# The Mosaic Company

## Earnings Slides
## First Quarter 2020

Presenters: Joc O'Rourke, President and Chief Executive Officer
Clint Freeland, Senior Vice President and Chief Financial Officer
Laura Gagnon, Vice President Investor Relations

Date: May 4, 2020

# 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 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: the economic impact and operating impacts of the coronavirus (COVID-19) pandemic, the potential drop in oil demand/production and its impact on the availability and price of sulfur, political and economic instability in Brazil or changes in government policy in Brazil, such as higher costs associated with the new mining rules 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 Wa'ad Al Shamal Phosphate Company (also known as MWSPC), 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; 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; 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 May 4, 2020 earnings release and the performance data for the first quarter of 2020 that are 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 May 4, 2020.*

# Agenda

Strengthening Markets

Strong Operational Performance

Strategic Progress

# Strengthening Markets Into Spring

## Midwest Prices 2020

| DAP | MOP |
| --- | --- |
| $36/mt | $(19)/mt |

## Brazil Prices May 1

After China Contract

MOP

$20/mt

## MOS Barge Inventory as of April 1 vs 2019

80%

## Non-Chinese Production Curtailments YTD 2020

540 kmt

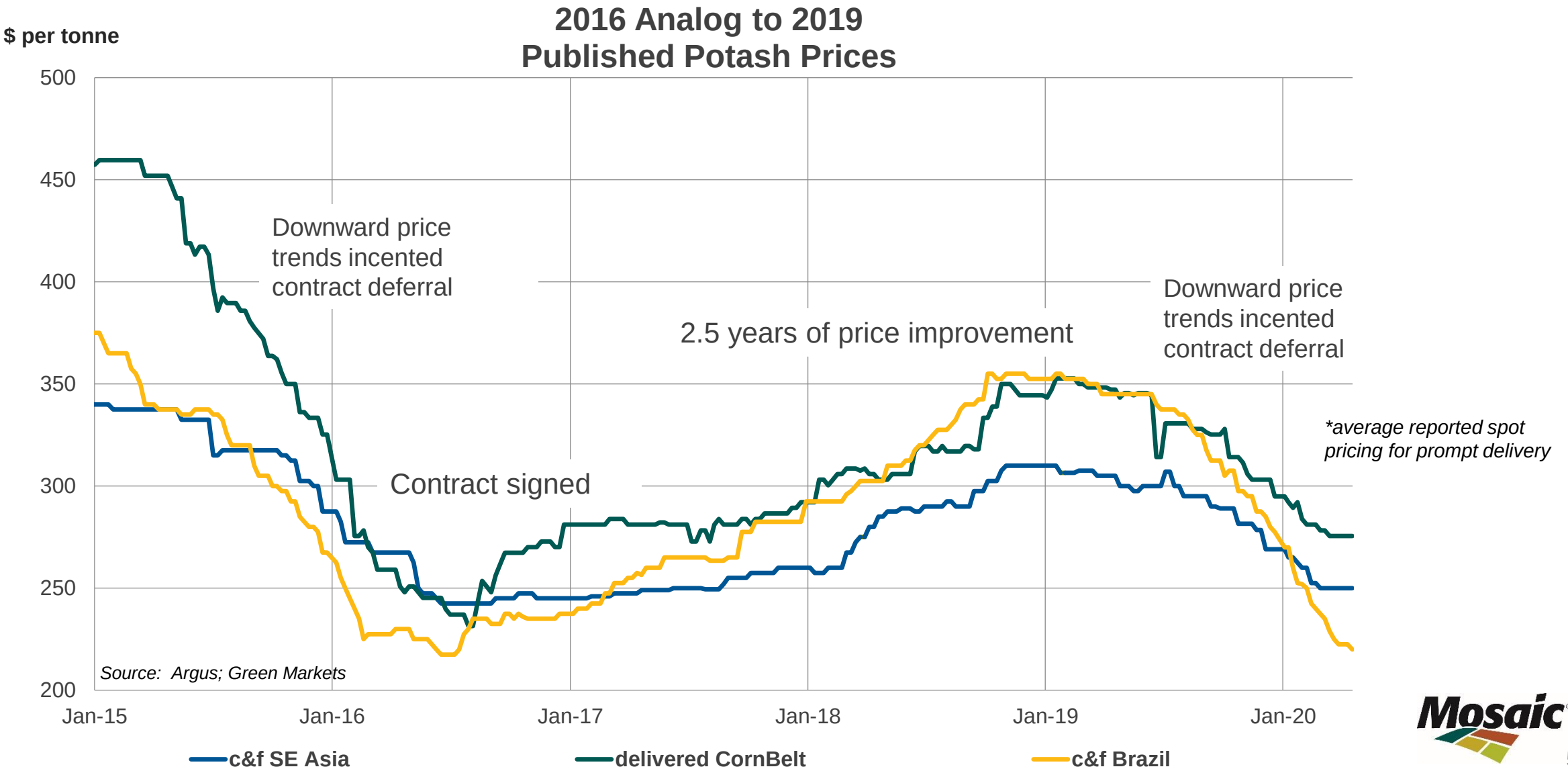
## Estimated Chinese exports YTD April vs 2019

450 kmt

## Phosphate NOLA imports YTD April vs 2019

250 kmt

# Potash Momentum Following Contract Settlements



# COVID-19

**While we continue to monitor the effects of COVID 19 on our markets and on our business, we've seen little negative impact**

