



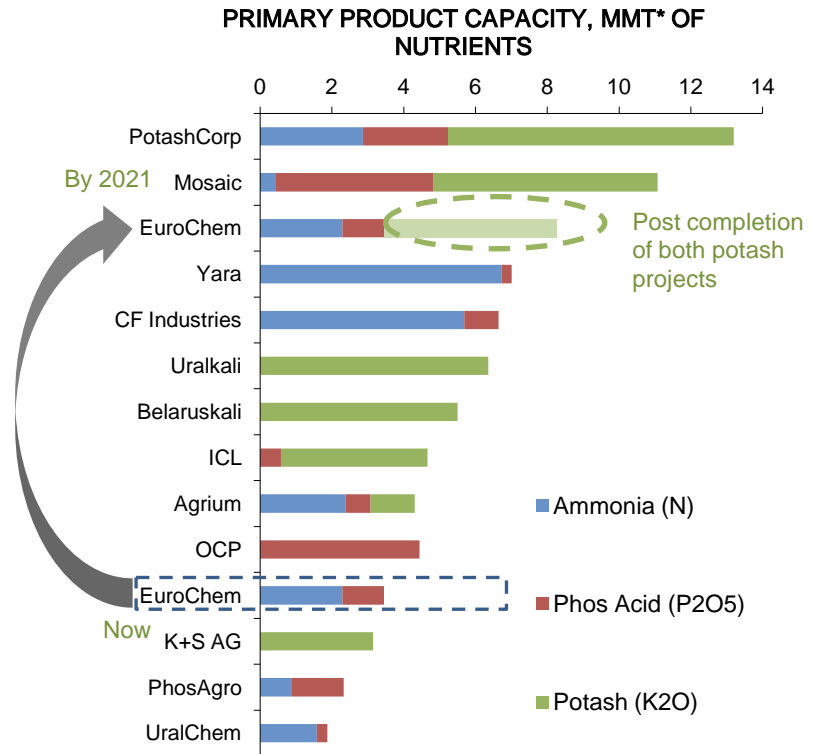
EUROCHEM
MINERAL AND CHEMICAL COMPANY

Deutsche Bank Russia One-on-One Conference
January 2012

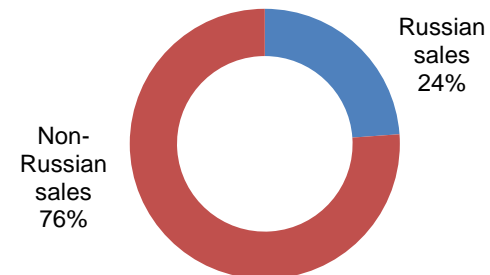
Summary

- EuroChem is a top 10 agrochemical company globally by nutrient capacity
- **2 Nitrogen plants** in Russia (2.8 MMT of ammonia)
- **3 Phosphate plants** (2 in Russia and 1 in Lithuania) - 2.4 MMT of MAP/DAP
- **Apatite and iron ore mine** in Russia
 - P₂O₅-rich (37%-38%) **apatite ore** (2.7 MMT per year) covers c.85% of own production needs at the 3 phosphate plants
 - Up to 6MMT of **iron ore** (Fe content 64%), a co-product of apatite mining
- **Construction of own Potash (K) capacity** is well underway (production to start in 2014, reaching c.8 MMT of KCl per year by 2021)
- **Vertical integration:** own raw materials, port terminals, rail stock, construction/repair works, distribution in CIS
- **Strong operational track record;** all EuroChem production facilities are OHSAS-8001, ISO 14001 and ISO 9001 certified
- Total employees of >20,000
- FY 2011 revenues USD 4.5bn; EBITDA USD 1.7bn
- Privately owned by Andrey Melnichenko (92%) and CEO Dmitry Strezhnev (8%)

