



**CULTIVATING
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Agrium's Q3 2016 Earnings Conference Call

November 3, 2016

Advisory



Forward-Looking Statements

Certain statements and other information included in this presentation constitute "forward-looking information" or "forward-looking statements" (collectively, "FLS"). All statements in this presentation, other than those relating to historical information or current conditions, are FLS, including, but not limited to, 2016 guidance, including diluted earnings per share range guidance, 2016 capital spending expectations, operational excellence targets; 2020 targets and our market outlook for the remainder of 2016, including anticipated supply and demand for our products and services, expected market and industry conditions with respect to planted acres, prices and the impact of currency fluctuations and import and export volumes. The FLS included in this presentation are based on certain assumptions made by us and all FLS are qualified by the assumptions that are stated or inherent in such FLS. Investors should not place undue reliance on these assumptions and such FLS. The key assumptions that have been made include, among other things assumptions with respect to Agrium's ability to successfully integrate and realize the anticipated benefits of its already completed and future acquisitions, that future business, regulatory and industry conditions will be within normal parameters, including with respect to prices, margins, product availability and supplier agreements; the completion of our expansion projects on schedule, as planned and on budget; assumptions with respect to global economic conditions; and our ability to access our credit facilities or capital markets for additional sources of financing. Also refer to the discussion under the heading "Key Assumptions and Risks in Respect of Forward-Looking Statements" in Agrium's Management's Discussion & Analysis for the year ended December 31, 2015 (the "2015 MD&A") with respect to the material assumptions and risks associated with the FLS.

FLS are subject to various risks and uncertainties which could cause Agrium's anticipated results and experience to differ materially from the anticipated results or expectations expressed. The key risks and uncertainties include, but are not limited to: general economic, market and business conditions, weather conditions including impacts from regional flooding and/or drought conditions; crop prices; the supply and demand and price levels for our major products; governmental and regulatory requirements and actions by governmental authorities, including changes in government policy, government ownership requirements, changes in environmental, tax and other laws or regulations and the interpretation thereof, and political risks, including civil unrest, actions by armed groups or conflict, as well as counterparty and sovereign risk; and other risk factors detailed from time to time in Agrium reports filed with the Canadian securities regulators and the Securities and Exchange Commission in the United States. We also refer you to the risks set forth in the 2015 MD&A under the headings "Enterprise Risk Management" and "Key Assumptions and Risks in Respect of Forward-Looking Statements".

Agrium disclaims any intention or obligation to update or revise any FLS in this presentation as a result of new information or future events, except as may be required under applicable U.S. federal securities laws or applicable Canadian securities legislation.

IFRS Advisory

Historical financial information relating to Agrium in this presentation is prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

Non-IFRS Financial Measures Advisory

We consider adjusted net earnings per share, guidance relevant earnings per share, cash selling and general and administrative expenses, cash cost of product manufactured, cash operating coverage ratio and normalized comparable store sales all of which are non-IFRS financial measures, to provide useful information to both management and investors in measuring our financial performance and financial condition. Refer to the disclosure under the heading "Non-IFRS Financial Measures" in our 2015 MD&A, to the disclosure under the heading "Adjusted Net Earnings and Guidance Relevant Earnings Reconciliations" included in our press release dated November 3, 2016 announcing our third quarter 2016 results and to the disclosure under the heading "Non-IFRS Financial Measures" in our Management's Discussion and Analysis for the three and nine months ended September 30, 2016, each as filed on SEDAR at www.sedar.com and EDGAR at www.sec.gov under our corporate profile and to our 2016 Q3 Supplemental Information available on our website (www.agrium.com), for a reconciliation of these non-IFRS measures to the most directly comparable measures calculated in accordance with IFRS and for a further discussion of how these measures are calculated and their usefulness to users including management. Non-IFRS financial measures are not recognized measures under IFRS and our method of calculation may not be comparable to that of other companies. These non-IFRS financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with IFRS.