## Risks

Government Mandated Closures

Bio Fuel Prices

Supply Chain Interruptions

Sulfur Costs / Availability



## Opportunities

Increased Logistic Availability

Lower Fuel / Freight Costs

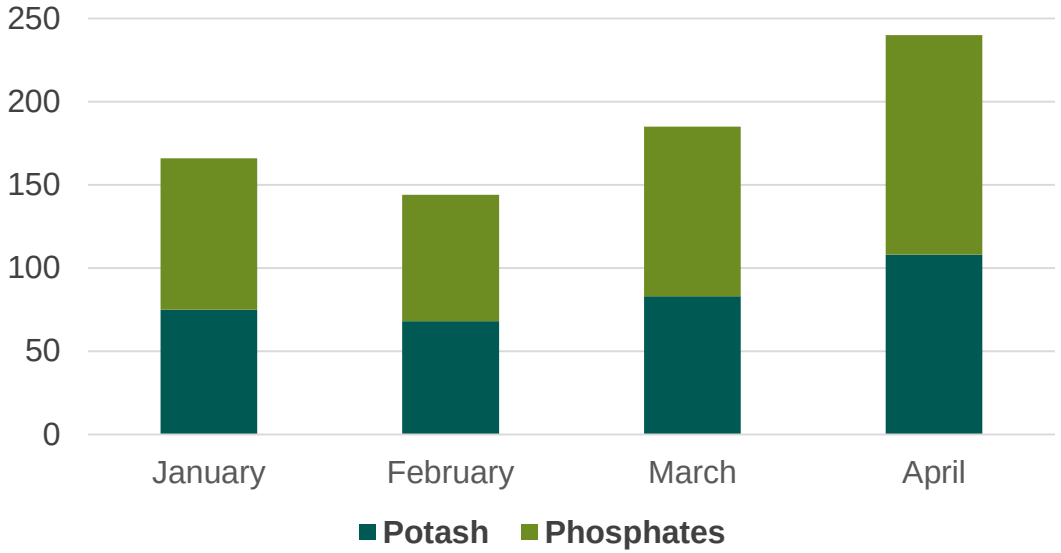
Lower T&E

Global Phosphate Curtailments

Sulfuric Acid

# Strong Operational Performance

**Average Weekly Shipments (000) Tonnes**




**End of Curtailments Drives Phosphates Operating Rate**

| Jan | Feb | Mar | April |
|---|---|---|---|
| 68% | 65% | 91% | 87%e |

**Consistent Potash Operating Rate**

| Jan | Feb | Mar | April |
|---|---|---|---|
| 82% | 82% | 92% | 88%e |

**Mosaic Fertilizantes Q1 volumes up 36%**

**Company wide Q1 volumes up 14%**

No Supply Chain / Logistics Disruption

Patrocinio Returned to Operations

Ongoing Disruptions at Miski Mayo

# Advancing Strategic Priorities

## North America Transformation

Named North America leadership team, actively planning integration

Esterhazy K3: Potash cash costs / tonne excluding brine **below $60**

Next Gen Phosphates: Cash costs of rock **down almost 10%** to $36

## South America Growth Engine

Grew product volumes **36%** in the quarter

Delivered **$17** million in synergies, toward $50 million 2020 target

## Grow and Strengthen Our Product Portfolio

Continuing to evaluate expansions and additions to our performance product portfolio

## Drive Functional Collaboration and Efficiency

Retooled organization to work remote, including business processing

Continue drive toward global shared services model

## Optimize Operating Assets and Capital Management

Continue balanced allocation approach

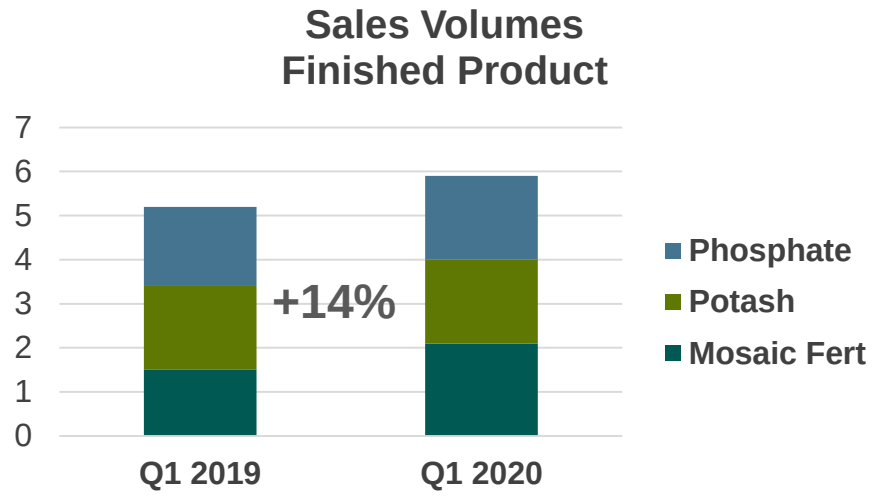
Solidified liquidity position with **$1 billion** cash on hand

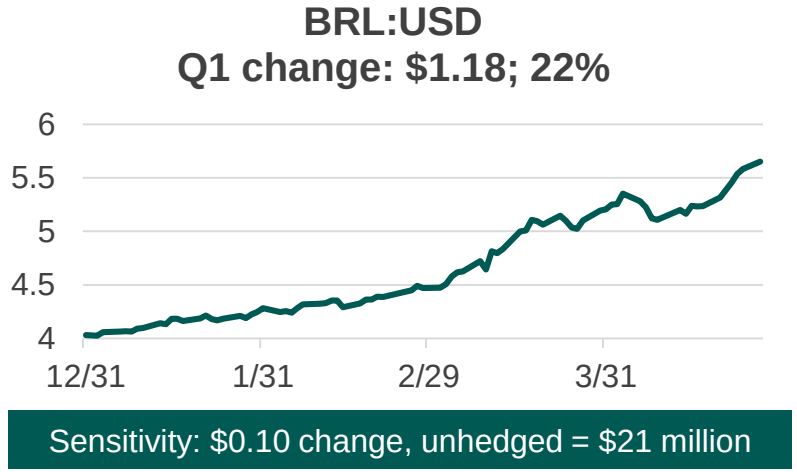
## Act Responsibly

Record safety performance continues

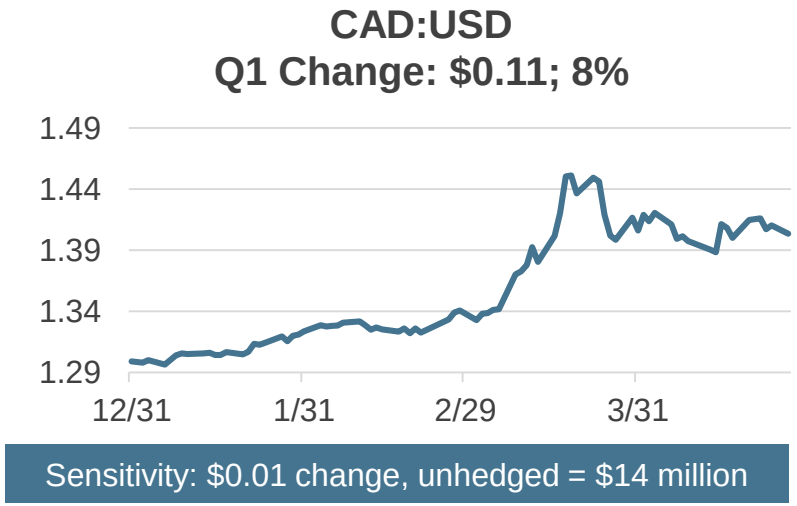
Supporting our local communities in time of need

