5th International Nitrogen Conference – New Delhi, India – 6 December 2010

Global Outlook for World Fertilizer Demand, Supply and Supply/Demand Balances

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- Nitrogen Capacity Evolution
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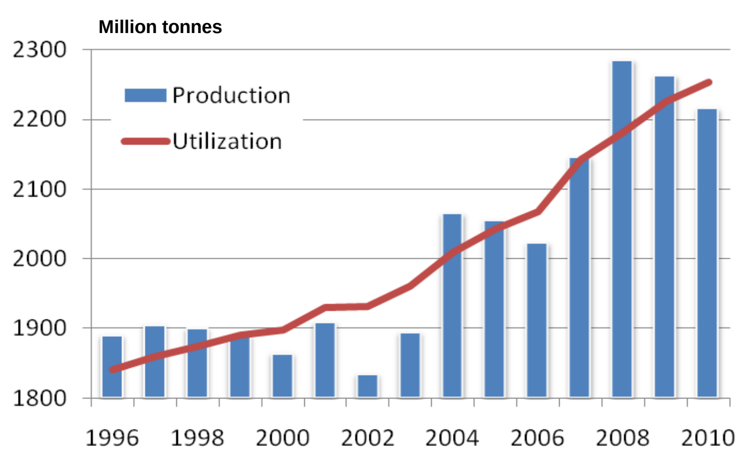
Global Agricultural Situation

World Cereal Production and Utilization



Source: FAO

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World Cereal and Oilseed Production

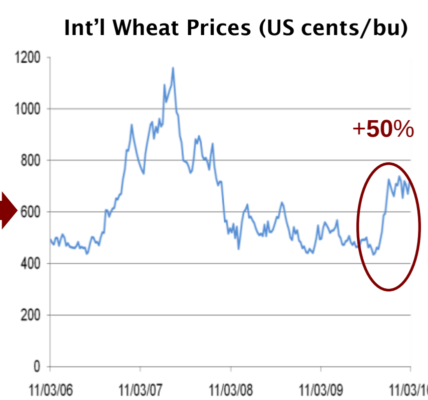
Million tonnes	Wheat	Coarse Grains	Rice (milled)	Oilseeds	Total
2007	611	1 077	433	392	2 513
2008	683	1 110	448	396	2 637
2009 (e)	683	1 109	441	441	2 674
Change	*-0.1%*	*-0.1%*	*-1.6%*	*+11.3%*	*+1.4%*
2010 (f)	643	1 085	451	441	2 620
Change	***-5.8%***	***-2.1%***	***+2.4%***	*-0.1%*	***-2.0%***

Source: USDA

Drought in the CIS

Russia
- Wheat output: -31%
- Coarse grain output: -46%
- Grain export ban until June
- Grain exports down from 22 to 4 Mt

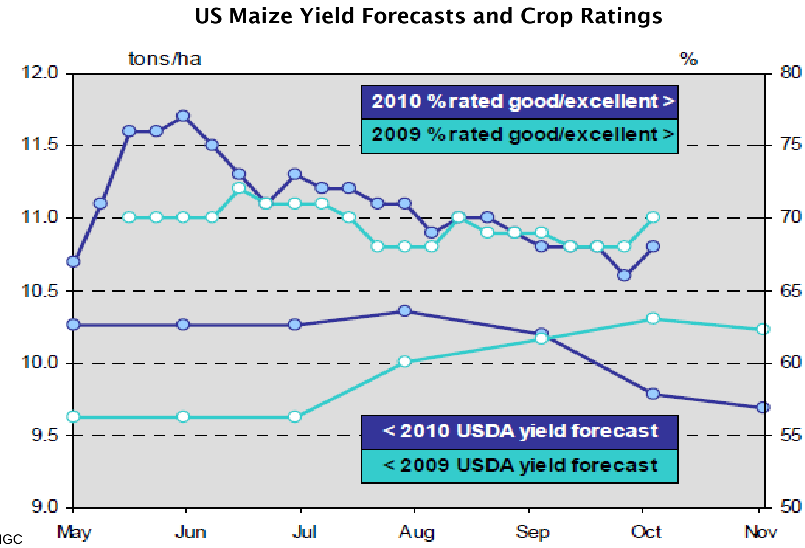
Ukraine
- Wheat output: -19%
- Coarse grain output: -10%
- Grain export quotas until December (June?)
- Grain exports down from 21 to 12 Mt



