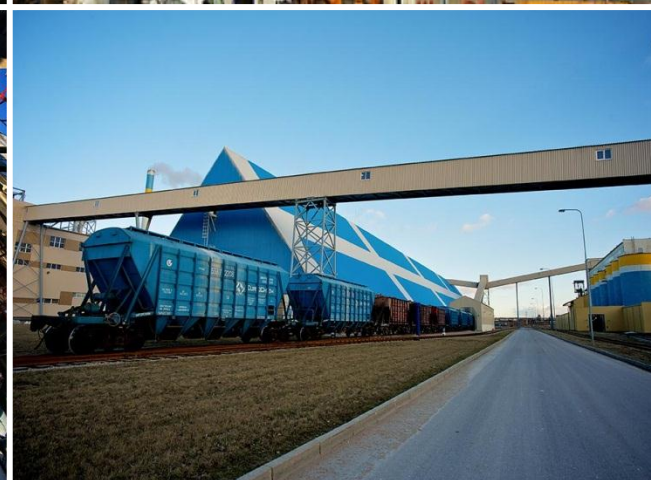




 **EUROCHEM**
MINERAL AND CHEMICAL COMPANY

2013 IFRS RESULTS CONFERENCE CALL
Thursday, 6 February, 2014
18:00 MSK / 14:00 GMT / 09:00 EST

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Due to rounding, some totals may not correspond with the sum of the separate figures

Overview of 2013 Group Performance

Potash Projects

Q&A

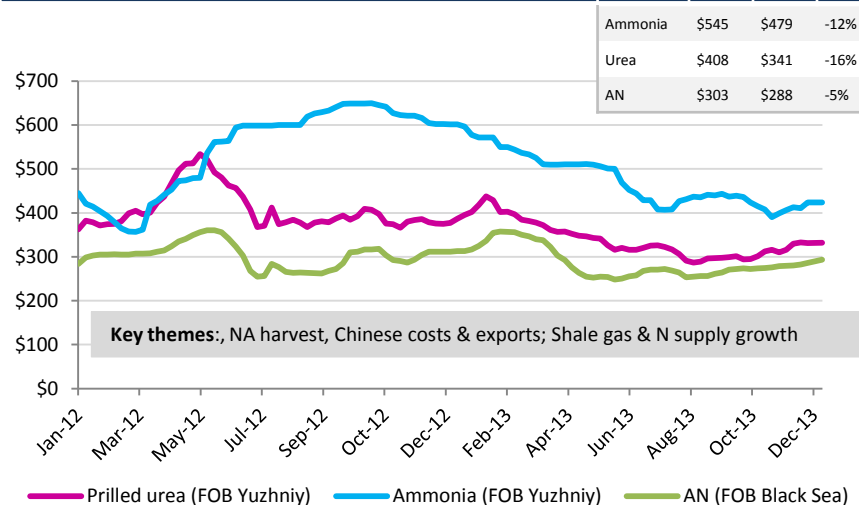
Appendix

Overview of 2013 Group Performance

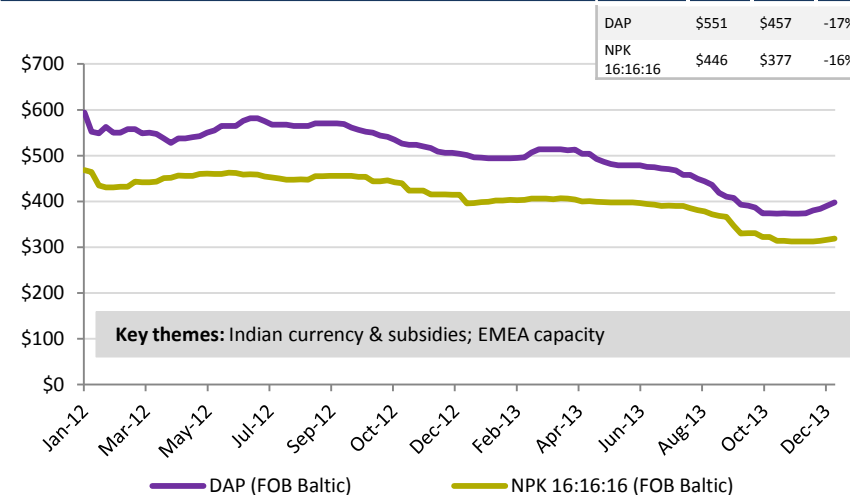
Market backdrop, average prices



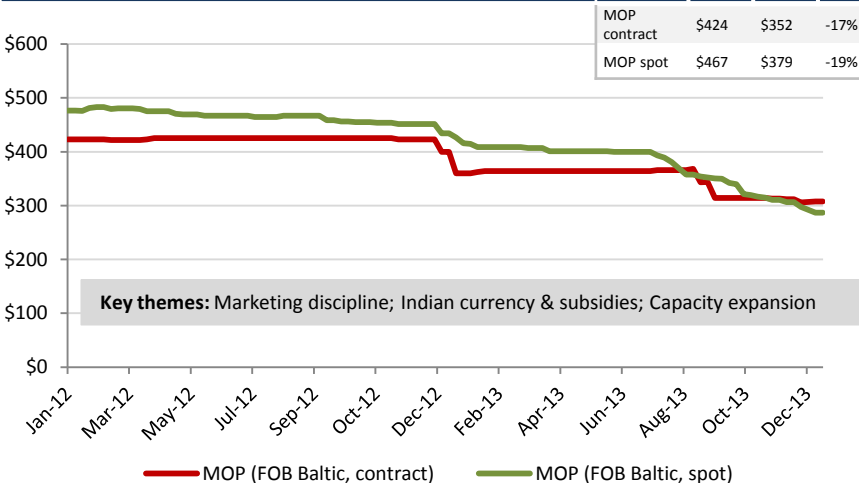
Nitrogen (US\$/tonne)



Phosphates (US\$/tonne)



Potash (US\$/tonne)