# External Forces Impacting Results




| FX Impacts ($ in mm) | |
|---|---|
| Subsidiaries' US dollar liabilities | $ (239) |
| Mark-to-market on operating hedges | $ (56) |
| Total unrealized FX loss | $ (295) |
| Realized gain on Balance Sheet hedges | $ 30 |
| Total FX notables | $ (265) |




Sensitivities are full year adjusted EBITDA sensitivities to unhedged changes

# Results

| $ in million, except per share | 1Q 2020 | 1Q 2019 |
|---|---|---|
| Diluted Earnings Per Share (EPS) | $(0.54) | $0.34 |
| Adjusted diluted EPS[1] | $(0.06) | $0.25 |
| Net Earnings (Loss) | $(203) | $131 |
| Adjusted EBITDA[1] | $214 | $430 |
| Cash from Operations | $190 | $(176) |
| Capital Expenditures | $264 | $314 |

## POTASH 1Q 2020

**Gross Margin/Tonne $57**

**Adjusted Gross Margin /Tonne[1] $69**

**Sales Volumes 1.9 mmt**

**Cash Costs of Production $70**

**Operating Rate 85%**

## PHOSPHATES 1Q 2020

**Gross Margin/Tonne $(43)**

**Adjusted Gross Margin/Tonne [1] $(41)**

**Sales Volumes 1.9 mmt**

**Cash Conversion Costs $67**

**Operating Rate 75%**

## FERTILIZANTES 1Q 2020

**Gross Margin/ Tonne $32**

**Adjusted Gross Margin/Tonne [1] $32**

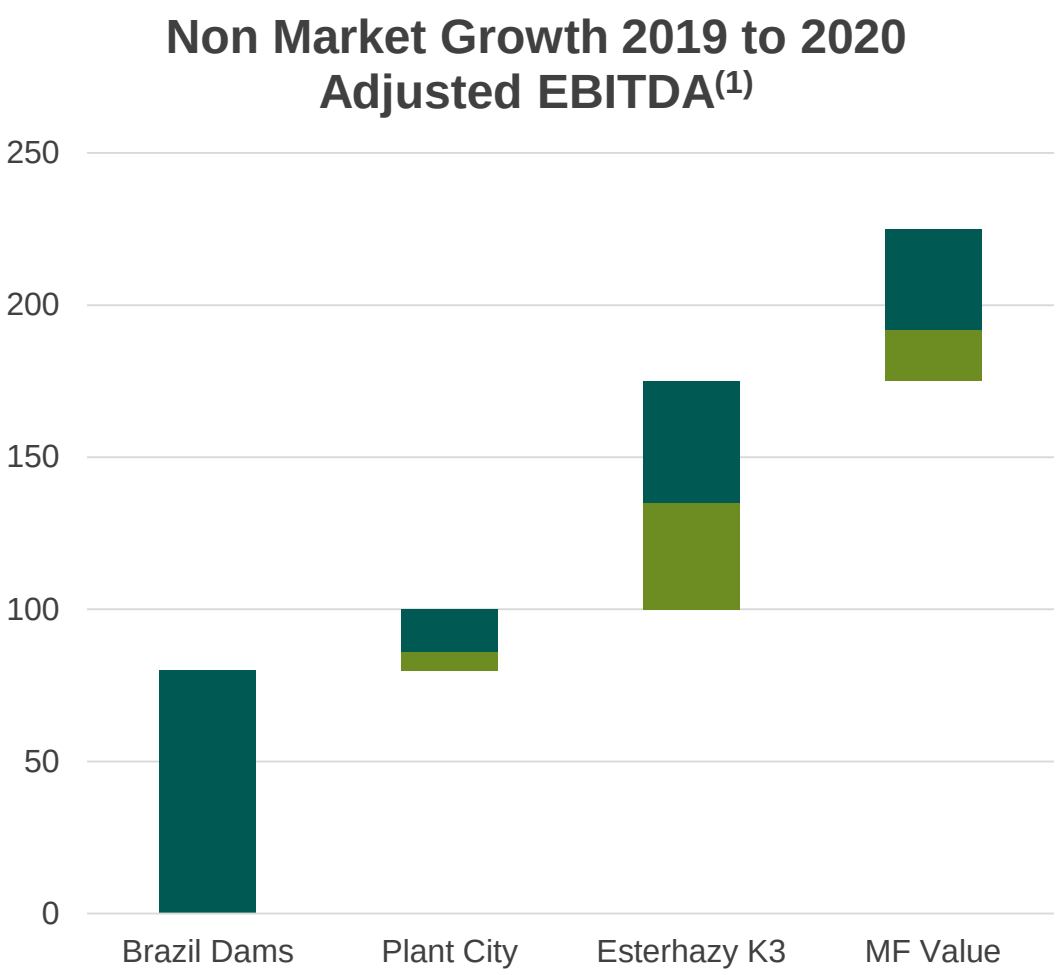
**Sales Volumes 2.1 mmt**

**P Cash Conv. Costs BRL 309**

**Operating Rate 77%**

[1]See Non-GAAP Financial Measures for additional information

# Realized $58M of Non-Market Improvements in Q1




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

**Mosaic is on track to achieve ~ $225 million of adjusted EBITDA (1) growth over 2019:**

- Brazilian dam remediation work began in the second quarter of 2019.
- Costs to hold Plant City idle were primarily recognized in the first half of 2019.
- Shifting production of 600,000 tonnes to Esterhazy K3 was expected to increase EBITDA by ~$70 to $80 million, of which $35 million was realized in the first quarter.
- Mosaic Fertilizantes achieved $17 million of incremental value from transformation, ahead of plan to reach its 2020 target.

