Knowledge grows

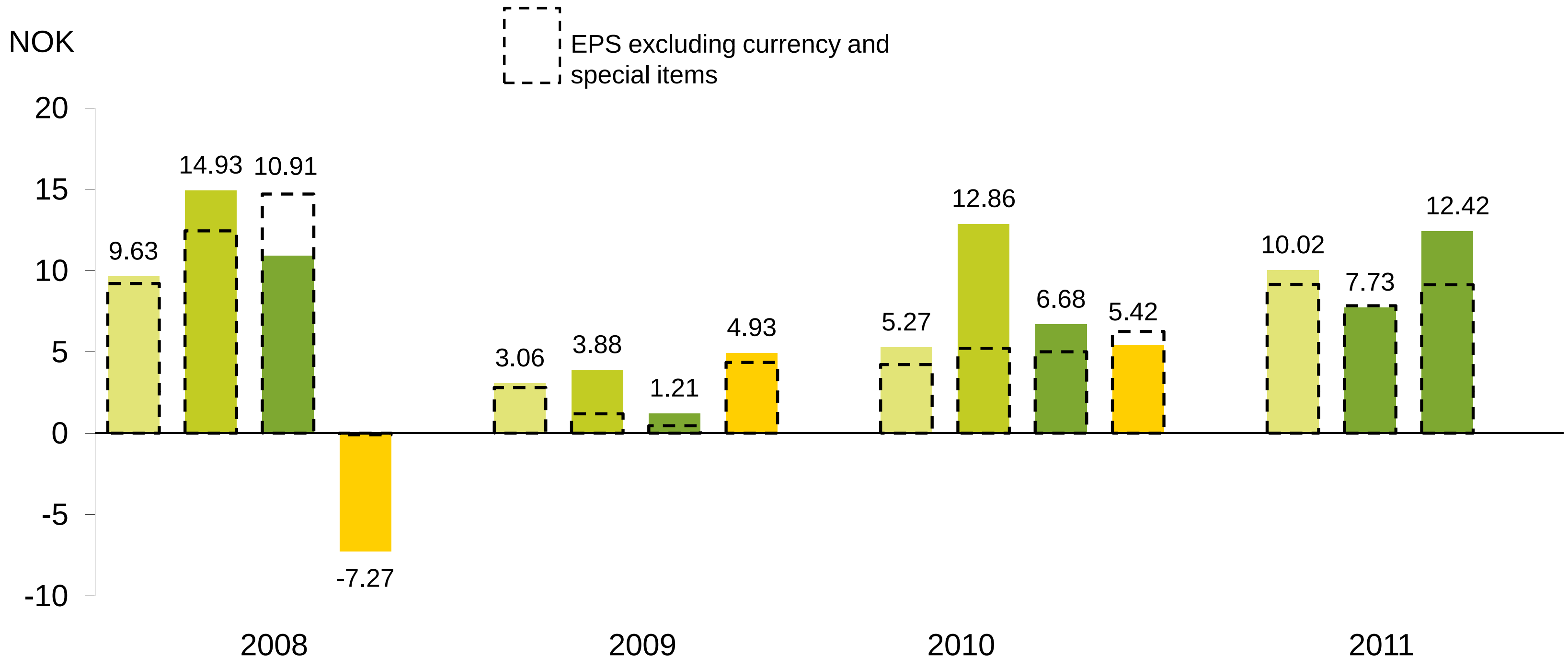
Yara International ASA
Third quarter results 2011

21 October 2011

Summary third quarter

- Strong results driven by improved margins
- Strong demand outside Europe, satisfactory sales in Europe
- Sluiskil urea expansion successfully completed
- Strong Industrial margins despite raw material price increases

Earnings per share*



Annual

NOK	28.27	13.08	30.24	30.16

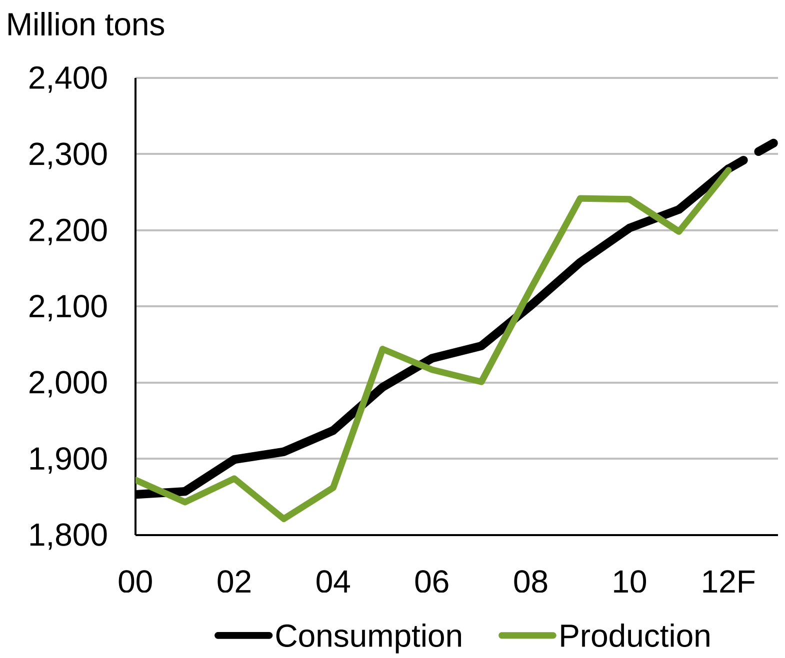
* Average number of shares for 3Q 2011: 287.2 million (3Q 2010: 288.7 million).

Fertilizer market development in third quarter

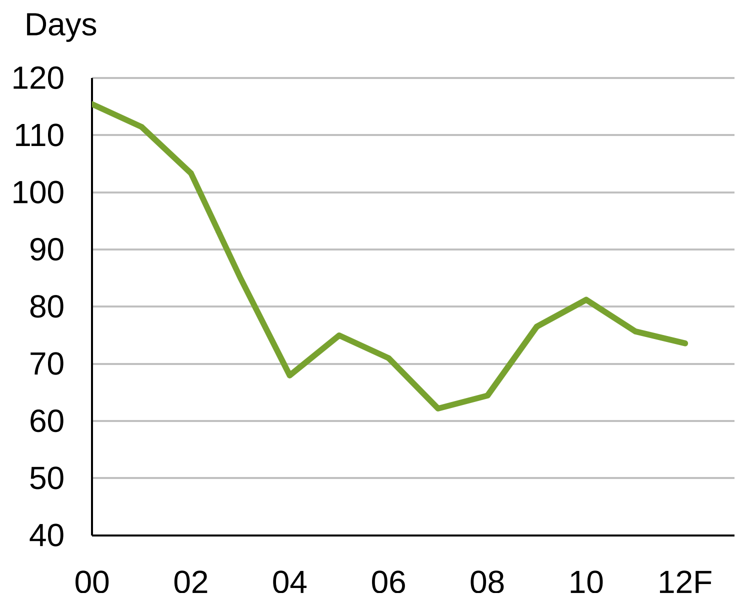
- Tight agricultural markets with continued strong demand for all nutrients
- Average Black Sea urea price 73% higher than third quarter 2010…
- …but lower Chinese urea exports, due to higher domestic prices and a stricter export policy
- West Europe nitrogen industry deliveries down 13%, imports down 21%
- Continued strength in NPK markets