Q3 2016 Results Summary



Agrium Results

- Agrium reported Q3 \$0.29 diluted loss per share (adjusted \$0.12 diluted loss per share and guidance relevant earnings of \$0.03 diluted loss per share)
 - Reduction in net earnings this quarter was due to:
 - Material one-time costs (merger related expenses, non-operational legal costs)
 - Low pest & disease pressure in the U.S. impacted crop protection demand and related application services but crop protection margins held constant
 - Low global nutrient prices & delayed NA harvest related to wet weather
 - Underlying business performed well
- We remained focused on our controllables, continuing to drive cost reductions
 - Excluding current year acquisitions, Retail reduced cash SG&A by ~\$5-million in Q3 and ~\$60-million YTD vs. 2015
 - Wholesale reduced cash SG&A by ~\$5-million in Q3, ~\$8-million YTD vs. 2015
 - Total YTD Fixed cost review savings of ~\$26-million
 - Corporate cash SG&A decline of ~\$4-million YTD
- Completed several large retail acquisitions in North American with 37 in Q3, 70 locations YTD with ~\$500-million in expected annual sales

Q3 Financial Results



(\$USD millions, except per share amounts)	Q3 2016	Q3 2015
Sales	\$2,245	\$2,524
Gross Profit	\$568	\$696
Net Earnings	(\$39)	\$99
EBITDA	\$145	\$306
Adjusted Net Earnings (Loss) Per Share	\$(0.12)	\$0.71
Guidance Relevant Earnings (Loss) Per Share	\$(0.03)	

Source: Agrium

Q3 Wholesale Operational Excellence Performance



- Continued reduction in overall fixed costs related to Operational Excellence Initiatives
- Minor maintenance at our nitrogen facilities and a longer than usual turnaround at Vanscoy due partly to address mechanical engineering issues remaining from our expansion

Wholesale Metrics	2014 Actuals	2015 Actuals	Rolling Four Quarters ended September 30, 2016	2016 Target ¹	2020 Target ¹
Capacity utilization (%)					
Ammonia ²	83%	94%	93%	98%	100%
Phosphoric Acid	92%	94%	96%	96%	98%
Potash	52%	94%	89%	100%	100%
Cash Cost of Product Manufactured (USD/MT)³					
Urea (excludes natural gas) ⁴	\$128	\$77	\$70	\$76	\$69
Potash	\$157	\$96	\$79	\$84	\$69
SG&A (USD/MT)	\$10	\$9	\$7	\$7	\$5

¹ Represents annual targets.

² Excludes results from Joffre nitrogen facility. Ammonia capacity has been adjusted for normal outages and planned maintenance.

³ Excludes depreciation and amortization.

⁴ Using calculated ammonia cash cost and excludes natural gas and steam costs.

Notes: 2020 target assumes an FX rate of 1.34.

2016 potash target capacity utilization adjusted to reflect 2016 production ramp-up.

Q3 Retail Operational Excellence Performance



- Retail continues to improve upon all metrics in 2016 with improved gross profit margins supported by proprietary products and reduced SG&A costs.

Retail Metrics	2013 to 2015 Average	Rolling Four Quarters ended September 30, 2016	2016 Target	2020 Target
Cash Operating Coverage Ratio	62%	61%	59%	59% to 57%
EBITDA Margin	8.5%	9.3%	9%	9.5% to 10.5%
Average Non-cash Working Capital to Sales	18%	18%	17%	16% to 17%
Proprietary Crop Protection Products as a % of Total Product Line Sales	20%	24% ¹	23%	25%
Proprietary Seed as a % of Total Product Line Sales	21%	23% ¹	23%	25%

¹ Metrics based upon nine months ended September 30, 2016.

Q4 and Annual Guidance



Outlook

- We have lowered guidance as a result of the following:
 - Persistent weakness in global nutrient prices
 - Weather issues in Western Canada impacting harvest
 - Account for Q3 actual results
- Anticipating strong nutrient demand in the U.S. but Canada seeing delayed applications related to weather issues
 - Strong global and domestic demand for K has resulted in ~10% improvement in prices over past couple of months