Achieved year to date

Remaining

# Balance Sheet Strength & Liquidity

***Mosaic continues to target investment grade metrics and $2.5 – $3.0 billion in available liquidity***

**Liquidity**

~$1.1 billion cash on the balance sheet

~$1.6 billion available, committed line of credit (Nov 2021)

No long-term debt payments until Nov 2021

**Working Capital Management**

$194 million cash from W/C declines in Q1

$600 million of facilities to manage seasonality

**Debt Covenants**

EBITDA / Interest of $\geq$ 3.0x, 3/31/2020 at 3.9x

Debt / Total Capital of $\leq$ 65%, 3/31/2020 at 39%

**Financial Flexibility**

$170 million cash from U.S. and non U.S. tax refunds & interest rate swap unwind

$340 million in expected SG&A expenses

$1.2 billion in planned capital expenditures


We help the world grow
the food it needs.

# Modeling Assistance



# Operating Driver Targets

| | | 2018 | TTM 3/31/20 | 2021 target |
|---|---|---|---|---|
| Phosphates | Cash cost of U.S. mined rock ($/tonne) | $38 | $39 | $39 |
| | Cash costs of conversion ($/tonne) | $63 | $66 | $56 |
| | Sales of MicroEssentials (mm tonnes) | 2.9 | 2.8 | 3.7 |
| | Average MicroEssentials margin, premium to MAP ($/tonne)[(1)] | $43 | $40 | $40 - $50 |
| Potash | Cash costs of production (excluding brine) – MOP ($/tonne) | $66 | $70 | $62 |
| | Cash brine management costs ($ in millions) | $123 | $94 | $85 |
| Mosaic Fertilizantes | Cash costs of mined rock (R$/tonne) | R$346 | R$322 | R$320 |
| | Cash costs of conversion - Phosphates (R$/tonne) | R$265 | R$332 | R$275 |
| | Total Selling, General & Administrative Expenses ($ in millions) | $341 | $329 | $340 |

*(1) Includes margins earned locally on sales by Mosaic Fertilizantes and Mosaic China.*

# Sensitivities using 2019 Cost Structure

| Based on 2019 Actuals | |
|---|---|
| Adjusted EBITDA[1] | $1.35 bn |
| Known non-market growth 2020 vs 2019 | $0.225 bn |

| Sensitivity | Full year adj. EBITDA impact | 2019 Actuals |
|---|---|---|
| Average MOP Price / tonne (fob mine) | $10/mt price change = $55 million[2] | $237 |
| Average DAP Price / tonne (fob plant) | $10 / mt price change = $95 million | $325 |
| Average BRL / USD | $0.10 change, unhedged = $21 million | 3.94 |
| Average CAD / USD | $0.01 change, unhedged = $14 million | 1.33 |

- Based on 2019 conversion costs
- The EBITDA sensitivity to average MOP and DAP price/ tonne includes Mosaic Fertilizantes
  - ~10% of the average MOP price per tonne impact to EBITDA relates to Mosaic Fertilizantes
  - ~15% of the average DAP price per tonne impact to EBITDA relates to Mosaic Fertilizantes
- ~85% of Potash cash costs were fixed, excluding brine and CRT
- ~88% of Phosphates cash conversion costs were fixed

[1] See Non-GAAP Financial Measures for additional information
[2] Includes impact of CRT

# Additional Modeling Assistance

| Estimated reconciling items EBITDA[1] to EPS | $ in millions |
|---|---|
| Adjusted Depreciation, Depletion & Amortization | $910 - $920 |
| Net Interest Expense | $180 - $190 |
| Non-Notable Adjustments | $80 - $90 |
| Effective Tax Rate[2] | Mid - High 30's% |
| **Capital Expenditure Expectations** | **$ in billions** |
| Sustaining Capital | $0.80 |
| Growth Capital | $0.40 |
| Total Capital Expenditure Estimate | $1.20 |

Noncash items currently included in reported adjusted EBITDA (trailing twelve months 3/31/2020):

- Equity earnings (loss) from MWSPC joint venture of $(82) million
- Noncash lease accretion expense of $21 million

*[1] See Non-GAAP Financial Measures for additional information*
*[2] Updated from prior quarter end*

# Realized Price Lags Positive Market Momentum

| Mosaic Fert | Nov | Dec | Jan | Feb | March |
|---|---|---|---|---|---|
| Tonnes (000) | 644 | 660 | 752 | 737 | 588 |
| Revenues ($mm) | $253 | $260 | $281 | $255 | $195 |
| Revenue / tonne | $393 | $395 | $374 | $346 | $332 |

| Potash | Nov | Dec | Jan | Feb | March |
|---|---|---|---|---|---|
| Tonnes (000) | 356 | 536 | 728 | 489 | 682 |
| Revenues ($mm) | $92 | $145 | $170 | $118 | $153 |
| Revenue / tonne | $259 | $271 | $234 | $241 | $225 |
| MOP Corn Belt ($/tonne)* | $303 | $295 | $284 | $279 | $276 |

| Phosphates | Nov | Dec | Jan | Feb | March |
|---|---|---|---|---|---|
| Tonnes (000) | 517 | 899 | 599 | 532 | 788 |
| Revenues ($mm) | $188 | $295 | $198 | $172 | $249 |
| Revenue / tonne | $364 | $328 | $331 | $324 | $342 |
| DAP Corn Belt ($/tonne)* | $325 | $319 | $344 | $347 | $342 |