Top 10 by nutrient capacity globally



9M 2011 GEOGRAPHICAL SALES SPLIT



*MMT = million metric tonnes

Vertically Integrated Producer

Kovdorskiy GOK



Products	Volume
Iron ore	5,700
Apatite	2,700
Baddeleyite	8.85

Phosphorit



Products	Volume
MAP, DAP, NP	775
Feed phosphates	220
NPK	60

Lifosa



Products	Volume
DAP	990
Feed phosphates	160

EuroChem-BMU



Products	Volume
MAP, NP	590

Novomoskovskiy Azot



Products	Volume
Ammonia	1,670
Urea	1,480
Ammonium Nitrate	1,290
UAN	427
CAN	420

Verkhnekamskoe deposit



Products	Volume
MOP - Phase I	2,000
MOP - Phases I and II	3,400

Gremyachinskoe deposit

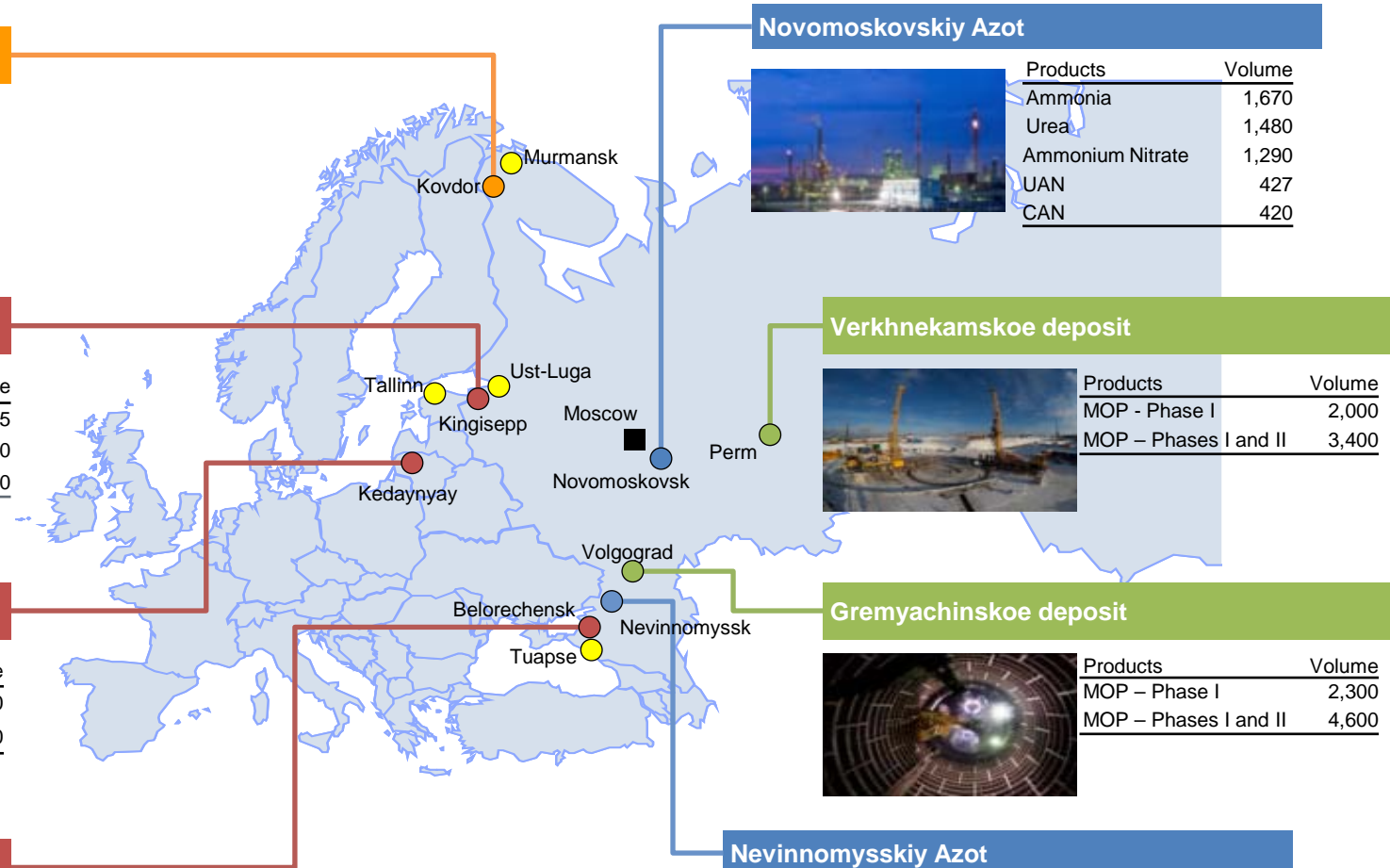


Products	Volume
MOP - Phase I	2,300
MOP - Phases I and II	4,600

Nevinnomysskiy Azot

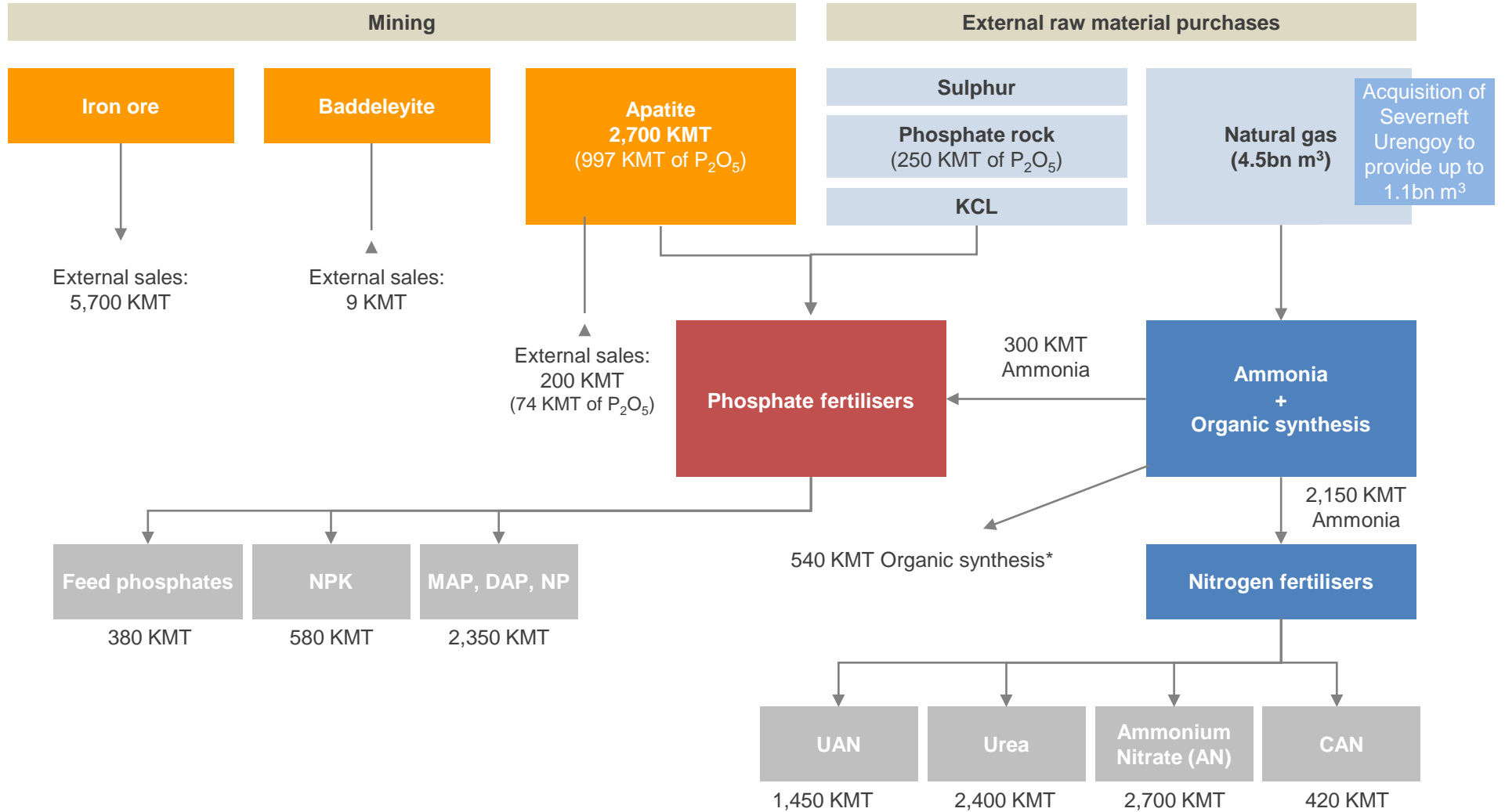


Products	Volume
Ammonia	1,160
Urea	890
Ammonium Nitrate	1,420
UAN	1,022
NPK	460



- Nitrogen
- Phosphate
- Potash
- Mining operations
- Transshipment terminals

Integrated production chain and capacity overview



*Methanol and acetic acid are the main organic synthesis products

The Three Main Pillars of EuroChem's Strategy

Maintain / increase cost competitiveness in Nitrogen and Phosphate fertilizers in terms of "cost delivered to core markets"

- More competitive feedstock (natural gas, phosphate rock)
- More proximity to final customers (Russia, CIS, Europe)
- More capacity growth
- More value-added products / broad product menu
- More energy efficiency
- More savings on logistics through ownership of port terminals, rail cars, vessels etc...

Build a globally competitive and large-scale Potash business

- Greenfield investments in two Russian potash deposits, target production by 2021 = 8 million tonnes of KCl
- First potash to be produced in 2014
- Target – to be the most competitive producer globally in terms of "cost delivered to core markets"

Maintain commitment to highest industry standards of corporate governance, EHS, HR management, social responsibility, transparency and integrity

- Transparency of a public company despite being private
- Highest standards of HSE policies / culture of continuous improvement
- Social responsibility and integrity as values
- One of the best employers in its home market
- OHSAS-8001, ISO 14001 and ISO 9001 certified / compliant

EuroChem: Corporate Governance

EuroChem is a private company implementing the best-in-class corporate governance expected of a public company

Shareholding structure and influence

- ◆ Best-in-class approach to corporate governance
 - Management develops and executes strategy
 - Board of Directors performs overall oversight
- ◆ Board composition: 3 out of 7 are independent directors with long standing reputation and experience
- ◆ Three Board committees:
 - Audit
 - Strategy
 - Governance and Personnel

Shareholding structure and influence

- ◆ Transparent and open ownership structure
- ◆ Long term shareholder commitment
- ◆ Prudent dividend policy, consistent with the financial situation of the company

Transparency and disclosure

- ◆ IFRS reporting since 2002
- ◆ Annual reports issued since 2005, audited by PwC. CSR reports since 2005
- ◆ Financial statements and majority of corporate governance documents are publicly available on our regularly updated website

Board of Directors



Andrey Melnichenko—Chairman of the Board of Directors

