

The Mosaic Company

Citi Basic Materials Conference

Presenter: Clint Freeland, Senior Vice President and CFO

Date: December 4, 2019

Forward Looking Statements & Non-GAAP Financial Measures

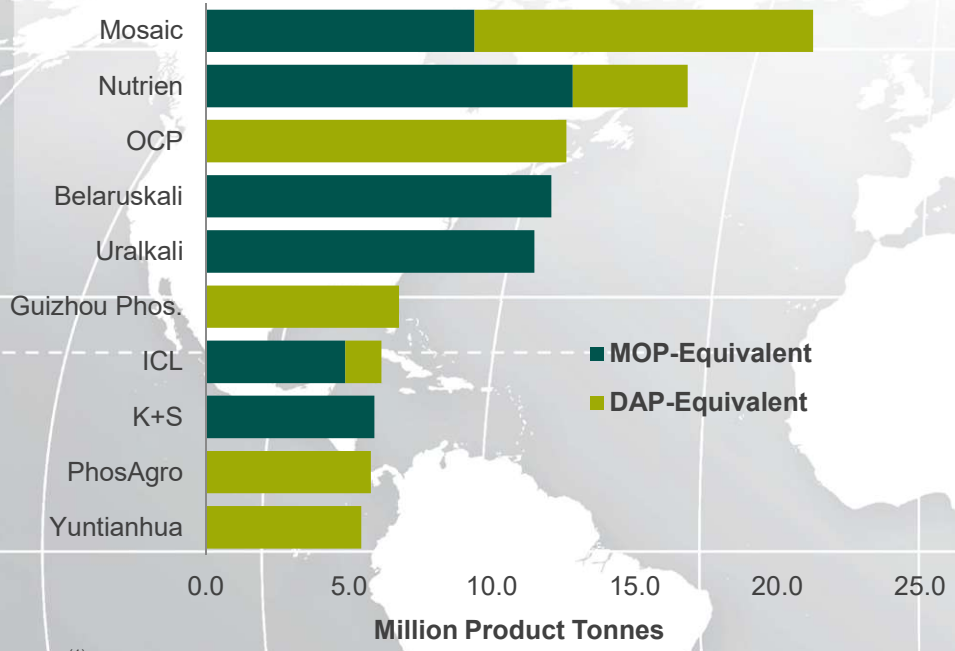
This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about the anticipated benefits and synergies of our acquisition of the global phosphate and potash operations of Vale S.A. conducted through Vale Fertilizantes S.A. (now known as Mosaic Fertilizantes P&K Ltda) (the "Transaction"), other proposed or pending future transactions or strategic plans and other statements about future financial and operating results, fall fertilizer estimates and the benefits of the curtailment of potash and phosphates production. 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: difficulties with realization of the benefits and synergies of the 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, such as higher costs associated with the new mining rules and remediation efforts, or the implementation of new freight tables; 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 Ma'aden Wa'ad Al Shamal Phosphate Company (also known as MWSPC), 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, and the future success of current plans for MWSPC and any future changes in those plans; the risk that protests against natural resource companies in Peru extend to or impact the Miski Mayo mine, which is operated by an entity in which we are the majority owner; 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, Canada or Brazil, 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.

This presentation includes certain non-GAAP financial measures, including adjusted EBITDA, adjusted gross margins, adjusted earnings per share. For important information regarding the non-GAAP measures we present, see "Non-GAAP Financial Measures" in our November 4, 2019 earnings release and the performance data for the third quarter of 2019 that is available on our website at www.mosaicco.com in the "Financial Information – Quarterly Earnings" section under the "Investors" tab.

The earnings release and performance data are also furnished as exhibits to our Current Report on Form 8-K dated November 5, 2019. We are not providing forward looking guidance for U.S. GAAP reported diluted net earnings per share or a quantitative reconciliation of forward-looking non-GAAP EPS, adjusted Gross Margins and adjusted EBITDA. Please see "Non-GAAP Financial Measures" in our November 4, 2019 earnings release for additional information.

