



Knowledge grows

Yara International ASA

Anders Lerstad, Investor Relations

Paris, 24 May 2011

A business strategy geared for global optimization



Scale
advantages

+

Unique
flexibility

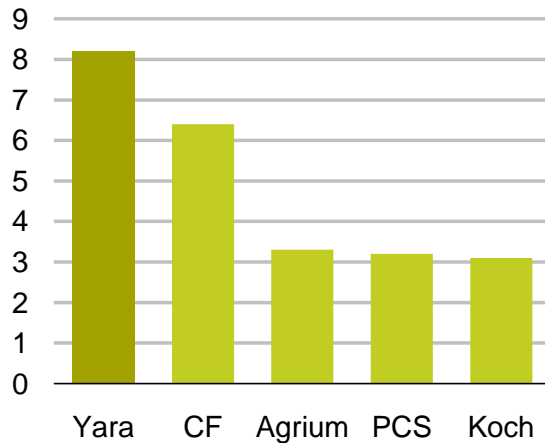
+

Unrivalled
presence

Yara – the leader in nitrogen fertilizers

Global no 1 in ammonia

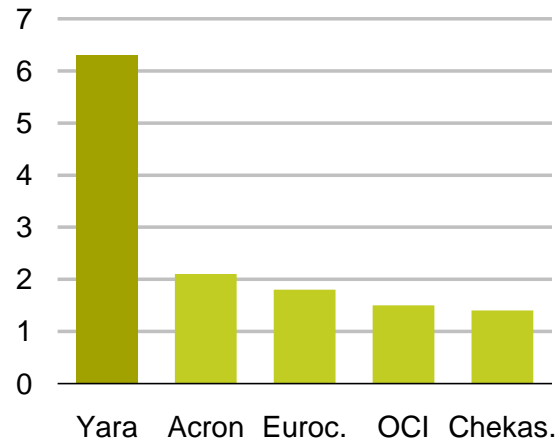
Production capacity* (mill t)



* Incl. companies' shares of JVs
Source: Yara & Fertecon

Global no 1 in nitrates

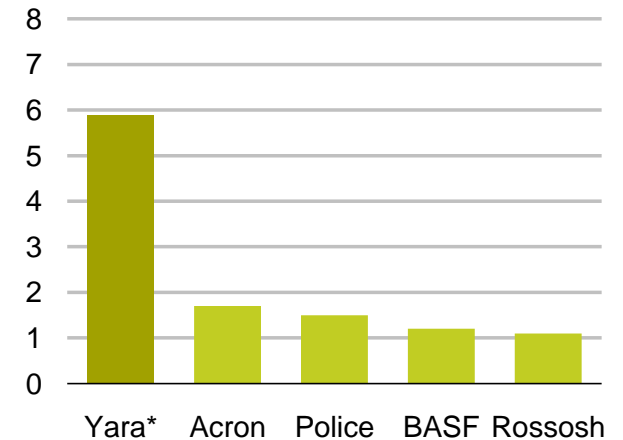
Production capacity* (mill t)



Source: British Sulphur, EFMA

Global no 1 in NPK complex fertilizer

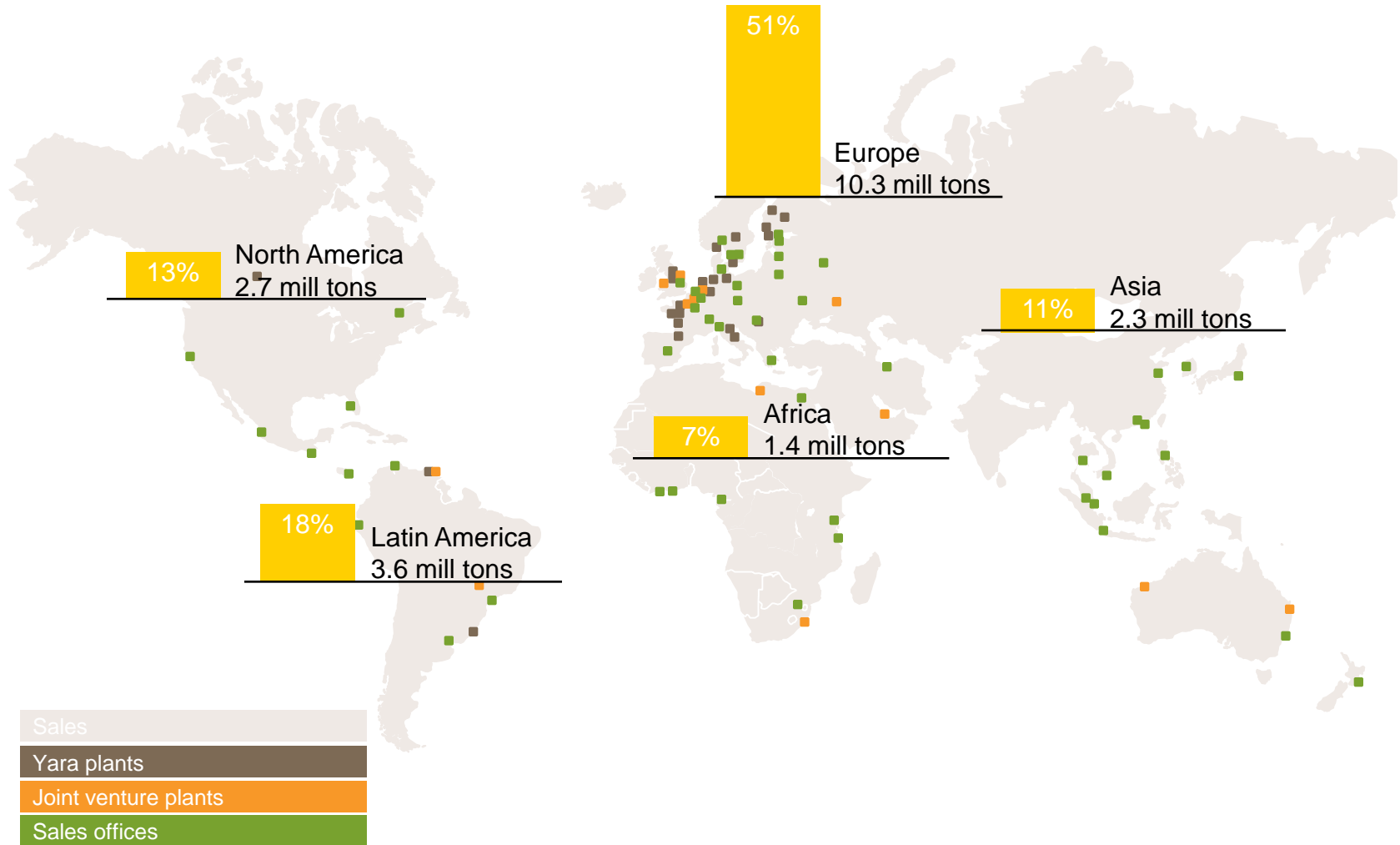
Production capacity* (mill t)



Source: Nitrex-Complex

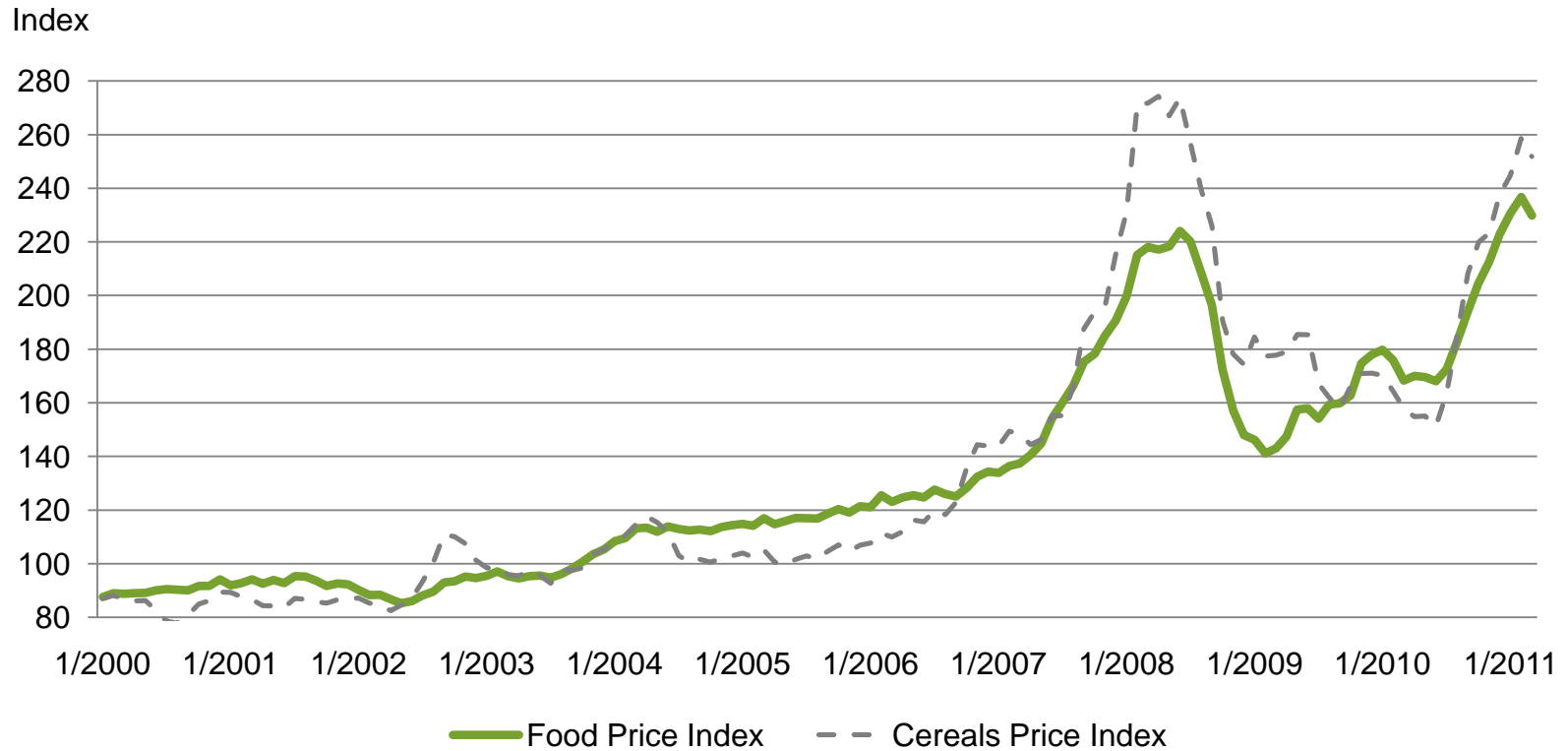


Global downstream presence with sales offices in more than 50 countries



Food prices continue to increase

FAO price index



Source: FAO

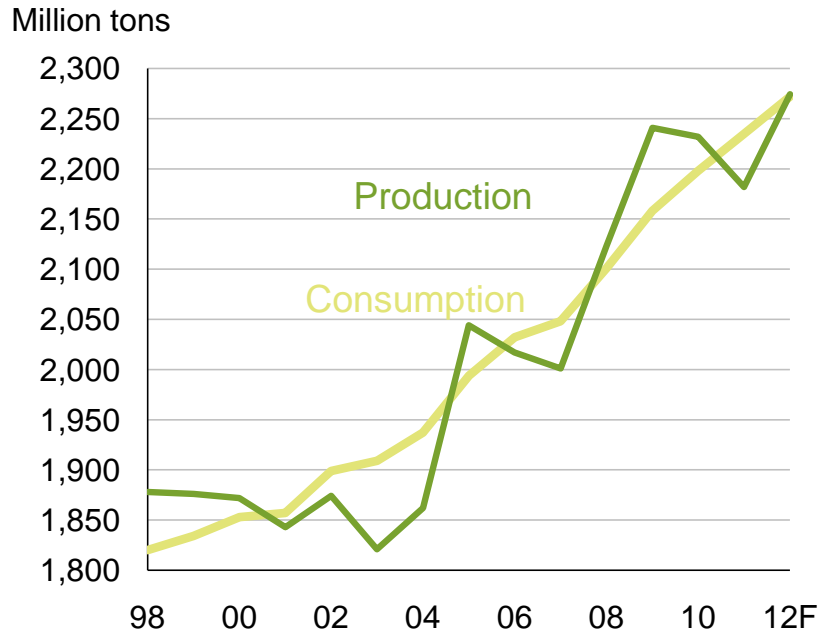


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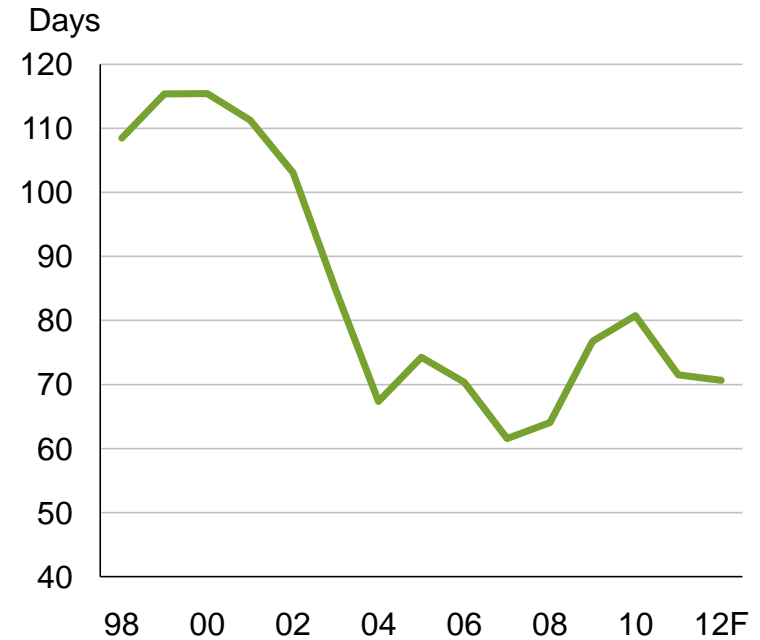