Guidance

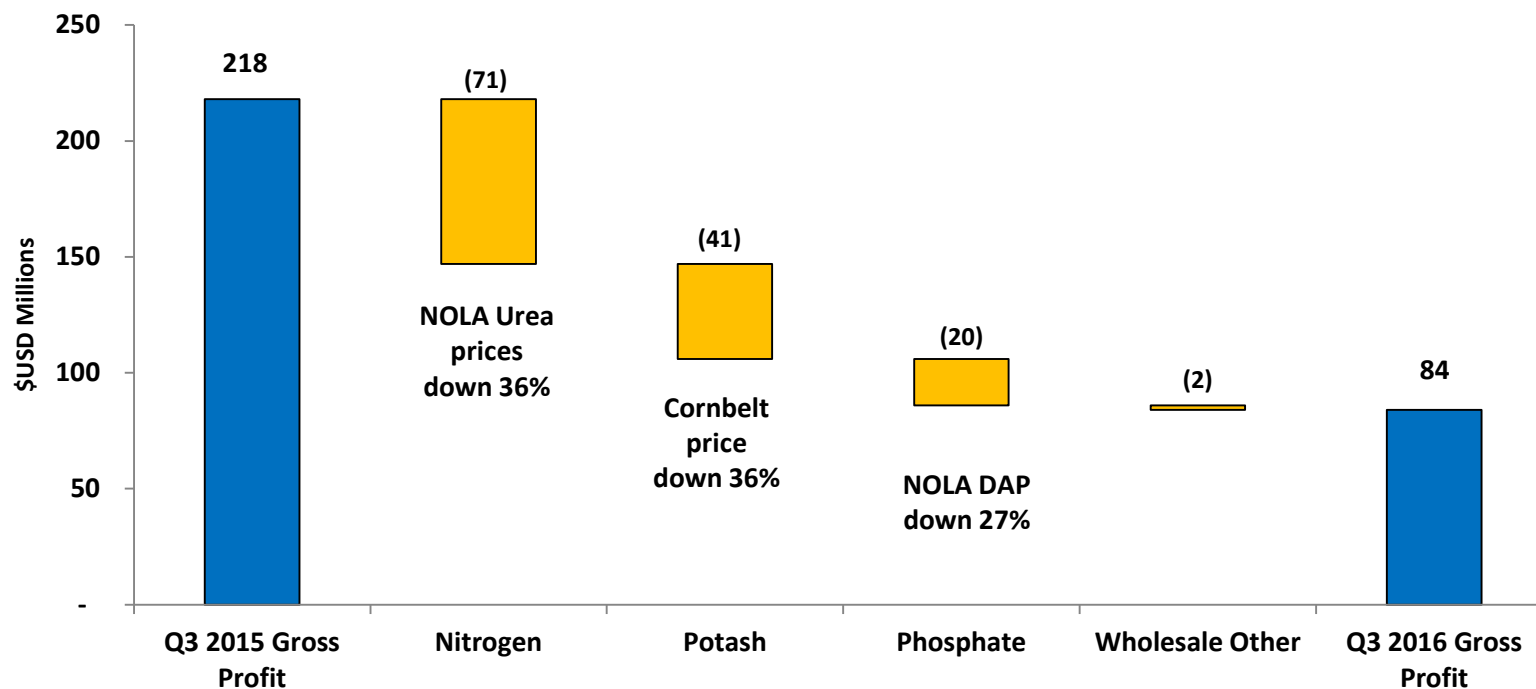
Period	Guidance	
Annual 2016	\$4.60 to \$5.00 EPS	
Guidance Assumptions ¹		Annual
	Low	High
Wholesale Production Tonnes:		
Nitrogen (millions)	3.6	3.7
Potash (millions)	2.1	2.2
Retail:		
EBITDA (USD millions)	\$1,070	\$1,110
Crop nutrient sales tonnes (millions)	9.8	10.2
Other:		
Tax rate	28%	27%
Sustaining capital expenditures (USD millions)	\$400	\$450
Total capital expenditures (USD millions)	\$750	\$800
Canada/U.S. foreign exchange rate	\$1.31	\$1.33
NYMEX gas price (\$/MMBtu)	\$2.60	\$2.40

¹ For further assumptions related to our guidance, see disclosure in the section "Market Outlook" in our 2016 third quarter press release dated November 3, 2016.

