


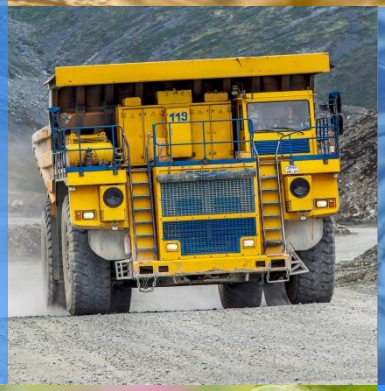

NDR presentation

PHOSAGRO

December, 2014



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PhosAgro and the global fertilizer industry

PHOSAGRO

PhosAgro at a glance

World class integrated phosphate producer

- #1 global producer of high-grade phosphate rock
- #3 global DAP/MAP producer(1)
- Overall fertilizer capacity of 6.4 mln t

Large high quality apatite-nepheline resources

- 2.05 bln t of ore resources(2) (over 75 years of production)
- Al_2O_3 resource of 283 mln t
- Substantial resources of rare earth oxides (41% of Russian resources (3))

Self-sufficiency in key feedstocks provides for low costs

- 100% self-sufficient in phosphate rock
- 72%-90% self-sufficient in ammonia(4)
- More than 40% self-sufficiency in electricity

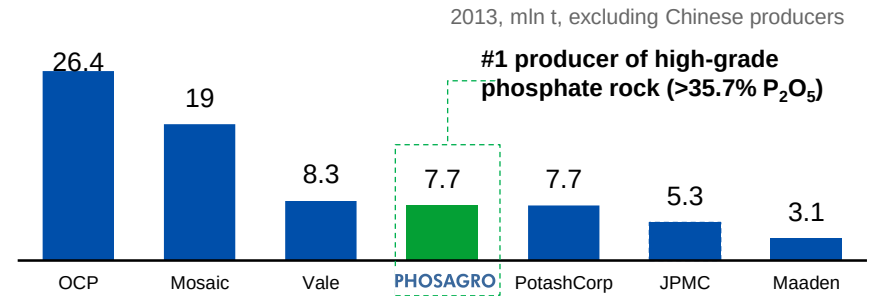
Flexible production and sales

- Flexible production lines
- Phosphate fertilizer capacities of 4.3 mln t, 1.85 mln t fully flexible into NPK production
- Leader in Russian fertilizer market growing twice faster than the world consumption
- Net back driven sales model with a global presence

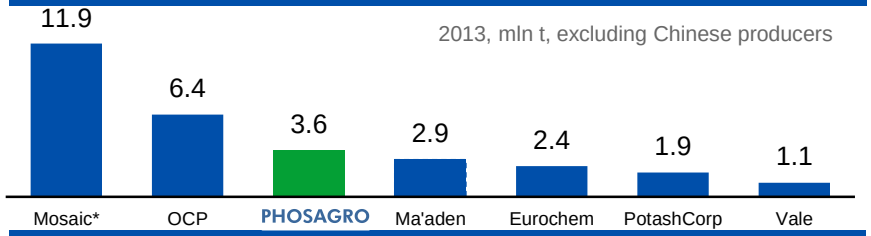
Strong financial performance

- EBITDA of $752 mln in 2013
- 9M2014 EBITDA of $728 mln
- 9M2014 Net debt/EBITDA: 1.54x

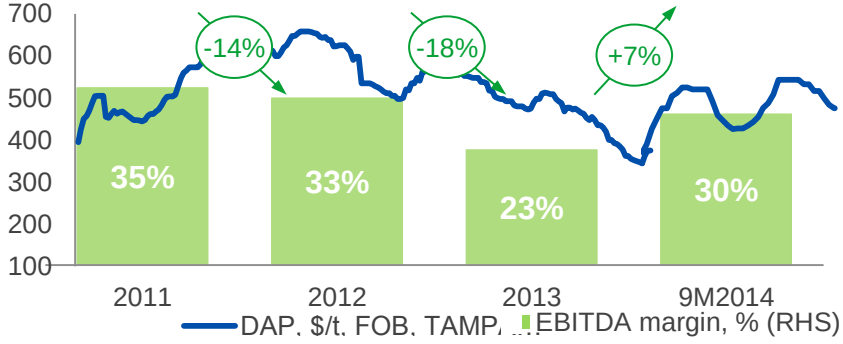
Leading global phosphate rock producers (by production)



Leading global DAP/MAP producers (by capacity)



DAP price dynamics vs EBITDA margin, average DAP price change (%)



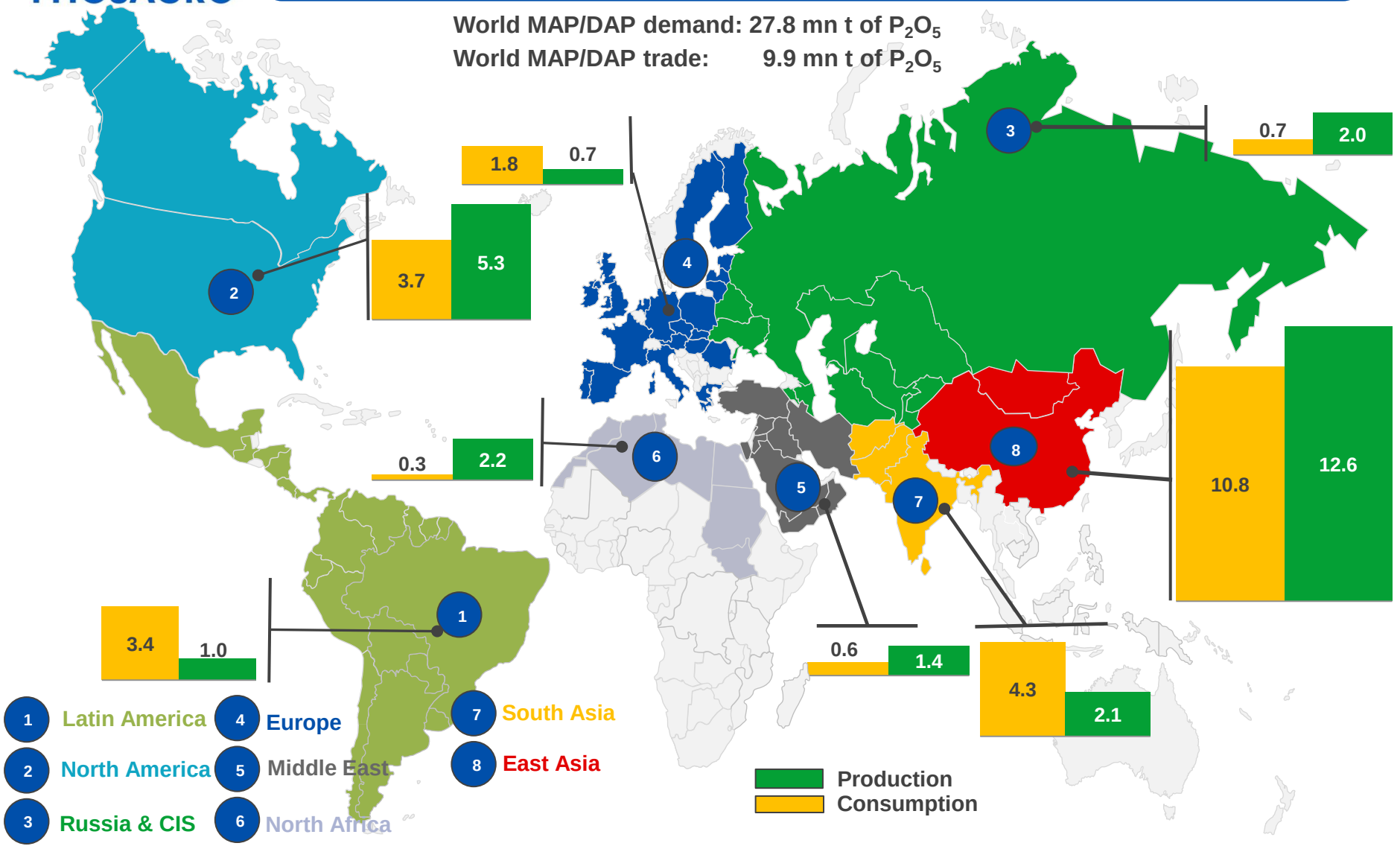
Source: Argus-FMB, CRU, IFA, companies' data, PhosAgro

Note: (1) Excluding Chinese producers
(2) PhosAgro, IMC as of June 2011
(3) Russian Academy of Science
(4) self –sufficiency depends on the composition of the products produced by PhosAgro

Source: IFA, CRU, companies data, PhosAgro

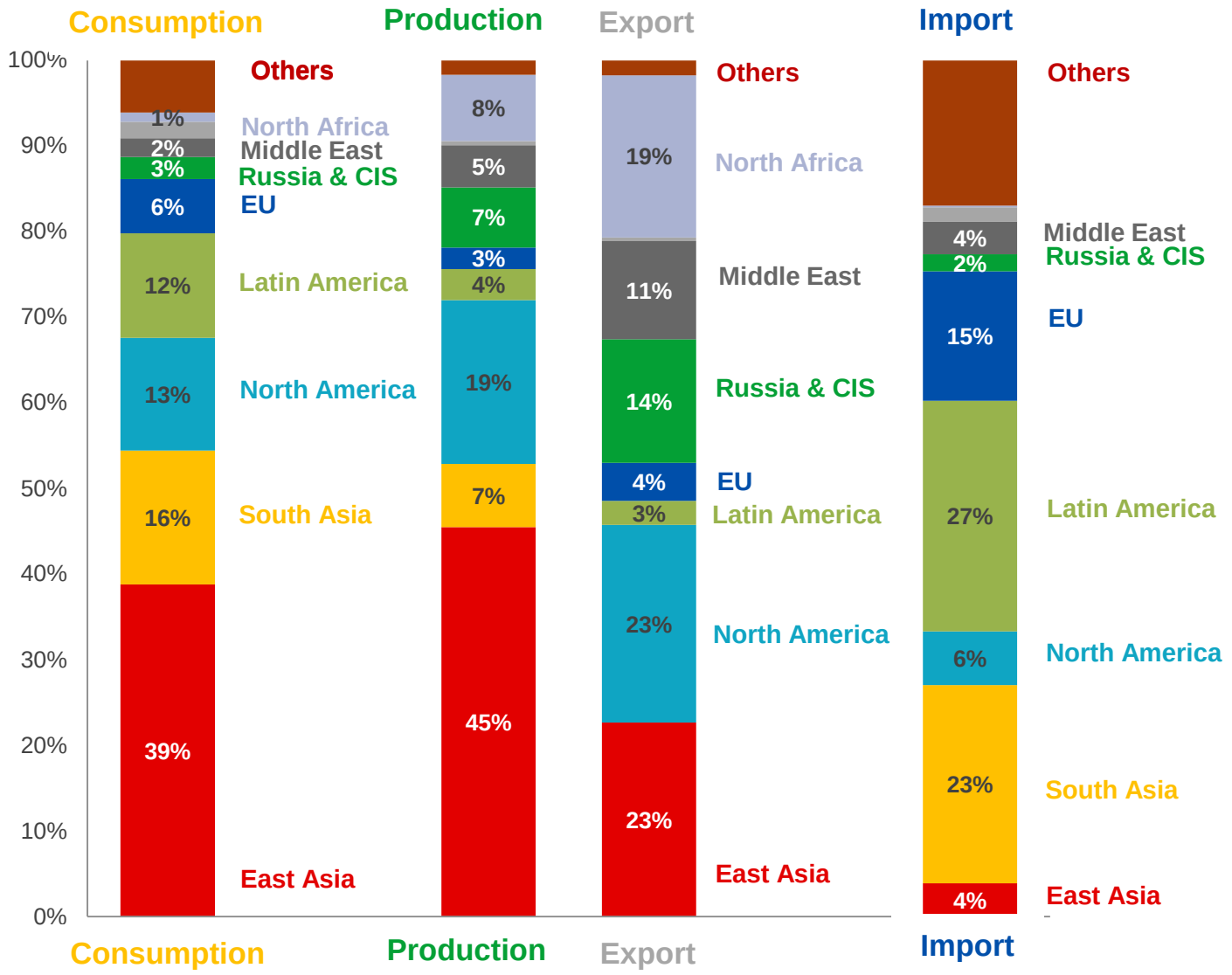
2013 MAP/DAP production vs consumption, global trade in million tonnes of P_2O_5

World MAP/DAP demand: 27.8 mn t of P_2O_5
World MAP/DAP trade: 9.9 mn t of P_2O_5



Source: IFA, CRU

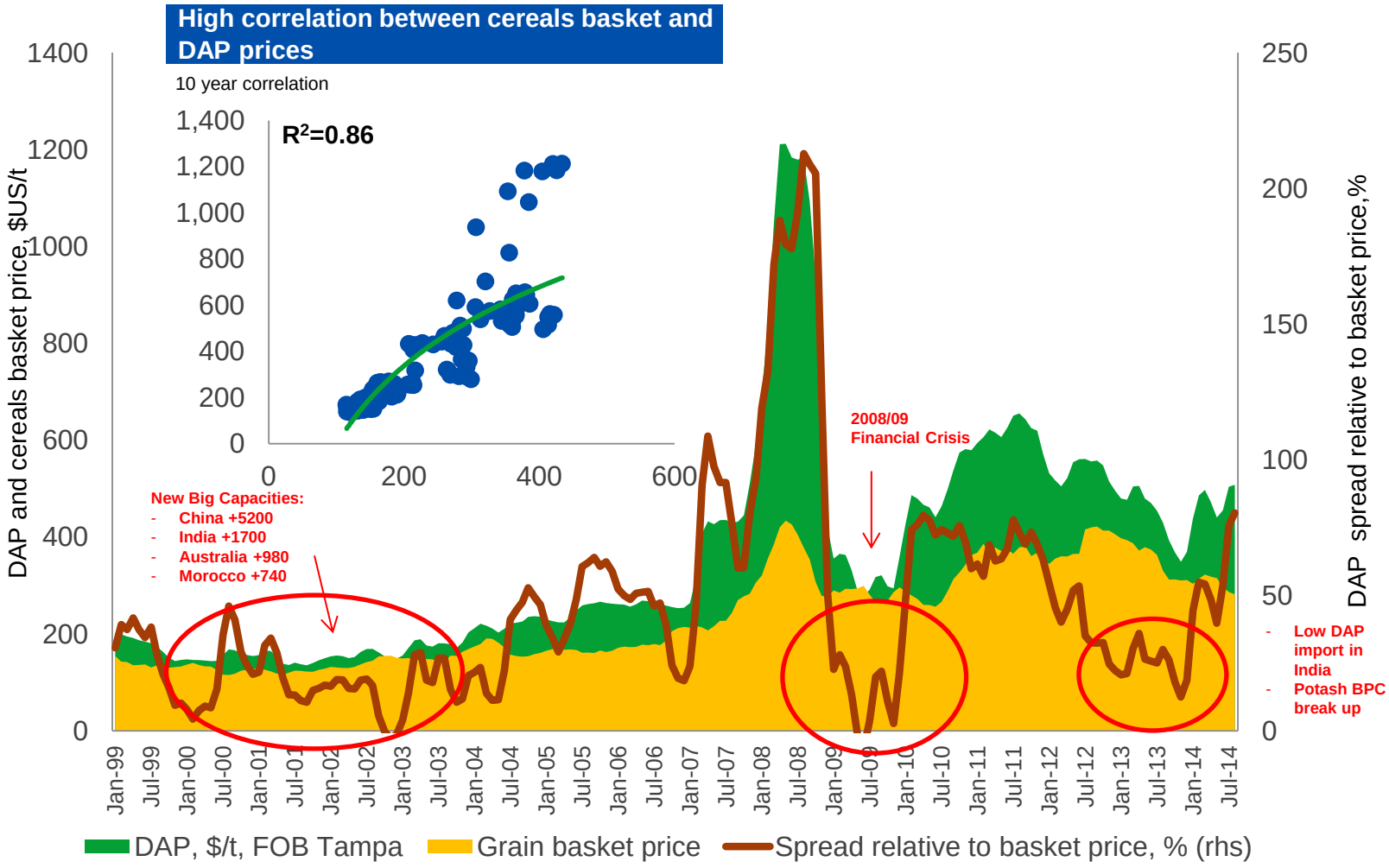
2013 MAP/DAP regional balances of P_2O_5, mn t



Source: CRU

High grain prices driven by market imbalances motivate farmers to use more fertilizers

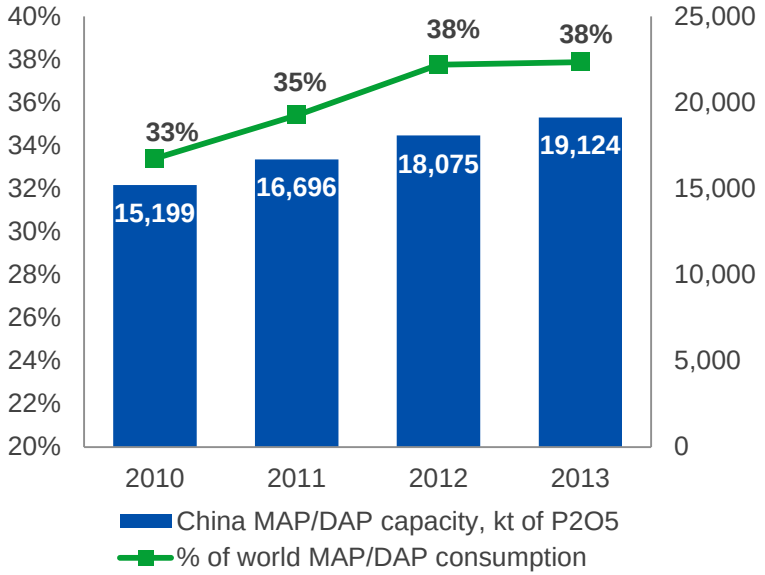
Cereals basket to DAP price spread



Source: Fertecon, Argus-FMB, FAO, USDA, IFA

China: key figures(1)

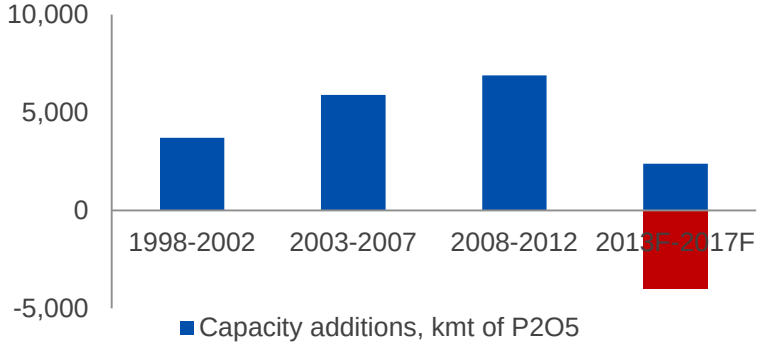
China is the world's largest MAP/DAP consumer and producer



China is a farming giant in absolute terms

Country	China	India	Brazil	Russia	USA
Employment in agriculture, % of total	**35**	47	15	10	2
Rural population, mn	**636**	852	30	38	59
Rural population, % of total	**47%**	68%	15%	26%	19%
Total population, mn	**1,375**	1,241	197	142	312
Farm Holdings, mn	**201**	138	5	23	2.2
Value added in agriculture, % of GDP	**10**	18	6	4	< 1
Arable land per capita, ha	**0.1**	0.1	0.4	0.8	0.5
Water resources per capita, '000 m^3/cap	**2.1**	1.6	42.2	31.5	9.9
P_2O_5 consumption, mn t	**16.7**	6.7	4.3	0.6	4.0
P_2O_5 consumption, % of world total	**36%**	15%	9%	1%	9%

Capacity closures outpace new capacity additions



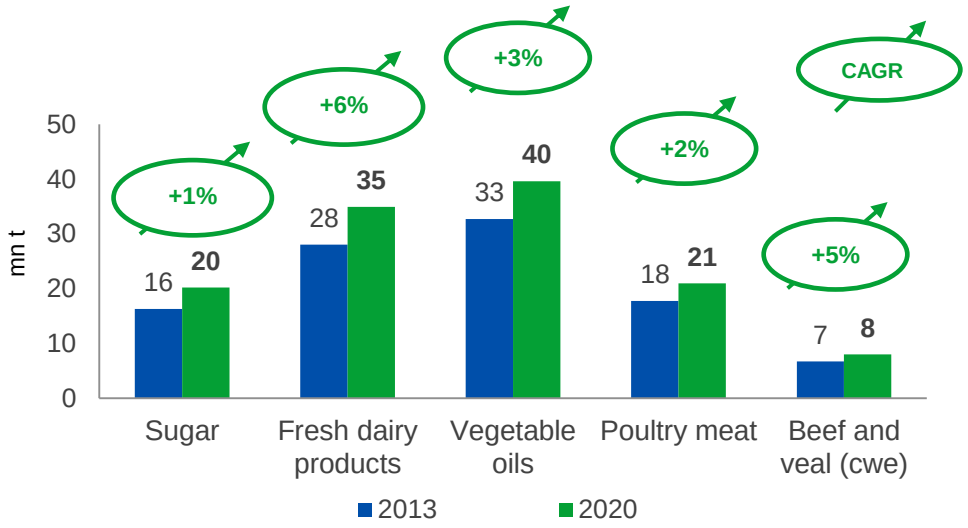
Comment

- China accounted for 6% of world phosphate rock resources and 36% of world P_2O_5 consumption
- Chinese population grows with 15 mn babies born annually and net population growth of 6 mn people (equivalent to the population of Belgium). Belgium consumes 3,690 kcal/capita/day and GDP is $US 45 k per capita, compared to 2,990 kcal/capita/day and $US 6 k in China
- Chinese government focus on food security appears in solid P_2O_5 capacity growth, though it will continue at a much slower rate

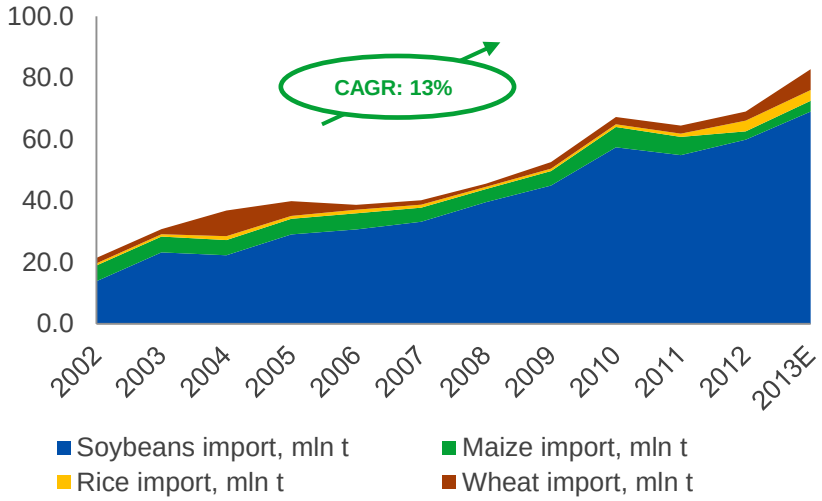
Source: World bank, IFA, FAO, CRU
Note:(1) data provided for 2012, unless otherwise stated

China: a net P importer on the horizon

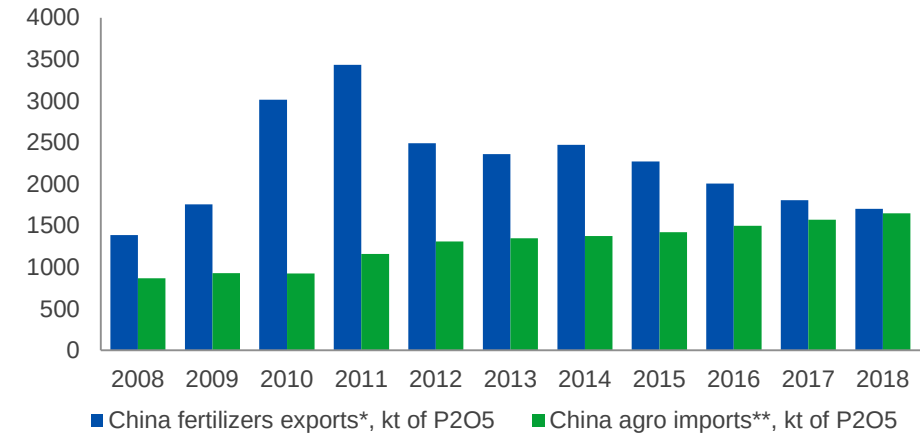
Economic growth will affect dietary patterns significantly



