



Uralkali—Leader to Capture Growth

UBS conference
November 16, 2007

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Investment Highlights

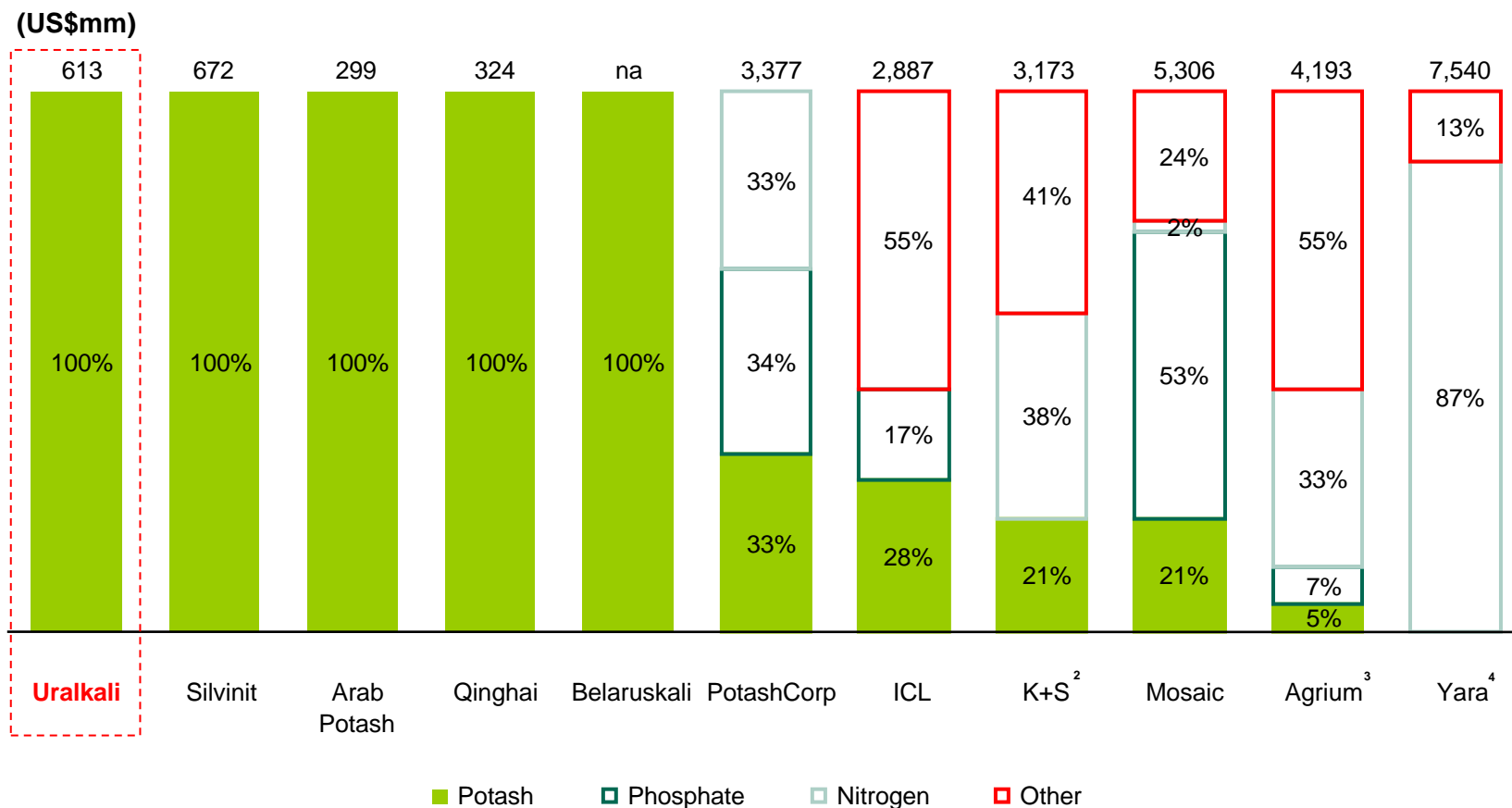


- **Largest** publicly traded **pure-play potash** producer
- One of the **fastest-growing** companies in potash industry
- Attractive potash industry fundamentals
- Ability to add significant capacity on the **cheapest** basis vs. global peers
- **Leading** trading platform in a **disciplined and concentrated** market
- Unrivalled access to the **fastest growing BRIC** markets
- **Industry-leading sustainable** financial performance

Uralkali – Leading Pure-Play Potash Producer



Net Sales Breakdown by Product¹ (2006)



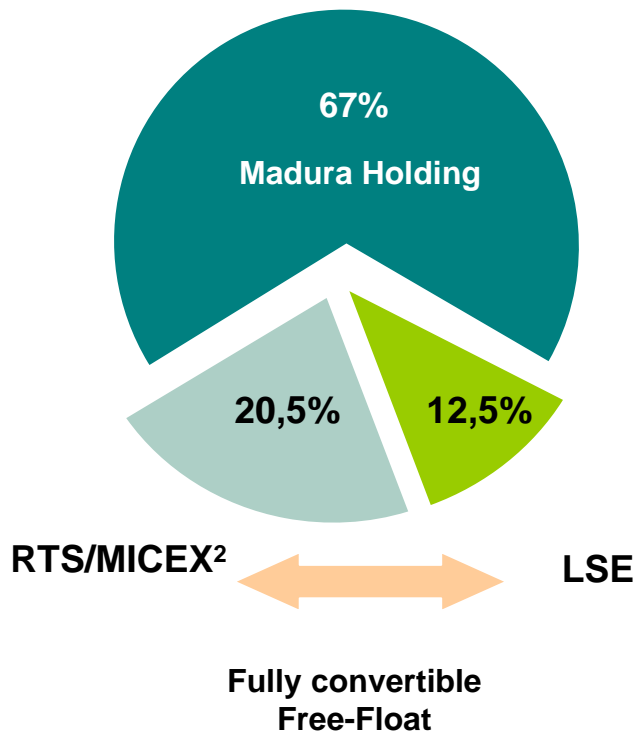
Source: Relevant company reports, Uralkali adjusted from financial information prepared in accordance with IFRS

Notes:

