URALKALI



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2015 IFRS Results and Potash Market Overview

Webcast & Conference Call

11 April 2016

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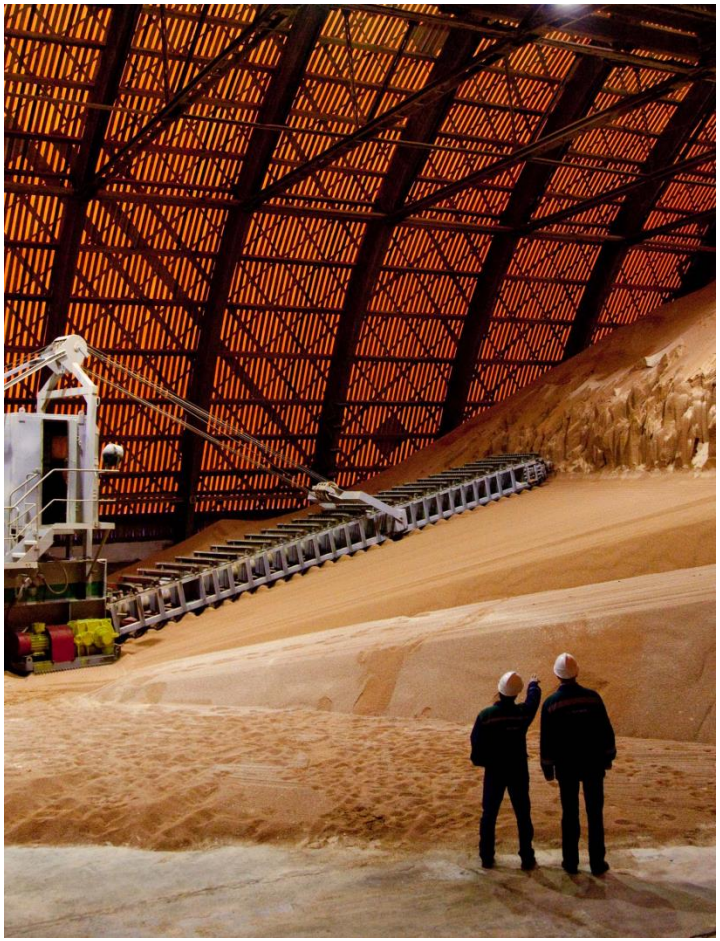
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Executive Summary

US$ million	2015	2014	Δ	%
Sales volume, thousand tonnes	**11,205**	12,283	(1,078)	(9%)
- Export sales	**9,155**	10,367	(1,212)	(12%)
- Domestic sales	**2,051**	1,915	136	7%
Production volume, thousand tonnes	**11,439**	12,135	(696)	(6%)
Average export potash price, FCA (US$/tonne)	**245**	233	12	5%
Revenue	**3,123**	3,559	(436)	(12%)
Net revenue[2]	**2,645**	2,785	(140)	(5%)
EBITDA[3]	**1,913**	1,784	129	7%
EBITDA margin[1], %	**72%**	64%	8 pts	13%
Net profit	**184**	(631)	815	129%

Summary

Market overview

- In 2015, potash demand lowered to 61 million tonnes from 63 million tonnes in 2014 due to destocking cycle, lower crop prices and currency devaluation
- Prices have declined significantly on the back of weak demand and intense competition among suppliers

Financial and operational highlights

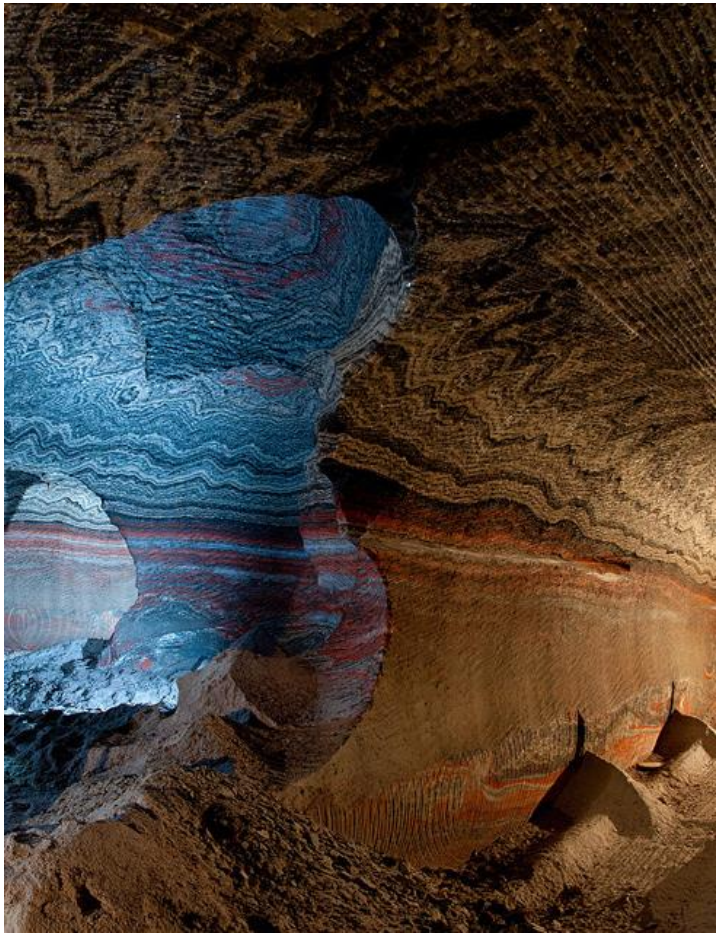
- Decrease in sales volumes to 11.2 mln tonnes (-9% YoY) was triggered by lowering production volumes on the back of Solikamsk-2 accident and softening of the key markets
- Gross revenue decrease by 12% was only partially offset by ruble devaluation effect
- The Company expects to maintain a sustainable level of financial leverage going further

Share buyback program overview

- In 2015 the Company performed two share buyback programs resulting in purchase of approximately 33.54% of Uralkali's issued common shares
- During the period of open-market buyback (24.11.2015-31.03.2016) around 4.89% of the Company's share capital have been purchased
- Currently Company's free float stands at 8.96%

