Mosaic Analyst Day 2013

October 7, 2013

Safe Harbor

This presentation 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 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 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; changes in foreign currency and exchange rates; international trade risks; changes in government policy; changes in environmental and other governmental regulation, including greenhouse gas regulation, implementation of the numeric water quality standards for the discharge of nutrients into Florida waterways or possible efforts to reduce the flow of excess nutrients into the Mississippi River basin or the Gulf of Mexico; 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 the Company's processes for managing its strategic priorities; the ability of the Northern Promise joint venture among Mosaic, Ma'aden and SABIC to obtain project financing in acceptable amounts and upon acceptable terms, the future success of current plans for the joint venture and any future changes in those plans; adverse weather conditions affecting operations in Central Florida or the Mississippi River basin or the Gulf Coast of the United States, and including potential hurricanes, excess 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, or Canadian resources taxes and royalties; 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 or releases of hazardous or volatile chemicals, 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.

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Speakers



James T. Prokopanko, President and Chief Executive Officer, joined Mosaic as Executive Vice President and Chief Operating Officer in 2006. Previously, Prokopanko was a Corporate Vice President at Cargill, Incorporated, where he had executive responsibility for procurement and served as a leader of the Cargill Ag Producer Services Platform. After joining Cargill in 1978, he served in a wide range of leadership positions, including Vice President of the North American crop inputs business.



Rick N. McLellan, Senior Vice President, Commercial, held several roles for the company, including Vice President, North American Sales and Country Manager for Mosaic Fertilizantes in Brazil. Before serving as Country Manager, McLellan had leadership responsibility for fertilizer distribution, import and production in Brazil. Prior to the formation of Mosaic, he held various roles in Cargill, Incorporated Canadian and U.S. operations, including grain, retail and wholesale fertilizer distribution.



Joc O'Rourke, Chief Operating Officer, joined Mosaic as Executive Vice President, Operations in 2009. Previously, O'Rourke was President, Australia Pacific for Barrick Gold, the largest gold producer in Australia. He was responsible for the Australia Pacific business unit, consisting of gold and copper mines in Australia and Papua New Guinea. O'Rourke has more than 25 years of experience in mining and processing operations and has held senior management roles in Canada, Papua New Guinea and Australia.



Floris A. E. Bielders, Vice President, International Distribution, joined Mosaic in 2004. He was responsible for Mosaic's global phosphate and potash product management operations, with primary responsibility for pricing, before moving into his current role in May 2012. Before joining Mosaic, Bielders worked for Cargill in seven countries and in various capacities in grain and oilseeds origination , ocean transportation and fertilizer.



Larry W. Stranghoener, **Chief Financial Officer**, joined The Mosaic Company in 2004. Prior to joining Mosaic, Stranghoener served as Executive Vice President and Chief Financial Officer at Thrivent Financial for Lutherans. Before that, Stranghoener spent 17 years at Honeywell, Inc. where he served in a variety of positions in the United States and Europe, including three years as Chief Financial Officer. Stranghoener started his career as an Investment Analyst at Dain Rauscher.

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Agenda

- **Mosaic's Strengths & Strategy** — 20 minutes
  Jim Prokopanko, Chief Executive Officer
- **Mosaic's Operations Strategy** — 30 minutes
  Joc O'Rourke, Chief Operation Officer
- **Mosaic's Go-to-market Strategy and Product Innovation at Mosaic** — 30 minutes
  Floris Bielders, VP International Distribution
  Rick McLellan, Senior VP Commercial
- **Financial Management & Implications** — 30 minutes
  Larry Stranghoener, Chief Financial Officer
- **Concluding Remarks** — 10 minutes
  Jim Prokopanko, Chief Executive Officer
- **Q&A** — 60 minutes

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A Powerful Portfolio of Assets

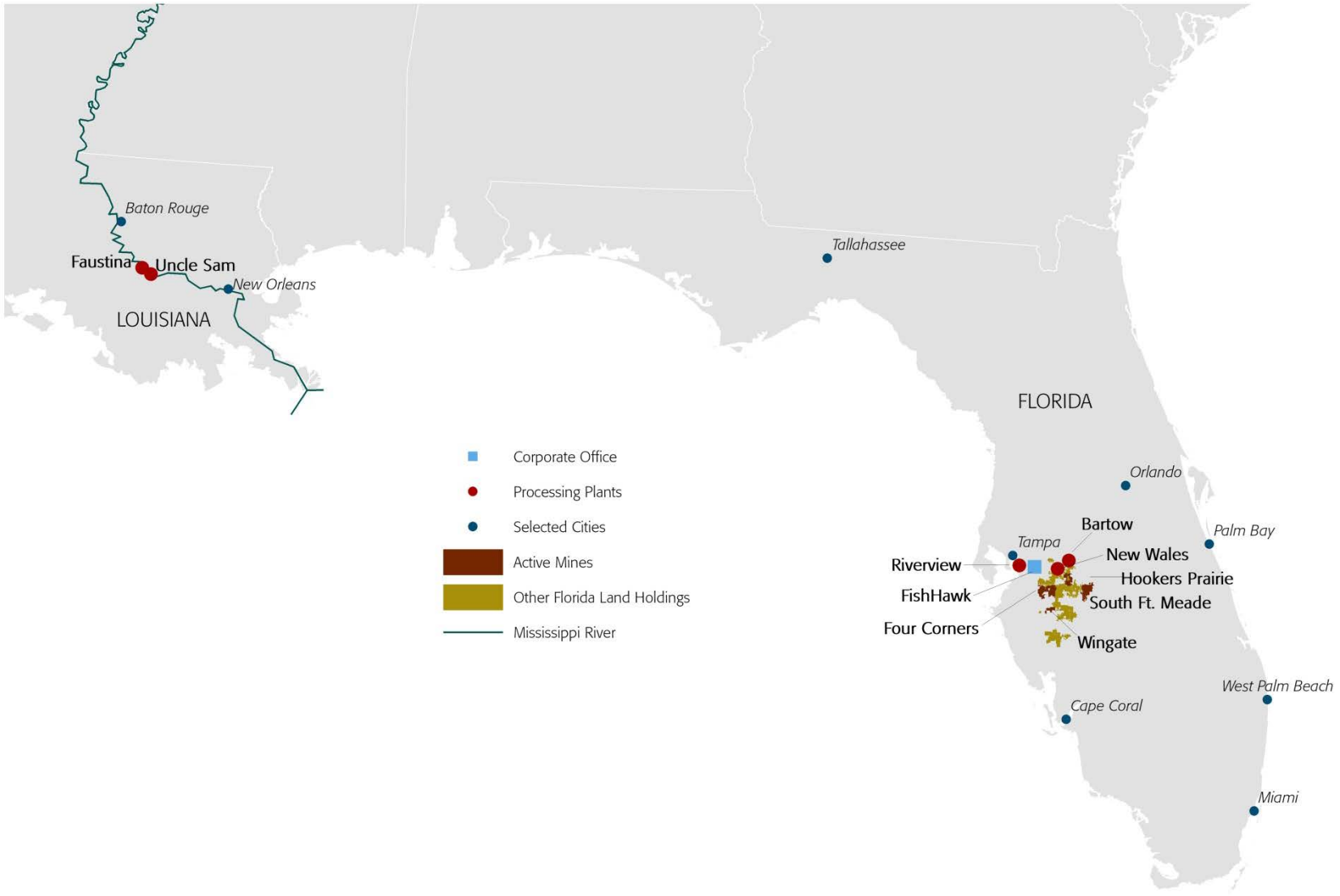
Mosaic: Global Operations



North American Phosphate Operations

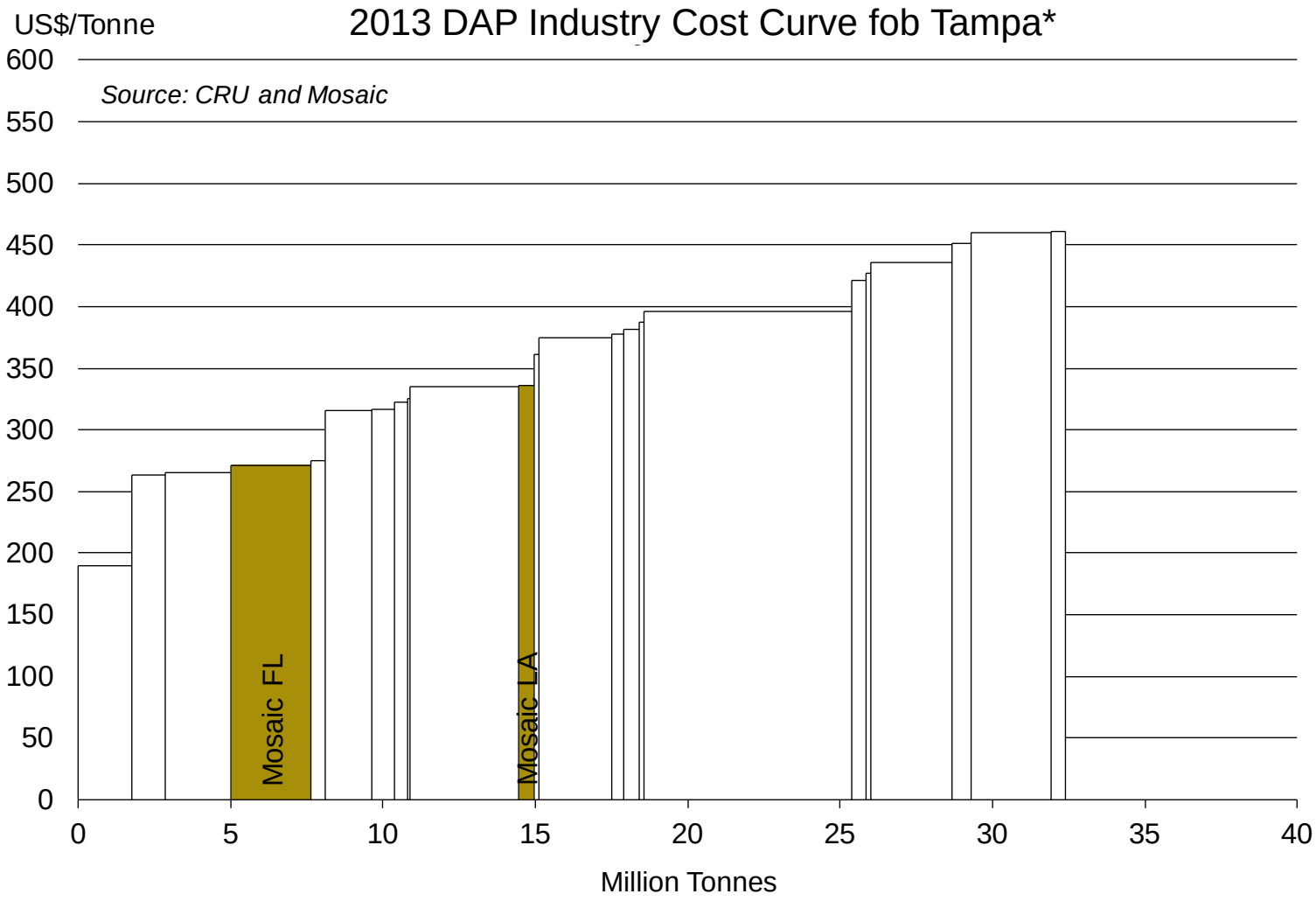


Mosaic: Phosphate Operations



Phosphate Assets

Well positioned on the global cost curve

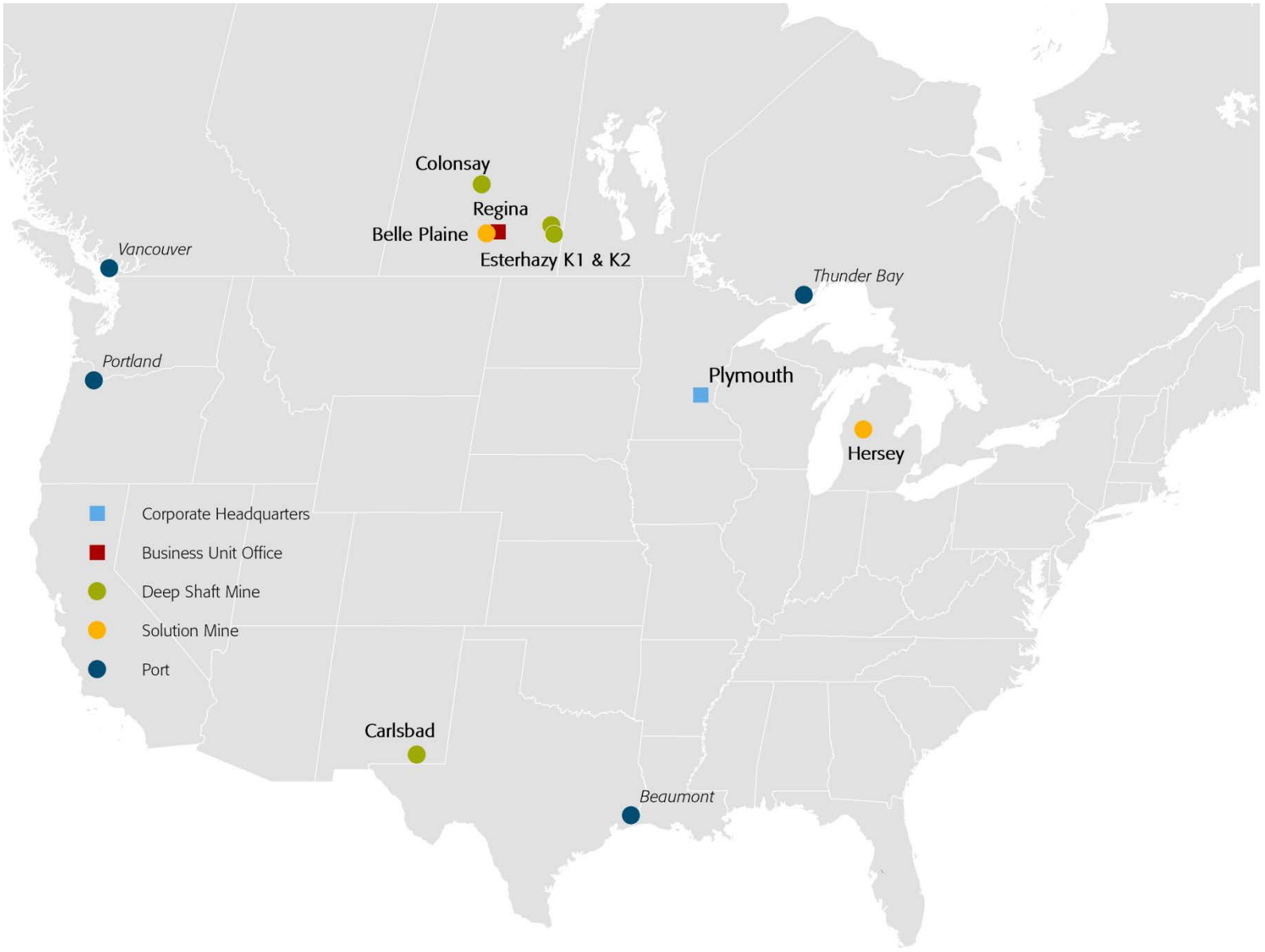


*Excludes all other high analysis finished phosphate products

North American Potash Operations

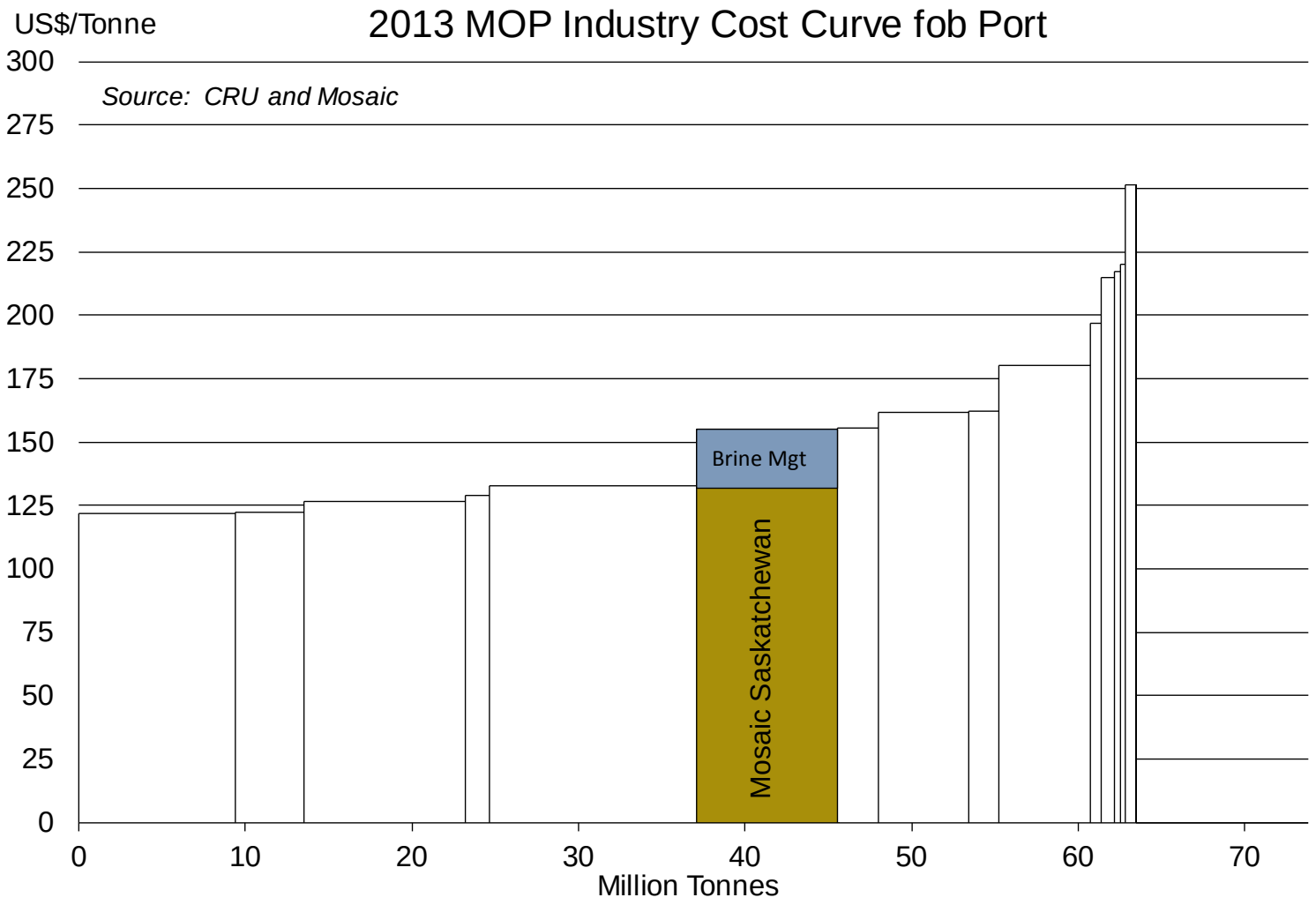


Potash Operations

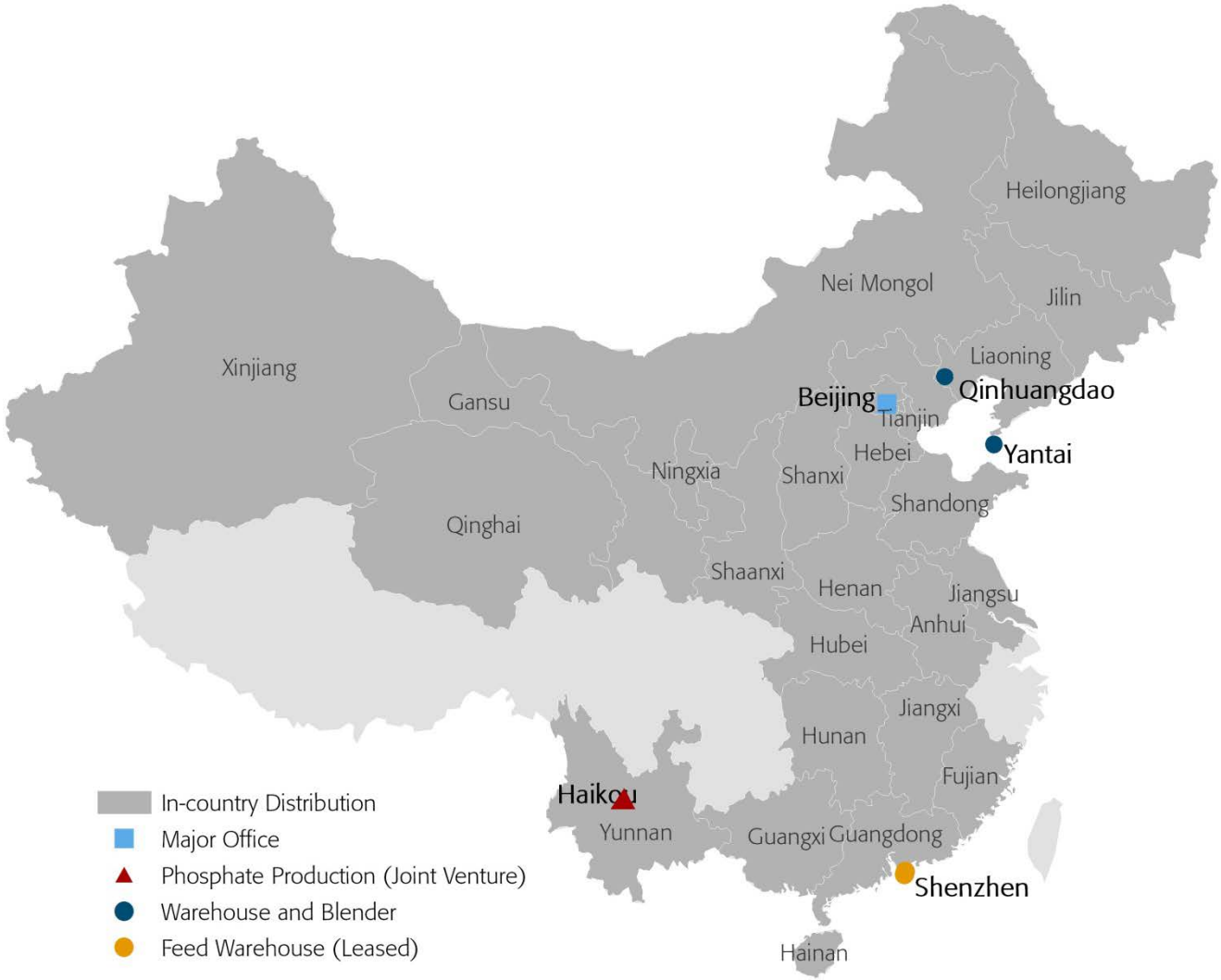


Potash Assets

Flat global cost curve minimizes advantages



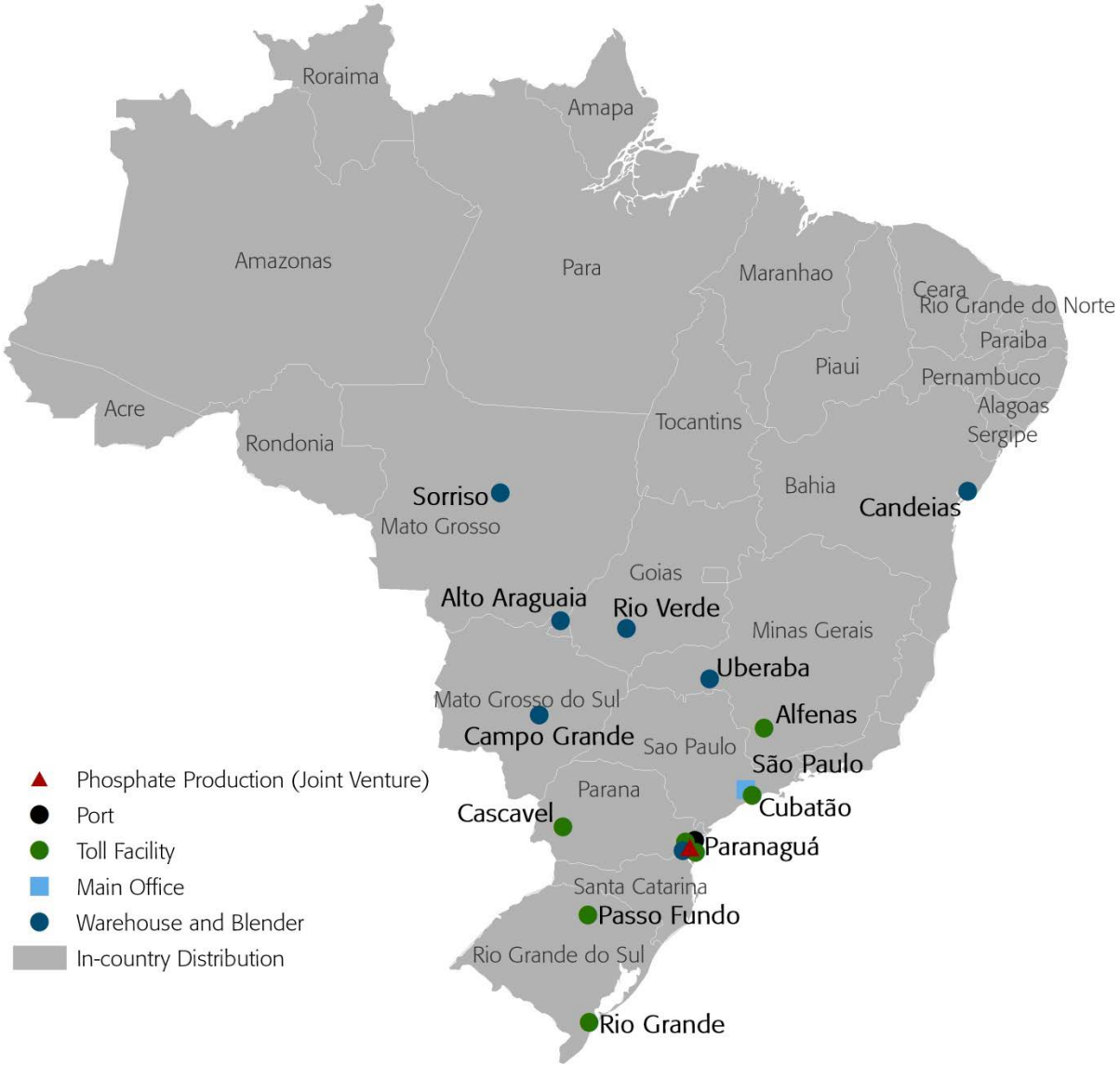
China Distribution



India Distribution



Brazil Distribution



Mosaic’s Strengths

A Culture of Innovation

K-Mag®

MicroEssentials®

Nexfos®

Pegasus®





A Culture of Innovation



Excellent Execution

2013
SAFETY
RECORD







MES
SALES

MicroEssentials®

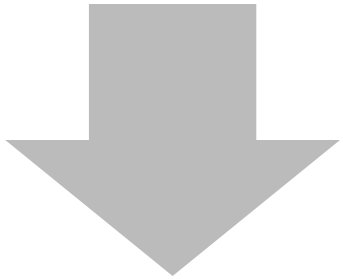
$1.00
ANNUAL
DIVIDEND
PROGRAM



Financial Strength

Surplus Cash

Debt Capacity



Redeployment

Culture and Values

OUR MISSION:

We help the world grow the food it needs



OUR VISION:

#1

To be the world's leading crop nutrition company

OUR VALUES:

1 INTEGRITY

We are open, candid and professional. We hold ourselves accountable for our promises and actions, and we are committed to the highest ethical standards.

