Knowledge grows

Yara International ASA

Capital Markets Day

Tuesday 1 March 2016

Business model

Safety is at the core of our operations and our license to operate

Core beliefs about safety

- Safety culture drives performance
- All accidents are preventable
- Safety is everyone's responsibility

How our facility in Paranagua, Brazil, works with safety

Daily Routine
Management Meeting

Barrier removal
workshop

Top Management
present on the shop floor

7 years LTI free
celebration

Operational excellence and safety performance go hand in hand. Achieving sustainable improvements in safety performance requires focused efforts by the whole organization, from senior management to plant operator, and our Safe by Choice program is an integral part of the operations at all our sites. All accidents can be avoided, and we will continue to strengthen our safety culture with the ultimate goal of zero accidents.

The past two years have been eventful for Yara, with several changes both to the Board and management of the company. However, this has not stopped important activities from being carried out. Yara has closed several important transactions, initiated capacity expansions , focused its organic growth efforts, divested businesses and appointed a new corporate management.

In September 2015 Svein Tore Holsether became CEO of Yara. The first three months after he joined Yara were focused on getting to know as much as possible about Yara and its industry, through visiting production sites and meeting employees, investors and partners. All this has formed the basis for subsequent strategic decisions such as the appointment of a new corporate management.

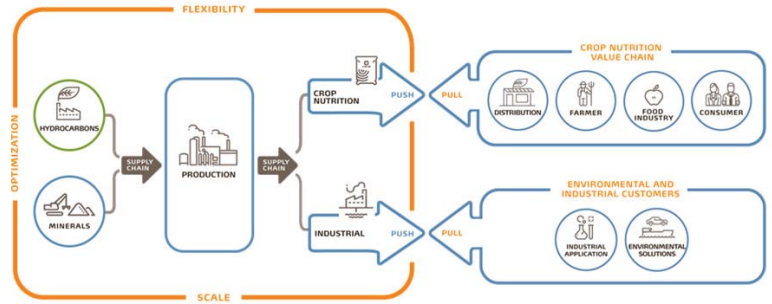
Responding to global challenges is an integral part of our business model and strategy

By offering a consistently positive value proposition to customers, Yara can deliver attractive returns to shareholders while at the same time creating value for society. Yara's business model is uniquely positioned to address major global challenges within food, environment and resources.

Yara's products, solutions and knowledge deliver increased yields while also improving sustainability by reducing CO_2 emissions and water usage. In addition, Yara's Industrial segment environmental product offering contributes to reduction of NO_X and SO_X emissions.

Transforming global challenges into value-creating business opportunities is a key element in Yara's long-term strategy.

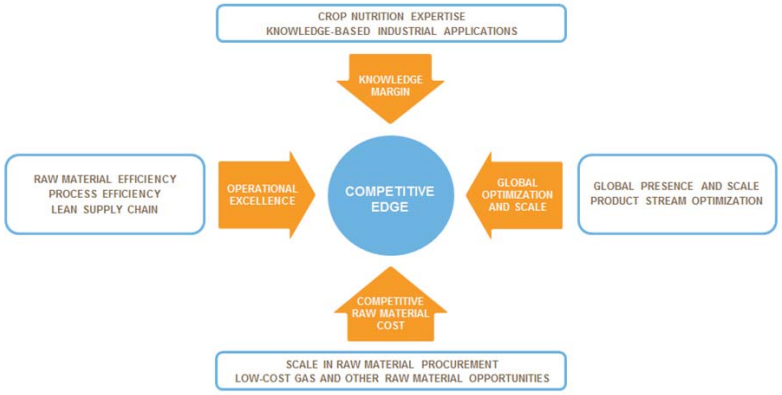
Integrated business model creates value through scale, flexibility and value chain presence



Yara's integrated business model delivers scale advantages, extensive flexibility and value chain presence to create a platform for business expansion and margin improvements within both crop nutrition and industrial products.

Four operating segments cover the entire value chain from raw materials to end user products, solutions and knowledge. The Industrial segment contributes to stabilizing margins through the commodity cycle. Within Crop Nutrition Yara sees the value chain extending beyond the farmer, and sees partnerships with the food industry and responsiveness to consumer trends as increasingly important in the future.

Four main sources of competitive edge



There are four main sources of Competitive Edge within Yara's integrated business model. Yara's strategic efforts at corporate, segment and business unit level are all aimed at strengthening competitive edges while also delivering profitable growth.

Yara's products, solutions and knowledge create value for customers, shareholders and society

"Yara's fertilizer increases my yield by 20-30% and improves the quality of my products, my customers have created a separate quality category for my product"

"The N-sensor together with the N-tester ensures that the fertilizer is applied exactly where it is needed"

"We need to make sure that our product is the best they can get, and to be certain of this, we need a supplier like Yara that we can trust throughout the entire value chain"

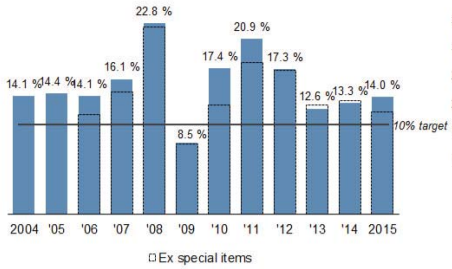
Yara does business with a purpose. Today, 800 million people do not have enough food, and the challenge of supplying enough food will grow even bigger in the years ahead. We need a more efficient agricultural sector, and in this setting Yara plays a key role.

Furthermore, it is impossible to disconnect agricultural growth and climate change. Also for these reasons, we need to ensure that productivity is as high as possible.

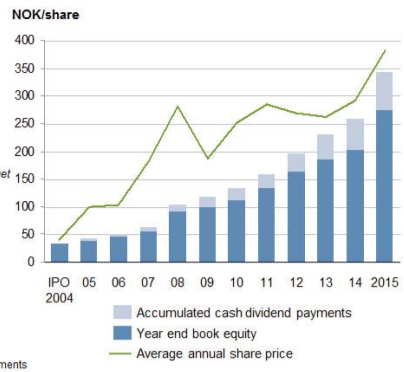
Yara has the products, solutions and knowledge to achieve this, and this combination can double, triple or quadrouple yields – or more.

Strong track record of profitable growth

Cash return on gross investments above the Yara CROGI target of 10%



Annual shareholder return of 25%[1]



1. 25% for both share price incl. dividend payments and book equity value incl. dividend payments

Since Yara was listed on the Oslo stock exchange it has delivered a CROGI well above its target of 10%, resulting in an average annual shareholder return of 25% (TSR). These returns demonstrate the value creation and robustness of Yara's integrated business model. Our strategic efforts are focused on continuing to deliver profitable growth, with continued strong returns to our shareholders and society.

Strong base, with further improvement potential

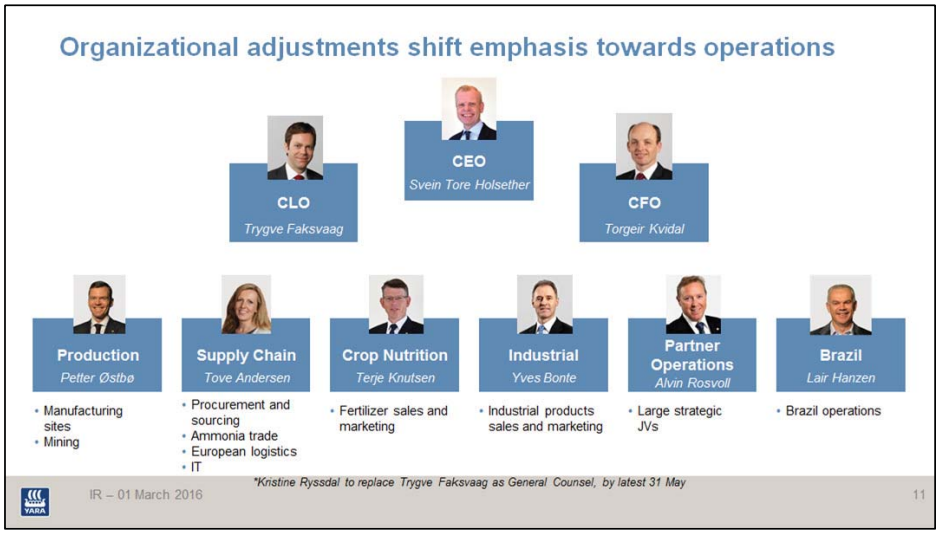
Strong base:

- Integrated business model
- Strong unified brand
- Dedicated and motivated employees
- Unrivalled knowledge base
- Strong commercial acumen
- Complete product portfolio
- Global production and sales footprint

Improvement opportunities:

- Safety
- Production regularity
- Employee alignment
- Operational cost
- Organizational set-up and productivity
- Positioning

Yara has a strong base and competitive position, but there are also several areas where the company has improvement potential. These areas will be a priority for the organization to address in the time ahead.

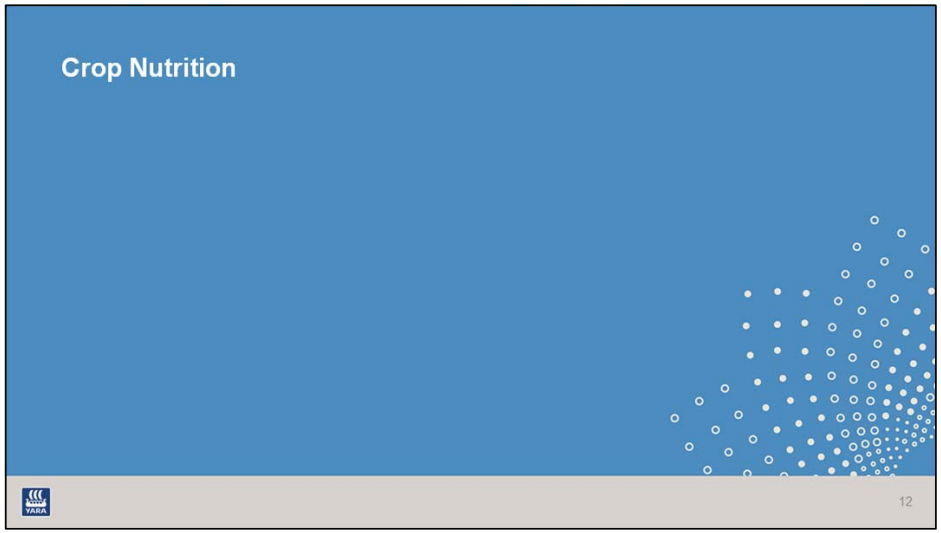


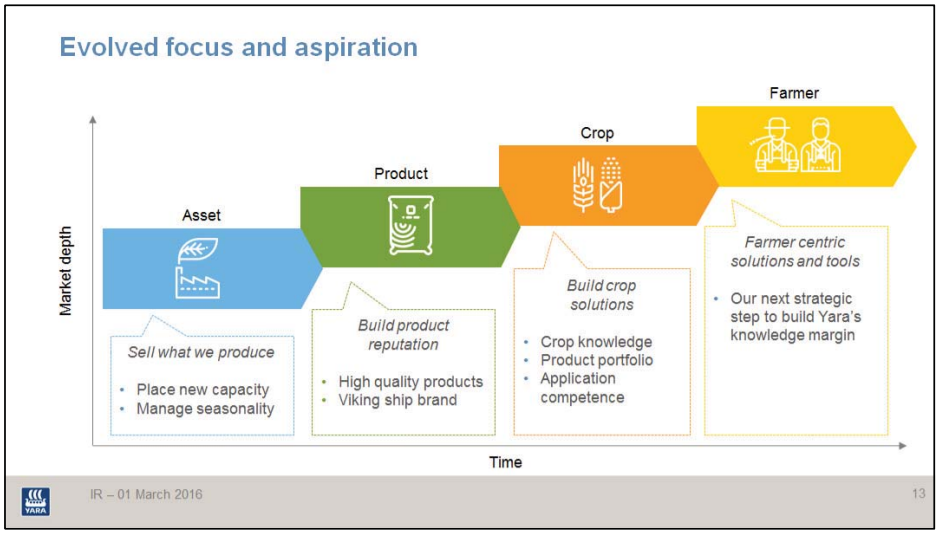
The objective of the recently implemented organizational adjustments is to shift the emphasis of the company closer to the market and operations.

One key principle applied was for the corporate management to better reflect Yara's operational footprint. It was therefore natural to include Brazil in Yara corporate management, as one third of its employees and tonnage sold is in Brazil, a market where Yara plans continued growth also going forward.

Yara has historically generated substantial value through its joint ventures, and plans to continue doing so going forward. The Partner Operations position has been established to secure Yara's interests in its largest joint ventures.

Two of Yara's operational segments were re-named (Crop Nutrition and Production), to better describe the activities of these segments to external stakeholders.



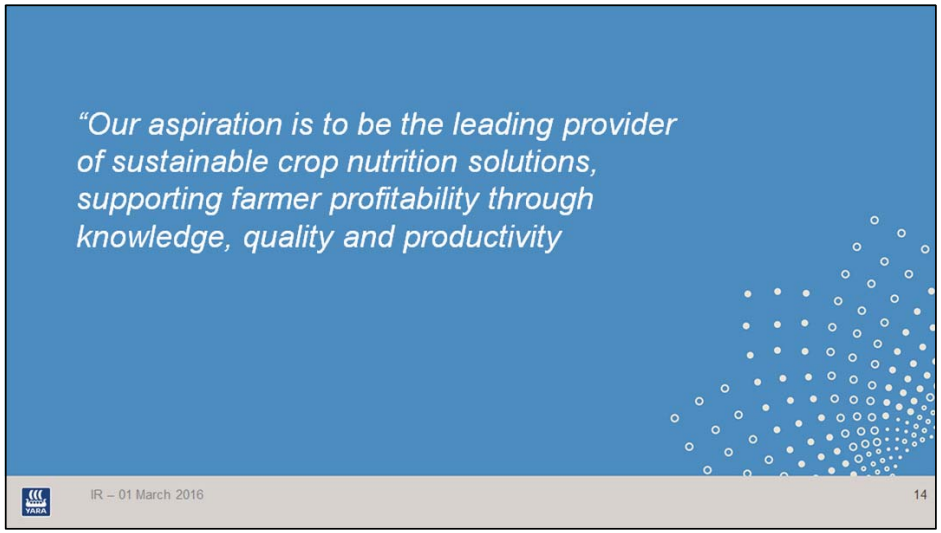


Going back 30-40 years, Yara acquired many production assets in Europe and needed to develop international markets to manage seasonality and maintain utilization rates. As a result, the focus was mainly on assets.

With the internationalization Yara began to develop its products' reputation and brand. The starting point was good, with Yara seen as a high quality producer, and the Viking ship brand from Norway became well known especially in North America and Asia.

20 years ago Yara began to develop its knowledge by focusing on the crops. The product portfolio was extended, and Yara developed its crop knowledge and competence on fertilizer application. This approach has gradually evolved into the company's strategy. This has been a success, and over the last 5 years Crop Nutrition has delivered a cash return on gross investment (CROGI) above 15%.

However, the markets do not stand still and neither shall Yara. We want to take one step closer to the market, focusing on the farmer in addition to the crop. It is ultimately the farmer buying our products.



The aspiration contains 4 main elements:

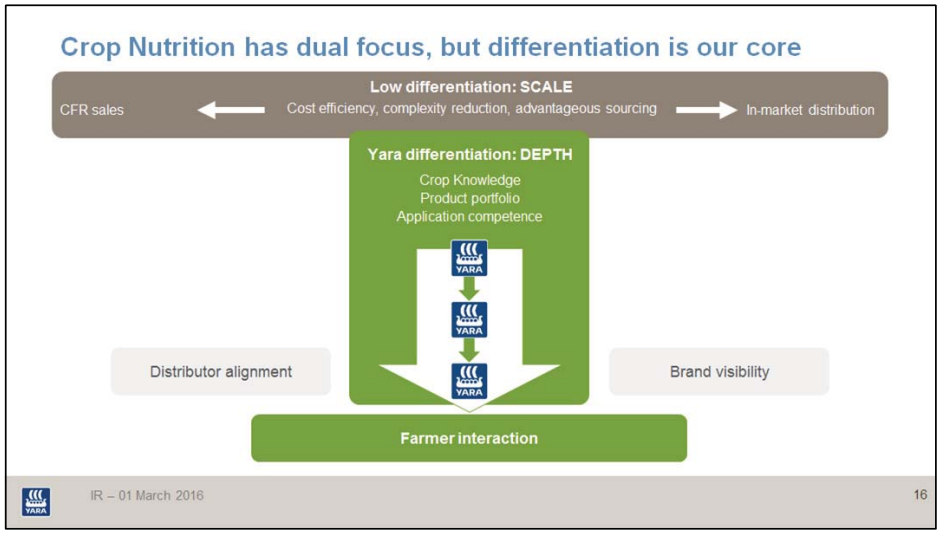
First of all we want to focus on farmers and their profitability. Our aim is to be the farmer's crop nutrition partner.