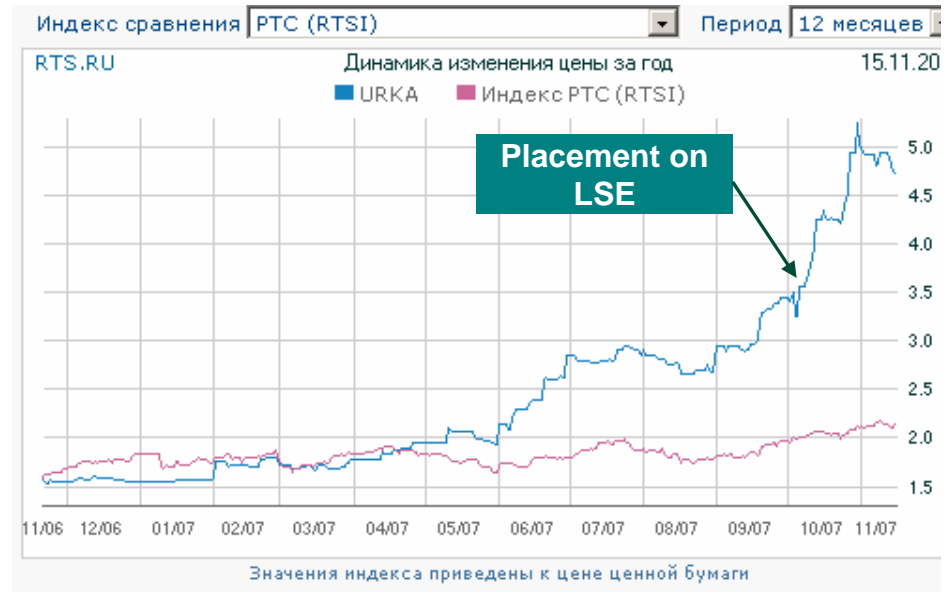
- 1 Converted to US dollars at the following exchange rates: USD/RUR of 27.3, USD/EUR of 0.797, USD/NOK of 6.42 and USD/CNY of 7.98, USD/JOD of 0.713
- 2 Nitrogen sales represent figures from Fertiva and COMPO segments. Adjusted sales (sales net of freight)
- 3 Potash sales represent figures from the Wholesale segment. Adjusted sales (sales net of freight)
- 4 Nitrogen sales represent figures from the Upstream and Downstream segments

Increased Liquidity as a Step up to the FMV

Current Free-Float Structure¹



Share Price Performance – Outperforming the Market



Source: Uralkali

Notes:

1 shareholding structure as of October, 2007

2 JSC Uralkali Ordinary Shares were Admitted to Trading on MICEX on November 8, 2007

Source: Russian Trading System

Potash is unique



- Essential nutrient for plant growth
- No known substitutes
- Most attractive characteristics of the three fertilizer sectors
- Robust and steadily growing demand
- Good visibility of supply and high barriers to entry
- Favourable supply/demand balance and outlook
- Two major export associations ensure stable pricing environment

Potash: Growth, Visibility, Stability



	Potash (K)	Phosphate (P)	Nitrogen (N)
Market size (2006)	50.7 Mt (KCl)	38.3 Mt (P ₂ O ₅)	96.4 Mt (N)
Geographic availability	Very limited	Limited	Readily available
Industry concentration	High	Medium	Low
Pricing stability	High	Medium	Low
Profitability	High	Low/medium	Low/medium
Barriers to entry	High	Medium	Low
Cost of greenfield capacity	US\$2.2bn for 2 Mt (KCl)	US\$1.3bn for 1 Mt (P ₂ O ₅)	US\$700m for 1 Mt (NH ₃)
Greenfield development time	min 7 years	~ 3 years	~ 2 years

Potash displays the most attractive characteristics of the three fertilizer sectors

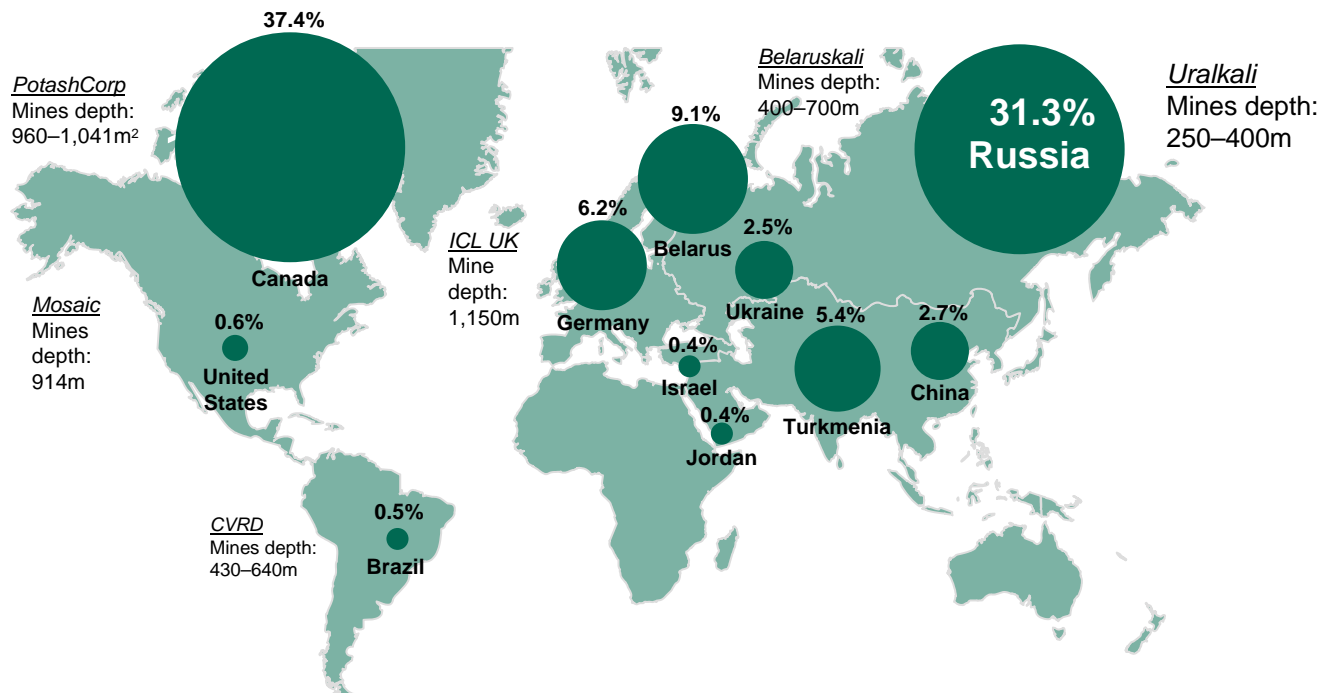
Source: Fertecon, Uralkali, PotashCorp, IFA May 2007

Note: All references to tonnes (t) throughout this presentation refer to metric tonnes. Any reference to US short tons is referred to as "ton"

Concentrated Reserves - High Barriers to Entry



Proven Reserves of Potash (11,744Mt) are Largely Concentrated in Canada and Russia¹