2 EXCELLENCE

We push to achieve high standards for our customers, shareholders and co-workers. We are relentless in our pursuit of an injury-free workplace. We recognize that we can always improve.

3 SUSTAINABILITY

Lasting success comes from making smart choices about our stewardship of the environment, how we engage our people, and how we manage resources.

4 CONNECTIVITY

We are better together than as individuals. By working in collaboration across mines, facilities and offices, we will enhance our individual and collective performance.

External Recognition of Mosaic's Success



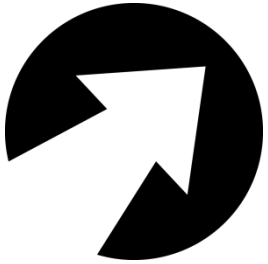
Mosaic's Strategy

Our Strategic Priorities



People

Invest in talent and development so that Mosaic is knows as a company where people want to work and grow



Growth

Grow our production of essential crop nutrients and operate with increasing efficiency



Market Access

Expand our reach and impact by continuously strengthening our distribution network



Innovation

Build on our industry-leading product, process and sustainability innovation





Shareholder Value

Deliver strong financial performance and provide meaningful return to our shareholders

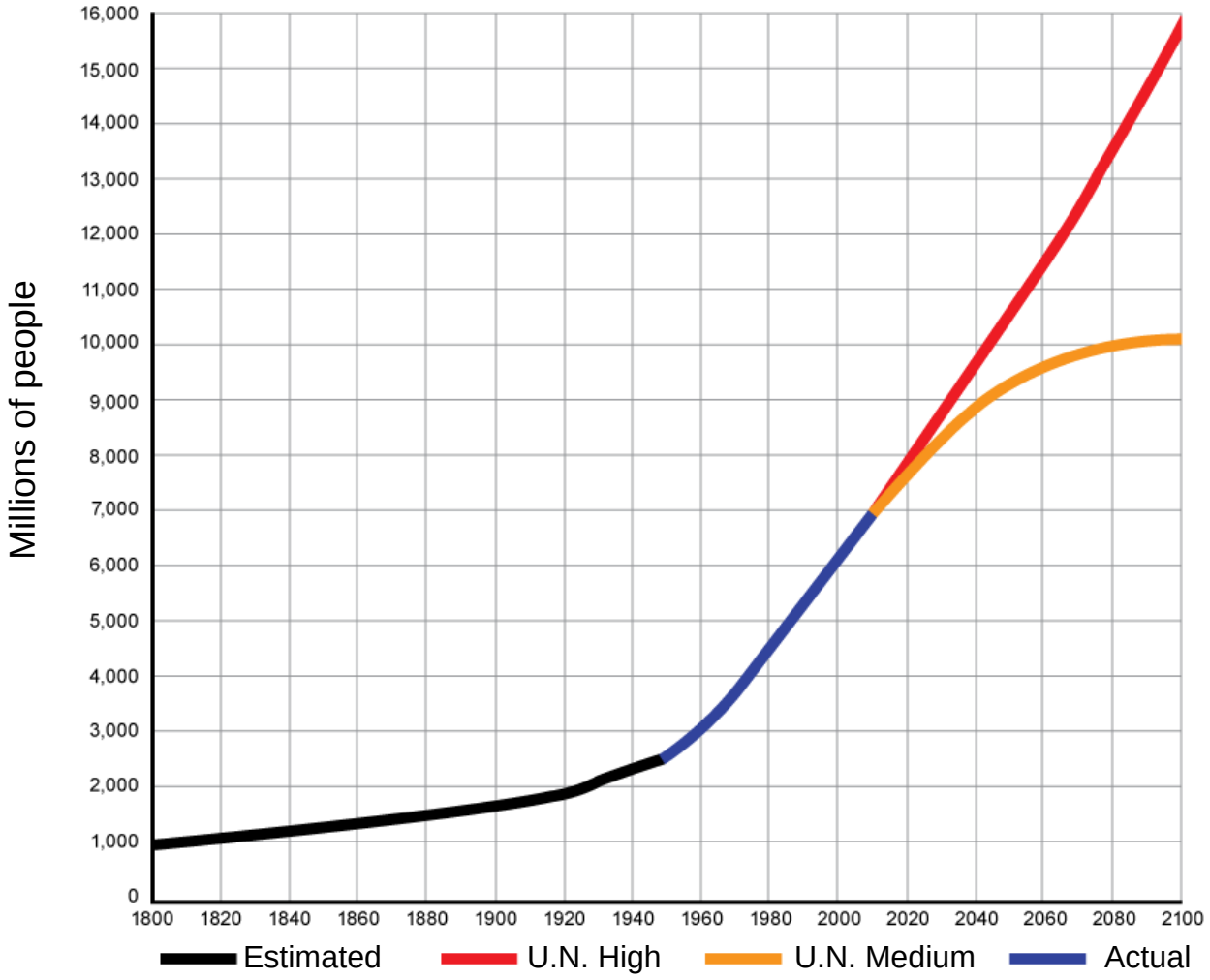
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Feeding the World: Responsibility and Opportunity



The Drivers of Our Success: Growing Demand

Global Population Growth



Source: United Nations

The Drivers of Our Success: Growing Demand

Growing Demand for Protein

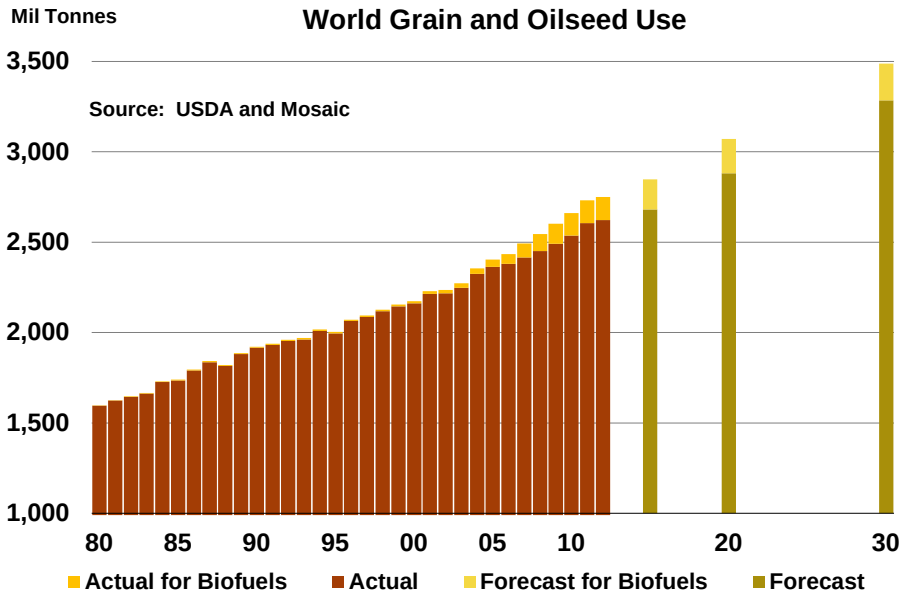
Per capita meat consumption, kg/year

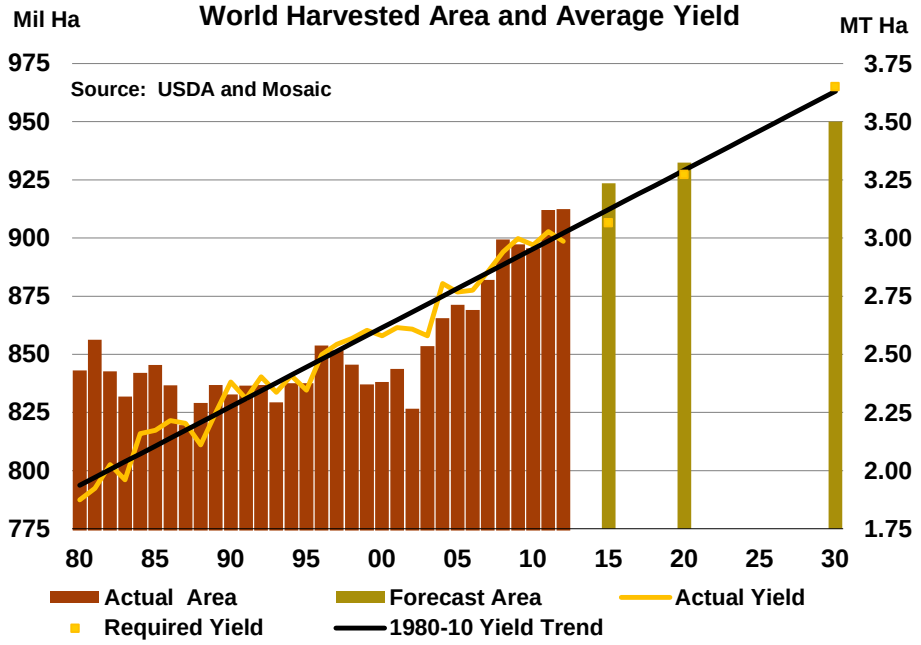
Region	1964-66	1997-99	2030
Developing	10.2	25.5	36.7
Near East and North Africa	11.9	21.2	35.0
Latin America	31.7	53.8	76.6
Asia	12.6	43.0	70.2

Source: World Health Organization

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The Food Story by the Numbers





The ABCs of the Food Story

Based on long term population and GDP forecasts, grain and oilseed demand is projected to increase from 2.74 billion tonnes in 2011/12 to 3.09 billion tonnes in 2020/21 and to 4.43 billion tonnes in 2050/51.

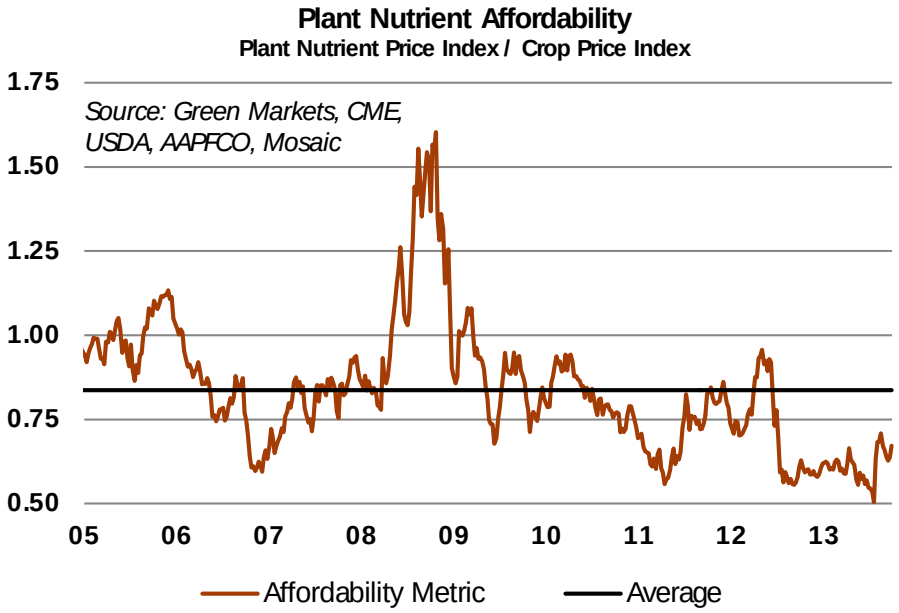
The 350 million tonne increase required by the end of this decade is roughly equal to the combined (and outstanding) harvests of Argentina, Brazil and Canada in 2012! (The ABCs)

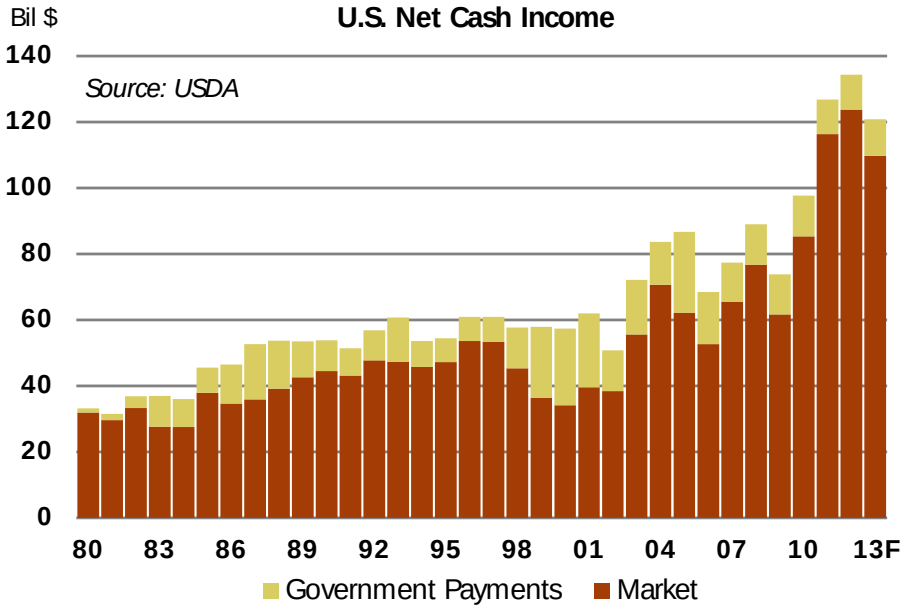
The Challenge and Opportunity

Farmers will need to plant record area and reap record yields year after year in order to meet the projected demand for agricultural commodities.
And more planted area and steady yield increases will require more plant nutrients.

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Farm Economics: Strong Across the Globe





Helping the World Grow the Food it Needs





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Mosaic's Operations Strategy

Free Cash Flow Growth

P

Strategic Investments

K

Expansions Underway

Both

Margins Expansions via:

Cost Management

Premium Products

…and sustaining capital expenditure reductions

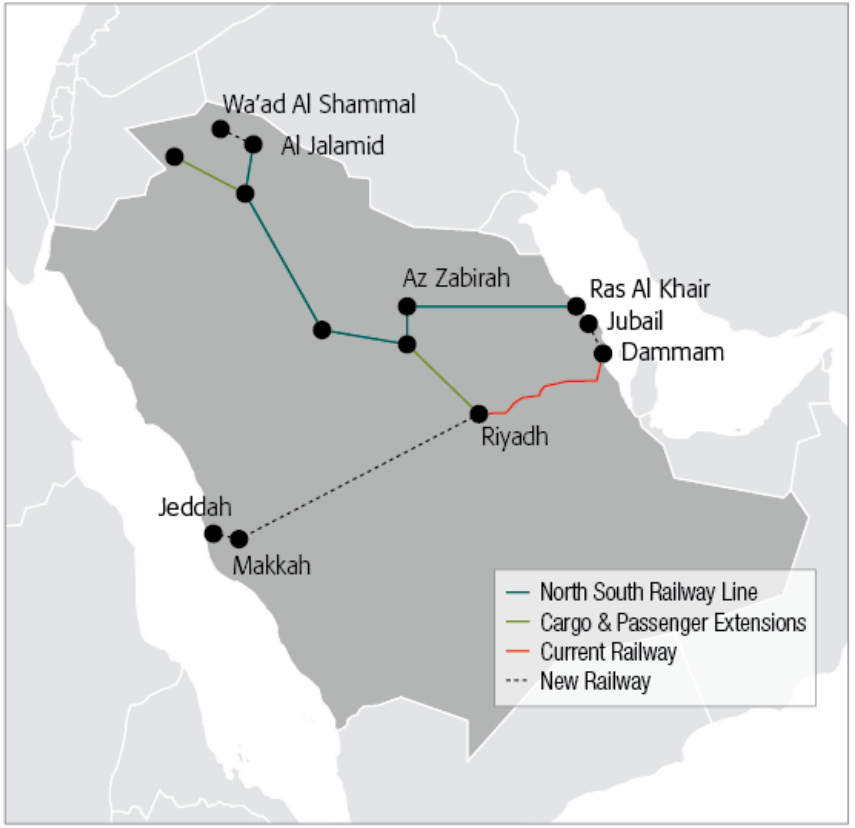
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Grow Phosphates Volume