The second element provide solutions, not just products. Our solutions should be sustainable, incorporating precision farming or farm management systems into our offering and responding to the environmental challenges faced by farmers.

The third element is knowledge. Our knowledge is focused on crop nutrition, but also increasingly incorporates knowledge about soil and water which also influence farm productivity and quality.

Last but not least we want to be a leading player in the markets we operate. We want to be:

- #1 crop nutrition brand
- #1 safety performer
- #1 ethics & compliance operator
- #1 lean operator / productivity performer



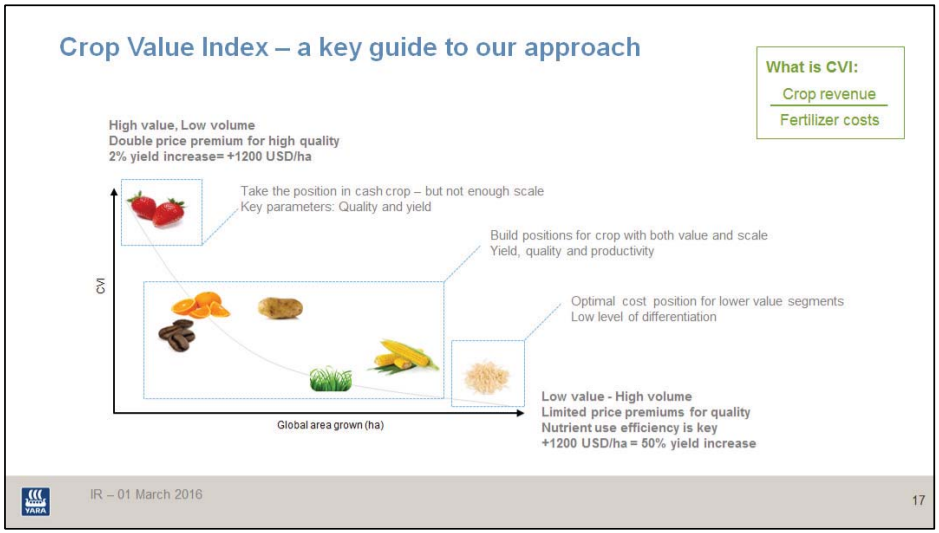
Yara Crop Nutrition Segment will continue to have a dual approach:

We will have a deep presence in market segments where we are able to increase farmer profitability through our knowledge, product portfolio and application competence. This will remain the key focus of YCN.

At the same time, a key part of our business is to serve commodity segments where there is less opportunity to create value from differentiation, as it provides scale in our market positions.

Also, crop specific strategies involve finding the best possible combinations, which in many cases involve commodity as well as premium products.

The key is to allocate resources where we can create additional value, and to have a very lean strategy where the value potential is limited.



Crop Value Index (CVI) is from a farmer perspective the crop revenues divided by the fertilizer costs. A high CVI means that the value of the crop is high compared to the fertilizer costs required to generate that revenue. In the chart, the X axis shows the global hectares grown (how big the crop is in a given market). The Y axis shows the CVI.

Strawberry is a crop with a very high value, but limited volume. A farmer can double the price for strawberries given the right quality.

On the other side of the scale, paddy rice has a low CVI but very high volumes. There are limited premiums for quality and nutrient efficiency is key.

Crops with different value and volume require different approaches:

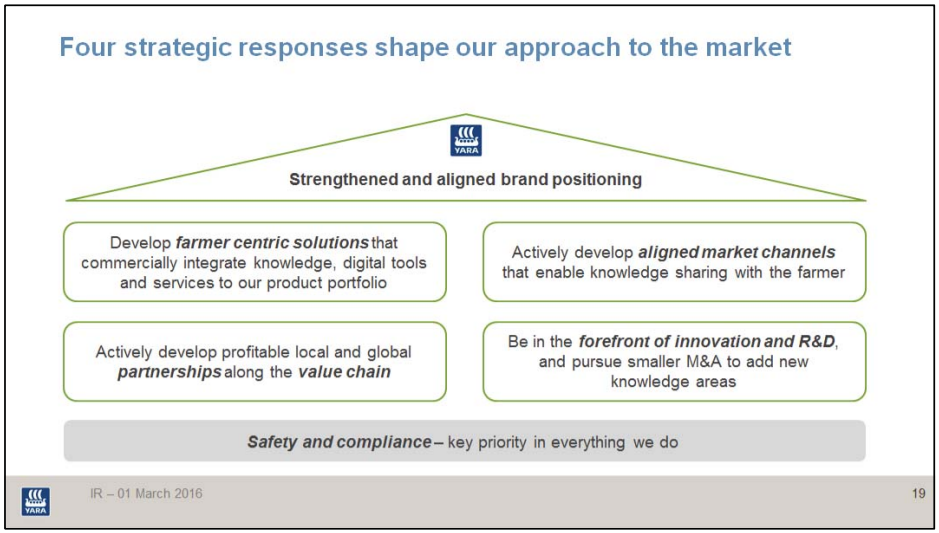
- For high value crops we can and should take the leading position, however they will not provide sufficient volume
- It is key to find crops that have an attractive combination of value and scale; where both yield, quality and productivity are important
- In lower value segments, we will limit our resource usage

The key to optimal resource allocation is segmentation:

- For which crops is Yara able to create the most value to the farmer, customers, stakeholders and the company?
- Which farmers are most likely to find our solutions attractive? Who should we focus our resources on and how do we tailor our solutions?
- How do we pick the right distributors for aligned partnerships?

By being systematic and focused, we can accelerate growth and secure that we dedicate resources where we have the most to gain.

Our segmentation approach recognizes that we don't always know what is the best for each farmer. Learning and respond to farmer and distributor needs is therefore an important element in the YCN strategy and segmentation work.



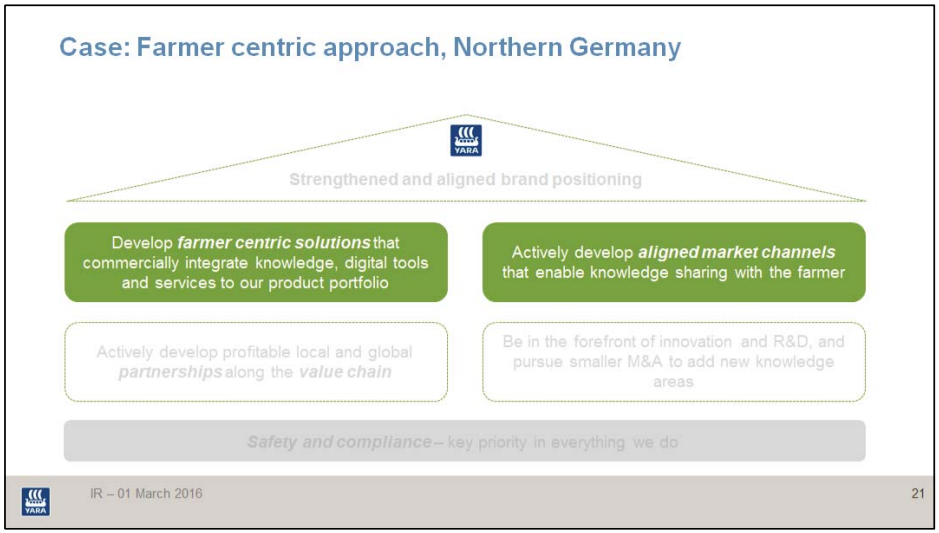
The foundation of our strategy is safety and compliance. This will continue to be a key priority in everything we do.

Resting on this foundation, the four external elements of our strategic response are:

1. Developing farmer centric solutions that integrate knowledge, tools and services in our product portfolio
2. Developing aligned market channels that enable knowledge sharing with the farmer
3. Developing local and global partnerships across the value chain
4. Being in the forefront of innovation and R&D

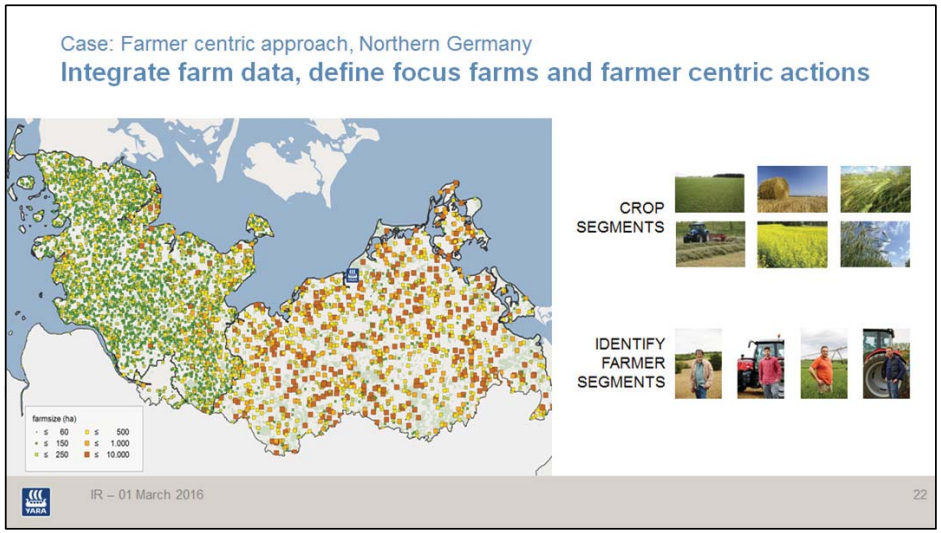
There are furthermore 3 internally directed strategic responses will help us deliver:

1. Moving the organization towards value selling, with higher farmer interaction and deeper knowledge of farmer needs
2. Cost efficiency and productivity focus, standardizing where appropriate and driving capital efficiency
3. Sharing knowledge, combining strong local teams and an agile central team to support these



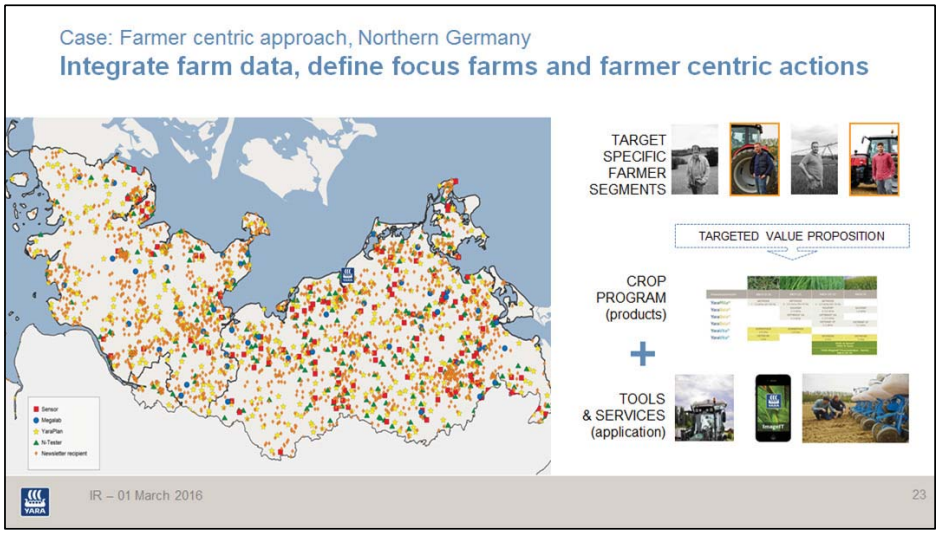
The following case from Northern Germany is taken from the 2016 YCN business plan, and illustrates our approach and mindset.

The case demonstrates our approach to developing both farmer centric solutions and aligned market channels that enable knowledge sharing.



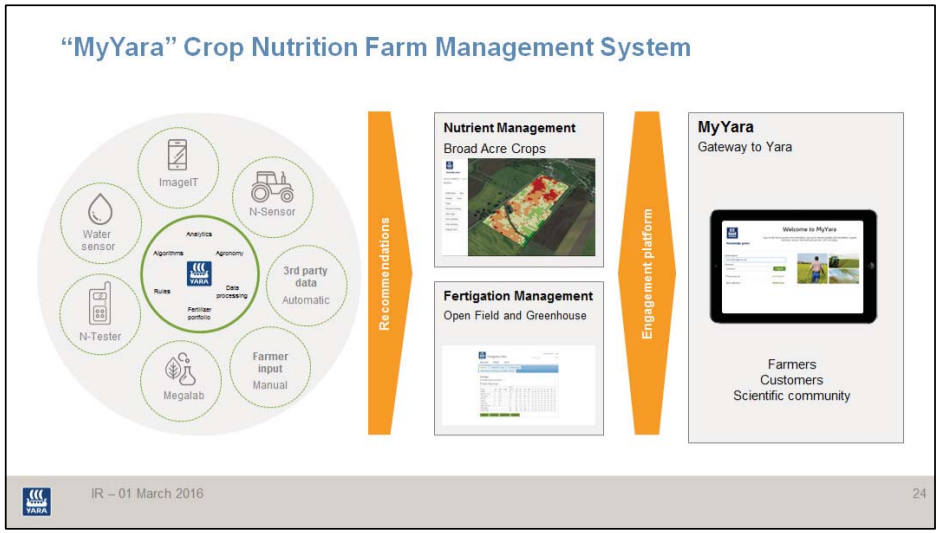
In Germany we have a farm database which allows us to segment farms by size, location and other parameters.

Based on 6 targeted key crops, the aim is for Yara together with the customer (distributor) to identify key farmer segments and develop farmer centric marketing plans per crop and region.



In addition to farm location and size, we track which farms use Yara tools and where.

The Next step is to get more data from the Yara tools and use it for segmentation and targeted offerings. More and better data can help us to identify and target the right farmer segments, and focus resources to develop value propositions based on crop programs, tools and services.



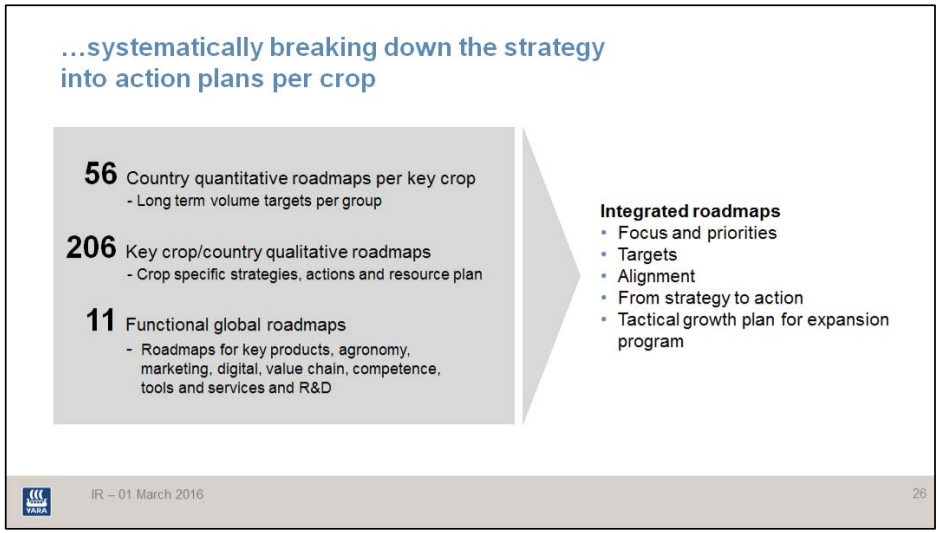
Our target is not only to work with farmer data to focus our work, but also to connect with the farmer to create a real relationship between the farmer and Yara.

We already have Nutrient Management Systems for broad acre crops and we have Fertigation Management Systems for open field and greenhouse fertigation.

We plan to create one platform, My Yara, which is our Crop Nutrition interface with the farmer. It will be a gateway to Yara where we also get yield data, application rates etc. fed back to our system.

With a better information platform we can in the future be more specific and focused in our approach to the market.

