



### PhosAgro 1Q 2019 Fertilizer Sales Rise by 5.2% y-o-y to 2.5 mln t

**Moscow** – PhosAgro (MOEX/LSE ticker: PHOR), one of the world’s leading vertically integrated phosphate-based fertilizer producers, increased fertilizer production volumes by 1.2% year-on-year to 2.3 million tonnes in 1Q 2019. Sales volumes for the same period grew by 5.2% year-on-year to 2.5 million tonnes.

PhosAgro’s production and sales volumes are summarised in the tables below.

Production volumes by type			
('000 mt)	1Q 2019	1Q 2018	Chg y/y
Phosphate-based & MCP	1,777.6	1,757.2	1.2%
Nitrogen-based	567.6	560.8	1.2%
<b>Total fertilizers</b>	<b>2,345.2</b>	<b>2,318.0</b>	<b>1.2%</b>
PhosRock & nepheline	2,928.1	2,789.7	5.0%
Other products	48.3	42.9	12.6%

Sales volumes by type			
('000 mt)	1Q 2019	1Q 2018	Chg y/y
Phosphate-based & MCP	1,929.0	1,753.2	10.0%
Nitrogen-based	617.4	667.5	-7.5%
<b>Total fertilizers</b>	<b>2,546.4</b>	<b>2,420.7</b>	<b>5.2%</b>
PhosRock & nepheline	1,121.7	955.9	17.3%
Other products	49.2	38.3	28.5%

Commenting on the 1Q 2019 operating results, PhosAgro CEO Andrey Guryev said:

“PhosAgro got off to a strong start in the first quarter of 2019, with 10% year-on-year growth in phosphate segment sales, mainly driven by high levels of market activity and inventory release. Inventories rose in 4Q 2018 due to slow European demand for fertilizers as a result of bad weather conditions in the region. However, our flexible sales policy enabled PhosAgro to sell to the markets where we can achieve the best netback prices. Global fertilizer markets look relatively balanced at present, which means that we are comfortable providing fertilizer production guidance for 2019 of 9.4 million tonnes.

“Fertilizer sales rose by 5% year-on-year in 1Q 2019, mainly driven by the sell-down of inventories accumulated in the last months of 2018 and relatively high demand for phosphate-based products. Seasonal demand recovery and our well-developed sales network, with seven trading offices across Europe, enabled us to keep phosphate volumes flat year-on-year and increase sales of urea by 70% year-on-year. The strongest growth was in North America, where phosphate sales advanced by 25% year-on-year, driven by the expectation of solid demand from agricultural producers. Phosphate sales to Latin America were up by 10% year-on-year. Sales of phosphate-based fertilizers in Russia

increased by 14% year-on-year, as farmers started preparations earlier, ahead of high season on export markets. At the same time, sales of AN decreased by 32% year-on-year in the first quarter, due to the early start of Russia's high-season in 4Q 2018, which is our main market for this product.

"As expected, prices for phosphate-based fertilizers gradually softened during the course of 1Q 2019, but remained flat year-on-year, pushing feedstock prices lower. Looking ahead, phosphate prices will remain under the pressure in 2Q 2019 due to oversupply in the United States amid major flooding in March. This, combined with the relatively strong Rupee, caused India to accelerate its DAP imports at the end of 1Q 2019. The main supportive factor for the market next months should be seasonal demand recovery in Latin America, especially in Brazil. In the mid-term, the introduction of new capacities by OCP and Ma'aden is still the main source of downside risk."

The table below provides a breakdown of production volumes by major product:

<b>Production volumes by type</b>			
<i>('000 mt)</i>	<b>1Q 2019</b>	<b>1Q 2018</b>	<b>Chg y/y</b>
<b><i>Apatit mine and beneficiation plant</i></b>			
Phosphate rock	2,637.3	2,523.9	4.5%
Nepheline concentrate	290.8	265.8	9.4%
<b><i>Phosphate-based fertilizers</i></b>			
DAP/MAP	812.9	798.1	1.9%
NPK	599.8	646.6	-7.2%
NPS	198.3	132.7	49.4%
APP	49.6	51.7	-4.1%
MCP	96.5	88.2	9.4%
PKS	20.5	39.9	-48.6%
<b><i>Nitrogen-based fertilizers</i></b>			
AN	145.3	143.5	1.3%
Urea	422.3	417.3	1.2%
<b><i>Other products</i></b>			
STPP	26.2	24.8	5.6%
Other	22.1	18.1	22.1%
<b><i>Feed stock</i></b>			
Ammonia	491.6	496.1	-0.9%
Phosphoric acid	673.9	656.1	2.7%
Sulphuric acid	1,498.4	1,483.9	1.0%

The table below provides a breakdown of sales volumes by major product:

<b>Sales volumes by type</b>			
<i>('000 mt)</i>	<b>1Q 2019</b>	<b>1Q 2018</b>	<b>Chg y/y</b>
<b><i>Apatit mine and beneficiation plant</i></b>			
Phosphate rock	825.7	691.4	19.4%
Nepheline concentrate	296.0	264.5	11.9%
<b><i>Phosphate-based fertilizers</i></b>			
DAP/MAP	944.3	808.7	16.8%
NPK	655.9	646.7	1.4%
NPS	169.5	135.7	24.9%

APP	61.8	47.5	30.1%
MCP	87.3	85.6	2.0%
PKS	10.2	29.0	-64.8%
<b><i>Nitrogen-based fertilizers</i></b>			
AN	170.6	249.1	-31.5%
Urea	446.8	418.4	6.8%
<b><i>Other products</i></b>			
STPP	25.9	23.7	9.3%
Other	23.3	14.6	59.6%

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**About the Company**

PhosAgro is one of the world's leading vertically integrated phosphate-based fertilizer producers in terms of production volumes of phosphate-based fertilizers and high-grade phosphate rock with a P2O5 content of 39% and higher.

The Company is the largest phosphate-based fertilizer producer in Europe (by total combined capacity for DAP/MAP/NP/NPK/NPS), the largest producer of high-grade phosphate rock with a P2O5 content of 39%, a top-three producer of MAP/DAP globally, one of the leading producers of feed phosphates (MCP) in Europe, and the only producer in Russia, and Russia's only producer of nepheline concentrate (according to the RAFF).

PhosAgro's main products include phosphate rock, 39 grades of fertilizers, feed phosphates, ammonia, and sodium tripolyphosphate, which are used by customers in 100 countries spanning all of the world's inhabited continents. The Company's priority markets outside of Russia and the CIS are Latin America, Europe and Asia.

PhosAgro's shares are traded on the Moscow Exchange, and Global Depositary Receipts (GDRs) for shares trade on the London Stock Exchange (under the ticker PHOR). Since 1 June 2016, the Company's GDRs have been included in the MSCI Russia and MSCI Emerging Markets indexes.

More information about PhosAgro can be found on the website: [www.phosagro.ru](http://www.phosagro.ru).