Strong harvest necessary to avoid further inventory decline

Grain production and consumption



Days of consumption in stocks



Source: USDA, May 2011

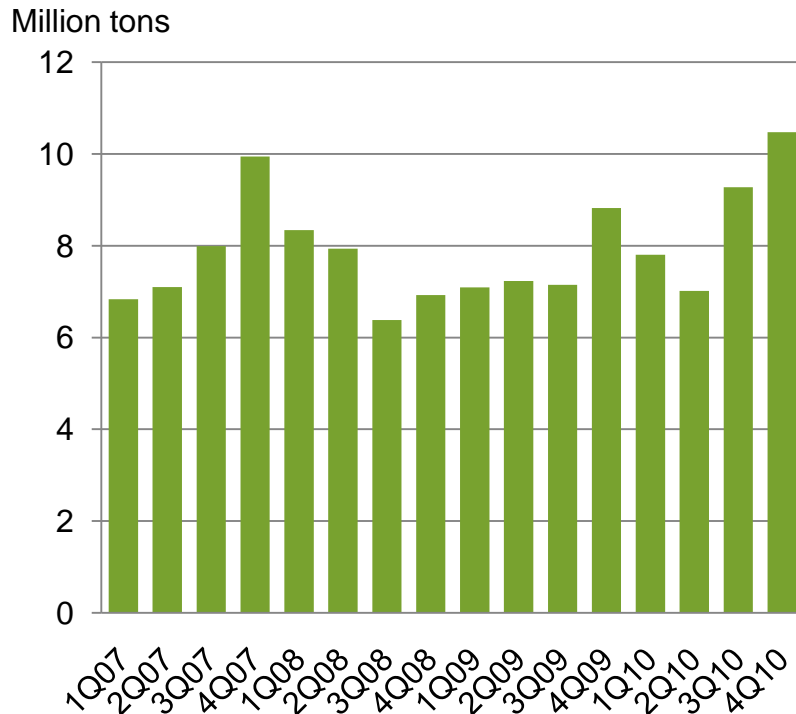


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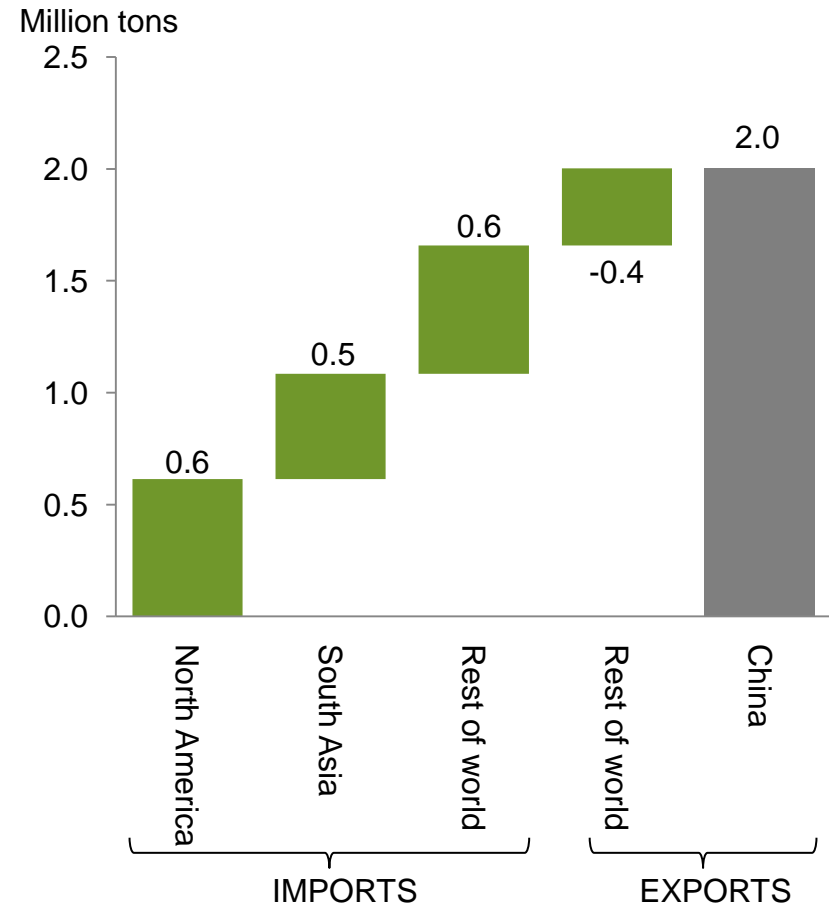


Strong demand in first part of season reduced imports in first quarter

Global urea trade



Urea trade up 19% in fourth quarter



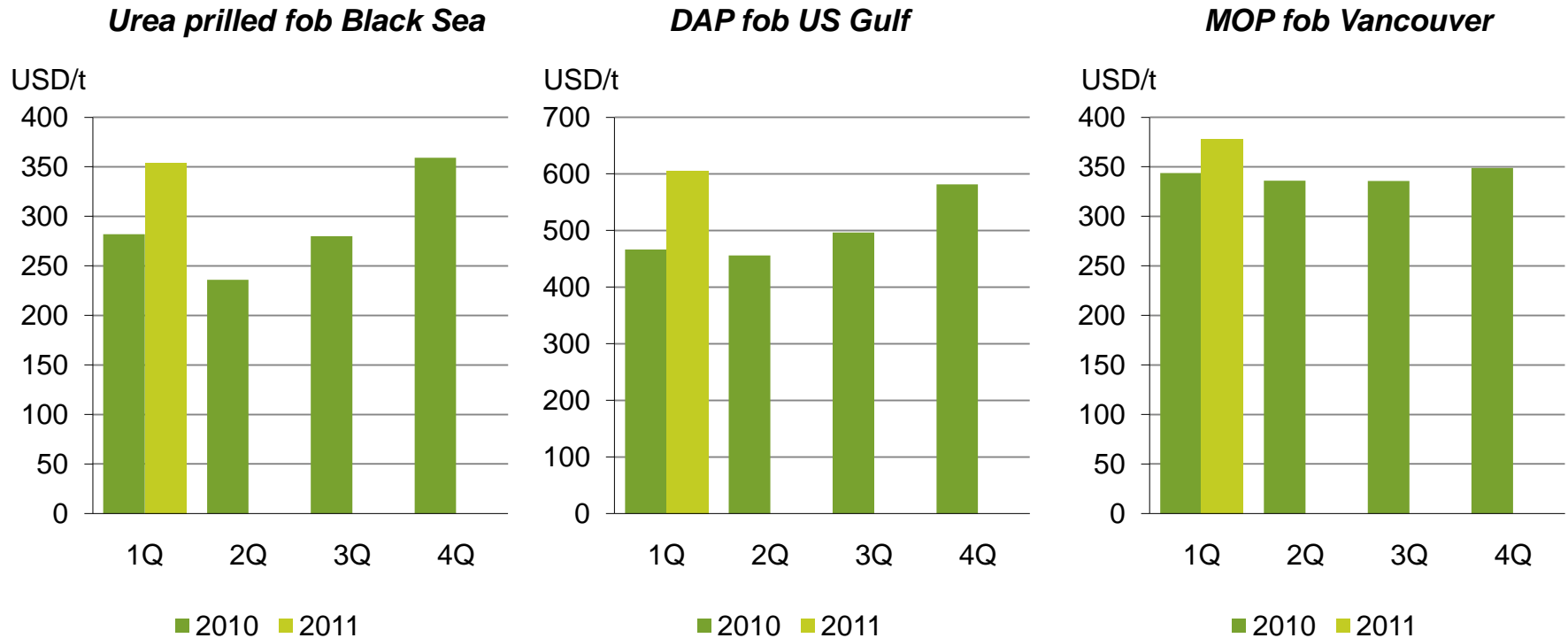
Source: IFA



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Strong market for all nutrients



Source: Fertilizer Market Publications

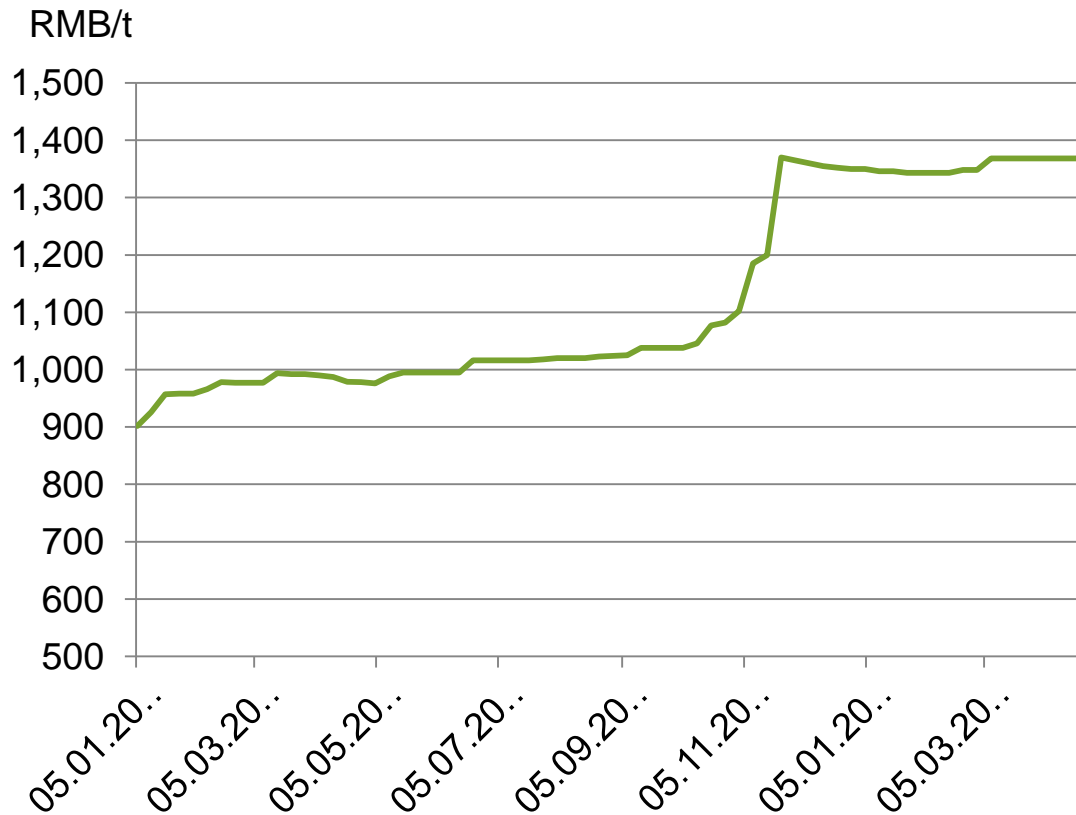


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Increase in Chinese coal price has lifted the urea floor price

Anthracite coal price



- Coal price up 40% from first quarter last year
- Swing price lifted by USD ~70/t

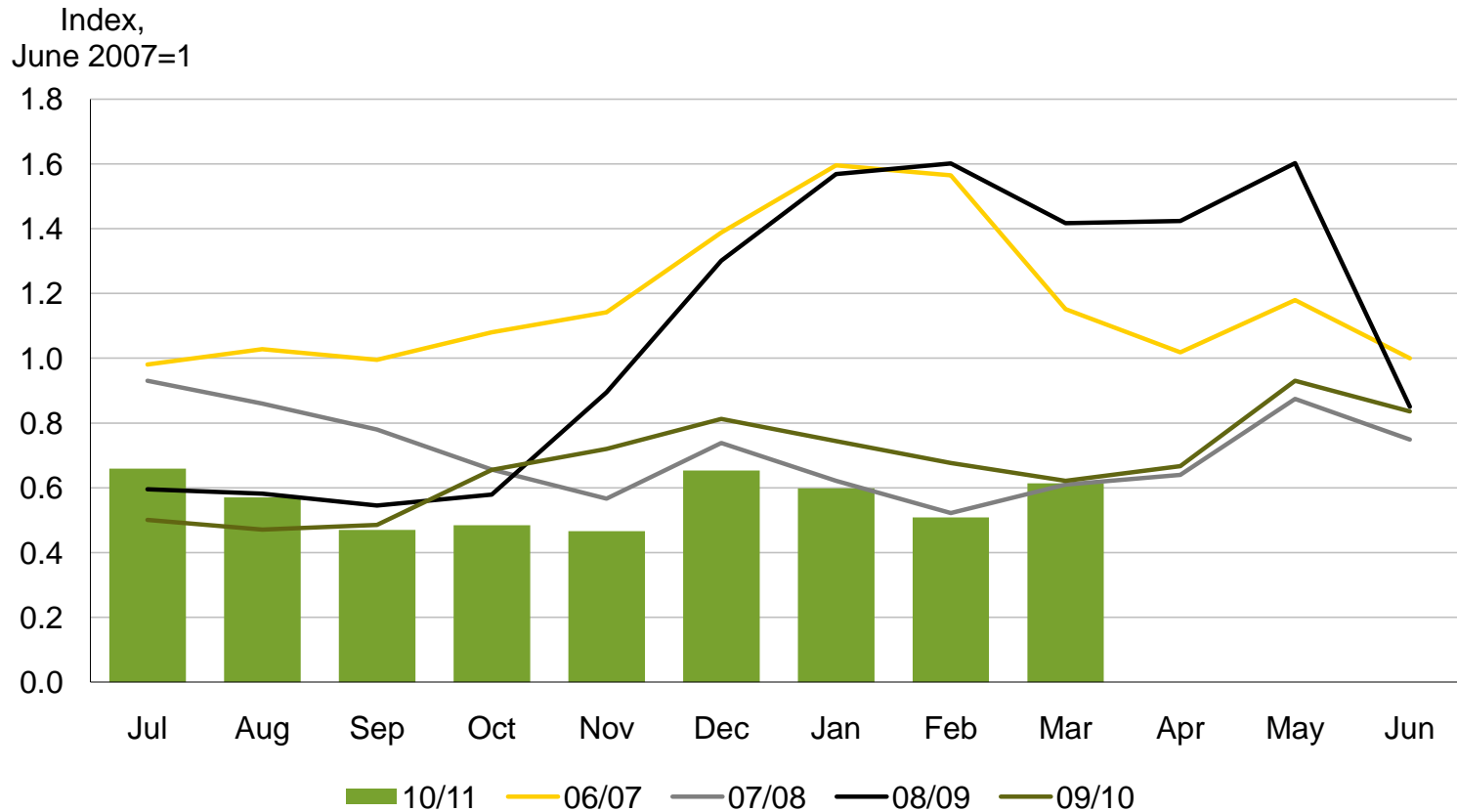
Source: China Fertilizer Market



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Low European producer nitrate stocks



