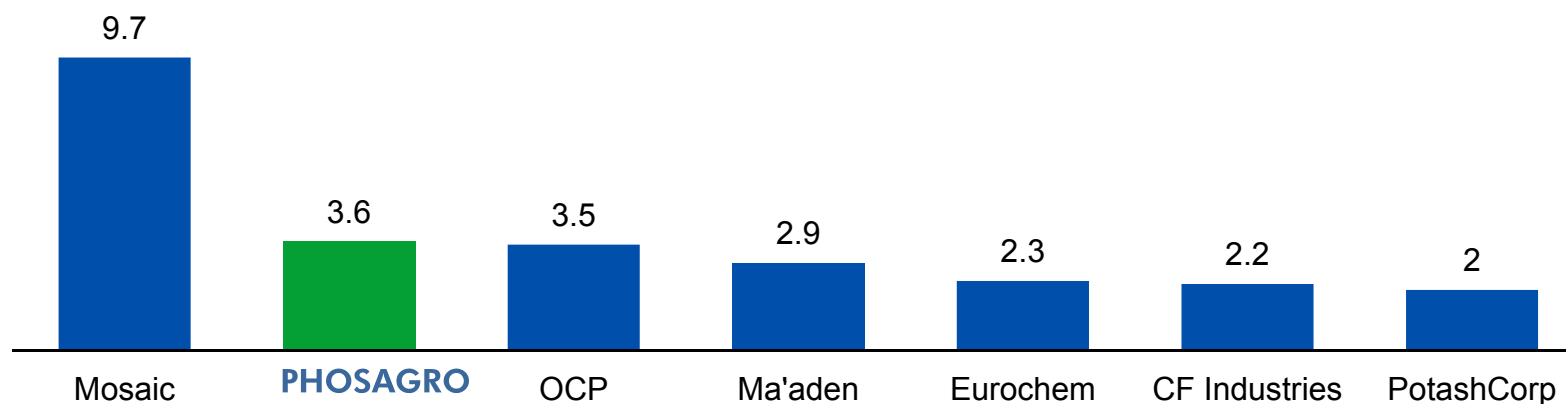
World class integrated phosphate producer

2011, mln t, excluding Chinese producers

A leading global phosphate rock producer with over 2.1 bln t of apatite-nepheline ore resources (over 75 years of production)









#2 global DAP/MAP producer⁽¹⁾ with 3.6 mln t capacity



Source: FERTECON, IFA, companies' data

Note: (1) In 2012, excluding Chinese producers

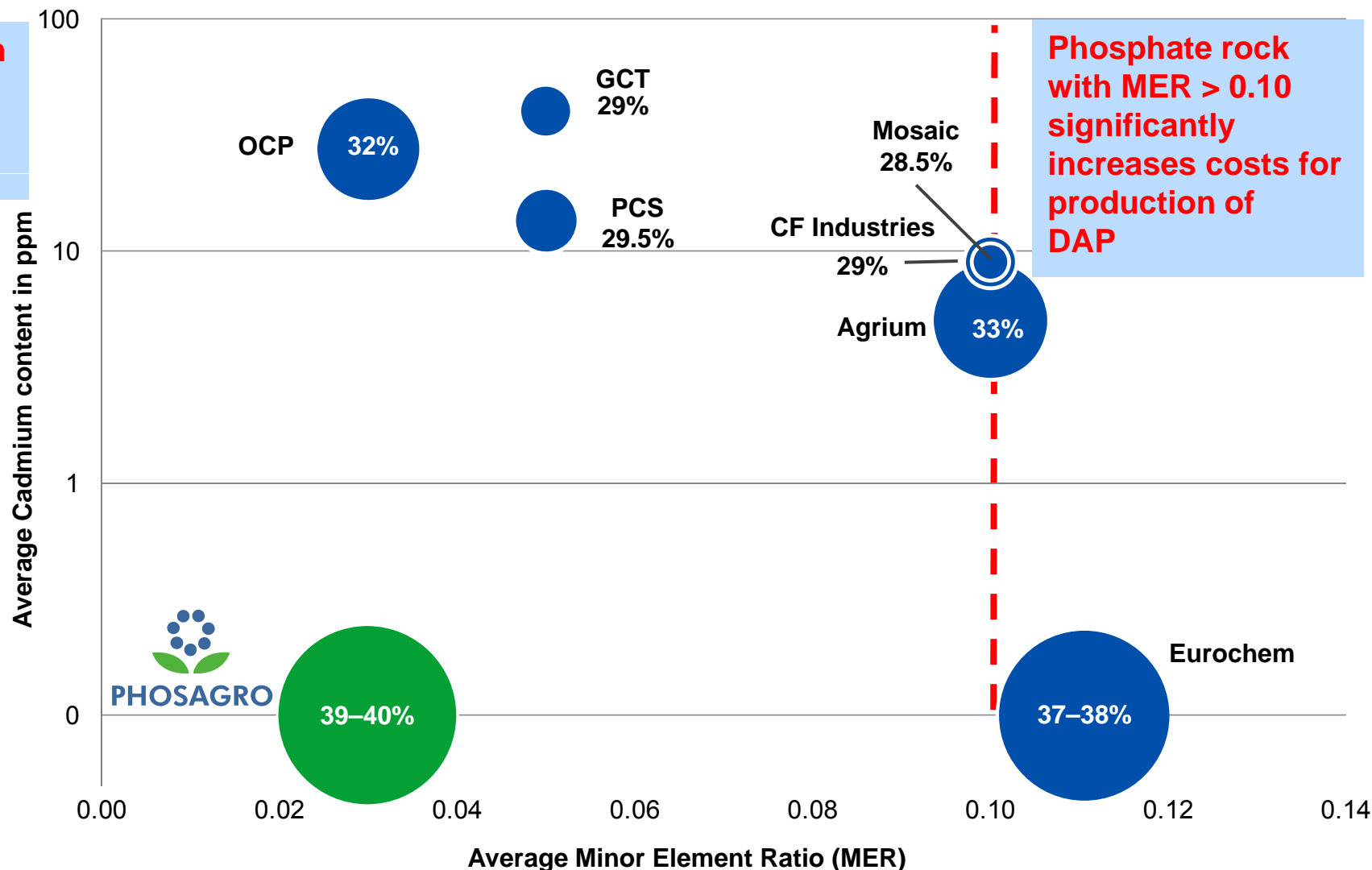
Control of world's premium phosphate resource base

Location ⁽¹⁾	 PHOSAGRO	 Morocco	 USA	 Jordan	 China	 Tunisia
Al ₂ O ₃ content	13.0-14.0% High	Very low	Very low	Very low	Very low	Low to moderate
Ore type	Igneous	Sedimentary	Sedimentary	Sedimentary	Sedimentary	Sedimentary
Level of radioactivity	Very low	Moderate	Moderate to high	Low to moderate	Low to moderate	Moderate
Hazardous metals content	Very low	Moderate	Moderate to high	Low	Low to moderate	Low to moderate
World Phosphate Rock Reserves, billion t	2.1	50	1.4	1.5	3.7	0.1

Note: (1) primary global DAP/MAP producing regions
Source: FERTECON, IMC, USGS 2011

Control of world's premium phosphate resource base

Higher cadmium content in sedimentary rocks

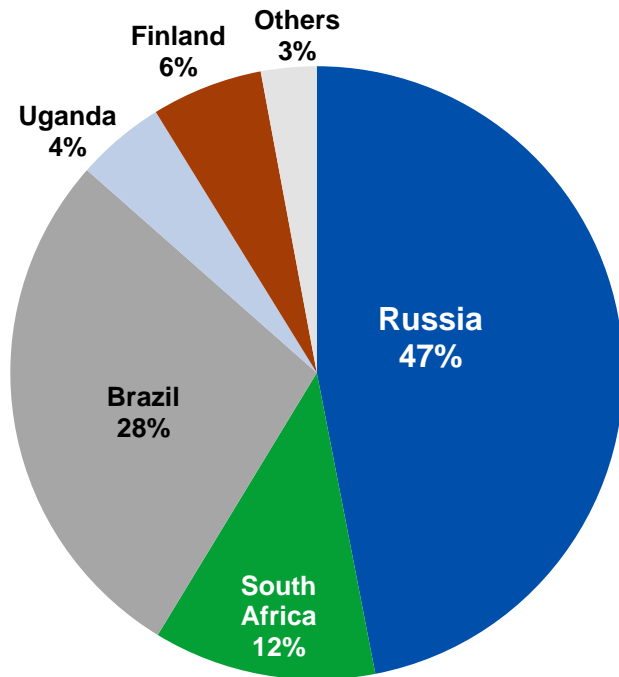


Phosphate rock with MER > 0.10 significantly increases costs for production of DAP

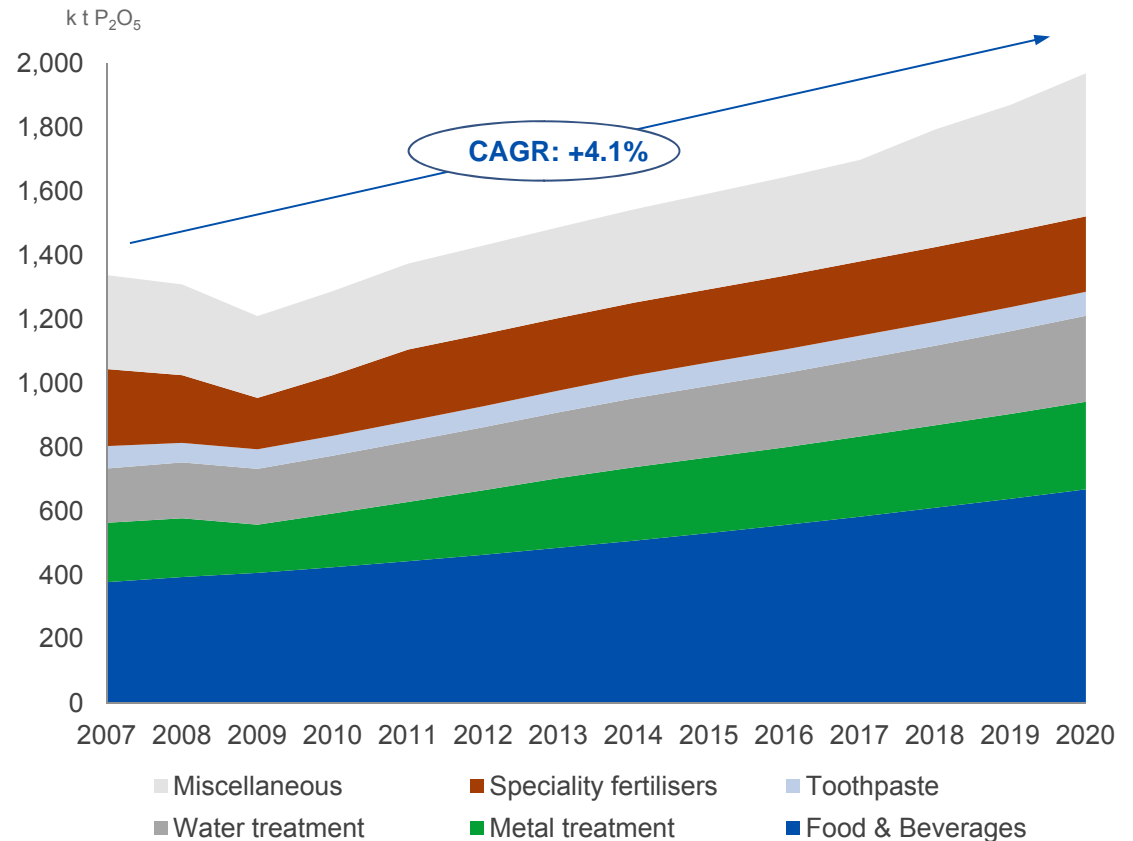
Note: Size of the bubble represents P₂O₅ content in phosphate rock in excess of 28%, which is recognized as a minimum for production of high quality phosphate fertilisers
Source: FERTECON, PhosAgro, companies' data

Growth in demand for igneous phosphate rock

World phosphate ore reserves of igneous origin



Consumption of phosphates for industrial chemicals and feed phosphates, P_2O_5

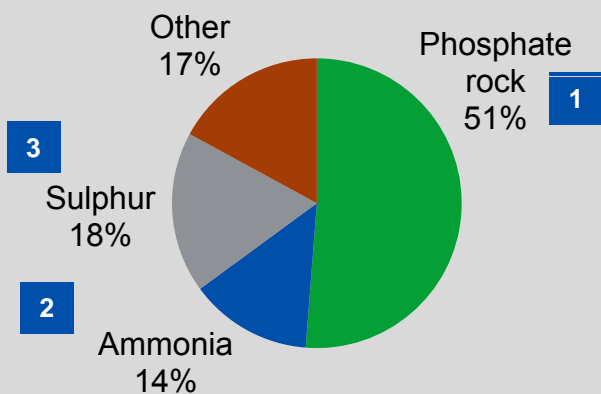


Prospects for growth

- Phosphate rock of igneous origin is applied as a feedstock for industrial chemicals and feed phosphates due to the lowest radioactivity level, low heavy metals and cadmium content in comparison with phosphate ore reserves of sedimentary origin
- As production of industrial phosphates and food additives will grow, the increase in demand for phosphate rock of igneous origin is expected for the applications other than fertiliser production

