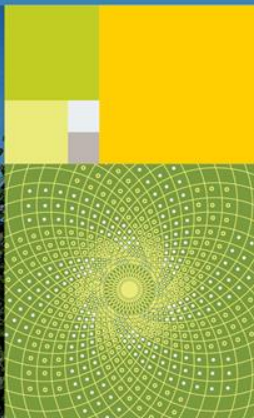




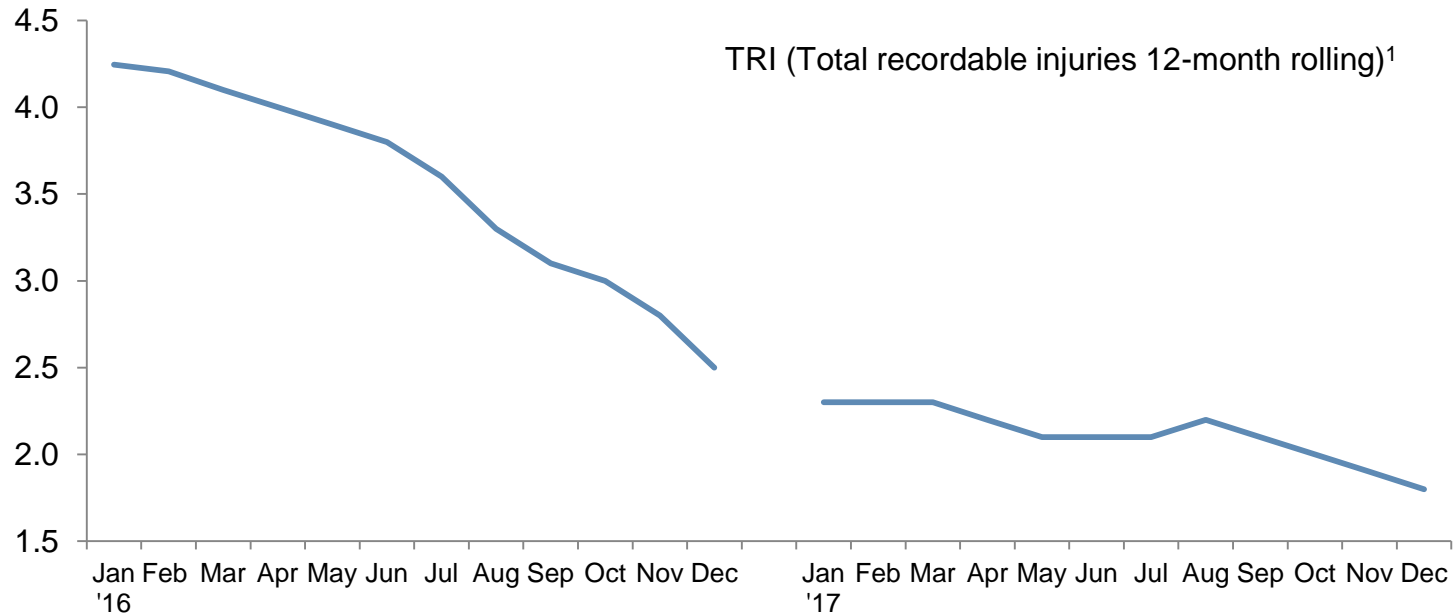
Knowledge grows

Yara International ASA 2017 fourth quarter results

8 February 2018



Safe operations is our first priority

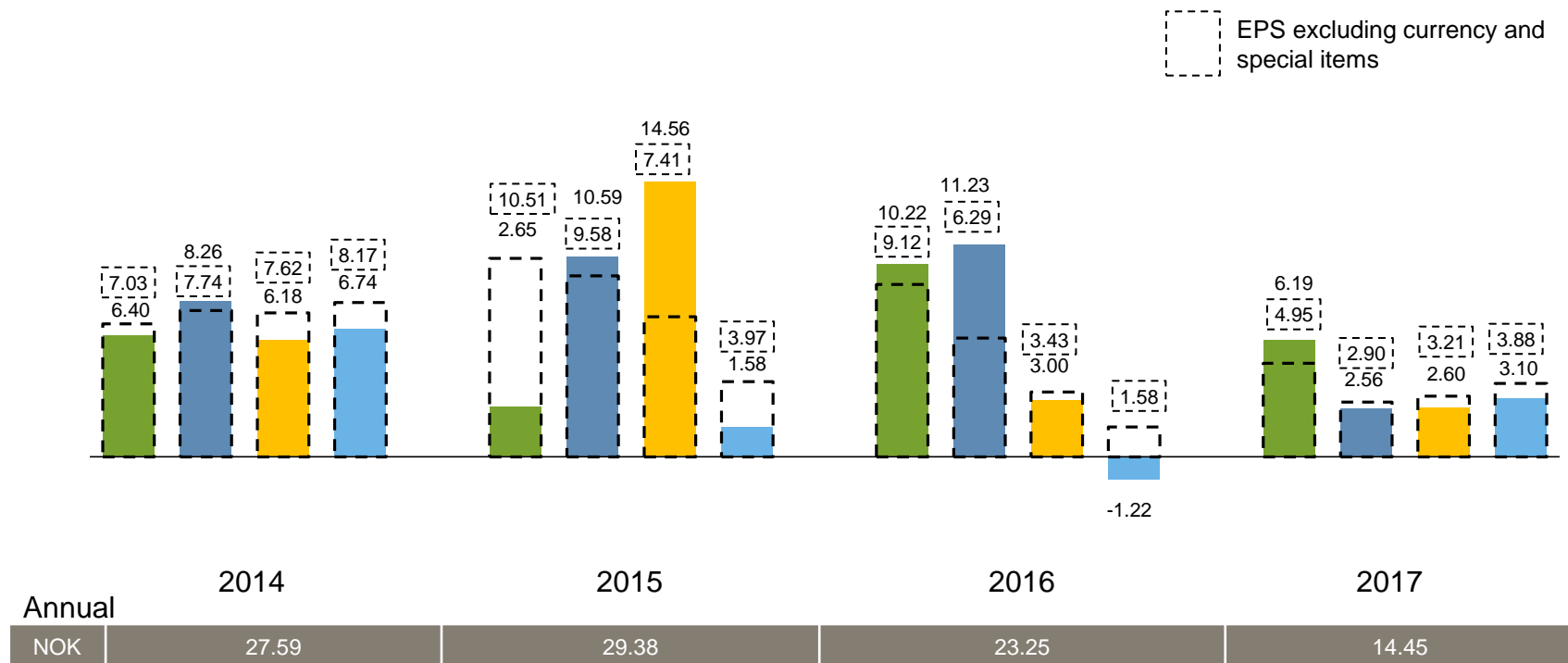


1) TRI: Total recordable injuries, lost time (absence from work), restricted work and medical treatment cases per one million work hours.

Summary fourth quarter

- Improvement program ahead of schedule
- Improved results reflecting higher margins
- Strong full-year Industrial performance
- Proposed dividend NOK 6.50 per share, 45% of net income

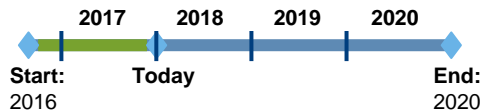
Earnings per share*



*Average number of shares for 4Q 2017: 273.2 million (4Q 2016: 273.2 million).

Yara Improvement Program – 2017 status

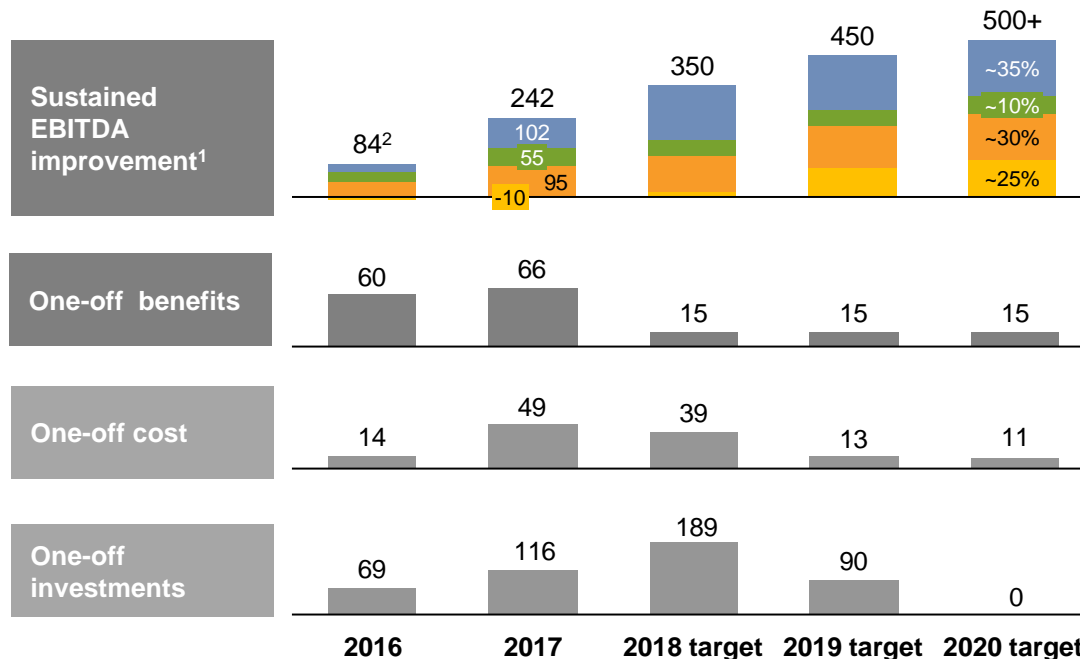
Program progress



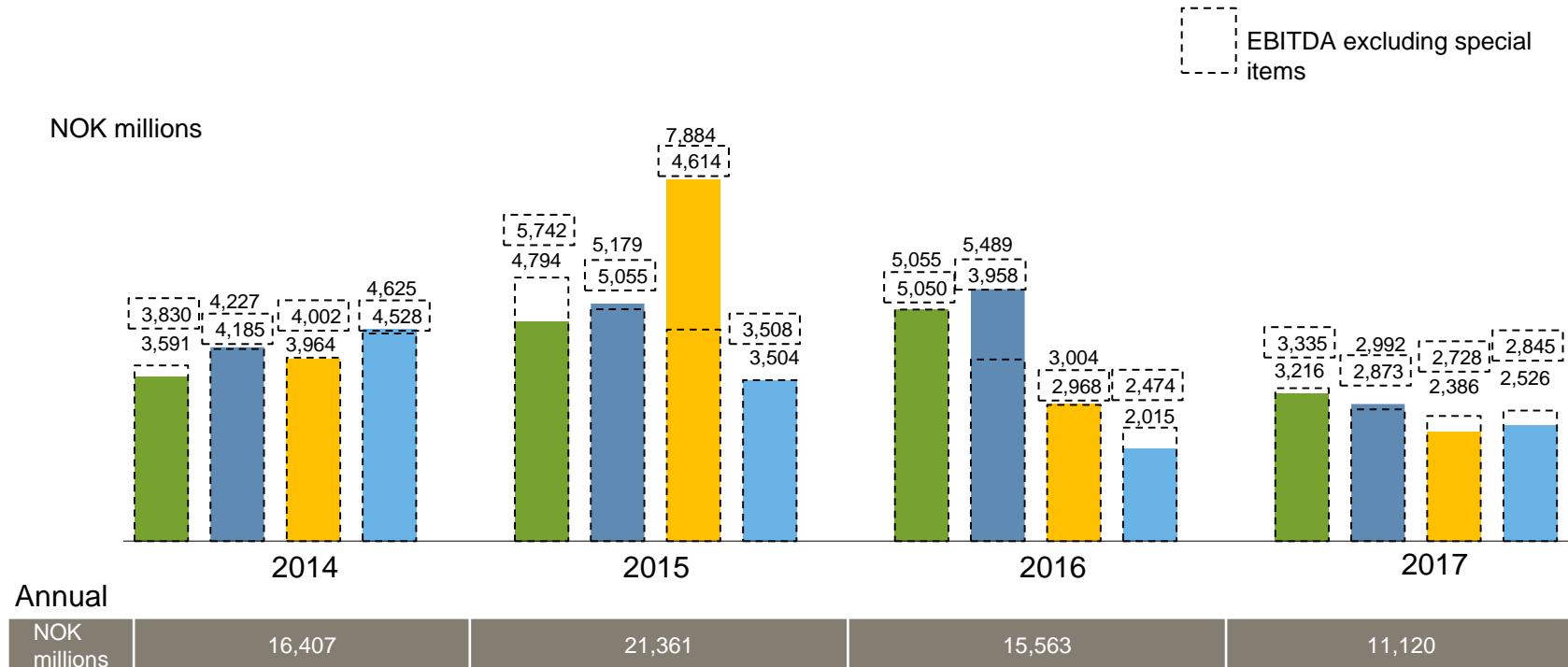
- 2017 EBITDA benefits ahead of target (in 2015 terms):
 - Production volume improvement according to plan
 - Energy consumption improvement ahead of plan
 - Variable cost improvement ahead of plan
 - Fixed cost improvement behind plan
 - One-off program costs higher than original estimate