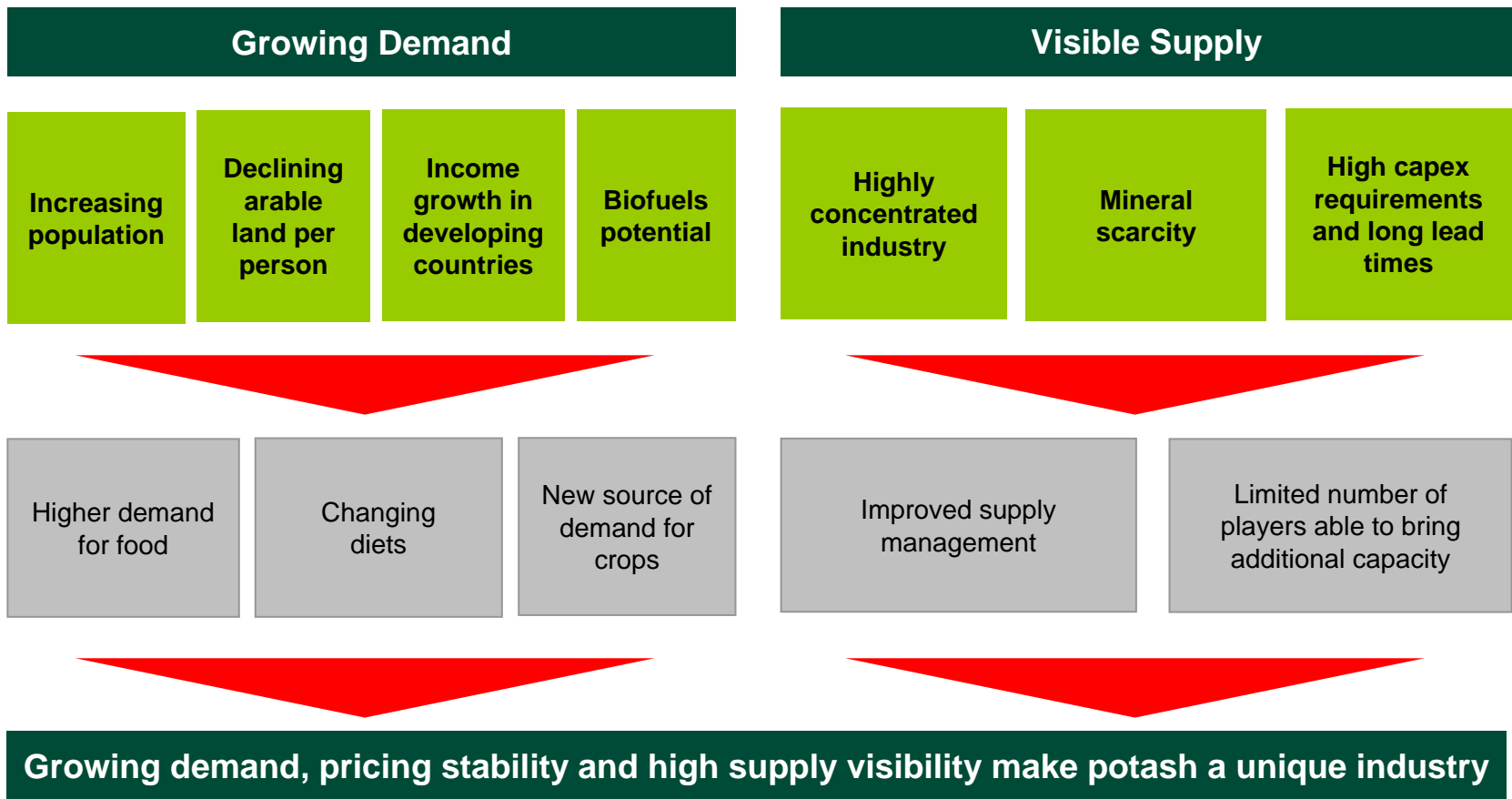
Source: Russian Institute of Galurgy 2005, Company reports

Notes:

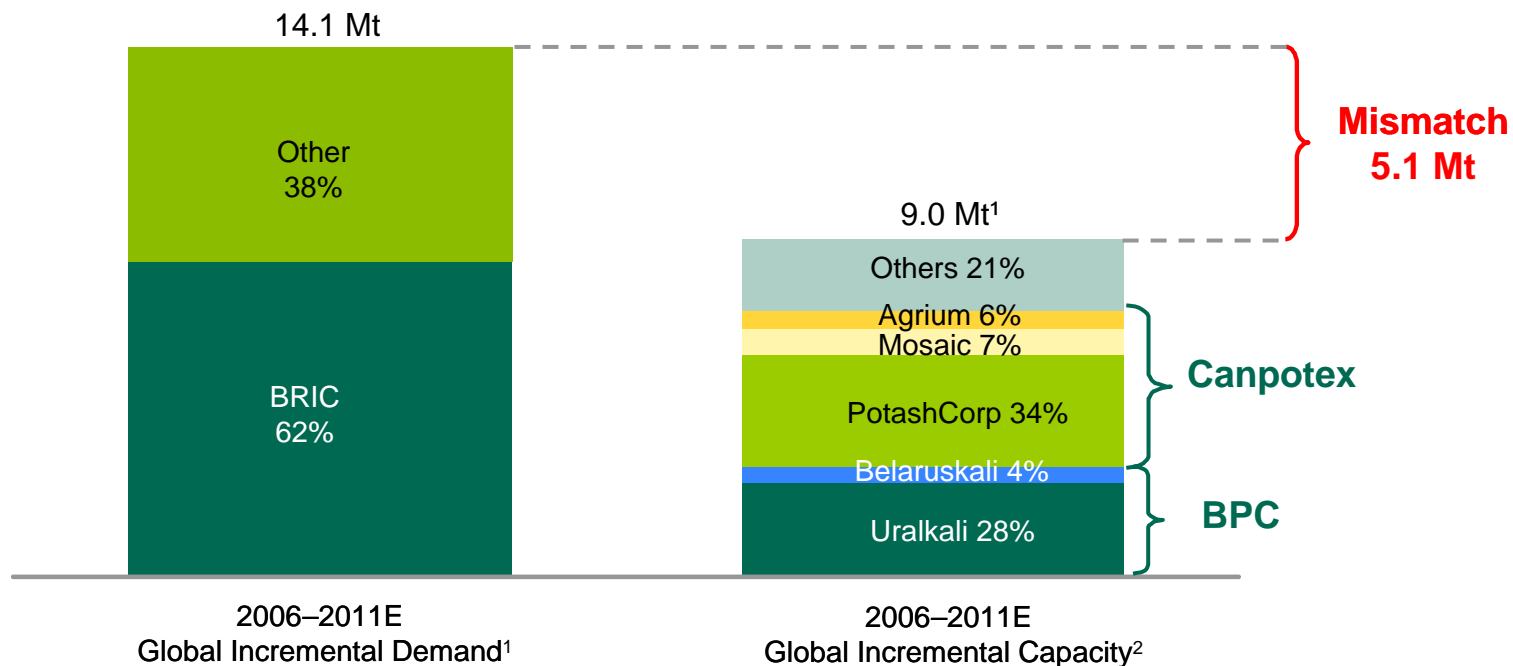
- 1 Other countries, not represented on the map, account for less than 4% of total reserves
- 2 PotashCorp's New Brunswick mine (1.3Mt capacity) has depths of 400–700m

Limited access to reserves, few high quality ore deposits

Strong Industry Fundamentals



Demand / Supply Imbalance Favours Uralkali



Clear mismatch between incremental demand and supply

Source: For capacity - Fertecon June 2007, PotashCorp, Uralkali, Belaruskali. For demand Fertecon August 2007

