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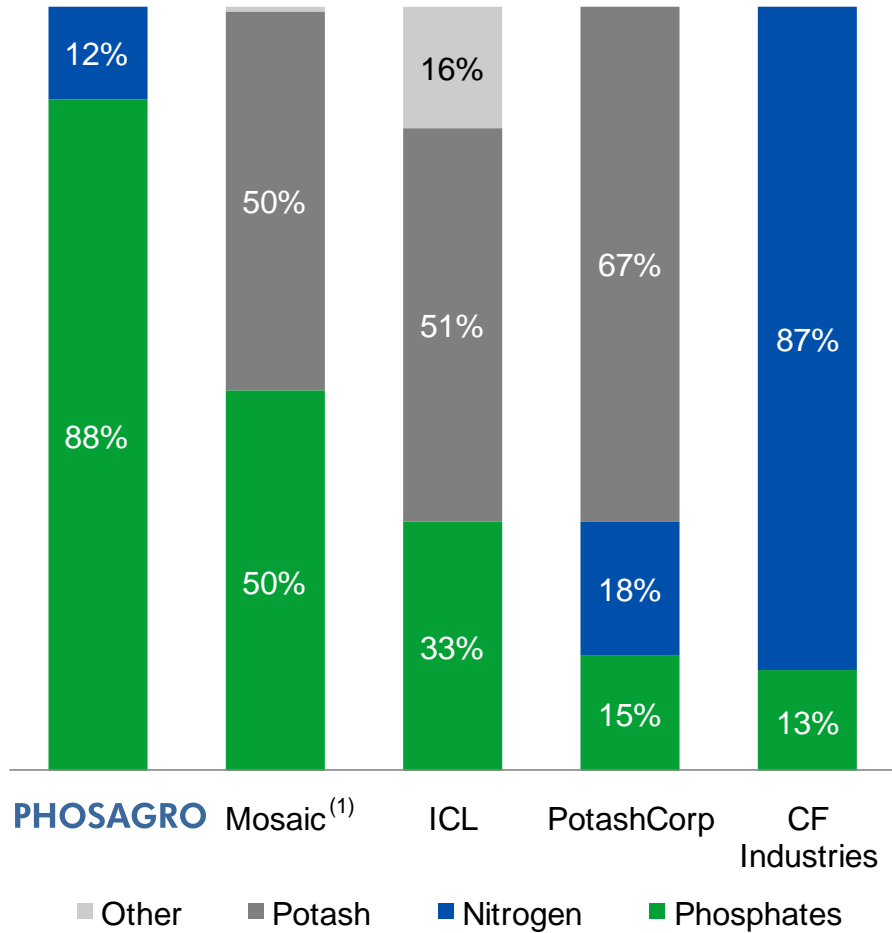
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The only pure play phosphates producer and best-in-class profitability

Gross profit breakdown by segment

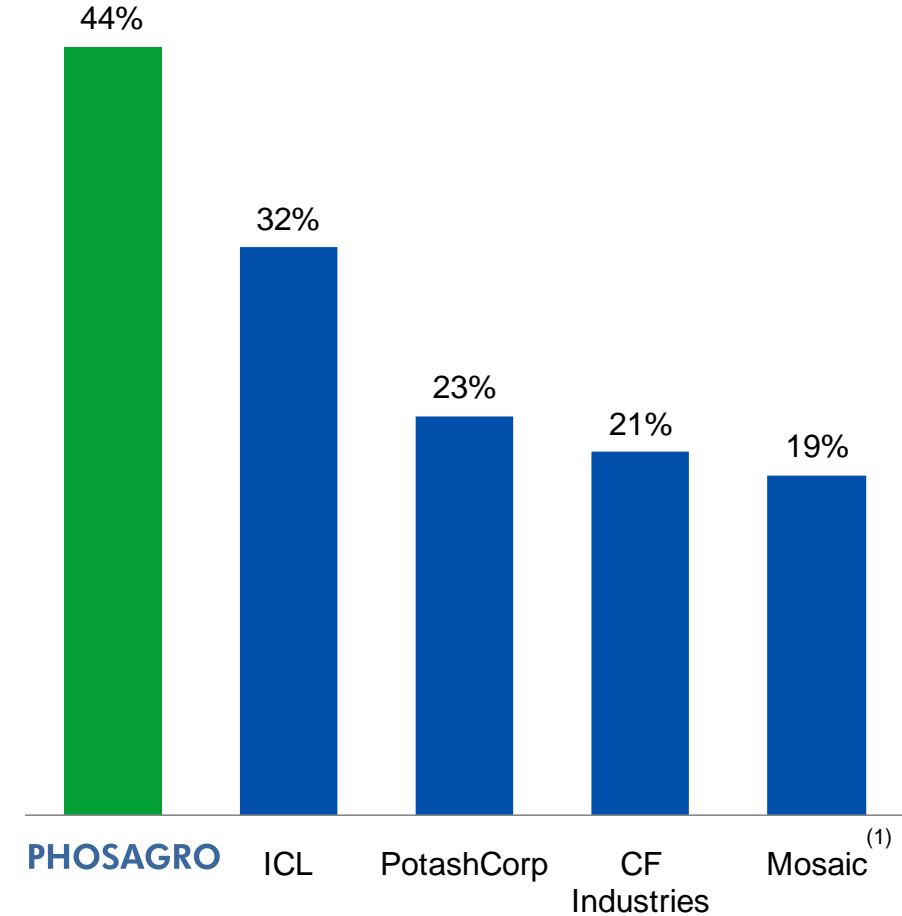
Average gross profit breakdown by segment for 2008-2010



Source: Company reports
Note: (1) Calendarised

Phosphate segment gross profit margin

Average gross profit margin of phosphate segment for 2008-2010



Source: Company reports
Note: (1) Calendarised

1. Phosphates – an attractive industry



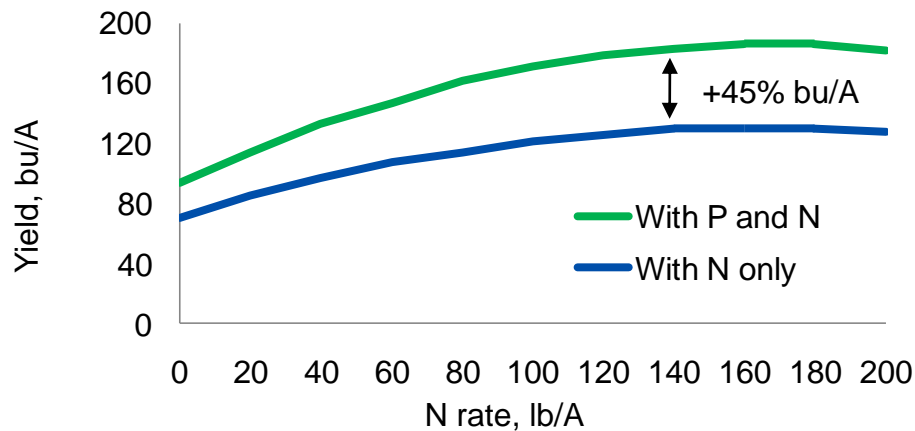
Fertilisers – 85%⁽¹⁾



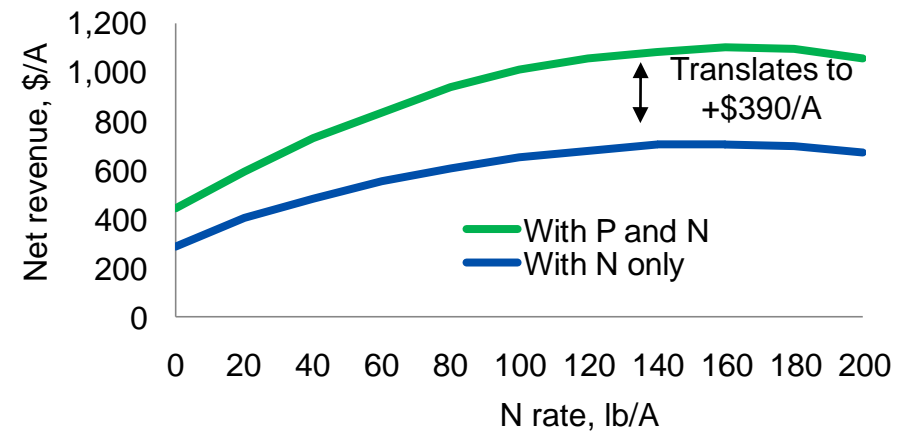
Without phosphate fertilisers

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

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⁾



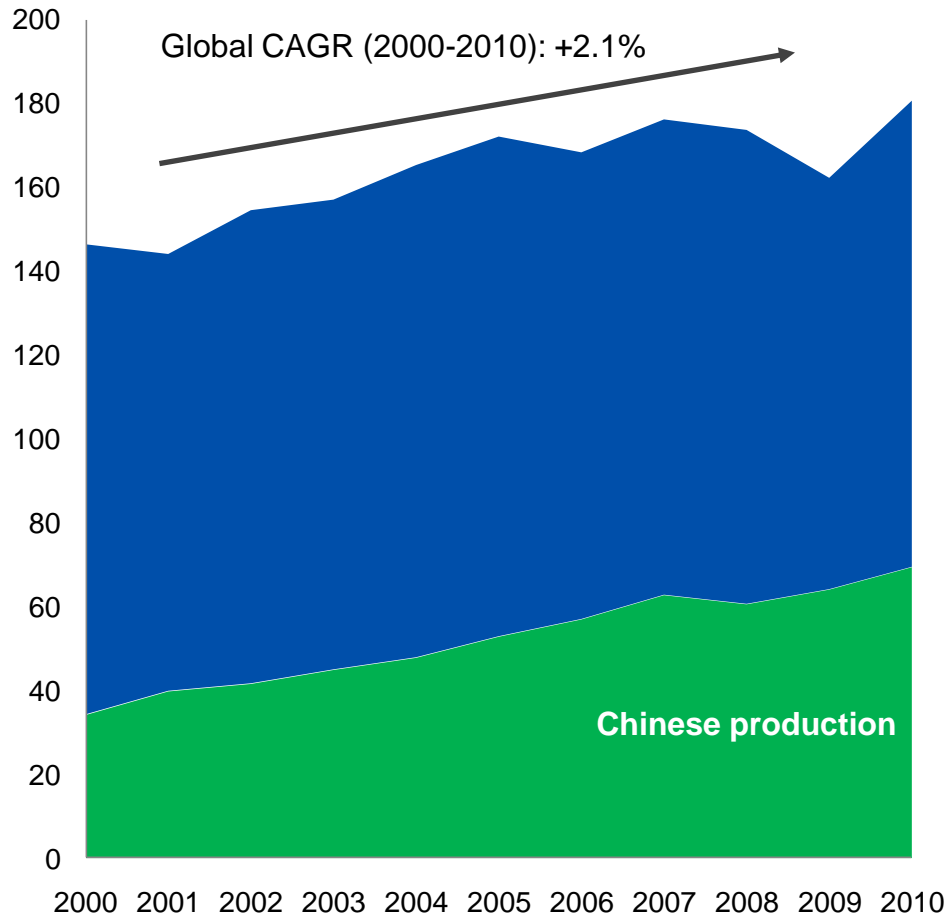
Two main types of phosphate deposits

	Igneous	Sedimentary
Scarcity	<ul style="list-style-type: none"> ▪ Approx. 3% of global phosphate resources ▪ Approx. 20% of global production 	<ul style="list-style-type: none"> ▪ Approx. 97% of global phosphate resources ▪ Approx. 80% of global production
P ₂ O ₅ content	<ul style="list-style-type: none"> ▪ Up to 40%+ of P₂O₅ ▪ Highly efficient beneficiation process 	<ul style="list-style-type: none"> ▪ Low to moderate level of P₂O₅ content in concentrate ▪ Steady decline of P₂O₅ content for most deposits
Impurities (heavy metals, radioactive elements, organic material, etc.)	<ul style="list-style-type: none"> ▪ Very low to low level of impurities 	<ul style="list-style-type: none"> ▪ Moderate to high level of impurities ▪ Increasing level of impurities in most deposits