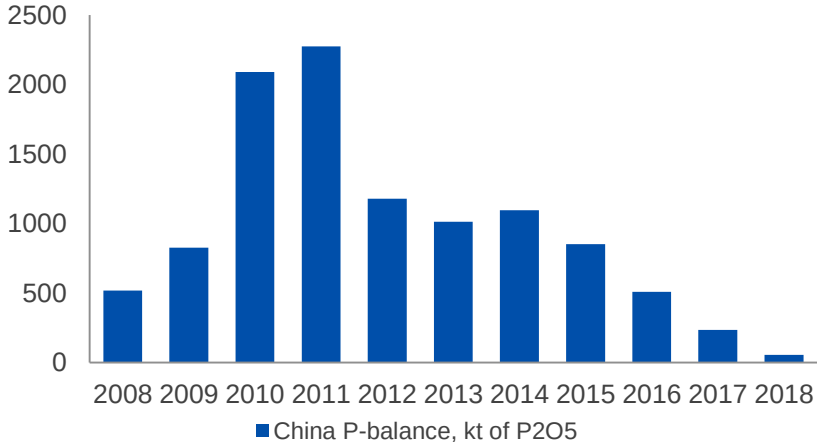
China will continue to increase food imports



Growing P intakes of imported food



..lead to potential P net imports

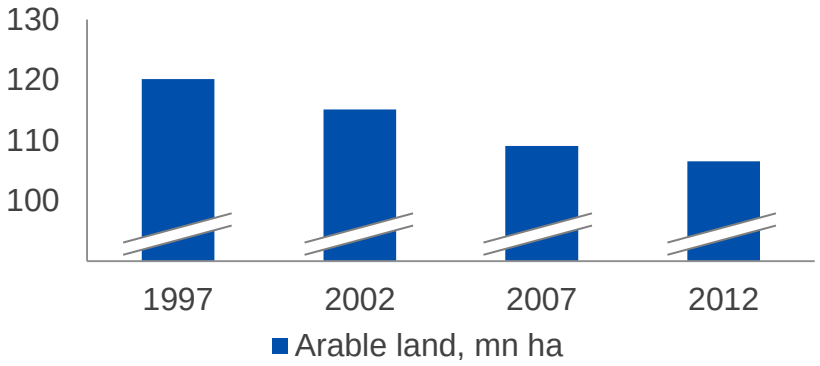


Note: (*) CRU data, (**) calculated as USDA/IGC data about ag imports multiplied on P_2O_5 removal rate in kg P_2O_5 per t of primary crops: wheat - 11.3; rice - 6.4; corn - 6.7; barley - 7; soybean - 17; palm oil - 2; rapeseed – 9

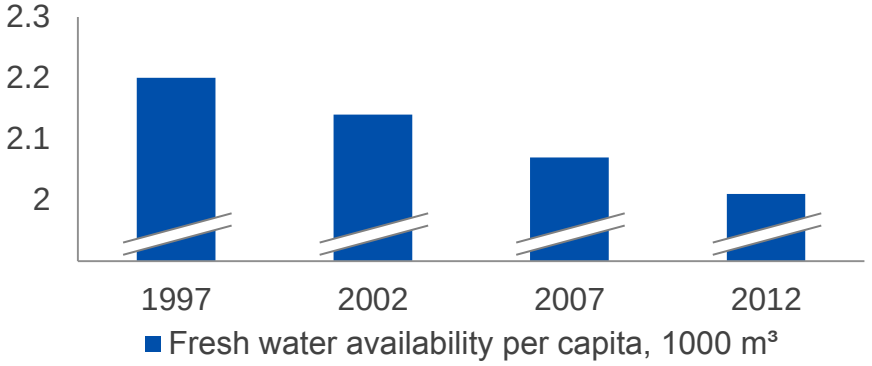
Source: FAO, CRU

China: environmental issues coming to the forefront

Chinese ag resources deteriorate with limited arable land



... and water availability decreases



Chinese farmers use high-intensity agricultural techniques

High intensity agriculture → **All pollutants from pesticides and fertilizers end up in soil** → **For 30 years**

- Water scarcity, contamination and pollution
- Fertilizer burn
- Soil pollution and cadmium contamination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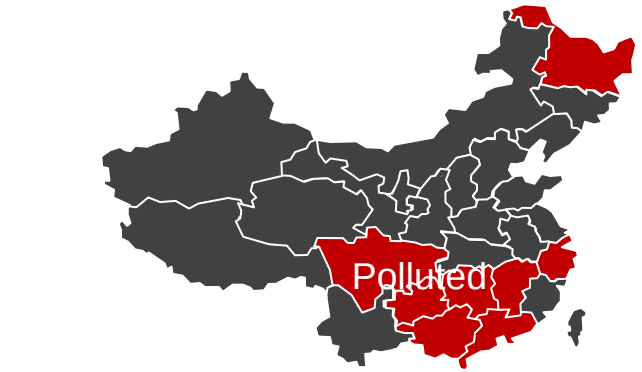
Guangzhou finds cadmium-tainted rice

By Duan Wuning Source:Global Times Published: 2013-5-20 0:03:01

Tainted rice was discovered in several Chinese provinces



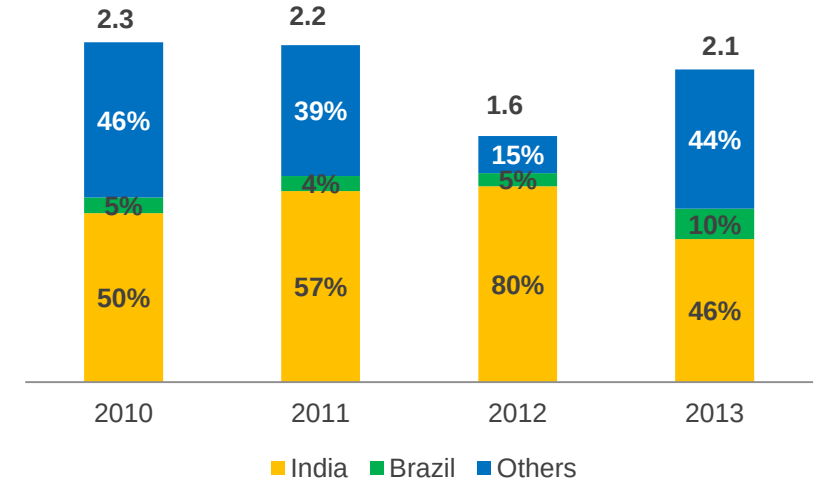
Arsenic rice (As) | **Cadmium rice (Cd)** | **Lead rice (Pb)**

Source: FAO, Global Times

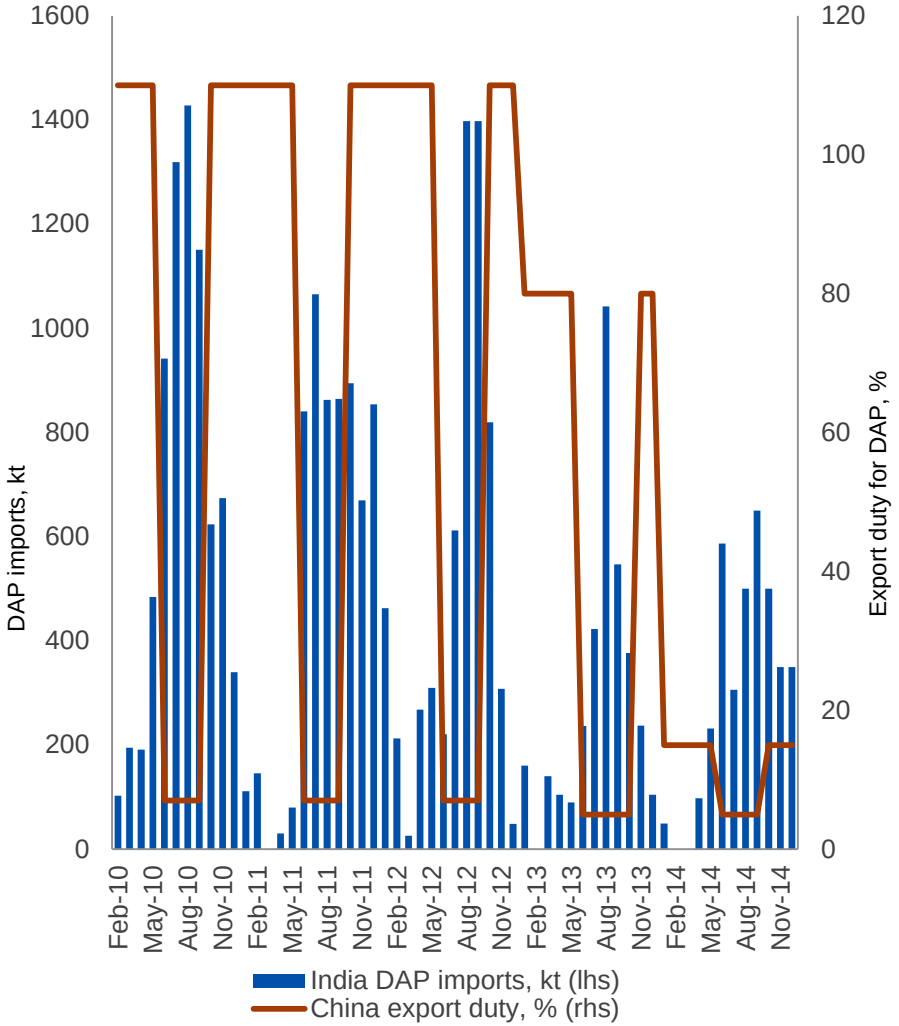
Chinese exports go to India

China exports a significant part of its p-based fertilizers to India

DAP/MAP exports, mn t of P_2O_5

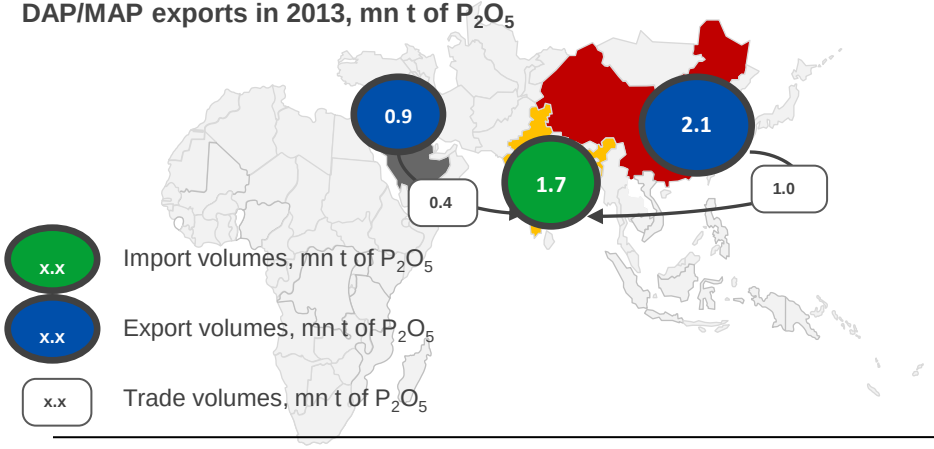


... and India imports correspond with China's "export window"



Half of exports from China and Ma'aden go to India

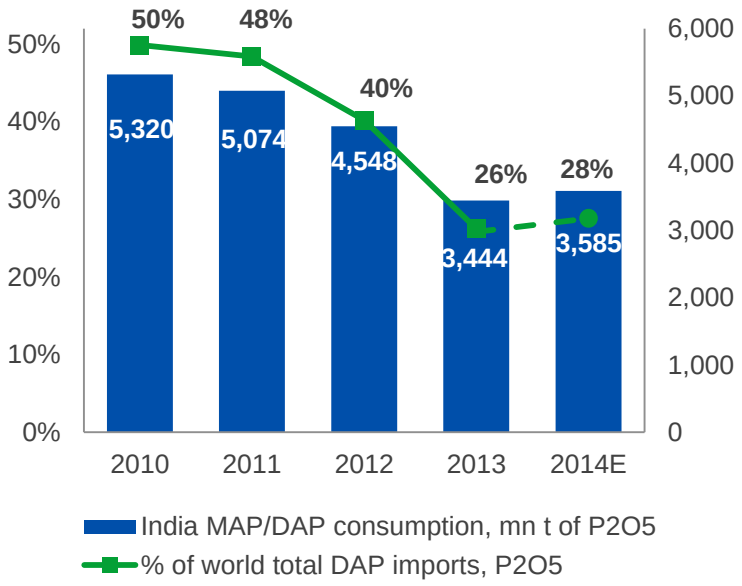
DAP/MAP exports in 2013, mn t of P_2O_5



Source: CRU, FAI, IFA

India: key figures(1)

India is the second largest MAP/DAP consumer and the world largest DAP importer



Rural population and ag production dominate in India

Country	India	China	Brazil	Russia	USA
Employment in agriculture, % of total	**47**	35	15	10	2
Rural population, mn	**852**	636	30	38	59
Rural population, % of total	**68%**	47%	15%	26%	19%
Total population, mn	**1,241**	1,375	197	142	312
Farm Holdings, mn	**138**	201	5	23	2.2
Value added in agriculture, % of GDP	**18**	10	6	4	< 1
Arable land per capita, ha	**0.1**	0.1	0.4	0.8	0.5
Water resources per capita, '000 m^3/cap	**1.6**	2.1	42.2	31.5	9.9
P_2O_5 consumption, mn t	**6.7**	16.7	4.3	0.6	4.0
P_2O_5 consumption, % of world total	**15%**	36%	9%	1%	9%

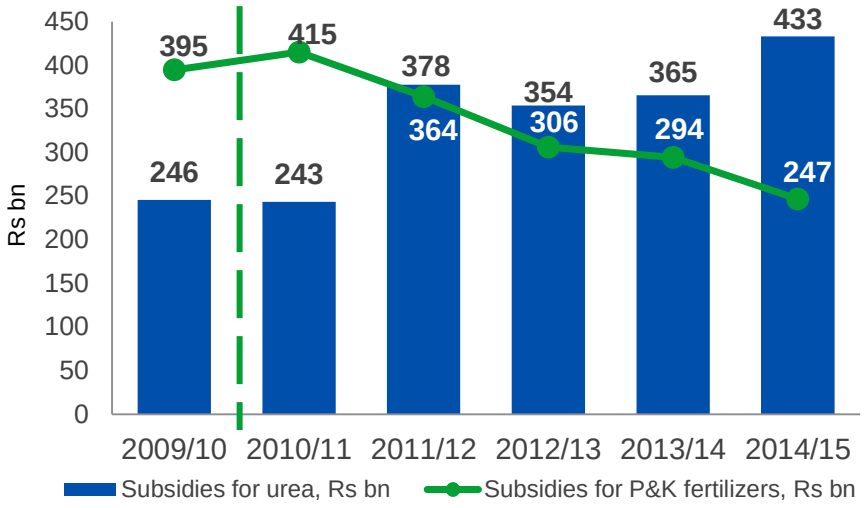
Comment

- India accounted for 0% of world phosphate rock resources and 15% of world P_2O_5 consumption
- 22 mn babies are born annually in India; this is the equivalent of the entire population of Australia. Australia consumes 3,220 kcal/capita/day and GDP is $US 67 k per capita compared to 2,360 kcal/capita/day and GDP of $US 1.5 k in India
- Second largest population in combination with scarcity in phosphate resource make India a major importer of phosphates
- Large number of farm holdings implies their relative small size: limited access to modern farming and agronomic technologies result in imbalanced fertilizer application

Source: World bank, IFA, FAO, CRU, USDA
Note:(1) data provided for 2012, unless otherwise stated

India's subsidy policy: favouring urea leads to unbalanced fertilization

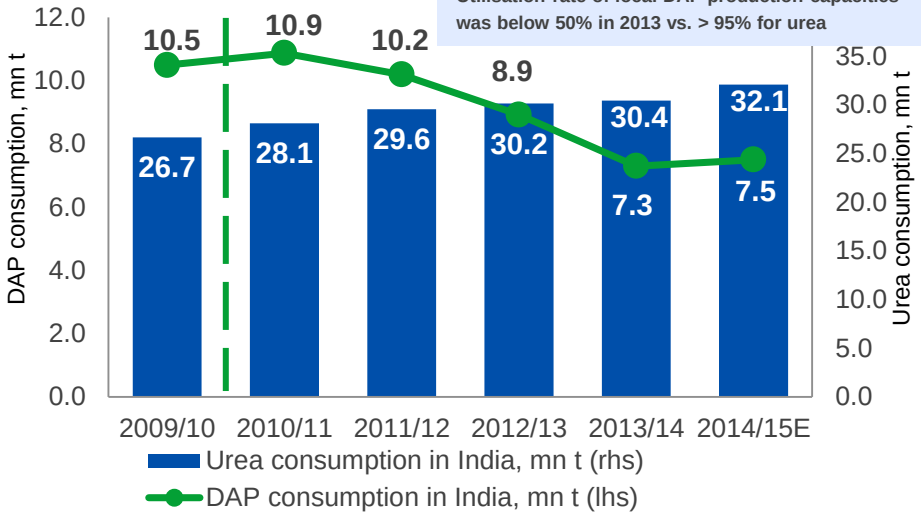
India introduced a new subsidy system in 2010



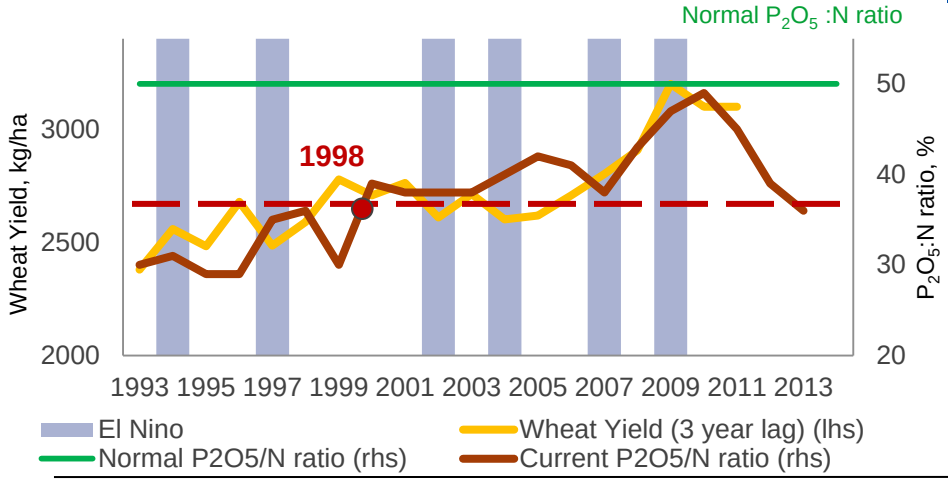
…which lead to increased urea consumption

at expense of DAP consumption

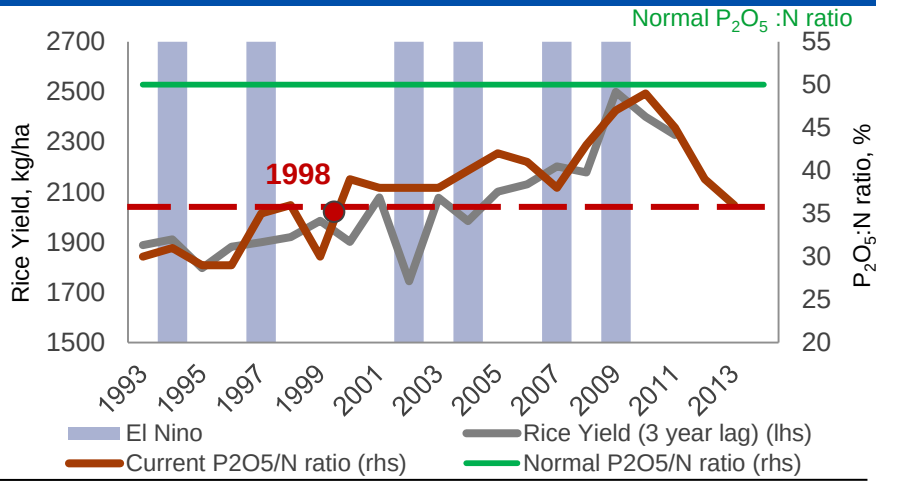
Utilisation rate of local DAP production capacities was below 50% in 2013 vs. > 95% for urea



P_2O_5 : N ratios, wheat yields



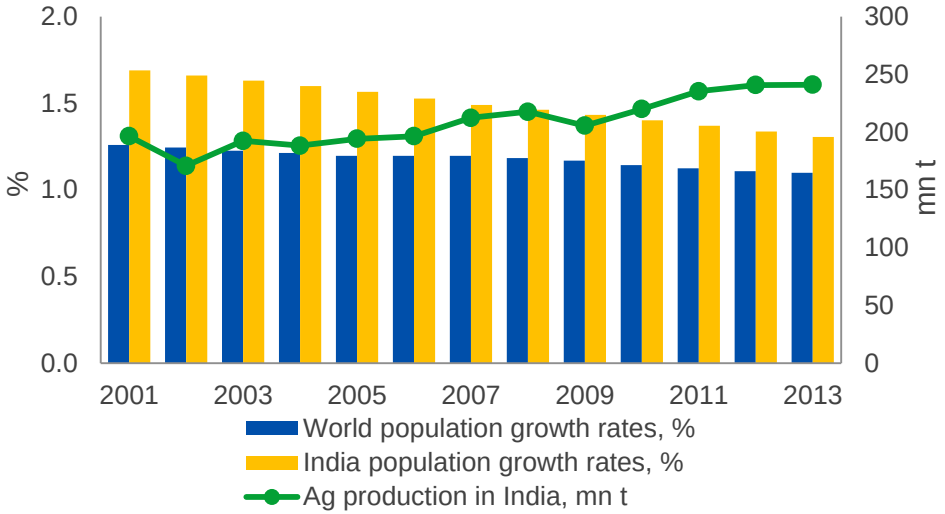
P_2O_5 : N ratios, rice yields



Source: IGC, CRU, FAI, USDA, PhosAgro

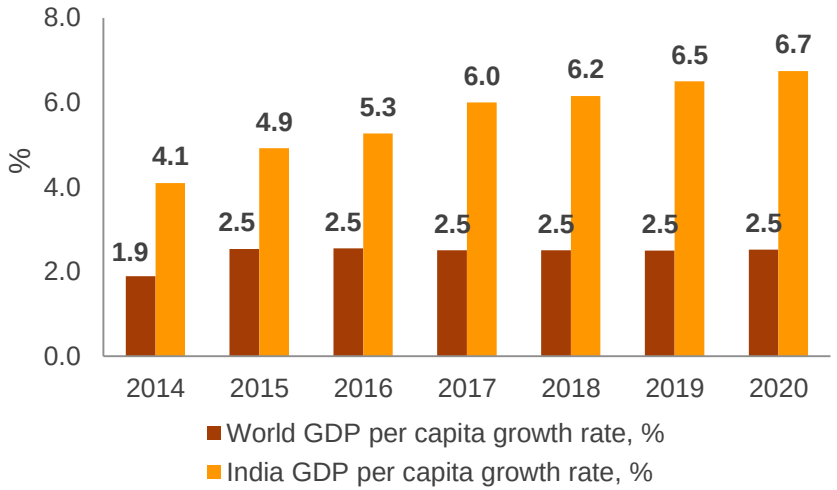
India will remain a primary P_2O_5 importer in the long term