Stocks-to-use decline despite strong incentives and record production

Grain production and consumption

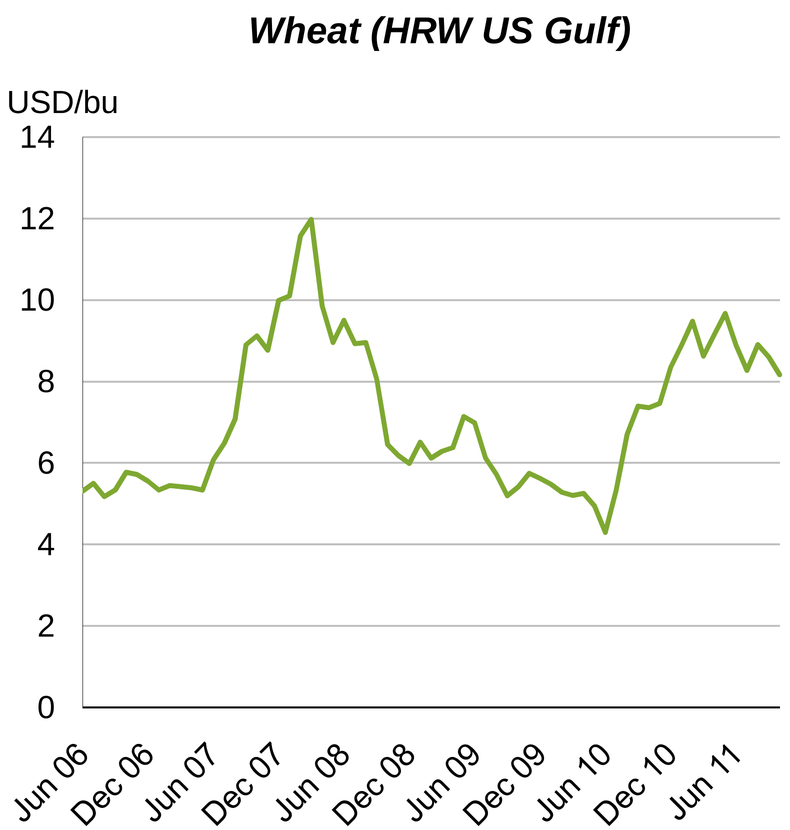


Days of consumption in stocks



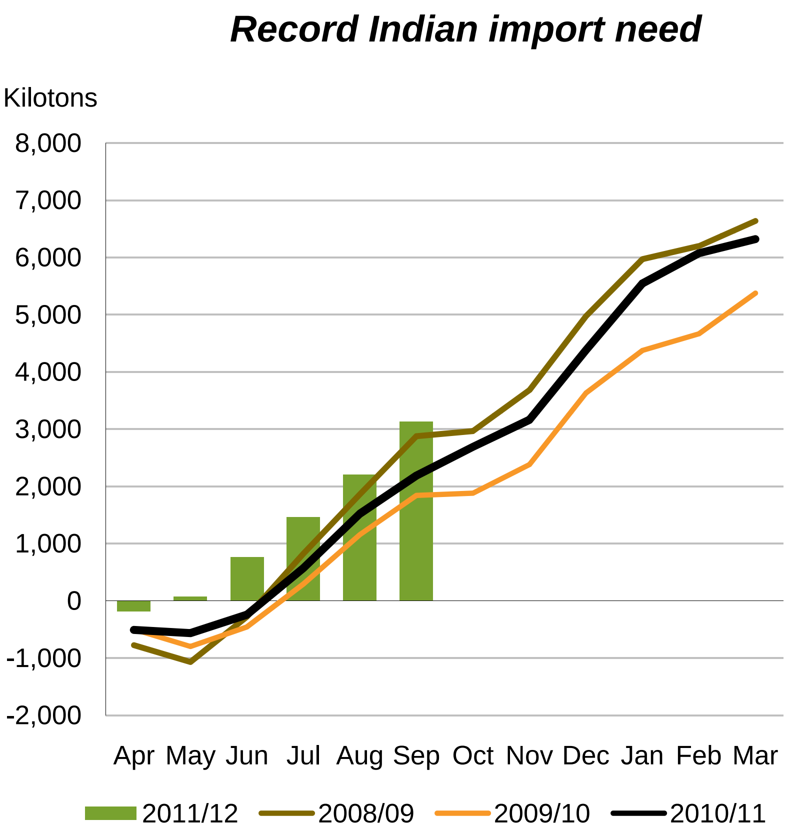
Source: USDA, October 2011

Grain prices at high levels despite recent drop

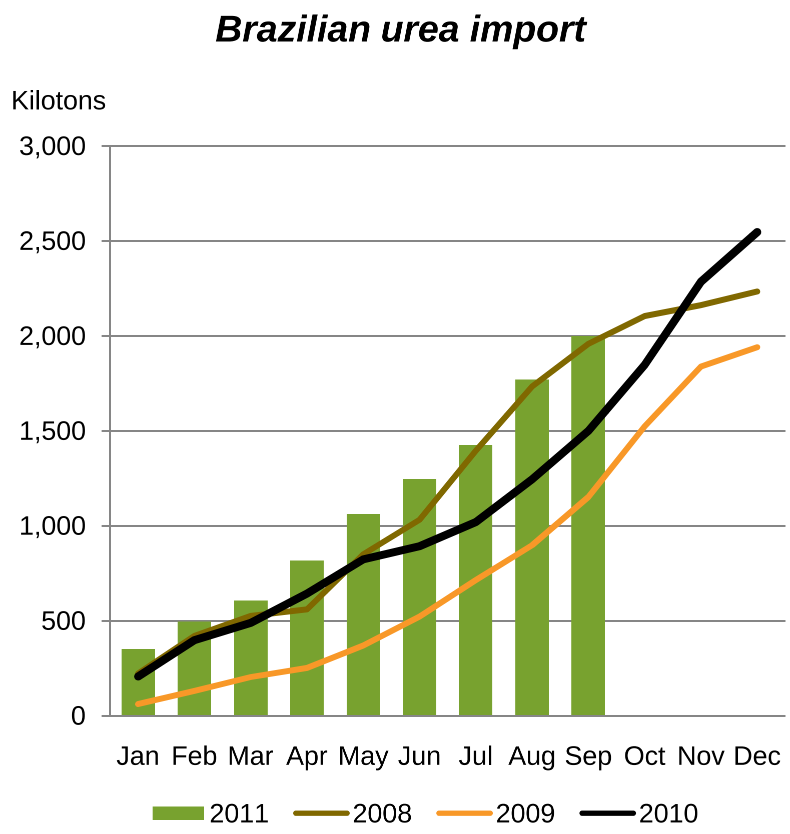


Source: World Bank Jun 06-Sep 11, IGC Oct 19

Strong demand in regions that are in season

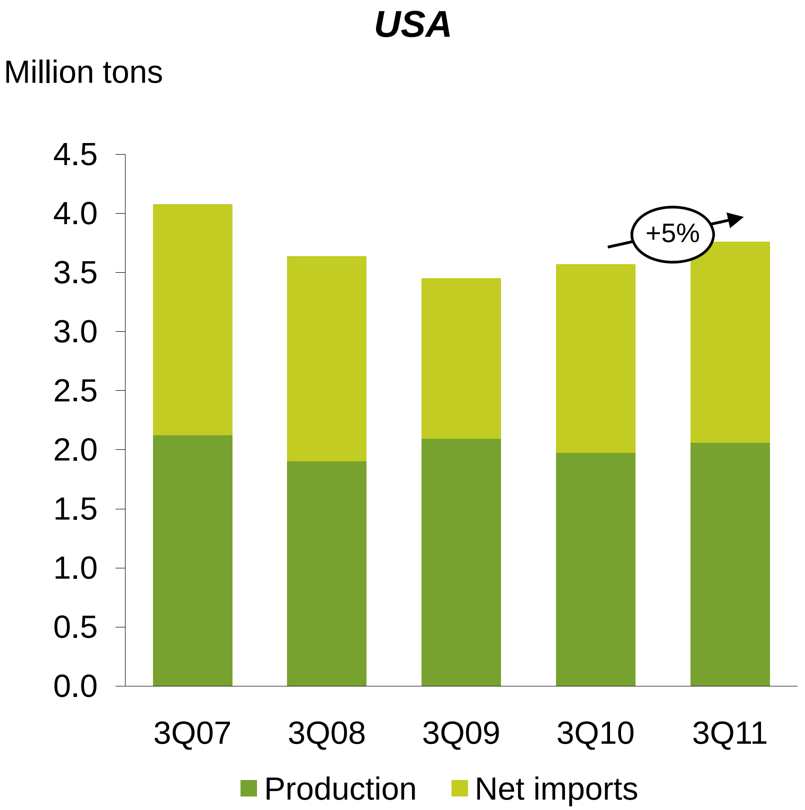


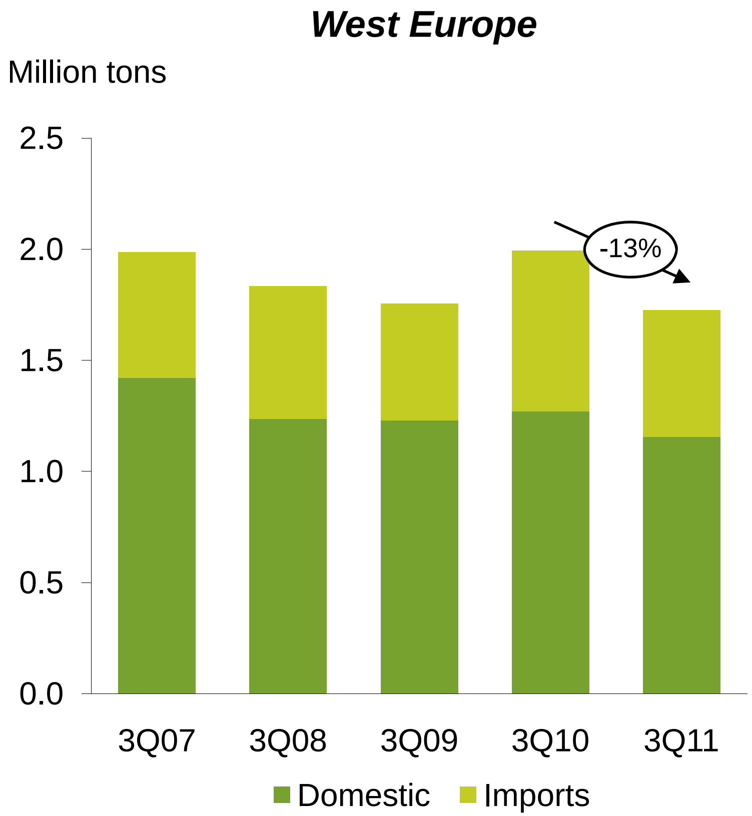
Source: Indian Statistics



Source: GTIS

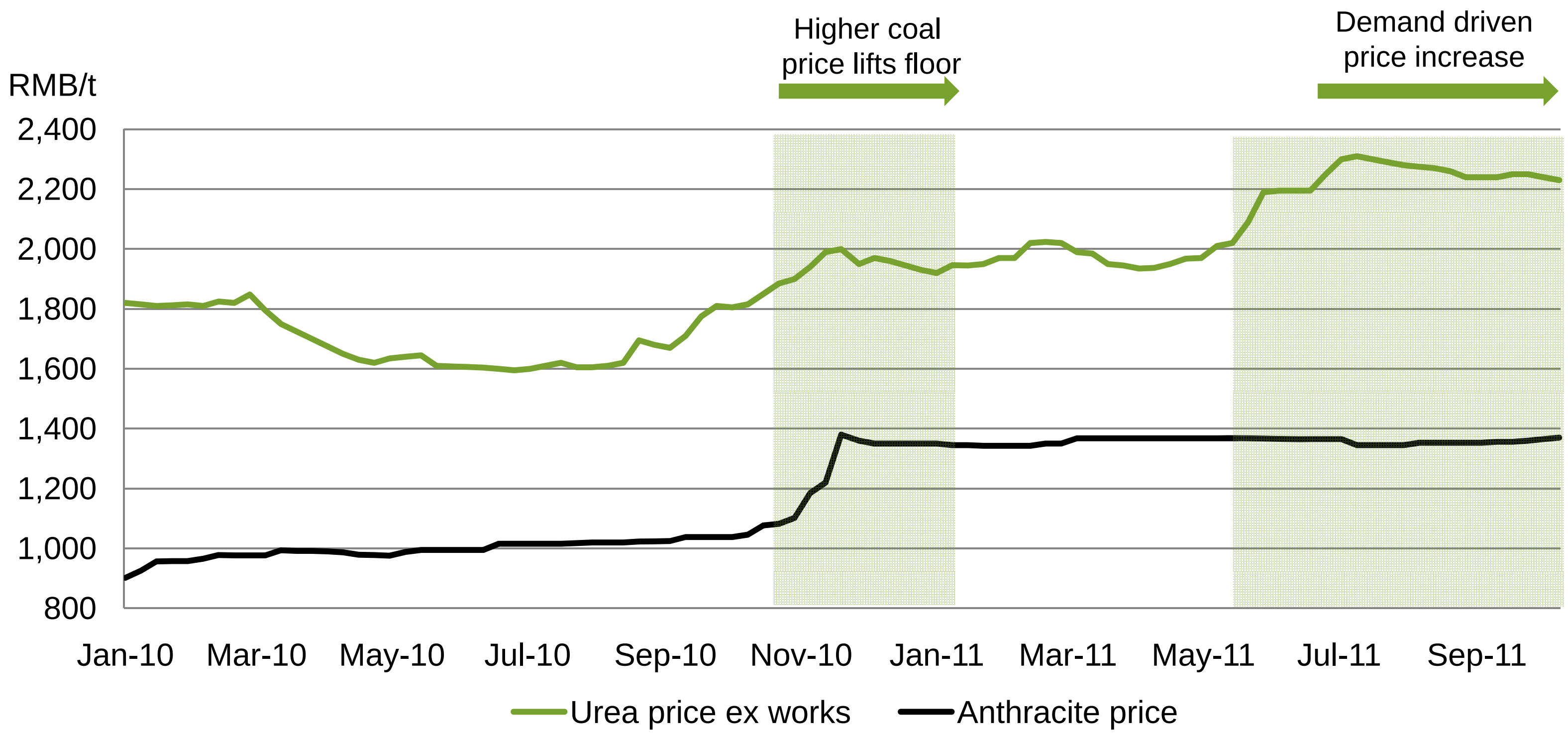
Strong US deliveries, catch-up likely in Europe





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

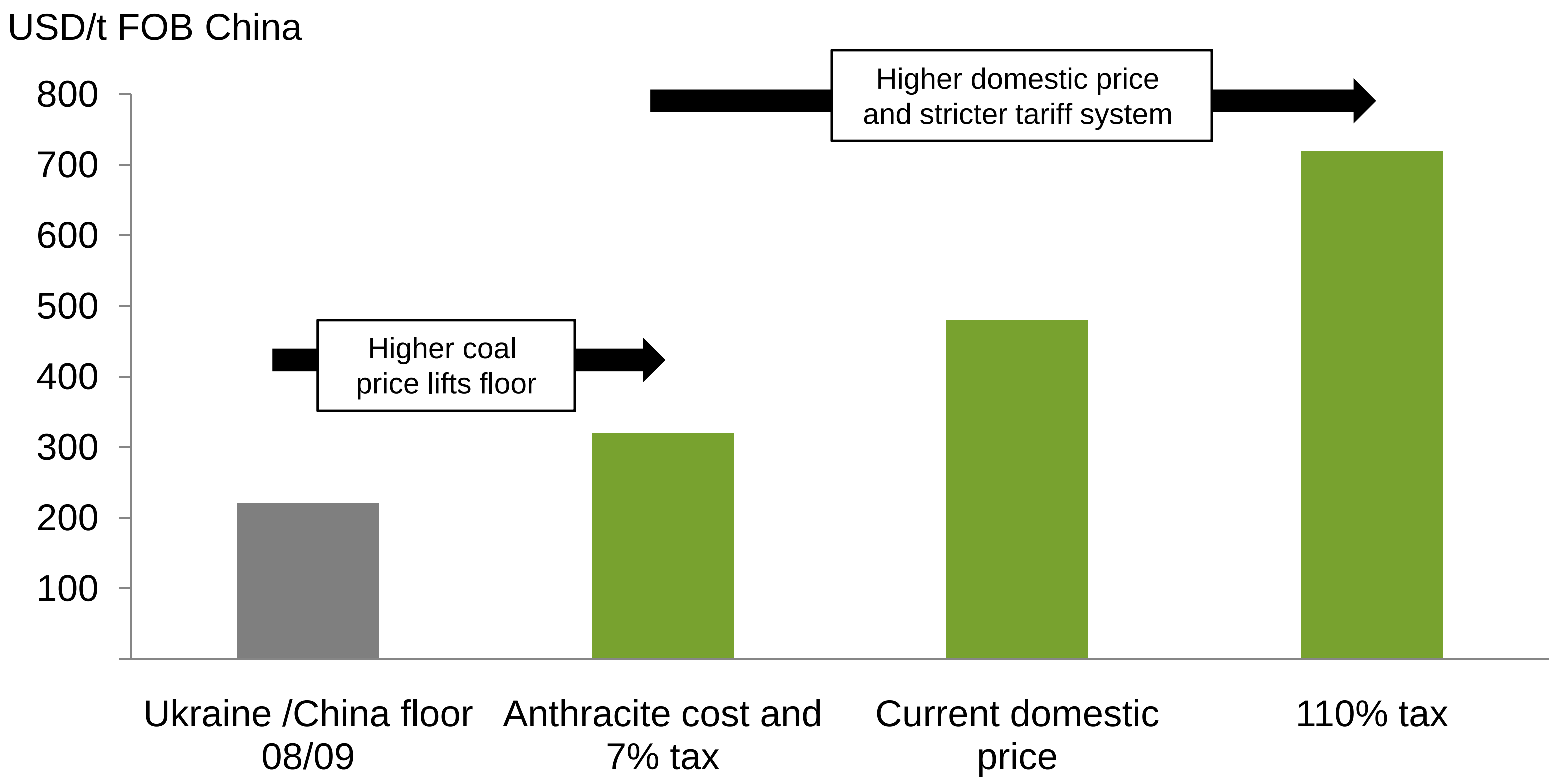
Chinese domestic urea price remains strong