Financial benefits

Annual impact, USD million, vs. 2015 baseline, at 2015 margins

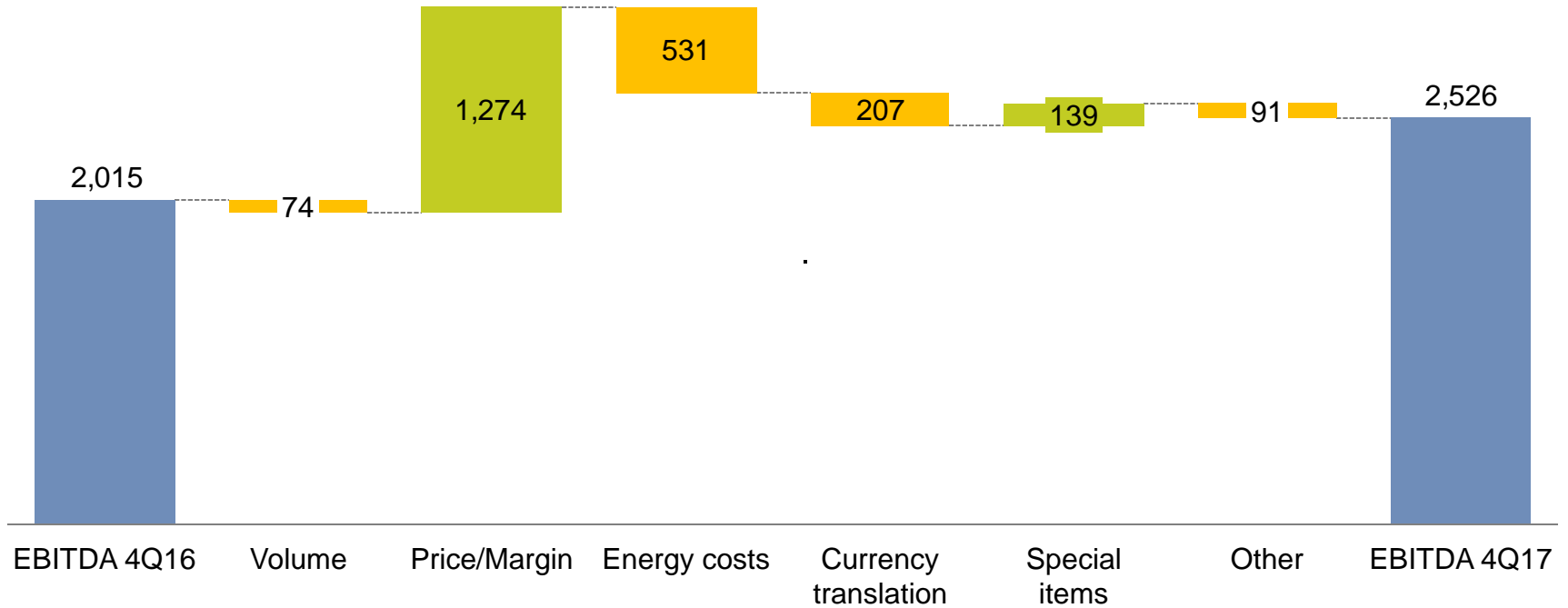


Earnings before interest, tax, depreciation and amortization (EBITDA)

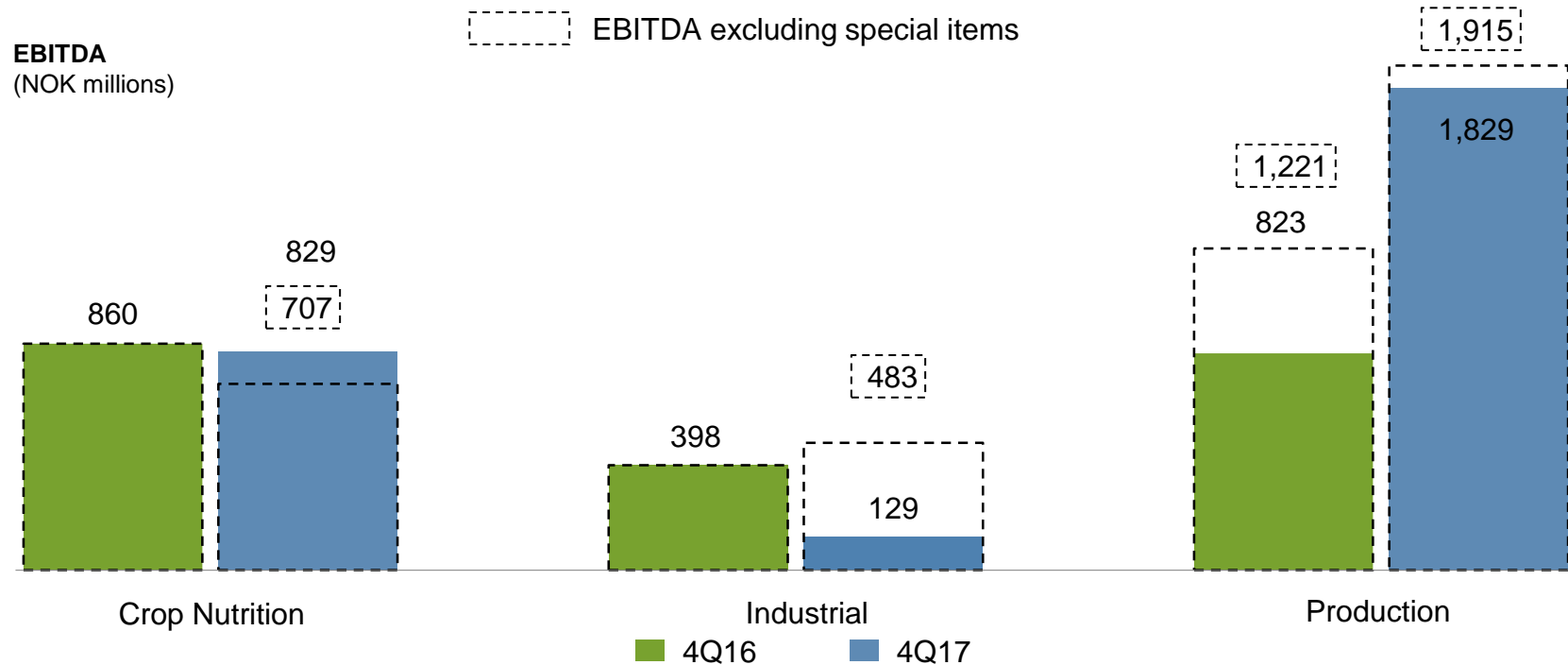


EBITDA: Stronger margins offsets higher energy cost and weaker US dollar

NOK millions

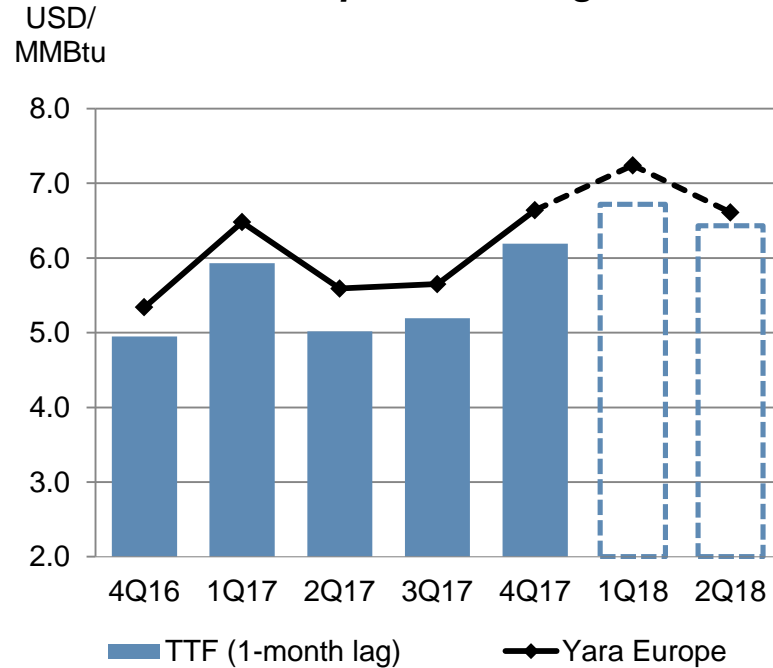


Higher margins in Production segment

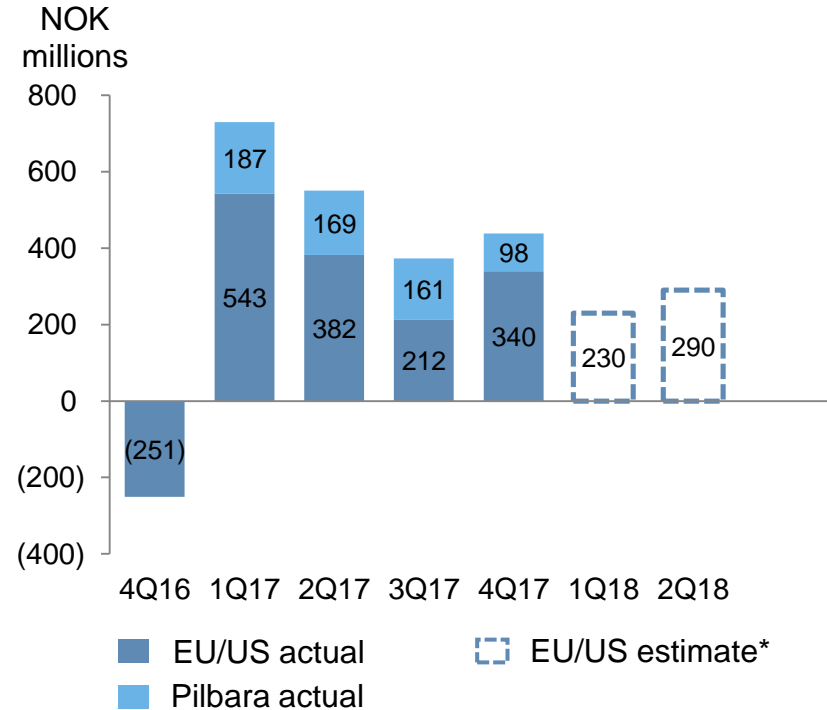


Higher natural gas cost expected for the next two quarters

Yara European natural gas cost

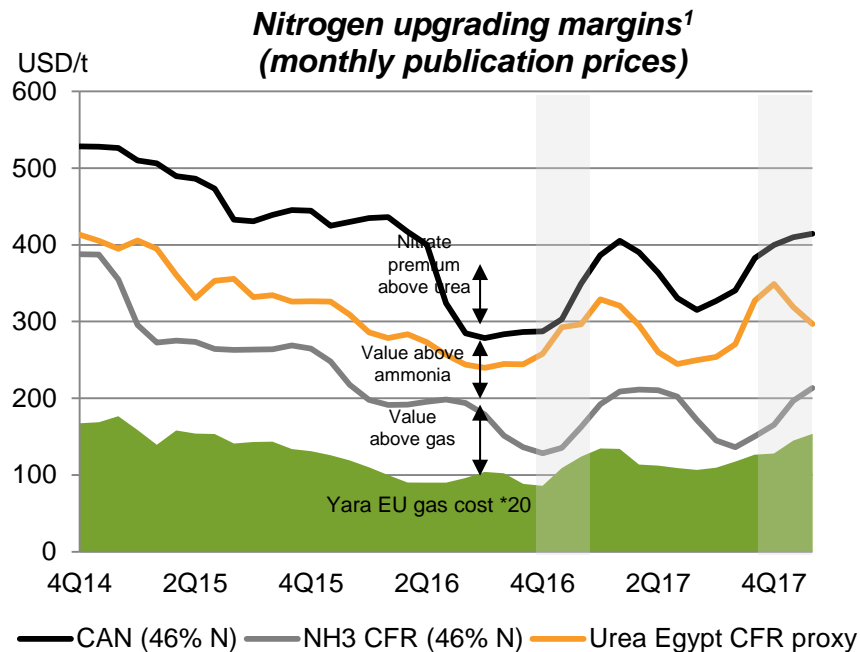


Change in global natural gas cost

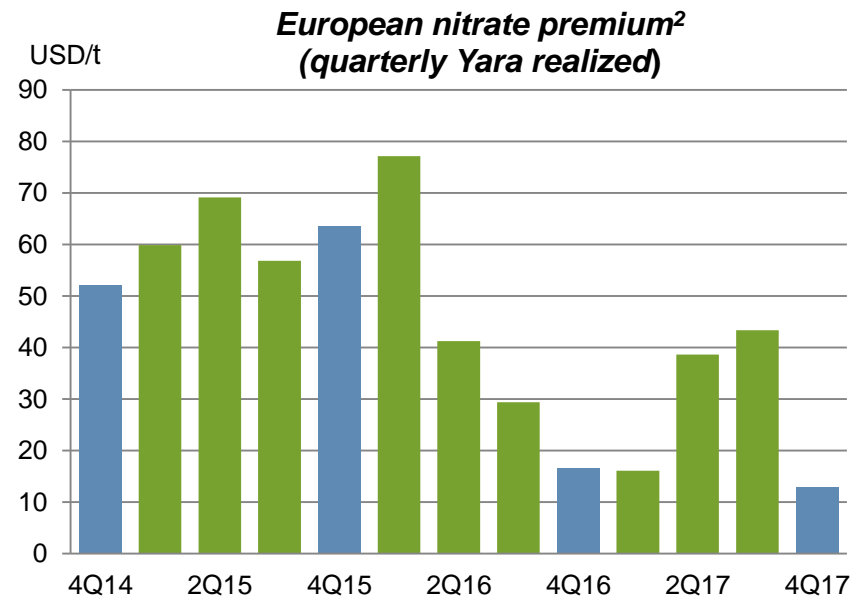


*Dotted lines denote forward prices as of 30 January 2018
 Source: Yara, World Bank, Argus/ICIS Heren

Lower realized European nitrate premiums

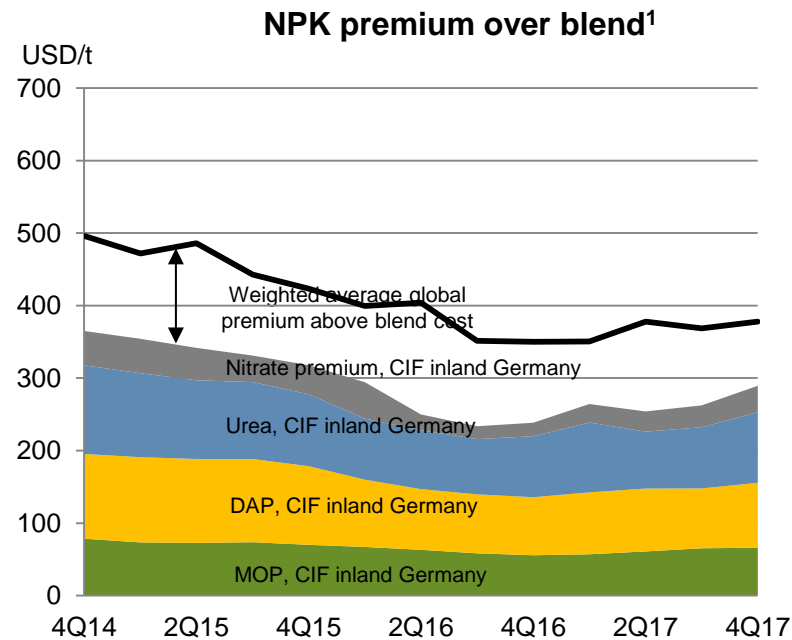
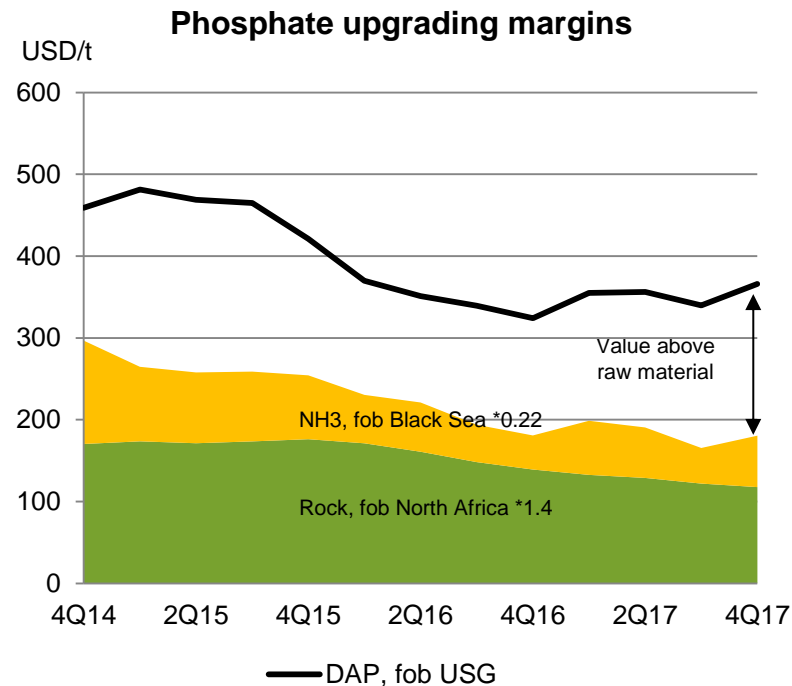


Source: Fertilizer Market Publications



2) Yara European realized nitrate prices (excl. sulphur grades) compared with urea publication prices (Egypt CFR proxy) with 1 month time lag. All numbers in USD per tonne of CAN equivalents.