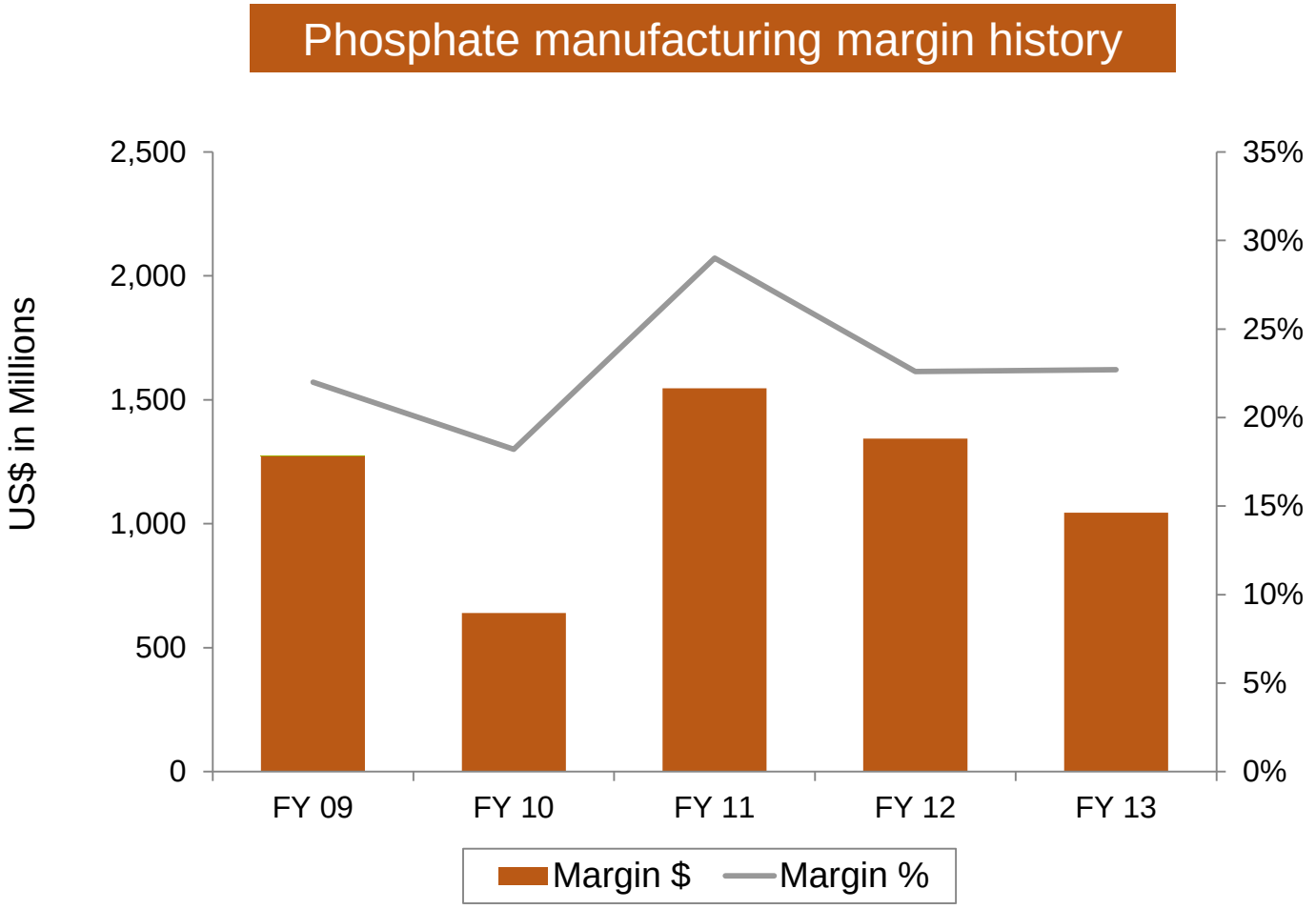
Miski Mayo



Saudi Arabia JV

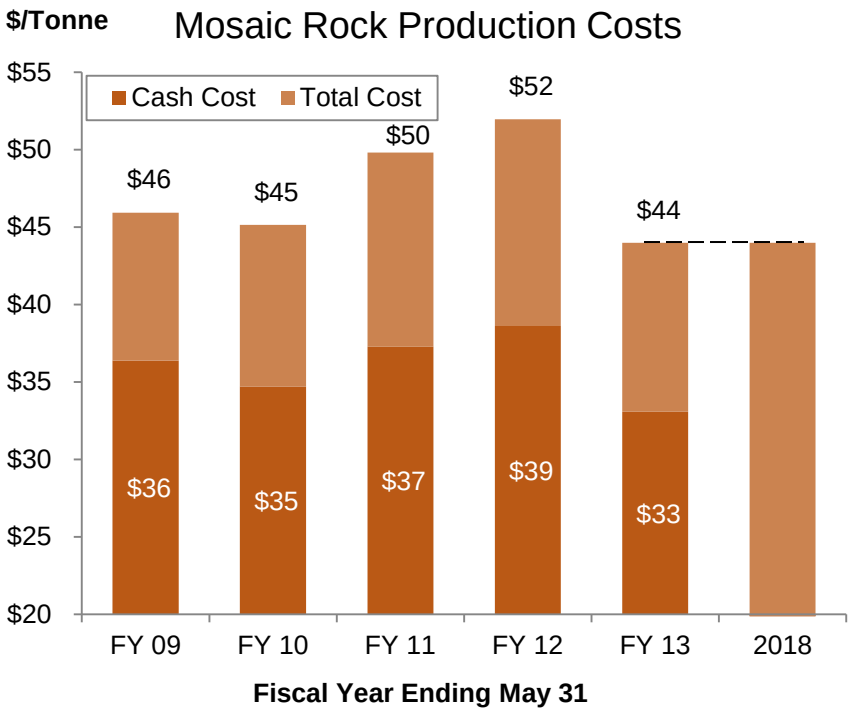


Phosphates Margin History

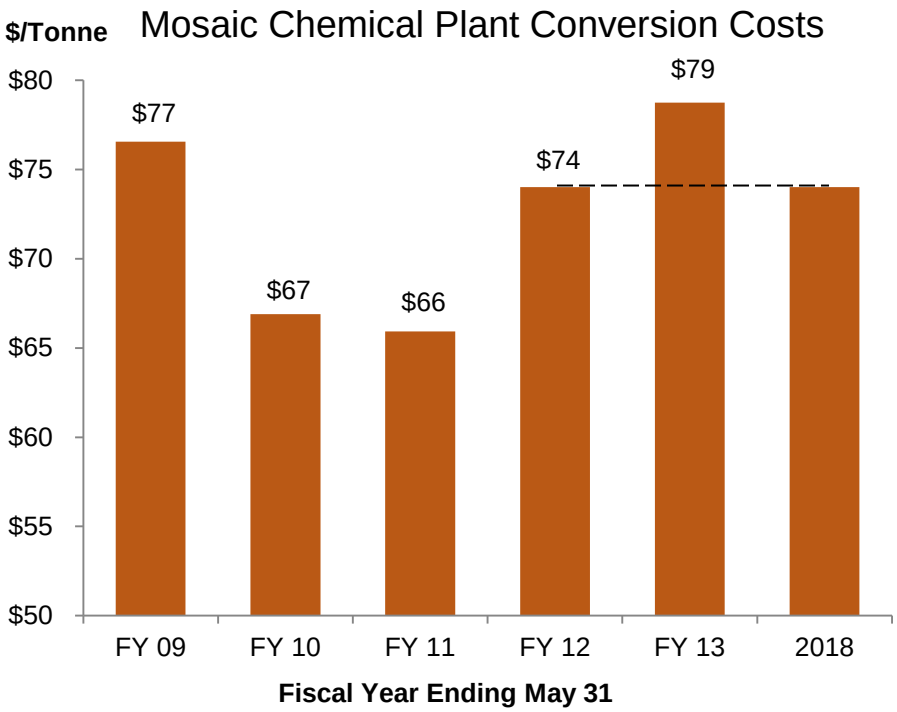


Grow Phosphates Margins

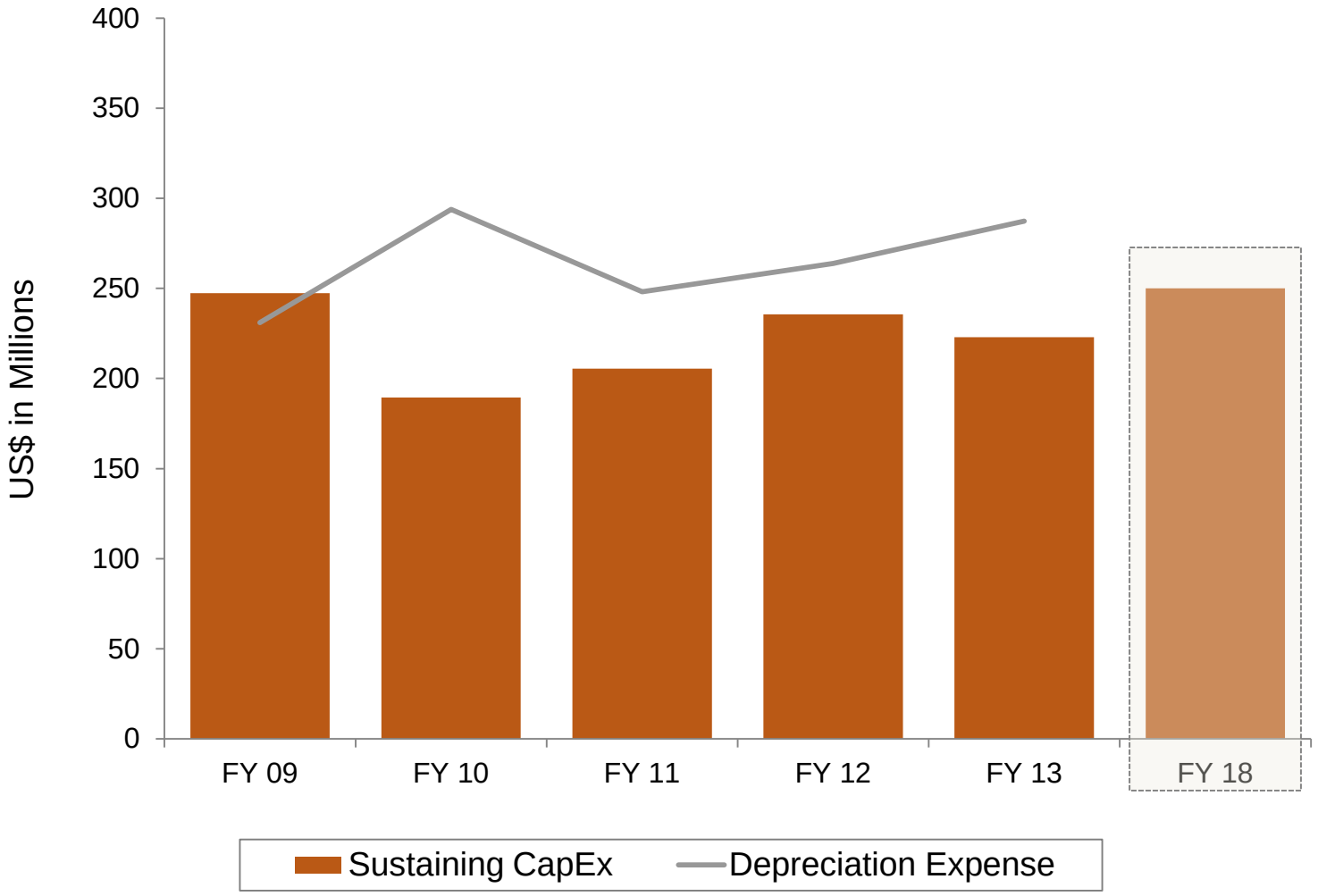
Mined rock cost trends



Conversion cost trends



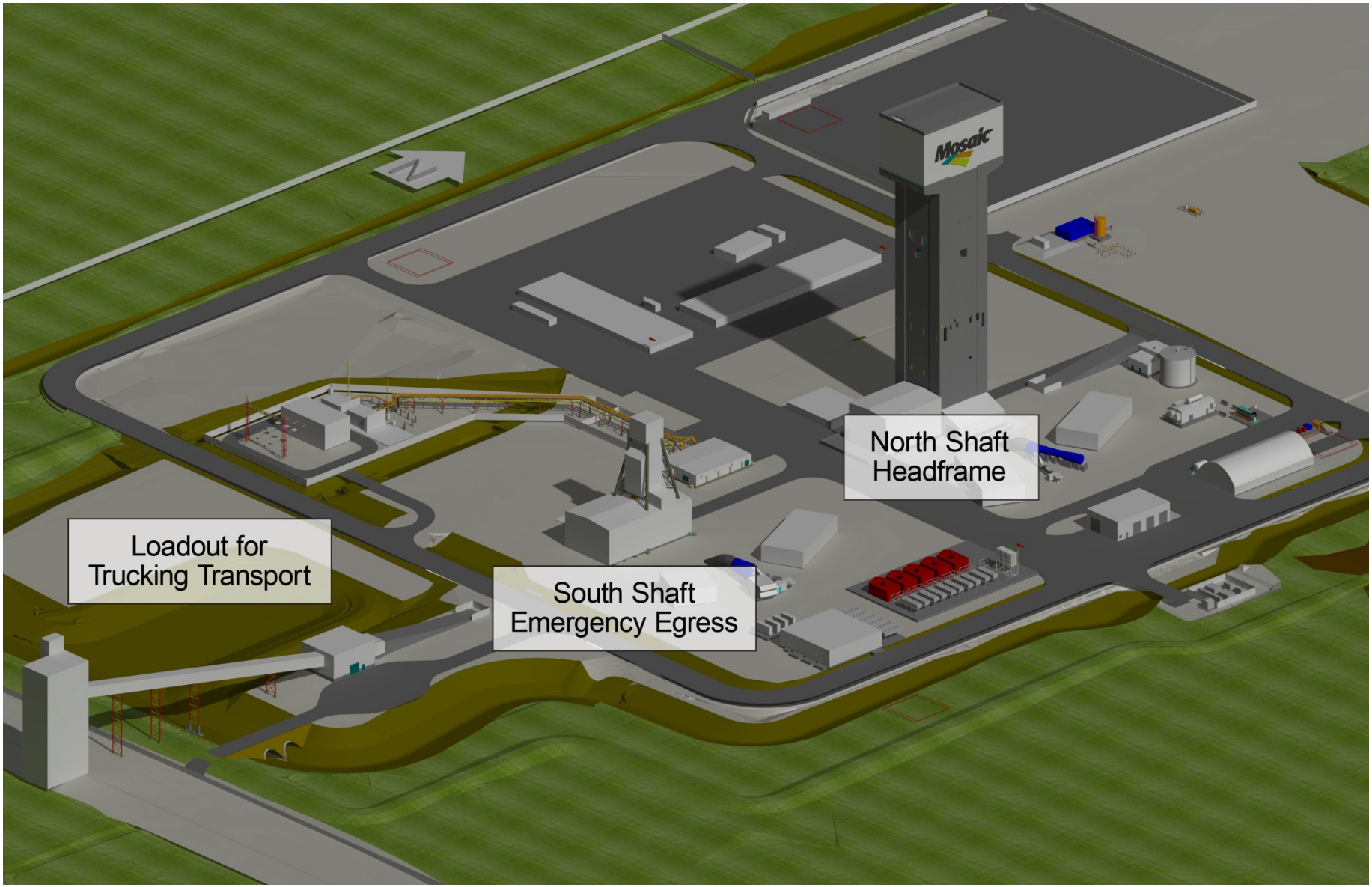
Phosphates Sustaining Capital Expenditure



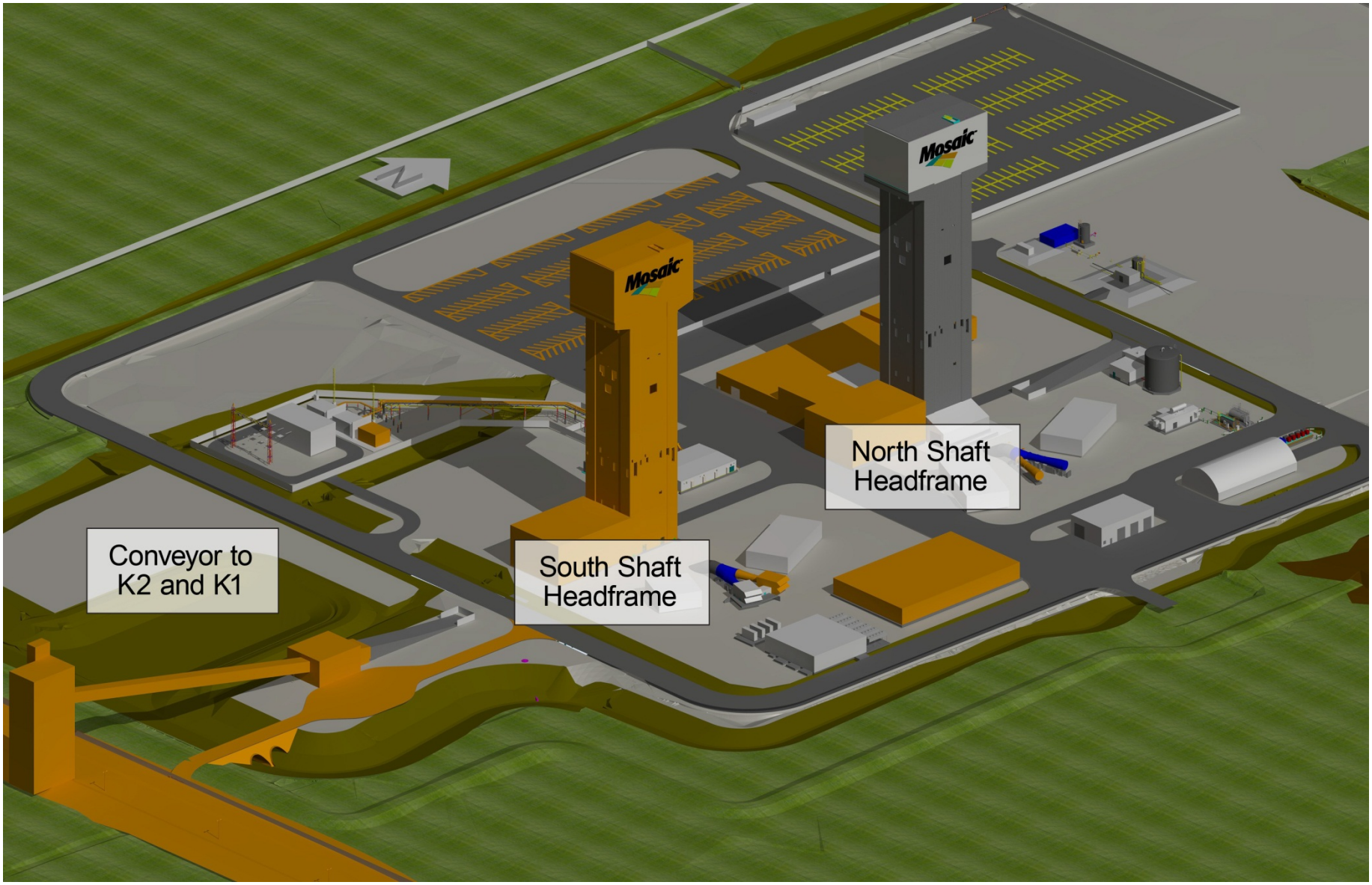
Grow Potash Volumes – Expansion Update



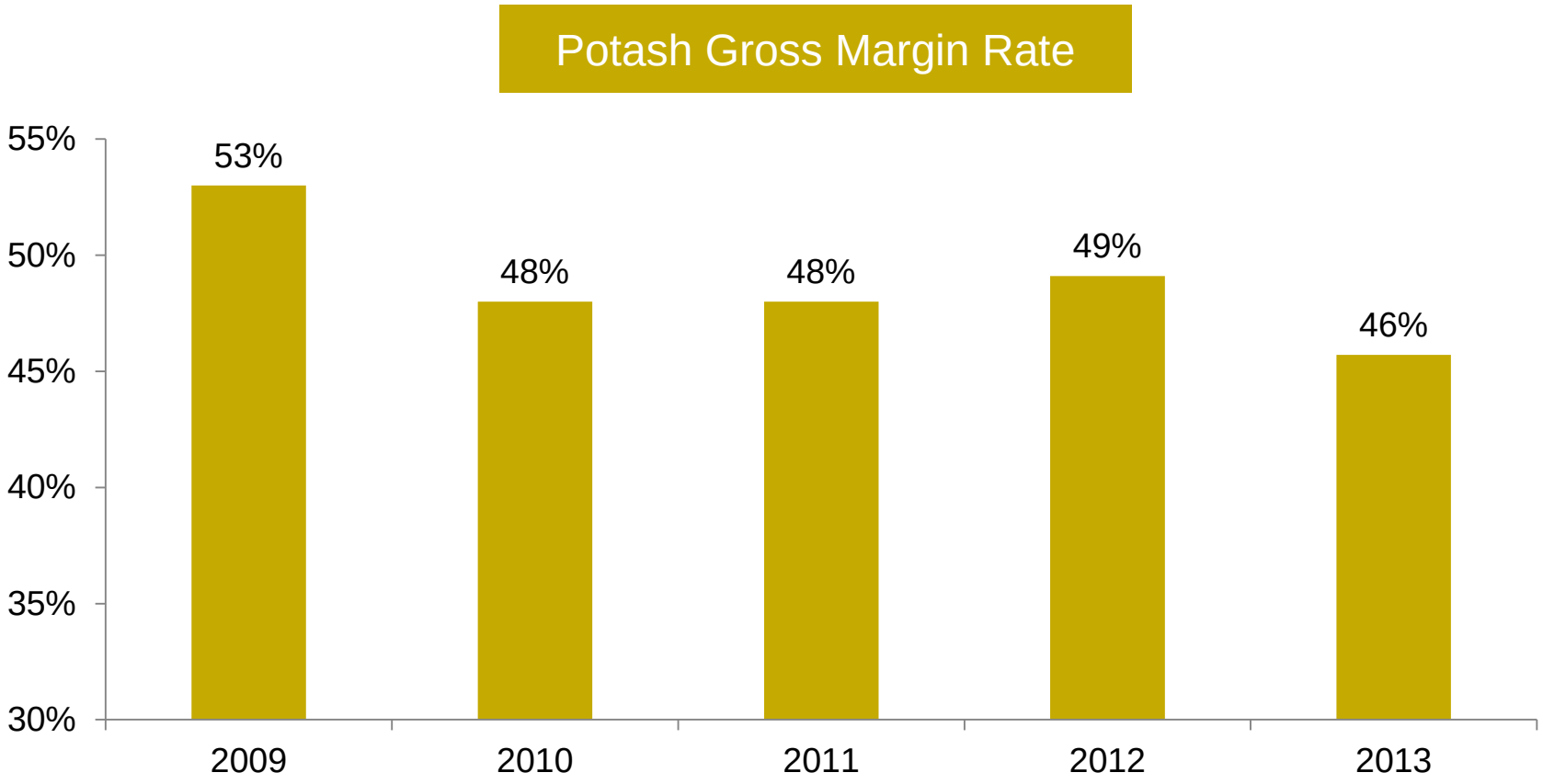
Grow Potash Volumes – Esterhazy K3 Update



Grow Potash Volumes – Esterhazy K3 Optionality

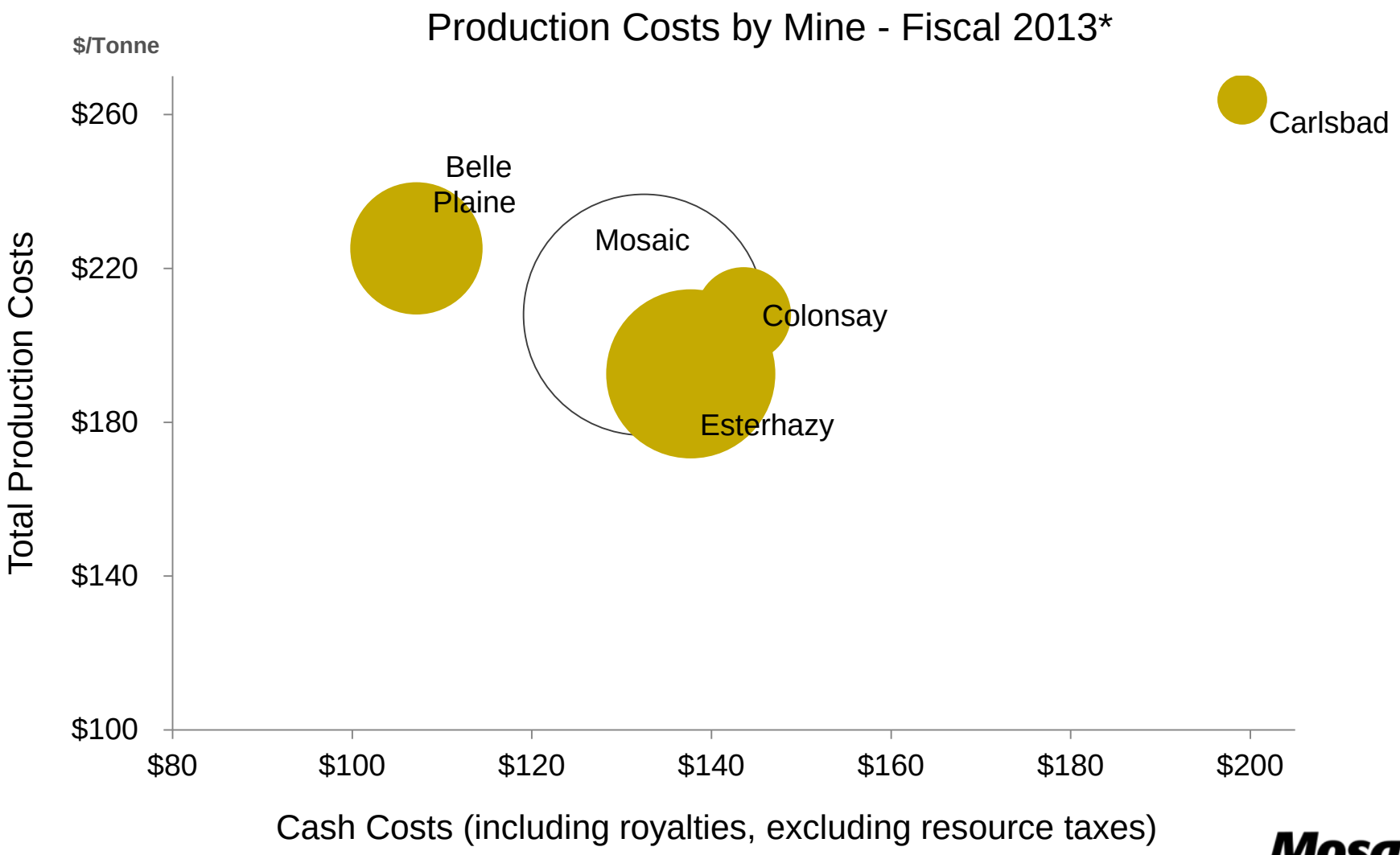


Potash Margin History



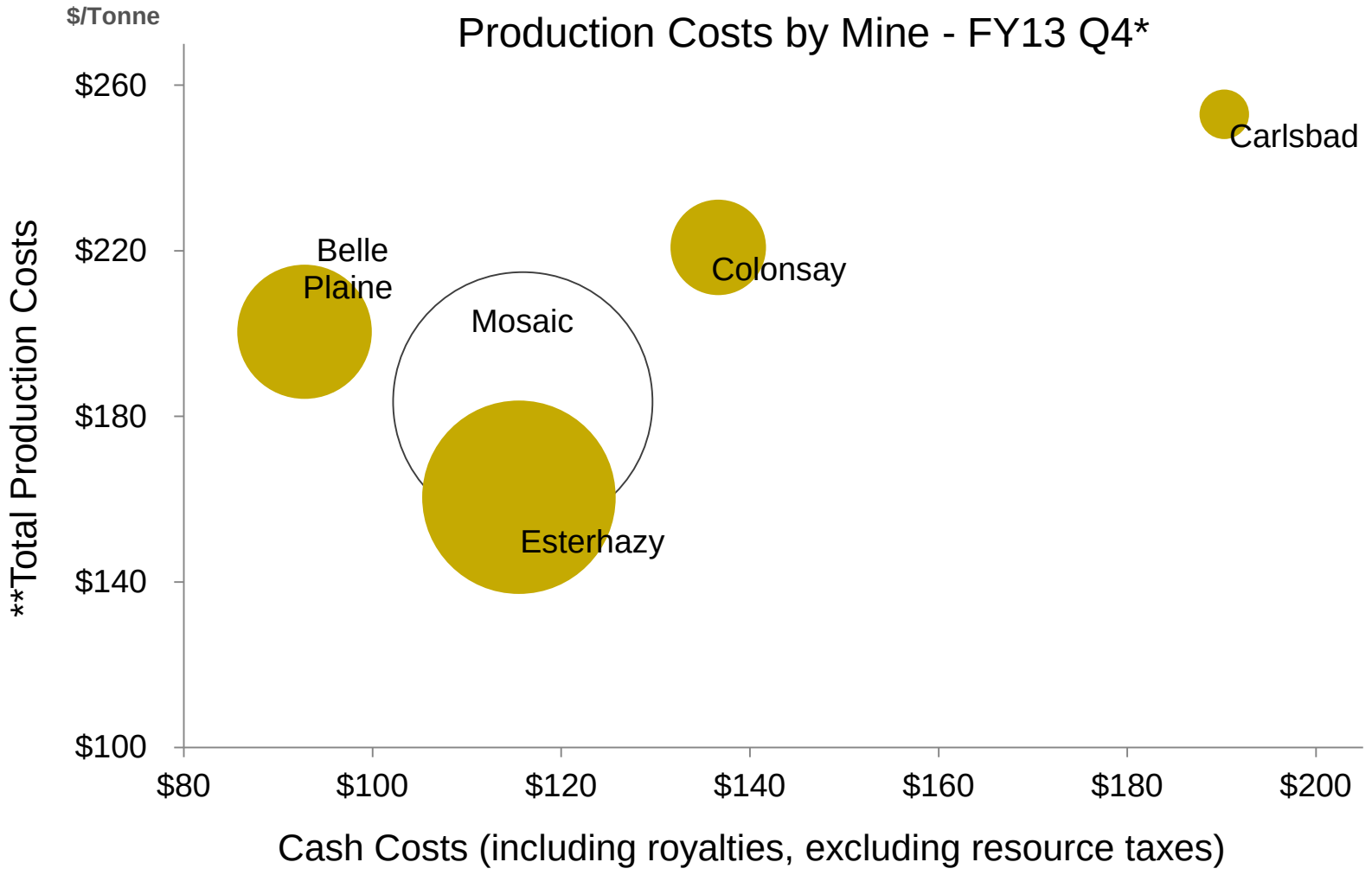
MOP realized price fob plant, $/tonne	$ 521	$ 352	$ 359	$ 448	$ 405
Operating Rate	65%	57%	80%	81%	79%

Potash Margin Leverage



*Actual operating rate of 79%

Potash Margin Leverage

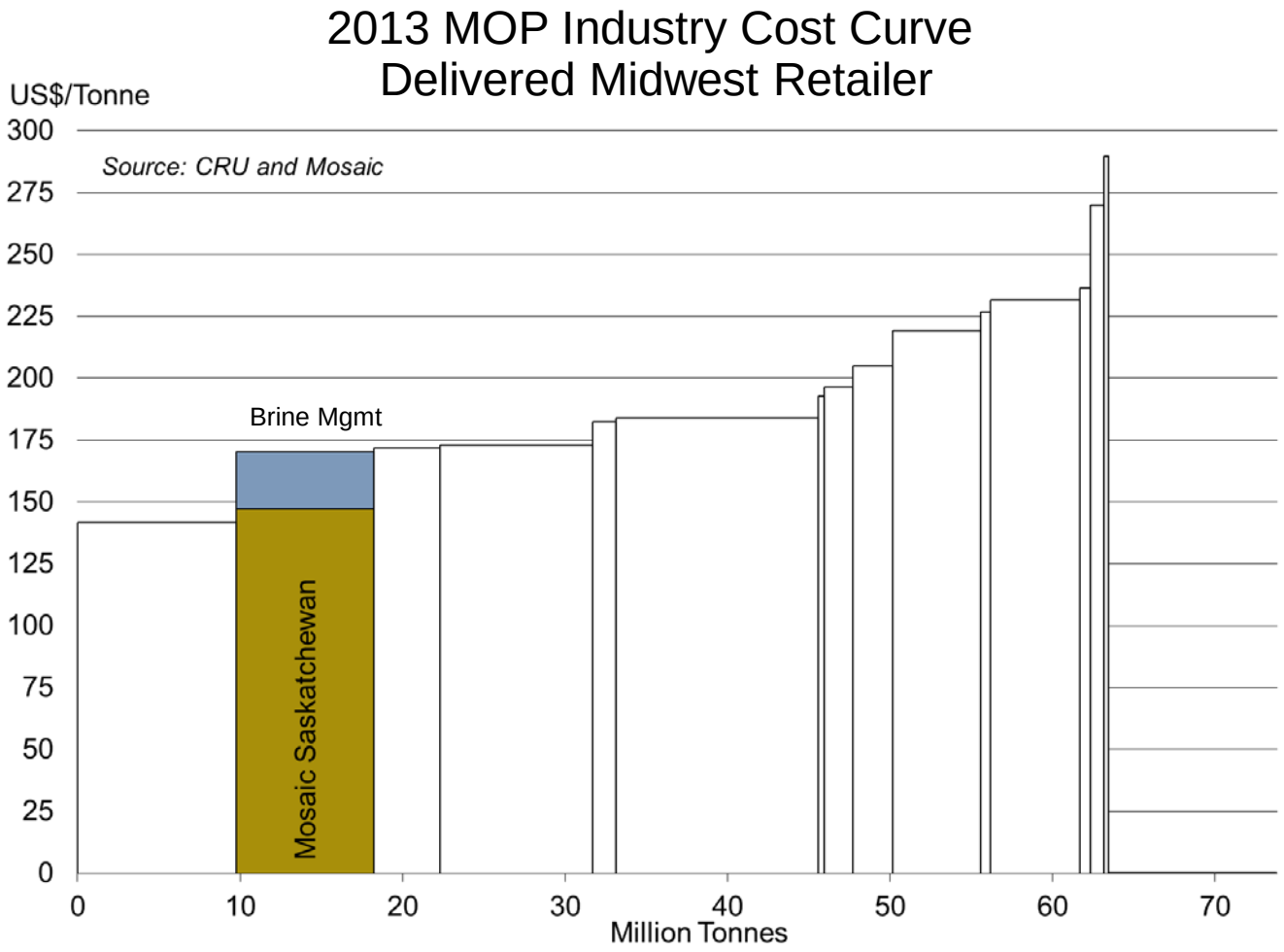


*Actual operating rate of 95%

**Production costs are reflective of actual costs during the quarter. These costs are captured in inventory and are not necessarily reflective of costs included in costs of goods sold for the period

