

Maximising global opportunity

3Q and 9M 2014 IFRS Key Figures, Operations and Potash Market Update

18 December 2014



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Update on Solikamsk-2 Accident (p.1 of 2)

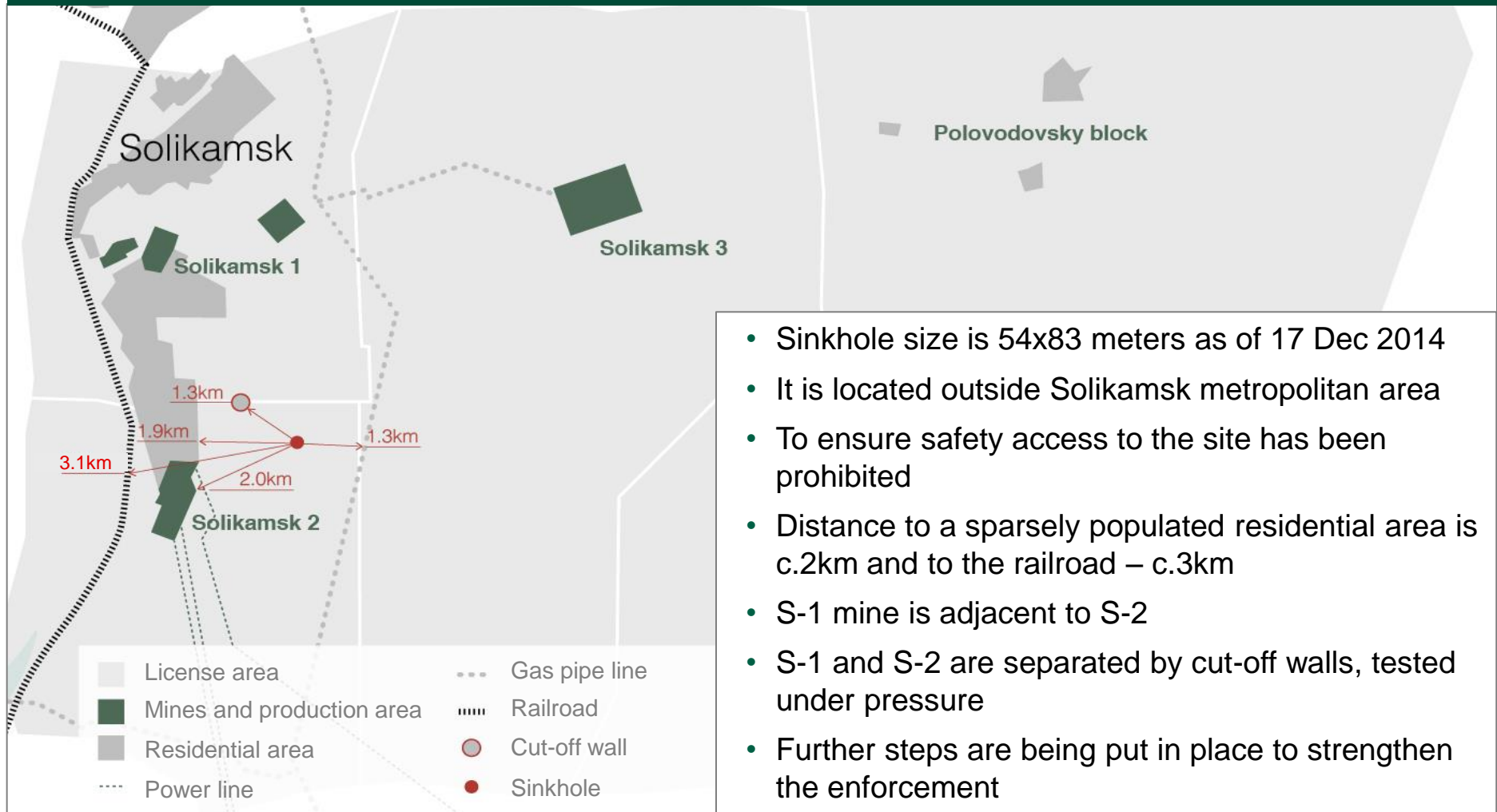
- On 18th November 2014 higher levels of brine inflows were detected at Solikamsk-2 mine
- A sinkhole has been detected on the east of the Solikamsk-2 production site
- To ensure employee safety, Company suspended all works in the mine, introduced an emergency plan and evacuated personnel - as a result of this prompt action no injuries were sustained
- Comprehensive monitoring is currently ongoing in conjunction with a number of scientific institutes:
 - ✓ water inflows are monitored
 - ✓ gas levels are monitored around the sinkhole and in the mine
 - ✓ sinkhole is monitored from a distance using air drones
 - ✓ seismologic control of the sinkhole area has been set up
- According to preliminary assessment there is a relationship to previous accident in 1995
- Uralkali is currently considering potential remedies and additional backfilling
- Solikamsk-1 and all other production units continue to operate in the ordinary course



