Uralkali—Leader to Capture Growth

BMO Capital Markets 2008 Global Fertilizer Conference
2 April 2008

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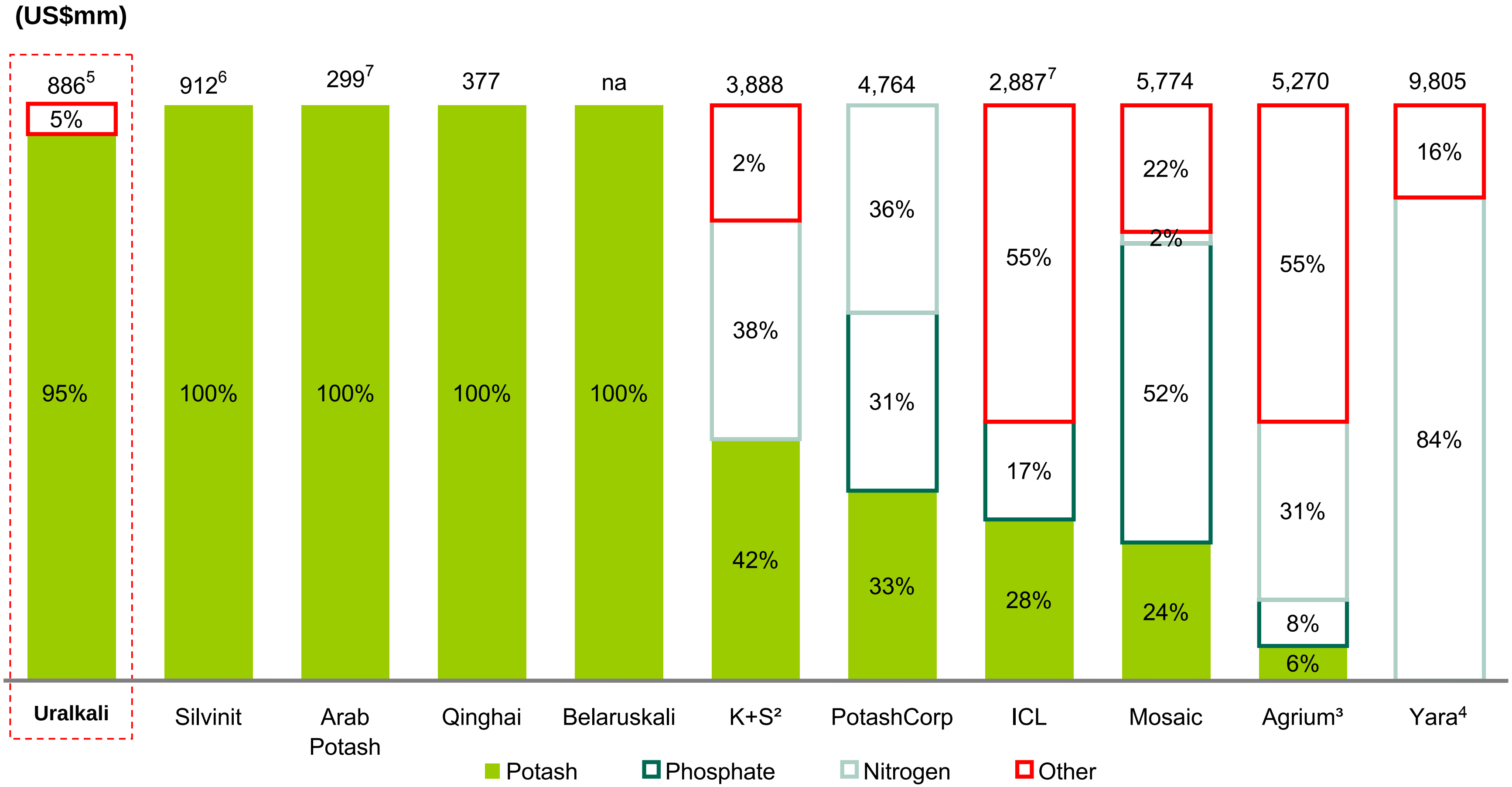
Investment Highlights

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

Uralkali - Leading Pure-Play Potash Producer

Net Sales Breakdown by Product[1] (2007)



Source: Relevant company reports, broker reports

Notes:

1 Converted to US dollars at the following exchange rates: USD/EUR of 0.731, USD/NOK of 5.86 and USD/CNY of 7.61, USD/JOD of 0.713
2 Nitrogen sales represent figures from Fertiva and COMPO segments. Adjusted sales (sales net of freight)
3 Potash sales represent figures from the Wholesale segment. Adjusted sales (sales net of freight)
4 Nitrogen sales represent figures from the Upstream and Downstream segments
5 Uralkali preliminary unaudited 2007 IFRS results
6 Silvinit 2007E forecasts based on ING report (29 February 2008)
7 2006A net sales, 2007 financials not available

Potash is unique

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

Potash: Growth, Visibility, Stability

	Potash (K)	Phosphate (P)	Nitrogen (N)
Market size[1] (2007)	**29.0 Mt (K_2O[2])**	40.5 Mt (P_2O_5)	100.8 Mt (N)
Geographic availability	**Very limited**	Limited	Readily available
Industry concentration	**6 top players account for >70% of the industry**	6 top players account for 39% of the industry	6 top players account for 25% of the industry
Pricing stability	**High**	Medium	Low
Profitability	**High**	Low/medium	Low/medium
Barriers to entry	**High**	Medium	Low
Cost of greenfield capacity	**US$2.5bn for 2 Mt (KCl)**	US$1.5bn for 1 Mt ($P_2O_5$)	US$1bn for 1 Mt ($NH_3$)
Greenfield development time	**min 7 years**	~ 3-4 years	~ 3 years