Population growth is a key driver for ag production

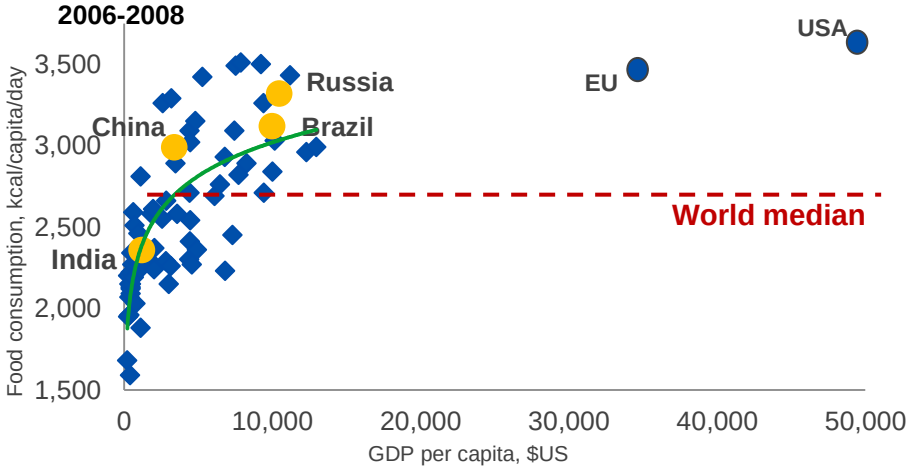


with continuing economic growth

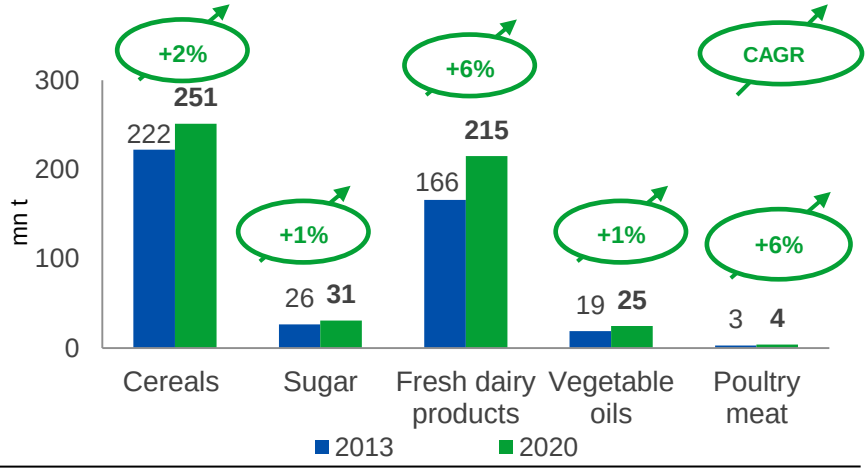
twice faster than world average



India food consumption is still below average



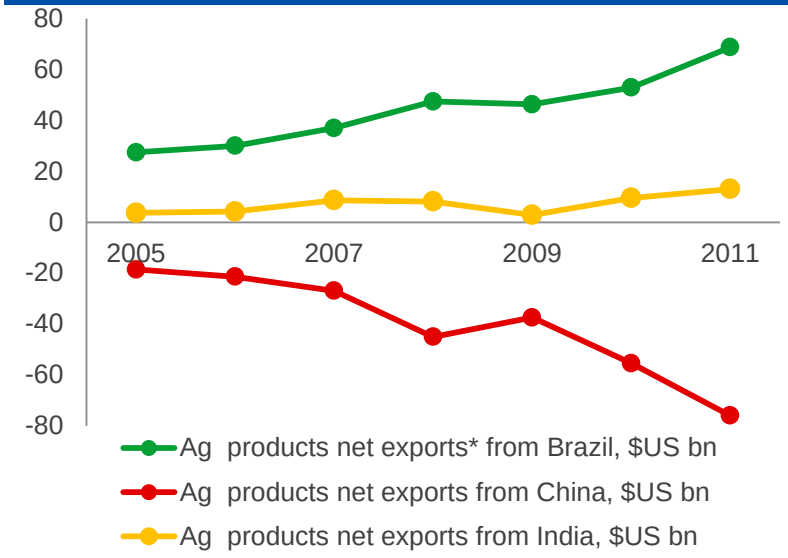
which leads to increase food consumption



Source: FAO, CRU, USDA, FAO-OECD outlook

Brazil: key figures(1)

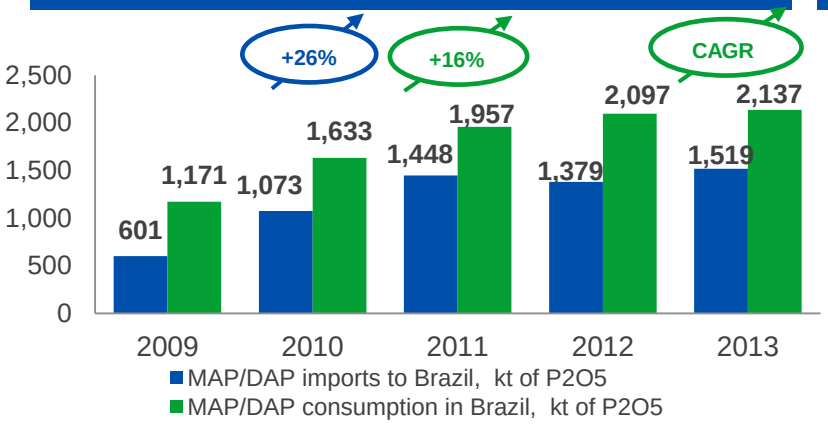
Brazil is the largest ag exporter among developing countries



Brazil is a rising star of world ag production and P consumption

Country	Brazil	China	India	Russia	USA
Employment in agriculture, % of total	**15**	35	47	10	2
Rural population, mn	**30**	636	852	38	59
Rural population, % of total	**15%**	47%	68%	26%	19%
Total population, mn	**197**	1,375	1,241	142	312
Farm Holdings, mn	**5**	201	138	23	2.2
Value added in agriculture, % of GDP	**6**	10	18	4	< 1
Arable land per capita, ha	**0.4**	0.1	0.1	0.8	0.5
Water resources per capita, '000 m^3/cap	**42.2**	2.1	1.6	31.5	9.9
P_2O_5 consumption, mn t	**4.3**	16.7	6.7	0.4	4.0
P_2O_5 consumption, % of world total	**9%**	36%	15%	1%	9%

Growing P consumption is secured by imports



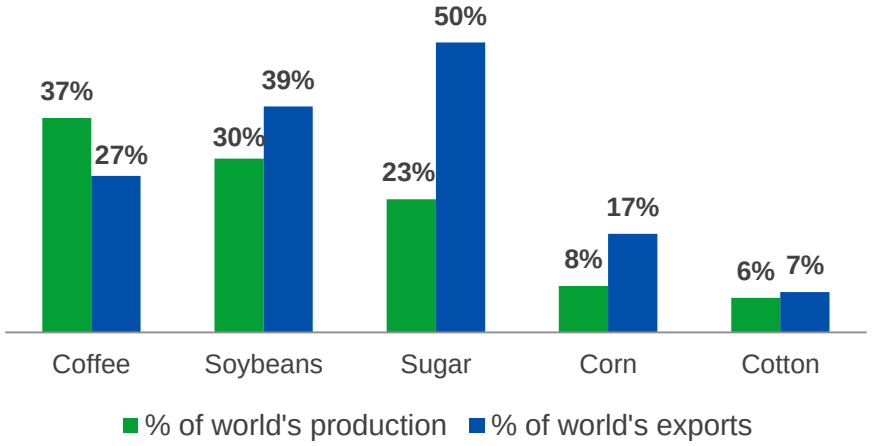
Comment

- Brazil accounted for 0.4% of world phosphate rock resources and 9% of world P_2O_5 consumption
- Agricultural exports are a key driver of Brazil ag production growth

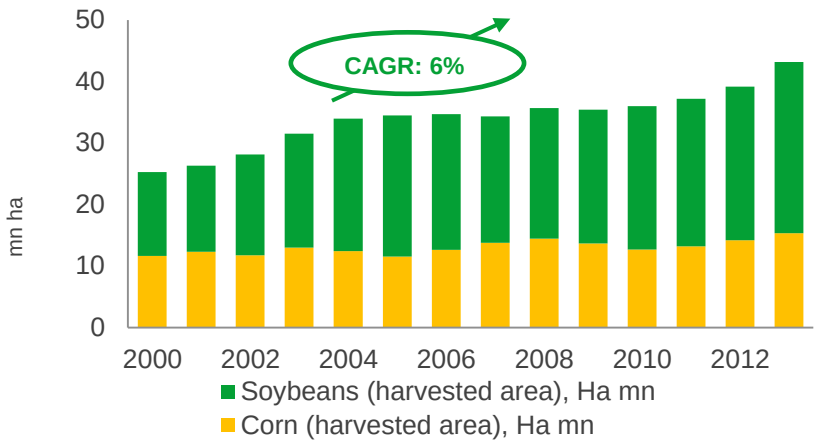
Source: World bank, IFA, FAO, CRU
Note:(1) data provided for 2012, unless otherwise stated
(*) Net export equals ag production exports less ag production imports

Brazil is a top ag exporter among developing counties

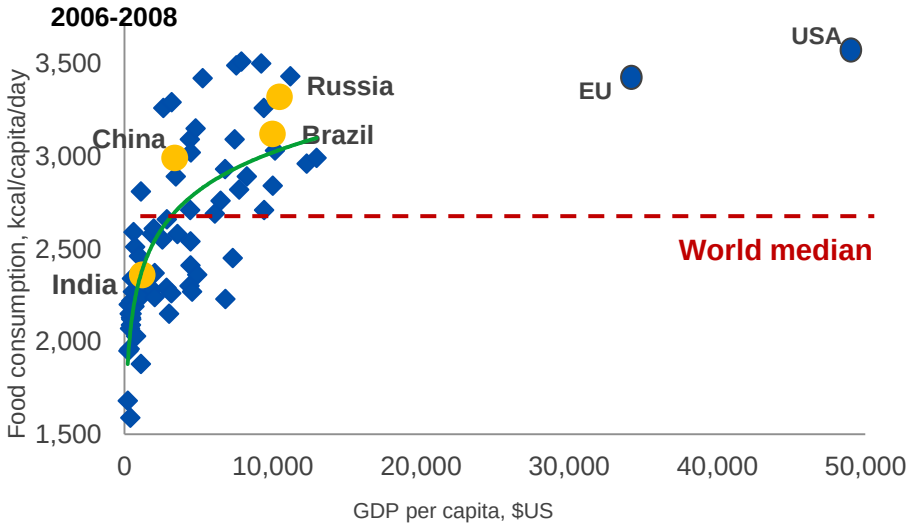
Exports are a key driver for ag production growth



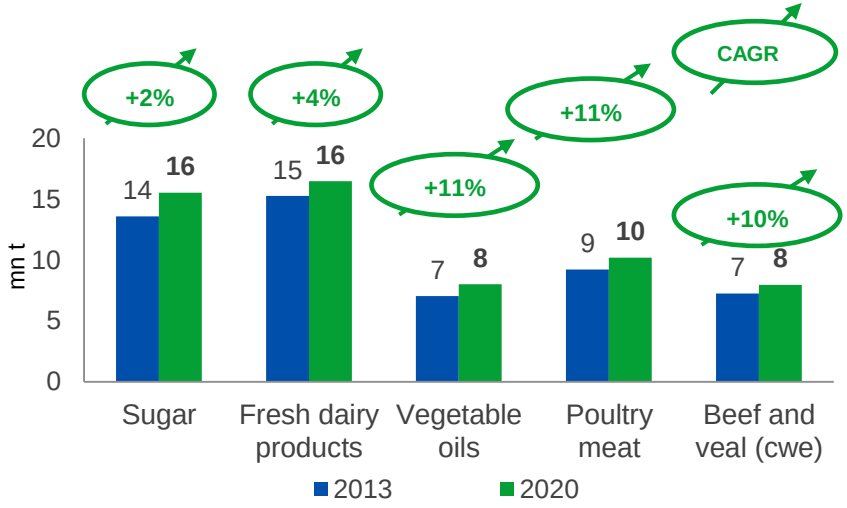
Soybeans drive ag production in Brazil



Domestic food consumption is relatively high



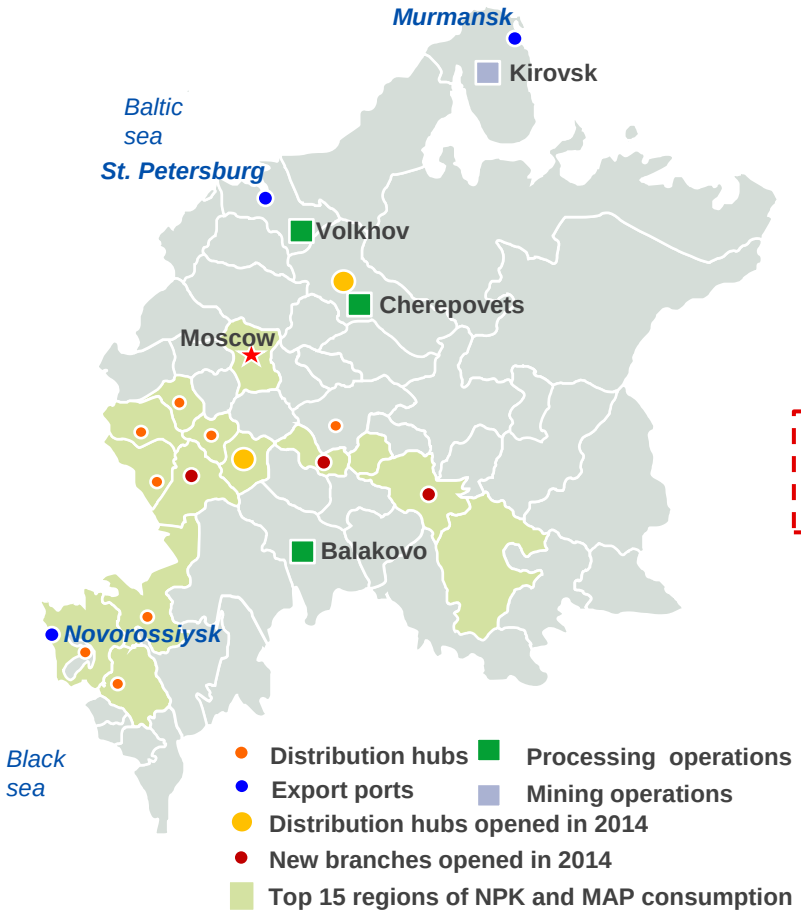
Dietary changes are more important



Source: USDA, CRU, FAO, FAO-OECD outlook

Russia: key figures(1)

PhosAgro dominates domestic phosphate market



Russia has abundant ag resources

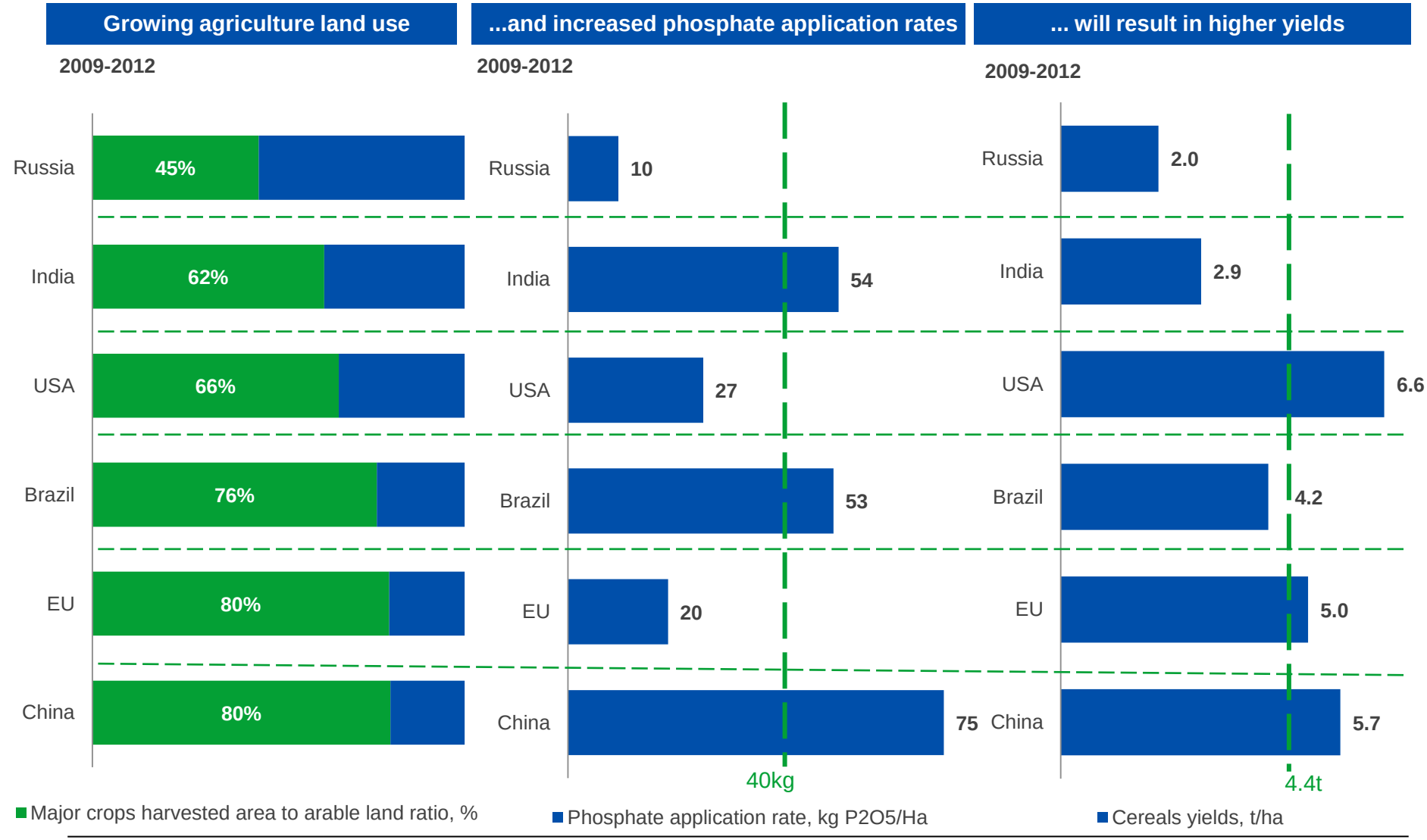
Country	Russia	China	India	Brazil	USA
Employment in agriculture, % of total	**10**	35	47	15	2
Rural population, mn	**38**	636	852	30	59
Rural population, % of total	**26%**	47%	68%	15%	19%
Total population, mn	**142**	1,375	1,241	197	312
Farm Holdings, mn	**23**	201	138	5	2.2
Value added in agriculture, % of GDP	**4**	10	18	6	< 1
Arable land per capita, ha	**0.8**	0.1	0.1	0.4	0.5
Water resources per capita, '000 m^3/cap	**31.5**	2.1	1.6	42.2	9.9
P_2O_5 consumption, mn t	0.4	16.7	6.7	4.3	4.0
P_2O_5 consumption, % of world total	1%	36%	15%	9%	9%

Comment

- Russia accounted for 2% of world phosphate rock resources and just 1% of world P_2O_5 consumption
- Ample resources provide a good base for ag production growth

Source: World bank, IFA, FAO, CRU
Note:(1) data provided for 2012, unless otherwise stated

Russia: potential for significant ag production growth



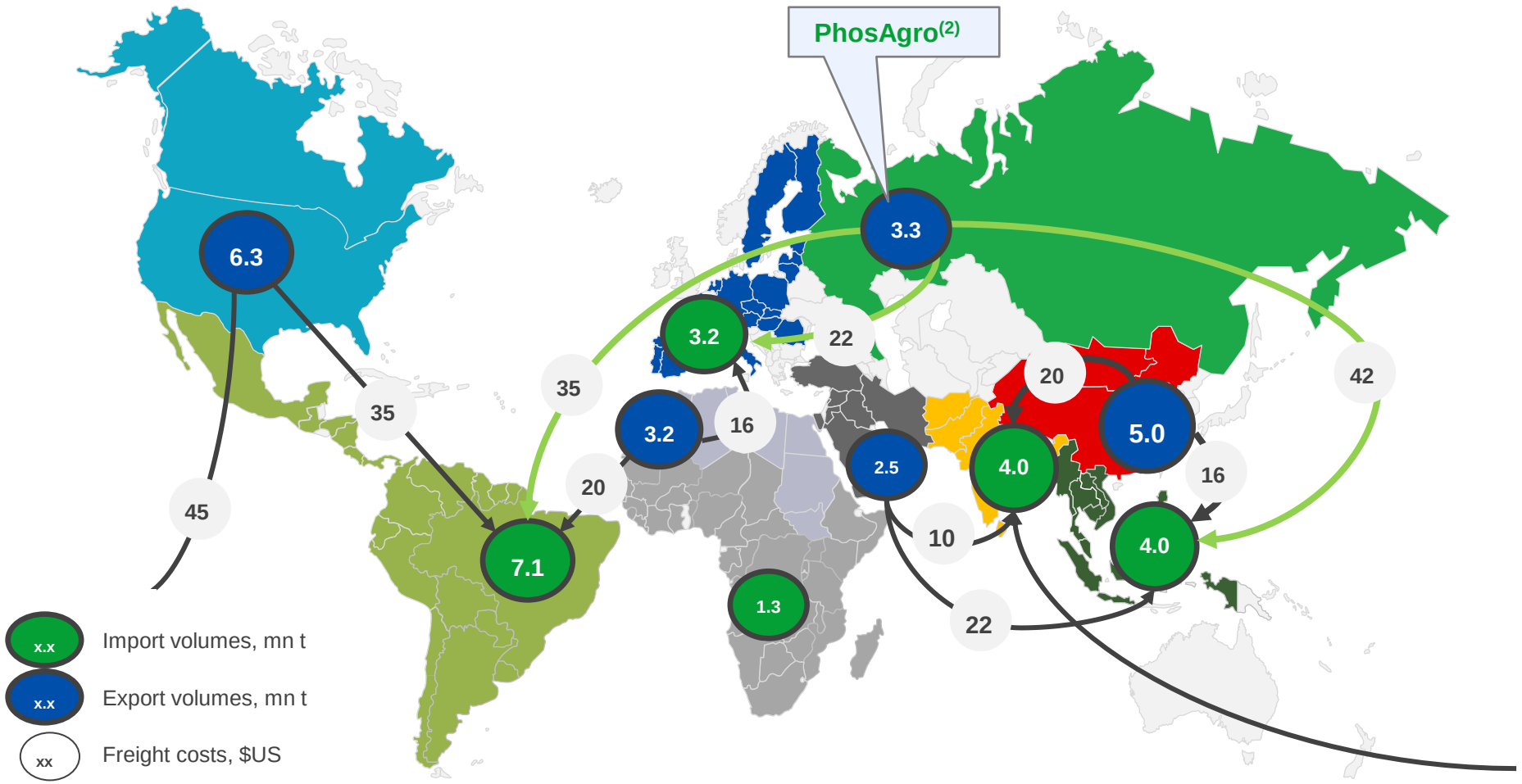
Source: FAO, Integer

Sales focus and Industry developments

PHOSAGRO

2013 Primary phosphate(1) trade flows

World DAP/MAP trade: 21.3 mn t

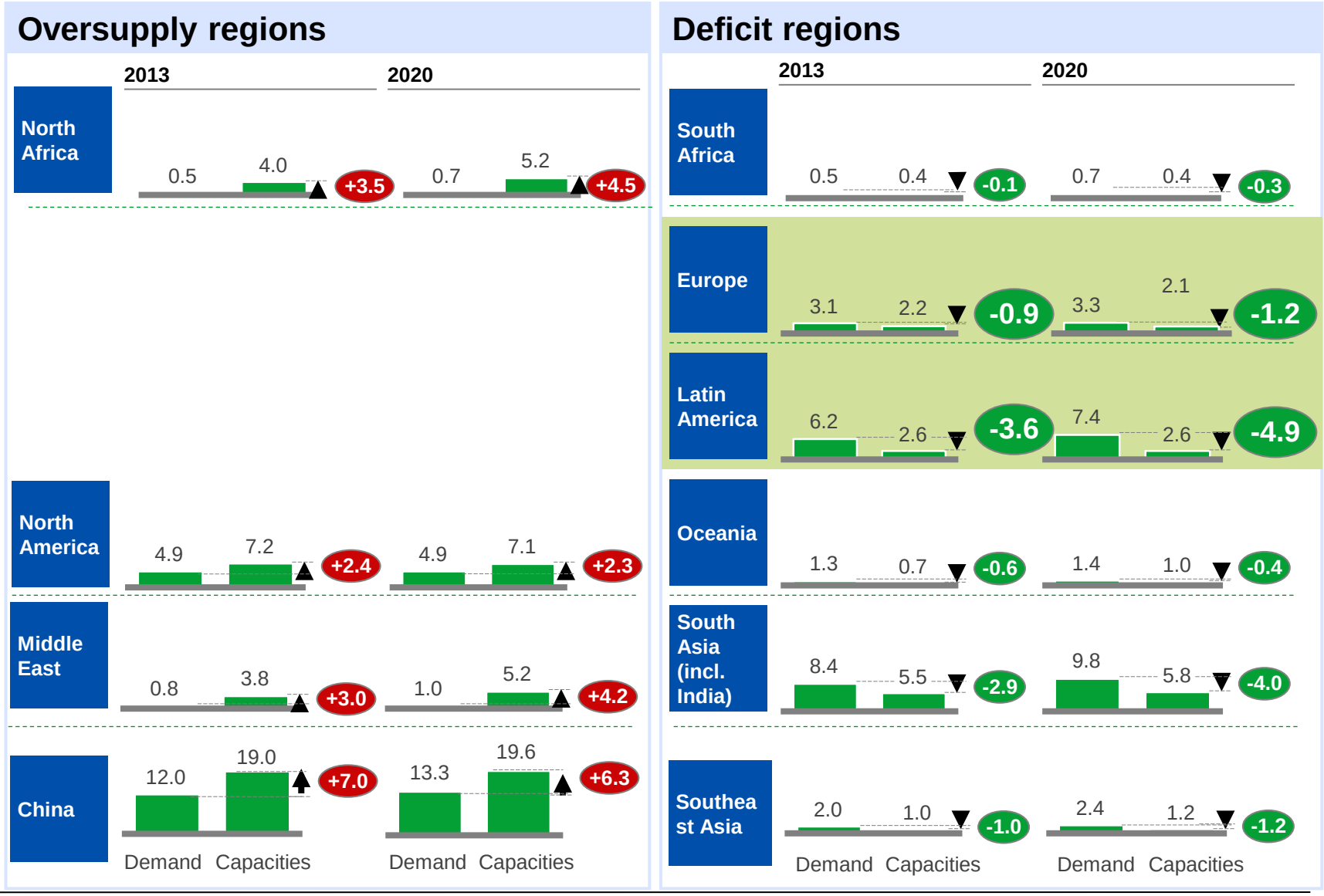


Source: IFA, CRU, USITC, CFMW, PhosAgro estimate
Note: (1) - DAP/MAP/NPK/NPKS
(2) – PhosAgro sales volumes