- ◆ Beneficiary of a 92 percent interest in EuroChem
- ◆ Co-founder and former Chairman of the Board of Directors of MDM Bank
- ◆ In partnership with Sergey Popov, built EuroChem, SUEK and founded TMK



Richard Sheath—Chairman of Audit Committee, Member of Corporate Governance and Personnel Committees

- ◆ Prior to Eurochem, worked as risk management consulting partner with PwC
- ◆ Began professional career with the Bank of England and the Ministry of Finance



George Cardona—Chairman of the Strategy Committee

- ◆ Founder and CEO of London-based Cardona Lloyd & Co.
- ◆ Previously worked at HSBC Group, as Head of Strategy, and also as General Manager responsible for international banking



Vladimir Stolin—Chairman of Corporate Governance and Personnel Committees

- ◆ Author of various scientific works on management and corporate behavior
- ◆ Previous work experience includes being a professor at the and working as a consultant at RHR International



Keith Jackson—Member of the Audit and Strategy Committees

- ◆ From 1996 to 2005, Senior VP and a divisional CFO of Anglo American
- ◆ Extensive experience across several sectors and regions. Previous positions held include Chairman of Cleveland Potash, CFO of Cape plc



Nikolay Pilipenko—Member of the Audit Committee

- ◆ CFO of EuroChem from 2006 to 2008
- ◆ Extensive international experience with trading and industrial companies
- ◆ Previously worked at ABB Group



Dmitry Strezhnev—Chairman of the Management Board

- ◆ Head of EuroChem since August 2003
- ◆ Co-founder and General Director of RusPromAvto, 1999-2003
- ◆ Previously worked as Head of Likinskiy Bus Manufacturing Plant

Acquisition of BASF fertilizer assets in Western Europe : overview



Fertilizer Complex, Antwerp

- On 27 September 2011, EuroChem announced the acquisition of BASF fertilizer production assets in Antwerp (Belgium). In addition, after 2014, EuroChem will also benefit from the distribution of c.1.2 MMT of AS and ASN produced by BASF.
- The transaction is valued at approximately EUR 670 million, subject to customary final adjustments and anti-monopoly permissions.
- The closing of the transaction (payment / transfer passing of ownership) is expected in March 2012.
- The acquired asset has a 2.2 MMT p.a. capacity of various grades of NPK and CAN/AN and benefits from superior logistical advantages and proximity to European customer base.
- Distribution of all fertilizers produced by the assets is performed by K+S Nitrogen under a contractual agreement until 31 December 2014. K+S Nitrogen receives a share of profit from the sale of fertilizers for its distribution role.
- Main benefits from the acquisition to EuroChem include:
 - Possibility to supply raw materials (phosphate rock, ammonia, potash)
 - Increase in fertilizer trading volumes by almost 50% (2.2 MMT of NPK, CAN/AN + 1.2 MMT of AS and ASN)
 - Easy access to premium European customer base through superior logistics
 - Access to technology (special grades of NPK, ODDA process, etc.)
 - Geographical diversification

Acquisition of BASF fertilizer asset in Western Europe : overview (cont'd)

EBITDA

Expected Antwerp FY 2011 EBITDA c. EUR 110 million, estimated to be 30-40% higher without the distribution agreement with K+S Nitrogen (expiring 31 December 2014).

