

# The Mosaic Company

## Citi 2017 Basic Materials Conference

Presenter: Rich Mack, Executive Vice President and Chief Financial Officer

Date: November 29, 2017



# Forward Looking Statements

## 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 of Vale to achieve certain specified regulatory and operational milestones, 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 performance of the Wa’ad Al Shamal Phosphate Company (also known as MWSPC) and the entity operating the Miski Mayo mine, the risk that protests against natural resource companies in Peru extend to or impact the Miski Mayo mine, the ability of 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.*



# The Mosaic Company: A Global Leader

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## Global Need

Without fertilizers, the world's crop yields would be cut in half

Fertilizers make it possible for farmers to grow enough food to feed the world's

**7.2 BILLION PEOPLE**

**40-60%** OF CROP YIELDS are attributed to fertilizers

## Our Role

The world's leading producer and marketer of potash and phosphates

Phosphate and potash are two of the three primary nutrients plants need to grow to their full potential.

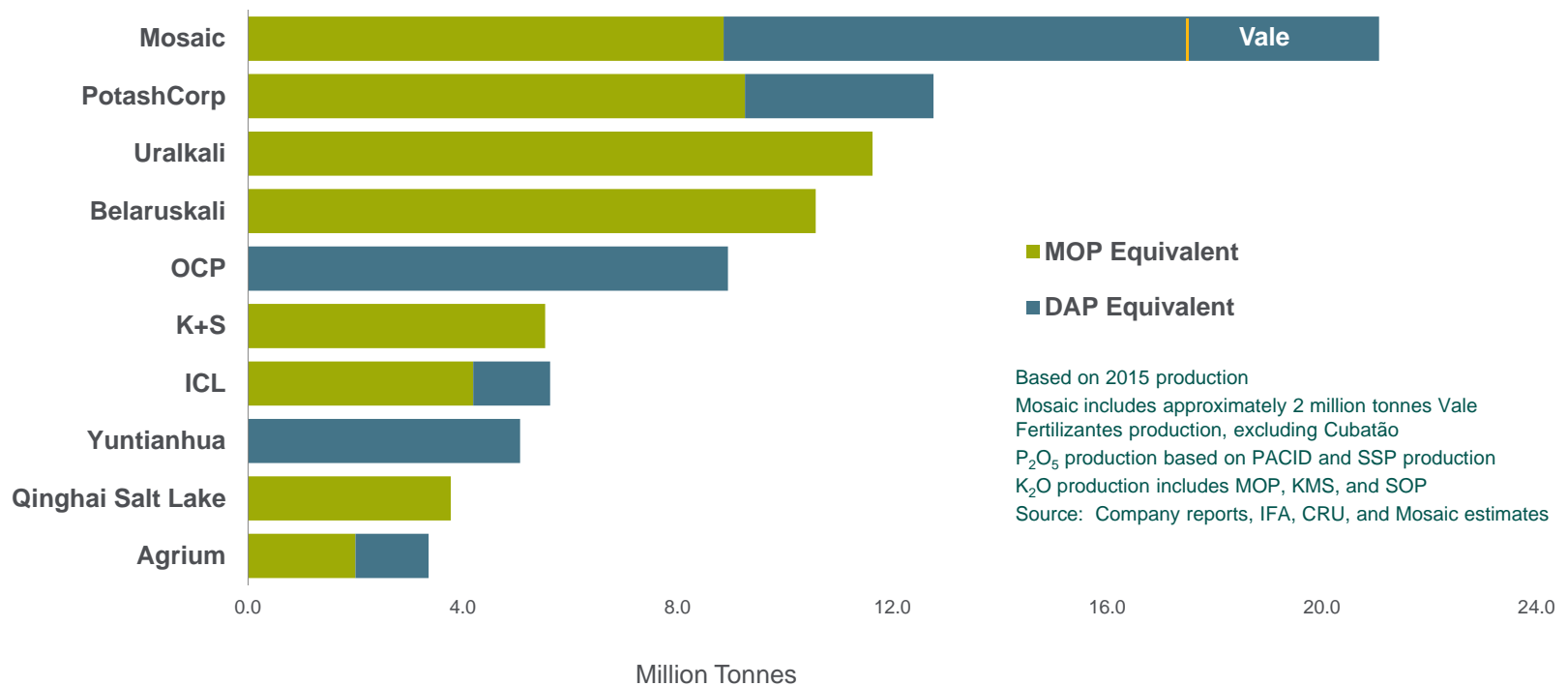


**Our Mission: We Help The World Grow The Food It Needs.**



# The Largest Combined P&K Producer

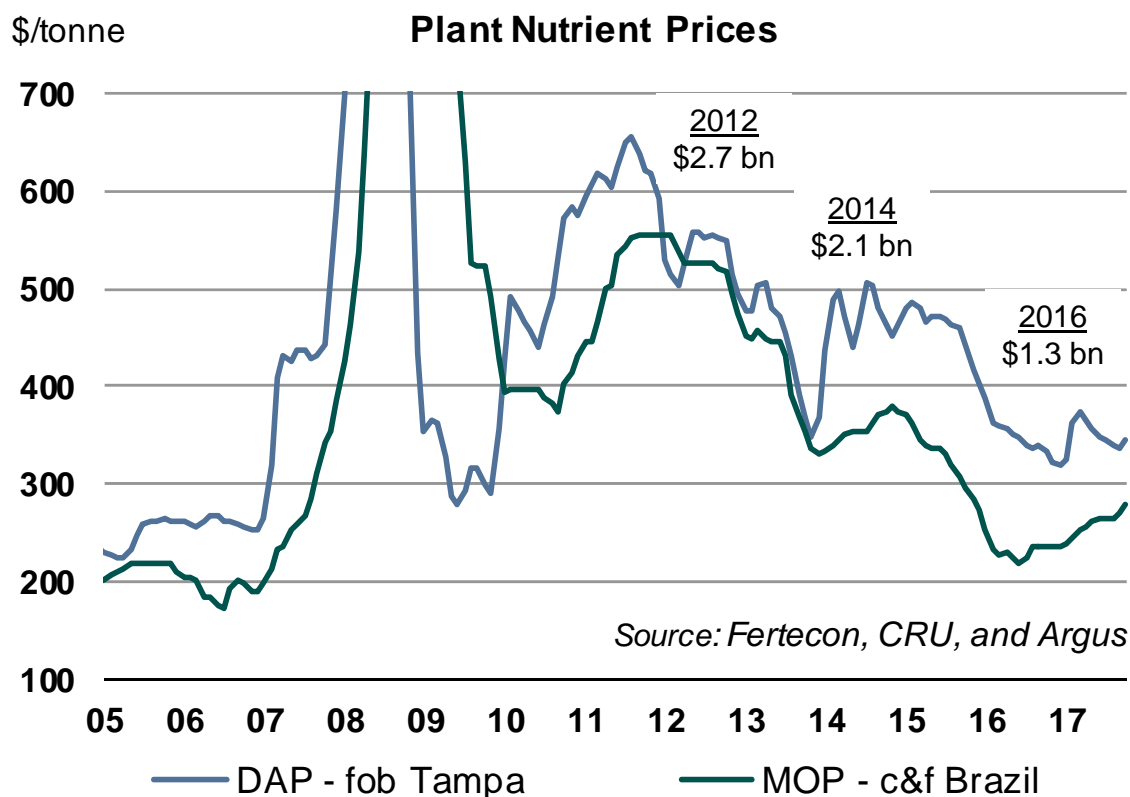
## World's Largest P&K Producers (Mosaic includes Vale Fertilizantes\*)



\*Assumes completion of our acquisition of the global phosphate and potash operations conducted through Vale Fertilizantes S.A, which we refer to as the "Vale Fertilizantes Acquisition"



# Cyclical Industry: Both a Challenge and Opportunity



\$ Billion	Cash from Operations
2012*	\$2.71
2013*	\$1.89
2014	\$2.12
2015	\$1.81
2016	\$1.27
YTD	\$0.52