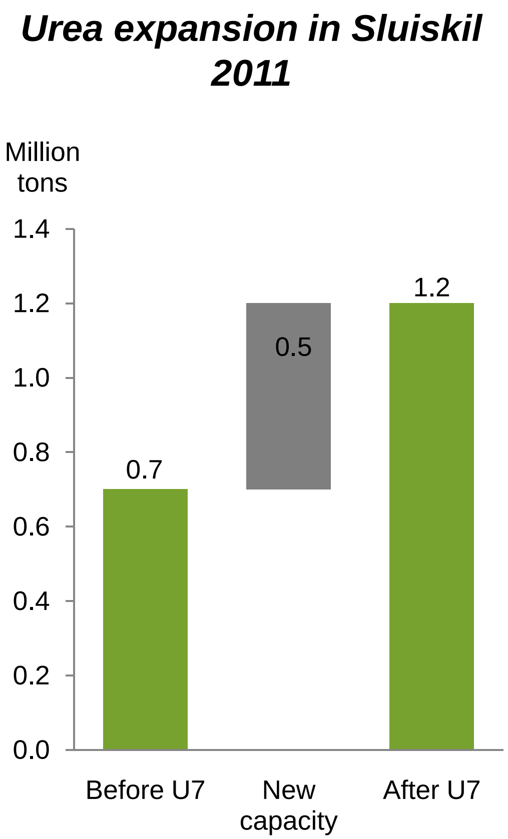
Higher coal prices, increased exports and focus on emission control and energy efficiency has led to higher domestic urea prices

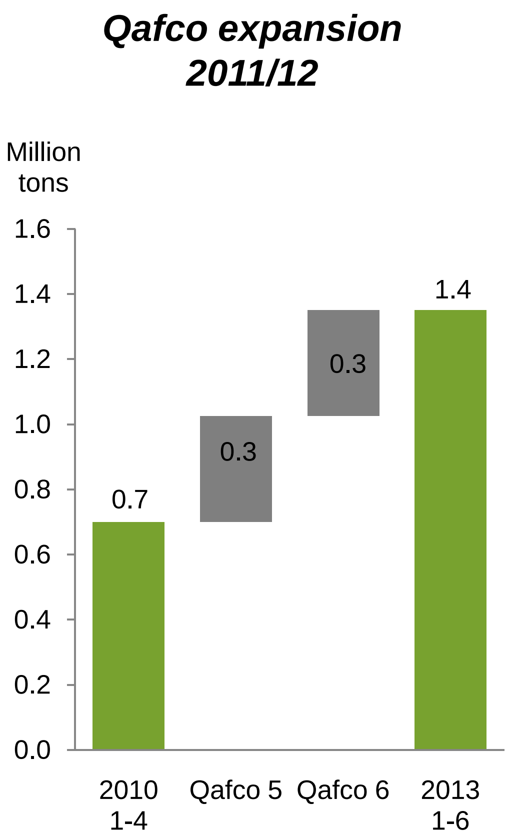
Source: China Fertilizer Market Week

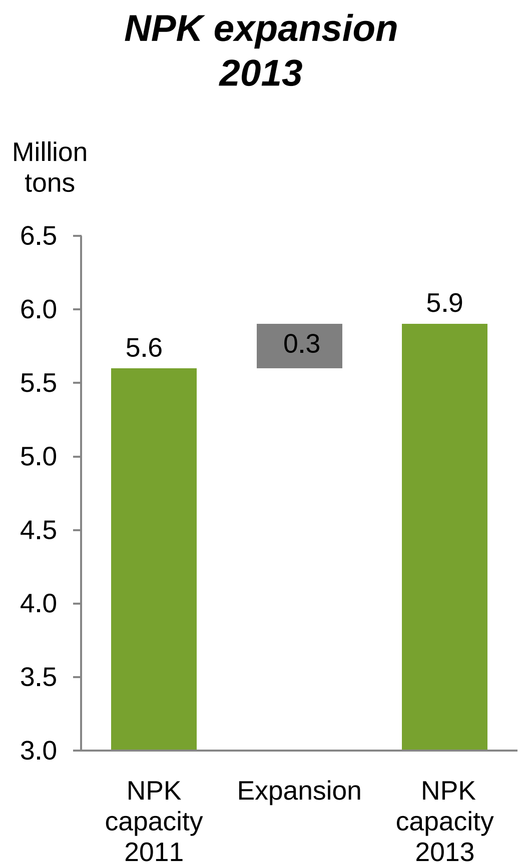
Higher urea swing price



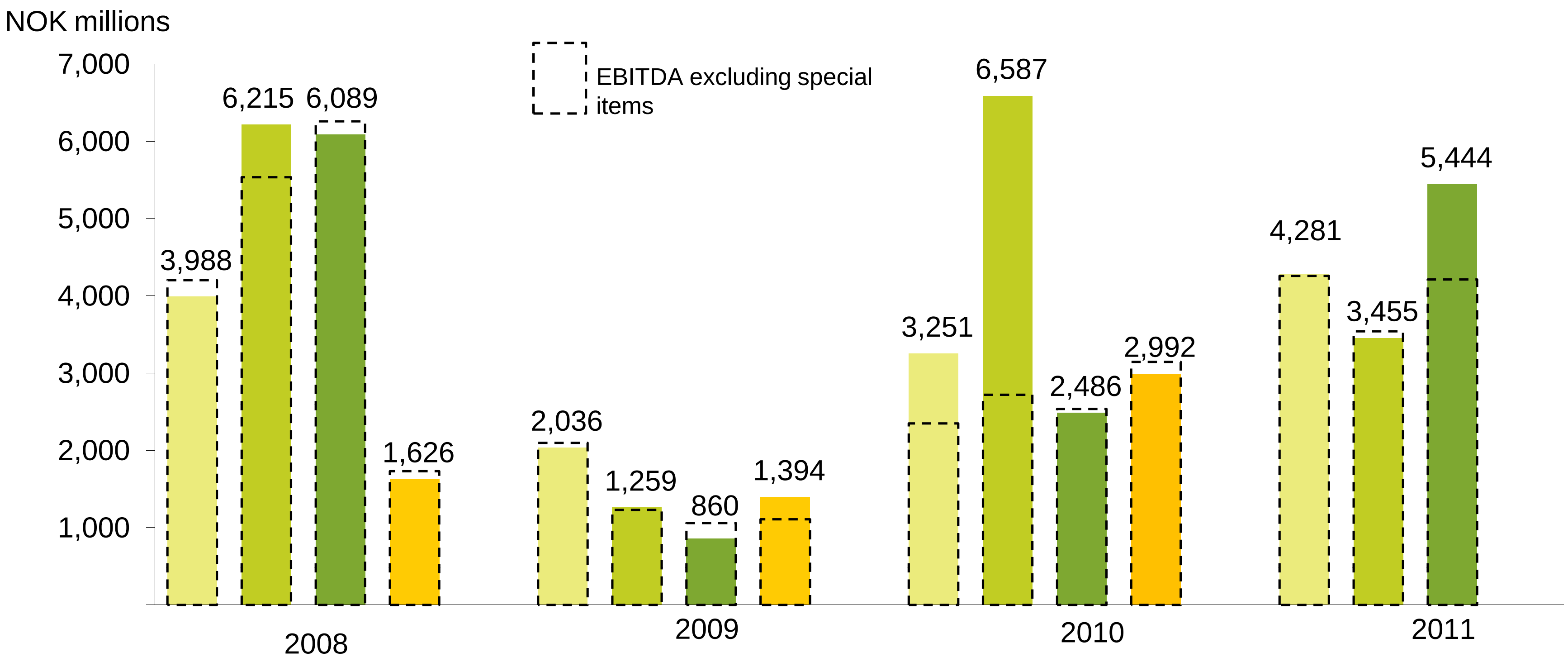
Significant growth in finished fertilizer capacity







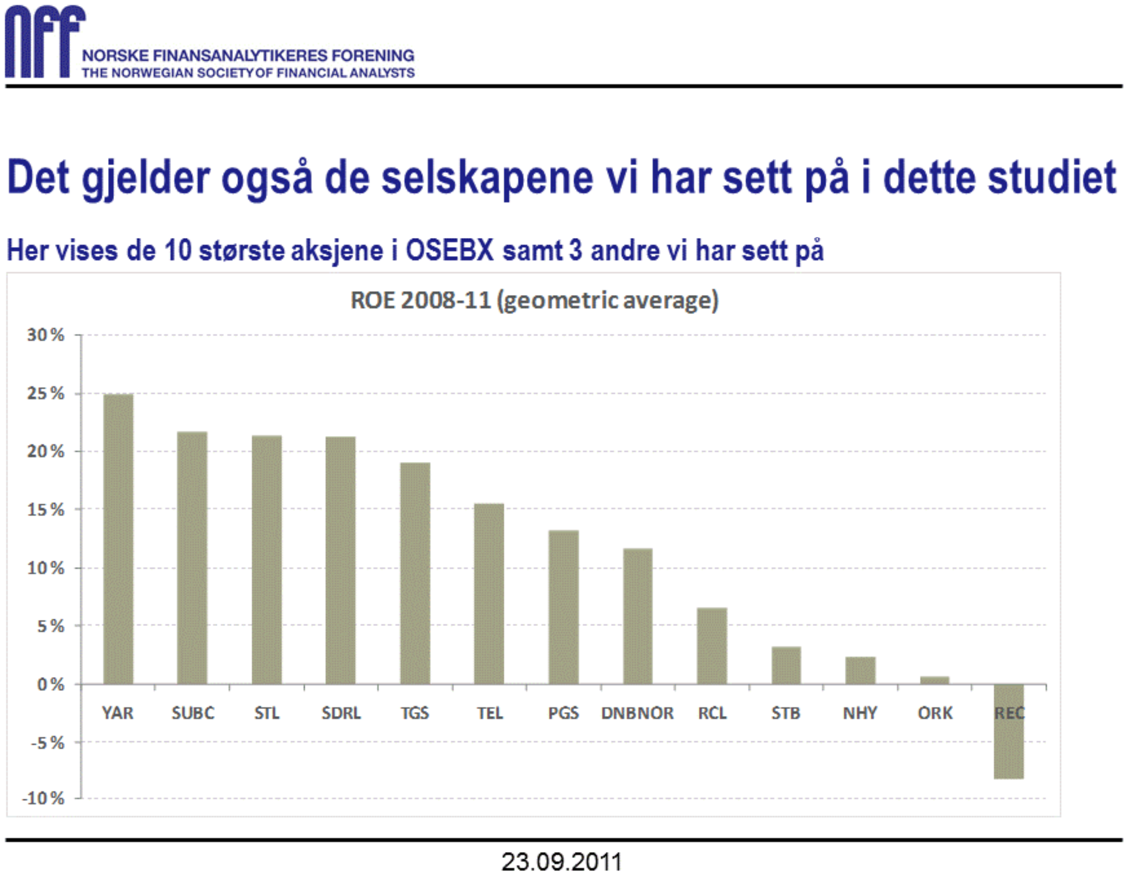
Earnings before interest, tax, depreciation and amortization (EBITDA)