Q3 2016 Wholesale Gross Profit Bridge



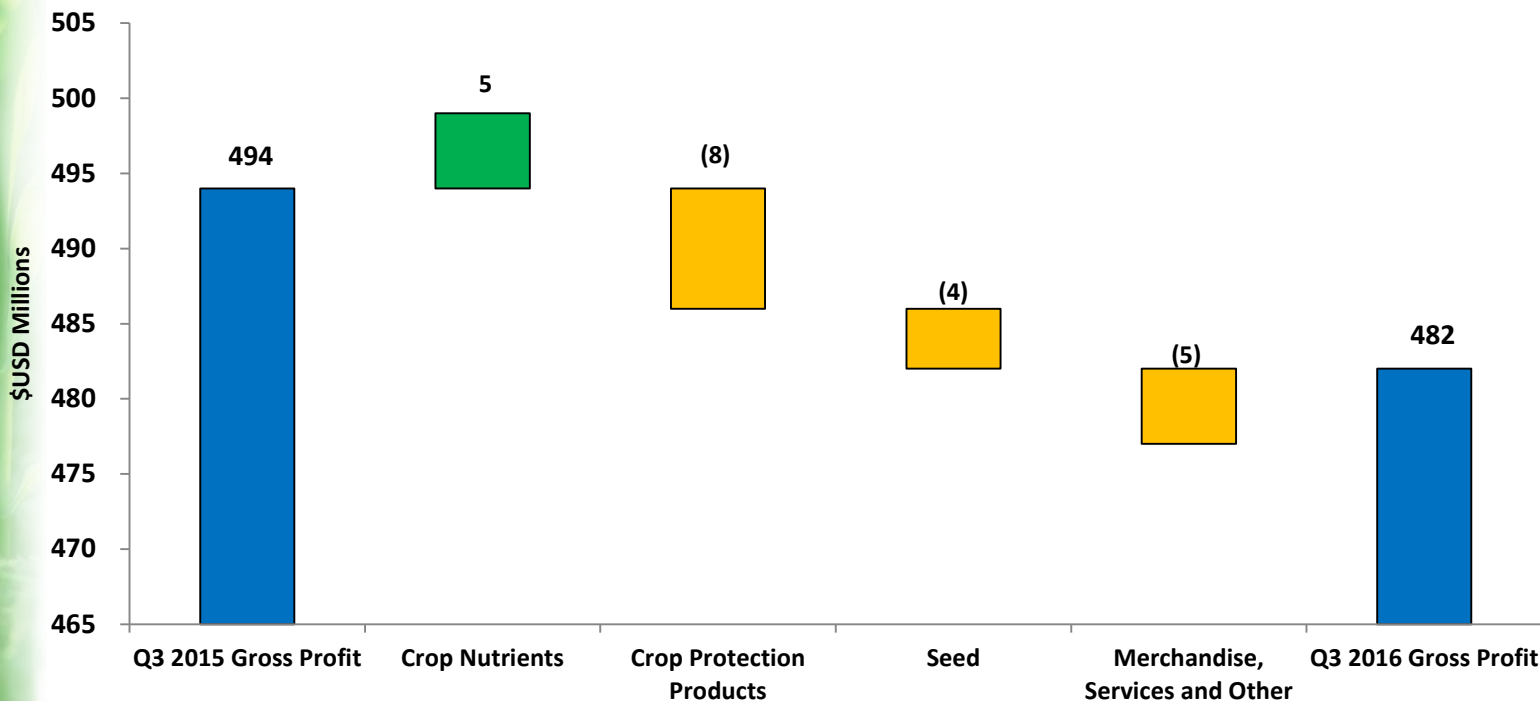
- Nitrogen gross profit decreased 55% due to lower global benchmarks partly offset by lower natural gas & fixed costs.
- Potash gross profit decreased in Q3 2016 due to downward pressure on potash benchmark prices. This was partially offset by higher sales volumes compared to last year when the Vanscoy expansion was being ramped-up. While gross profit per tonne has declined in Q3, cash margin per tonne is close to \$50/mt.
- Phosphate gross profit decreased 65 percent due to lower benchmark selling prices, partially offset by higher sales volumes and lower production costs.





Q3 2016 Retail Gross Profit Bridge

- Crop nutrient gross profit was up 4 percent compared to last year due to improved international margins and volumes and prudent inventory management
- Crop protection product gross profit was down 3 percent compared to last year as minimal pest pressure in the U.S. and record crop yields impacted demand
- Seed gross profit and margins were lower in Q3 as a result of lower U.S. sales, partially offset by stronger demand in our International operations
- Merchandise, Service & Other impacted by lower application services for crop protection products this summer