**April Price Trends**





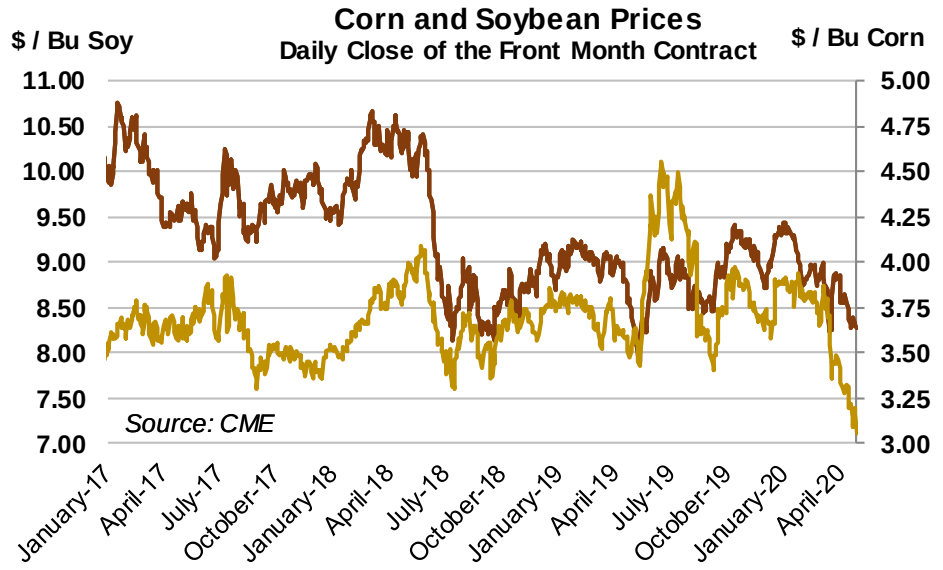
** Source: Green Markets*

# Appendix



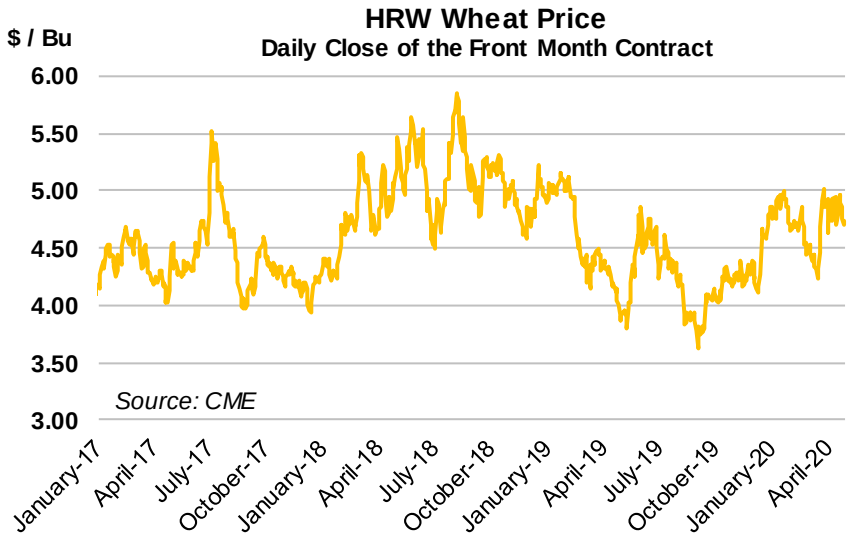
# Strong H1 2020 Demand Driven by Still Constructive Ag Commodity Prices & Acreage Increase in North America

- Strong rebound in North American demand (and elsewhere) in H1 after missed acres and underapplication in the prior three seasons.
- US$ corn and soybean prices have deteriorated on demand concerns, but increased government support and potential for big Chinese imports provides an offset.
- Some other ag commodities – e.g. wheat and rice – are performing well.

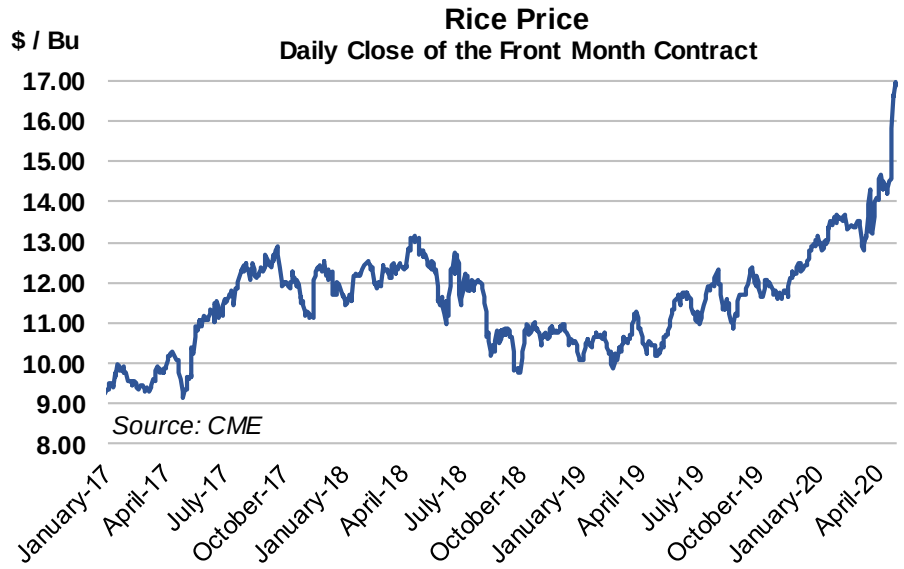



Beans -13% YTD, but could rebound upon the return of Chinese buying

Corn -23% YTD on demand concerns & prospect for a big U.S. crop



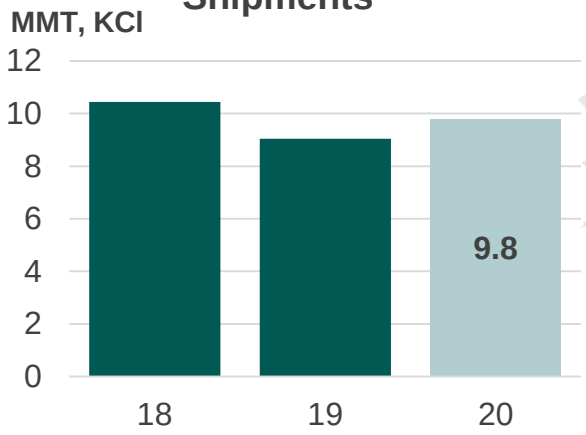

Nearby HRW -2% YTD (and +22% y-o-y)




Nearby rice up 30% YTD on poor 2019 production and export restrictions

# 2020 Demand Growth: Potash

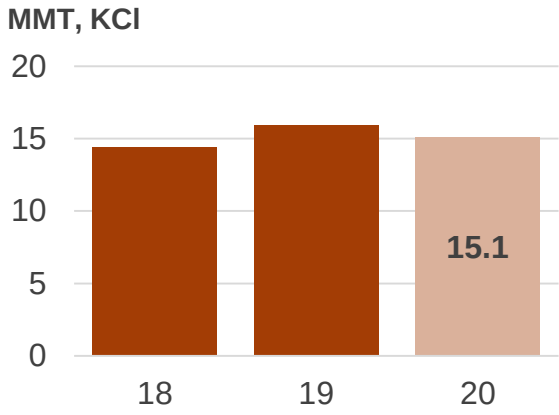
**North American MOP Shipments**




*Source: TFI and Mosaic*

**North America** sees strong recovery during spring season, though we are taking a more cautious view on fall demand in light of recent weakness in ag commodity pricing.