Solid commodity phosphate margins and compound NPK premiums

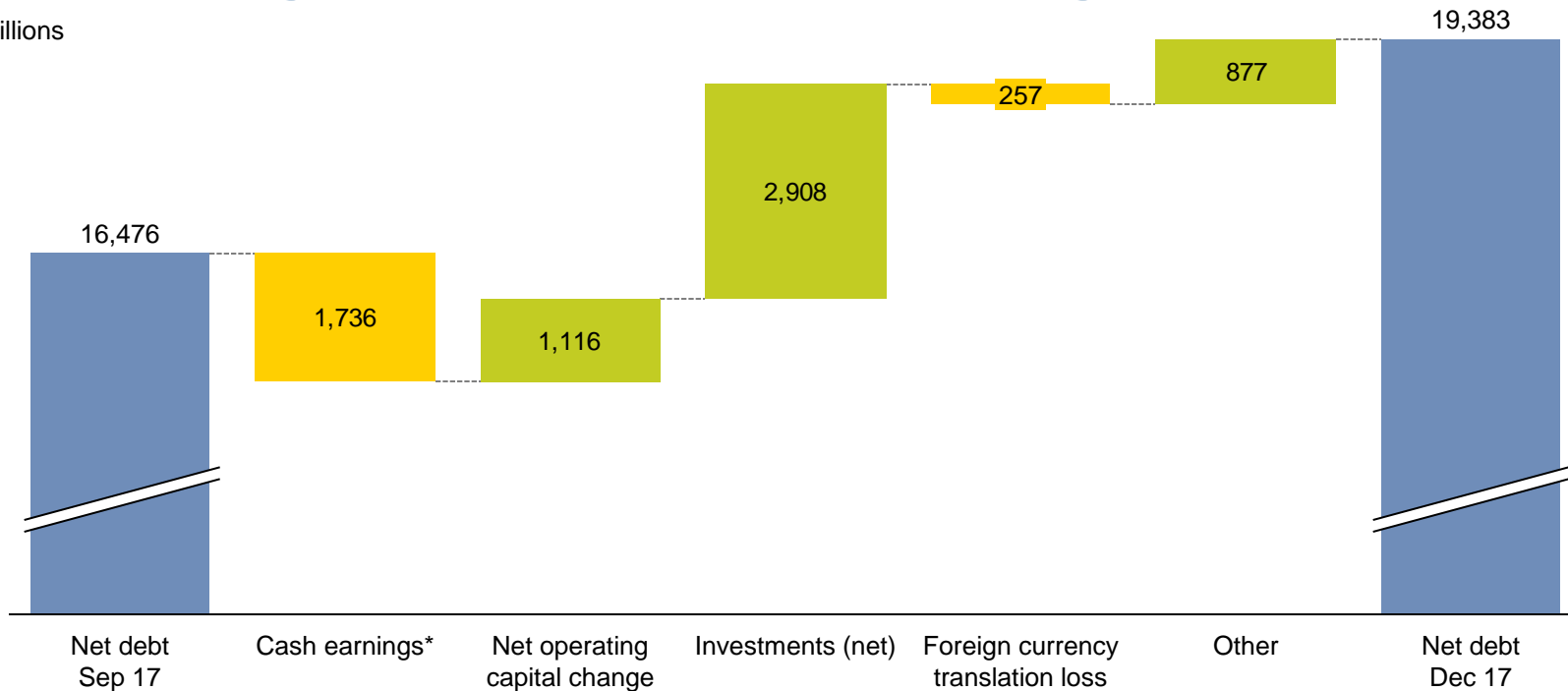


1) Export NPK plants, average grade 19-10-13, net of transport and handling cost.

Source: Fertilizer Market Publications

Higher net interest-bearing debt as investments and net operating capital change more than offset cash earnings

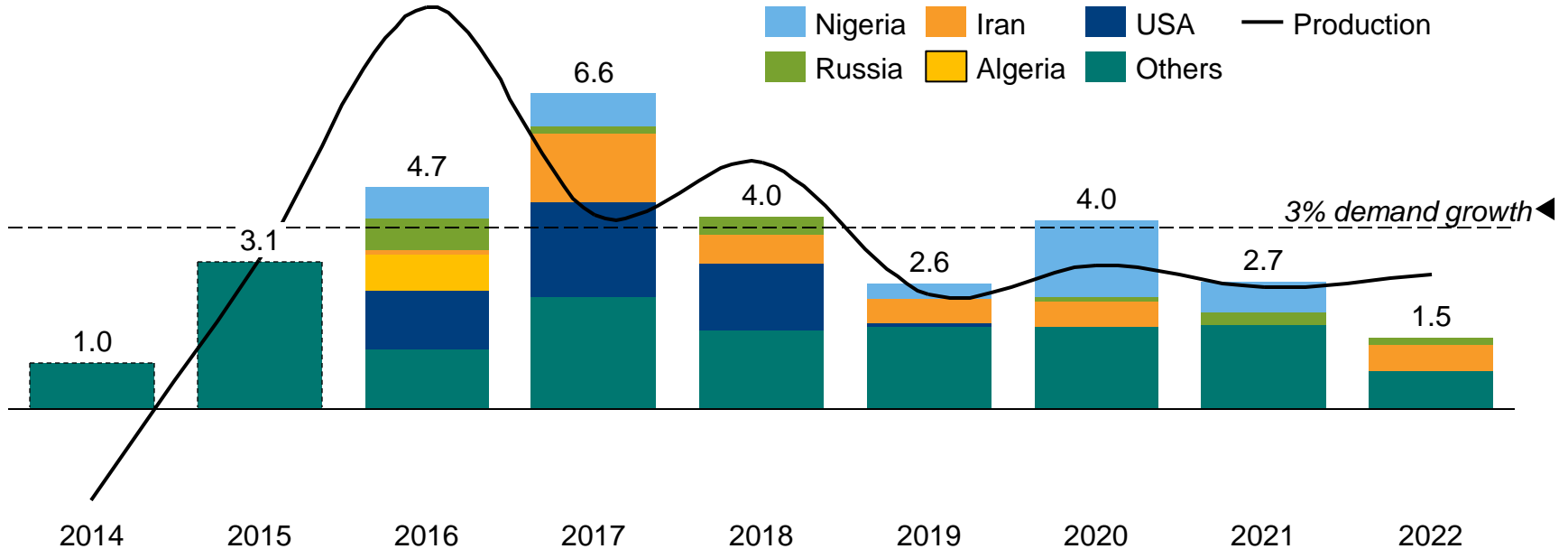
NOK millions



* Operating income plus depreciation and amortization, minus tax paid, net gain/(loss) on disposals, net interest expense and bank charges

The surge of new capacity is past its peak

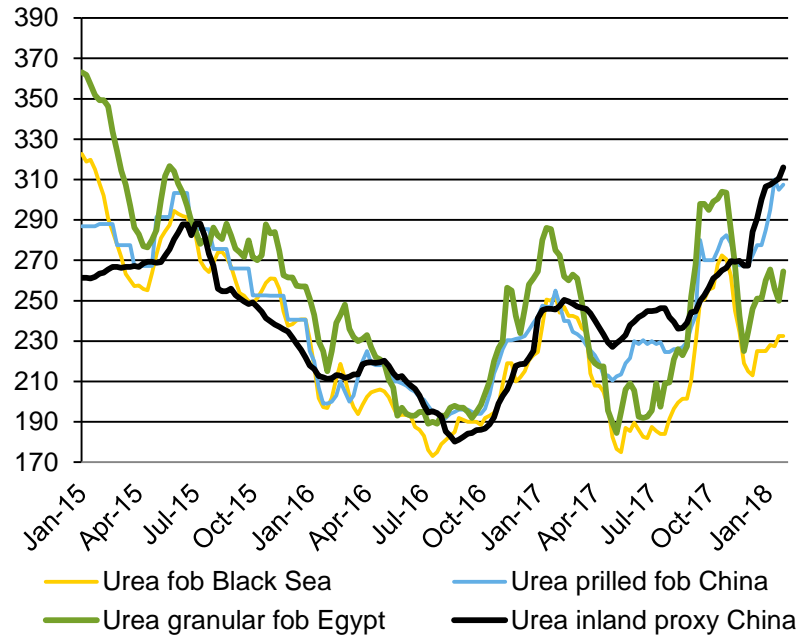
Global capacity additions ex China (Urea, Million tons)



Source: CRU December 2017

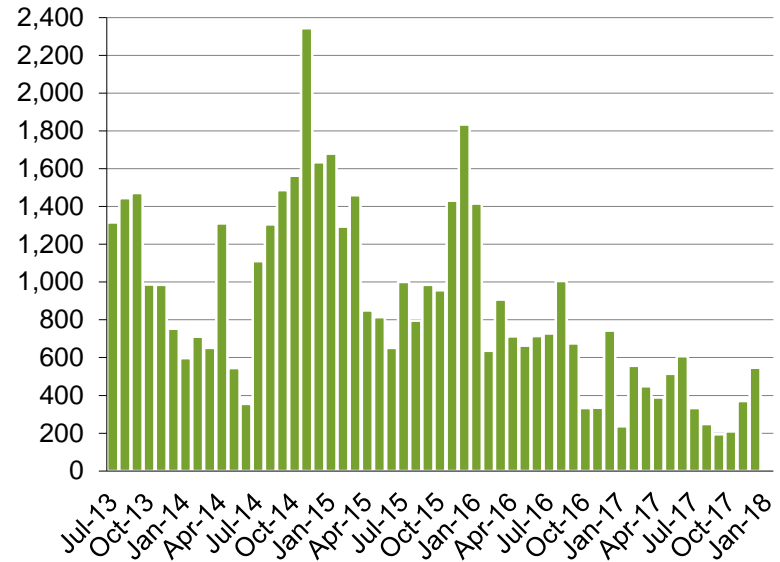
...but higher domestic price and lower exports from China are offsetting oversupply elsewhere

Increasing urea pricing (USD/ton)



Source: BOABC, CFMW

Chinese export is falling (1000 tons)