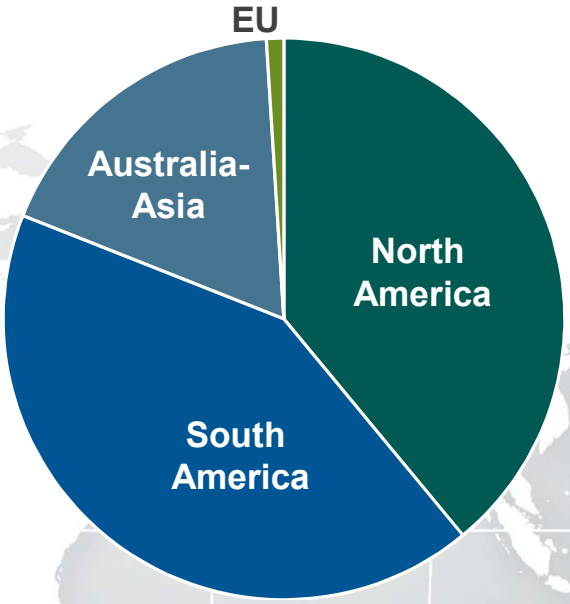
Largest Global Finished Phosphate & Potash Producer Focused on The Americas

Worlds Largest Potash & Phosphate Producers[1]



[1] Based on 2018 production

Mosaic's Shipment Destination[2]



[2] Based on 2018 shipments

#2 Phosphate capacity of 16 million tonnes
#4 Potash capacity of 11 million tonnes
#1 Premium fertilizer producer

We also have established distribution businesses in Brazil, India and China

Investment Thesis

Long-term demand growth driven by global population and income growth. The food story is still in play.

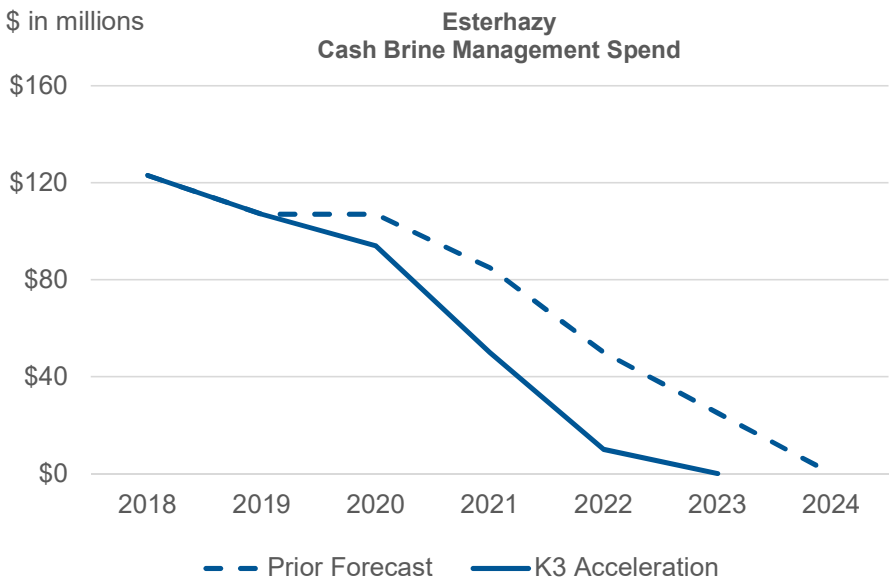
Mosaic has long lived, high quality, low cost assets to support our mission: Helping the world grow the food it needs.

The company continues to execute well, improving cost curve positioning and increasing leverage to improving market conditions.

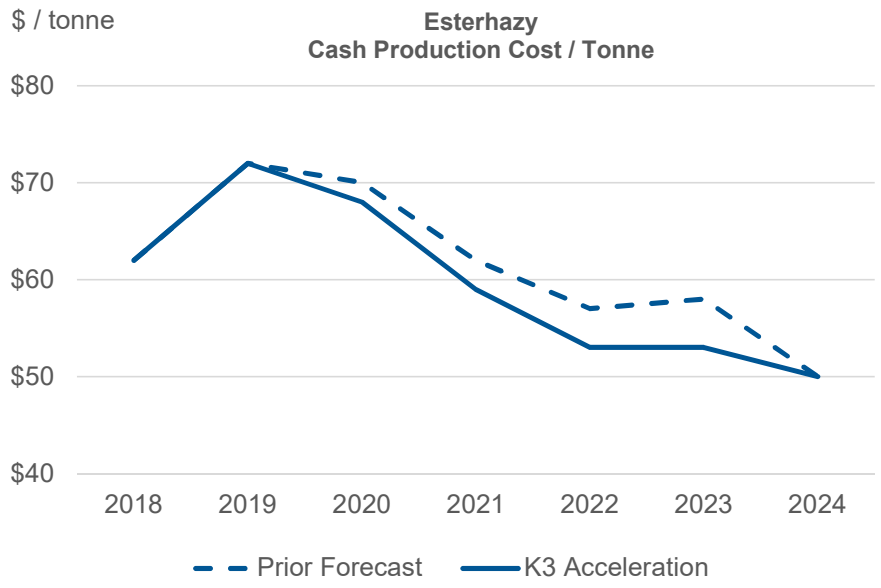
Improving market conditions expected for the agriculture industry into 2020 and beyond.

