Analyst Day

April 12, 2017

Safe Harbor Statement

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.

Mosaic®

Joc O’Rourke

President and
Chief Executive Officer

Mosaic Management Team



Joc O'Rourke is President and Chief Executive Officer of The Mosaic Company. Elected to the Mosaic Board of Directors in May 2015, O'Rourke succeeded Jim Prokopanko as the Company's President and CEO effective August 5, 2015. O'Rourke joined Mosaic as Executive Vice President – Operations in January 2009. He was promoted to Executive Vice President – Operations and Chief Operating Officer in August 2012.



Rick McLellan is Senior Vice President, Brazil for The Mosaic Company. Previously he held several roles for the company, including Senior Vice President – Commercial, 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, Inc.'s Canadian and U.S. operations, including grain, retail and wholesale fertilizer distribution.



Corrine Ricard was named Senior Vice President – Commercial in 2017. Prior to that she led the Human Resources and Global Information Technology functions. Previously, Ricard held leadership positions at Mosaic including Vice President of International Sales and Distribution, Vice President of Business Development and Vice President of Supply Chain and Risk Management. Ricard has more than 30 years of agriculture experience.



Walt Precourt was named Senior Vice President – Phosphates in June 2016. Precourt joined Mosaic in 2009, leading the Environment, Health and Safety organization before his promotion to Senior Vice President – Potash Operations in 2012. Prior to joining Mosaic, Precourt joined cement and mineral component producer Holcim (U.S.) to lead its safety transformation, later becoming Holcim's Vice President of Environment and Government Affairs.



Bruce Bodine was named Senior Vice President – Potash in June 2016. In his previous role as Vice President – Supply Chain, Bodine was responsible for the movement of raw materials and finished production, and strategic sourcing activities for Mosaic's North American phosphate and potash segments; additionally, he oversaw fertilizer production in South America and China. Bruce began his career with Mosaic in 1999 in the Phosphates business segment before taking on the role of Vice President – Operations for Mosaic's Esterhazy and Colonsay potash production facilities.



Rich Mack was named Executive Vice President and Chief Financial Officer in June 2014. Prior to that, he served as Mosaic's General Counsel and Corporate Secretary beginning at the company's launch in 2004. He became Executive Vice President in 2009. In the decade prior to Mosaic's formation, he served in various legal capacities at Cargill, Inc., and was a founding executive of Mosaic and Cargill Ventures.

Mosaic®

Unique Combination of High Quality Assets

75% North America Phosphate production[1]

73% Total Americas Phosphate production (post Vale)[1]

39% of North America MOP production

37% Total Americas MOP production (post Vale)

Largest distribution business in Brazil (P&K)

Largest premium fertilizer producer

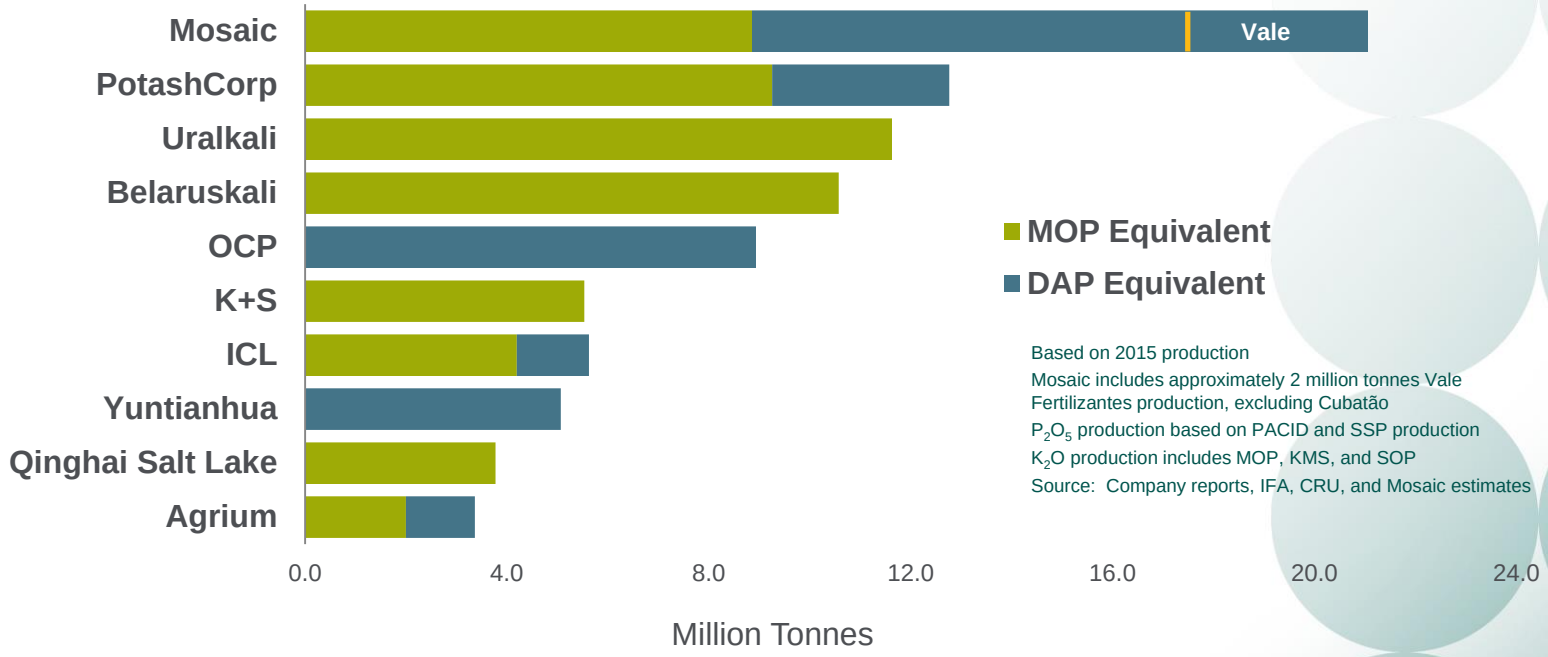
Mosaic®

[1] High Analysis Phosphate Production. Based on 2016 production.

Assumes completion of the previously announced transaction to acquire Vale Fertilizantes; the global phosphate and potash operations conducted through Vale Fertilizantes S.A, which we refer to as the "Vale Fertilizantes Acquisition

Unique Combination of High Quality Assets

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



Based on 2015 production

Mosaic includes approximately 2 million tonnes Vale Fertilizantes production, excluding Cubatão

P_2O_5 production based on PACID and SSP production

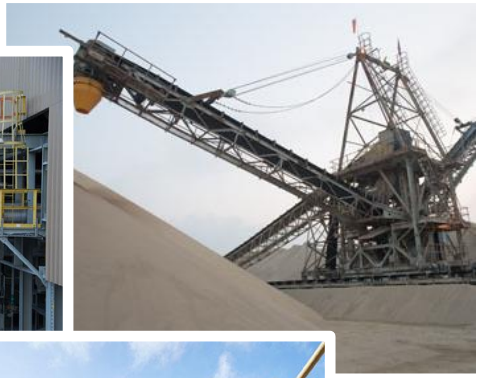
K_2O production includes MOP, KMS, and SOP

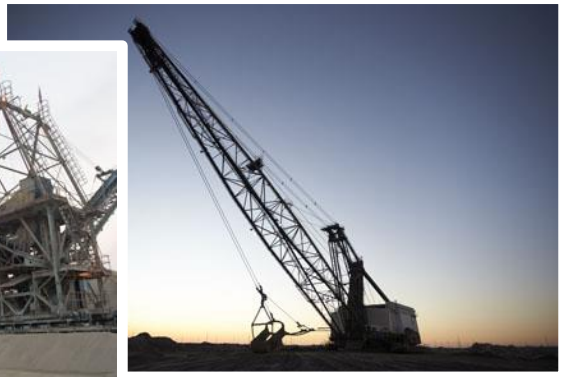
Source: Company reports, IFA, CRU, and Mosaic estimates

Large Scale Phosphates Producer







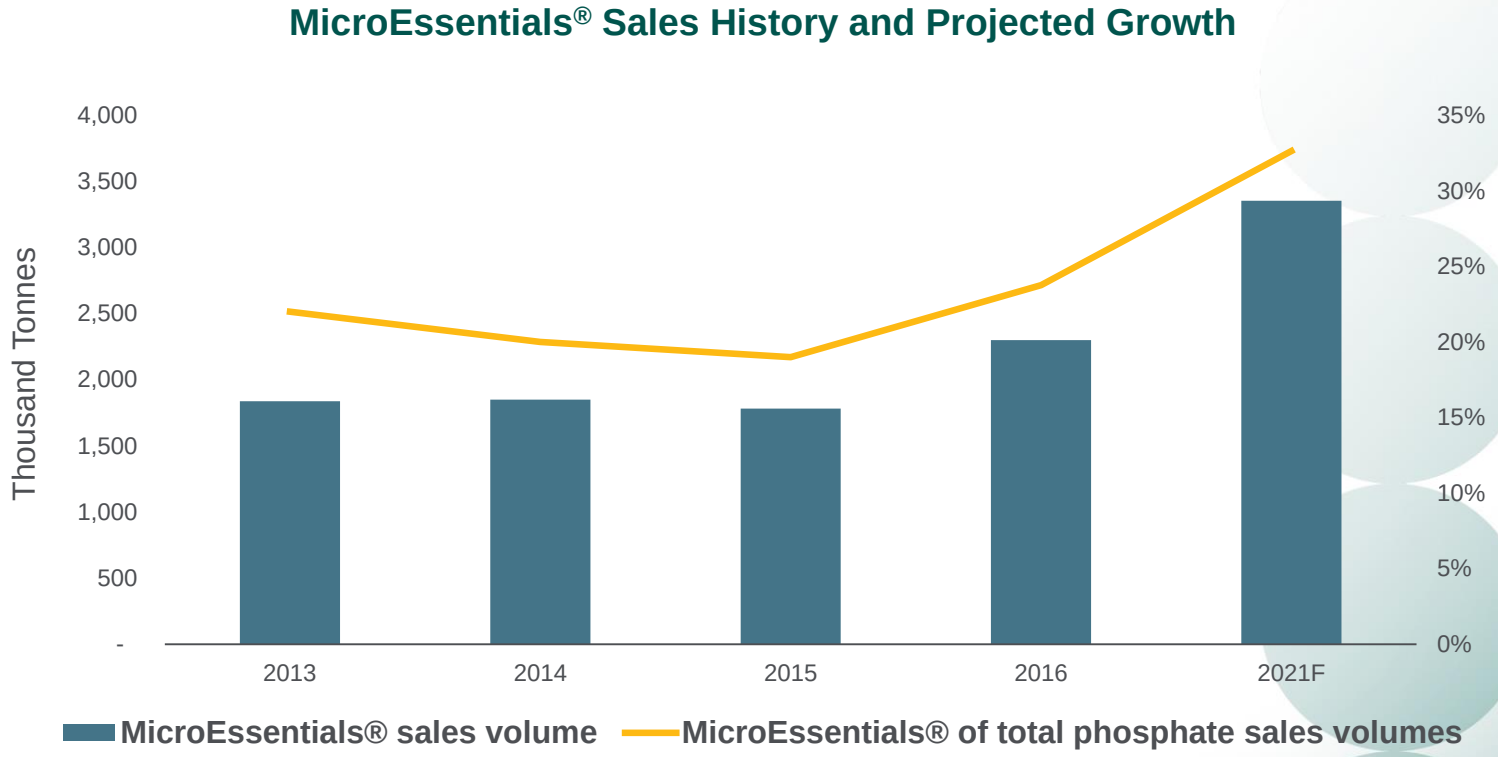








Phosphates Premium Products



High Quality Potash Assets







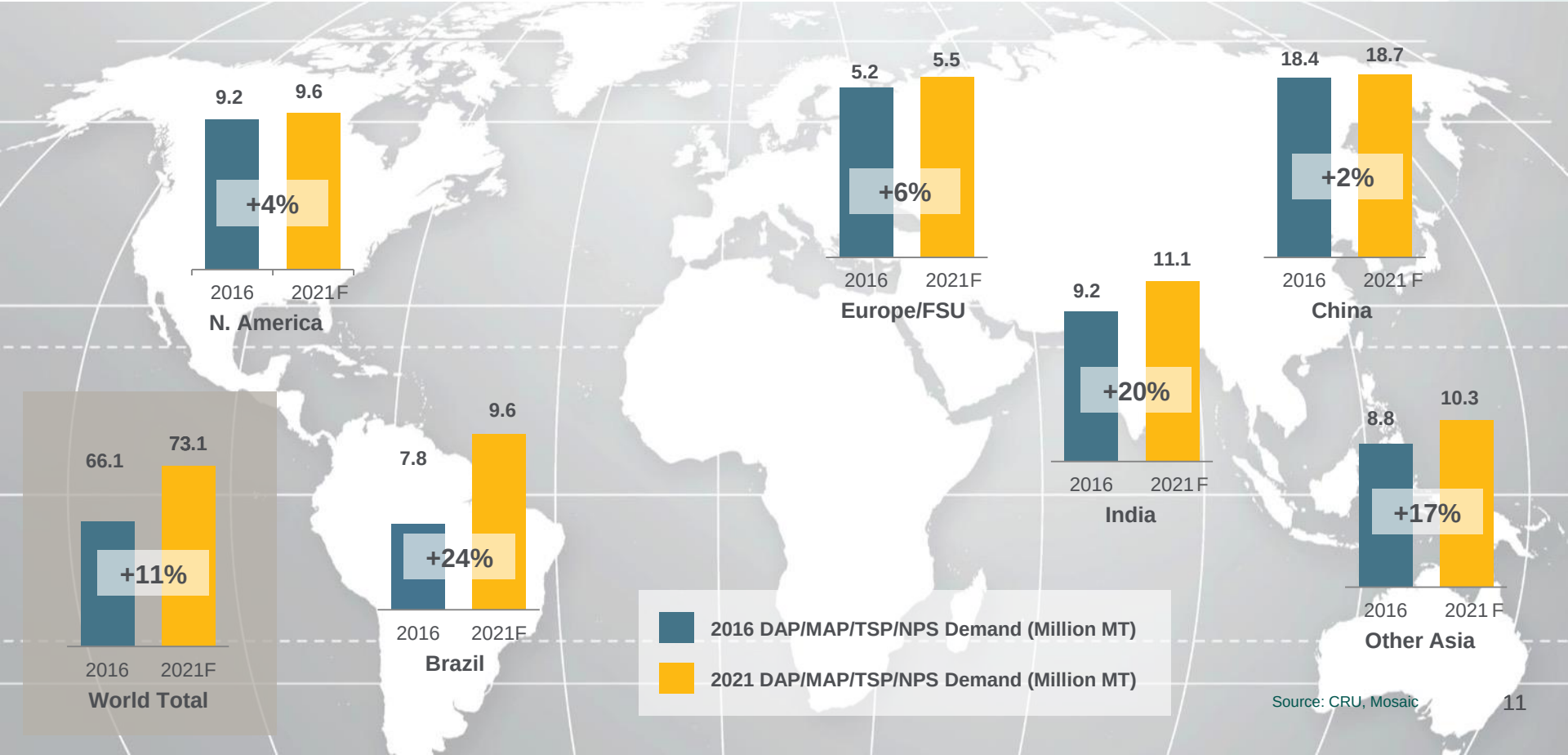






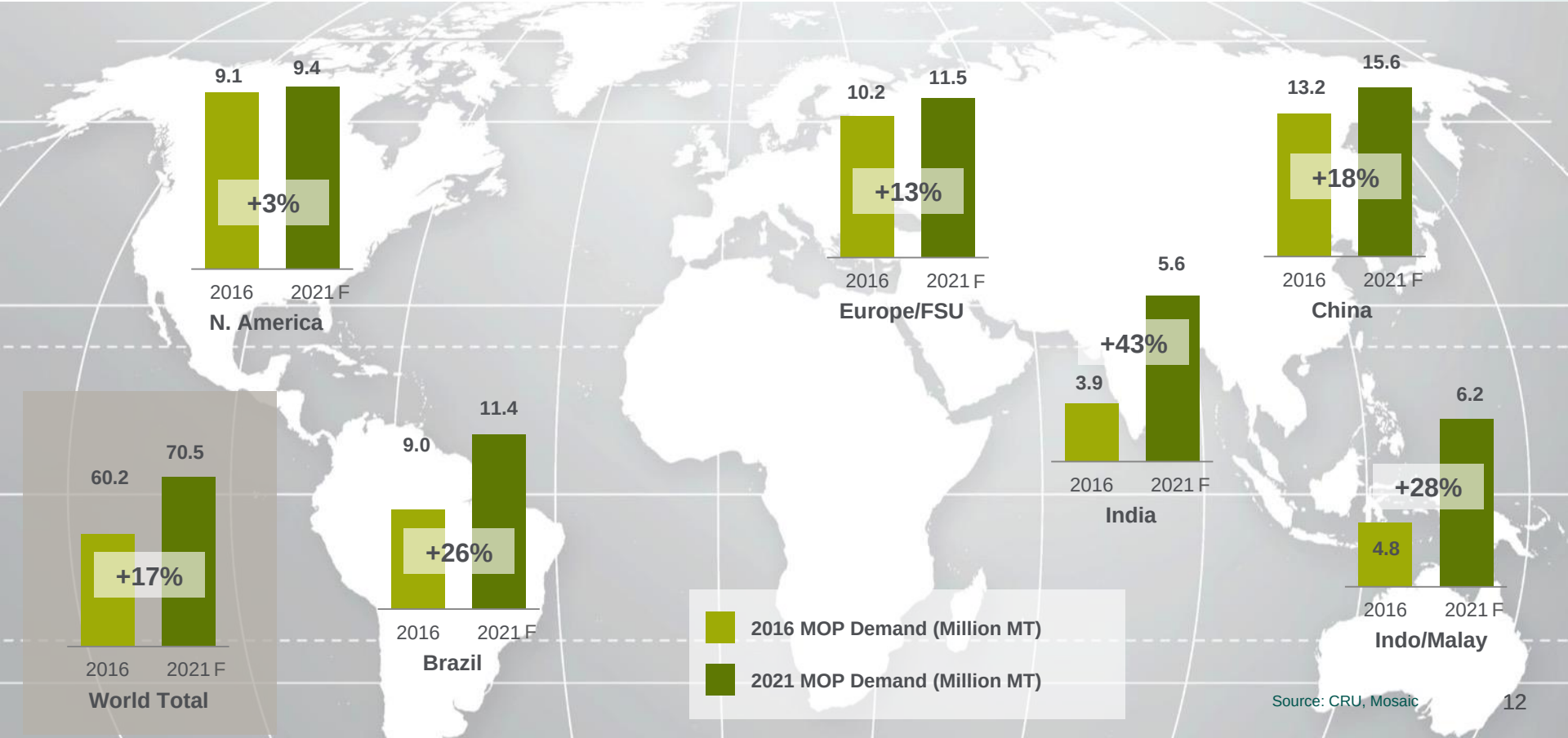

Mosaic
https://youtu.be/UoQ2j5e55Ns
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Phosphate Demand Growth