Source: USDA + IGC

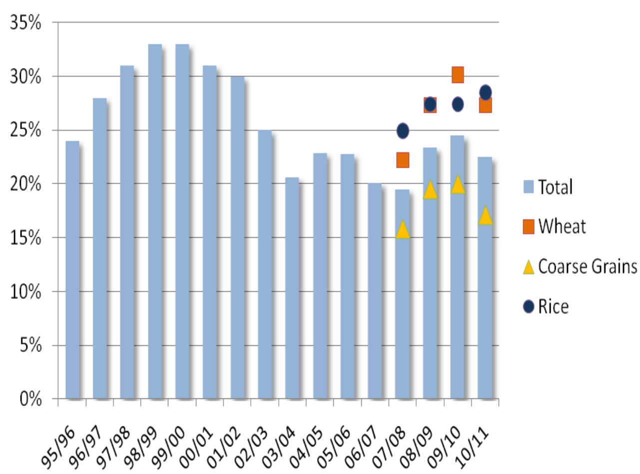
Source: Financial Times

Smaller Than Expected US Maize Harvest



Source: IGC

World Cereal Stock-to-Use Ratio



Ending stock reduction in 2010/11

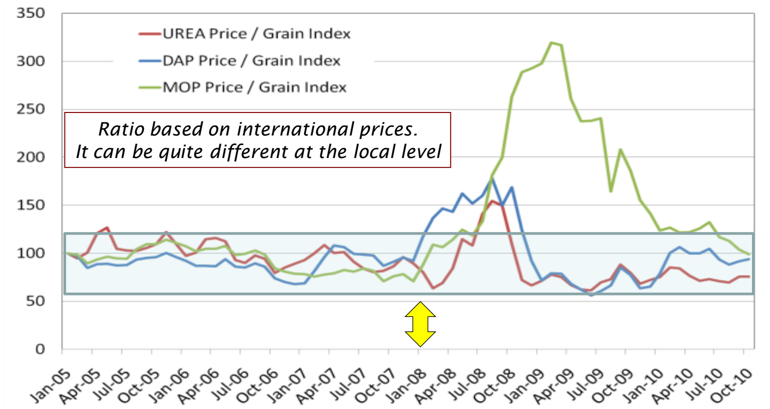
World:
- -12% for wheat
- -10% for coarse grains

Major exporters:
- -16% for wheat
- -41% for coarse grains

Source: FAO

Source: USDA

Fertilizer Prices Relative to Agricultural Commodity Prices



Fertilizer prices: N. Africa DAP; Yuzhnyy prilled urea; Vancouver (std) Potash

Sources: British Sulphur, Financial Times and IMF

Fertilizer Demand Outlook

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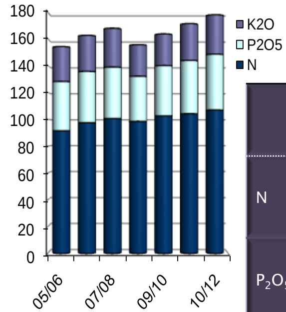
Global Fertilizer Demand Short-Term Prospects