\*year end May 31

# Action Summary

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## Transforming

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## Targeting

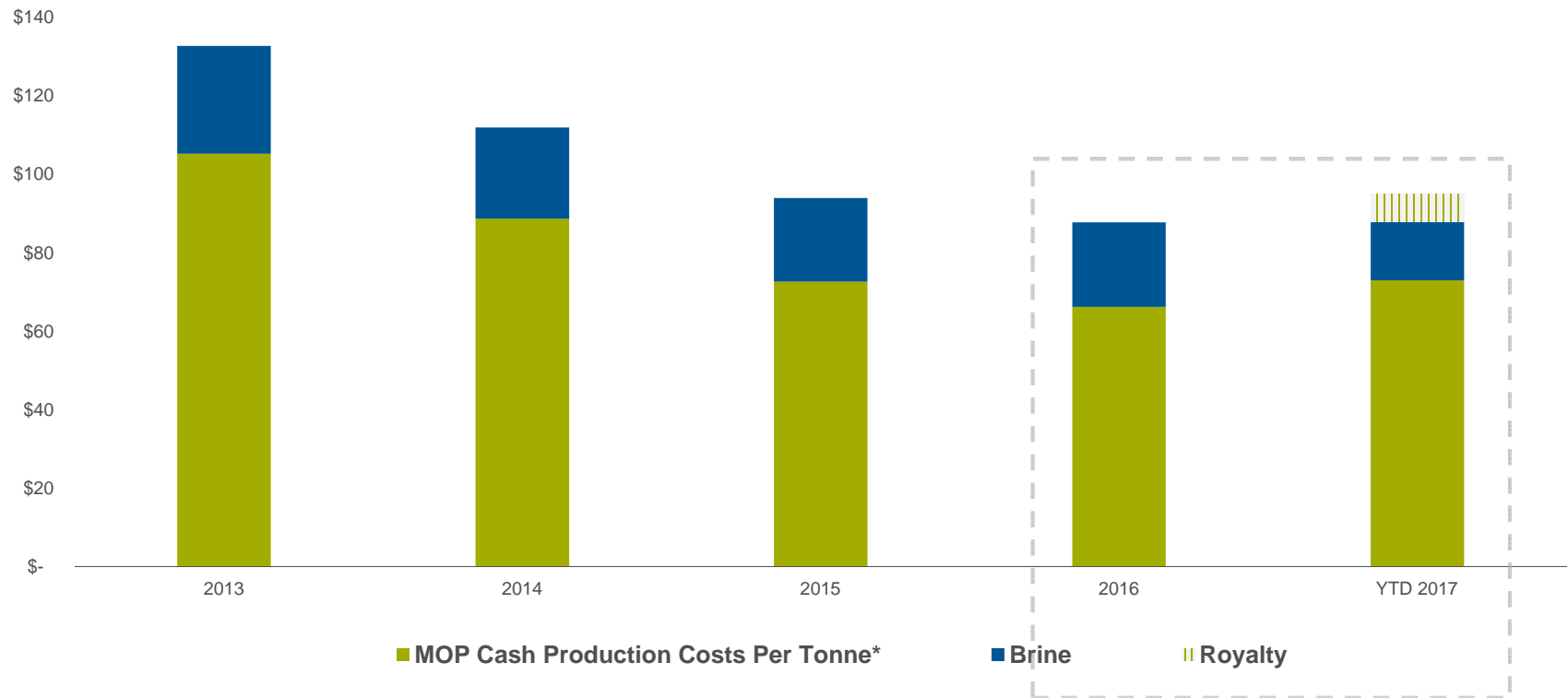
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Accelerate  
Business  
Performance