P_2O_5 : No changes in regional deficits by 2020

mn t P_2O_5

Supply – demand balance

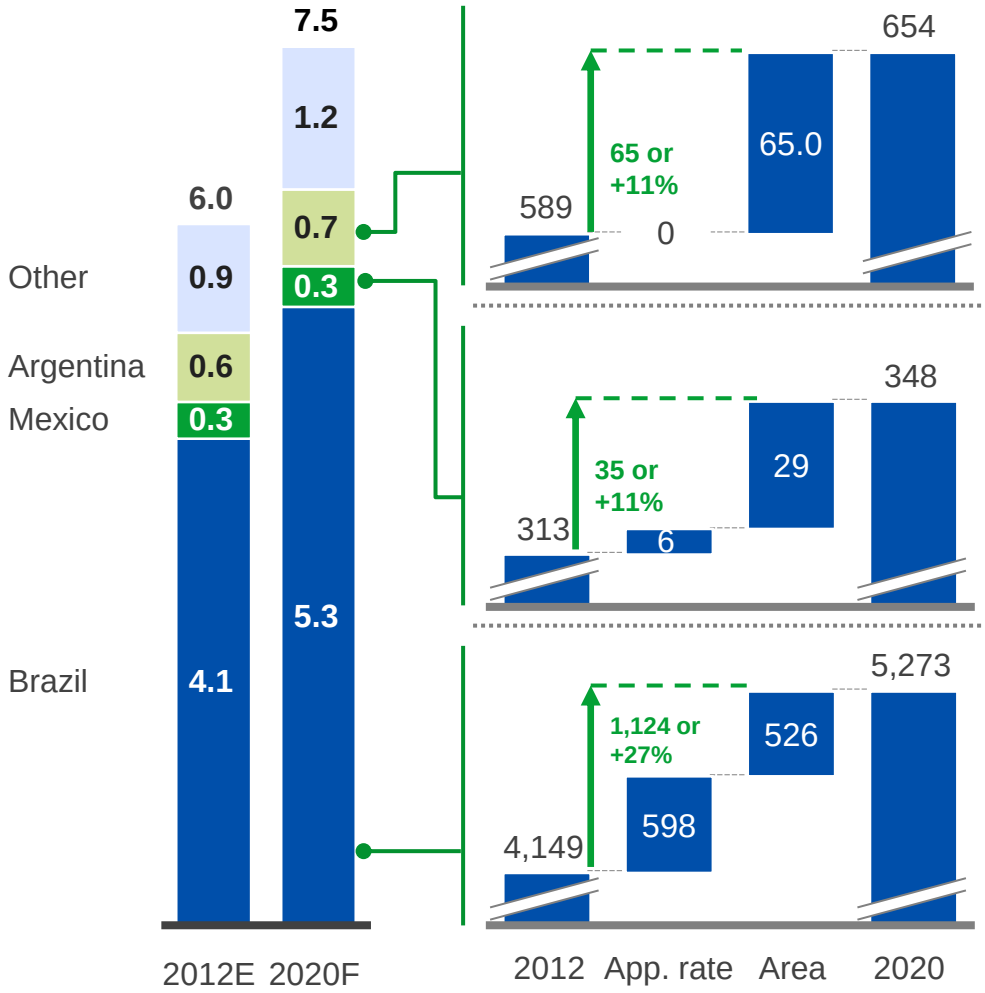


Source: IFA; McKinsey demand model; work group analysis

Key drivers of P_2O_5 demand growth in Latin America

Demand growth by country

mn t



kt

CAGR '12-'20

Percent

1.3%

1.3%

3.0%

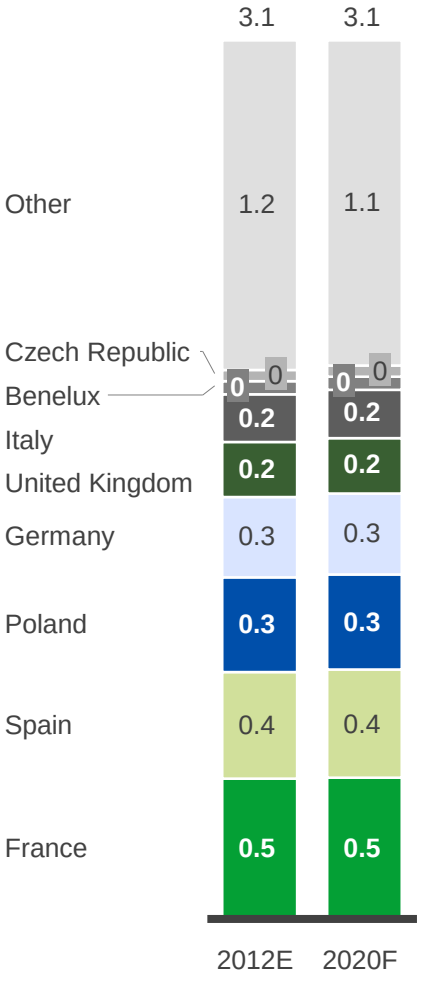
Key drivers

- Main driver – increase in soybean area harvested
- Main driver – increase in area harvested for wheat
- Main driver - increase in area harvested for soybeans
- Secondary driver – increase in P_2O_5 application rate

Source: McKinsey Fertilizer Demand Model

Key drivers of P_2O_5 demand growth in Europe

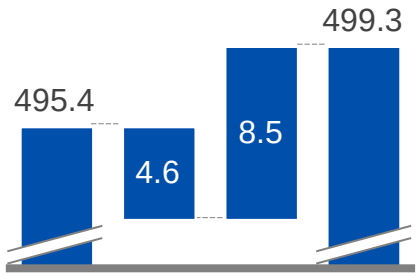
Demand growth structure
mn t



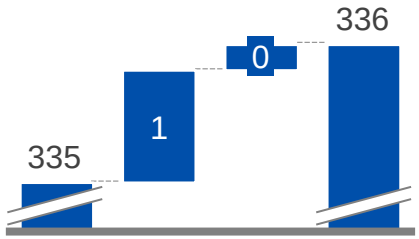
Demand growth
kt

CAGR '12-'20
Percent

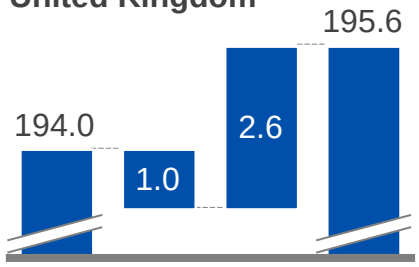
France



Poland



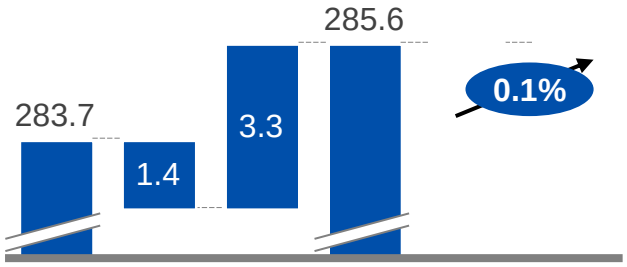
United Kingdom



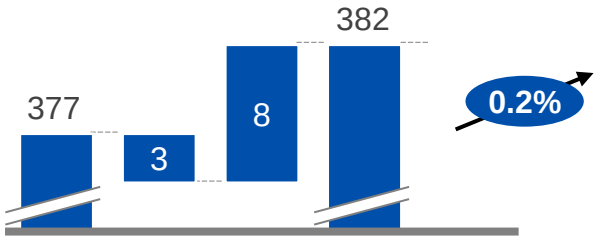
Demand growth
kt

CAGR '12-'20
Percent

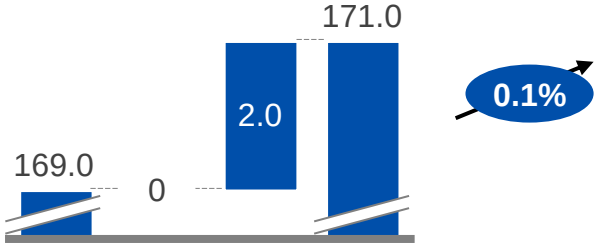
Germany



Spain



Italy

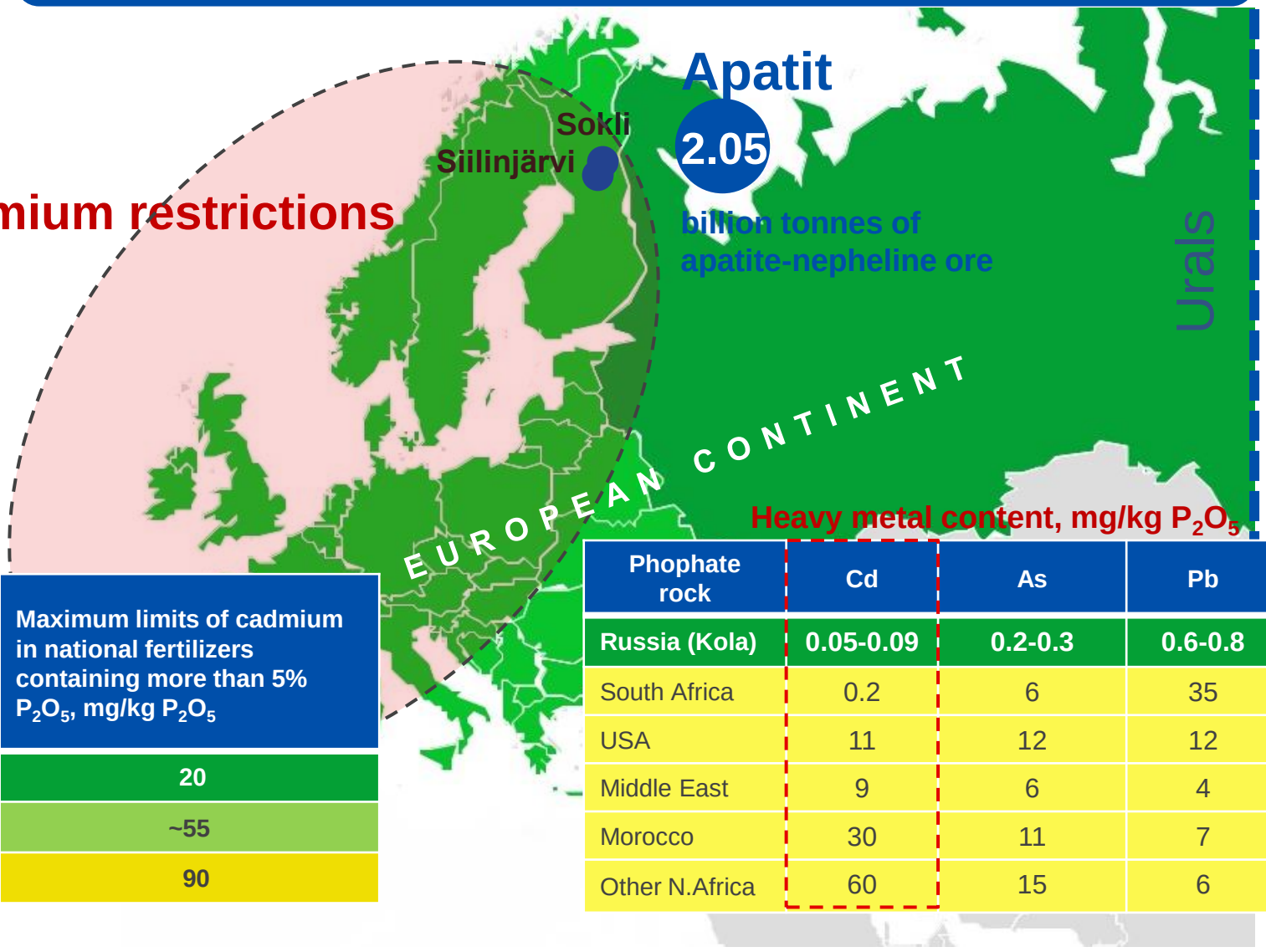


2012 App. rate Area 2020

2012 App. rate Area 2020

Source: McKinsey Fertilizer Demand Model

Priorities: trade restrictions vs. health



European countries grouped by allowable cadmium level	Maximum limits of cadmium in national fertilizers containing more than 5% P_2O_5, mg/kg P_2O_5
Strict limits	20
Medium limits	~55
Mild limits	90

Heavy metal content, mg/kg P_2O_5

Phophate rock	Cd	As	Pb
Russia (Kola)	0.05-0.09	0.2-0.3	0.6-0.8
South Africa	0.2	6	35
USA	11	12	12
Middle East	9	6	4
Morocco	30	11	7
Other N.Africa	60	15	6

Source: European Council, National Fertilizer and Environmental Research Center, Tennessee Valley; TUV

New sales model to improve premium market access

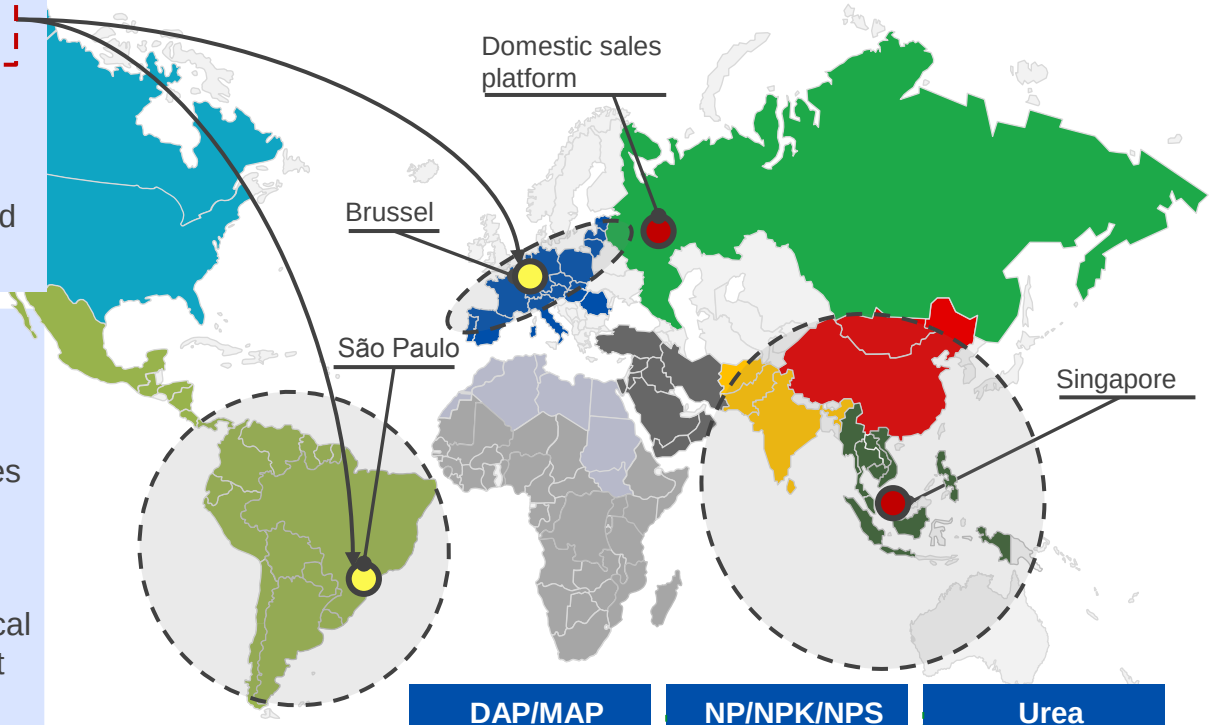
Our new sales strategy

Roadmap

- Set up local sales offices in São Paulo and Brussels
  - sales office in São Paulo will cover Latin America markets
  - sales office in Brussels will cover Northern and Eastern Europe and potentially Southern Europe

Rationale

- ⊕ High probability of selling entire market volume
- ⊕ Building a deep understanding of end buyers and market tendencies
- ⊕ Ability to promote PhosAgro products (without cadmium, ammonium NPK)
- ⊖ Necessity of finding and hiring local managers with a developed client base



Sales volumes, kt	DAP/MAP 2013	DAP/MAP 2020	NP/NPK/NPS 2013	NP/NPK/NPS 2020	Urea 2013	Urea 2020
Latin America	500	+250	210	+110	200	+270
Northern and Eastern Europe	480	-80	270	+670	70	+330

New sale offices

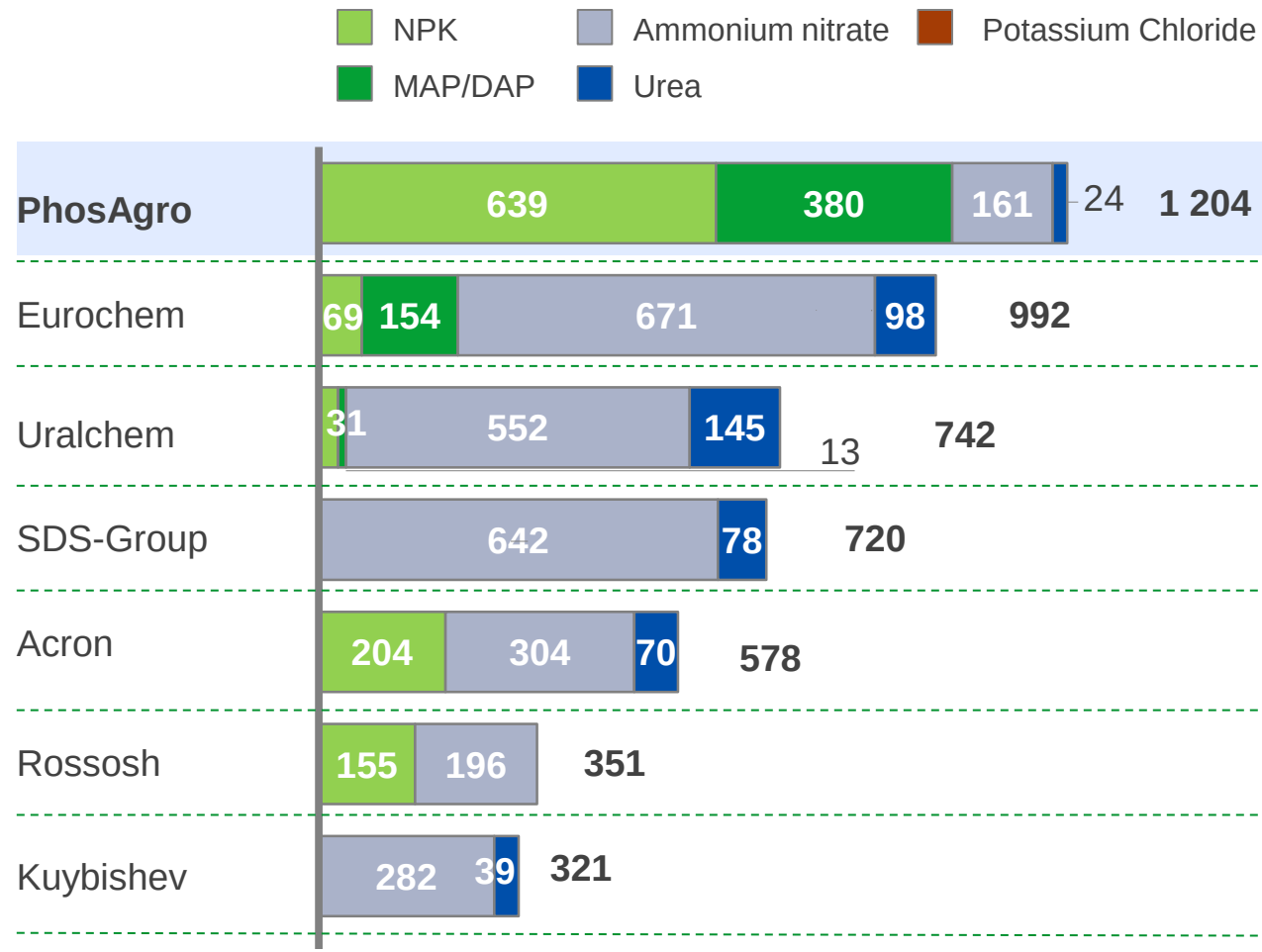
Existing sale offices

Source: PhosAgro

PhosAgro became the #1 overall supplier of fertilizers to the Russian market in 2013, and continues to grow its market share