Annual

NOK millions	17,917	5,549	15,315	13,180

Strong return on equity



Source: The Norwegian Society of Financial Analysts

Third-quarter EBITDA and operating income excluding special items

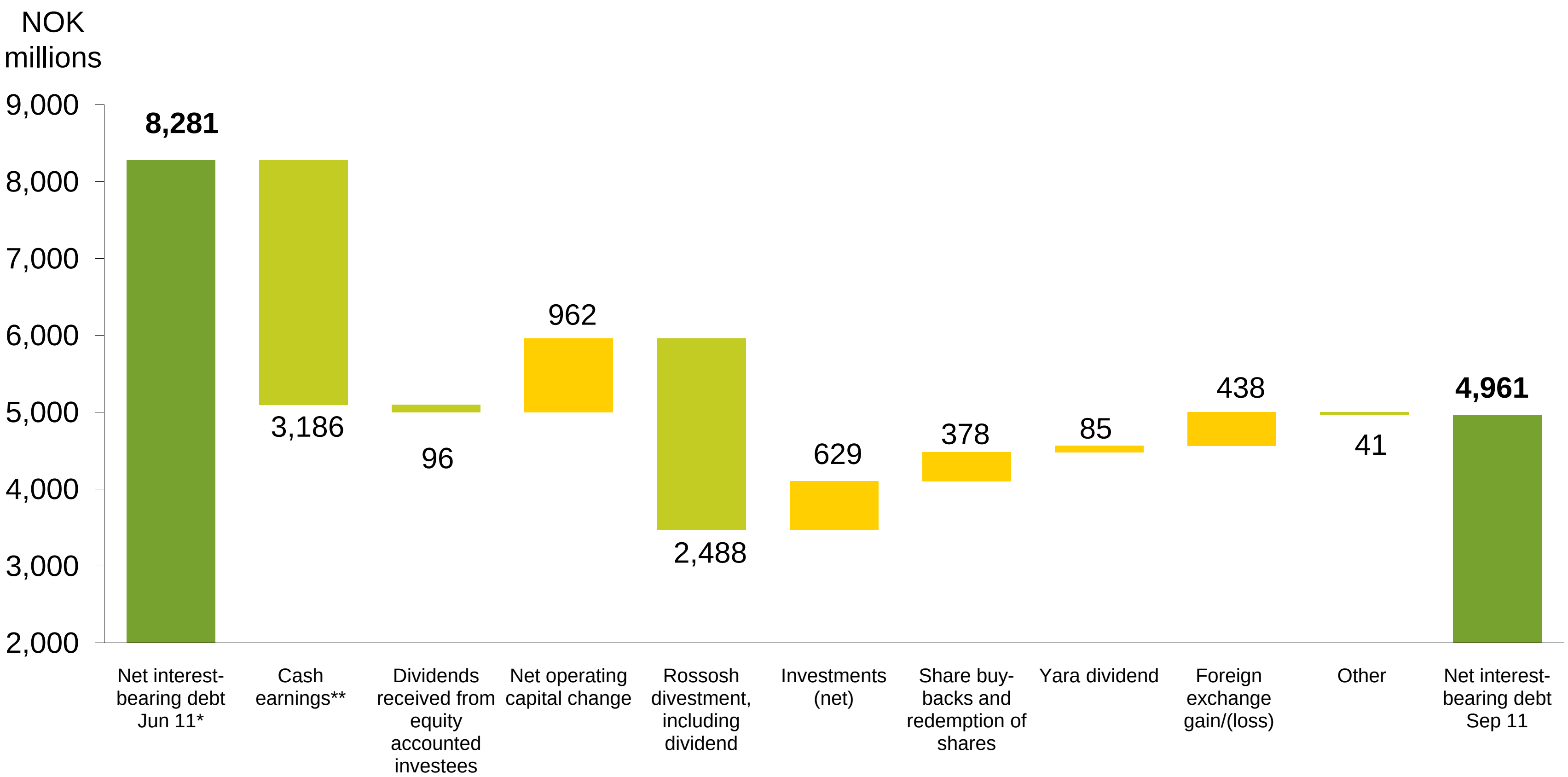
NOK million	EBITDA	Operating income
Yara total reported	**5,444**	**4,398**
Downstream		
Environmental provisions	**(16)**	(16)
Import duty charge prior years	**(26)**	(26)
Upstream		
Libya costs	**(57)**	
Qafco restatement of prior periods	**(82)**	
Rossosh sale	**1,415**	1,475
Contract derivatives	**(1)**	(0)
Yara total excluding special items	**4,211**	**2,965**

Variance analysis Yara group

NOK millions	3Q 2011
EBITDA 2011	5,444
EBITDA 2010	2,486
Variance EBITDA	2,958
Volume & mix	(384)
Price/Margin	2,990
Oil & gas costs in Europe	(608)
Special items	1,283
Other	(48)
Conversion (NOK vs. USD)*	(275)
Total variance explained	**2,958**

* Based on average NOK per USD rate for the quarter 2011: 5.50 (2010: 6.16)

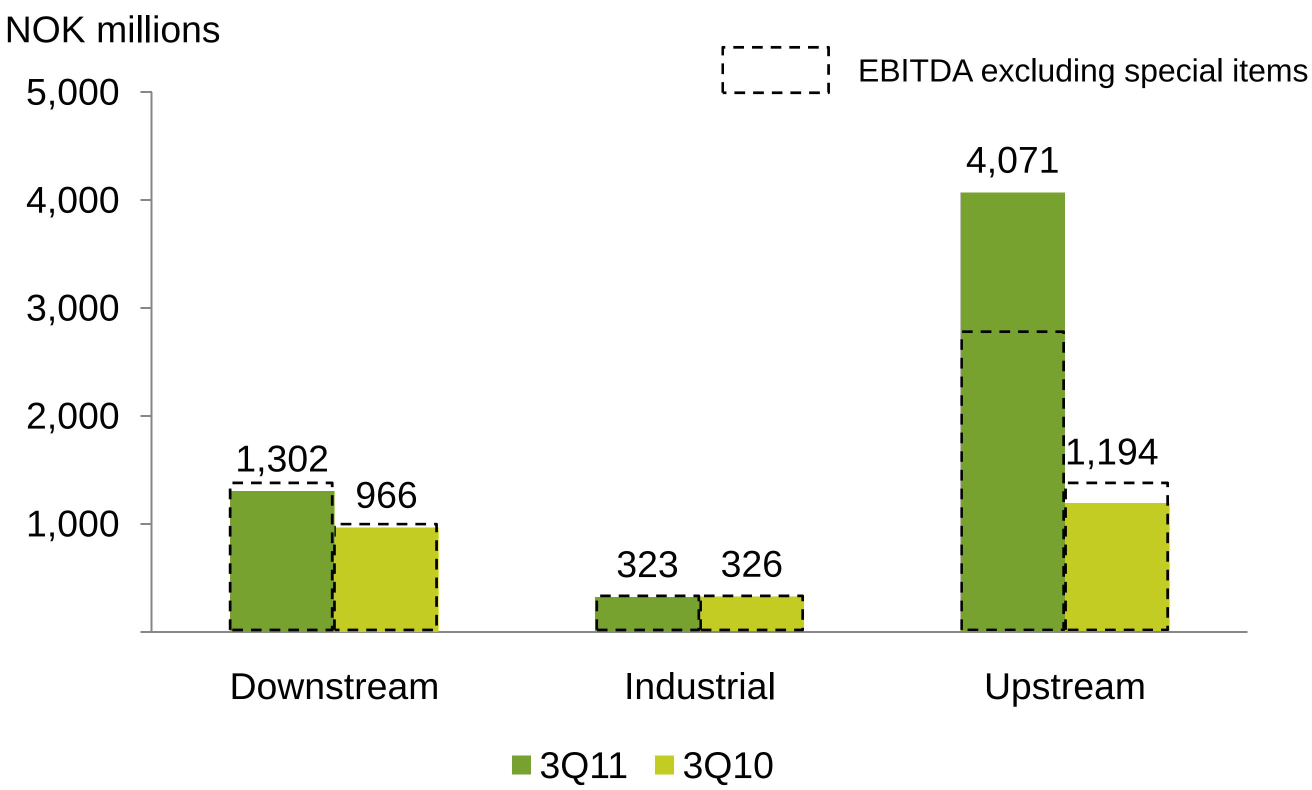
Net debt development



* 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

EBITDA per segment

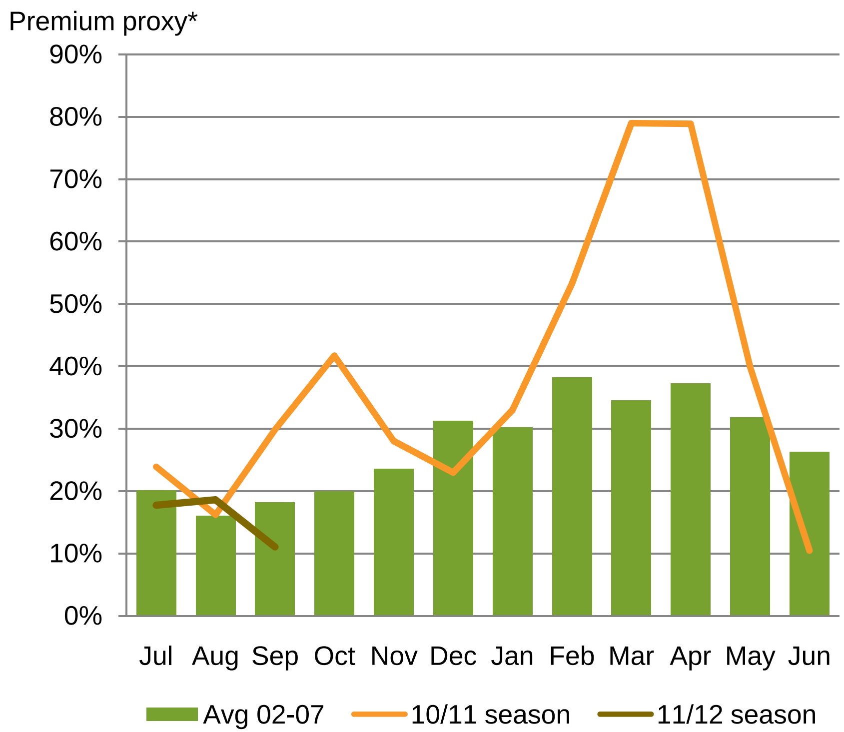


Downstream segment

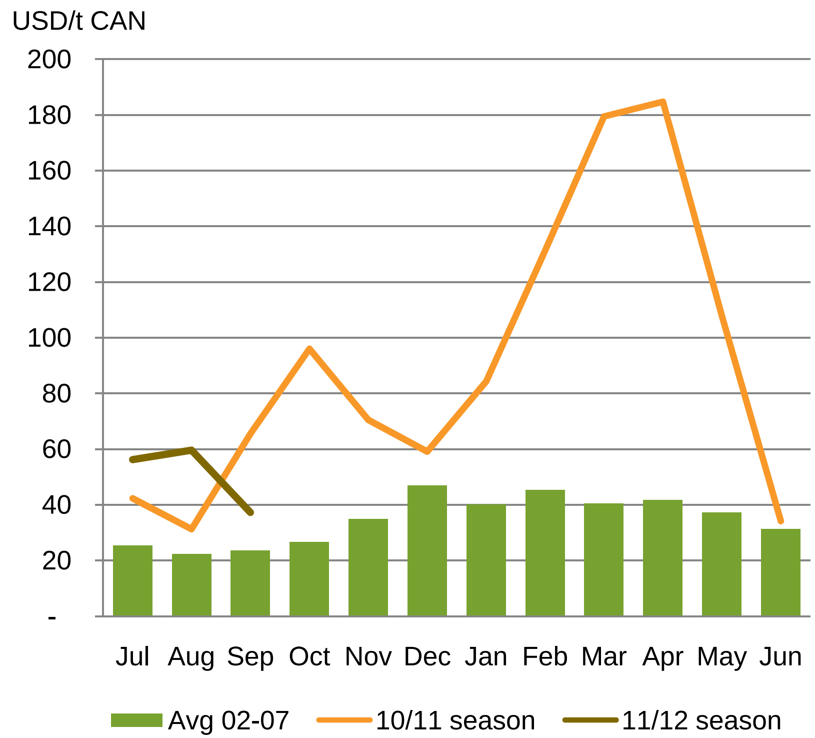
- Continued strong results
- Improved margins for all product groups, particularly nitrates
- Strong overseas demand for nitrate-based products
- Satisfactory sales in Europe

Nitrates competitively priced

Nitrate premium in percentage terms



Nitrate premium in absolute terms



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

Industrial segment

- Strong margins despite raw material price increases
- Strong volume growth in environmental solutions and water treatment
- TAN recovery due to favorable change in customer portfolio mix