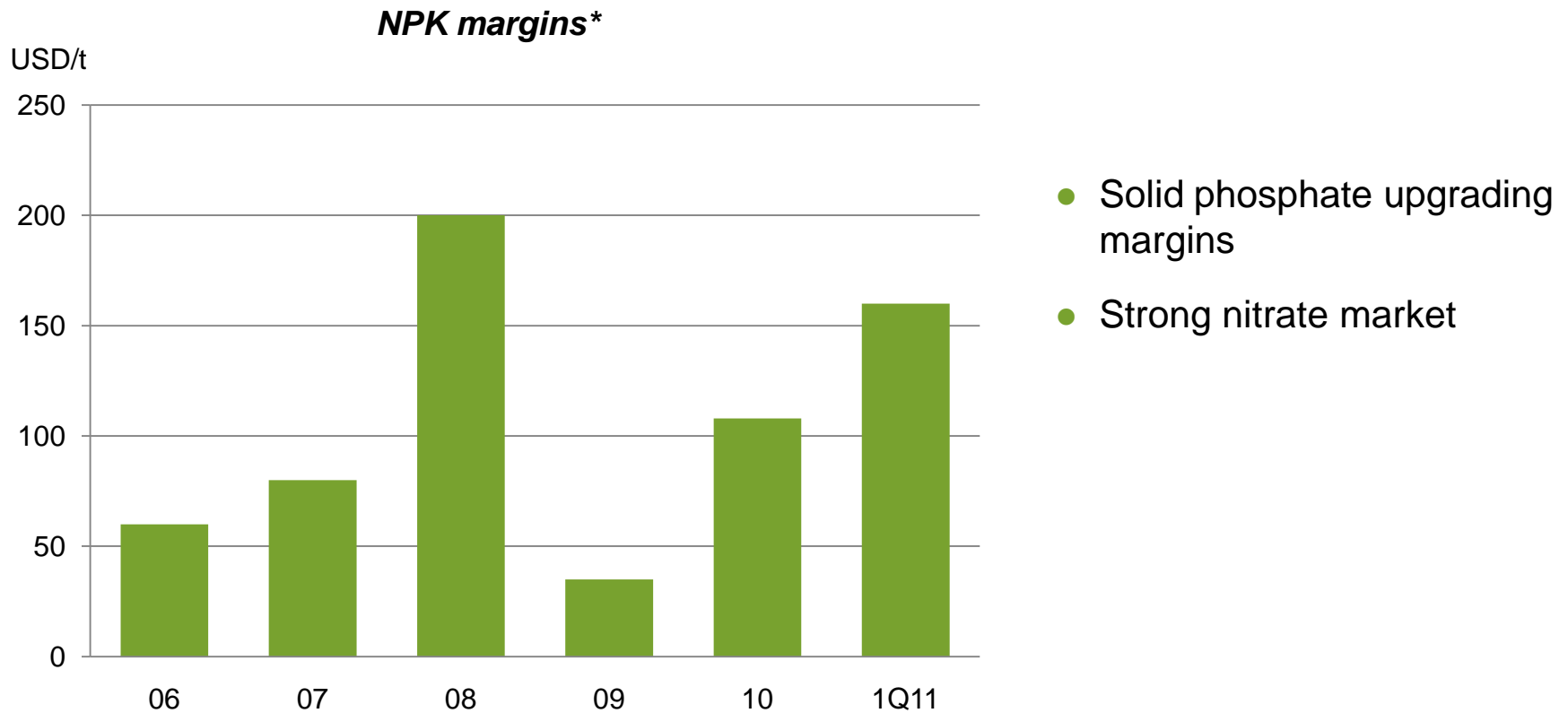
Source: Fertilizers Europe



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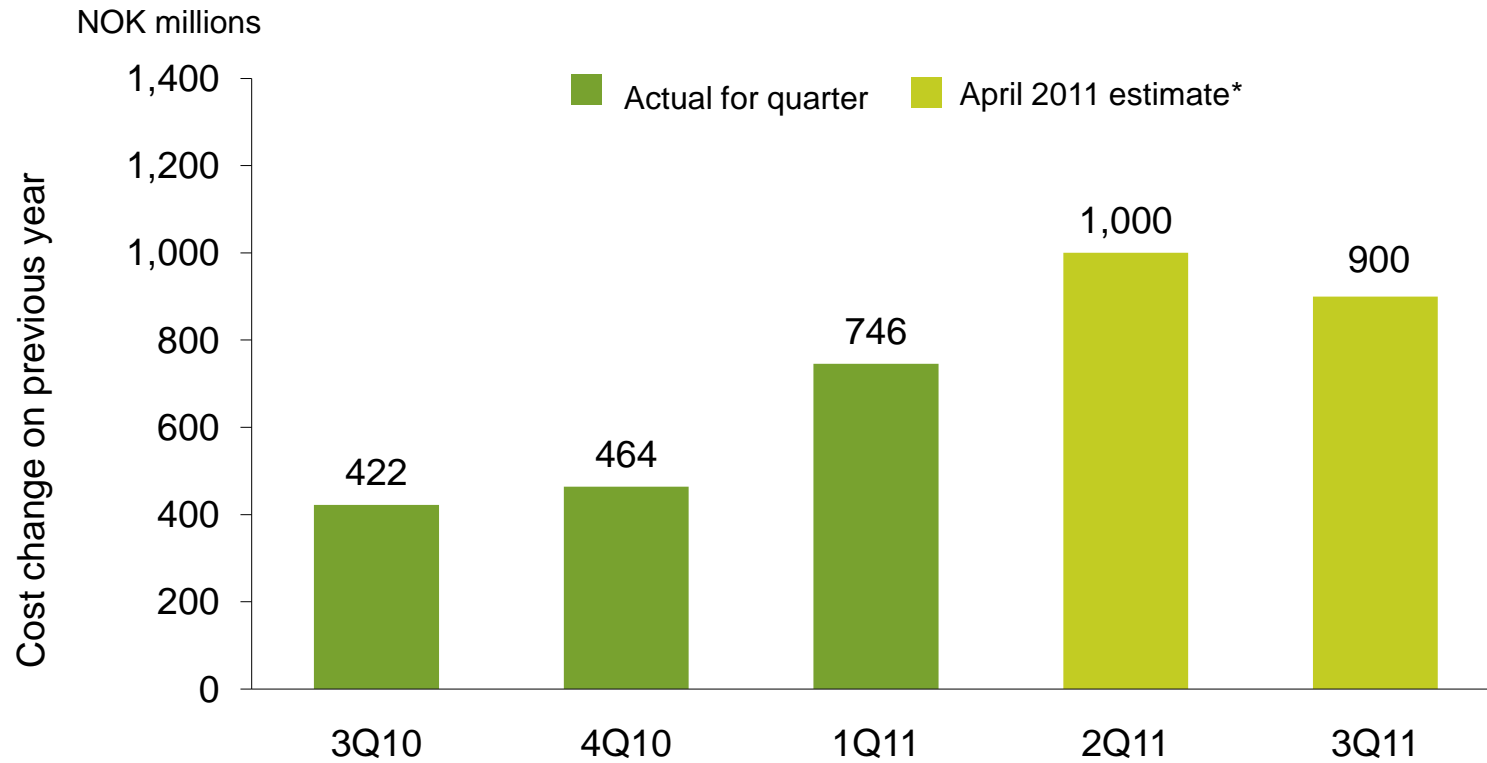


Strong NPK margin development



* Product from Porsgrunn, Glomfjord, Ravenna and Montoir sold in Europe

Estimated European energy cost

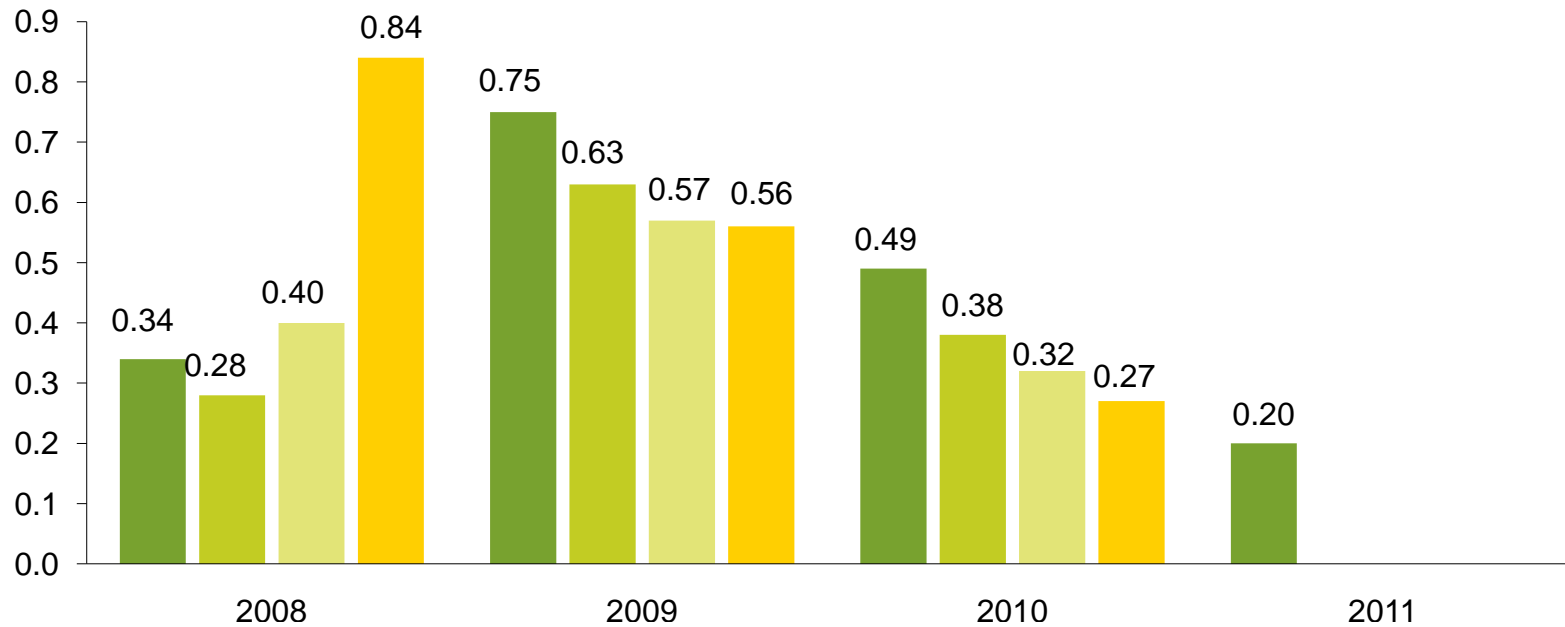


* Based on forward prices as of 12 April



Debt/equity ratio

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



Prospects second quarter 2011

- Global urea prices have rebounded in April
- Yara will ensure a competitive nitrate pricing reflecting nitrate yield and environmental advantages versus urea
- Low nitrate inventories in Europe
- Expect high capacity utilization



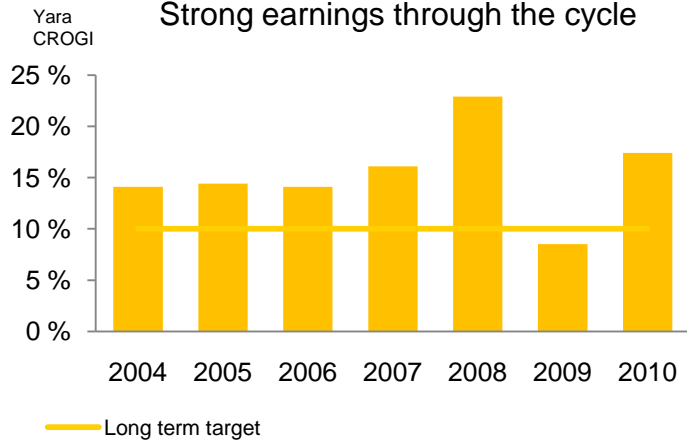
Prospects next twelve months

- Global agriculture markets are strong, FAO food price index is up 37% from last year, giving strong fertilizer demand incentives
- High planting expectations combined with increased agricultural prices indicate concern about sufficient agricultural supply
- Global nitrogen fertilizer industry outside China runs at close to full capacity
- Chinese 110% urea export tax planned for 8 months in 2011, uncertainty related to second half 2011 export level
- Yara's energy costs for next half year expected up NOK 1.9 billion compared with last year

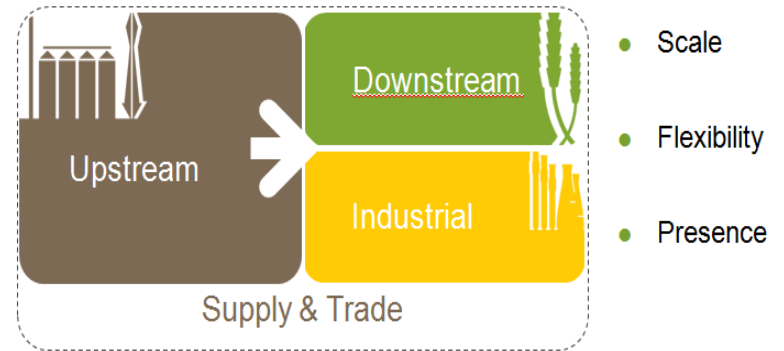


Basis for Yara's profitable growth ambitions

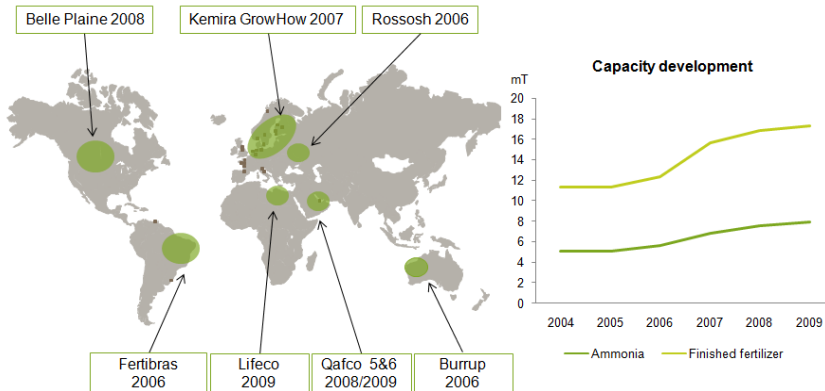
Strong earnings through the cycle



A scalable business model giving synergies



Industry-leading acquisition track-record



Valuation and capital discipline

- In acquisitions Yara looks for:
 - Relative synergies compared to alternative buyers
 - Distressed sellers
 - Our cycle view compared to seller & alternative buyers
- Capital and valuation discipline demonstrated with Terra withdrawal which we believe was right
- Grain, fertilizer and gas outlook has recently improved increasing nitrogen asset values



More information can be found at www.yara.com

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LATEST PRESS RELEASES

Yara International ASA - Commercial paper issue 01.12.2009

SHARE PRICE ▶ 251,50 -3.27 ▼

NEW! FERTILIZER INDUSTRY HANDBOOK 2009

Timing is essential
Promoting sustainability and profitability
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Yara sensitivities