Transformative Decisions: Esterhazy K3

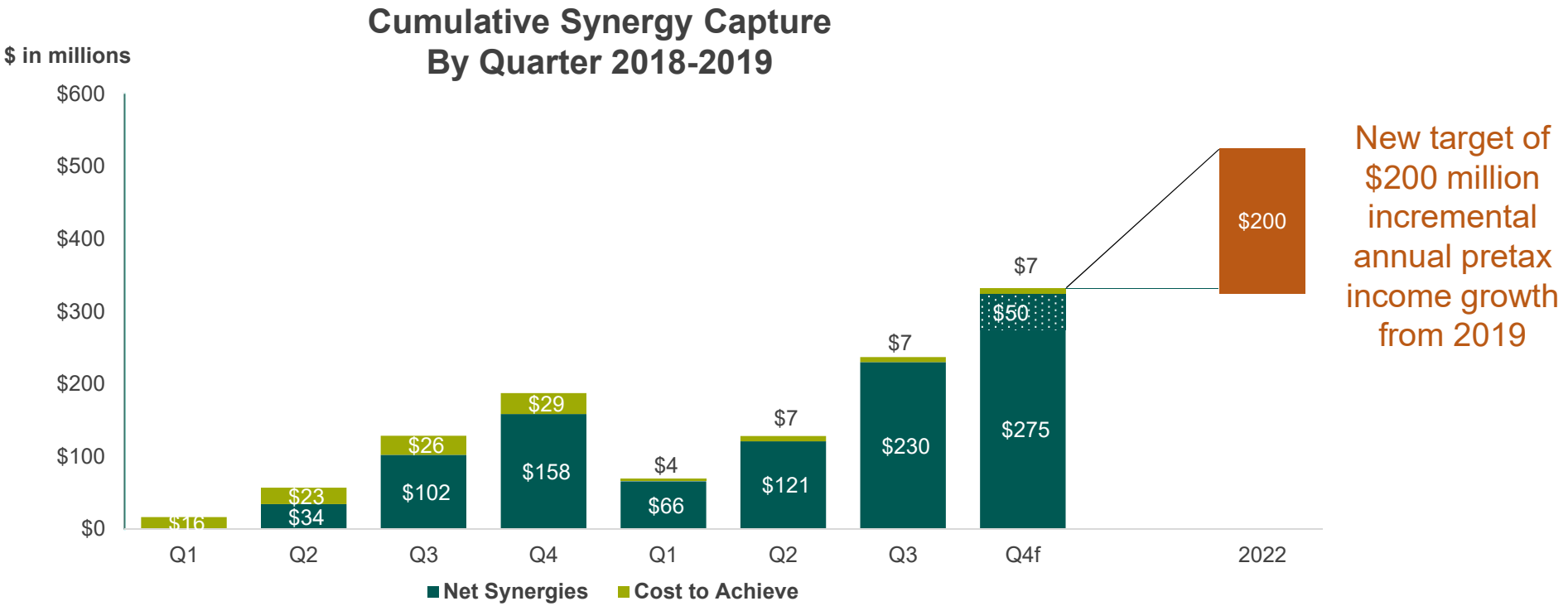
~$225 million of Expected Brine Management Savings