Additional value

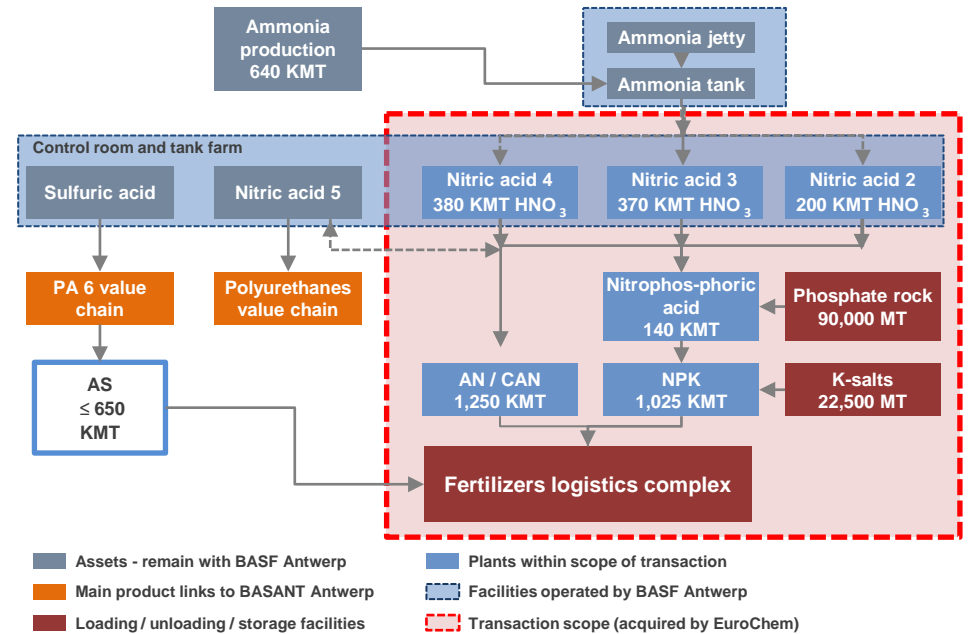
Additional value benefits from carbon credits sale at Antwerp and distribution of AS / ASN is estimated to amount to EUR 50-60 million.

Distribution agreement

Effect of the distribution agreement with K+S Nitrogen (takes out c.30-40% of the assets' profit before tax) will expire on 31 December 2014.

Financing

Financing is expected to be part debt, part free cash flow with EuroChem's net debt / EBITDA not exceeding 1.9x after closing in March 2012 (without the sale of any shares in K+S).



Nitrogen Segment - No.7 globally by primary product capacity (ammonia)

EuroChem nitrogen operations

Novomoskovskiy Azot

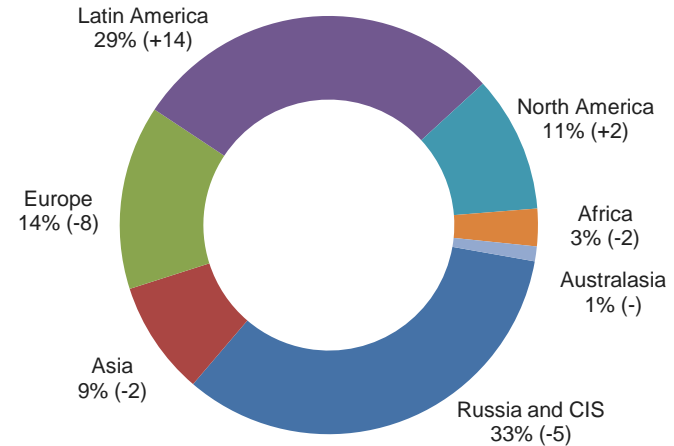
Ammonia	1,670
Urea	1,480
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Nevinnomysskiy Azot

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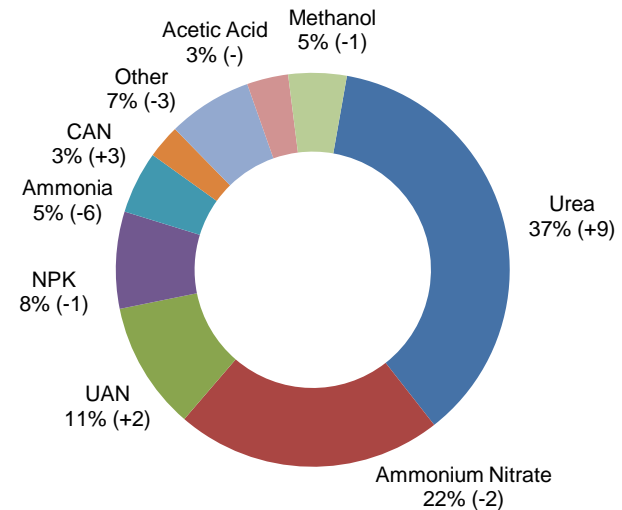
Sales by region**, 9M 2011



Key investment projects

- First in Russia - **granulated urea** (Urea 3 shop) with 2.0KT per day at Novomoskovskiy.
- CAN** shop with 420 KT per annum capacity at Novomoskovskiy, launched in November 2009
- Construction of **melamine** production (50 KT p.a.) along with the revamp of urea shop at Nevinnomysskiy expected March 2012
- Construction of new **granulated urea** facility with 1.15 KMT per day capacity at Novomoskovskiy (Urea 4 shop)
- LDAN** production
- Technical rehabilitation of plants to **increase efficiency**