	Operating Income USD million	EBITDA USD million	Operating Income NOK million	EBITDA NOK million	EPS** NOK
Urea sensitivity +100 USD/t	951	1,090	5,695	6,529	17.4
...of which pure Urea	300	389	1,797	2,330	6.3
...of which Nitrates	368	400	2,205	2,394	6.2
...of which NPK	230	249	1,380	1,493	3.8
Nitrate premium +50 USD/t	407	437	2,437	2,619	6.7
...of which pure Nitrates	292	314	1,750	1,883	4.8
Hub gas Europe + 1 USD/MMBtu	(90)	(110)	(530)	(620)	(1.7)
Currency + 1 NOK/USD	90	90	2,139	2,539	6.2
...of which translation effect	-	-	1,600	2,000	4.9
...and EUR & NOK net fixed cost	90	90	539	539	1.3
Ammonia + 100 USD/t	-	50	-	300	0.7
Phos rock + 50 USD/t	50	50	300	300	0.7
Hub gas North Am + 1 USD/MMBtu	(27)	(27)	(159)	(159)	(0.4)
Crude oil + 10 USD/brl	(80)	(80)	(479)	(479)	(1.3)

* Assuming NOK/USD = 6, USD/EUR = 1.36 and constant NOK/EUR

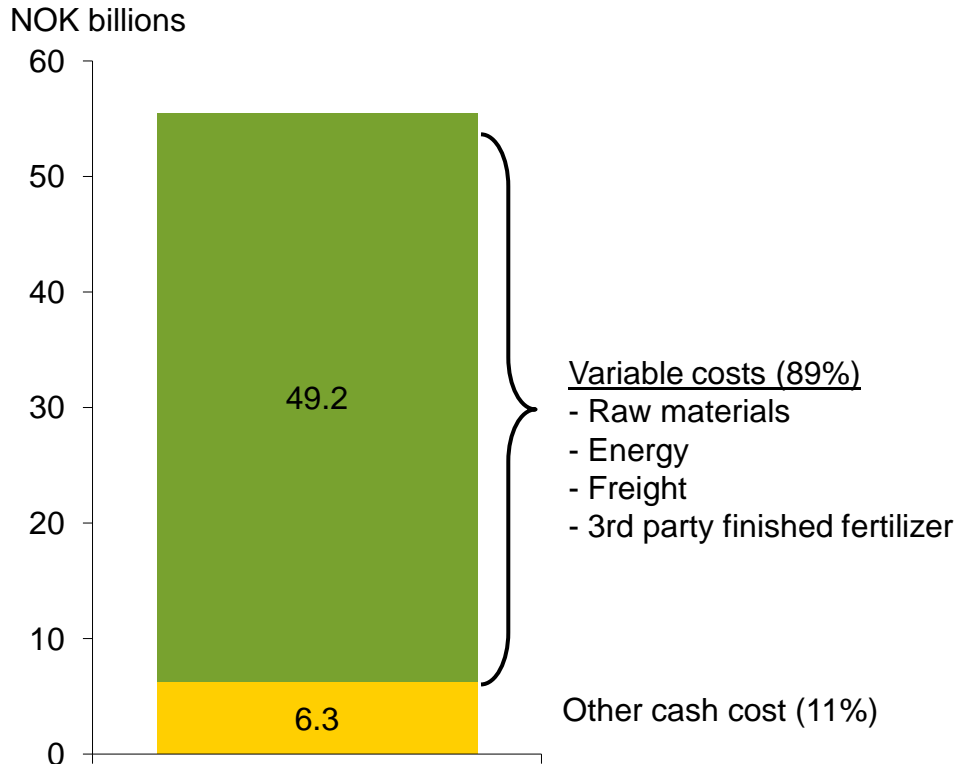
** Assuming 30% marginal tax rate on underlying business and 288.8 million shares

Sensitivities assume full production and no inter-correlation between factors



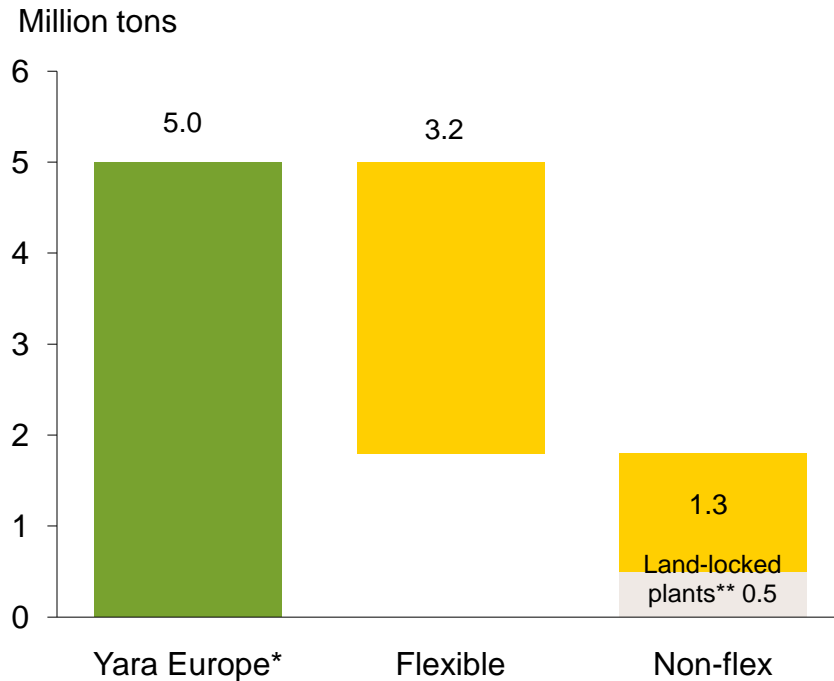
Yaras operating cash costs are mainly variable

Operating cash costs 2010



- Temporary plant closures can be made speedy and with limited stop/start costs
- Example for ammonia/urea plants:
 - Takes half a week to stop and a week to start
 - Cost of stopping is 2 days energy consumption
 - Cost of starting is 3 days energy consumption

Yara flexibility to produce or import ammonia in Europe



- Yara can swing 2/3 of European ammonia production without affecting fertilizer production
- Almost all Yara nitrate and NPK capacity has ammonia import flexibility

Yara can mitigate high European energy costs or take advantage of low ammonia prices by closing ammonia production and run most of nitrates and NPK based on imported ammonia.

* Including equity share of joint venture capacity

** Yara European site without deep sea ammonia import/export terminals: Terte

Structure for Growth

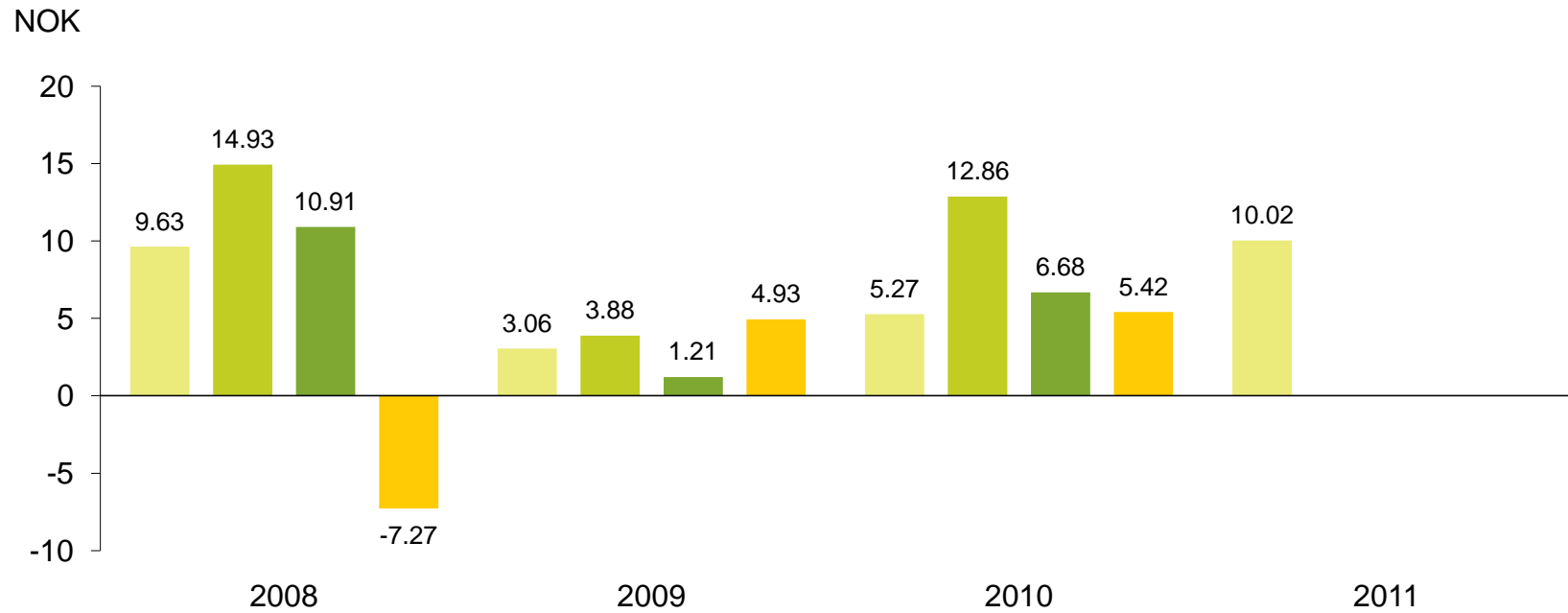
Geographical Focus – Regional updates

Market	Industry Characteristics	Yara focus and actions
North America	Consolidated	Market structure settled in short to medium term – map strategic intentions of key players in both market stress and boom scenarios and develop Yara response
West Europe	Mature, with some consolidation remaining; non-core assets available	One more major acquisition likely possible; look for assets made available by sellers dedicated to restructuring
Brazil	Capacity expanding, ownership shift, strong state interest/scrutiny	As the battle has been for phosphate dominance, a role as industry shaper in nitrogen could be attainable; map alternatives for achieving such a role
East Europe	Consolidation and rationalization yet to take place	Potentially attractive producers and market positions exist; map and rank these in light of energy situation and political risk
China	Over-supply, capacity expanding, limited consolidation, heavy state involvement	Given intense competition, high political risk, market barriers, unlikely to be investment destination for at least 3 – 5 years
India	Some consolidation, feed-stock poor, still subsidy driven	Unless major changes in subsidy policy, not likely to be focus area for fertilizer in the short to medium term. TAN is possible exception

In addition opportunities to build global plants for export are being pursued in areas like Africa and Middle East



Earnings per share*



Annual

NOK	28.27	13.08	30.24	10.02
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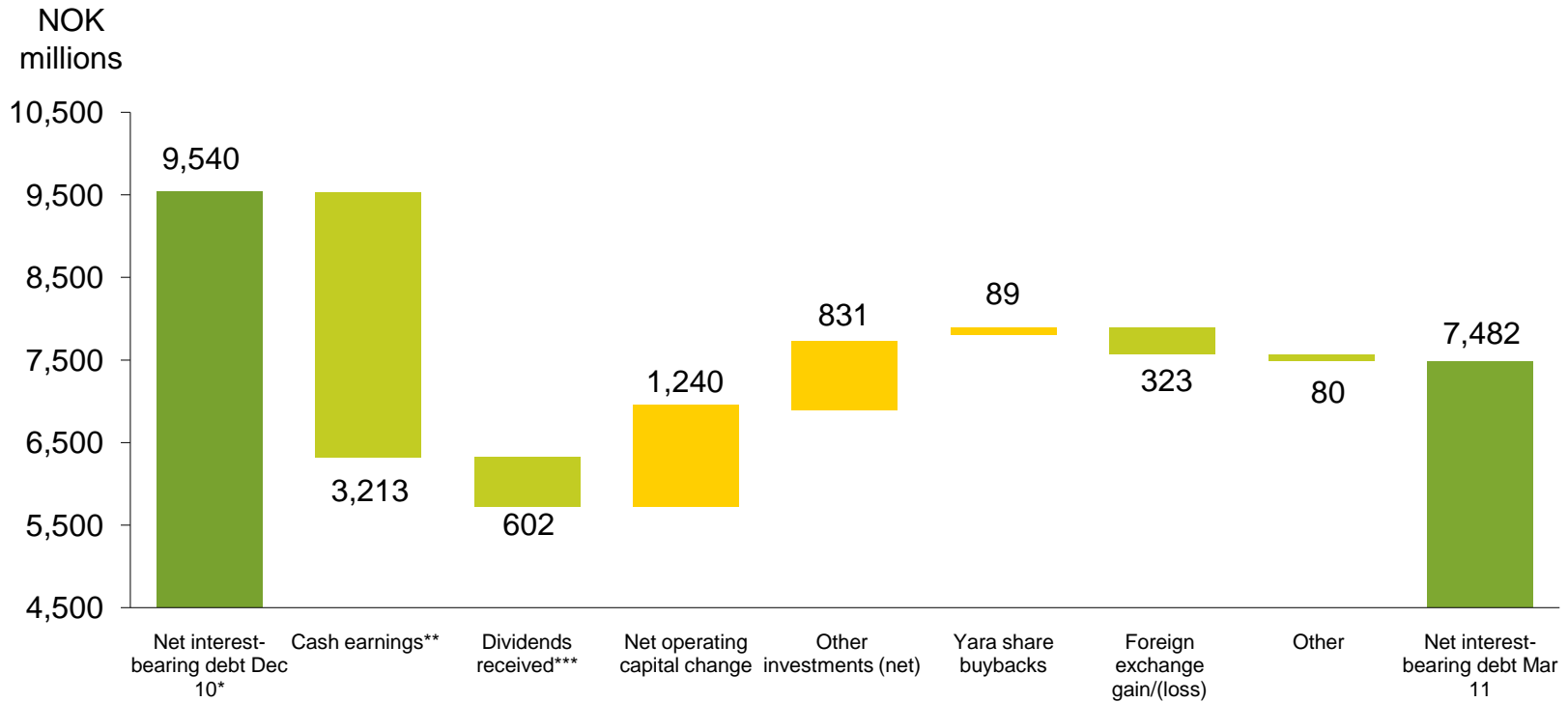
* Average number of shares for 1Q 2011: 288.3 million (1Q 2010: 288.8 million).