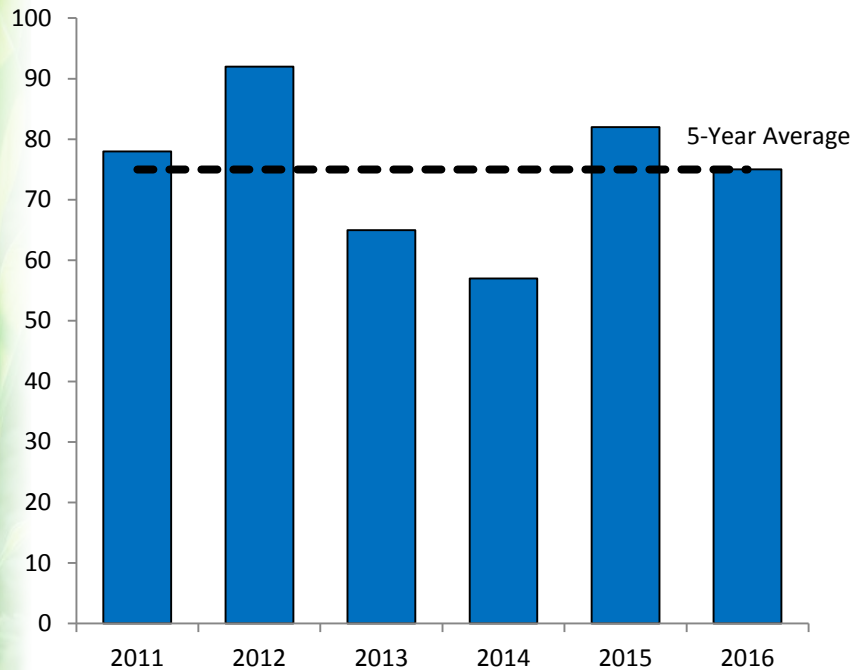
Acquired 37 locations and expected annual sales of ~\$300M. Currently closed on over 70 locations with over \$500M of expected annual sales in 2016.

U.S. Corn and Soybean Crop Harvest Progress

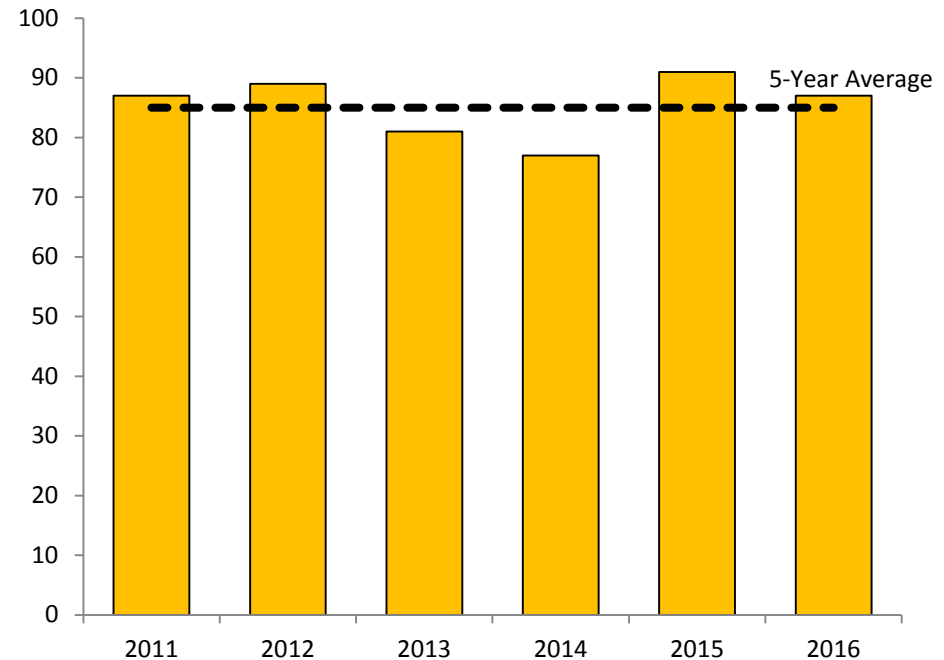


- 2016 U.S. corn and soybean harvest progress are now close to average levels, crop maturity was ahead of normal but wet weather caused delays
 - Favourable fall nutrient demand expected in the U.S. assuming normal fall weather

U.S. Corn Harvest Progress (%)