Potash displays the most attractive characteristics of the three fertilizer sectors

Source: Fertecon, Uralkali, PotashCorp, IFA
Note:
1 All references to tonnes (t) throughout this presentation refer to metric tonnes. Any reference to US short tons is referred to as "ton"
2 1t K_2O(nutrient) is equal to 1.67t KCl(product)

Concentrated Resources - High Barriers to Entry

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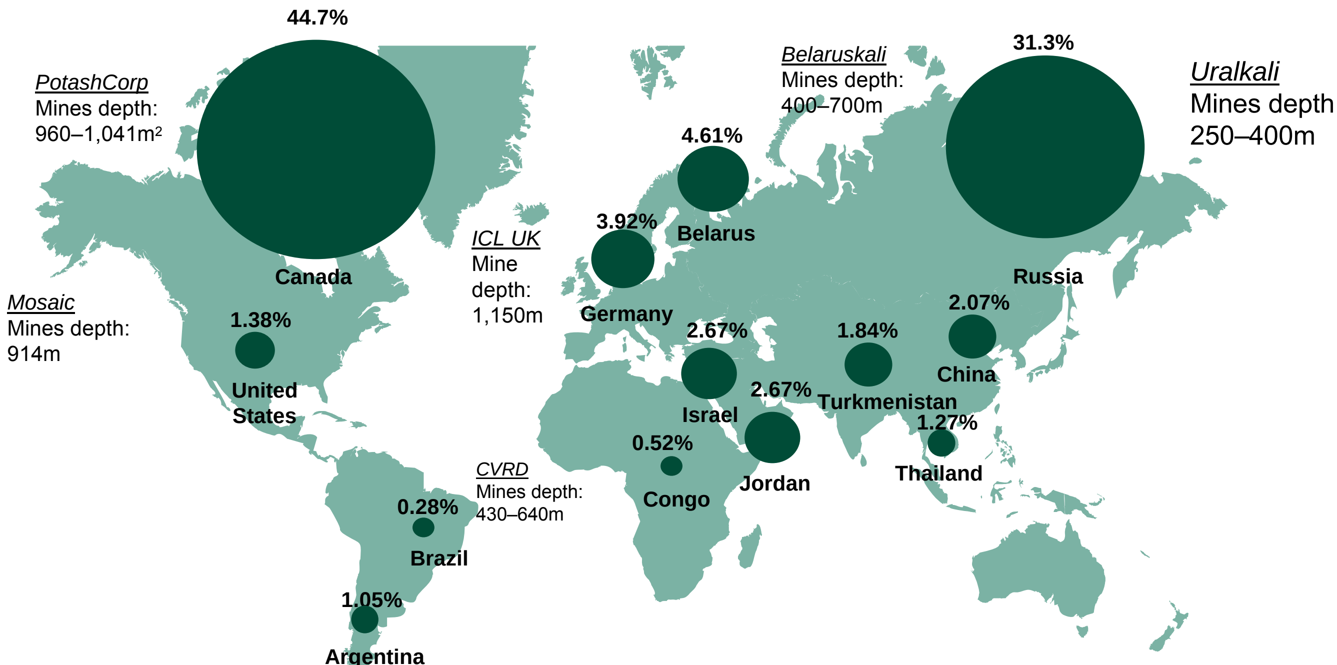
Proven Resources of Potash (25,508Mt) are Largely Concentrated in Canada and Russia[1]



Source: ERCOSPLAN, IFA, FERTCON, CRU, USG, Canadian GS, 2008

Notes:

1 Other countries, not represented on the map, account for less than 2.0% of total resources

2 PotashCorp's New Brunswick mine (1.3Mt capacity) has depths of 400–700m

Limited access to resources, few high quality ore deposits

Strong Industry Fundamentals

Growing Demand

- Increasing population
- Declining arable land per person
- Income growth in developing countries
- Biofuels and scientific recommendations potential

Higher demand for food

Changing diets

New source of demand for crops

Visible Supply

- Highly concentrated industry
- Mineral scarcity
- High capex requirements and long lead times