Sales by Product**, 9M 2011

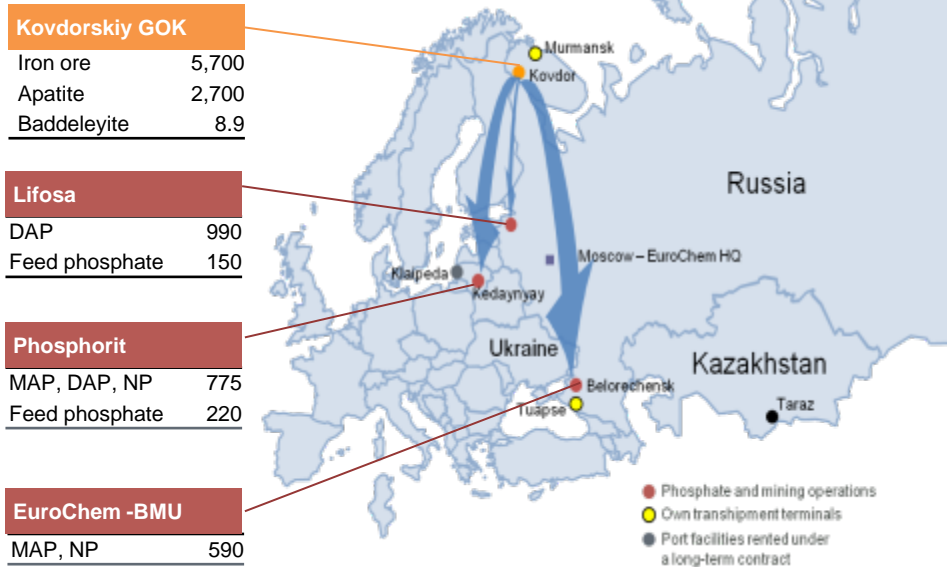


Nitrogen segment includes nitrogen fertilizers and organic synthesis products

All volumes expressed in thousands of tonnes

Phosphate Segment - No.8 globally by primary product capacity (phosphoric acid)

EuroChem phosphate operations

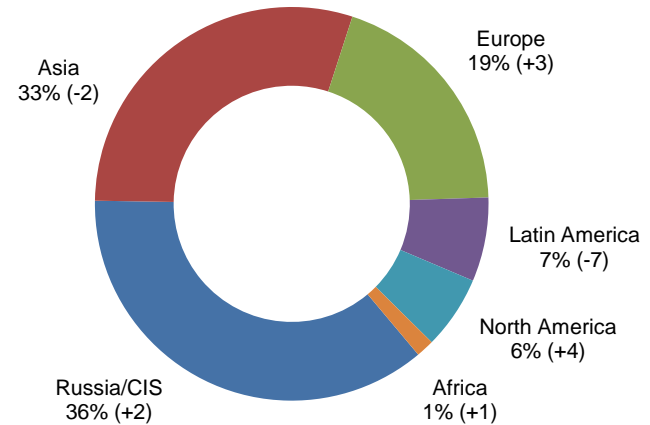


Key investment projects

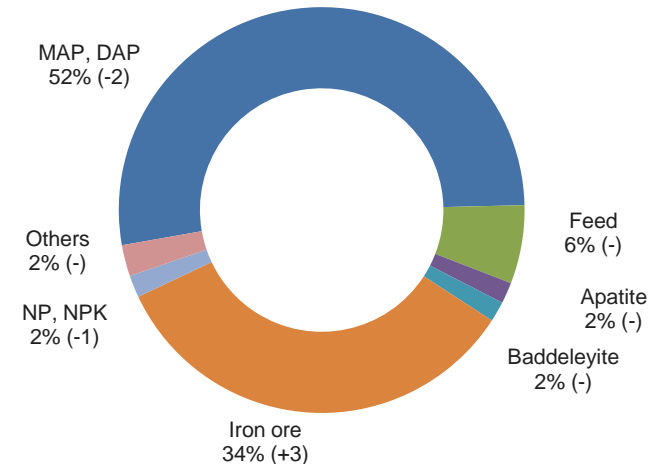
- **Increase sulphuric acid capacity:** at Phosphorit from 720 to 1,000 KT p.a.; at EBMU from 520 to 720 KT p.a.
- **Build NPK** production at EC-BMU: 800 KT p.a. (feedstock to come from Volga-Kaliy potash)
- **Feed phosphates** at Lifosa: 150 KT p.a. – completed
- **Kazakhstan:** phosphate rock supply (300 KT planned for 2013)

The Phosphate segment includes iron ore and baddeleyite, byproducts of apatite production at Kovdorskiy GOK mine
 All volumes expressed in thousands of tonnes

Sales by region**, 9M 2011



Sales by Product**, 9M 2011



**in brackets – change in percentage points relative to 9M 2010

Potash Segment - 912 Million tonnes of proven and probable reserves

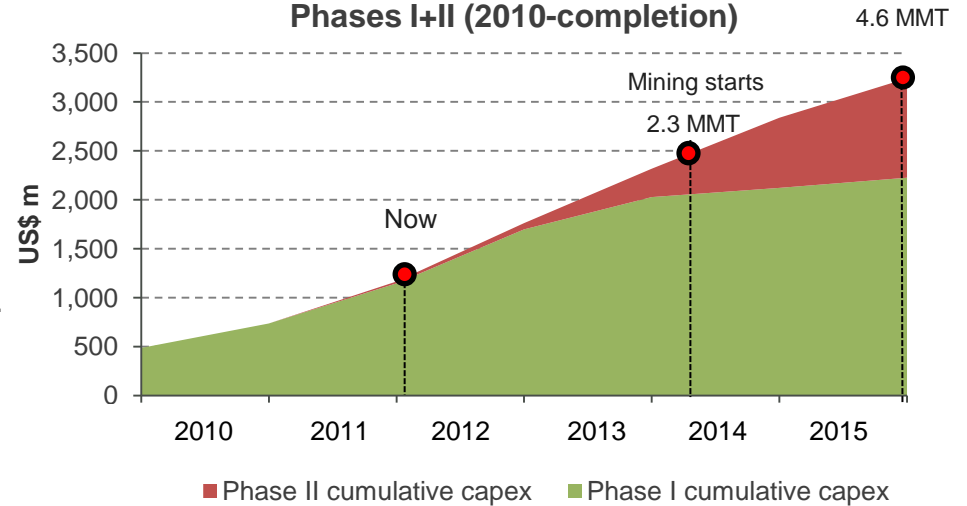
Volgograd Region (Gremyachinskoe deposit)

- **Phase I:** capacity of 2.3 MMT p.a., involves the construction of social infrastructure, cage shaft, skip shaft #1 and processing facility.
- **Phase II:** capacity doubled to 4.6 MMT p.a., involves the construction of skip shaft #2 and expansion of processing facility.
- **Current status:** -440m at skip shaft #1, -100m at cage shaft (currently prepared for freezing), -40m at skip shaft #2 (ventilation).