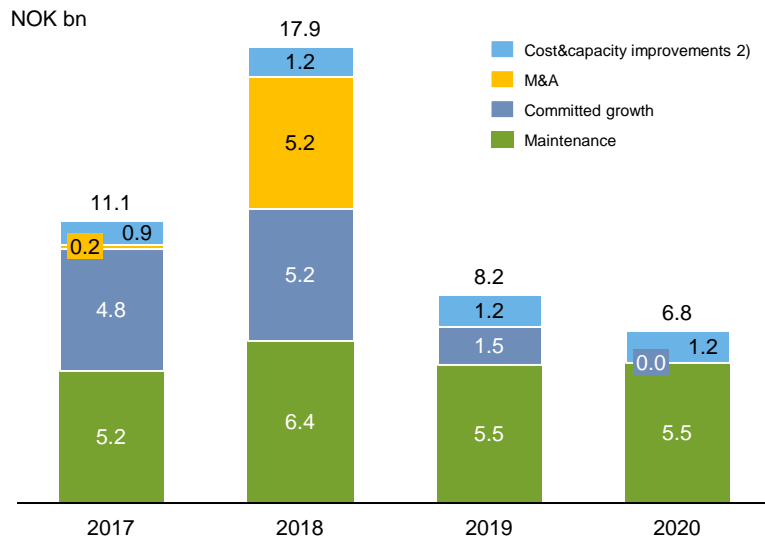
Knowledge grows

Additional information

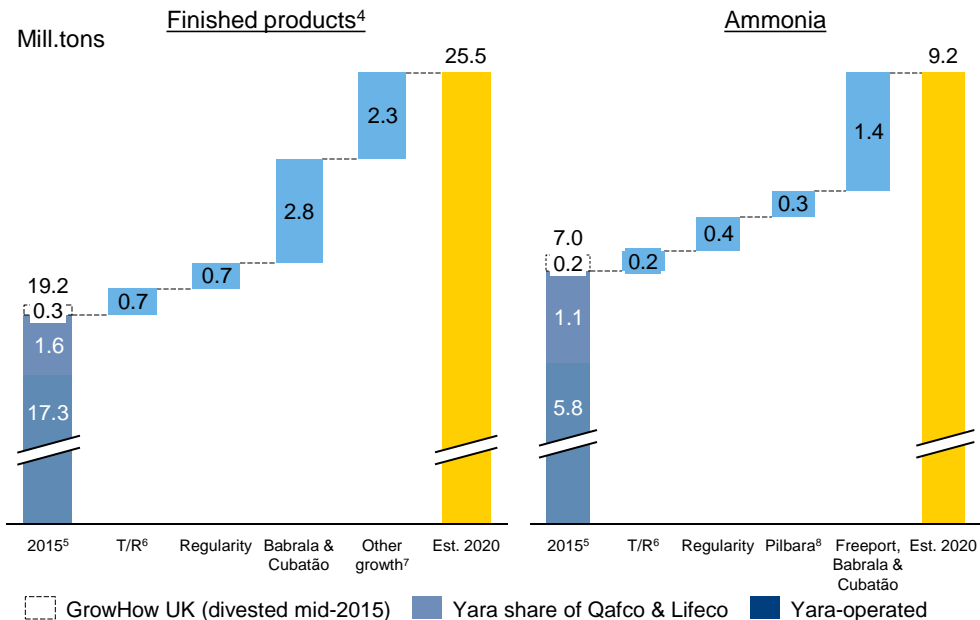


High on-going Yara growth investment activity

Capex plan¹



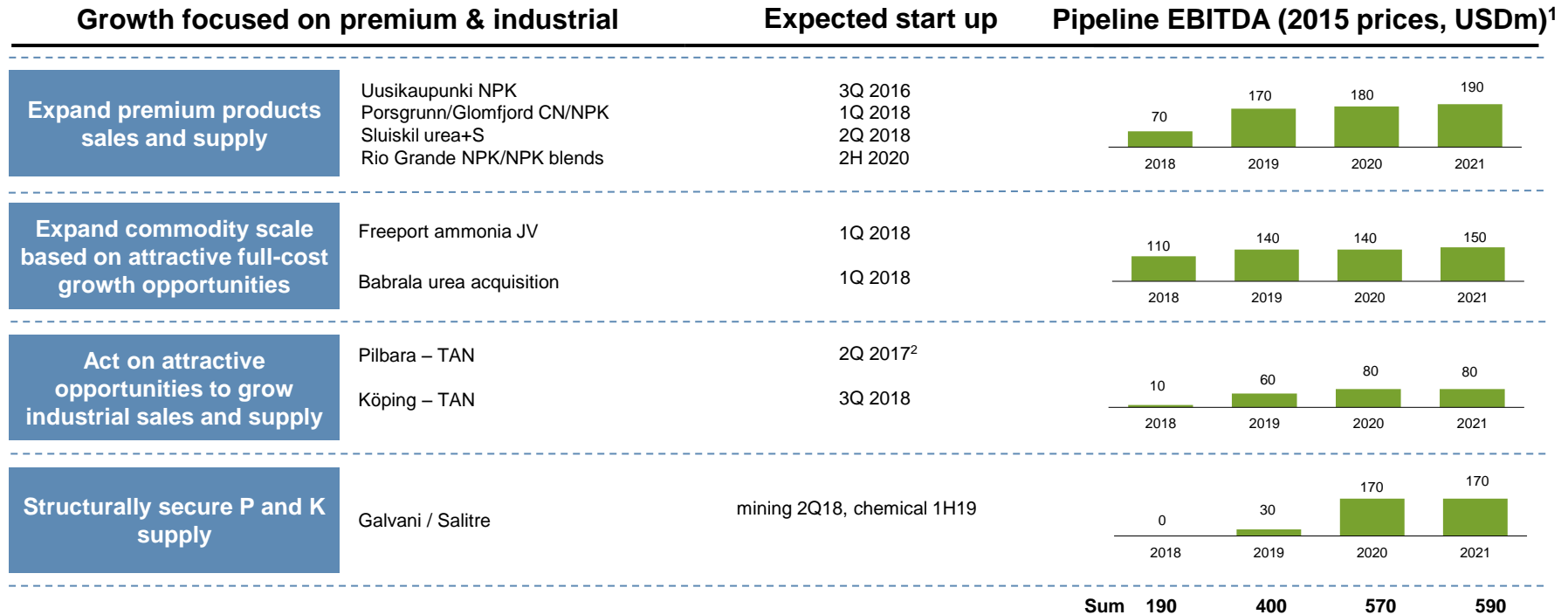
Production growth 2015 - 2020³



- 1) Yara's share of capex. Fully consolidated entities presented at 100% basis.
- 2) Includes Yara Improvement program Capex and other improvements
- 3) Rio Grande expansion also adds 1 million tonnes NPK blends by 2020
- 4) Finished fertilizer and industrial products, excl. bulk blends
- 5) Including Yara share of production in non-consolidated investees

- 6) Adjustment to normalized / 2016 turnaround level
- 7) Committed projects only. TAN Pilbara: 160 kt, Porsgrunn: 250kt, Glomfjord: 105kt, Uusikapunki: 250kt, Köping: 90kt, Sluiskil: net 160kt, Galvani (Salitre ~ 0.8 mill.tonnes, reaching 1.1 mill.tonnes in 2022), Rio Grande: 500kt
- 8) Including 100% ownership in Pilbara NH₃ plant

Yara has expected commodity nitrogen oversupply, and has focused its growth pipeline on premium & industrial products

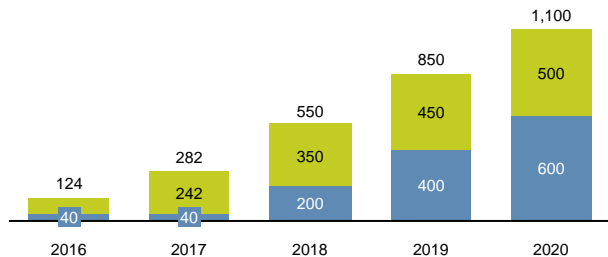


¹) Including Yara's share of volume in non-consolidated investees. Fully consolidated entities presented at 100% basis

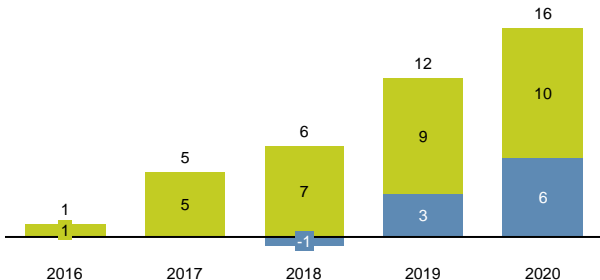
²) Plant started up in 2Q 2017, but has been down for technical reasons since 3Q 2017. Expected re-start 2Q 2018.

Improvement and growth investments; earnings and sensitivities¹

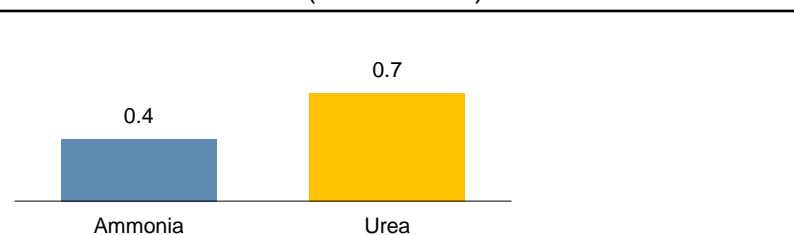
EBITDA improvement² (MUSD)



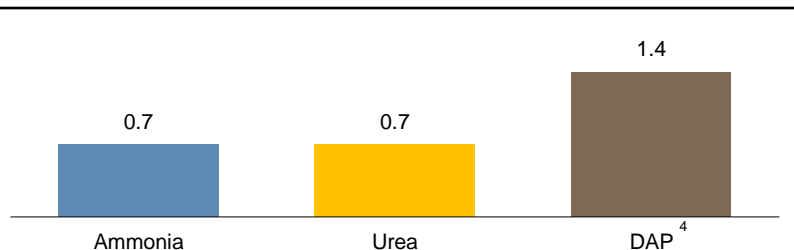
Earnings improvement² (NOK per share)



Improvement program: Impact³ of +100 USD/t price change (NOK/share)



Growth: Impact³ of +100 USD/t price change (NOK/share)



¹ Currencies for all amounts from 2017: USD/NOK 7.70, EUR/NOK: 9.55, USD/BRL: 3.2

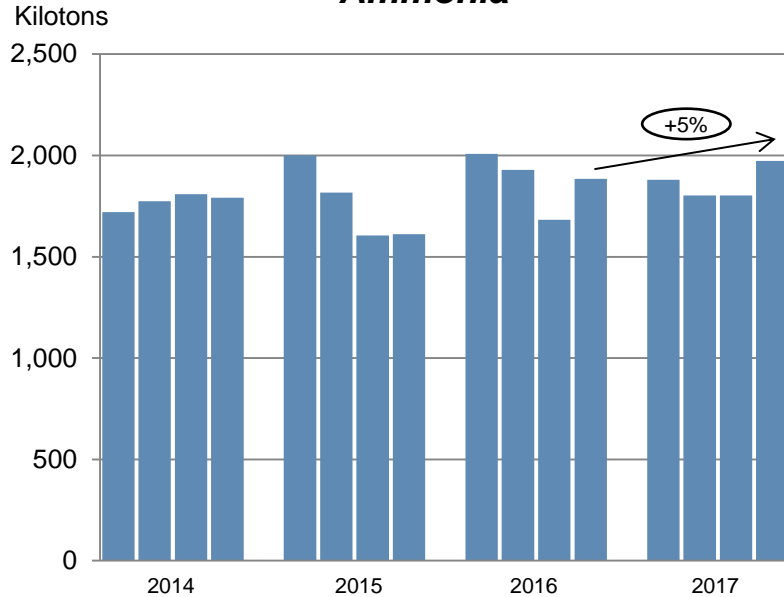
² Measured at 2015 conditions. Main average market prices: Ammonia fob Yuzhny 390 USD/t, Urea fob Yuzhny 275 USD/t, DAP fob Morocco 495 USD/t.

³ Improvement: 2020 numbers. Growth: At full capacity (2019 for urea and ammonia, 2020 for DAP).

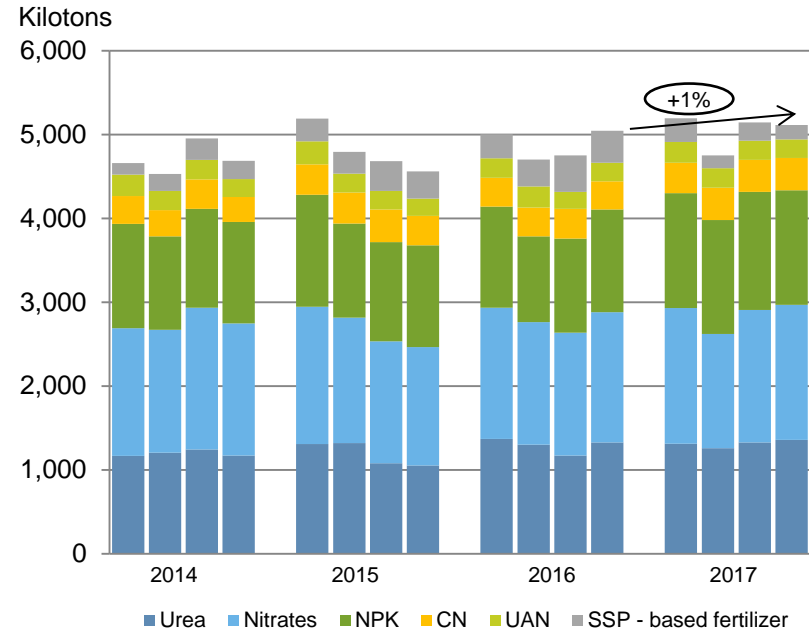
⁴ Phosphate-driven price change, equivalent to 138 USD/t phosphate rock (72 bpl)

Higher finished fertilizer and ammonia production

Ammonia¹



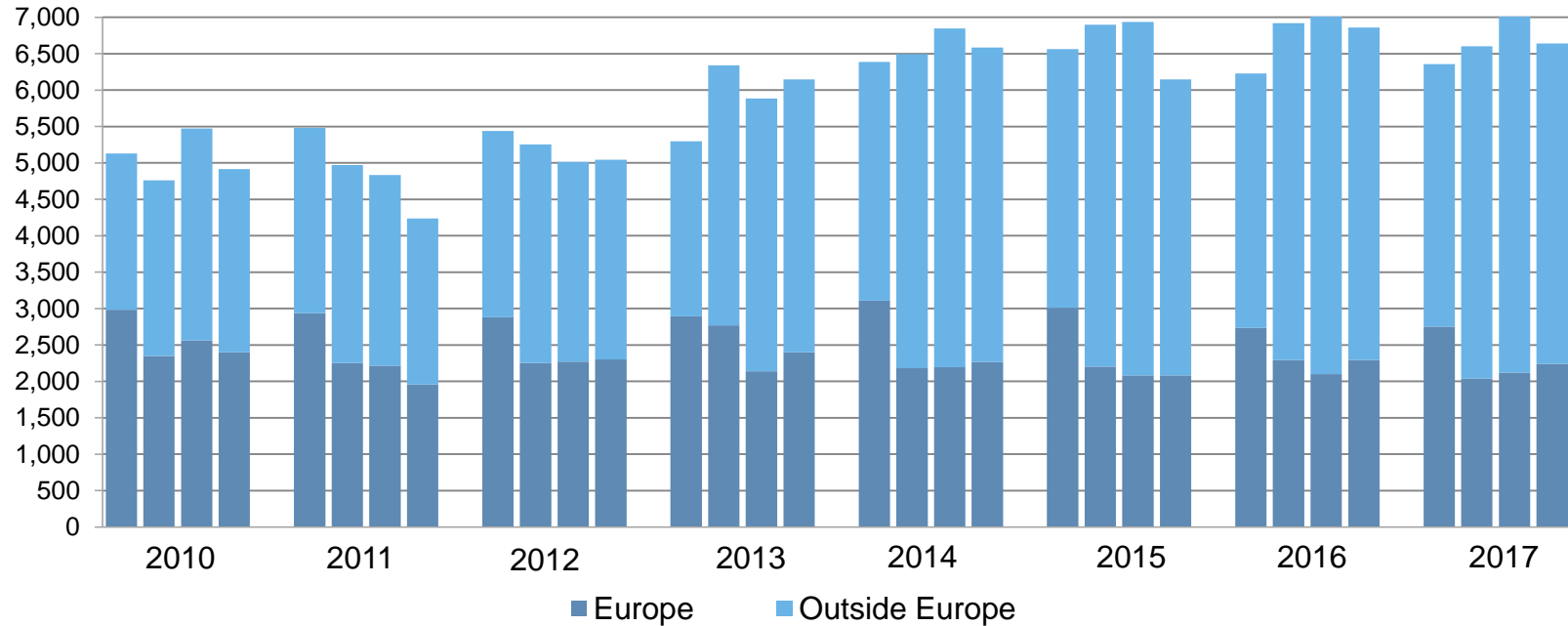
Finished fertilizer & industrial products¹