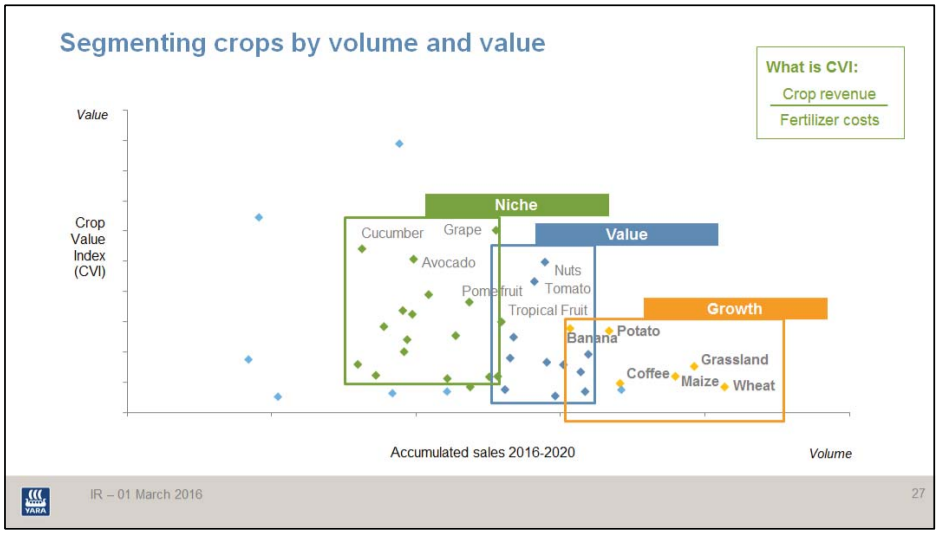
As part of the strategy roll-out, there has been a lot of local activity to create engagement and alignment. More than 80 local townhall meetings, strategy workshops and crop roadmap workshops have been held around the world.



Our approach to systematically implement our new strategy is through a crop-based roadmap, breaking down the strategy per crop and country.

We have developed roadmaps in 56 countries, and quantified growth targets for all key crops per country. This has led to 206 crop/country qualitative roadmaps, which include crop-specific analysis, key strategic responses, actions and resource plans. In parallel the central Crop Nutrition team has developed roadmaps per key discipline, e.g for tools and services, products, agronomy, marketing, digital etc. which will be consolidated into an overall integrated roadmap per key crop.

This provides focus, clear priorities and targets. It aligns the organization and moves strategy plans to action. Furthermore, it creates a tactical plan on how to sustainably position the new volumes from our on-going production capacity expansion program.



In our roadmap we have plotted the crop value index (CVI) and accumulated (planned) fertilizer sales volume for 2016-2020 for the key crops.

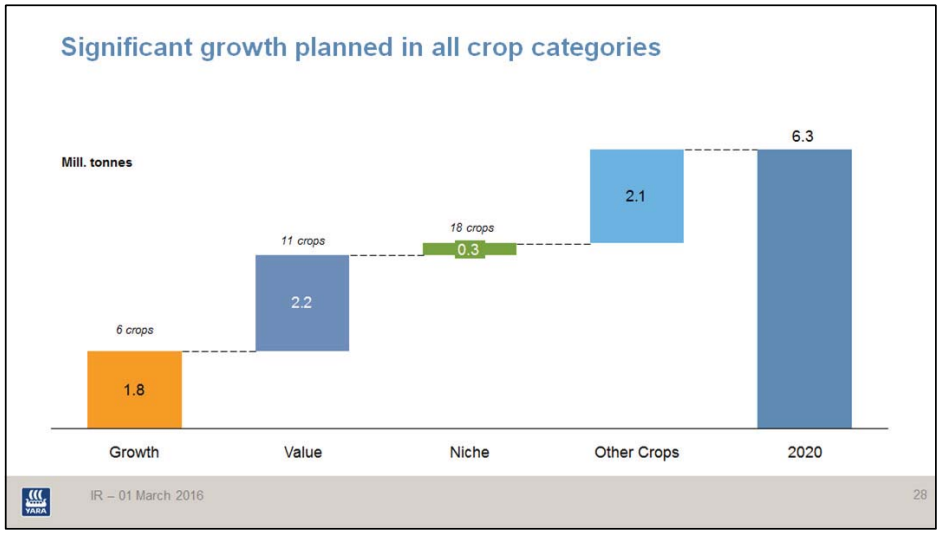
The crops are defined into three categories:

"Growth": crops we need to sell to in order to grow the business substantially

"Value": crops with generally lower volumes and in most cases higher value

"Niche": crops with even lower volume but with higher value

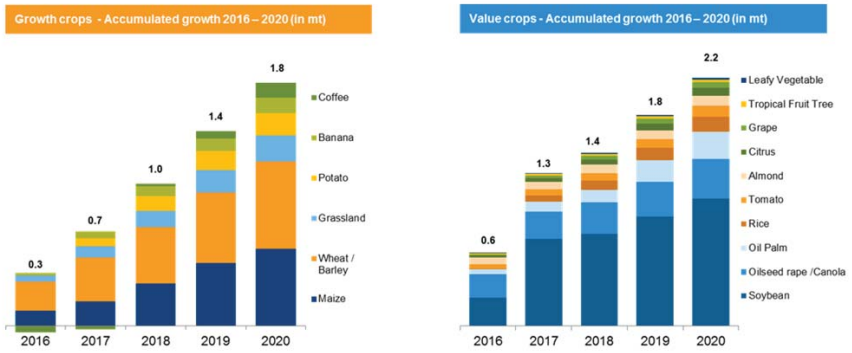
Different crop segments require different approaches as farm economics, farmer needs, agronomics and competition parameters vary. For Yara it is key to identify where it can add value, and at the same time maintain a balance between value and volume.



In our crop roadmap work we have quantified growth targets per key crop for the next five years, representing a bottom-up view on how much we are able to grow per key crop.

The figures do not take into account needed production capacity or sourcing constraints. Hence these targets still need further validation. The targets are ambitious, but the growth rate going forward is line with the last 5 years' CAGR of around 5%.

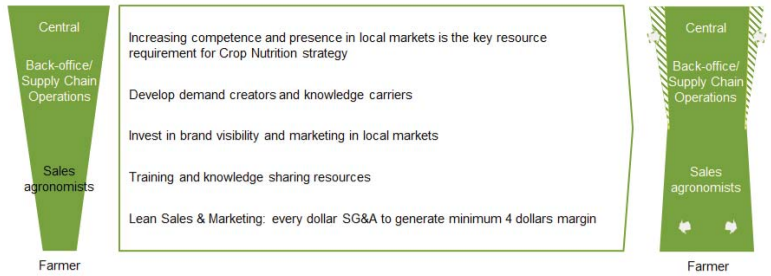
Volume growth per crop



This slide show the growth breakdown by crop per year.

As mentioned the targets need further validation, but they are shown here to demonstrate how we work specifically with growth plans per crops, as different crops need different strategies; tools and services, value chain partnerships, digital, marketing etc.

People and competence: Strengthening commercial front end is the priority



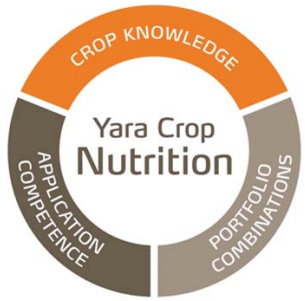
As part of the farmer-centric strategy, strengthening our commercial front-end organization is a key priority; re-balancing resources from central to local level to strengthen our interface with the farmer.

We are taking significant steps in this direction in 2016, adding a significant number of agronomists, sales agronomists, sales professionals and marketing staff.

At the same time, we are reducing back office staffing and cost layers in several countries, including Brazil. Together with strict prioritization and cost cutting in other areas, these actions enable Crop Nutrition fixed cost development to be kept at below-inflation levels. Our long-term target is to deliver a contribution of 4 US dollars for every dollar invested.

Key conclusion and summary

- Farmer centric strategy will strengthen and sustain competitive edge
- Crop-focused segmentation approach with stretched but achievable targets
- Strengthen commercial front end
- Lean sales & marketing



In summary, we believe our farmer centric strategy will strengthen our competitive edge, and furthermore we believe this approach is even more advantageous in challenging market conditions.

Our targets ahead are ambitious but achievable, and we are re-balancing our resources to strengthen our commercial front end.

The whole organization must take big steps in order to implement the strategy, but we are confident that we will make it happen.

Research & Development

…be in the forefront of innovation and R&D

Strengthened and aligned brand positioning

Develop farmer centric solutions that commercially integrate knowledge, digital tools and services to our product portfolio

Actively develop aligned market channels that enable knowledge sharing with the farmer

Actively develop profitable local and global ***partnerships*** along the ***value chain***

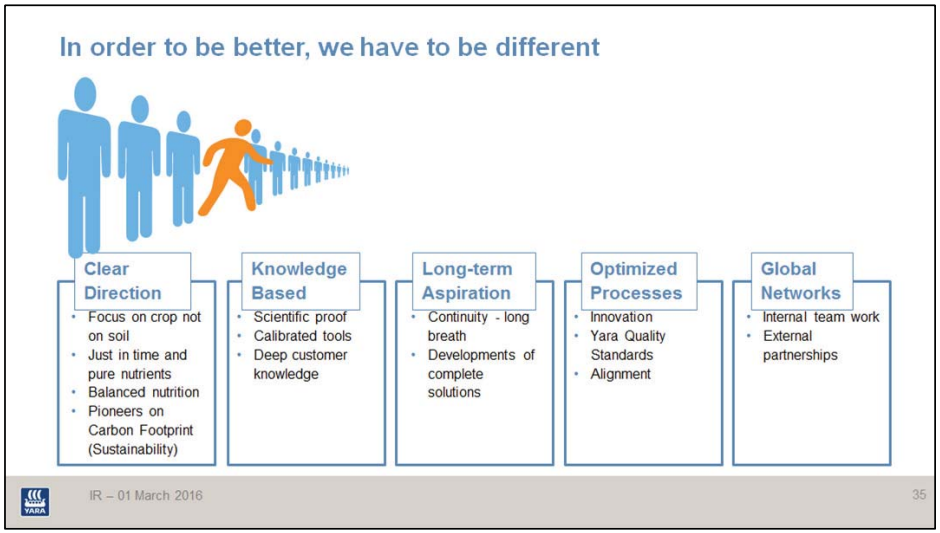
Be in the ***forefront of innovation and R&D***, and pursue smaller M&A to add new knowledge areas

Safety and compliance – key priority in everything we do

Our commercial approach is just the tip of the iceberg

R&D is part of the foundation

Our commercial approach is and has to be based on a strong fundament of facts, data and innovation. It might be not visible all the time, because it is below the water level, but it is important. It gives us confidence and is a pre-requisite to convince customers.



In order to be better, we have to be different and we are...

Clear direction
- We have a clear direction with a focus on crops, not on soil as many others are doing.
- We are going for balanced nutrition to apply all required nutrients in the best ratio for the crop and to avoid soil mining.
- Our solutions are sustainable. We are pioneers on carbon footprint. We are also working on other eco footprints such as water and soil.

Knowledge based
All of this is knowledge based. Our tools are not just giving numbers, they are calibrated and give reliable recommendations to the farmer.

Long-term aspiration
We have long-term aspiration, which is important as the agricultural business is also long-term.

Optimized processes
We need optimized processes in order to be efficient. We are continuously working on improvements.

Global networks
Yara is a global company. Our colleagues build up knowledge competence and networks, and work together in global networks efficiently. We are also attractive for external partners. We have many examples of external networking that brings value to Yara.

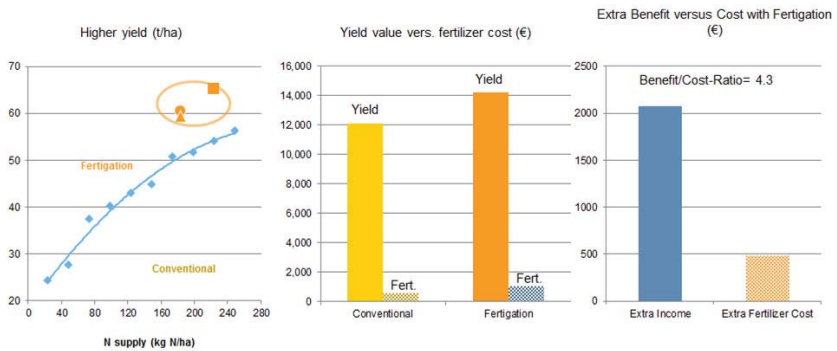
Once a crop has been identified as important for Yara, we somehow discover this crop again from scratch. We study the literature and gather all available information from crop experts inside and outside Yara, but we are also running trials with intensive monitoring, sharing the knowledge gained by intensive visualization.

As an example, we studied the growth and nutrient uptake of potato. We dig a normal paper scanner into the soil to monitor root growth. What we learnt is that this crop has time windows with extremely high growth rates during which they are extremely hungry. If you are too late in the nutrient supply this crop will not forgive it, as you can see in the graph to the right side.

Here we have monitored continuously the crop growth with a static Yara N-Sensor. One treatment received all the nitrogen in one shot at the beginning and the other got the same rates in smaller doses over time. You see in the growth curve that we have been too late and we lost 4% yield due to this.

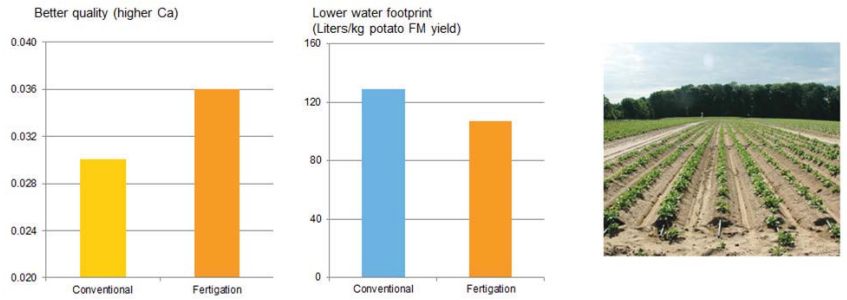
So timing is key – we concluded that decision support systems are needed to help the farmer manage the timing properly.

Potatoes: applying knowledge for profitable crop solutions



Based on the knowledge we have gained we have developed a crop solution for potato based on fertigation. This means a combination of water and nutrient management where both are applied by dripper pipes to the crop. This way we are able to achieve a step growth and to produce more with less (left graph), we also improved potato quality by increasing the Ca content in the potato which is an important quality indicator. We have also produced more crop per drop, as you can see here in the last graph showing the water footprint of the different production systems.

Potatoes: crop solutions with better quality and higher sustainability



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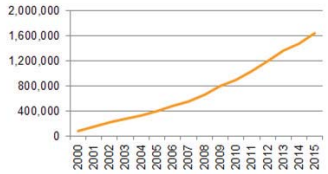
Crop Nutrition Solutions: platform approach

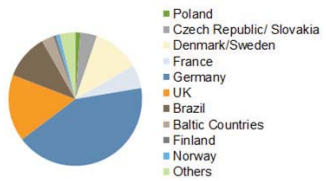
Tools and services are an efficient way to bring knowledge to the grower. Therefore tools and services are an integral part of the Yara Crop Solutions and it is organized via a platform approach. We have the right offer for the different farmer segments. We start with Megalab – an analytical service and we are building up on this with increasing level of farmer sophistication. Via N-Tester, Image-It, Check-It up to N-Sensor and a water sensor for crops, the ZIM technology.

Continue to build on what we have: "Precision Farming"

Estimated hectares with Yara N-Sensor based fertilizer application



Status 2015: N-Sensors in 35 countries



Development of solutions

1997: 1st Prototype

1998: 2nd Prototype

1999: 3rd Prototype

2000: Commercial Launch for day measurement

2006: Commercial Launch for day & night measures

2011 & 2012: Upgrades

We have been pioneers in precision farming with the N-Sensor and its calibration. Just to give a short historical background. The first prototype was built in 1997 and the commercial launch took place in 2000. Since then we are continuously improving the calibration work and the technical capability of the device, with success, as you can see on the graph to the left.

Today around 1.6 Mio ha of land is fertilized based on the Yara N-Sensor. How young this tool is, is indicated by the stable growth rate. We have now N-Sensors out in 35 countries.

Knowledge sharing with the grower: tools and services

- Development of new and profitable solutions
  - Decision support for fine-tuning and optimization
  - Documentation of Best Practice including Eco-Footprints
- Focus on quality and convenience for grower
  - Scientific calibration – recommendations instead of just data
  - Easy to use
  - Complete solutions – fully compatible and integrated

No limits – dare to be different

The Yara key asset is creativity to find solutions based on knowledge and competence

Knowledge sharing with the grower via tools and services makes a lot of sense. By doing this we commercialize our knowledge in a sustainable way.

We are working on the development of new and profitable solutions:
- Decision support for fine-tuning & optimization
- Documentation of Best Practice including Eco-Footprints

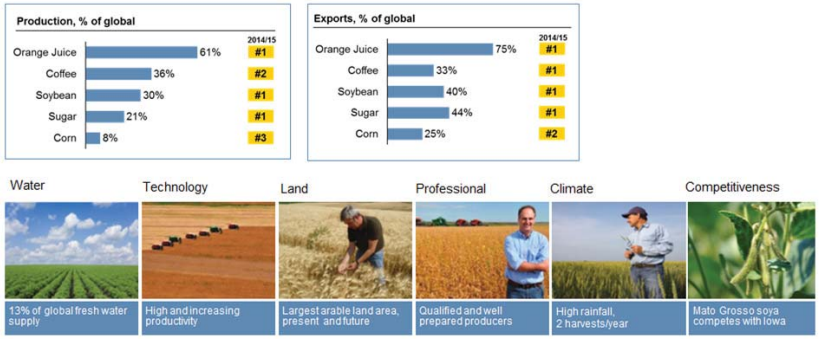
With a focus on quality and convenience for grower
- Scientific calibration – recommendations instead of just data
- Easy to use
- Complete solutions – fully compatible & integrated

We have no limits and we dare to be different. Yara's key asset is creativity to find solutions based on knowledge and competence.