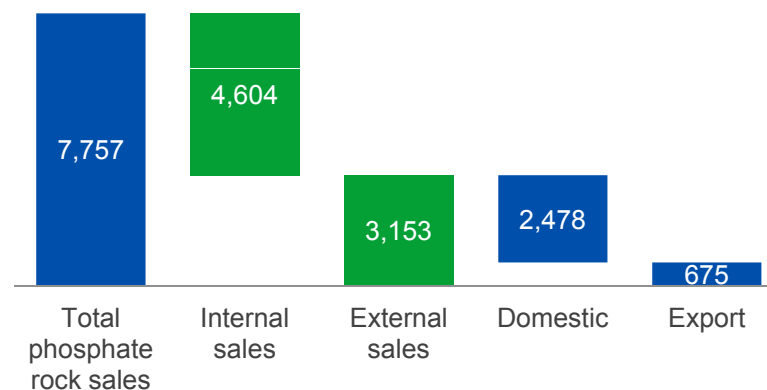
PhosAgro DAP production cash costs

2011, ExW, US\$



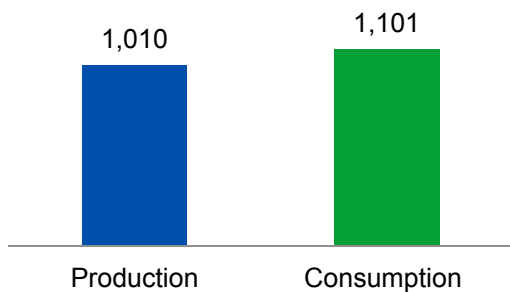
1 Phosphate rock: 100% self-sufficient

2011, kt



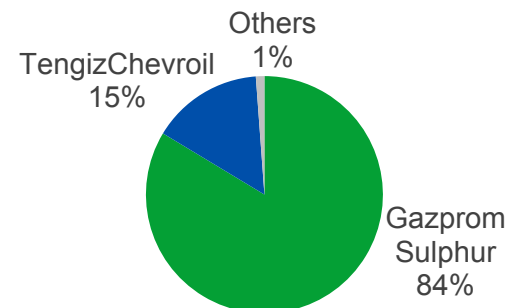
2 Ammonia: 92% self-sufficient

2011, kt



3 Sulphur: access to local supplies

Sulphur suppliers in 2011

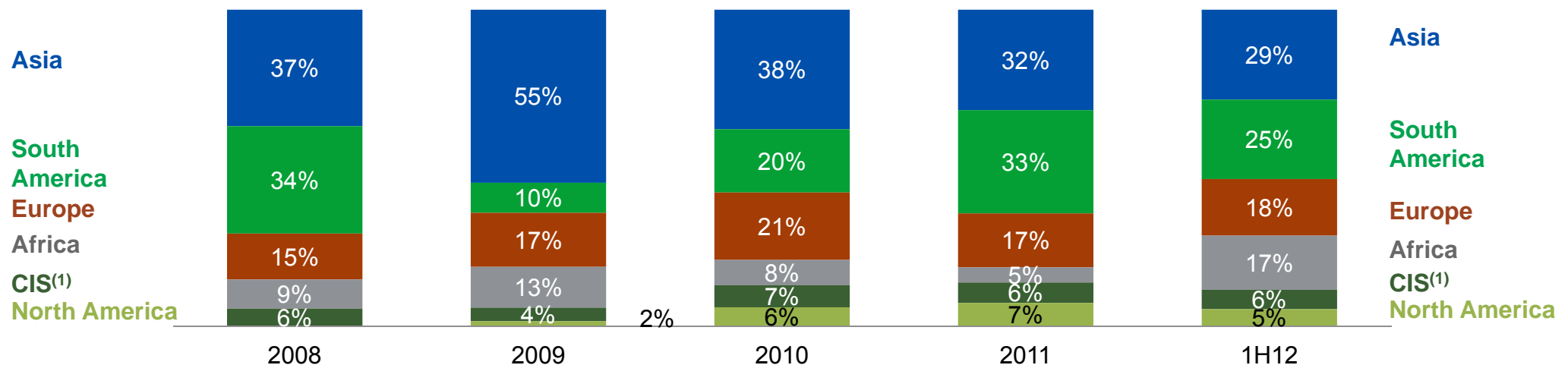


Flexible business model



Phosphate-based fertilisers and feed phosphate exports by region

In volume terms

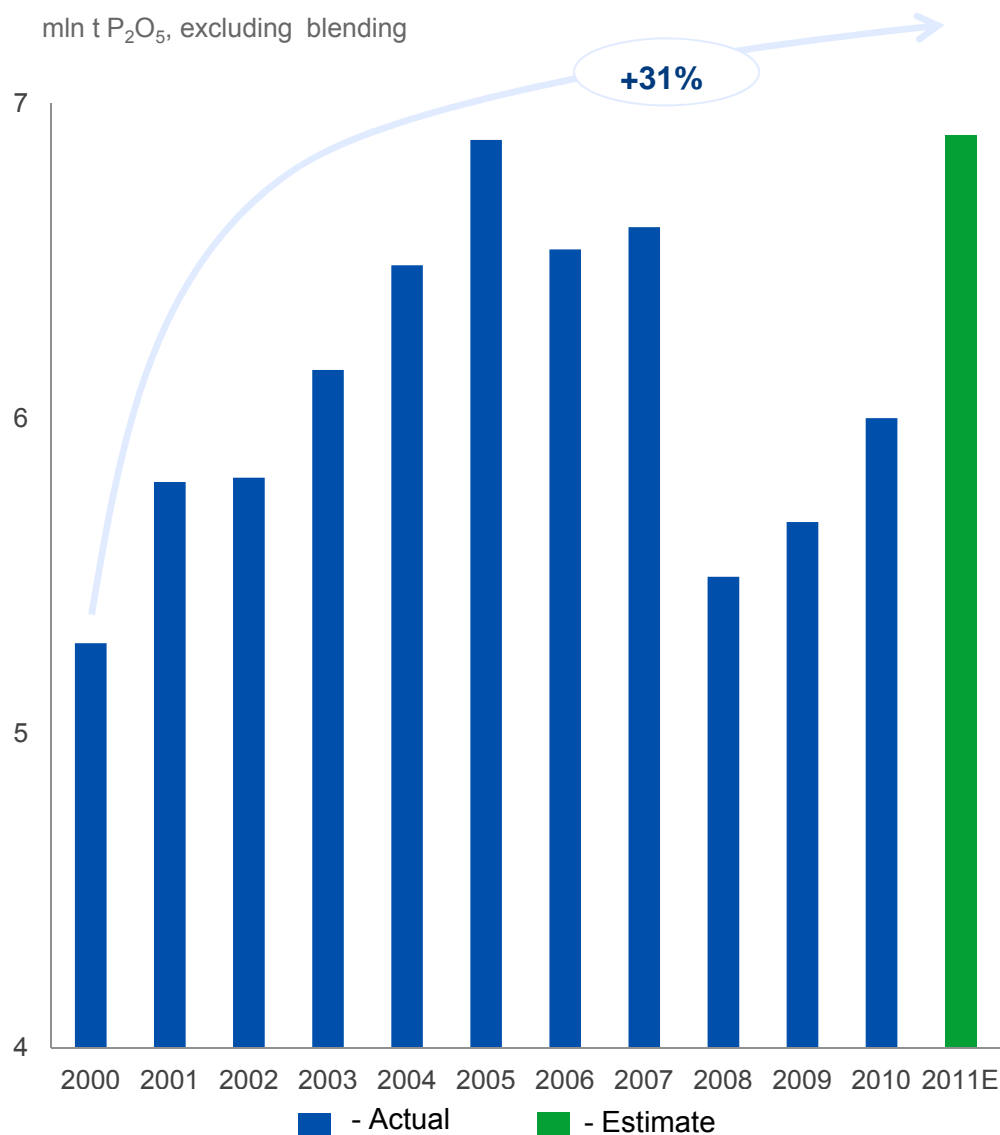


Source: PhosAgro
Note: (1) Excluding Russia

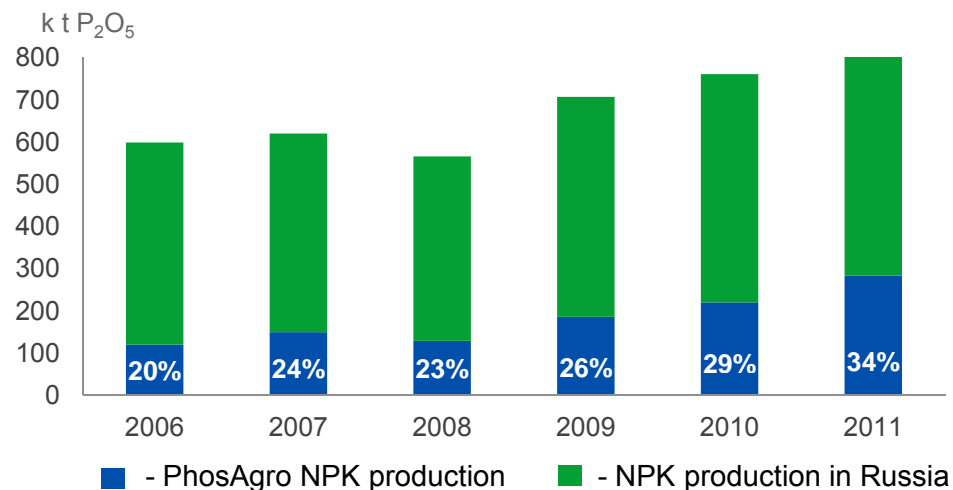
NPK fertilisers – the need to increase yields by balanced fertilisation

World NPK production

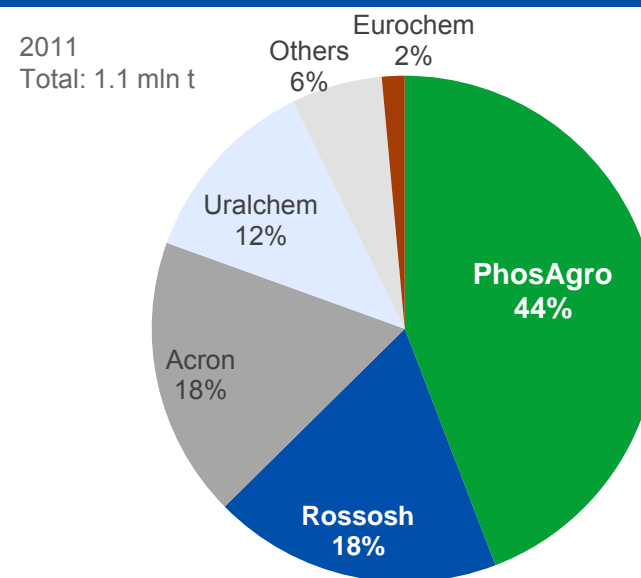
mln t P₂O₅, excluding blending



NPK production in Russia

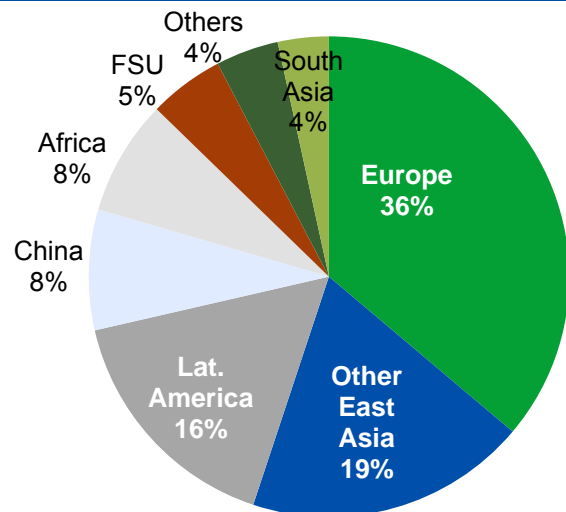


PhosAgro – main supplier of NPK to the domestic market

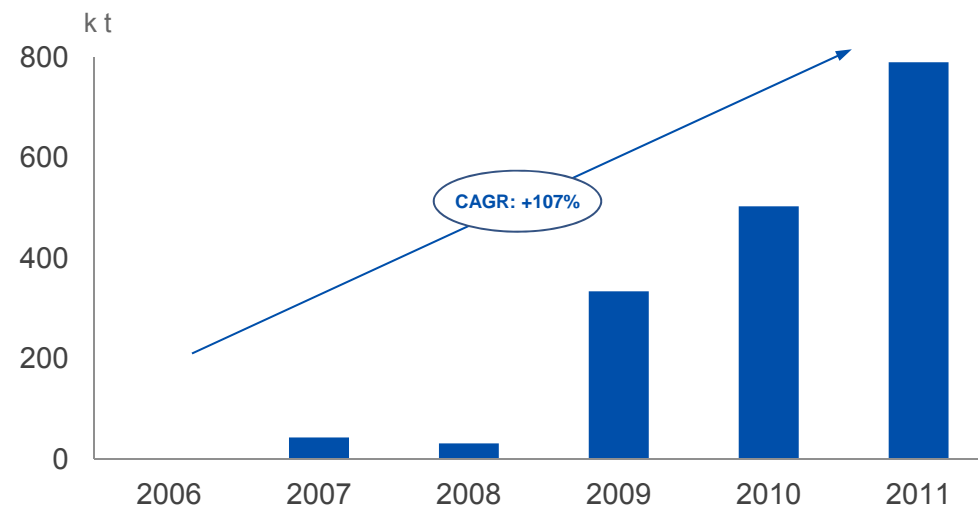


PhosAgro flexible model meets global demand for NPK

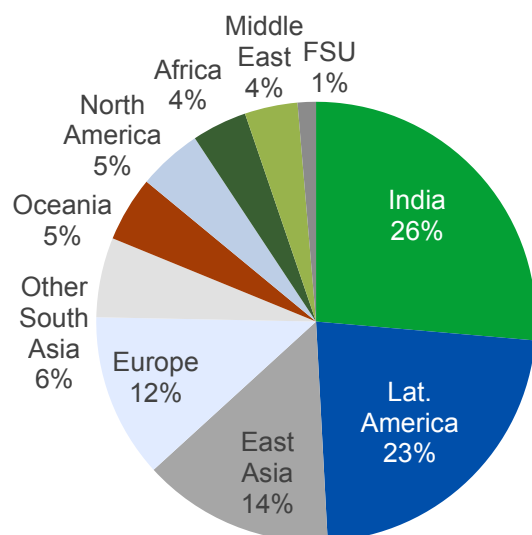
World NPK Imports: ~2 mln t of P_2O_5 per annum⁽¹⁾