~$75 million of Expected Esterhazy Production Savings



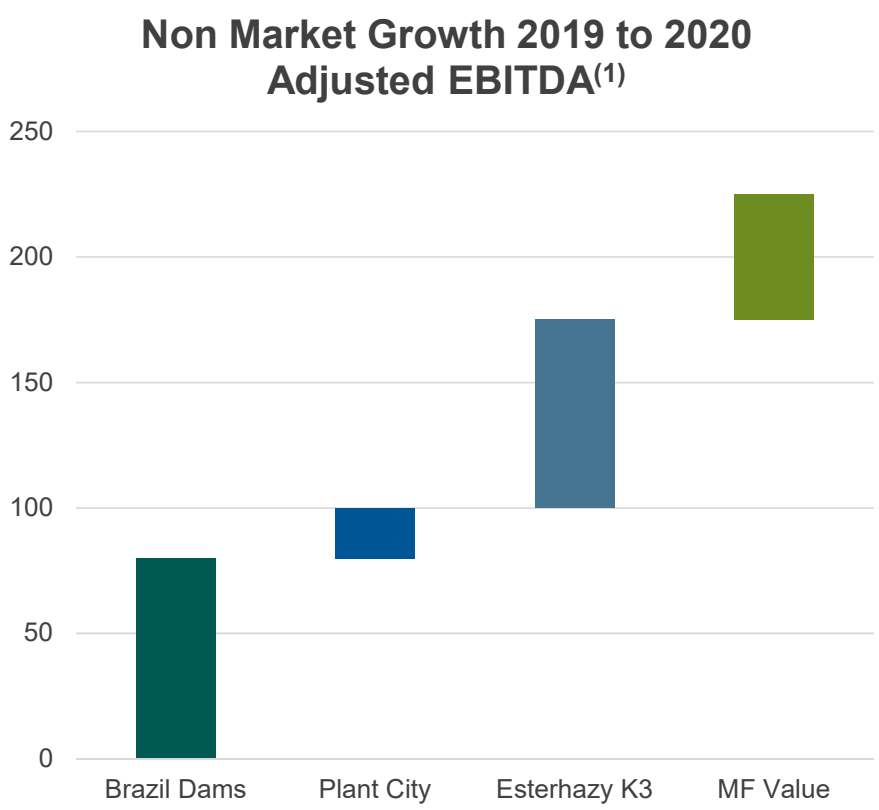
Transformative Decisions: Mosaic Fertilizantes



New target of $200 million incremental annual pretax income growth from 2019

- Despite dam regulatory driven challenges, expect to exceed target of $275 million of net annual synergies in 2019, by up to $50 million.
- Quarterly realization of synergies is seasonal, and driven by sales patterns.

Driving Growth 2019 to 2020



(1) See Non-GAAP Financial Measures for additional information

Mosaic expects ~ $225 million of adjusted EBITDA growth, all else equal, due to the following:

- The Brazilian phosphate mines resumed full operations last week, with the outages in 2019 having cost an estimated $80 million.
- Plant City costs to hold the plant idle will be eliminated with its closure announced in June of 2019, eliminating ~$20 million in costs.
- Increasing production by 600,000 tonnes from Esterhazy K3 is expected to increase EBITDA by ~$70 to $80 million.
- Mosaic Fertilizantes expects to realize incremental value from transformation of ~$200 million by 2022, $50 million in 2020.

ESG Engagement and Recognition

CDP Climate	A-
CDP Water	B
Sustainalytics	57
MSCI	A
100 Best Corporate Citizens	77
FTSE ESG	3.7