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Net debt development



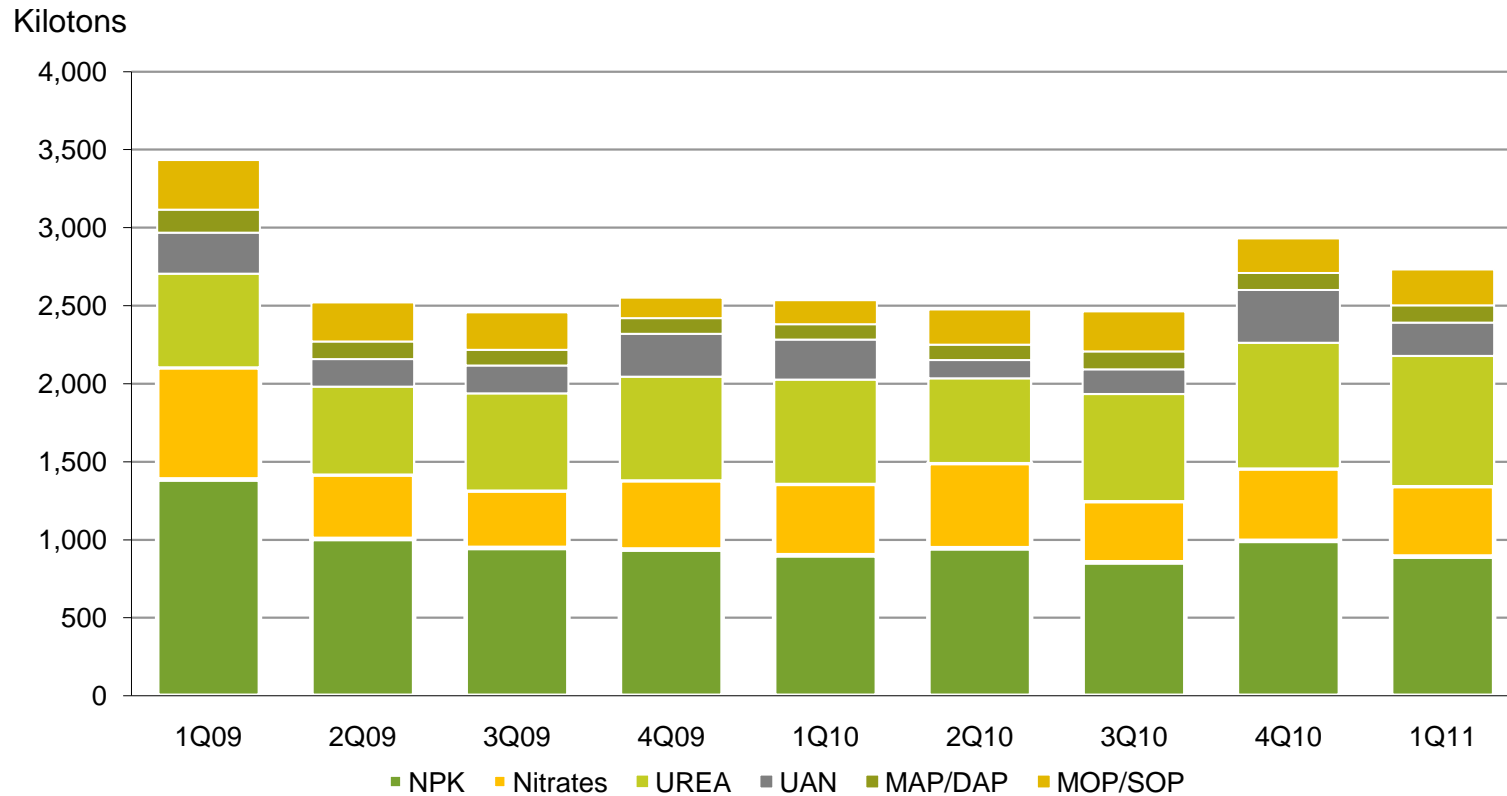
* Included in net interest-bearing debt are external bank time deposits (4-12 months), this is part of other current assets in balance sheet

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

*** Dividend received from equity-accounted investees

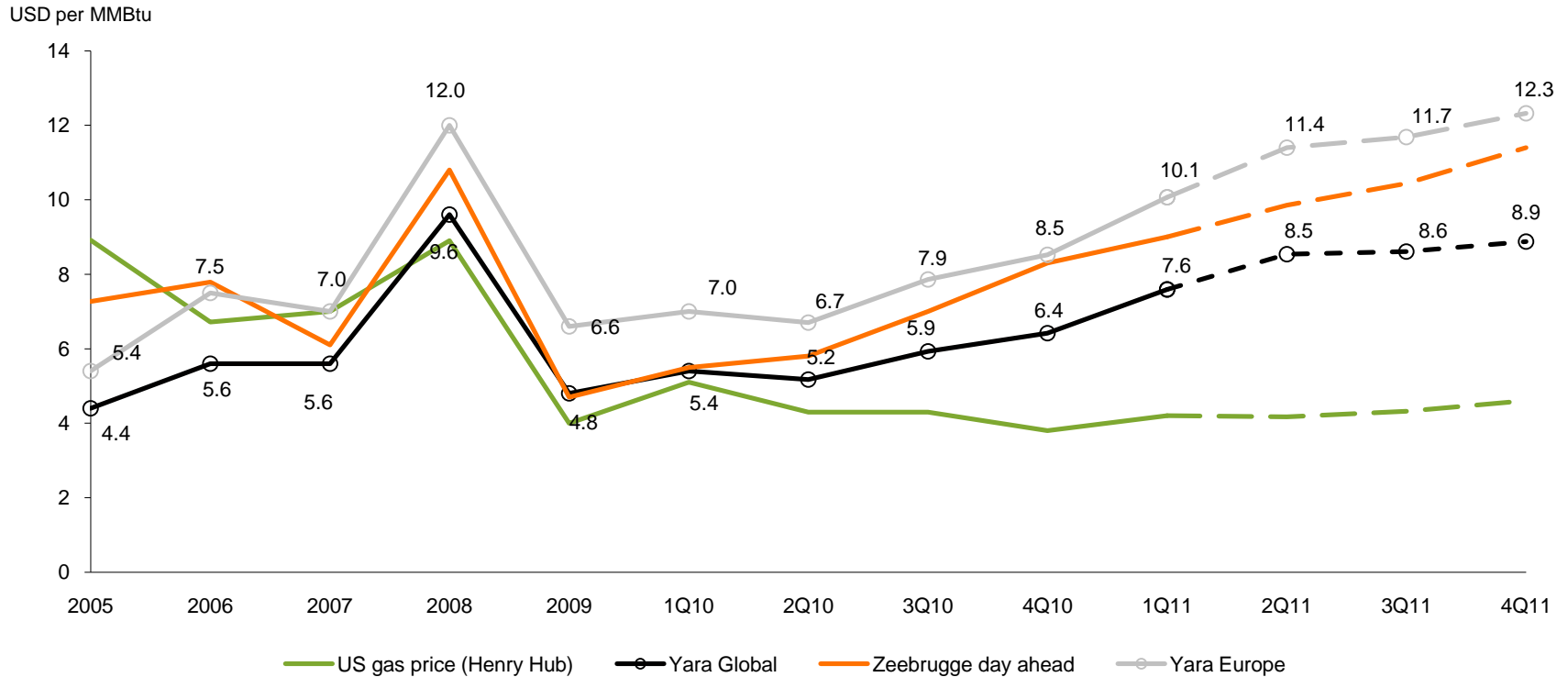


Stocks down from year-end



Spot natural gas versus Yara average

Yearly averages 2005 – 2009, quarterly averages for 2010 and 2011 with forward prices for 2011*



*Dotted lines denote forward prices as of 12 April

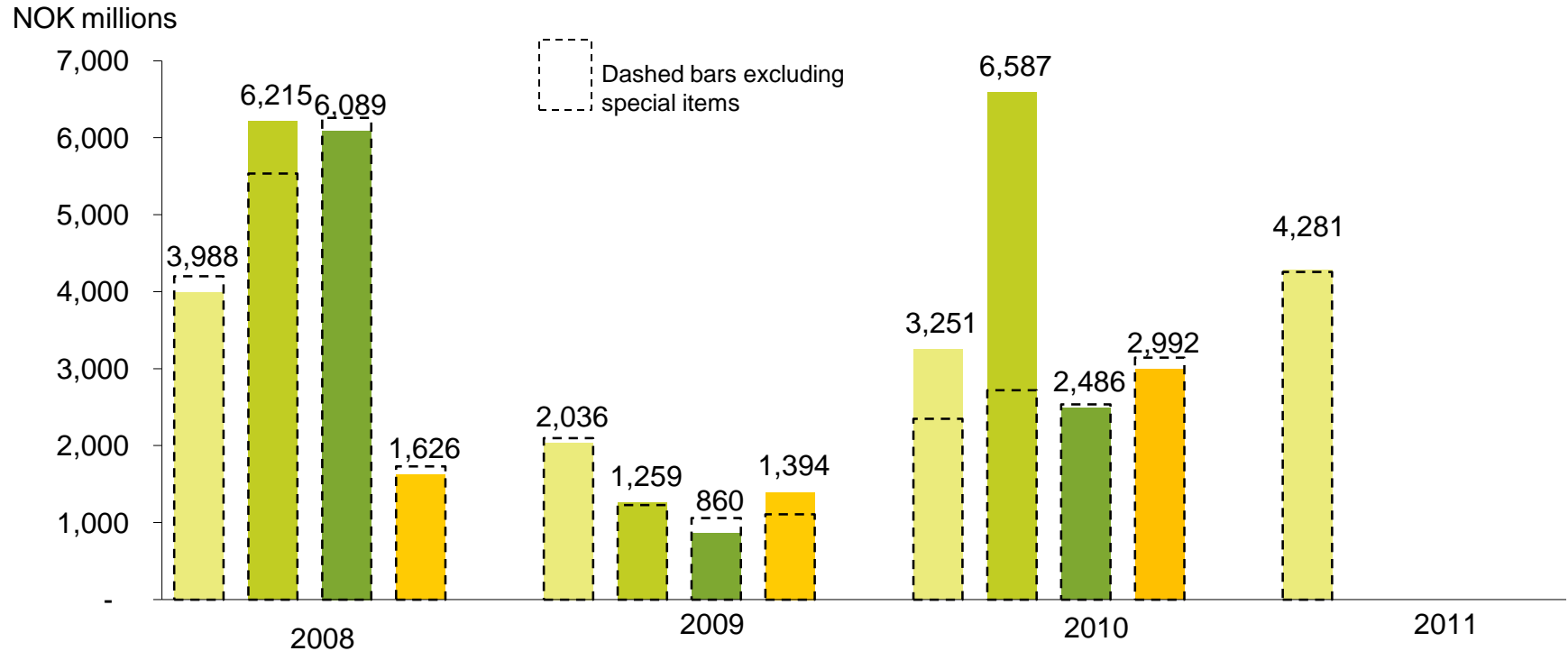
Source: Yara, World Bank, Platts



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



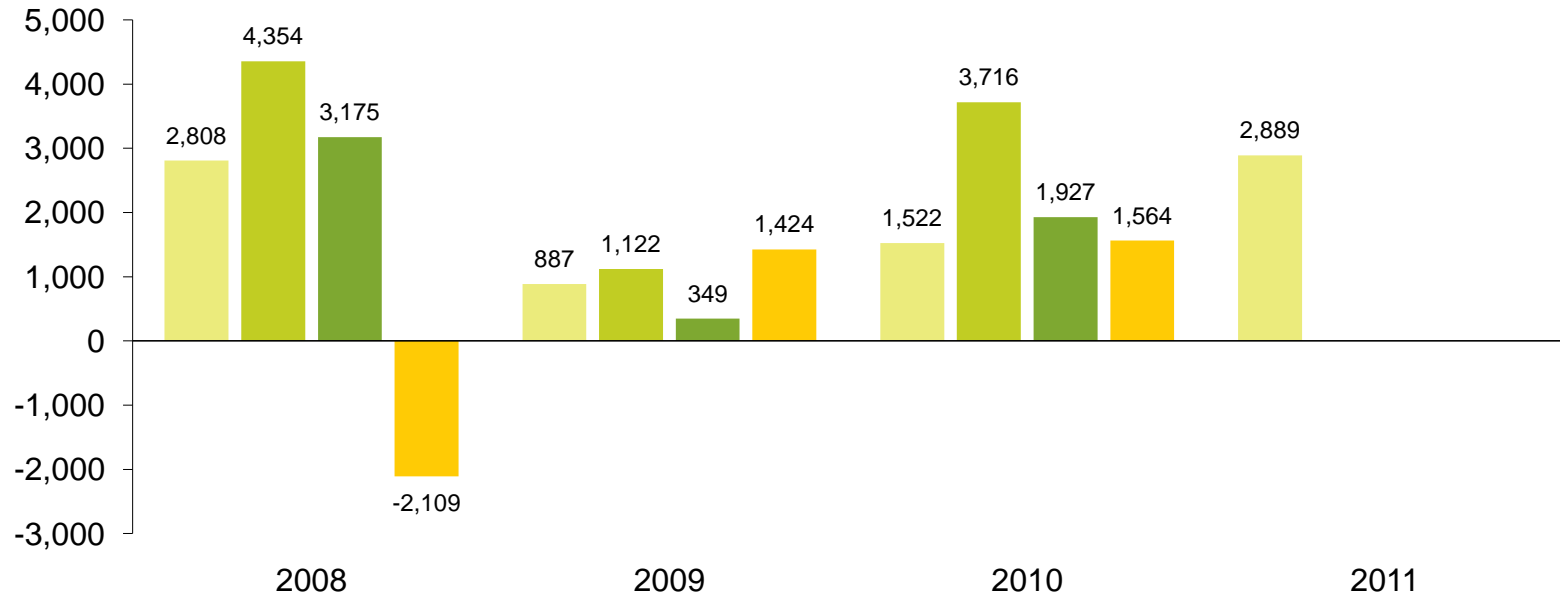
Annual

NOK millions	17,917	5,549	15,315	4,281
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Net income after non-controlling interests