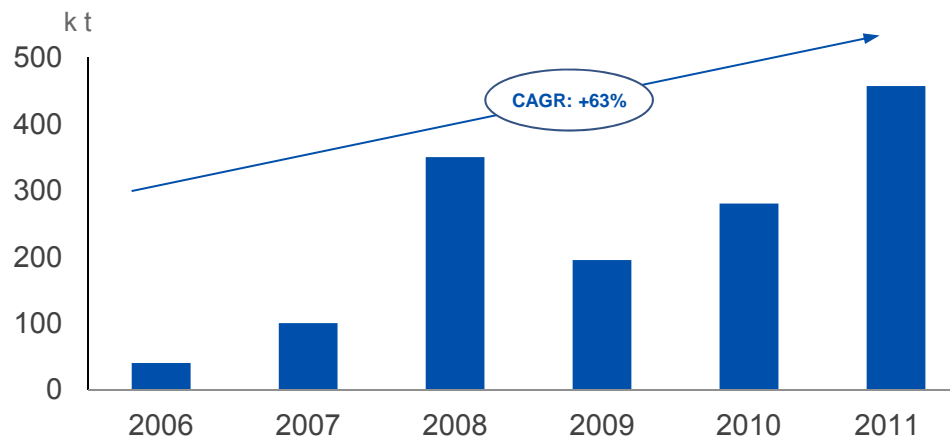
PhosAgro NPK Exports



World DAP/MAP Imports : ~8.5 mln t of P_2O_5 per annum⁽¹⁾



Brazil NPK Imports

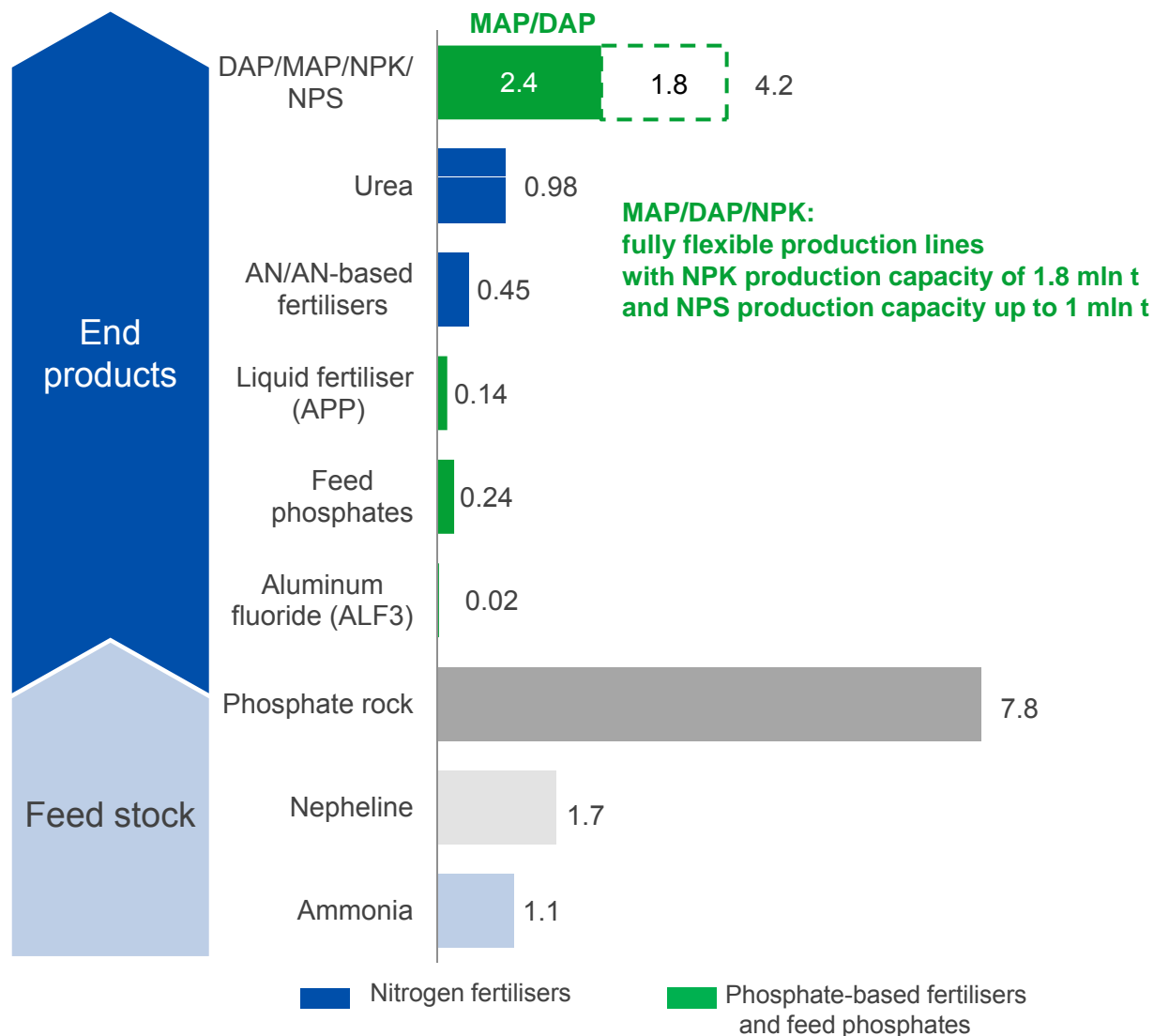


- Reliable sources of nitrogen and phosphates are critical in the economics of granular NPKs. They are rarely found in the same place.
- PhosAgro exports NPK fertilisers to developed as well as to fast growing markets

Organic growth through addition of new capacities

Production capacities

2012⁽¹⁾, mln t



Capacity growth

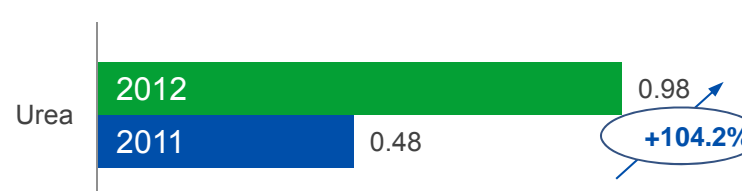
NPK capacities

2011 – 2012, mln t⁽²⁾



Urea capacities

2011 – 2012, mln t⁽²⁾



Electricity capacities

2011 – 2012, MW⁽²⁾



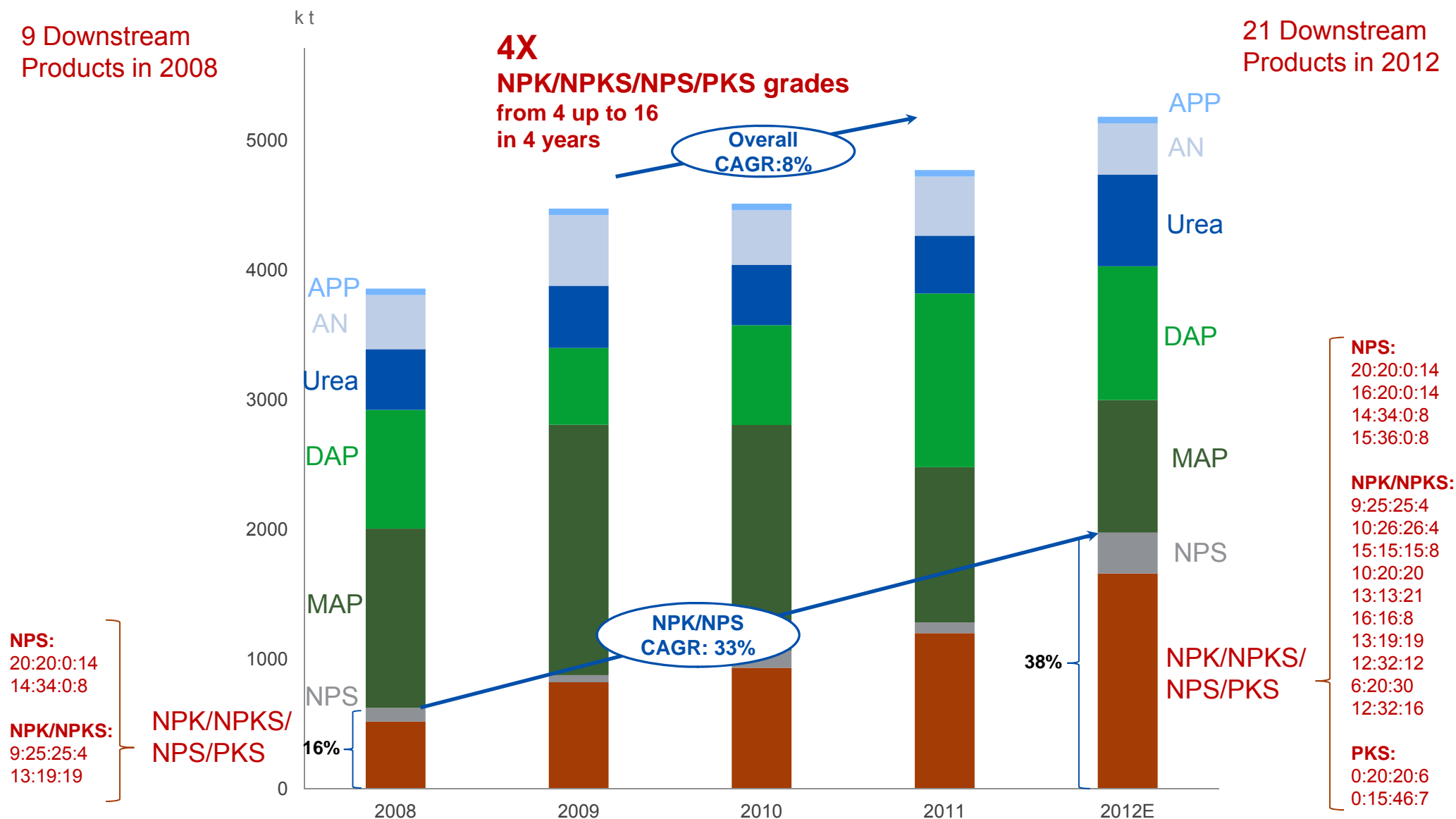
Source: PhosAgro

Note: (1) production capacities as of October 26, 2012
(2) as of 31 December 2011 and 26 October 2012

PhosAgro increases production and flexibility with growth in number of NPK/NPS grades

9 Downstream Products in 2008

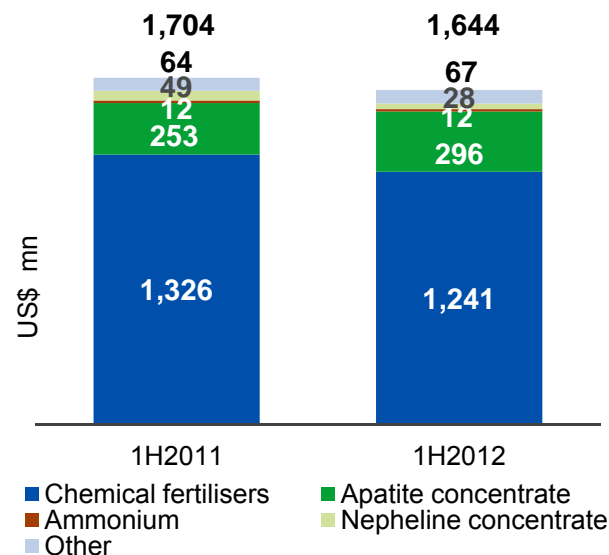
21 Downstream Products in 2012



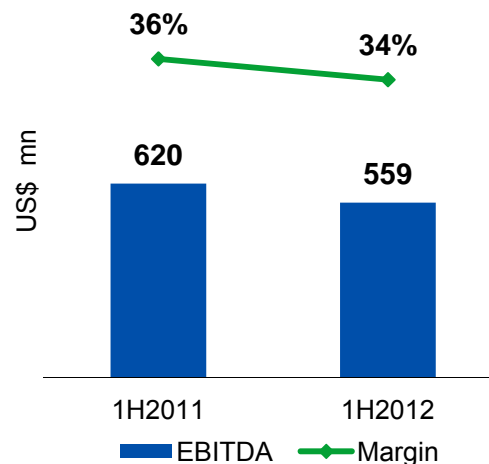


3. Financial Overview

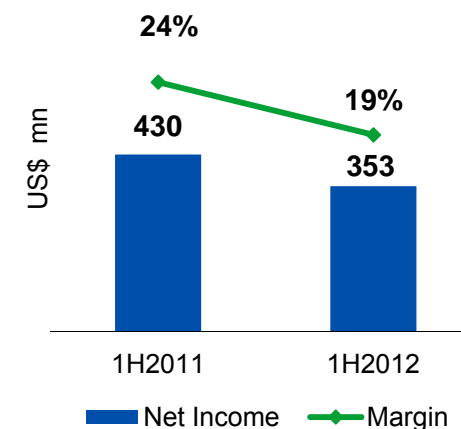
Revenue (H1 2011/2012)