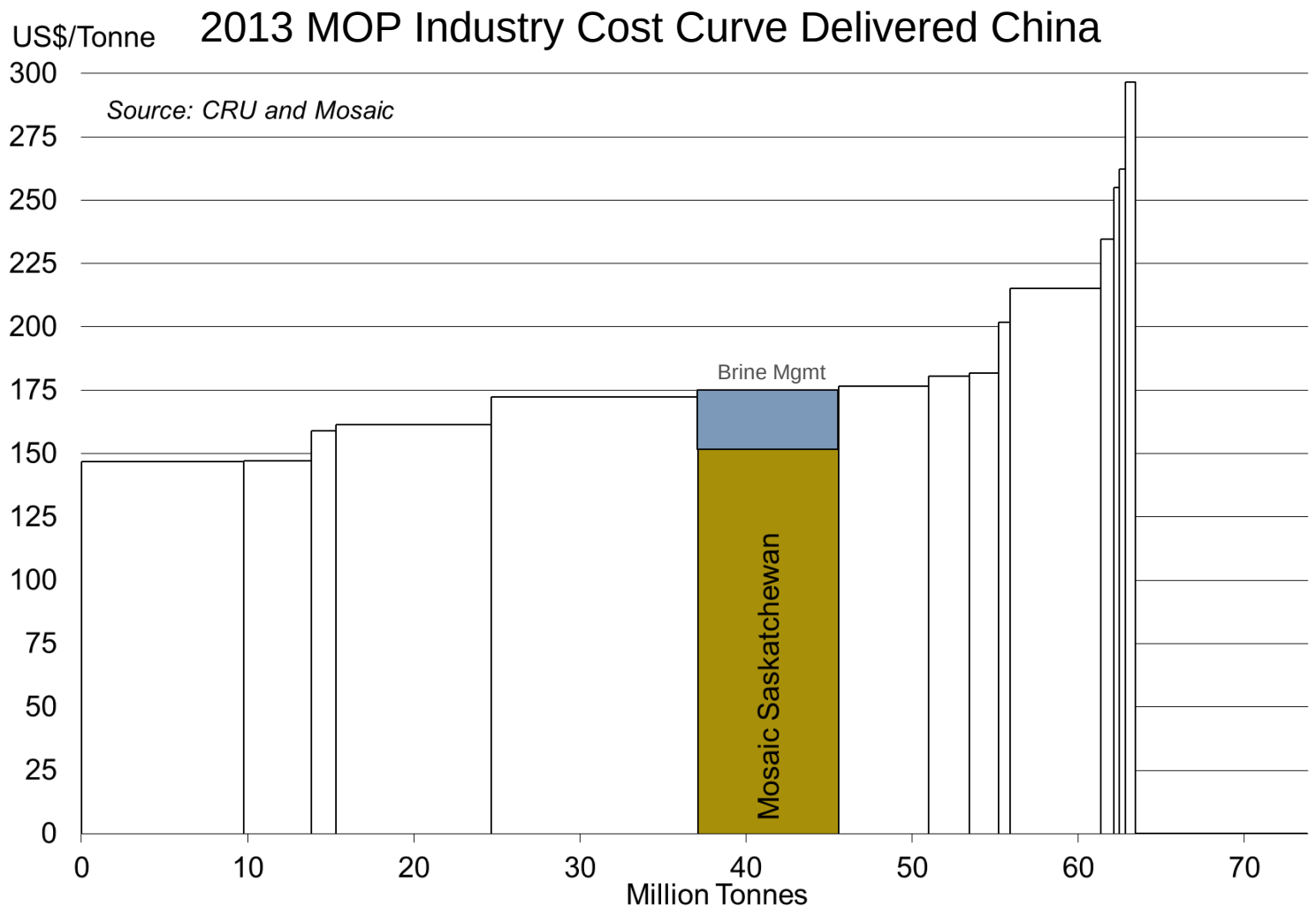
Potash Cost Curve

Well positioned to deliver value today



Logistically Advantaged to North America

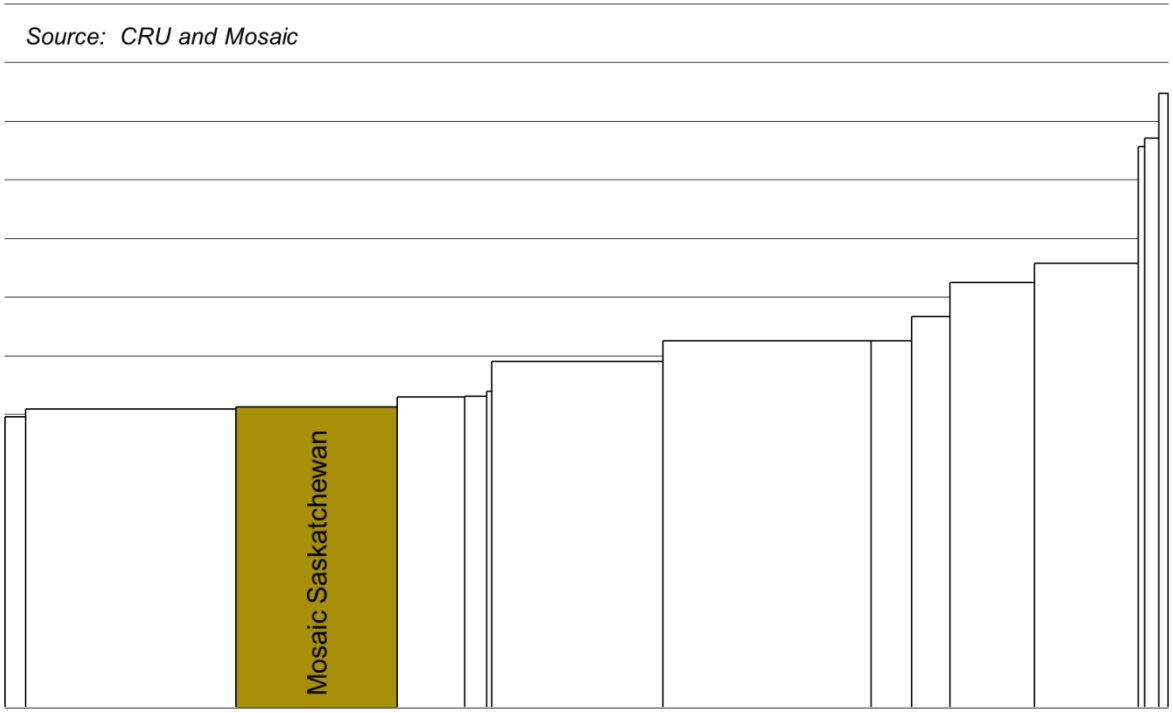
Potash Cost Curve



Competitive in China

Esterhazy K3 Optionality

Future MOP Industry Cost Curve fob Port

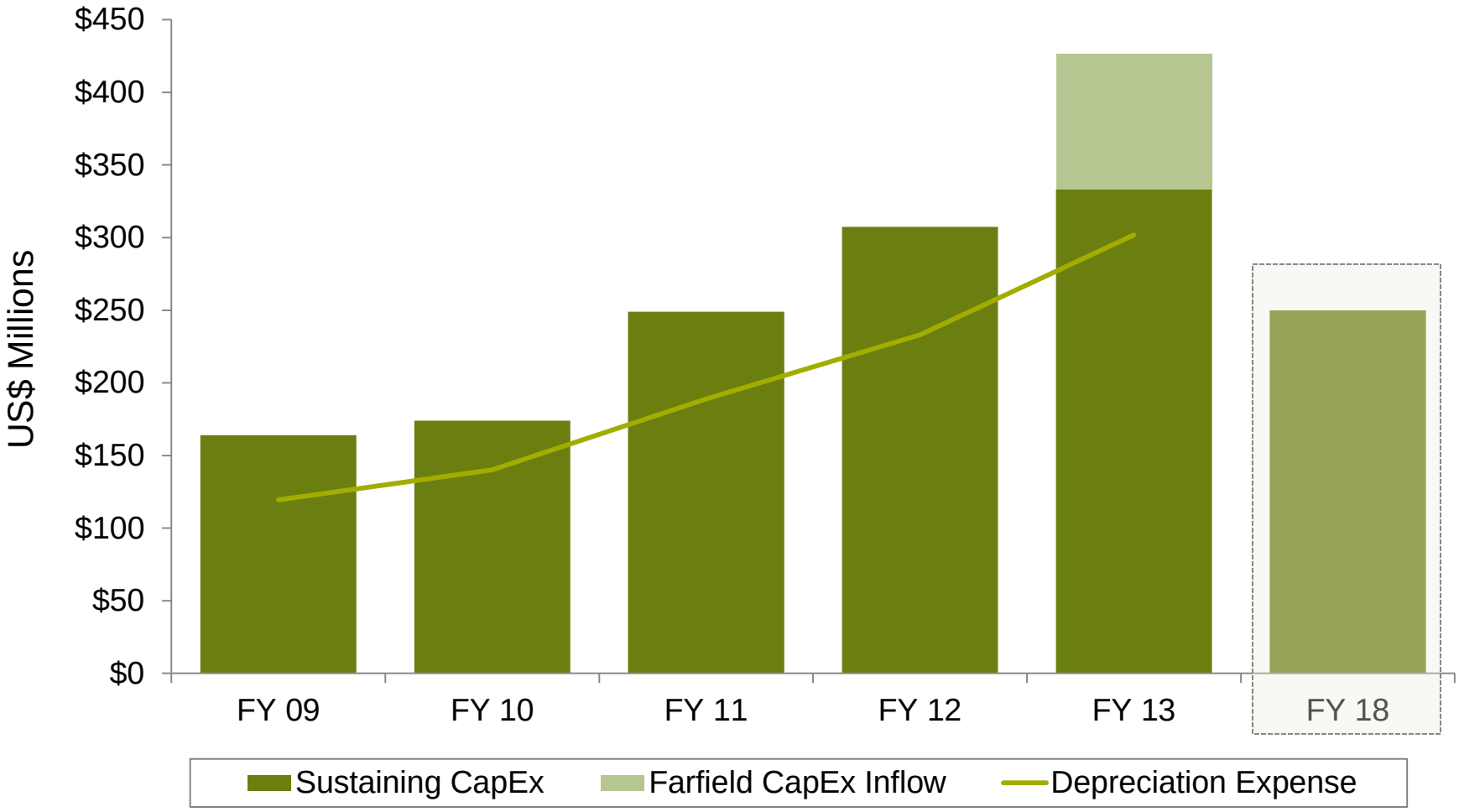


Significantly lower cost curve position

Impact

- Brine management costs = $0
- K3 scenario results in $30 per tonne reduction in average costs/tonne.
- Mosaic moves from third quartile to near lowest cost producer

Manage Sustaining Capital Expenditure



Summary

- A track record of successful strategic investments
- Cost competitive and focused on further improving margins in both businesses
- Building optionality within potash operations
- Optimizing sustaining capital spending across enterprise


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Mosaic's Go-to-Market Strategy

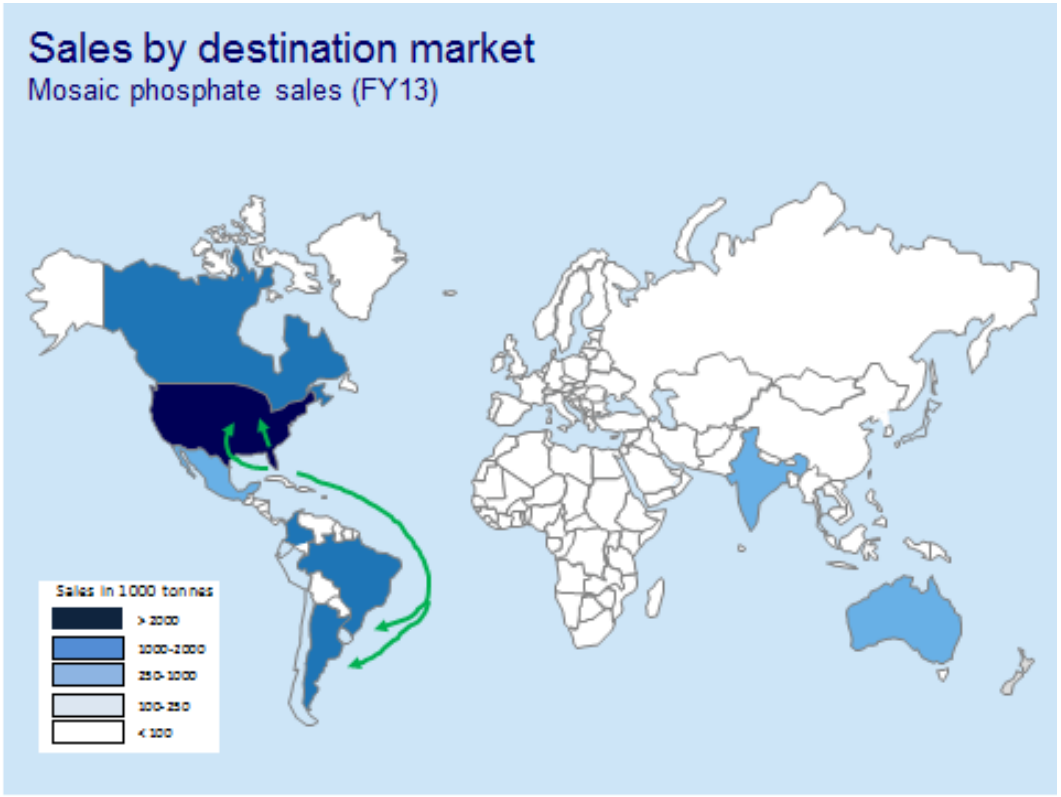
Market Access: Agenda



- Product destinations
- Mosaic's access-to-market strategy
- Highlight two examples
  - North America
  - Brazil

Phosphates: Destinations

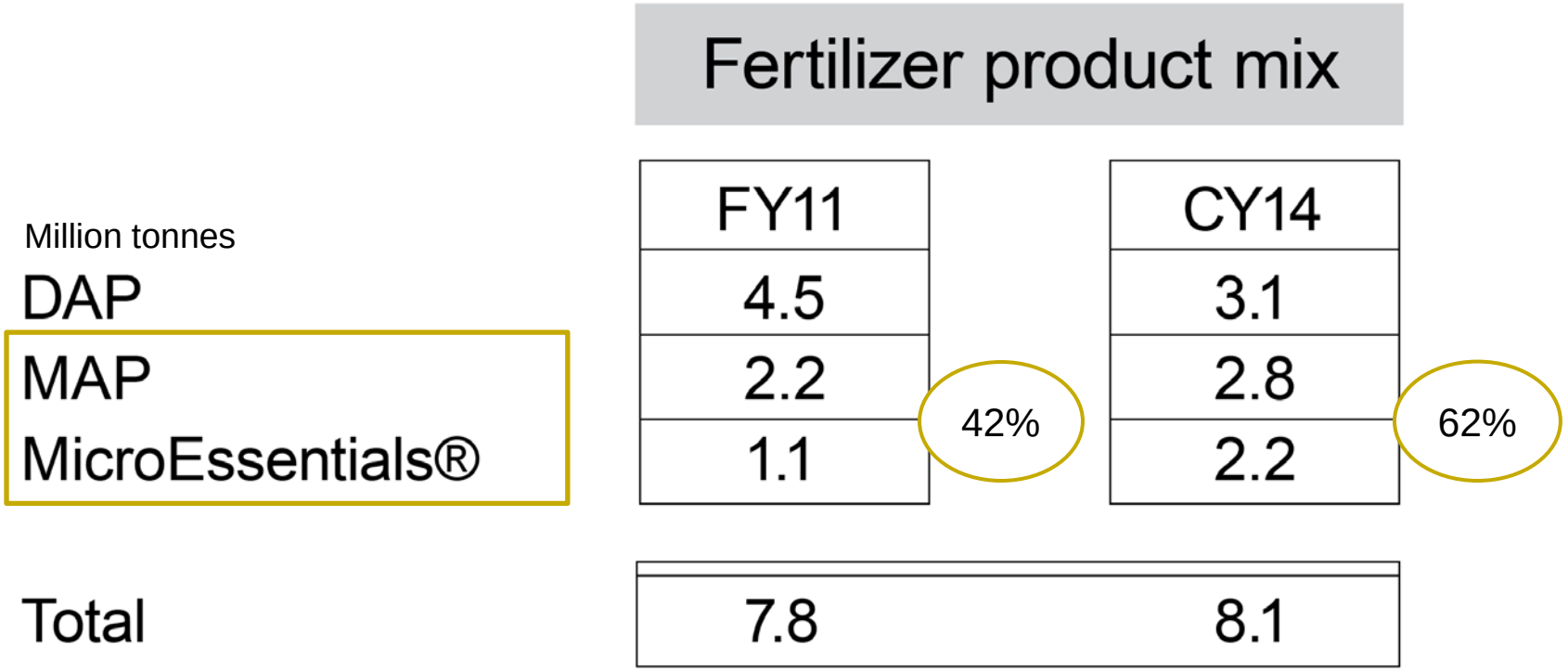
Million Tonnes	Destination FY11		Destination FY13	
North America	3.7	63%	4.1	77%
Brazil	0.6		0.8	
Argentina/Chile	0.3		0.3	
Northern Latin America	0.7		0.9	
India	2.2		0.8	
South East Asia/Japan	1.0		1.0	



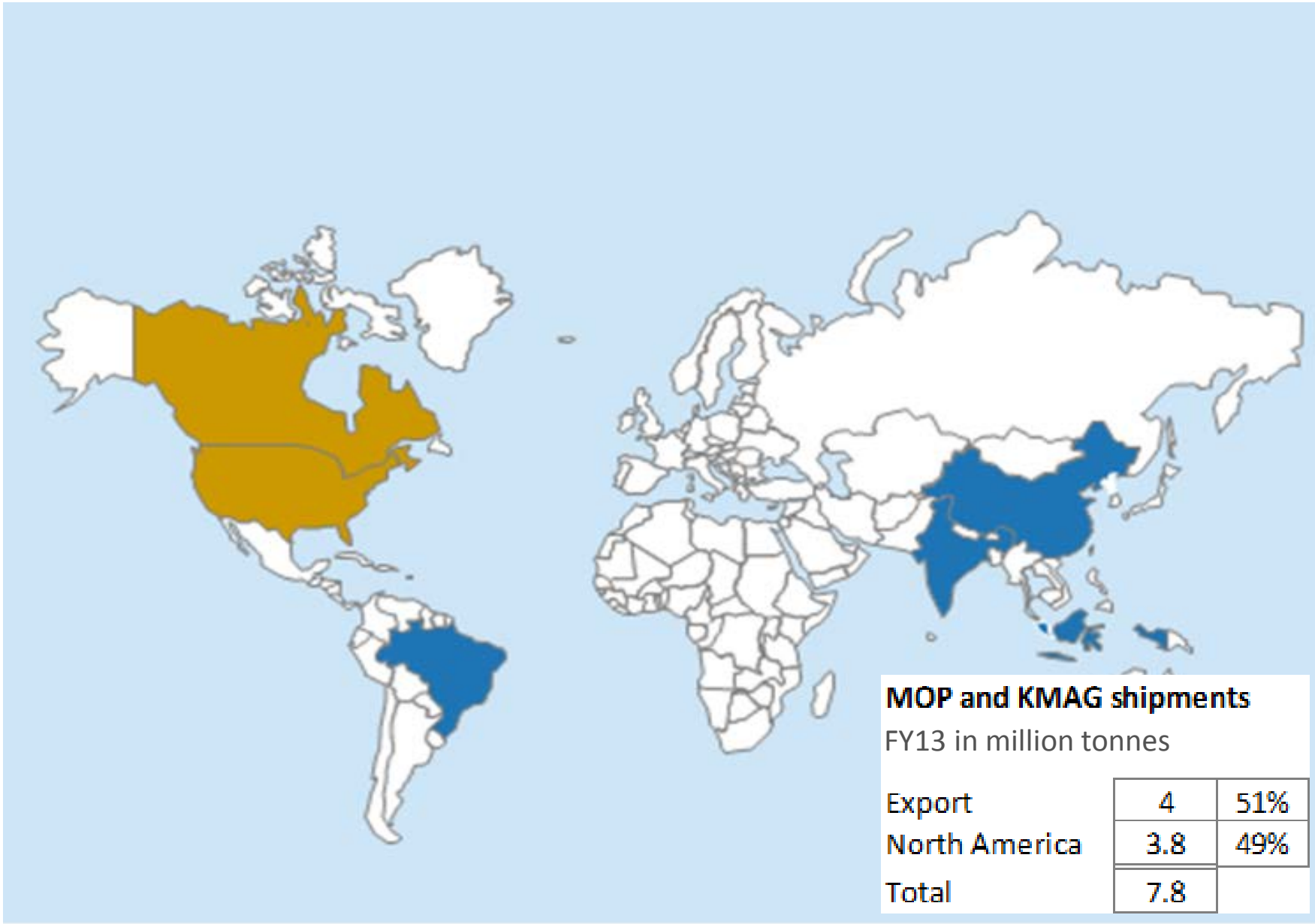
- Deliberate destination shift
- Optimizing logistics

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Phosphates: Product Mix Shift



Potash: Primary Destinations



MOP and KMAG shipments

FY13 in million tonnes

Export	4	51%
North America	3.8	49%
Total	7.8	

Mosaic Uses Four Complementary Channels to Market

Channels for product produced by Mosaic in North America

(FY13 in million tonnes)	Potash	Phosphate
Canpotex	3.6	-
Mosaic International Sales (Phoschem)	0.2	2.6
Mosaic North America	3.8	4.1
Mosaic International Distribution	1.1*	1.2

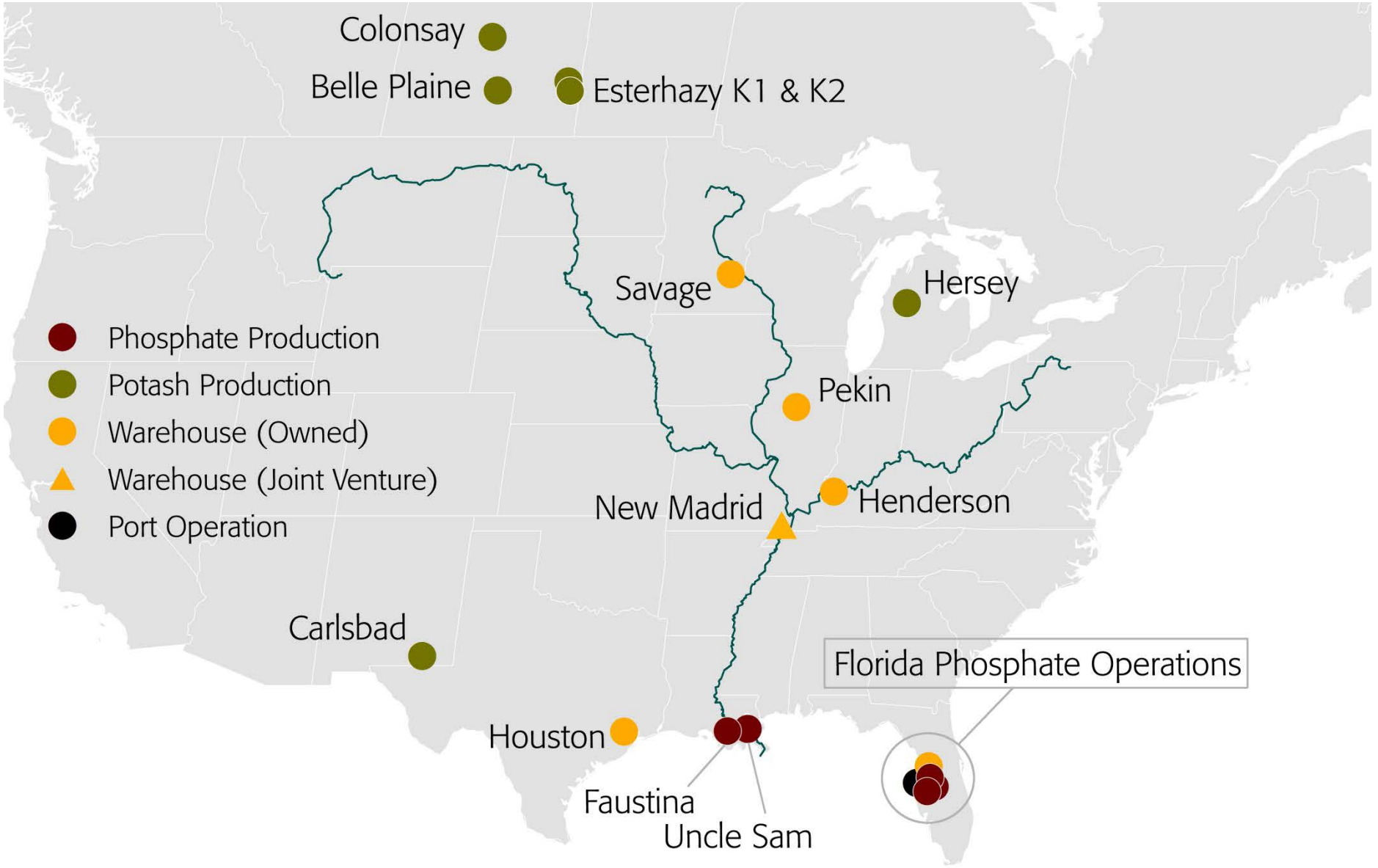
*shipped through Canpotex

Mosaic's Access to Market Strategy

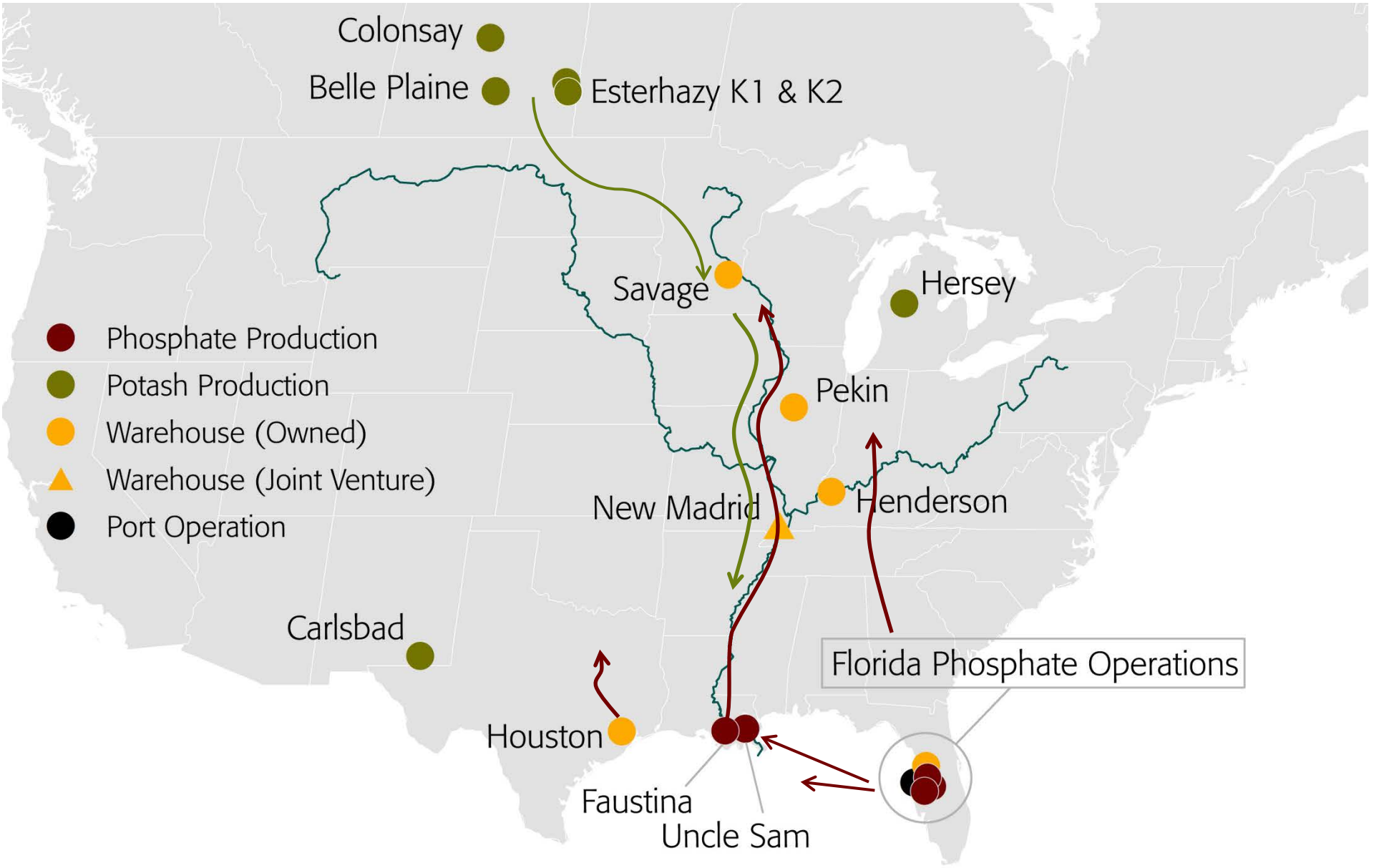


- Focus on logistics
- Strong customer relationships with long-term agreements
- Exclusive space
- Premium product differentiation
- Portfolio approach

