

# Positioned to handle volatility

**Yara is in a position** to take advantage of volatile and fluctuating markets. Remaining loyal to our long-term perspectives, ambitions and goals, we are determined to pursue future business opportunities.

Taking over as the CEO in October 2008, the financial crisis hit us. However, I joined the management of a company well positioned to handle the volatility of the financial market and the fluctuations of the fertilizer market; with the ability to exploit other markets.

**OVERVIEW:** 2008 put our industrial platform and business model to tough tests, challenging our ability to handle demand volatility. We stood the test, demonstrating the flexible strengths of our business model, taking action to mitigate the effects of the slow-down towards the end of the year by reducing third-party sourcing and curtailing production.

Yara's performance over the past five years has been notable, with 2008 clearly the best so far. Our solid underlying improvement year by year continued, and we recorded our best year with regard to revenues, net income, and a cash return on gross investments of 22.8 percent, which is well above our stated long-term goal.

We continued to deliver on our strategy, seeking initiatives and seizing opportunities in key markets. Our acquisition of Saskferco in Canada already shows positive results; in 2009 our new joint venture Lifeco in Libya will add to our global strength.

**OUTLOOK:** Joining Yara after years in leadership positions within global industry, I appreciate the value of our strong industrial platform and flexible business model, our market presence and financial discipline; our ambitions. I also recognize the value of a dynamic organization and an innovative culture, which it is imperative to nurture and develop.



**JØRGEN OLE HASLESTAD** is the President and CEO since October 2008, previously a member of the Board, 2004–2008.

Haslestad has extensive corporate experience, spending his entire career in major global businesses, across Asia, America, and Europe. Until becoming CEO of Yara International ASA, he spent 14 years with Siemens, most recently as Divisional CEO of Industry Solutions.

Haslestad holds a M.Sc. degree in mechanical engineering – and still has his native farm in Norway.



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**JØRGEN OLE HASLESTAD**  
President and CEO

## INDUSTRY SHAPER

Yara aims for an industry shaper position – setting standards and driving the industry. Several aspects related to this ambition are high on the agenda of Yara's management, including:


**"PERFECT OPERATIONS** is a main priority in strengthening our position and developing our company. Continuous productivity improvements are a key to sustainable, profitable growth and value creation."

**"PERFORMANCE CULTURE** is a driving force in reaching our goals and realizing our ambition. In developing the company, corporate values, ethical standards, conduct and compliance are all essential."

**"KNOWLEDGE GROWS** is more than a slogan; with Yara it is the core of who we are and what we do. With over a century of experience, we use our expertise to add value and share knowledge."

Participating at the World Economic Forum in Davos in early 2009, I noticed a gloomy mood. Still, in the working session Yara hosted, on agricultural growth initiatives in Africa, optimism reigned. We all need food, and agricultural output has to be increased – requiring improved agricultural productivity, based on mineral fertilizers and agronomic expertise. Yara provides both. The long-term fundamentals for fertilizer demand remain strong. With climate change and stricter regulations, demand for environmental solutions will also grow.

Mineral fertilizers lie at the heart of our business, and it is my ambition to strengthen our position in several markets. Environmental solutions represent a great opportunity, which Yara is ready to take advantage of. Constantly anticipating change – continuously developing business.

  
Jørgen Ole Haslestad  
President and CEO

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