SASB

CR 100 BEST CORPORATE CITIZENS 2019

EURONEXT vigeo eiris INDICES WORLD 120

FTSE4Good

EURONEXT vigeo eiris INDICES US 50

THE GLOBAL COMPACT WE SUPPORT

SUSTAINABLE DEVELOPMENT GOALS

Global Reporting Initiative™

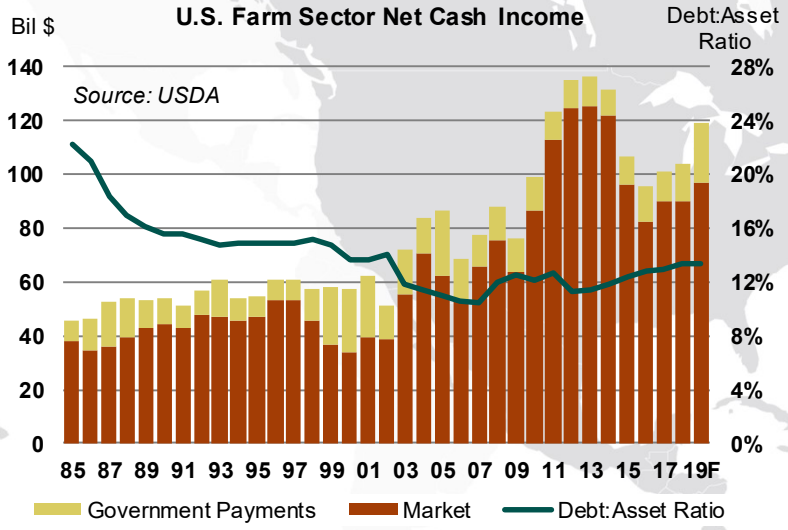
Mosaic

ESG Focus Areas		Priorities
People	We are unwavering in our focus on the safety, wellness and engagement of our employees.	**Safety and Wellness** **Diversity** **Engagement**
Environment	Mosaic is a committed steward of environmental resources, working efficiently and minimizing negative impacts.	**Water** **Air and Energy** **Land**
Society	We contribute to global food security. Mosaic maintains strong commitments to the communities where we have operations.	**Food Security** **Community** **Nutrient Stewardship** **Agricultural Productivity**
Company	We operate responsibly, build trusted relationships and help our constituents thrive. Our impact measurement and reporting is balanced, accurate and comparable, and drives progress on the issues that are most important to Mosaic and its constituents.	**Long-term Performance** **Ethics and Compliance** **Transparency**

North America

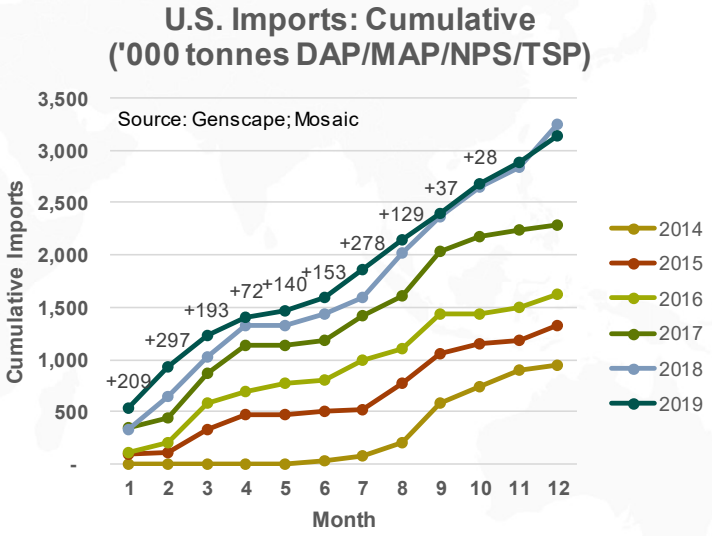
Potash

- Channel stocks not as heavy as phosphate, as MOP is not subject to the same import pressures
- Elevated producer inventories moving into Q4, but curtailments being used to manage
- Shipments poised for a big rebound in 2020 on higher corn acres and a challenged, but still financially healthy farm sector



Phosphate

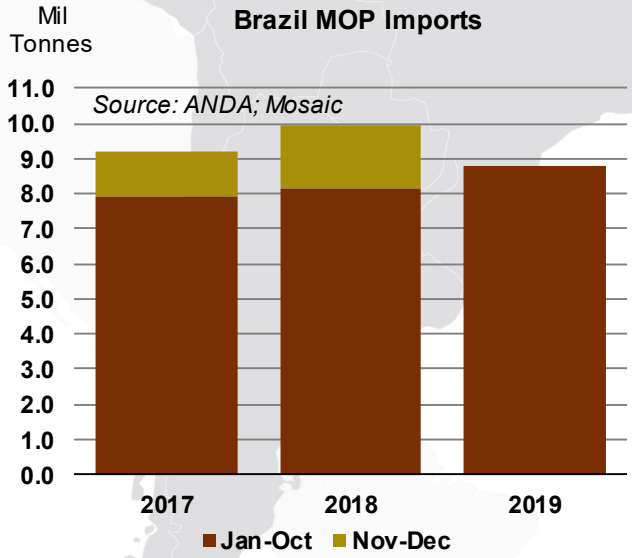
- Carryover inventories are being worked through
- Excessive imports were a primary driver, though they have slowed modestly this fall
- Poor weather hampered applications in fall '18 and spring '19, and are poised for a sharp rebound when weather allows