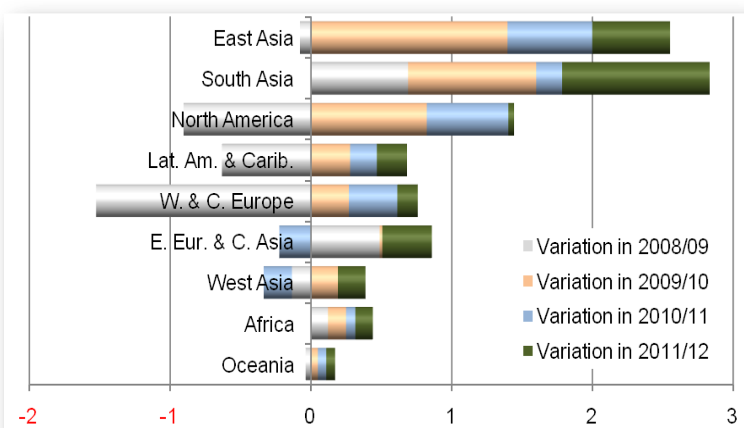


Mt nutrients

	2007/08	2008/09	2009/10 (e)	*Change*	2010/11 (f)	*Change*	2011/12 (f)	*Change*
N	100.5	98.5	102.6	*+4.1%*	104.2	*+1.6%*	106.9	*+2.6%*
P_2O_5	38.4	33.6	37.5	*+11.5%*	39.8	*+6.0%*	41.7	*+4.7%*
K_2O	28.9	23.5	23.5	*+0.3%*	27.4	*+16.3%*	29.3	*+7.2%*
Total	**167.9**	**155.6**	**163.6**	***+5.2%***	**171.3**	***+4.7%***	**177.9**	***+3.8%***

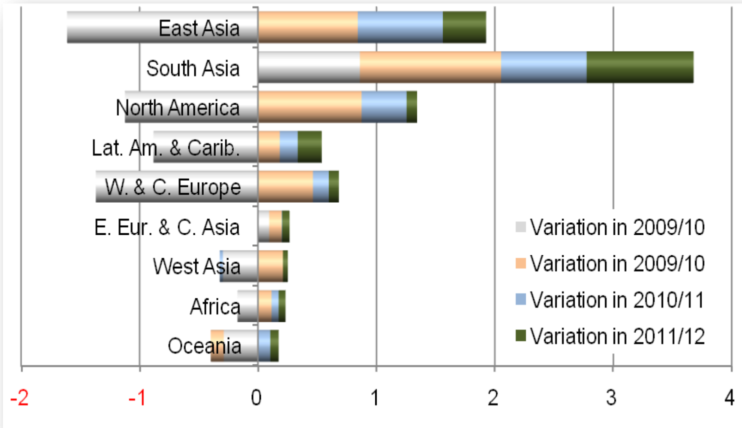
Source: IFA, December 2010

Projected Evolution of Regional N Fertilizer Demand (Mt N)



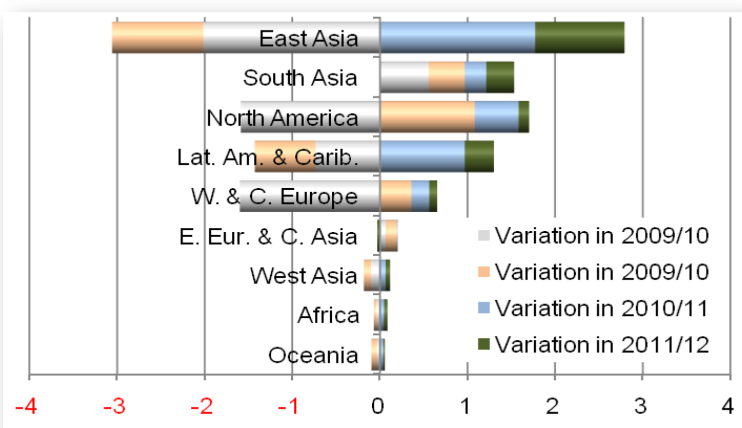
Source: IFA, December 2010

Projected Evolution of Regional P Fertilizer Demand (Mt P_2O_5)



Source: IFA, December 2010

Projected Evolution of Regional K Fertilizer Demand (Mt K_2O)



Source: IFA, December 2010

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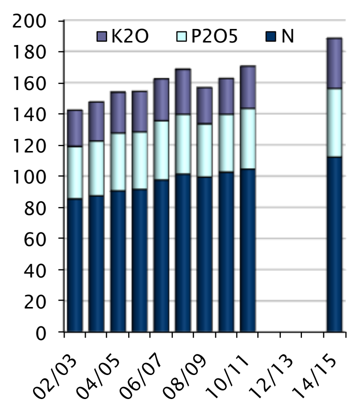
Some of the Main Uncertainties