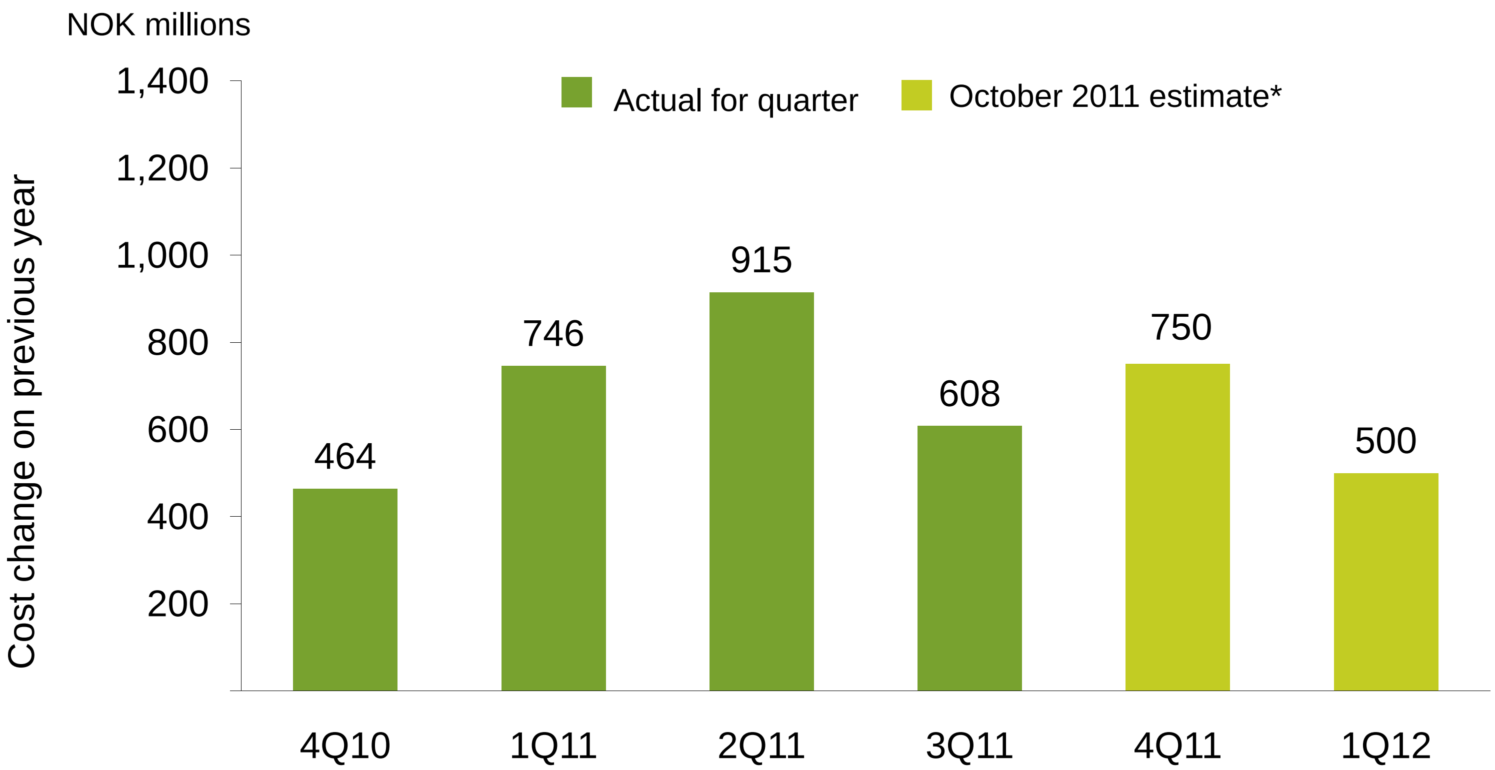
Upstream segment

- Strong result
- Value creating Rossosh divestment
- Sluiskil urea expansion successfully completed

Share of net income in equity accounted investees

NOK millions	3Q 2011	3Q 2010
Qafco	**198**	196
Tringen	**55**	45
Burrup	**(24)**	17
GrowHow UK Ltd.	**141**	73
Lifeco	**(57)**	36
Other	**17**	45
Total	**329**	413

Estimated European energy cost

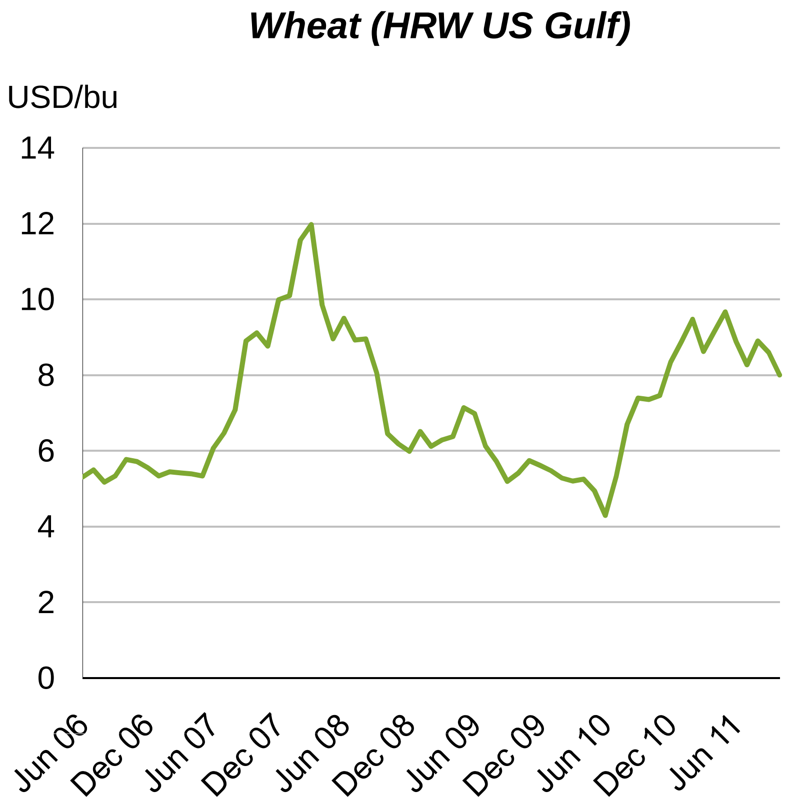


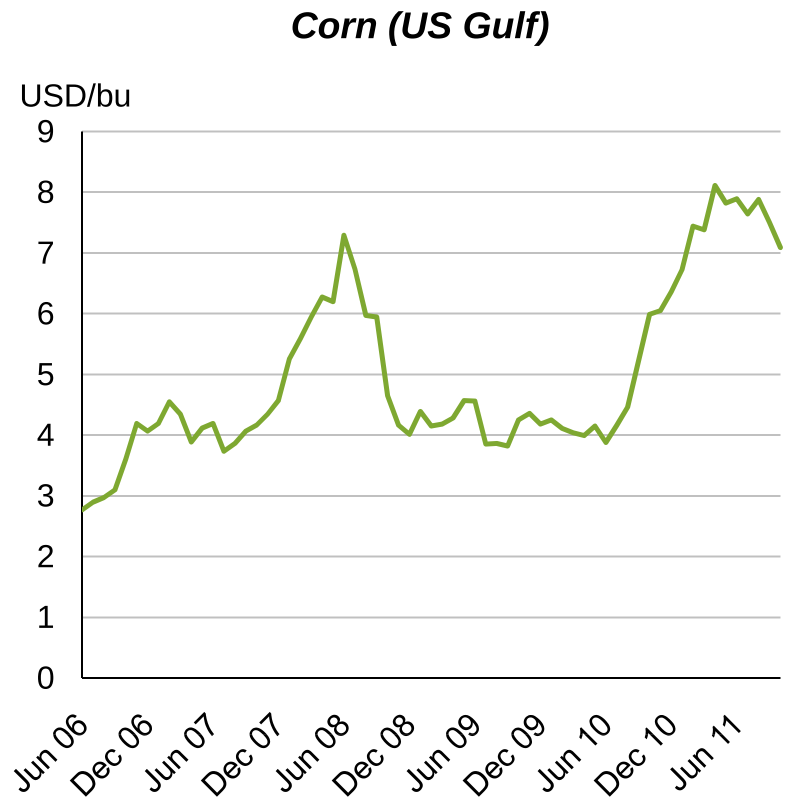
* Based on forward prices as of 7 October

Prospects fourth quarter 2011

- Urea prices sustained at third-quarter levels following India purchases
- Chinese 110% urea export tax planned from 1 November
- Low nitrate stocks in Europe
- Qafco-5 expansion start-up at end of quarter
- Yara’s energy costs expected to be NOK 750 million higher than last year

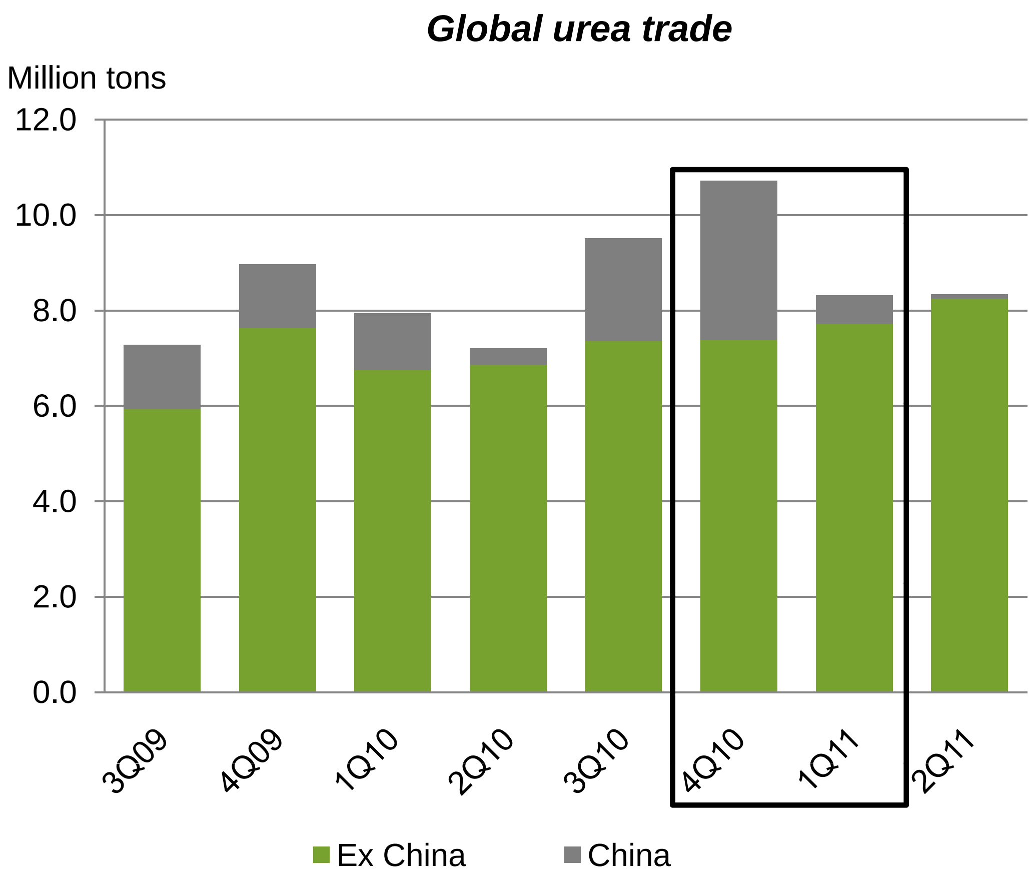
Healthy farm margins at today's grain prices





Source: World Bank Jun 06-Sep 11, IGC Oct 11

Fourth quarter Chinese exports likely lower



- China exported 3.3 million tons in 4Q10
- As much as 1.5 million tons were exported in December when the export tax was 110%
- An additional 0.6 million tons were allowed exported in 1Q

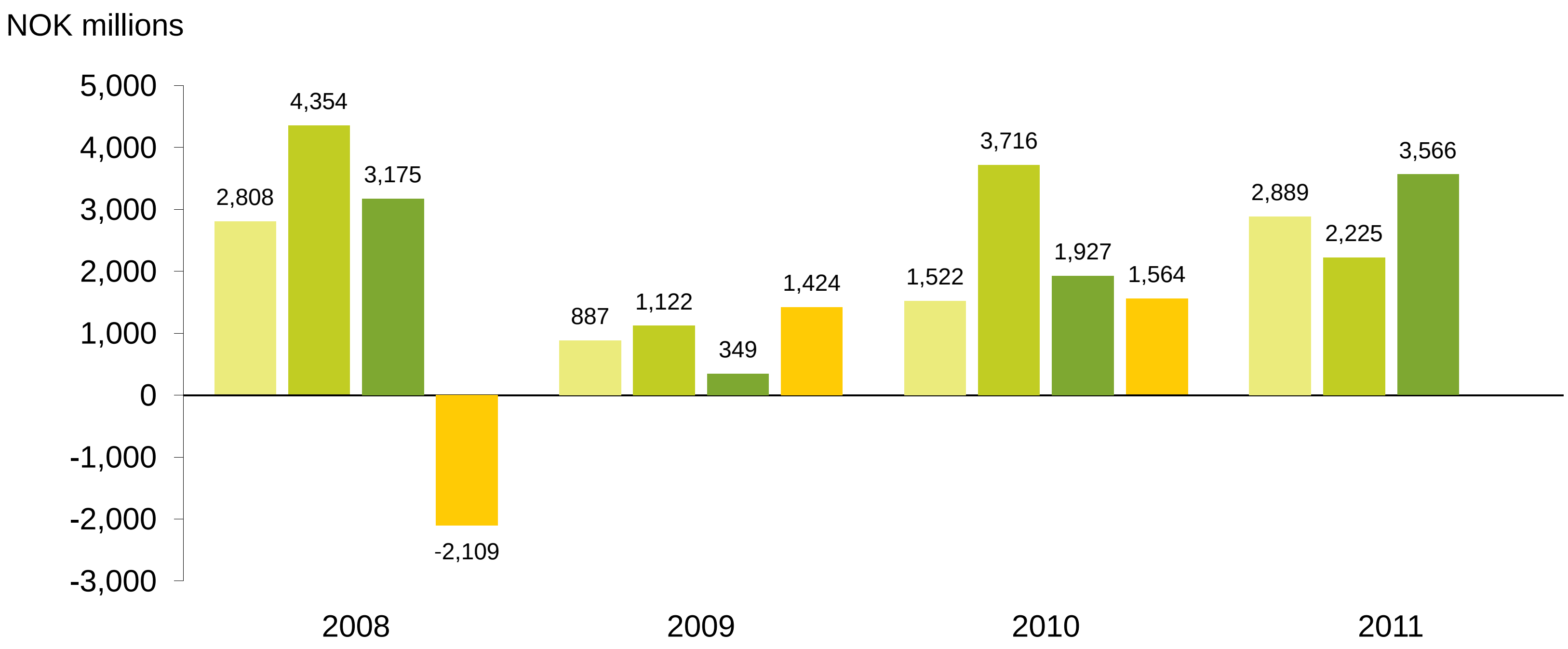
Source: IFA, Iran from GTIS

Prospects next twelve months

- Global agricultural markets are strong, with FAO food price index up 15% from last year
- Healthy farm margins at today's grain prices, indicating catch-up in European deliveries likely during remainder of season
- Global nitrogen fertilizer industry outside China running at full capacity; half of projected capacity increase in Algeria but timing estimates vary
- Qafco-6 expansion start-up in fourth quarter 2012