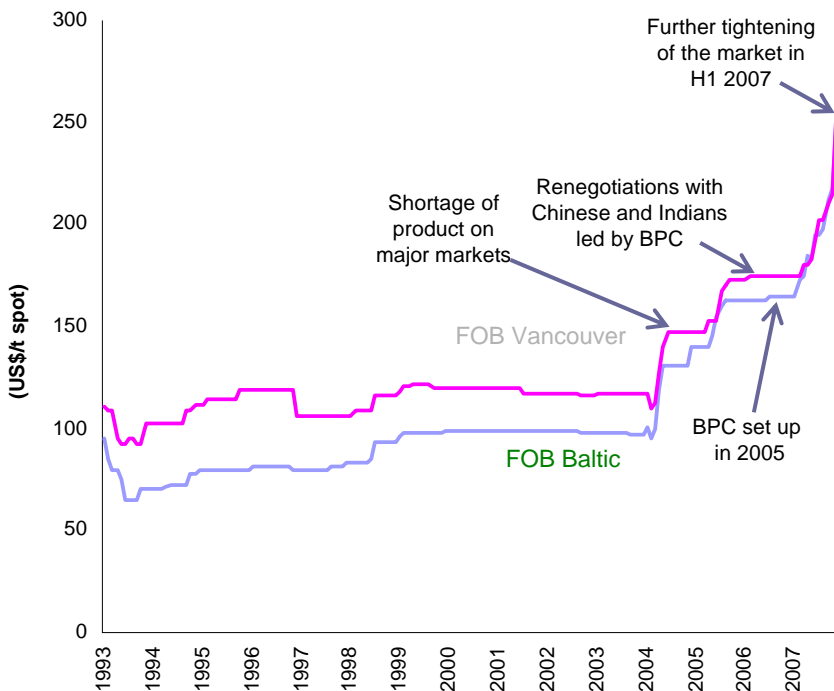
Notes:

- 1 Assumes demand equals production in 2006, 2007, thereafter demand grows at an average rate of 3.2% (based on CAGR '07-'11 for potash consumption as per Fertecon August 2007)
- 2 Assumes Uralkali capacity of 5 Mt in 2007 and 7 Mt in 2010

New Era of Price Growth

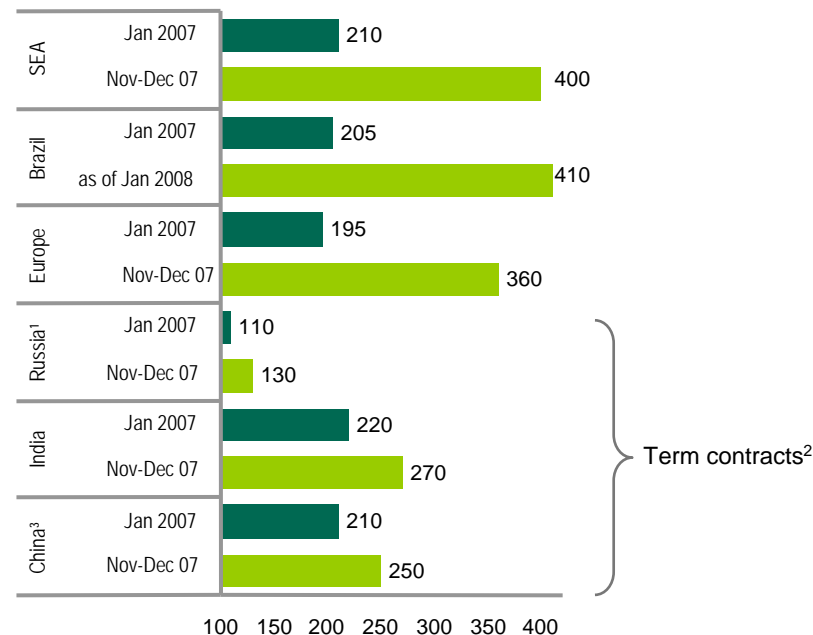


Evolution of Potash Prices



Source: Fertecon

Tight Demand/Supply Balance Pushes Prices Up (cfr US\$/t KCl)



Source: Uralkali. Nov-Dec 2007 pricing reflects recently renegotiated contracts for Brazil and SEA.

Notes:

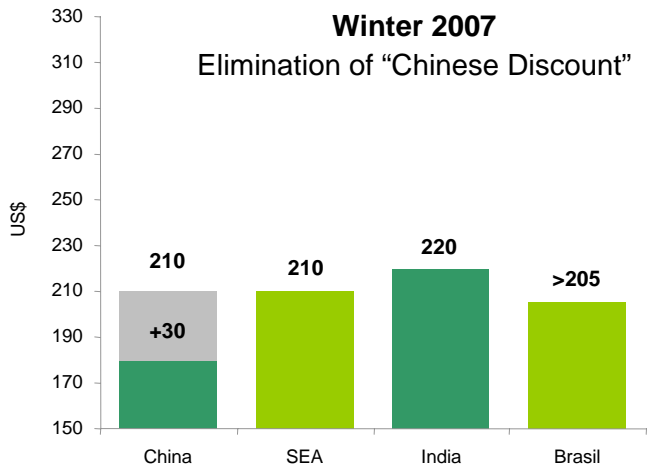
- 1 Domestic prices, do not include freight
- 2 Term contracts account for about 60% of sales and are renegotiated once a year, typically in the spring with the Indian buyers and in the autumn-winter with the Chinese
- 3 Chinese contracts are on FOB basis, out of US\$40 increase US\$35 is due to freight

Very positive outlook: favourable supply/demand situation and emergence of the largest export trader

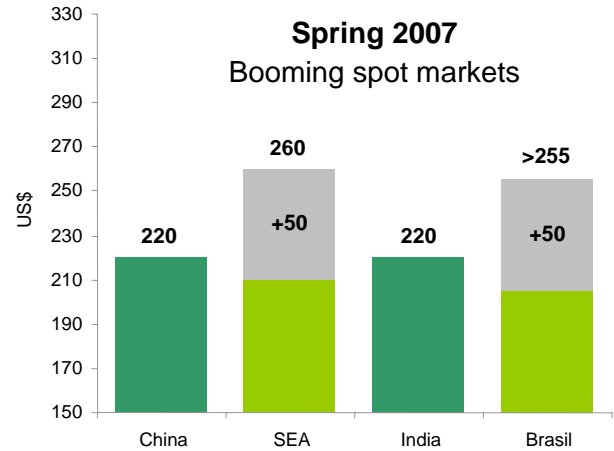
BPC – Effective Pricing Tool



Contract settlement in the key markets immediately tied up volumes of potash producers...