Brazil

Brazil will replace USA as the breadbasket of the world this century

- Brazilian agribusiness sector has leading position in soft commodities:

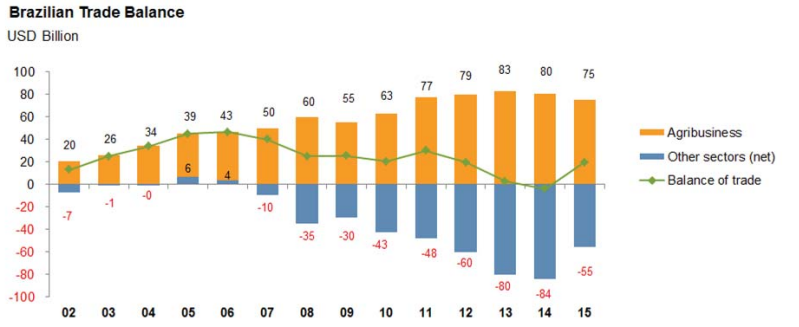


Brazil has already a leading position globally in several soft commodities. But Brazil also represents an interesting market due to the unique combination of land, water and favorable climate. Brazil has more farmland to be utilized. The FAO puts its total potential arable land at over 400 million hectares: Only 50 million of which is in use today. Brazil has also high water availability and a tropical favorable climate, allowing two harvest per year in most parts of the county.

Brazilian farming has become very professional in most crops and areas. The scale and use of technology in agriculture in Brazil is world-class.

Agribusiness is one of the pillars of Brazilian Economy

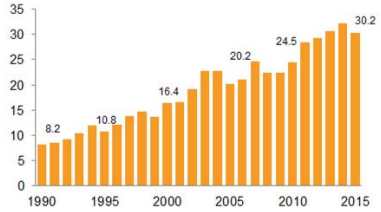
~22% GDP | **40% exports** | **1/3 labor force**



The agricultural sector is very important for the Brazilian economy, with significant impact on GDP, exports and labor force. The Brazilian agricultural sector is export oriented implying that it is less exposed to the current political and economical crisis in Brazil.

Significant fertilizer growth, but still opportunities

Fertilizer Deliveries



Yield evolution (ton / hectare)

	90's	00's	10's	Best practice
Soy	2.2	2.5	3.0	3.0
	2.5	3.5	5.0	10.0
Wheat	2.4	2.8	3.6	7.2

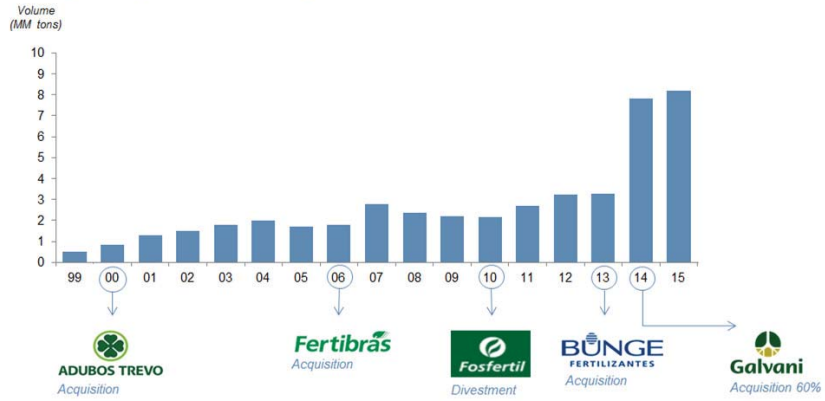
The consumption of fertilizers would grow more than 40% if the US standards were applied in the actual arable land in Brazil.

The Brazilian market has been growing at a pace twice as high as the world average in the last 20 years.

Despite the 6% reduction (2 million tonnes) in 2015 deliveries, Brazil will have a record grain harvest implying that nutrient soil reserves were used. As the competitiveness of Brazilian farming is further improved, the fertilizer sector should regain momentum.

Brazil is still below world averages in fertilizer utilization, except for soya.

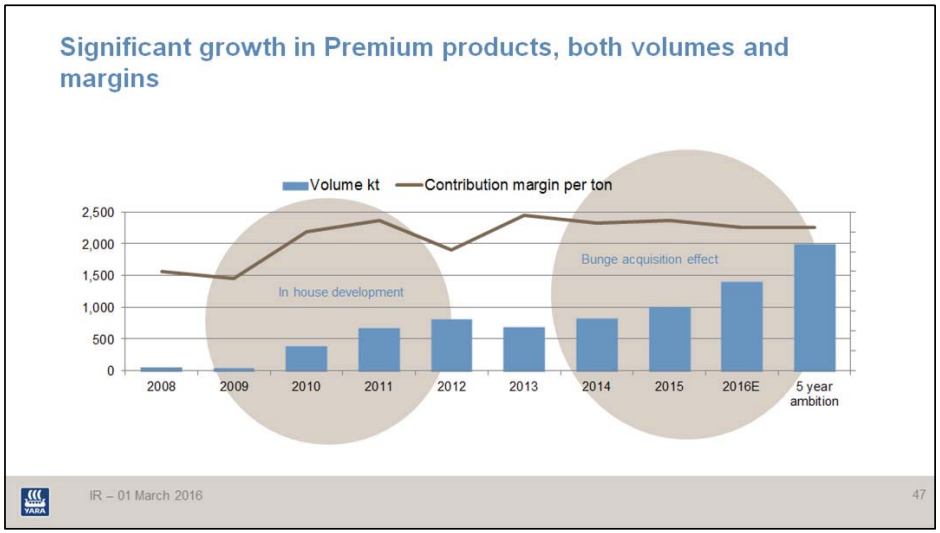
Bunge acquisition brought critical mass in distribution



Yara has been present in Brazil since the 70´s, and our growth has been done via a series of acquisitions over the last 15 years.

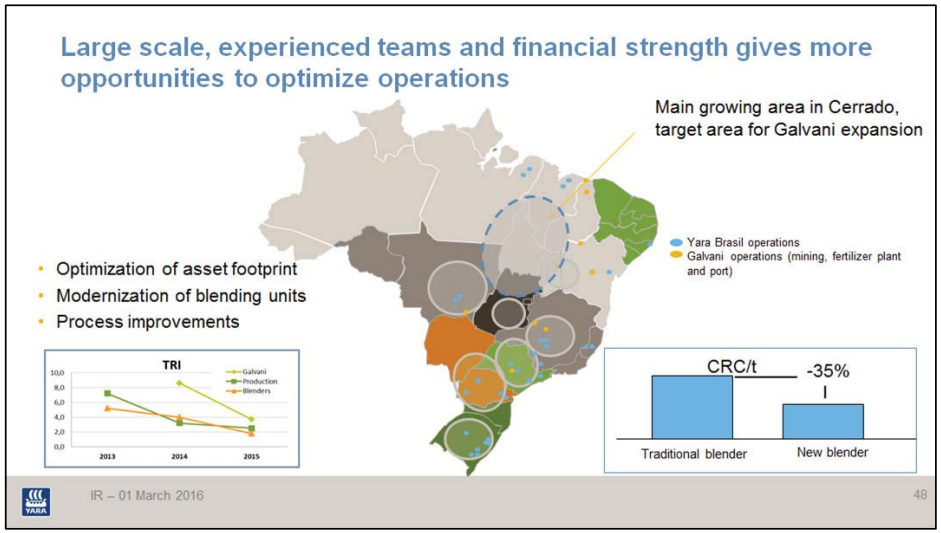
Through the Bunge acquisition, we reached critical mass enabling us to realize significant synergies on sourcing and operations.

Our leading position in Brazil combined with a strong balance sheet, Yara is well positioned for further growth in Brazil.



Yara Brazil has not only grown its in the commodity products. The premium products were expanded by a factor of 10 in approximately 5-6 years. This growth came not at the expense of distribution margins, which also increased in the same period.

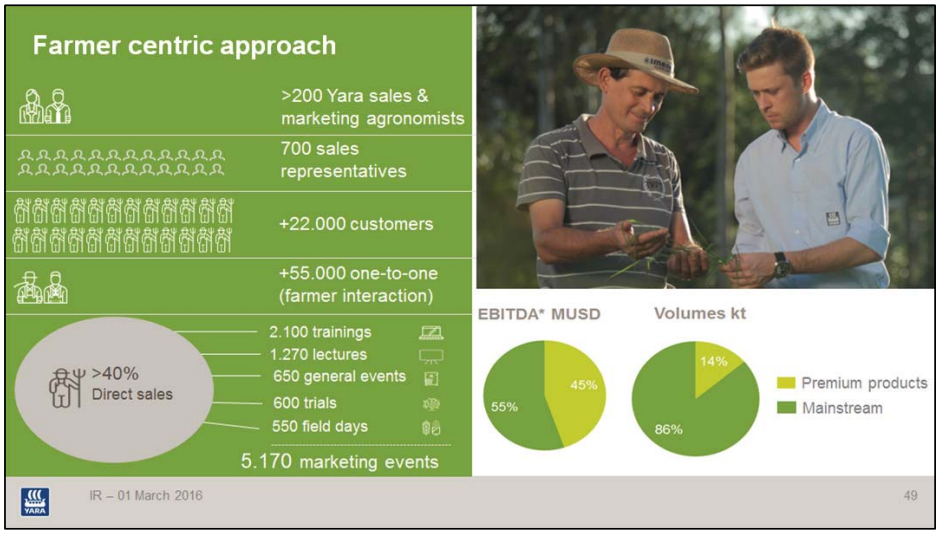
Our ambition is to further grow the premium products deliveries, given its solid returns to the company, and the importance of growing premium markets outside Europe.



Yara has today a solid distribution position in Brazil. The Yara brand is associated with high quality products, reliable delivery, and a trustworthy company. With Bunge and Galvani investments, our footprint now covers all key agricultural areas in Brazil.

After the acquisition, we started the asset optimization process, resulting in good savings to the company. Processes are being further improved based on best practices in Yara. The modernization of our blending system is resulting in substantial cost reduction, quality improvement, and safety risk reduction.

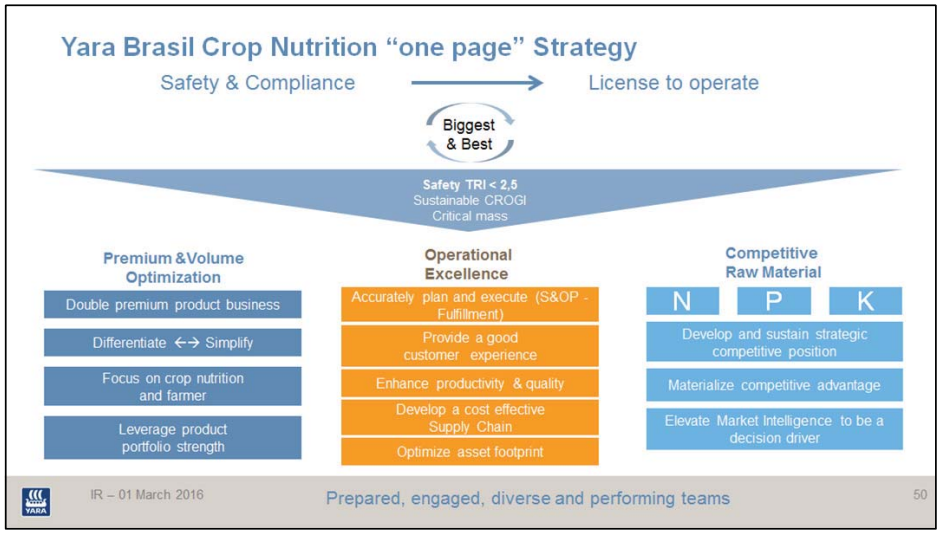
The improvement in safety stats shows Yara Brazil leading position in that front as well.



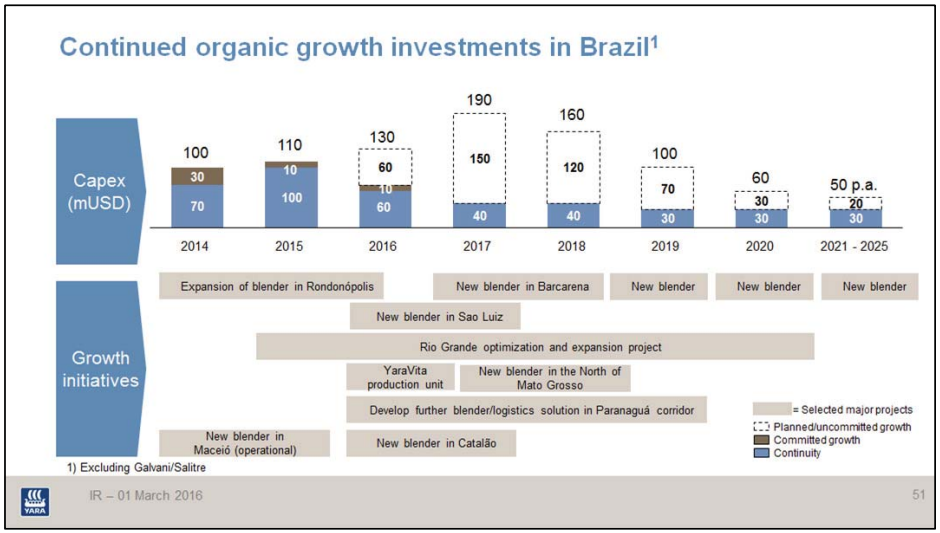
The Premium products represent normally 10-15% of the volume, but 40 to 45% of EBITDA of Yara Brazil.

Our strong brand recognition and sustainability is based on a farmer centric approach, being present at the farm gate, and consistently working on increased farmer productivity and profitability.

Over 40% of our sales are done directly to the end user, and 100% of our sales force is composed of agronomists.

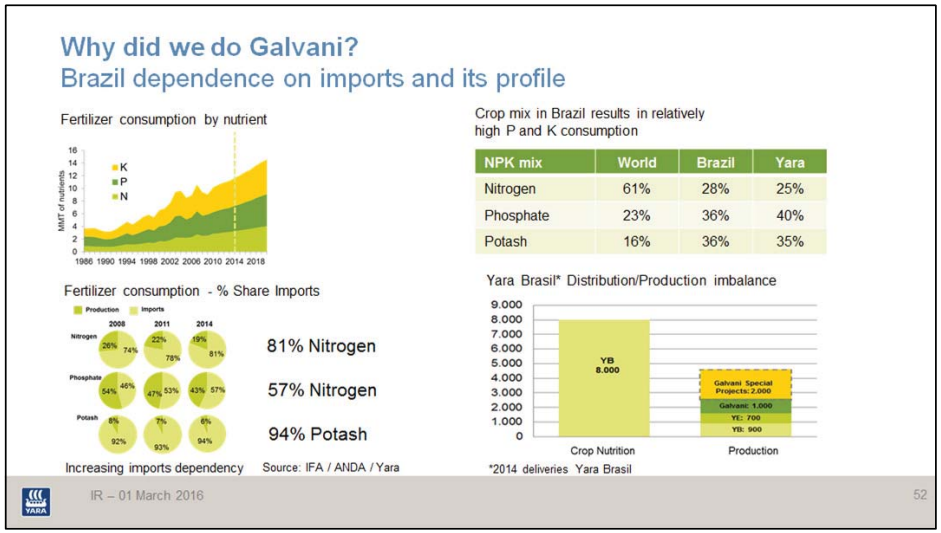


Yara Brazil became the leading distributor in Brazil with the Bunge acquisition, but to remain in such a position, we need to defend our position and remain the best company.
The three pillars above will ensure such sustainability.



Yara's strategy means continued investments in Brazil, to ensure both competitive, good quality, safe production, but mostly to ensure we do not lose our critical mass. To follow organic growth and updated blending systems, we need to build a new blending terminal every one or two years.