Fertilizers sales in Russia, 9M2014

kt



Market share

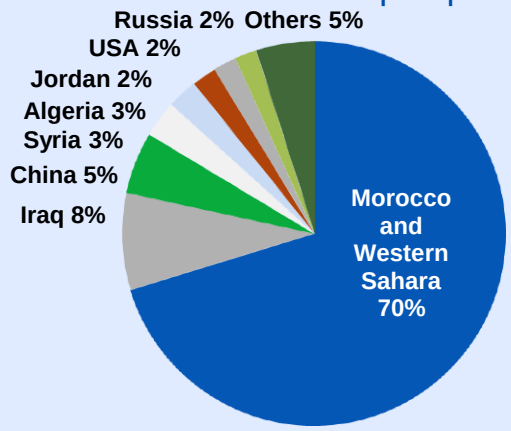
Percent

	9M2014	2013	2012
PhosAgro	22	18	15
Eurochem	18	17	17
Uralchem	13	12	16
SDS-Group	13	14	14
Acron	10	15	13
Rossosh	6	6	8
Kuybishev	6	7	6

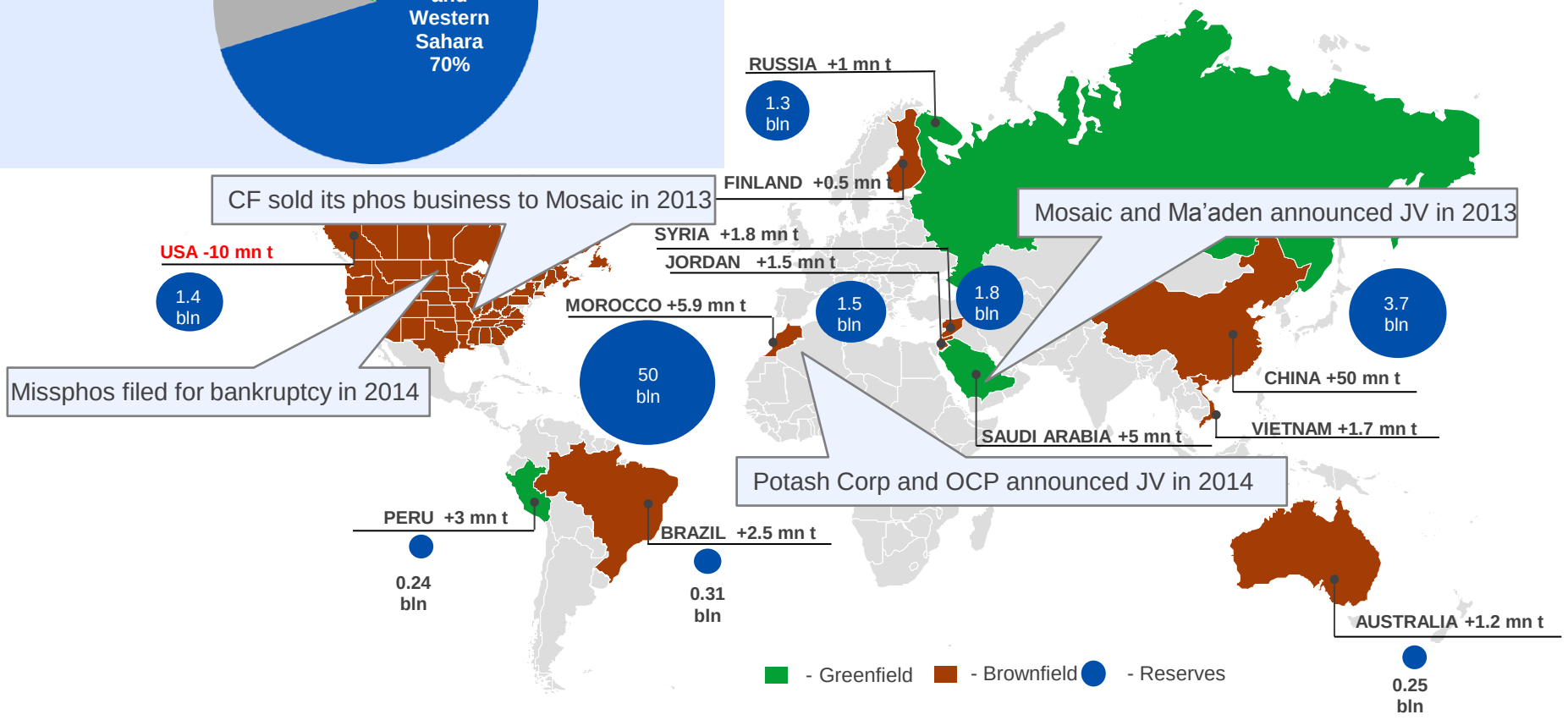
Source: RAPU – Russian association of fertilizer producers

Recent industry developments

Morocco controls most of world phosphate ore reserves



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



CF sold its phos business to Mosaic in 2013

Mosaic and Ma'aden announced JV in 2013

Missphos filed for bankruptcy in 2014

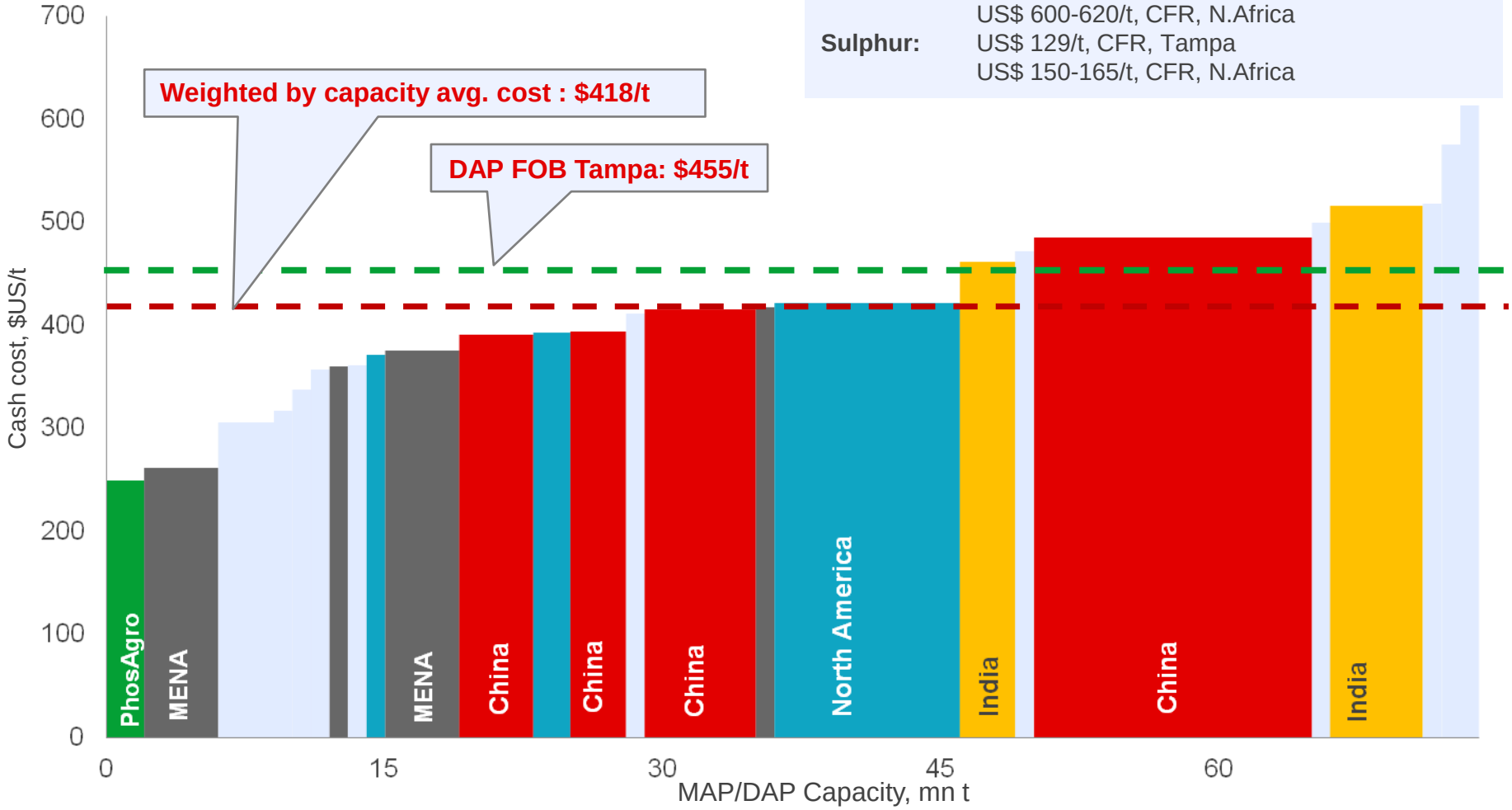
Potash Corp and OCP announced JV in 2014

Source: CRU, USGS

Estimated MAP/DAP business cash cost curve $US/t FOB(1) Morocco

Estimated with feedstock prices set forth below:

Ammonia:	US$ 655/t, CFR, Tampa
	US$ 600-620/t, CFR, N.Africa
Sulphur:	US$ 129/t, CFR, Tampa
	US$ 150-165/t, CFR, N.Africa



Source: PhosAgro estimates, CRU, Fertecon, Integer, Argus-FMB, PhosAgro

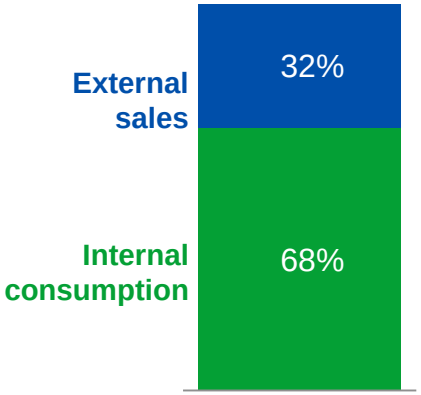
Note: (1) MAP/DAP business cash cost est. are based on feedstock prices in Q4 2014, on site's specific location relative to FOB Morocco and its product nutrient content relative to DAP USD/RUB exchange rate of RUB 45 applied for calculation MAP/DAP business cash cost

Strategy for fertilizer volume growth

Where we are in 2014

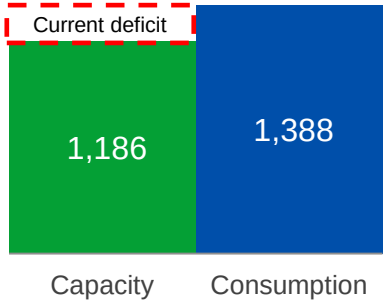
Phosphate rock

Total: 7.5 mn t

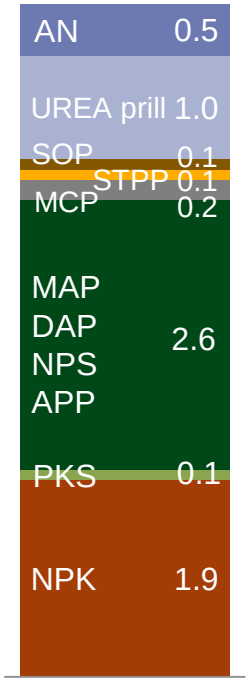


Ammonia

kt

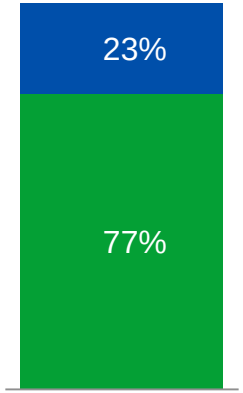


Overall 6.5 mn t

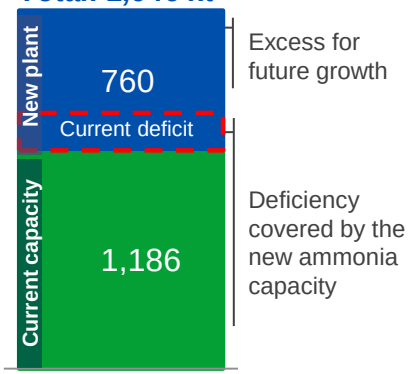


Where we are headed (2017-2020)

Total: 7.1 mn t



Total: 1,946 kt

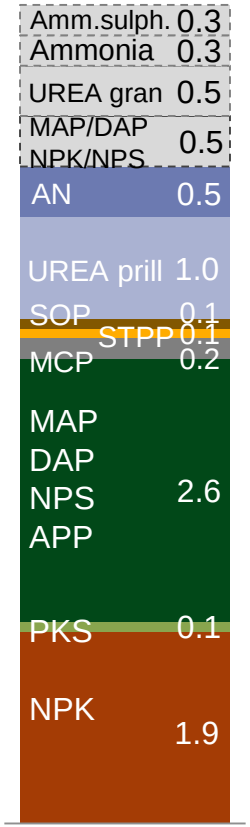


Excess for future growth

Deficiency covered by the new ammonia capacity

+25%

Overall 8.1 mn t



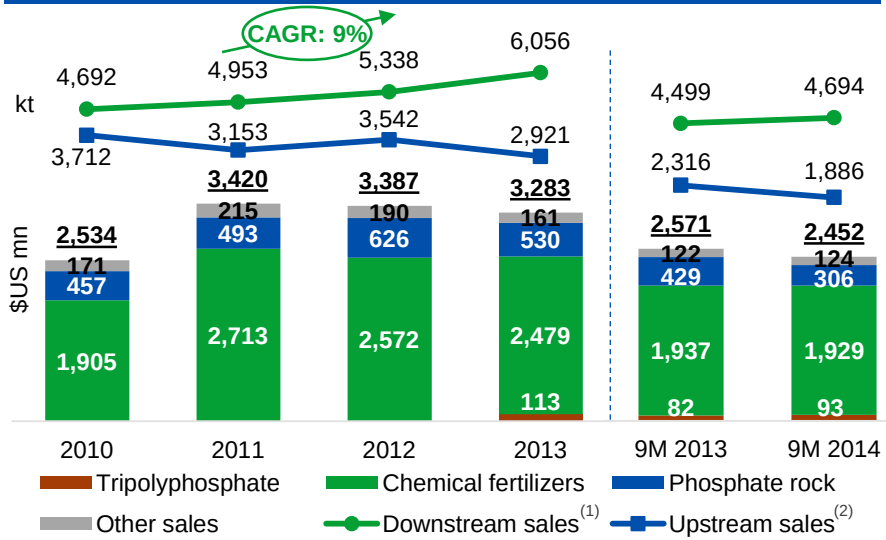
Source: PhosAgro

Financial performance: Strong balance sheet

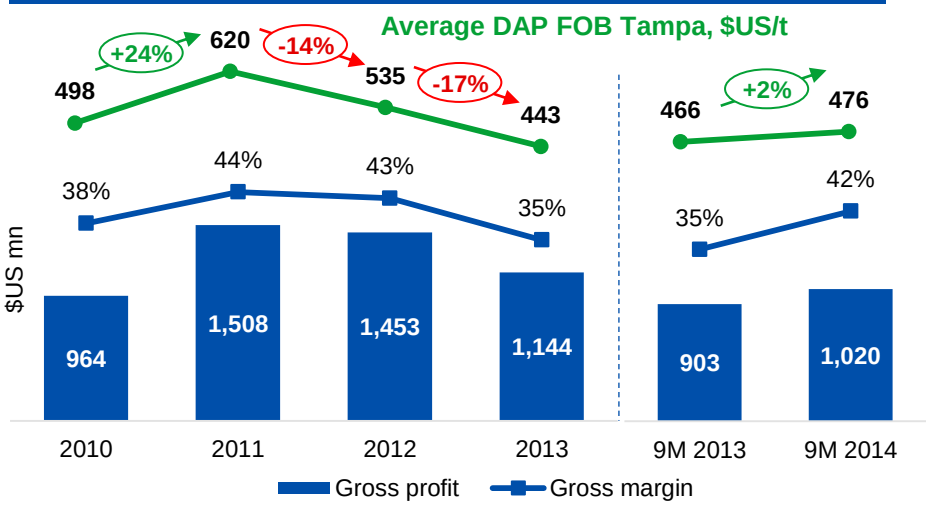
PHOSAGRO

Revenue, EBITDA, gross profit and net profit

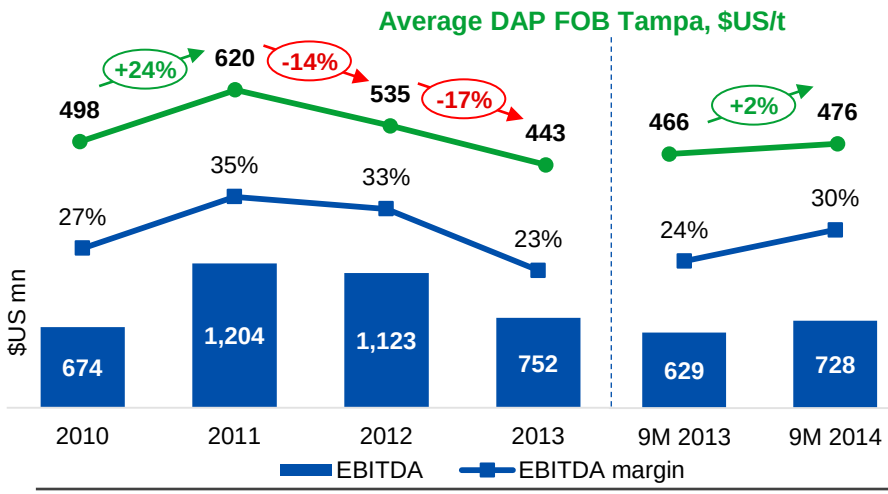
Revenue



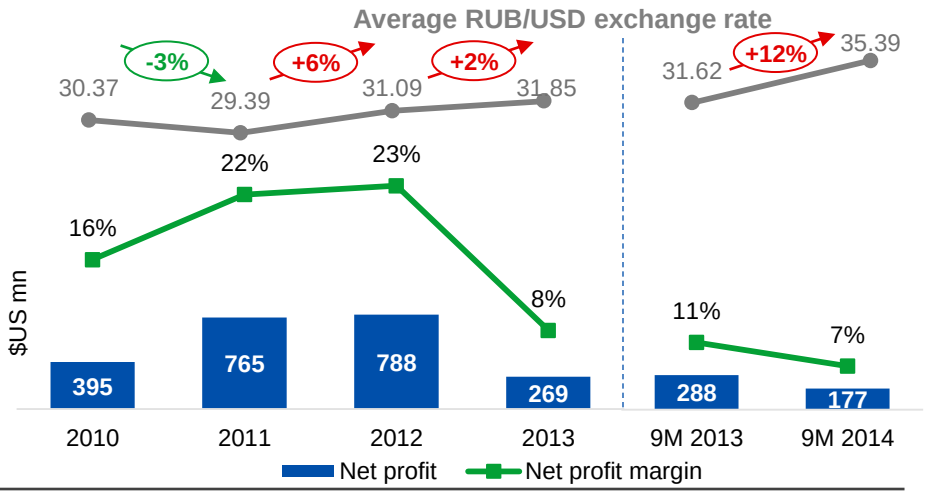
Gross profit



EBITDA



Net Profit



Note: Applied average USD/RUB exchange rates: 30.37 (2010), 29.39 (2011); 31.09 (2012); 31.85 (2013); 31.62 (9M 2013); 35.39 (9M 2014)

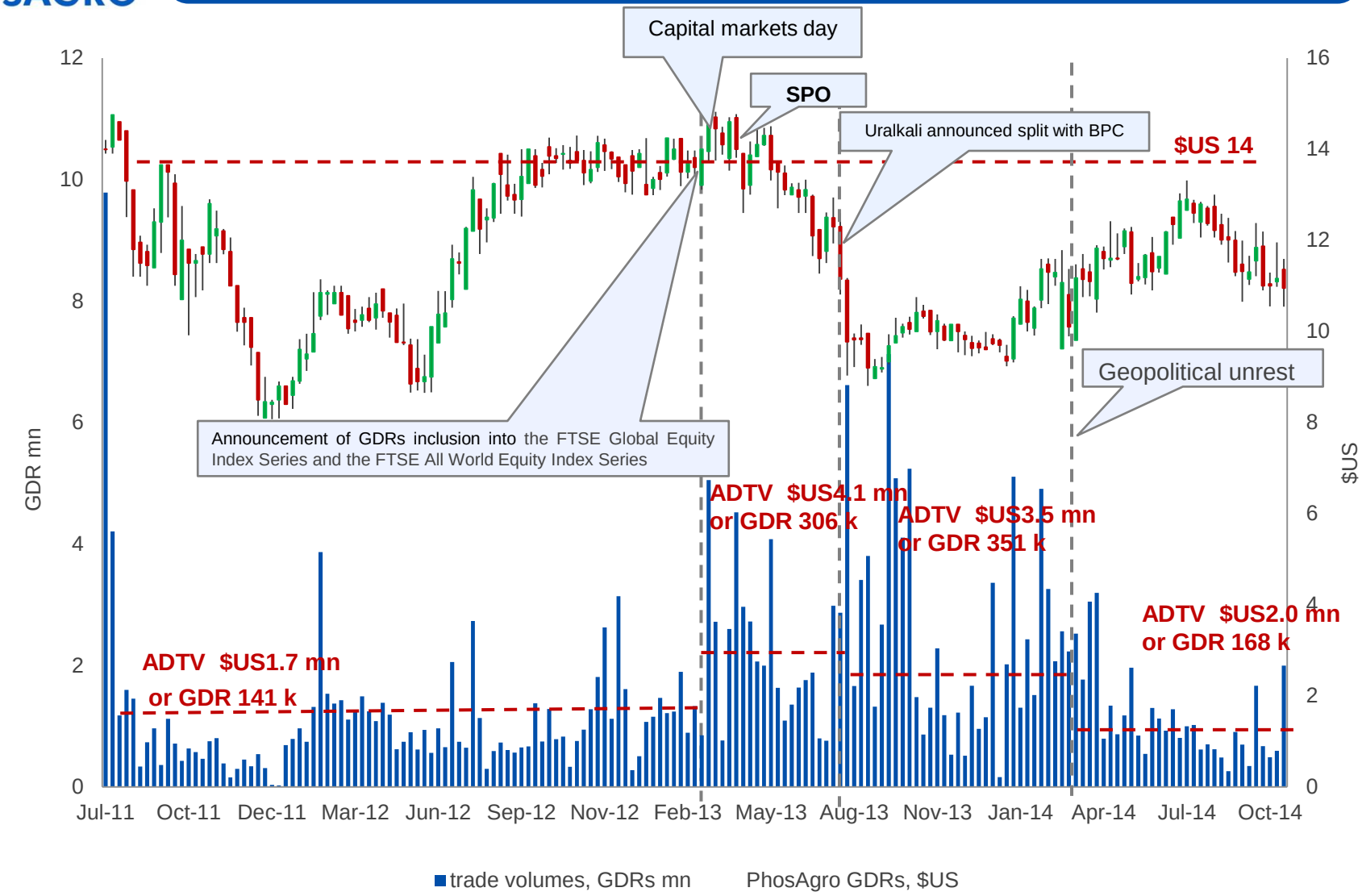
(1) Phosphate-based fertilizers, MCP, STPP and nitrogen fertilizers