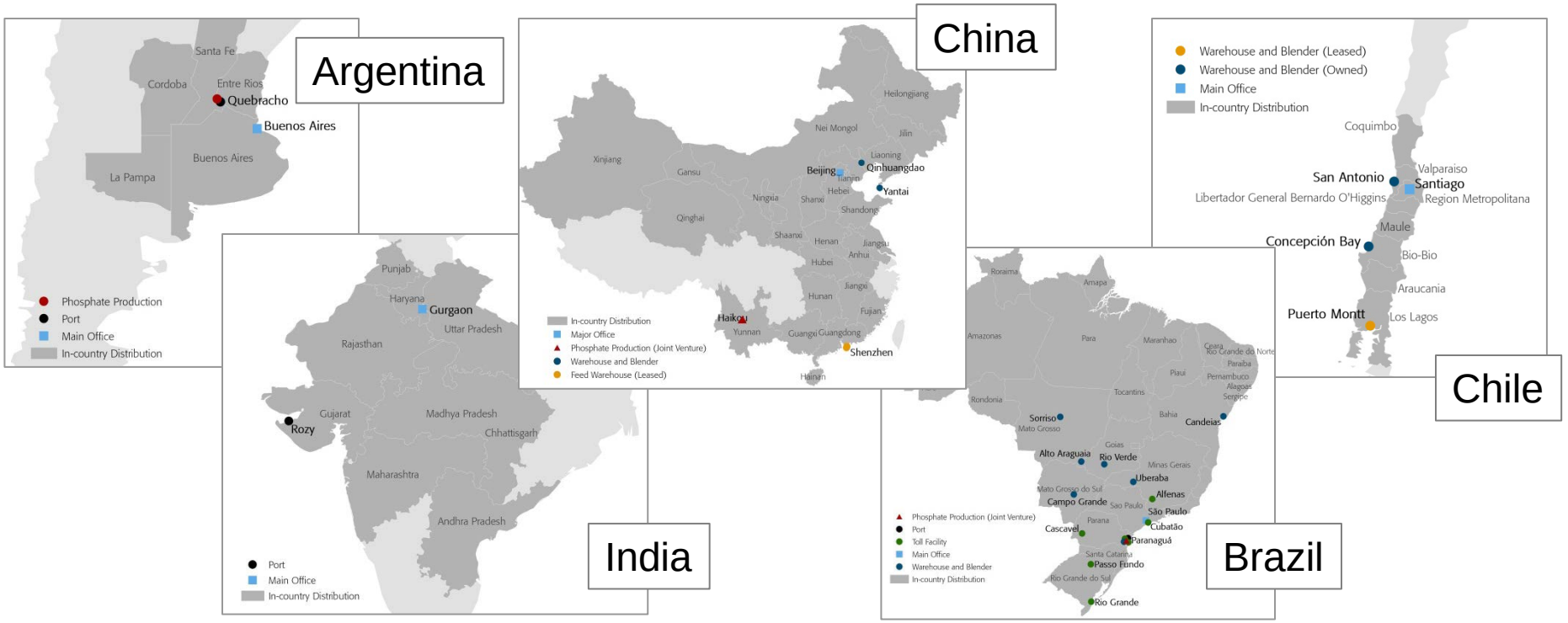
North America: Home Court Advantage



North America: Home Court Advantage



International Distribution



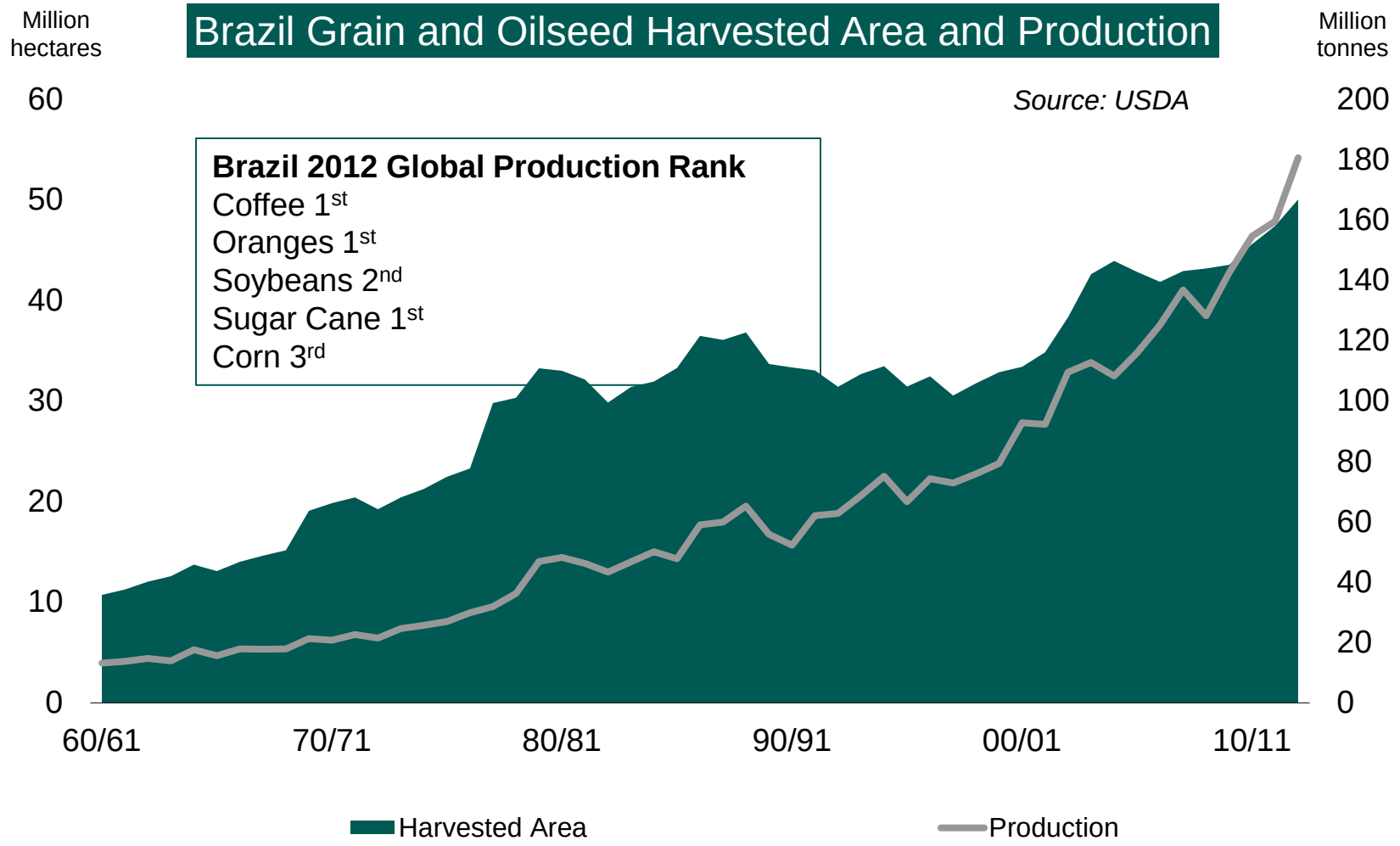
Quick facts

- 4.5 million tonnes (FY13)
- Two-thirds from Mosaic production
- Owned port facilities in Brazil, India and Argentina

Advantages of owned market access

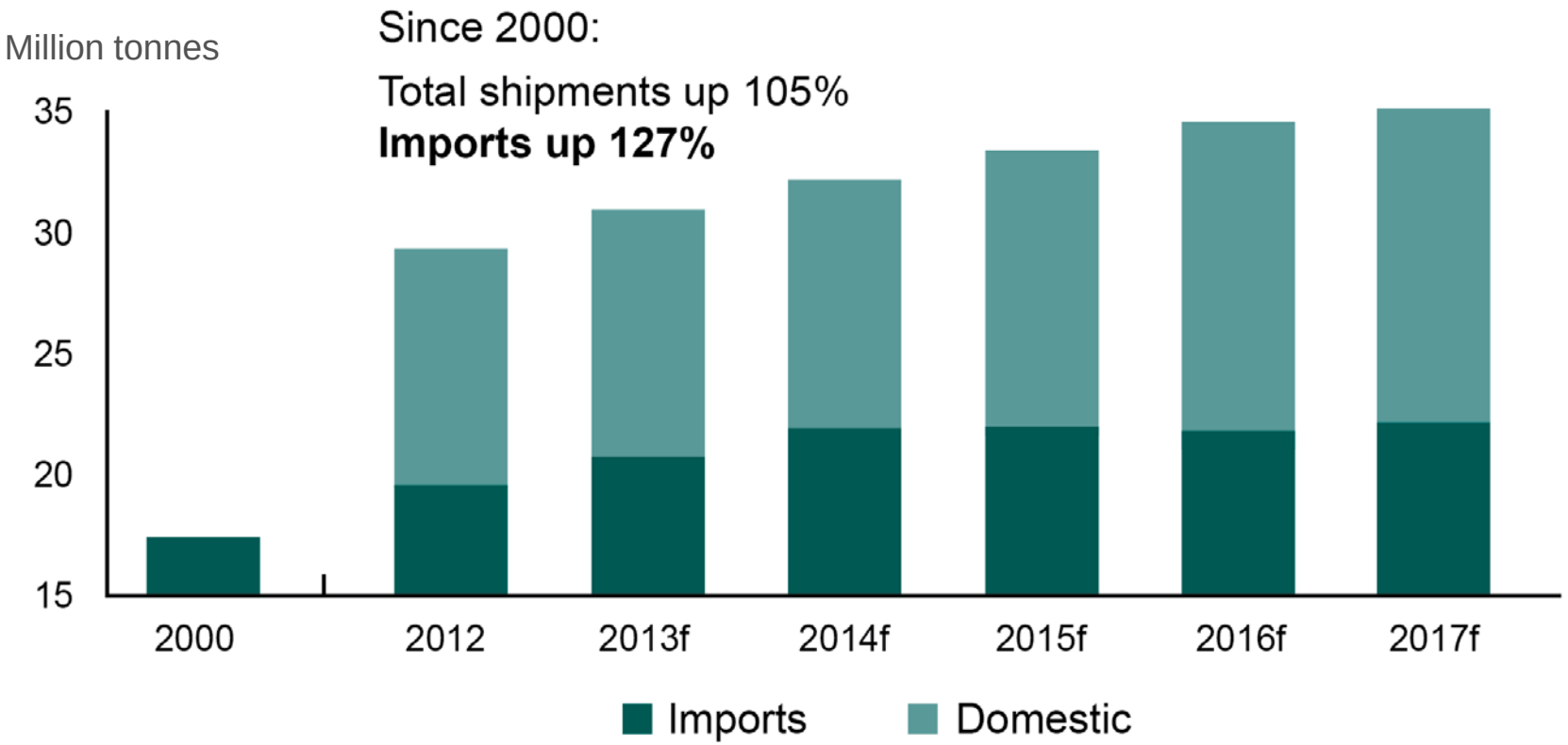
- Alignment with upstream production
- Excellent premium products channel
- Value capture of premium products
- Market intelligence

Brazil Distribution: Why Invest in Brazil?



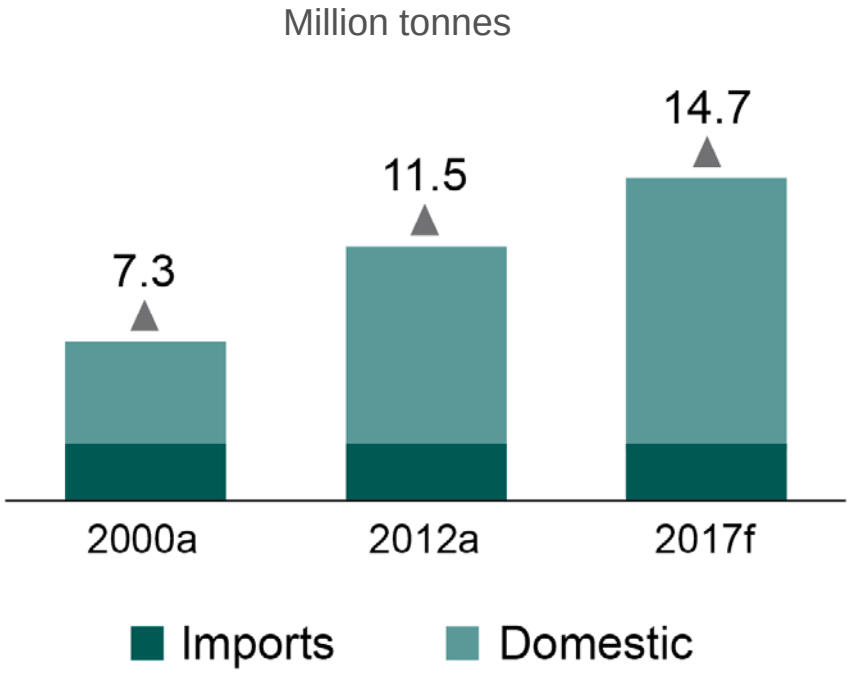
Brazil Distribution: Why Invest in Brazil?

Brazil Fertilizer Supply

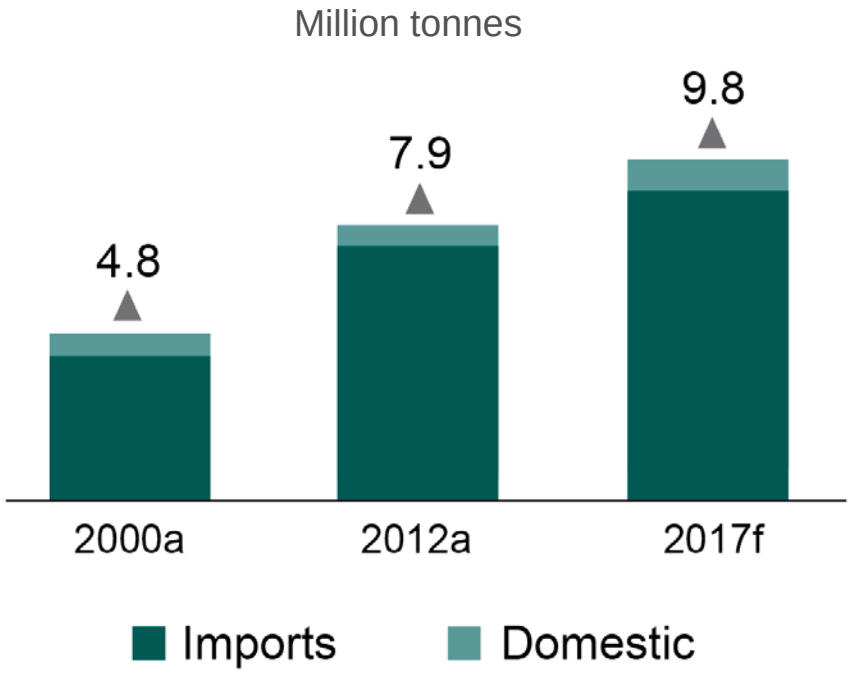


Brazil Distribution: Why Invest in Brazil?

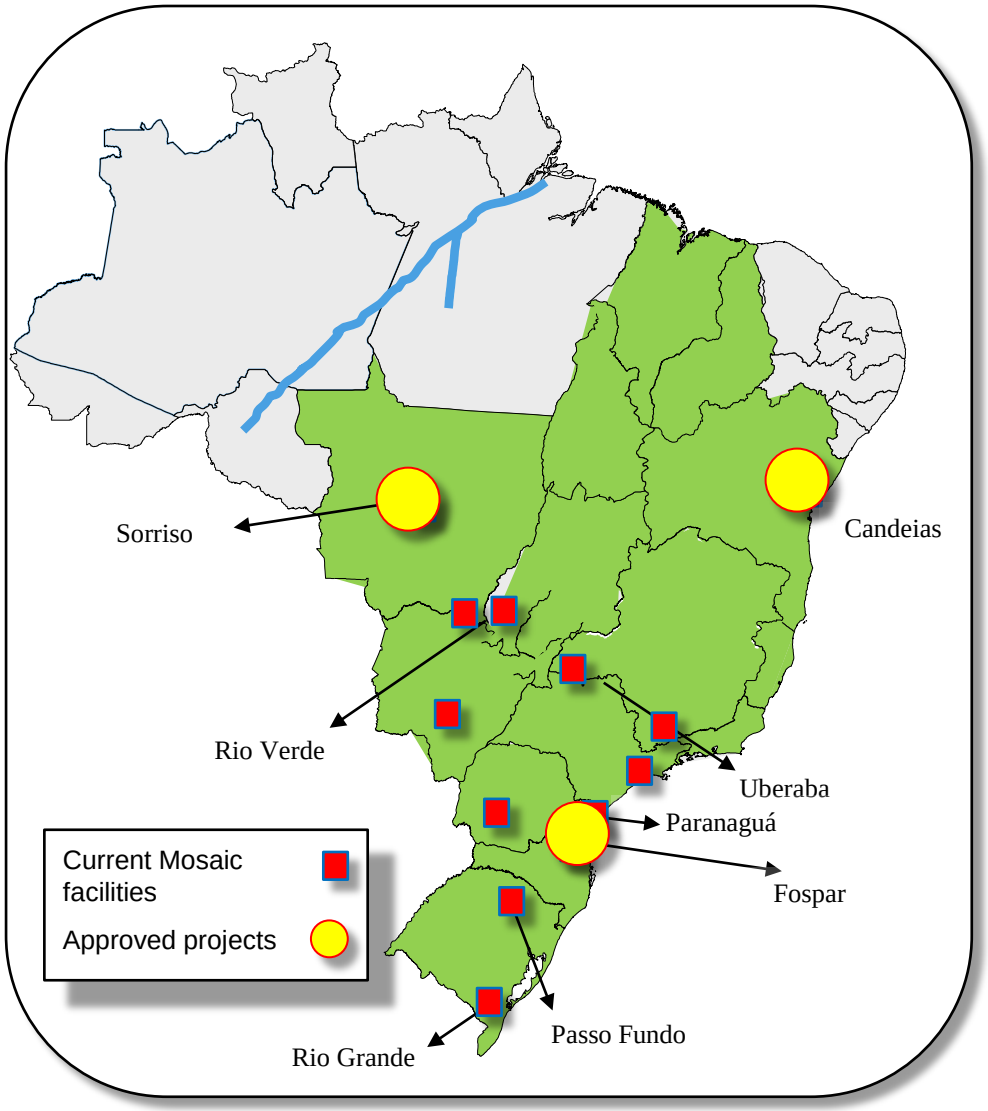
Phosphate Products Supply



MOP Supply

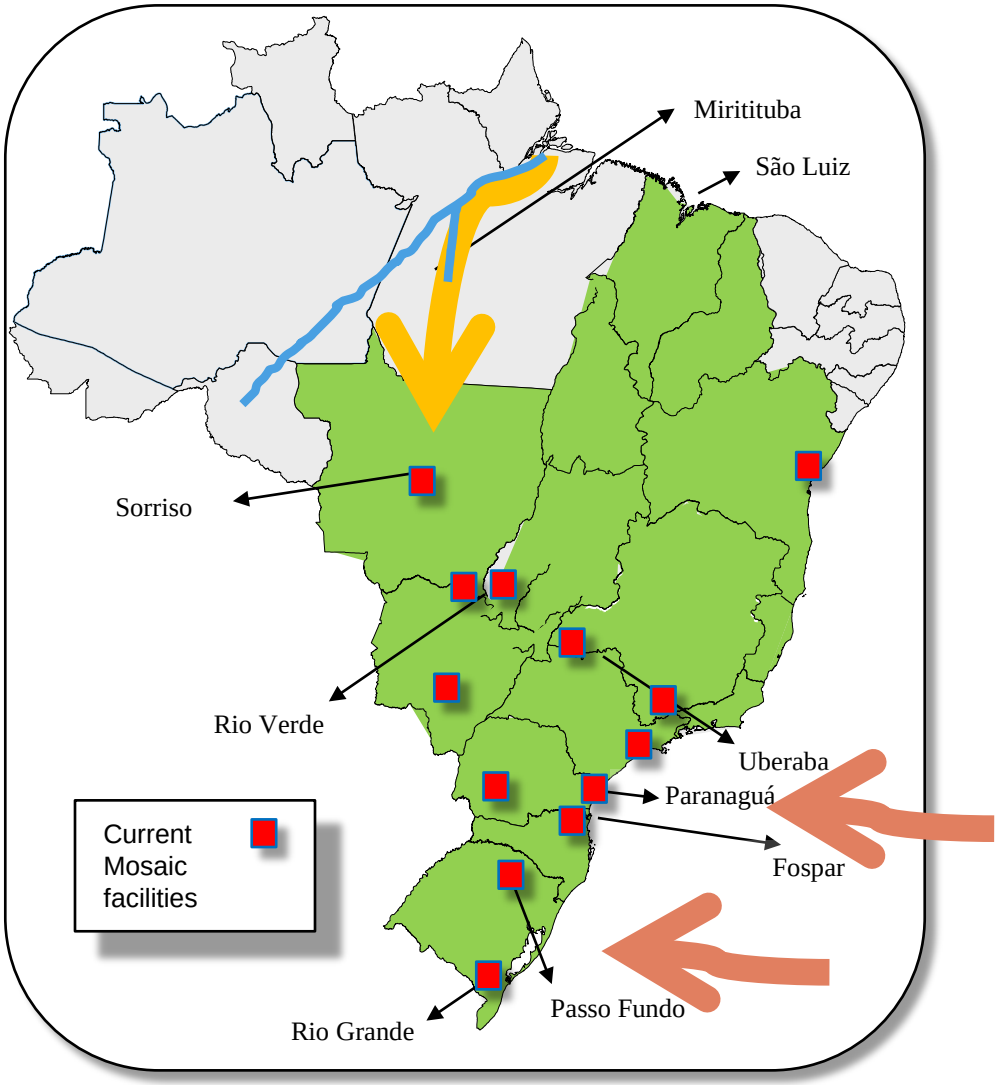


Mosaic Brazil 5-Year Growth Strategy



- $300 million planned investment in blend capacity / port access
- Focus on phosphate and potash
- Grow owned blend capacity by more than 3 million tonnes by 2018
- Attractive standalone returns plus upstream benefits

Logistics Opportunities





Logistics driven opportunities:

- Imports shift from South to North
- Shift from less truck to more river / rail
- Small bags to big bags to bulk
- Reduce vessel demurrage

Mosaic

Summary

Mosaic has…

- Many channels for distribution
- Strong positions in growing geographies
- Excellent customer relationships
- A clear strategy for growth in Brazil


Mosaic®



Mosaic Analyst Day 2013

Product Innovation at Mosaic

Premium Products



GROWTH

INNOVATION

MARKET ACCESS

Innovation: Growing Demand

Macronutrients		Micronutrients	
Primary	Secondary		
K - Potassium N - Nitrogen P - Phosphate	Ca - Calcium Mg - Magnesium S - Sulphur	B - Boron Cl - Chlorine Cu - Copper Fe - Iron	Mn - Manganese Mo - Molybdenum Ni - Nickel Zn - Zinc