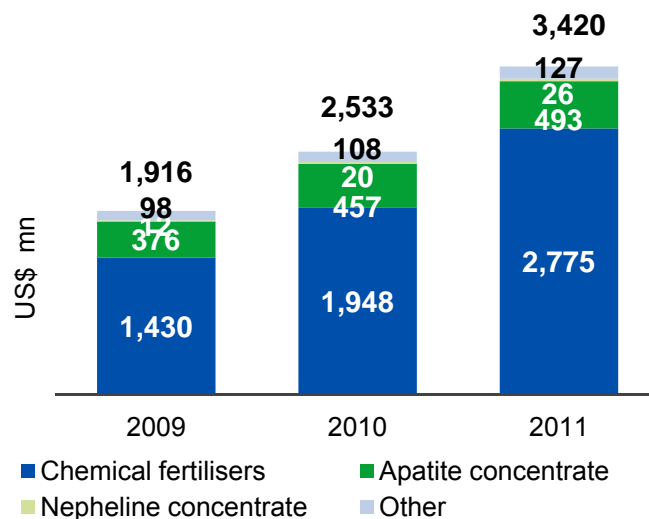
EBITDA (H1 2011/2012)



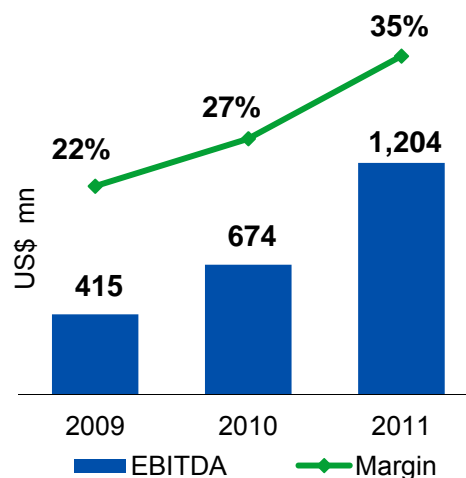
Net Income (H1 2011/2012)



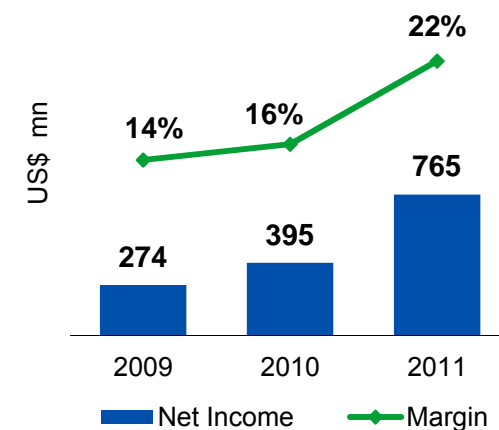
Revenue (FY 2009-2011)



EBITDA (FY 2009-2011)

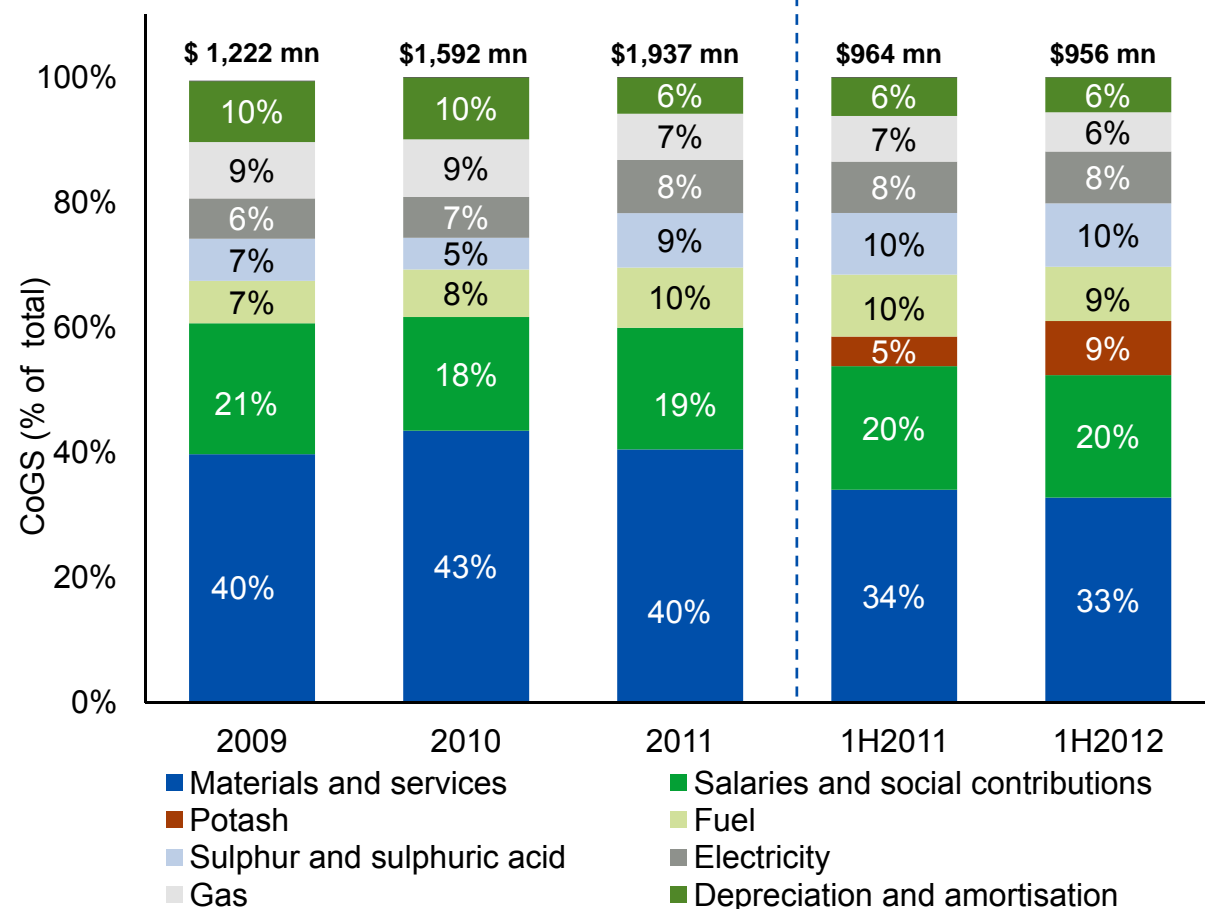


Net Income (FY 2009-2011)



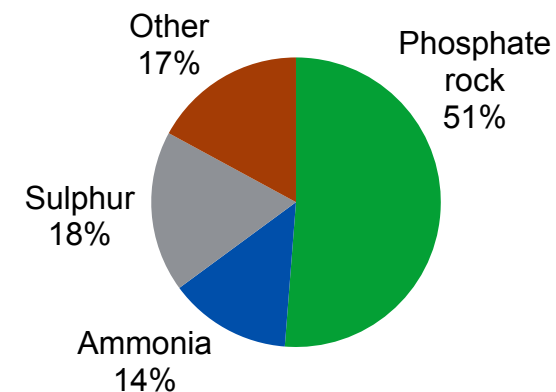
Cost of Goods Sold and Sales Volumes

Sales (kt)	2009	2010	2011	1H2011	1H2012
Fertilisers ⁽¹⁾	3,635	3,842	4,062	1,992	2,123
Rock	2,807	3,712	3,153	1,588	1,677



DAP production cash cost breakdown

ExW, US\$, 2011

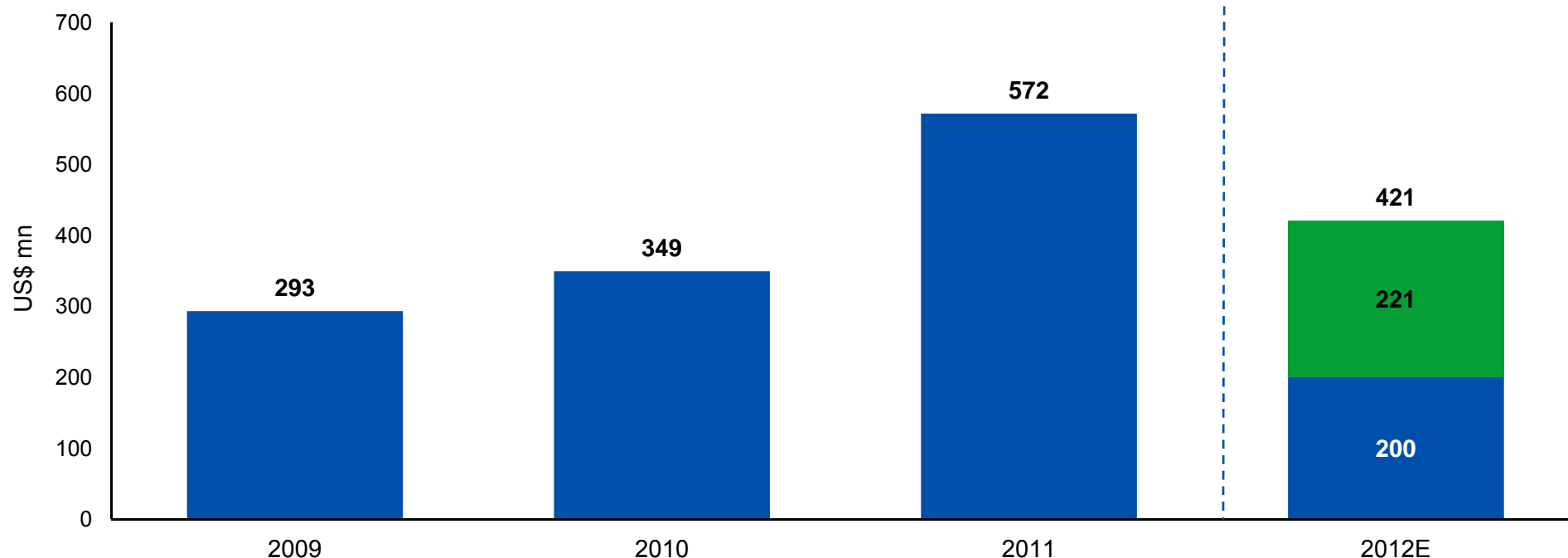


Source: PhosAgro

Note: Excluding change in stock of WIP and finished goods. Applied average USD/RUB exchange rates: 31.72 (2009), 30.37 (2010), 29.39 (2011), 28.62 (1H2011), 30.64 (1H2012)

(1) Phosphate-based fertilisers and feed phosphate (MCP)

Capex

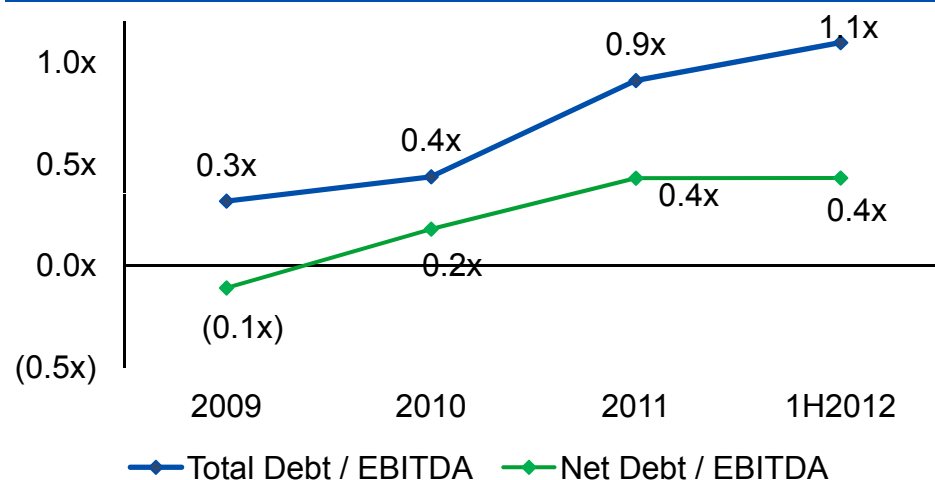


Dividends

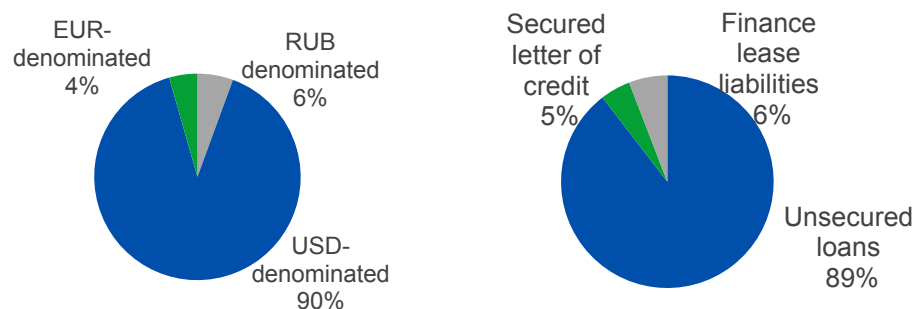
Post-IPO dividends	Dividends, RUB bln	% of Net Profit	Payout	
			per share, RUB	per GDR, US\$
2011 April-December	7.2	49	58	0.61
1H 2012	4.7	56	38	0.41
Total	11.9	52	96	1.02

- Post-IPO dividend yield > 5%
- Formal policy to pay between 20% to 40% of annual consolidated profit calculated in accordance with IFRS as dividends

Total Debt / EBITDA and Net Debt ⁽¹⁾ / EBITDA



Types of debt instruments ⁽²⁾



Net Debt

Actual Net Debt as of 30 June 2012

(USD in millions)

Total Debt, incl.:	1,144
Short-term debt	800
Long-term debt	344
Cash and cash equivalents	(694)
Net Debt	450

Source: PhosAgro

Note: Applied end-of-period USD/RUB exchange rate of 32.82 (H1 2012)

(1) Net debt is calculated as total loans and borrowings minus cash and cash equivalents

(2) As of June 30, 2012. Includes secured bank loans, unsecured bank loans, letters of credit and finance lease liabilities. Total loans and borrowings US\$ 1,144 mn