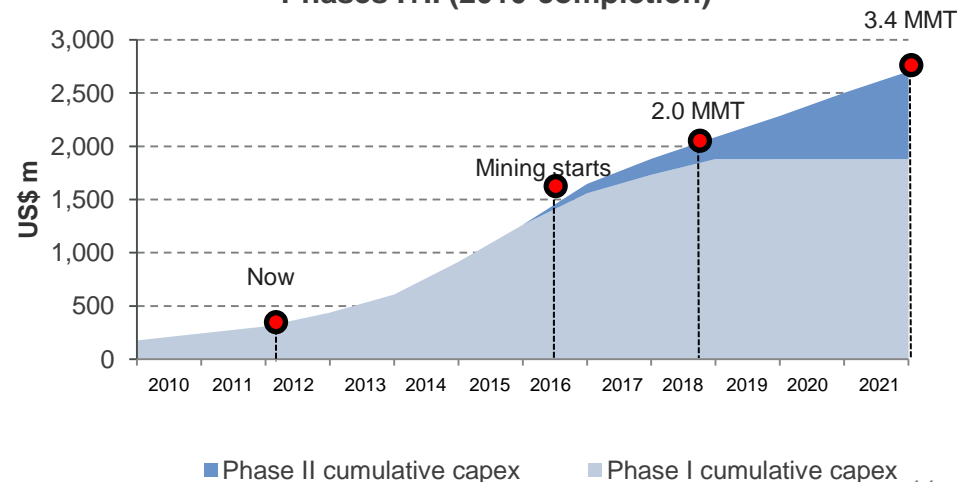
Perm Region (Verkhnekamskoe deposit)

- **Phase I:** capacity of 2.0 MMT p.a., involves the construction of social infrastructure, cage shaft, skip shaft #1 and processing facility.
- **Phase II:** additional capacity of 1.4 MMT p.a., involves the construction of skip shaft #2 and expansion of processing facility.
- **Current status:** Shaft sinking began on 15 December 2011, -50m reached.

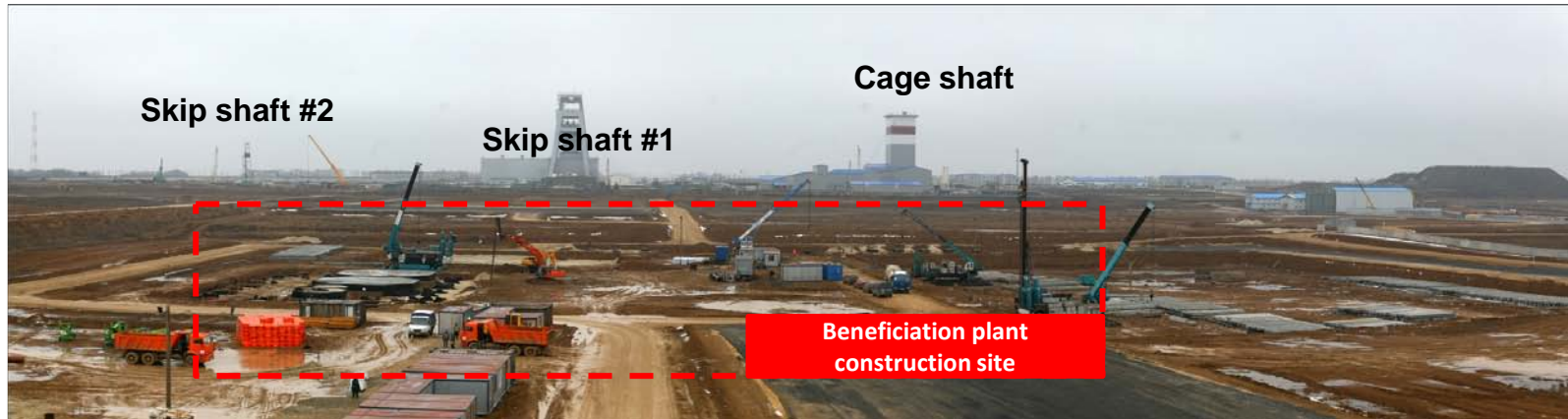
Gremyachinskoe cumulative capex Phases I+II (2010-completion)



Verkhnekamskoe cumulative capex Phases I+II (2010-completion)



Potash in Pictures : Gremyachinskoe deposit (Volgograd)



Potash in Pictures : Verkhnekamskoe deposit (Perm)