Source: IFDC, Fertecon, JSA LTDA

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

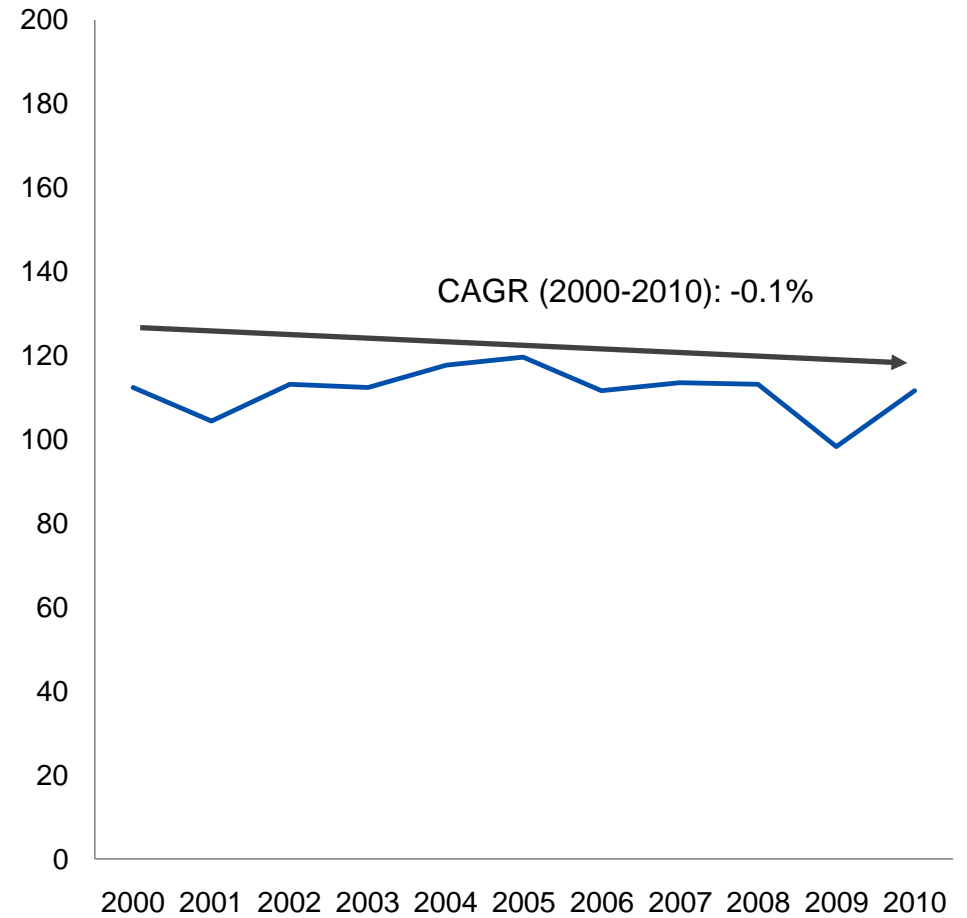
Mln tonnes product



Source: IFA, Fertecon

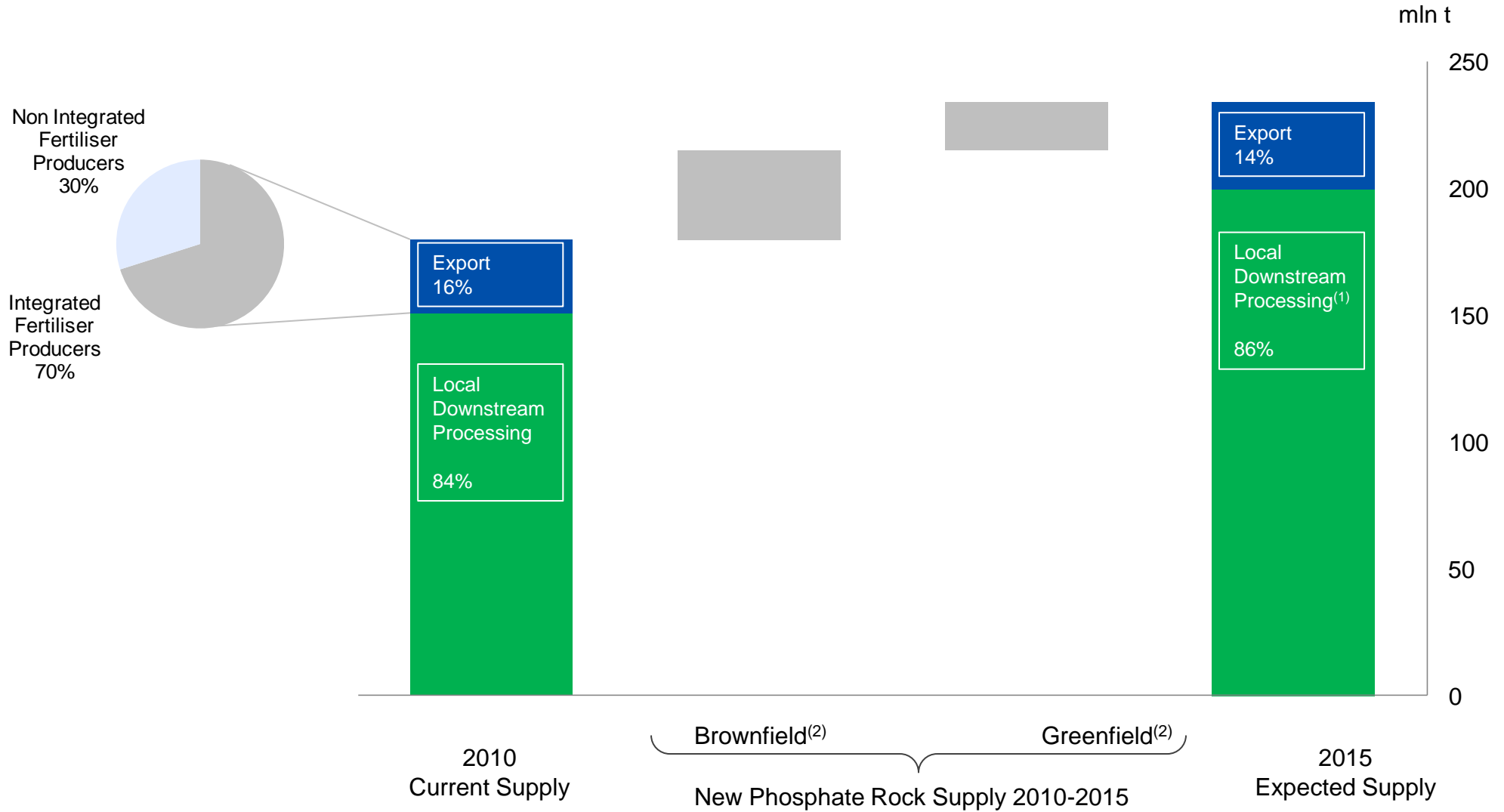
... with stagnating production in the rest of the world