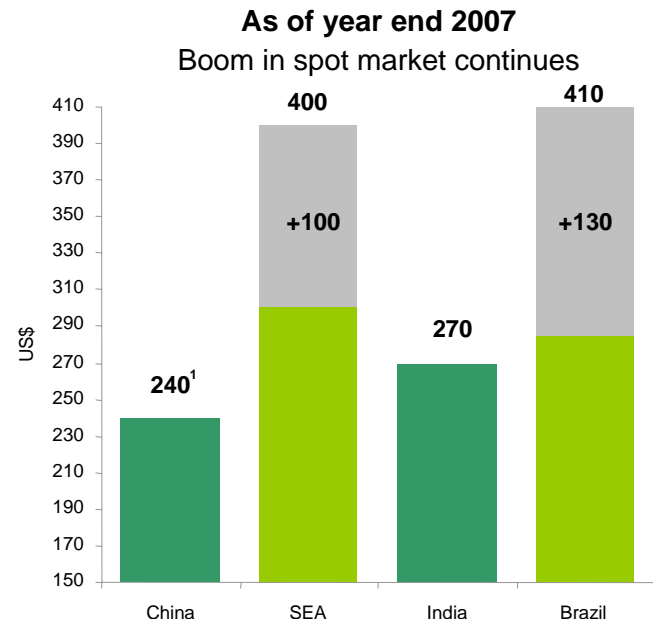
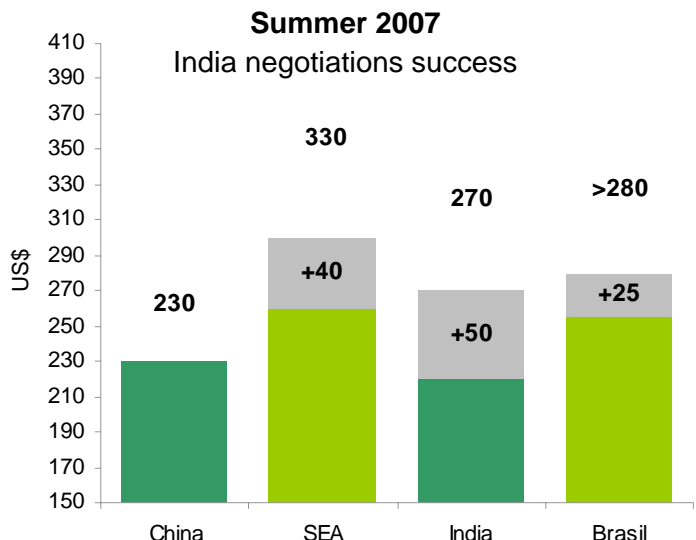


..causing demand competition on SPOT markets followed by increase in prices..



..conclusion of Indian contract on the back of the SPOT markets' growth – even less volume is available

..boom on SPOT markets continues stimulating increased Chinese discount and a stronger reason to bring it down in 2008



Source: Uralkali
Note: Chinese contracts are on FOB basis, out of US\$40 increase US\$35 is due to freight

BPC – Leader in the Potash Export Market



BPC – Market Force for Stability

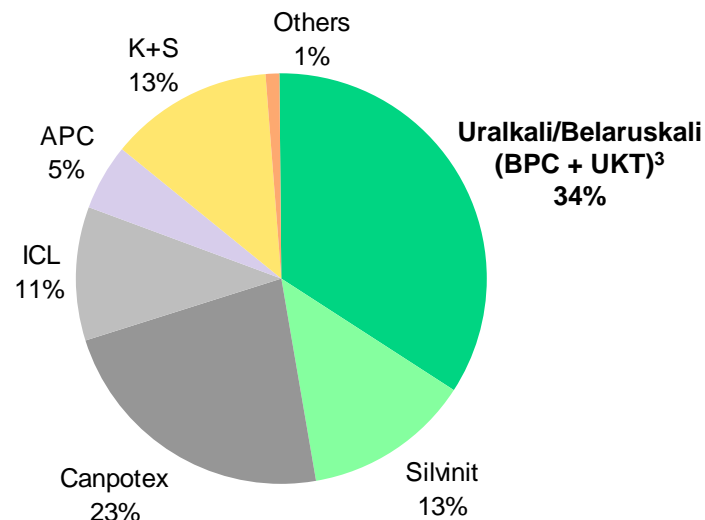
Facts

- **#1** in export potash trade¹
- Geographic coverage of **over 60** countries
- Sales offices in 6 countries

Key Strengths

- Industry frontrunner
- Resistance to industry downturns
- Strong global pricing power

Major Potash Players by Export Trading² (2006)



Source: Fertecon, Uralkali

Notes:

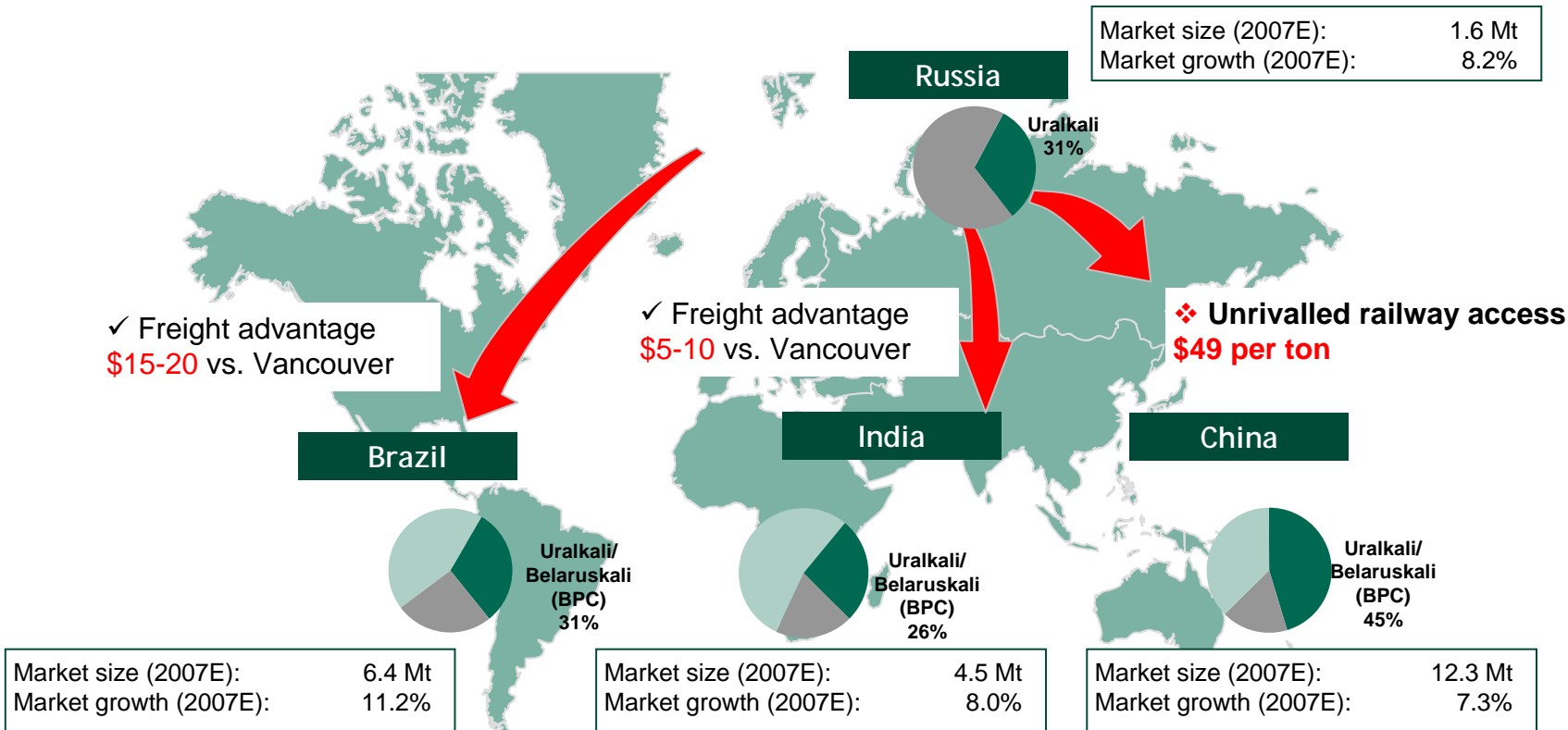
1 Together with Uralkali Trading (UKT)