1. EBITDA margin is calculated as EBITDA divided by Net Revenue
2. Net Revenue represents Revenue net of freight, railway tariff and transshipment costs
3. EBITDA is calculated as Operating Profit plus depreciation and amortization excluding one-off income/(expenses)

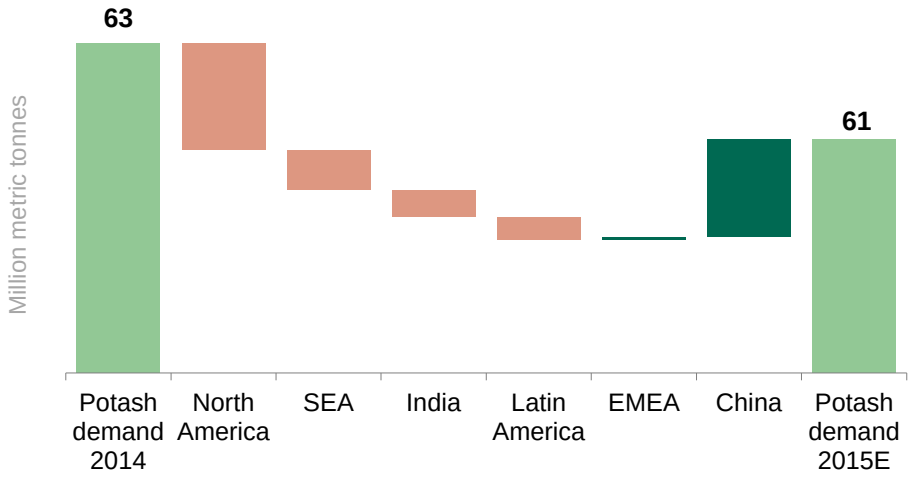
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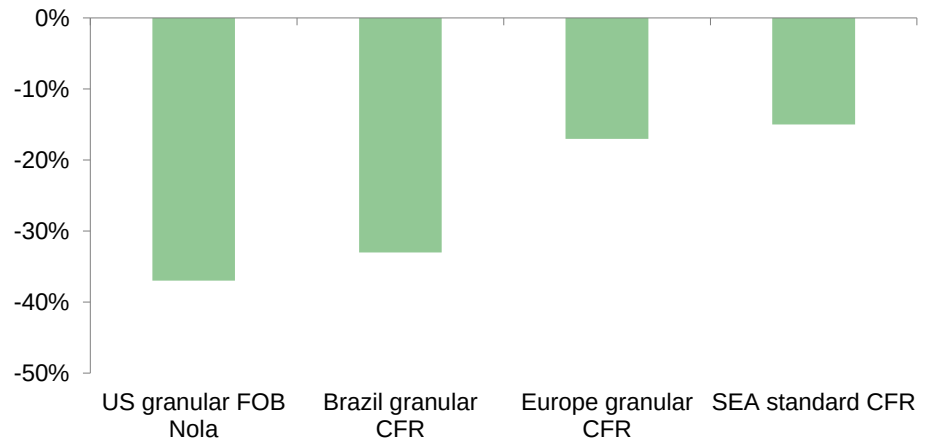
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2015 Potash Market Environment

Global potash demand 2015E



2015 Potash price dynamics vs. end of 2014 year



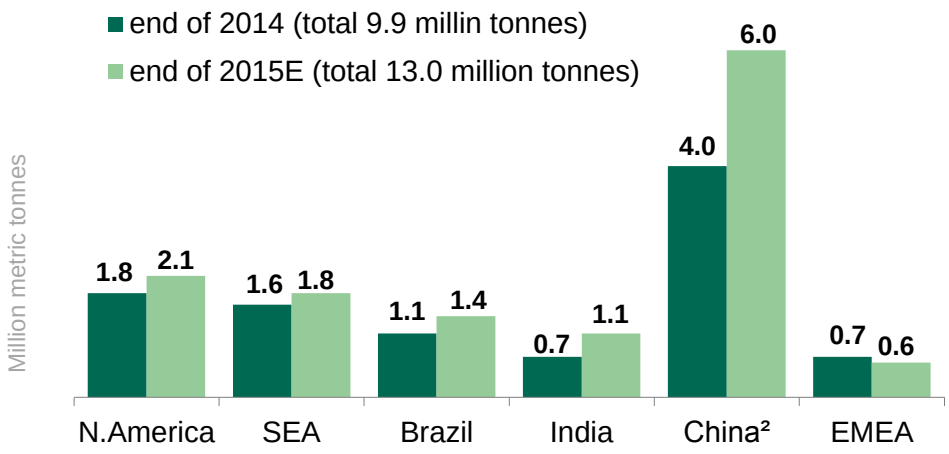
- Currency weakness, weak crop prices, inventory draw down over 1Q 2015, and limited credit availability in some regions have weighed on potash demand in 2015
- The cautious demand environment, mixed with intensified competition, has resulted in substantial spot price declines

The global potash landscape has notably deteriorated last year

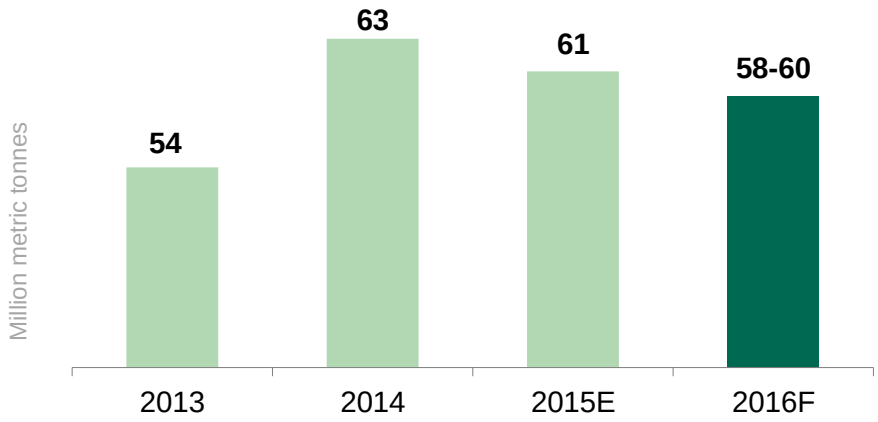
Source: IFA, Uralkali estimates, Fertecon, CRU