Mln tonnes product



Source: IFA, Fertecon

Potential Phosphate Rock Supply in 2010-2015

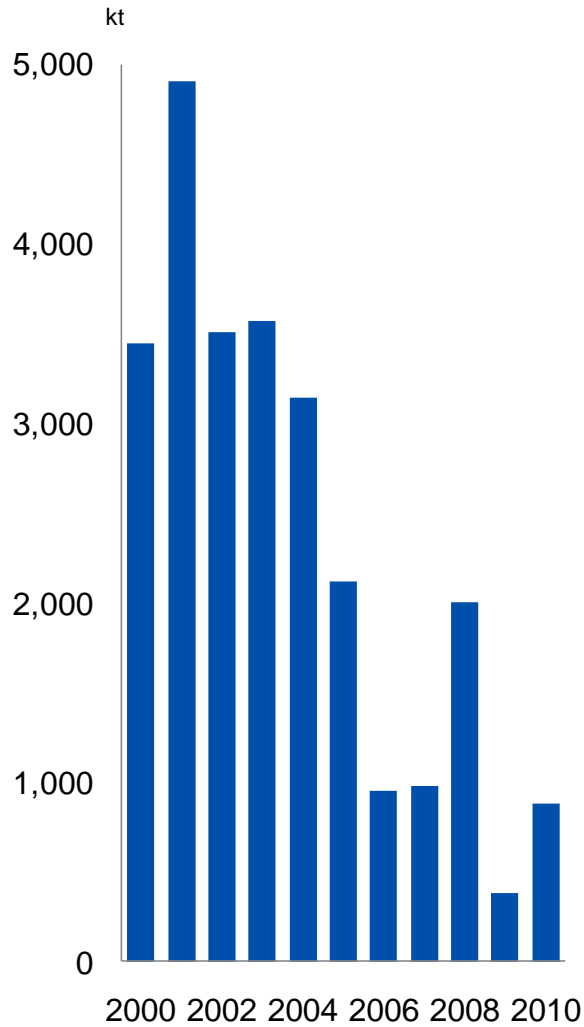


Source: IFA, Fertecon, PhosAgro

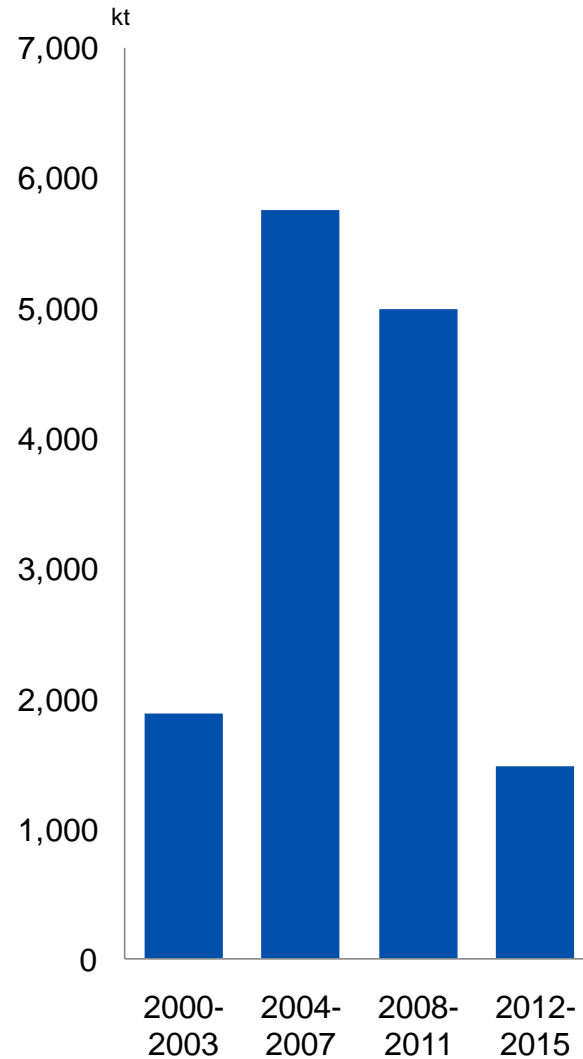
Note: (1) Estimate

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

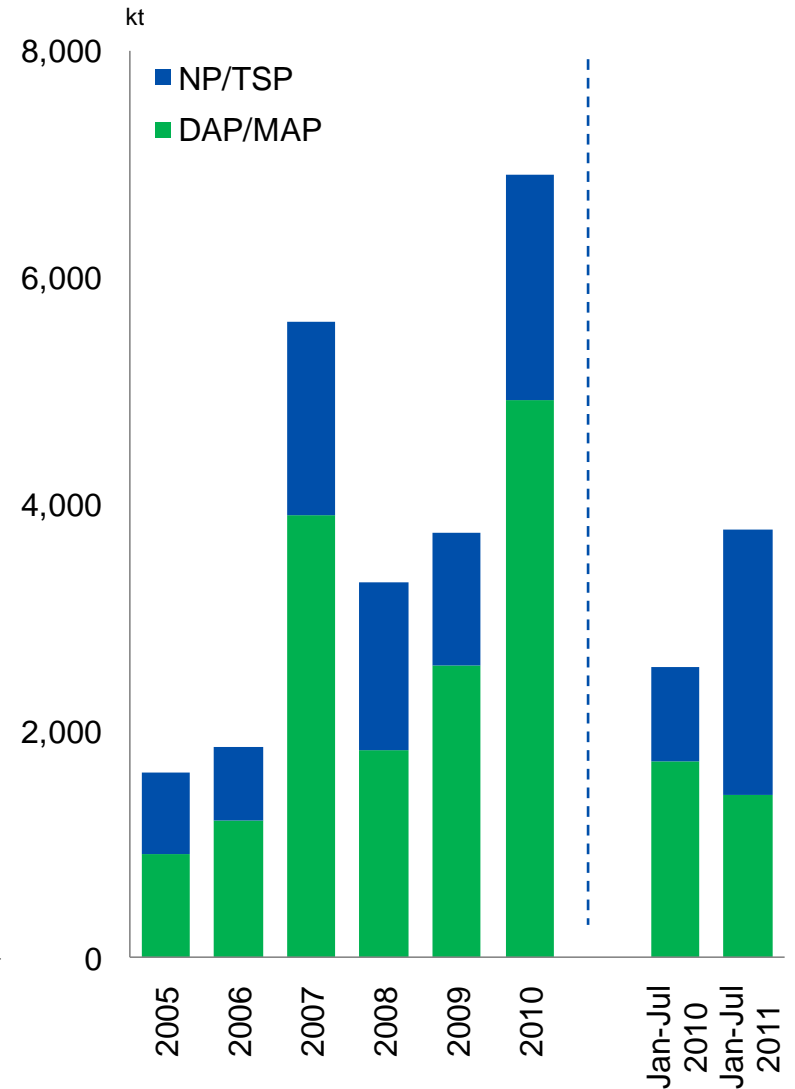
Chinese phosphate rock exports



Commissioning of new H₃PO₄ capacities



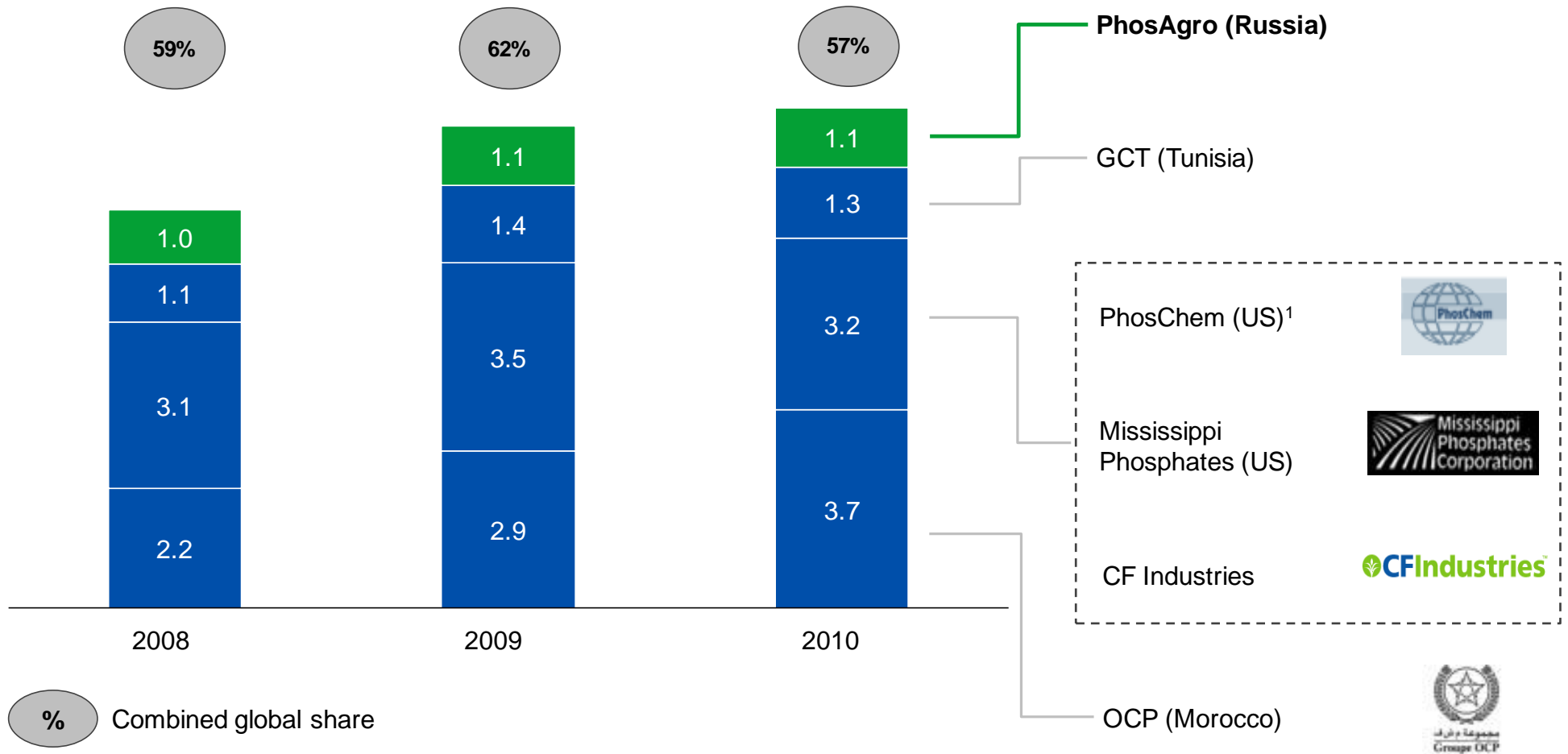
Chinese exports of DAP / MAP / NP / TSP



Phosphate is a consolidated industry

Global export volumes of MAP / DAP / TSP / Phosphoric acid

mln t P₂O₅

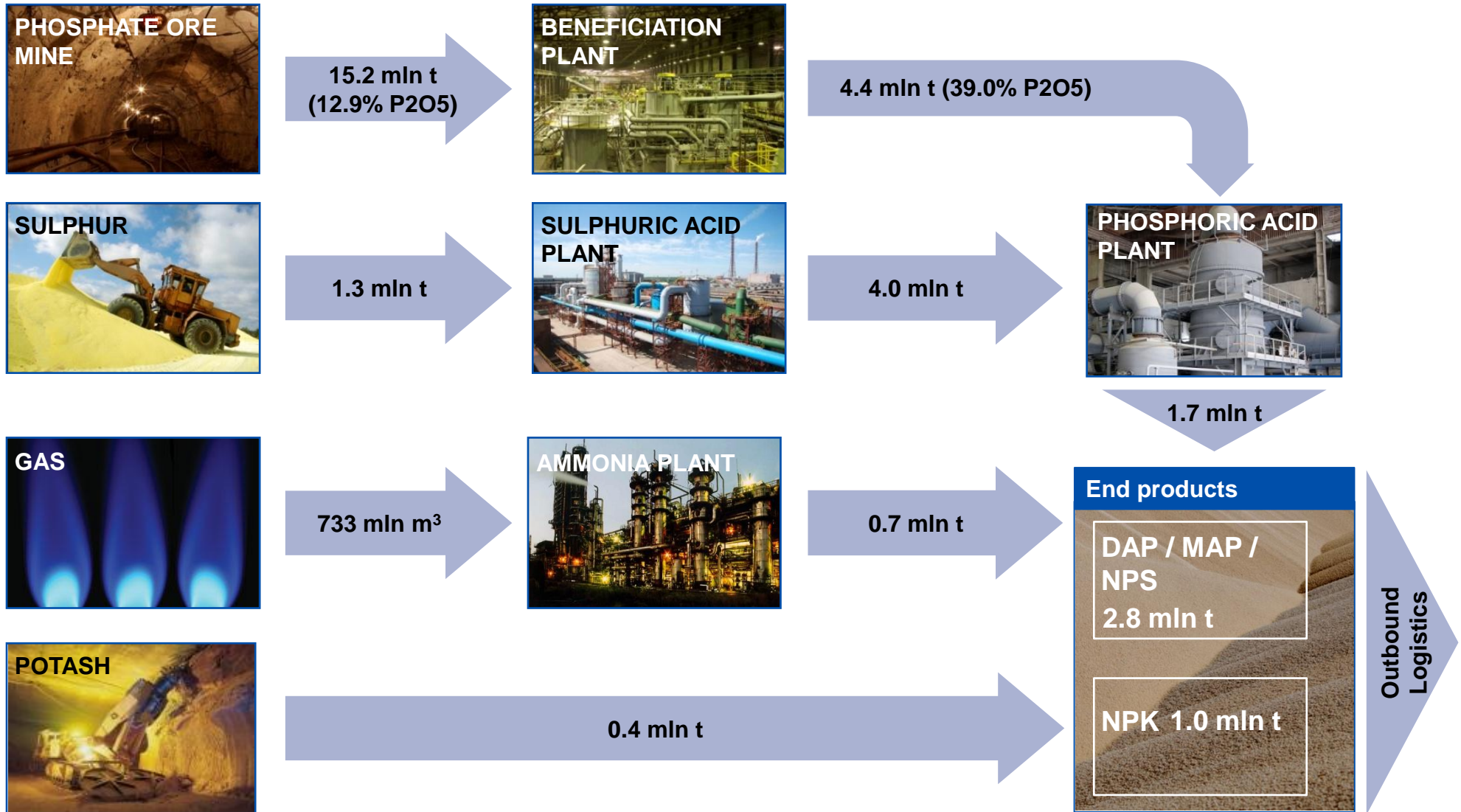


Source: Fertecon, IFA , Bloomberg, companies reports

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

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



Production facilities
Capacity – mln t / year

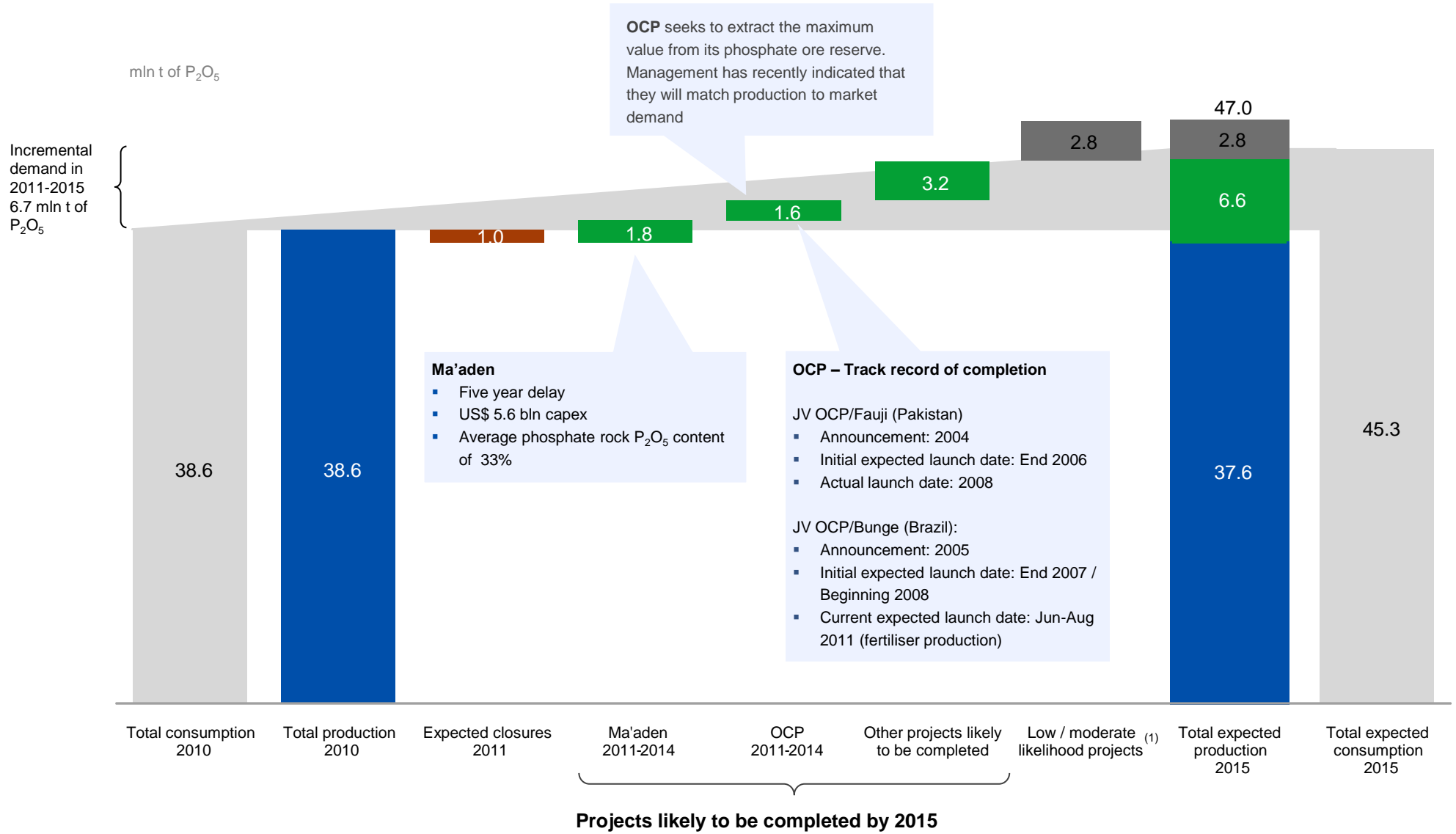
Ma'aden



Phosphate rock mine	12.0	27.2
Beneficiation plant	5.0	8.1
Sulphuric Acid Plant	4.7	4.1
Phosphoric Acid Plant	1.5	1.8
Ammonia Plant	1.1	1.1
DAP Plant	2.9	3.7 ⁽¹⁾
Key products	DAP	MAP, DAP, NPK, NPS

Ma'aden – total est. CAPEX⁽¹⁾: US\$ 5.6bln
Construction period: 6 years +

Timing and completion of new capacities is uncertain

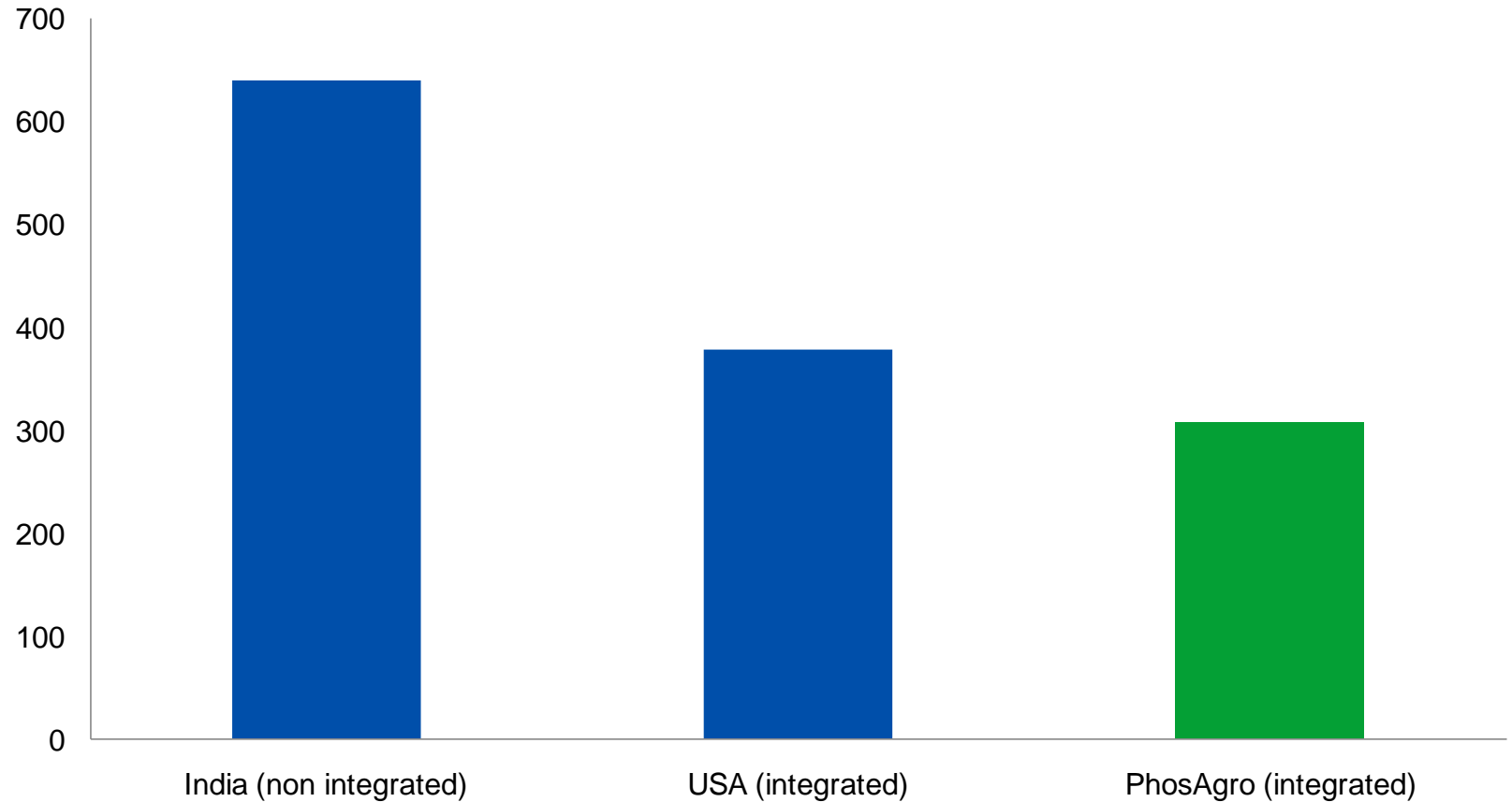


Note: (1) Projects with low / moderate likelihood of completion by 2015
 Source: FERTECON, closures and new projects at 100% nameplate capacity, Fertiliser Week, IFA, companies' data

