

Mosaic's Strategic Acquisition of Vale Fertilizantes

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Forward Looking Statements and Non-GAAP Financial Information

Forward-Looking Statements

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about our proposed acquisition of the global phosphate and potash operations of Vale S.A. ("Vale") conducted through Vale Fertilizantes S.A. (the "Transaction") and the anticipated benefits and synergies of the proposed Transaction, other proposed or pending future transactions or strategic plans and other statements about future financial and operating results. Such statements are based upon the current beliefs and expectations of The Mosaic Company's management and are subject to significant risks and uncertainties. These risks and uncertainties include but are not limited to risks and uncertainties arising from the possibility that the closing of the proposed Transaction may be delayed or may not occur, including delays or risks arising from any inability to obtain governmental approvals of the Transaction on the proposed terms and schedule, any inability of Vale to achieve certain other specified regulatory and operational milestones or to successfully complete the transfer of the Cubatão business to Vale and its affiliates in a timely manner, and the ability to satisfy any of the other closing conditions; our ability to secure financing, or financing on satisfactory terms and in amounts sufficient to fund the cash portion of the purchase price without the need for additional funds from other liquidity sources; difficulties with realization of the benefits of the proposed Transaction, including the risks that the acquired business may not be integrated successfully or that the anticipated synergies or cost or capital expenditure savings from the Transaction may not be fully realized or may take longer to realize than expected, including because of political and economic instability in Brazil or changes in government policy in Brazil; the predictability and volatility of, and customer expectations about, agriculture, fertilizer, raw material, energy and transportation markets that are subject to competitive and other pressures and economic and credit market conditions; the level of inventories in the distribution channels for crop nutrients; the effect of future product innovations or development of new technologies on demand for our products; changes in foreign currency and exchange rates; international trade risks and other risks associated with Mosaic's international operations and those of joint ventures in which Mosaic participates, including the risk that protests against natural resource companies in Peru extend to or impact the Miski Mayo mine, the ability of the Wa'ad Al Shamal Phosphate Company (also known as MWSPC) to obtain additional planned funding in acceptable amounts and upon acceptable terms, the timely development and commencement of operations of production facilities in the Kingdom of Saudi Arabia, the future success of current plans for MWSPC and any future changes in those plans; difficulties with realization of the benefits of our long term natural gas based pricing ammonia supply agreement with CF Industries, Inc., including the risk that the cost savings initially anticipated from the agreement may not be fully realized over its term or that the price of natural gas or ammonia during the term are at levels at which the pricing is disadvantageous to Mosaic; customer defaults; the effects of Mosaic's decisions to exit business operations or locations; changes in government policy; changes in environmental and other governmental regulation, including expansion of the types and extent of water resources regulated under federal law, carbon taxes or other greenhouse gas regulation, implementation of numeric water quality standards for the discharge of nutrients into Florida waterways or efforts to reduce the flow of excess nutrients into the Mississippi River basin, the Gulf of Mexico or elsewhere; further developments in judicial or administrative proceedings, or complaints that Mosaic's operations are adversely impacting nearby farms, business operations or properties; difficulties or delays in receiving, increased costs of or challenges to necessary governmental permits or approvals or increased financial assurance requirements; resolution of global tax audit activity; the effectiveness of Mosaic's processes for managing its strategic priorities; adverse weather conditions affecting operations in Central Florida, the Mississippi River basin, the Gulf Coast of the United States or Canada, and including potential hurricanes, excess heat, cold, snow, rainfall or drought; actual costs of various items differing from management's current estimates, including, among others, asset retirement, environmental remediation, reclamation or other environmental regulation, Canadian resources taxes and royalties, or the costs of the MWSPC, its existing or future funding and Mosaic's commitments in support of such funding; reduction of Mosaic's available cash and liquidity, and increased leverage, due to its use of cash and/or available debt capacity to fund financial assurance requirements and strategic investments; brine inflows at Mosaic's Esterhazy, Saskatchewan, potash mine or other potash shaft mines; other accidents and disruptions involving Mosaic's operations, including potential mine fires, floods, explosions, seismic events, sinkholes or releases of hazardous or volatile chemicals; and risks associated with cyber security, including reputational loss, as well as other risks and uncertainties reported from time to time in The Mosaic Company's reports filed with the Securities and Exchange Commission. Actual results may differ from those set forth in the forward-looking statements.