Crop nutrients drive up to 60 percent of grain yields

Innovation: Mosaic's Growing Portfolio



K-Mag®

MicroEssentials®

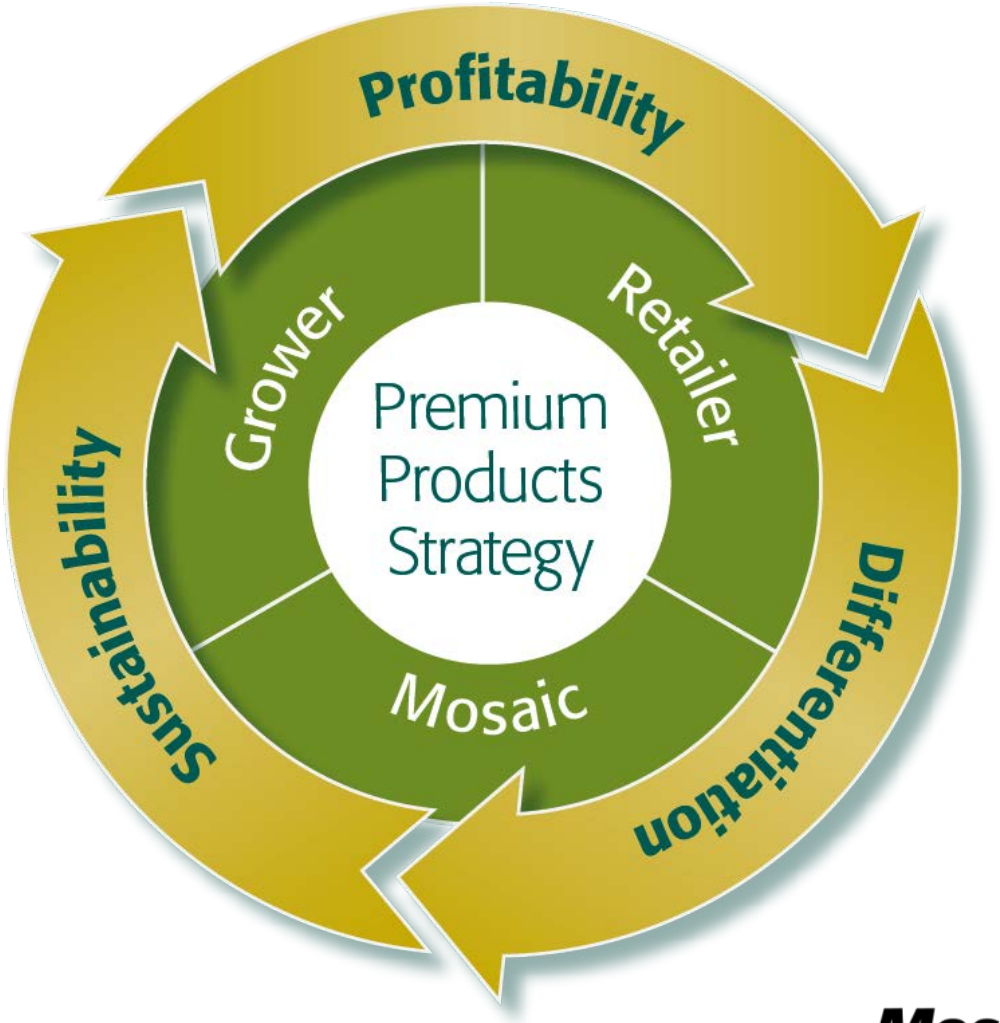
Nexfos®

More in the pipeline…

Mosaic®

Premium Products Strategy

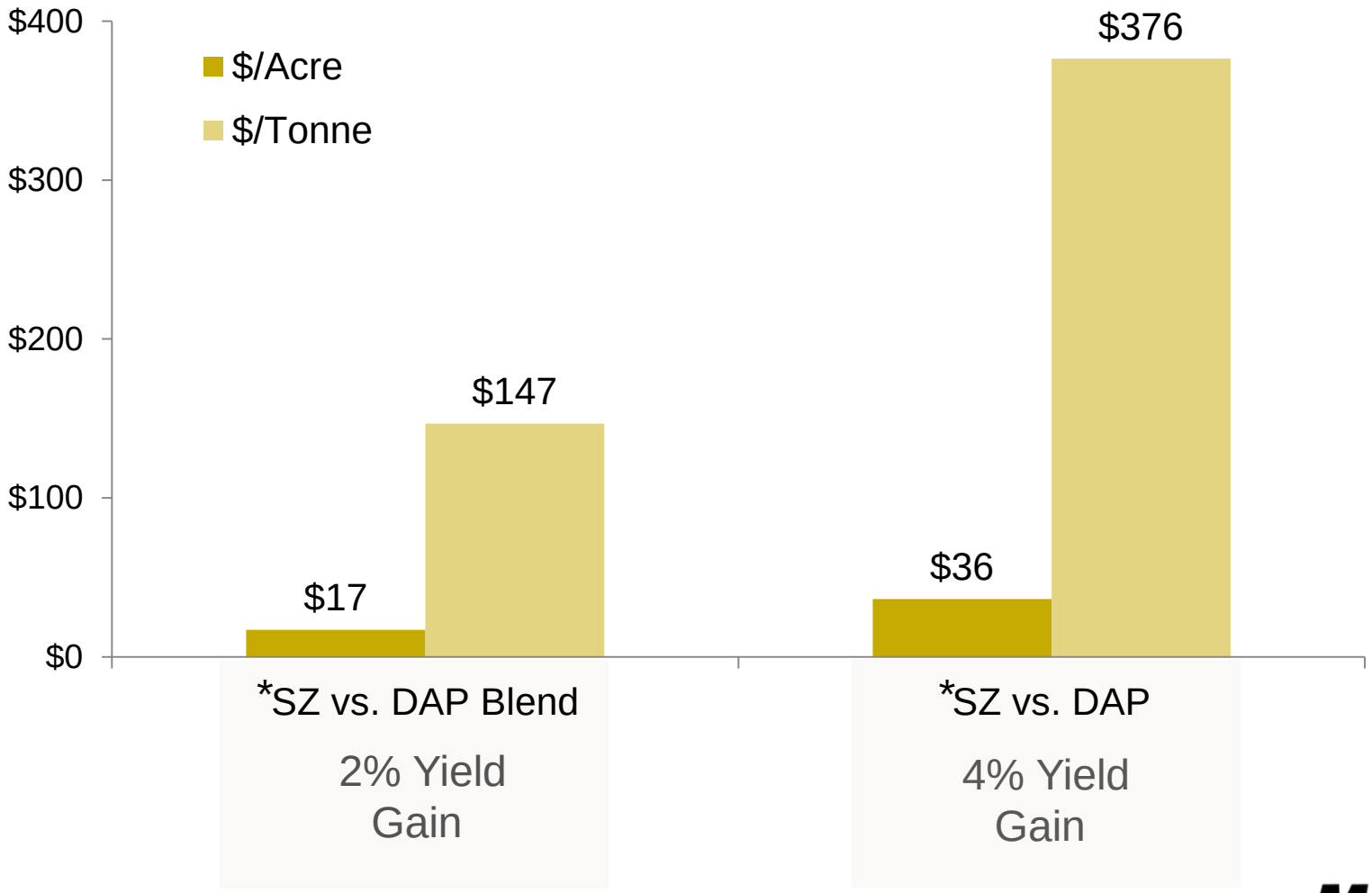




MicroEssentials®: Differentiators

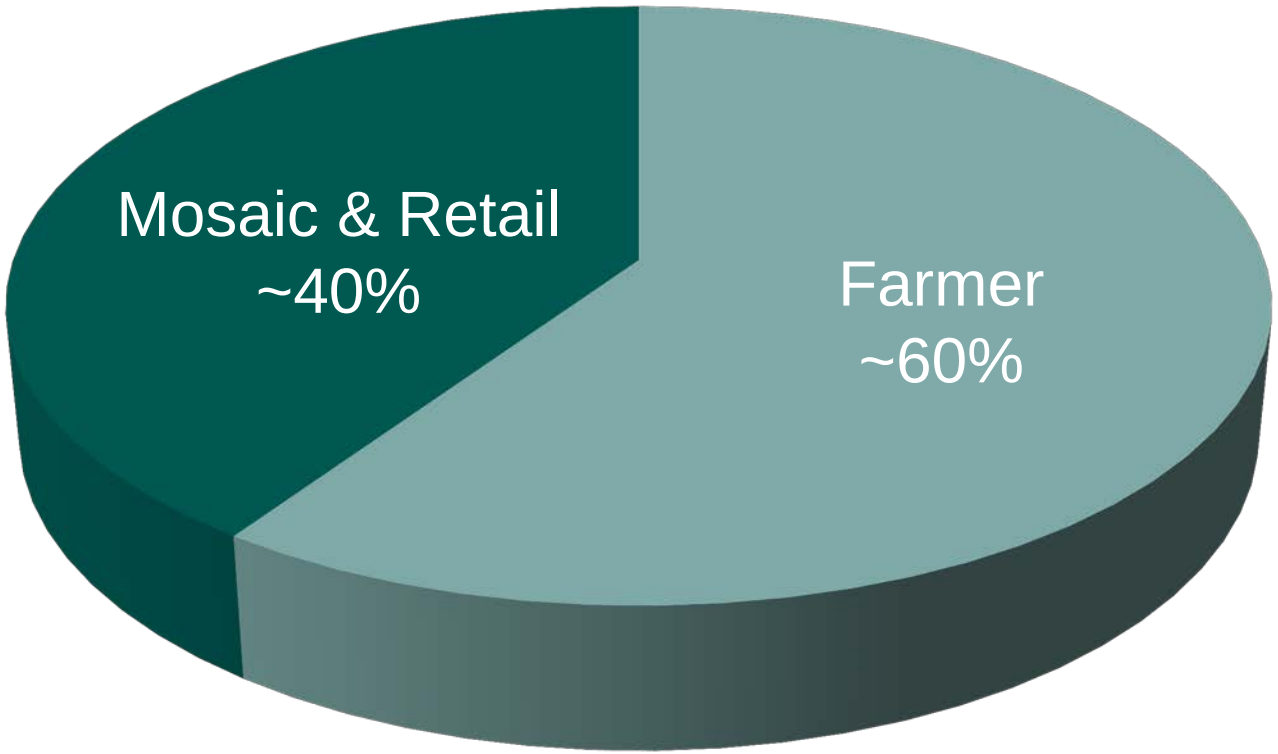


MicroEssentials® Incremental Value *(estimated)*



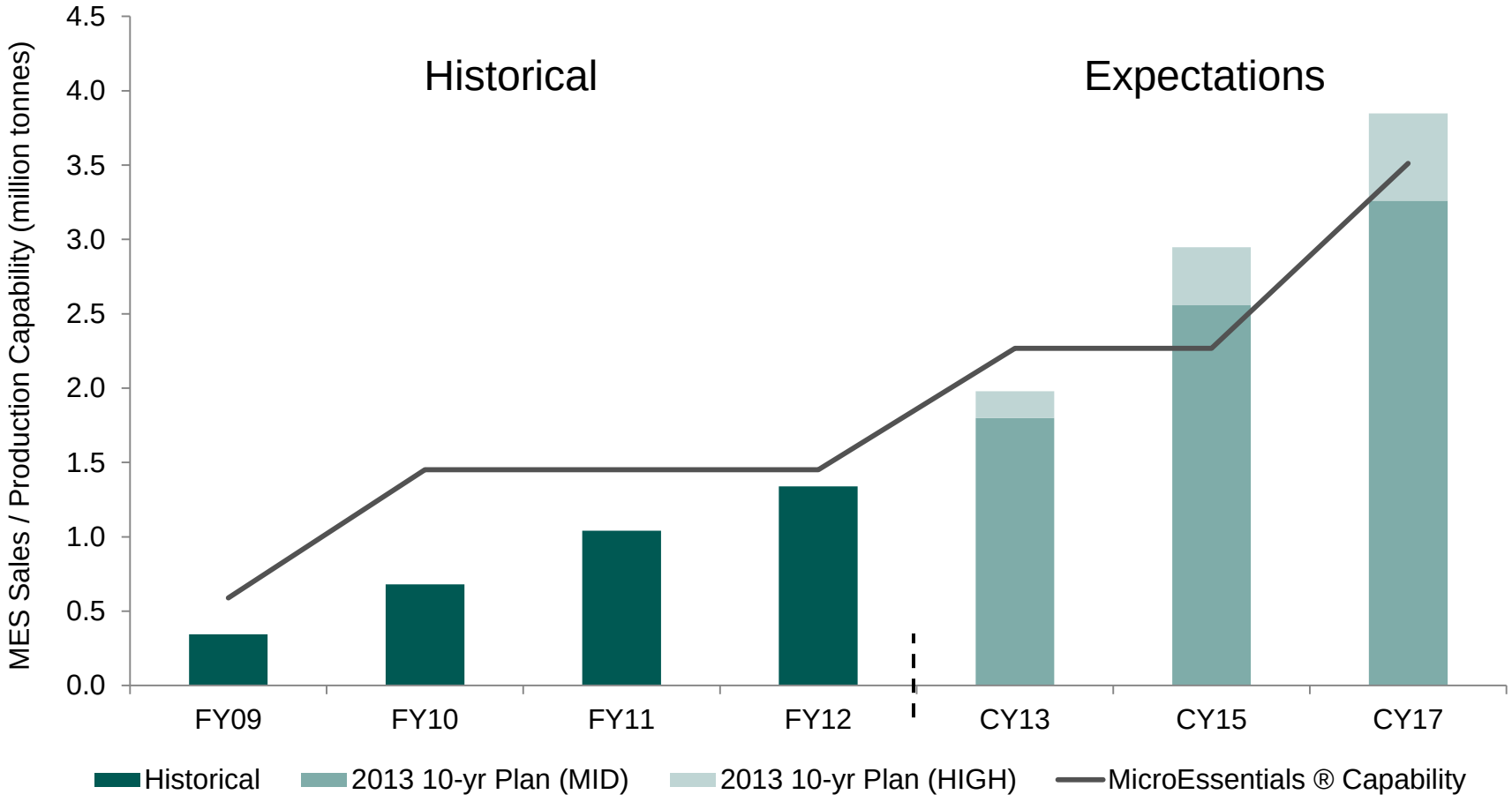
Assumes $5.50/bu corn price
*MicroEssentials®SZ™

Premium Products: Value Sharing

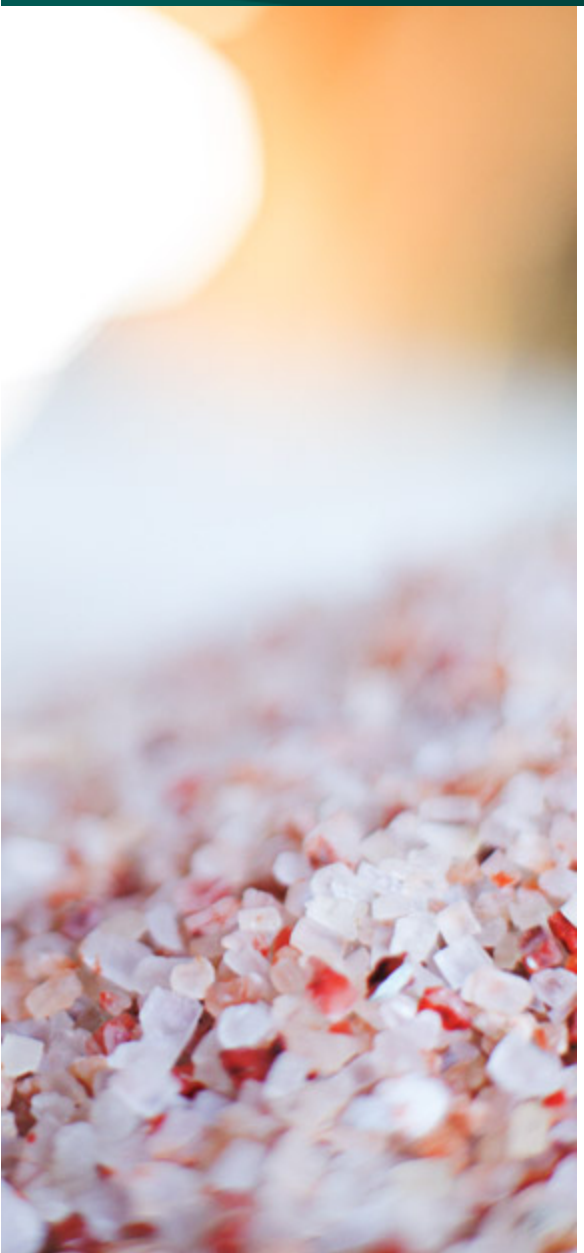


Creating value is important.
Sharing value is critical to long-term success.

Volume Growth



Building on Our Success



Coming soon: A new potash product

- 2205: increasing yields and return on investment
- Uniform nutrient distribution in one granule
- Improved operational efficiency

Why a Premium Potash Product?

Meeting another customer need

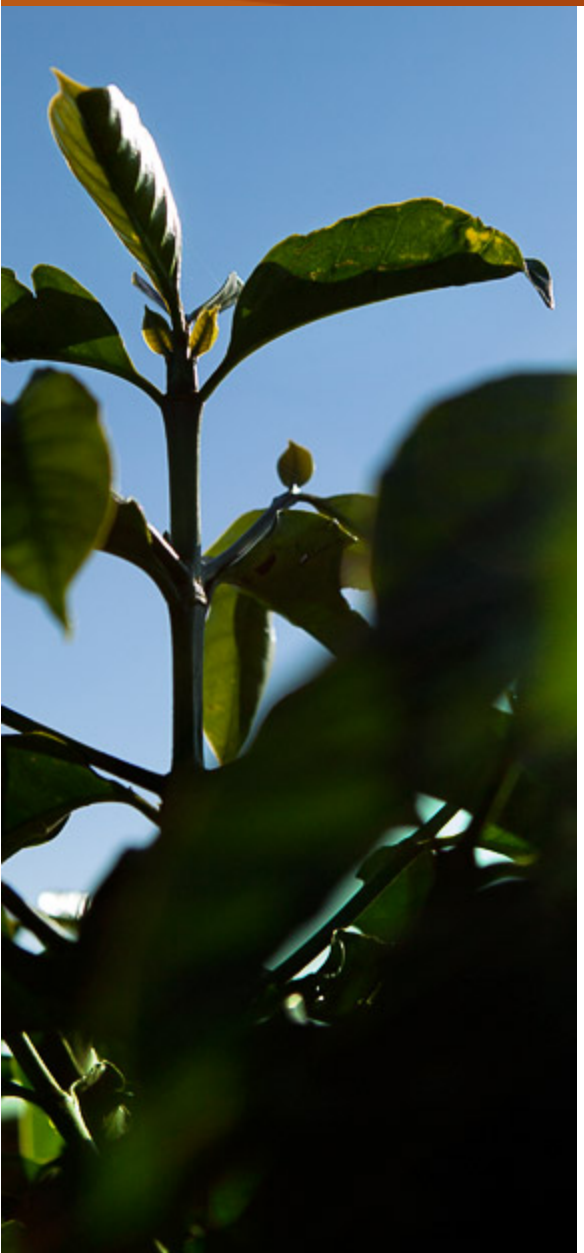


Without 2205 **With 2205**

One extra row of kernels equals 8 extra bushels, or $44 per acre

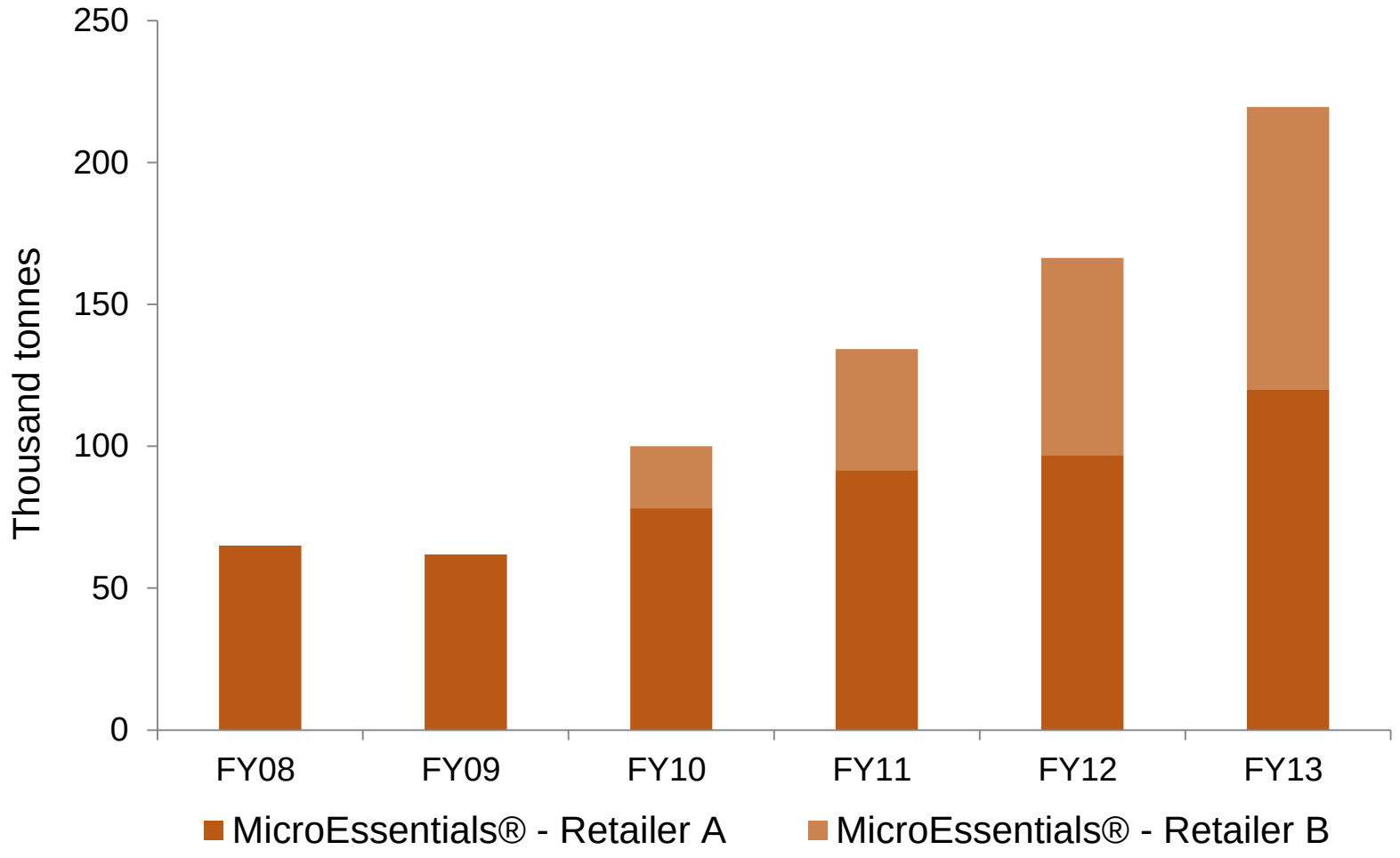
Assumes $5.50/bu corn price

2205: Benefits for the Retailer



- Creates value through higher yields
- Mosaic relationship support
- Convenient storage, blending and application
- Differentiation builds lasting relationships