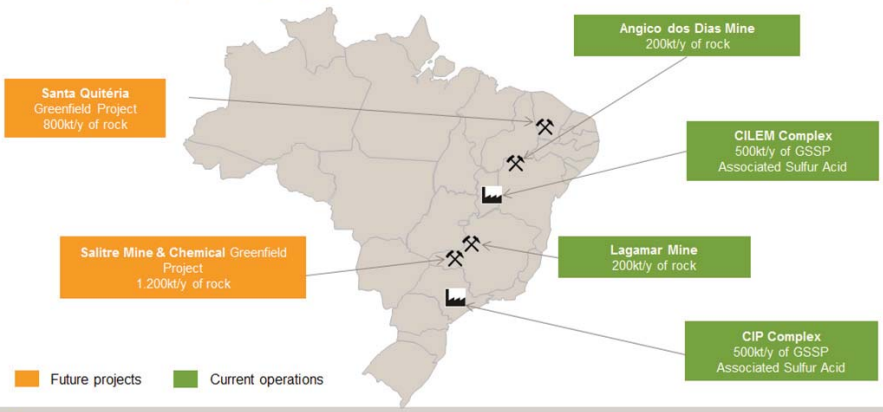
Rio Grande expansion and modernization project (about 275 MUSD over about 5 to 6 years) is expected to earn over 20% IRR.



Brazil is an import market for fertilizer, requiring approximately 81% of nitrogen, 57% of phosphates and 90% of potash to be imported (2014).

Brazil has a higher phosphate consumption vs world averages, due to its soil and crop mix
The Galvani acquisition was a response to part of the unbalance of Yara Brazil's production vs. distribution.

Galvani footprint highlights



Fast and effective integration

Launched the Salitre project

Business as is

- Safety performance (from TRI of 9 to below 4 in one year)
- Compliance and governance in place
- Full scale operations adjusted to market
- Financial performance
- GSAP successfully implemented

Salitre project progressing as planned

- Governance, compliance and safety basis in place
- Scoping & final designs
- Licensing
- Funding
- Construction progressing

Salitre Project
Materializing according to plan

Salitre nominal capacity

Mining and Phosphate Concentrate: 1,200ktpa
Sulfuric Acid: 850ktpa
Phosphoric Acid: 200ktpa
Granulated Fertilizers: 950ktpa

Start up
- Mining: Mid 2017
- Chemical: Mid 2018

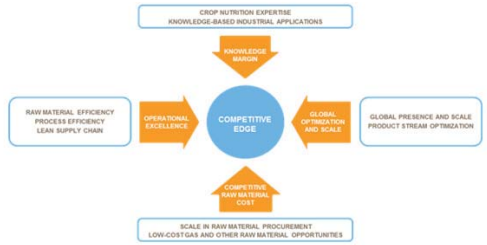
Ramp up to 100% in 3 years

Competitive Opex

Ongoing activities
- All activities according to plan
- Engineering/Procurement according to plan
- Work on site program as plan
- Capex as per agreement plan

Salitre mining part is progressing very well, with start up planned for around mid next year, with chemical part coming one year later.
Ramp up will be at 100% after 3 or 4 years.

Simple, not necessarily easy way forward in Brazil



Crop Nutrition
- Sustainable YCN operation
  - Safety TRI < 2,5
  - Sustainable CROGI
  - Critical mass

Mining, Production & Industrial
- Realize Galvani projects
- Reduce Production gap
- Expand Industrial

Summing up, Yara Brazil will build on its competitive edges. The critical mass in distribution is achieved, so focus now is optimizing and sustaining such operation, focusing on operational excellence and expansion of the premium products.
On the other hand, Galvani projects realization will ensure a better balance in Brazil.

Industrial also has considerable unexplored opportunities in Brazil.

Yara Champion Program (Colombia)

Objective

Yara Champion is a loyalty program rewarding farmers who follow our recommendations and who produce both high yields and high quality.

Champion Farmers share their knowledge with other farmers in their districts in order to improve overall agricultural competence in the spirit of knowledge grows

Encouraging sustainability

YCP promotes responsible practices in coffee production. Producing more and better coffee on existing farmland equal both higher profitability and environmental sustainability

Winner coffee profile

The owners of Finca La Rivera, pay absolute attention to detail every day in order to create an unrivalled coffee

The taste of citronella, lemongrass, jasmine, orange and red fruits, caught the eye of our judges

Industrial

"Be the leading supplier of industrial products, technologies and services by leveraging Yara's knowledge to make life safer, healthier and easier"

Industrial adds further value and stability to Yara's integrated business model and core products

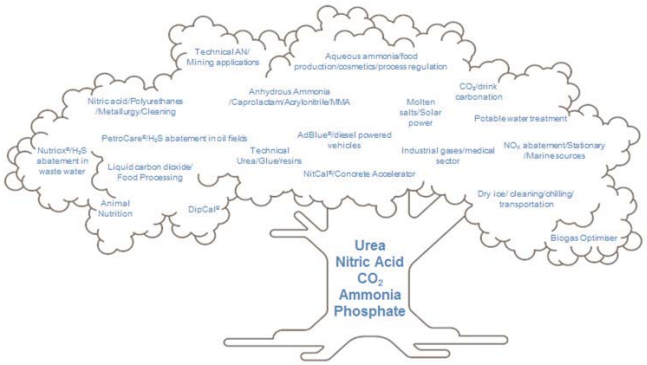
Commodity products

- Outlet across fertilizer seasons
- Diversification towards agricultural cycles
- Optimization of plants and product streams
- In-market proximity and logistical advantage

+

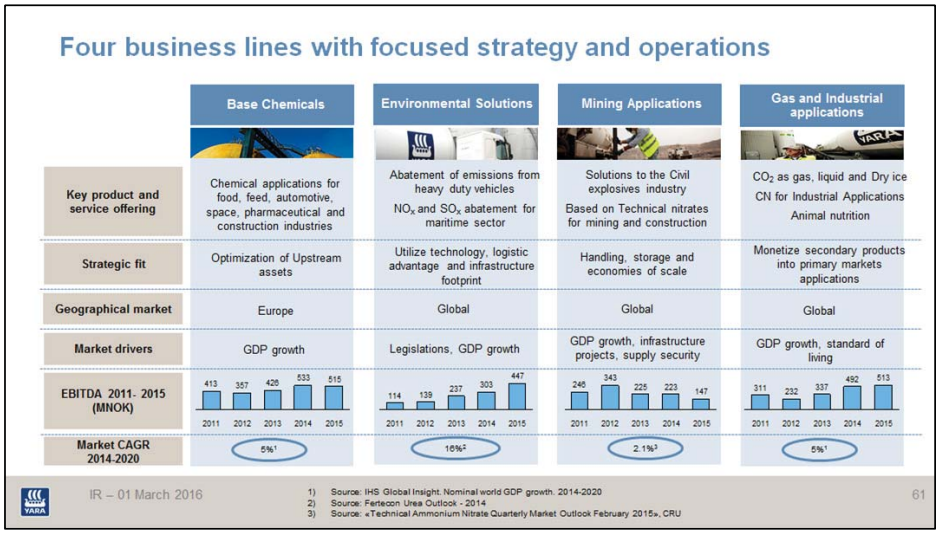
Value-added solutions

- Solutions and services built around core products
- Strong portfolio of environmental solutions



The Industrial segment serves a multitude of markets with industrial applications of Yara's core products. More than 7 million tons of annual industrial deliveries contribute to stable operations and lower stocks in our production plants across fertilizer seasons, and provide diversification from agricultural markets.

Logistical constraints are prevalent within several industrial chemical markets, allowing Yara to better utilize also its smaller, local plants. Reliable product quality and delivery are crucial elements of our customers' purchase criteria, enabling Yara to achieve significant premiums also on commodity products. In addition, Yara has developed value-added solutions around those products, moving significant volumes beyond commodity value.



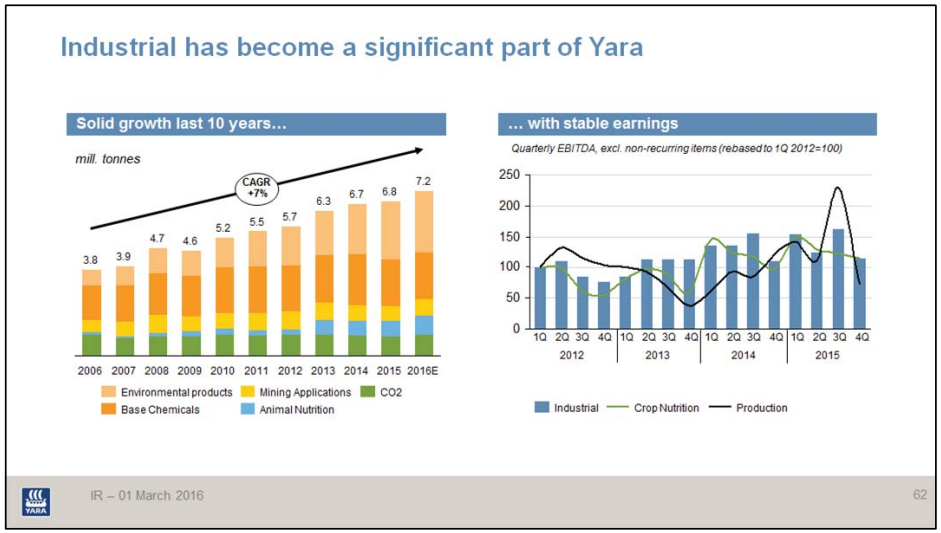
Industrial is organized into four business lines, with focused strategies and clear deliverables per line:

- Base Chemicals is the largest in terms of volumes, serving the chemical industry with ammonia, nitric acid and urea deliveries

- Environmental solutions comprises all our air abatement solutions. We sell ammonia- and urea based reagents for NO_X abatement within commercial road transportation, passenger cars and stationary (e.g. power plants, cement production) and also technology solutions for NO_X abatement and SO_X scrubbers in the maritime segment.

- Mining applications sell Technical Ammonium Nitrate (TAN) and related solutions within industrial explosives. Yara has the world's largest TAN shipping / trading activity, and in addition provides Initiating Systems and Blasting Services through our JVs; Pilbara (Australia), Tenaga Kemia (Malaysia) and Hanka (Mexico).

- Gas and Industrial applications comprise technical solutions based on Calcium Nitrate, feed additives based on phosphate and urea, as well as CO_2 business. Yara announced an agreement to sell its CO_2 business to Praxair in Q3 2015, with expected closing in H1 2016



In addition to balancing and optimizing Yara's integrated business model, Industrial's stable volume growth has gradually made it a significant outlet for our products. Industrial sells close to 20% of Yara's own-produced tonnage, with an equivalent share of Yara's EBITDA on a see-through basis. As Industrial is less exposed to agricultural business cycle, earnings are considerably more stable than Yara's other segments.

Delivering solutions for a cleaner environment:
Contributing to the solution for NO_x emission abatement in Oslo with AdBlue

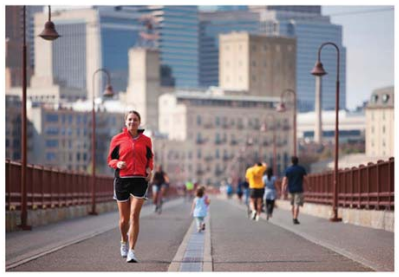
Environmental Solutions – unique offering combining AdBlue, technology and services into total air abatement solution

- 2200 kt reagent deliveries in 2015, 20% YoY growth
- Systematic acquisitions of NO_x and SO_x technology companies
- Integration and re-organization into an integrated service company

Cleaner air is a major part of Yara's solutions, and Industrial contributes to this in two areas:

Firstly, our Environmental Solutions business Line provides technology solutions and reagent for NO_X abatement from diesel engines. Yara's AdBlue reagent contributes daily to cleaner air in Europe, North America and Brazil, and enjoys significant market growth in line with adoption of legislation such as the Euro VI directive. Our sales of catalyst technology and scrubbers for NO_X and SO_X cleaning respectively are also growing with increasingly strict regulation.

Delivering solutions for a cleaner environment:
Preventing H_2S emissions and odor from waste water systems with Nutriox™



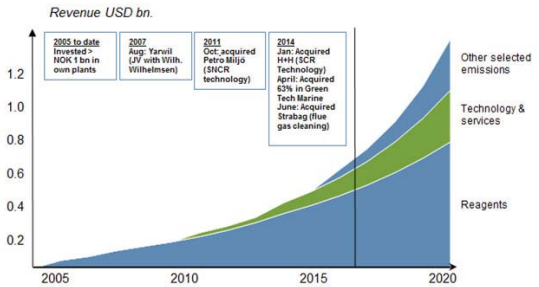
Nutriox™ – technology solutions for preventive waste water odor control built around Calcium Nitrate

- Nutriox™ provides H_2S prevention for corrosion, odor and toxicity control of municipal and industrial waste water systems
- Yara has developed a full-service concept, including measurement, dosing and optimization

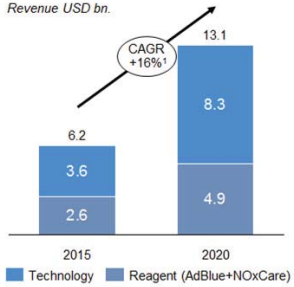
Secondly, our Nitrates business (under the brand NutrioxTM) delivers technology solutions for preventive waste water odor control based on Calcium Nitrate. Nutriox™ provides H_2S prevention for corrosion, odor and toxicity control, for municipal and industrial waste water systems. Yara has developed a full-service sales concept, including measurement, dosing and optimization.

Targeting global market leadership in emission abatement

Yara growth initiatives 2005 - 2016



Market growth 2015 - 2020

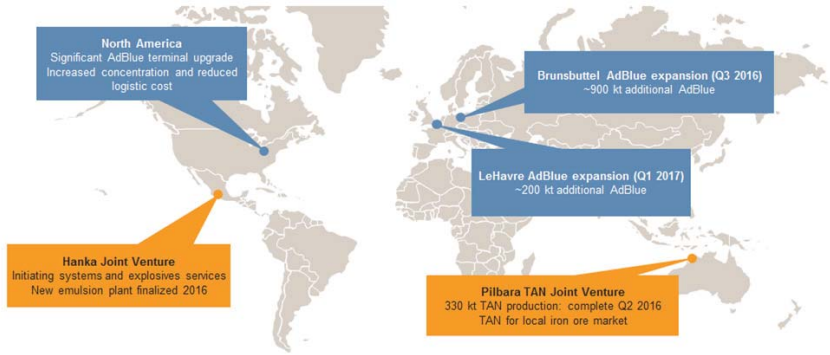


1) Per urea-equivalent (46% Nitrogen), excl. non-recurring items, source: Fertecon Urea Outlook - 2014

The emission abatement is fast-growing, driven by local and regional legislation for automotive and stationary NO_X emissions, as well as international standards in the maritime segment, setting requirements for NO_X and SO_X abatement.

The overall market is expected to grow 16% annual towards 2020, with technology solutions (e.g. SCR, SNCR, SO_X scrubbers) constituting most of the growth. Yara has made significant investments in order to participate in this growth. In addition to several adaptions and investments into our plants, we are in the process of modifying our plants in LeHavre and Brunsbüttel to enable 1.1 million tonnes additional reagent sales. In addition we have systematically acquired technology companies with complimentary technology to develop a total solution for air abatement.

Several focused growth initiatives to be finalized in 2016



Yara has several on-going growth projects related to Industrial solutions.

For Environmental Solutions Yara has two ongoing production projects: Brunsbüttel and LeHavre, with significant increase of AdBlue capacity by upgrading from lower paying urea products. The LeHavre product is exclusively for the European (French) market, whereas Brunsbüttel is dedicated to the European and North American market. AdBlue shipped from Yara's coastal plans in Europe are competitive in the North American coastal market, as freight cost is comparable with that of US MidWest producers. To increase competitiveness, further Yara is modifying its terminals to receive higher concentration solution (from 32% to 50% solution)

In Burrup, the construction of a 335 ktpa Technical Ammonium Nitrate plant is close to completion. The plant is next door to Yara's wholly-owned ammonia plant. The TAN plant is part of a Joint Venture with Orica, including a joint marketing company which will sell TAN, Initiating systems and explosive services to the iron ore market in the Pilbara region. The plant is currently being commissioned, with completion expected in Q2.

Driving operational improvement through Sales Excellence

***Sales Excellence** is a core value driver across Yara*

***Pilot program** in Industrial to establish best practice across a range of product and markets*

*Central team to drive **implementation***

*Significant **involvement** of commercial organization*

***Best practice** sharing and rigorous result follow-up*

*Expected **double-digit EUR million** margin improvement within 1-2 years*

Sales is the key operational skill across Industrial and its many different markets and customers.

As part of our operational improvement, a Sales Excellence program has been established to identify best practice through six core initiatives that will be rolled out across all Business units. Industrial has a dedicated and professional sales force, but surveys have identified further value potential within pricing, focusing on core segmentation, account development and other key parameters.