Non-GAAP Financial Measures

This presentation includes financial measures not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Additional information regarding these measures is provided in the Appendix.



Transaction Details

Creating a Brazilian Powerhouse

- Base Purchase Price: \$2.5B valuation implies 6.6x through cycle adjusted EBITDA (5 year average)
 - Up to \$260M potential earn-out over two years (\$130M following the first year; \$130M following the second year)
 - Earn-out triggered with near-term recovery in phosphate market¹
- Business Acquired: Vale Fertilizantes, excluding Cubatão nitrogen and non-integrated phosphate operations
 - ~5M tonnes of finished phosphate capacity:
 - Five Brazilian phosphate mines and four chemical plants, including the world class Uberaba facility
 - 40% ownership interest in the Miski Mayo joint venture, bringing total Mosaic ownership to 75%
 - ~500,000 tonnes of potash capacity:
 - Including Kronau potash reserves and assets and an option to include Rio Colorado reserves and assets
 - Attractive infrastructure and supply chain assets:
 - ~20% ownership interest in one of busiest Brazil ports (TIPLAM), dedicated rail and warehousing capabilities
- Financing: Debt and Equity (50/50)
 - \$1.25B debt to be issued in 2017
 - ~42.3M shares of Mosaic common stock to be issued (~11% pro-forma ownership), \$1.25B value at \$29.56 per share, based on Mosaic's closing stock price on December 16, 2016
 - Commitment to investment grade credit ratings
- Gives Vale the right to appoint up to two representatives (one independent) to Mosaic's Board of Directors
- Expected Closing: Late 2017, subject to regulatory approvals and other closing conditions

¹ See Appendix for detail

Overview

Attractive Acquisition

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- 1 High quality, long life and low cost assets:
 - Largest producer in Brazil, a preeminent agriculture market
 - World's lowest cost producer in Central Brazil on a delivered basis
 - 2 Excellent strategic fit:
 - Enhances Global Phosphate Business
 - Consistent with strategy and focus
 - Complements extensive distribution business in Brazil
 - 3 Attractive valuation:
 - ~5.4x 2015 adjusted EBITDA; 6.6x estimated through cycle adjusted EBITDA (5 year history)
 - Expected to be accretive to EPS in 2018
 - \$80M after-tax annual synergies expected by 2019
 - 4 Committed to maintaining investment grade credit rating:
 - \$1.25B debt to be issued
 - \$1.25B equity to be issued to Vale S.A. (~11% pro-forma ownership)
 - 5 Vale: Strategic minority investor with extensive Brazilian experience