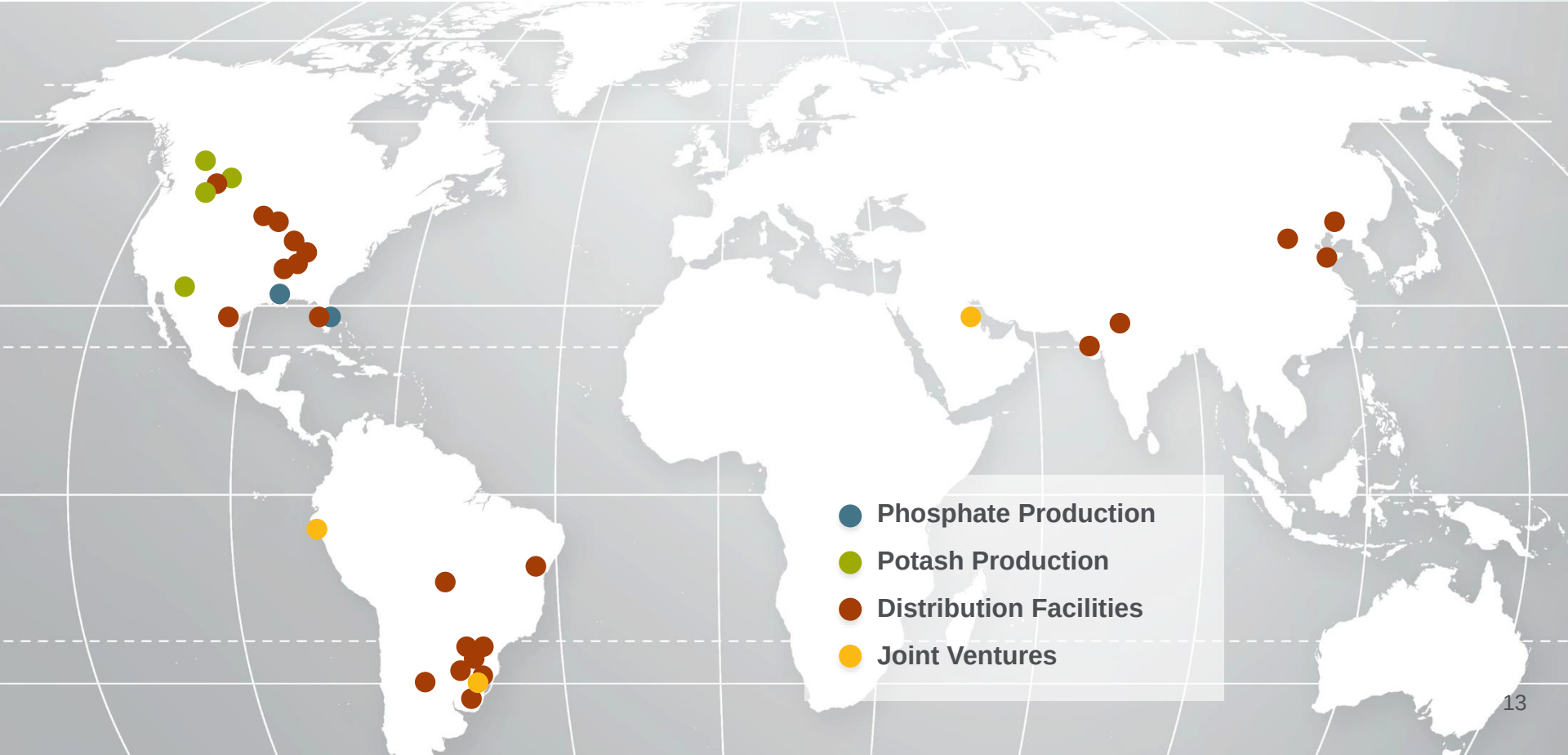
Source: CRU, Mosaic

Potash Demand Growth



Source: CRU, Mosaic

Long Life, Low Cost Asset Portfolio



Strategic Road Map



Visible Momentum; Expect More

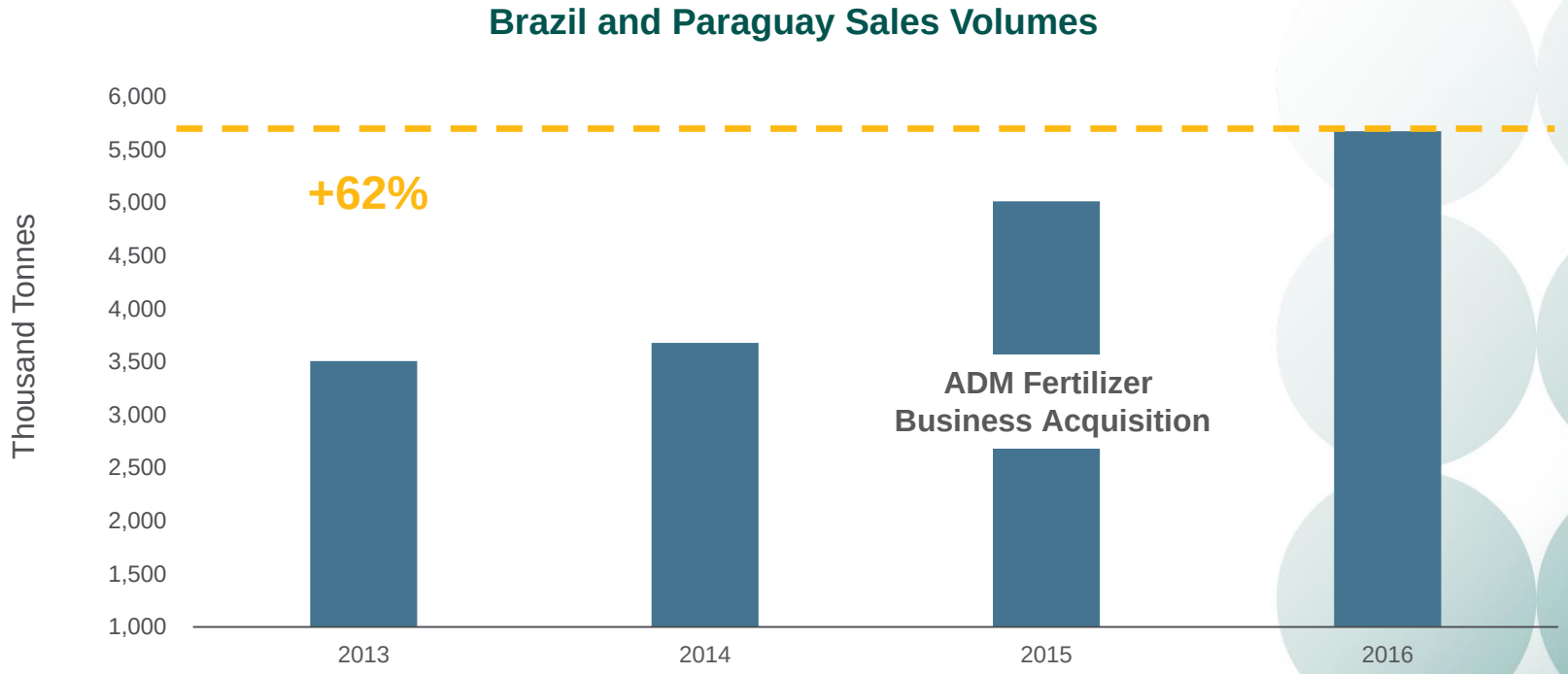
5 Year Strategic Roadmap



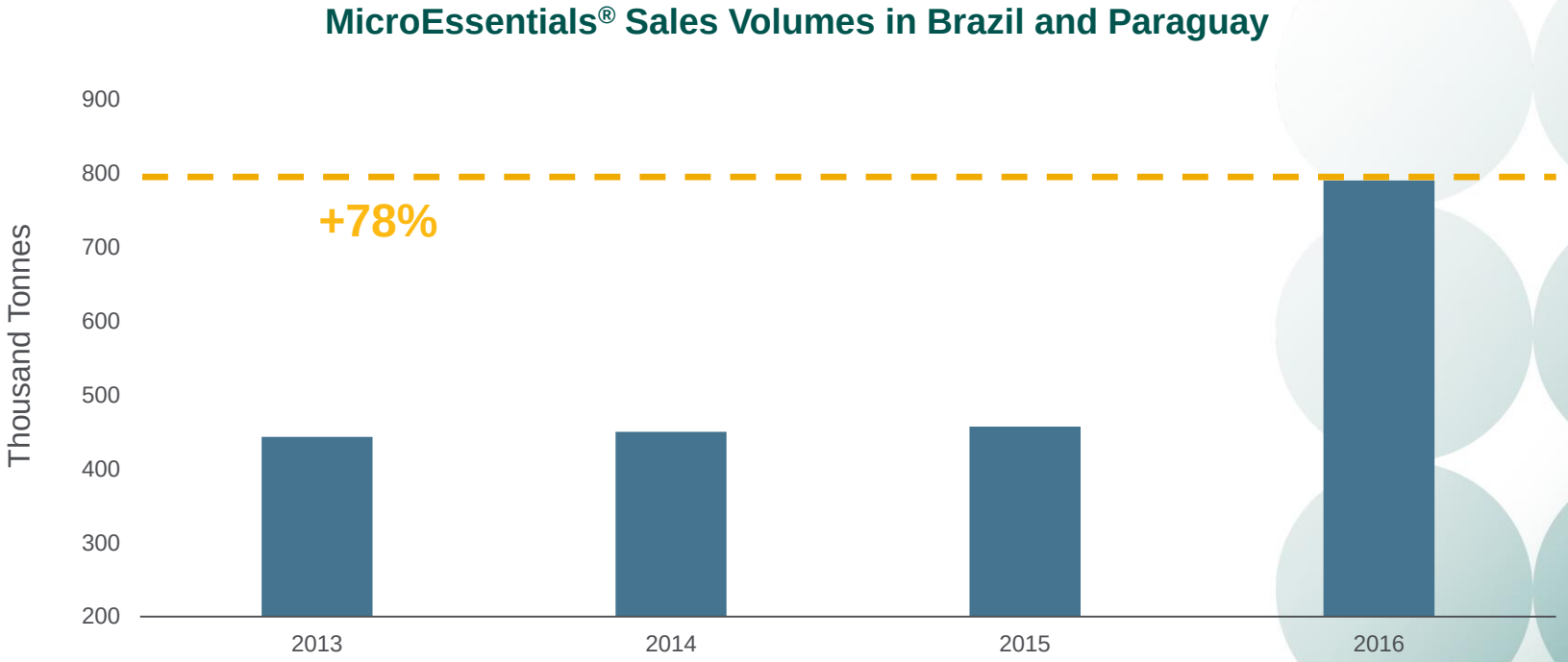
Rick McLellan

Senior Vice President - Brazil

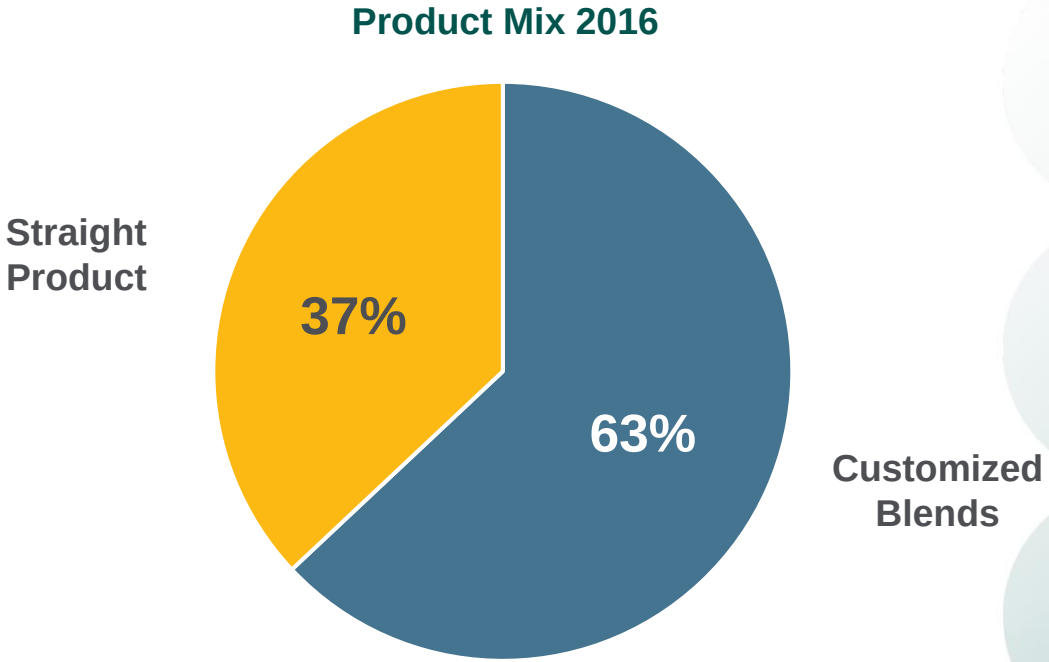
A Record of Success in Brazil



Premium Products Outpacing Overall Business

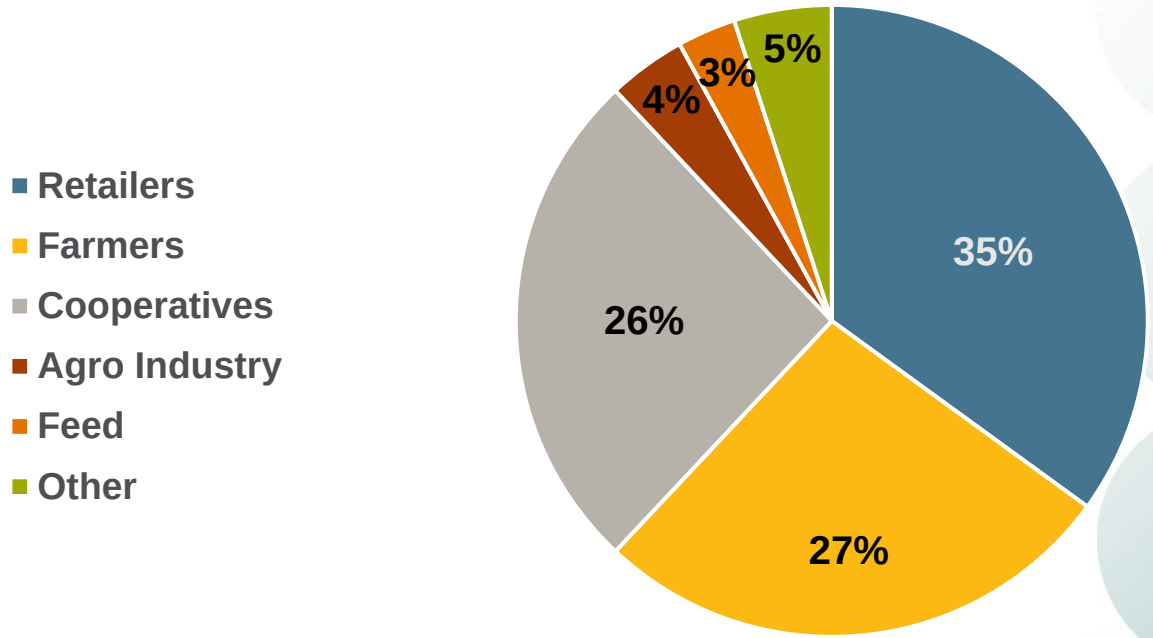


Serving a Wide Range of Customers' Needs



Serving a Variety of Different Customer Types

Breakdown of Sales Volumes: 2016



Transforming Brazil Presence

Starting point

- Warehouse/Blender
- Phosphate Production
- Port
- Phosphate Mine
- Potash Production



Transforming Brazil Presence

Post ADM

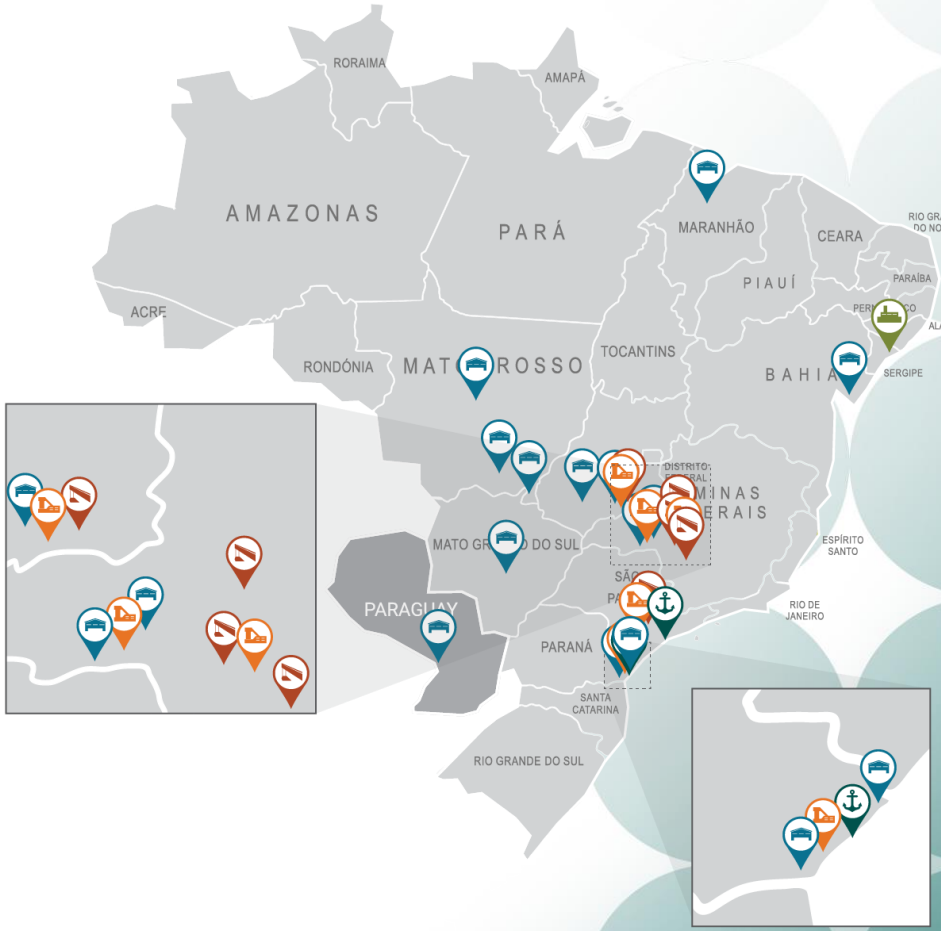
- Warehouse/Blender
- Phosphate Production
- Port
- Phosphate Mine
- Potash Production



Transforming Brazil Presence

Post Vale Fertilizantes Acquisition*

- Warehouse/Blender
- Phosphate Production
- Port
- Phosphate Mine
- Potash Production



*Assumes completion of the previously announced transaction to acquire Vale Fertilizantes

Logistical Advantage to Key Growing Areas

- Exposure to the Cerrado region
- Just-in-time deliveries
- Long-term relationship with customers
- Integrated logistics





Assumes completion of the previously announced transaction to acquire Vale Fertilizantes

Large Scale Production Assets in Brazil





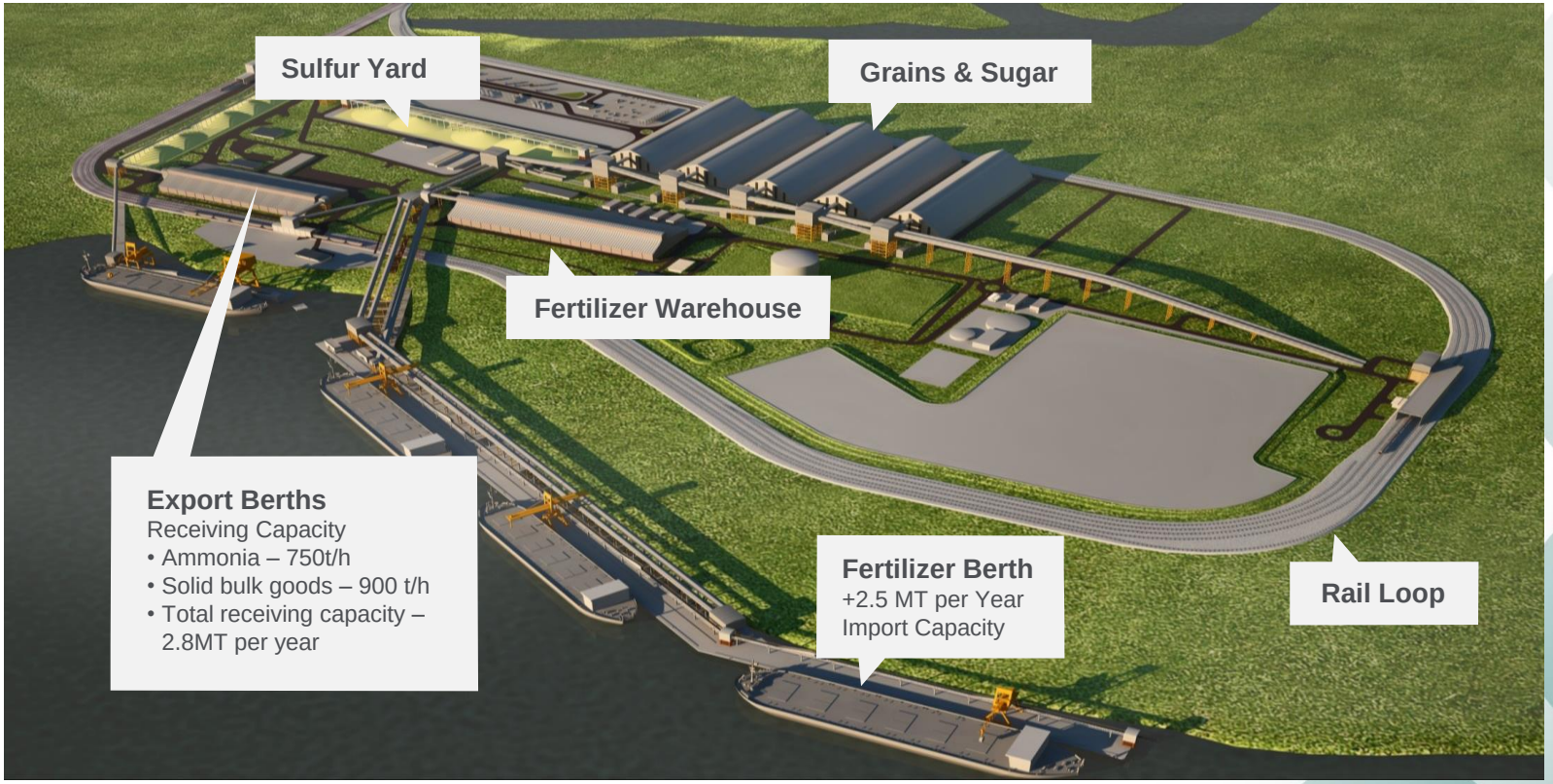






Assumes completion of the previously announced transaction to acquire Vale Fertilizantes

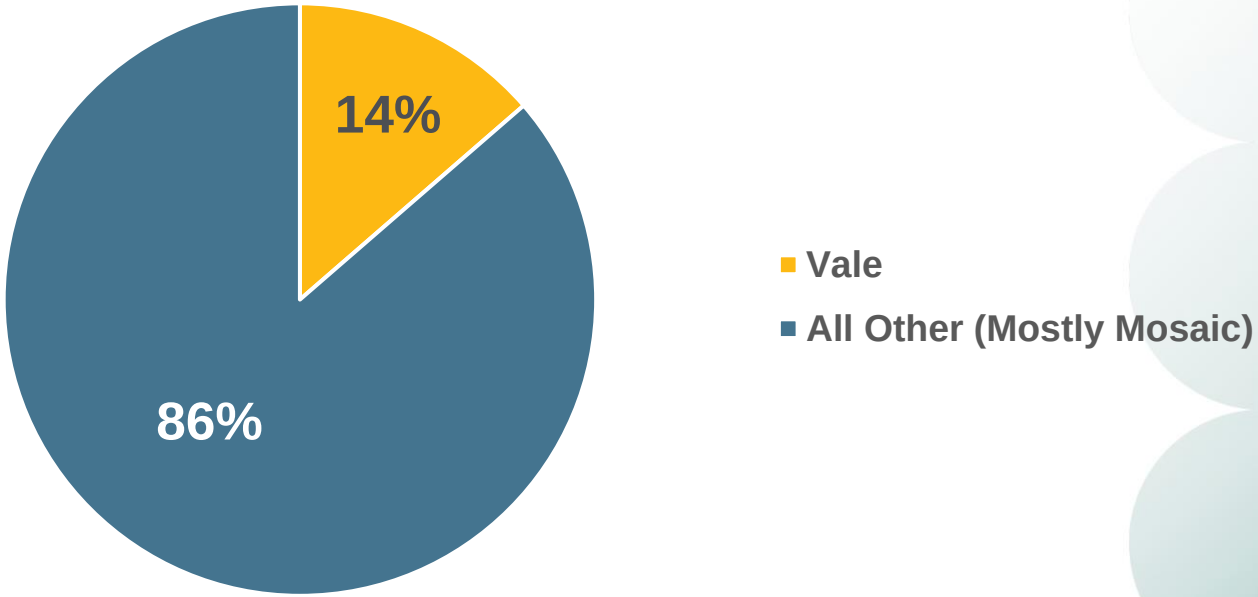
Access to Critical Port Infrastructure



Assumes completion of the previously announced transaction to acquire Vale Fertilizantes