(2) Phosphate rock

Stock/GDR performance

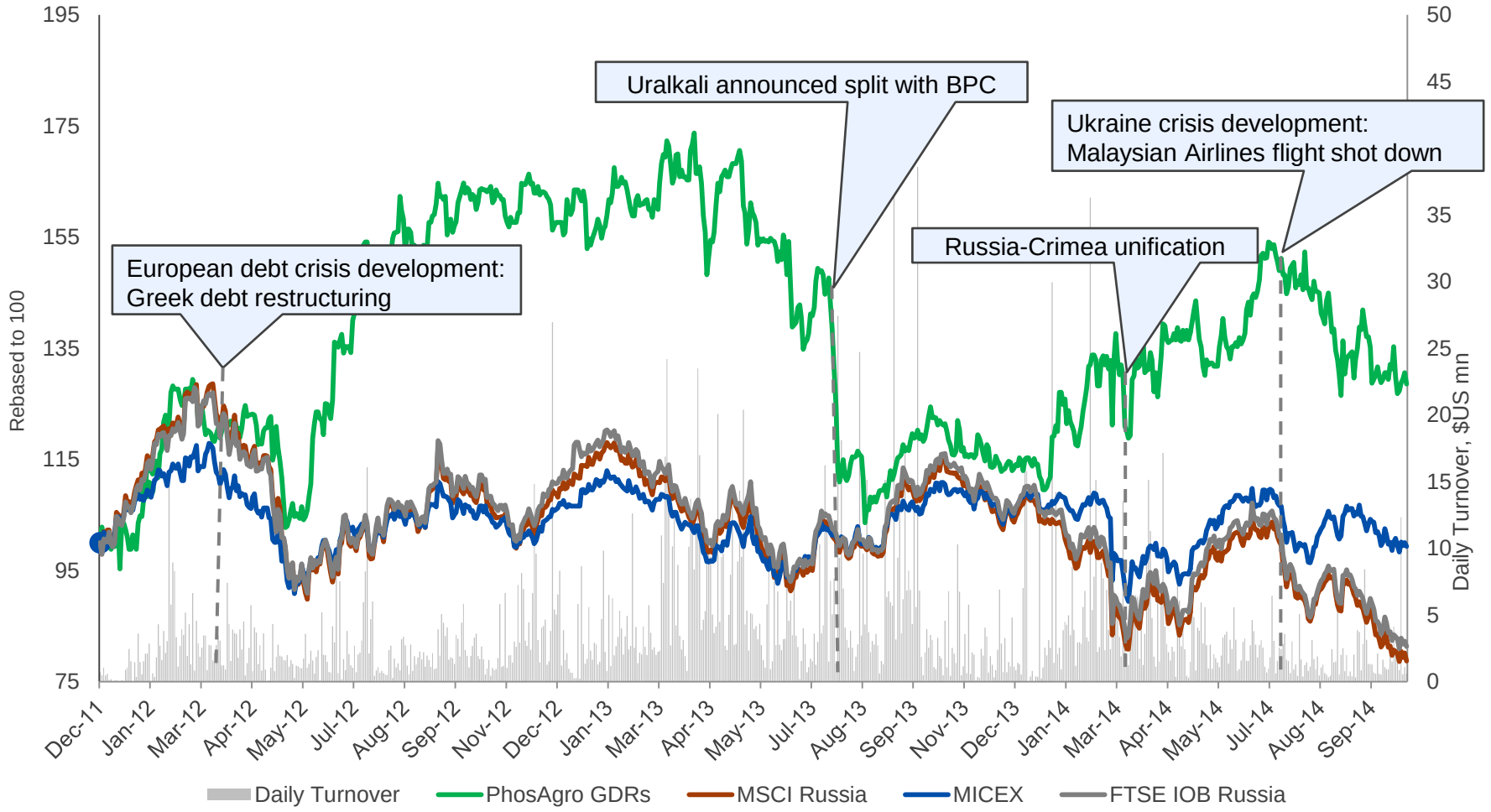
PHOSAGRO

PhosAgro GDR performance



Source: Bloomberg (as of October 21, 2014)

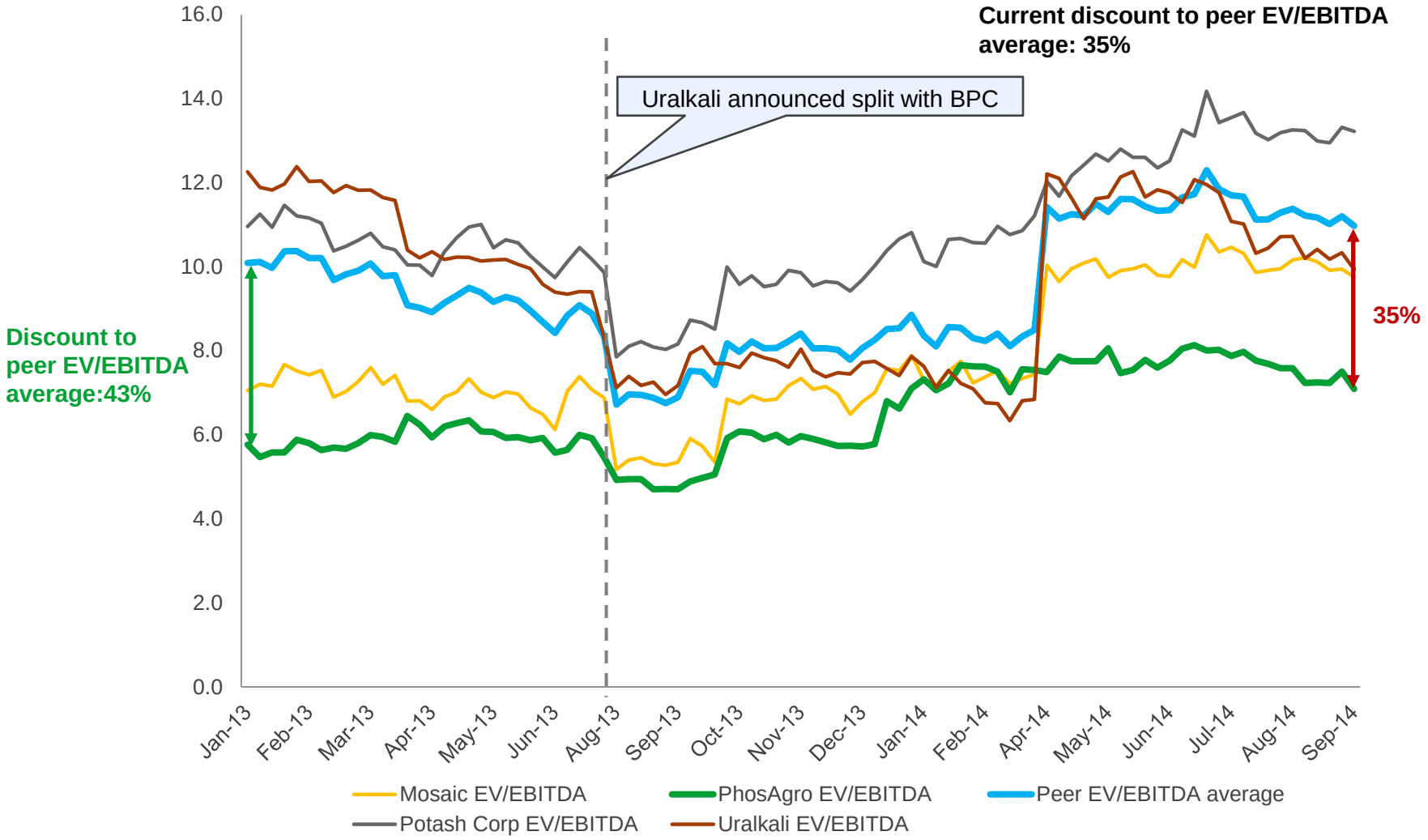
Global political and economic instability



% Performance	PhosAgro	FTSE IOB Russia	MSCI Russia	MICEX
Since Russia-Crimea unification	7.8%	(5.4%)	(6.3%)	7.0%
1 month	(6.2%)	(6.8%)	(8.1%)	(2.7%)
1 week	1.4%	(1.7%)	(1.6%)	(0.1%)

Source: Bloomberg (data as of 21 October 2014), PhosAgro analysis

EV/EBITDA performance relative to peers

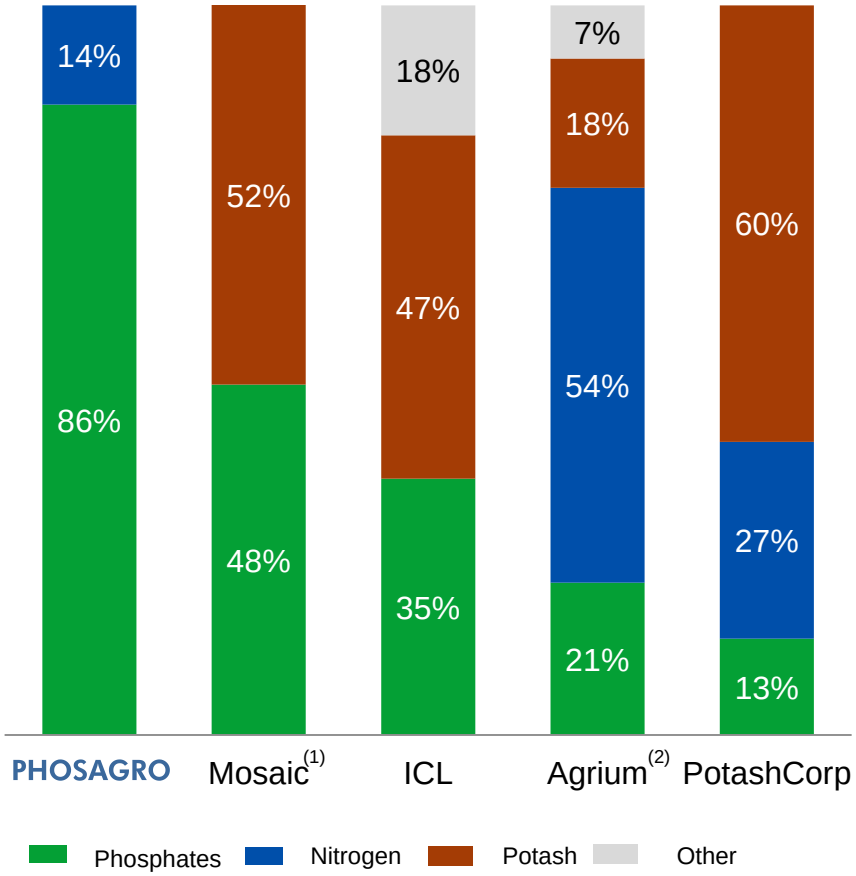


Source: Bloomberg (data as of 30 Sep 2014), PhosAgro analysis

PhosAgro: the only pure play phosphates producer

Gross profit breakdown by segment

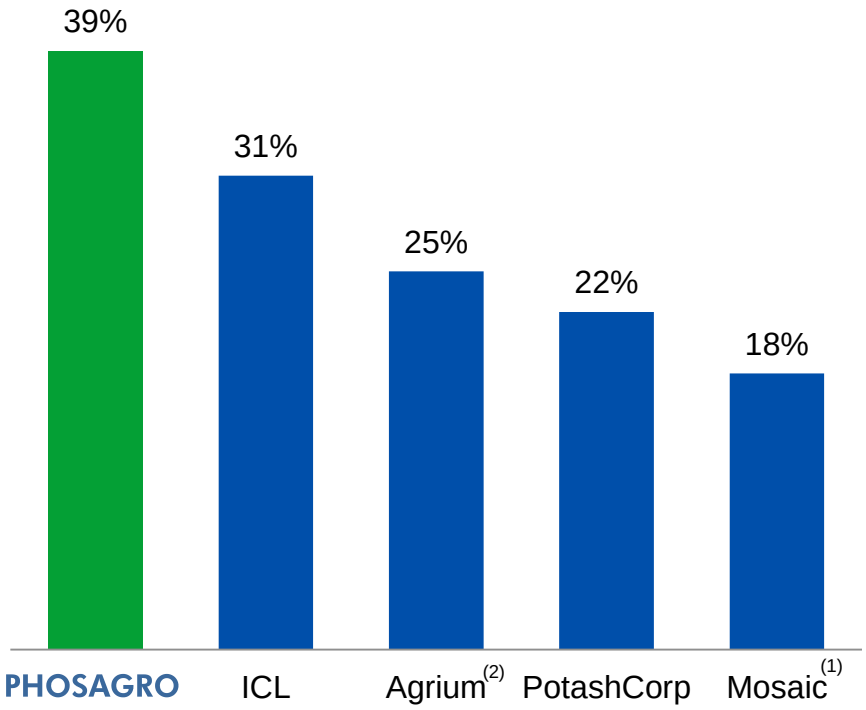
Average gross profit breakdown by segment for 2011-2013



Source: Companies' reports
Note: (1) Calendarised
(2) Excluding resale, retail and advanced technologies

Phosphate segment gross profit margin

Average gross profit margin of phosphate segment for 2011-2013

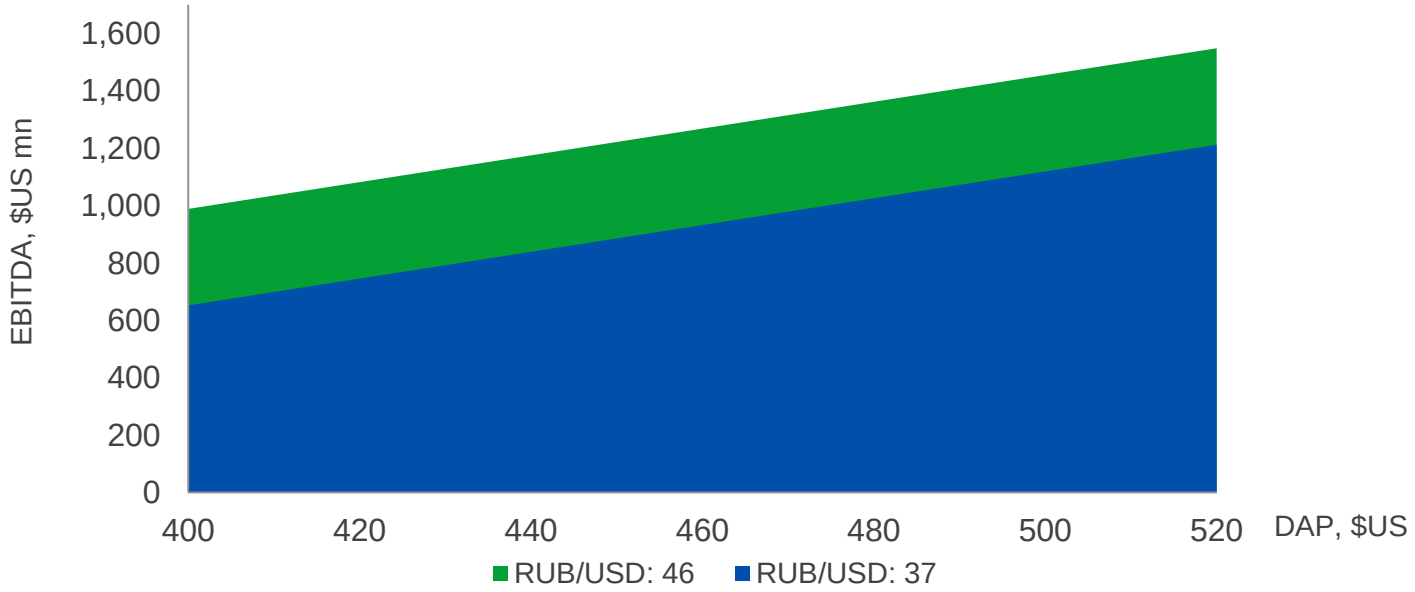


Source: Companies' reports
Note: (1) Calendarised
(2) Wholesale

Appendix

PHOSAGRO

RUB devaluation: EBITDA sensitivity(1)



in mln USD		2014E DAP FOB Baltic price, $/tonne						
		400	420	440	460	480	500	520
RUB/USD exchange rate	37	652	746	839	932	1,026	1,119	1,212
	39	740	834	927	1,020	1,114	1,207	1,300
	41	820	913	1,007	1,100	1,193	1,287	1,380
	43	892	985	1,079	1,172	1,265	1,359	1,452
	45	958	1,051	1,145	1,238	1,331	1,425	1,518
	46	989	1,082	1,175	1,269	1,362	1,455	1,549

Current market conditions

Source: PhosAgro
Note: (1) EBITDA estimations are based on average Y2014 feedstock prices (ammonia, sulphur and potash)

Dividend history

Dividends

Post-IPO dividends	per share, RUB	per GDR, RUB	per GDR, US$
2011 April-December	**57.50**	**19.17**	**0.61**
2012	**82.90**	**27.63**	**0.88**
2013	**34.75**	**11.58**	**0.35**
1H2014	**25.00**	**8.30**	**0.23**
9M2014 recommended	20.00	6.67	0,17

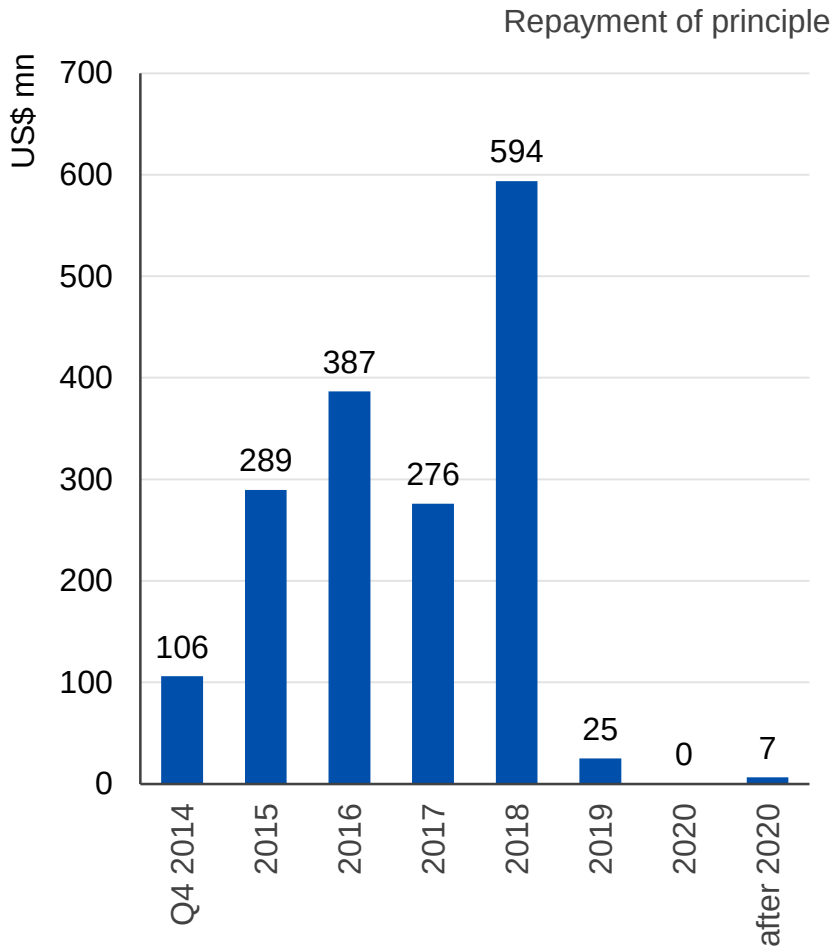
Total paid

Post-IPO dividends paid	Dividends, RUB bln	Net profit attributable to PhosAgro shareholders, RUB bln	Payout ratio, %
2011 (April-December)	7.2	14.6	49%
2012	10.4	21.3	49%
2013	4.5	7.6	59%
1H2014	3.2	7.9	41%
Total	**25.3**	**51.4**	**49%**

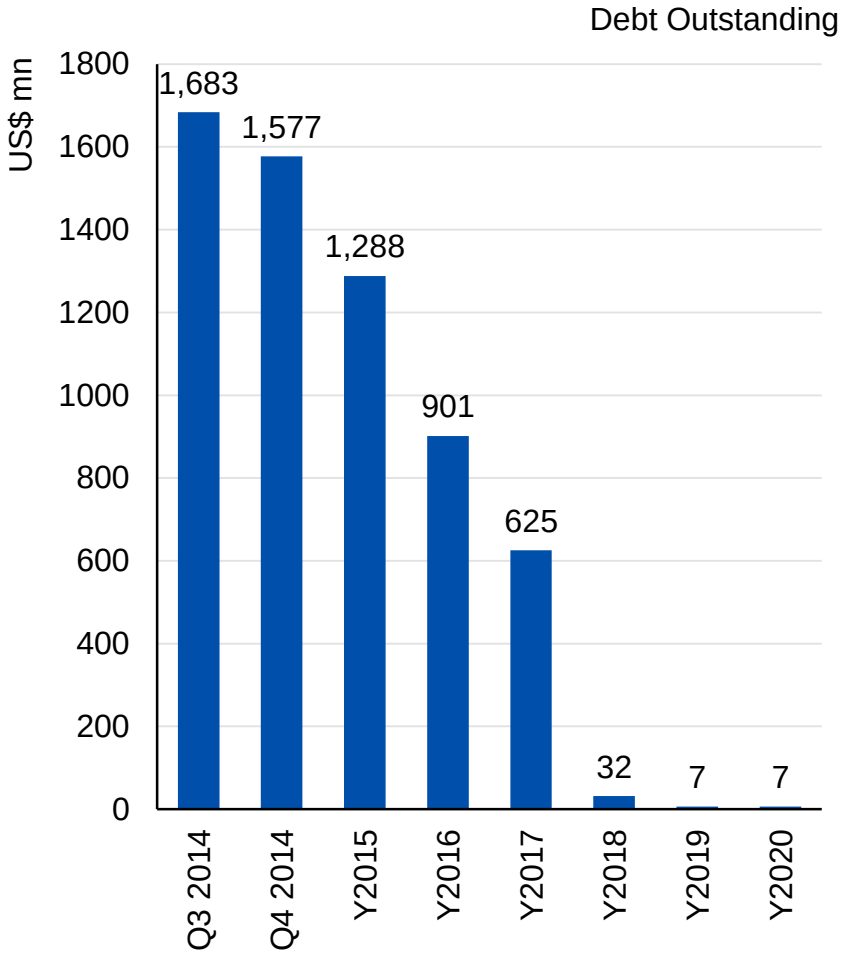
Source: PhosAgro
Note: (*) - for 9M2014 recommended dividends per share applied USD/RUB exchange rate: 39.39

Debt Maturity Profile(1)

Payment Schedule



Debt Repayment Plan/ Outstanding Debt



Source: PhosAgro

Note: (1) maturity profile as of August 21, 2014
applied USD/RUB exchange rate : 36.22

High quality production assets

Apatit

Resources[1]

Apatite-nepheline ore: 2 060 mt

Al_2O_3: 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 – P_2O_5 content of 39%
  - Superior grade – P_2O_5 content of 40%
- Lowest hazardous element content among the major phosphate rock producing regions; benefits from low levels of radioactivity

Balakovo Mineral fertilizers (BMF)

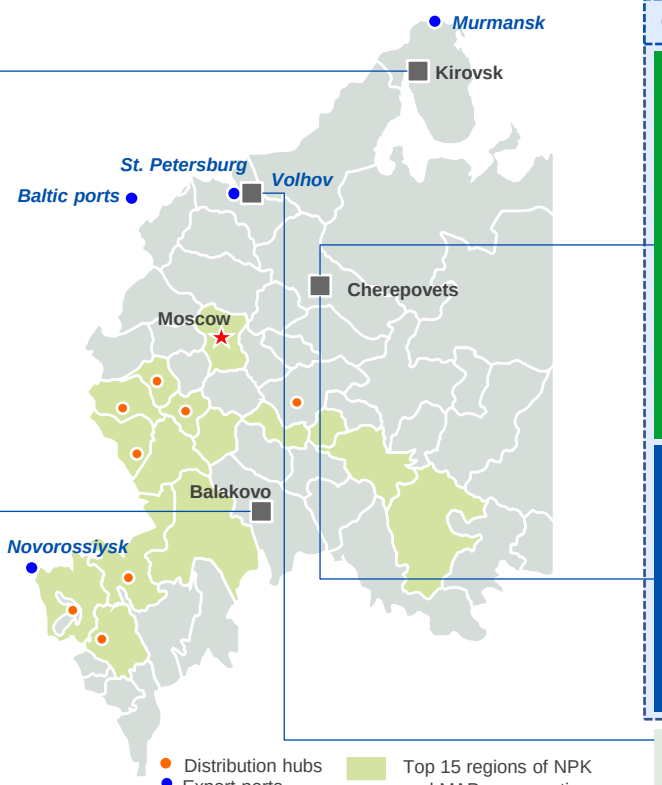
Capacity by product

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 around 7,000 rail cars, of which the majority are mineral hoppers