Iron ore (US\$/tonne)



Overview of 2013 Group Performance



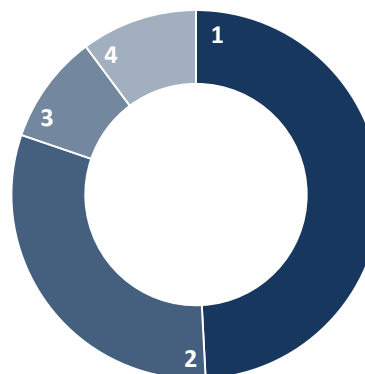
Key figures

Key Figures		2013	2012	Y-o-Y, %
Revenue	RUBm	176,937	166,478	6%
	<i>excluding acquisitions⁽¹⁾</i>	134,932	137,709	-2%
Gross margin	%	36%	41%	- 5p.p.
	<i>excluding acquisitions</i>	42%	48%	- 6p.p.
EBITDA	RUBm	42,961	49,168	-13%
	<i>excluding acquisitions</i>	39,223	46,045	-15%
EBITDA margin	%	24%	30%	- 6p.p.
	<i>excluding acquisitions</i>	29%	33%	- 4p.p.
Net profit	RUBm	12,256	32,569	-62%

Sales volumes		2013	2012	Y-o-Y, %
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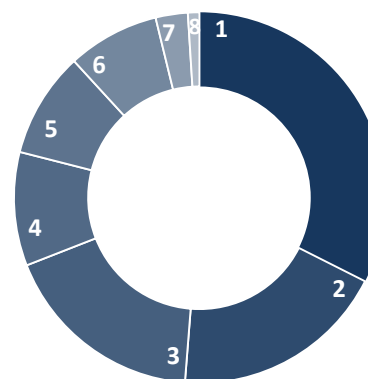
Nitrogen	KMT	8,217	7,380	+11%
	<i>excluding acquisitions</i>	6,024	5,950	+1%
Phosphate (excl. iron ore and baddeleyite)	KMT	2,405	2,455	-2%
Iron ore and baddeleyite	KMT	5,858	5,295	+11%

Sales by segment (2013)



	2013 Share	Change to 2012 (PP)
1 Nitrogen	49%	1
2 Phosphates	31%	-3
3 Distribution	10%	--
4 Other	10%	2

Sales by region (2013)



	2013 Share	Change to 2012 (PP)
1 Europe	32%	+5
2 Russia	19%	-2
3 Asia	18%	+2
4 North America	10%	-1
5 Latin America	9%	-5
6 CIS	8%	-
7 Africa	3%	+1
8 Australasia	1%	-

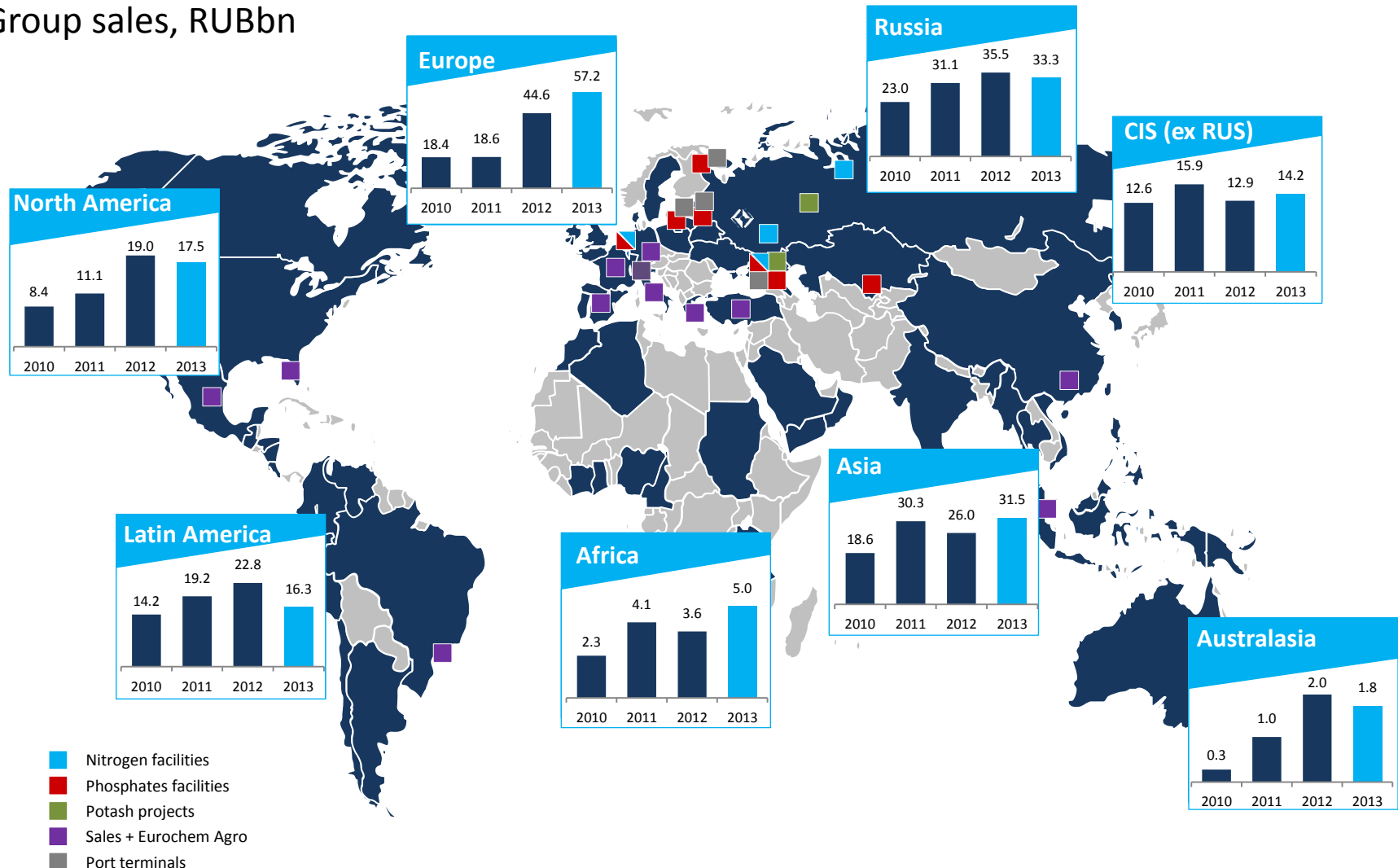
⁽¹⁾Excluding the effects of the EuroChem-Antwerpen and EuroChem-Agro acquisitions;