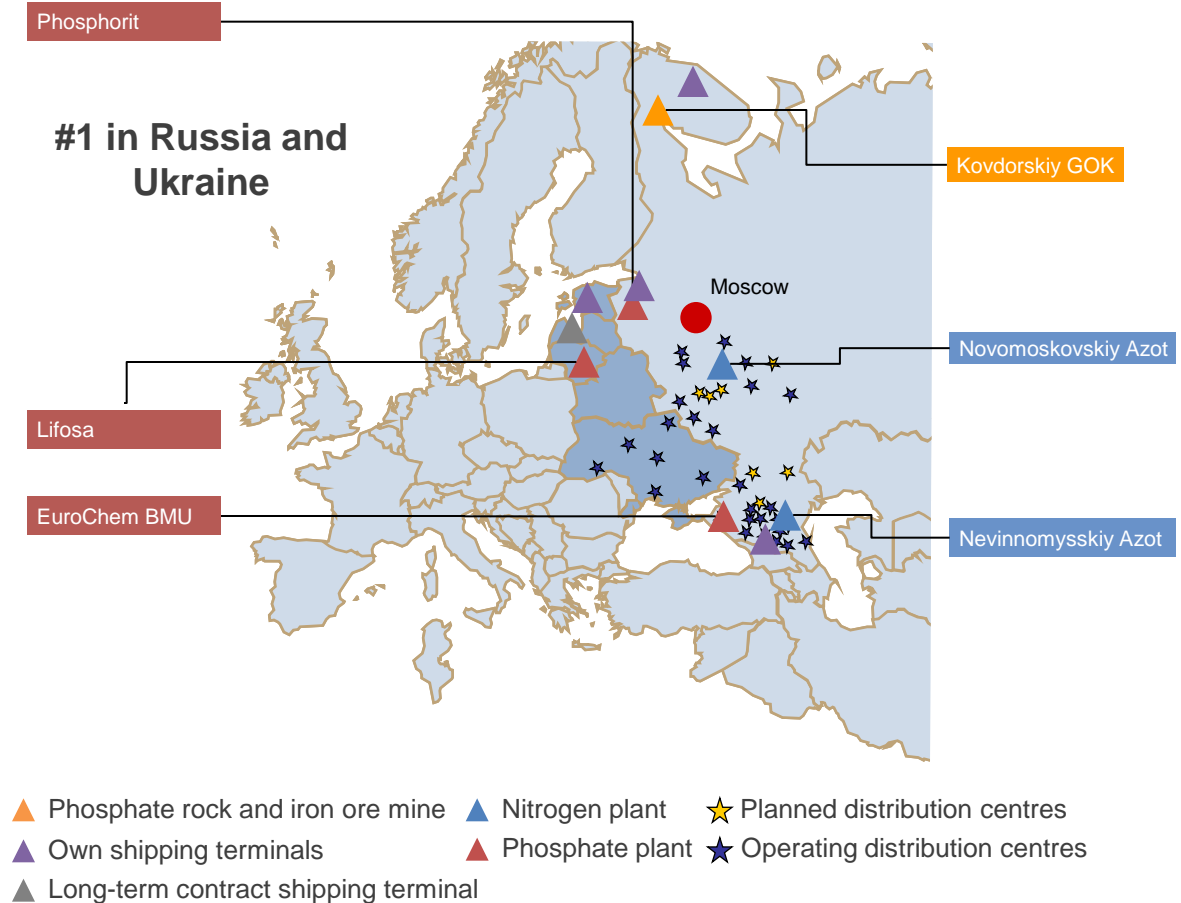


Distribution

Overview and plans

- Distribution: Russia and Ukraine sales controlled via network of distribution centres in the Southern and Central Russia and Ukraine, instrumental for the “sell yield, not fertilizers” strategy (i.e. + seeds; crop protection items)
- Expand EuroChem’s own network with “AgroCenters” in Nevinnomyssk, Rostov-on-Don, Ukraine (North and West)
- Develop UAN infrastructure
- Expand distribution capacity in Europe, USA, Brazil
- Distribution segment recorded a +78% increase in EBITDA in 2011 to RUB 0.9 billion.

Distribution network



2011 Fertilizer industry context and fundamentals

Industry Context in 2011

- ◆ Stronger agricultural commodity prices (2011 avg. v. 2010 avg.)
 - Corn: +60%
 - Wheat: +23%
 - Rice: + 21%
 - Soybeans: +26%

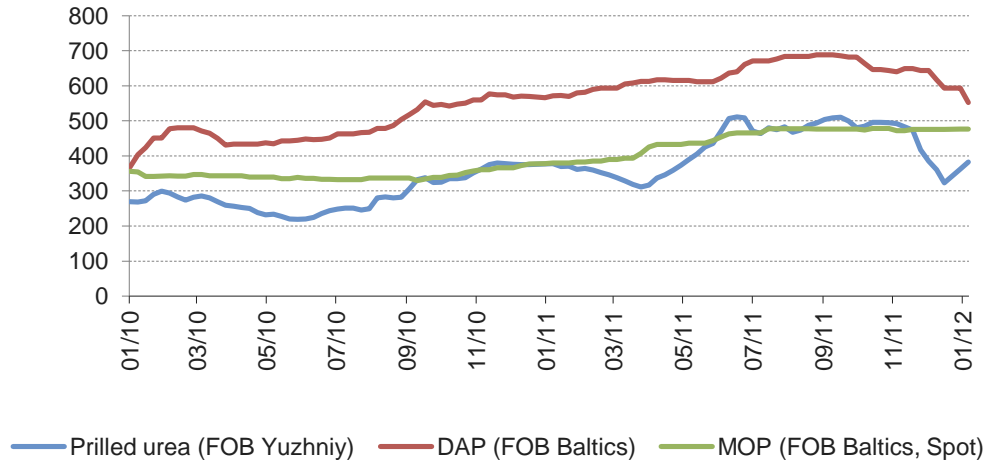
- ◆ Demand for fertilizer supported by attractive farmer economics and QE effects with headwinds from credit concerns coming into view from Q4.

- ◆ Supply remained tight across all nutrients on low stocks and high demand up until mid-Q4 as credit concerns generated abrupt buyer pullback

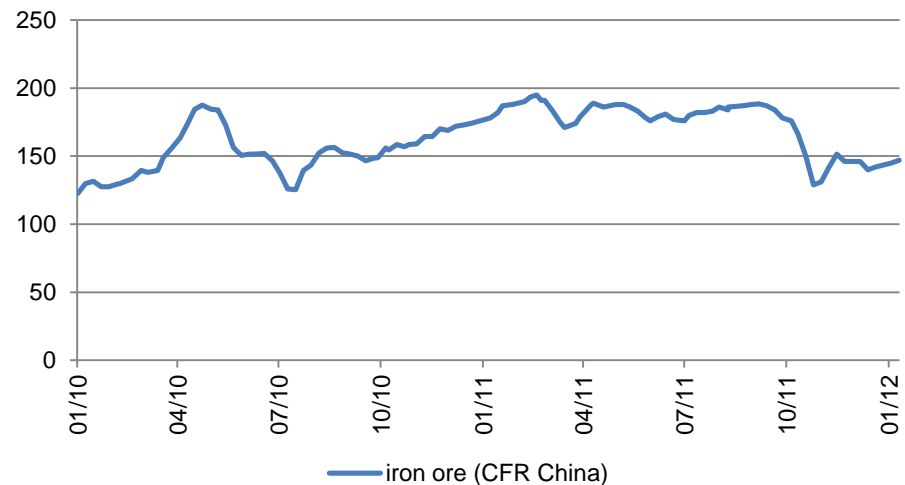
- ◆ China: new sliding export duties restricted exports of DAP and urea. Plans to build new urea capacity over the next five years were halved to 5 MMT

- ◆ Demand from China continued to prove supportive of iron-ore prices. New supply takes longer than expected to shape up
 - Iron ore: 2011 avg. price + 15% over 2010 avg.