2016F Potash Demand Outlook (p. 1 of 2)

Global potash inventories[1]



2016F global potash demand



- Lower nutrient levels after relatively weak 2015 could be the catalyst for potash demand in 2016
- FOREX moves in some regions may help to improve margins of the farmers
- Potential upside to global demand is limited due to destocking trends in 1H 2016, uncertainty regarding the timing of a new China and India contracts

Potash demand is expected to range 58-60 million metric tonnes this year

Notes:
1. Inventories don't include domestic potash producers' stocks, excl. China
2. Including domestic producers' stocks

Source: IFA, Uralkali estimates

2016F Potash Demand Outlook (p. 2 of 2)

Markets	2016F	Comments
China	**13.5 – 14.0**	○ Owing to elevated potash carryover stocks, Chinese demand is expected to be below 2015 record level
India	**3.6 – 3.8**	○ The potash subsidy is largely unchanged for 2016/17. Expected decrease of retail prices and better monsoon season are likely to support demand ○ The country is expected to import less this year due to high potash carryover stocks
SEA & Oceania	**9.4 – 9.6**	○ FOREX issue continues to impact purchasing decision. But the pace of dollar strengthening is likely to be slower and more moderated in 2016 ○ Palm oil prices have improved YTD and may support farmers economics
Latin America	**11.3 – 11.5**	○ The stabilization of the Brazilian real and credit that was made available to farmers have bolstered sentiment ○ Potential upside to potash imports may be limited due to lower economic growth in the region
North America	**8.4 – 8.7**	○ Lower nutrient levels after extremely weak 2015 could be the catalyst for potash demand ○ Increase in predicted US corn acres compared to one year ago should boost demand
EMEA & FSU	**12.2 – 12.4**	○ Slightly rebound is expected driven by growth in FSU and Eastern Europe ○ Demand upside in Western Europe may be limited due to high potash carry-over stocks

2016 Global demand is expected to range 58 – 60 million tonnes

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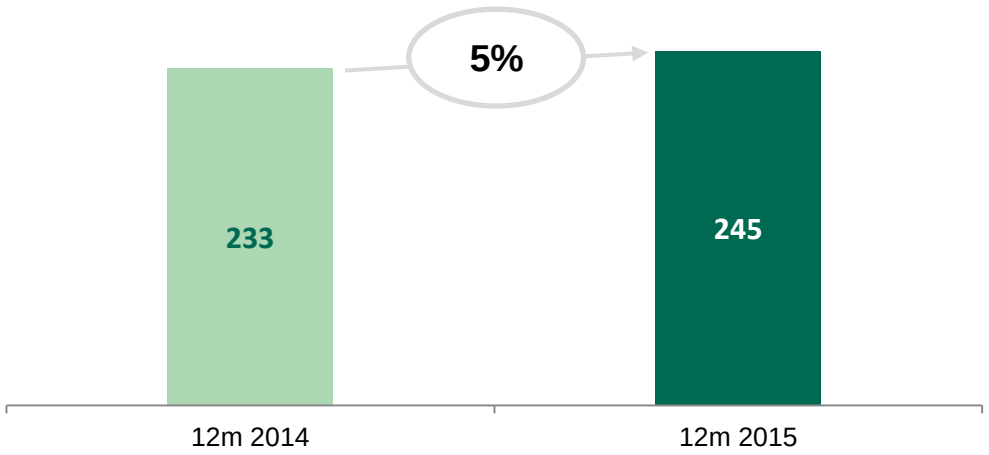


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2015 Revenue Analysis

Average export potash price, FCA

US$/tonne

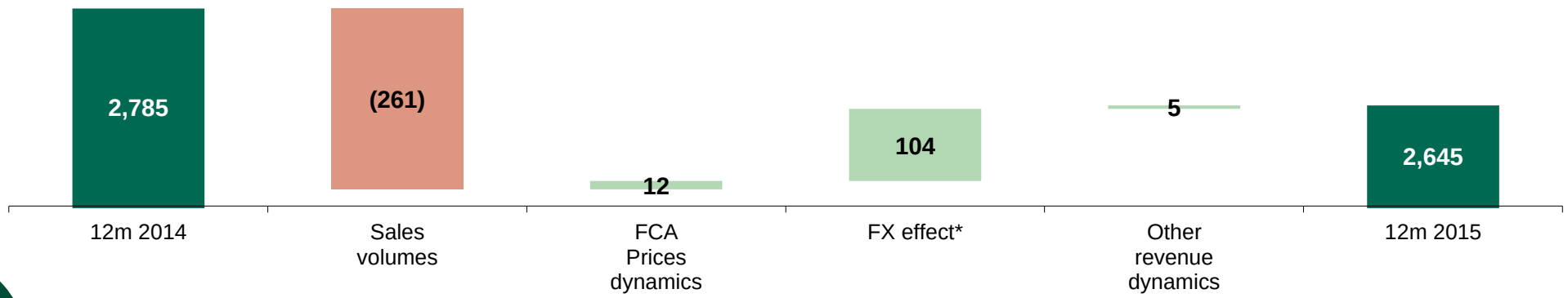


Comments

- Decrease in sales volumes to 11.2 million tonnes was triggered by lower production volumes on the back of Solikamsk-2 accident and decreasing buying activity
- Gross revenue decrease by 12% in 2015 on the back of production slow down that was partially offset by significant transportation expenses shrinkage (by 38% Y-o-Y) in dollar terms, eventually resulting in a less Net revenue decrease (by 5% Y-o-Y)