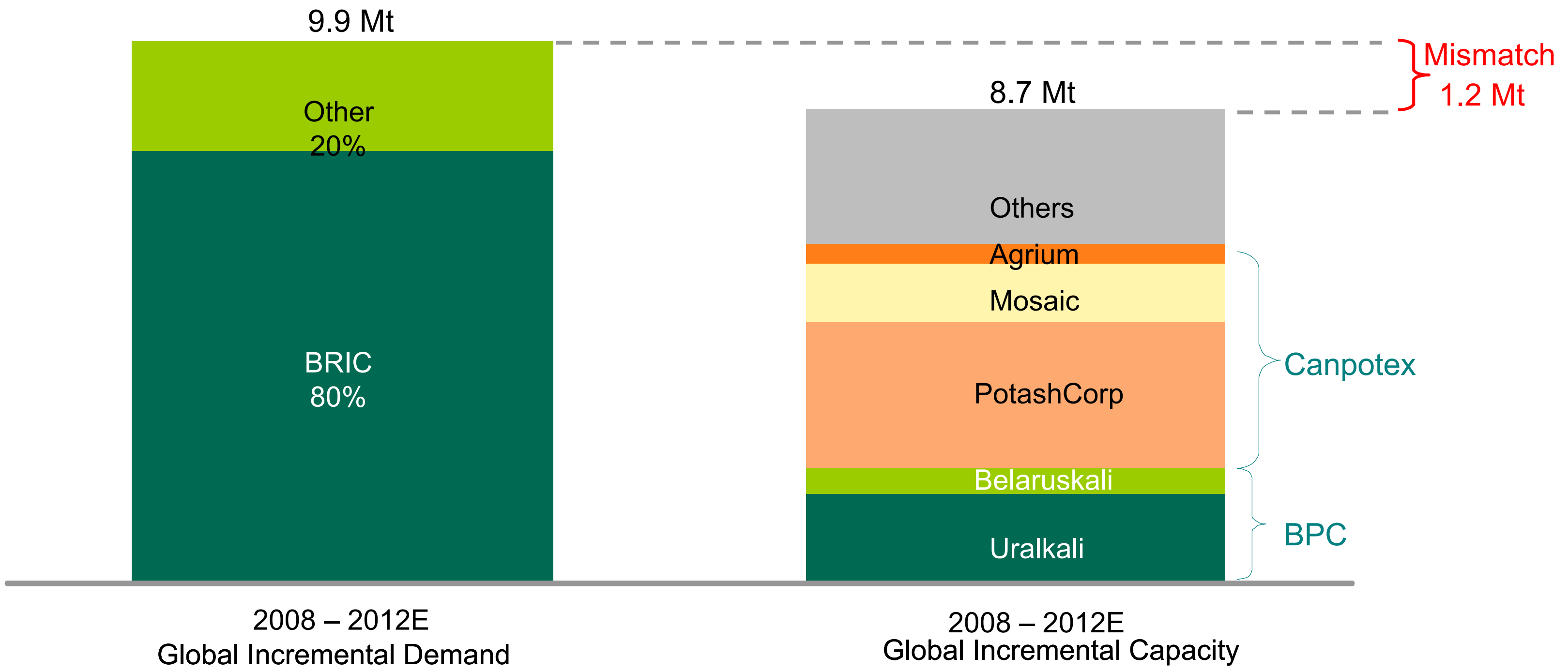
Improved supply management

Limited number of players able to bring additional capacity

Growing demand, pricing stability and high supply visibility make potash a unique industry

Source: Uralkali

Demand / Supply Imbalance Favours Uralkali



Clear mismatch between incremental demand and supply

Source: Company reports, BPC, Fertecon, IFA

New Era of Price Growth

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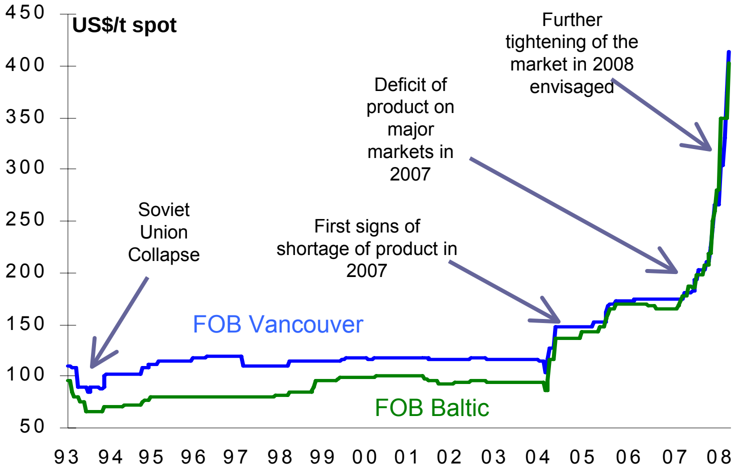
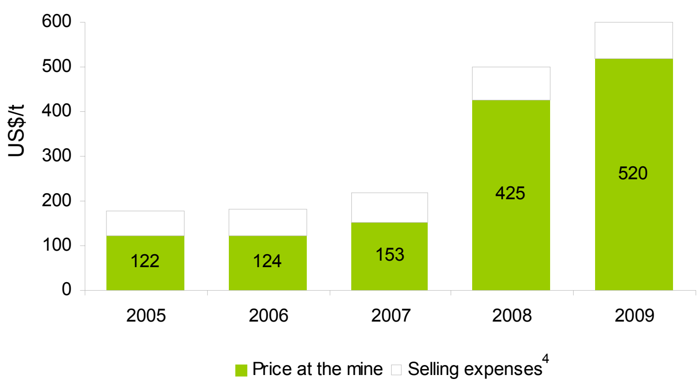
Evolution of Potash Prices



Source: Fertecon (March 2008)

Price[1] Performance



Source: Uralkali

Notes:

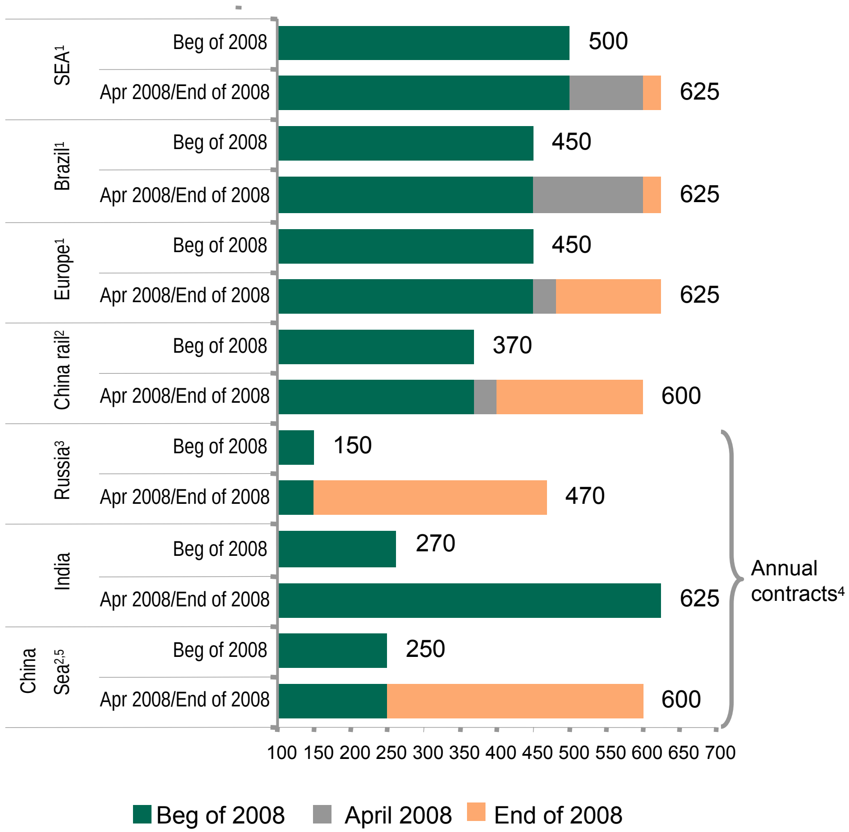
1 Price is calculated as annual revenue divided by tonnage sold

2 Price for 2008 is calculated on the basis of the prices discussed on the right graph

3 Price for 2009 is calculated on the basis of the price of the end of 2008 (without any increases in 2009)

4 Selling expenses – selling and marketing costs in accordance with audited IFRS financial statement - for 2005-2006, Uralkali preliminary unaudited 2007 IFRS results - for 2007; for 2008 and 2009 expenses are forecasted on the level of US$ 75 and US$ 80 per ton of production accordingly

2008 Price Development (CFR US$/t KCl)



Source: Uralkali

Notes:

1 Price at the end of 2008 for SEA, Brazil, Europe is set equal to the price of Indian contract settled on March 20, 2008

2 China rail and China sea(CFR) at the end of 2008 is set equal to the Indian contract settled on March 20, 2008 with discount of US$ 25

3 Russian price at the end of 2008 is calculated according to the formula set in 2008 contract (FOB Chinese price adjusted for the railway tariff from the mine to St.Petersburg and transhipment)

4 Term contracts account for about 40% of sales and are renegotiated once a year, typically in the spring-summer with the Indian buyers and in the winter-spring with the Chinese

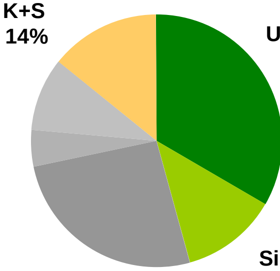
5 Chinese contracts are typically calculated on FOB basis, for the purpose of the graph FOB price is adjusted on the average spot freight rate of US$ 80

BPC – Leader in the Potash Export Market

Facts

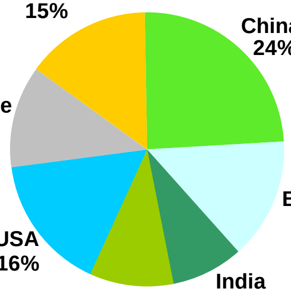
- #1 in export potash trade[1]
- Geographic coverage of over 60 countries
- Sales offices in 6 countries

Major Potash Players by Export Trading[2] (2007)



Source: Fertecon, Uralkali

Global Potash Industry



Source: IFA, Uralkali

Uralkali Sales Portfolio - from Contract to Spot

Markets	2007	2008	
SEA	11%	17%	▲
India	7%	12%	▲
Europe	8%	12%	▲
USA	0%	4%	▲
Brazil	21%	21%	
Russia	10%	9%	
China DAF	25%	19%	▼
China FOB	15%	4%	▼
Other	2%	3%	
	100%	100%	

Source: Uralkali

Notes:
1 Together with Uralkali Trading (UKT)
2 Excludes domestic sales and deliveries between the US and Canada
3 Calculated as the total export volume deliveries from Belaruskali and Uralkali (including railway deliveries to China)

Uralkali – Snapshot of the Leader

Entire Value Chain - from Reserve Base to End Customer

PRODUCTION

Existing Assets - 2 MINES, 6 PLANTS

1

- Plant
- Products: WMOP

- Motorway
- 1 100 t of ore
- cost - us$2,5/ ton

Ore transportation between mines

2

- Mine and Plant
- Resources: 379 Mt of ore[3]
- Products: GMOP, PMOP

3

- Plant
- Products: GMOP, PMOP

- Railway
- 6 800 t of ore
- cost - us$2/ ton

4

- Mine and Plant
- Resources: 2 352 Mt of ore[3]
- Products: WMOP

New Licence – Mine 5

5

- Resources: 1,300 Mt of ore[2]
- Grade - 30%
- 35 years of reserves

PRE-FESIBILITY STUDY RESULTS:

- Production volume planned – 3,7 mln t of KCl
- First product – 2013
- Full ramp-up – 2015
- CAPEX - $800 per ton of production, including:
  - New mine
  - New plant at RU-4 of 2,2 mln t
  - New plant at RU-3 of 1,5 mln t
  - No additional infrastructure required
- Cost efficiency of ~$17 mln per annum due to the elimination of ore transportation between mines

TRADING

Uralkali

- Domestic sales
- >4,300 special mineral railcars
- 160kt warehouses

Baltic Bulk Terminal

- Shortest transp. leg (from UK mines to St. Petersburg)
- Capacity: 6.2 Mt
- 240 kt warehouses

Belarussian Potash Company[1] Uralkali Trading

- Leading export platform with 33% share

Source: Uralkali

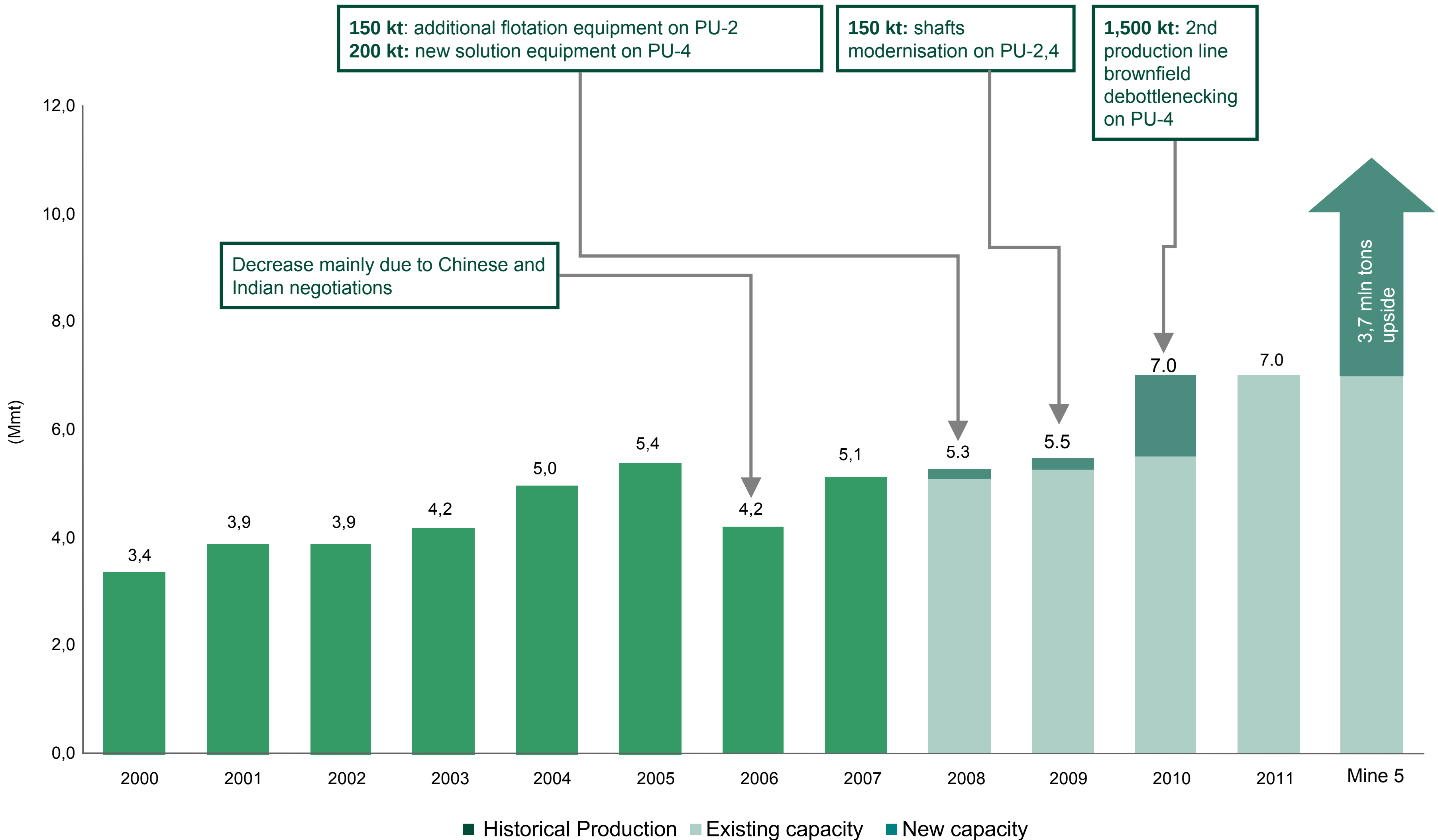
Note:

1 BPC is 50%/50% joint venture potash trading platform between Uralkali and Belaruskali

2 From Russian mining license feasibility report prepared under Russian classification standards

3 JORC as of January 2007

Capacity Additions Programme

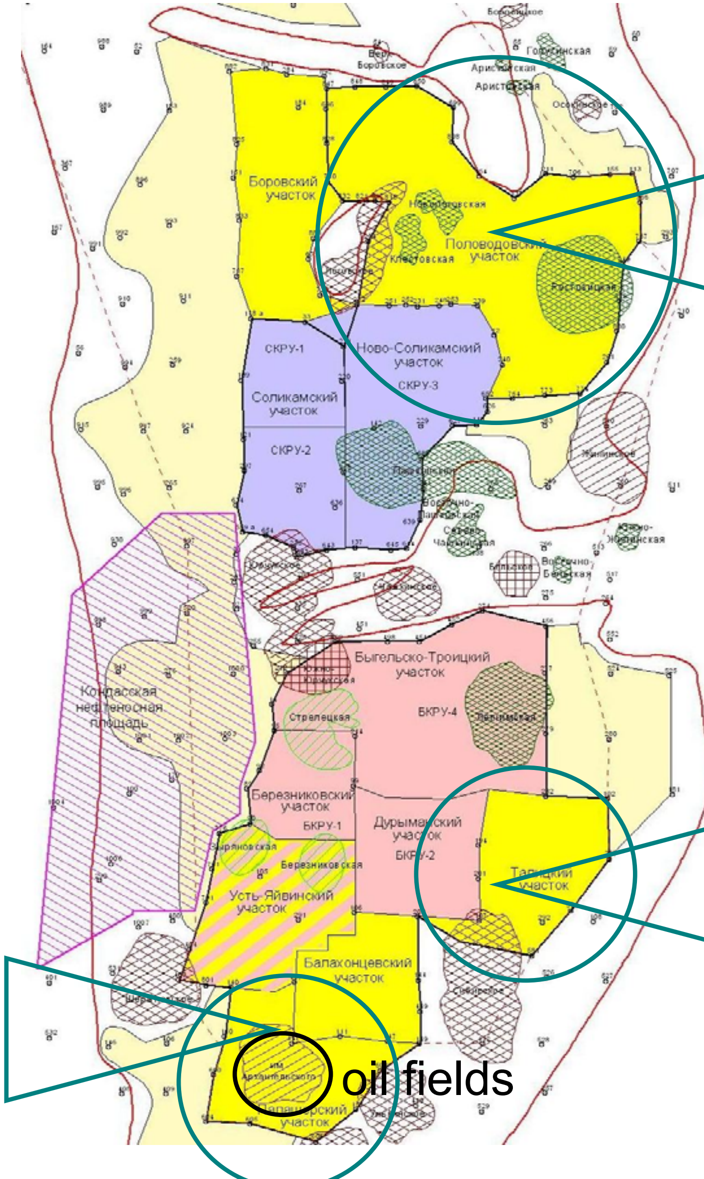


Source: Uralkali

Auction results

Assumptions

- required rate of return – 13%
- CAPEX – $1,250 per 1 tn of annual production
- incentive price calculation includes
    - license cost
    - export duty of 5%
    - no infrastructure costs



Polovodovsky plot

- ore resources – 3 500 mln tn
- ore grade – 25%
- production justified – 4,0 mln tn
- life of mine – 60-65 years
- cost of license - ~$1 484 mln
- incentive price - $670 at the mine

Palashersky plot

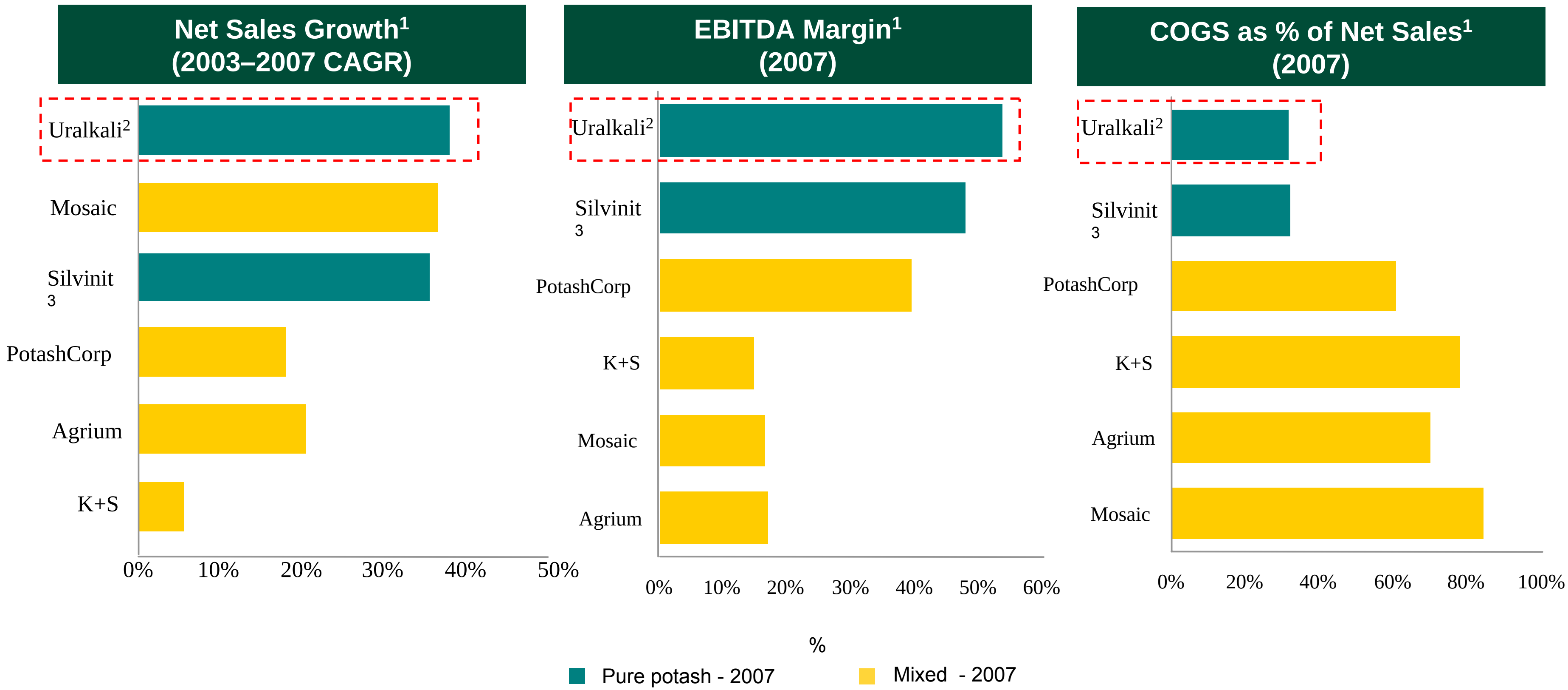
- ore resources – 1 069 mln tn
- ore grade – 29,8%
- production justified – 2,0 mln tn
- life of mine – 55-60 years
- cost of license - ~$170 mln
- incentive price - $550 at the mine