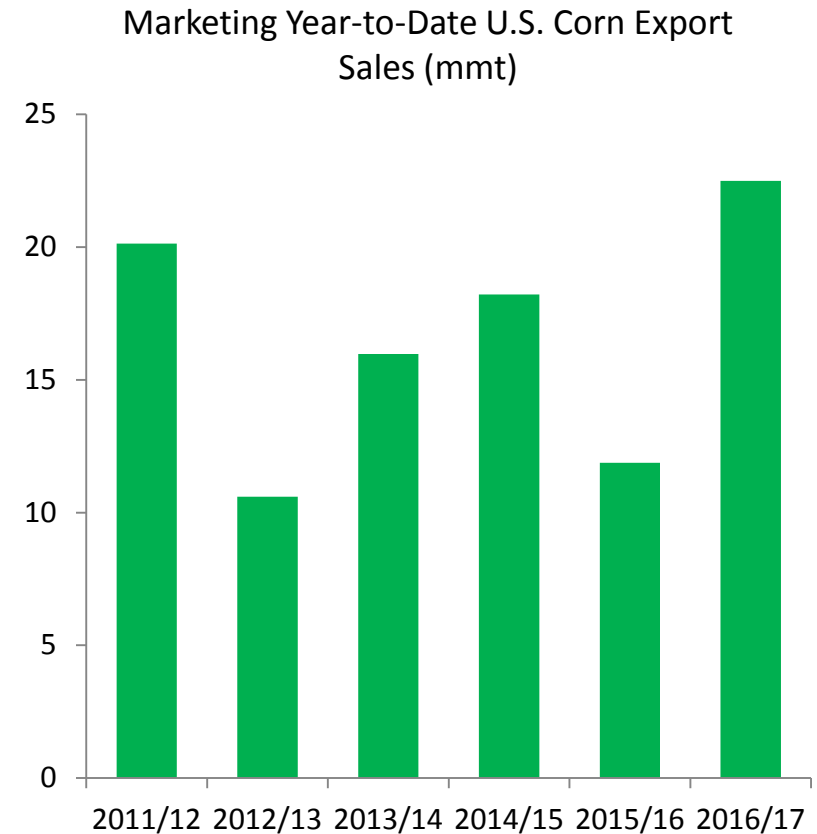
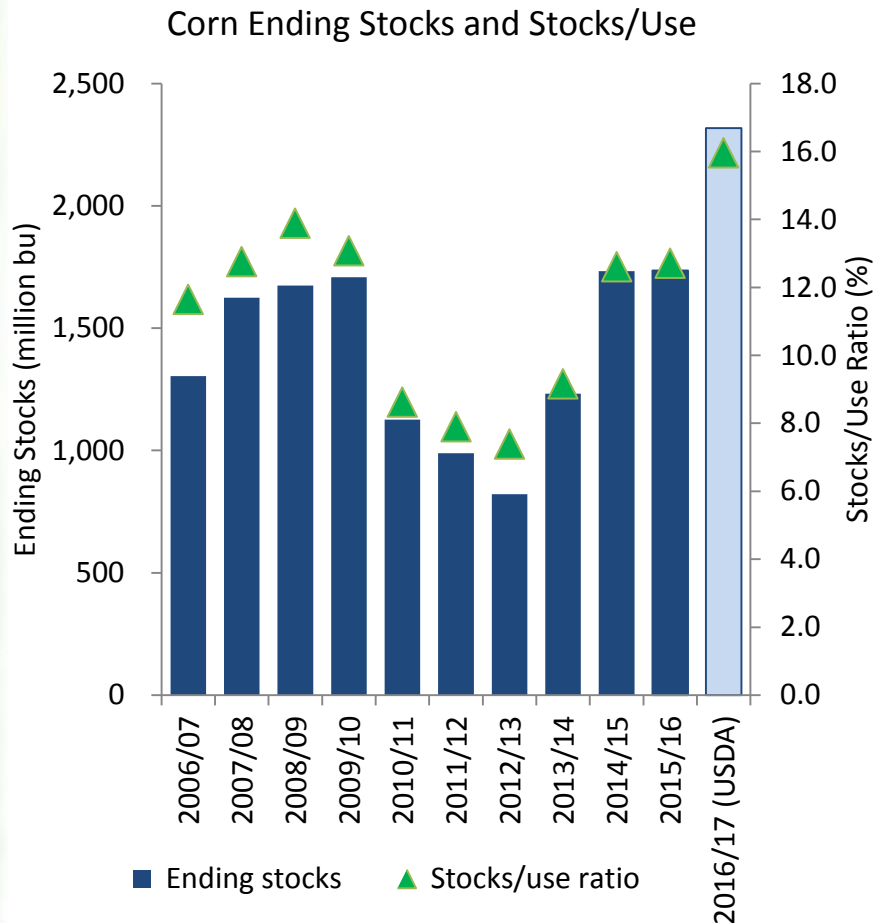
U.S. Soybean Harvest Progress (%)