2 Excludes domestic sales and deliveries between the US and Canada

3 Calculated as the total export volume deliveries from Belaruskali and Uralkali (including railway deliveries to China)

Dominance on BRIC Markets

BRIC Countries Accounted for 43% of the Global Potash Market in H1 2007



BRIC countries accounted for 75% of Uralkali volumes sold in H1 2007

Uralkali – Snapshot of the Leader

Uralkali Controls¹ the Entire Value Chain from the Reserve Base to the End Customer

PRODUCTION – 2 MINES, 6 PLANTS

- Verkhnekamskoye deposit, second largest in the world
- Available production of 5 Mt (2007) with planned expansion to 7 Mt by 2010
- Production Units: 2 mines, 6 plants (4 for potash)



- 3 Plants (1 operational)
- Products: WMOP



- Mine and Plant
- Max. mining capacity: 11 Mt of ore
- Resources: 379 Mt of ore³
- Products: GMOP, PMOP

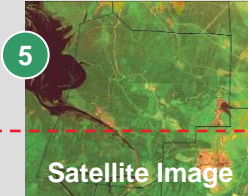


- Plant
- Products: GMOP, PMOP



- Mine and Plant
- Max. Mining Capacity: 21 Mt of ore
- Resources: 2 352 Mt of ore³
- Products: WMOP

New Licence



- Resources: 1,300 Mt of ore²
- Feasibility study will be ready in 2008
- License until 2024

TRADING

Baltic Bulk Terminal

- Baltic Bulk Terminal (BBT) in St. Petersburg: a 100% Uralkali subsidiary
 - Capacity: 6.2 Mt
 - Includes 240 kt warehouses

Belarussian Potash Company

- Belarussian Potash Company (BPC) offices located in Beijing, Chicago, Minsk, New Delhi, Sao Paulo and Singapore
- Geographically diversified customer base in over 60 countries with concentration in Brazil, China and India

Uralkali

- Domestic sales
- More than 4,300 special mineral railcars
- 160kt warehouses in the mining complexes

Uralkali Trading

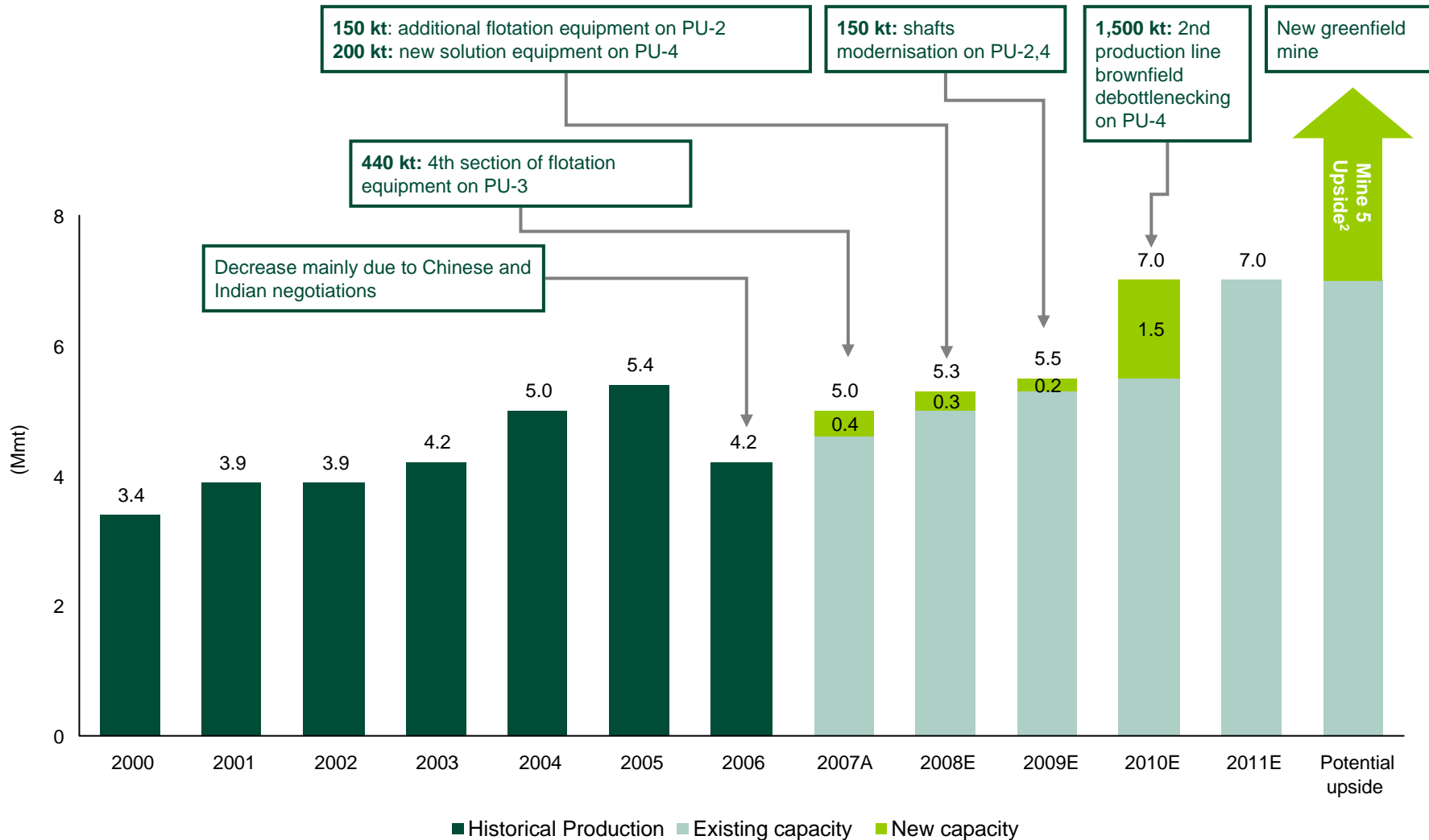
- Sales to China by railway

Source: Uralkali

Note:

- 1 BPC is 50%/50% joint venture potash trading platform between Uralkali and Belaruskali
- 2 From Russian mining license feasibility report prepared under Russian classification standards
- 3 JORC as of January 2007