- Evolution of agricultural commodity prices
  risk of a new bubble
- Evolution of fertilizer prices relative to crop prices
- Evolution of the world economic context
  including oil price, currency exchange rates
- New policies aimed at increasing nutrient use efficiency and recycling organic nutrient sources
- weather conditions

Source: IFA, December 2010

Global Fertilizer Demand Medium-term Outlook



Base year

Mt nutrients

	Av. 2007/08 to 2009/10 (f)	2014/15 (f)	*Change*
N	100.9	112.8	*+1.9 % p.a.*
P_2O_5	36.7	45.1	*+3.5 % p.a.*
K_2O	25.3	32.6	*+4.5 % p.a.*
Total	**162.9**	**190.5**	***+2.7 % p.a.***

Source: IFA, June and December 2010

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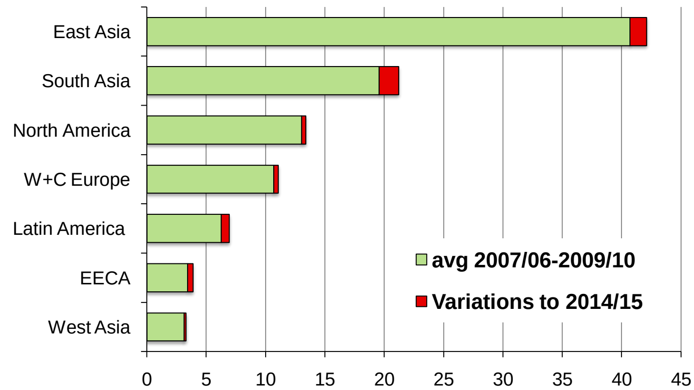
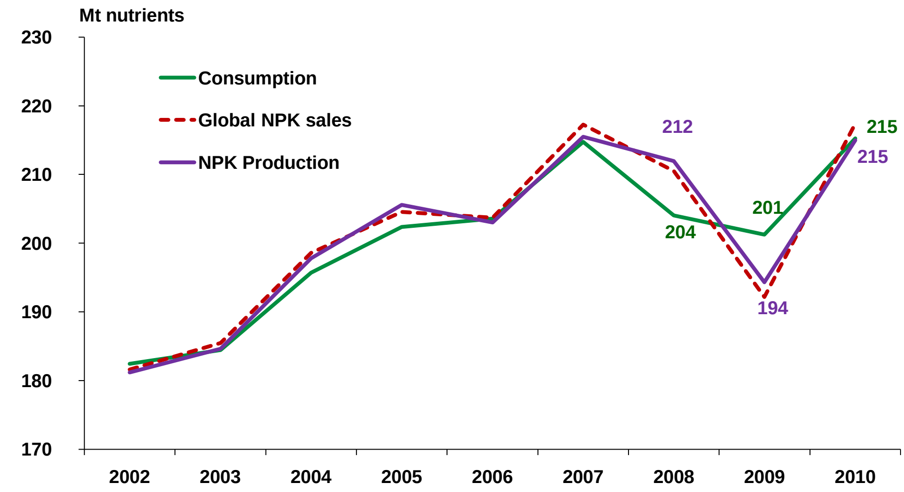
Regional N Fertilizer Demand Medium-term Outlook (Mt N)



Source: IFA, June and December 2010

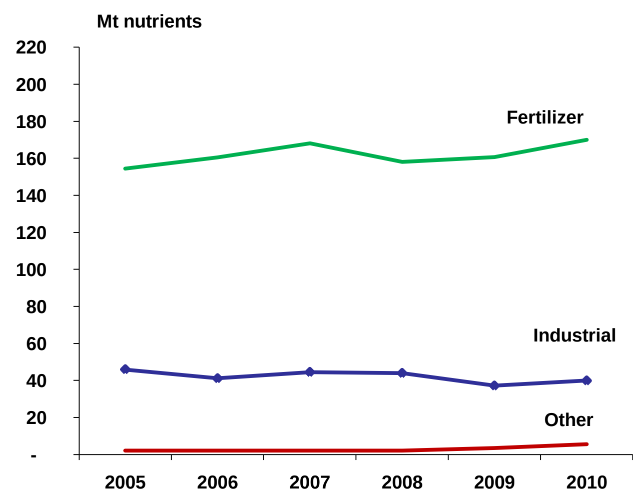
Global Supply Trends

World Nutrient Supply Trends



Source: IFA, December 2010

World Nutrient Uses



Nutrient uses as fertilizers, rose 6% and accounted for 80% of total uses.