The impact is being localised and there is a clear plan to tackle the situation promptly

Update on Solikamsk-2 Accident (p.2 of 2)

Asset Location

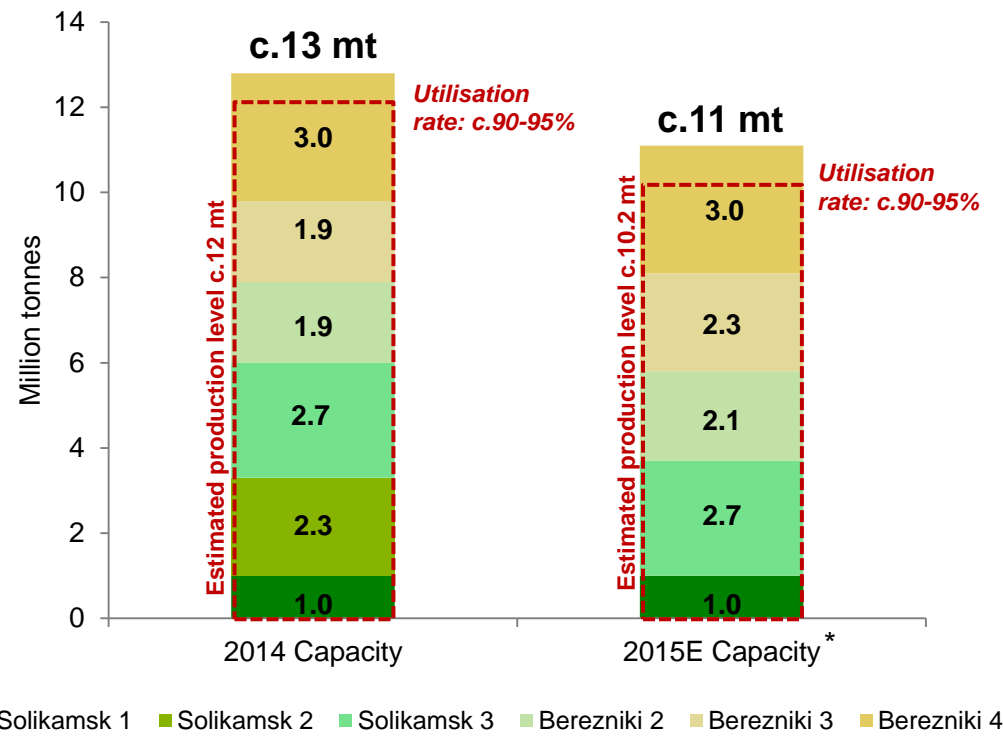


- Sinkhole size is 54x83 meters as of 17 Dec 2014
- It is located outside Solikamsk metropolitan area
- To ensure safety access to the site has been prohibited
- Distance to a sparsely populated residential area is c.2km and to the railroad – c.3km
- S-1 mine is adjacent to S-2
- S-1 and S-2 are separated by cut-off walls, tested under pressure
- Further steps are being put in place to strengthen the enforcement