Capacity Additions Programme



Source: Uralkali

Note:

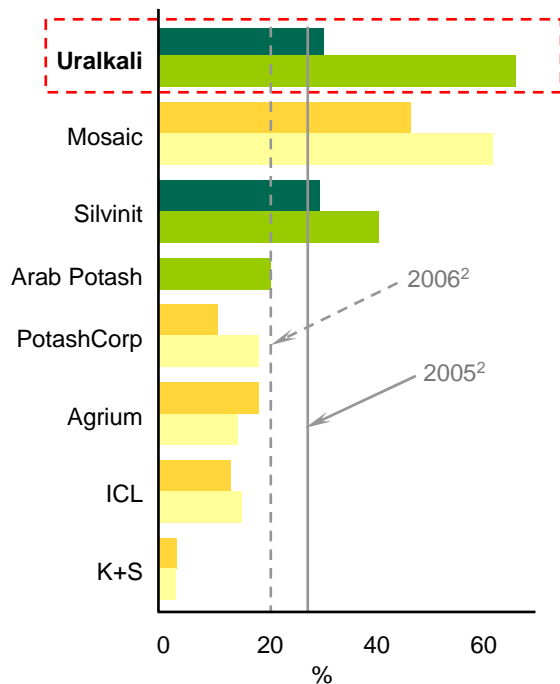
1 Uralkali has already increased its capacity to 5Mt in 2Q 2007

2 Arrow size does not reflect the size of the mine

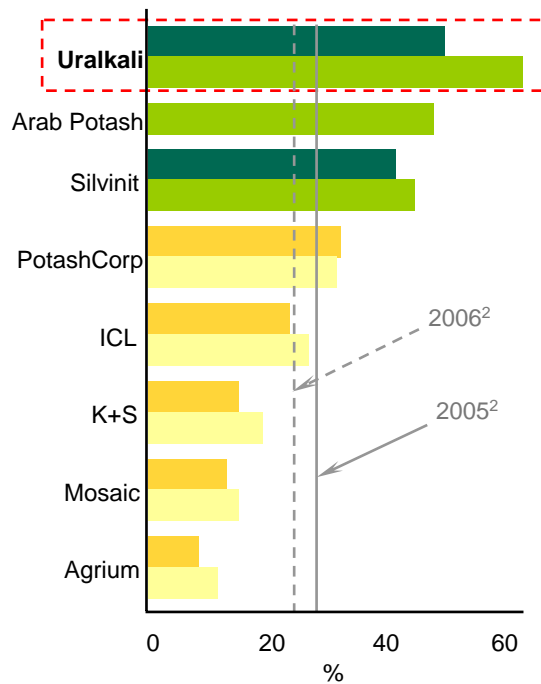
Superior Top Line Growth and Profitability



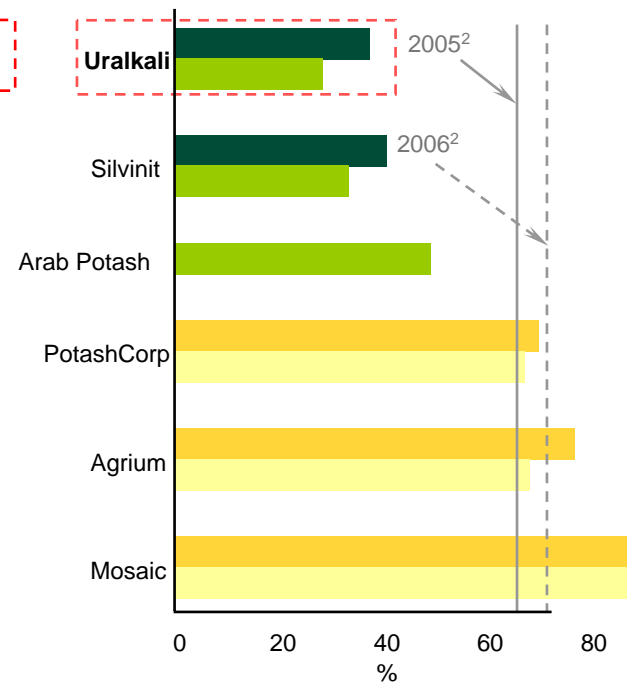
**Net Sales Growth¹
(2003–2005, 2003–2006 CAGR)**



**EBITDA Margin¹
(2005; 2006³)**



**COGS as % of Net Sales¹
(2005; 2006)**



■ Pure potash - 2006 ■ Pure potash - 2005
■ Mixed - 2006 ■ Mixed - 2005

Potash pure play and geographic position provides global leading financial performance

Source: Relevant company reports, Uralkali audited IFRS financial statements

Notes:

- 1 Based on adjusted sales (sales net of freight, railway tariff and transshipment costs; see appendix for detailed methodology)
- 2 Calculated as an average for the companies shown on the chart, excluding Uralkali
- 3 EBITDA does not include mine flooding costs

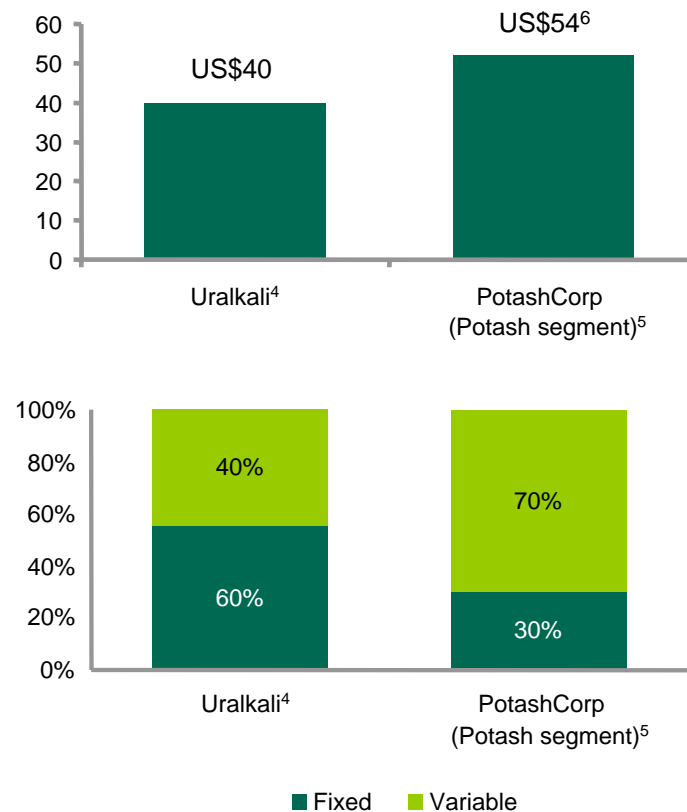
Overview of Financials



Key Highlights

	2005	2006	H1 2007
Production (Mt)	5.4	4.2	2.5
RURm			
Net Sales ¹	20,489	16,673	10,100
EBITDA ²	13,585	8,559	6,031
Margin ¹	66%	51%	60%
Net Profit	9,429	3,494	3,824
Operating Cash Flow	9,464	6,616	4,266
Capex	5,728	5,198	2,591