NOK millions



Annual

NOK millions	8,228	3,782	8,729	2,889
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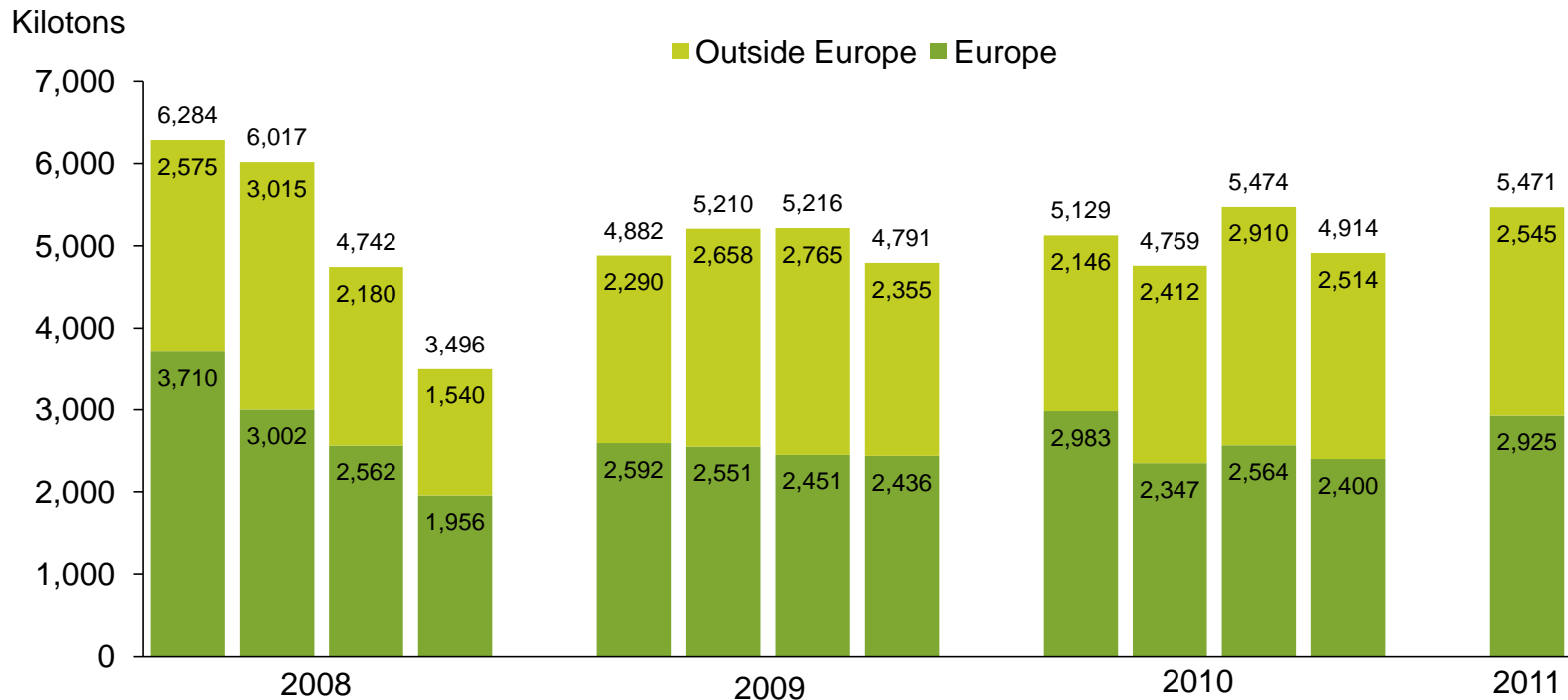


Share of net income in equity-accounted investees

NOK millions	1Q 2011	1Q 2010
Qafco	257	177
Tringen	29	44
Rossosh	83	25
Burrup	67	(36)
GrowHow UK Ltd.	76	25
Lifeco	33	65
Other	30	26
Total	575	326



Fertilizer volumes up 7% on last year



Accumulated, Kt

Fin. fertilizer	20,540	20,099	20,276	5,471
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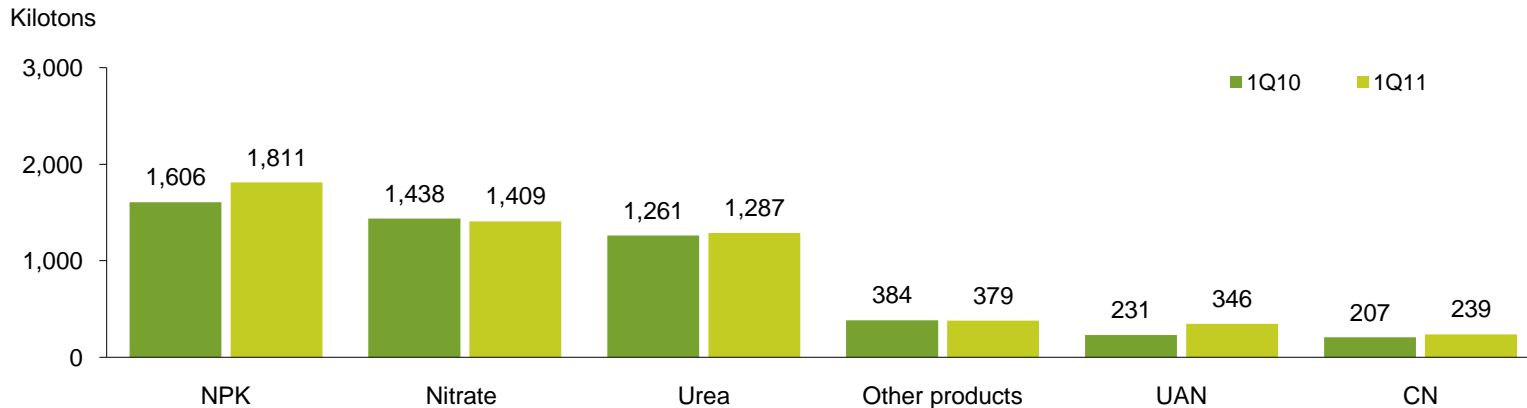
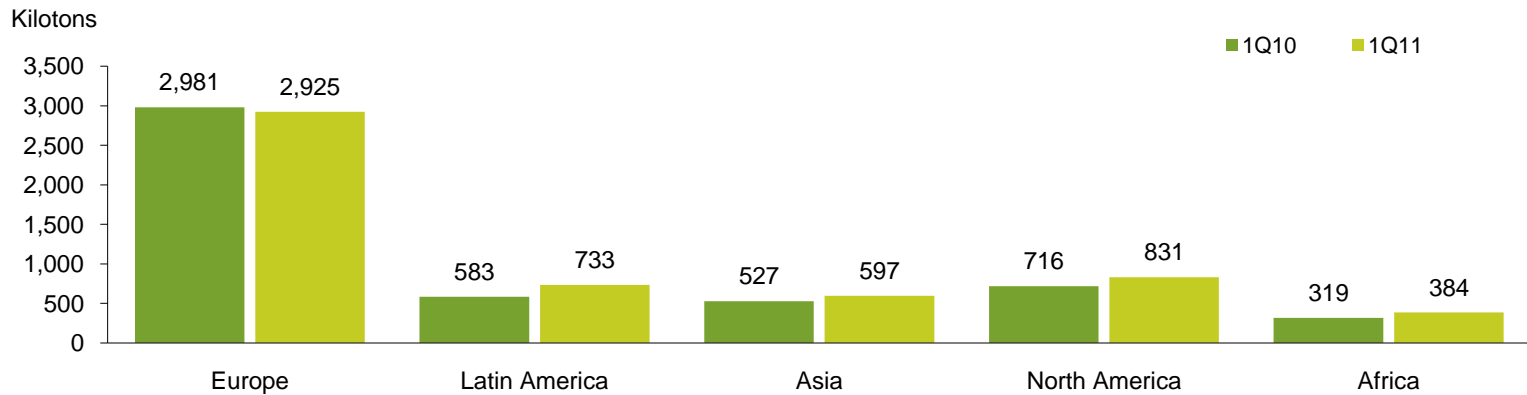


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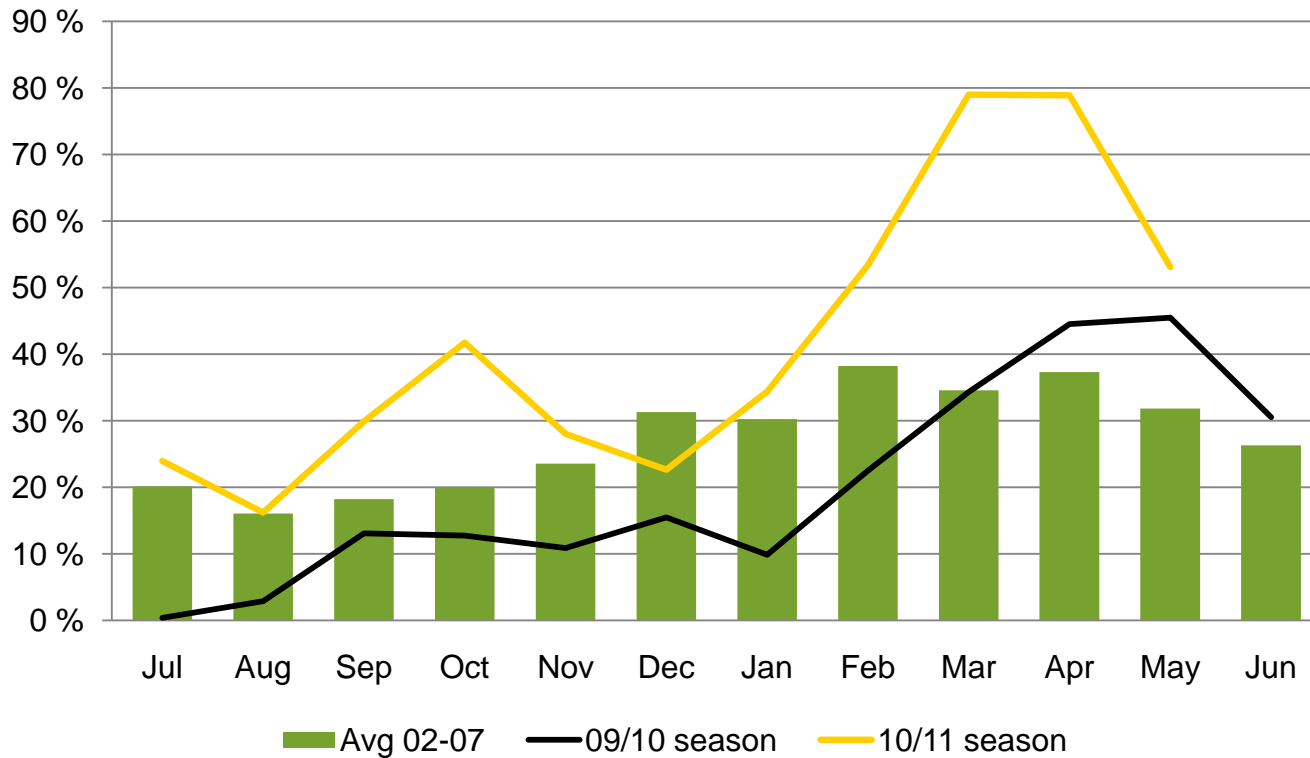
Yara 1Q fertilizer sales by market and product

2011: 5.5 million tons (2010: 5.1 million tons)



Nitrate premium

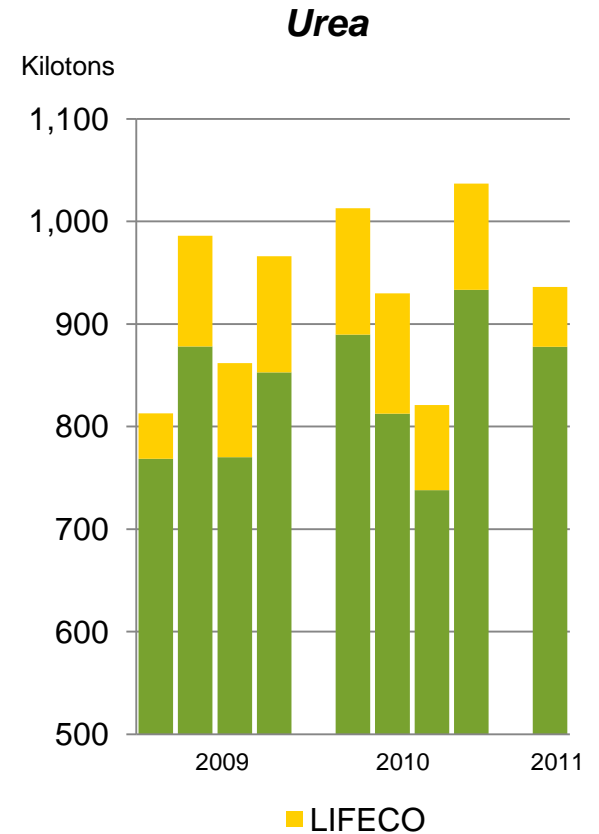
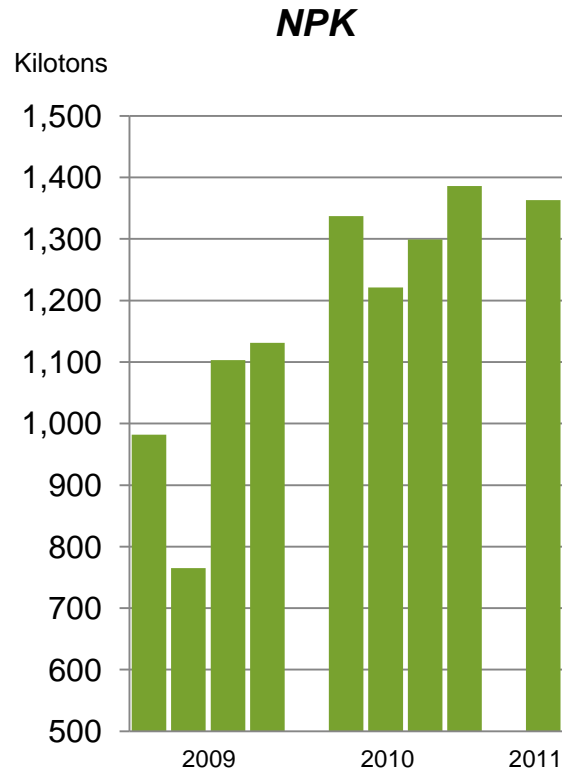
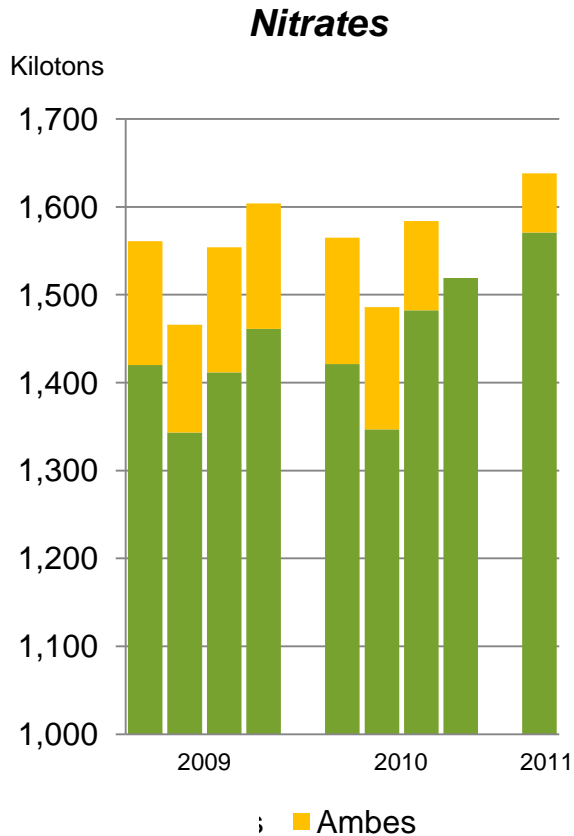
Nitrate premium proxy*