4. Future potential



Short and medium term strategy for future growth

Strategic objectives

Key initiatives

Short term

1

Improve efficiency

2





Expand fertiliser production capacity and enter higher value segments

Medium term

3

Realize full potential of ore

- Construction of shaft No. 2 at Kirovsky Underground Mine, which will increase annual apatite-nepheline ore production from 12 to 14 mln t from 2014
- Construction of a new ammonia plant with 760 k tonnes per annum capacity at Cherepovets site
- Enter the technical phosphates and SOP (sulphate of potash) markets through the integration of Metachem products (acquired 24% stake in the company in 2011)
- Modernization of BMF's facilities to enable production of NPK with 450 k tonnes per annum capacity

Mineral	Application	Development Stage	Production	
			Today	Future
Apatit				
• Rare Earth Oxides	• Autocatalysts, fuel cells • High strength magnets, ceramics • Fiber optics, lasers		-	7k t
Nepheline				
• Aluminium Oxide	• Alumina, Cement, Catalysts		1.0 mln t	6.0 mln t
• Potassium carbonate • Soda Ash • Potassium Sulfate	• Glass production, agriculture, household chemicals		0.25 mln t	1.50 mln t
• Gallium Oxide	• Electronic engineering, lasers, lubricants			

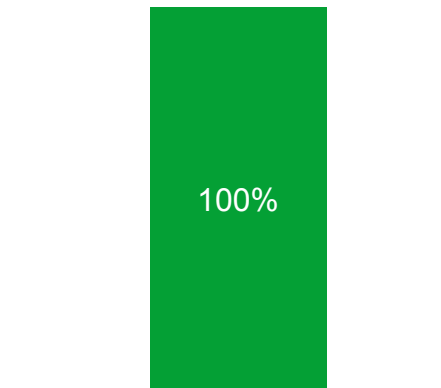
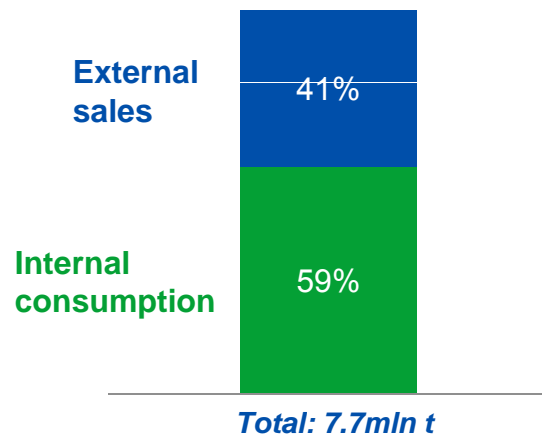
Long term strategy for volume growth of fertilisers

2011

Future

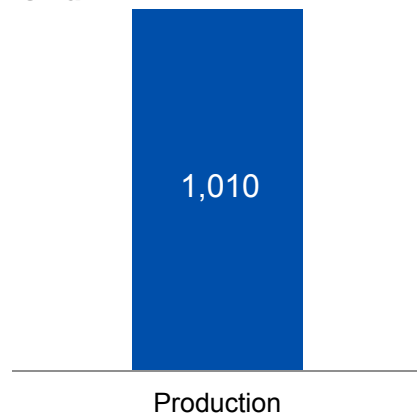
Phosphate rock

Phosphate rock

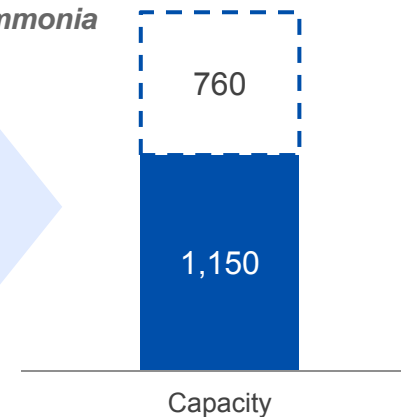


Ammonia

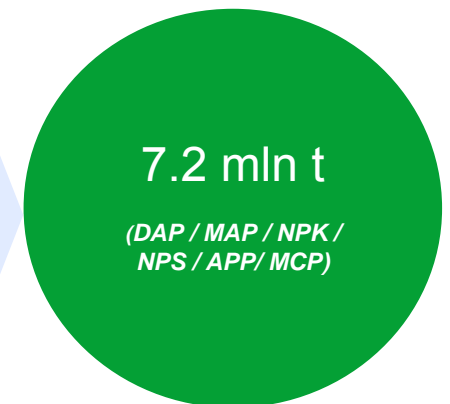
Ammonia



New ammonia plant



Growth 76%



Total: 1,910 kt



Thank You





Appendix

Apatit



Resources⁽¹⁾

Apatite-nepheline ore: 2,060 mln t

Al₂O₃: 283 mln t

REO⁽²⁾: 7.5 mln t

Capacity by product

Phosphate rock: 7.8 mln t

Nepheline: 1.7 mln t

Highlights

- Largest standalone global producer of high grade phosphate rock⁽³⁾
 - Standard grade – P₂O₅ content of 39%
 - Superior grade – P₂O₅ content of 40%
- Lowest hazardous element content among the major phosphate rock producing regions; benefits from low levels of radioactivity

Balakovo Mineral Fertilisers (BMU)



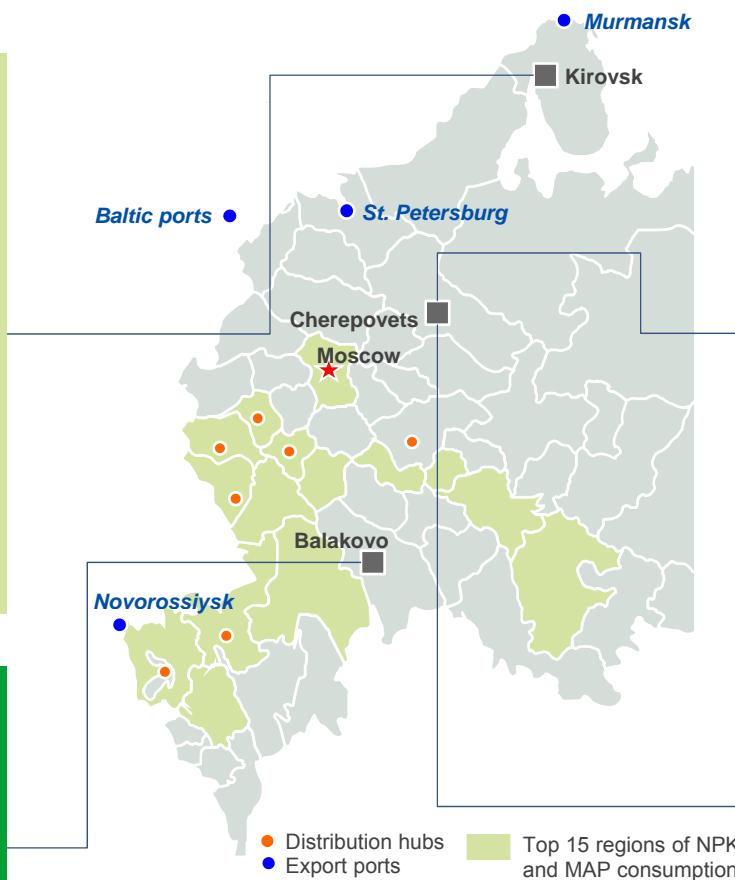
Capacity by product

MAP/DAP/NPS: 1.2 mln t

Feed phosphate (MCP): 240 kt

Highlights

- Leading European producer of feed phosphate MCP
- The only Russian producer of MCP



PhosAgro-Trans (Transportation)

- Operates about 6,000 railcars

PhosAgro-Region (Domestic distribution)

- Owns and operates seven distribution centres in Russia located in proximity to major agricultural regions of Russia

Cherepovets production complex - largest in Europe

PhosAgro Cherepovets



Capacity by product

MAP/DAP/NPK/NPS: 2.9 mln t

Ammonia: 1,150 kt

AN/AN-based: 450 kt

Urea: 500 kt

APP: 140 kt

AlF₃: 24 kt

Highlights

- Largest standalone phosphate fertilisers producer in Europe
- Largest standalone producer of sulphuric and phosphoric acids in Europe
- One of the largest standalone producers of urea, ammonia, AN/AN-based fertilisers in Russia

Agro-Cherepovets



Capacity by product

Urea: 480 kt

Highlights

- One of the largest standalone producers of urea, ammonia, AN/AN-based fertilisers in Russia

Note: (1) Measured and indicated, PhosAgro, IMC

(2) Rare earth oxides

(3) Defined as phosphate rock with P₂O₅ content over 35.7%

Source: PhosAgro (capacity as of December 31, 2011), FERTECON, European Commission