1) Including share of equity-accounted investees

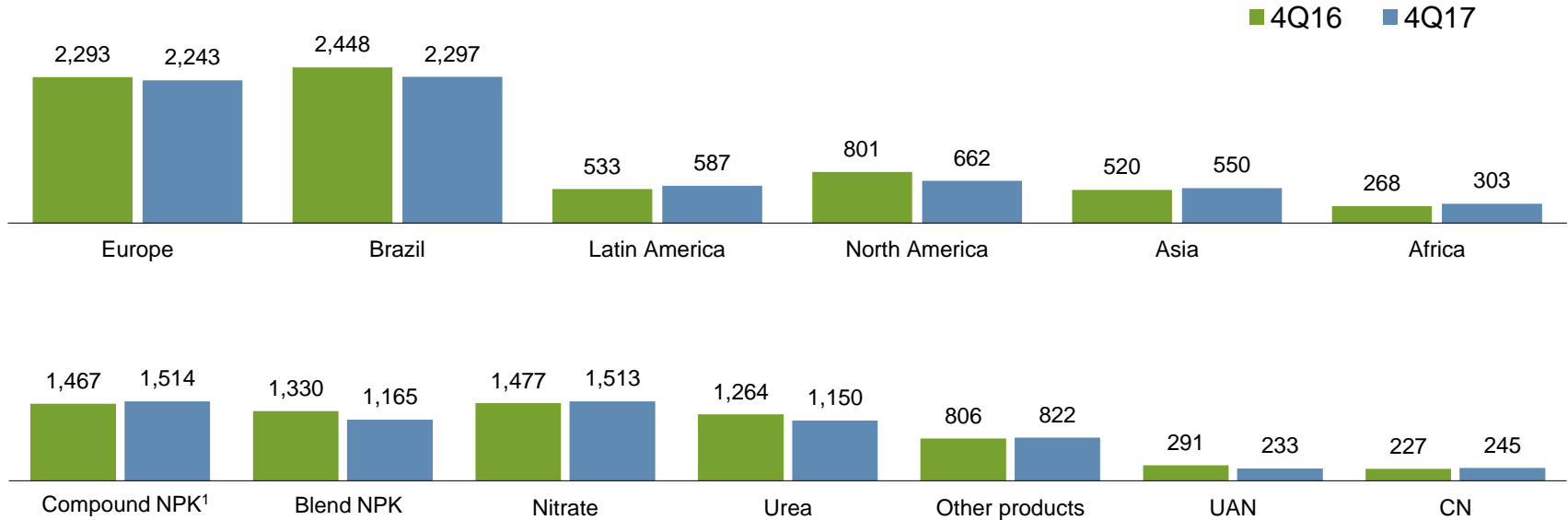
Fertilizer deliveries

Kilotons



Yara 4Q fertilizer deliveries by market and product

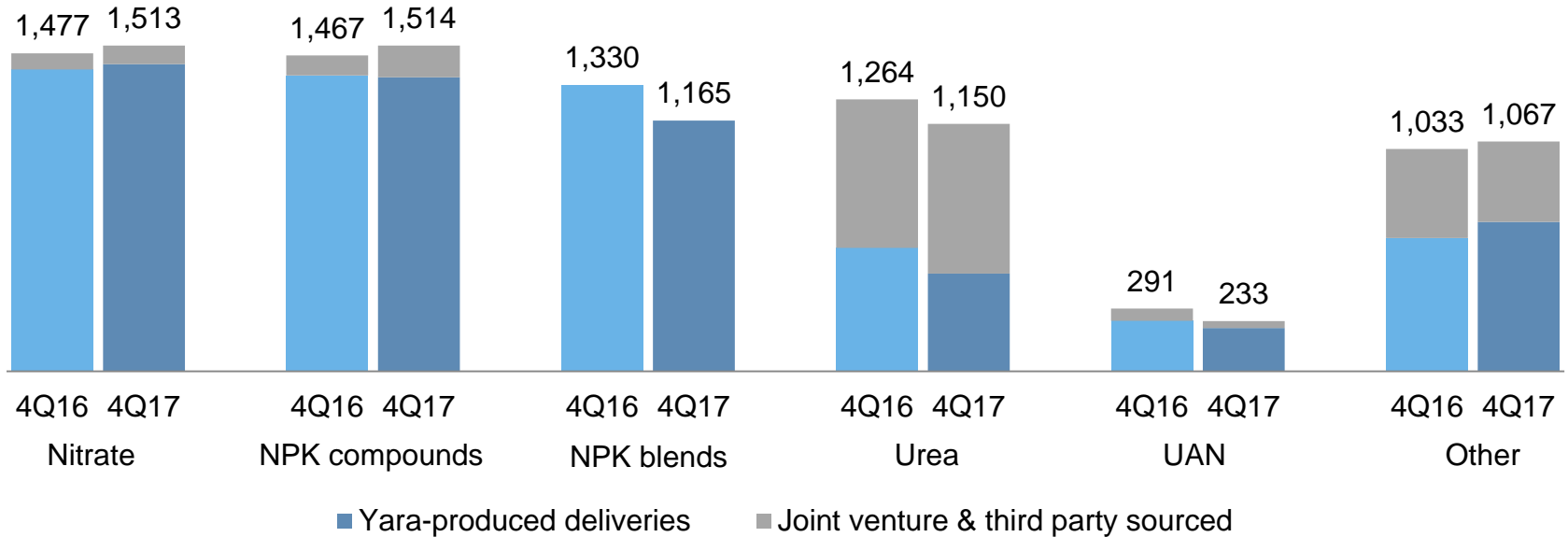
Kilotons



1) Yara-produced compound NPK and third party sourced (Total NPK minus blend NPK)

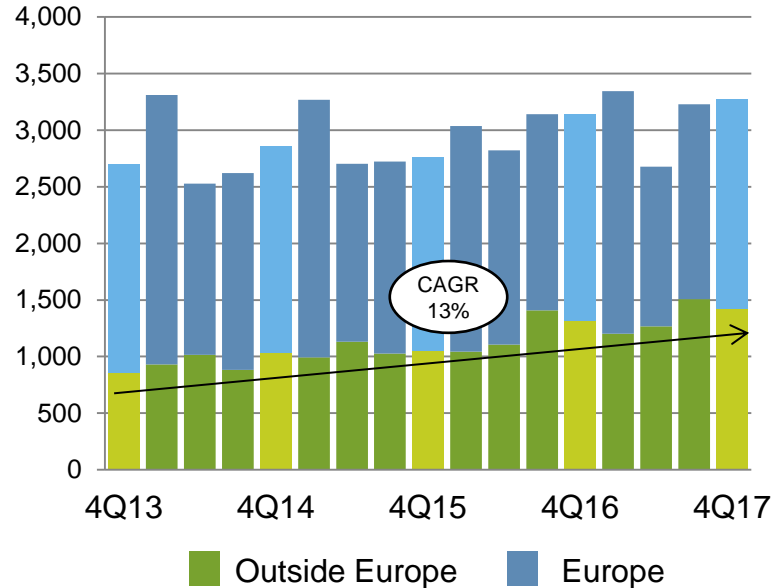
Fertilizer deliveries by product and source

Kilotons

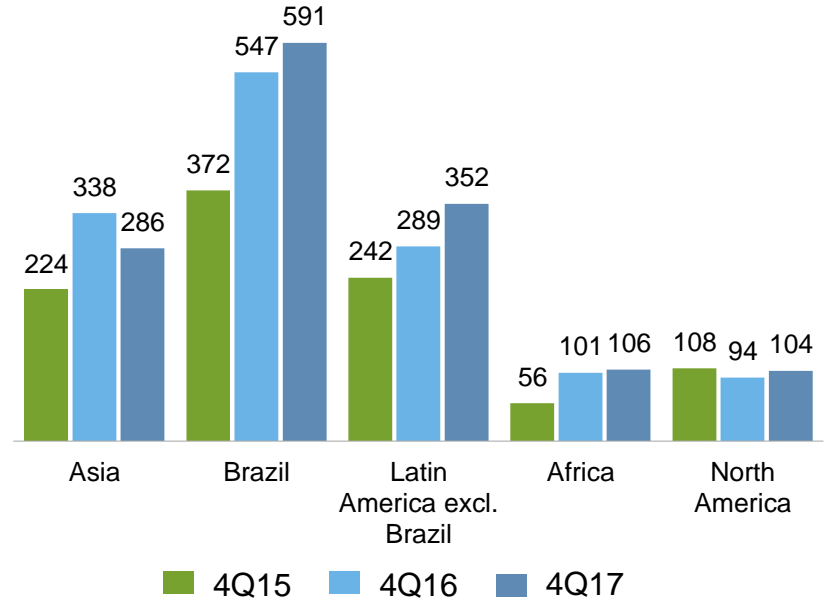


Strong premium product deliveries

Value-added fertilizer deliveries¹



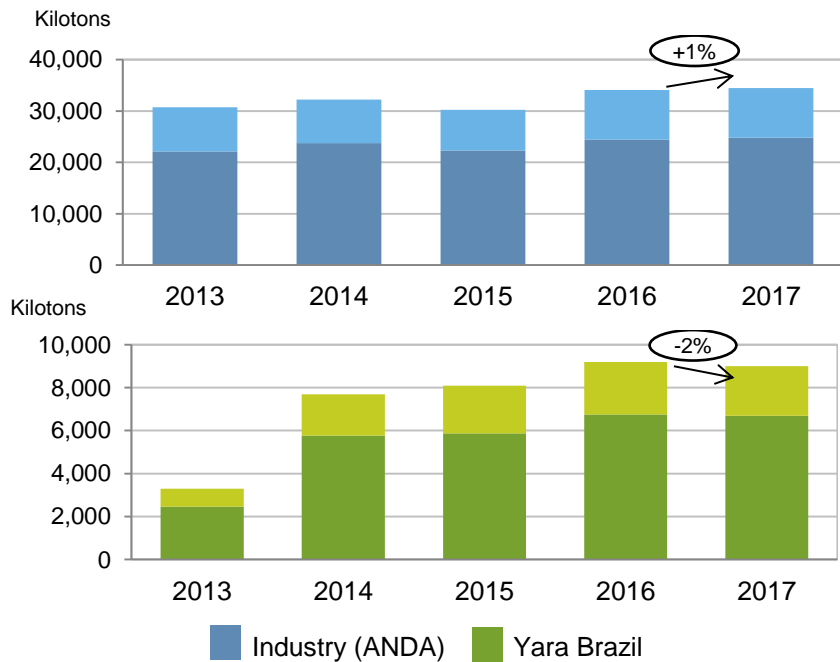
Value-added fertilizer deliveries¹



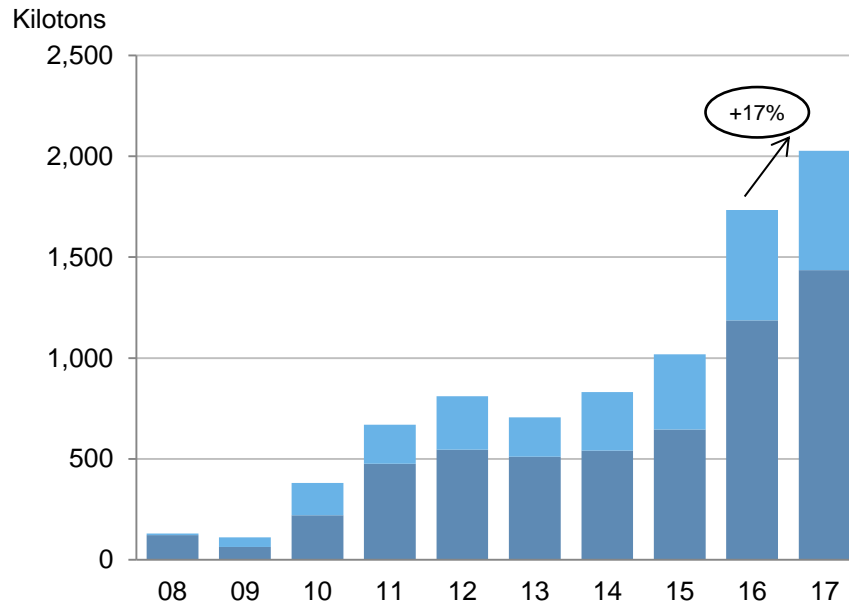
1) YaraBela, YaraMila and YaraLiva deliveries