Significant cost advantage for integrated producers

Estimated DAP production cash costs

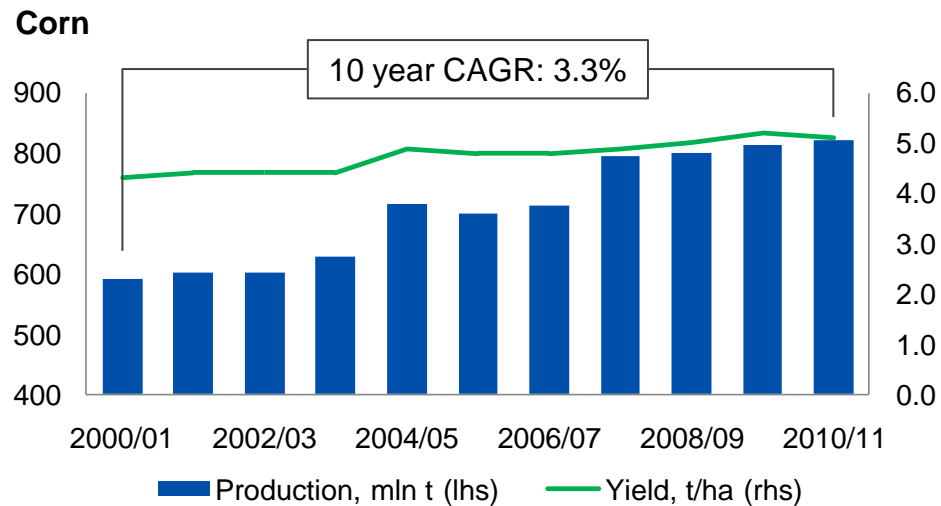
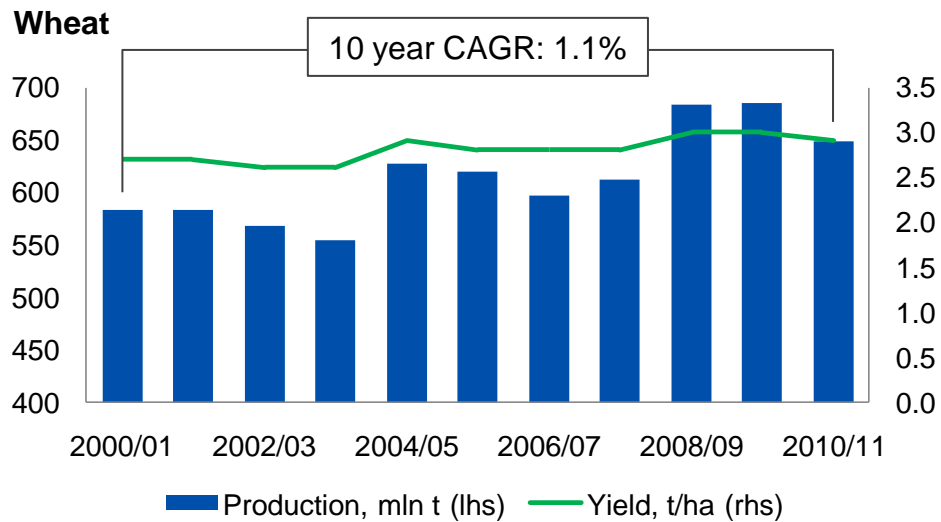
FOB, US\$ per tonne DAP



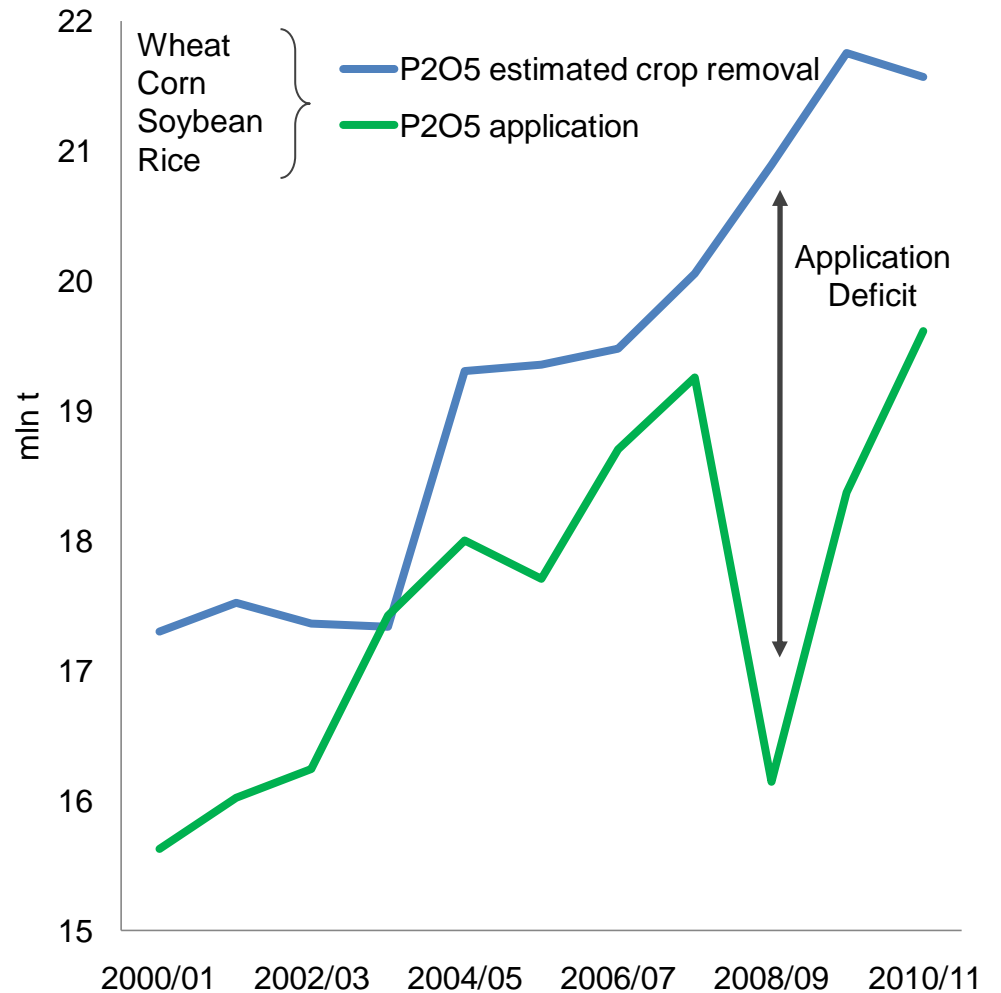
Source: companies' data, Fertecon, PhosAgro

Significant room for further growth of use of phosphate fertilisers

Stagnating yields force farmers to increase planted area to increase production



Insufficient application of phosphate fertilisers creates significant room for growth

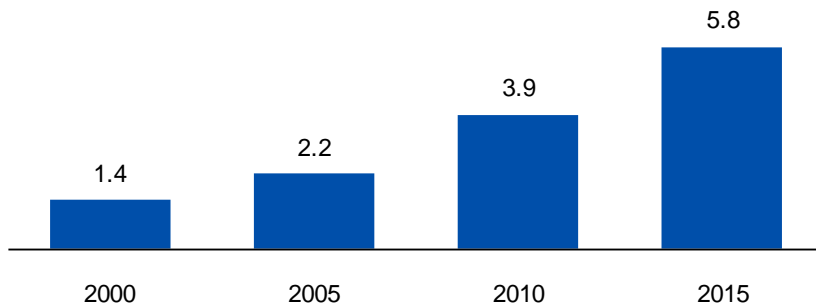


Source: USDA, IFA, IPNI, PhosAgro

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

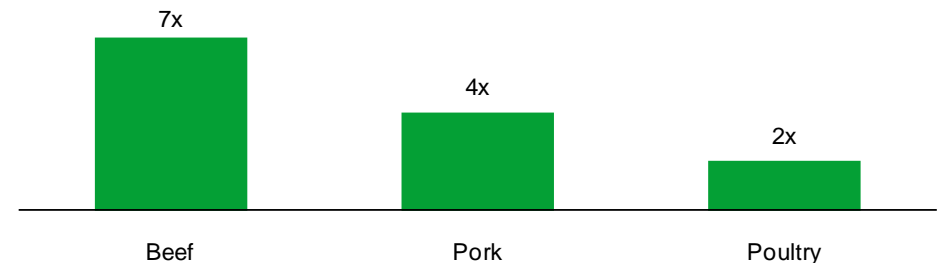
Growing GDP per capita in Emerging Markets

'000 US\$



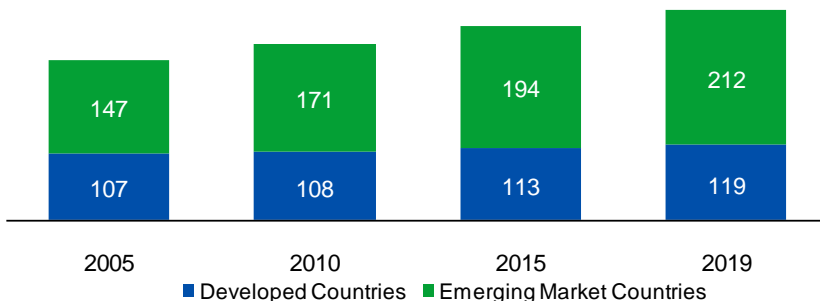
Animal feed a key driver for grain consumption

kg of grain required to produce 1 kg meat



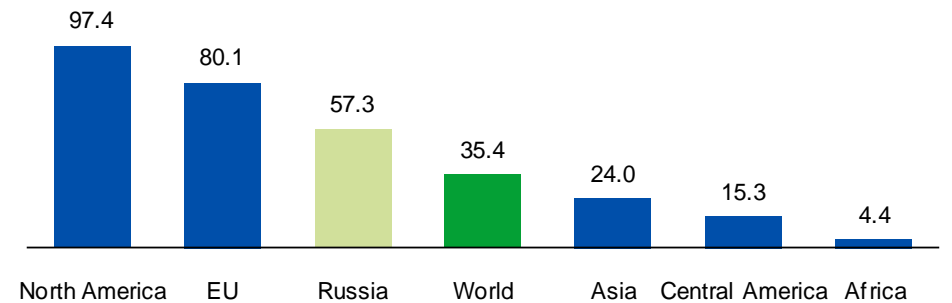
Changing diets – growth in meat consumption

mln t



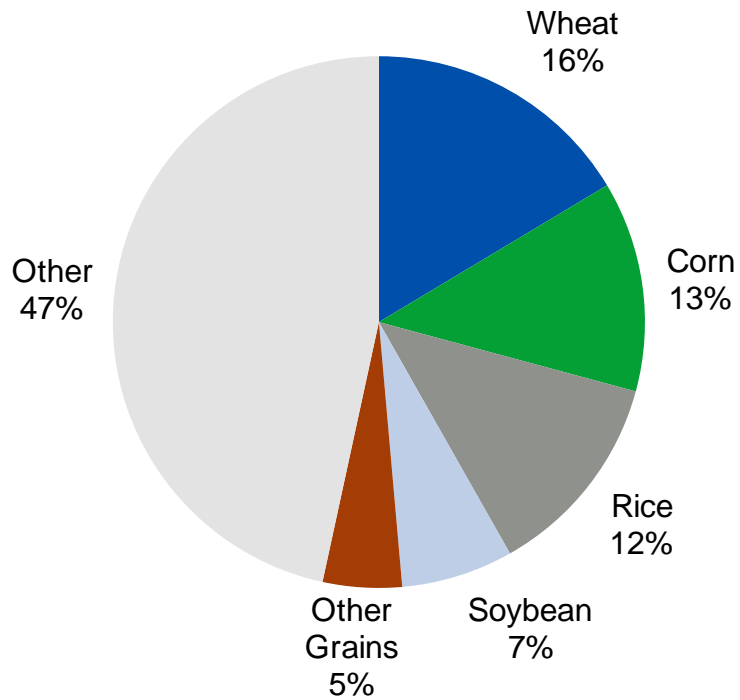
Meat Consumption by Region

kg meat/capita/year



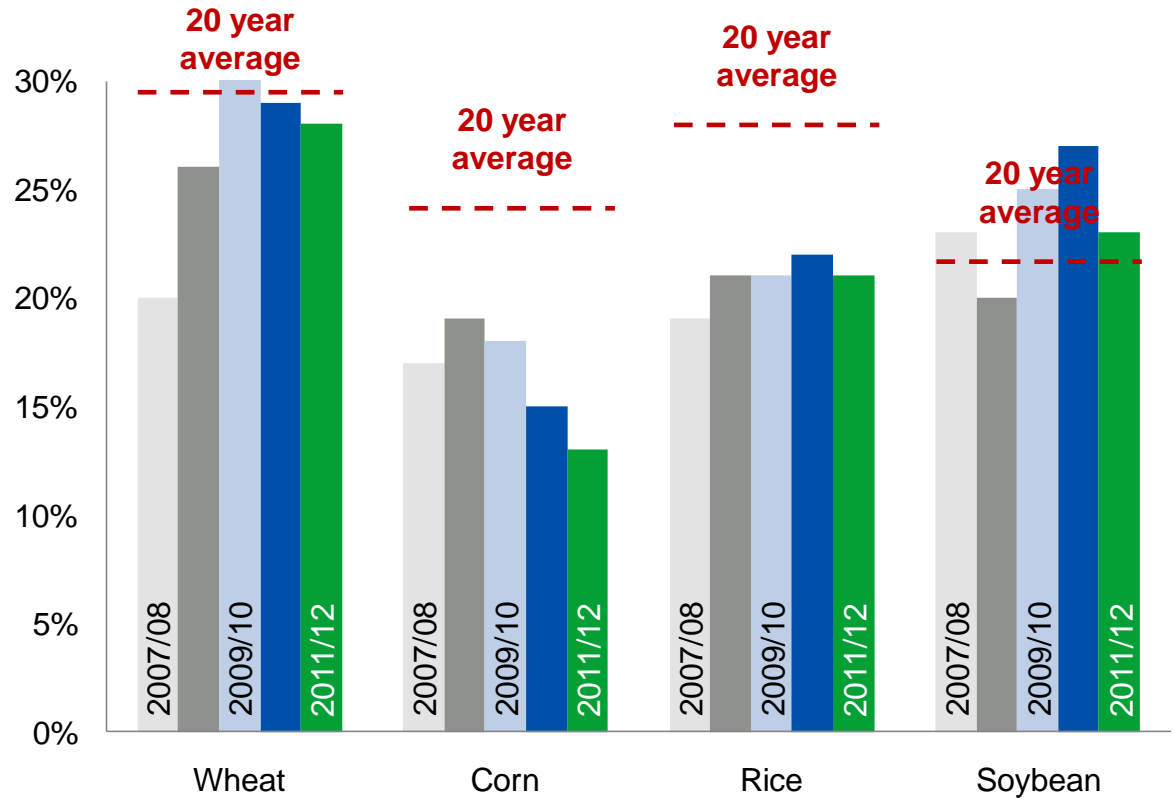
Stock-to-use ratios for the key phosphate-using crops are at low levels ...