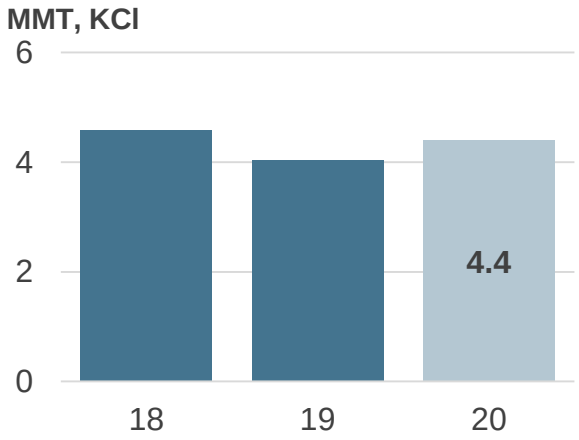
**China MOP Shipments**




*Sources: IFA, CRU and Mosaic*

A build in **China**'s inventory in 2019 allowed time to delay a new contract settlement into Q2, and we maintain expectations that shipments will slip modestly lower in 2020.

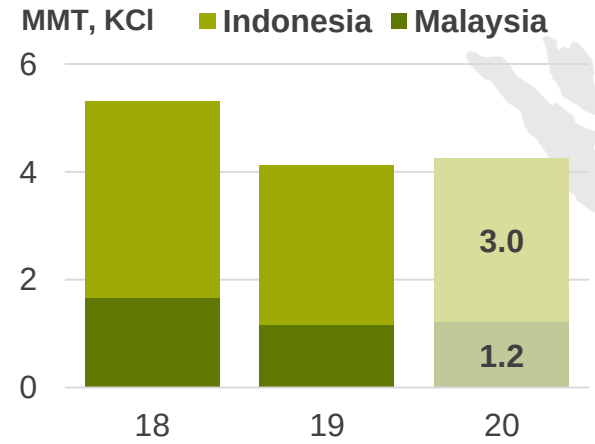
**India MOP Shipments**




*Sources: IFA, CRU and Mosaic*

A lower contract price and solid demand are expected to drive a recovery in **Indian** potash shipments despite a cut to the subsidy rate and FX weakness; farm econ looks solid on prospects for a normal monsoon.

**SE Asia MOP Shipments**

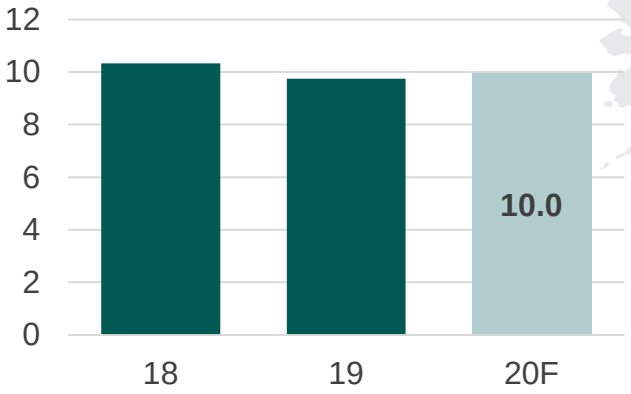



*Sources: IFA, CRU and Mosaic*

**Malaysia/Indonesia** – we have tempered our expectations for a rebound due to the impact of low oil prices on palm oil production economics.

# 2020 Demand Growth: Phosphate

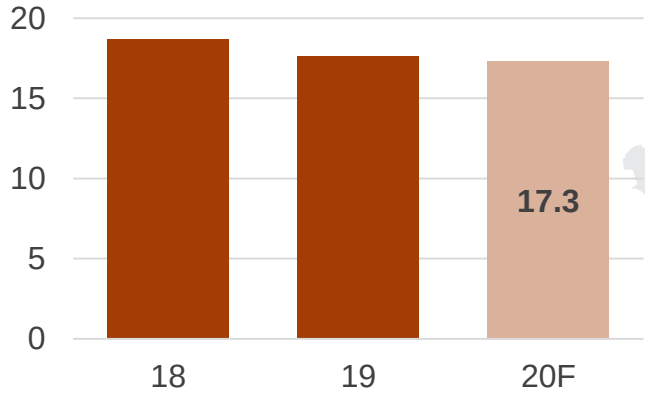
## North America




*Source IFA, CRU, and Mosaic*

**North America** recovers on normal weather and pent-up demand after three consecutive poor application seasons. In addition, channel inventories are pulled down.

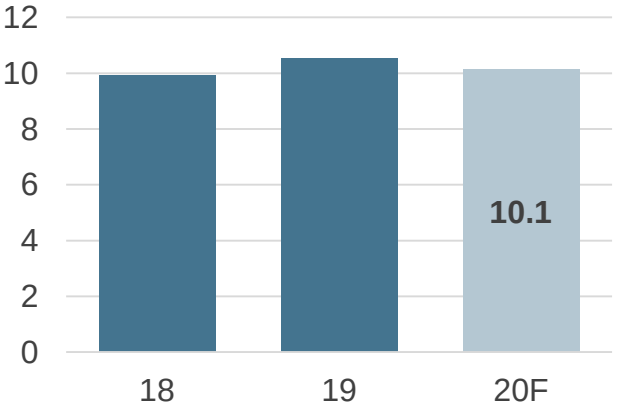
## China




*Source IFA, CRU, and Mosaic*

Spring phosphate demand appears to have now stabilized, following several years of declines, providing confidence that **China**'s demand is likely to be broadly flat y-o-y.

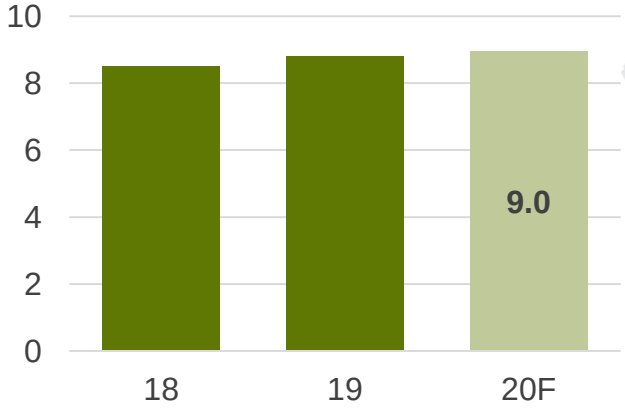
## India




*Source IFA, CRU, and Mosaic*

Strong on-farm demand, historically low international prices and prospects for a normal monsoon offsets the impact of reduced subsidy and weak FX, keeping **Indian** phosphate shipments broadly flat.