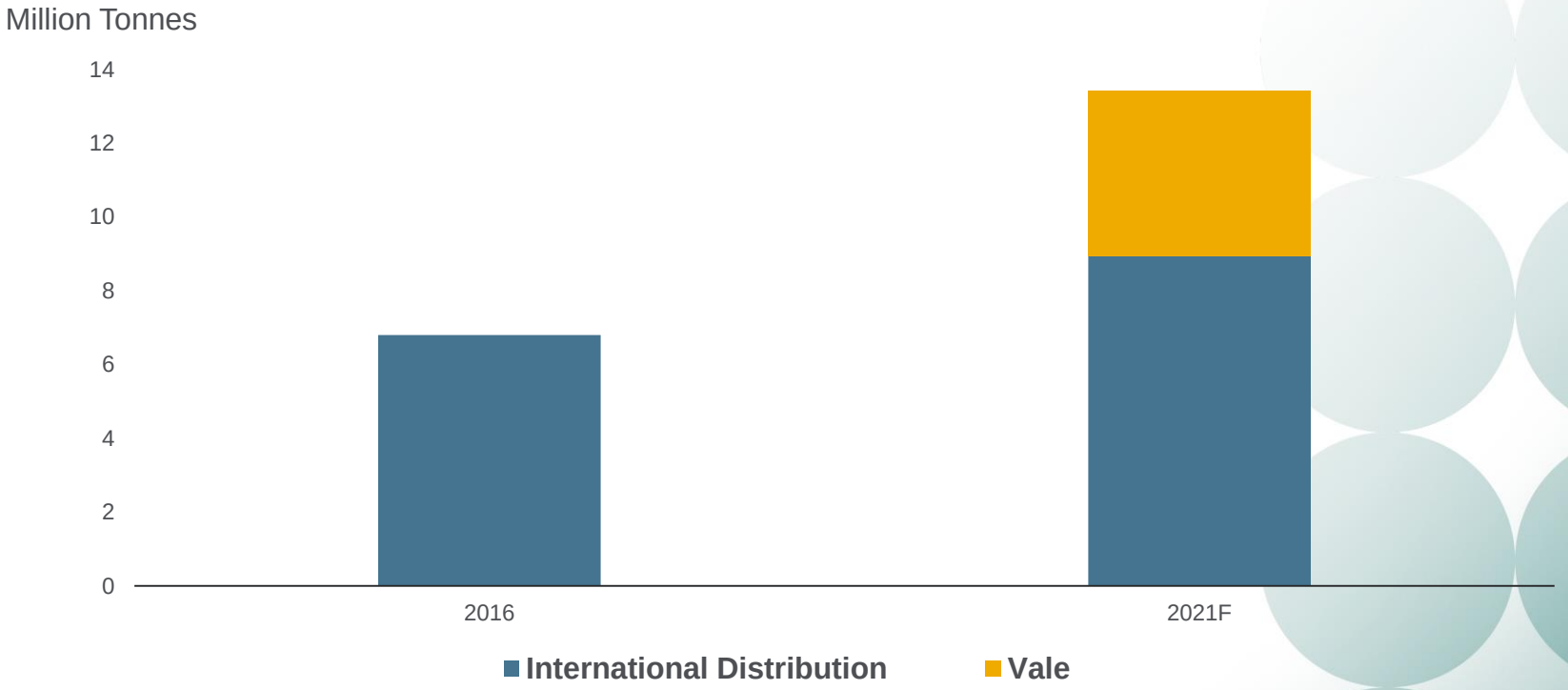
Vale Fertilizantes: Complementary Business Mix

2016 Phosphate Purchases by Source



Source: Mosaic

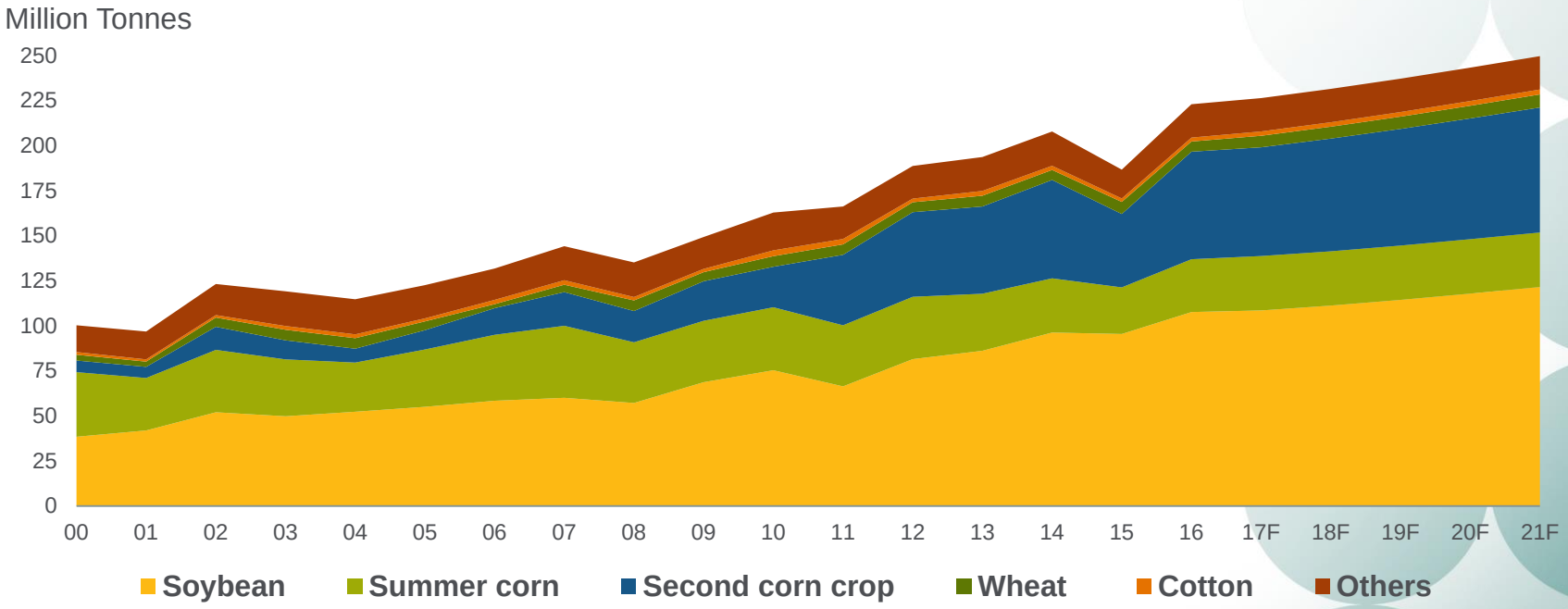
New Brazil Segment



*2021 Forecast includes Mosaic International Distribution segment and Vale Fertilizantes using base case scenario.
Assumes completion of the previously announced transaction to acquire Vale Fertilizantes

Brazil: Agricultural Powerhouse

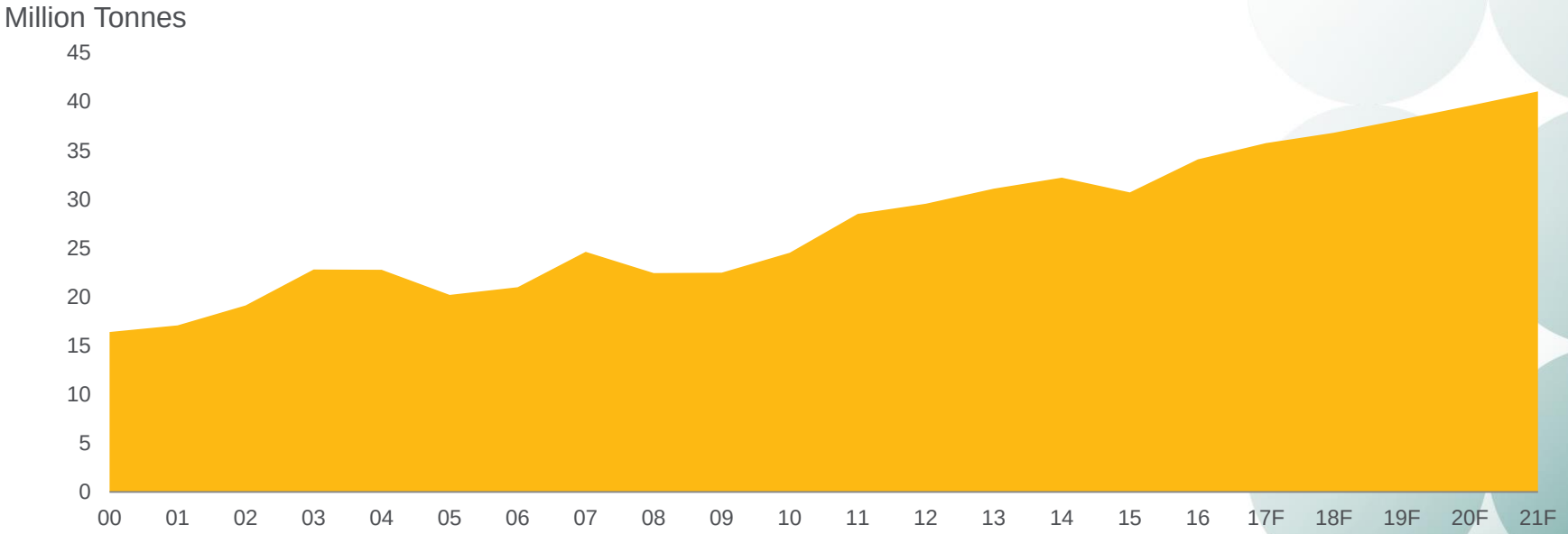
Brazil Grain and Oilseed Production



Source: CONAB and projections from FIESP Outlook

Brazil Market Opportunity

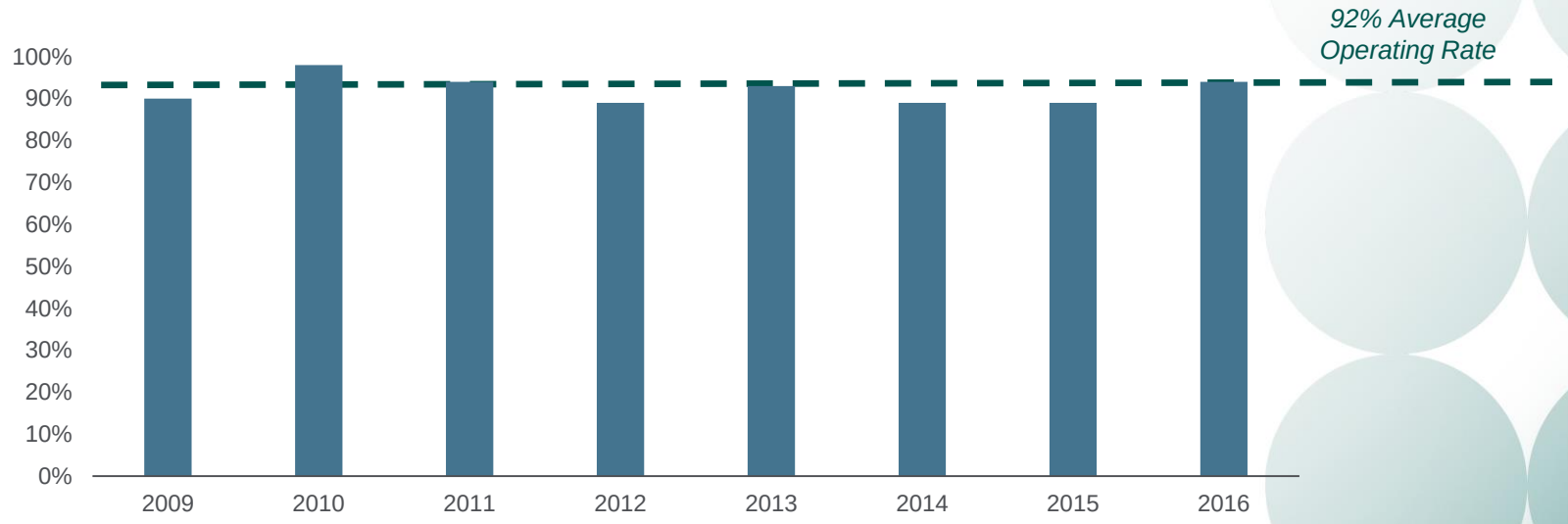
Brazil Fertilizer Shipments



Source: ANDA, Mosaic

2021 Vision: Vertically Integrated Powerhouse

Example of Upstream and Downstream Integration Benefits
Mosaic's SSP Plant Operating Rate

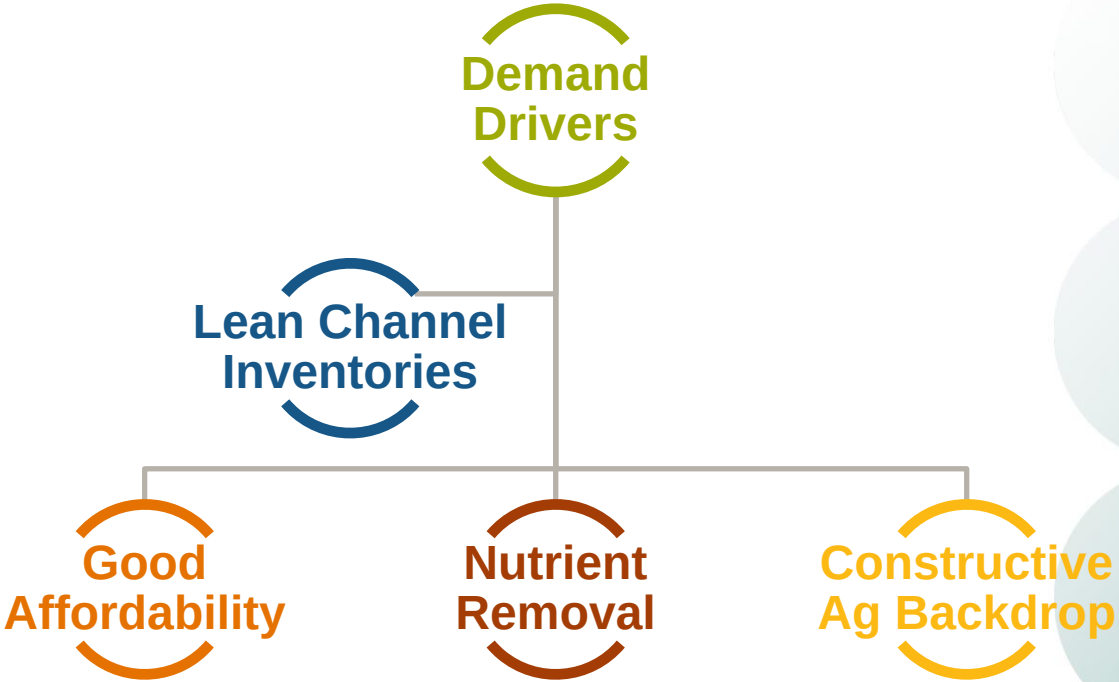


Sum of Parts Greater Than Individual Pieces

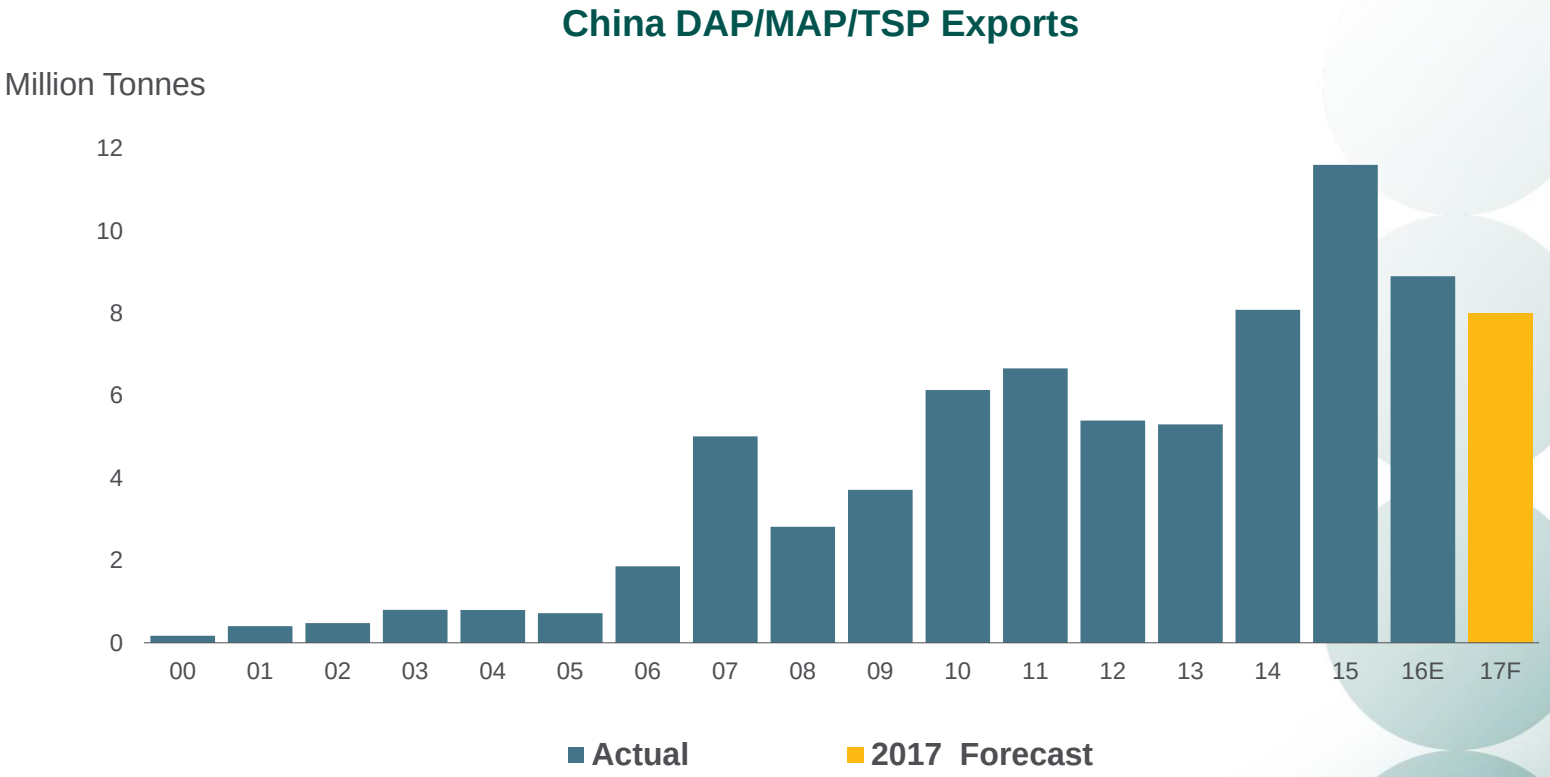
Corrine Ricard

Senior Vice President - Commercial

Strong Demand Outlook for Both Nutrients



Phosphates Market: Structural Changes



Source: China Customs and Mosaic



https://youtu.be/BPzzlBVtXH0

Last viewed April 10th, 2017

China Phosphate Developments

Environmental Audits		
First Round Jul/Aug 2016	**Second Round** Nov/Dec 2016	**Third/fourth** First-half 2017
Inner Mongolia	Beijing	Tianjin
Heilongjiang	Shanghai	Shanxi
Jiangsu	Hubei	Liaoning
Jiangxi	Guangdong	Jilin
Henan	Chongqing	Zhejiang
Guangxi	Shannxi	Anhui
Yunnan	Gansu	Fujian
Ningxia		Shandong
		Hunan
		Hainan
		Sichuan
		Guizhou
		Qinghai
		Xinjiang