Corn Supply/Demand Balance



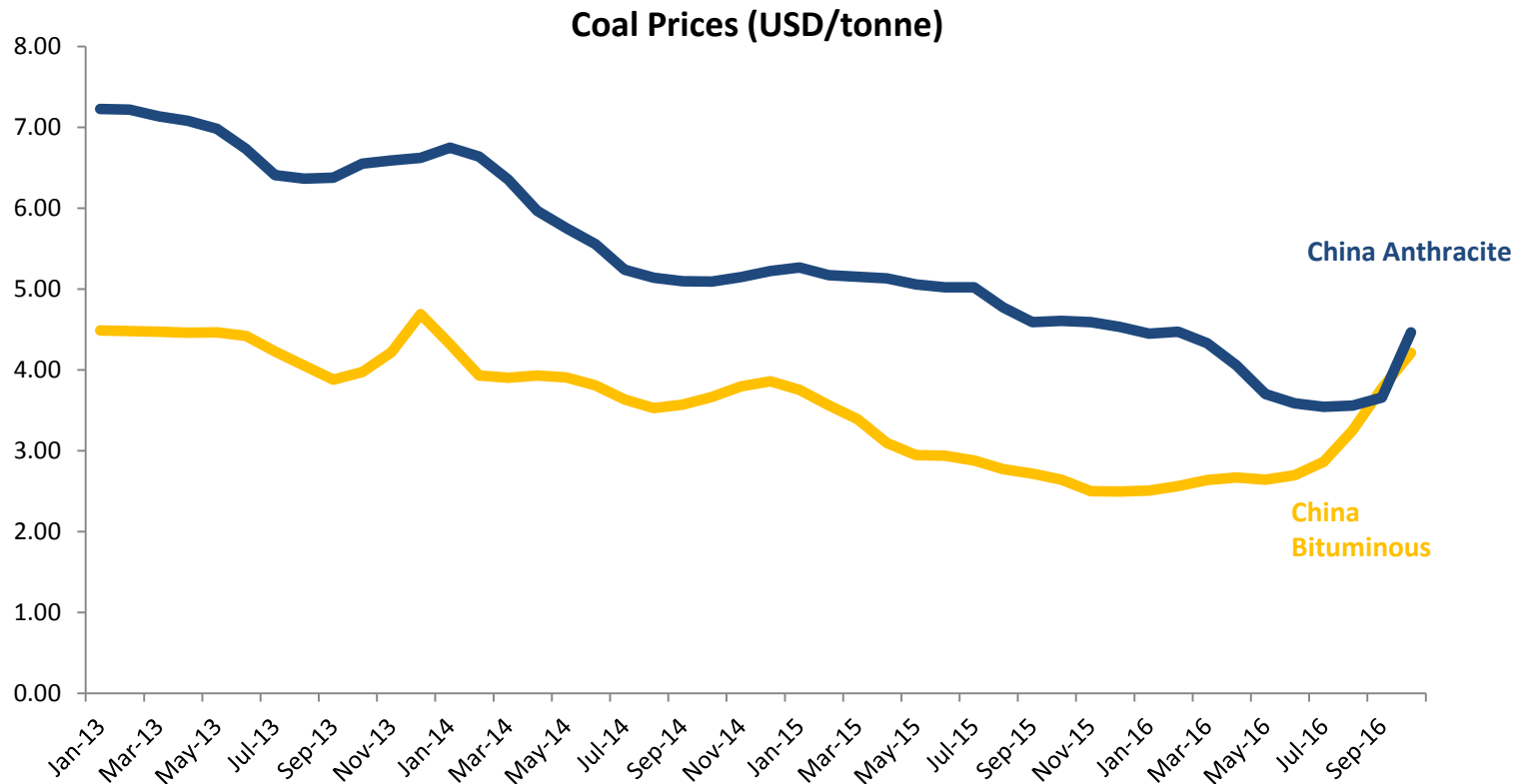
- Due to high acreage and record forecast yield, U.S. corn ending stocks are projected to increase in 2016/17; however, very strong export demand has offset a portion of the production increase
 - Marketing year-to-date corn exports in 2016/17 are up ~85% compared to 2015/16 levels