Overview of 2013 Group Performance



Global reach supporting sales growth and market diversification

Group sales, RUBbn



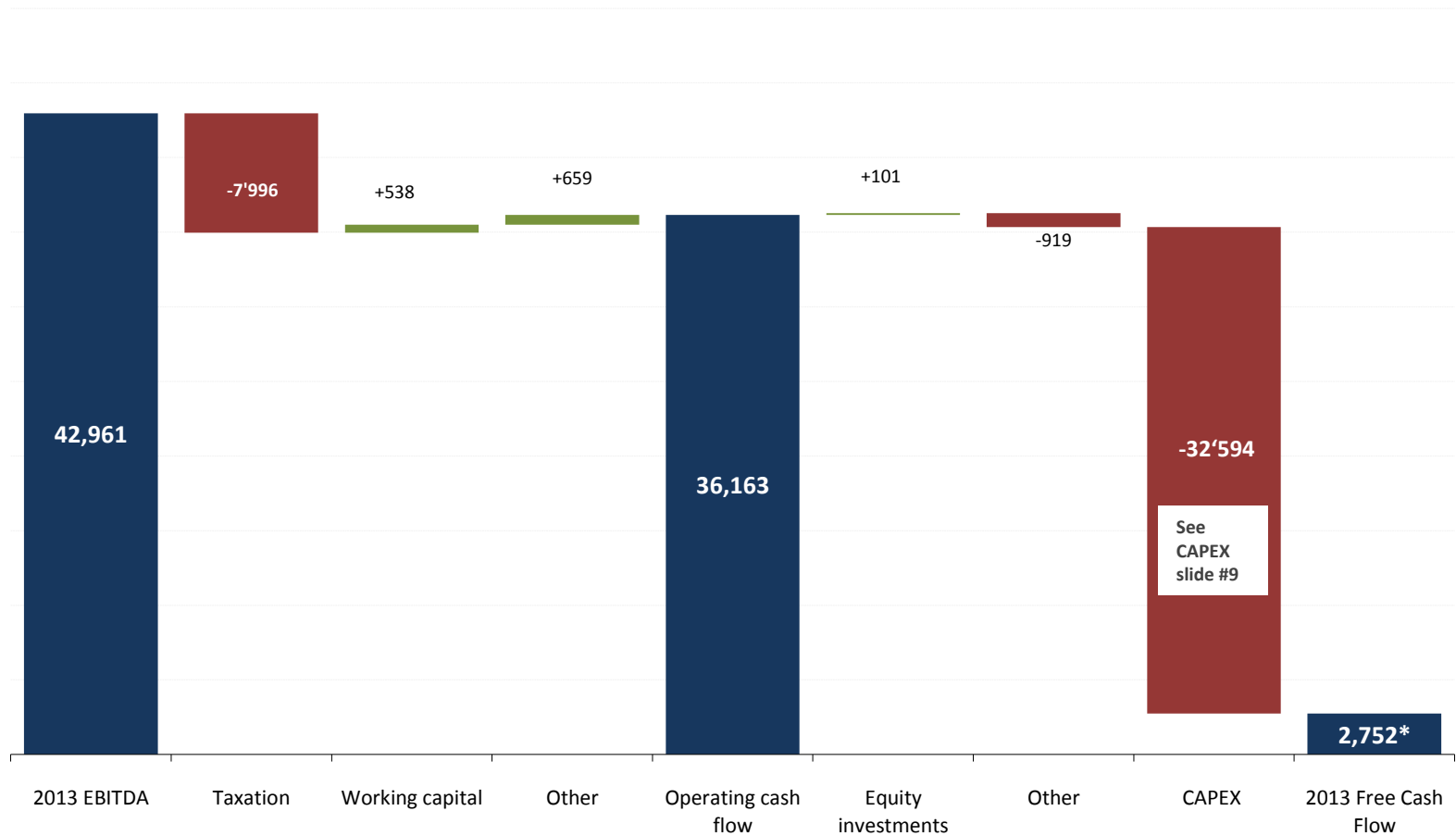
Countries in dark blue represent sales markets