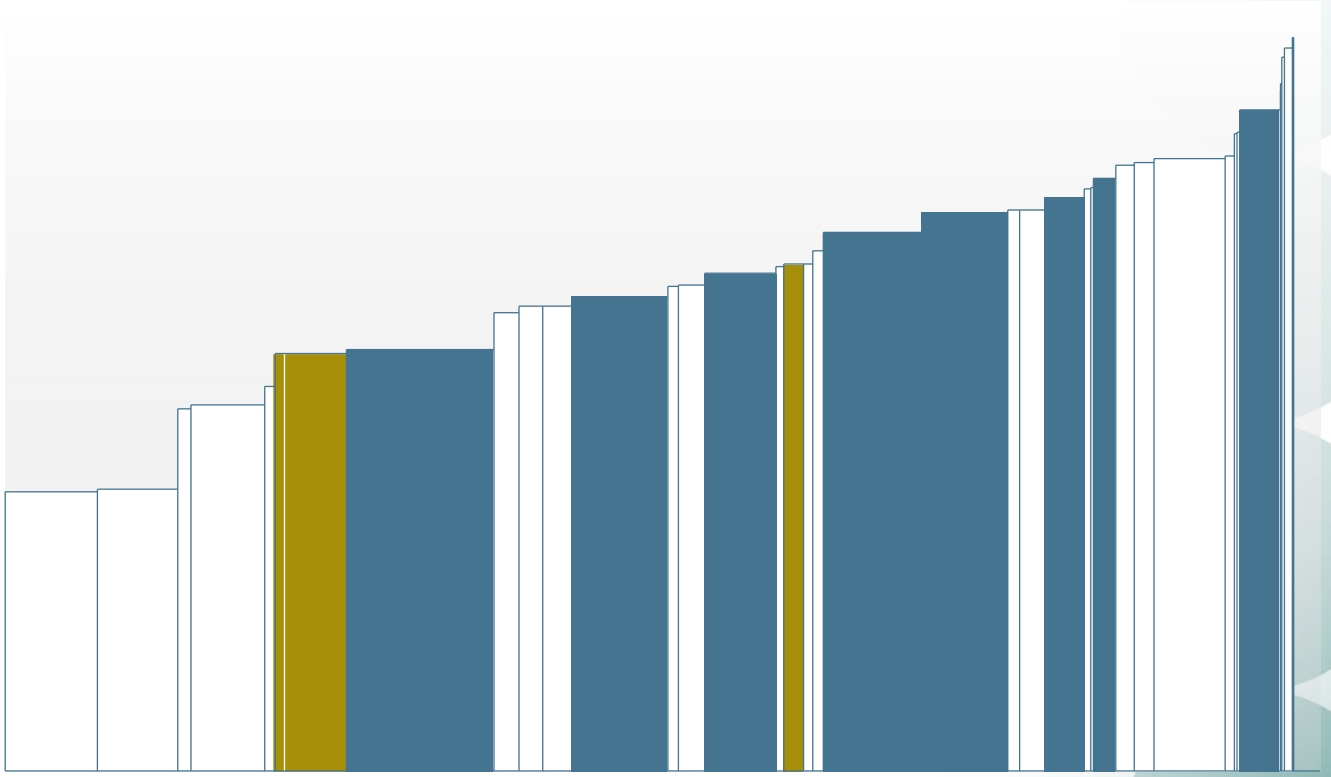


1 2 3 **Progression of Environmental Audits**

Source: Mosaic

China Phosphate Cost Curve: 2021

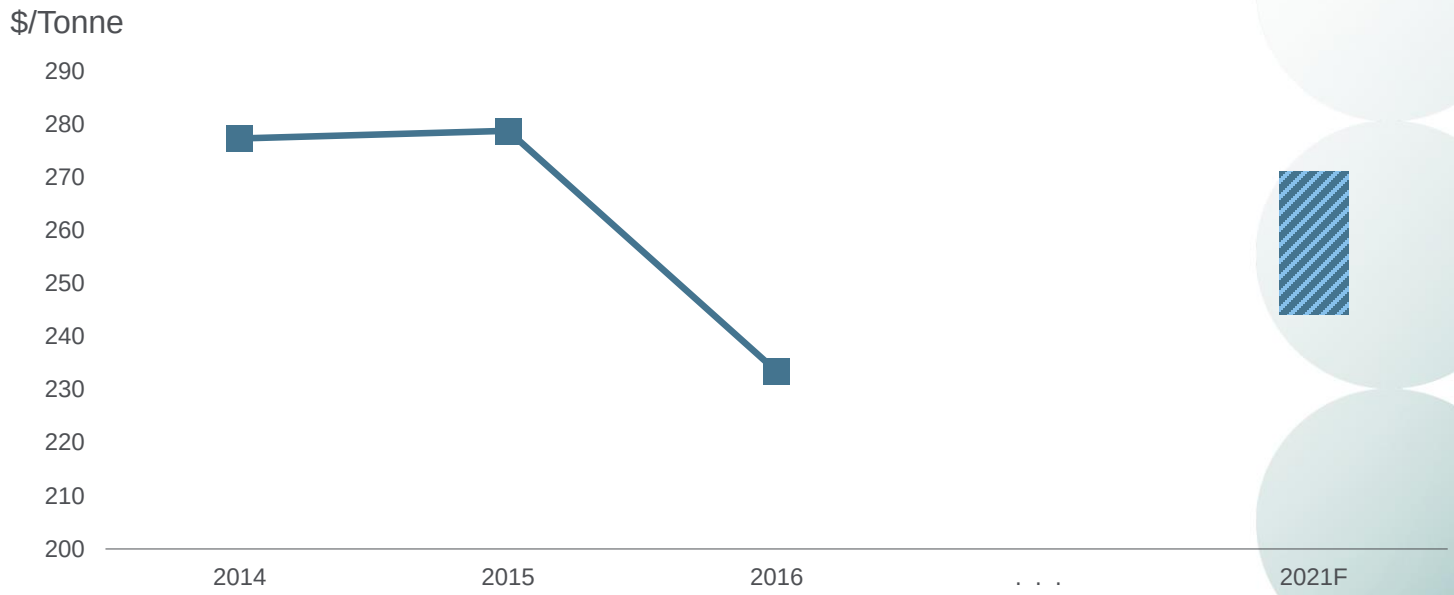
2021 DAP Cost Curve fob Plant at Effective Capacity



Source: CRU, Mosaic

Phosphate Outlook: Meaningful Upside Likely

DAP Benchmark Margin fob Plant



Source: Mosaic

Potash Market: Cost Curve Price Support

Second Half 2016

Bottom Quartile Producers

- Local Currency Cost Inflation
- FX Headwinds

Middle Quartile Producers

- Marginally Positive Operating Earnings
- Break-Even or Negative Free Cash Flow

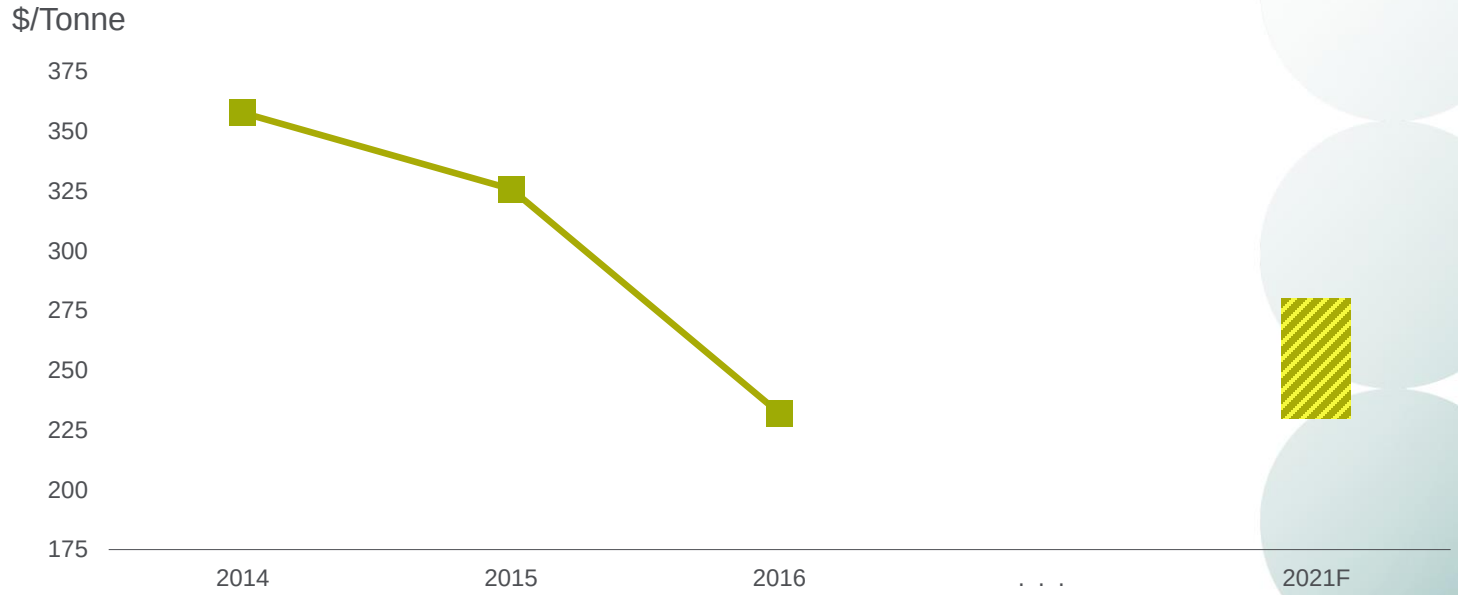
High Cost Producers

- Elevated Leverage Ratios
- Highly Negative Free Cash Flow
- Immediate Liquidity Needs

Source: Mosaic. Free Cash Flow Defined as Operating Cash Flow Minus CAPEX and Investments

Potash Outlook: Expect Recovery

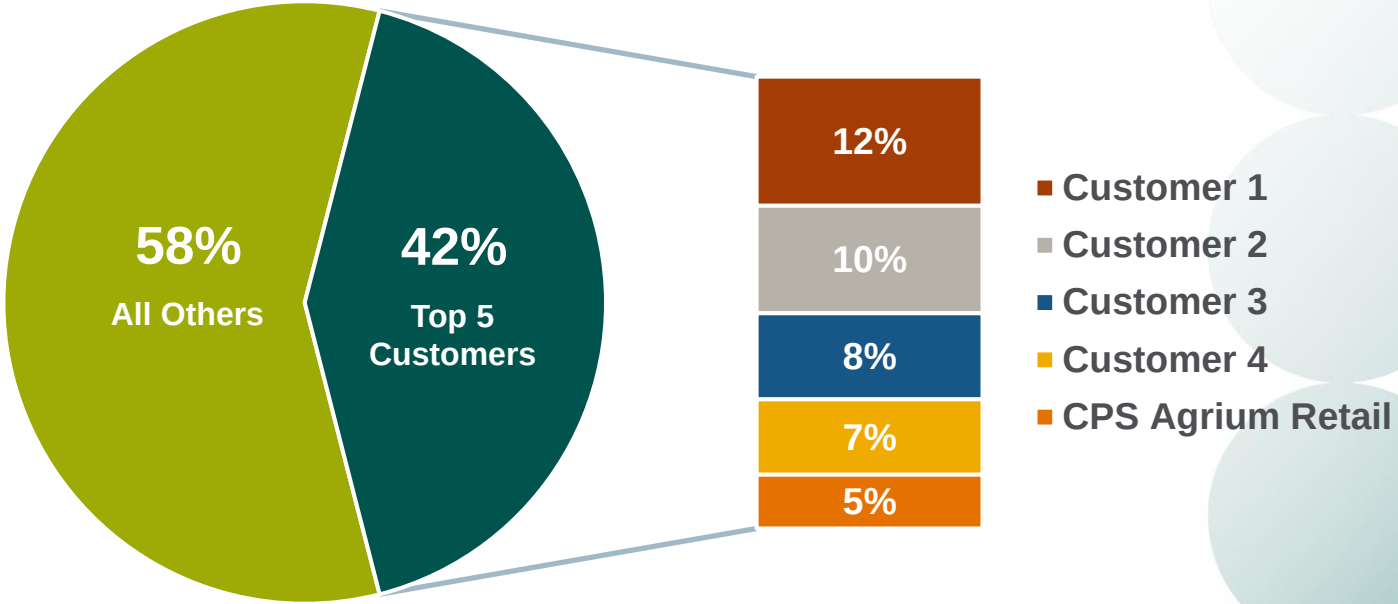
Granular MOP Price Delivered Brazil



Source: Mosaic

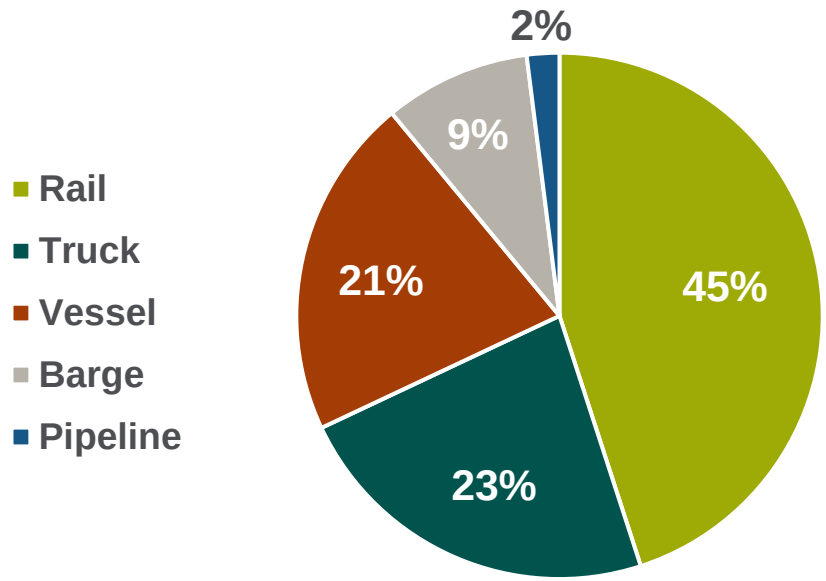
Potash: Evolving North American Dynamics

2016 Mosaic North American Sales Volume Breakdown



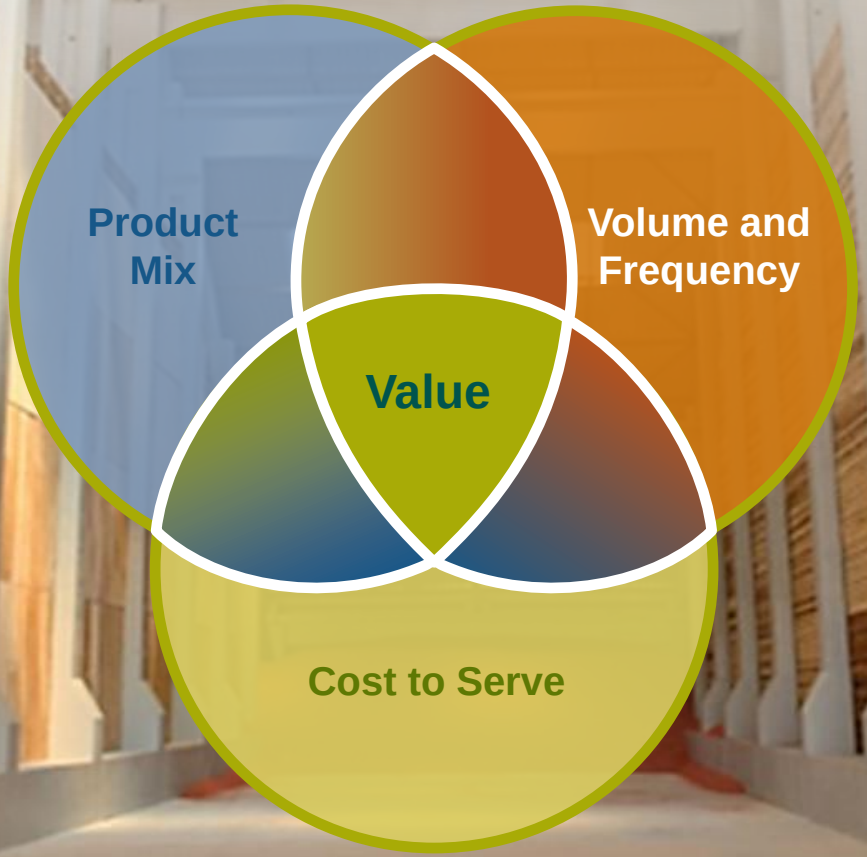
Supply Chain Opportunity

Supply Chain: Transportation Spend (2016)



~$1 Billion Annual Transportation Spend

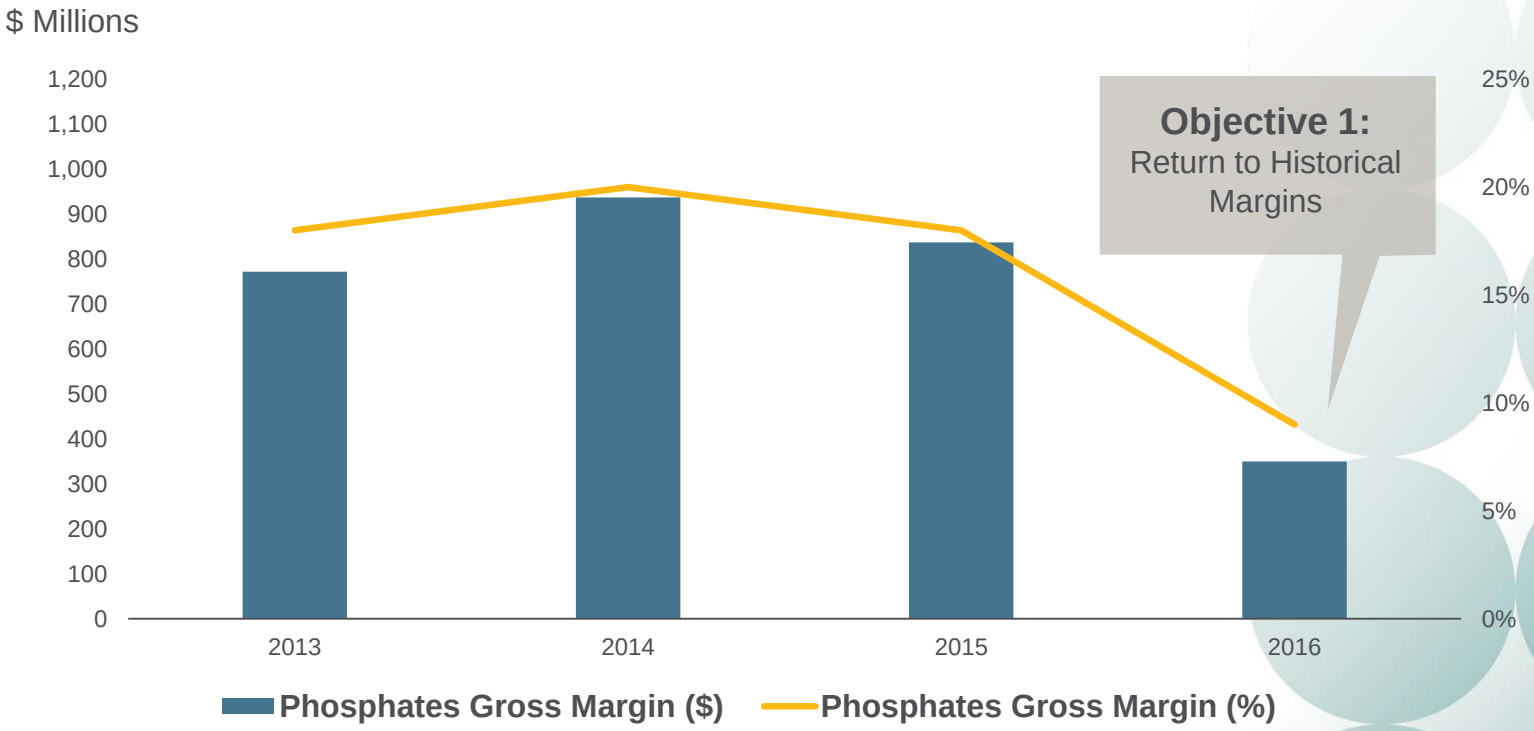
Understanding True Customer Profitability