Management with strong track record of organic growth and efficiency improvement

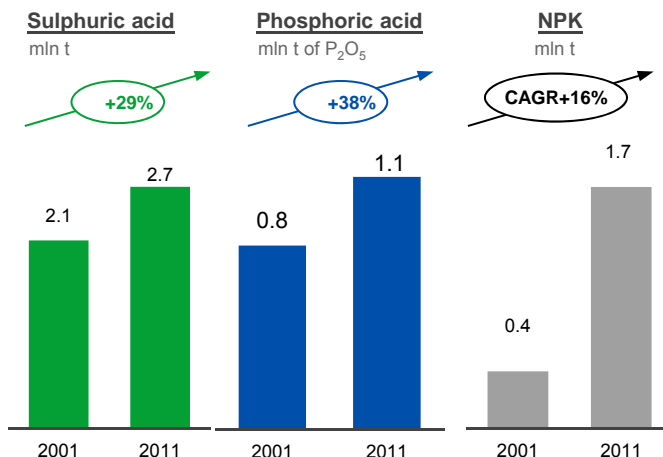
Technical modernisation at Ammophos



RATIONALE

Efficiency improvement

Growth of production volume



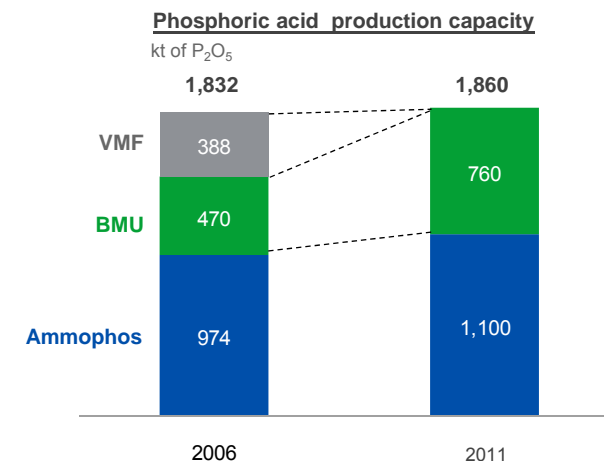
Source: PhosAgro

Divestment of Voskresensk Mineral Fertilisers



RATIONALE

Replacement of high cost old capacity with low cost new capacity



Source: PhosAgro

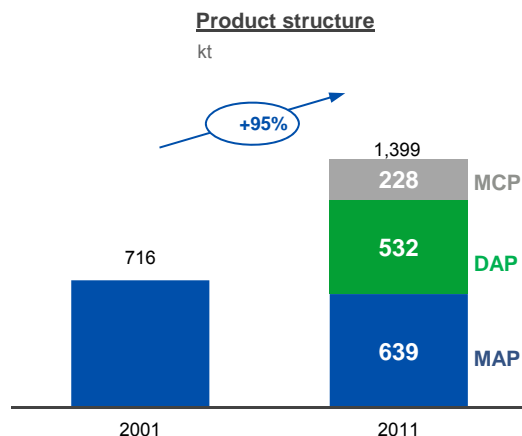
Technical modernisation at BMU



RATIONALE

Efficiency improvement

Product range expansion



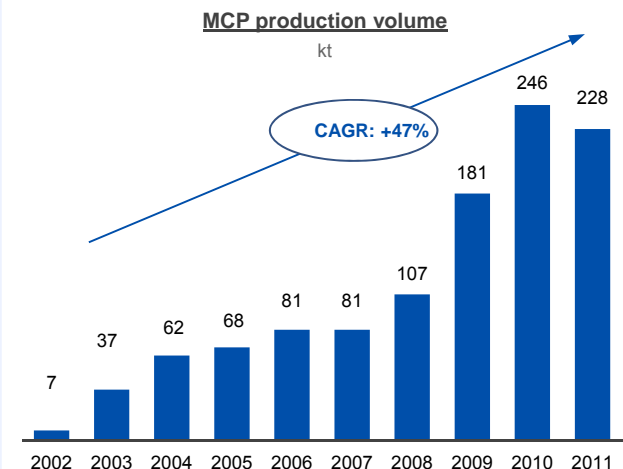
Source: PhosAgro

Launch of feed phosphate (MCP) production at BMU



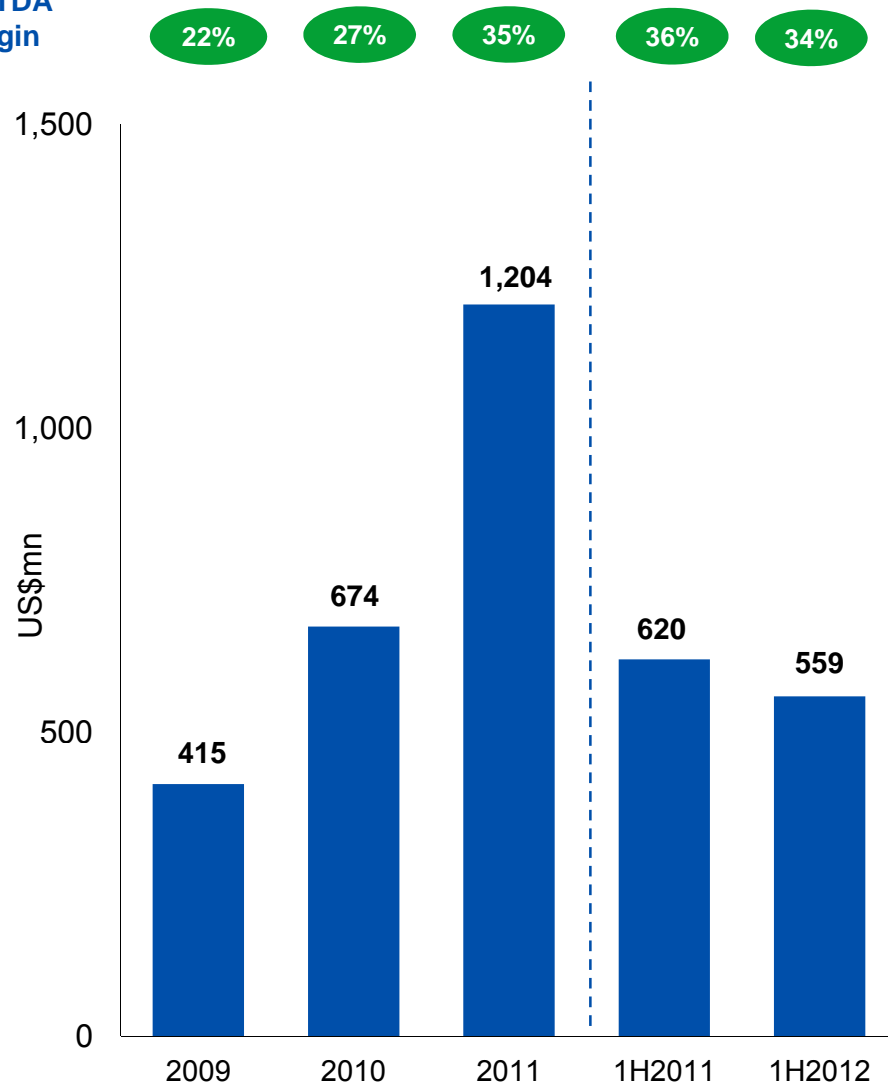
RATIONALE

Launch of new value added product



Source: PhosAgro

EBITDA Margin



EBITDA calculation

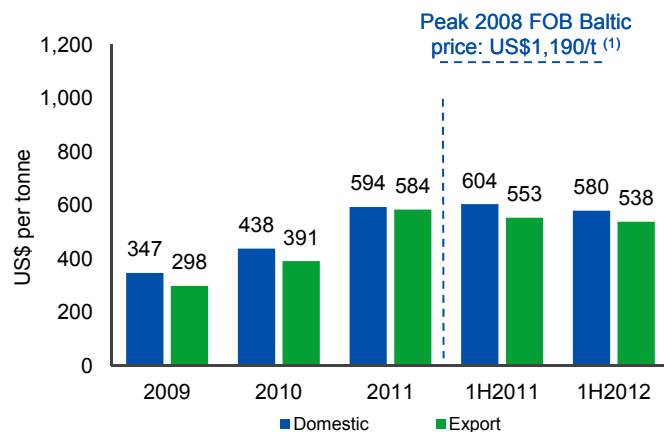
(RUB in millions)	2009	2010	2011	1H2011	1H2012
Operating Profit	11,077	14,687	29,319	14,878	13,926
D&A and impairment	4,100	5,777	6,051	2,874	3,211
EBITDA	15,177	20,464	35,370	17,752	17,137
Litigation provision	(1,992)	-	-	-	-
Adjusted EBITDA	13,185	20,464	35,370	17,752	17,137

(USD in millions)	2009	2010	2011	1H2011	1H2012
Operating Profit	349	484	998	520	454
D&A and impairment	129	190	206	100	105
EBITDA	478	674	1,204	620	559
Litigation provision	(63)	-	-	-	-
Adjusted EBITDA	415	674	1,204	620	559

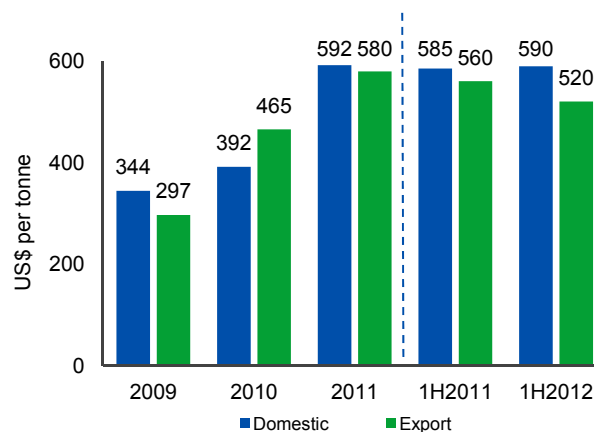
- EBITDA is calculated as operating profit adjusted for depreciation and amortisation
- Adjusted EBITDA is defined as EBITDA adjusted to exclude items in the reporting period that the Company views as exceptional and non-recurring

Revenue per tonne and volume developments for key products

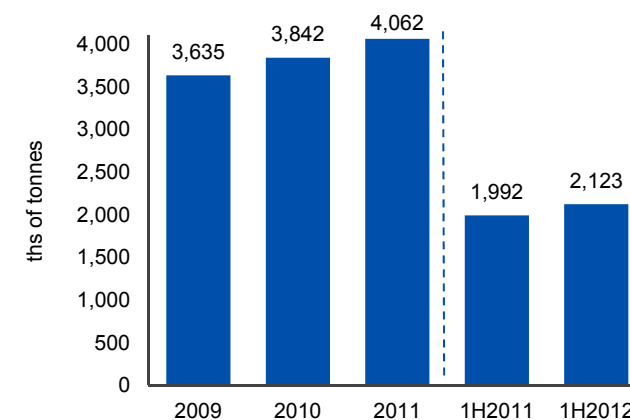
DAP



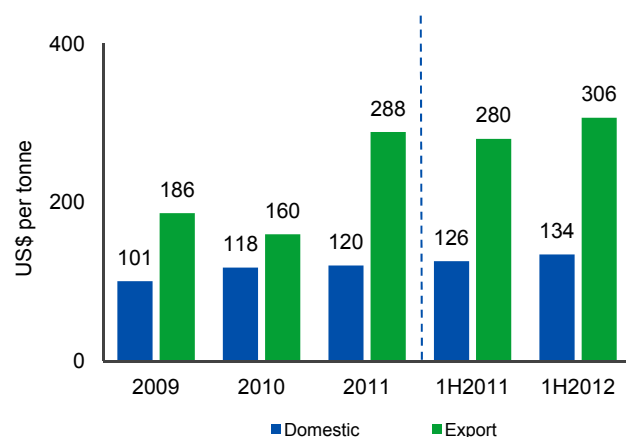
MAP



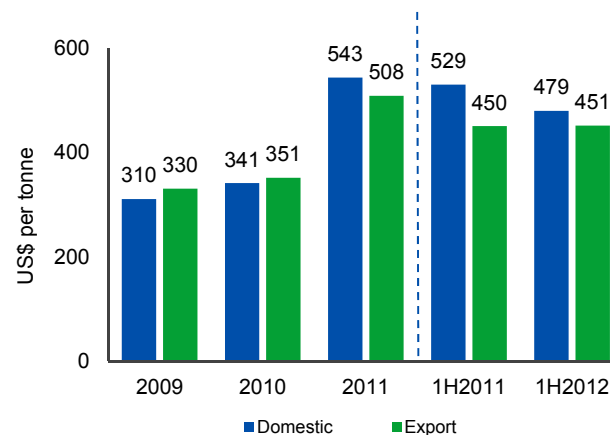
Phosphate-based fertilisers volumes



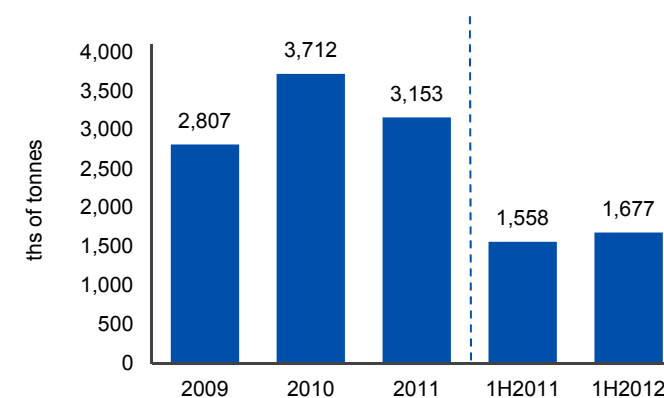
Phosphate Rock



NPK



Phosphate Rock volumes (3rd party sales)



Note: Applied average USD/RUB exchange rates: 31.72 (2009), 30.37 (2010), 29.39 (2011), 28.62 (1H2011), 30.64 (1H2012)

(1) Source: FERTECON

Consolidated income statement

(USD in millions)	2009	2010	2011	1H2011	1H2012
Revenues	1,916	2,534	3,420	1,704	1,644
Cost of Sales	(1,258)	(1,570)	(1,912)	(941)	(928)
Gross Profit	658	964	1,508	763	716
Selling, General & Administration	(295)	(387)	(196)	(207)	(225)
Other Income (Expense)	(14)	(93)	(224)	(36)	(37)
Operating Profit	349	484	998	520	454
Financial Income (Costs)	27	31	(35)	19	(1)
Profit Before Taxation	376	515	963	539	453
Income Tax Expense	(102)	(120)	(198)	(109)	(100)
Profit for the Period	274	395	765	430	353
<i>Margin</i>	<i>14%</i>	<i>16%</i>	<i>22%</i>	<i>25%</i>	<i>21%</i>
EBITDA Calculation					
Operating Profit	349	484	998	520	454
D&A and impairment	129	190	206	100	105
Litigation provision	(63)	0	0	0	0
EBITDA	415	674	1,204	620	559
<i>Margin</i>	<i>22%</i>	<i>27%</i>	<i>35%</i>	<i>36%</i>	<i>34%</i>

Source: PhosAgro (IFRS)

Note: Applied average USD/RUB exchange rates: 31.72 (2009), 30.37 (2010), 29.39 (2011), 28.62 (1H2011), 30.64 (1H2012)

(USD in millions)	2009	2010	2011	1H2012
Cash and Equivalents	186	173	526	694
Accounts Receivable	442	522	334	275
Inventory	226	253	314	331
Other Current Assets	30	108	71	78
Total Current Assets	884	1,056	1,245	1,378
Net Property, Plant & Equipment	1,407	1,525	1,774	1,847
Intangible Assets	24	25	20	17
Investments in Associates	0	307	246	279
Other Long-Term Assets	363	235	110	101
Total Non-Current Assets	1,794	2,092	2,150	2,244
Total Assets	2,678	3,148	3,395	3,622
Accounts Payable	219	329	379	309
Loans and borrowings	71	181	483	800
Derivative financial liabilities			14	
Total Current Liabilities	290	510	876	1,109
Loans and borrowings	67	112	515	344
Defined benefit obligations	21	31	29	29
Deferred tax liabilities	85	89	89	86
Total Non-Current Liabilities	173	232	633	459
Total Liabilities	463	742	1,509	1,568
Equity attributable to Parent shareholders	1,717	1,911	1,360	1,480
Equity attributable to non-controlling interests	498	495	526	574
Total Liabilities & Equity	2,678	3,148	3,395	3,622

Source: PhosAgro (IFRS)

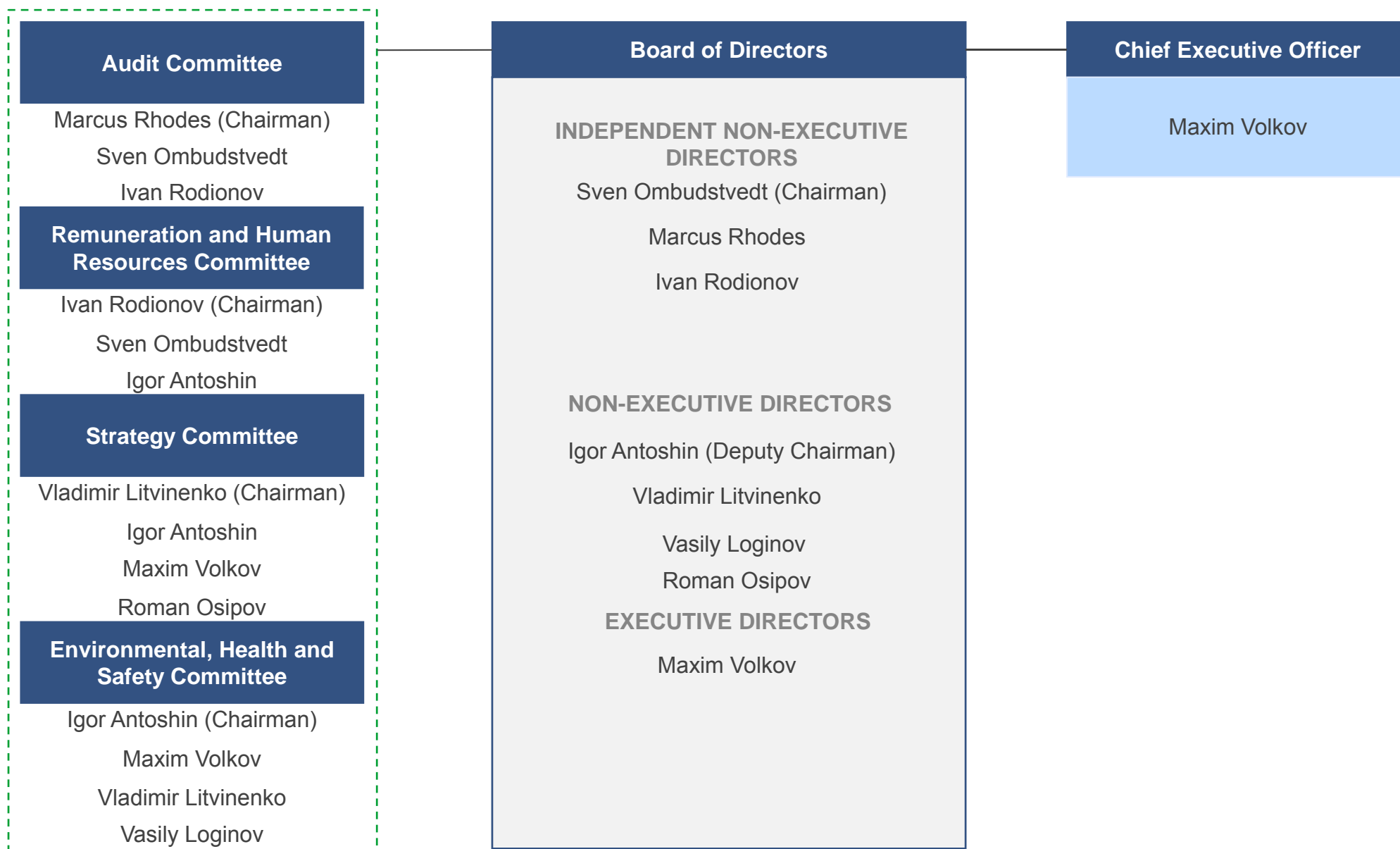
Note: Applied end of period USD/RUB exchange rates: 30.24 (2009), 30.48 (2010), 32.20 (2011), 32.82 (1H2012)