Overview of 2013 Group Performance



Cash flow profile

2013 Free Cash Flow Reconciliation (RUBm)



*Excluding changes in fixed-term deposits

Overview of 2013 Group Performance

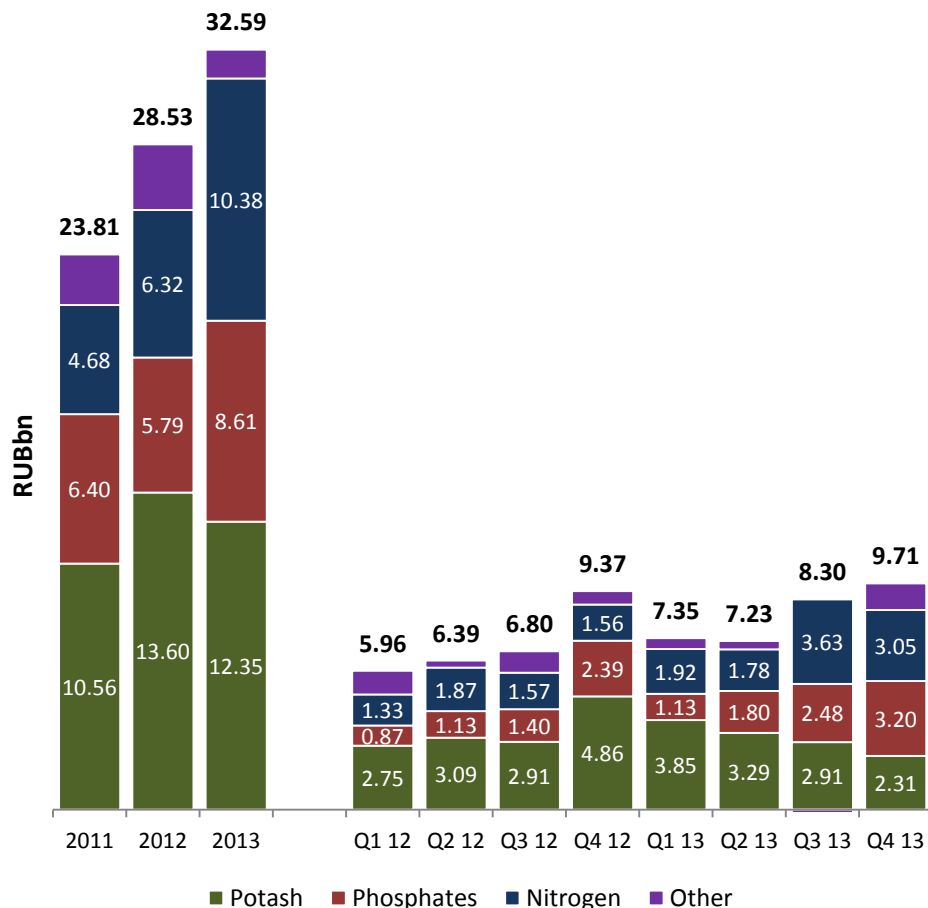


Reconciliation of EBITDA to Net Profit

	2012	2013	
EBITDA	49,168	42,961	
Depreciation and amortisation	(8,087)	(9,876)	
Idle property, plant and equipment write-off	(146)	(590)	
Write-off of portion of assets at the Gremyachinskoe potash deposit	(3,686)		VolgaKaliy cage shaft sinking contract
Gain/(loss) on disposal of available-for-sale investments, net	568	(1,549)	Sale of K+S AG shares
Interest expense	(4,293)	(5,153)	
Financial foreign exchange gain/(loss), net	4,315	(5,892)	Effects of RUB depreciation vs USD
Other financial gain/(loss), net	2,466	(945)	
Non-controlling interest	(7)	(6)	
Income tax	(7,729)	(6,694)	
Net profit (RUBm)	32,569	12,256	

Overview of 2013 Group Performance

Capital expenditure









	Main Projects	Completion
Nitrogen	Melamine at Nevinnomysskiy	completed
	New weak nitric acid unit at Nevinnomysskiy	4Q-2014
	Ammonia upgrade at Nevinnomysskiy	4Q-2014
	Ammonia-2 upgrade at Novomoskovskiy	3Q-2015
	LDAN/nitric acid at Novomoskovskiy	4Q-2015
Phosphates	Sulphuric acid production capacity increase from 720 KMTpa to 1MMTpa at Phosphorit	completed
	Reconstruction of phosphoric acid unit + capacity increase from 240 KMTpa to 300 KMTpa at BMU	completed
	Sulphuric acid production capacity increase from 500 KMTpa to 720 KMTpa at BMU	Q1-2014
	Kazakhstan phosphate rock project (rock mining)	Q4-2014
	Mine pushback at Kovdorskiy	Q3-2015
Potash	Usolskiy shaft sinking (P-1)	2Q-2014
	Usolskiy surface work, including buildings(P-1)	2016-17
	VolgaKaliy shaft sinking (P-1)	2015-16
	VolgaKaliy surface work, including buildings (P-1)	2016-17
Other	Railcar depot	completed
	Expansion of distribution network in Ukraine	completed
	Upgrade of Murmansk Port transshipment facilities	1Q-2015

Maintenance CAPEX : ca. USD 150-200m per year

Overview of 2013 Group Performance



Key projects underway

Project	Ammonia	LDAN / nitric acid	Mine pushback	Phosphate rock	Potash	Potash
						
Facility	Nevinnomysskiy	Novomoskovskiy	Kovdorskiy GOK	EuroChem Fertilizers (Kz)	VolgaKaliy ⁽³⁾	Usolskiy ⁽³⁾
Production increase (p.a.)	+ 117 KMT ammonia	+ 300 KMT LDAN	+ 948 KMT (apatite) + 136 KMT (iron ore)	+ 600 KMT phos rock	+ 4,600 KMT KCl	+ 3,700 KMT KCl
Total CAPEX	US\$ 0.1bn	US\$ 0.2bn	US\$ 0.1bn	US\$ 0.1bn	US\$ 5.0bn	US\$ 2.9bn
2014 CAPEX	US\$ 0.06bn	US\$ 0.05bn	US\$ 0.07bn	US\$ 0.04bn	US\$ 0.3bn	US\$ 0.3bn
IRR,% (remaining)	60%+	60%+	30%+	40%+	20%+	20%+
incremental EBITDA (p.a.) ⁽¹⁾	+US\$ 20m	+US\$ 50m	+US\$ 35m	+US\$ 20m	+US\$ 1.3bn ⁽⁴⁾	+US\$ 1.0bn ⁽⁴⁾
Comments	<p>Technical reconstruction of TPS ammonia unit with capacity increase to 1,980 KMT per day</p> <p>Reduce raw material gap in ammonia and increase gas to ammonia ratio & unit efficiency</p>	<p>Upgrade of weak nitric acid unit and launch of production of low-density ammonium nitrate (LDAN)</p> <p>Broaden product mix; increase efficiency and phase out outdated production units</p>	<p>Opening of a new ore body adjacent to the main pit to increase apatite production</p> <p>Increase resource base / reduce mining raw material deficit</p>	<p>Drilling & blasting operations launched October '13</p> <p>Increase resource base / reduce mining raw material deficit</p> <p>Establish foothold in Central Asia</p>	<p>Reach self-sufficiency in potash with unique resource base .</p> <p>Gremyachinskoe deposit averaging 39.5% K₂O, <500km to port; enter seaborne potash market</p>	<p>Launch potash production in Russia's potash heartland at the Verkhnekamskoe deposit.</p> <p>Further expand mix with proprietary specialty K products (SOP, NK, NPK...)</p>
Completion ⁽²⁾ (\$USm)	<div> <div>33</div> <div>35%</div> </div>	<div> <div>81</div> <div>53%</div> </div>	<div> <div>34</div> <div>28%</div> </div>	<div> <div>25</div> <div>24%</div> </div>	<div> <div>1,385</div> <div>28%</div> </div>	<div> <div>542</div> <div>19%</div> </div>