**Expect to Achieve Targeted Balance Sheet Metrics by ~2020**

# Controlling Costs

\$/Tonne

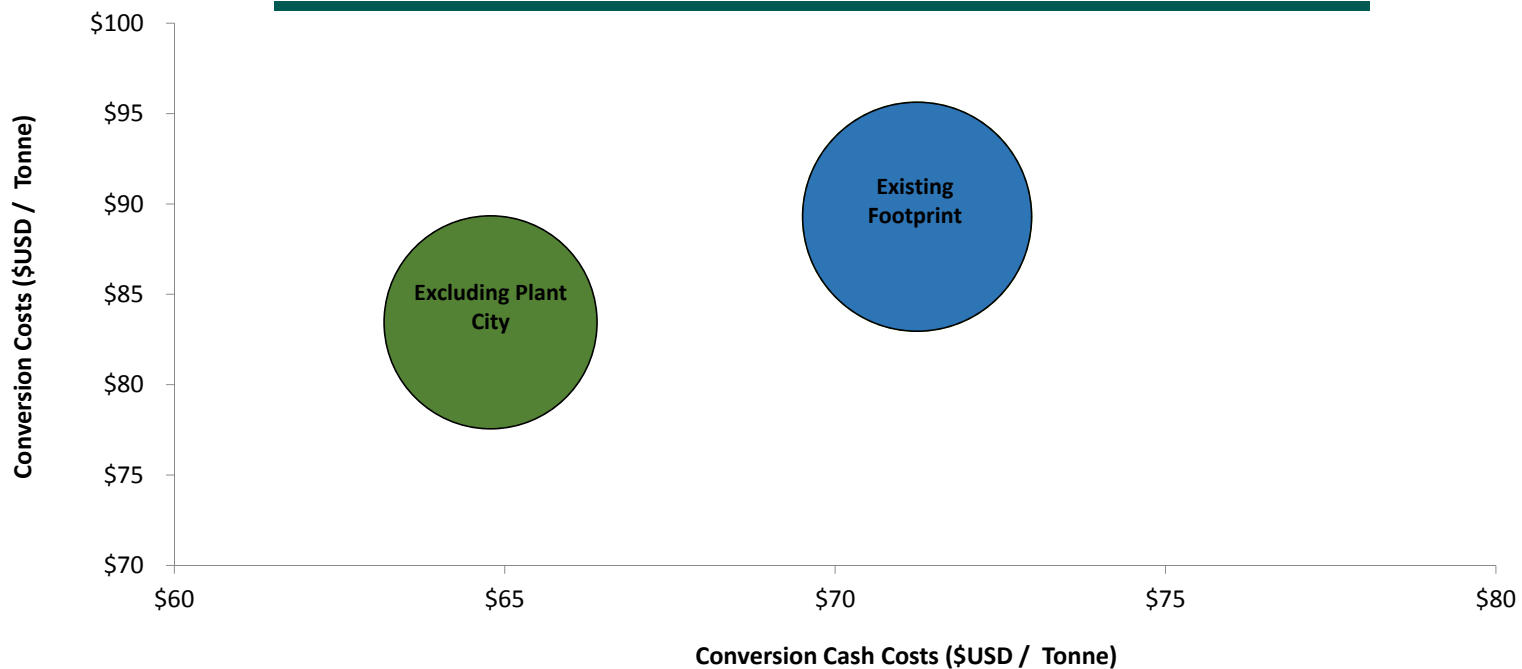


\*MOP cash production costs are reflective of actual costs during the quarter, excluding realized mark-to-market gains and losses. These costs are captured in inventory and are not necessarily reflective of costs included in costs of goods sold for the period.

# Phosphates: Expect Positive Gross Margin Impact

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## Estimated Cash Conversion Costs/Tonne\* - 2017



size of bubble = production volume

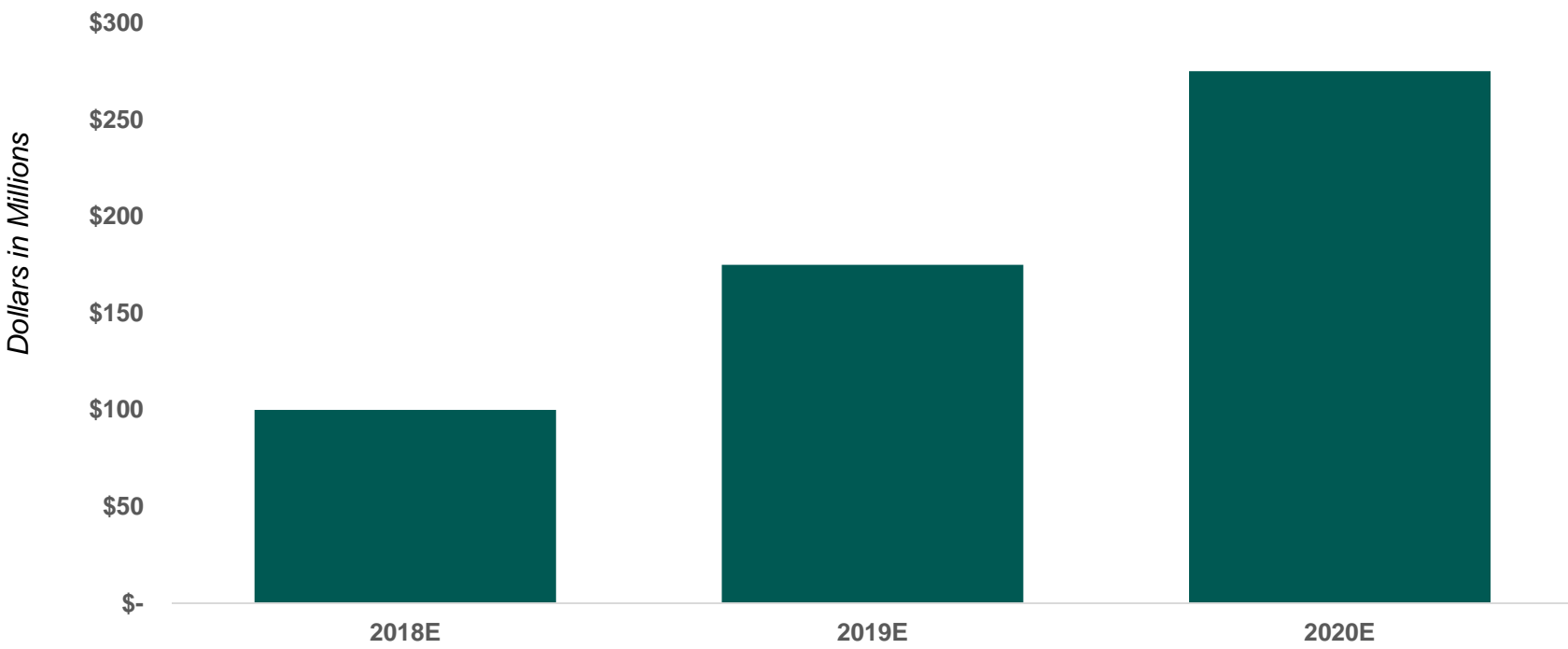
\* Phosphate cash conversion costs are reflective of actual costs, excluding realized mark-to-market gains and losses. These costs are captured in inventory and are not necessarily reflective of costs included in costs of goods sold for the period.