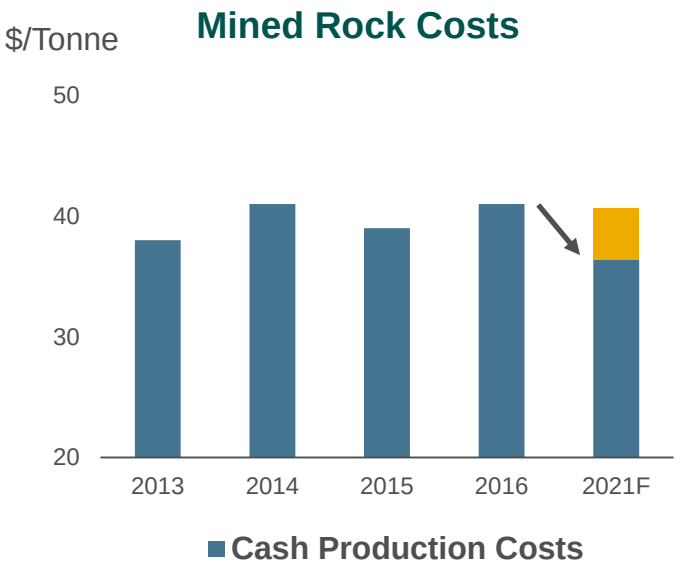
Walt Precourt

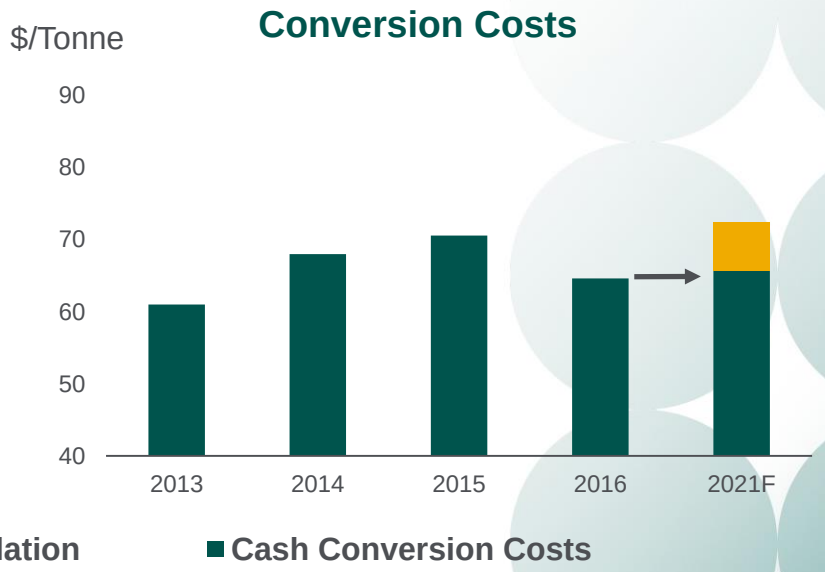
Senior Vice President - Phosphates

Historical Profitability



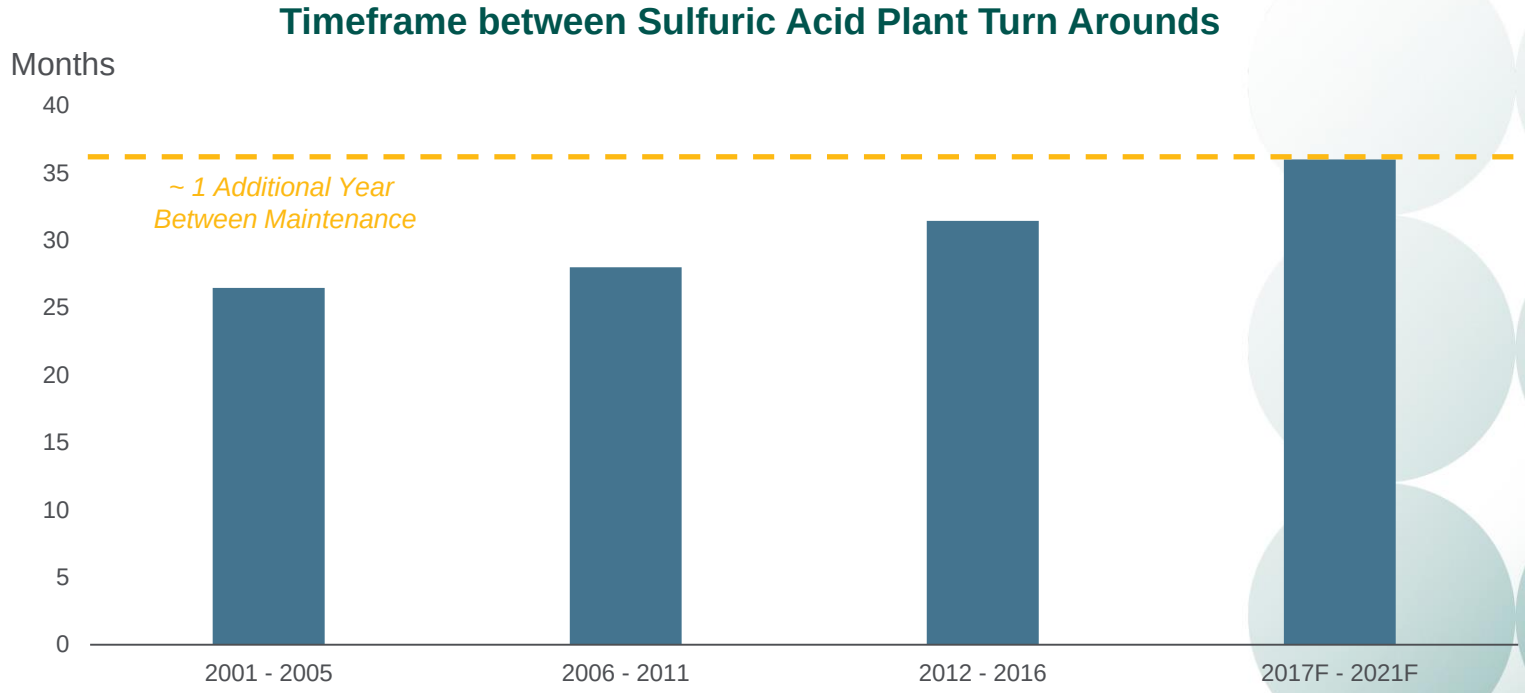
Focused on Controlling Cash Costs



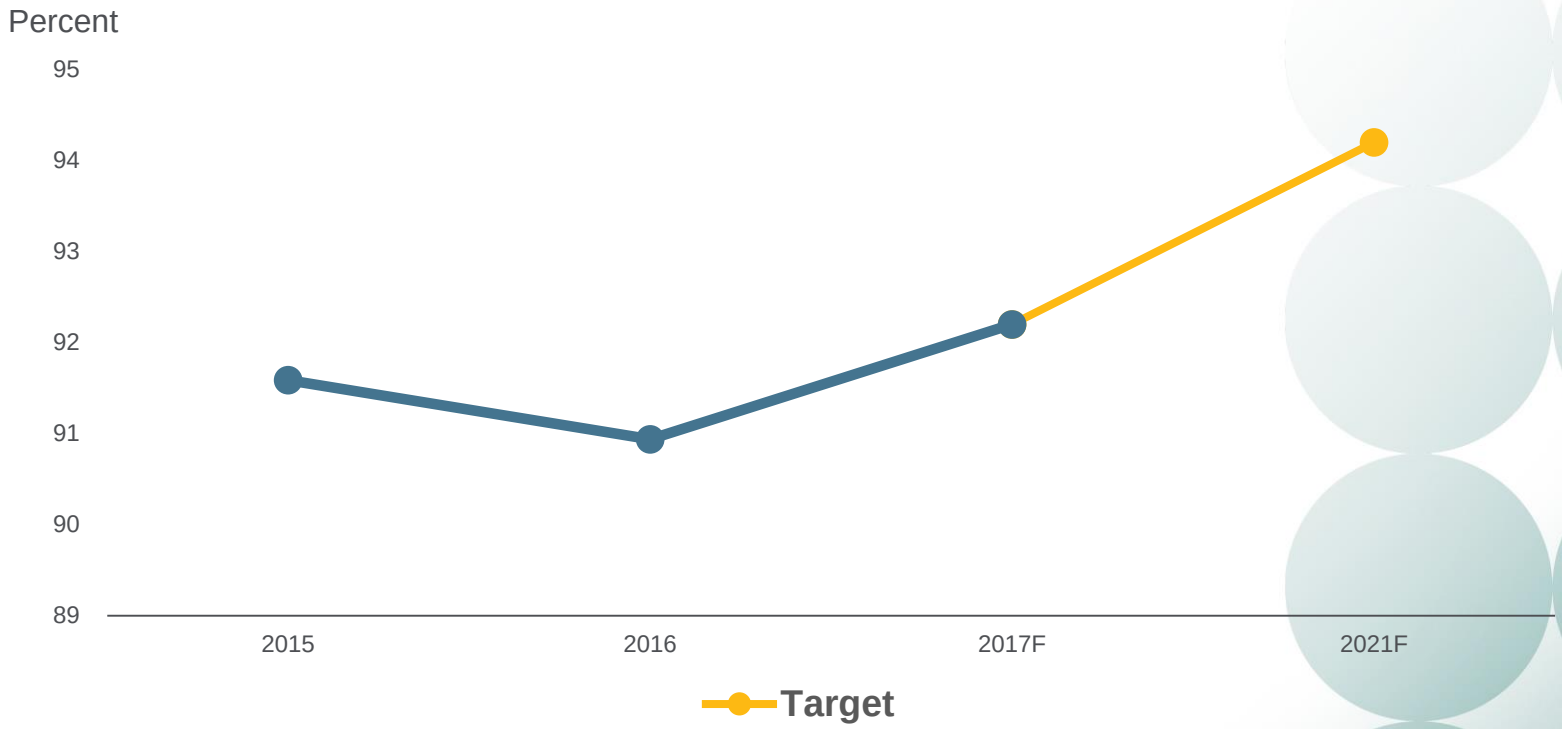


Phosphate cash conversion costs are reflective of actual costs, excluding realized mark-to-market gains and losses. These costs are captured in inventory and are not necessarily reflective of costs included in costs of goods sold for the period.

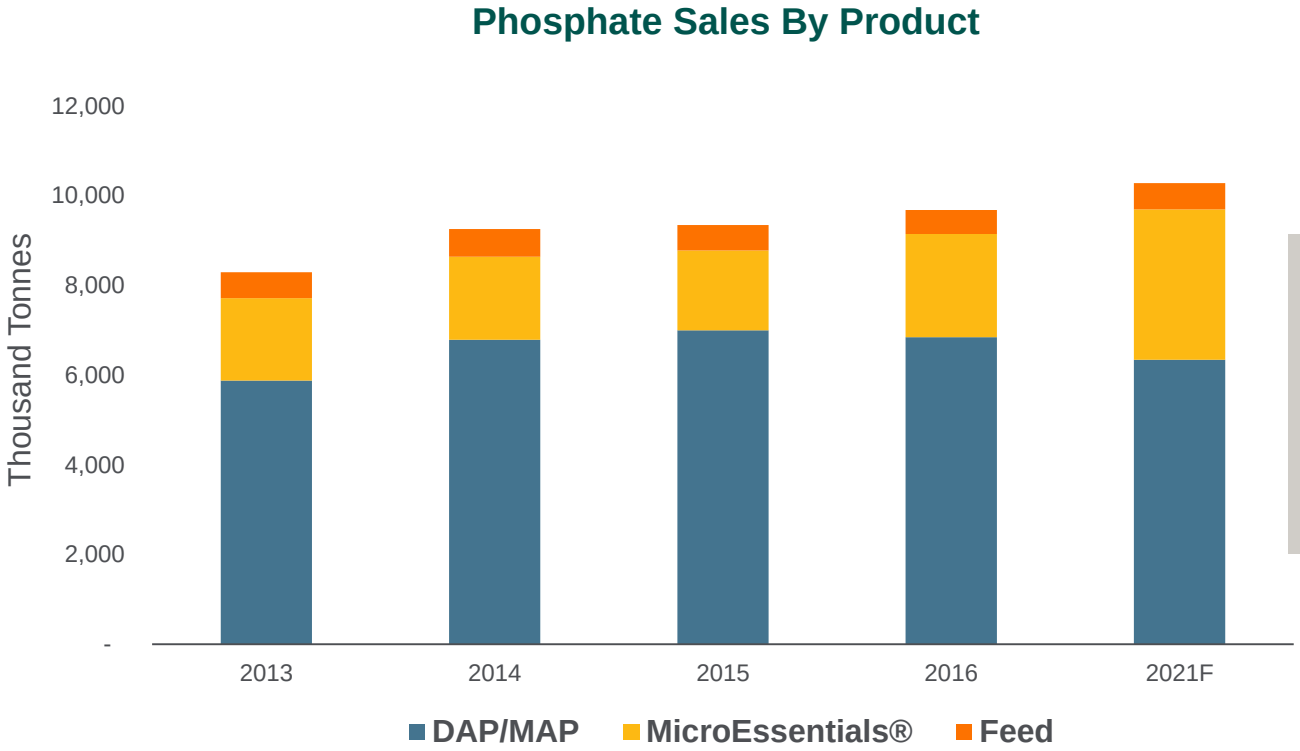
Focused on Entire Value Chain: Sulfuric Acid Plant



Focused on Entire Value Chain: P_2O_5 Recovery



Increasing Proportion of Premium Products

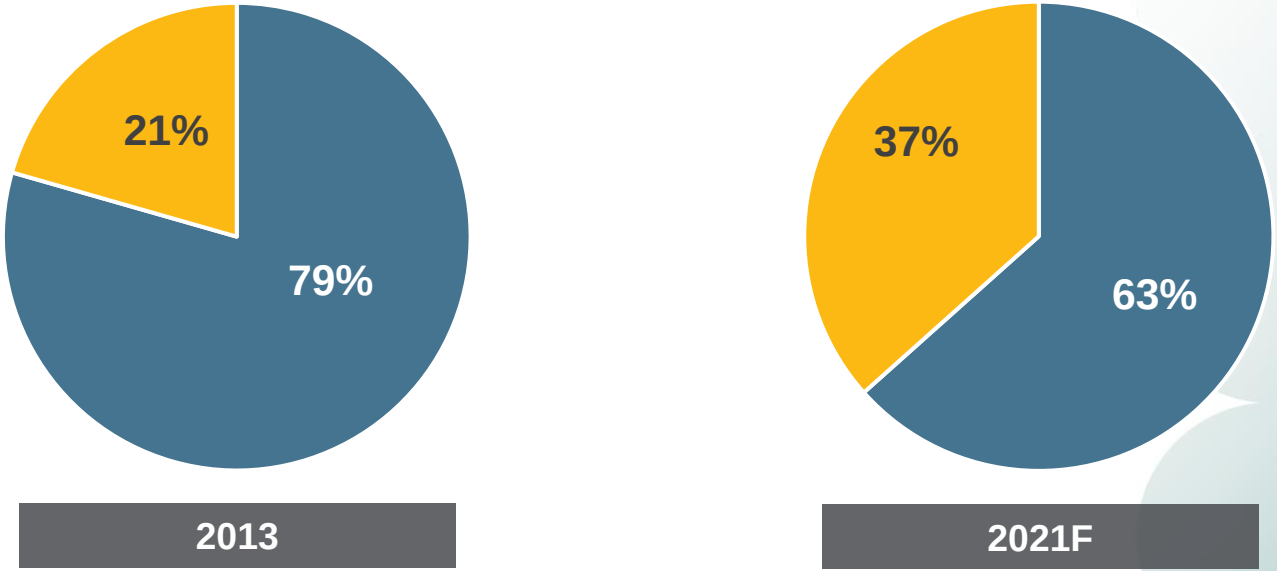


Expected by 2021:

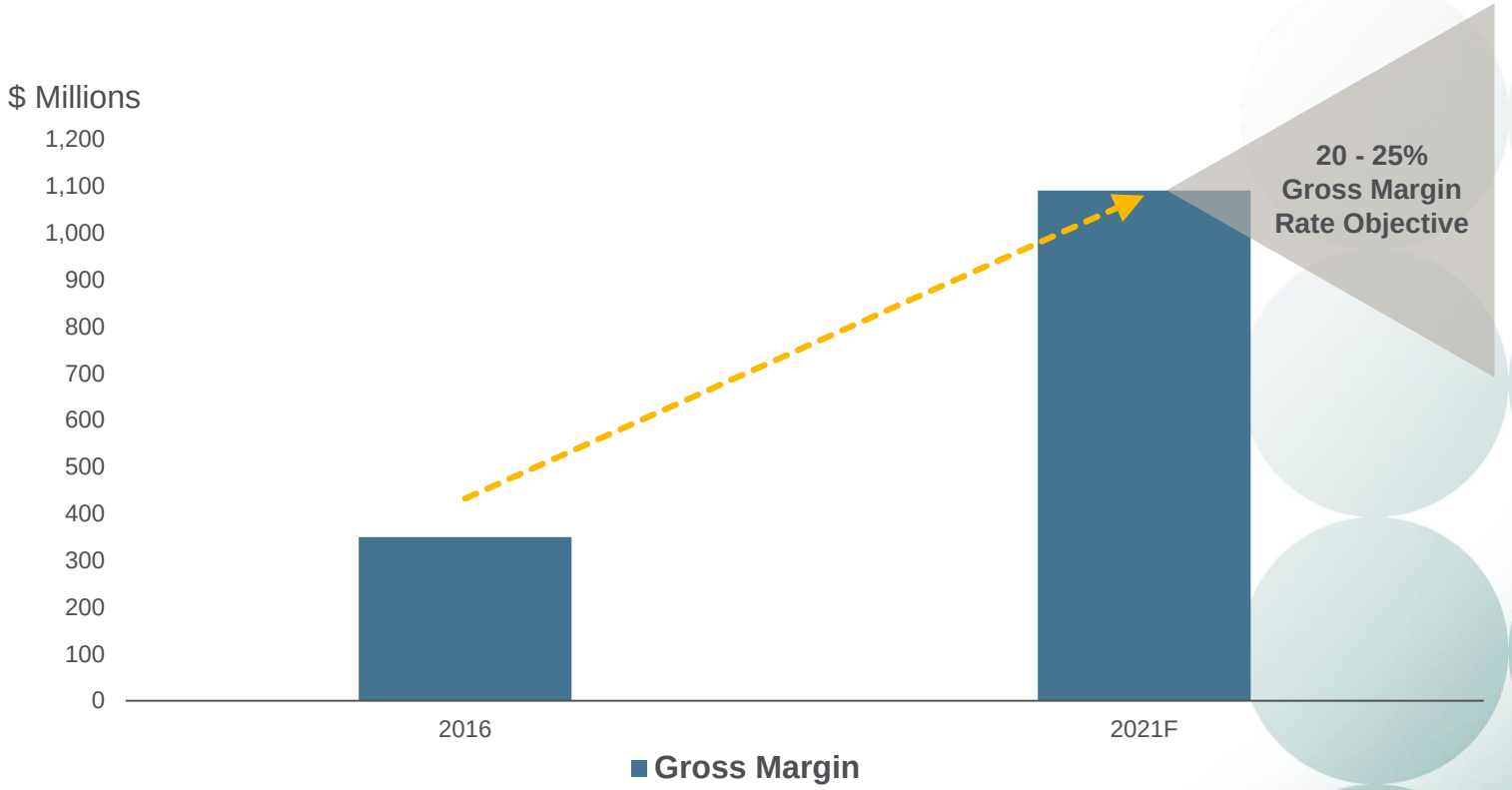
1) Volume: Up ~ 25% since 2013
2) Mix: ~ 33% Premium Products