Phosphate fertilizer use by crop

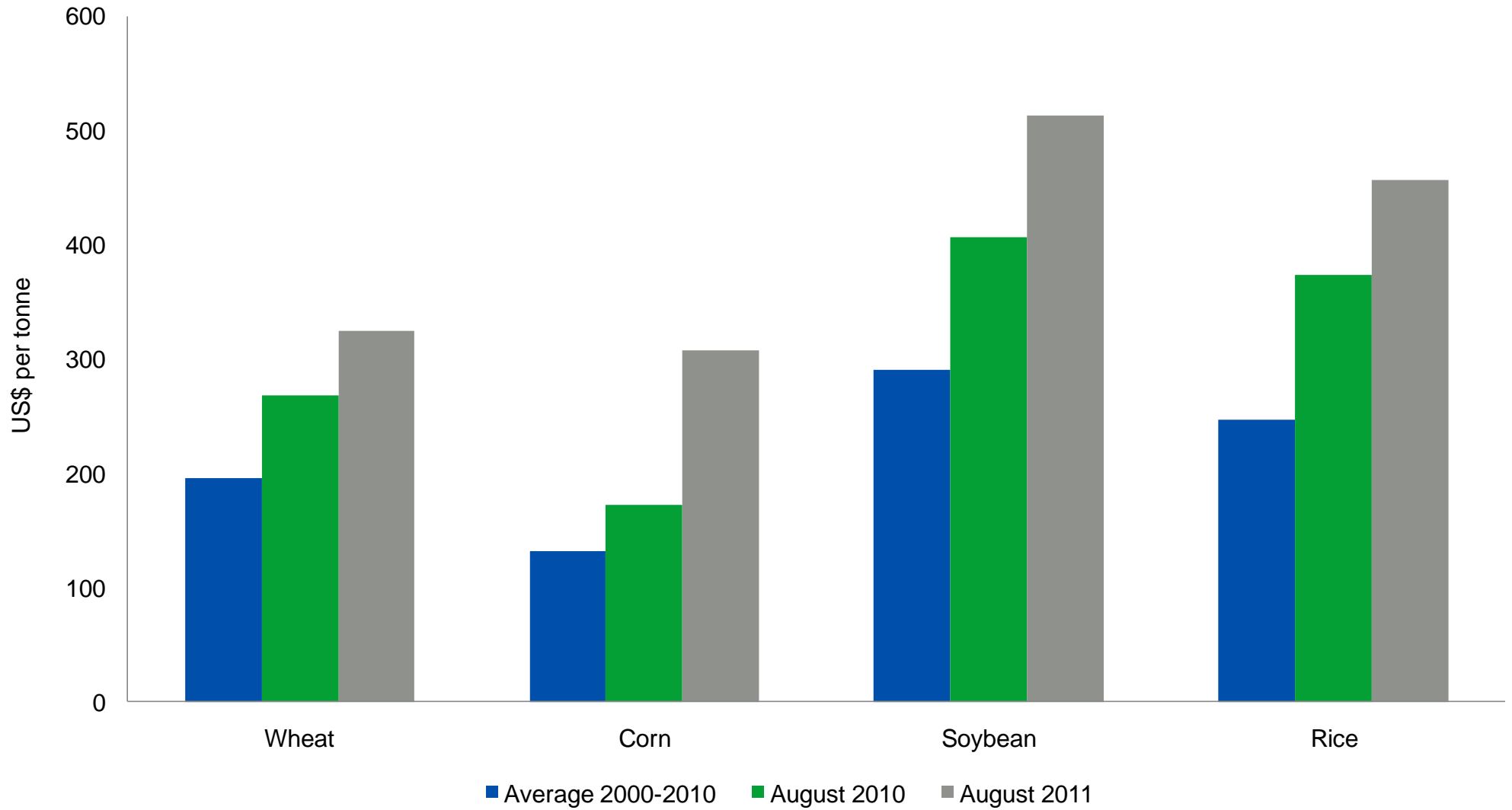


Source: IFA

World grain stocks-to-use ratios, %



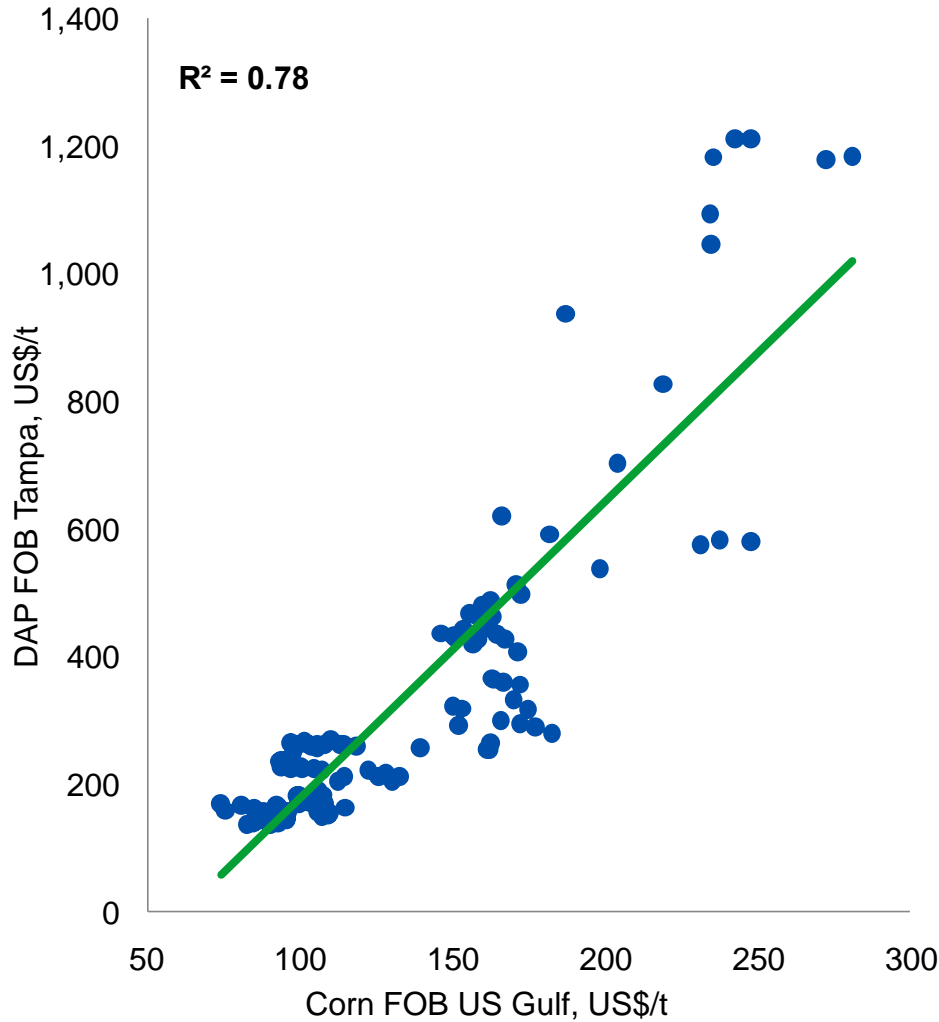
Source: USDA



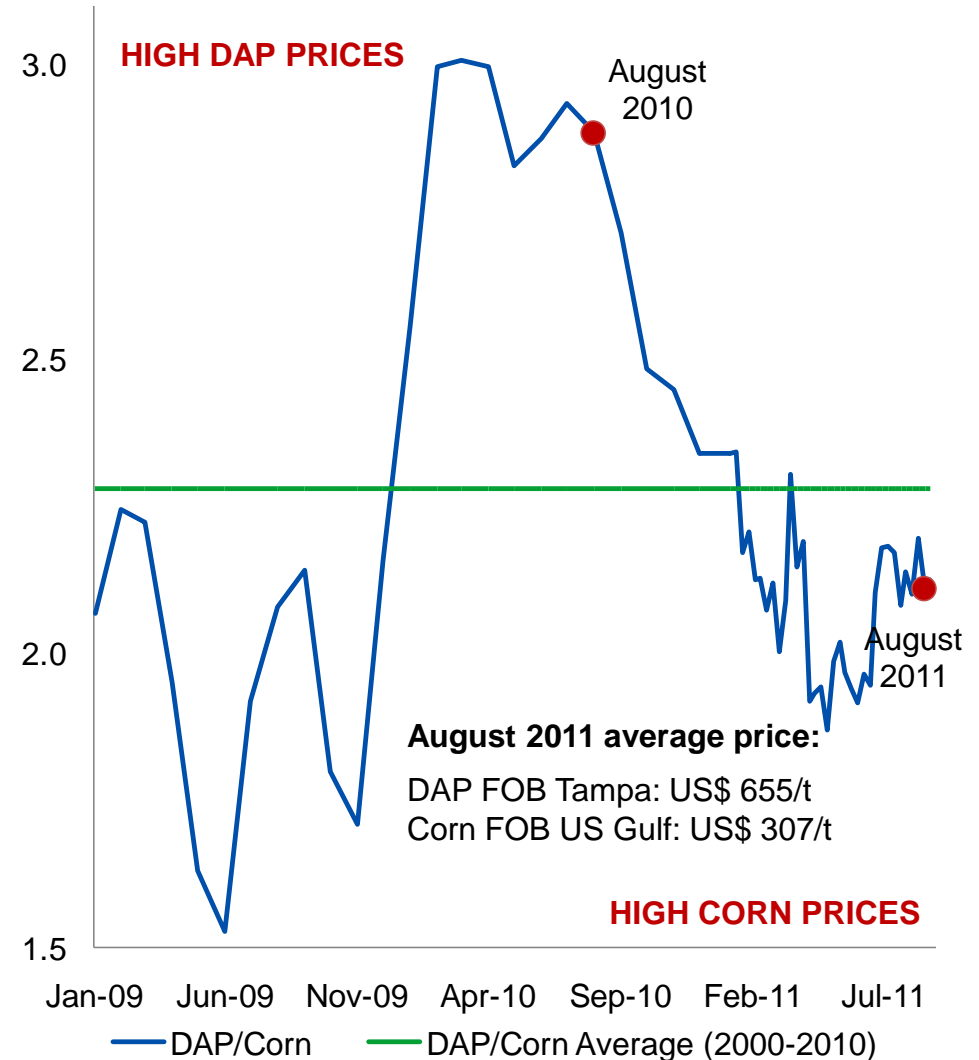
High grain prices driven by market imbalance motivate farmers to use more fertilisers

Corn prices relative to DAP Prices

10 year correlation

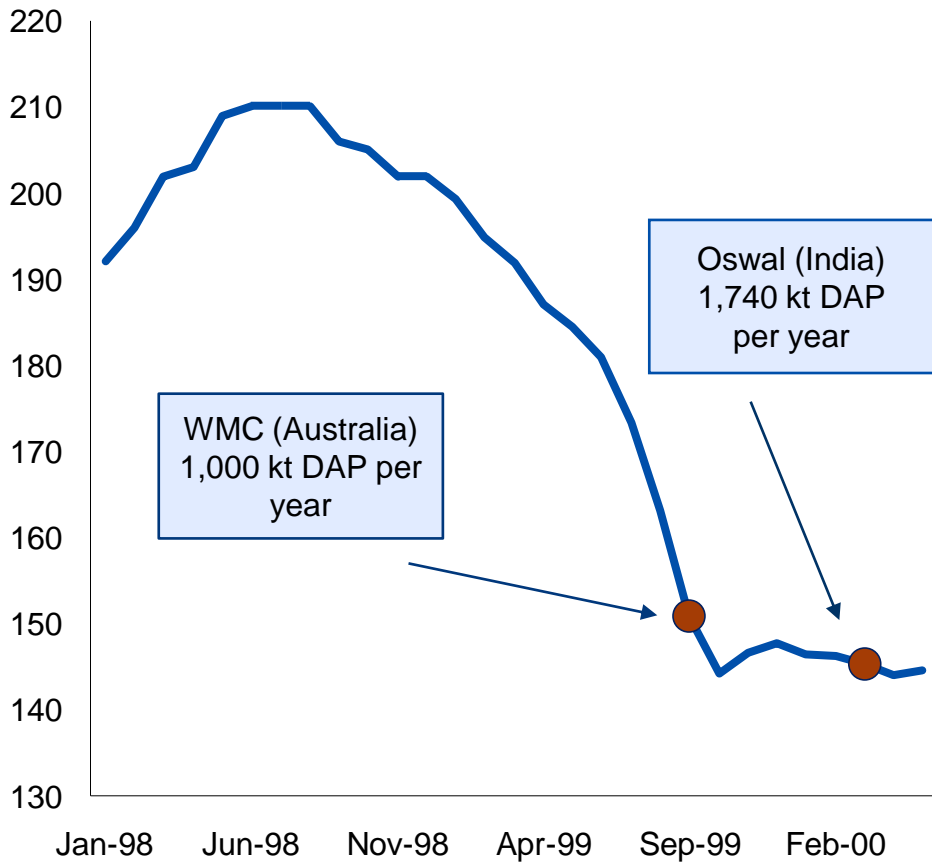


Corn to DAP prices ratio



Ma'aden is already priced-in by the markets

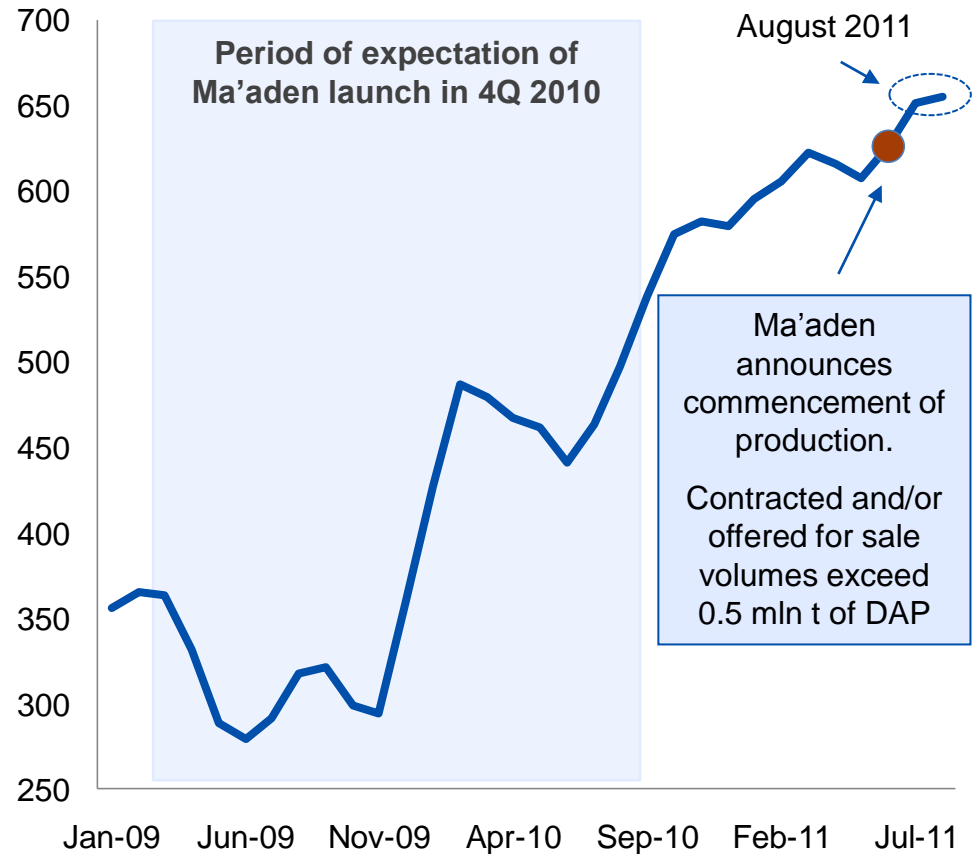
New large capacity additions and change in DAP price in 1998-2000