Additional information

Net income after non-controlling interests

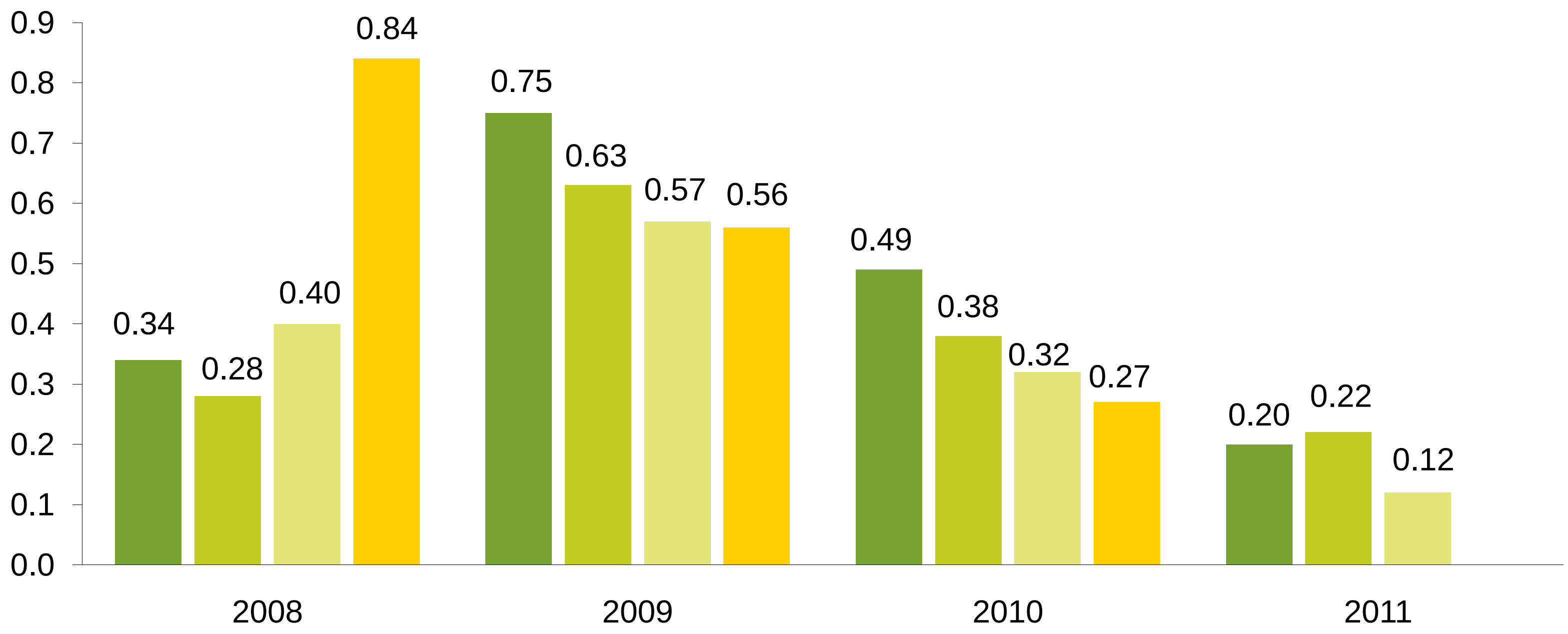


Annual

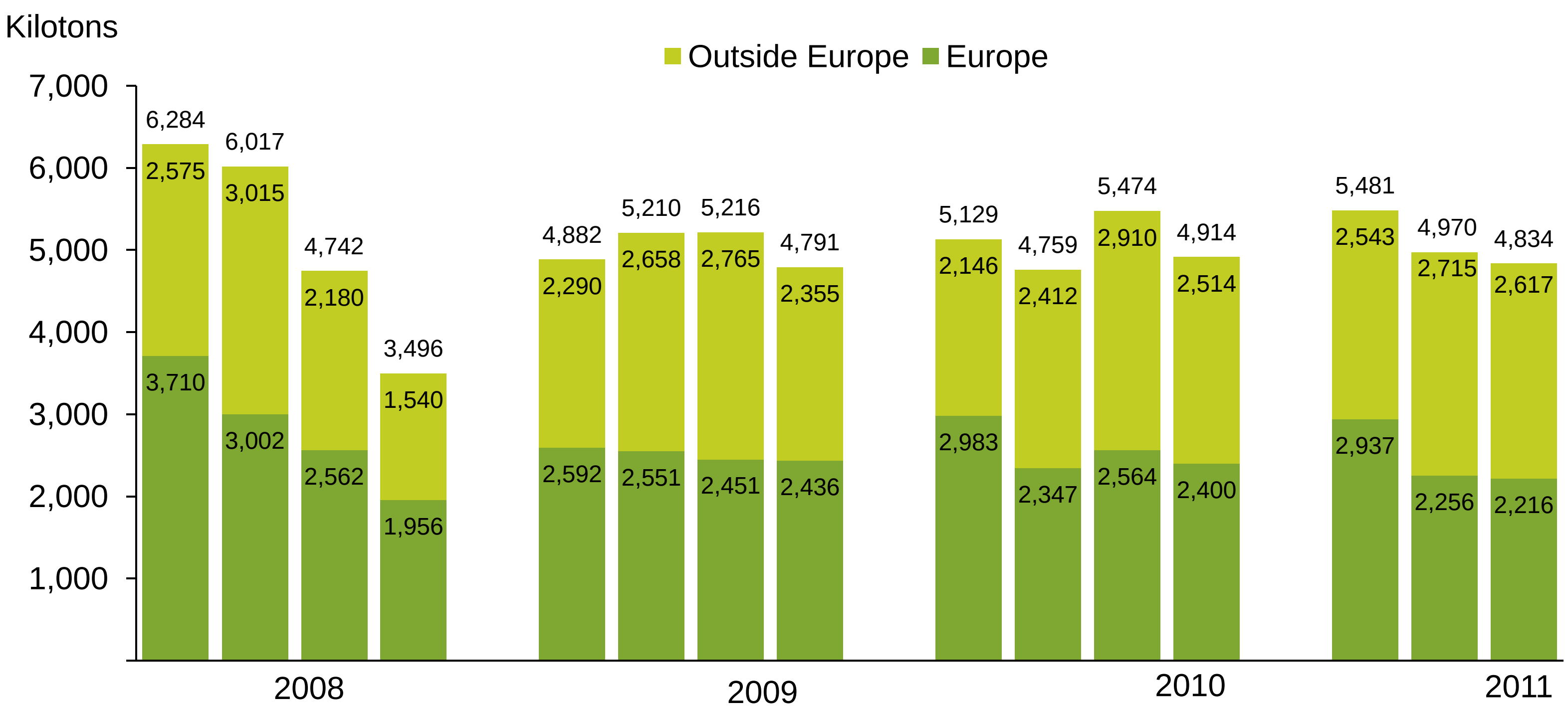
NOK millions	8,228	3,782	8,729	8,680

Debt/equity ratio

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



Fertilizer volumes

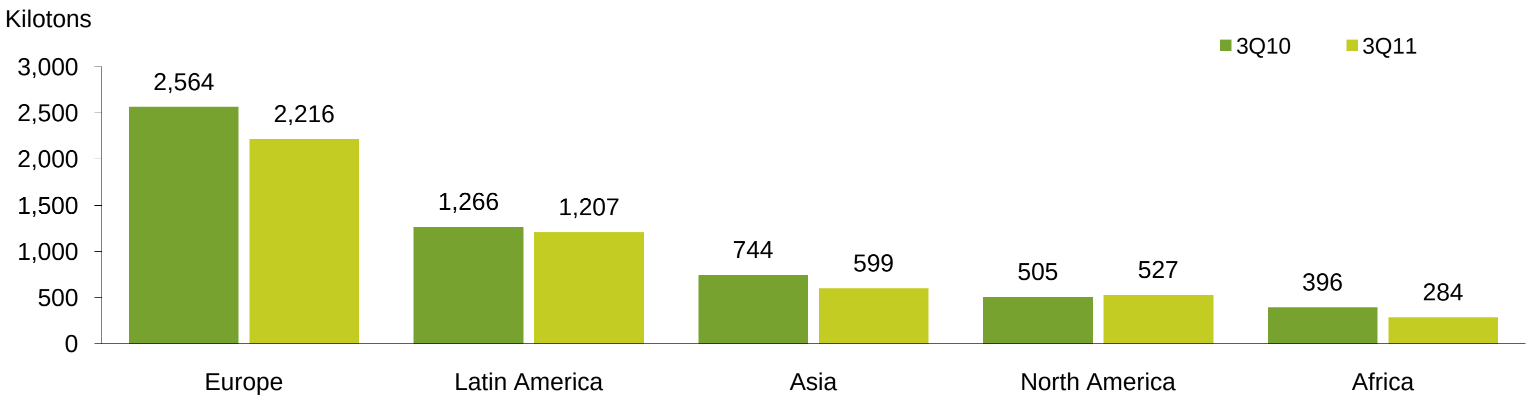


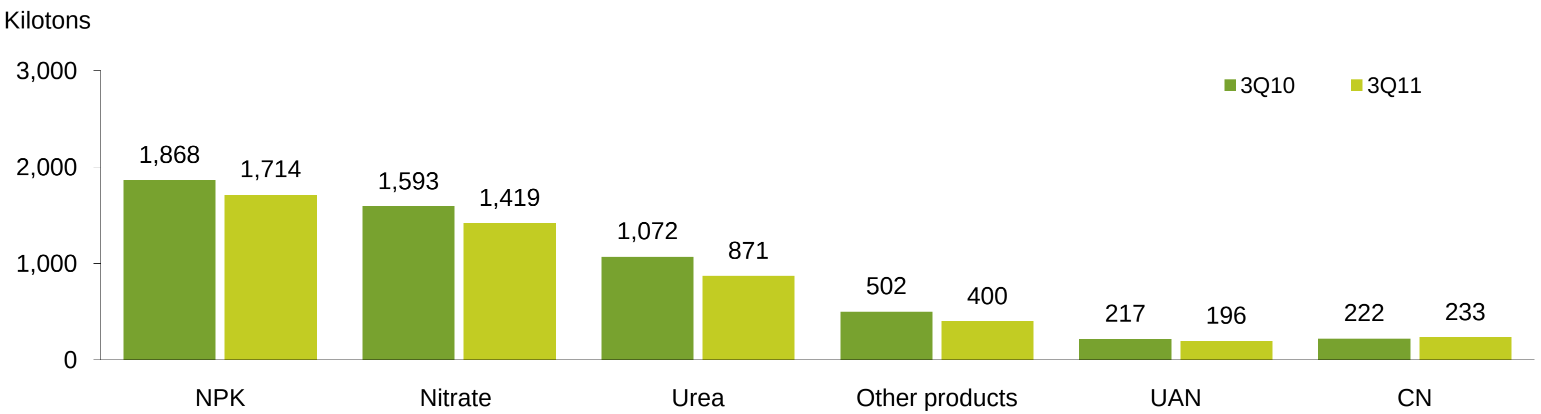
Accumulated, Kt

Fin. fertilizer	20,540	20,099	20,276	15,285

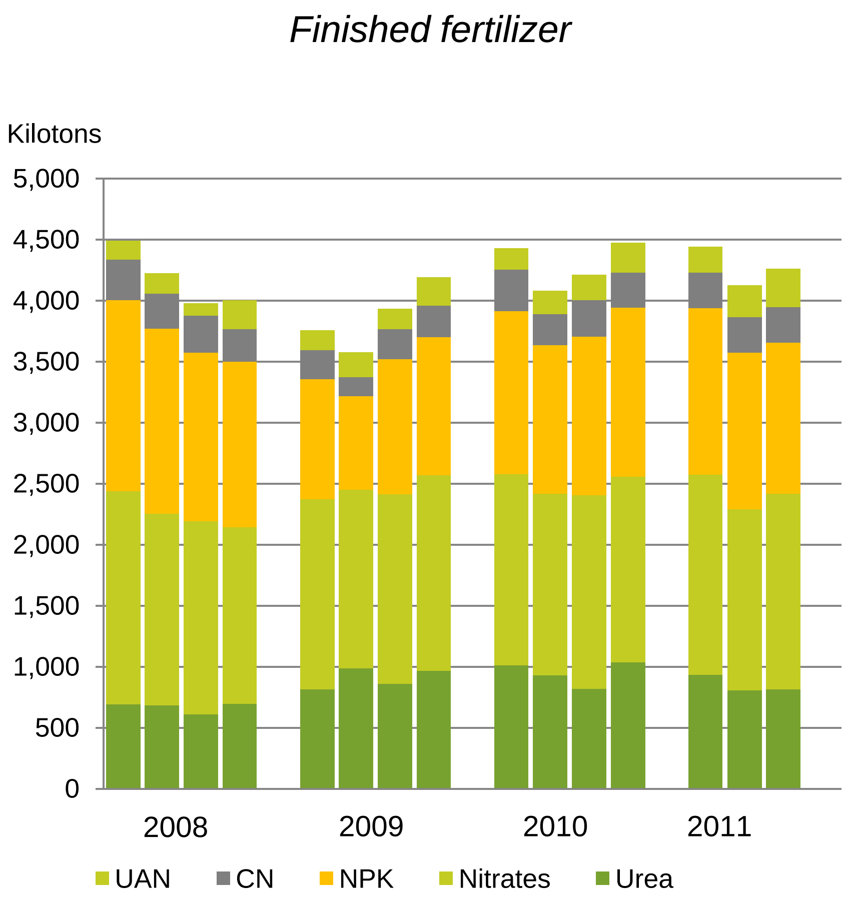
Yara 3Q fertilizer sales by market and product