Mosaic®

Profitability by Product



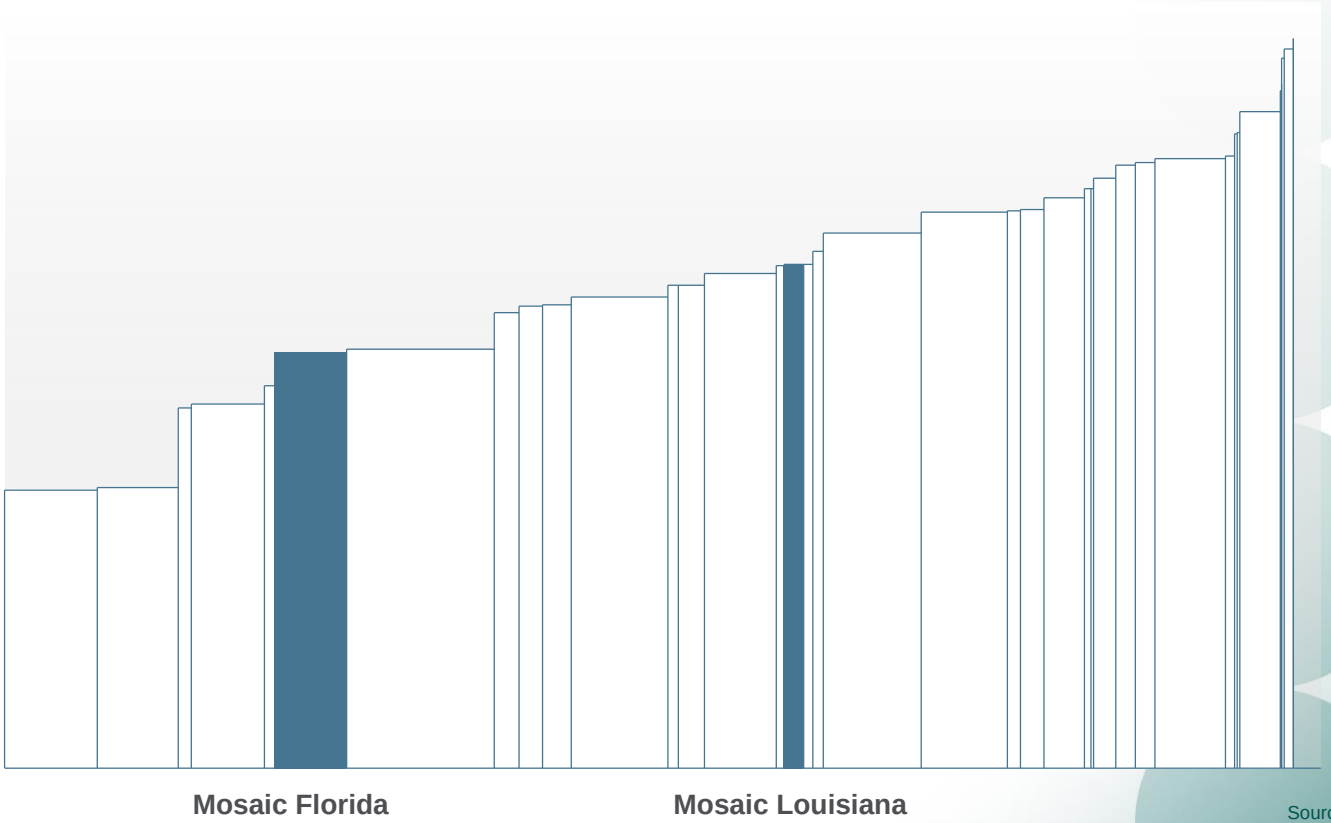
Profitability: Path to Superior Margins



Based on base case scenario detailed later in the presentation on slide 74

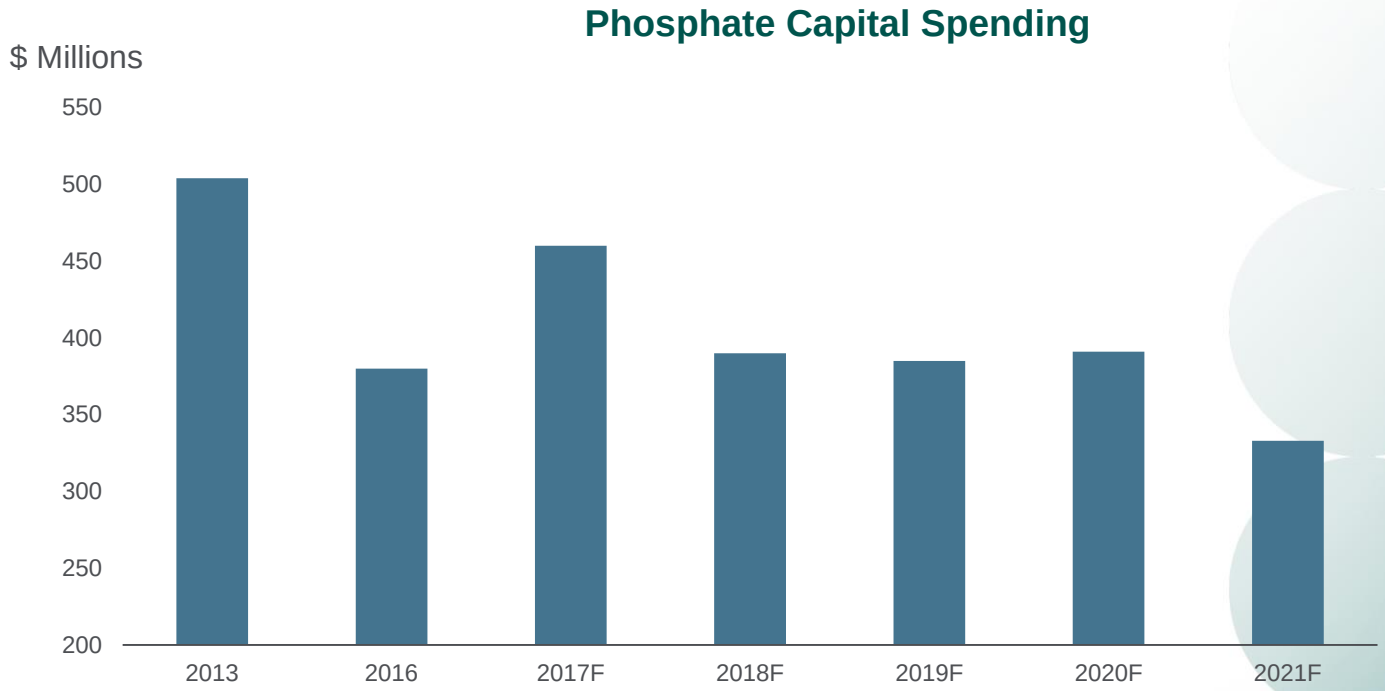
2021 Cost Curve

2021 DAP Cost Curve fob Plant at Effective Capacity



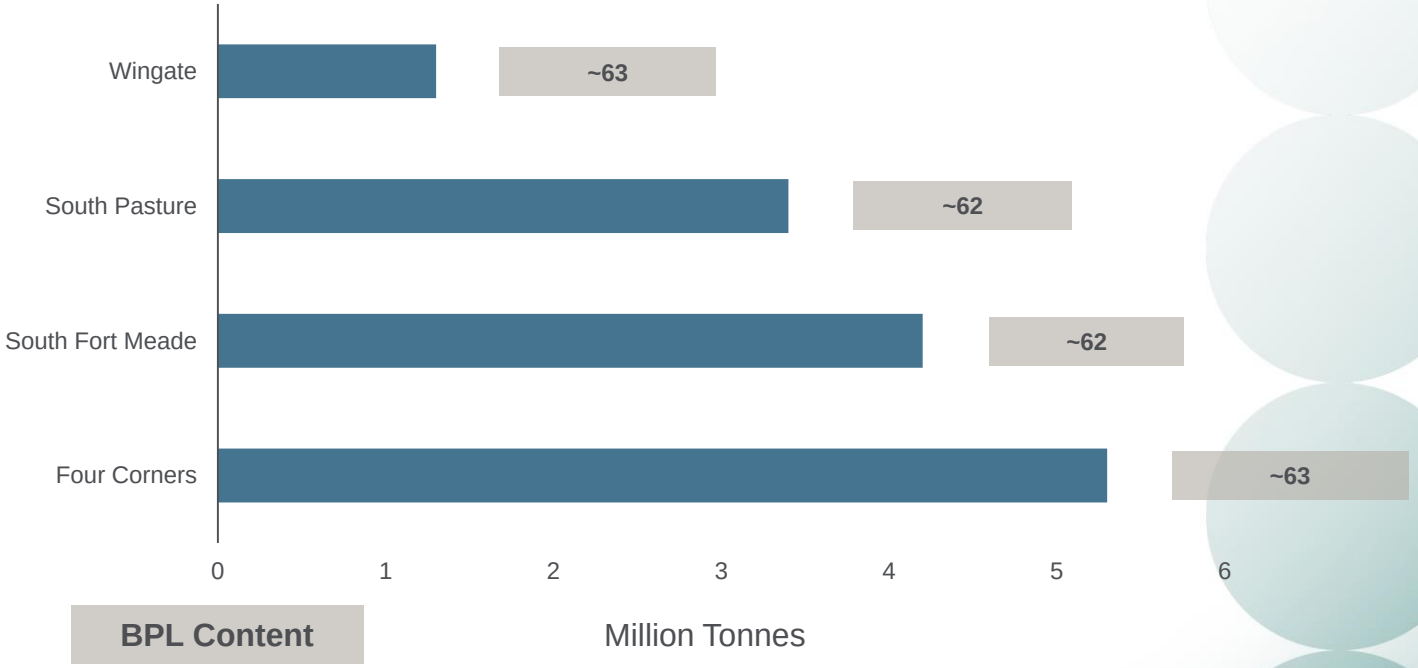
Source: CRU, Mosaic

Capital Spending: Meaningful Flexibility



High Quality Reserves

2016 Phosphate Rock Production



Ma’aden Update



Taken by Raid Alzahrani
INSTA:RAID_HANNAS

Ma’aden Update







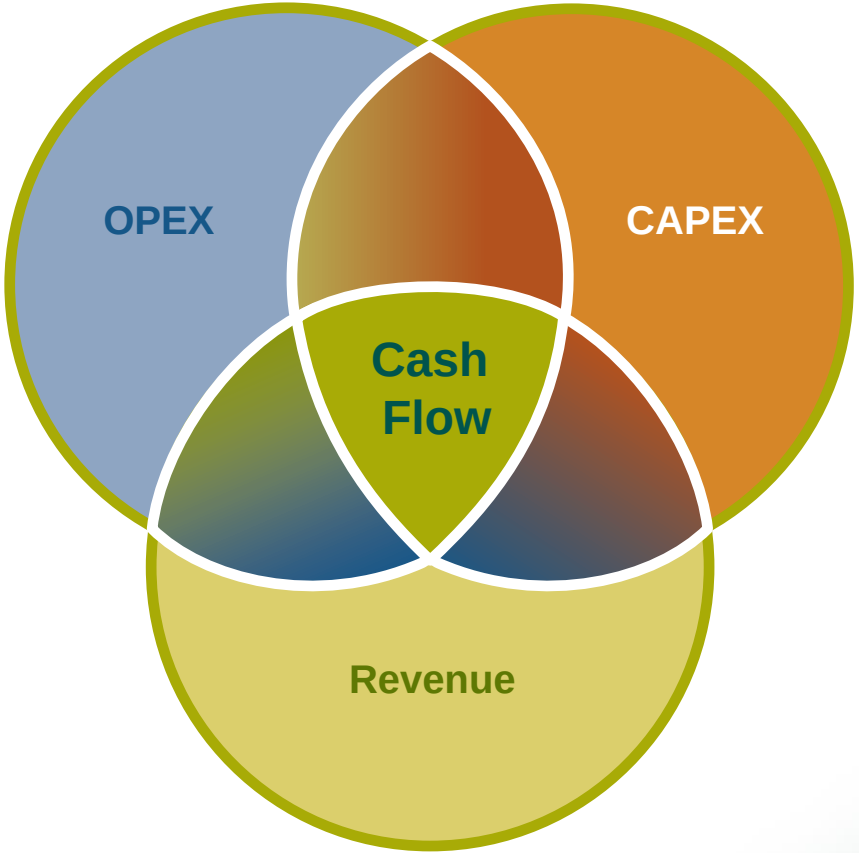








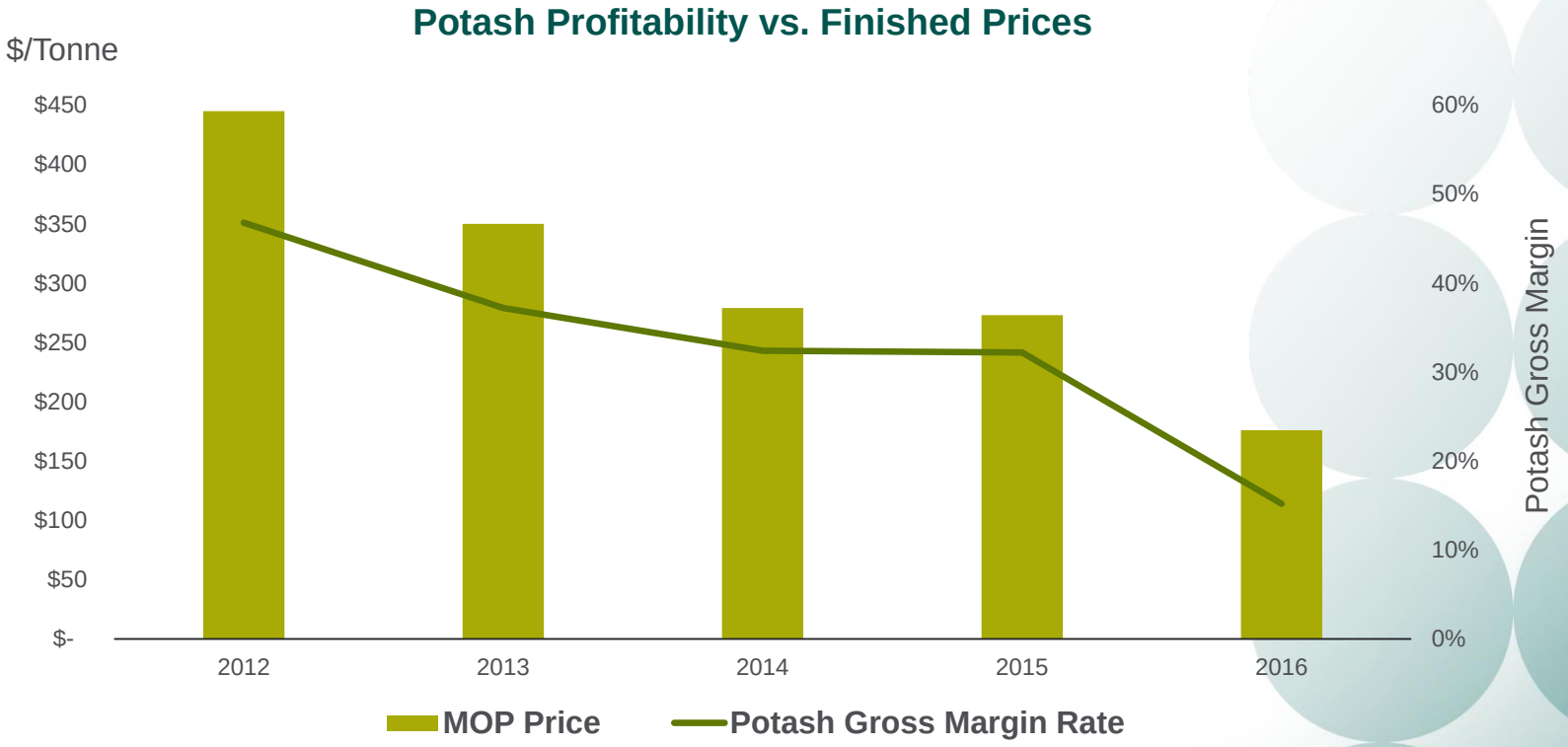
2021 Objective: Transform to Optimize Cash Flow



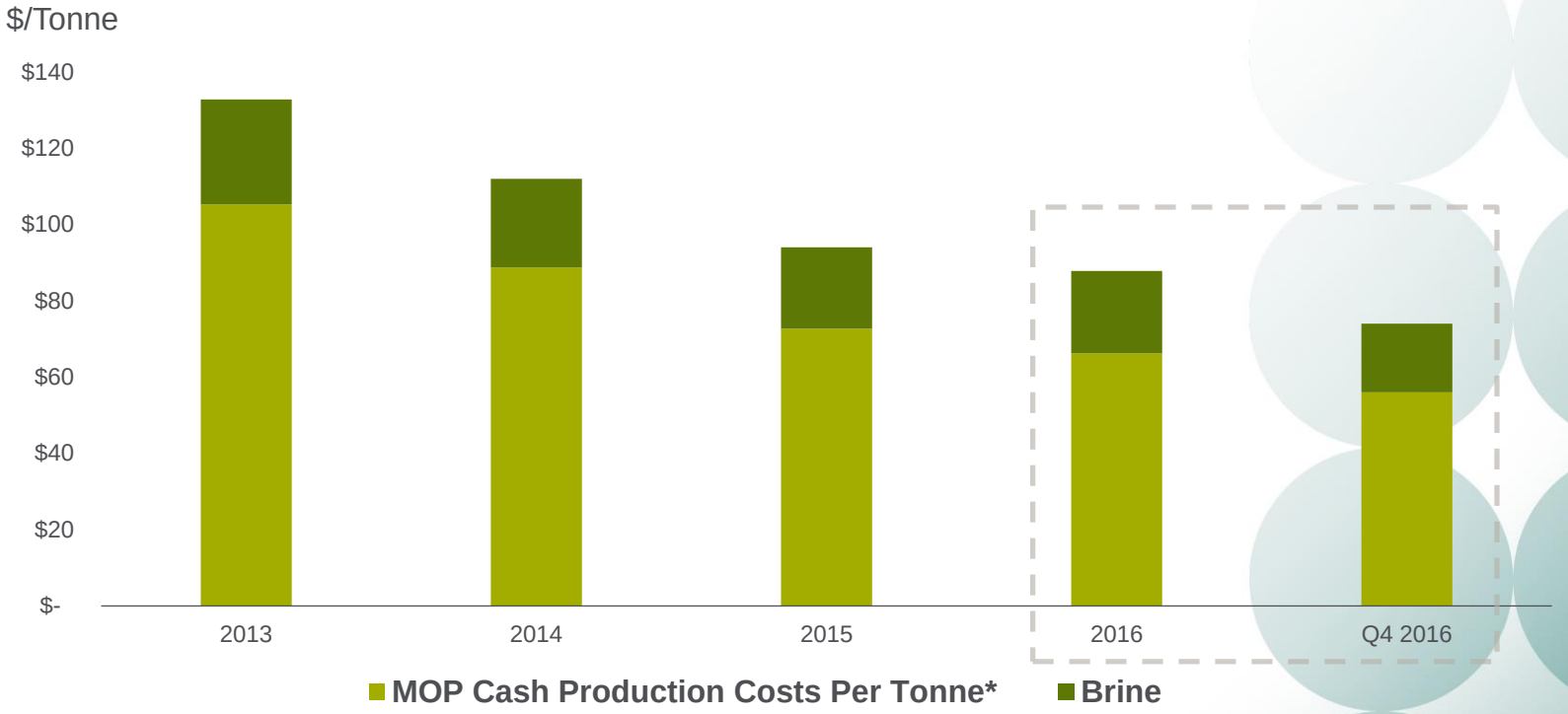
Bruce Bodine

Senior Vice President - Potash

Historical Profitability

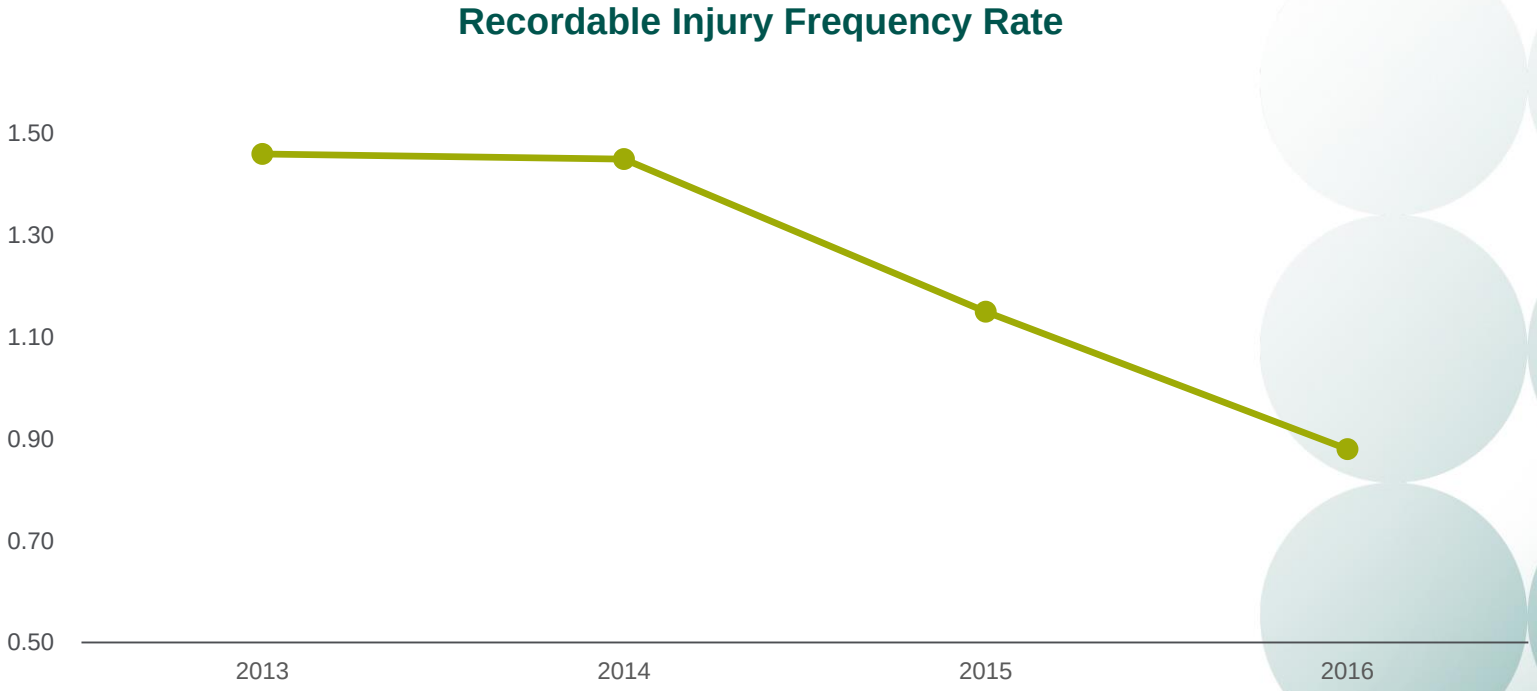


Controlling Costs



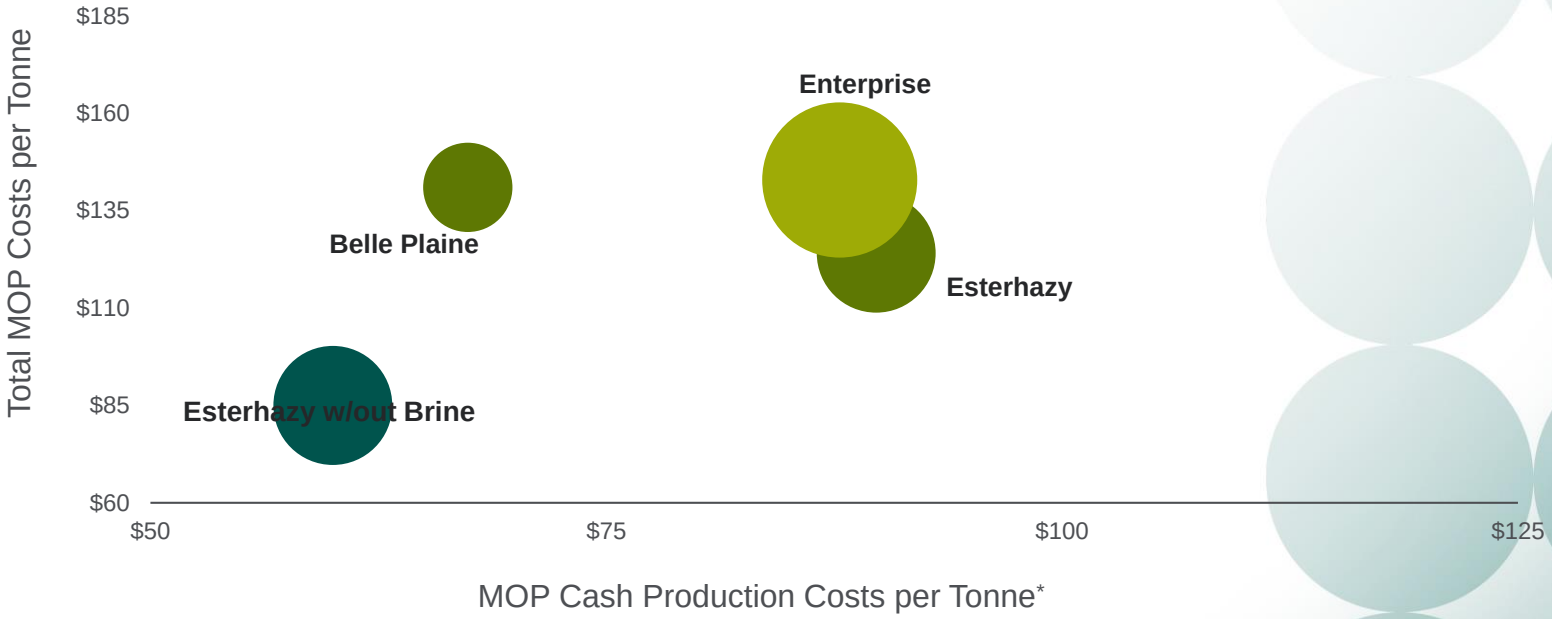
*MOP cash production costs are reflective of actual costs during the quarter, excluding realized mark-to-market gains and losses. These costs are captured in inventory and are not necessarily reflective of costs included in costs of goods sold for the period.