● Commencement of production at new DAP capacities

Source: Fertecon, Bloomberg

Expected Ma'aden start and DAP price changes in 2009-2011



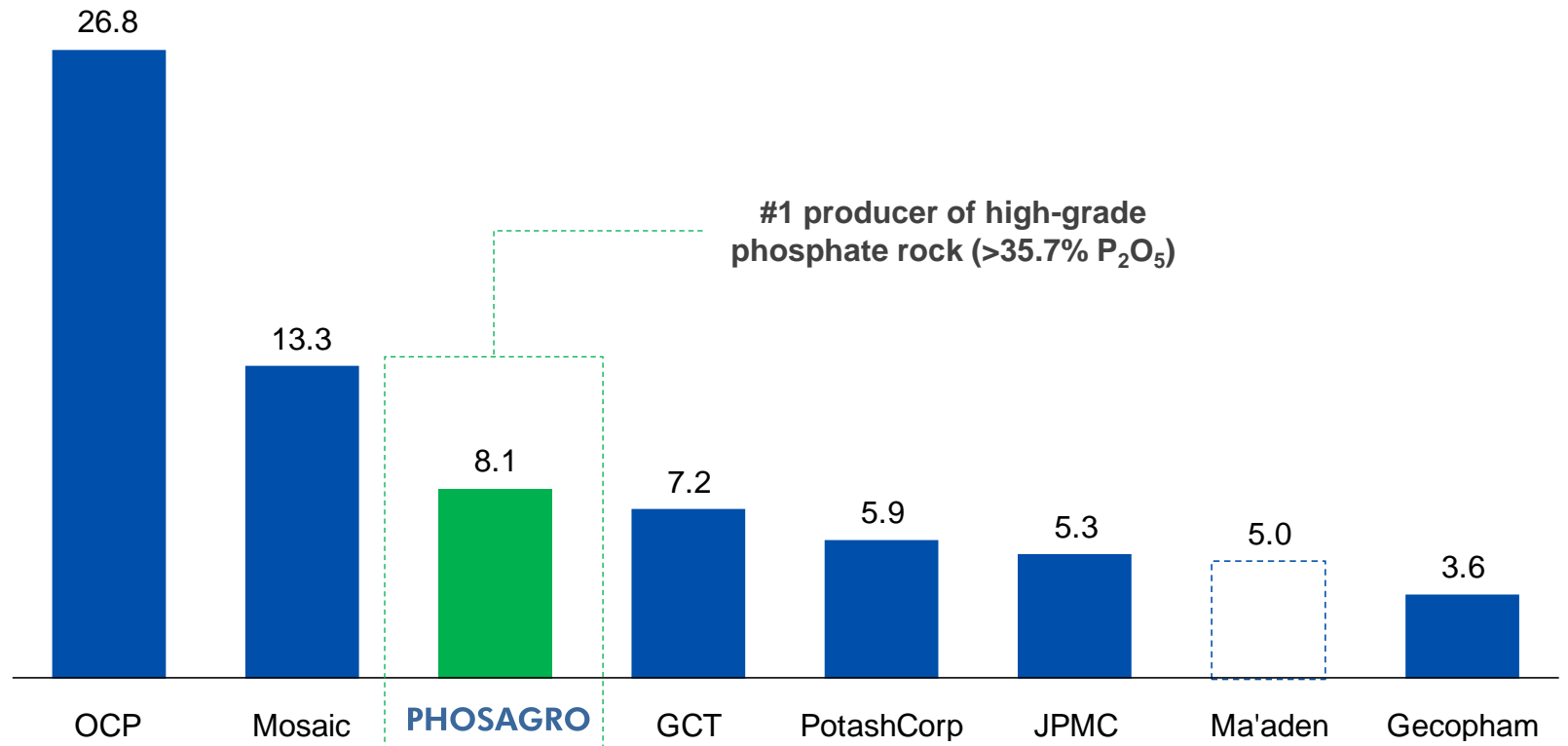
Source: Fertecon, Bloomberg



2. Company Highlights

World class integrated phosphate producer

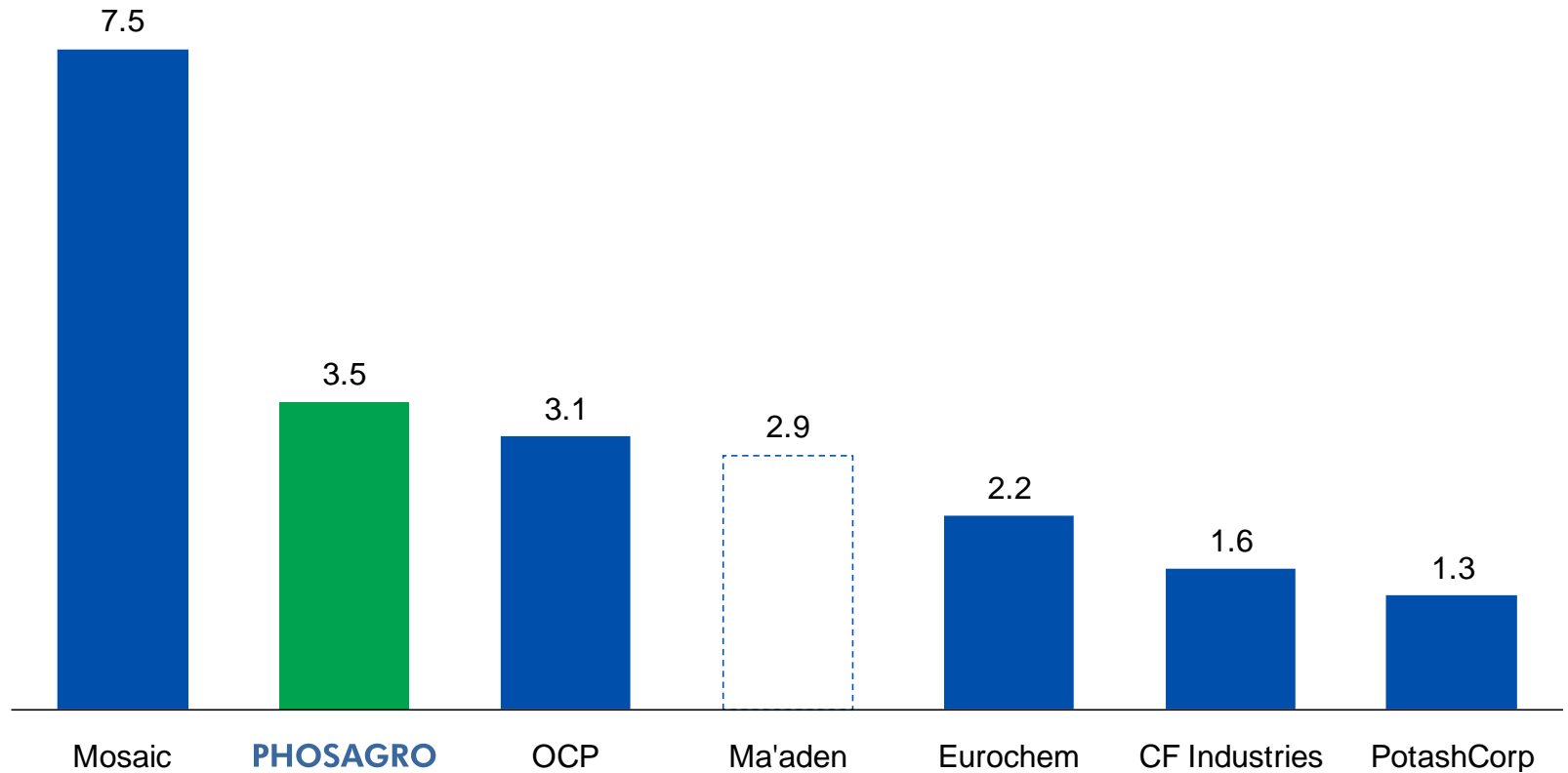
A leading global phosphate rock producer with over 2.1 bln t of apatite-nepheline ore resources (over 75 years of production)



Source: Fertecon, companies' data
 Note: (1) In 2010, excluding Chinese producers







World class integrated phosphate producer

#2 global DAP/MAP producer⁽¹⁾ with 3.5 mln t capacity



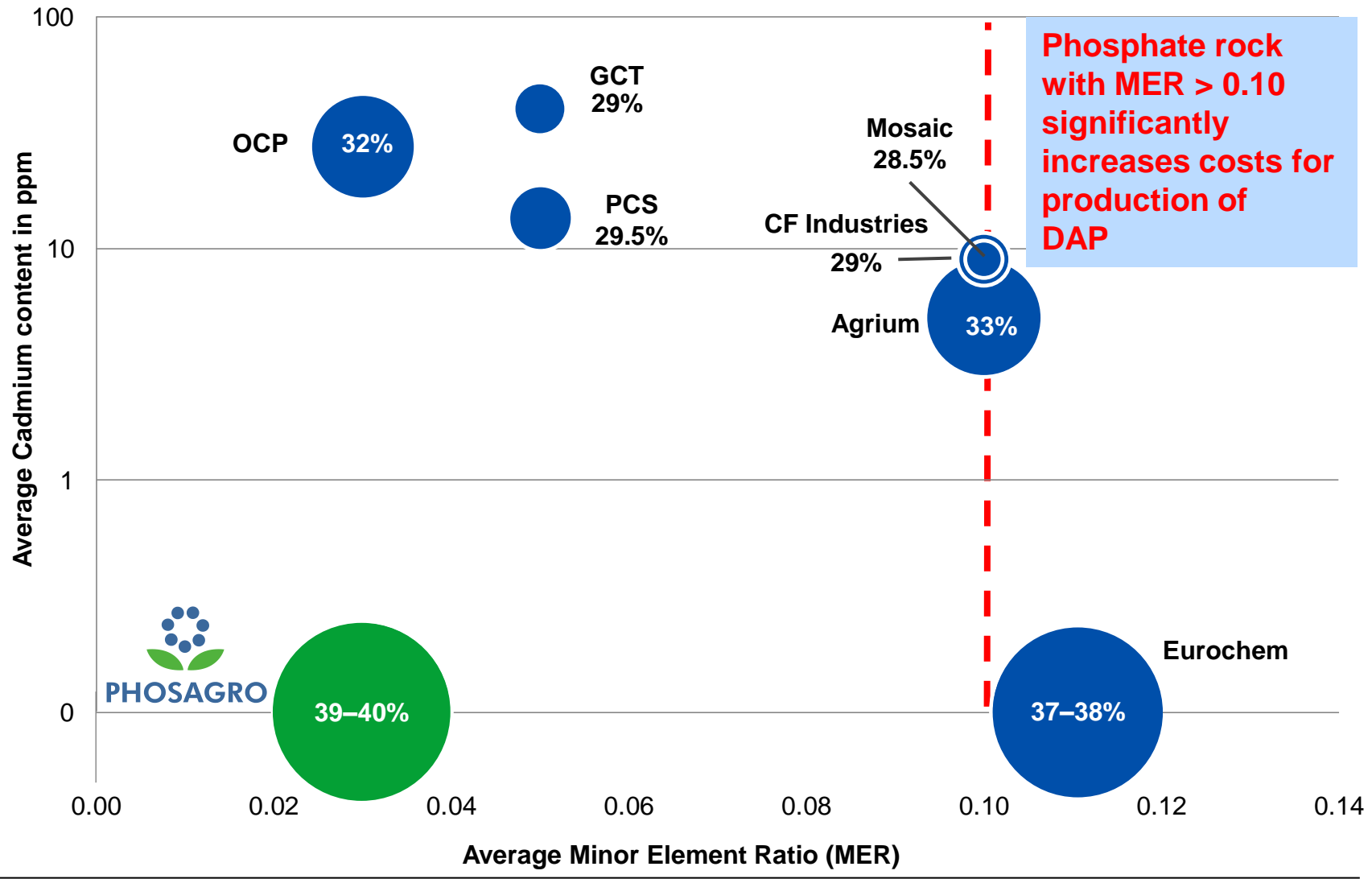
Source: Fertecon, companies' data
 Note: (1) In 2010, excluding Chinese producers

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

Note: (1) primary global DAP/MAP producing regions
Source: Fertecon, IMC

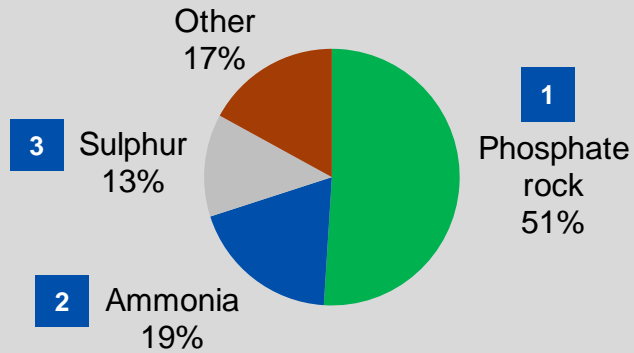
Control of world's premium phosphate resource base



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 fertilizers
 Source: Fertecon, PhosAgro, companies' data