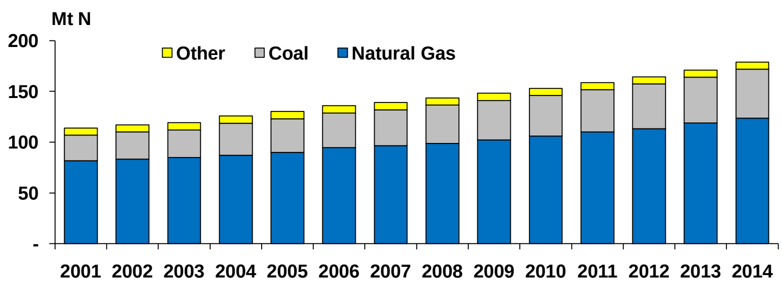
2010 fertilizer consumption : record level.

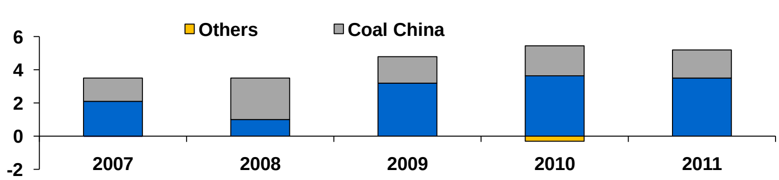
Industrial uses and other rose 11%, but still 2% short of record level of 2007.

Source: IFA, December 2010

Nitrogen Capacity Evolution

Ammonia Feedstock Trends and Yearly Changes





Source: IFA, December 2010

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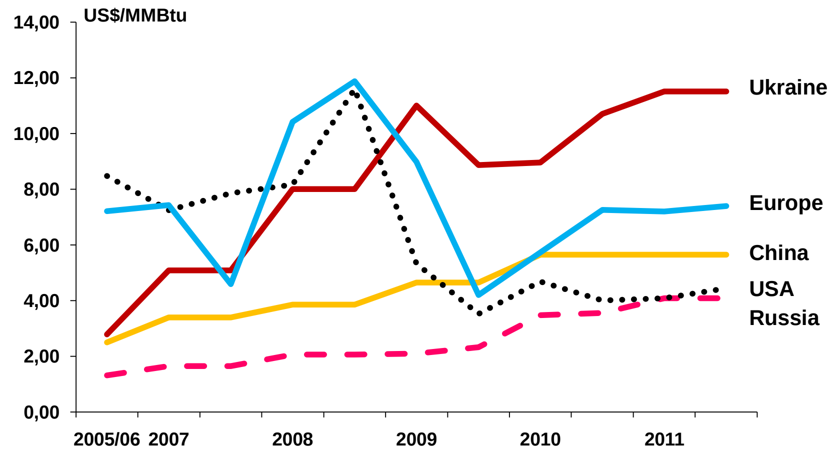
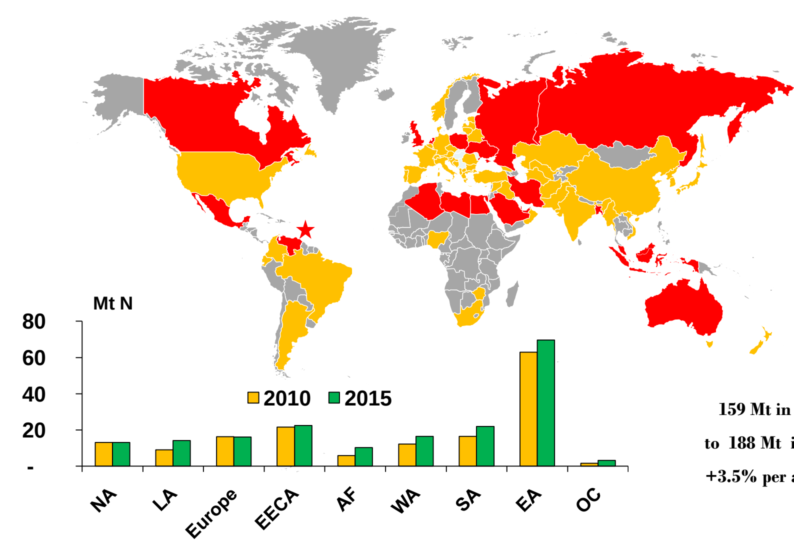
Natural Gas Prices - Short Term Trends