Customers – Selective Distribution Strategy



Real growth—in both volume and value

Promoting Our Innovation



PURSUIT of 300 SM

The Road to Higher Yields

Mosaic | CropNutrition



Mosaic


Mosaic®



Mosaic Analyst Day 2013

Financial Outlook

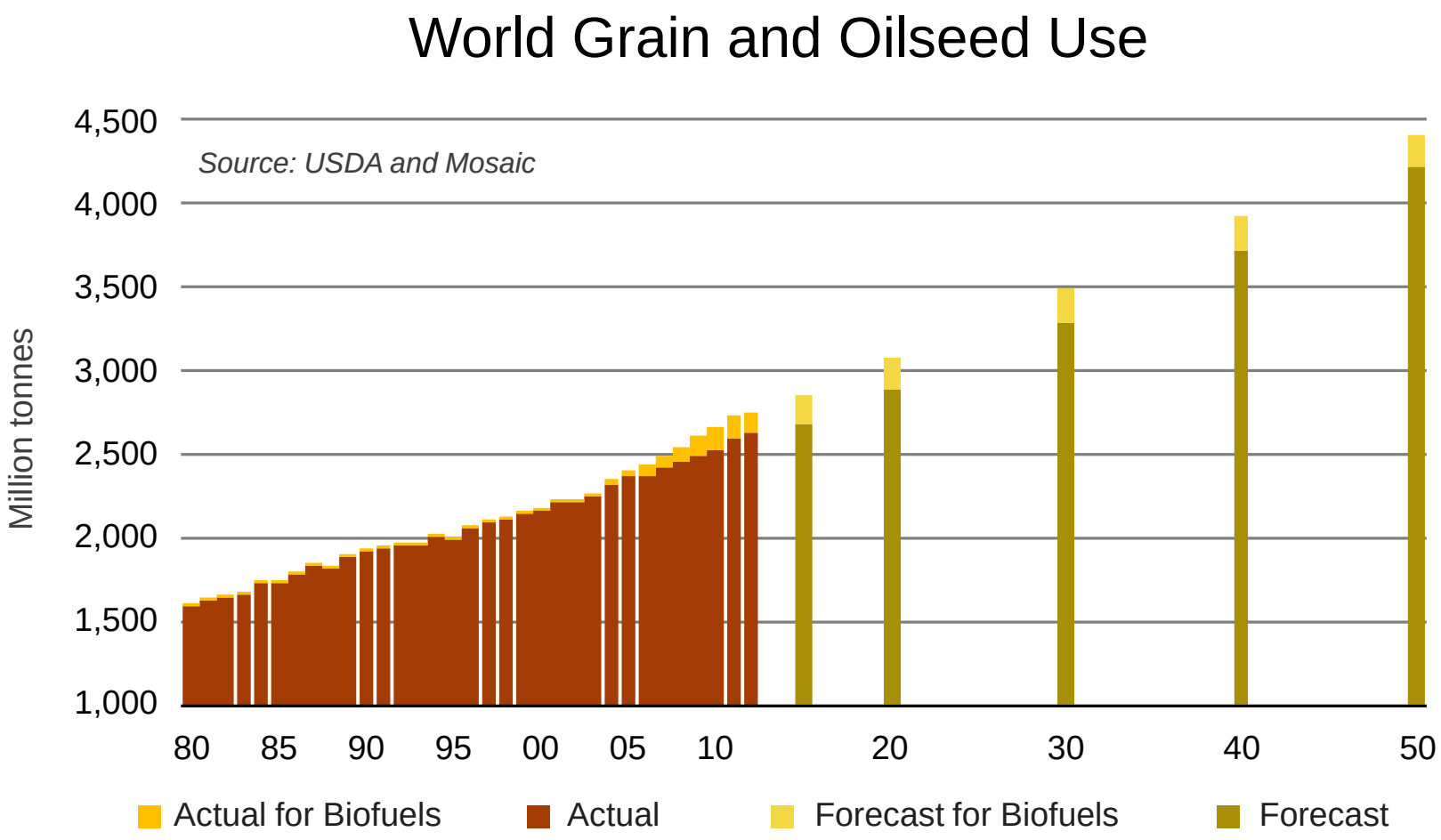
Mosaic

Our Strategic Priorities





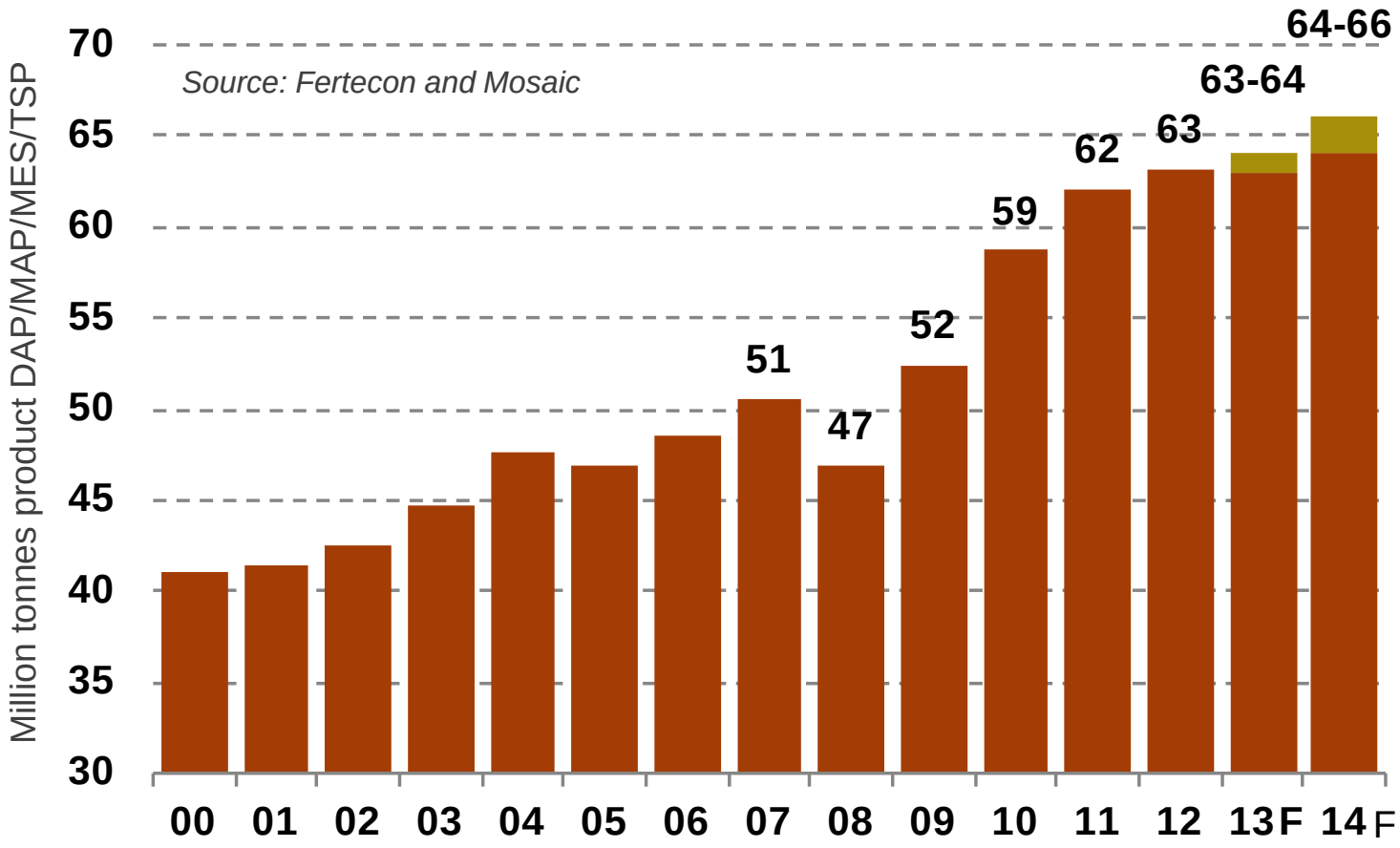
Growing Global Demand



World grain and oilseed use is projected to increase 67% by 2050

Phosphates Near Term Outlook

Global Phosphate Shipments



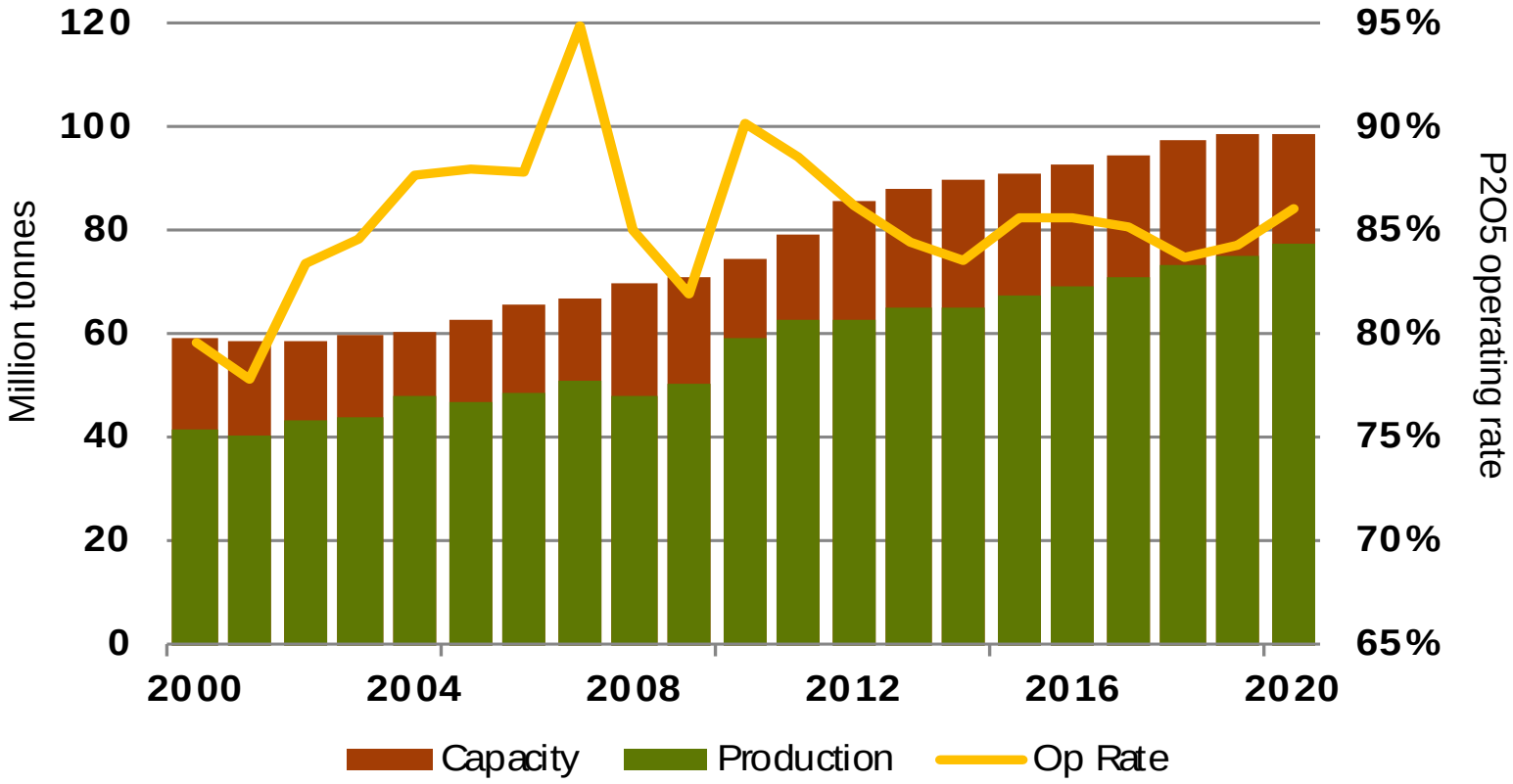
Narrowed 2013 range. Expect continued growth in 2014.

Mosaic

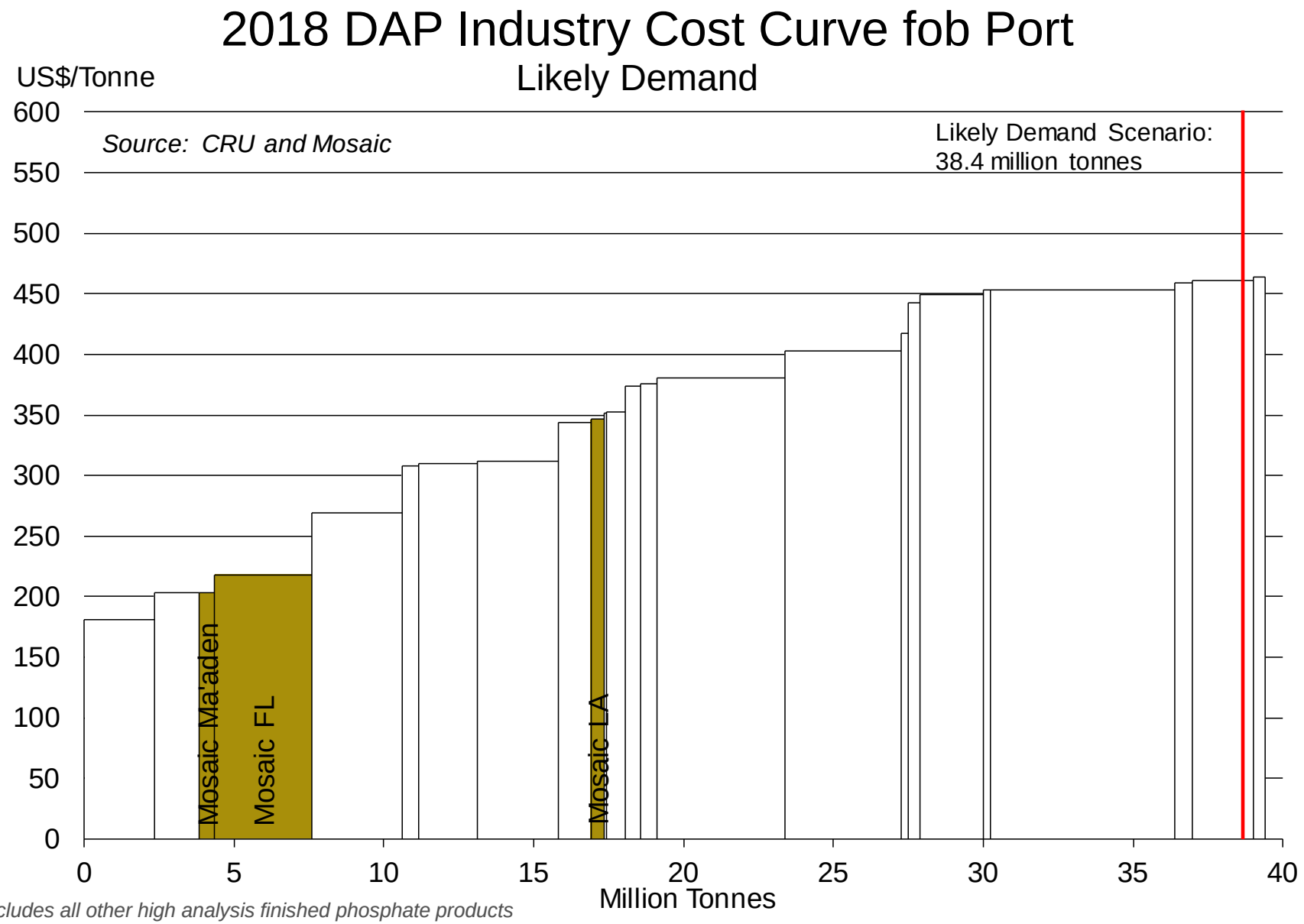
Phosphates Medium Term Supply and Demand



Phosphate Production, Capacity and Operating Rate



2018 Phosphates Cost Curve

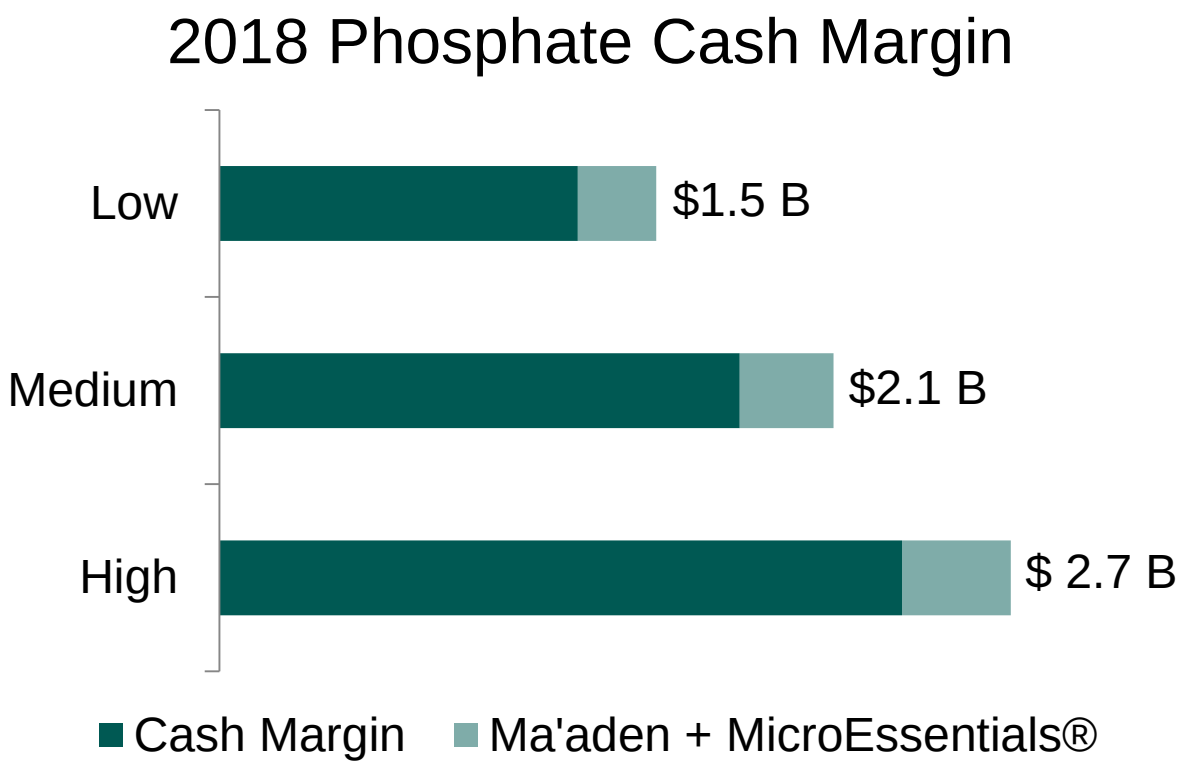


*Excludes all other high analysis finished phosphate products

Phosphates Manufacturing Scenarios

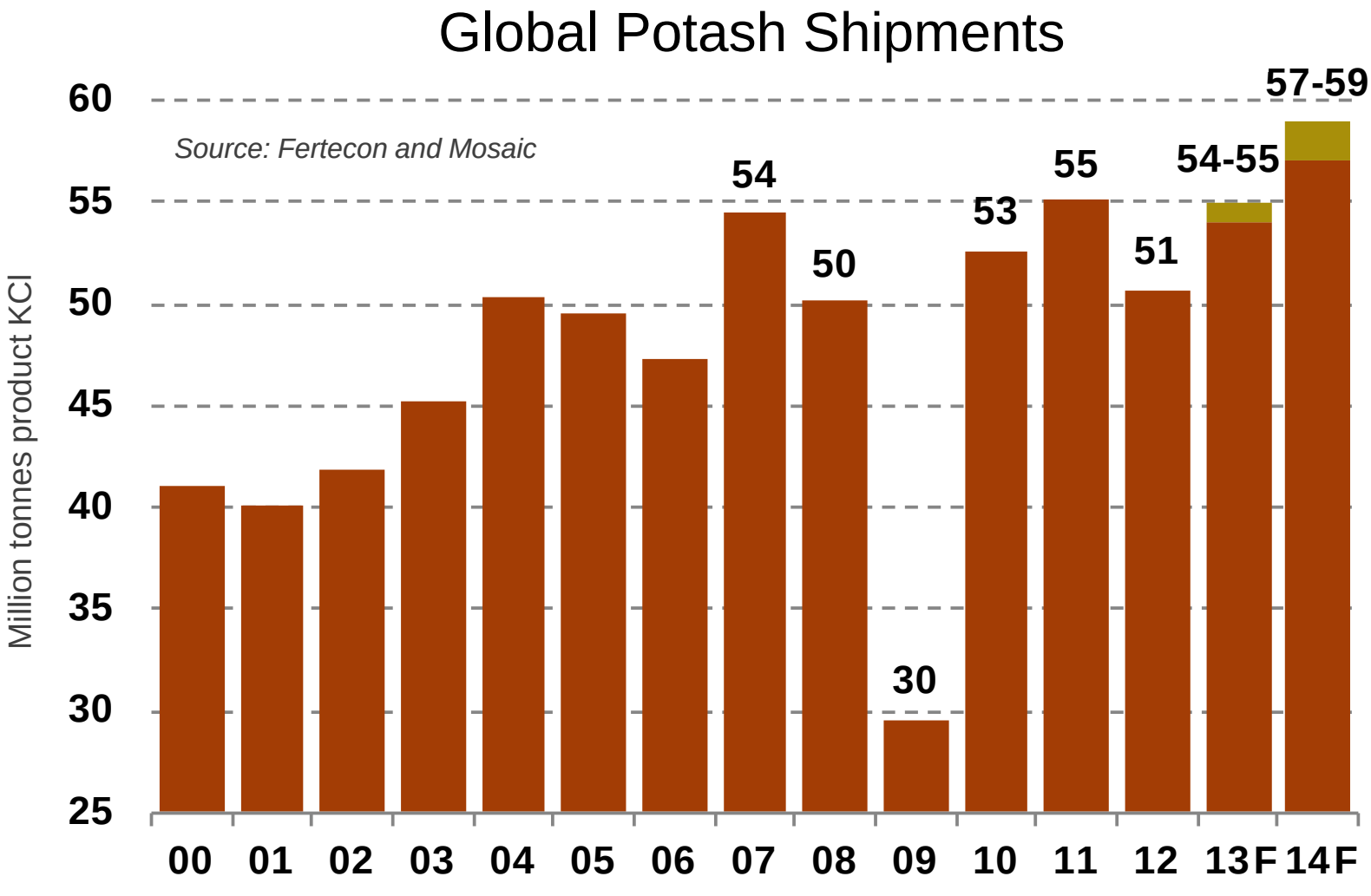
Assumptions

1. **All Scenarios**
    1. Mosaic weighted average DAP cash costs = $225/tonne
    2. Mosaic own DAP/MAP/MES volumes = 7.9 million tonnes/year
    3. Ma'aden JV offtake = 750k tonnes/year
    4. MicroEssentials® volumes = 40-50% of total
2. **Low (marginal cost)**
    1. DAP Market price = $380/tonne fob Plant
3. **Medium**
    1. DAP Market price = $450/tonne fob Plant
4. **High**
    1. DAP Market price = $520/tonne fob Plant



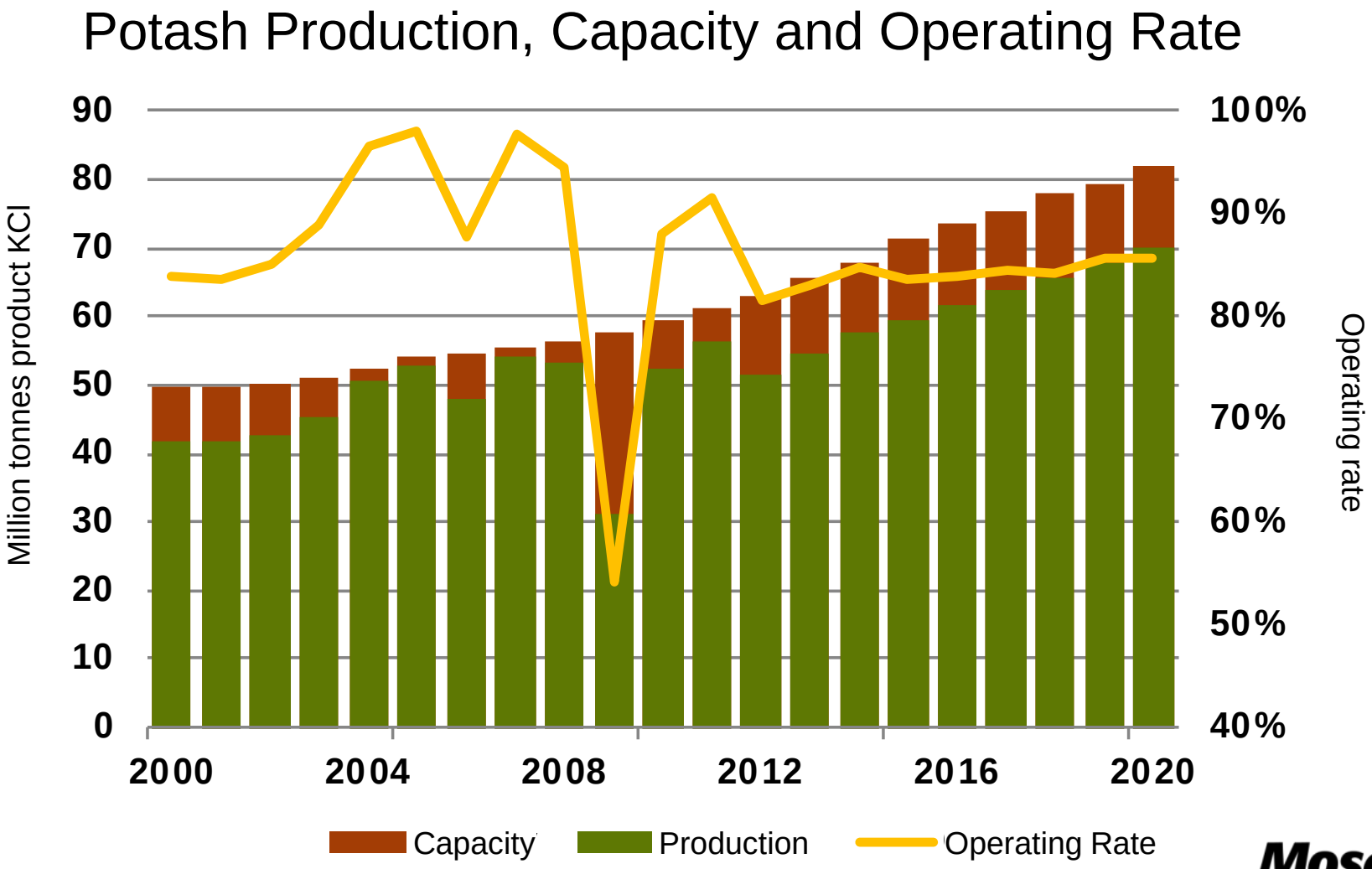
1. Assumes ammonia plant benefit
2. Difference between gross margin and cash margin includes deductions for depreciation, depletion and amortization, Ma'aden which would be treated as equity investment under US GAAP and not included in operating earnings, and other non cash charges.

Potash Near Term Outlook

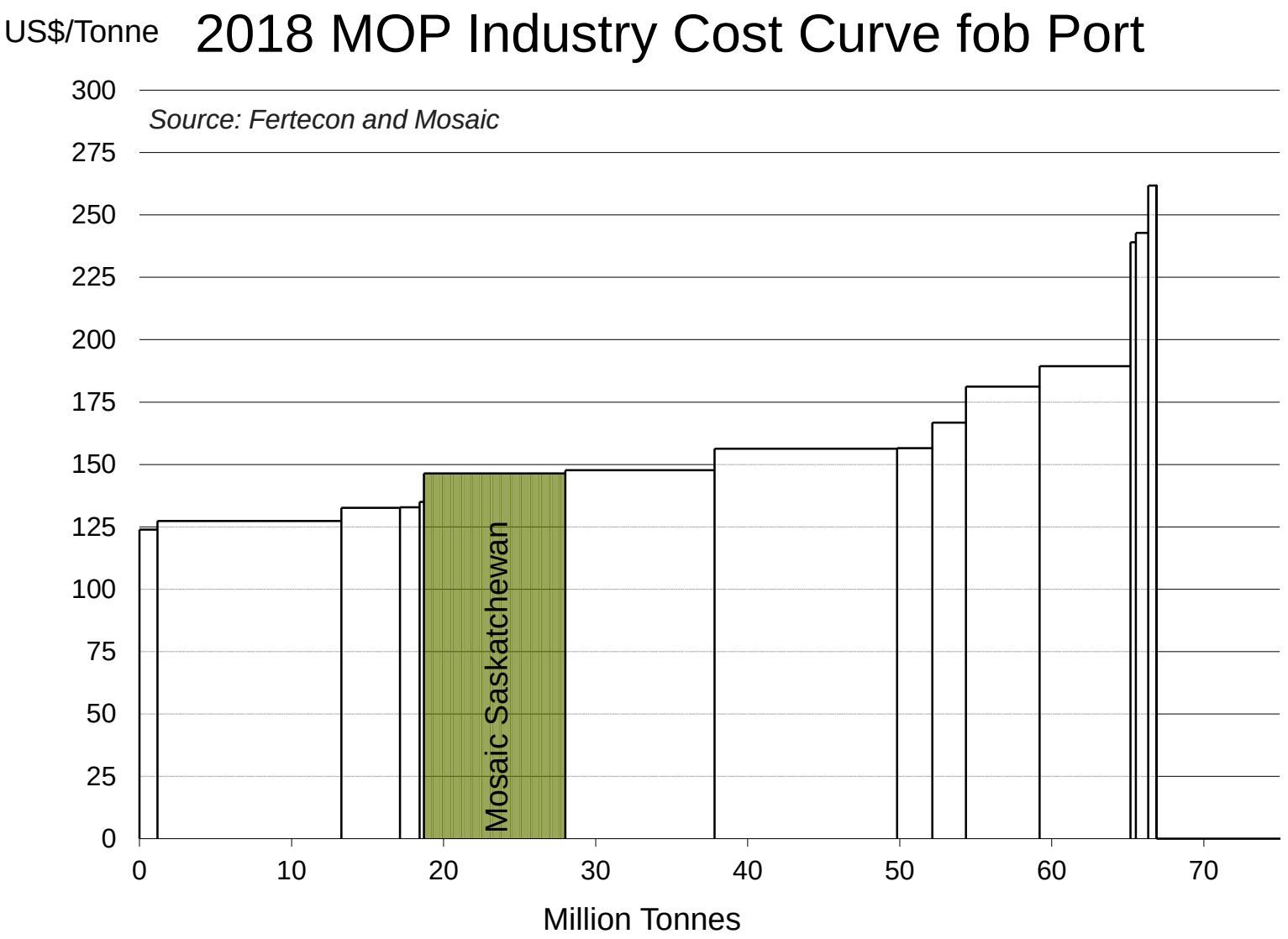


Lowered and narrowed 2013 range. Modest growth in 2014.