Key Product Prices (US\$/tonne)



Iron ore, CFR China (US\$/tonne)



Key fertilizer consumption drivers



- Rising global population
- Decreasing arable land per capita requiring higher yields



Food



- Increasing calorie consumption/dietary shift with increasing wealth



Feed



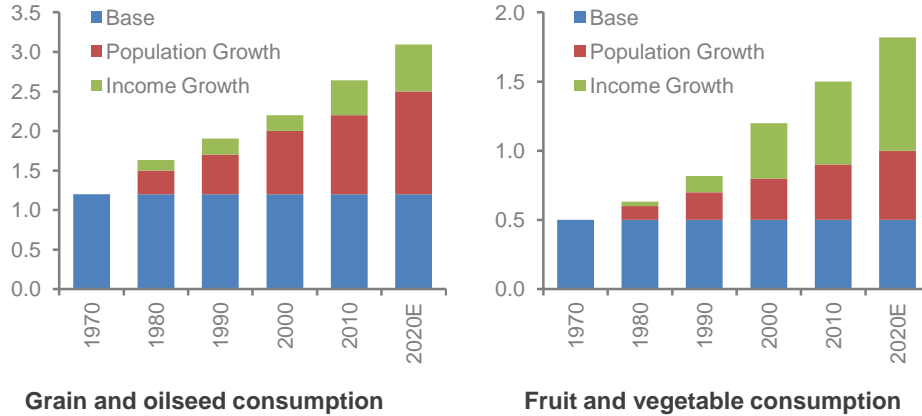
- Alternative energy use



Fuel

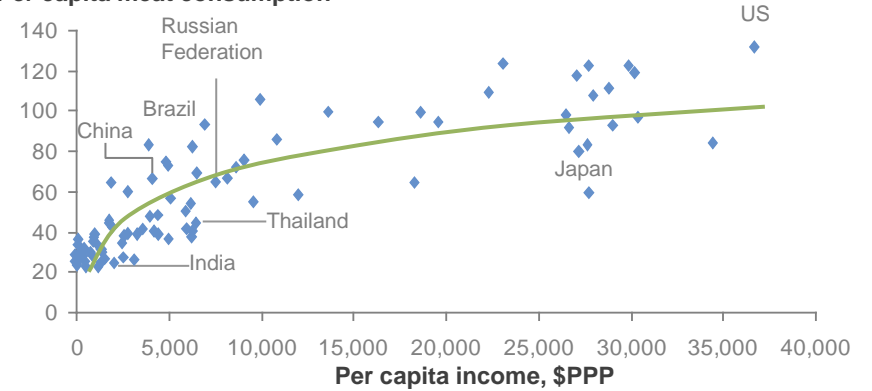
Long-term drivers for fertilizers remain intact, driven by powerful underlying trends

Food (billion tonnes)

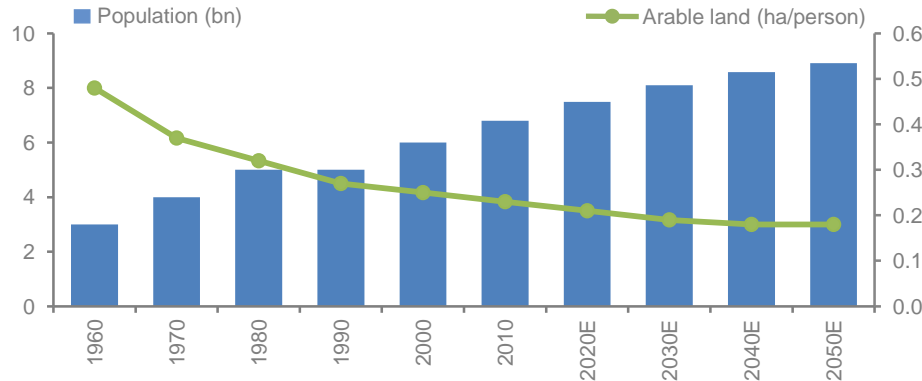


Feed

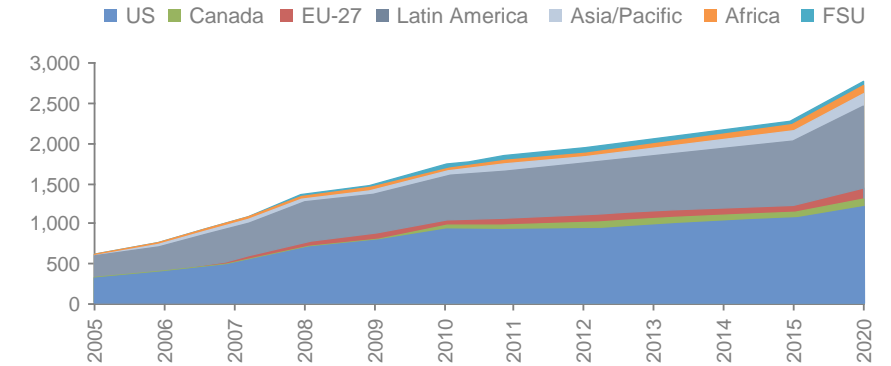
Per capita meat consumption



All using less resources— Arable land per cap. vs. population



Fuel— Global ethanol production (MB/D)



Thank you

For more information please visit
www.eurochem.ru