Brazil: Agricultural Powerhouse

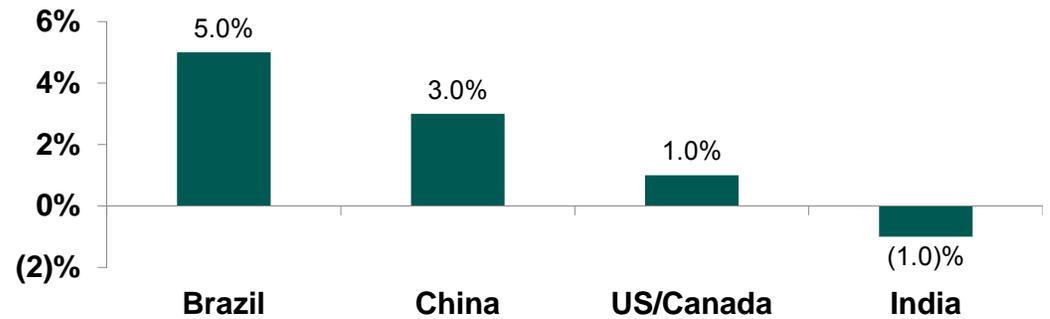
Key Region for Fertilizer Demand Growth

Big

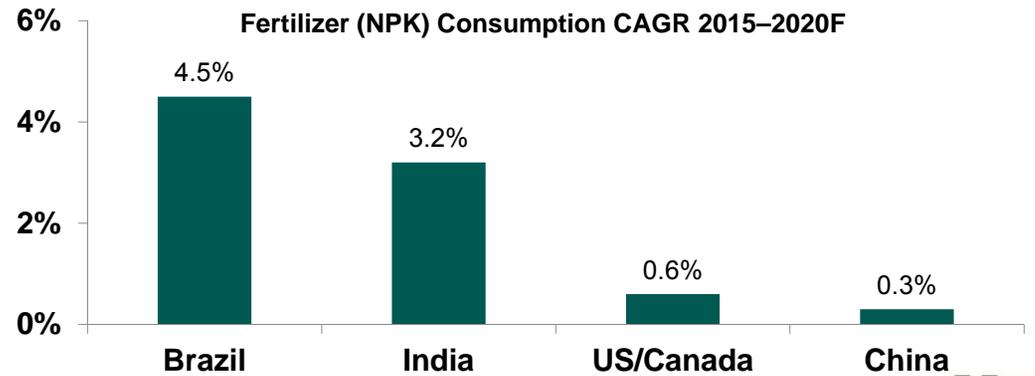
Growing

Profitable

Fertilizer (NPK) Consumption CAGR 2010–2015



Fertilizer (NPK) Consumption CAGR 2015–2020F

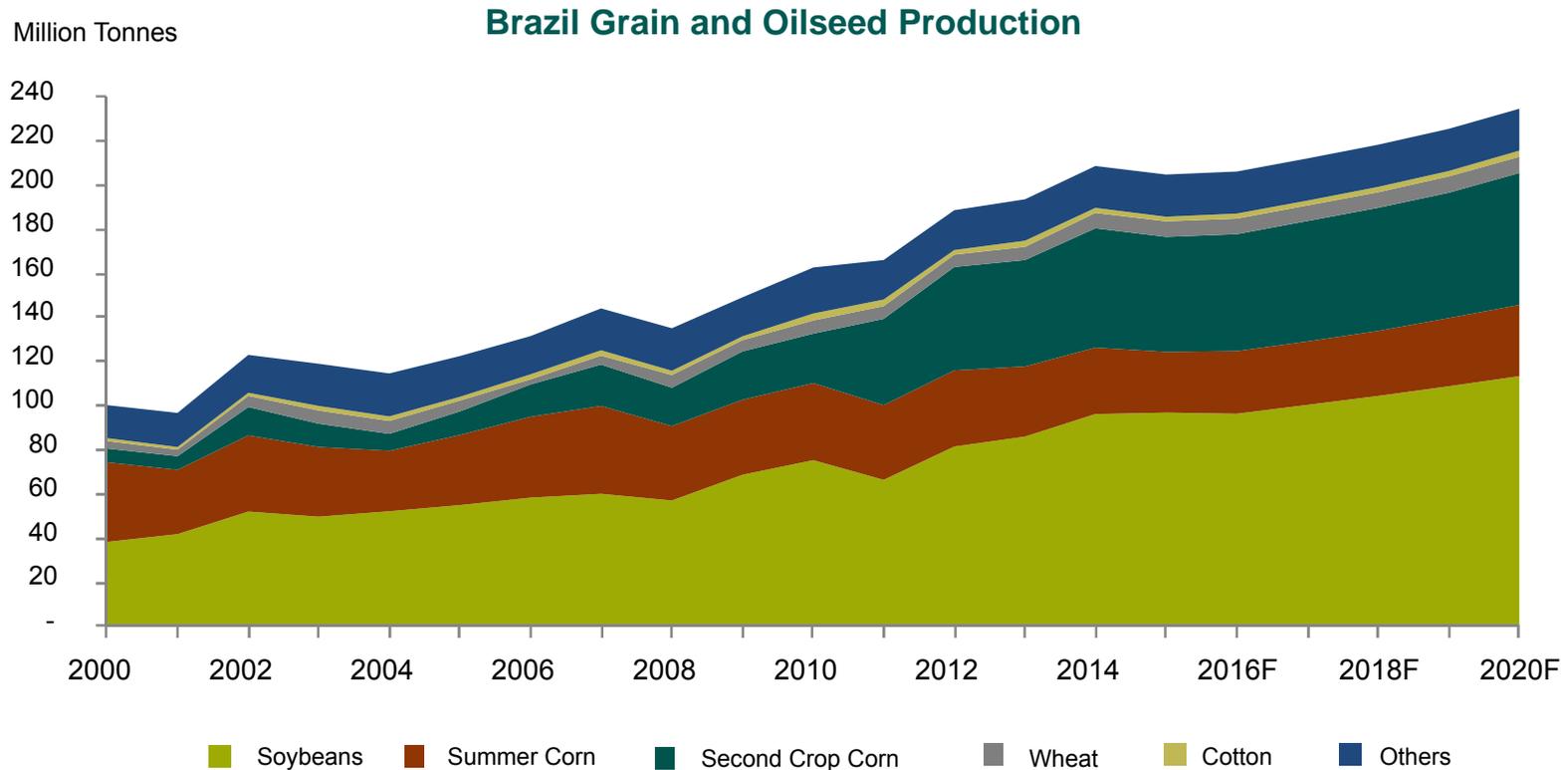


Sources: CRU



Brazil: Agricultural Powerhouse

Clear Growth Trajectory



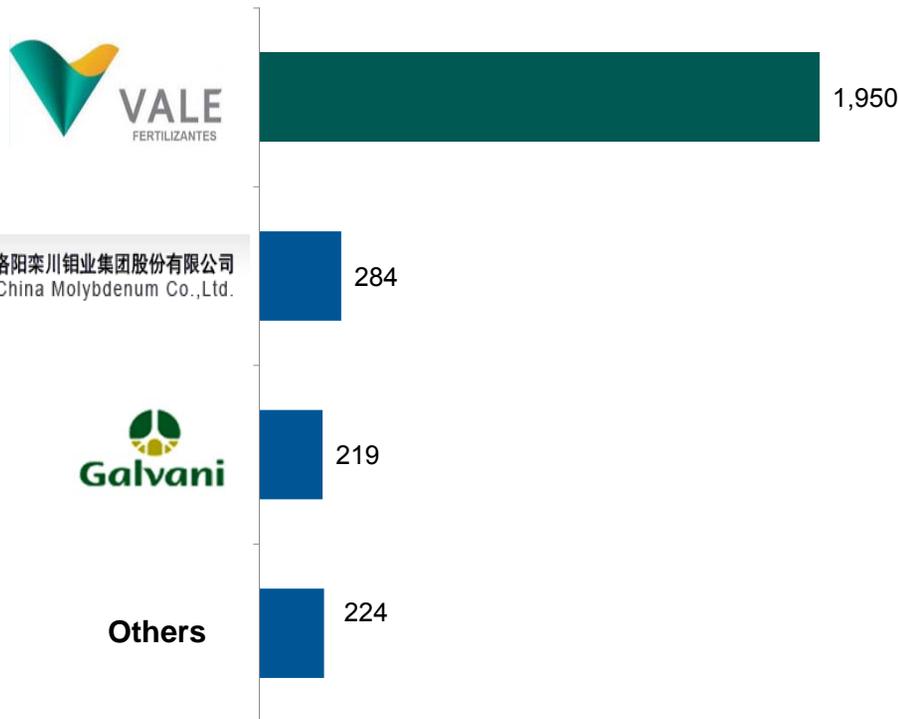
Source: CONAB and projections from FIESP Outlook



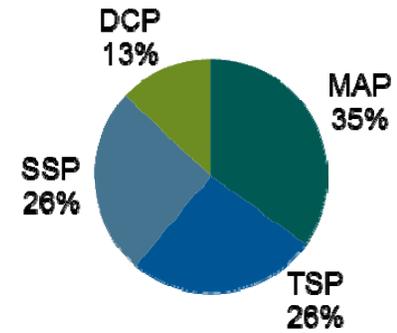
Production Asset Overview

Scale and Alignment with Market Needs

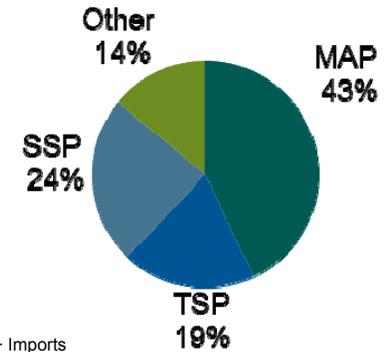
Vale Phosphate Production (2013-2015 Average) P₂O₅



Vale Phosphate Production (2013-2015 Average)



Brazil Phosphate Use (2013-2015 Average)



Sources: Vale and ANDA
 Consumption defined as Production + Imports
 Other includes DAP, NPS, NPK
 MAP calculated assuming 52% P₂O₅ content
 Includes Cubatão

Strategically Positioned Assets

Largest Phosphate and Only Potash Producer in Brazil



Illustrative Logistics example

Seaborne Shipping Costs	\$ 15 - \$20/MT
Port Charges	\$ 10/MT
Truck to Inland Blenders	\$ 40/MT