* Urea fob Black Sea adjusted for freight (USD 35) and duty (6.5%) to calculate a CFR NWE proxy



Continued strong production



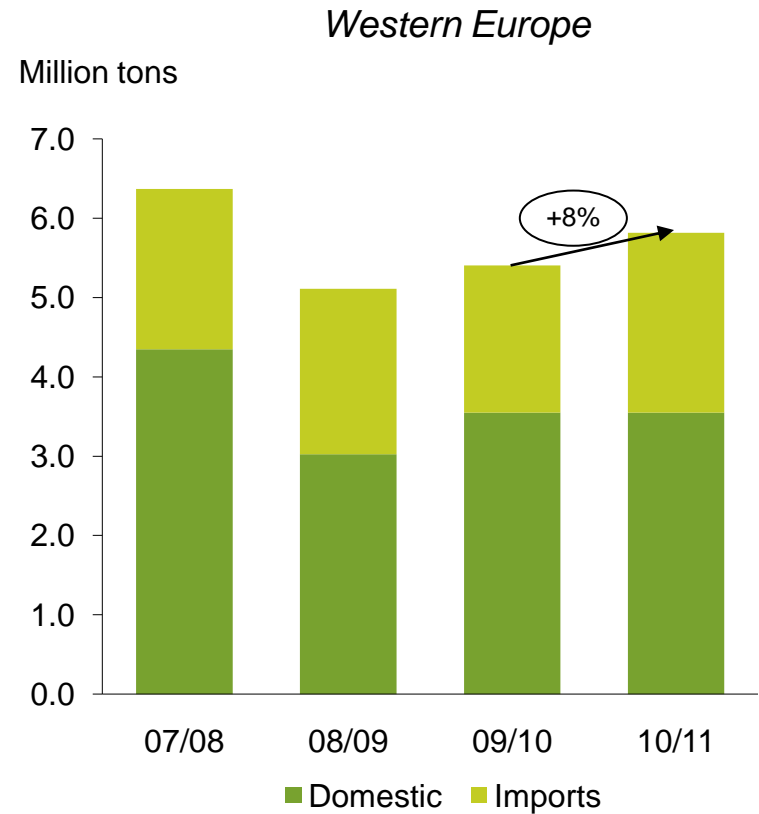
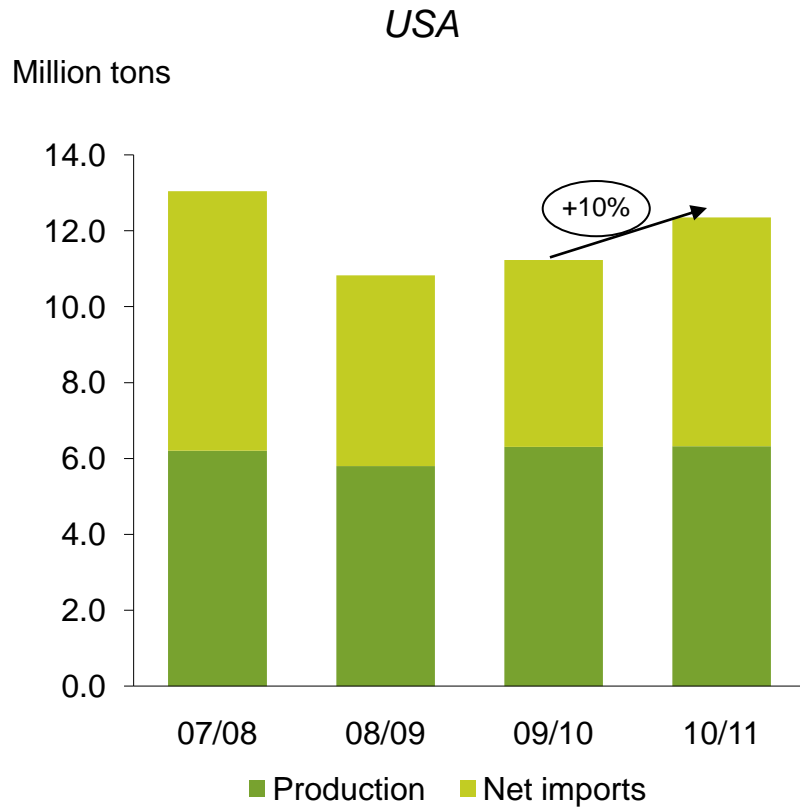
* Including Yara share of equity-accounted investees



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Increased nitrogen deliveries



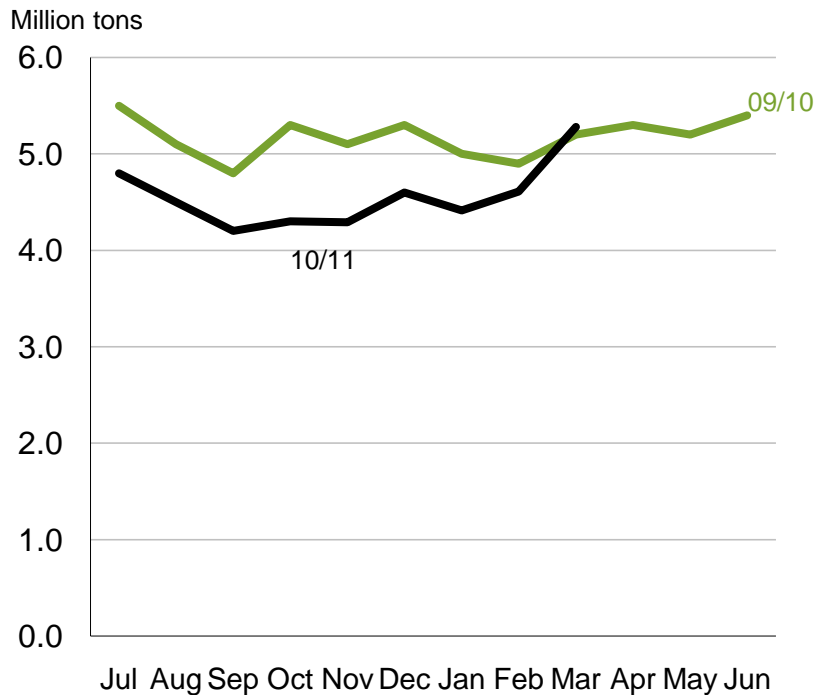
Source: Yara estimate for fertilizer deliveries to selected West European countries.
 Total nitrogen deliveries estimate in USA based on TFI, US Trade Commission, Blue-Johnson



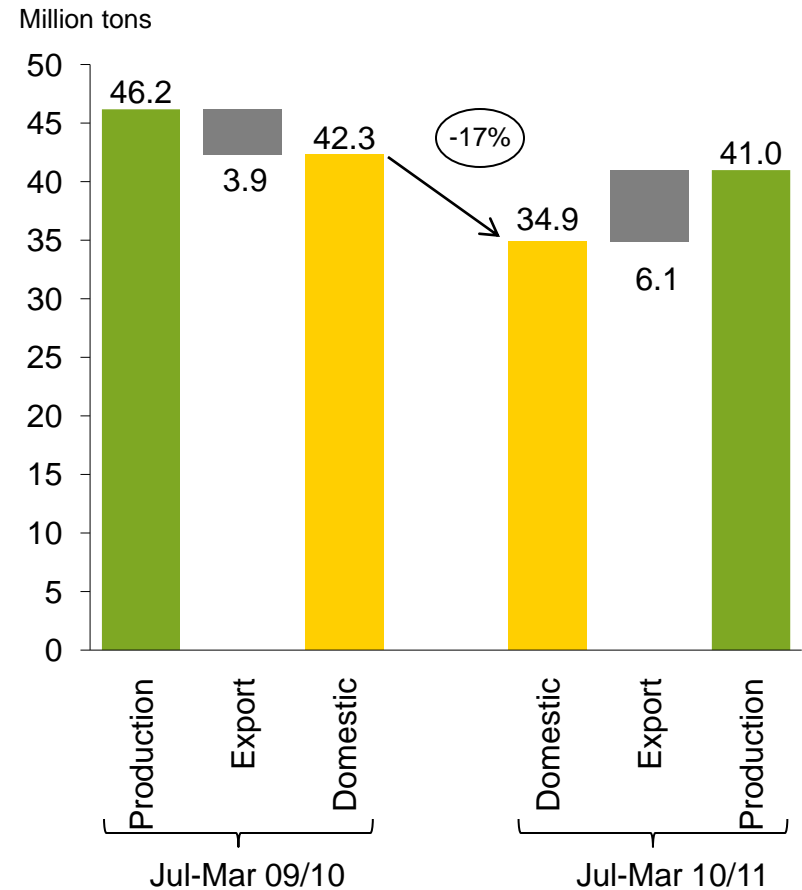
Domestic urea supply in China

– July to March down 17%

Chinese urea production



Domestic urea balance



Source: BOABC

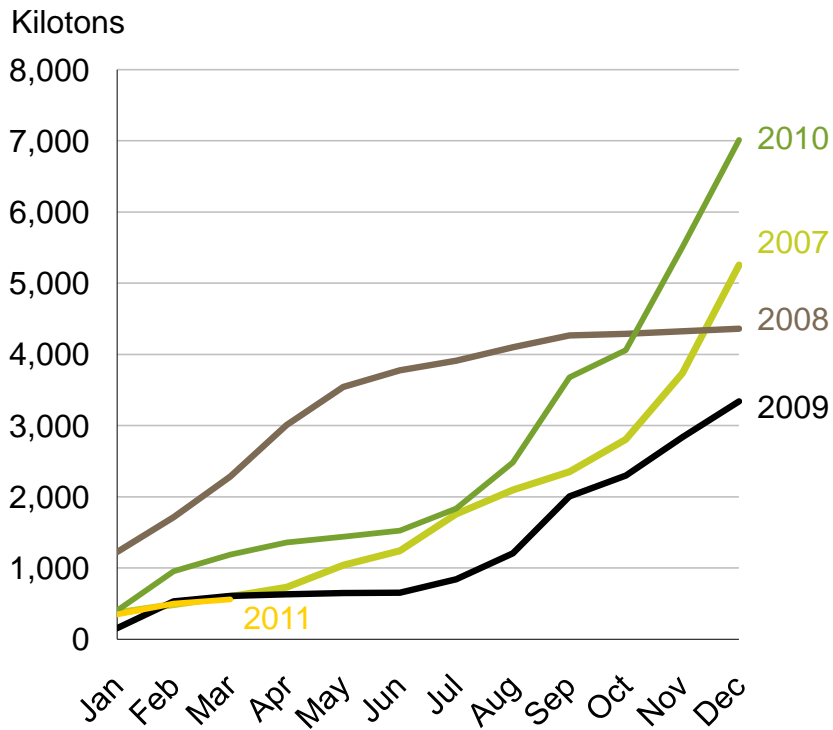


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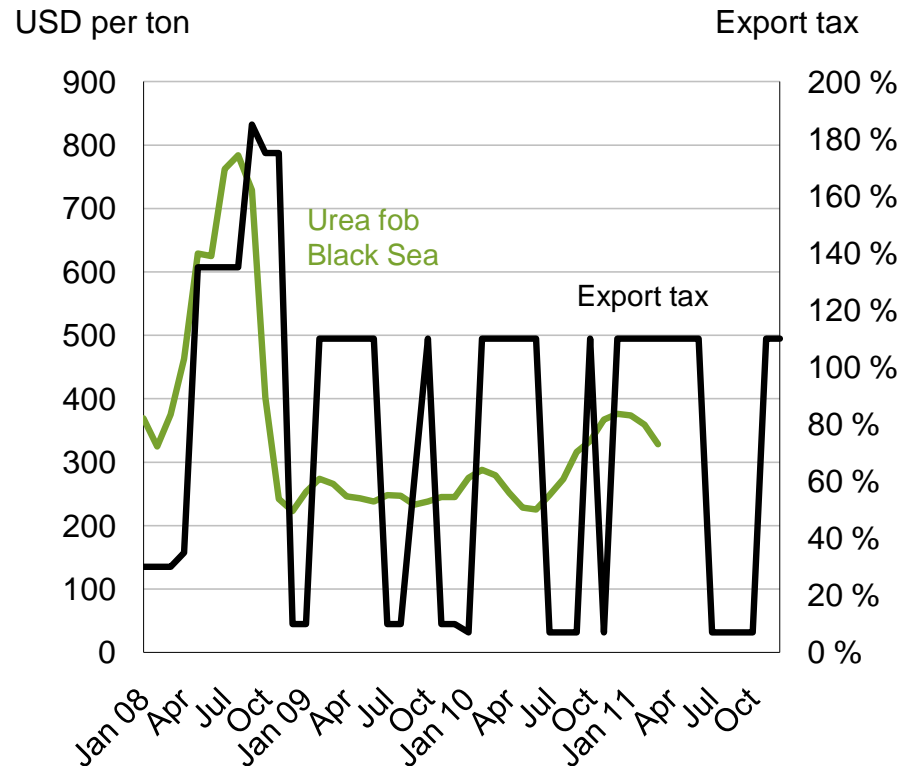