PhosAgro-Region (Domestic distribution)

- Owns and operates eight distribution centres in Russia located in proximity to major agricultural regions of Russia (processed over 1.2mn tonnes in 2012, largest distributor in Russia)

Cherepovets production complex - largest in Europe

PhosAgro Cherepovets

Capacity by product

MAP/DAP/NPK/NPS: 3.1 mln t

Ammonia: 1,150 kt

AN/AN-based: 450 kt

Urea: 500 kt

APP: 140 kt

AlF_3: 24 kt

Highlights

- Largest standalone phosphate fertilizers 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 fertilizers in Russia

Agro-Cherepovets

Capacity by product

Urea: 480 kt

Highlights

- One of the most modern urea capacity in Russia

Metachem

Capacity by product

Sulphuric acid: 215 kt

Phosphoric acid: 80 kt of P_2O_5

Sulphate of potash (SOP): 80 kt

Sodium tripolyphosphate (STPP): 130 kt

Highlights

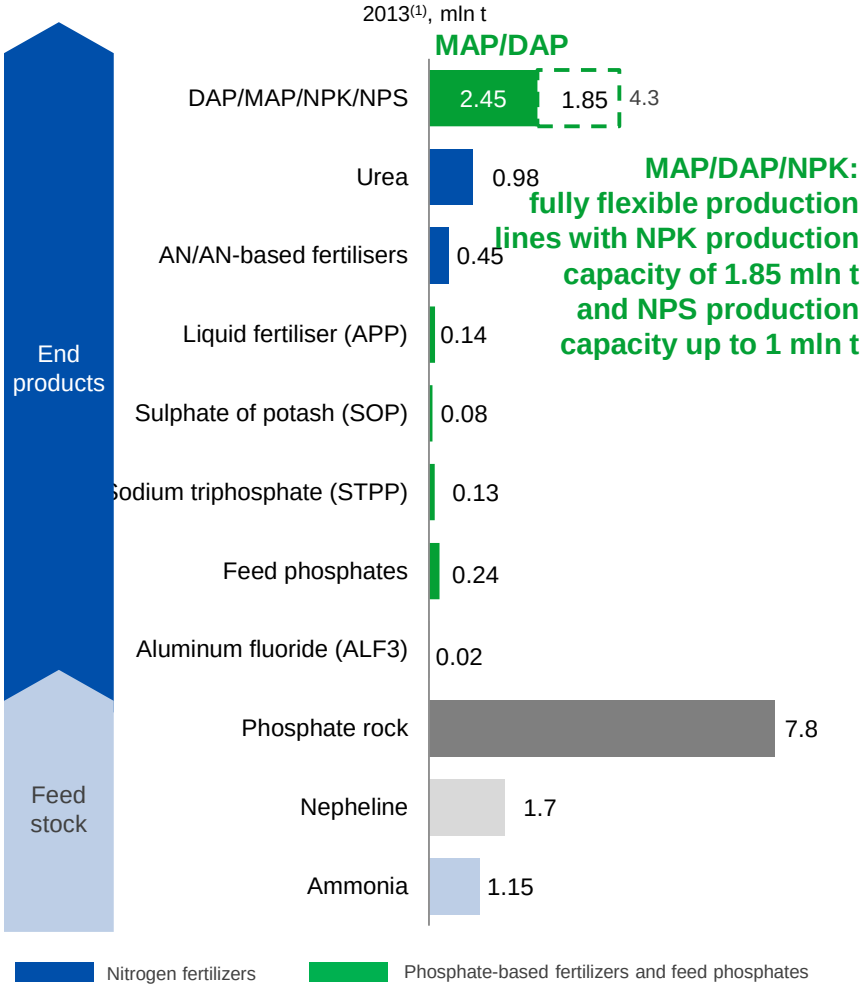
- Unique SOP granulating technology in Russia
- Close proximity to Saint-Petersburg sea port

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

Note: (1) Measured and indicated, PhosAgro, IMC, JORC report June 2011
(2) Rare earth oxides
(3) Defined as phosphate rock with P_2O_5 content over 35.7%

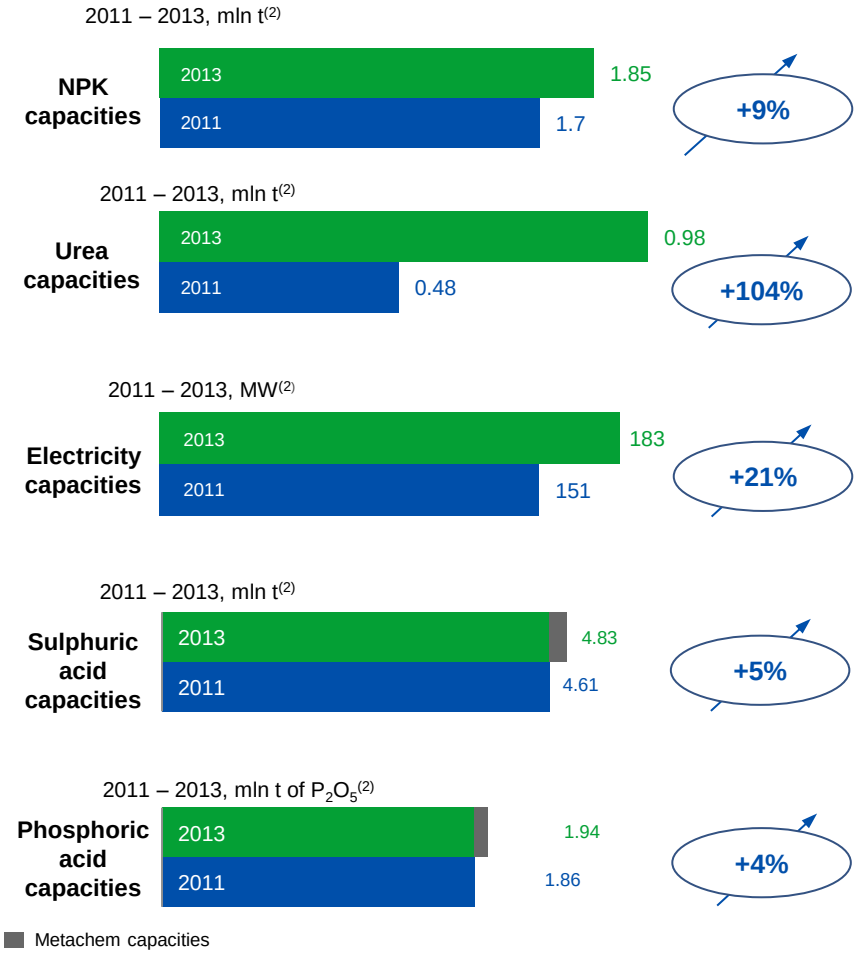
Flexible production capacity

PhosAgro production capacities



Source: PhosAgro

Capacity growth 2011-2013



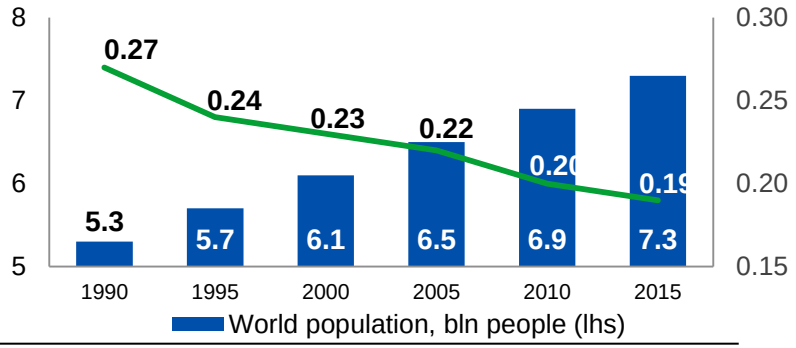
Source: PhosAgro

Note: (1) production capacities as of 31 December 2013
(2) as of 31 December 2011 and 31 December 2013

Strong demand fundamentals for fertilizers

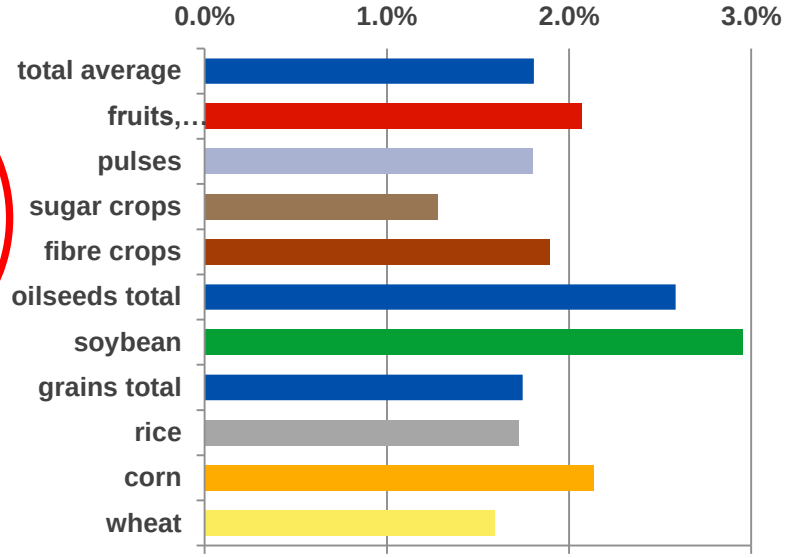
Fertilizers are widely under-applied and/or inefficiently applied in developing countries

Population growth and decrease of arable land per capita

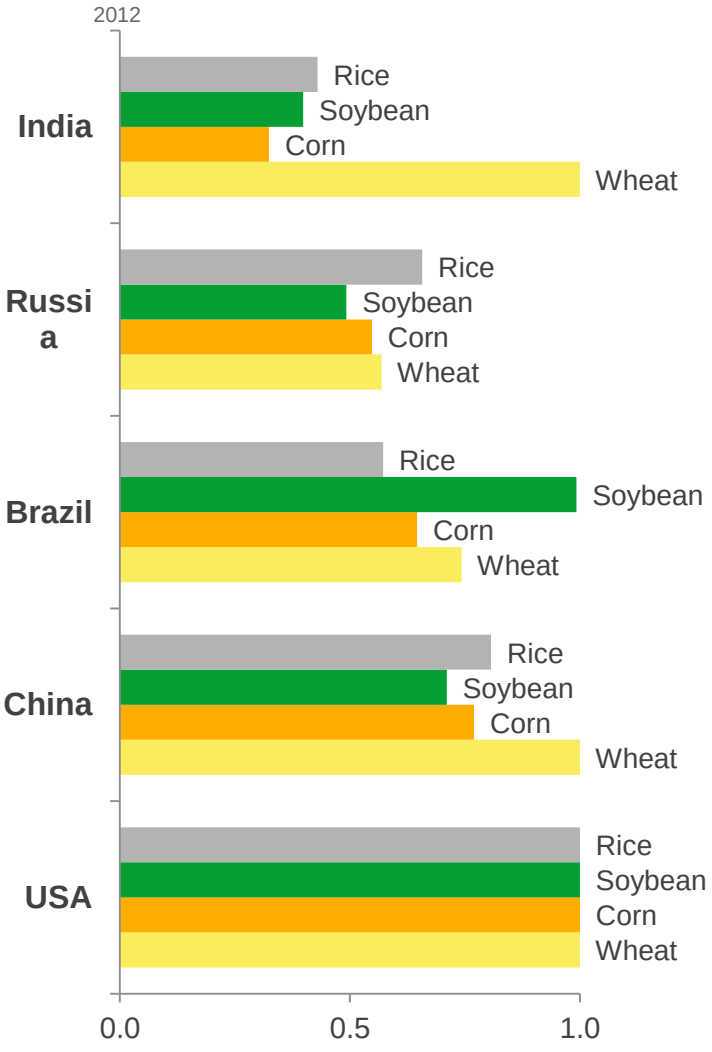


High growth rates for corn and seed oil crops, both major consumers of phosphate fertilizers

Projected Average Annual Growth of Agricultural Production 2012-2030



Yield Indexed to USA

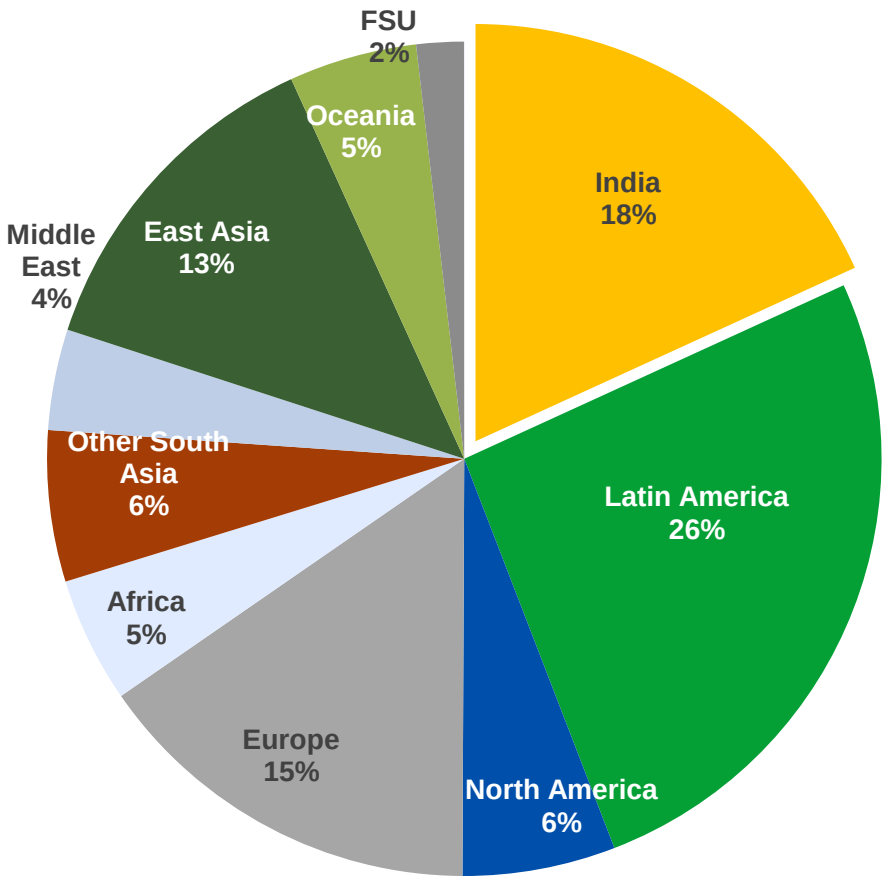


Source: United Nations, IMF, USDA, FAO

India depends on P_2O_5 imports

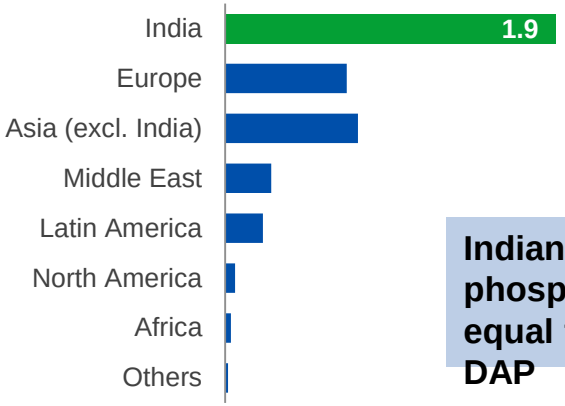
India is the major purchaser of DAP/MAP…

World DAP/MAP Imports : ~9.5 mln t of P_2O_5 per annum[1]



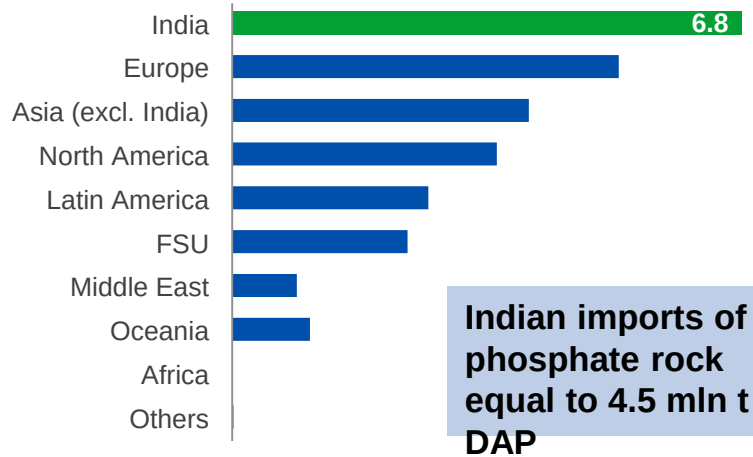
… and importer of feedstock for phosphates production

Global Phosphoric Acid Imports of 3.9 mln t P_2O_5



Indian imports of phosphoric acid equal to 4.1 mln t of DAP

Global Phosphate Rock Import of 26.3 mln t



Indian imports of phosphate rock equal to 4.5 mln t of DAP

Source: PhosAgro, FAI, IFA, Fertecon, Argus-FMB

Uncertain policy for nutrient subsidies in India decrease fertilizer imports and unbalance fertilization

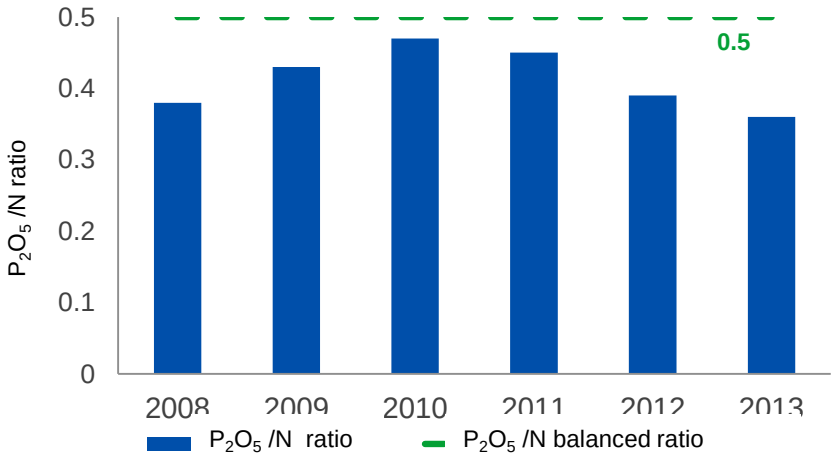
Evolution of N : P_2O_5 : K_2O ratio in India

	N	P_2O_5	K_2O
Balanced ratio	4.0	2.0	1.0
2010/11	4.3	2.0	1.0
2011/12	6.9	3.1	1.0
2012/13	7.7	3.0	1.0

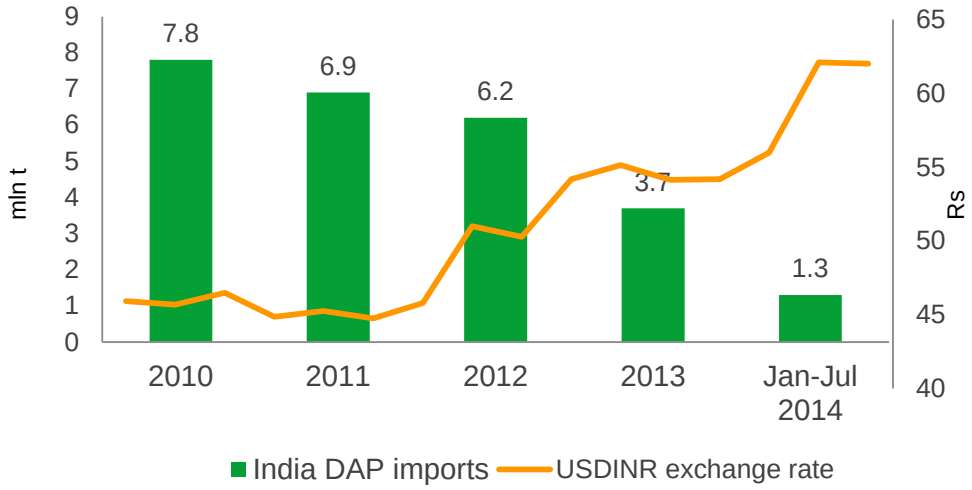
Nutrient Based Subsidy (NBS) Rates in India (Rs/kg nutrient)

	N	P_2O_5	K_2O
2011/12	27.153	32.338	26.756
2012/13	24.0	21.804	24.0
2013/14	20.875	18.679	18.833
2014/15	20.875	18.679	15.5
2014/2011 Change	-23%	-42%	-42%

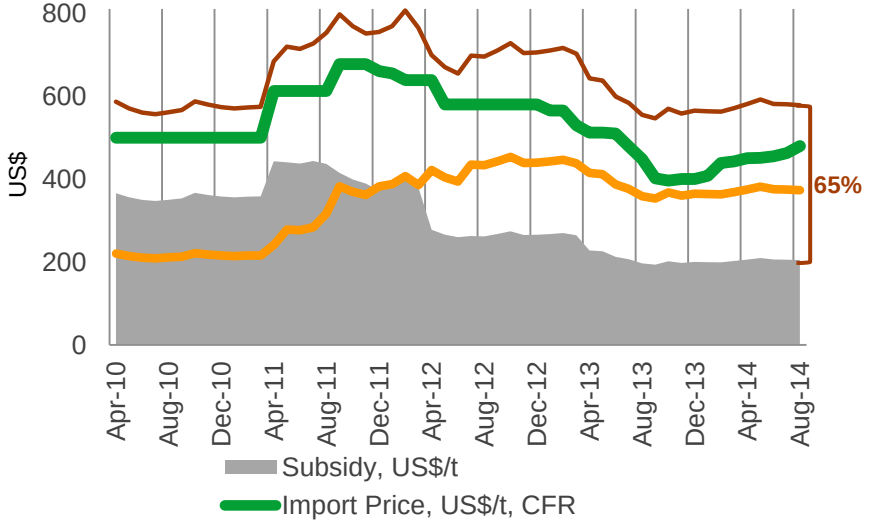
Unbalanced fertilization



India DAP imports and Rupee exchange rate



Indian domestic price is twice above the current subsidy level



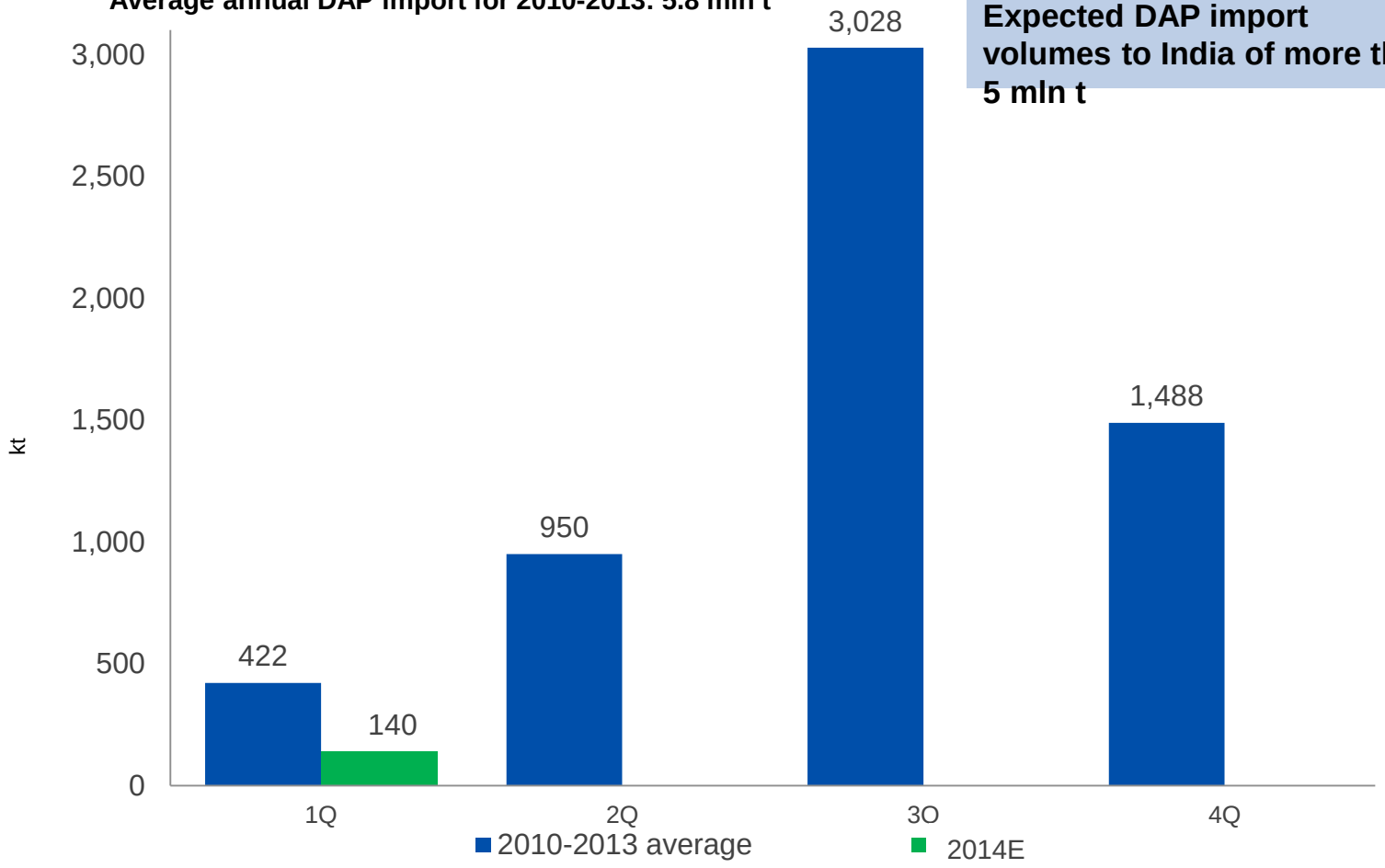
Source: PhosAgro, FAI, IFA, Fertecon, Argus-FMB