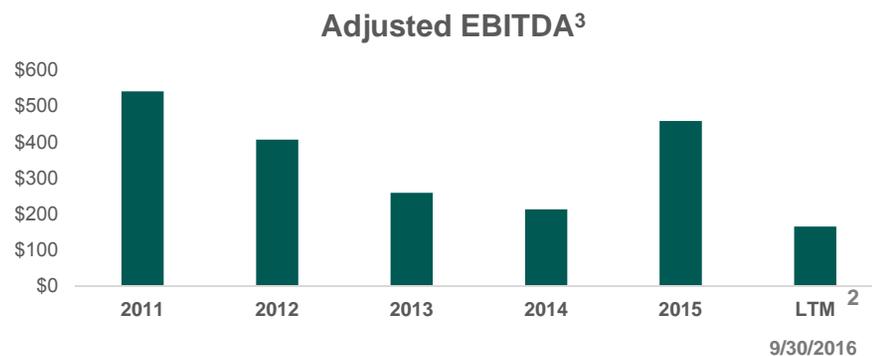
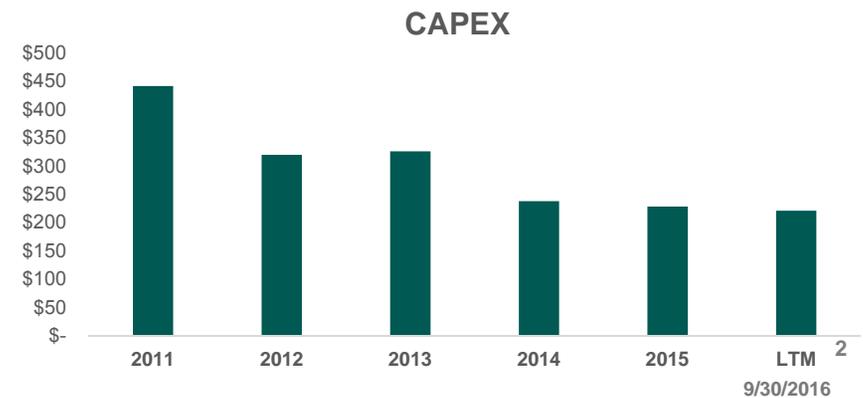
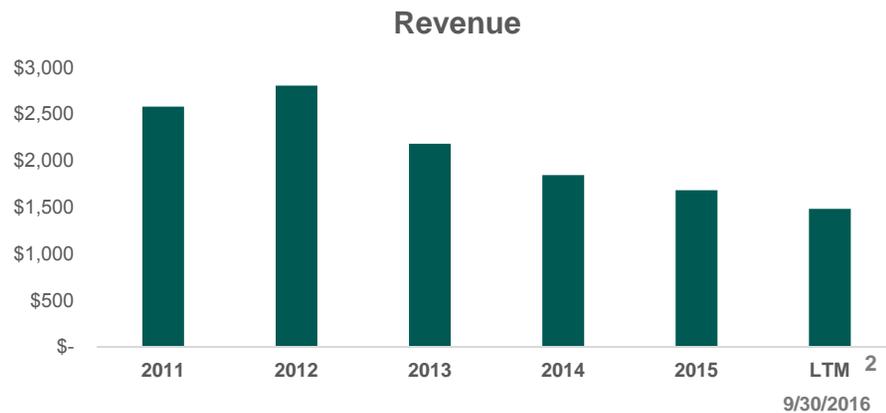
\$65-70/MT logistics advantage to key inland markets in Brazil

Source: Mosaic and Vale



Overview of Acquired Business Historical Profitability ¹

Meaningful Expected Synergies



Through Cycle Standalone Business (Vale Fertilizantes):

- Consistent High Profitability
- Strong Cash Flow Generation

Expected Annual Run-Rate Synergies: ⁴

- Operational: ~\$50M
- Commercial/Support Functions: ~\$20M
- Tax: ~\$25M

1. Based on information provided by Vale S.A. Data is in millions and excludes Cubatão.
 2. Revenue, CAPEX and Adjusted EBITDA for last twelve months (LTM) are based on 2016 actual through 9/30/2016 and an estimate for Q4 2015.
 3. See detail and reconciliations in the Appendix.
 4. Does not include costs associated with achieving expected synergies.