Consolidated cash flow statement

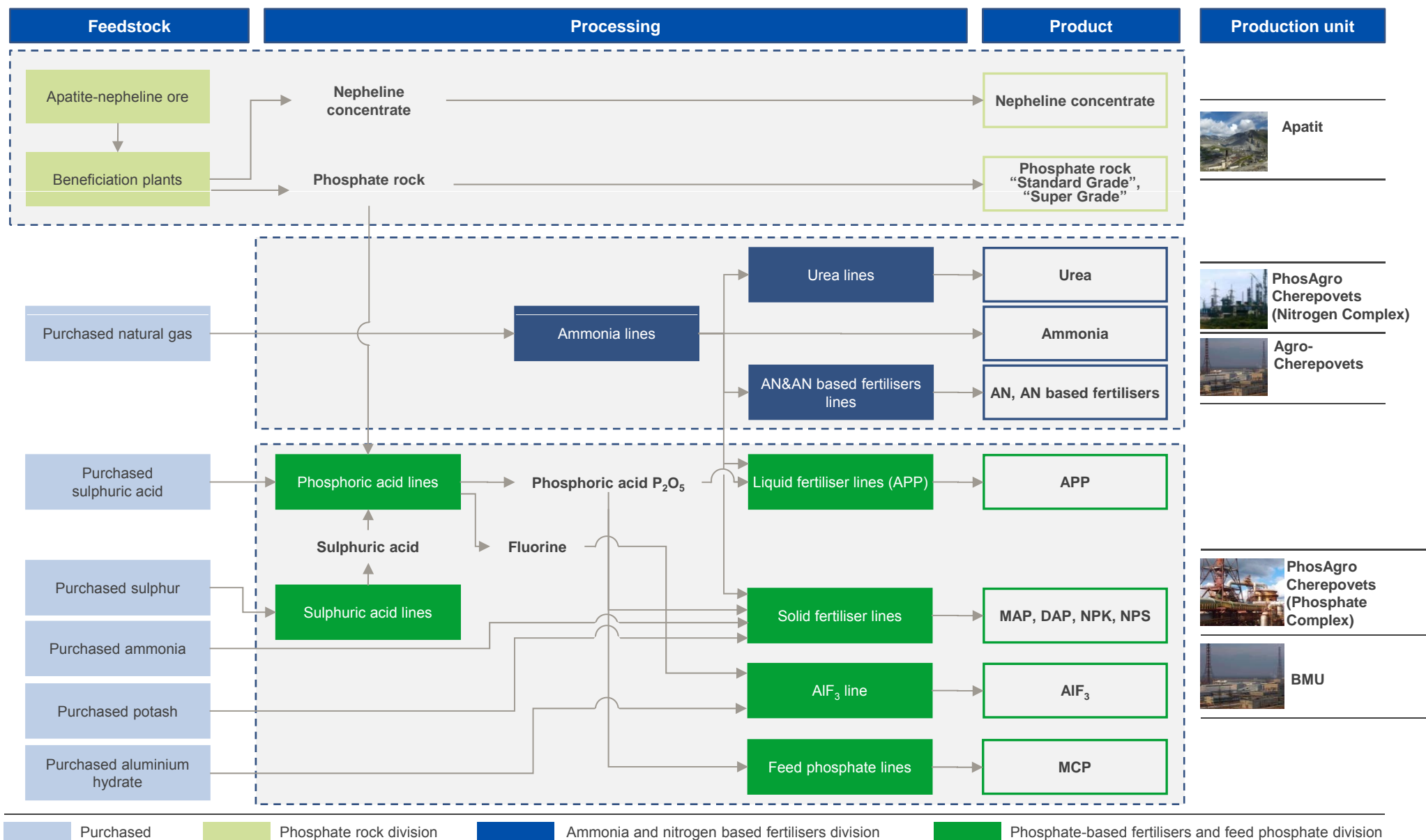
(USD in millions)	2009	2010	2011	1H2011	1H2012
Profit before taxation	376	515	963	539	453
Depreciation, amortisation and impairment	129	190	206	100	105
Interest Expense	27	14	30	9	23
Interest Income	(34)	(23)	(28)	(11)	(21)
Other	(4)	(18)	32	(9)	(5)
Funds From Operations before WC changes	494	678	1,203	628	555
(Inc.) Dec. in Trade and other Receivables	39	(64)	153	204	61
(Inc.) Dec. in Inventory	61	(29)	(81)	(75)	(25)
Inc. (Dec.) in Trade and other Payables	(247)	20	40	(8)	(18)
(Inc.) Dec. in Net Working Capital	(147)	(73)	112	121	18
FFO before income taxes and interest	347	605	1,315	749	573
Income tax paid	(51)	(97)	(184)	(116)	(127)
Interest paid	(22)	(10)	(29)	(6)	(17)
Cash Flow From Operations	274	498	1,102	627	429
Loans repaid/(issued)	160	(144)	106	72	13
Acquisition of property, plant and equipment	(385)	(429)	(439)	(191)	(218)
Acquisition of investments	(184)	(52)	(32)	(33)	(2)
Other	114	67	136	103	12
Cash Flow From Investing Activities	(295)	(558)	(229)	(49)	(195)
Proceeds from borrowings	486	697	1,326	909	0
Repayment of borrowings	(538)	(530)	(681)	(295)	496
Dividends paid	(45)	(110)	(1,155)	(1,120)	(12)
Other	(160)	(9)	33	(13)	(344)
Cash Flow From Financing Activities	(257)	48	(477)	(519)	140
Change in Cash and Equivalents	(278)	(12)	396	59	374
Beginning Cash and Equivalents	488	186	173	184	526
Effect of change in exchange rate	(24)	(1)	(43)	0	(207)
Ending Cash and Equivalents	186	173	526	243	693

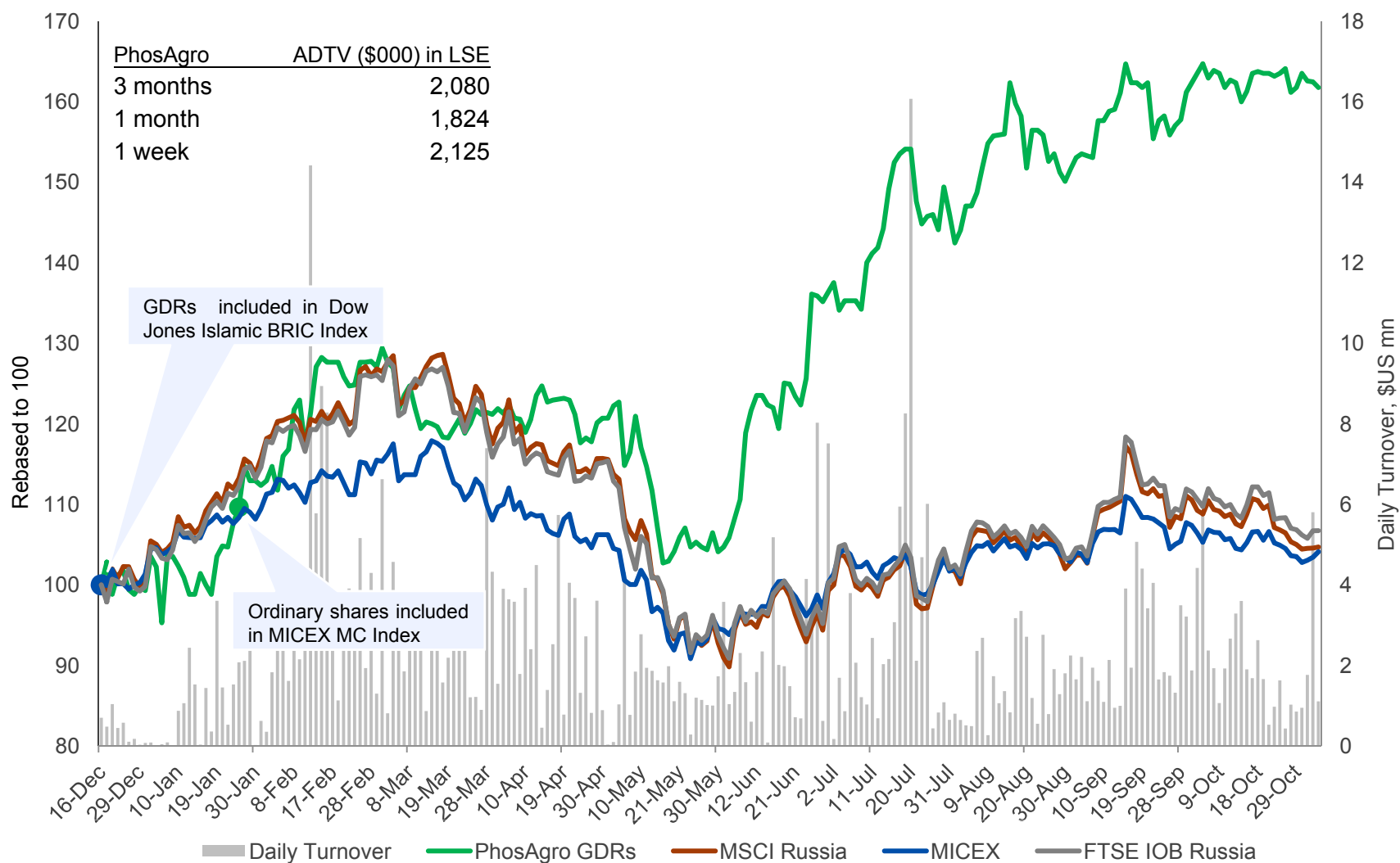
Source: PhosAgro (IFRS)

Note: Applied average USD/RUB exchange rates: 31.72 (2009), 30.37 (2010), 29.39 (2011), 28.62 (1H2011), 30.64 (1H2012)



PhosAgro – vertically integrated production model

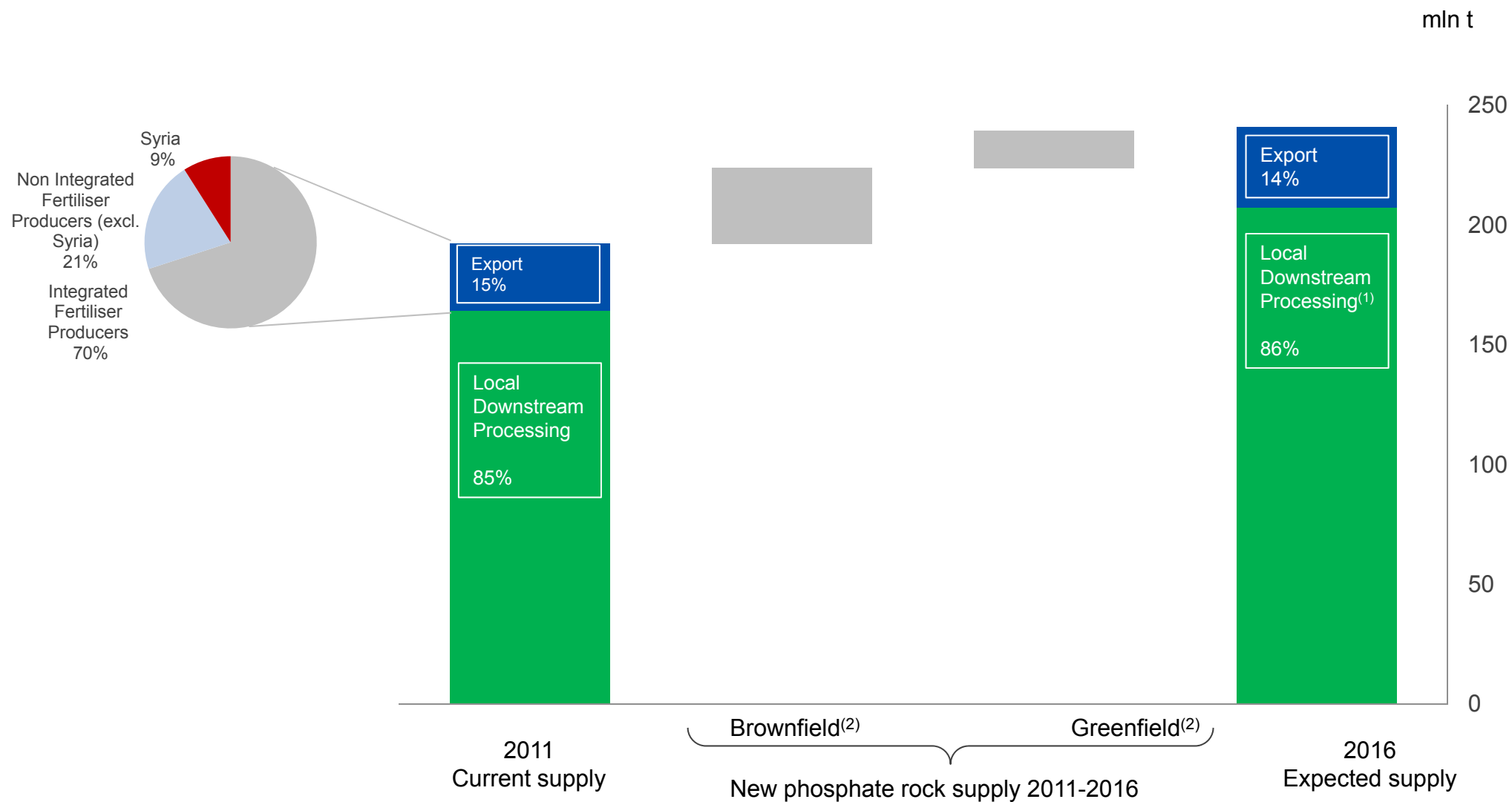




% Performance	PhosAgro	FTSE IOB Russia	MSCI Russia	MICEX
Since PhosAgro inclusion in Dow Jones Islamic BRIC Index	61.8%	6.7%	4.7%	4.1%
Since PhosAgro inclusion in MICEX Mid Cap Index	47.5%	(4.9%)	(7.5%)	(3.9%)
1 month	(0.4%)	(4.3%)	(5.3%)	(3.1%)
1 week	0.4%	(0.3%)	(0.6%)	(0.5%)