## Brazil




*Source IFA, CRU, and Mosaic*

**Brazil** phosphate shipments to show modest growth on record-high ag commodity pricing in reais and fertilizer affordability.

# Global Potash Shipment Forecasts by Region (May 2020)

| Muriate of Potash Mil Tonnes KCl | 2018 | 2019E | Low 2020F | High 2020F | Comments |
|---|---|---|---|---|---|
| China | 14.4 | 15.9 | 14.8 | 15.2 | Transportation constraints at the start of the season, owing to the COVID-19 outbreak, have resulted in a downward revision to on-farm use for the spring season. While delays seen in settling a new contract could act as a drag on overall imports for the year, we see this as low risk given that the generally low pricing level should prompt significant buying activity to meet current needs as well as replenish the country's strategic reserves that were drawn down in April. |
| India | 4.6 | 4.0 | 4.2 | 4.5 | COVID-19 movement restrictions have introduced transportation issues with the Rabi harvest, though strong yields have kept farmer sentiment neutral to positive going forward. Low price expectations for the likely-imminent contract settlement offset the cut to the potash subsidy and the decline in the rupee, and coupled with lower carry-in inventory (8% lower y-o-y in April) should result in a rebound of import demand. This is supported by reservoirs at well-above average levels and a forecast for a normal monsoon. |
| Indonesia & Malaysia | 5.3 | 4.1 | 4.1 | 4.5 | We have scaled back our expectations for a rebound in shipments by about half a million tonnes, principally due to the sharp fall in crude oil pricing that has pulled palm oil prices down as well (from ~2700 MYR/t in mid-Feb to about 2100 end-April). CPO demand has also been curbed due to reduced biodiesel use in the face of COVID-19 movement restrictions. That noted, we continue to project a rebound in MOP buying activity in the second half of the year. |
| Other Asia | 4.8 | 4.4 | 4.5 | 4.7 | Like Indo/Malay, we have tempered our demand expectations in the region, though not as significantly. This is due two rather positive offsets across the region, namely more favorable weather and the dramatic rise in rice prices this year (up ~30% YTD). |
| W. Europe | 4.8 | 4.5 | 4.4 | 4.7 | Preliminary indications are that application rates were slightly lower in the spring season, while industrial use also slowed. We now expect shipments to end the year on par with 2019 levels (which were revised lower), rather than a return to the historical norm of 4.8-4.9mmt. |
| E. Europe & FSU | 5.5 | 5.8 | 5.9 | 6.2 | Spring demand in the region bested expectations, particularly Russia, as growth in the agricultural sector continues, prompting an upward revision to our forecast. We continue to monitor dry conditions in parts of the region that could slow shipments in H2. |
| Brazil | 10.4 | 10.6 | 10.4 | 10.7 | Demand prospects in Brazil remain very good, as currency weakness has benefitted farm economics. However, we have modestly lowered our total shipments forecast in order to facilitate a drawdown of channel inventories and now anticipate imports slipping back slightly from last year's 10.2mmt level. |
| Other L. America | 3.1 | 2.6 | 2.8 | 3.0 | Shipments in the rest of Latin America look to increase moderately due to generally favorable farm economics, but this is from a downwardly-revised 2019 estimate and leaves our 2020 forecast below shipment levels seen in 2018. |
| N. America | 10.4 | 9.0 | 9.6 | 10.0 | As anticipated, we are seeing very good on-farm demand for fertilizers this spring in North America, in stark contrast to the weather-interrupted seasons last year. This dynamic is clearing out channel inventories and sets the stage for rising shipments to replenish supplies for the fall, though in light of uncertainties around corn pricing in particular we have moderated our forecast. |
| Other | 3.1 | 2.8 | 2.8 | 2.9 | Demand growth is expected to remain sluggish, particularly in Africa as a result of COVID-19 impacts. |
| **Total** | **66.4** | **63.7** | **63.5** | **66.4** | We have revised lower our forecast range by 2mmt and now anticipate global shipments in the range of 64-66mmt, and have lowered our point estimate similarly to 64.9mmt. This represents y-o-y demand growth of 1.2mmt or 1.9%, from a downwardly-revised 2019 estimate of 63.7mmt (~700,000 tonnes lower than our February estimate). |