Brazil: focus on premium products and solutions drives growth

Brazil 2017 fertilizer deliveries

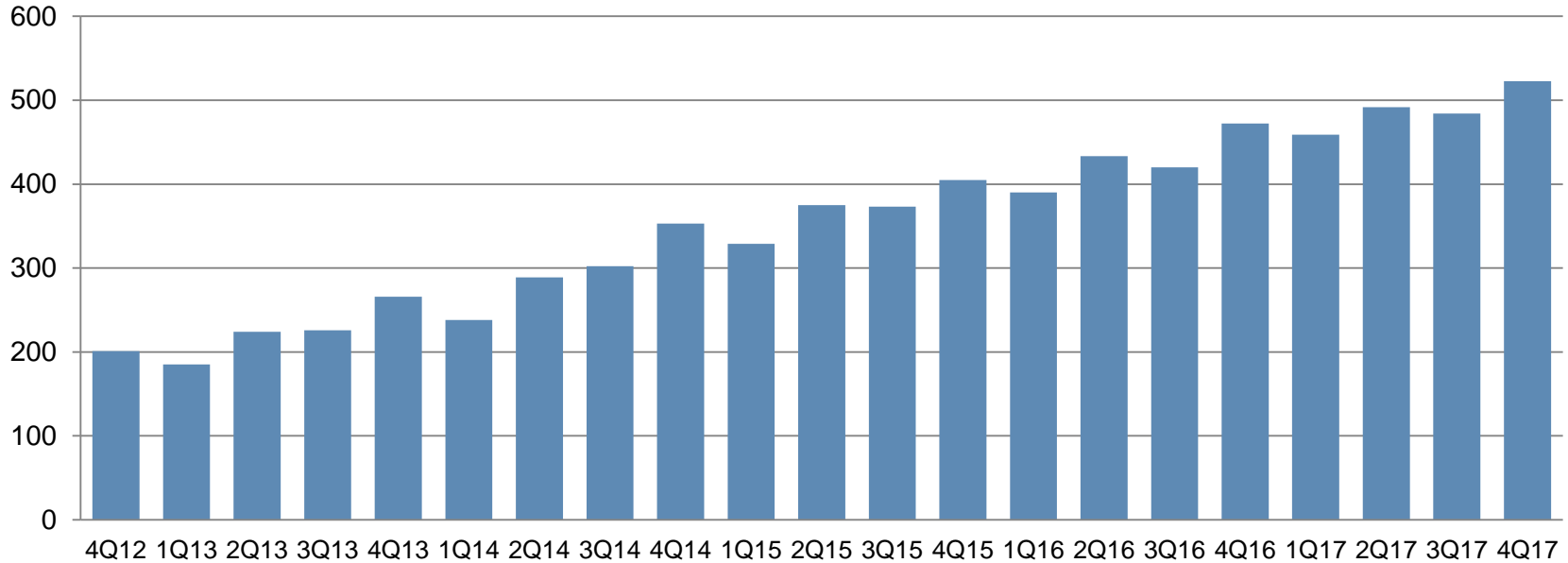


Brazil 2017 premium product deliveries



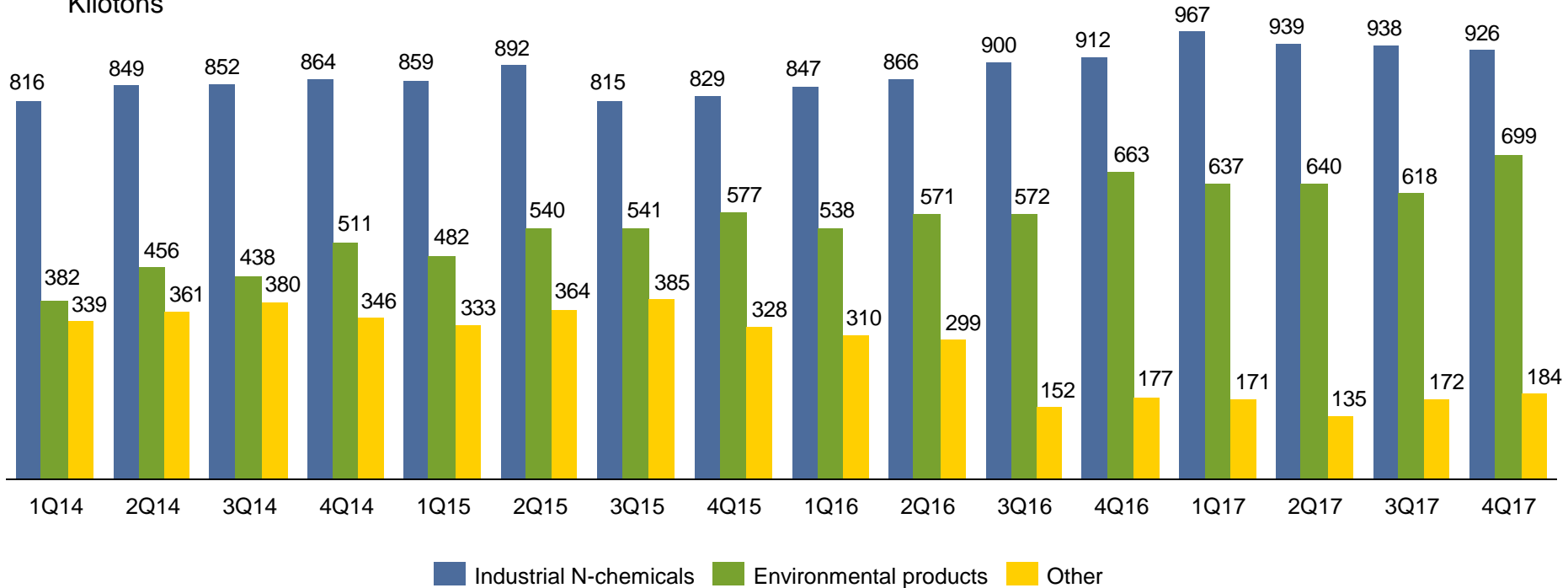
AdBlue deliveries

Kilotons



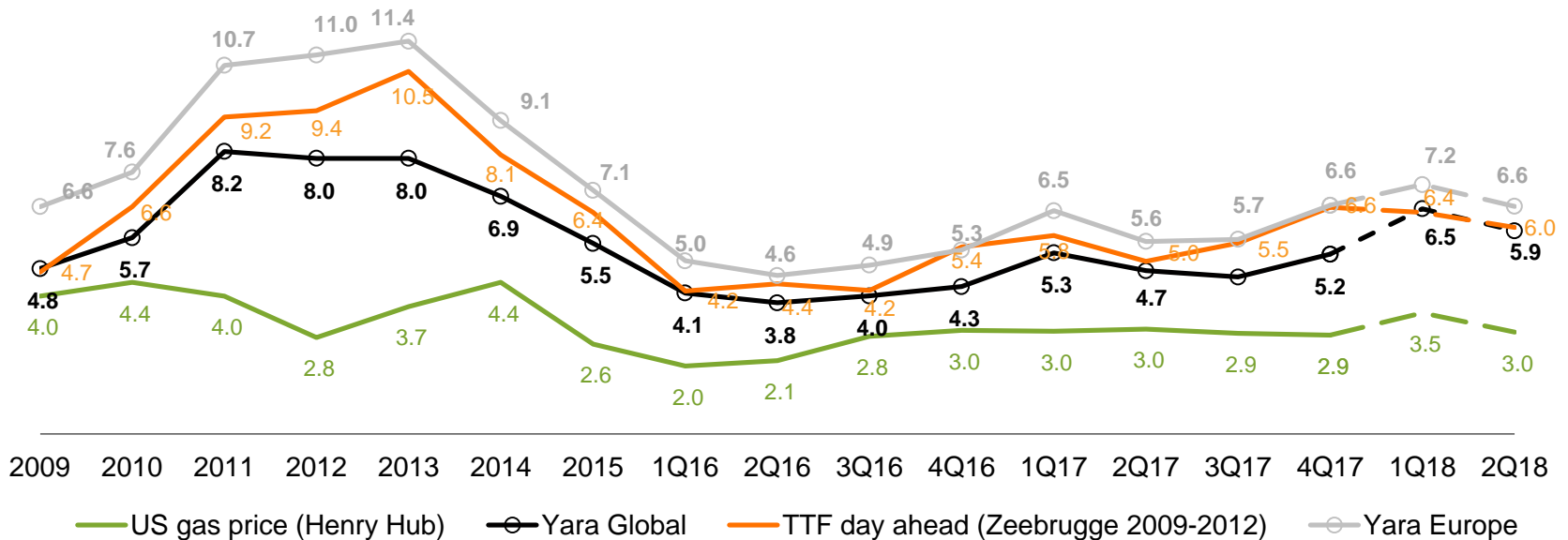
Industrial volume development

Kilotons



Energy cost

Yearly averages 2009 – 2015, quarterly averages for 2016-18 with forward prices* for 1Q18 and 2Q18.

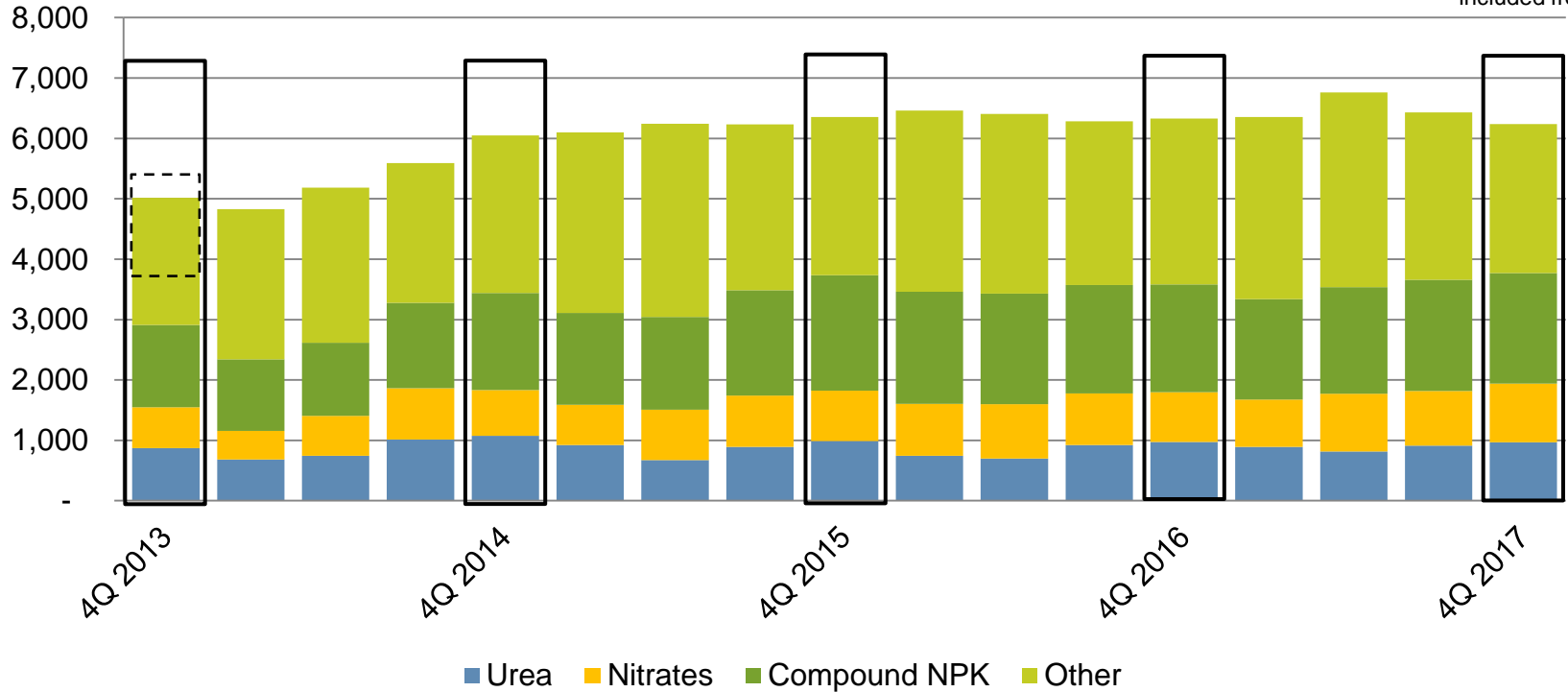


*Dotted lines denote forward prices as of 30 January 2018
 Source: Yara, World Bank, Argus/ICIS Heren

Yara stocks

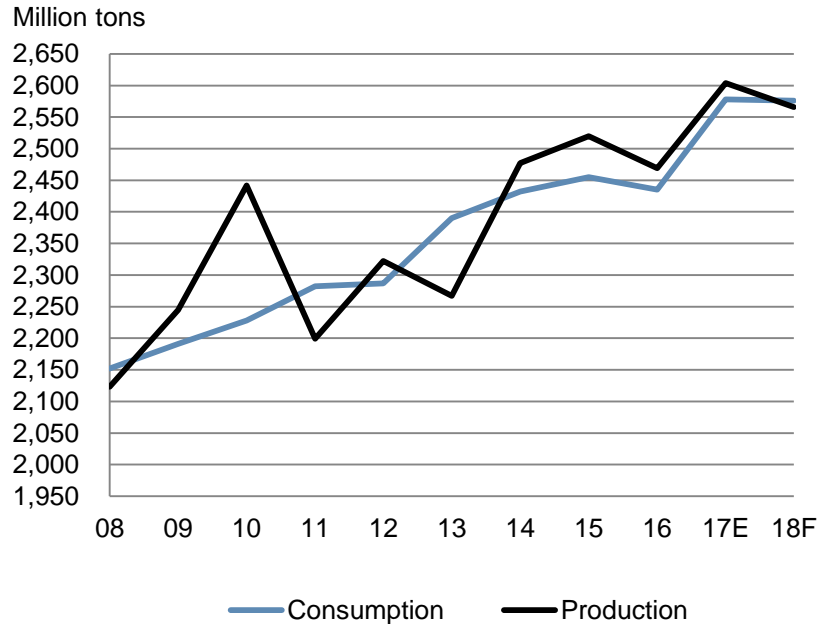
Kilotons
Finished fertilizer

 Bunge Fertilizer included from 3Q 2013

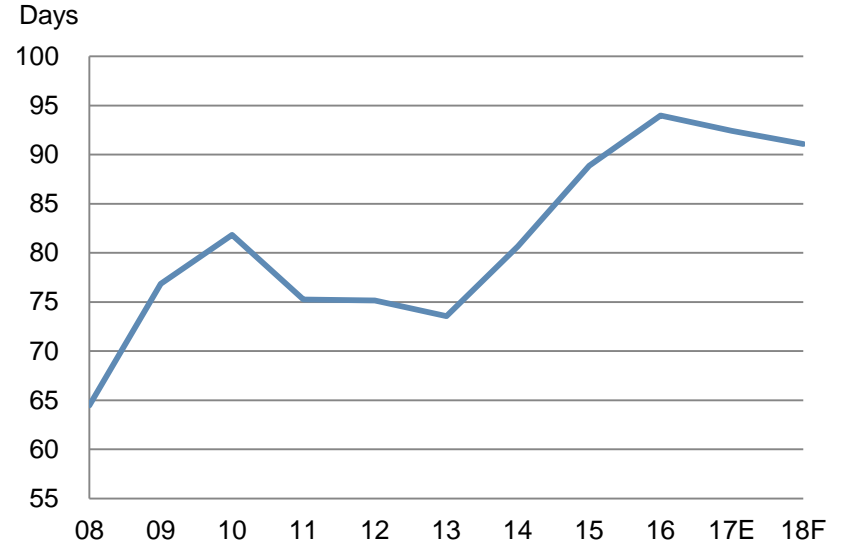


Steady growth in grain consumption, while production growth is more volatile due to weather variations