Capacity and Operational Outlook

- Medium term capacity impact of current S-2 accident remains to be determined
- S-2 accident is not expected to materially change the 2014E production estimate
- Even in the worst case scenario there is a significant optionality to minimize the impact:
 - Ability to supply the plant at S-2 with standard product from S-3 to produce GMOP and partially utilize S-2 plant capacity
 - De-bottlenecking at B-2 and B-3 is planned to be achieved in 2015
 - Possibility to accelerate commissioning of new mine capacity at S-3 phase 2, U-Y, Polovodovsky

Capacity and Production Overview



Operational flexibility to mitigate the impact of possible capacity reduction

Note: *Assuming worst-case scenario: S-2 mine is not operational in 2015. S-2 plant will be partially used to produce granular product, though will not have material impact on total Company's capacity

Uralkali Performance Update 3Q 2014

Key Figures Overview

(US\$ million)	IFRS 3Q 2014	IFRS 9M 2014	IFRS 3Q 2013	IFRS 9M 2013
Revenue	896	2,622	856	2,470
Net Revenue	715	2,031	697	2,045
Average export potash price, FCA, US\$	233	224	272	299
.....				
(Million tonnes)				
Production volume	3.2	9.2	2.7	7.2
Sales volume	3.1	9.2	2.6	6.9
- Export	2.6	7.7	2.1	5.4
- Domestic	0.5	1.5	0.5	1.4

- Q3 2014 exhibited positive market momentum with stable volumes and stronger pricing environment
- Demand recovery and increase in sales volumes mostly offset decrease in prices

Uralkali demonstrated solid performance as the market underwent price/volume re-adjustment

Reorganisation: Current Status and Update

Background

- During 2012-2013 Uralkali acquired 367 mln shares which represents c.12.5% of the Company's share capital
- Executed via a combination of on- and off-market purchases for total amount of c.US\$2.5bn (c.82 bn RUR)
 - Buyback entity – Enterpro Services Ltd; treasury stock was subsequently sold to Uralkali Technology in Jun-Jul 2013

Technical Details

Cancelation to be technically effected via a merger of Uralkali Technology into Uralkali

- Merger was approved by shareholders on 31 Jul 2014
- Merger completion is pending

Completion of the merger will decrease PJSC Uralkali's Net Assets in RAS accounts by c.82 bn RUR

Furthermore, if current market conditions in Russia persist, they may negatively impact PJSC Uralkali's RAS net profit

- Ruble depreciation (c.-60% since 30 Sep 2014 up to date)
- Net currency position is c. -US\$2.5 bn as of 30 Sep 2014 in accordance with PJSC Uralkali's RAS accounts

PJSC Uralkali's RAS retained earnings totaled 89 bn RUR/ US\$2.3bn as of 30 Sep 2014¹

Thus, effecting the merger now would decrease Uralkali's retained earnings, impacting ability to pay dividends

Further Steps

Following evaluation of implications of the merger and current economic situation, the Board has agreed to postpone the completion of reorganisation in order to:

- Allow for proper evaluation of the impact of volatile economic environment and
- Mitigate the impact of this element on the dividends that may be paid by the Company

Management and the Board continue to evaluate various options to further proceed with the cancelation

- An update to the market will be provided in due course

Capital Structure Update

Balance Sheet and Loan Portfolio

Loan portfolio parameters as of **30 Sep 2014**:

- c.100% of debt exposure is in US Dollars
- Effective interest rate – 3.6%

US\$ million

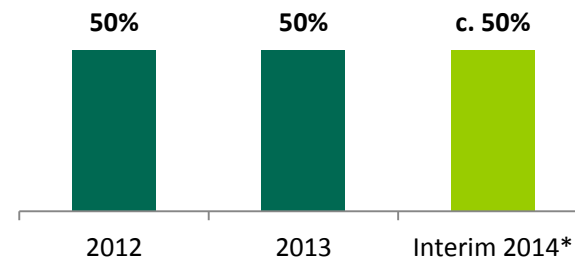
30 Sep 2014

Debt (incl.bank loans and eurobonds)	4,762
Cash	1,146
Net debt	3,616
Net debt/LTM EBITDA ¹	2.28x