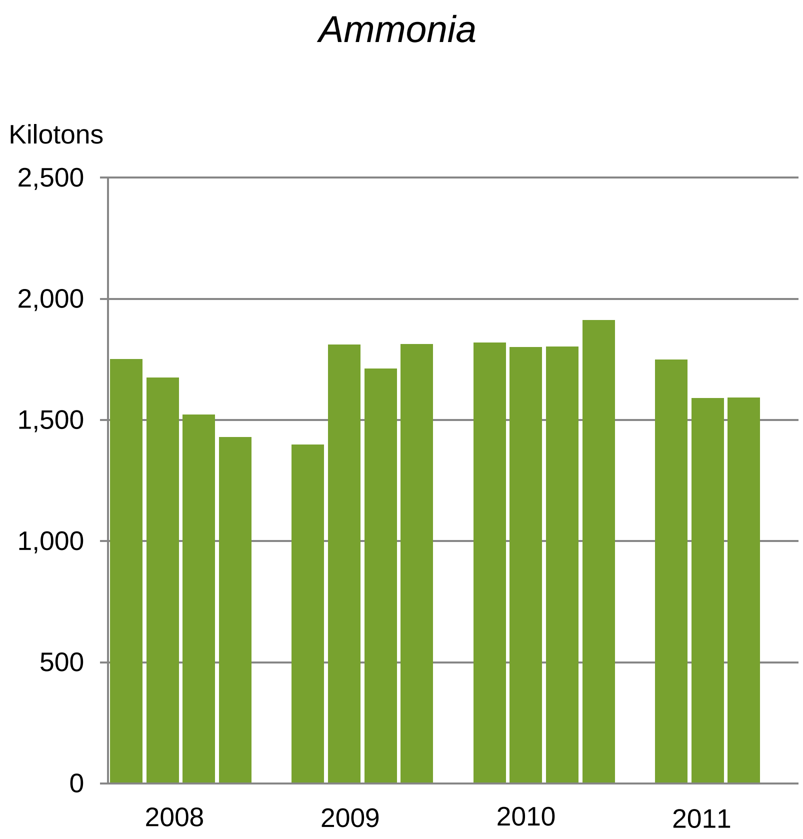
2011: 4.8 million tons (2010: 5.5 million tons)





Yara production volume*

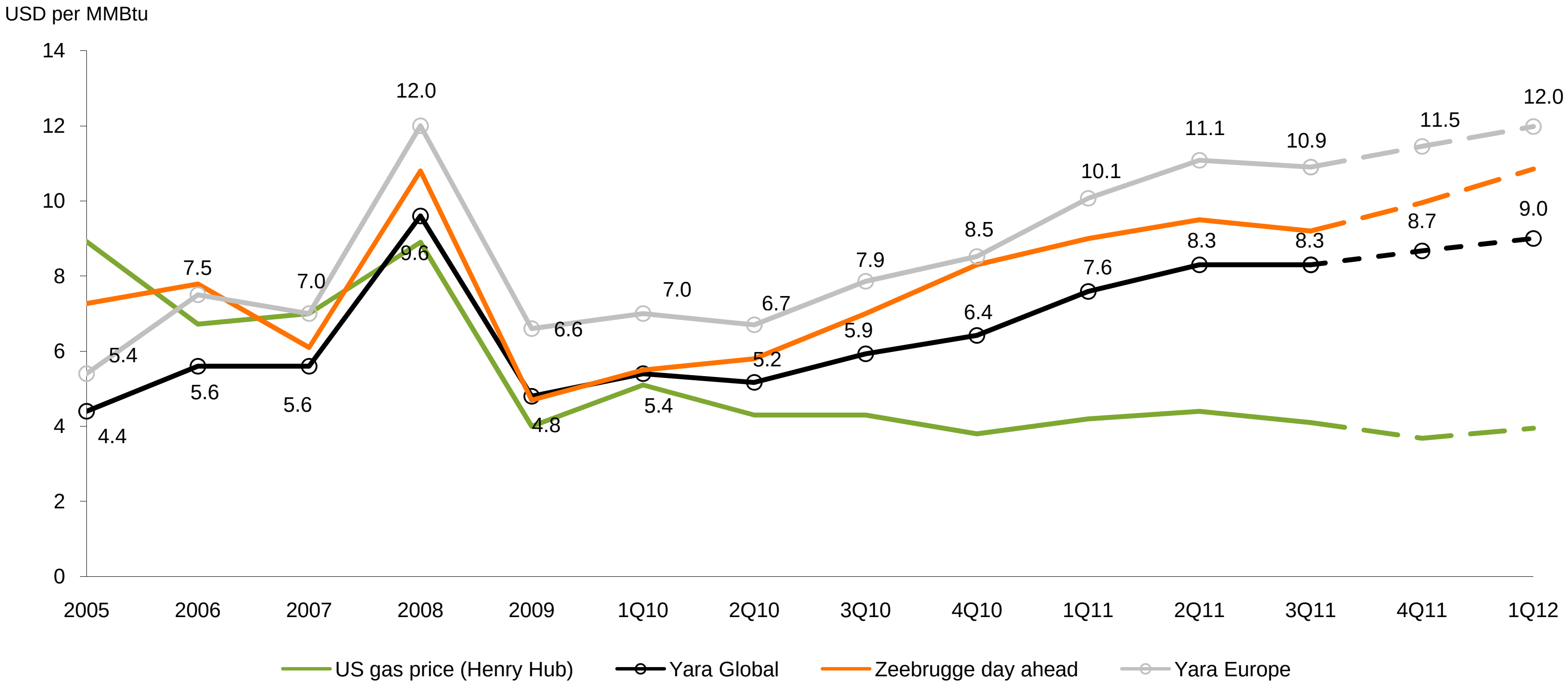




* Including share of equity-accounted investees

Spot natural gas versus Yara average

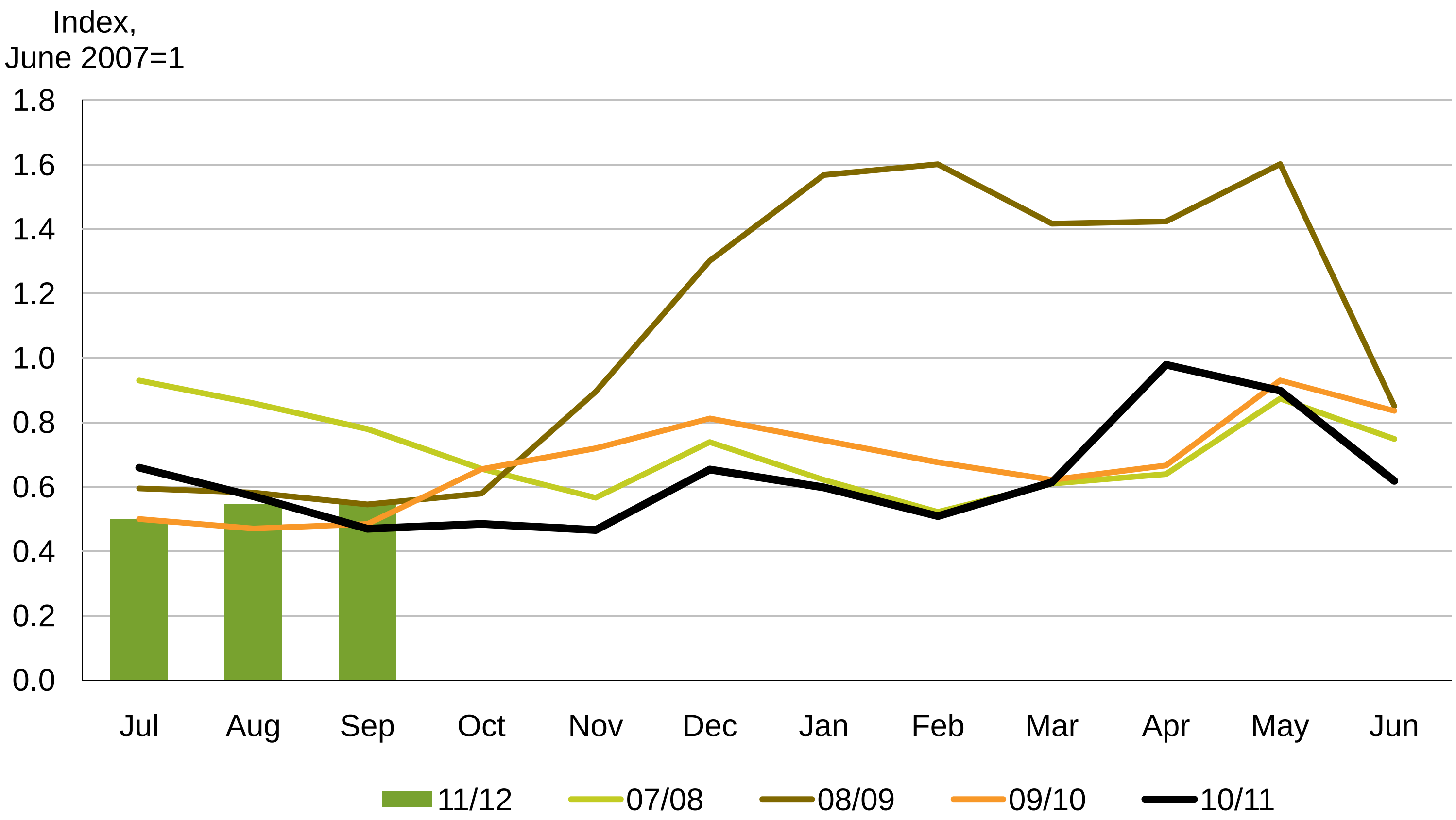
Yearly averages 2005 – 2009, quarterly averages for 2010-12 with forward prices* for 4Q11 and 1Q12