India DAP import demand set to rise

Quarterly DAP imports to India

Average annual DAP import for 2010-2013: 5.8 mln t

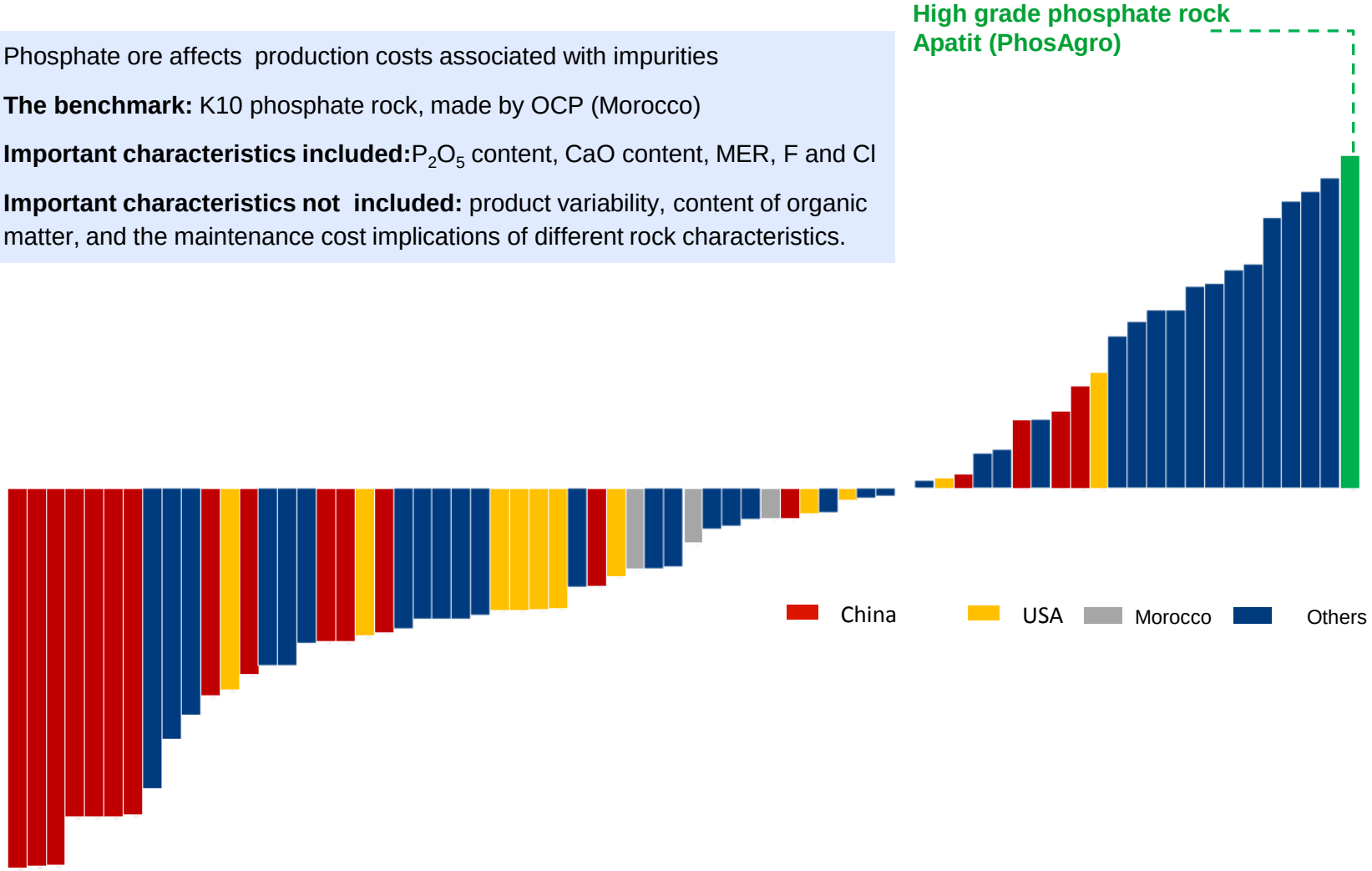
Expected DAP import volumes to India of more than 5 mln t



Source: FAI, Argus-FMB

Premium/discount to the most affordable Moroccan phosphate rock

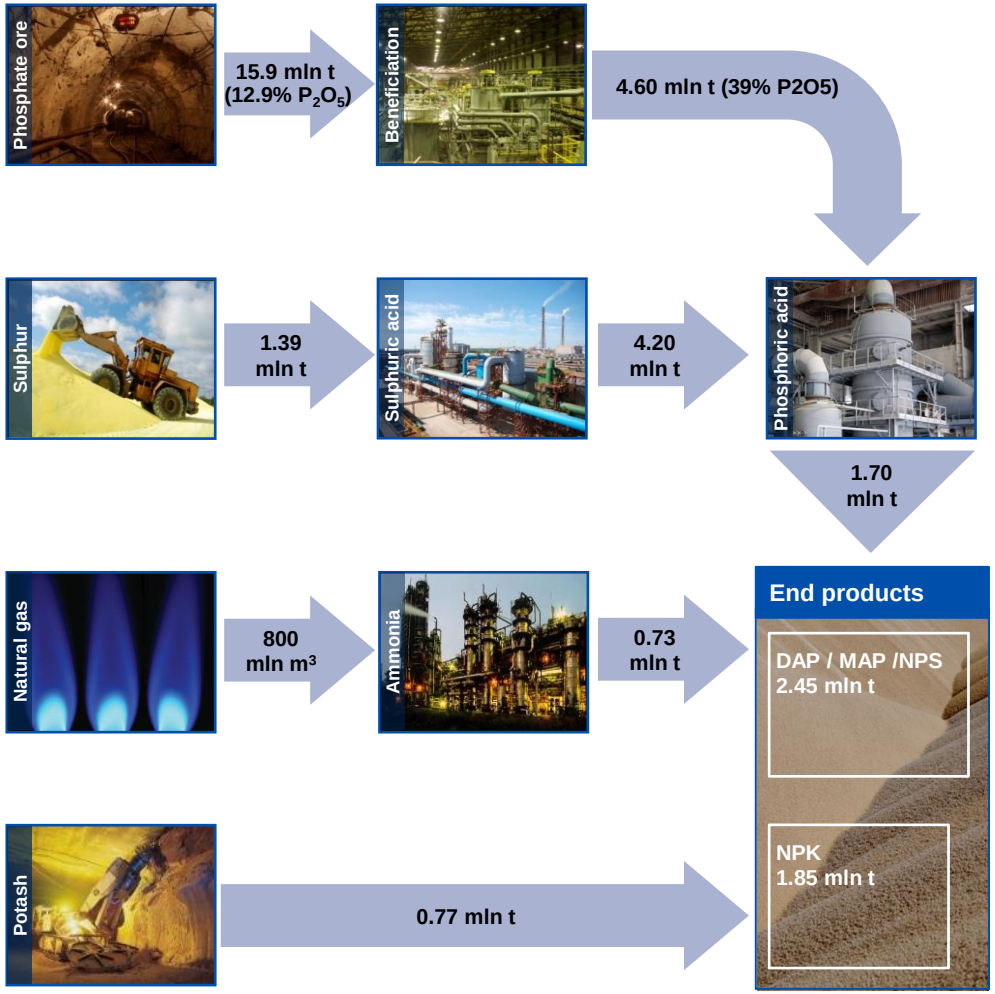
- Phosphate ore affects production costs associated with impurities
- **The benchmark:** K10 phosphate rock, made by OCP (Morocco)
- **Important characteristics included:** P_2O_5 content, CaO content, MER, F and Cl
- **Important characteristics not included:** product variability, content of organic matter, and the maintenance cost implications of different rock characteristics.



Source: CRU 'Phosphate Rock Cost Report' 2014 edition

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

Integrated phosphate-based production model (1)



Replacement cost

	Ma'aden		PHOSAGRO	
Key products	DAP		MAP, DAP, NPK, NPS, Urea, AN	
Production facilities	Capacity, mln t p.a.	**CAPEX, mln $US**	Capacity, mln t p.a.	**Replacement cost, mln $US**
Mining and beneficiation	5.0	**1,330**	7.8	**2,697**
Sulphuric acid	4.7	**620**	4.8	**642**
Phosphoric acid	1.5	**523**	1.9	**740**
Ammonia	1.09	**951**	1.15	**1,000**
Phosphate fertilizer	2.9	**486**	4.3	**716**
Nitrogen fertilizer	-	**-**	1.4	**684**
Infrastructure and other		**~ 2,000**		**~ 4,000**
Total		**~ US$ 6 bln**		**~ US$ 10 bln**
Current capitalization				**US$ 4.6 bln(2)**

Ma'aden – total est. CAPEX(3): US$ 6 bln

Construction period: 6 years +

Over US$ 2,000/tonne

Source: PhosAgro, Maaden, Fertecon, Integer, Reuter

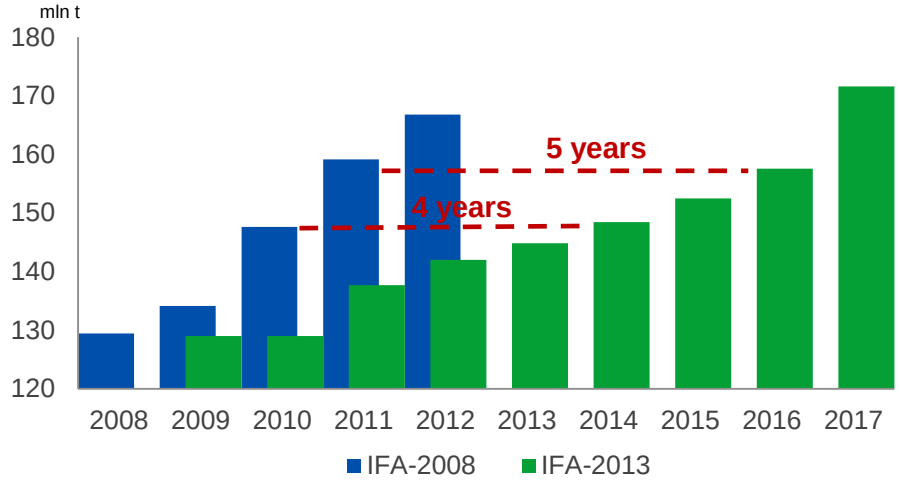
Note: (1) Based on PhosAgro's consumption ratios
(2) Bloomberg, as of April 2014
(3) CAPEX for the Phosphate Project

Access to abundant local resources

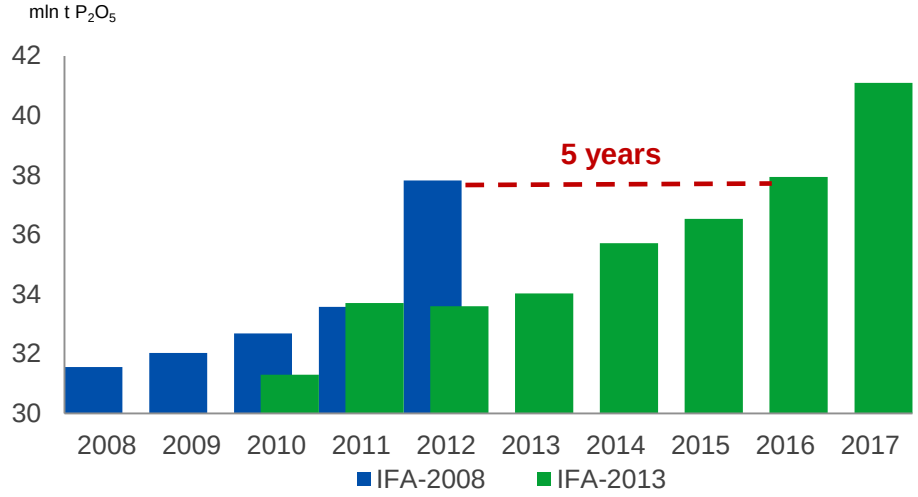
Source: IFA, Belstat, PhosAgro. Data for 2012

Commissioning phosphate rock and phosphoric acid capacities

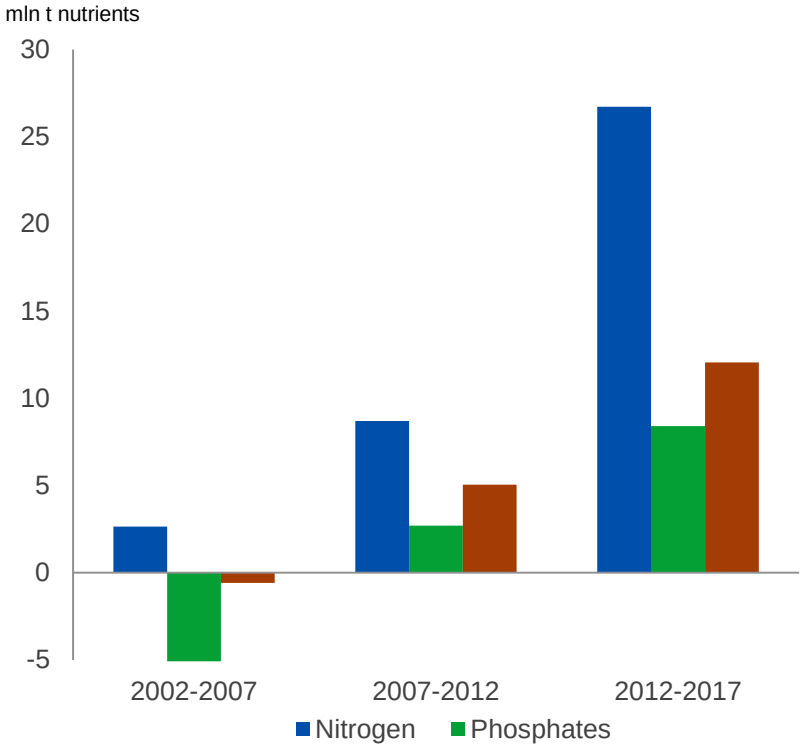
Delays in addition of new phosphate rock capacities (excl. China)



Delays in commissioning phosphoric acid capacities (excl. China)



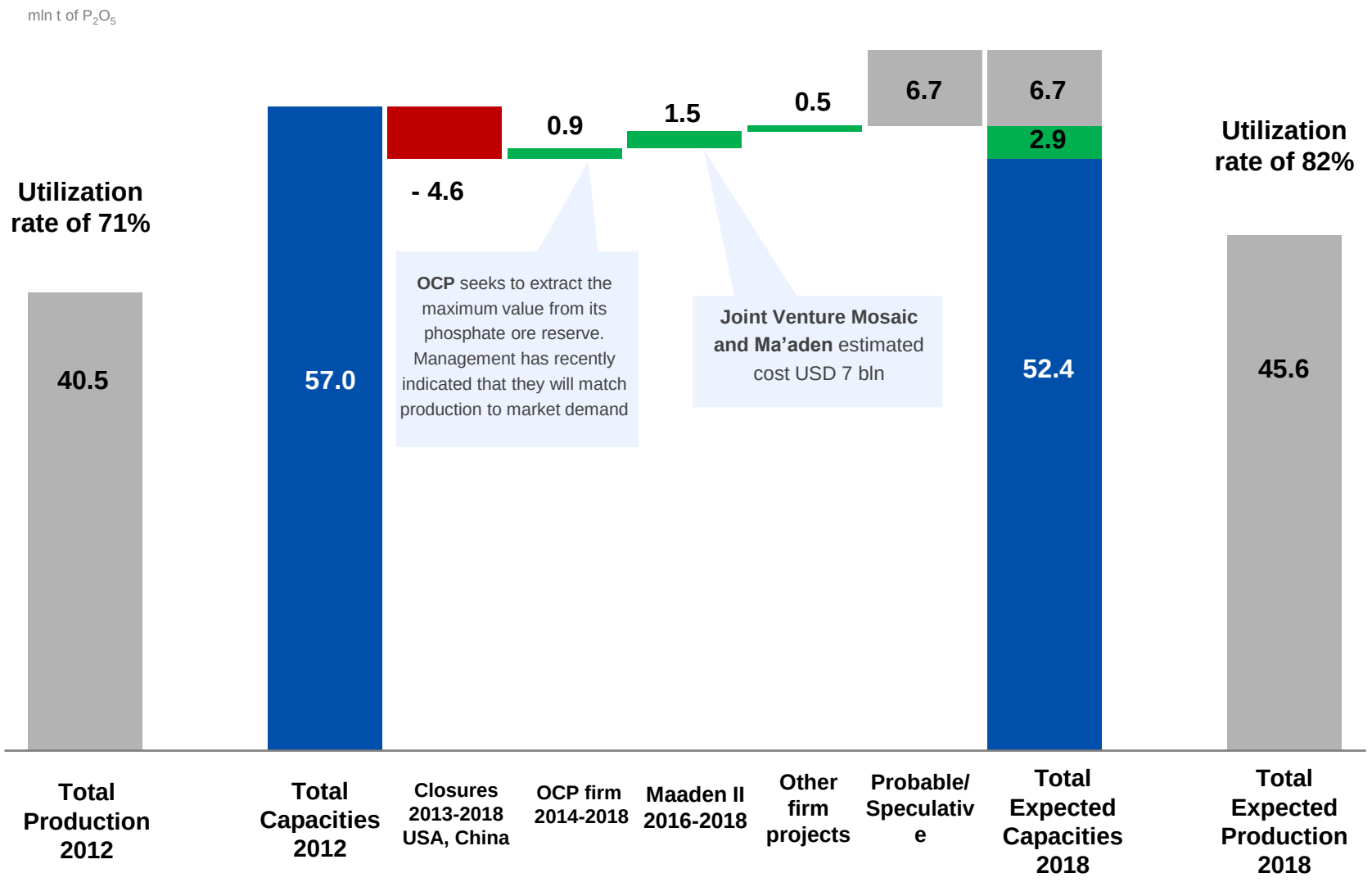
Changes in world fertilizer capacities (excl. China)



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

Source: IFA, PhosAgro

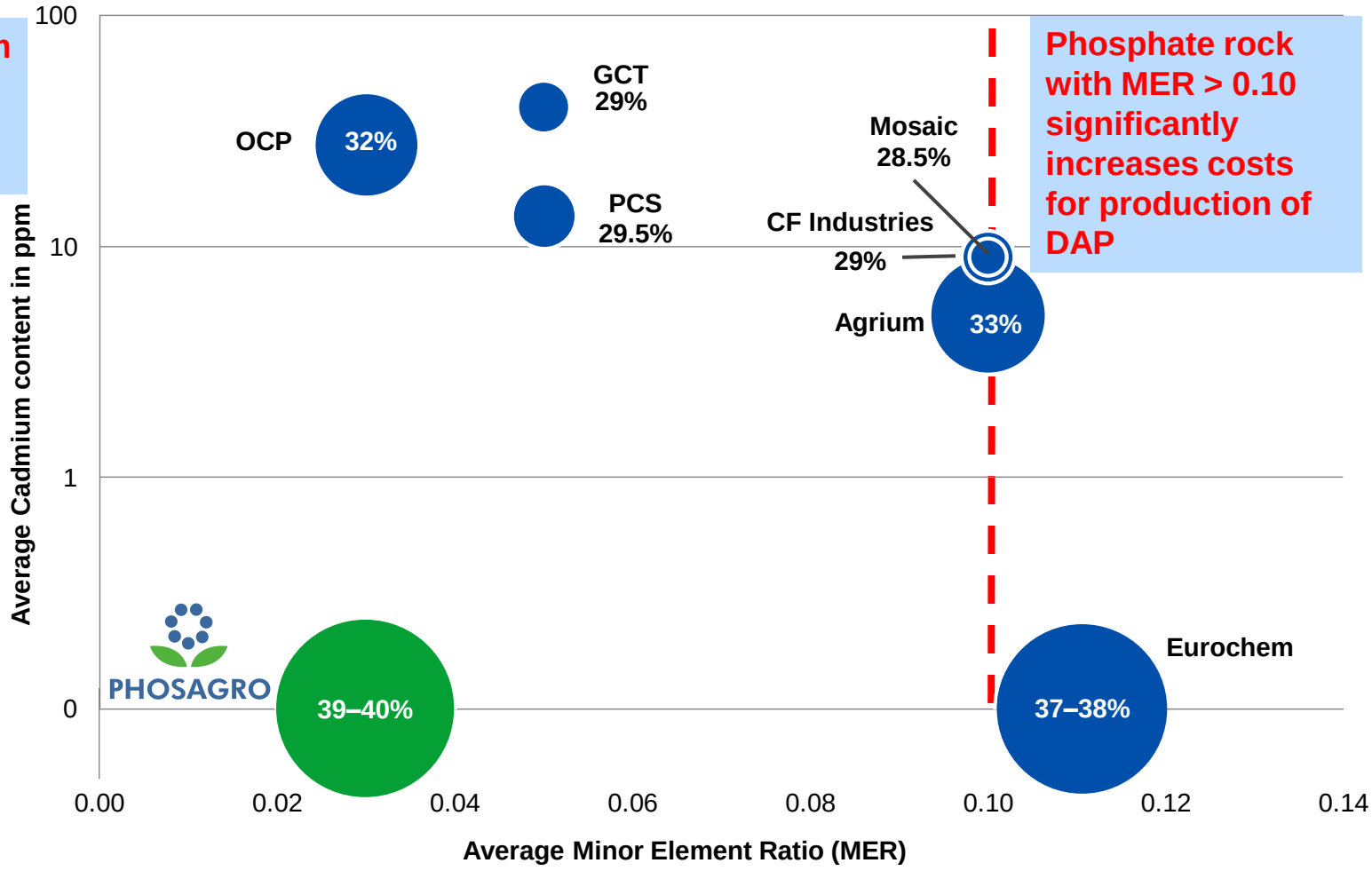
Timing and completion of new capacities is uncertain



Source: CRU, companies' data

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 P_2O_5 content in phosphate rock in excess of 28%, which is recognized as a minimum for production of high quality phosphate fertilizers
Source: FERTECON, PhosAgro, companies' data


Thank
you!
PHOSAGRO