Net revenue

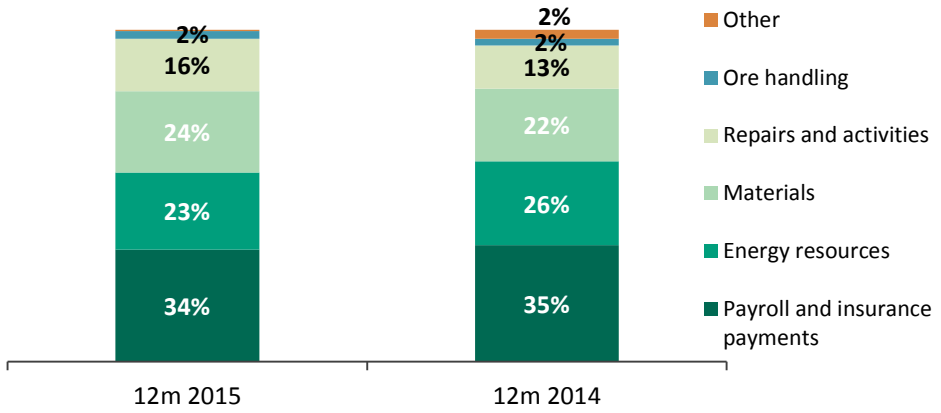
US$ million



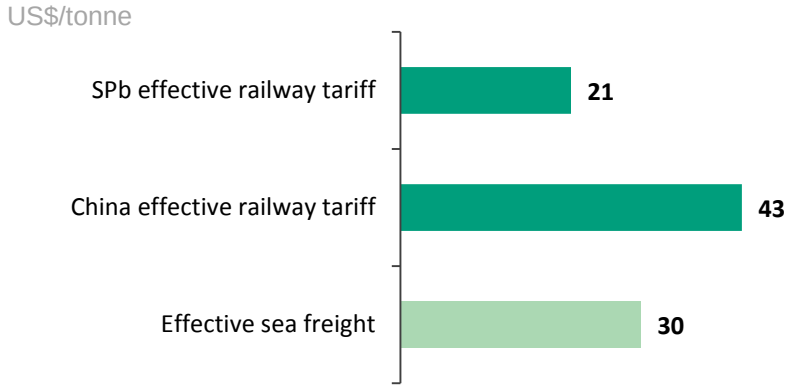
* FX effect: $141 mln on transportation expenses; $(36.5) mln on other revenue

Cost Structure Analysis

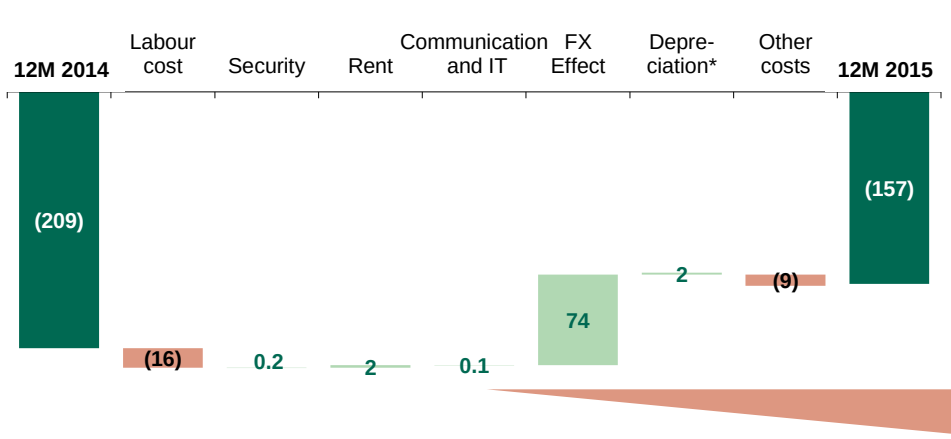
2015 vs 2014 cash COGS structure



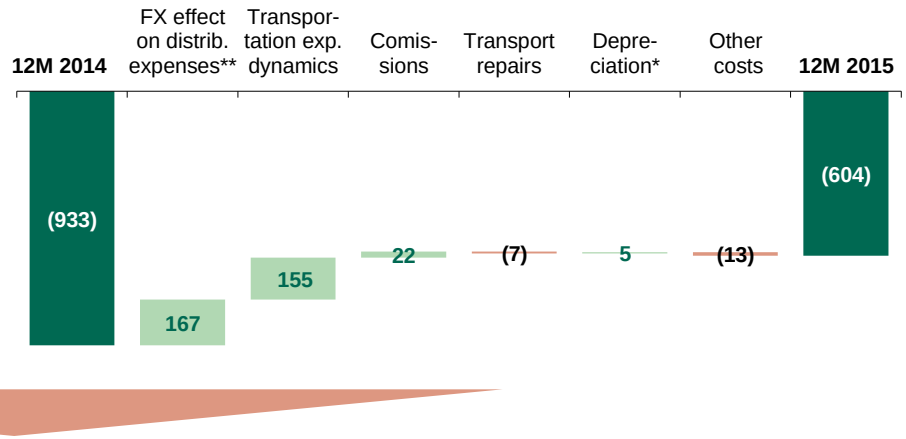
Effective railway tariff & freight (US$/t) 2015



General and administrative expenses (US$ mln)



Distribution costs (US$ mln)



Favorable impact of ruble depreciation on cost structure provided support in 2015 to Uralkali's continued focus on efficiency

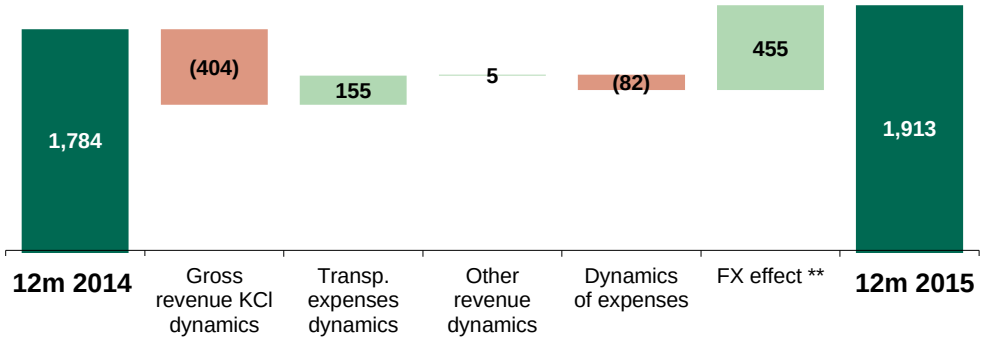
* Including FX effect on depreciation

** FX effect consists of: $141 mln FX effect on transportation expenses; $26 mln FX effect on distribution expenses other than transportation