Highly Strategic Acquisition

Significant Leverage to Cyclical Upturn

Adjusted EPS Impact

- Expect EPS accretion of \$0.05-\$0.10 cents per share in 2018* plus ~\$25M of cash tax benefit

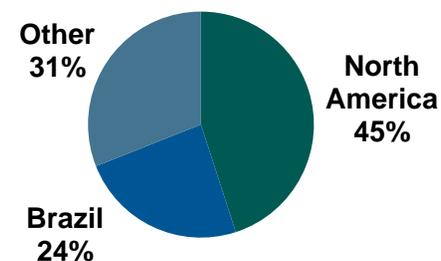
- Meaningful upside leverage to phosphate prices:**

Every \$25 change in phosphate prices provides incremental ~\$0.10-\$0.15 EPS and ~\$50M FCF (OCF after CAPEX) upside / downside¹

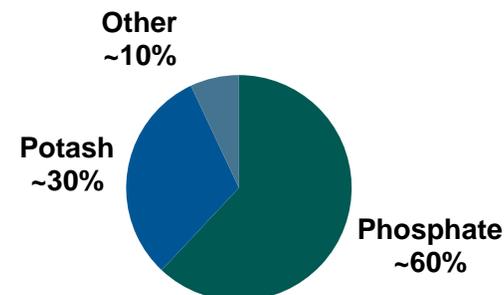
- Annual after tax synergies of ~\$80M, including pre-tax synergies of ~\$70M and cash tax benefits of ~\$25M, achieved by 2019

Illustrative Pro-forma Split

Sales by Geography



Sales by Product



* Assumes average 2016 DAP processing margin per tonne. DAP Processing margin is defined as the difference between market price of one tonne of DAP FOB plant and the cost of sulfur and ammonia in one tonne of DAP.

¹ Assumes no change in costs and relates solely to acquired business

Committed to Maintaining an Investment Grade Rating

Continue to Assess Trade-offs between CAPEX, OPEX and Dividends

- Historically attractive interest rate environment
- Track record of reducing CAPEX and lowering costs to maximize shareholder value
- Capital Management Philosophy: 2.0 – 2.5x Adjusted Net Debt to Adjusted EBITDA* and \$2.5B liquidity buffer
- Priority to pay down debt in the near term
- Dividend continues to be under review

**Strong Commitment to Maintaining
Investment Grade Credit Ratings**

**See definitions in appendix*

Governance Considerations

Highlights of Investor Agreement

▪ **Board of Directors Representation:**

- Vale has the right to nominate two directors if at least 90 percent of shares maintained, one nominated if at least 50 percent
- If two directors: one must be independent
- Both candidates must be approved by Mosaic's Corporate Governance and Nominating Committee

▪ **Standstill:**

- Vale prohibited from owning over 15 percent of Mosaic shares within three years after closing, and during any period with continued representation on Mosaic's Board of Directors

▪ **Transfer Restrictions:**

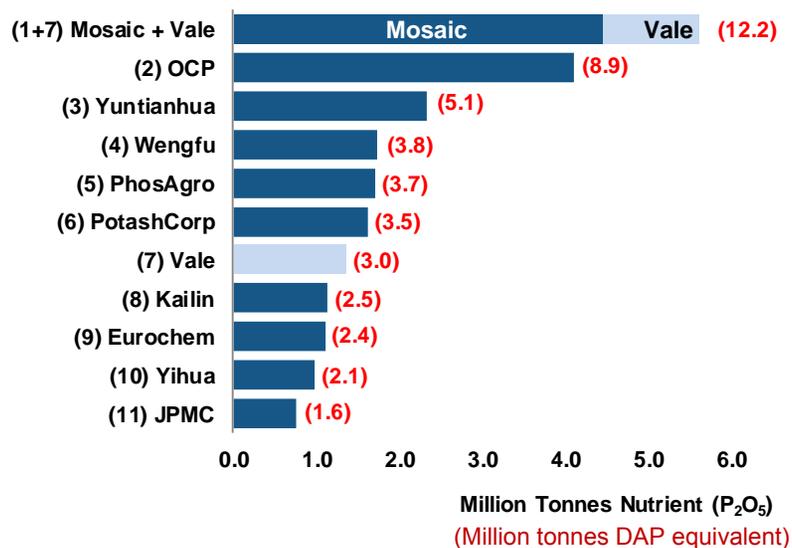
- Two year restriction on transfer of shares by Vale except in limited cases; no transfers to identified competitors

