

Uralkali H1 Profit Soars By 89%

By [The Moscow Times](#)

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Uralkali posted an 89 percent jump in first-half profit, topping analysts' forecasts, as the global economic recovery boosted demand for food, the company said Friday.

The potash maker, controlled by billionaire Suleiman Kerimov, said net profit rose to 8.4 billion rubles (\$274 million) for the six months to end June, up from 4.5 billion rubles in the same period last year.

Revenue almost doubled to 27.4 billion rubles from 13.9 billion rubles.

Analysts polled by Reuters had forecast a profit of 7.5 billion rubles.

Kerimov is in the process of creating a national potash mining champion via the merger of his stakes in Uralkali and domestic rival Silvinit.

The combined company would be the world's second-largest producer of potash — a key component of agricultural fertilizer — and would rival Canada's Potash Corp., currently the

subject of a \$39 billion hostile takeover approach from BHP Billiton.

Uralkali expects at least an 80 percent utilization rate during 2010, chief financial officer Viktor Belyakov said on an earnings conference call.

Belarusian Potash Company, which exports Uralkali's products, expects growth in the potash price in the second half and "very good" years in 2011 and 2012, Oleg Petrov, head of sales, said on a conference call.

Uralkali's shares closed down 0.2 percent on MICEX, while the exchange's benchmark index ended Friday up 0.6 percent.

(Reuters, Bloomberg)

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