Chinese exports needed to balance the global market

Accumulated urea exports



Urea price and export tax



Source: BOABC

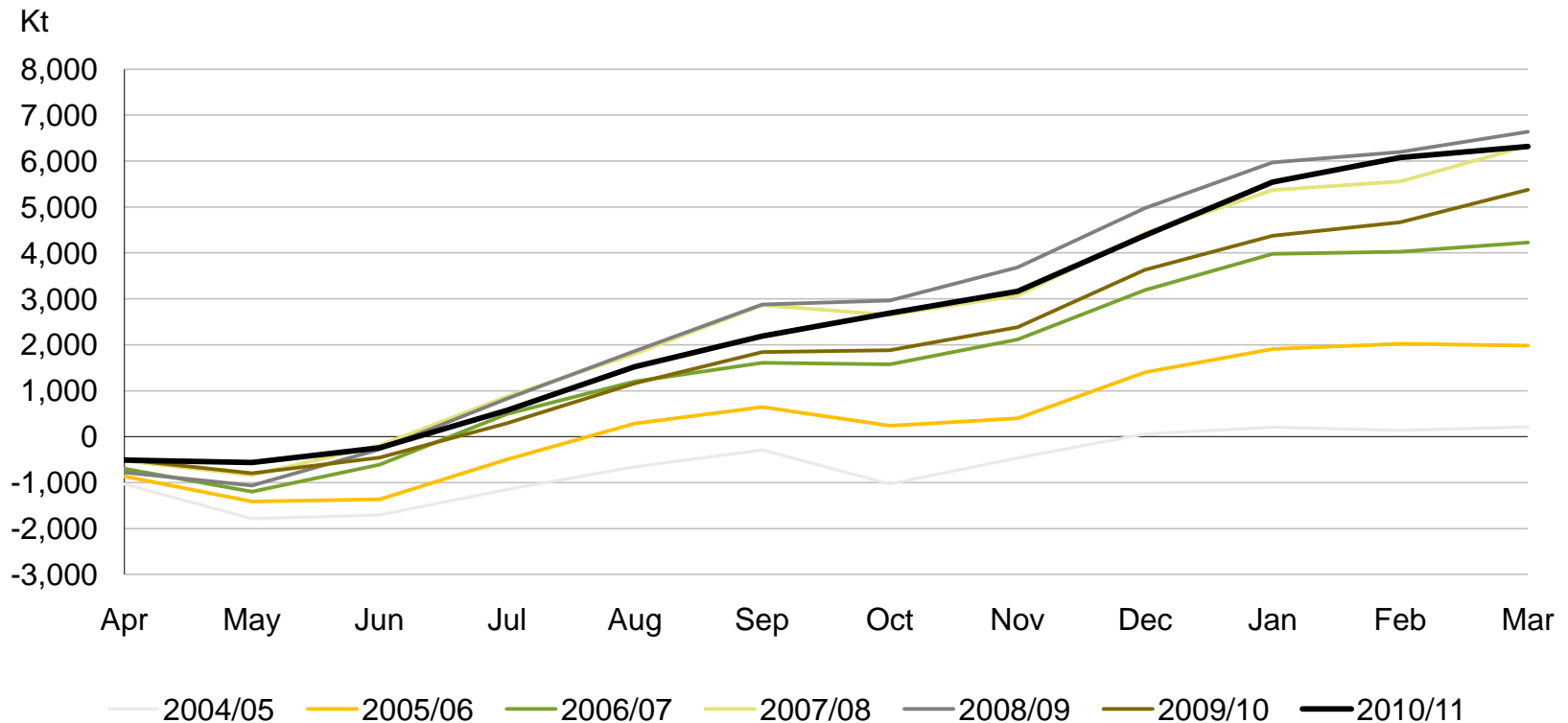


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Import need returning to the peak level of 08/09

Sales - Production



- Kharif (July planting) – imports Apr-Sep
- Rabi (November planting) – imports Oct-Jan

Source: Indian Statistics



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Planned capacity expansions

Year	Global urea capacity growth estimate		Driving regions	
	World	Excluding China	World	Excluding China
2010	5.3% (5.7%)	4.4% (4.1%)	China 52% Trinidad 7%	Trinidad 15% Iran 12%
2011	4.4% (5.6%)	3.7% (5.0%)	China 52% Pakistan 13%	Pakistan 28% Iran 13%
2012	8.8% (5.0%)	6.9% (2.6%)	China 55% Algeria 18%	Algeria 40% Qatar 16%
2013	3.9% (4.0%)	4.2% (5.0%)	China 40% UAE 14%	UAE 23% Qatar 19%
2014	1.5% (2.2%)	3.2% (2.9%)	India 19% Indonesia 17%	India 16% Indonesia 15%

Average urea consumption growth has been 3.4% last 10 years, 2.4% excluding China

December 2010 in brackets

Source: Fertecon update April 2011

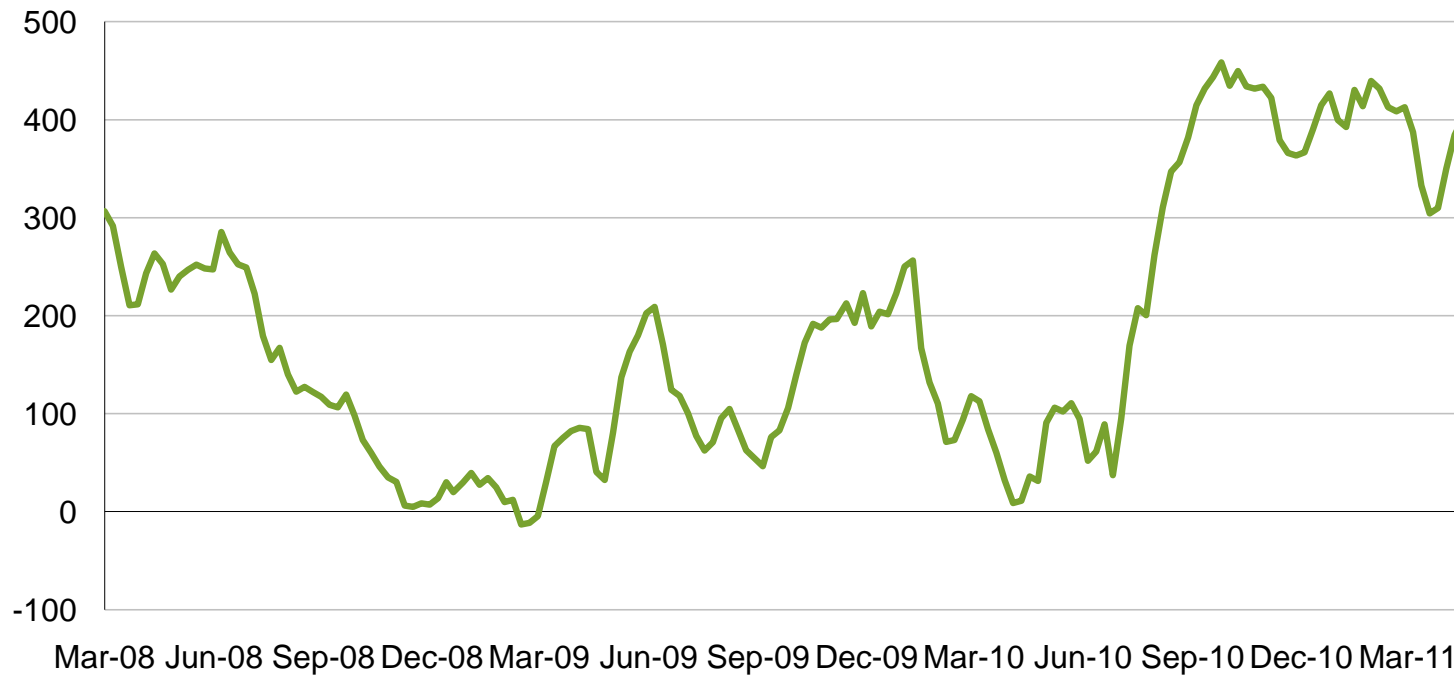


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Non-commercials' net long position in corn

Thousand contracts



Source: US Commodity Futures Trading Commission

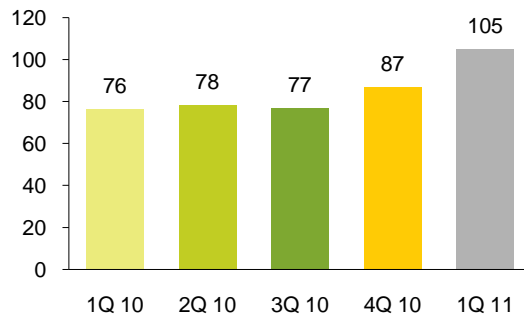


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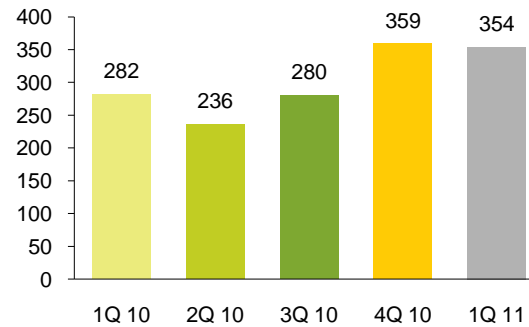


Key value drivers – quarterly averages

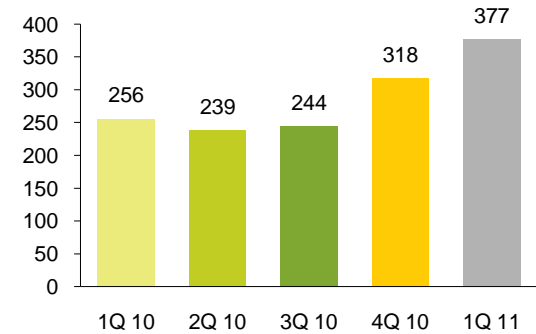
Oil Brent blend spot (USD/bbl)



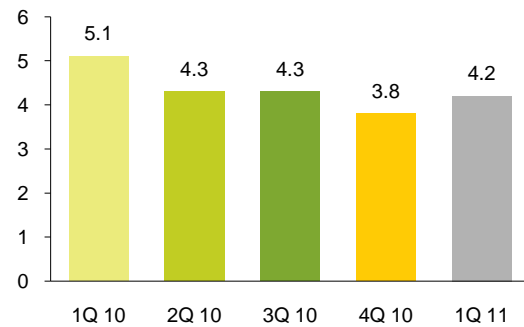
Urea prilled fob Black Sea (USD/t)



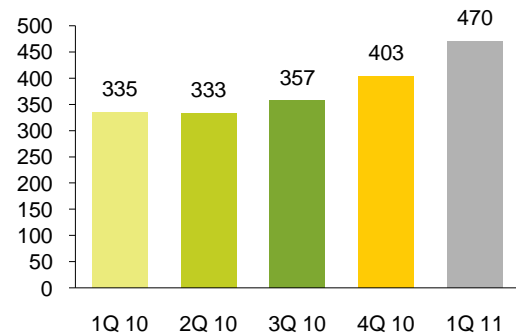
CAN cif Germany (USD/t)



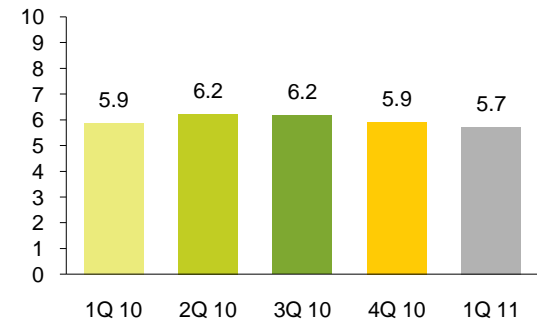
US gas price Henry Hub (USD/MMBtu)



Ammonia fob Black Sea (USD/t)



NOK/USD exchange rate

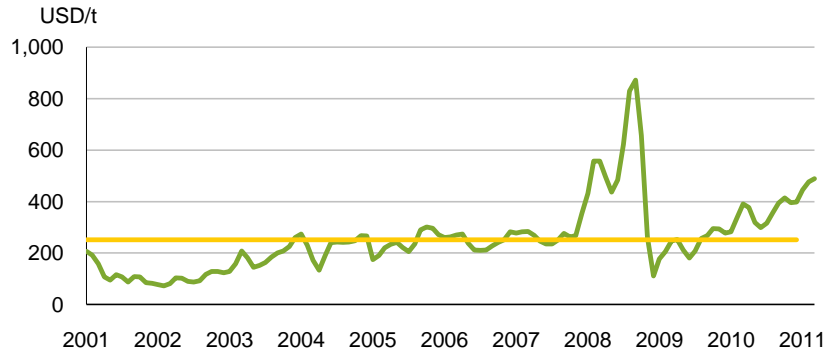


Source: Fertilizer Market Publications, CERA, World Bank, Norges Bank

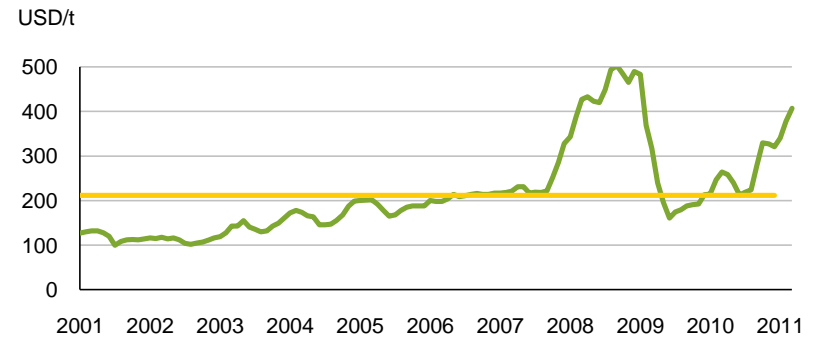


10-year fertilizer prices – monthly averages

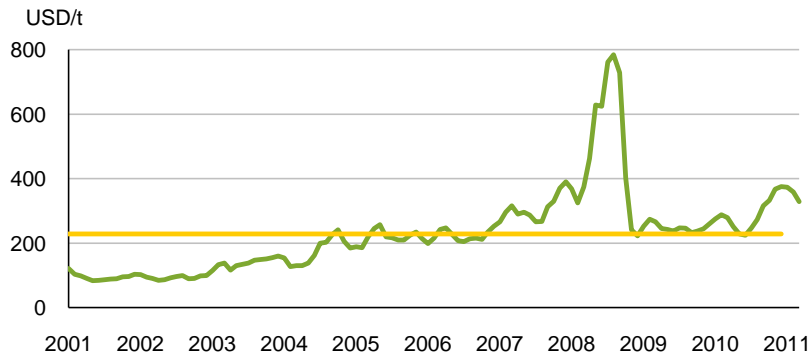
Ammonia fob Black Sea



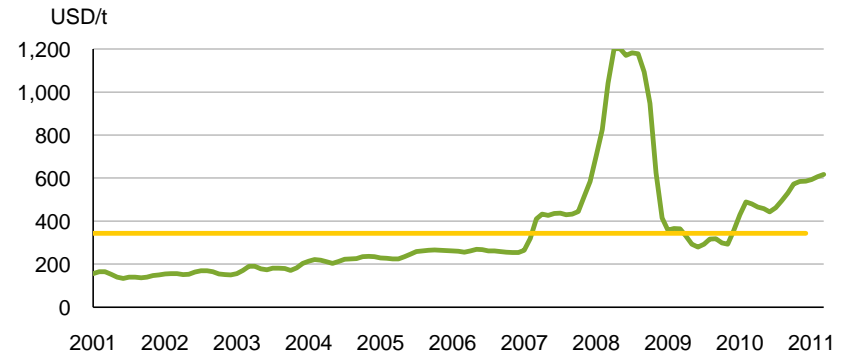
CAN cif Germany



Urea prilled fob Black Sea



DAP fob , US Gulf



— Average prices 2001 - 2010

Source: Average of international publications



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