Further Enhances Global Position in Phosphates

Expect Meaningful Long Term Shareholder Value Creation



World's Largest Phosphate Producers



Summary

- Opportunistic purchase during cycle trough with significant upside leverage
- Advantaged Americas strategy
- Uniquely positioned to maximize acquisition value:
 - Complements existing distribution assets
 - Realistic and achievable synergy roadmap
- Committed to maintaining investment grade ratings

2015 production estimates

P₂O₅ production includes phosphoric acid and single superphosphate

Mosaic + Vale, excludes Vale's Cubatão assets

Source: Company reports, IFA, CRU, and Mosaic estimates



Appendix



Earn-out Structure Triggered by Price Recovery and BRL Weakening

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Two-Year Earn-out:

- Maximum annual earn-out payment of \$130M per year and \$260M total
- Earn-out is payable if MAP Brazil CFR price and/or USD/BRL FX Rate are greater than the earn-out thresholds identified for 2017/18/19
- Earn-out for the year will be calculated based on the annual average metric compared to a weighted average annual threshold for MAP price or FX rate (based on closing date)

Earn-out Thresholds

	MAP Brazil CFR Pricing (\$/MT)	USD / BRL FX Rate
2017	400	3.90
2018	410	4.05
2019	420	4.15

Source: Mosaic management projections
Note: All earn-out figures presented on nominal basis

Accounting Impacts of Acquisition

Assuming closing in 2017, earnings will be impacted by the following:

- Integration, acquisition, and synergy costs that will be expensed as incurred.
- Accounting treatment of the valuation of certain assets and liabilities as of closing date:
 - Acquired inventory will be increased to market value, resulting in the recognition of a minimal gross margin when sold.
 - Assets that may have no value to Mosaic are still required to be valued at the highest and best-use to a third party, resulting in an immediate write-off of these assets.
- Miski Mayo will be treated as a consolidated entity (previously an equity-method investment) with a non-controlling interest held by a third party in 2017 and future years.
- Step down of fixed asset values will result in lower depreciation expense in 2017 (as compared to historical amounts for these assets) and future years.
- Stock deal generates a difference between book and tax depreciation; thereby creating a deferred tax asset usable in 2017 and future years.
- Any significant contracts assumed in the transaction will be adjusted to market value and such adjustments will be recognized in 2017 and future periods as additional expense/income.
- Changes to our estimate on earn-out will impact P&L subsequent to close of the transaction.

Non-GAAP Reconciliation

Adjusted EBITDA of Acquired Business

Adjusted EBITDA is a non-GAAP financial measure that is provided to assist securities analysts, investors, lenders and others in their comparisons of operational performance, valuation and debt capacity across companies with differing capital, tax and legal structures. Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, operating income (loss) as a measure of operating performance. Reconciliations of Operating income (loss) of acquired business to Adjusted EBITDA of acquired business for the periods presented are included below, are estimates based on information provided by Vale S.A.

(in millions)

	2011	2012	2013	2014	2015	LTM ^(b)
Operating income (loss) of the acquired business	83	(56)	(2,669)	(1,259)	(8)	(99)
Impairment of non-current assets and onerous contracts ^(a)	-	-	2,497	1,053	157	-
Results on measurement or sale of non-current assets	-	-	-	-	-	-
Dividends received from associates and joint ventures	-	-	-	-	-	3
Depreciation, depletion and amortization	458	463	431	419	310	261
Adjusted EBITDA of the acquired business	\$ 541	\$ 407	\$ 259	\$ 213	\$ 459	\$ 165

^(a) Includes a \$381M stoppage expense in 2013 due to the Rio Colorado Project.

^(b) LTM information for last twelve months (LTM) is based on 2016 actual through 9/30/16 and an estimate for Q4 2015.

Definition of Adjusted Net Debt/Adjusted EBITDA

The company targets adjusted net debt to adjusted EBITDA as a proxy for how the rating agencies assess leverage metrics:

- Adjusted net debt is defined as long-term debt plus short-term debt less cash and cash equivalents, all from the balance sheet. Net debt is also adjusted to include unfunded pension liabilities and capitalize operating leases.
- Adjusted EBITDA is defined as a five year average (two historical, current, and two forecast) of the sum of net income plus interest, adjusted to remove foreign currency gain (loss), income tax, depreciation, depletion and amortization, and non-cash write-offs.