Grain consumption and production

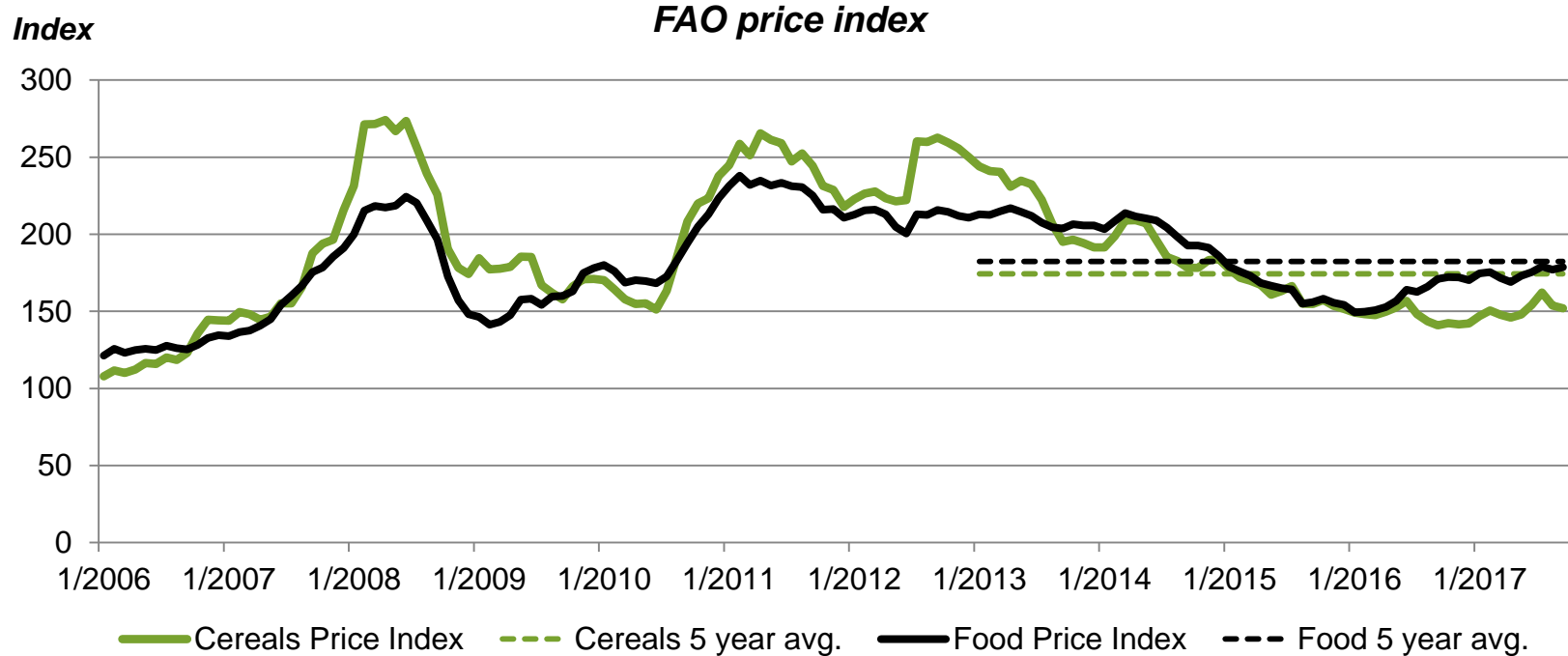


Days of consumption in stocks



Source: USDA January 2018

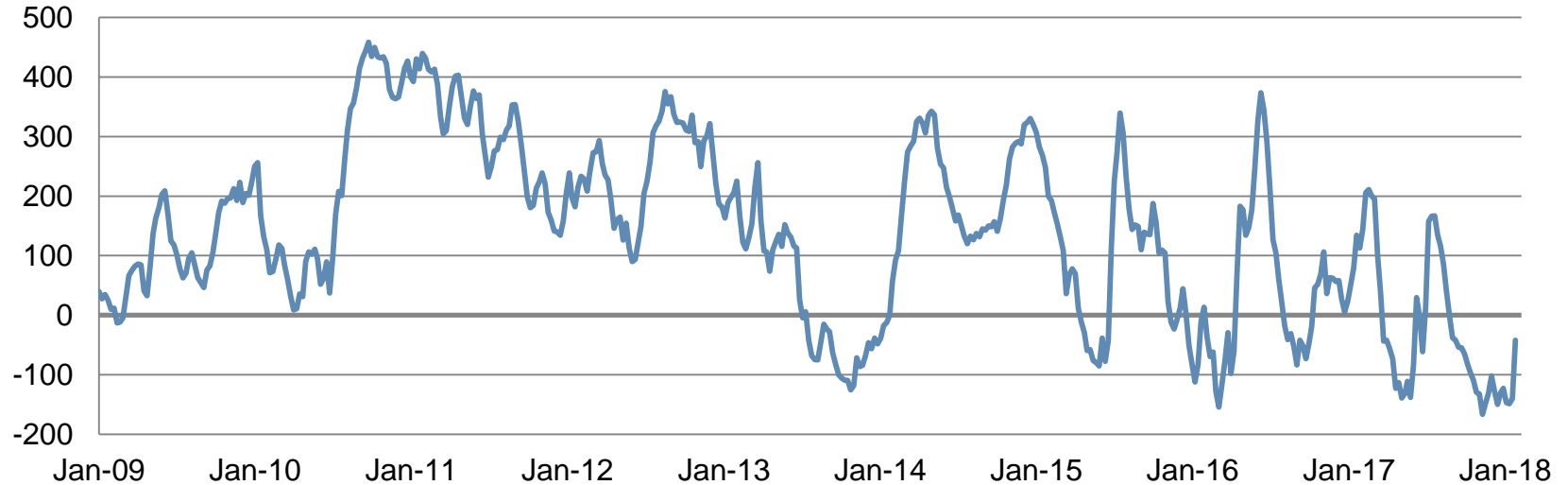
Relatively weak grain economics



Source: FAO

Non-commercials' net long position in corn

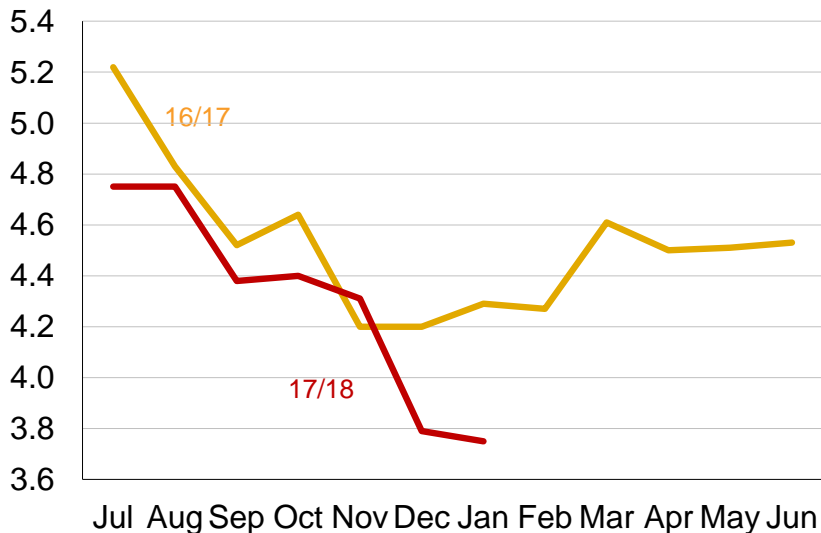
Thousand contracts



Source: US Commodity Futures Trading Commission

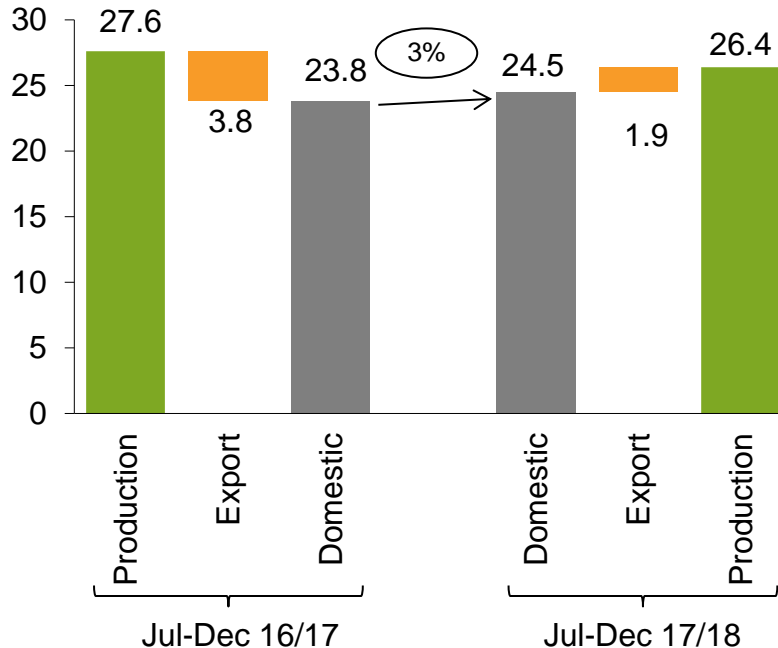
Unclear if supply is sufficient to cover Chinese urea demand this season

Chinese urea production down vs last year (million tons)



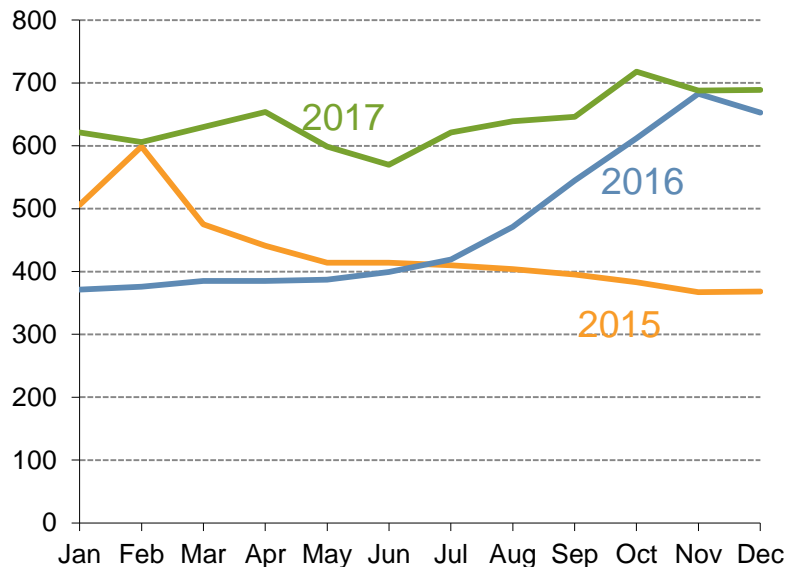
Source: CFMW, covering close to 100% of production

Export reduction so far kept supply stable (million tons)

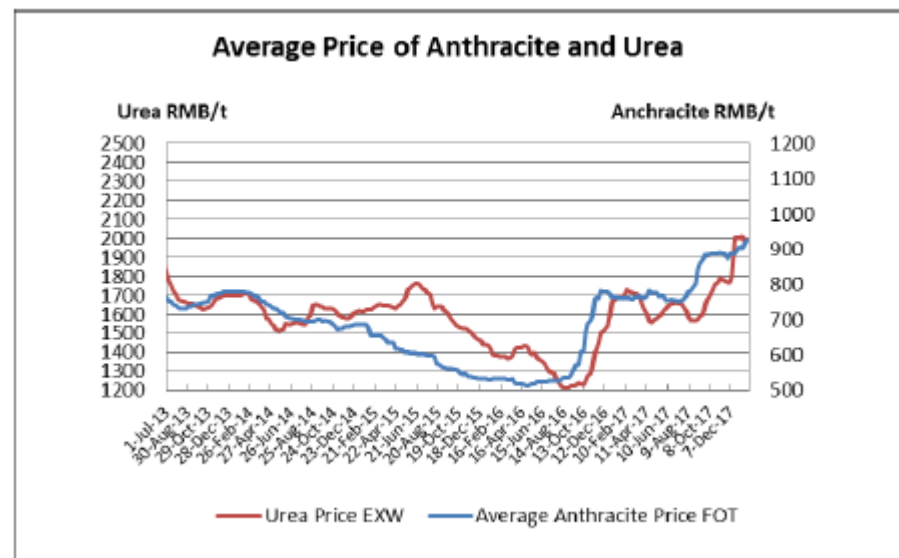


Increased coal prices drove nitrogen prices higher

Coal price in China (fob Qinhuangdao 5500, RMB/mt)

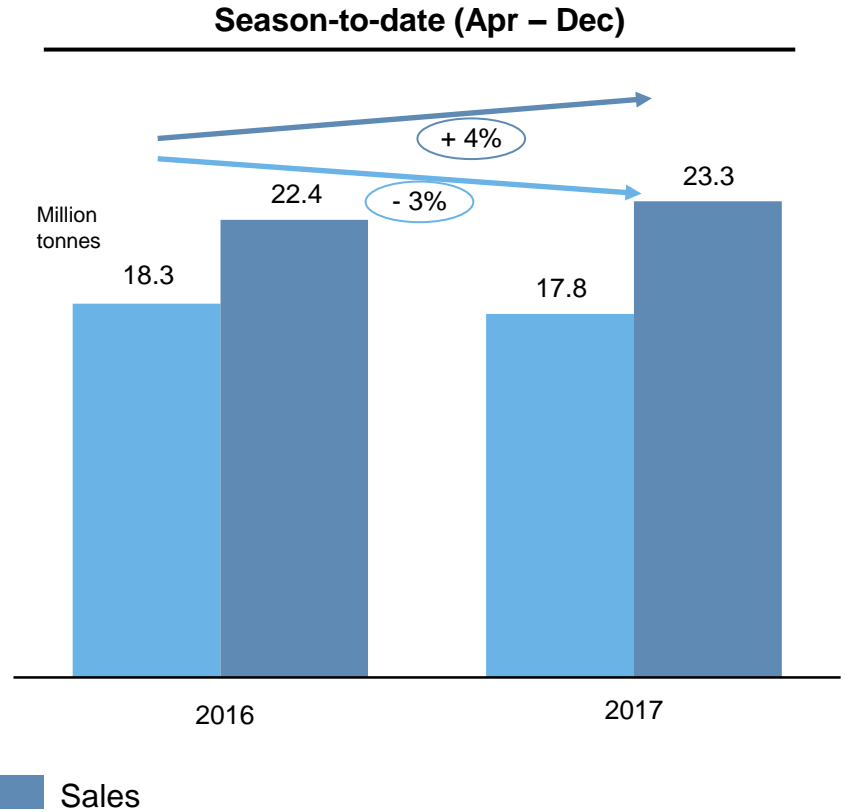
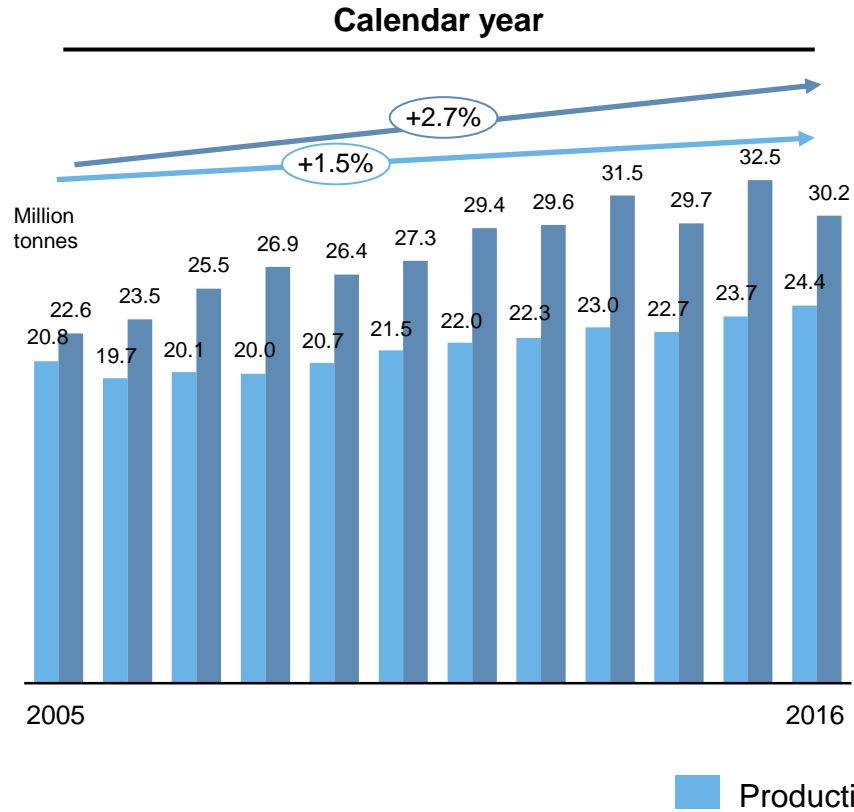