Dividend Policy

- BoD recommended an interim dividend of USD 0.22 per GDR² (subject to approval by EGM on 26 Dec'14)
- Pay-out ratio: minimum 50% of IFRS net income
- Interim dividends at least twice a year

Dividend Payout Ratio



*Subject to approval on 26 Dec'14

Credit Ratings

Agency	Credit Rating	Outlook	Last Update
STANDARD & POOR'S	BBB-	CreditWatch Negative	Dec' 2014
MOODY'S	Baa3	Negative	Nov' 2014
FitchRatings	BBB-	Neutral	Nov' 2014

Robust balance sheet position with further reduction in indebtedness during Q3

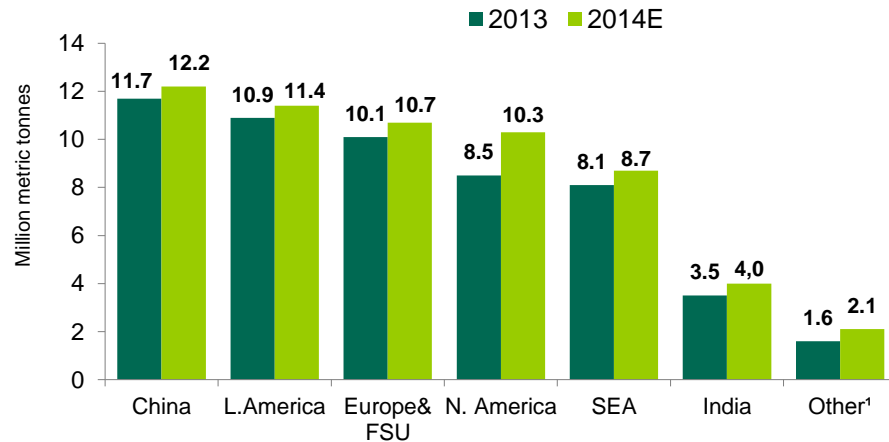
Notes:

1. EBITDA is calculated as operating Profit plus depreciation and amortization and does not include mine flooding costs and other one-off expenses
2. According to the exchange rate of the Russian Central Bank as of 18 December 2014, USD 1=RUB 67,7851

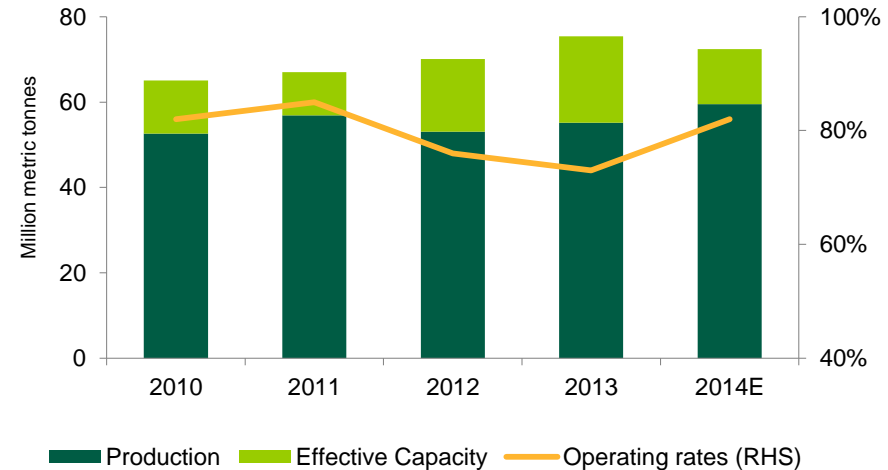
Potash Market Enjoyed Strong Recovery in 2014



2014 Deliveries Proved Very Robust in All Markets



Potash Supply/Demand Dynamics 2010-2014E



- 2014 was a strong year with global deliveries expected to reach record 59-60 million metric tonnes, supported by restocking and lower prices
- Product availability has been extremely tight throughout the year
- The strength of the potash market was reflected in the higher y-o-y operating rates