# Brazil Business Transformation: Expected Benefits through 2020



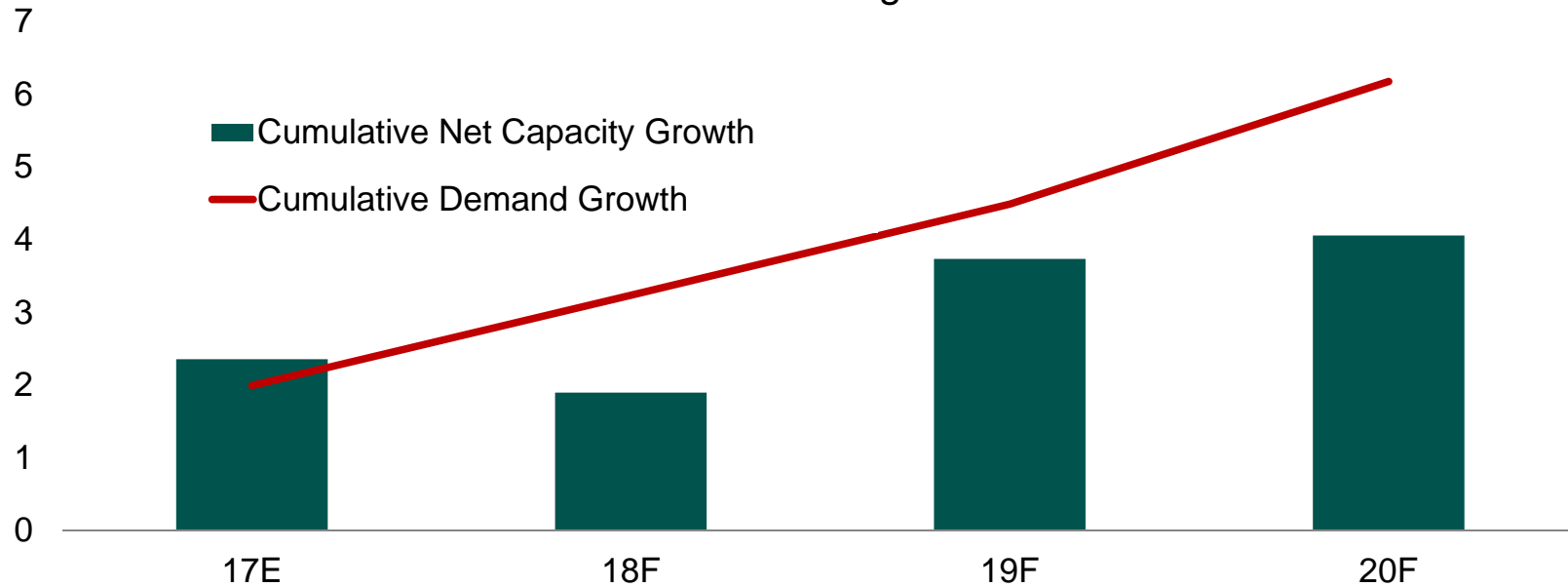
Benefits of Synergy and Operational Improvements