(1) Assuming full capacity utilization of project(s) (4) Assuming US\$ 350 FOB potash price

(2) As of 31 December 2013

(3) Including both project phases

Overview of 2013 Group Performance

Conservative financial policy



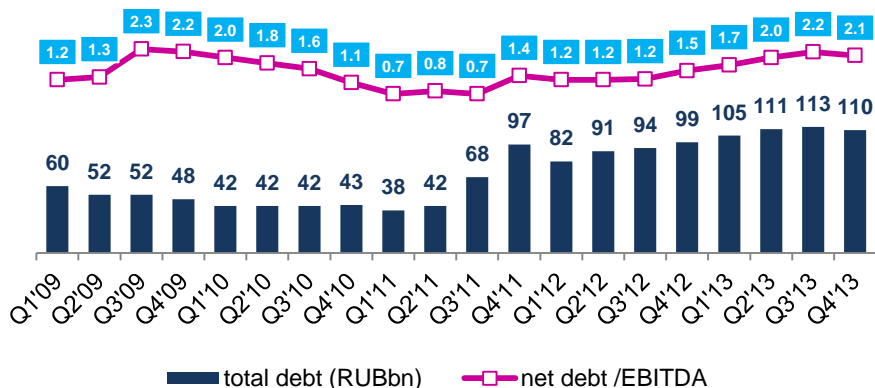
Key debt metrics, RUBm

As at 31 December 2013	RUB	Original currency
Unsecured syndicated facility	41,937	USD 1,300m
2017 Eurobonds	24,408	USD 750m
Bilateral loans (RUB)	19,956	
Bilateral loans (FX)	8,285	USD 253m
Rouble bonds	9,975	
ECA-backed facilities	3,845	USD 94.9m EUR 34.1m

Gross debt 108,406

Less: cash and cash equivalents⁽¹⁾ and fixed-term deposits 18,994

Net debt 89,412



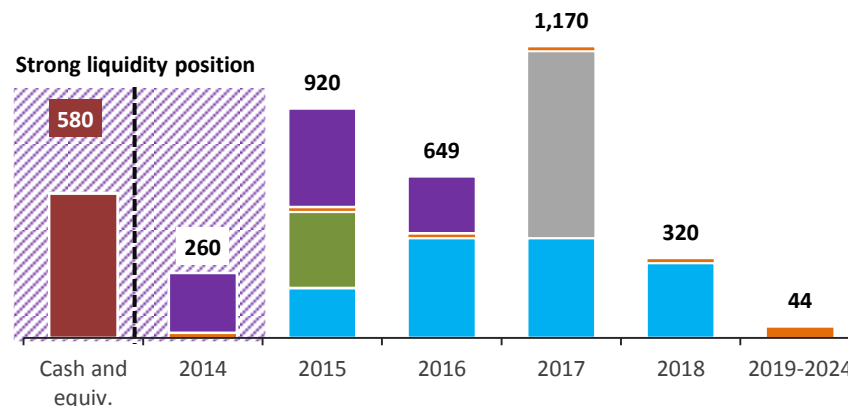
Comments

- 31 December 2013 - Net debt / LTM EBITDA⁽²⁾ : **2.07x**
- Targeted across-the-cycle range of **1.5x-2.0x**
- Weighted average cost of debt in dollar terms : ca 3.0%
- Comfortable debt structure and maturity profile, remote refinancing risk
- BB/stable ratings from Fitch and S&P



Debt maturity profile, US\$m

■ Unsecured syndicated facility ■ Eurobonds ■ Rouble bonds ■ ECA ■ Bilateral loans



(1) Including current portion of restricted cash

(2) Including pro-rata Murmansk Sea Trade Port net income

Overview of 2013 Group Performance

Potash Projects

Q&A

Appendix



EuroChem potash in brief

- The most advanced greenfield potash projects globally
- Highest quality at low cost of production
- Effectively integrates and complements EuroChem's business
- Strong support from regional authorities; deep & lasting impact on local communities
- High environmental & safety standards

EuroChem to benefit from access to high quality reserves with production at VolgaKaliy and Usolskiy expected to be among the lowest costs globally in terms of potash delivered basis to China, Brazil and India



2013 global potash capacity (MMT, K₂O p.a.)