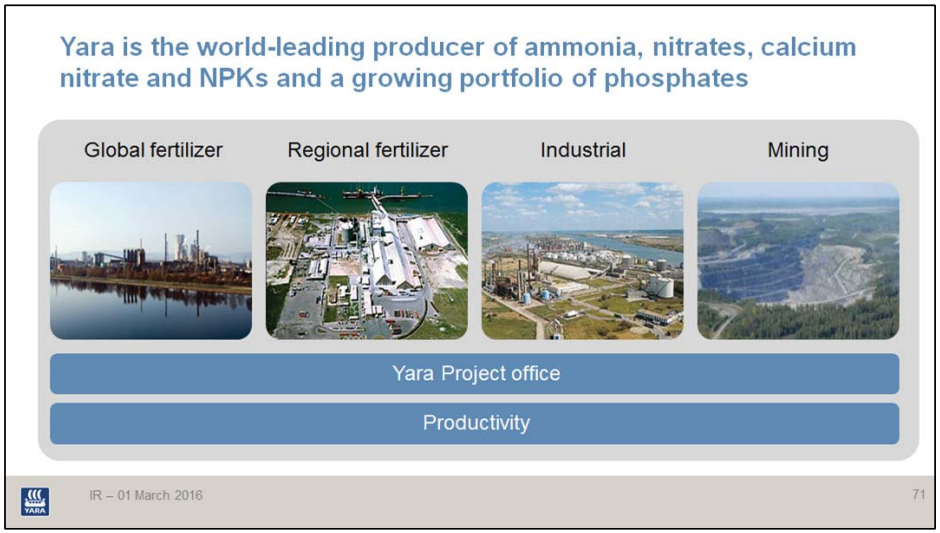
Summary and key priorities for 2016

- Safety
- Optimizing Yara's European assets
- Geographical expansion
- Expand value-add and solution concepts
- Operational Excellence

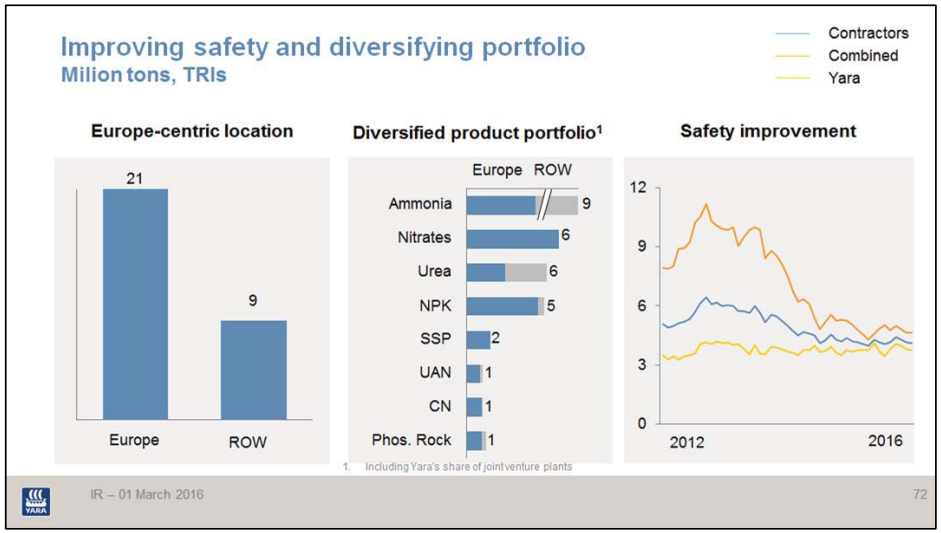
Safety is our key priority – launch of HESQ as a service as part of our solutions to further increase our competitiveness. From an expansion perspective particularly completing the AdBlue capacity expansions and infrastructure to receive the additional tons will be crucial. We will furthermore continue to grow our solution concepts around our main products and increase the value proposition to the customer. As part of our strive for Operational Excellence, the Sales Excellence program will be of particular importance

Production

"We shall be the leading producer of mineral fertilizers and industrial nitrogen chemicals, driving performance and process excellence in safety, reliability and resource management"



The production segment comprises a total of 30 production sites and mines located in 16 different countries, as well as Yara's project office and a productivity group. The segment employs approximately 5,500 people, and plans to hire approximately 1,000 more staff for its production sites under construction. Production represents a total gross investment of NOK 108 billion and annual maintenance capital expenditure of around NOK 5 billion. The segment has grown through the recent OFD and Galvani acquisitions as well as through a number of completed or ongoing greenfield and brownfield expansion projects.



Operational excellence and safety performance go hand in hand. The production segment has made good progress towards achieving a 100% safe working environment, especially for our contractors where the historical performance was unsatisfactory. Although much has been done, we continue working hard to reach our goal of zero accidents.

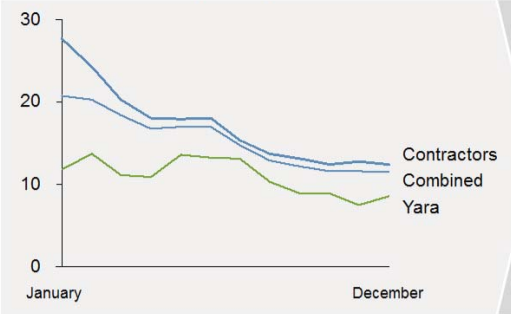
The Production segment has grown, adding 0.5 (0.1 net of the GrowHow UK divestment) million tons ammonia and 1.5 (0.7 net) million tons finished product capacity in the last 2 years All the ammonia growth and most of the finished products growth (1.1 million tons) came outside Europe. In the next 2 years we plan to add a further 0.5 million tons of ammonia capacity and 1 million tons of finished product capacity.

Yara's production is particularly flexible and robust, with large shares of our capacity catering for differentiated segments of agricultural and industrial markets. Most of our ammonia is upgraded to nitrate and NPK. Unlike urea, nitrate and NPK plants can import ammonia, since the production processes are non-integrated. Finally, our factory portfolio has gained in relative competitiveness in the last year as most of our factories purchase spot gas in Europe, where prices have fallen the most.

Safety integration new assets: Cartagena

TRI, 12 month rolling average, 2015

TRI rates in Cartagena post acquisition



Example: ammonia tank refurbishment

A little more than a year ago Yara took over the operations of an integrated fertilizer factory in Cartagena in Colombia, following the acquisition of OFD (formerly Abocol). As part of the integration Yara implemented its "Safe by choice" way of working and operational standards on the site, and established an investment plan to reduce process and occupational risks. The results are already evident, with the combined TRI rate reduced by approximately half during 2015.

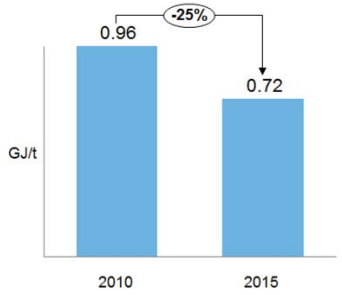
Several further initiatives are underway to further improve operational and safety performance, including reducing manual handling of fertilizer bags.

Productivity program and strategy under development

Program status

- Culture of continuous improvement provides good starting point
- Strategy and operations project initiated to identify further improvements
- Strategy and targets ready by Q3

Example: Glomfjord energy efficiency

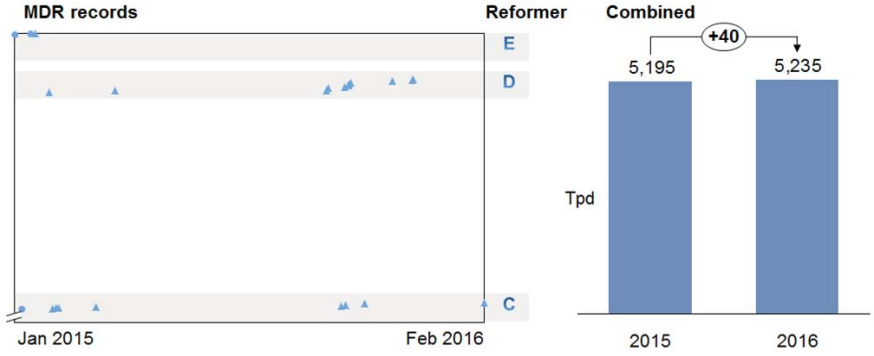


The production segment has a good track record of continuous operational improvement. As an example, the energy efficiency in Glomfjord has improved by 25% the last five years. Although the segment experienced excessive downtime for ammonia and urea during the last 12 months, there were several production records as well.

One example is Belle Plaine where the urea unit achieved a new MDR in February 2016, 66% above the original name plate capacity. The ammonia unit also achieved a new MDR in February 2016, 42% above the original name plate capacity.

To build on our strengths and improve where we do not perform well, the segment has initiated a strategy and operational excellence project. The initial assessment has been completed, identifying process improvement opportunities worth several million euros. A diagnostic focusing on operations and maintenance practices is on-going. The revised strategy and firm improvement targets will level ready by third quarter this year.

Most Sluiskil units achieved production records last year, with the three ammonia units alone achieving 39



In a network of 30 sites there many opportunities to benchmark and share best practice. As one example, our largest single site Sluiskil set over 50 production records last year.

The slide illustrates the 39 MDR records in the three ammonia plants, as well as the combined increase over the year. Other records were set in within nitric acid and three urea units. Although U7 (Sluiskil's newest urea unit) is not the largest urea unit in the world, we believe it has the world record output for one year.

Sustaining strong operations is the first and best productivity investment, e.g. evaluating limitations and reductions every day, listening to and involving operators, removing root causes of losses and bottlenecks etc.

We work to secure the short and long term competitiveness of our assets by focusing on four areas

Safe by Choice is our framework to develop a Yara Safety Culture that reduces exposure to injury, where we all share the responsibility for safety, taking care of each other as well as ourselves. Yara believes zero injuries is achievable and will not be satisfied until we have reached this goal.

Reliability improvements are built around 7 Key Elements: Turnarounds, Rotating machinery, Critical static equipment, Competence, Systematic operations, Investigations and Shared learnings

Productivity of input and output factors are monitored and measured, with benchmark comparisons on cost, capital discipline and production efficiency

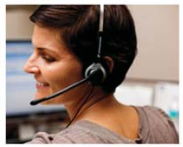
Project Delivery: successful execution of growth projects and integration of new plants into Yara's production system are key to sustain and improve Yara's competitiveness

Supply Chain

"The Supply Chain segment creates value by leveraging Yara's knowledge and scale through global procurement, optimization of production assets and efficient supply chain operations"

Supply Chain at a glance

- 79 billion NOK costs
- 1,000 employees
- 625,000 orders
- 890,000 deliveries
- 675 contracts
- 1,100 suppliers
- 14 ammonia vessels
- 2,400 fixing of vessels per year (dry bulk)
- 21 million tonnes raw materials and fertilizer shipped

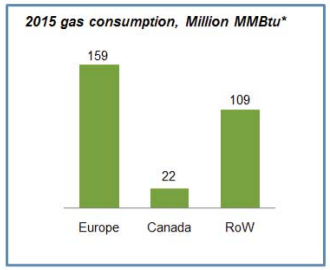



Note: 2015 figures

Supply Chain procures a significant portion of Yara's cost base including sourcing of energy and all raw materials. In addition, it optimizes Yara's integrated business model, planning material flows between segments and geographies and arranging maritime transport. In Europe, the Supply Chain segment receives and processes all European customer orders and manages deliveries.

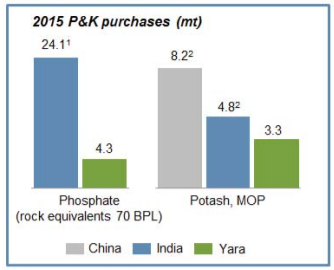
Supply Chain harvests economies of scale

Biggest industrial buyer of natural gas in Europe



*Including share of JVs

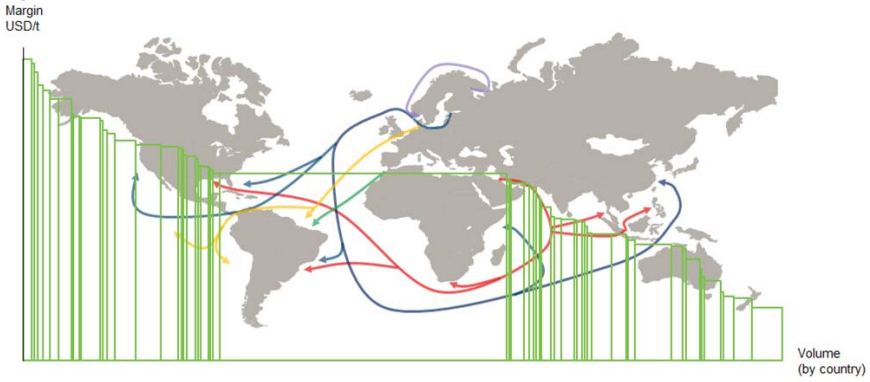
Third single biggest buyer of P&K globally



1) L12M ending September 2015
2) L12M ending June 2015

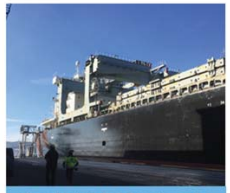
Yara is a major buyer of key raw materials. It is the number one industrial buyer of natural gas in Europe and the third-largest buyer of phosphate and potash globally, providing scale and potential to source these raw materials more competitively than the average non-integrated NPK producer or farmer.

Optimizing profit through daily, monthly and annual planning of product flows



Yara has an integrated business model where optimizing the flows between the segments and countries are a key enabler to optimize Yara's profit. The global planning function in Supply chain executes this on a daily, weekly, monthly and annual basis, constantly reviewing what products should be produced and to where they should be distributed. These decisions are made with both a long term and short term view, ensuring key market segments are served but at the same time realize short terms gains by prioritizing margins. A key tool used is a monthly internal benchmark showing the contribution per ton per market for key products.

Yara has embarked on a journey to transform its supply chain, to increase efficiency and effectiveness – some examples



Created global functions for Planning, Raw materials and Maritime

Centralized procurement of land logistics in Europe

In-sourcing of AdBlue order processing and deliveries

Yara has embarked on a journey to increase efficiency and effectiveness of it's supply chain activities. A global organization for raw material procurement, planning, optimization and maritime logistics has been established, and in 2015 the synergies from a more integrated way of working started to materialize. As an example on how we work to optimize, we combined shipments from Porsgrunn and Sluiskil to China. On one 53,500 tonne shipment, using the largest vessel so far to arrive in Porsgrunn, Yara saved more than 338,000 US dollars.

In Europe, a functional supply chain organization has been established, which has centralized procurement of land logistics in Europe, covering deliveries in all markets and products. Through an improved procurement process, the team delivered annual savings of more than 5 million euro already in the first year of operation.

We established a customer service center for AdBlue in southern Sweden to enable the in-sourcing of order processing and delivery execution from Brenntag. This was a strategic initiative by Yara Industrial to gain better control of the customer base and improve customer satisfaction executed by the Supply Chain Segment.

Focus forward is to continue the journey to supply chain expertise and harvesting benefits from global procurement

Dedicated Supply Chain organization

Process excellence

High performance culture

Cost savings, scalability and increased customer satisfaction

Our focus going forward is to continue the journey to supply chain excellence.

Through a dedicated organization with functional expertise working across segments and country borders we will find more cost saving opportunities.

We are working on establishing uniform, well defined and efficient supply chain processes which will be supported by a harmonized integrated ERP.

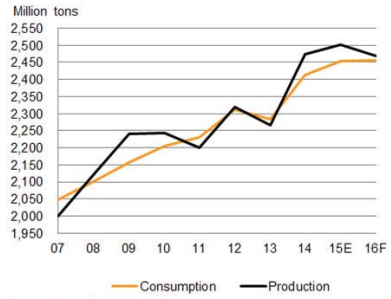
Performance monitoring of all key processes will support a continuous improvement culture, where change is the name of the game and there is a smooth transfer of best practices and good ideas – from one region to the next.

In addition we will focus on realizing further benefits from having a global procurement organization driving best practices in the local units and pooling procurement when beneficial, to create cost savings.

Market update

For 2015/16, USDA calls for a modest increase in global grain stocks this season

Grain consumption and production



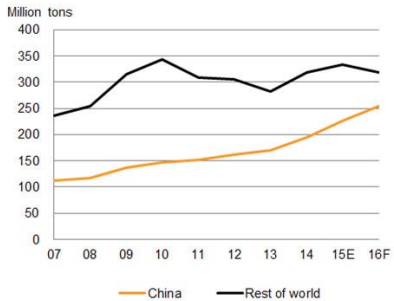
Days of consumption in stocks

Source: USDA February 2016

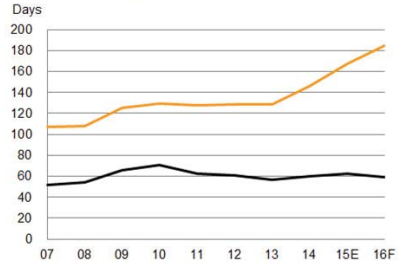
Global grain production has exceeded consumption three years in a row, according to USDA, resulting in higher global grain inventories.