Potash Medium Term Supply and Demand



2018 Potash Cost Curve Position

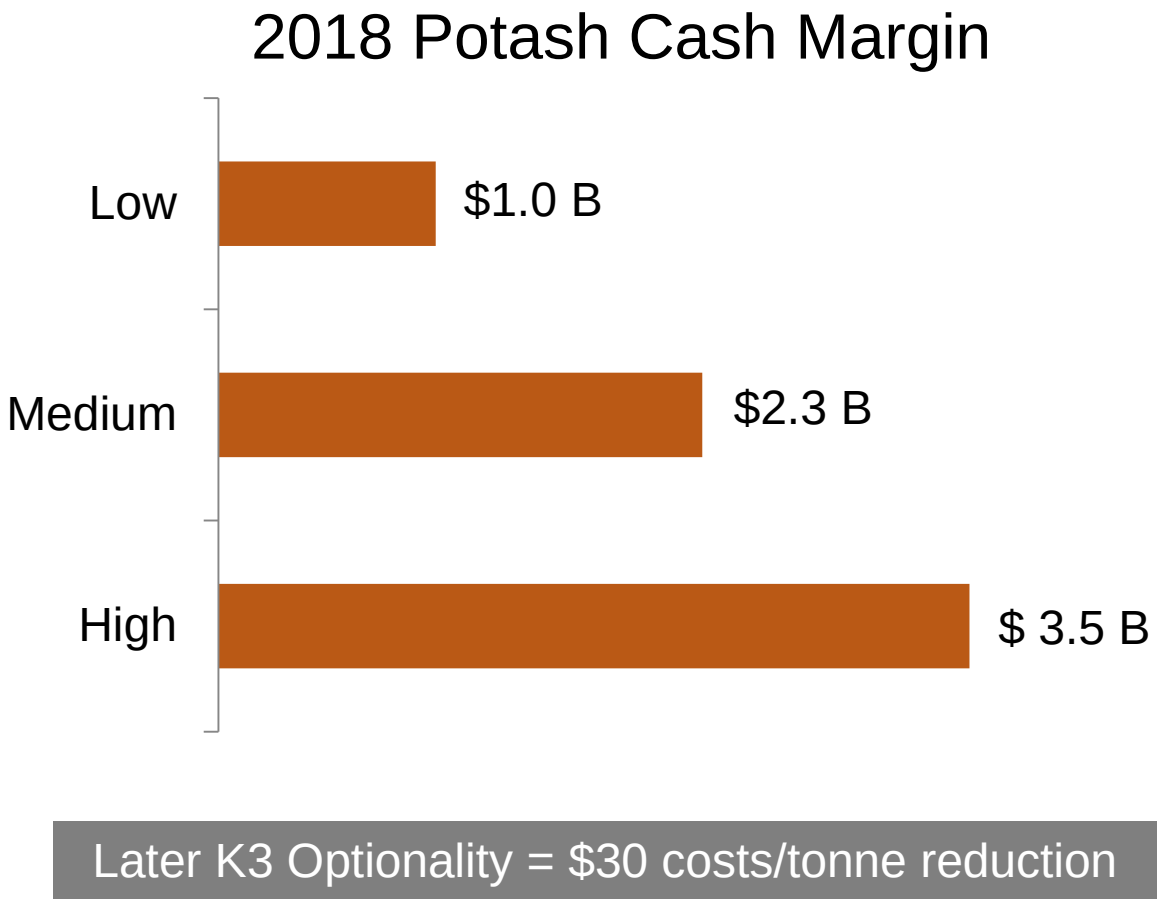


Potash Cash Margin Scenarios

Assumptions

1. **All Scenarios**
   1. Mosaic costs = $102/tonne*
   2. Later K3 Optionality not included
2. **Low**
   1. Market price = $199/tonne fob mine
   2. Mosaic MOP volumes = 9.3 million tonne/year
3. **Medium**
   1. Market price = $334/tonne fob Mine
   2. Mosaic MOP volumes = 9.0 million tonne/year
4. **High**
   1. Market price = $437/tonne fob mine
   2. Mosaic MOP volumes = 9.8 million tonne/year

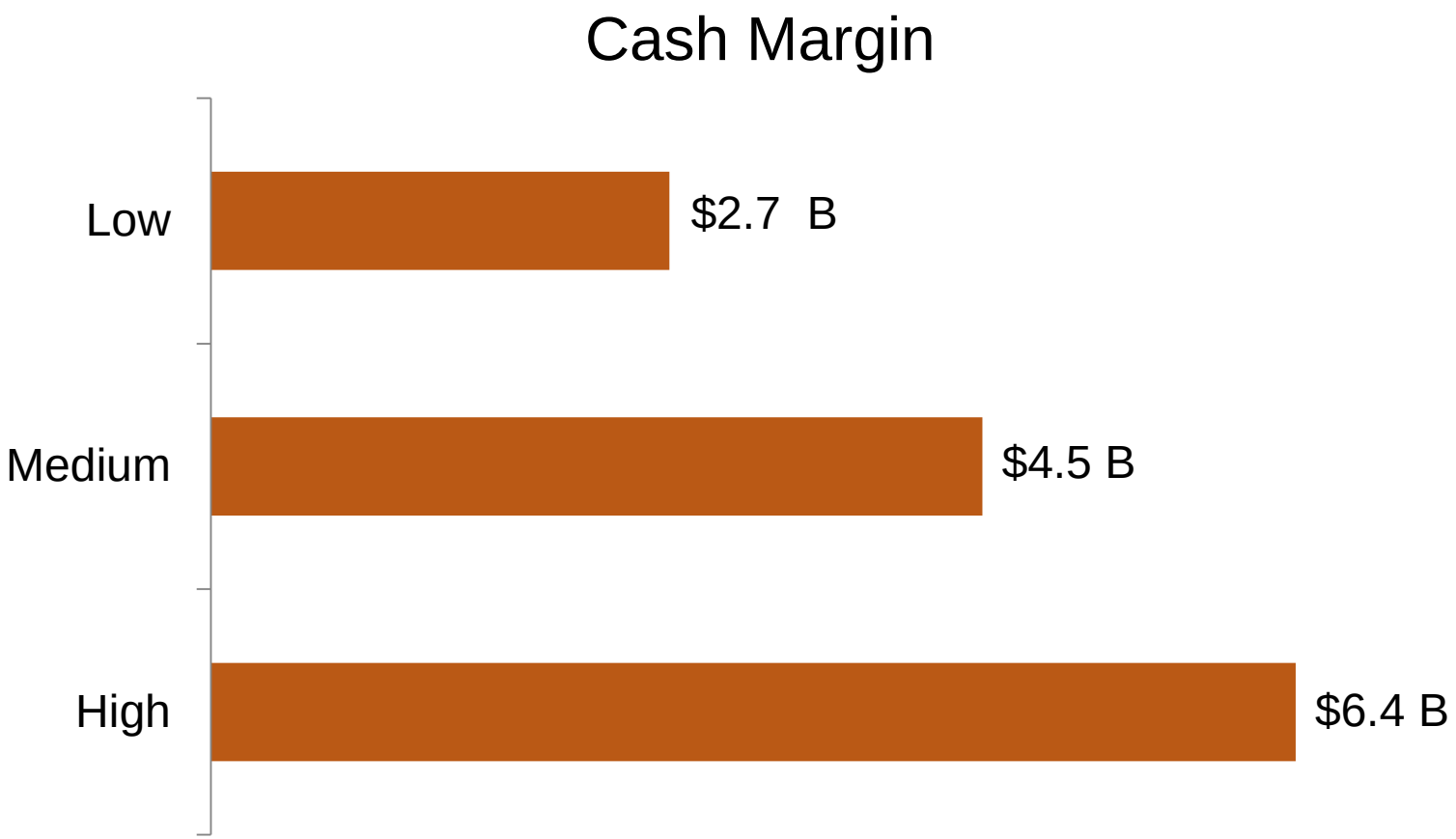
***** Assumes constant costs/tonne. Higher volumes will improve per tonne productivity



Difference between gross margin and cash margin includes deductions for depreciation, depletion and amortization, Canadian Resource Taxes and other non cash charges.

Consolidated View – Cash Margin



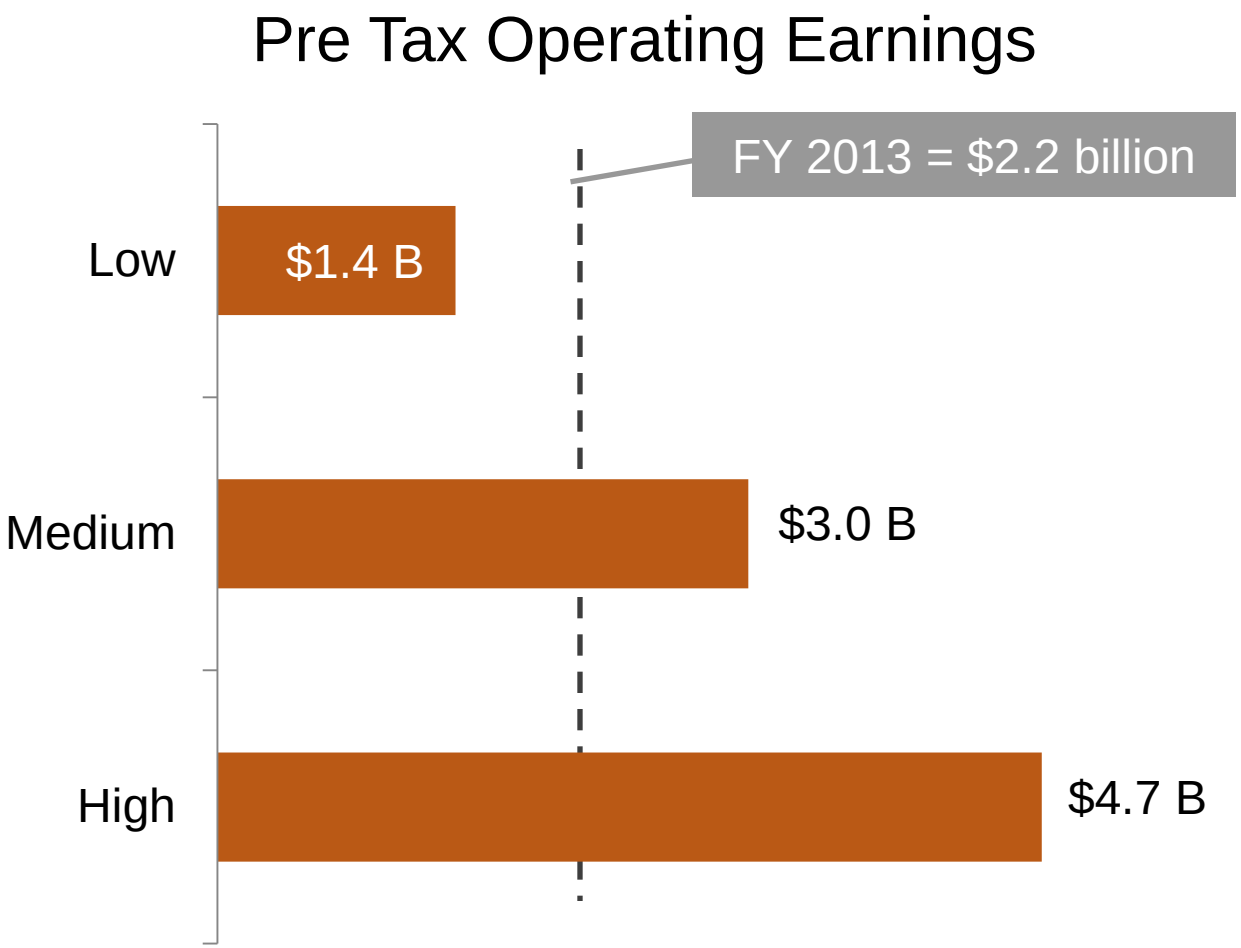


Difference between gross margin and cash margin includes deductions for depreciation, depletion and amortization, Canadian Resource Taxes, Ma'aden which would be treated as equity investment under US GAAP and not included in operating earnings, and other non cash charges.

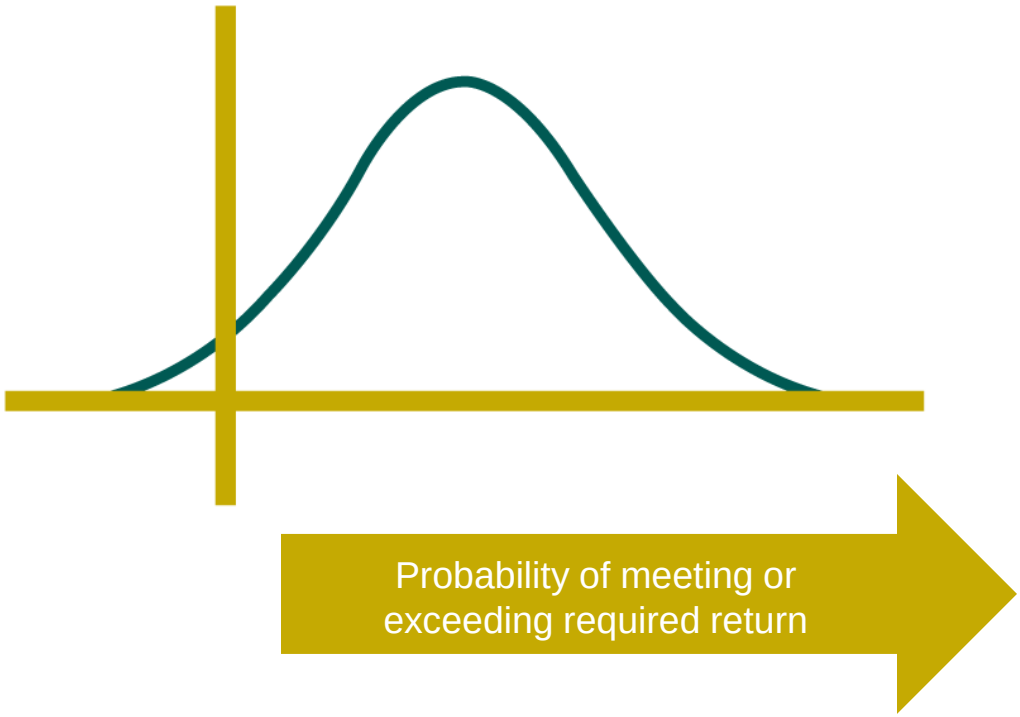
Consolidated View – Operating Income

Assumptions

1. **SG&A expenses = $380 million**
2. **Resource Taxes = 15% of gross margin before CRT**
3. **DD&A = $850 million**



Investments/Capital Allocation



Hurdle Rates

WACC	**9.3%**
Country/External Risk	**0% - 4.8%**
Project Risk	**1.0% - 9.7%**
Required Return	**10.3% - 23.8%**

Rigorous process to evaluate and prioritize investments

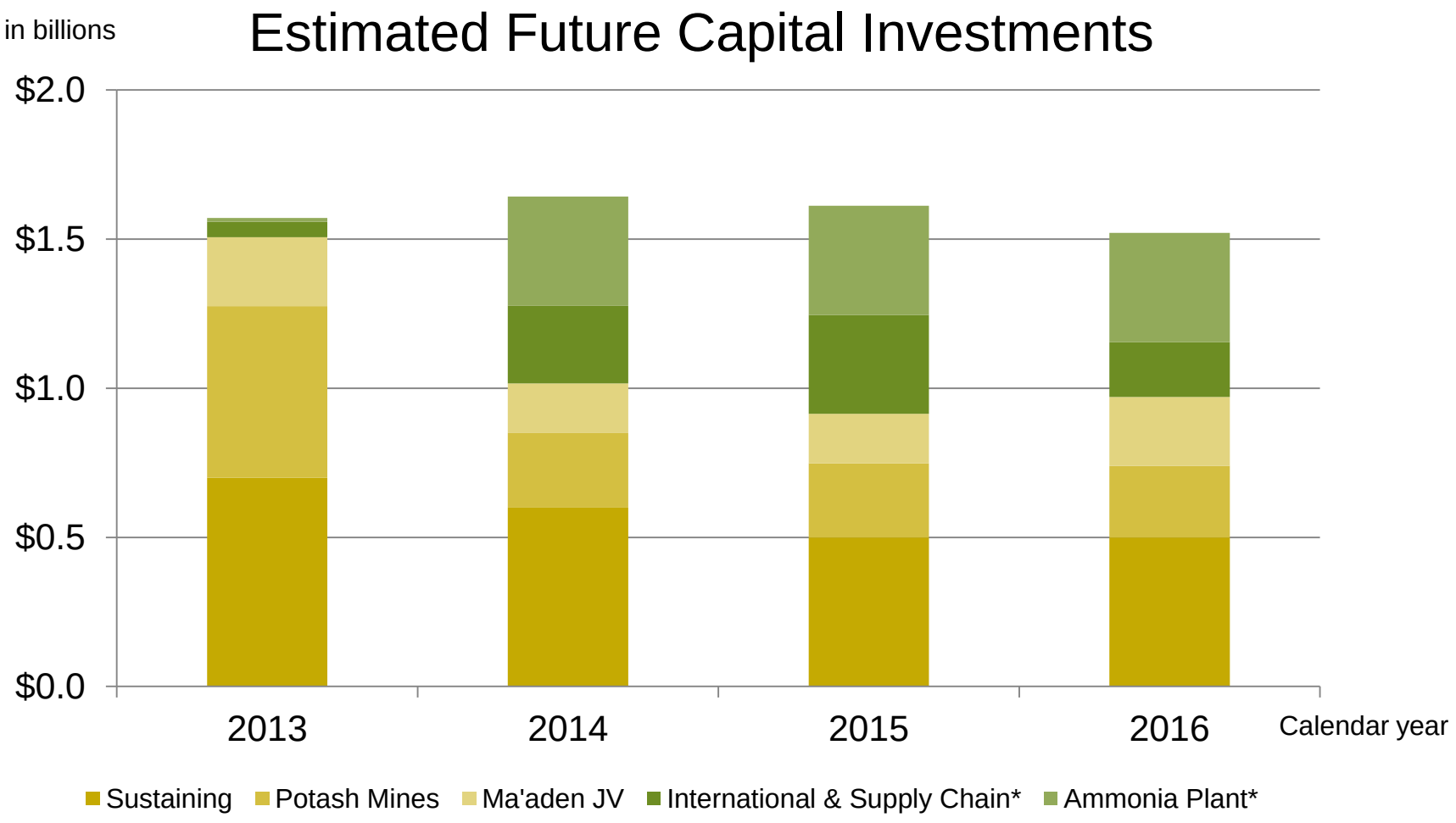
Investment Proofs

Plant	Planned Expansion Tonnes	Estimated Capital Costs/Tonne	Estimated ROI
Esterhazy K2	800,000	$807	19.9%
Belle Plaine	570,000	$932	16.2%
Colonsay	500,000	$1,448	14.4%

Economic Assumptions

1. $335 per metric tonne netback
2. 75% operating rate

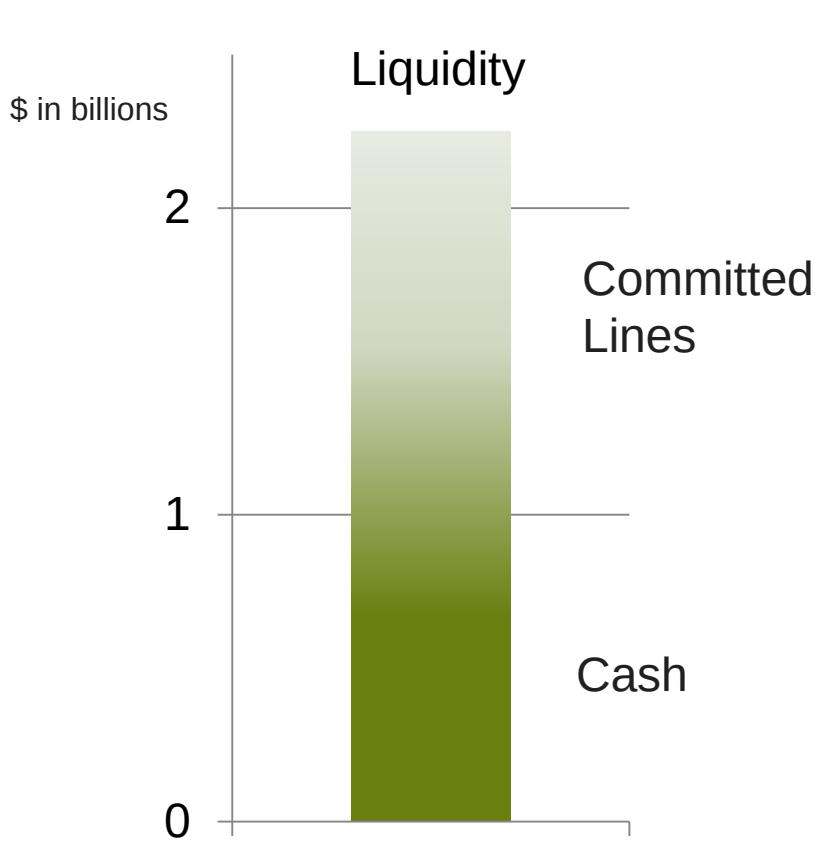
Estimated Future Capital Investments: Sustaining and Growth

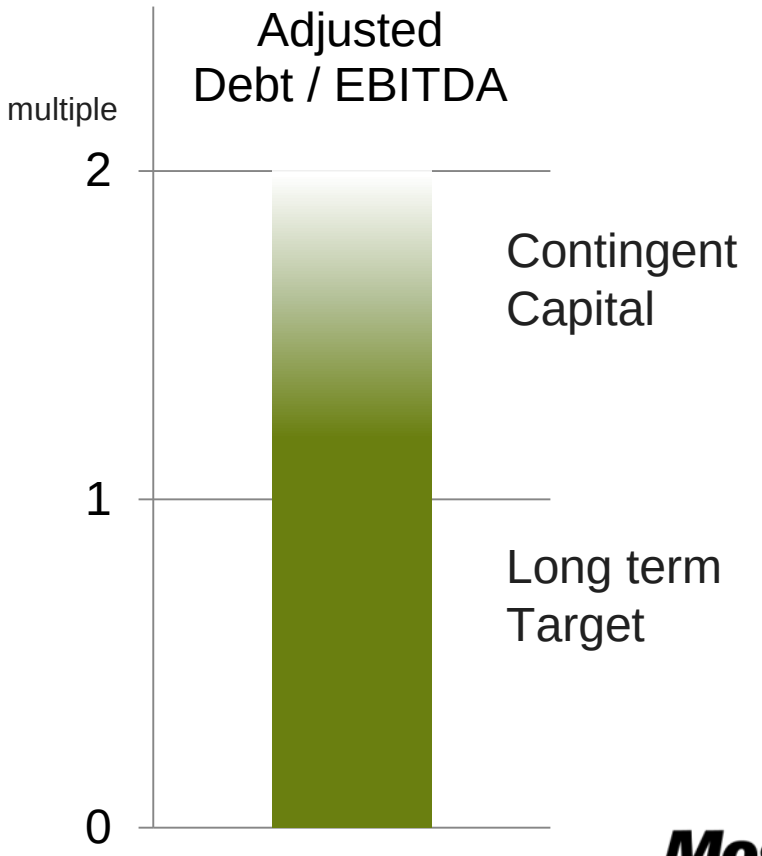


* Not fully approved investments

Unchanged Balance Sheet Targets

Our primary objective is to maintain a solid investment grade rating and financial flexibility





Current Balance Sheet Strength



Surplus Cash

Debt Capacity

Redeployment

Cash Use Priorities



Returns to Shareholders

Near-Term

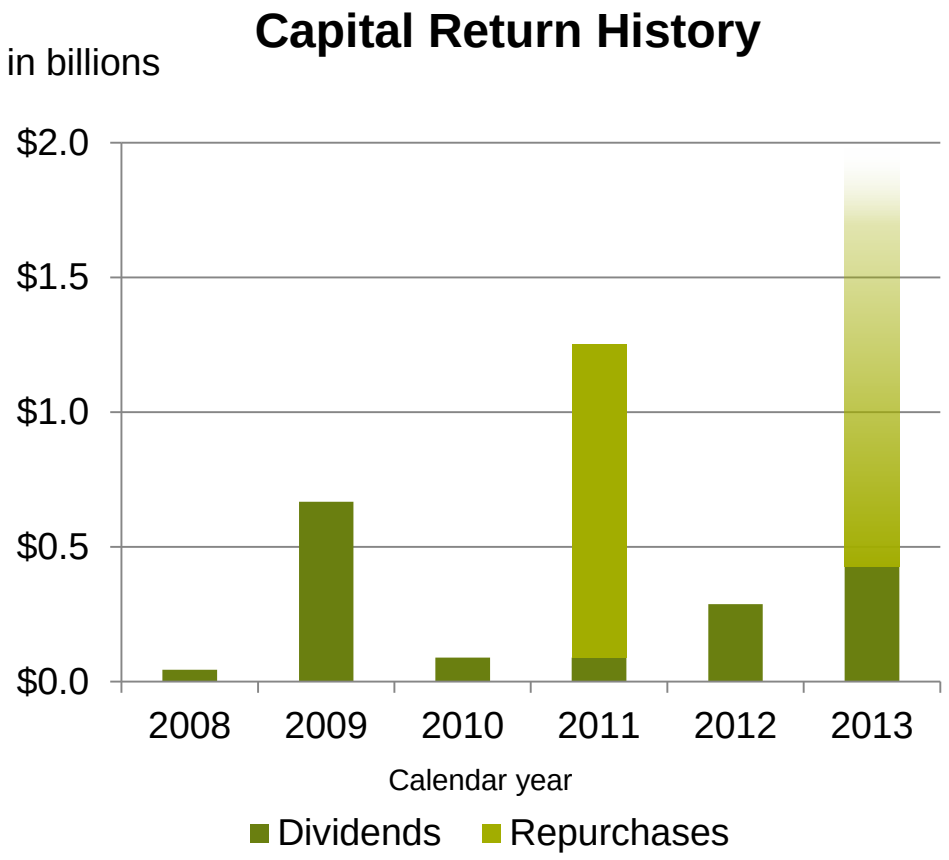
- Favor share repurchases
- Able to execute after November 26, 2013

Post A-Share Resolution

- Favor share repurchases over special dividends
- Mix of opportunistic buy-back and time-period averaging

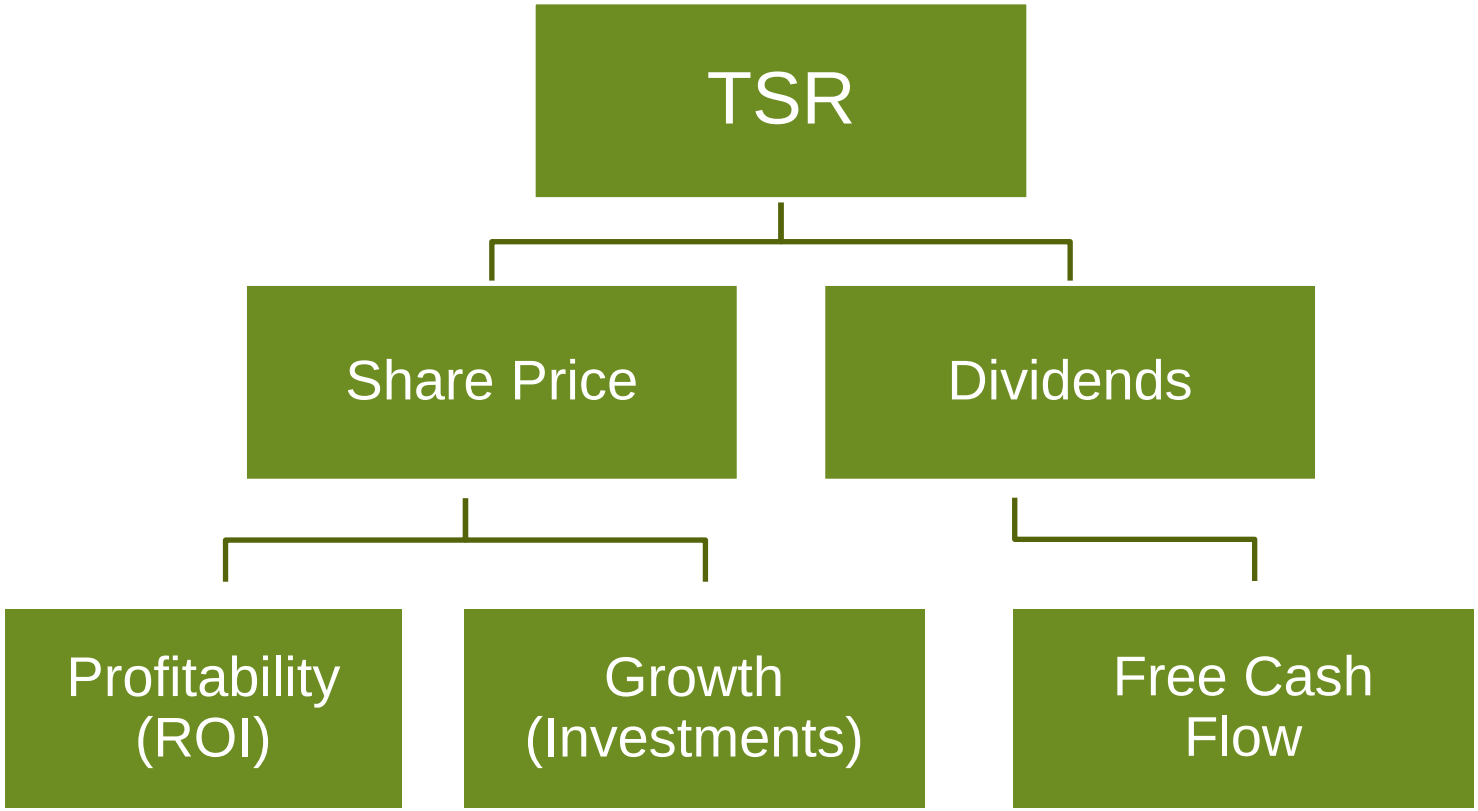
Dividend Growth Expectations

- Per share growth correlated to business growth



Disciplined approach to return meaningful capital via share repurchases

Implications for Total Shareholder Return



Helping the World Grow the Food it Needs