Talitsky plot

- ore resources – 681 mln tn
- ore grade – 33,4%
- production justified – 1,5 mln tn
- life of mine – 40-45 years
- cost of license - ~$700 mln
- incentive price - $710 at the mine

Uralkali's forecast for 2008 weighed-average price – US$425 at the mine level

Superior Top Line Growth and Profitability



Potash pure play and geographic position provides global leading financial performance

Source: Relevant company reports, Uralkali audited IFRS financial statements

Notes:

1 Based on adjusted sales (sales net of freight, railway tariff and transhipment costs)

2 Uralkali preliminary unaudited 2007 IFRS results

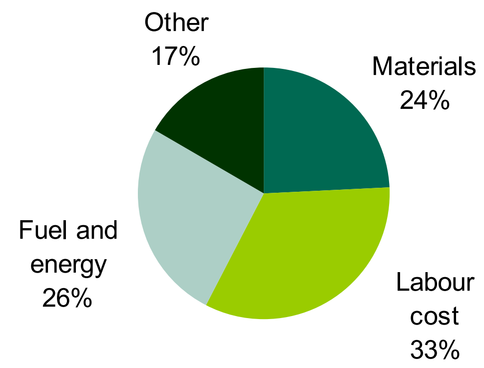
3 Silvinit 2007E forecasts based on ING report (29 February 2008)

Overview of Financials

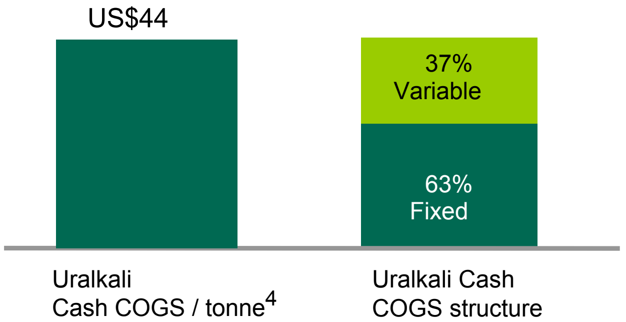
Key Highlights

	2005	2006	2007[4]
Production (Mt)	**5.4**	**4.2**	**5.1**
RURm			
Net Sales [1]	20,489	16,673	22,673
EBITDA [2]	13,585	8,559	12,148
Margin [1]	*66%*	*51%*	*54%*
Net Profit	9,429	3,494	8,045
Operating Cash Flow	9,464	6,616	11,972
Capex	5,728	5,198	6,316

Cash COGS[1] (2007)



Uralkali Cash COGS[3] (2007)



Source:Uralkali Notes:

1 Based on adjusted sales (sales net of freight, railway tariff and transhipment costs)

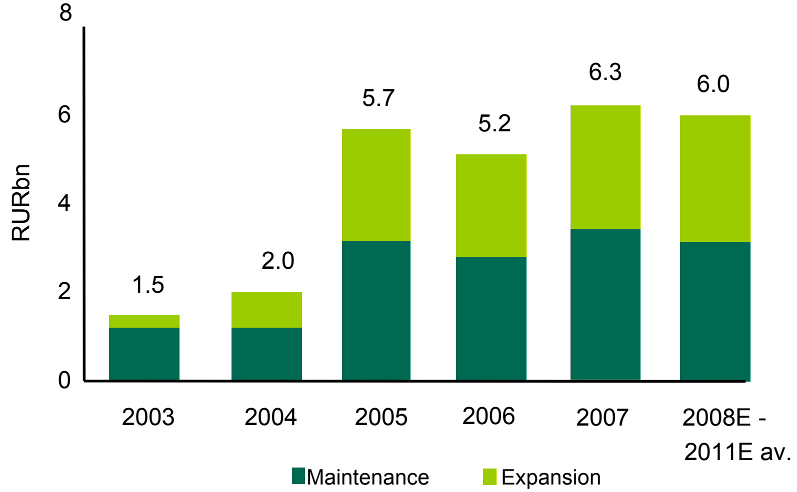
2 EBITDA does not include mine flooding costs. RUR 2bn expensed in FY2006 as a result of Mine-1 flooding, including PP&E write-off of RUR 1.3bn, future brine injection provision for next 3 years of RUR 0.6bn and other accident losses RUR 0.1bn