China anthracite and urea prices (RMB/mt)

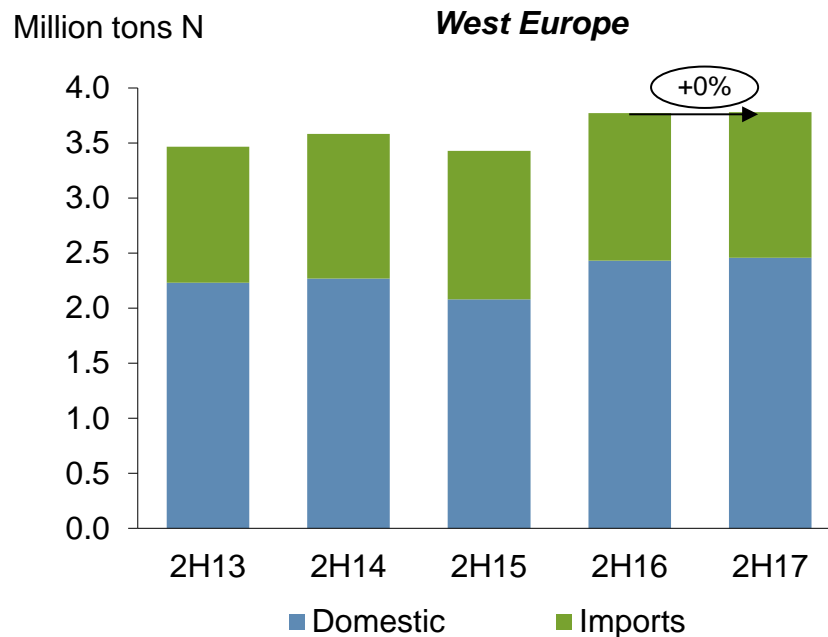
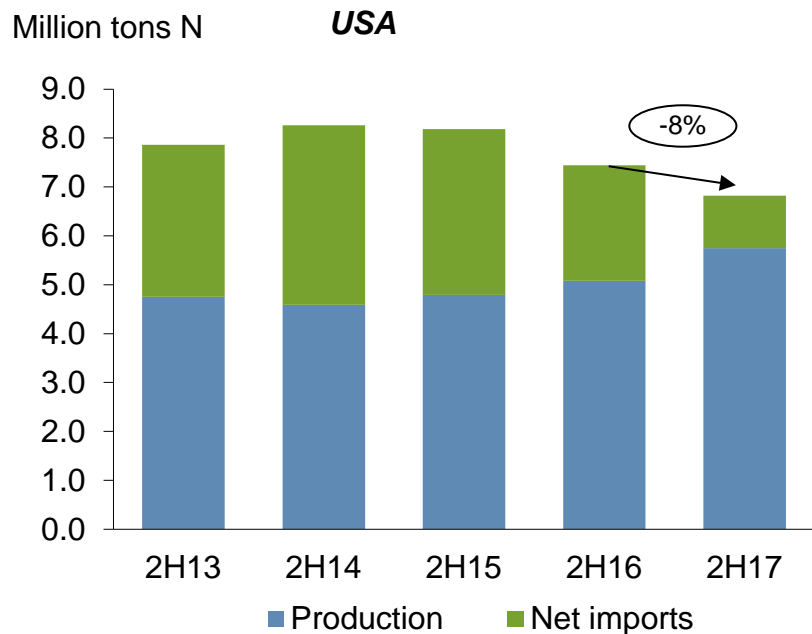


Source: IHS, CFMW

Import catch-up need in India



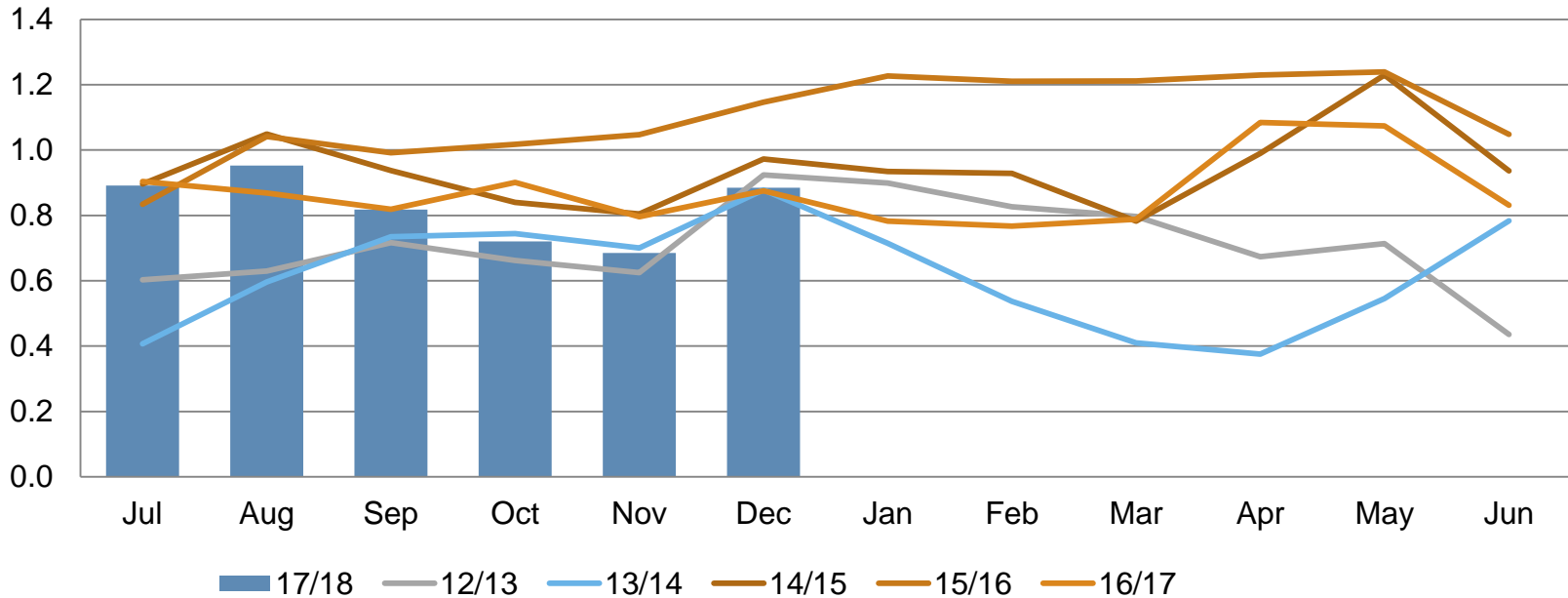
Strong deliveries in Europe, slow in USA



Source: Yara estimate for fertilizer deliveries to selected West European countries.
Total nitrogen deliveries based on TFI, US Trade Commission, Blue-Johnson and Yara estimates

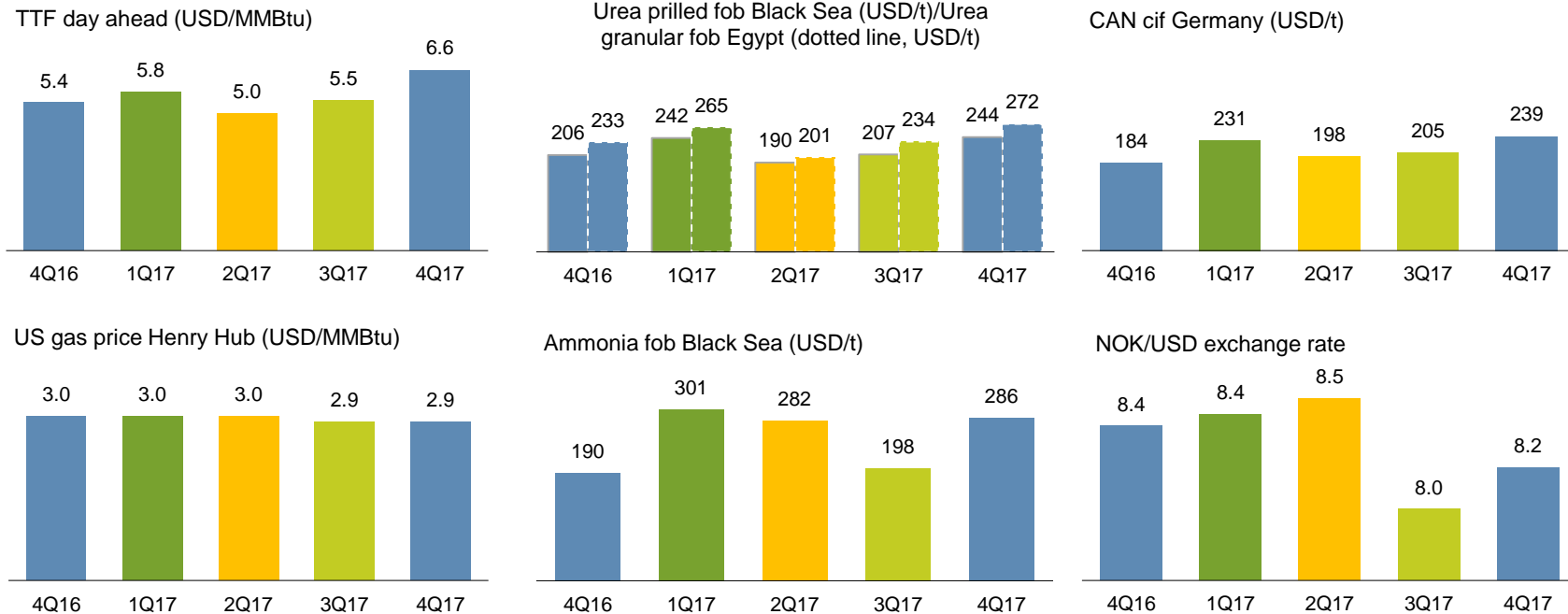
European producers' nitrate stocks

Index
June 2007 = 1



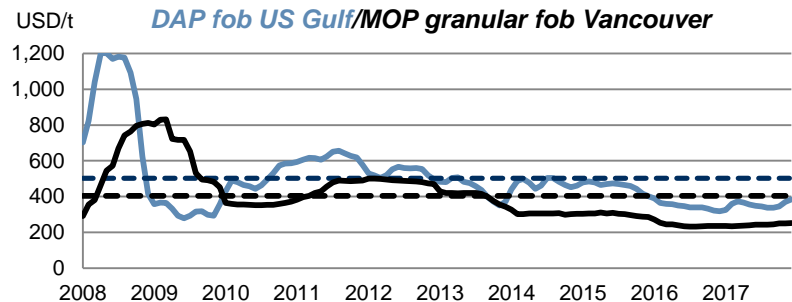
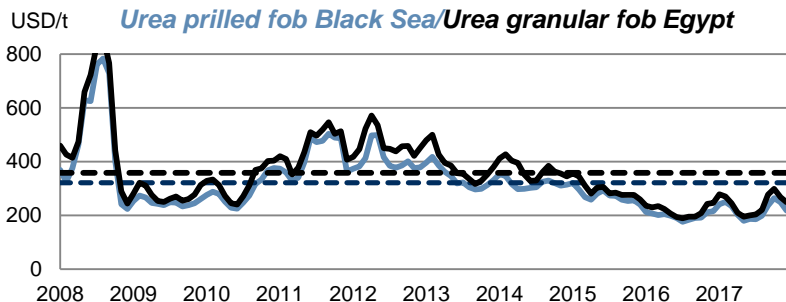
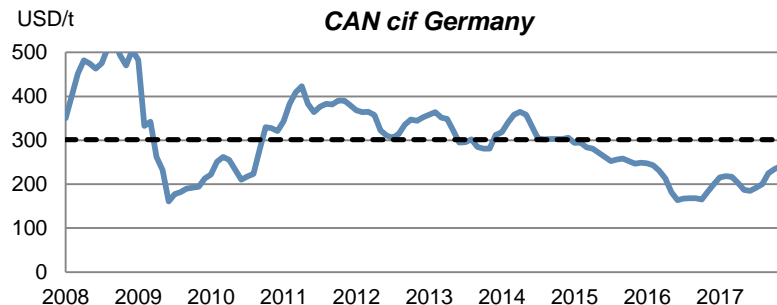
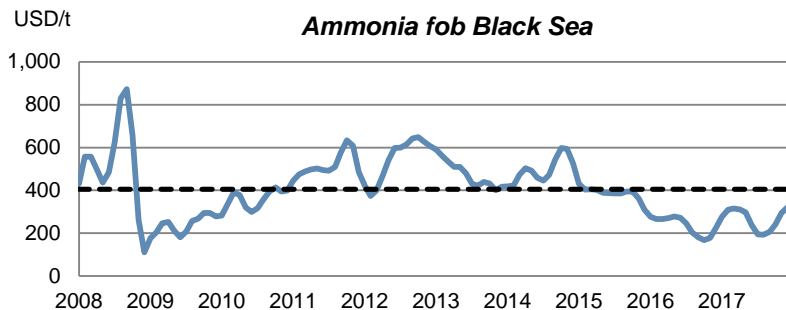
Source: Fertilizers Europe

Key value drivers – quarterly averages



Source: Fertilizer Market Publications, CERA, World Bank, Norges Bank

10-year fertilizer prices – monthly averages



Source: Fertilizer Market Publications

--- Average prices 2008 - 2017

Debt/equity ratio

Net interest-bearing debt / equity ratio (end of period)