PotashCorp	8.5
Uralkali	7.8
Mosaic	6.2
Belaruskali	6.2
K+S	4.9
ICL	3.6
Agrium	1.2
EuroChem	5.0⁽¹⁾

	1	2	3	4	5	6	7
	PotashCorp	Mosaic	K+S		VolgaKaliy	URALKALI	Usolskiy
<u>Deposit characteristics</u>							
- Depth, meters	900-1,000	250-1,600	600-1,000	up to 1,000	1,000 - 1,250	up to 600	up to 500
- Avg. nutrient content, KCl %	≤35.0	≤35.0	≤30.0	25.0 - 27.5	39.5	24.0 - 27.0	30.0
<u>Production capacity MMT p.a.</u>							
- 100% K ₂ O	8.5	6.2	4.9	6.2	2.8	7.8	2.2
Site cost USD/tonne	\$112	\$212	\$210	\$110	\$57	\$55	\$59
Distance to port	~2,000km	~2,000km	>500km	~1,000km	~500km	~1,600 km	~1,600 km

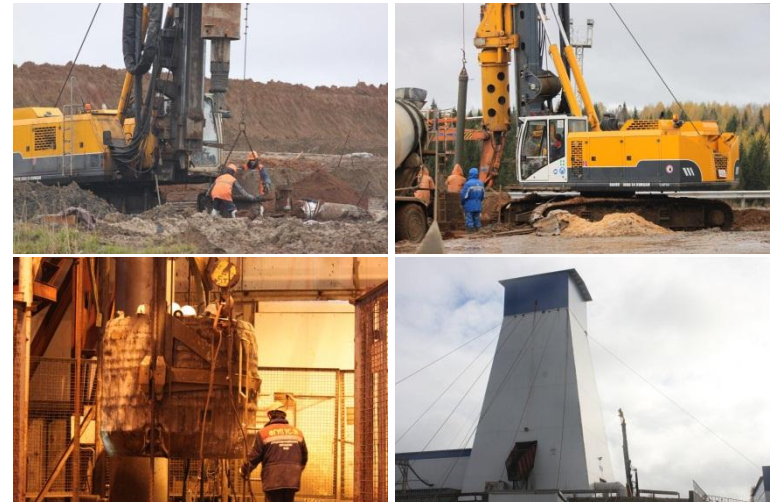
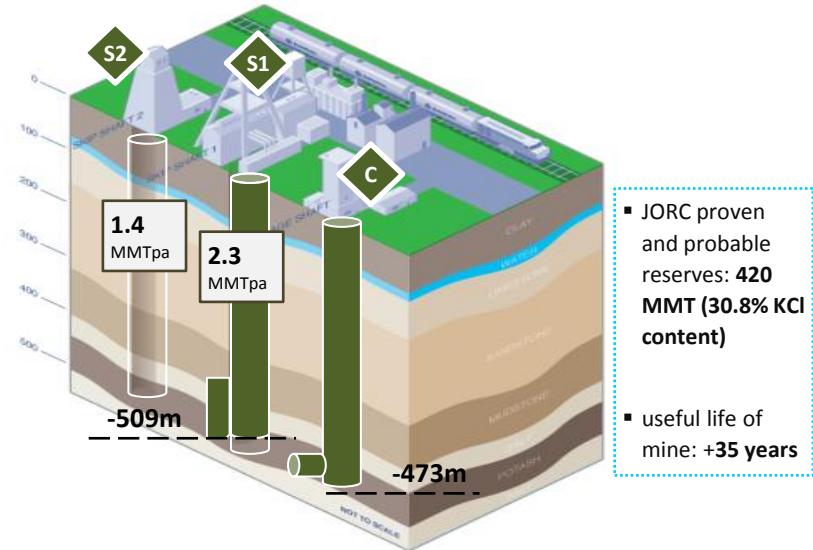
Work in progress

Surface	Expected completion
Dirt work	2Q-14
Gathering pond for storm water	3Q-14
Mine administrative building	4Q-14
Workshops	1Q-15
Permanent canteen	1Q-15
Ore product storage buildings	4Q-15
Shafts	
Shaft sinking	Complete
Back grouting	1Q-15
Mine	
Assembly of combines	2Q-15
Ventilation	3Q-16

Key stages

- 2.3 MMT p.a. (KCl), construction of infrastructure, cage shaft (C), skip shaft #1 (S1) and processing facility.
- Additional capacity of 1.4 MMT p.a. (KCl), construction of skip shaft (S2) and expansion of processing facility.

Status – 01/2014





Work in progress

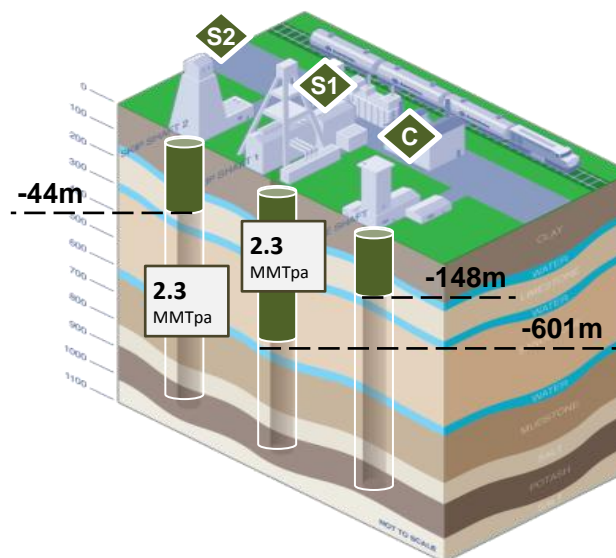
Surface	Expected completion
Dirt work	Complete
Gathering pond for storm water	Complete
Mine administrative building	3Q-15
Workshops	1Q-15
Permanent canteen	Complete
Ore product storage buildings	2Q-16
Shafts	
Shaft freezing	Complete
Sinking	2015-16
Industrial	
Shops and infrastructure	Significantly complete

Key stages

- 2.3 MMT p.a. (KCl), construction of infrastructure, cage shaft (C), skip shaft #1 (S1) and processing facility.
- Additional capacity of 2.3 MMT p.a. (KCl), construction of skip shaft (S2) and expansion of processing facility.