Cash COGS³ / tonne (H1 2007)



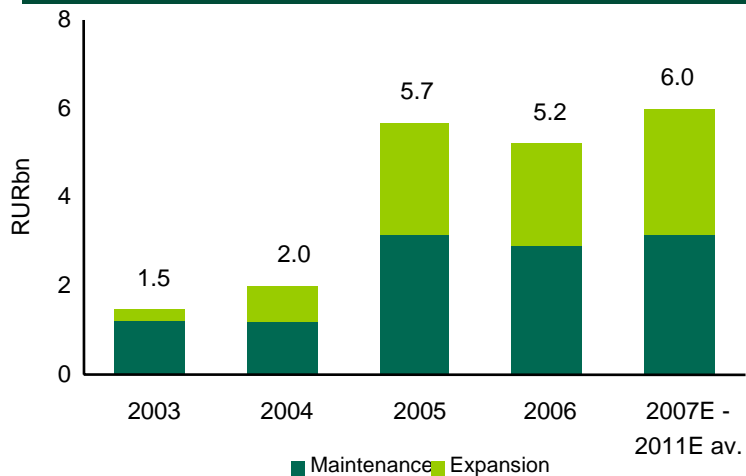
Source:Uralkali Notes:

- 1 Based on adjusted sales (sales net of freight, railway tariff and transhipment costs)
- 2 EBITDA does not include mine flooding costs. RUR 2bn expensed in FY2006 as a result of Mine-1 flooding, including PP&E write-off of RUR 1.3bn, future brine injection provision for next 3 years of RUR 0.6bn and other accident losses RUR 0.1bn
3. Cost of goods sold less depreciation and amortisation, change in inventory, change in accrued provisions
- 4 6 months ended June 30, 2007
- 5 Presentation of PSC CFO Wayne Brownlee as of May 29, 2007
6. Exchange USD/CAD 1.133

Capex to Drive Future Growth

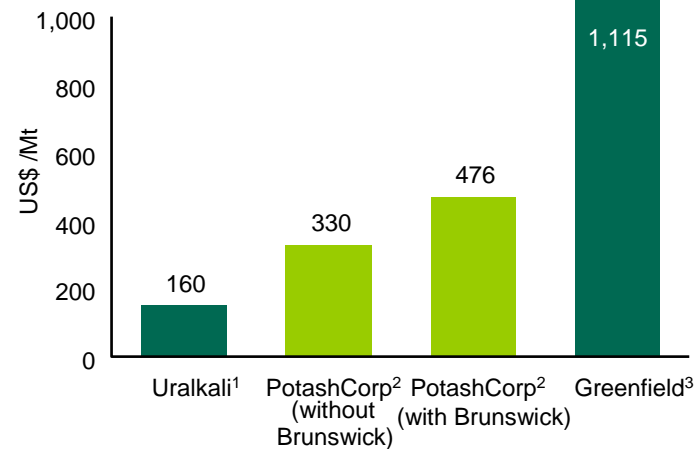


Capex Evolution

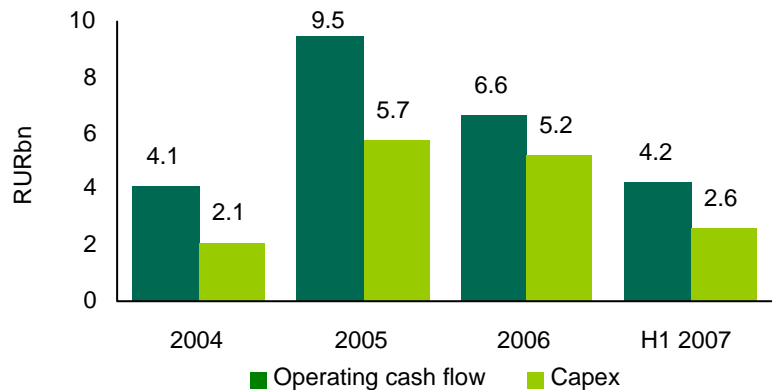


Source: Uralkali

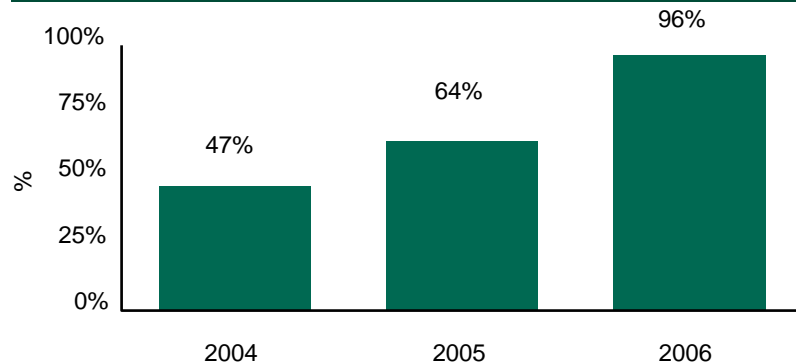
Expansion Capex / Mt – Lowest within the Industry



Operating Cash Flow vs. Capex



Dividend Payout Ratio



Source: Uralkali financial information prepared in accordance with IFRS (audited figures for 2004-2006)

Notes:

- As estimated by Uralkali; converted to US\$ at a US\$/RUR exchange rate of 25.78 as of 18/08/07, inclusive of salt and waste storage, excluding infrastructure (warehouses, railcars) and power generation programmes
- PotashCorp, 2007
- As estimated by PotashCorp; based on US\$2.2bn per 2Mt mine

Take-aways...



Sales

- Capacity additions of 2 Mt over 2007E–2011E
- Running close to 100% utilisation rate due to incremental demand/supply mismatch of 5.1Mt
- BPC offers significant pricing stability in “Contract / Spot” market
- Focus on elimination of “Chinese discount”

Costs & Margins

- Strong EBITDA margin recovery driven by price increases
- 60%/40% fixed/variable cash cost structure favourable for future growth
- Labour costs— strategy to offset wage inflation by headcount reduction (target of 6,000 employees in 2010 for main production unit)
- Energy costs— estimated reduction of US\$2 per tonne as a result of the power plant construction¹

Capex

- Total capex of RUR 30bn over the 2007E–2011E period
- Capacity additions US\$160²/tonne – 2x cheaper than PCS additions³
- Maintenance capex equal to depreciation

Effective Tax Rate

- Estimated tax rate of approximately 20%

Dividend Policy

- IFRS-based dividend payout ratio of at least 15%
- Dividend capacity dependent on future cash generation and capex
- Historical payout – 47%, 64%, 96%

Source: Uralkali

Notes:

1 Estimated energy cost savings per tonne in 2011 based on assumption of 25% annual gas price increase, 16% annual electricity price increase from average 2006 prices to average 2011 prices

2 Converted to US\$/RUR exchange rate of 25.78 as of 18/08/07

3 Does not include New Brunswick expansion project