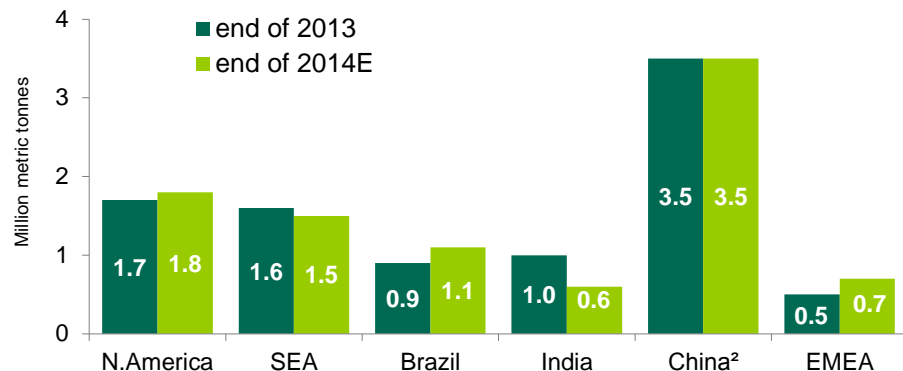
The combination of very strong demand and tight supply led to more balanced supply/demand environment this year

Notes:
 1. Middle East & Africa
 Source: IFA, Uralkali estimates

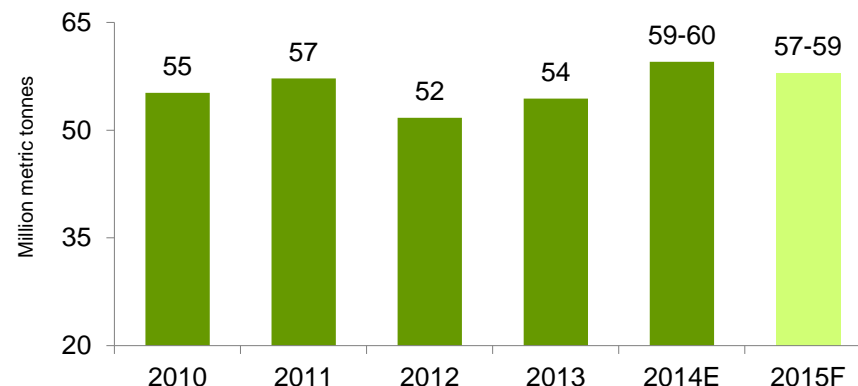
Forward Potash Demand Outlook (p. 1 of 2)



Global Potash Inventory¹



Global Potash Deliveries 2010-2015F



- As of end 2014, the potash industry is estimated to be in reasonably good shape with inventory levels generally healthy, and demand stable
- 2014 potash demand has been inflated by deferred demand due to stalled buying in 4Q 2013
- After strong demand in 2014 farmers may cut slightly application rates in some markets next year to reduce expenses in a lower grain price environment

Global potash deliveries likely to be flat or slightly ease in 2015. Softer demand in some markets may be offset by stronger demand in China and India

Notes:

1. Inventories don't include domestic potash producers' stocks, excl. China

2. Including domestic producers' stocks

Source: IFA, Uralkali's estimates

Forward Potash Demand Outlook (p.2 of 2)