South America

Potash

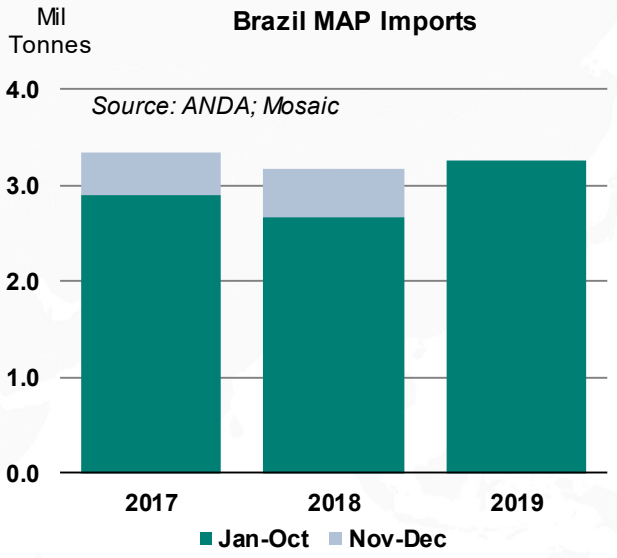
- Brazil: Strong demand is expected to keep inventories towards historically normal levels by year-end



- Shipments to the rest of S. America tracked broadly flat year-over-year with some destocking of channel stocks

Phosphate

- Record-setting imports for Brazil year-to-date to meet very robust demand led to a channel inventory build that is being worked through

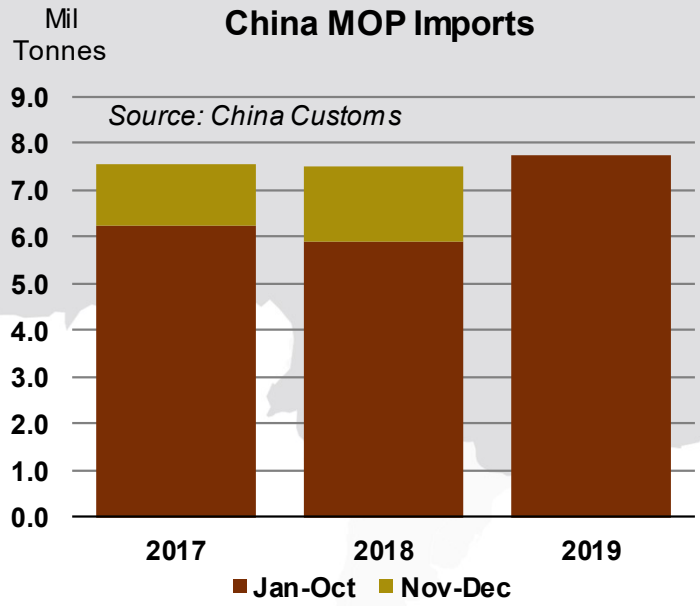


- Elsewhere in S. America, channel stocks are about average, and set the stage for trend or better shipments in 2020