Status – 01/2014



- JORC proven and probable reserves: **492 MMT (39.5% KCl content)**
- useful life of mine: **+40 years**



Markets

Nitrogen

- Good seasonal demand and relatively low stocks have propped up prices to healthy levels
- Many producers reportedly sold out until March
- 2014 export volumes from China should be similar to 2012-2013 levels
- Supply from Algeria and Ukraine could weigh on prices from the second quarter

Phosphates

- Strong start to 2014 with prices up +20% YTD on good demand
- Prices should come down in Q2 as seasonal demand factor diminish
- India remains a wild card – its market presence is likely to remain limited until after the May elections

Potash

- The floor price was set, potash producers are applying upward pressure on spot prices with Latin America and Southeast Asia moving to \$ 350 CFR.
- No clear signs of a return to more synchronised producer-side marketing.
- Lower prices could drive consumption up 5% year-on-year

EuroChem

- Project finance at Usolskiy Potash
- EPC contractor selection for new Ammonia plant construction at Phosphorit site on the Baltic Sea, project finance in 2014
- Louisiana – decision in 2014

Overview of 2013 Group Performance

Potash Projects

Q&A

Appendix

Overview of 2013 Group Performance

Potash Projects

Q&A

Appendix

Nitrogen

Vertically integrated producer



Novomoskovskiy Azot



Capacity by product

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

EuroChem Antwerpen



Capacity by product

NPK (c. 30 grades)	1,250
AN / CAN	1,025

Nevinnomysskiy Azot



Capacity by product

Ammonium Nitrate	1,420
Ammonia	1,160
UAN	1,022
Urea	890
NPK	460
Melamine	50

Severneft Urengoy



Capacity by product

Natural gas	1,1bn m ³
Gas condensate	220 KMT

Proven and probable reserves

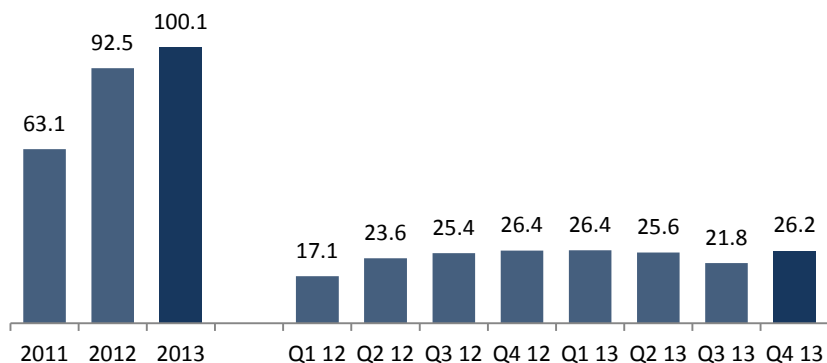
Natural gas	50bn m ³
Oil	32 MMT



All capacity volumes are expressed in thousands of tonnes, except where otherwise specified



Revenue, RUBbn

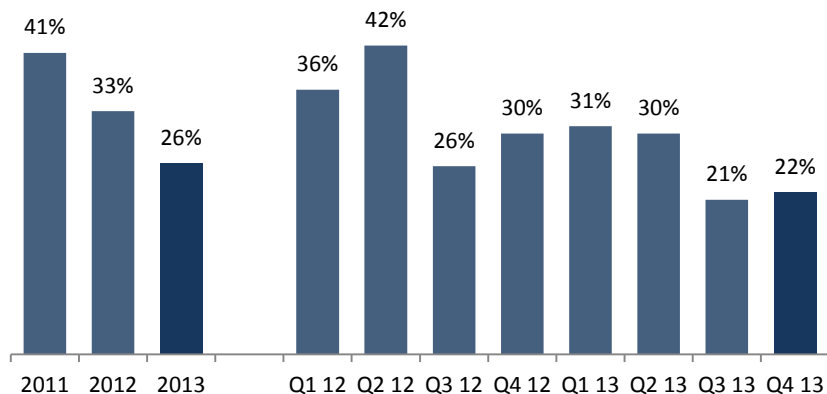


Sales by region (2013)

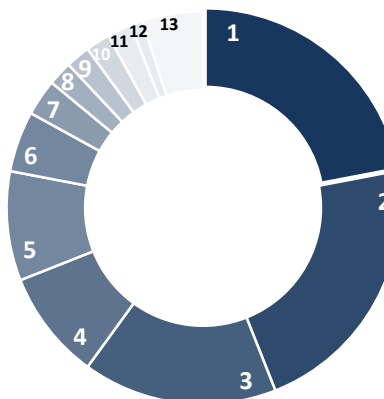


	2013 Share (%)	Change to 2012 (PP)
1 Europe	31%	+5
2 Russia	23%	+1
3 Asia	13%	+4
4 North America	13%	-4
5 Latin America	10%	-5
6 CIS ⁽¹⁾	5%	-1
7 Africa	3%	-
8 Australasia	2%	-

EBITDA margin



Sales by product (2013)



	2013 Share (%)	Change to 2012 (PP)
1 Urea	22%	-9
2 Complex	22%	+5
3 AN	16%	-2
4 UAN	9%	+1
5 CAN	9%	+1
6 Methanol	5%	+1
7 ANF	3%	+3
8 NP	2%	-
9 Acetic Acid	2%	-
10 Hydrocarbons	2%	-
11 Ammonia	2%	-1
12 Melamine	1%	+1
13 Other	5%	-

Revenue and sales volumes include sales to other segments

Nitrogen includes organic synthesis products and hydrocarbons, as well as EuroChem Antwerpen and EuroChem Agro operations, except third-party product sales.