<p>China</p>	<ul style="list-style-type: none"> • Deliveries are expected to be strong next year supported by demand from NPK producers. Potash inventory level as of end 2014 is estimated at 3.5 million metric tonnes. In terms of the contract, China is likely to return to the market in January 2015
<p>India</p>	<ul style="list-style-type: none"> • India may be stronger in 2015 following several years of weak imports (up to 4.5 million metric tonnes). The new government may change the fertilizer subsidy structure in the April 2015 budget to better balance NPK demand. Given India tight potash inventories (c.0.6 million metric tonnes at the end of December), Indian contract settlement is likely not be delayed
<p>SEA</p>	<ul style="list-style-type: none"> • 2015 Demand prospects remain good. Despite y-o-y lower palm oil prices, palm oil economics is profitable. There may be limited upside to potash demand in Malaysia and Indonesia due to currency devaluations against US\$
<p>Latin America</p>	<ul style="list-style-type: none"> • After record 2014, demand may slightly ease in the region amid customer concerns in Brazil over current macroeconomic climate (high inflation level, devaluation of BRL against US\$), and lower y-o-y soybean prices
<p>EMEA & FSU</p>	<ul style="list-style-type: none"> • 2015 Demand is expected to be flat or slightly ease in Europe. Lower y-o-y grain prices may have some impact on demand. In FSU and Africa, demand is expected to be solid
<p>USA</p>	<ul style="list-style-type: none"> • US farmers are still in very good financial condition. 2015 potash demand may come up slightly short from 2014 levels due to less corn acres in the spring. Lower nutrient levels after record crop production could be the catalyst for potash demand next year

Key Takeaways

- 2014 is a successful year for potash producers in terms of demand and production. The pace of global potash sales remained robust during the year
- Although traders and farmers remain currently cautious given lower grain prices and macroeconomic uncertainty in some regions fundamentals for stable demand are still favorable due to affordable potash prices
- 2015 Global potash deliveries are likely to range 57-59 million metric tonnes depending on macroeconomic environment and results of negotiations with China and India for the next contract
- The Company will continue to place volumes depending on market dynamics next year following its revenue maximization strategy

Appendix

Uralkali Operations Overview

Existing Assets - 5 MINES, 6 POTASH PLANTS, 3 GREENFIELD PROJECTS (Ust-Yayva, Polovodovo and Romanovo)



Berezniki-2

- Potash plant and mine
- Granular and standard potash
- Capacity: 2.1 m tonnes
- Reserves: 99.9 m tonnes of ore



Berezniki-4

- Potash plant and mine
- Standard potash
- Capacity: 3 m tonnes
- Reserves: 336.2 m tonnes of ore



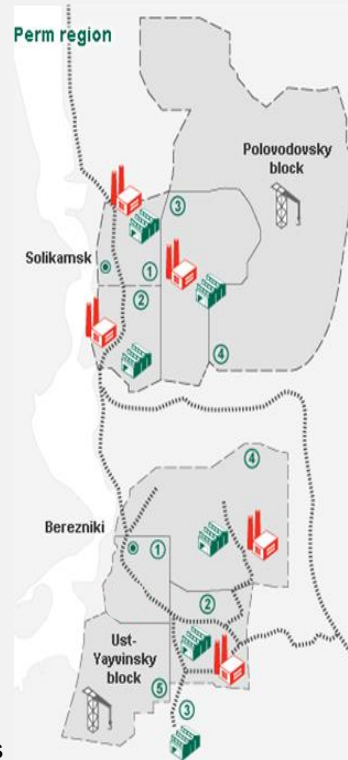
Berezniki-3

- Potash plant
- Granular, standard potash
- Capacity: 2.3 m tonnes



Ust-Yayvinsky Field

- Capacity: + 2,8 m tonnes KCl in launch year 2020
- Reserves: 137.3 m tonnes of ore



- MOP Plants (6)
- Potash Mines (5)
- Greenfield licenses (3)



Solikamsk-1

- Carnallite plant
- Potash plant and mine
- Standard potash
- Capacity: 1 m tonnes
- Reserves: 91.9 m tonnes of ore



Solikamsk-3

- Potash plant and mine
- Standard potash
- Capacity: 2.7 m tonnes
- Reserves: 259.8 m tonnes of ore



Solikamsk-2

- Potash plant and mine
- Granular and standard potash
- Capacity: 2.3 m tonnes as of 2014
- Reserves: 223.4 m tonnes of ore



Polovodovsky Field

- Capacity: + 2,5 m tonnes KCl in launch year 2021
- Resources: 2.2 bn tonnes of ore

Romanovsky Field

- Preliminary estimated reserves: 385 m tonnes of ore