China explains the increase in global grain stocks

Grain stocks – China versus the rest



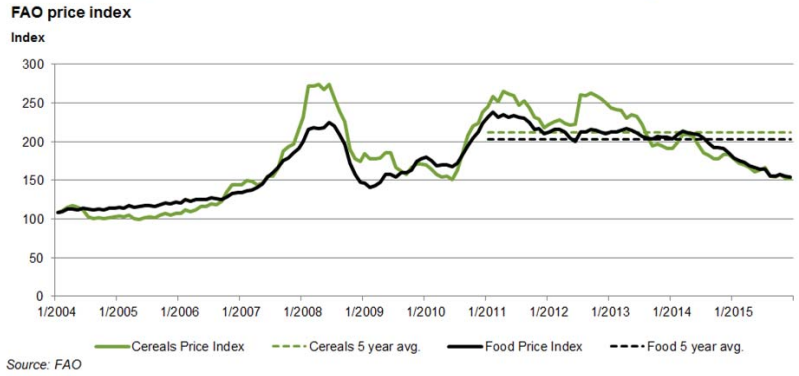
Days of consumption in stocks



Source: USDA February 2016

But if excluding China, global grain stocks have been quite stable, with a very stable stocks to use ratio. So weather factors will remain key to grain price developments, even modest yield losses may trigger substantial improvements in pricing. There are no signs that China will reduce their grain inventories through substantial grain exports. Grain prices in Chine exceed global pricing, and quality is an issue.

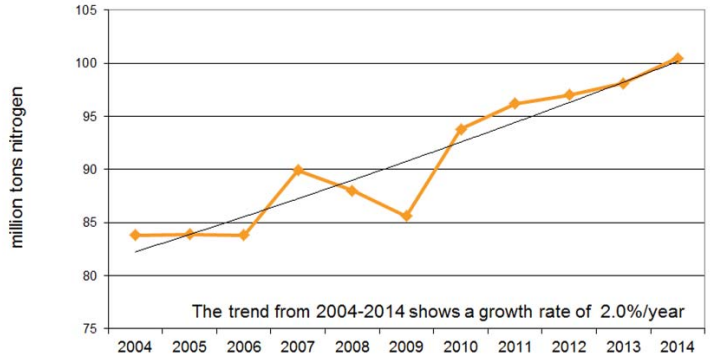
Weaker farm economics in USD, but nitrogen demand is still robust, as yields would otherwise suffer immediately



Source: FAO

Global food prices have declined since 2013, across most categories, including grains, oils and meat products. But arable farmers, even in USA and other US dollar based economies, are still applying nitrogen fertilizer, as yields would otherwise be reduced immediately, reducing incomes. And due to significant currency shifts, many key grain producing regions have increased their competitiveness.

Apparent nitrogen consumption ex. China

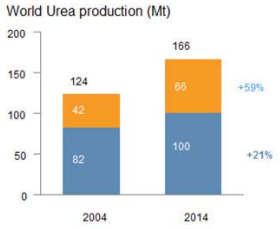


Source: IFA

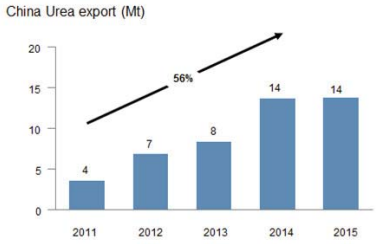
Compared to many commodities, demand for nitrogen is growing with only modest volatility, and the 10 year trend rate is 2 %, excluding China. Based on IFA's surveys, consumption growth has continued in 2015, probably at a similar rate.

Chinese production growth has enabled China to balance the global nitrogen market

China has accounted for ~60% of world's urea production growth since 2004



China export growth balancing the market

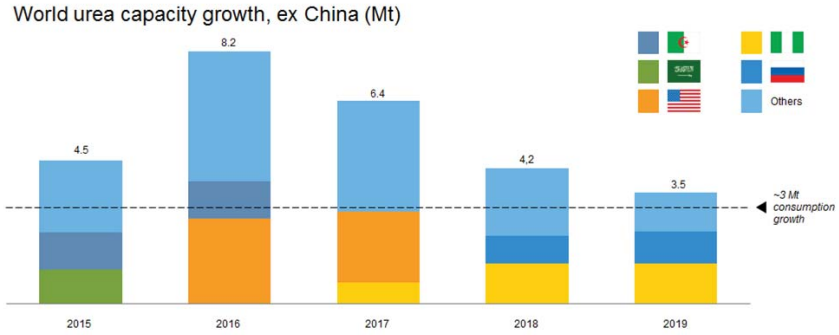


Urea market price set by Chinese swing producers

Since 2011, production growth outside China has been zero, and capacity expansions in China has covered its own growth, as well as the growth needed in the rest of the world, at least through 2014. In 2015, production growth resumed outside China, with growth particularly from Arab Gulf and North Africa.

Due to its cost position, the marginal tons in the global urea trade comes from China. Absence of further growth in Chinese exports for 2015 reflects that demand growth outside China was covered from production increases elsewhere.

Additional capacity will reduce dependency on Chinese export



Source: CRU, December 2015

It must be noted that this graph compares expected additional capacity to need for additional production. Empirically, history clearly proves that this capacity will not run at 100%. Some plants might never come on-stream, some will be delayed, and some will struggle with their utilization rates. So 2018 and 2019, based on this assessment, do not look excessively supplied. To the contrary, a balanced or slightly tighter market can be expected.

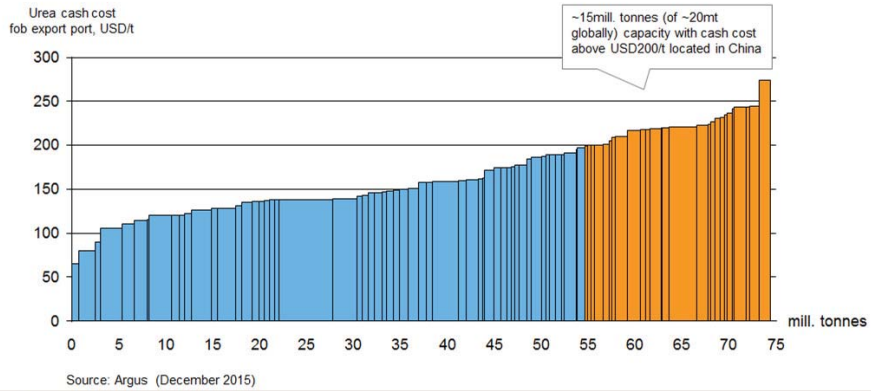
But for 2016 and 2017, additional capacity outside China looks to exceed demand growth, leading to a reduced need for Chinese exports.

Chinese domestic urea price, logistics and export tax set the export price

Source: China Fertilizer Market Week, International publications

Until recently, global urea prices could deviate significantly from prices in China, primarily due to export tax mechanisms. As the Chinese capacity has increased, well beyond the domestic need, these export taxes have been relaxed, and in 2015, the export tax has been a flat 80RMB/mt, all year. So with China covering almost one third of global exports, and without trade restrictions, Chinese and global urea prices have converged.

~20 mt of export capacity above USD200/t cash cost



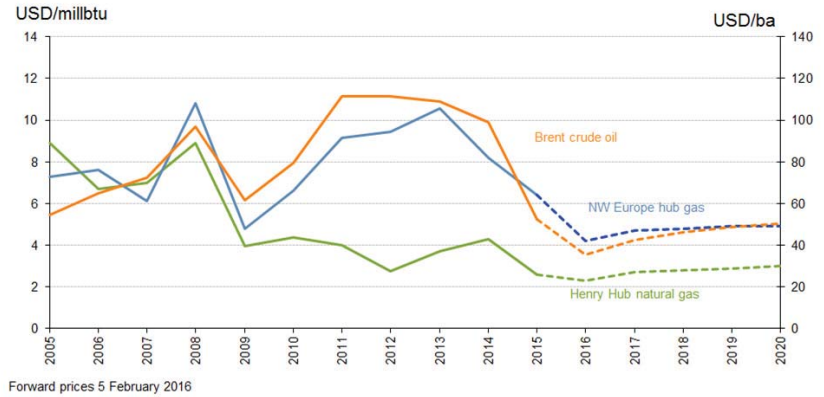
Source: Argus (December 2015)

Most industry analysts estimate that a substantial portion of global export capacity is cash negative at USD 200/t.

According to Argus:
More than ¾ of the export capacity with cash cost above USD 200/t is located in China
Geographical share of export capacity:

- Middle East 28 %
- China 19 %
- Ukraine/Russia 14 %
- Africa 11 %
- North America 8 %
- Asia ex China 7 %
- West Europe 6 %
- Latin America 6 %

Energy prices expected to remain low for many years



Forward prices 5 February 2016

For the period 2011-2014, global energy prices supported nitrogen prices at a relatively high level, and attractive for regions that benefitted from low gas prices, like USA, Russia, Nigeria, North Africa etc. So this triggered the expansion decisions that is now resulting in significant added production capacity

The recent drop in oil and global gas pricing has changed this picture. Producers exposed to global gas pricing has improved their relative competitive position significantly, and this is expected to continue, according to the forward market.

Moreover, the drop in energy pricing has pulled nitrogen pricing down as well, primarily due to lower costs in China, but also in Eastern Europe, like Ukraine. This has reduced the attractiveness of nitrogen investments in the previous low cost regions, and investment activity is reduced.

Cost of new capacity

Example: Cost for 1 million tons Urea plant in USA

Cost per ton Urea

Capital costs are substantial, and at recent or current urea prices, financing new urea plants are difficult. Longer term, the current level of urea price does not look sustainable. In other parts of the world, investment costs may be lower, but in most cases, the risk premium on the hurdle rate is higher.

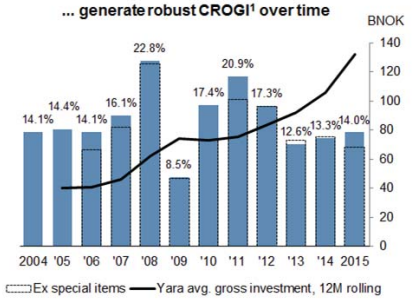
Financial update

Yara generates robust earnings

Yara's assets and product mix …

- Production
  - Global ammonia production footprint
  - Global scale and flexibility to optimize raw material and product flows
  - Phosphate rock mining for NPK and SSP
- Crop Nutrition
  - Stable and gradual growth in value-add premiums
  - Increased presence in Latin America
- Industrial
  - 20% of Yara's own-produced volumes with lower volatility in earnings

… generate robust CROGI[1] over time



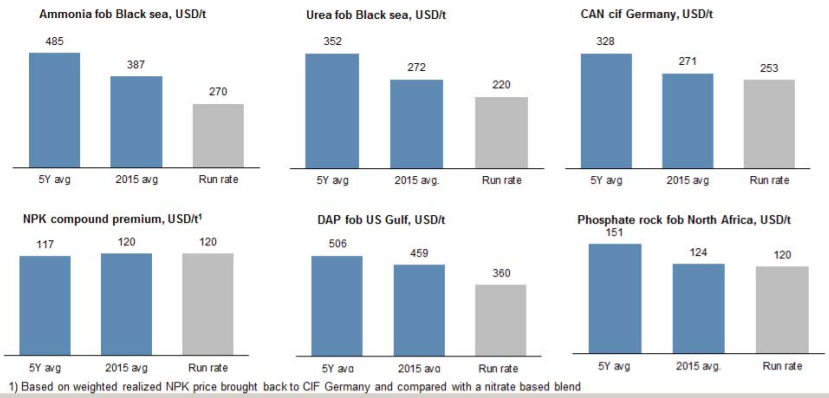
1) Cash return on gross investments

Yara uses CROGI (Cash Return On Gross Investment) to measure the performance of its business. The goal is a CROGI at or above 10% as an average over the business cycle.

With the exception of 2009 Yara has consistently delivered a CROGI (cash return on gross investment) above 10%, resulting in a yearly shareholder return of ~25% since the IPO in 2004.

Despite high investments over the last couple of years, Yara has delivered strong returns to shareholders and society.

Price and currency scenario assumptions

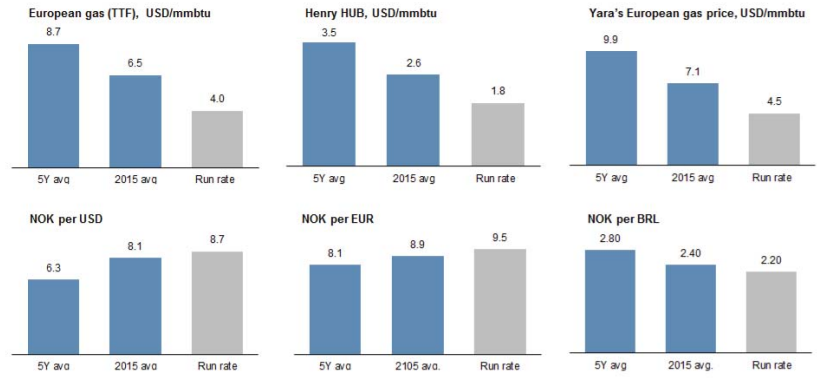


1) Based on weighted realized NPK price brought back to CIF Germany and compared with a nitrate based blend

The “5-year average” assumes fertilizer prices, energy prices and currency rates equal to the average over the last five years. The run rate scenario assumptions reflect current market prices.

The cash flow and earnings in the various scenarios exclude special items and foreign exchange effects.

Price and currency scenario assumptions



The “5-year average” assumes fertilizer prices, energy prices and currency rates equal to the average over the last five years. The run rate scenario assumptions reflect current market prices.

The cash flow and earnings in the various scenarios exclude special items and foreign exchange effects.

Price sensitivities linked to capacities

	Parameter	Operating income (MUSD)	EBITDA (MUSD)	EPS (USD)
1	Urea + USD 10/t	43	53	0.15
	… of which pure urea	35	45	0.13
	… of which UAN	8	8	0.02
2	CAN price + USD 10/t	96	96	0.26
	… of which pure nitrates	59	59	0.16
	… of which NPK	37	37	0.10
3	Compound NPK premium + USD 10/t	50	50	0.14
4	Hub gas Europe + USD 0.1/MMbtu	-16	-16	-0.04
5	Ammonia + USD 10/t	6	8	0.02
6	Phosphate rock + USD 10/t	15	15	0.03

The basis for the sensitivities is Yara's capacity for the different product groups. The nitrogen component in NPKs are included in the CAN price sensitivity.

The sensitivities are long-term (>1 year) and ignore any correlation between the different parameters. For example, even though commodity prices in the past have often increased when the US dollar has weakened, this is not taken into account in the USD sensitivity.

Further explanation on how to use the sensitivities can be found at www.yara.com

Yara benefits from a stronger USD

- Revenues and raw material costs are both ~ 85% USD-driven
- Fixed cost base in EUR (~40%), NOK (~20%), BRL (~15%) and USD/other (~25%)

Impact of 10% appreciation vs. NOK[1]

"Run-rate" vs. 2015-average[2]

	EBITDA (NOK bn)	EBIT (NOK bn)	EPS (NOK)[3]	NOK vs. FX 2015 avg.	NOK vs. FX 25 Feb 2016	% appreciation in FX vs NOK	Impact on EPS (NOK)
USD	0.5 / 3.2 / 2.7	2.6	7.1	8.07	8.65	7%	5.1
EUR	0.6	-0.8	-2.3	8.95	9.50	6%	-1.4
BRL	0.3	-0.3	0.9	2.45	2.20	-10%	0.9
Combined	1.3 / 3.2 / 1.9	1.5	3.9				4.6

Fixed costs / Translation impact

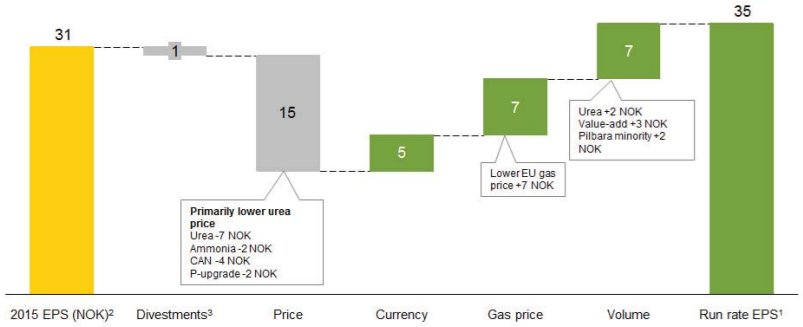
Note: Currency gain/loss on USD debt reported in P&L statement will vary

1) Compared with 2015 average FX-rates. Assumed long-term effects (approx. one year +)
2) Run-rate=market as of 25 Feb 2016.
3) 25% tax rate

Yara revenues are estimated to be 85% USD exposed. The NOK based fixed cost sensitivity measured in NOK has increased, but the underlying fixed cost base in USD remain stable.