Potential phosphate rock supply in 2011-2016



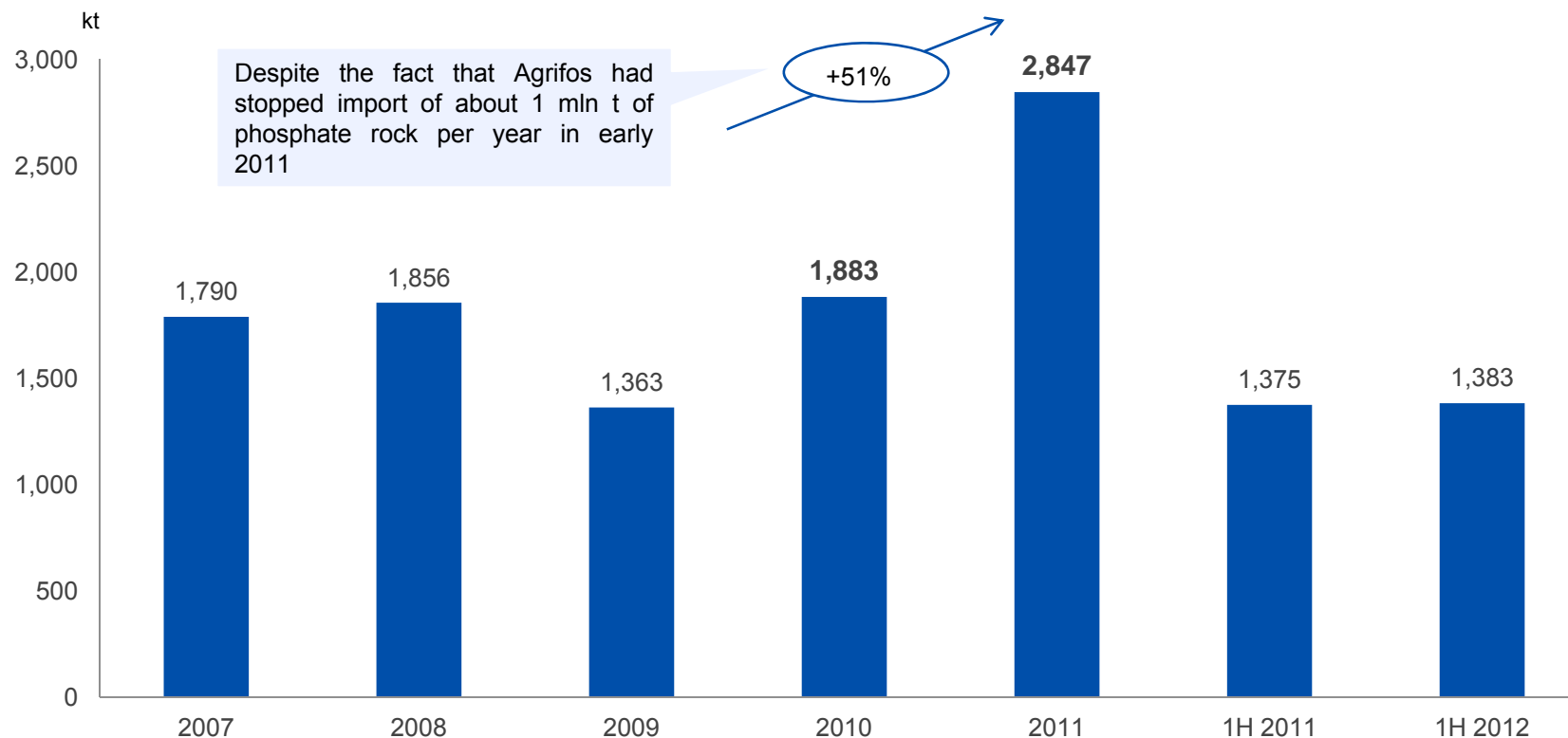
Source: IFA, Fertecon, PhosAgro

Note: (1) Estimate

(2) Assuming that declared projects will commission without delays and will operate at full capacities

Growth in US Phosphate Rock Imports

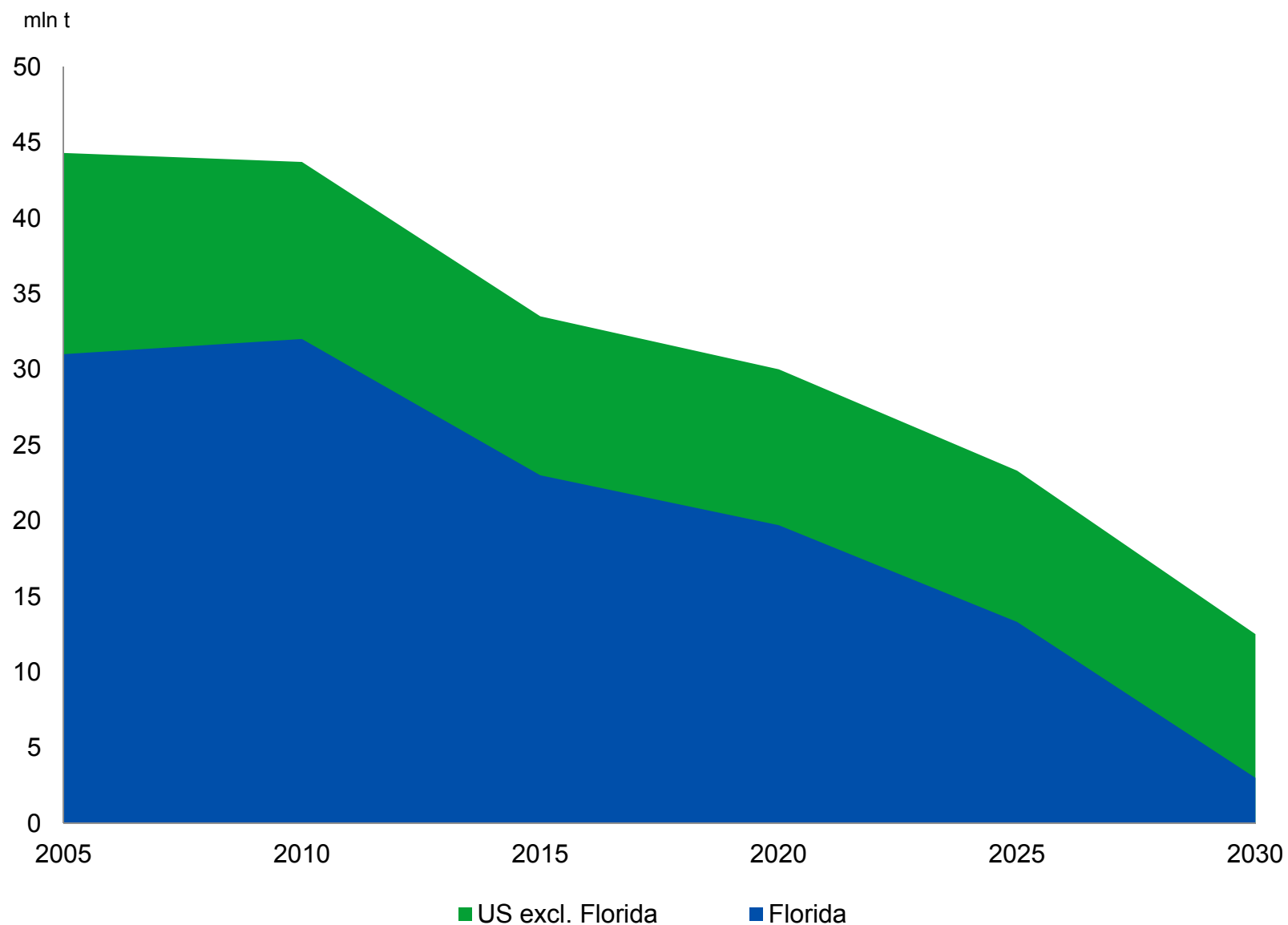
US phosphate rock imports

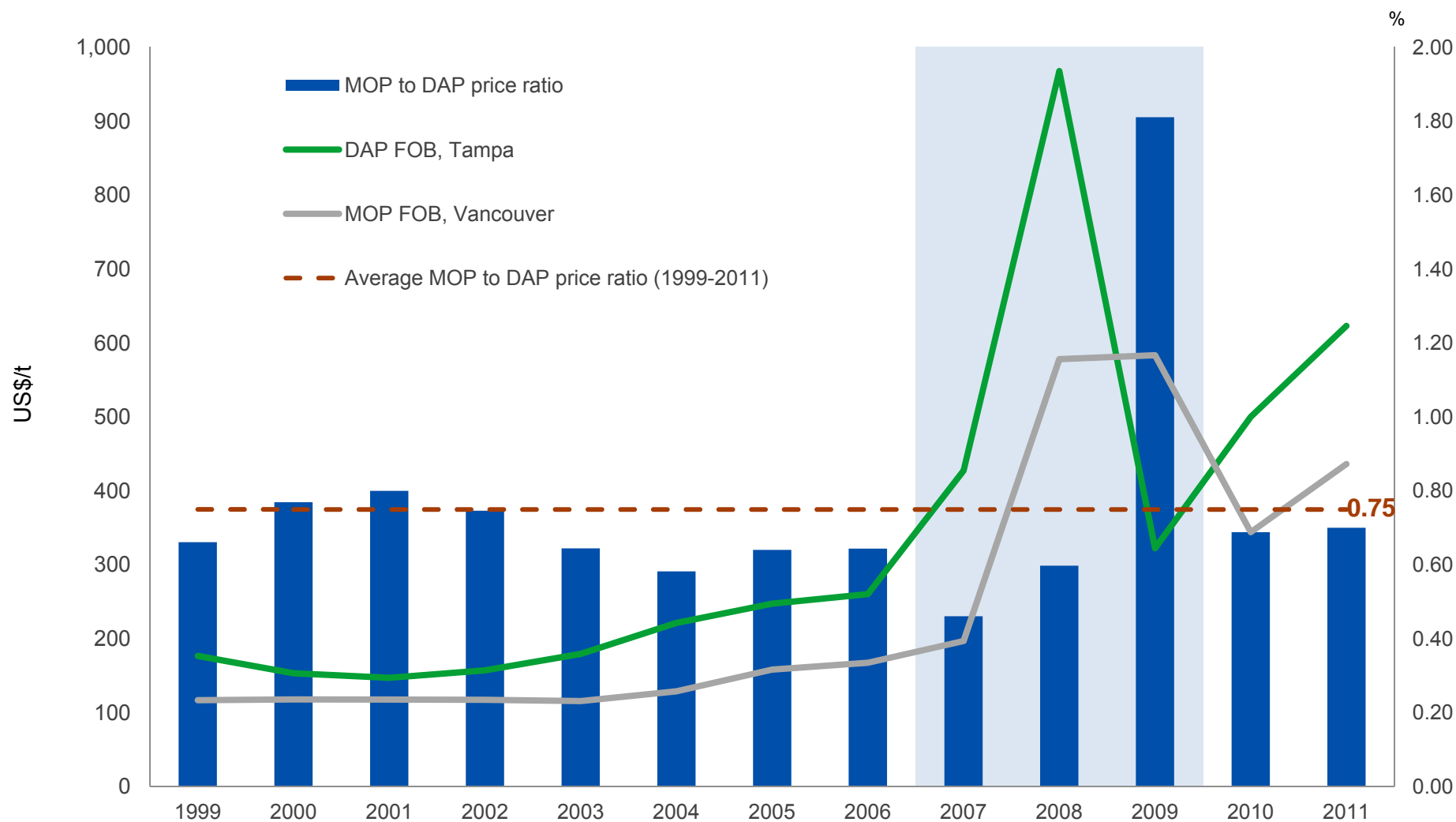


Import drivers

- Agrifos has entered into contract with OCP to purchase phosphate rock as their own economic rock reserves are depleted
- Mosaic resumes mining at South Fort Mead but phosphate rock imports remain almost the same

Current and projected US mine phosphate production capacity





Fertiliser utilization rates and price ratio