Chinese Coal Prices Picking Up



- Chinese bituminous coal pricing showed a substantial increase towards the end of Q3
 - Chinese urea costs have increased up to \$40/tonne for bituminous-based production
 - Chinese anthracite prices increased in October 2016
 - NOLA urea prices have increased more than \$15/st since the end of September

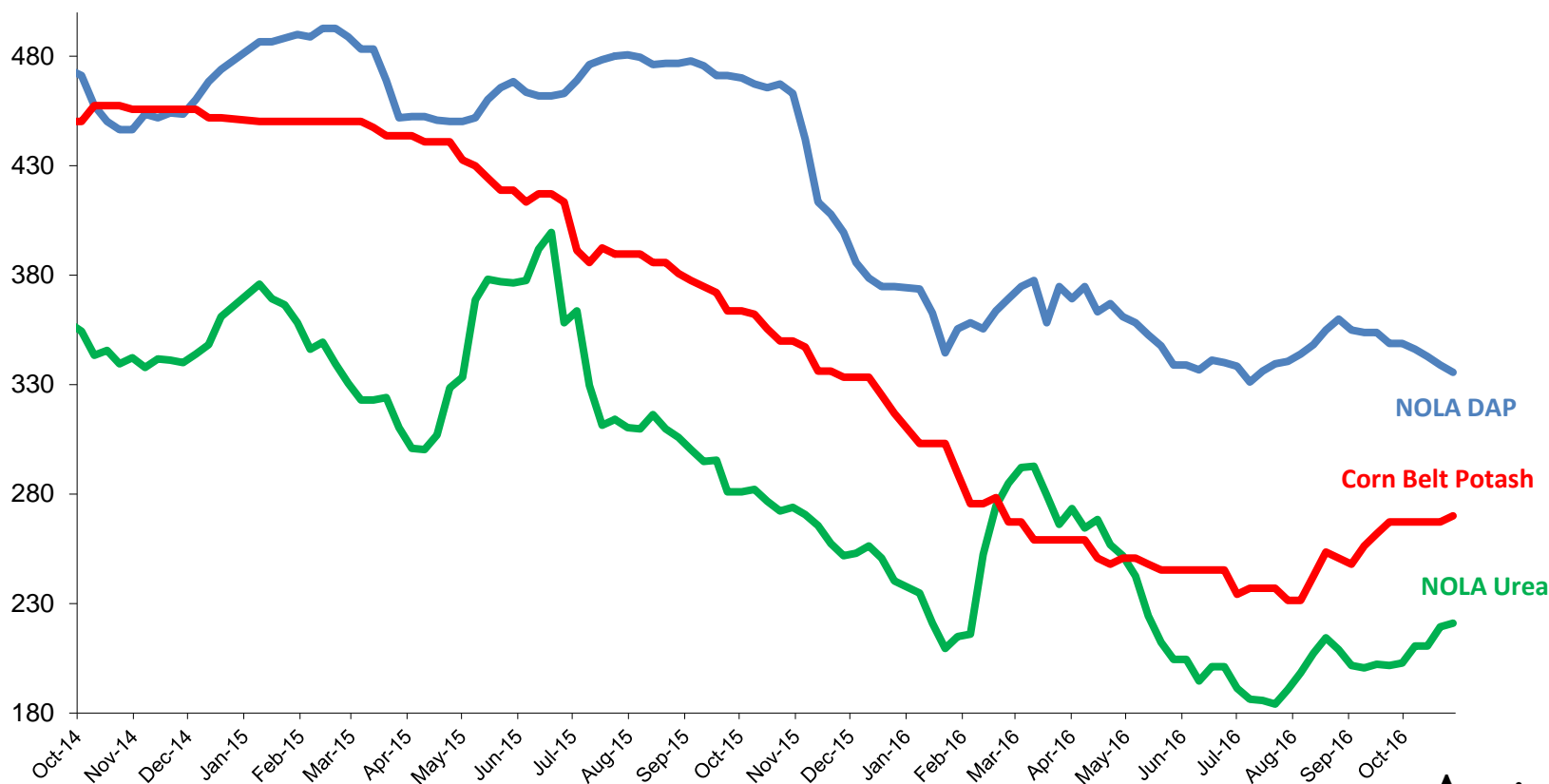


Crop Nutrient Prices



- Benchmark urea and potash prices have improved from floor levels in Q3
 - Chinese urea production costs have increased and export availability has fallen
 - Robust potash demand has supported potash prices

Benchmark Crop Nutrient Prices (\$/tonne)



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