EBITDA and Net Profit Analysis

EBITDA

US$ million



EBITDA calculation

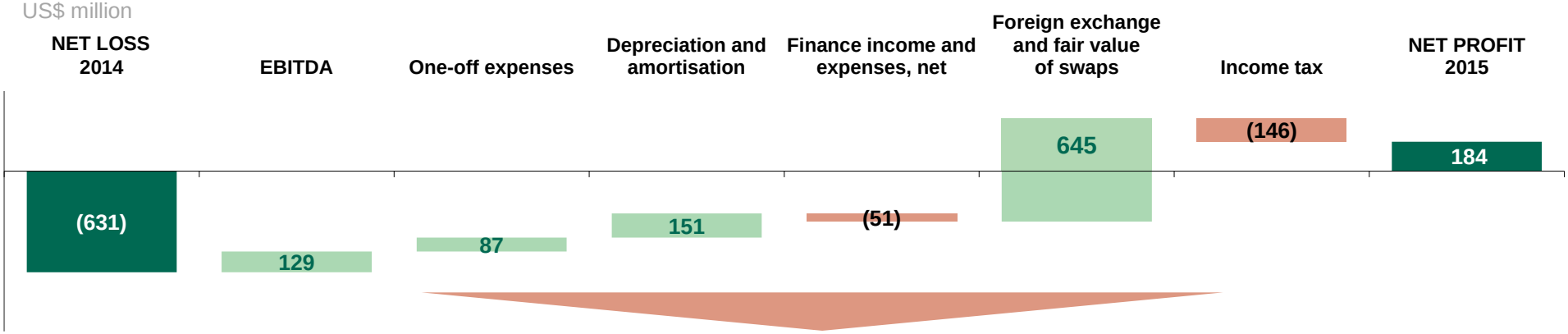
US$/tonne

	2015	2014	
Operating profit	**1,725**	**1,358**	**Operating profit**
Adjusted for			***Adjusted for***
Depreciation and amortisation	220	371	Depreciation and amortisation
One-off expenses			***One-off expenses***
Reversal of provision for Solikamsk-2	(5)*	16	Provision for Solikamsk-2
Reversal of impairment of fixed assets Solikamsk-2	(27)	38	Impairment of fixed assets Solikamsk-2
EBITDA	**1,913**	**1,784**	**EBITDA**

*Included into Other operating income and expenses (expenses related to mine flooding)

Net profit

US$ million

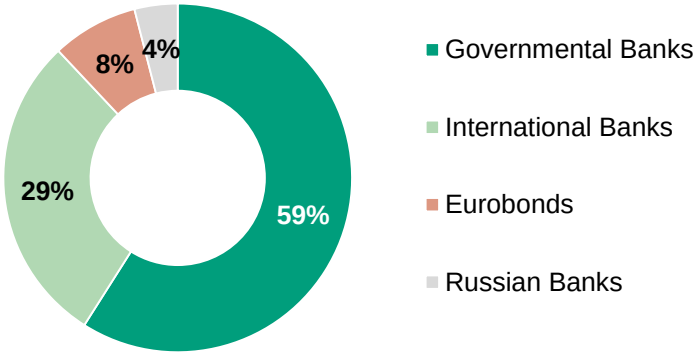


Impact of ruble depreciation along with average export FCA potash price growth resulted in Uralkali posting a net profit of US$184 million

** FX effect consists of: $(36.5) mln FX effect on other revenue, $219 mln FX effect on COGS, $74 mln FX effect on G&A, $141 mln FX effect on transportation expenses, $26 mln FX effect on distribution expenses (other than transportation) and $32 mln of FX effect on taxes and other operating expenses

Debt Maturity[1]

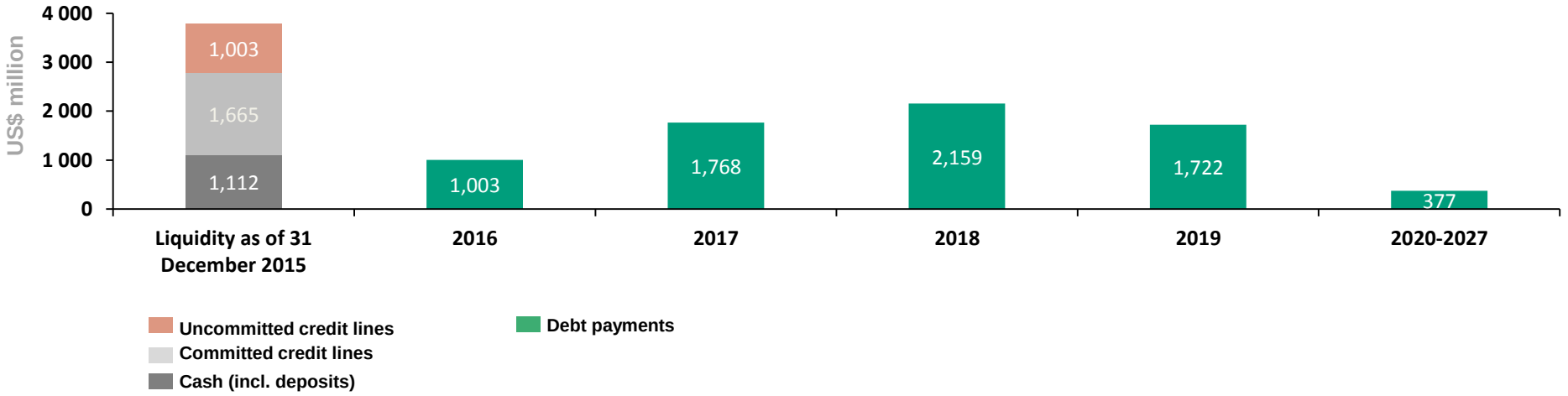
Balanced loan portfolio Dec 31st, 2015



Loan portfolio overview

- Outstanding debt mostly denominated in US Dollars
- 71% - unsecured loans, 18% - PXF, 11% - REPO/pledged
- 10% - fix rate, 90% - floating rate
- 8% of debt is public (Eurobonds)
- Effective interest rate on loan portfolio was around 4%
- Debt portfolio is diversified across instruments, products and sources