A Leading Indicator of Operational Excellence



Visible Operational Progress

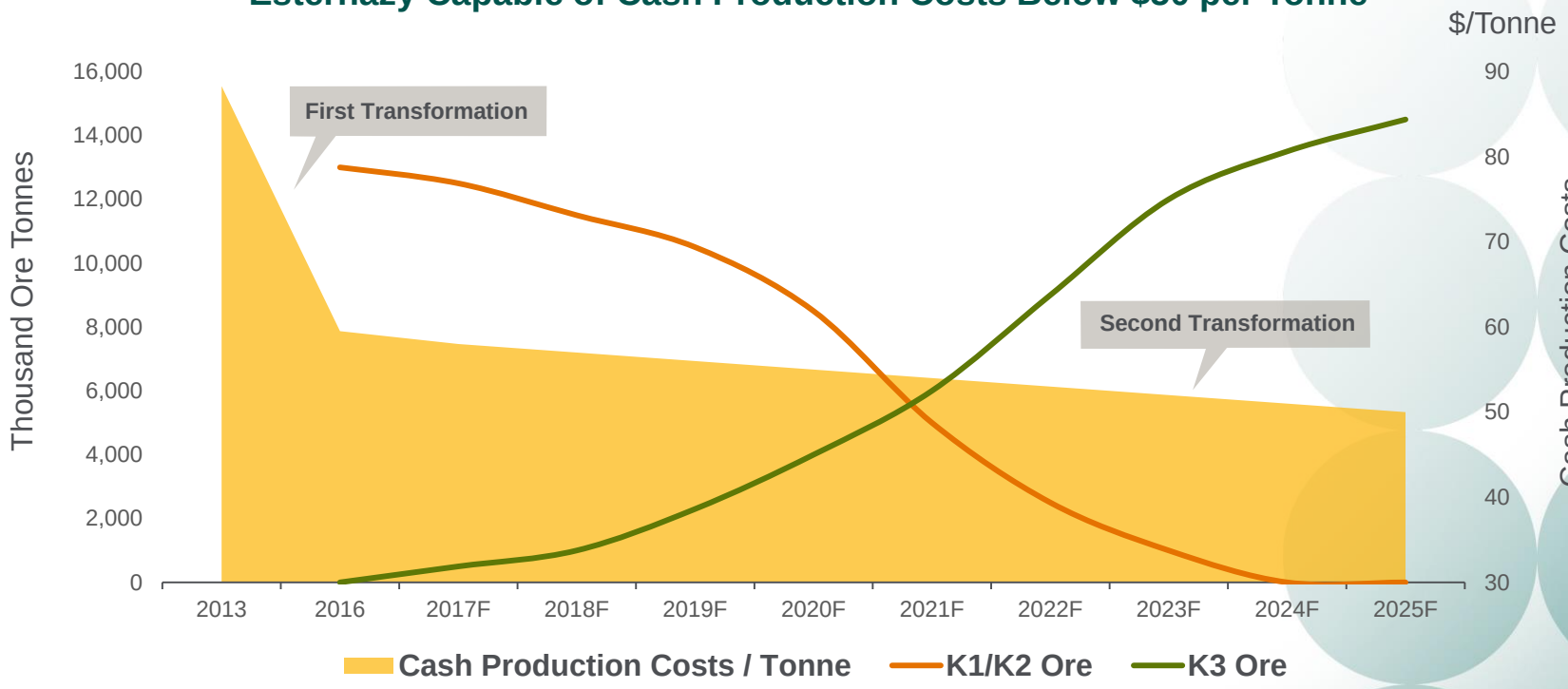
Production Costs by Mine: 2016



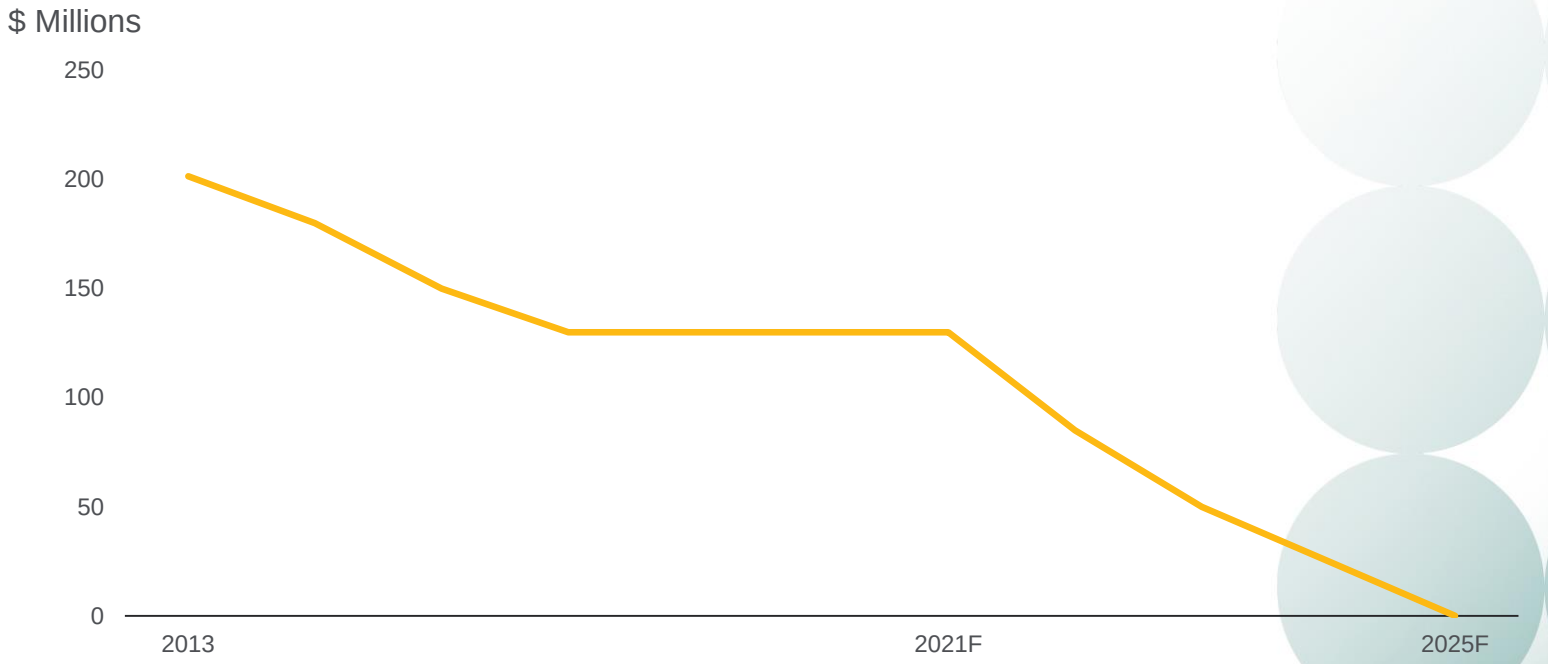
*MOP cash production costs are reflective of actual costs during the quarter, excluding realized mark-to-market gains and losses. These costs are captured in inventory and are not necessarily reflective of costs included in costs of goods sold for the period.

Migrating Ore Production from K1/K2 to K3

Esterhazy Capable of Cash Production Costs Below $50 per Tonne



Brine Management Costs: Path to Zero

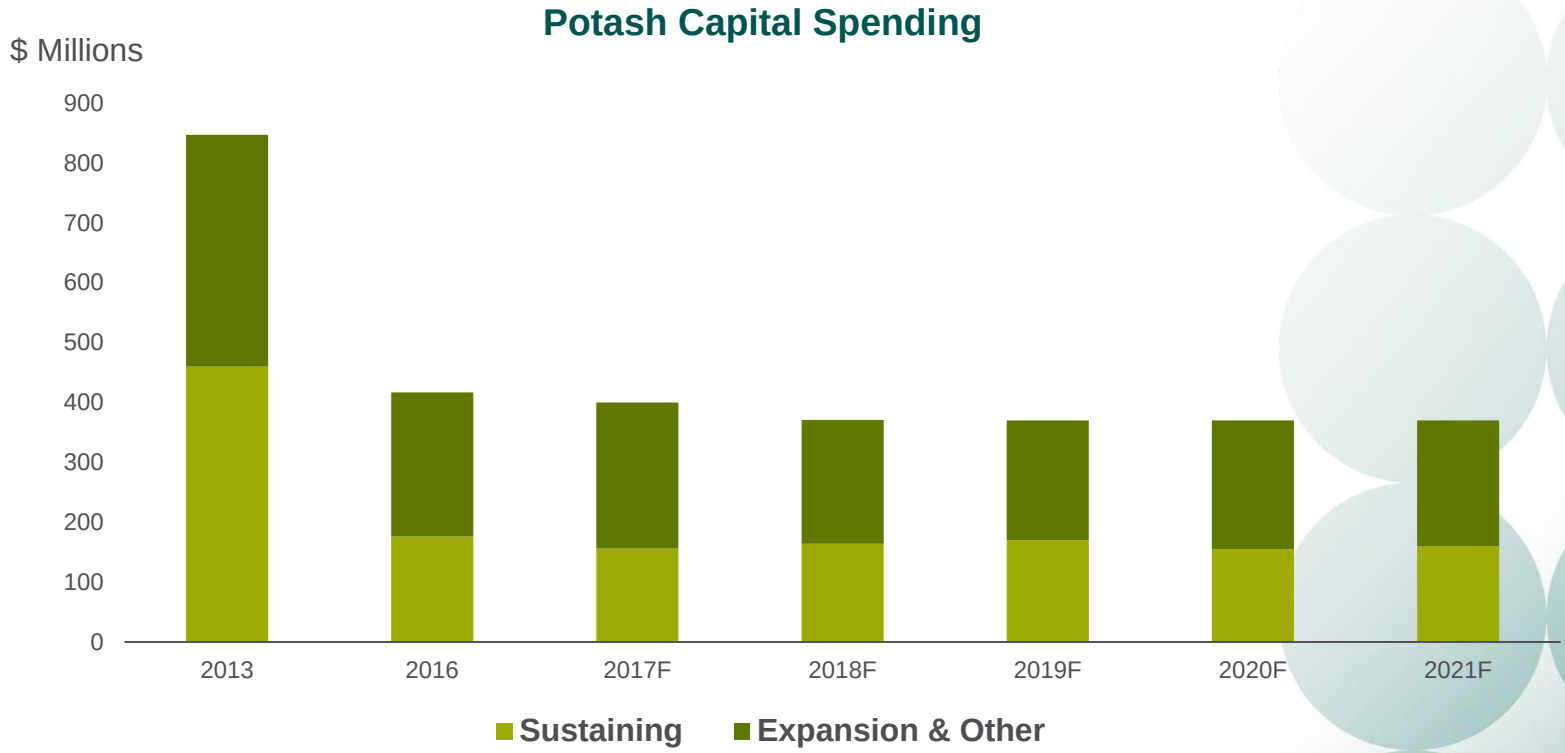


Capital Efficiency

Expansion	Esterhazy	Colonsay	Belle Plaine
Expected tonnes	800,000	544,000	570,000
Proven and peaking tonnes*	1,057,842	784,045	1,105,000
Actual capital costs/tonne	$577	$927	$480

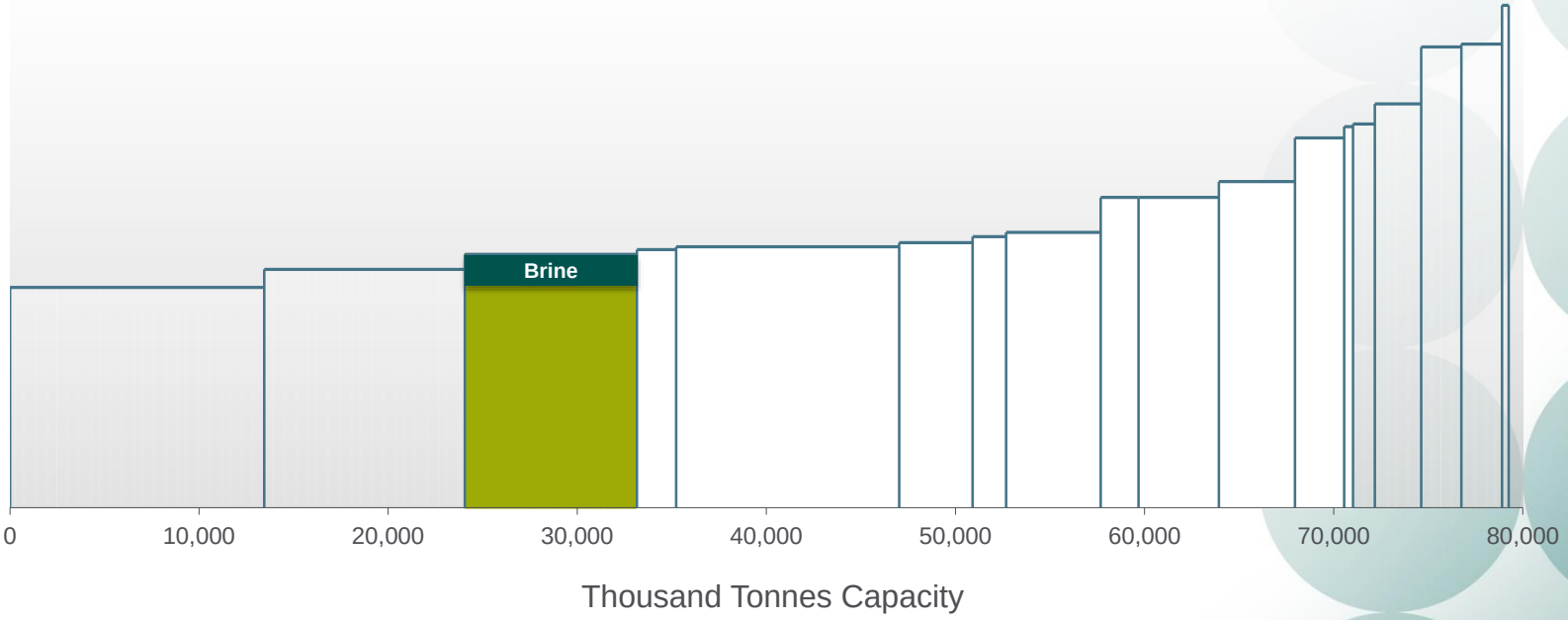
*Belle Plaine proven tonnes have not been audited.

Capital Spending: Executing K3 Strategy



2021 Cost Curve

2021 MOP Cash Production Cost Curve fob Mine at Effective Capacity



Source: CRU, Mosaic

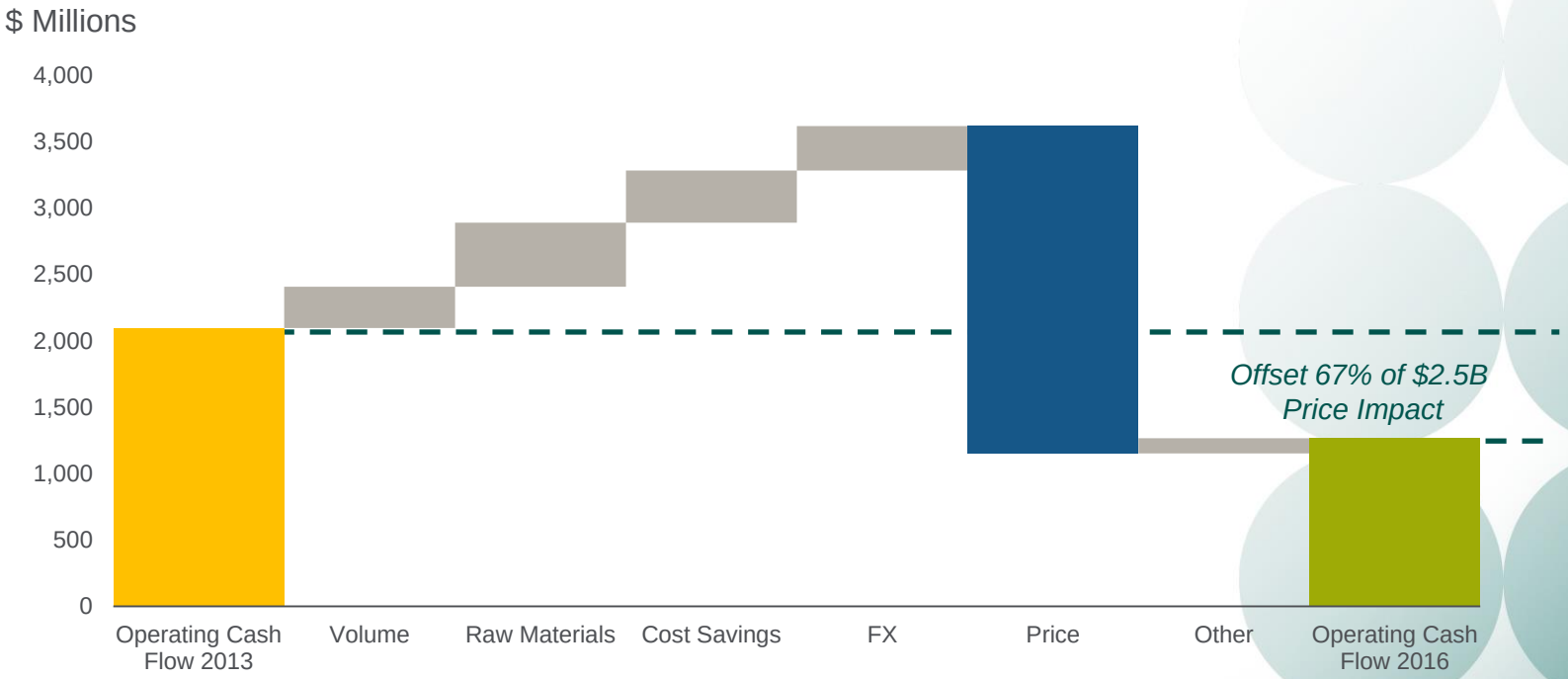
2021 Objective: Another Business Transformation