# Phosphate Outlook: Higher Operating Rates

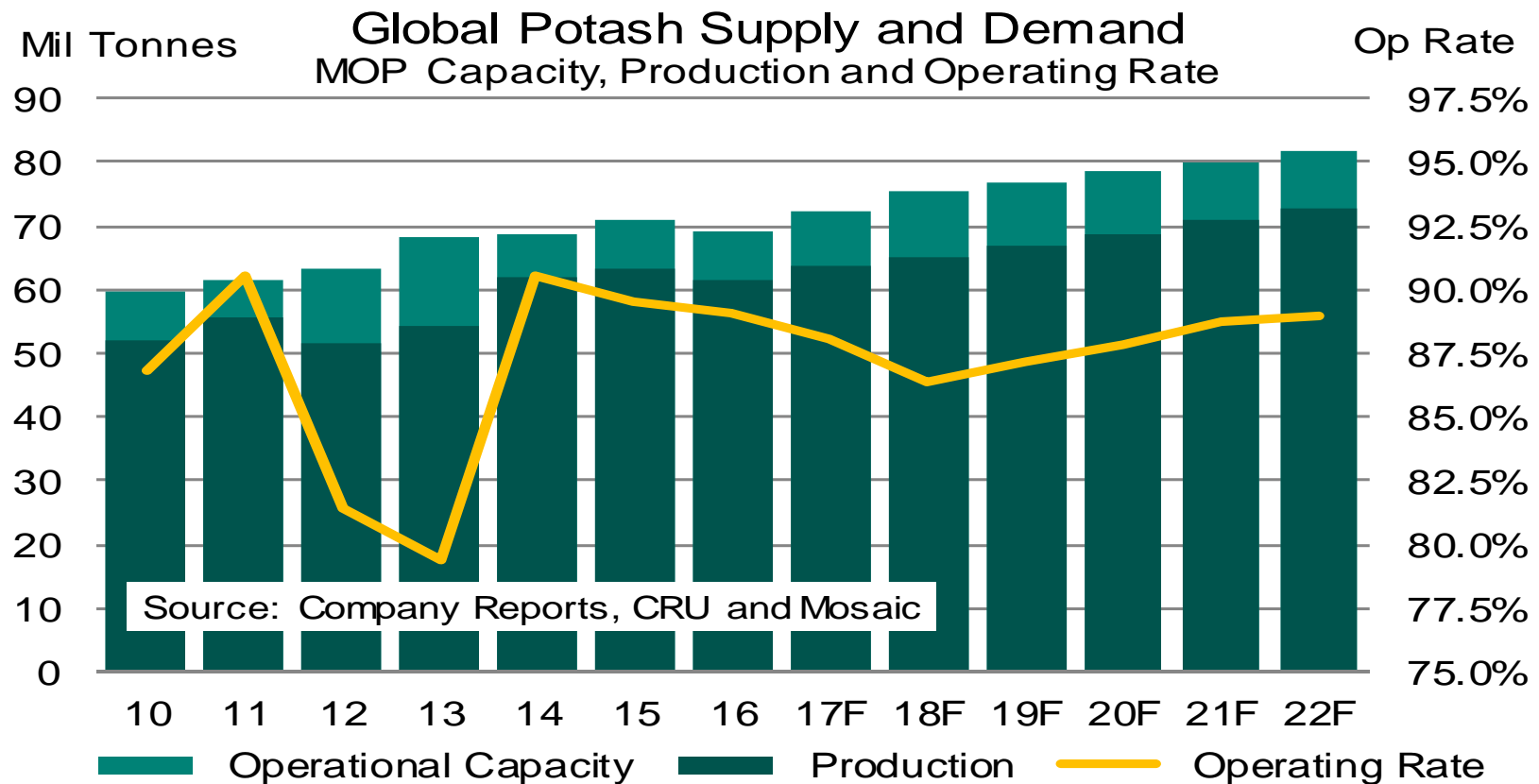
Million Tonnes  
DAP/MAP/NPS

Global Phosphate Capacity vs. Shipments  
Cumulative Change 2017-2020