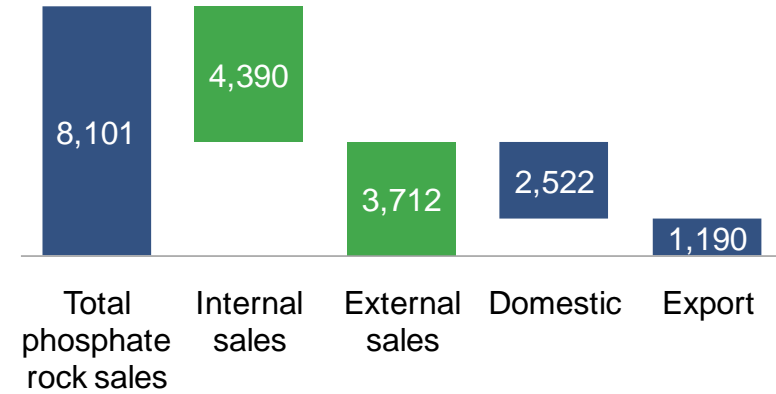
PhosAgro DAP production cash costs

2010, ExW, US\$



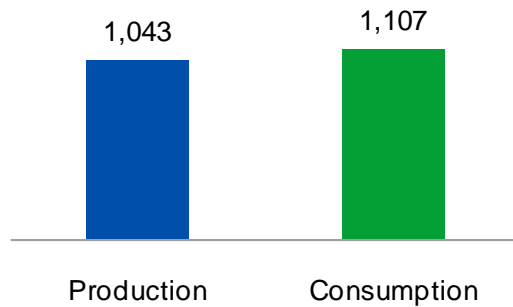
1 Phosphate rock: 100% self-sufficient

2010, kt



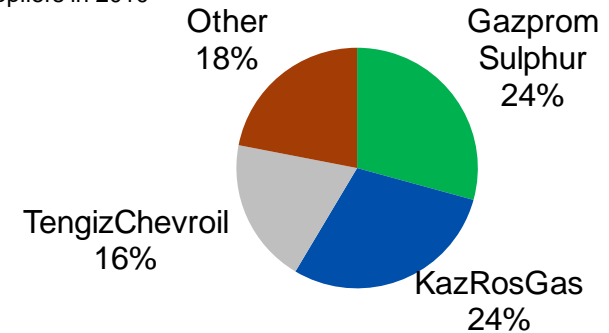
2 Ammonia: 94% self-sufficient

2010, kt

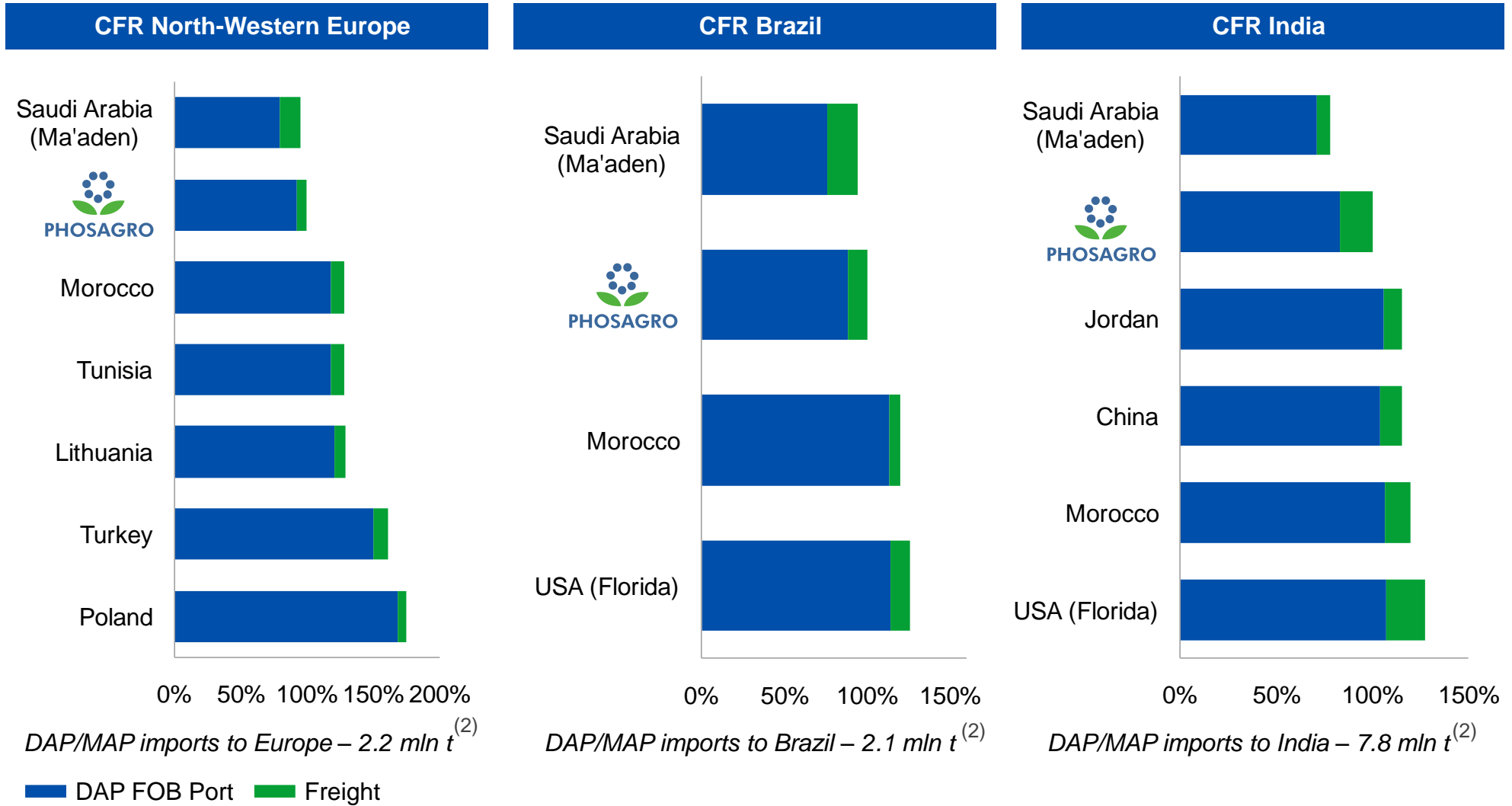


3 Sulphur: access to local supplies

Sulphur suppliers in 2010



Relative DAP production cash costs ⁽¹⁾



DAP/MAP imports to Europe – 2.2 mln t ⁽²⁾

DAP/MAP imports to Brazil – 2.1 mln t ⁽²⁾

DAP/MAP imports to India – 7.8 mln t ⁽²⁾

Source: Fertecon

Note: Average for 20101, PhosAgro taken as 100% basis

(1) The cash costs are defined as cost of goods sold decreased by depreciation, amortization and impairment expense, and increased by land tax and tax on exploration of mineral resources

(2) Size of import market in 2010

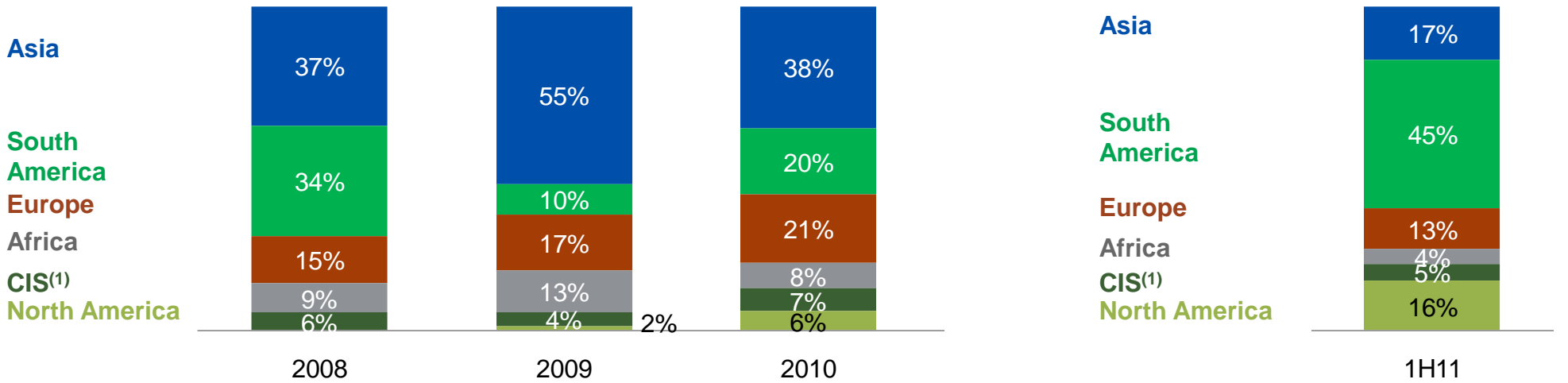
Flexible business model

Flexible business model



Phosphate-based fertilisers and feed phosphate exports by region

In volume terms

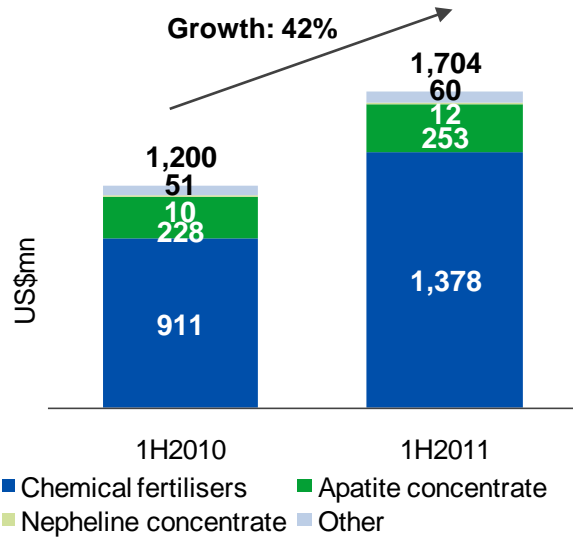


Source: PhosAgro
 Note: (1) Excluding Russia

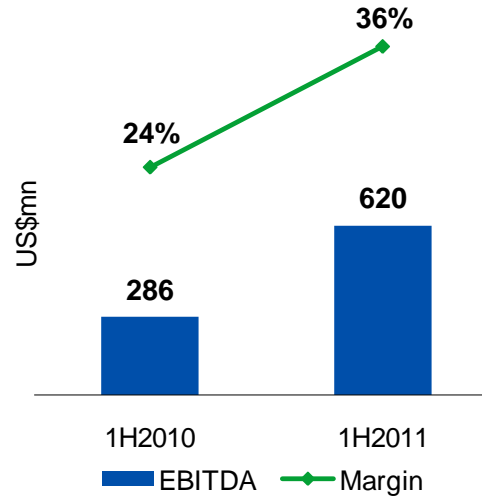


3. Financial Overview

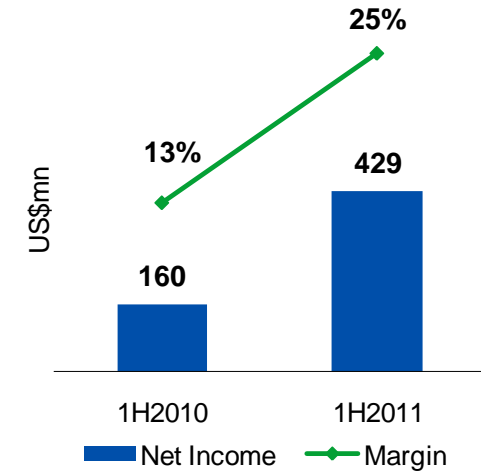
Revenue (H1 2010/2011)



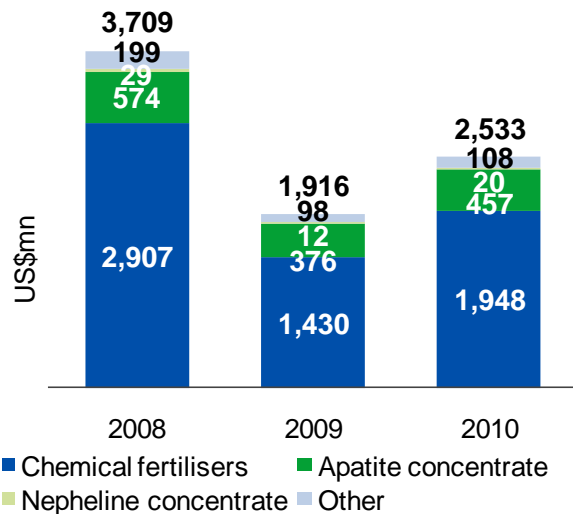
EBITDA (H1 2010/2011)



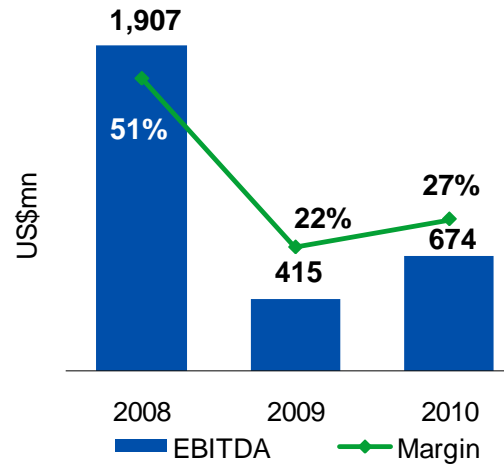
Net Income (H1 2010/2011)



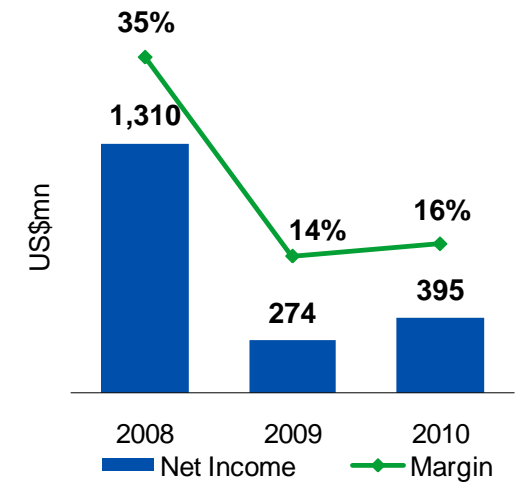
Revenue (FY 2008-2010)



EBITDA (FY 2008-2010)