Debt maturities schedule (as of 31 December 2015)

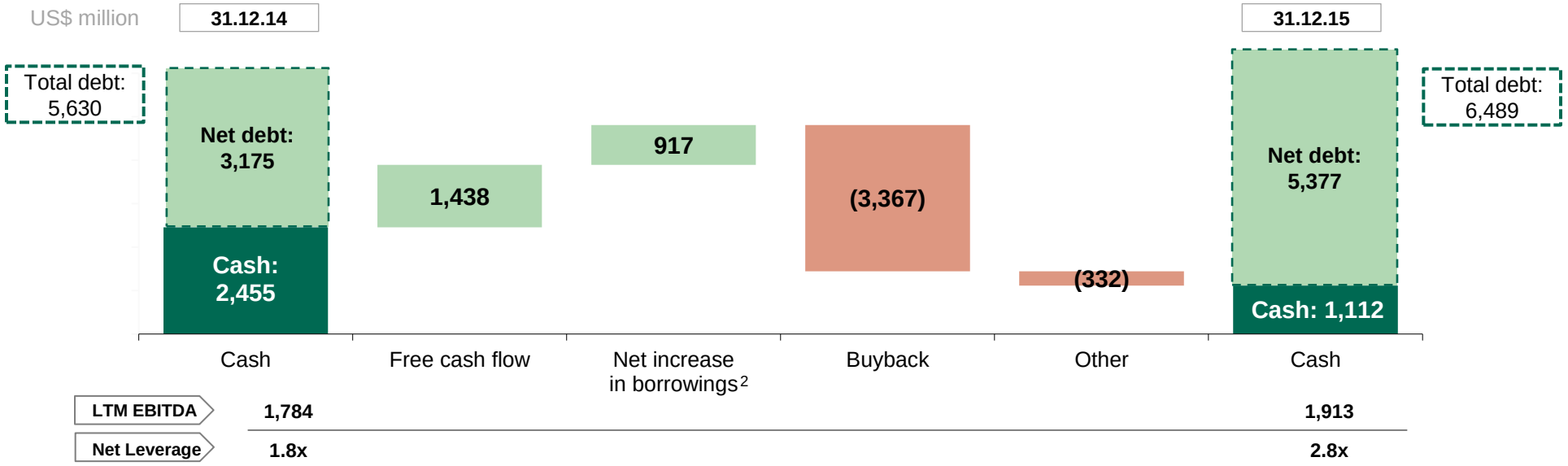


US$ denominated credit portfolio represents natural hedge of export revenue; effective interest rate around 4%

1. All calculations include swaps

Credit Ratings and Debt Structure

Debt bridge and net leverage



Credit ratings

Agency	Credit Rating	Outlook	Last Update
Moody's	Ba2	Stable	October 2015
Standard & Poor's	BB-	Stable	December 2015
FitchRatings	BB-	Stable	September 2015

Financial leverage update

US$ million	31 December 2015
Total debt (bank loans & eurobonds)	6,489
Cash[1]	1,112
Net debt	5,377
Net Debt/LTM EBITDA	2.8x

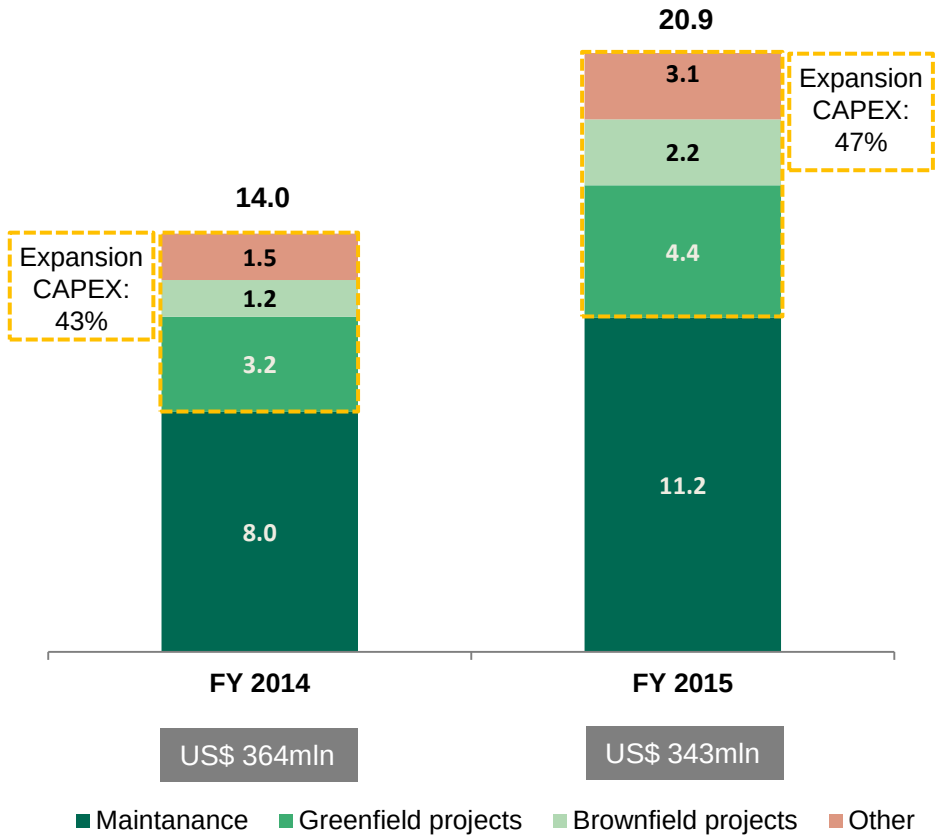
Balanced portfolio and stable leverage metrics

1. Including deposits
2. Including % and notional payments under SWAP

CAPEX and Cash Flow

CAPEX[1] overview

RUB billion



Comments

CAPEX 2015 amounted to US$ 343mln (RUB 20.9bln[2])

Maintenance CAPEX equaled US$ 183mln:.