Azotecon, US EIA, Endex, FirstEnergy, IFA members in Russia, Ukraine, China

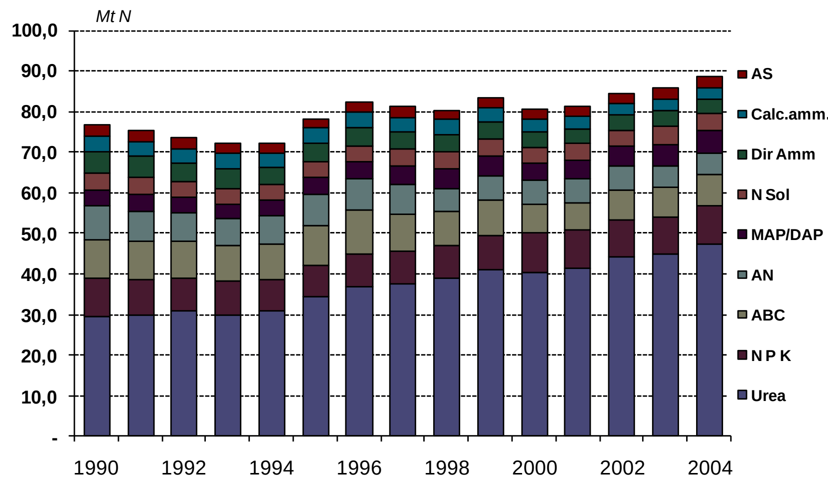
Ammonia Producing Countries : Future Capacity