Local prices are generally affected by changes in the USD rate, but with a time lag (prices usually adjust within 1-9 months)

Stronger USD and lower energy prices offset by lower commodity margins



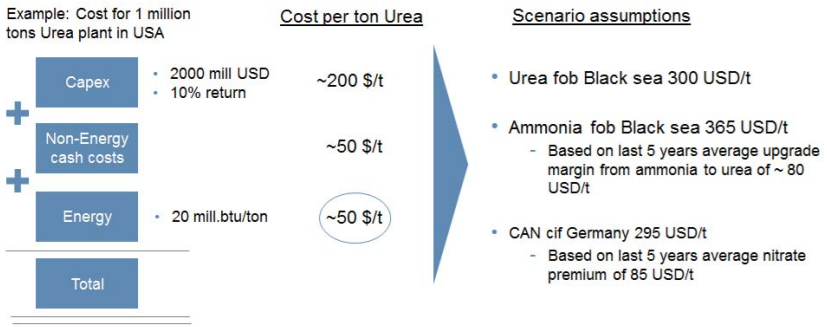
1) Based on market prices as of 25 Feb 2016, 274.2 million shares outstanding, and 25% tax on underlying business.
2) Excl. special items and currency
3) Growhow UK, Yara European CO_2 business and Yara Praxair JV

Yara's 2015 EPS excluding special items and currency ended at NOK 31.5 in 2015. The updated run rate scenario gives an EPS of NOK 35.

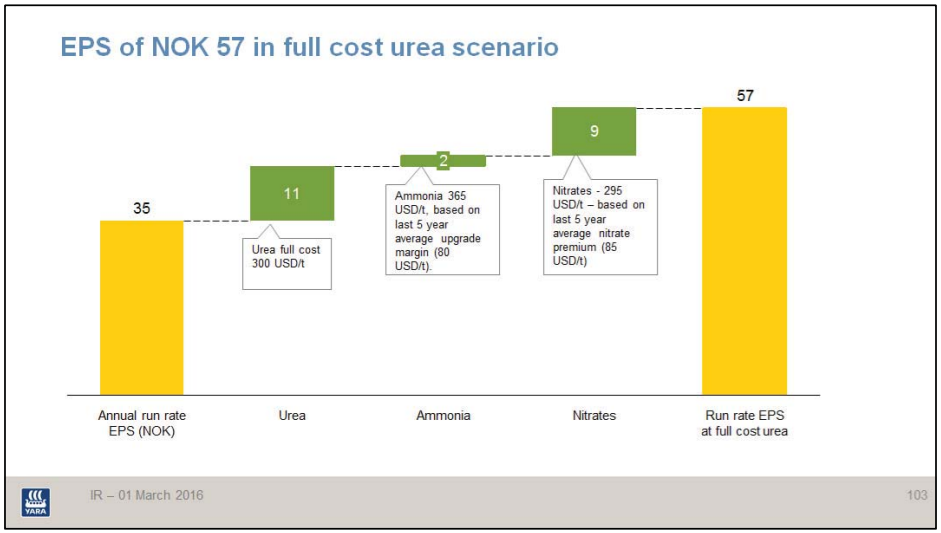
The main difference from 2015 is lower nitrogen prices, offset by a stronger USD, lower gas price in Europe and lower deliveries compared to capacity.

In 2015 we sold less compound NPKs compared to capacity mainly driven by weaker European demand, in addition to additional 250 kt compound NPK in Uusikaupunki (Finland) coming in production ~mid 2016.

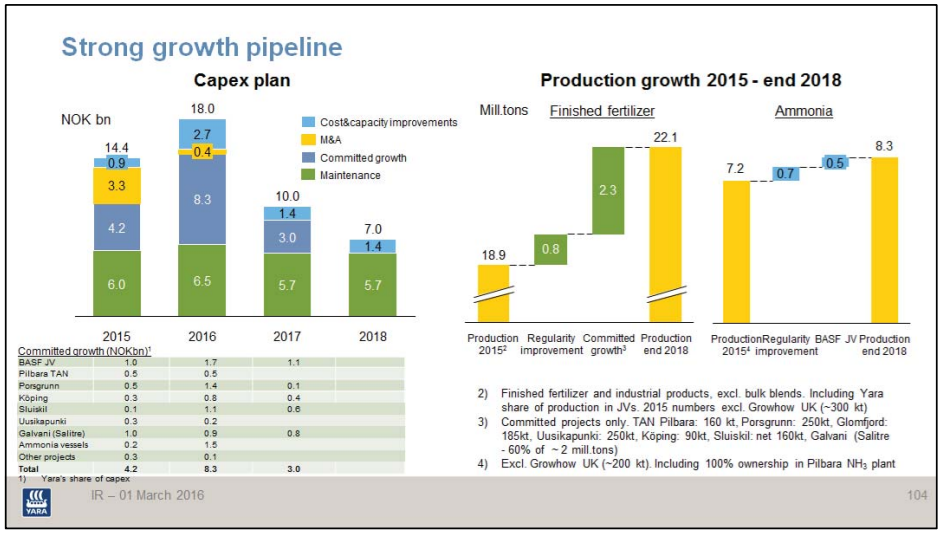
Full cost scenario



The full cost scenario follows the logic that at todays urea prices newbuilds are not giving the required return to stakeholders to defend the construction and operating cash costs.



The full cost scenario illustrates the effect of a urea price at 300 USD/t fob Black sea, assuming 5 year average upgrade margins for ammonia and 5 year average nitrate premium.

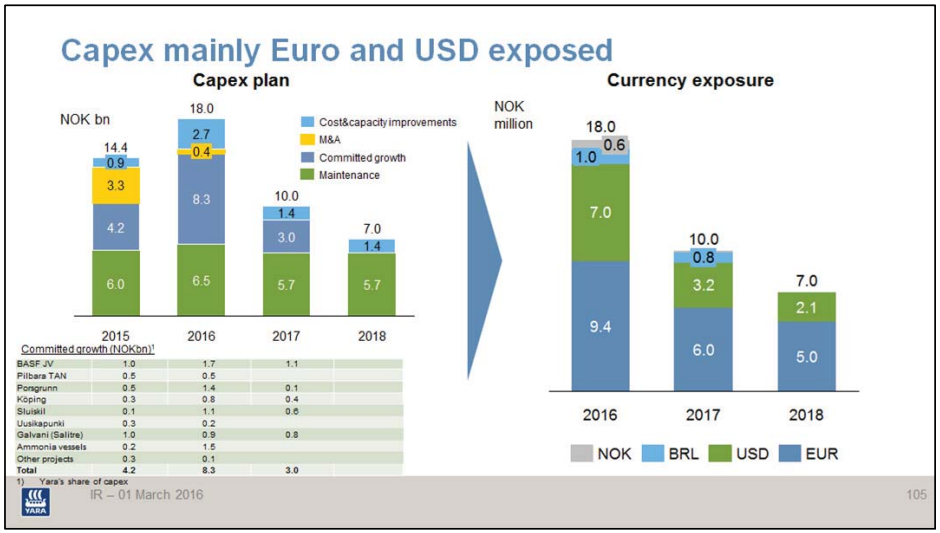


Yara's 2015 capex ended at 14.4 BNOK, in line with guidance. Maintenance ended at 6 BNOK mainly due to higher activity in 4Q. Growth and M&A ended 800 MNOK lower mainly due to reclassification of Salitre cost.

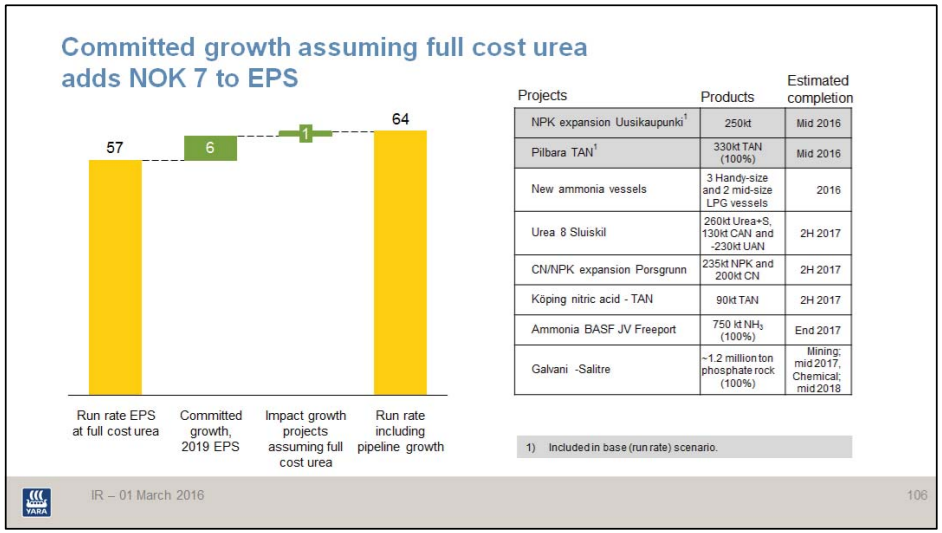
2016 guidance is 17.9 BNOK, up from previously guided 14.5 BNOK. Growth is up due to currency effects (~500 MNOK) and phasing of projects.

Higher CCI (Cost and Capacity Improvements) as new profitable projects have been identified. CCIs are highly attractive investments.

In addition Yara has other communicated, but not committed projects:
Dallol – Potash (SOP) project - capital expenditure of the project estimated to USD 740 million



Yara's capex is mainly Euro exposed as a large part of our asset base is in Europe. Growth outside Europe has however resulted in more USD and BRL exposure.



Yara has several growth projects in the pipeline. Assuming todays prices, these would add NOK 6 per share.

Assuming full cost price scenario, another 1 NOK to the EPS will be added, mainly due to higher ammonia prices.

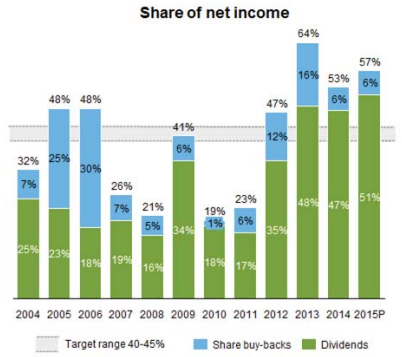
Status committed growth projects

	Projects	IRR
Value add	CN/NPK expansion Porsgrunn	
	NPK expansion Uusikapuunki	
	Urea 8 Sluiskil	
Commodity scale	Freeport ammonia BASF JV	
	New ammonia vessels	
Industrial	Pilbara – TAN	
	Köping – TAN	
Structurally secure phosphate and potash supply	Galvani Salitre	

Yara's committed growth projects varies between value-add debottlenecking, commodity scale, industrial and securing supply of phosphates and potash.

Proposed dividend NOK 15 per share

- Proposed dividend of NOK 15 per share for 2015, 51% of net income
- Long-term policy of distributing 40-45% of net income remains appropriate, given the market outlook and expected pipeline of future growth opportunities



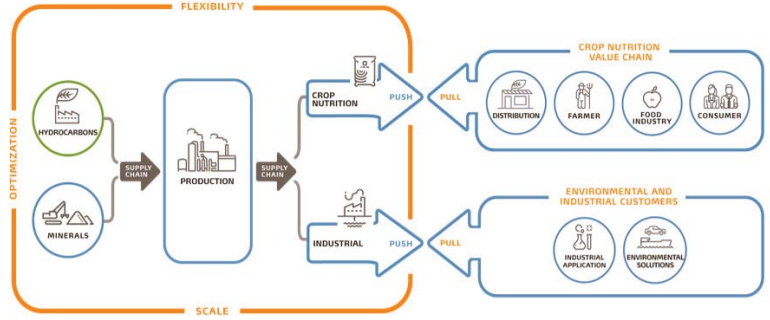
Yara's objective is to pay out an average 40-45% of net income in the form of dividends and share buy-backs.

However, Yara's Board will propose to the Annual General Meeting a dividend payment of NOK 15 per share for 2015, which represents 51% of net income after non-controlling interests, or 57% if you include the buybacks and share redemptions we have carried out in 2015.

An above-target dividend is proposed due to Yara's strong financial position, we also believe the long-term policy of distributing 40-45% of net income remains appropriate, given Yara's expected pipeline of future growth opportunities and the market outlook.

Going forward

Yara's corporate strategy is based on its integrated business model



The integrated business model is the foundation for Yara's strong value creation, and the basis for its strategy.

Sustaining profitable growth and competitive edge within three focus areas

Implications of market outlook

- Increased relative strength of integrated business model
- Reduced trade liquidity; market positions are key
- Timing of investments is critical
- Pressure on commodity crop margins
- Significant fertilizer market growth opportunities in emerging markets

Strategic response

1. **Organic growth and market development** — Shape the markets where we are present and grow our positions
2. **Cost optimization** — Improve productivity through central and local initiatives
3. **Profitable step growth** — Drive growth through M&A, as well as capacity expansions and new builds

In order to respond to changing market conditions and continuously strengthen its competitive edge, Yara continually adapts its strategic positioning. However, retaining the balance of the integrated Yara business model is critical.

While Yara's premium business enjoys higher relative premiums in a downturn, our commodity business delivers stronger returns during demand-driven market conditions. The flexibility of Yara's production system combined with its global downstream footprint and optimization capability enables it to swiftly adapt to changing market conditions.

Strategic adjustments to re-focus organic growth and market development efforts

Crop Nutrition

- Farmer centric strategy; evolution, not revolution
- Crop nutrition solutions
- Knowledge, quality and productivity

Industrial

- Strengthen position as second leg of Yara
- Sustain growth; double revenues and profits
- Six growth pillars

Phosphate & Potash

- Secure long-term P & K supply
- Premium opportunities (e.g. SOP)
- In-market synergies (e.g. Salitre)

Organic growth and market development is mainly driven through the Crop Nutrition and Industrial segments which are responsible for marketing and selling Yara's products and solutions. During the last two years we have reviewed and updated the strategies of these two segments, in addition to refining our P&K strategy, to focus our efforts and secure that we continue our profitable organic growth.

2 Cost optimization

Key processes selected for company-wide improvement

Supply Chain

- Optimal and standardized processes
- Harmonized IT systems
- New organizational structure

Production

- Increase plant reliability
- Improve energy efficiency
- Continuous improvement

Sales Excellence

- Optimized sales processes
- Improved support tools
- Training of sales personnel

These and other initiatives will be part of a Corporate Improvement Program

Improving our relative cost position and productivity is a continuous priority, which is vital to counter the high inflation in many of our core markets, and increase resilience to sudden shifts in demand.

During the next six months we will establish a Corporate Improvement Program, consisting of several initiatives aimed at reducing cost and increasing efficiency.

3 Profitable step growth

Strong rationale for creating value through further growth

We are positioned to grow

- *Strong balance sheet*
- Global *presence*

We can grow profitably

- Strong track record of profitable growth through *synergies, timing and capital discipline*

We should grow

- More *opportunities* available
- Sustain and grow *competitive edge*

Expand premium fertilizer sales and supply

Expand commodity scale based on attractive full-cost growth opportunities

Act on attractive opportunities to grow industrial sales and supply

Structurally secure P and K supply

Our strategic rationale for further step growth remains strong. Yara has a strong balance sheet that allows for continued investments, and furthermore it has demonstrated its ability to realize synergies and grow profitable. Finally, growth is important to sustain and grow competitive edge.

Our corporate strategy defines four main growth avenues, which guide our investments in expansions and new builds, as well as M&A.

3 Profitable step growth

…as demonstrated in recent corporate activity

Expand premium products sales and supply	• OFD • CN/NPK expansion Porsgrunn • NPK expansion Uusikapuunki	• Greenbelt Fertilizers • West Sacramento import terminal
Expand commodity scale based on attractive full-cost growth opportunities	• Bunge (Downstream) • Freeport ammonia JV (newbuild) • Pilbara (acquisition of remaining 49% stake) • New ammonia vessels	
Act on attractive opportunities to grow industrial sales and supply	• OFD • Pilbara – TAN (newbuild) • Köping – TAN	• Small-scale TAN • LeHavre • Environmental solution bolt-on
Structurally secure P and K supply	• Galvani • Dallol[1]	

1) Not yet committed

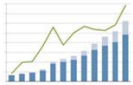
The above listing of recent corporate growth projects illustrate the step growth activity delivered in recent years, according to our defined growth avenues.

CEO priorities going forward

Operations

- Continue building culture where all accidents are preventable
- Establish corporate improvement program and targets
- Improve and standardize core processes

Profitable growth



- Sharpen focus on growth in core business areas and geographies
- Pursue transformational profitable growth opportunities
- Build organizational growth capability and capacity

Positioning

Knowledge grows

- Promote mineral fertilizer role in solving global food challenges
- Improve positioning towards key stakeholders
- Take leading roles in key global forums

Three areas will be the main CEO priorities going forward; operations, profitable growth and positioning. These will be closely followed up by Yara's corporate management.


YARA
Knowledge grows