- C. 80% of CAPEX is denominated in RUB, which results in decreases in our investment expenditures in US dollar due to the RUB devaluation
- 2015 saw two major additions in comparison with the previous year:
  1) Construction of backfilling complexes
  2) Maintenance of Solikamsk-2

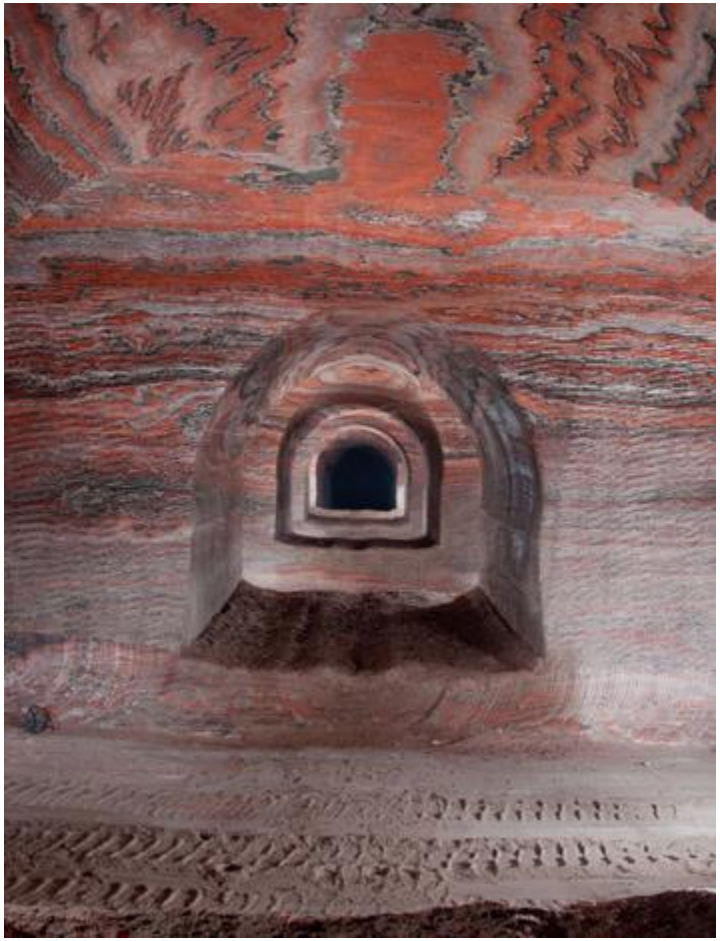
Expansion CAPEX equaled US$ 160mln:

- Investments in expansion in 2015 were 58% lower than initially planned primarily due to shifts in granulation project, Solikamsk-2 new mine and Ust-Yaiva
- The major part of investments in 2015 were attributable to Ust-Yaiva project (US$ 66 mln), increasing load (US$33 mln) and granulation project (US$20 mln) development

Operating cash flow enabled the Company to finance its CAPEX programme

1. As per IFRS Cash Flow Statement
2. Average USD/RUB exchange rate for YE 2015 was 60.96, for YE 2014 – 38.42

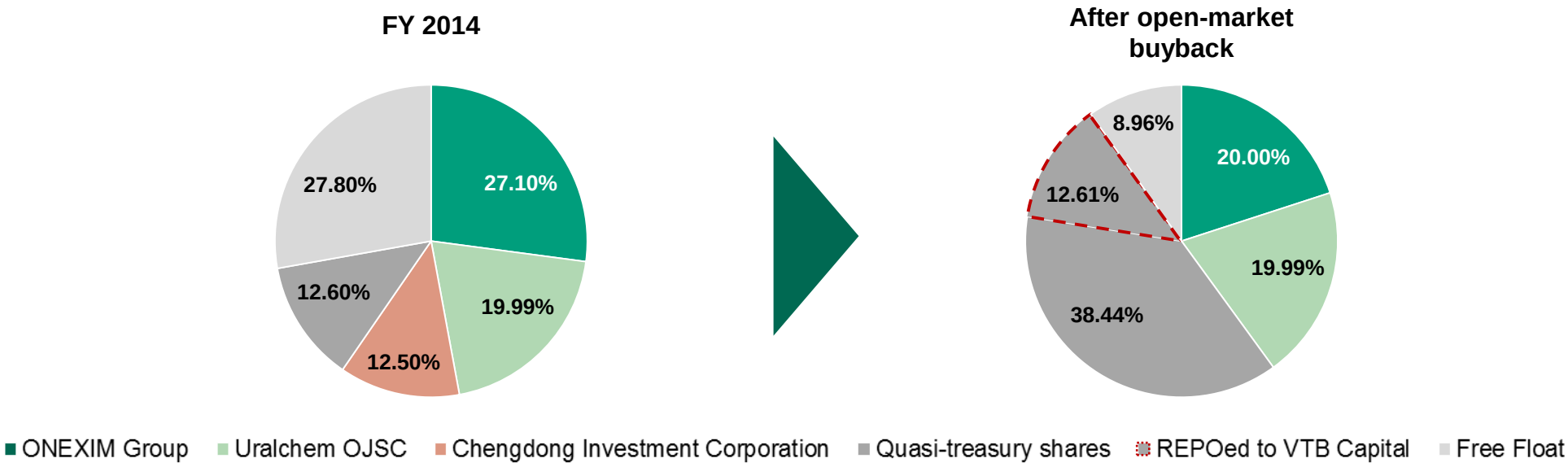
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2015 buybacks summary and open-market buyback results