159 Mt in 2010
to 188 Mt in 2015
+3.5% per annum

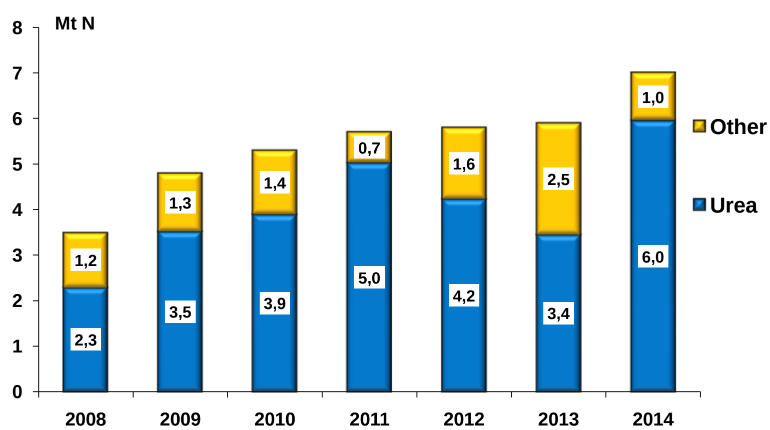
Source: IFA, December 2010

Nitrogen Fertilizer Consumption



Source: IFA

World Nitrogen Capacity : Annual Developments



Source: IFA, December 2010

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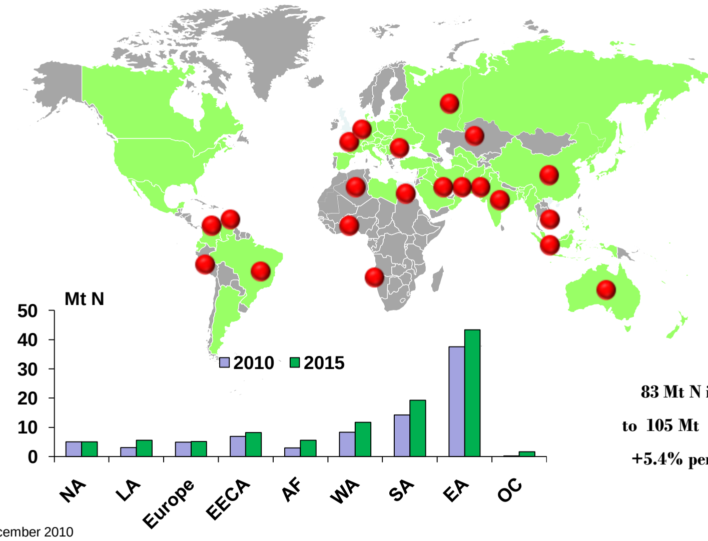
Urea Capacity : Potential Supply Developments