Source: IFA, CRU, Mosaic

# Global Phosphate Shipment Forecasts by Region (May 2020)

| DAP / MAP / NPS* / TSP (Million Tonnes) | 2018 | 2019E | Low 2020F | High 2020F | Source: IFA, CRU and Mosaic (Numbers may not sum to total due to rounding) Comments |
|---|---|---|---|---|---|
| China | 18.7 | 17.6 | 16.9 | 17.4 | Preliminary indications on the spring season show that phosphate demand is stabilizing, with DAP demand indicated to be flat-to-higher y-o-y. Consumption of MAP via NPKs, however, appears to be down modestly. With China looking to rebuild food reserves, as noted by reports of their intention to make large import purchases of various ag commodities, we also believe that support to the domestic ag sector will promote a stabilization of domestic phosphate demand. DAP/MAP/TSP exports in the first four months of the year are estimated to be down around 400-500,000 tonnes y-o-y (-130,000 tonnes in Q1 after a record-setting March export lineup). |
| India | 9.9 | 10.5 | 9.8 | 10.1 | Our projection for 2020 is unchanged, though product sourcing will shift towards greater imported DAP/NPs/NPKs in response to the numerous temporary shutdowns and ongoing curtailments in response to COVID-19 restrictions, at the expense of domestic production. Last year's above average monsoon (110% of the long period average) and off-season rains have reservoir levels well above normal (+63% versus last year), and with a normal monsoon predicted for this year, this has kept farmer sentiment generally positive despite recent issues with logistics that have hindered the Rabi harvest and bringing those crops to market. Notably, in-country DAP sales Jan-Apr are 26% higher y-o-y, with lower international prices offsetting the impact of the reduction in subsidy and weaker FX as we move into the new fertilizer year. |
| Other Asia/Oceania | 10.1 | 10.1 | 10.2 | 10.6 | Weak palm oil production economics and COVID-19 movement restrictions are expected to be more than offset by excellent rice production economics and an outlook for a more-normal weather pattern in SE Asia. In addition, a DAP subsidy in Pakistan (expected to be >$100/t) and the end to drought conditions in Australia result in a sharp uplift to shipment prospects in those geographies. |
| Europe and FSU | 5.8 | 6.1 | 6.0 | 6.3 | We have lowered our outlook for European shipments after a reportedly disappointing spring season. This has been offset by continued growth in the FSU, though the continuation or intensification of dryness in parts of the region is a risk for the second half. |
| Brazil | 8.5 | 8.8 | 8.8 | 9.1 | The ag sector continues to perform very well, boosted by currency weakness. Despite the country's heavy reliance on imported fertilizers, made less affordable due to the currency move, this is being more than offset by strong ag commodity demand and prices driven by record exports (mainly to China), and we have not seen any indications of affordability or credit issues curbing demand. |
| Other Latin America | 3.7 | 3.7 | 3.6 | 3.8 | Generally favorable farm economics have resulted in strong buying activity early in 2020, but we have revised our forecast slightly lower (and from a lower historical base), primarily on a reduced outlook for Argentina due to government intervention (export taxes). |
| North America | 10.2 | 9.7 | 9.7 | 10.0 | As with potash, we have seen strong on-farm demand for phosphate this spring, versus the weather-interrupted seasons last year. This, along with lower imports Jan-Apr (down ~250,000t y-o-y) has cleared out channel inventories and sets the stage for rising shipments to replenish supplies for the fall. We are cautious on forward demand given the recent weakness in corn prices in particular, though the corn demand impact of lower ethanol production should be at least partly offset by higher exports, and farmer balance sheets will be boosted by government support payments. |
| Other | 5.2 | 4.2 | 4.2 | 4.5 | We have pared back our forecast for a shipment rebound in Africa, given current uncertainties related to macroeconomic headwinds, though the large-volume shipments into East Africa to start the year limits the overall downside volume risk. |
| **Total** | **72.2** | **70.7** | **69.2** | **71.8** | We have lowered our forecast range by 2mmt at the low end and 1mmt at the high end to 69-72mmt, thus widening the range of likely outcomes due to the new uncertainties in the market related to COVID-19. Our point estimate is reduced by about a million tonnes to 71.0mmt, representing modest 0.4% y-o-y growth. |

Source: IFA, CRU, Mosaic

** NPS products included in this analysis are those with a combined N and $P_2O_5$ nutrient content of 45 units or greater.*

# Non GAAP Reconciliations



# Reconciliation of non GAAP measures

| Consolidated Earnings (*in millions*) | 1Q 2020 | 1Q 2019 |
|---|---|---|
| Consolidated net (loss) earnings attributable to Mosaic | $(203) | $131 |
| Less: Consolidated interest expense, net | (41) | (47) |
| Plus: Consolidated depreciation, depletion and amortization | 217 | 218 |
| Plus: Accretion expense | 17 | 15 |
| Plus: Share-based compensation expense | (10) | 15 |
| Plus: Consolidated provision for (benefit from) income taxes | (133) | 46 |
| Plus: Notable items | 285 | (42) |
| Adjusted EBITDA | $214 | $430 |
| | | |
| Diluted (loss) earnings per share | $(0.54) | $0.34 |
| Notable items impact on earnings per share | 0.48 | (0.09) |
| Adjusted diluted earnings (loss) per share | $(0.06) | $0.25 |

# Reconciliation of non GAAP measures

| Phosphates Earnings (*in millions*) | 1Q 2020 | 1Q 2019 |
|---|---|---|
| Operating earnings (loss) | $(107) | $44 |
| Plus: Depreciation, depletion and amortization | 114 | 103 |
| Plus: Accretion expense | 13 | 12 |
| Plus: Foreign exchange gain (loss) | 14 | 2 |
| Plus: Other income (expense) | 5 | 1 |
| Plus: Equity in net earnings (loss) from nonconsolidated companies | (20) | 0 |
| Less: Earnings (loss) from consolidated noncontrolling interests | 0 | 1 |
| Plus: Notable items | (11) | 7 |
| Adjusted EBITDA | $8 | $168 |
| | | |
| Gross Margin / tonne | ($43) | $31 |
| Notable items in gross margin / tonne | $2 | $5 |
| Adjusted gross margin / tonne | ($41) | $36 |

# Reconciliation of non GAAP measures

| Phosphates Earnings (*in millions*) | 1Q 2020 | 4Q 2019 | 1Q 2019 |
|---|---|---|---|
| Gross Margin | $(83) | $(106) | $55 |
| Notable items in gross margin | 5 | 16 | 9 |
| Adjusted gross margin | $(78) | $(90) | $64 |

# Reconciliation of non GAAP measures

| Potash Earnings (*in millions*) | 1Q 2020 | 1Q 2019 |
|---|---|---|
| Operating earnings | $94 | $176 |
| Plus: Depreciation, depletion and amortization | 70 | 78 |
| Plus: Accretion expense | 2 | 1 |
| Plus: Foreign exchange gain (loss) | (150) | 37 |
| Plus: Other income (expense) | 1 | 1 |
| Plus: Notable items | 158 | (37) |
| Adjusted EBITDA | $175 | $256 |
| | | |
| Gross Margin / tonne | $57 | $100 |
| Notable items in gross margin / tonne | 12 | 0 |
| Adjusted gross margin / tonne | $69 | $100 |

# Reconciliation of non GAAP measures

| Potash Earnings (*in millions*) | 1Q 2020 | 4Q 2019 | 1Q 2019 |
|---|---|---|---|
| Gross Margin | $109 | $92 | $186 |
| Notable items in gross margin | 22 | 22 | 0 |
| Adjusted gross margin | $131 | $114 | $186 |

# Reconciliation of non GAAP measures

| Mosaic Fertilizantes Earnings (*in millions*) | 1Q 2020 | 1Q 2019 |
|---|---|---|
| Operating earnings (loss) | $29 | $27 |
| Plus: Depreciation, depletion and amortization | 28 | 32 |
| Plus: Accretion expense | 3 | 2 |
| Plus: Foreign exchange gain (loss) | (81) | (9) |
| Plus: Other income (expense) | (1) | (2) |
| Less: Earnings (loss) from consolidated noncontrolling interests | 0 | 0 |
| Plus: Notable items | 90 | 12 |
| Adjusted EBITDA | $68 | $62 |
| | | |
| Gross Margin / tonne | $32 | $34 |
| Notable items in gross margin / tonne | 0 | 0 |
| Adjusted gross margin / tonne | $32 | $34 |