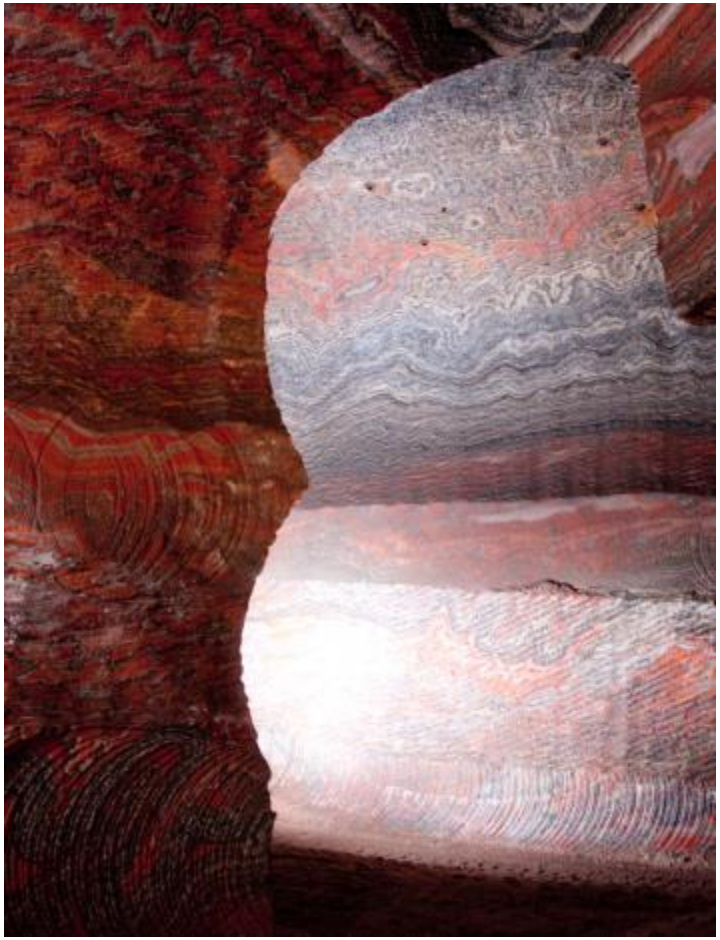
2015 buyback summary



Open-market buyback results

- On November 23, 2015, the Company's Board of Directors pursuant to unanimous recommendation by Audit Committee to provide to holders of the Company's Shares and GDRs an opportunity to sell their securities in light of the decreasing GDR liquidity and free float approved an open market buyback program
- Since the start of the Company's open market buyback program and up to March 31 2016, 4.89% of the Company's share capital have been purchased
- As a result of the program the Company's free float decreased to 8.96%

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Appendix

Summary results
Income statement

US$ thousands	31 December 2015	31 December 2014	Δ
Revenues	3,123,302	3,559,292	(435,990)
Cost of sales	(568,758)	(915,967)	347,209
Gross profit	**2,554,544**	**2,643,325**	**(88,781)**
Distribution costs	(604,264)	(932,771)	328,507
General and administrative expenses	(156,884)	(209,466)	52,582
Taxes other than income tax	(24,826)	(40,826)	16,000
Other operating income and expenses, net	(43,329)	(102,291)	58,962
Operating profit	**1,725,241**	**1,357,971**	**367,270**
Finance income	61,278	26,967	34,311
Finance expense	(1,578,920)	(2,138,318)	559,398
Profit/(loss) before income tax	**207,599**	**(753,380)**	**960,979**
Income tax (expense)/benefit	(23,831)	122,524	(146,355)
Net profit/(loss) for the period	**183,768**	**(630,856)**	**814,624**
Profit/(loss) attributable to:			
Owners of the Company	181,242	(627,305)	808,547
Non-controlling interests	2,526	(3,551)	6,077
Net profit/(loss) for the period	**183,768**	**(630,856)**	**814,624**
Earnings/(loss) per share – basic and diluted (in US cents)	8.24	(24.43)	

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 mn tonnes
- Reserves: 81.7 mn tonnes of ore



Berezniki-3

- Potash plant
- Granular and standard potash
- Capacity: 2.3 mn tonnes



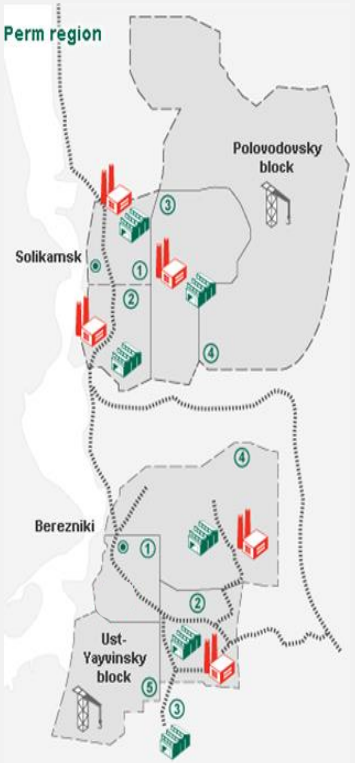
Berezniki-4

- Potash plant and mine
- Standard potash
- Capacity: 3 mn tonnes
- Reserves: 325.1 mn tonnes of ore



Ust-Yayvinsky Field

- Capacity: + 2.5 mn tonnes KCl in launch year 2020
- Reserves: 163.8 mn tonnes of ore





Solikamsk-1

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



Solikamsk-3

- Potash plant and mine
- Standard potash
- Capacity: 2.7 mn tonnes
- Reserves: 271 mn tonnes of ore

Romanovsky Field

- Preliminary estimated Mineral Resources : 385 m tonnes of Sylvinite



Solikamsk-2

- Potash plant and mine
- Granular and standard potash
- Capacity: 1.4 mn tonnes from 2015
- Reserves: 168.4 mn tonnes of ore



Polovodovsky Field

- Capacity: + 2.8 mn tonnes KCl in launch after 2020
- Mineral Resources: 1.57 bn tonnes of Sylvinite

Notes: 1.JORC as of 1 January 2016
2.The Mineral Resources presented are inclusive of those Mineral Resources converted to Ore Reserves

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