3 Cost of goods sold less depreciation and amortisation, change in inventory, change in accrued provisions

4 Preliminary unaudited IFRS results for 12 months ended December 31, 2007

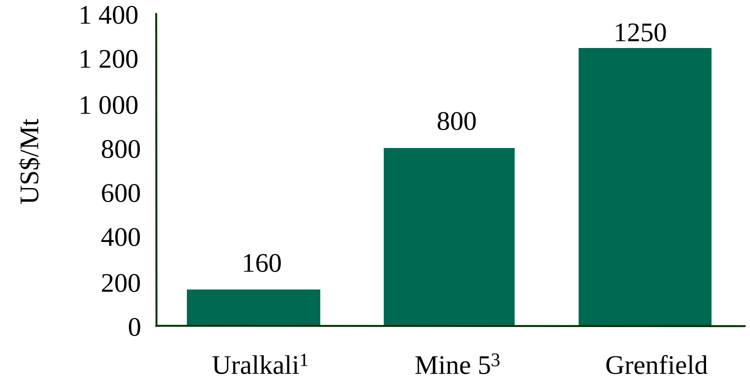
Capex to Drive Future Growth

Capex Evolution



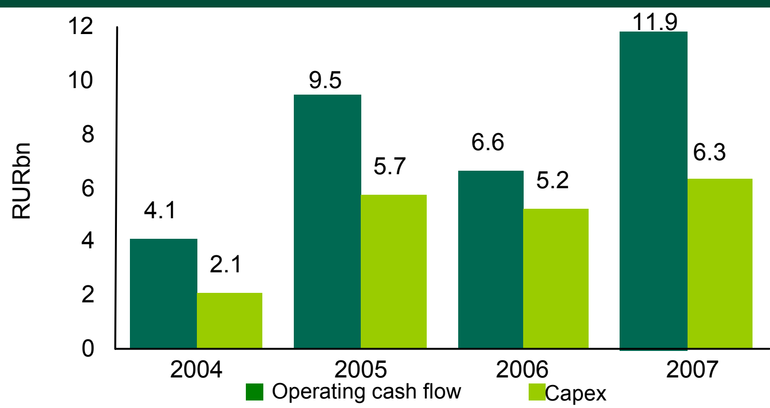
Source: Uralkali

Expansion Capex / Mt – Lowest within the Industry

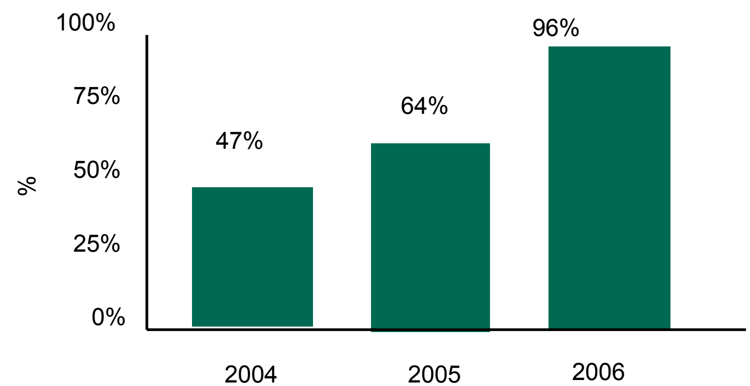


Source: Uralkali, PotashCorp

Operating Cash Flow vs. Capex



Dividend Payout Ratio



Source: Uralkali financial information prepared in accordance with IFRS (audited figures for 2004-2006, preliminary unaudited figures for 2007)

Notes:

1 As estimated by Uralkali for the expansion from 5Mt in 2007 to 7Mt in 2010; converted to US$ at a US$/RUR exchange rate of 25.78 as of 18/08/07, inclusive of salt and waste storage, excluding infrastructure (warehouses, railcars) and power generation programmes

2 As estimated by PotashCorp; based on US$2.5bn per 2Mt mine

3 As estimated by Uralkali for mine-5 construction in accordance with pre-feasibility study prepared by Ercosplan

Take-aways…

Sales

- Brownfield expansion from 5.3 in 2008 to 7.0 Mt in 2010
- Greenfield - increase up to 11mt with Mine-5 development
- Running close to full capacity due to incremental demand/supply mismatch of 1.2Mt
- Directing bigger volumes to spot market – greater exposure to rising prices
- Focus on elimination of “Chinese discount” and bringing contract prices closer to spot

Costs & Margins

- Sustainable EBITDA margin driven by price increases
- 60%/40% fixed/variable cash cost structure favourable for future growth

Capex

- Brownfield capacity additions US$160[1]/tonne
- Greenfield capacity additions US$800/tonne
- Maintenance capex equal to depreciation

Effective Tax Rate

- Estimated tax rate of approximately 20%
- Export duty of 5% from Ex-works Sales

Dividend Policy

- IFRS-based dividend payout ratio of at least 15%
- Dividend capacity dependent on future cash generation and capex
- Historical payout – 47%, 64%, 96% in 2004, 2005, 2006 accordingly

Source: Uralkali
Notes:
1 Converted to US$/RUR exchange rate of 25.78 as of 18/08/07