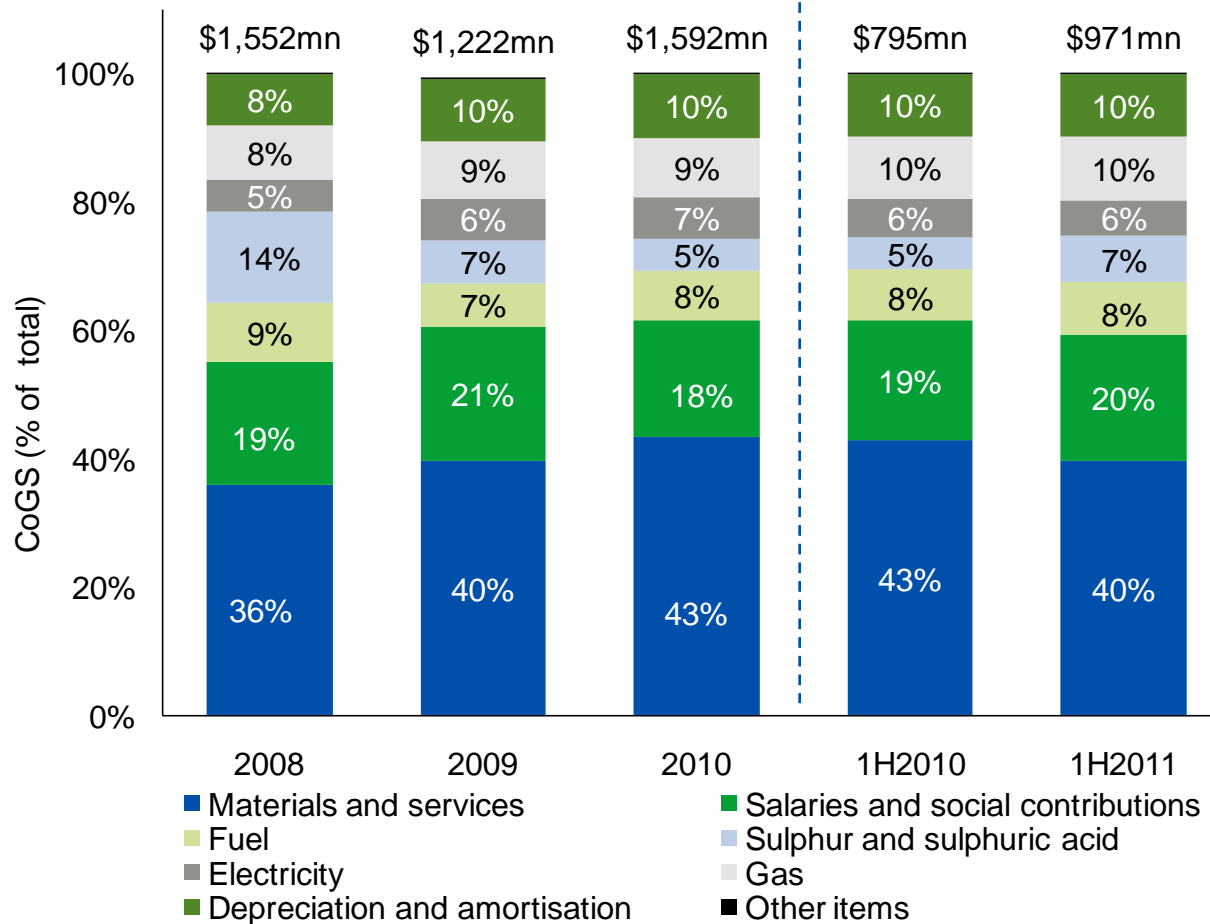


Net Income (FY 2008-2010)



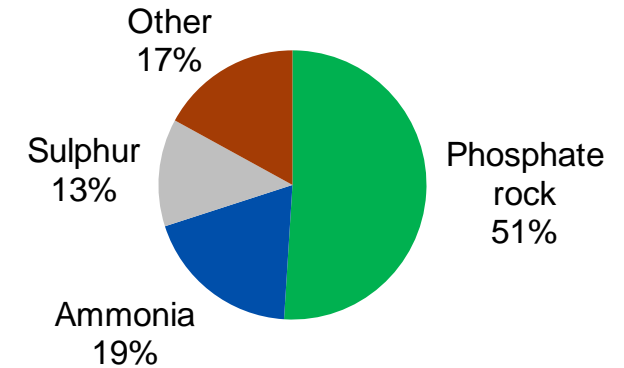
Cost of Goods Sold and Sales Volumes

Sales (kt)	2008	2009	2010	1H2010	1H2011
Fertilisers ⁽¹⁾	3,103	3,635	3,842	1,920	1,992
Rock	3,517	2,807	3,712	1,933	1,558



DAP Production Cash Cost Breakdown

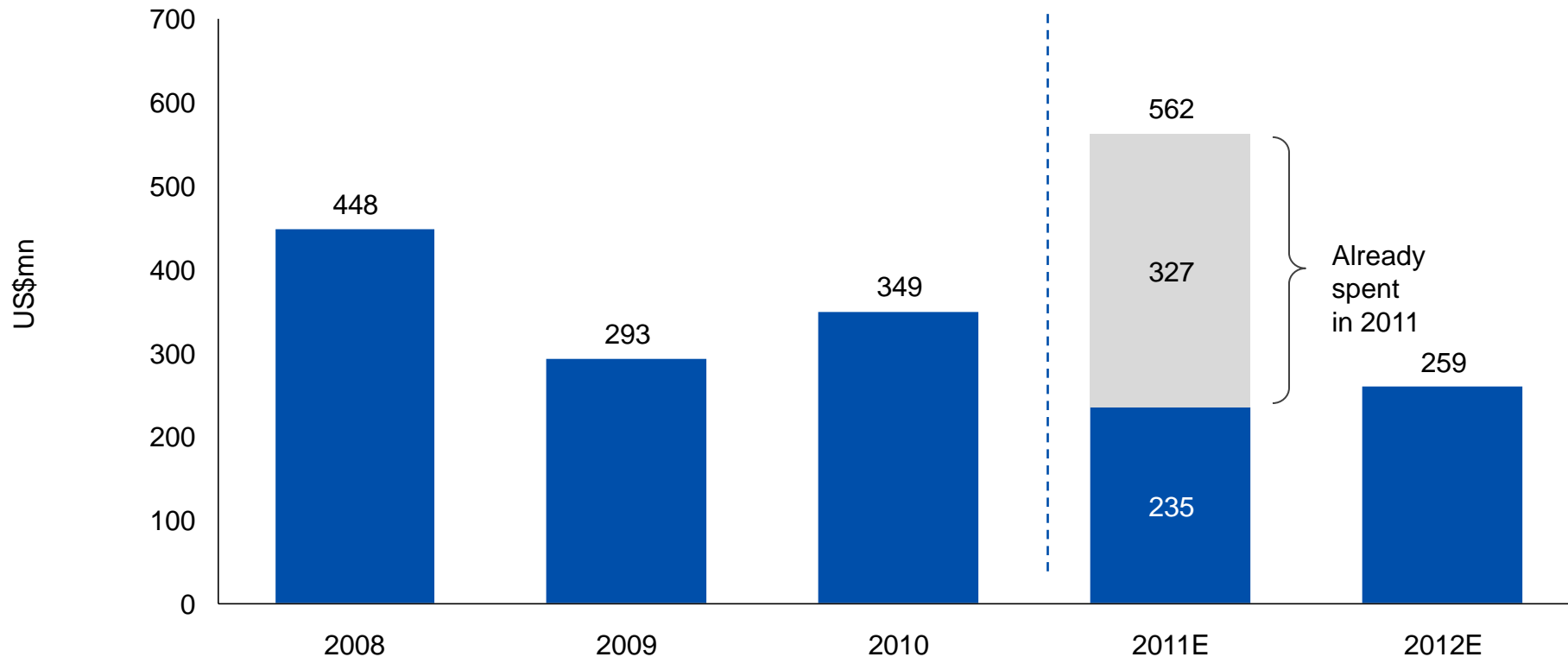
ExW, US\$, 2010



Source: PhosAgro

Note: Excluding change in stock of WIP and finished goods. Applied average USD/RUB exchange rates: 24.86 (2008), 31.72 (2009), 30.37 (2010), 30.07 (1H2010), 28.62 (1H2011)
 (1) Phosphate-based fertilizers and feed phosphate MCP

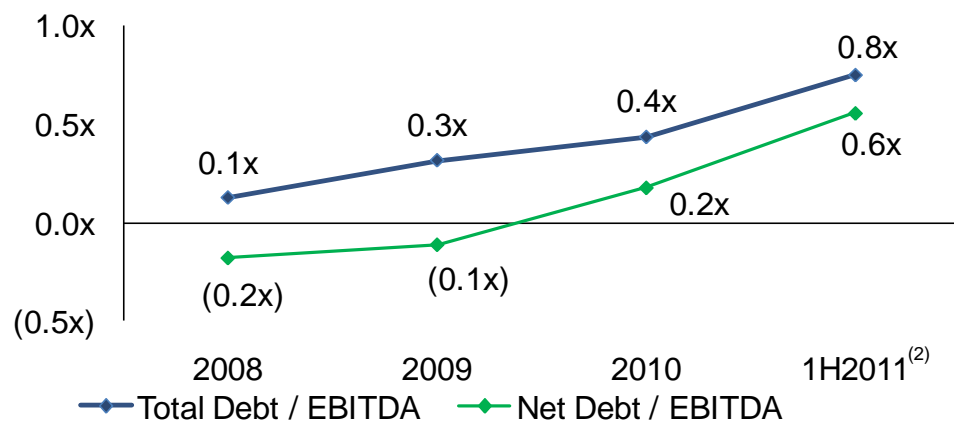
Capex



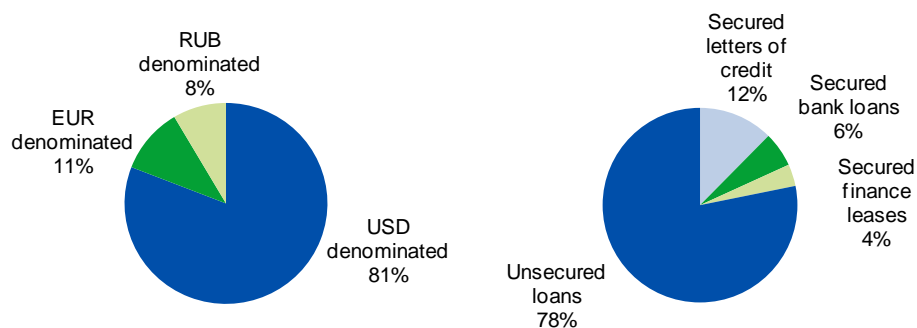
Dividend Policy

- PhosAgro expects to pay between 20% and 40% of consolidated profit for the year calculated in accordance with IFRS as dividends
- For 2011 PhosAgro intends to pay out no less than 30% of the consolidated net income generated in the last 3 quarters of the year (from April 1 to December 31)

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



Types of debt instruments ⁽³⁾



Source: PhosAgro

Note: Applied end-of-period USD/RUB exchange rate of 28.08 (1H2011)

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

(2) Based on annualized EBITDA

(3) As of June 30, 2011. Includes secured bank loans, unsecured bank loans and letters of credit. Total loans and borrowings US\$953mn

Net Debt

Actual Net Debt as of 30 June 2011

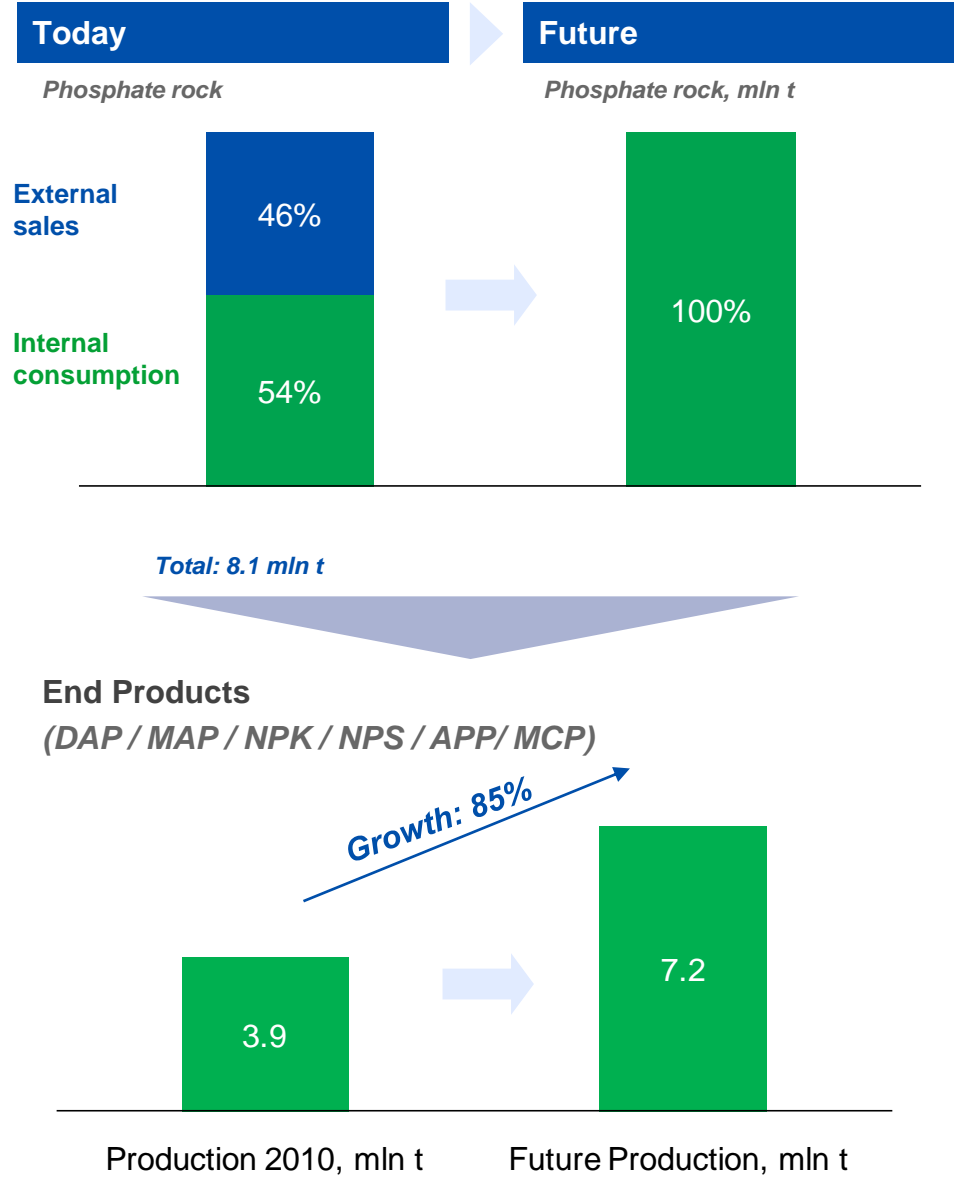
(USD in millions)

Total Debt, incl.:	953
Short-term debt	408
Long-term debt	545
Cash and cash equivalents	(248)
Net Debt	705

4. Future potential



Long term strategy for volume growth of fertilisers



Future Potential Strategic initiatives

The future development of Shtokman field would allow PhosAgro to build new fertiliser capacity near its mines and simplify its export logistics



Source: Gazprom, PhosAgro



Q&A