China

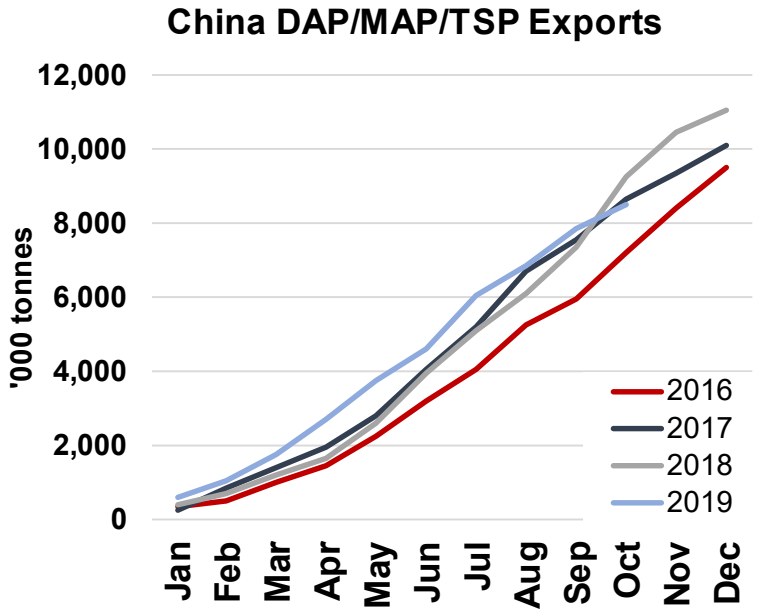
Potash

- Port inventories are elevated at around 3 mmt (a function of strong YTD imports), but inland stocks are believed to be very low.
- While a new contract could be delayed another couple of months, we continue to expect steady – i.e. robust – shipments in 2020



Phosphate

- Phosphate export volumes slow sharply
  - Jan-Oct DAP/MAP/TSP exports of 8.5mmt are down 8% y-o-y (~750,000 tonnes)
  - Exports are now on pace for ~10mmt in 2019, down ~1mmt y-o-y

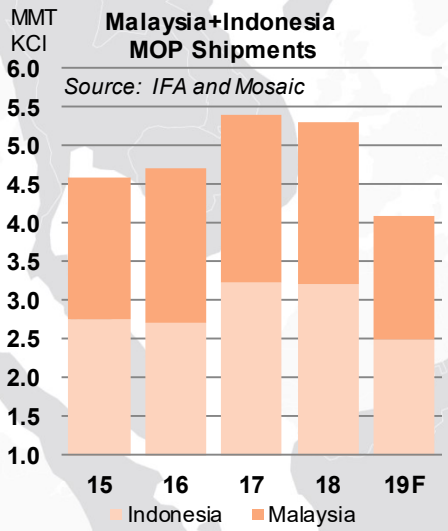


India & Southeast Asia

Potash

- Palm oil price recovery expected to lead to a rebound in SE Asia shipments

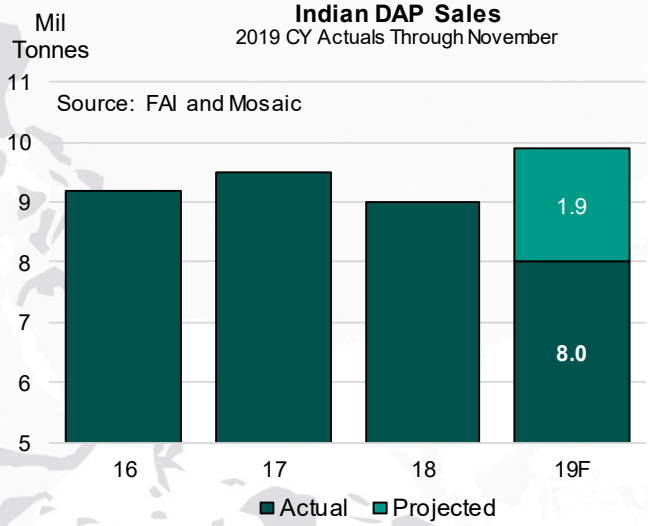




- Channel destocking in India this year sets the stage for flat to higher shipments in 2020 in light of positive farm economics

Phosphate

- India's DAP imports shift only slightly lower in 2019;
- Channel inventories are being pulled down on ~10% increase in sales



- Elsewhere in Asia, phosphate demand in Indonesia/Malaysia is expected to rebound along with potash

Long-term market outlook remains positive

- Demand for grains and oilseeds continues to grow, and fertilizer remains a key requirement to increase yields to meet that demand.
- Grain prices remain attractive and are expected to drive increased acreage in 2020 in North America and Brazil, while rebounding palm oil prices drive demand in Asia.
- North American soil is depleted, and needs incremental fertilizer to generate maximum yields.
- Fertilizer remains very affordable.
- The 5 year supply outlook for potash looks balanced with demand, while phosphates market conditions are expected to strengthen.

As a result of these factors, we believe strong demand pull will drive recovery from the weather driven demand shock of 2019 and lead to improved pricing in 2020 and beyond.

We help the world grow the food it needs