⁽¹⁾CIS excluding Russia



Severneft-Urengoy (SNU) / Novomoskovskiy



Cost benefits

- Current gas cost at Novomoskovskiy: **\$3.87 /mmBtu***
- Could rise to over \$4.5 /mmBtu by 2016

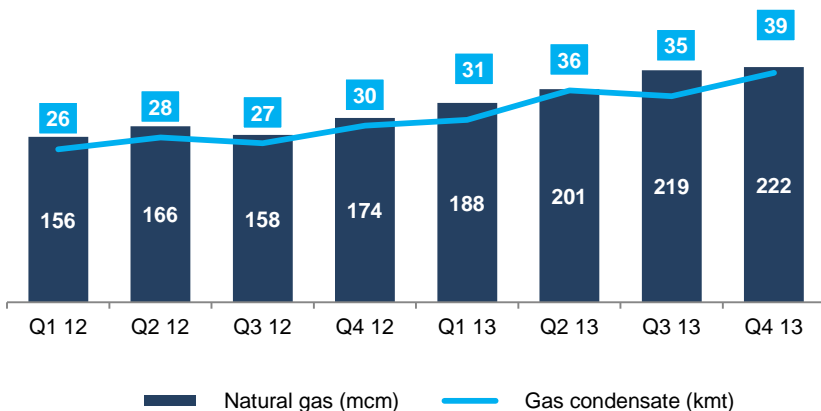
Benefits from SNU acquisition - assuming production of **1.1bn m³** of gas and **220 KMT** of gas condensate :

	(per mmBtu)
Cost of gas at the well:	\$1.18
+ mineral resource extraction taxes:	\$0.54**
+ transportation cost to Novomoskovskiy:	\$1.98
- revenue from gas condensate:	(\$2.22)

Delivered cost to Novomoskovskiy Azot: **\$1.46**



Sales volumes



Comments

- Tariff freeze on natural gas prices announced for 2014
- Supply availability likely to limit price increases going forward
- Advantageous market outlook for condensate and liquids
- Gas transmission system accessibility to remain

* Average of RUB 3,966 per 1000m³ at Novomoskovskiy Azot for 2013 (2013 average RUB/USD exchange rate: 31.85)

** Mineral resources extraction tax (MET) of RUB 426/1,000m³

Phosphates

Targeting self-sufficiency



Phosphorit P	
Capacity by product	2012
MAP, DAP	775
Feed phosphates	220

Lifosa P	
Capacity by product	2012
DAP	990
Feed phosphates	160

EuroChem-BMU P	
Capacity by product	2012
MAP, NP	590

Kovdorskiy GOK M	
Capacity by product	2012
Iron ore	5,700
Apatite (37-38% P ₂ O ₅)	2,700
Baddeleyite	10

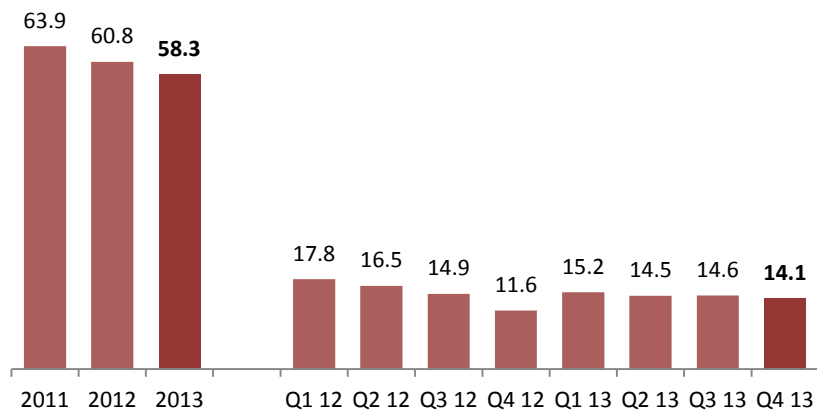
EuroChem-Kazakhstan M	
Planned Capacity	
Phosphate rock 30% P ₂ O ₅ (2015)	600
Reserves, MMT of P ₂ O ₅	515



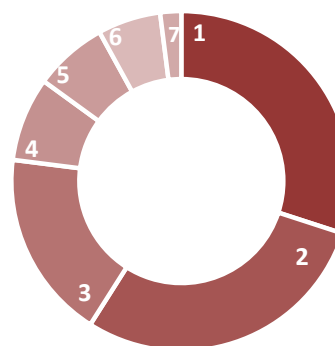
All capacity volumes are expressed in thousands of tonnes, except where otherwise specified



Revenue, RUBbn

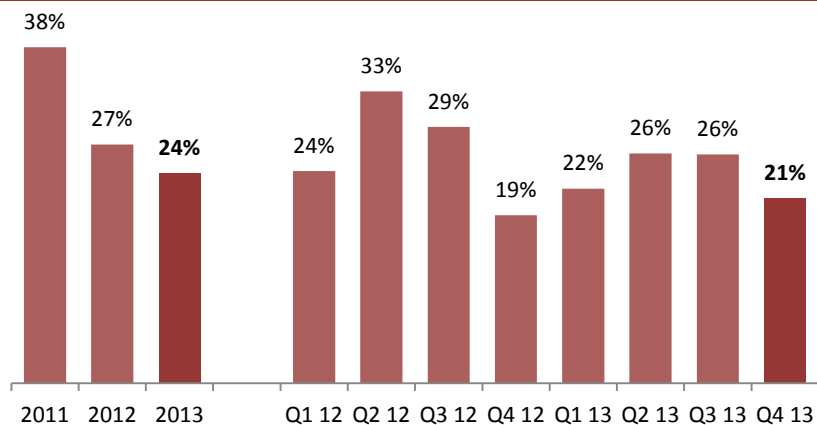


Sales by region (2013)

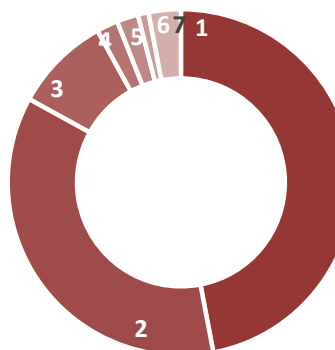


	2013 Share (%)	Change to 2012 (PP)
1 Asia	30%	+3
2 Europe	29%	+3
3 Russia	18%	-6
4 Latin America	8%	-4
5 CIS ⁽¹⁾	7%	-
6 North America	6%	+3
7 Africa	2%	+1

EBITDA margin



Sales by product (2013)



	2013 Share (%)	Change to 2012 (PP)
1 MAP/DAP	47%	-5
2 Iron ore	36%	+7
3 Feed	9%	+1
4 NP	2%	-2
5 Apatite	2%	-
6 Baddeleyite	1%	-1
7 Others	3%	-



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