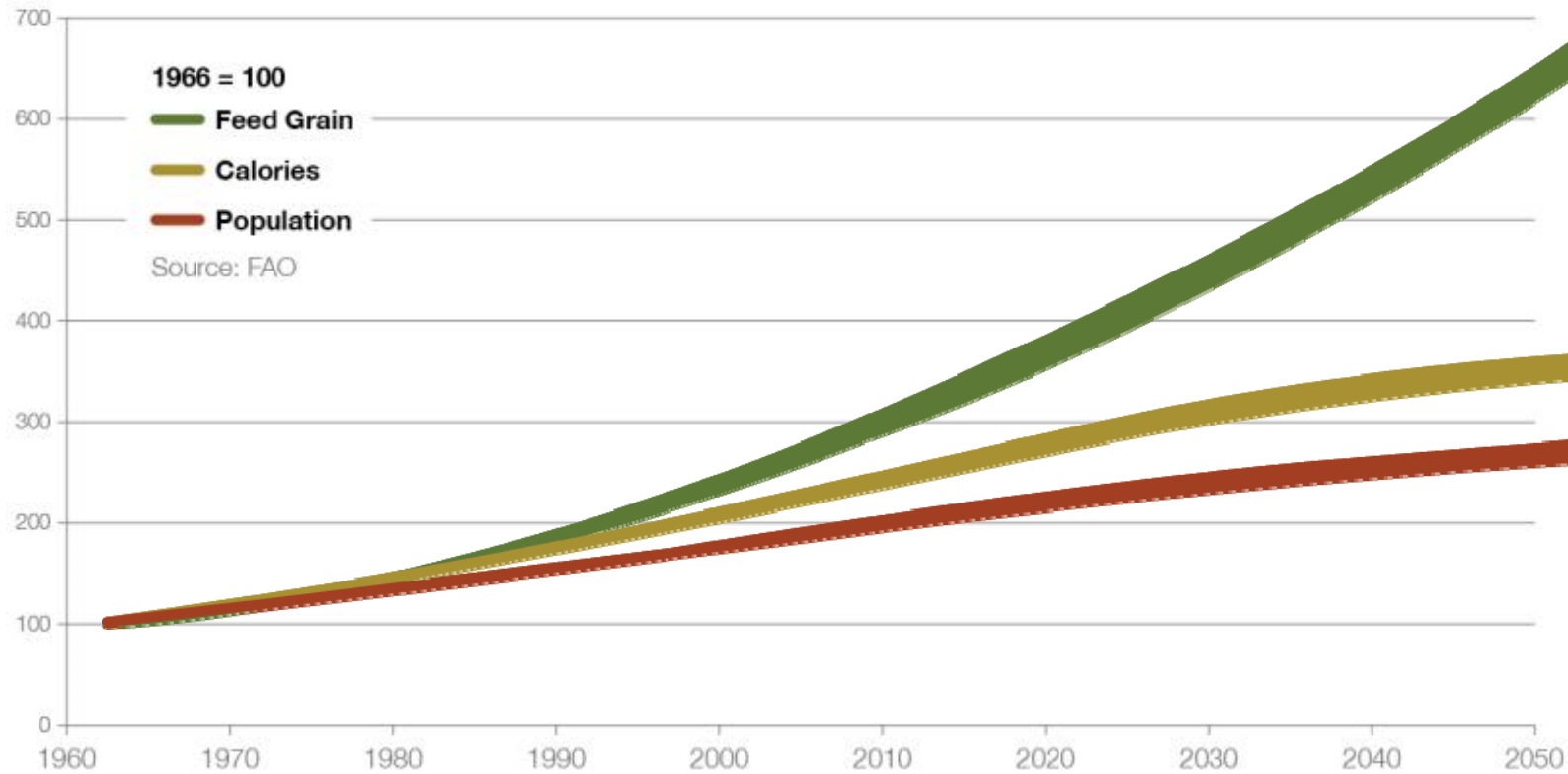
Source: CRU and Mosaic

# Potash Outlook: Balanced Outlook



# Rising Global Food Demand

Three Indicators of World Food Demand



# Questions