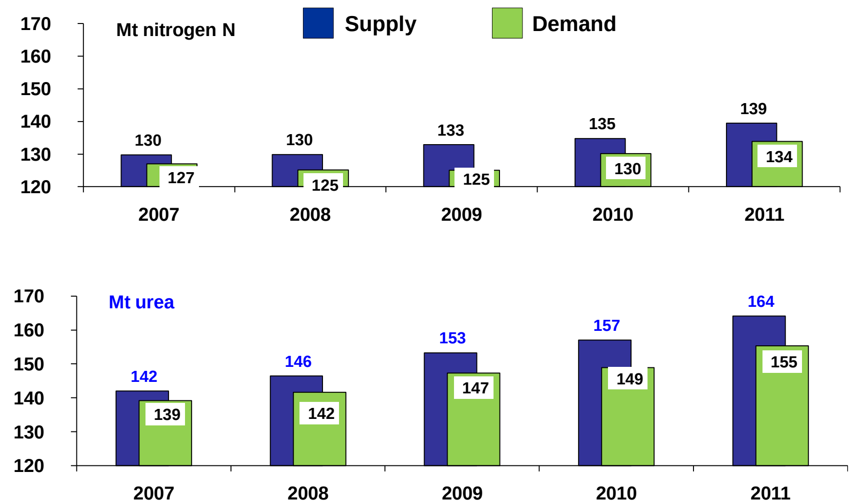


83 Mt N in 2010
to 105 Mt N in 2015
+5.4% per annum

Source: IFA, December 2010

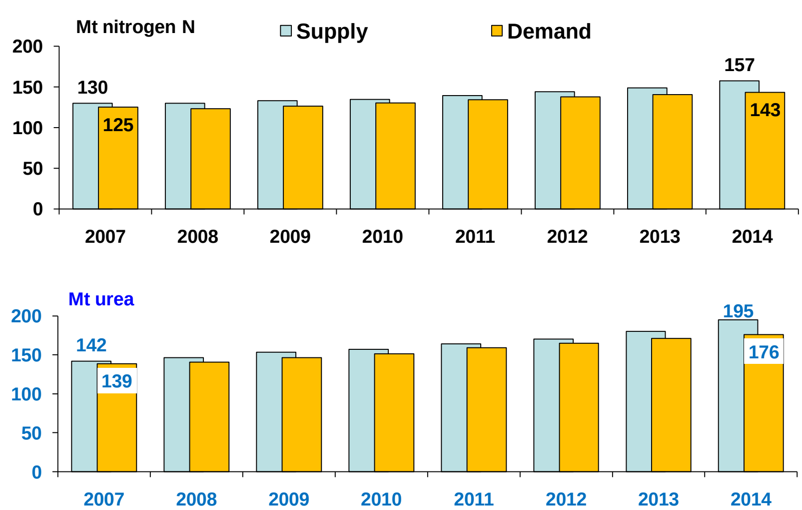
Global Supply – Demand Balances

Global Supply - Demand Balances : 2007 to 2011

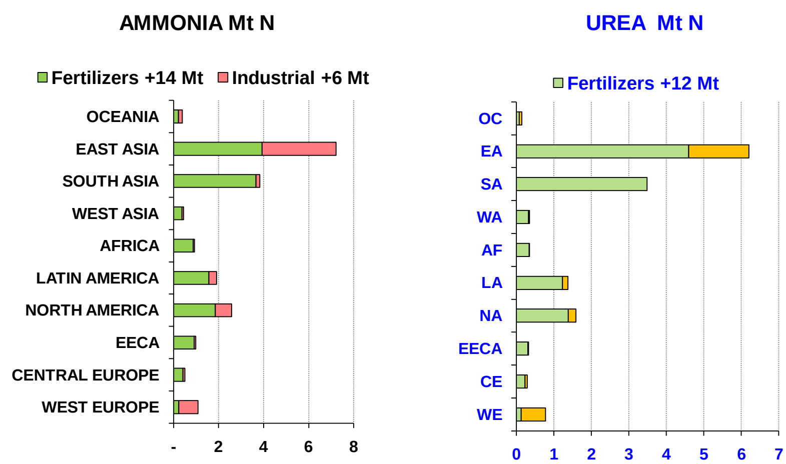


Source: IFA, December 2010

Global Nitrogen Balances : 2007 to 2014

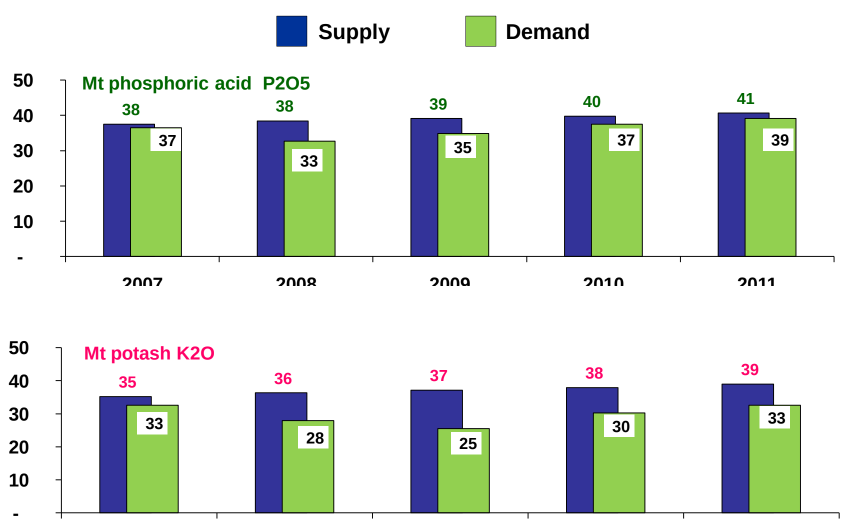


Regional Nitrogen Demand Growth



Source: IFA, December 2010

Global Supply - Demand Balances : 2007 to 2011



Source: IFA, December 2010

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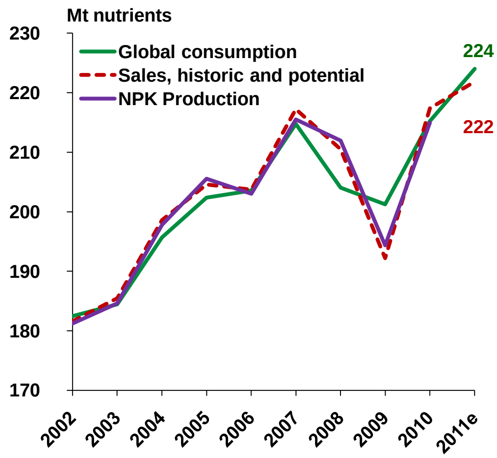
World Nutrient Supply Trends : 2002 to 2011e



1. Robust demand for all nutrients worldwide, but with inherent high volatility.
2. Firm growth in industrial sectors.
3. Adequate capacity and effective capacity.
4. New capacity emerging outside China.
5. Potential tightness in supply during the first half of 2011, due to the timing of start-up, ramp-up on new capacity and trade measures.
6. Rising trend of feedstock costs.
7. Uncertainties on China

Source: IFA, December 2010

Thank you for your attention

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