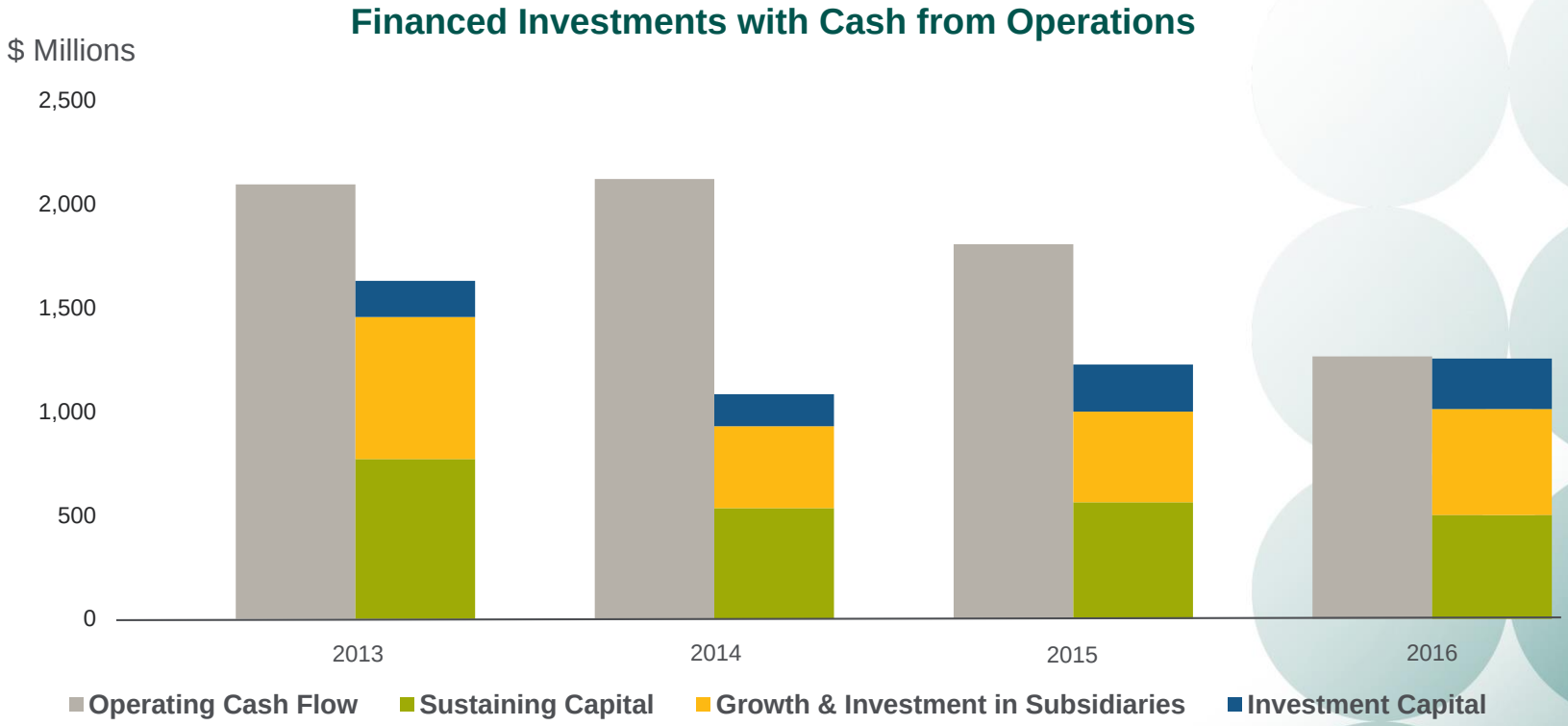
Rich Mack

Executive Vice President and
Chief Financial Officer

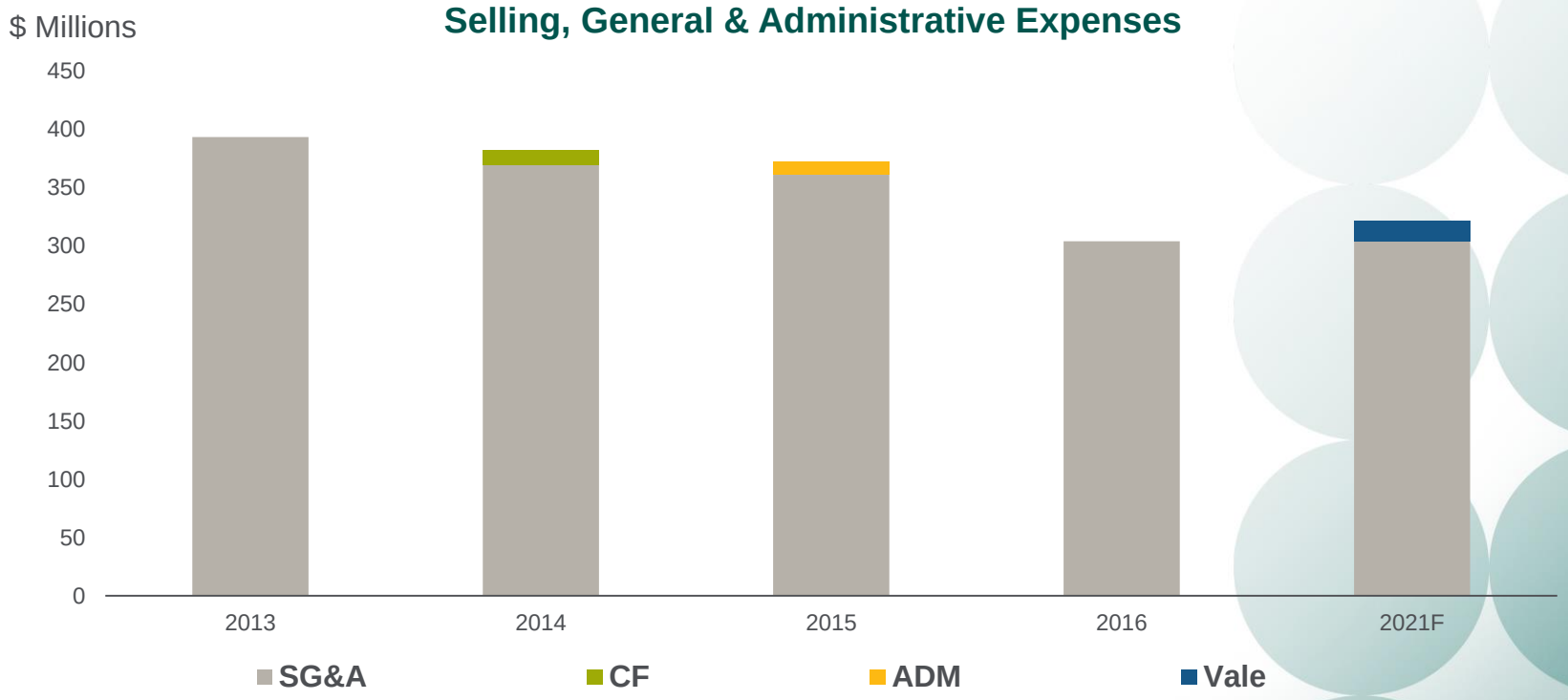
Context: 2013 to 2016



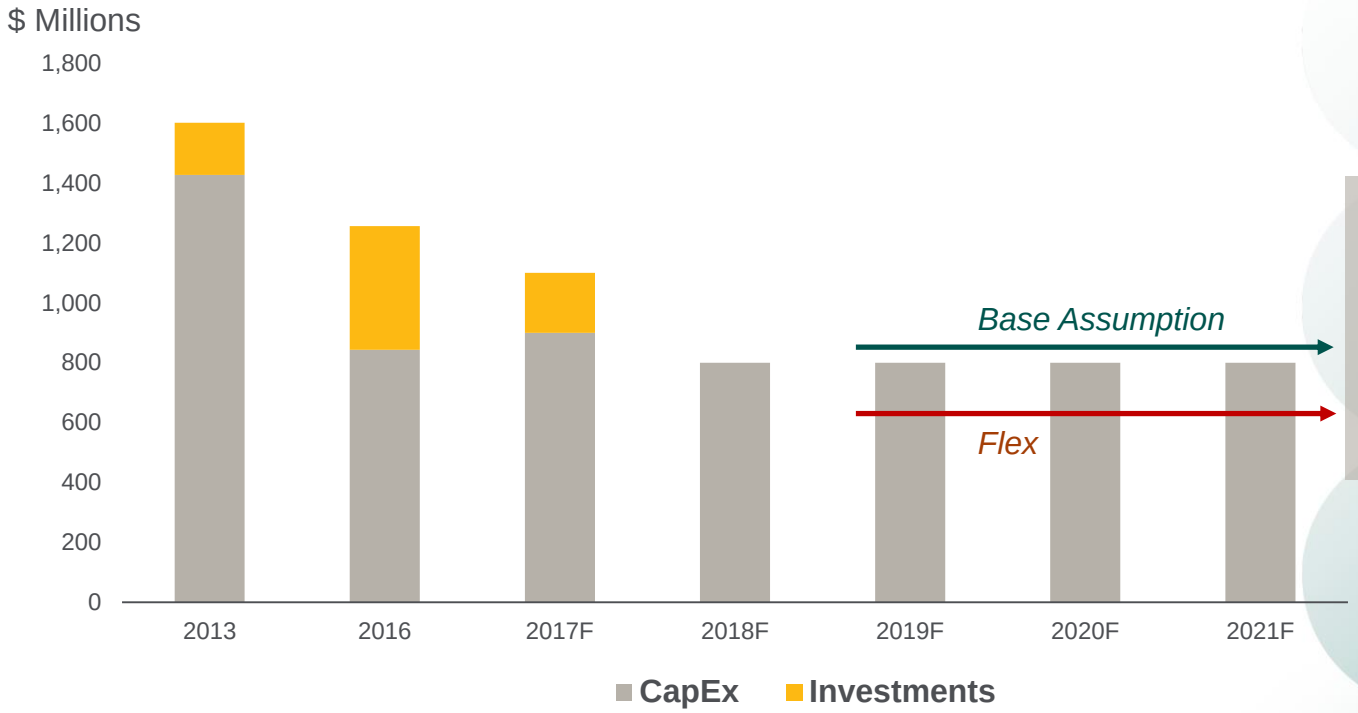
History of Prudent Capital Management



Visible Cost Controls



Capital Expenditure and Investments



Flexibility to Adjust K3 and Ona Spend

Focused on Managing Capital Even as Markets Improve

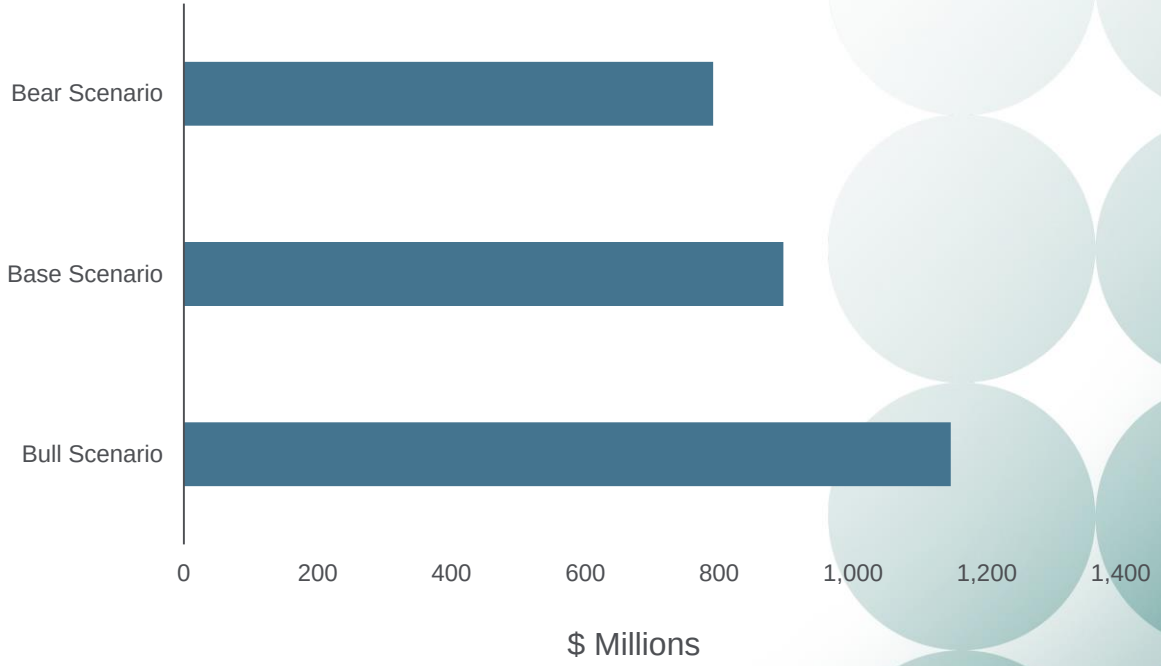
*For 2018 – 2021 excludes Vale Fertilizantes CAPEX, estimated at $150 - $200 million annually

Financial Implications: Phosphates

Key Assumptions:

- Volumes: 10.3 MT
- Mosaic stripping margin:
  - Bear: $244/T
  - Base: $255/T
  - Bull: $279/T
- DD&A: $372 million

2021F Phosphate Operating Earnings



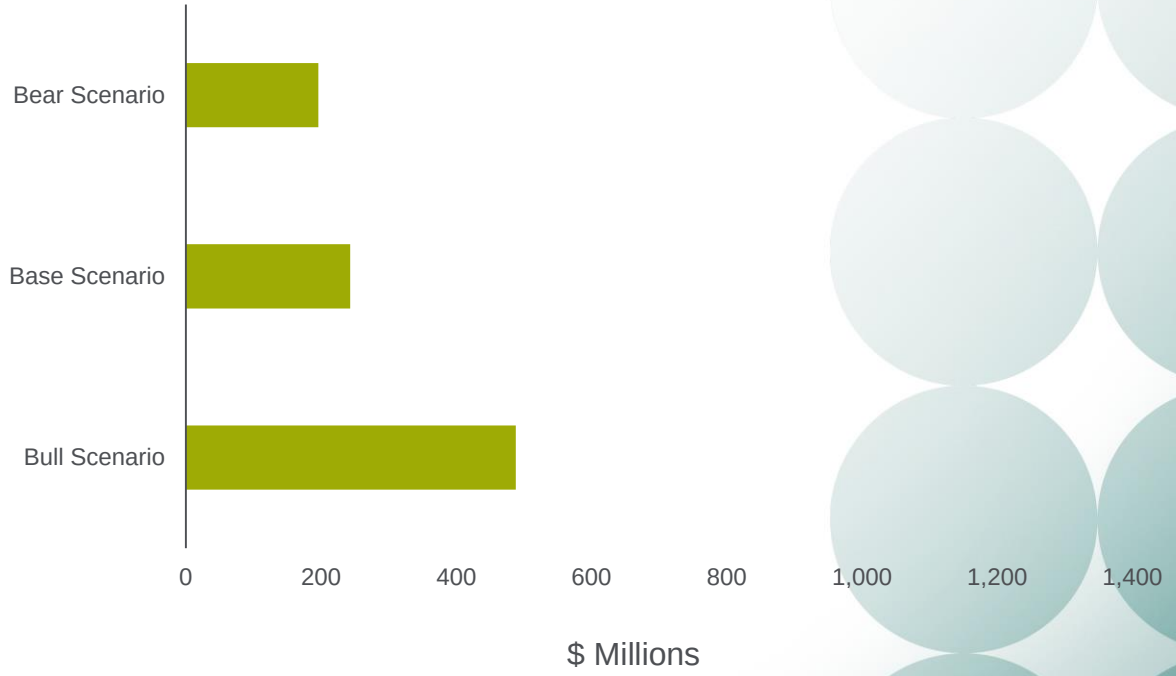
*DAP Stripping Margin is DAP selling price/tonne less (consumed ammonia cost/tonne)*0.23 and (consumed sulfur cost/ tonne)*0.4

Financial Implications: Potash

Key Assumptions:

- Volumes: 9.4 MT
- Average MOP Netback
  - Bear: $157/T
  - Base: $163/T
  - Bull: $198/T
- DD&A: $351 million

2021F Potash Operating Earnings

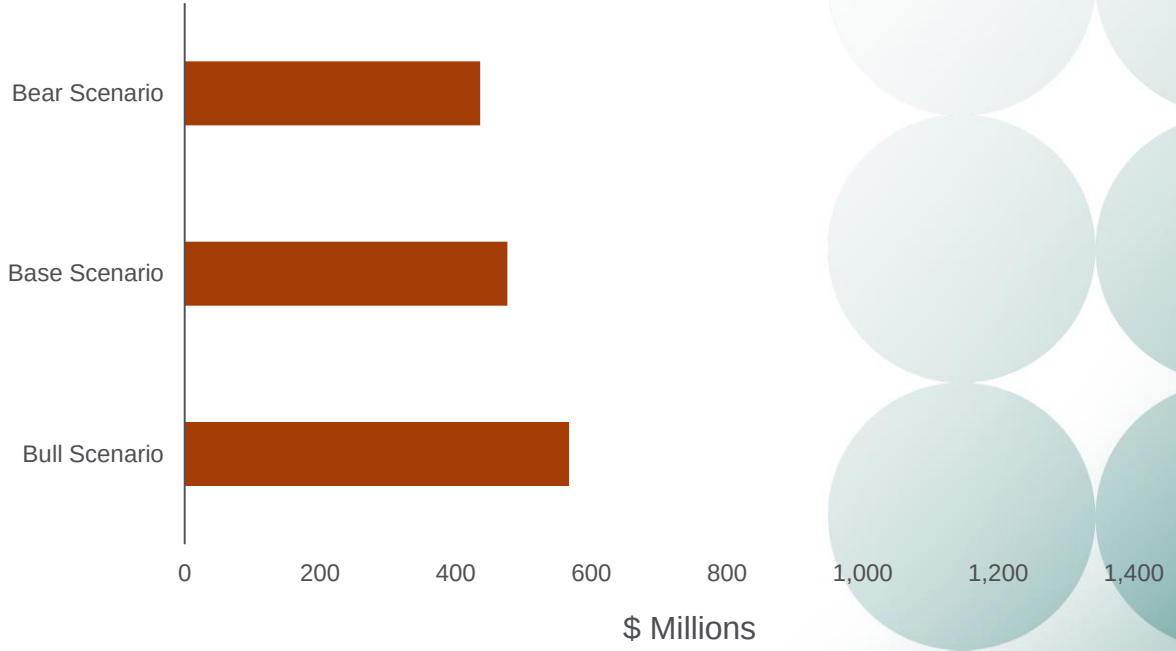


Financial Implications: ID + Vale Fertilizantes

2021F International Distribution: Operating Earnings

Key Assumptions:

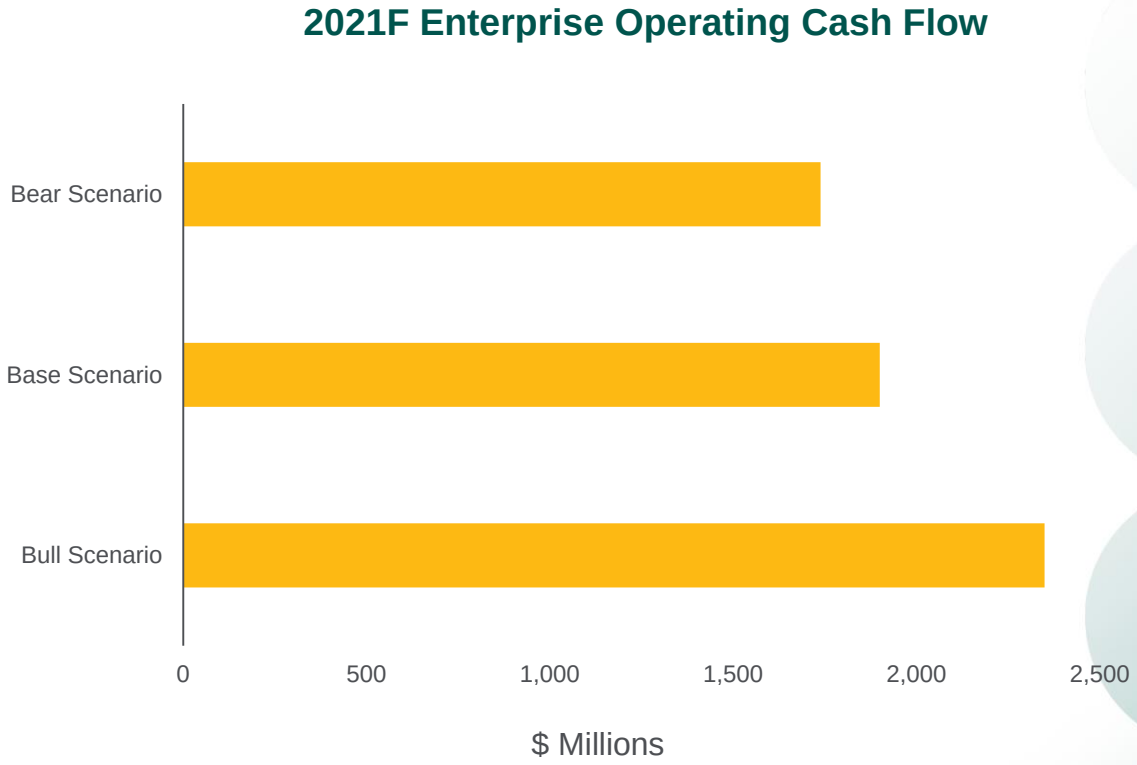
- ID Volumes: 8.9 MT
- Vale Volumes: 4.5 MT
- $30 ID Margin/T
- Mosaic stripping margin:
  - Bear: $244/T
  - Base: $255/T
  - Bull: $279/T
- BRL/USD: 3.7/1.0
- Synergies: $75 million
- DD&A: $342 million



*DAP Stripping Margin is DAP selling price/tonne less (consumed ammonia cost/tonne)*0.23 and (consumed sulfur cost/ tonne)*0.4

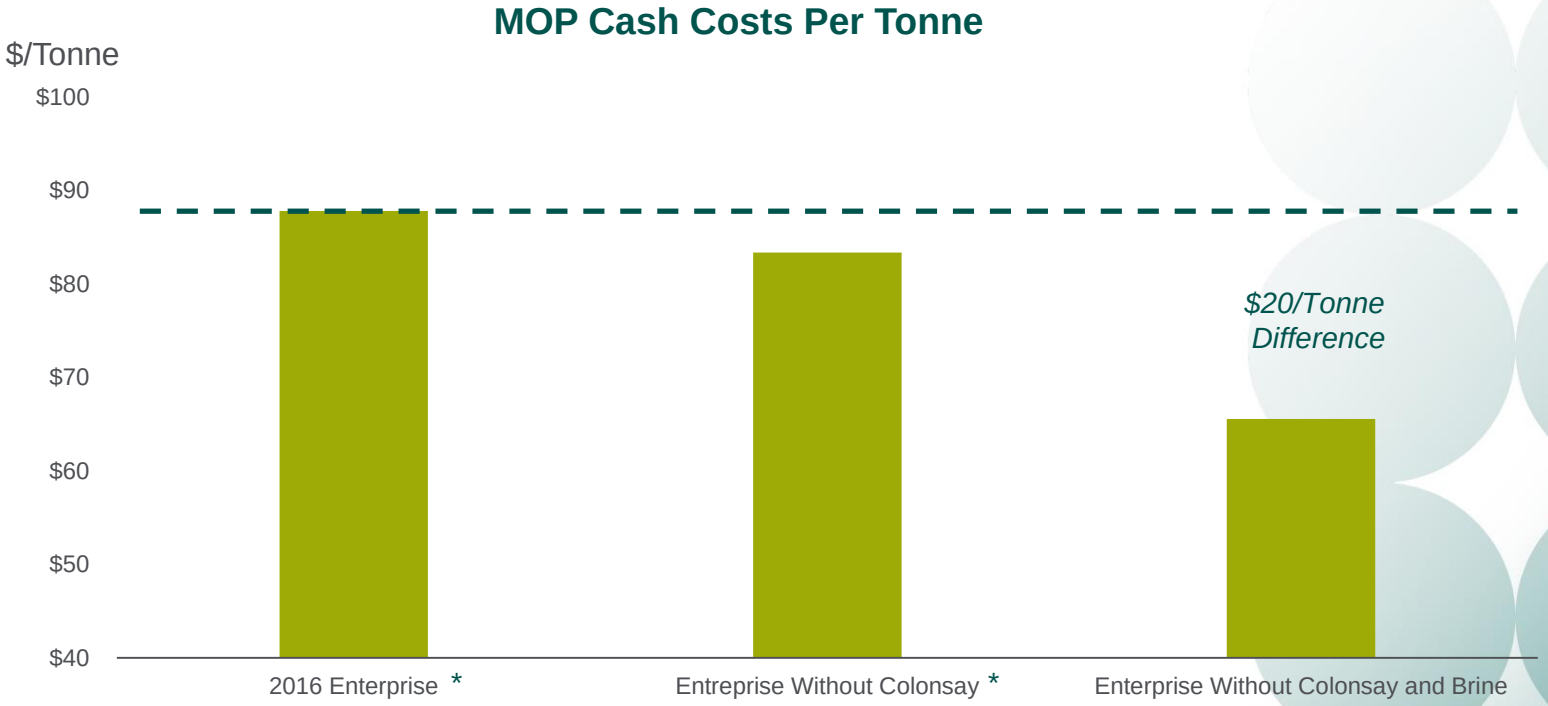
Assumes completion of the previously announced transaction to acquire Vale Fertilizantes

Financial Implications: Consolidated View



Assumes completion of the previously announced transaction to acquire Vale Fertilizantes

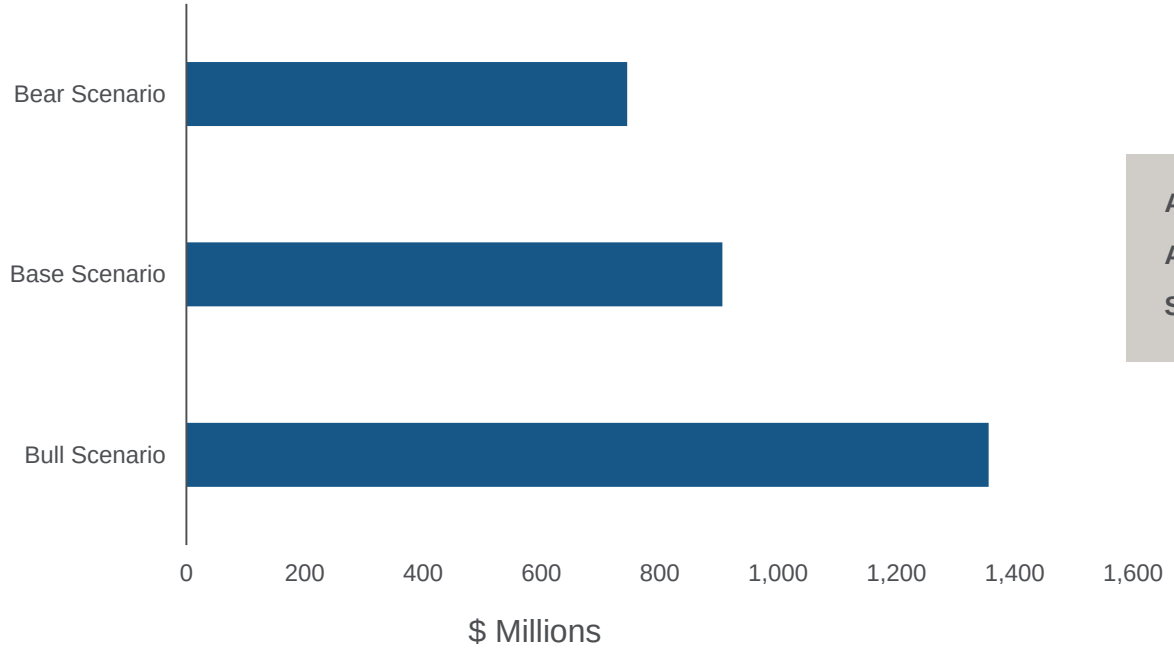
Ability to Limit Downside Risk



*Includes MOP cash production costs and brine management costs

Meaningful Upside Leverage

2021F Free Cash Flow *



Asymmetric Risk Profile

Able to Flex OPEX and CAPEX

Strong Cash Generation

*See appendix for reconciliation of Free Cash Flow; CAPEX numbers include an estimated ~$200m for Vale Fertilizantes in addition to Mosaic CAPEX

Assumes completion of the previously announced transaction to acquire Vale Fertilizantes

Capital Allocation Philosophy




Mosaic
MAUREEN MCNEILL


Mosaic






BARANEE NAREE
Mosaic





Non-GAAP Reconciliation

The Company has presented free cash flow, which is not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). Generally, a non-GAAP financial measure is a supplemental numerical measure of a company’s performance, financial position or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. Free cash flow, defined as operating cash flow less capital expenditures, is not a measure of financial performance under GAAP. Because not all companies use identical calculations, investors should consider that Mosaic’s calculations may not be comparable to other similarly titled measures presented by other companies.

Free cash flow provides a metric that the Company believes is helpful to investors in evaluating the Company’s ability to generate cash.

Millions	Bear Scenario	Base Scenario	Bull Scenario
Mosaic - Operating Cash Flow	$1,486	$1,607	$1,966
Vale Fertilizantes– Operating Cash Flow	$253	$293	$384
Capital Expenditures*	$994	$994	$994
Free Cash Flow	$745	$906	$1,356

*CapEx numbers include an estimated ~$200m for Vale Fertilizantes in addition to Mosaic CapEx

Assumes completion of the previously announced transaction to acquire Vale Fertilizantes

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.

Mosaic®