*Dotted lines denote forward prices as of 7 October

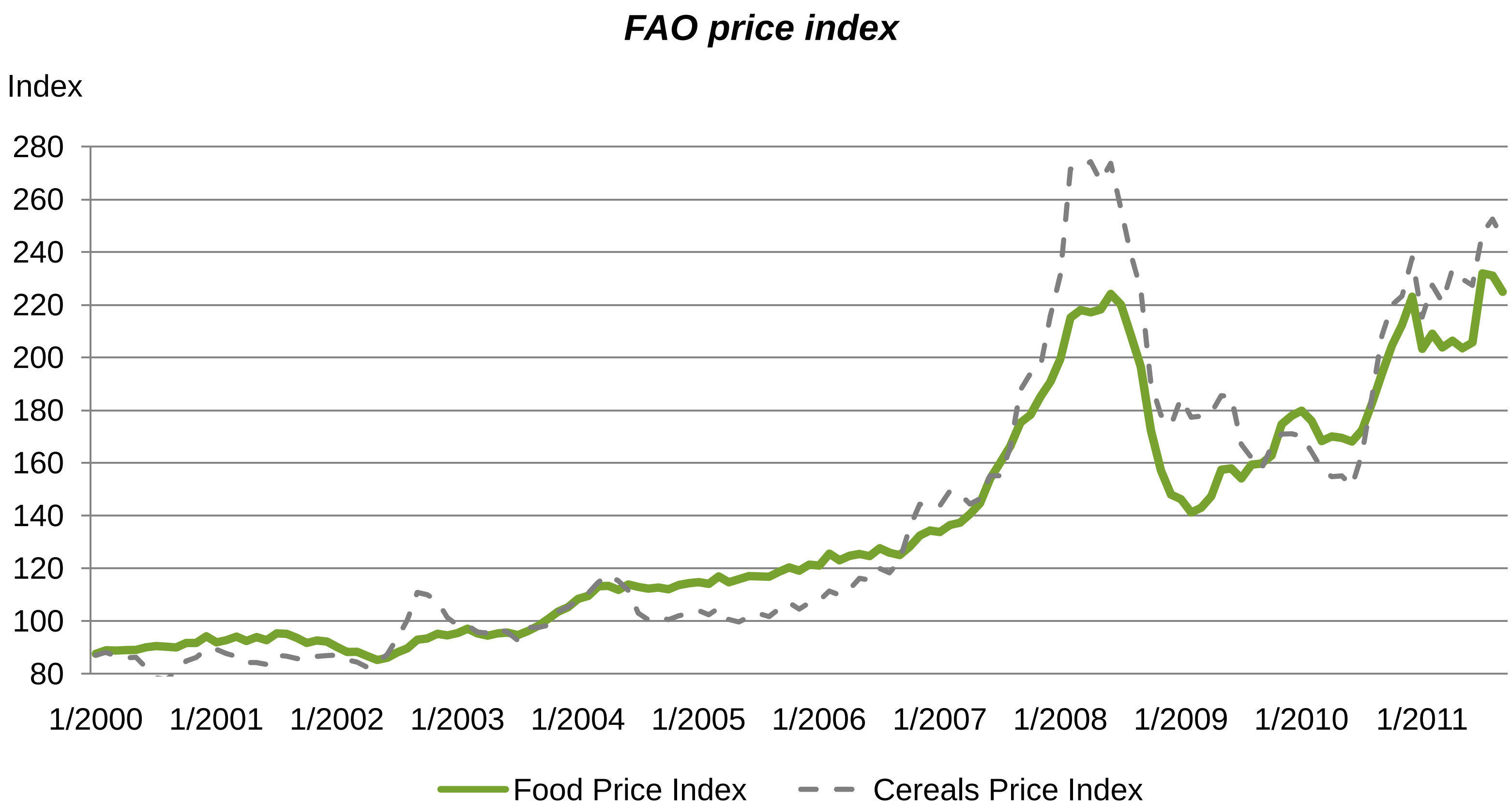
Source: Yara, World Bank, Platts

Low European producer nitrate stocks



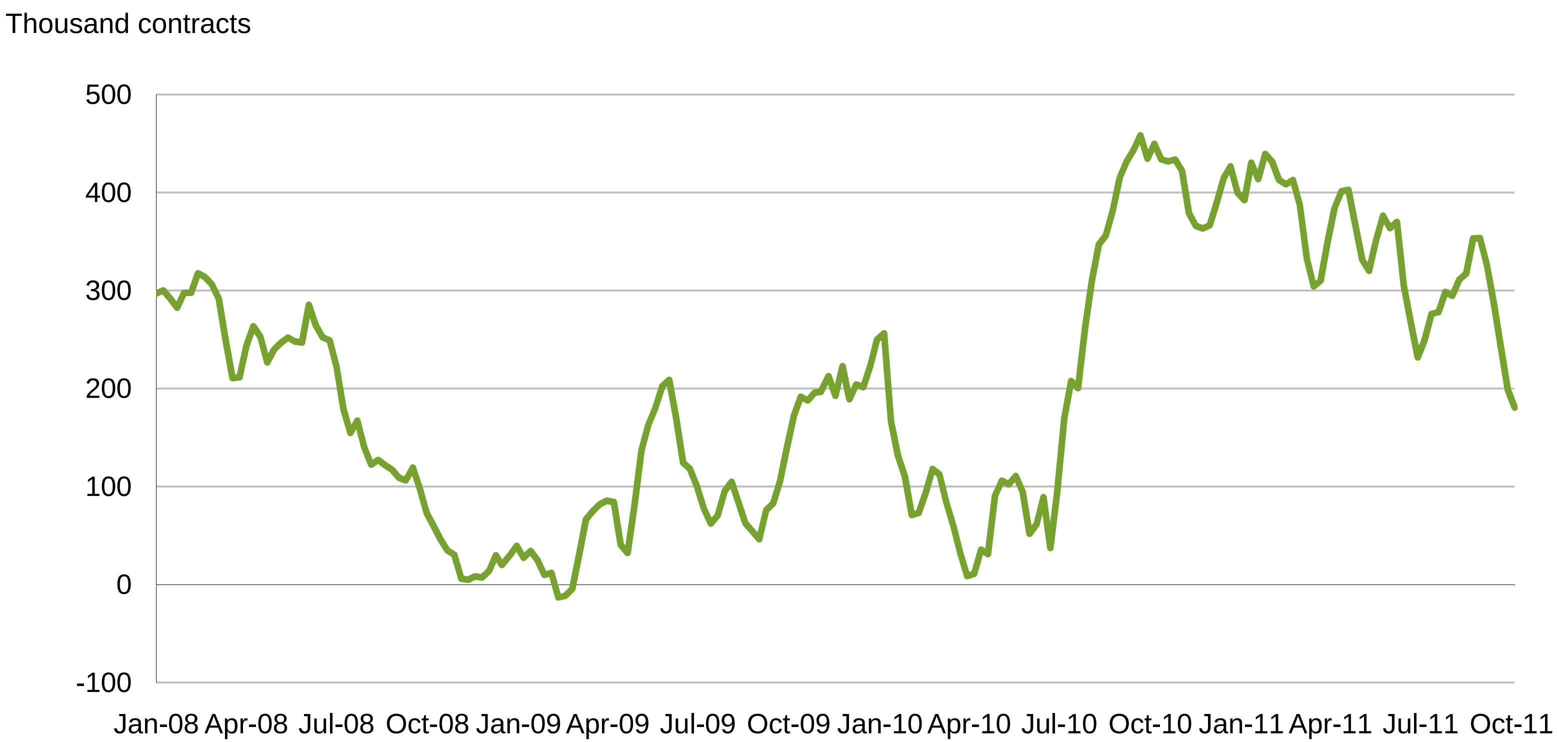
Source: Fertilizers Europe, September estimate from Yara

Strong farm incentives



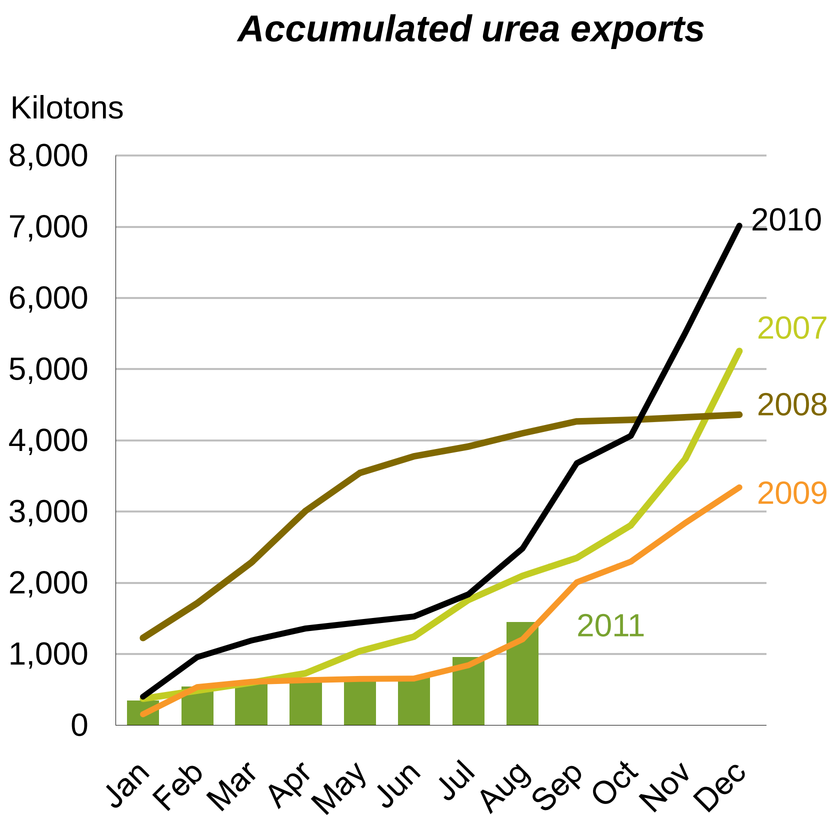
Source: FAO

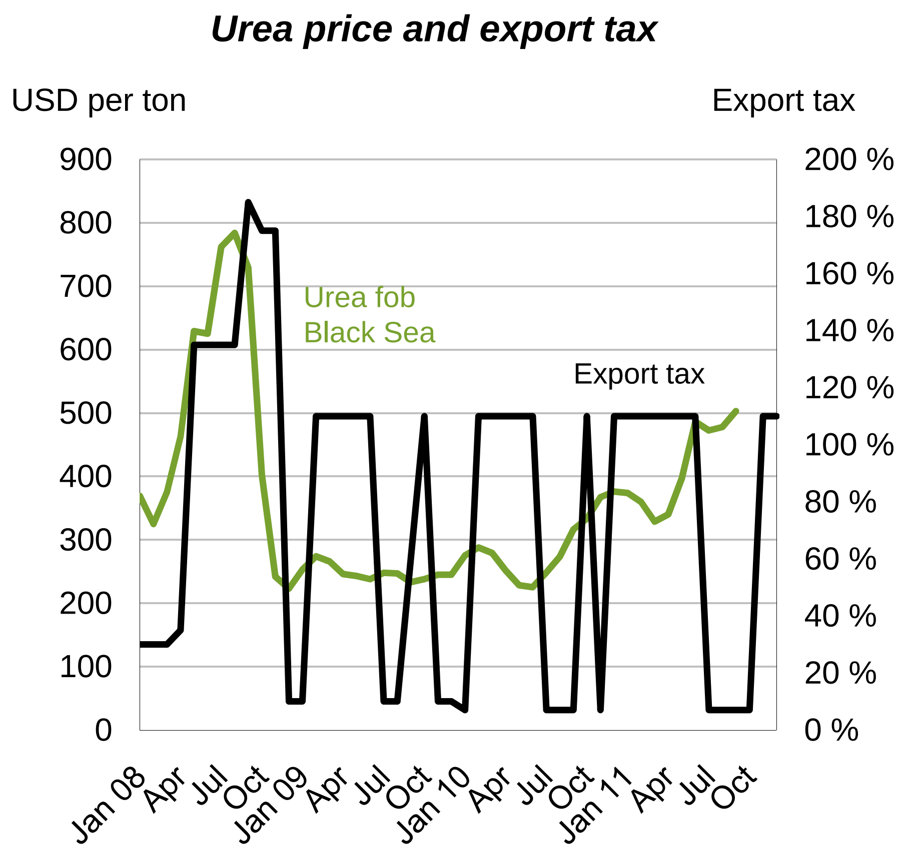
Non-commercials' net long position in corn



Source: US Commodity Futures Trading Commission

Chinese exports needed to balance the global market





Source: BOABC

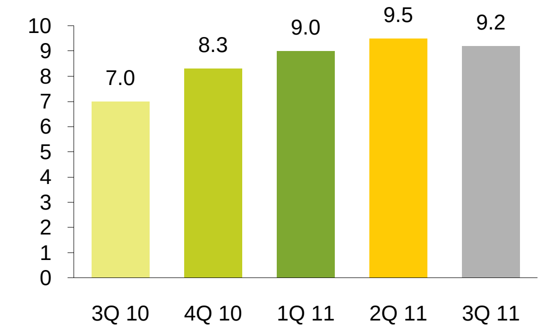
Projected nitrogen capacity additions in line with historical consumption growth

Year	Driving regions		Urea capacity growth relative to nitrogen capacity	
	World	Excluding China	World	Excluding China
2010	China 52% Trinidad 7%	Trinidad 15% Iran 12%	2.5% (2.5%)	1.9% (2.0%)
2011	China 53% Pakistan 15%	Pakistan 31% Iran 15%	2.0% (2.1%)	1.5% (1.5%)
2012	China 55% Algeria 18%	Algeria 41% Qatar 17%	4.2% (4.3%)	3.1% (3.1%)
2013	China 31% UAE 14%	UAE 21% Iran 19%	2.0% (2.2%)	2.2% (2.2%)
2014	India 15% Indonesia 13%	India 17% Indonesia 16%	0.9% (0.9%)	1.4% (1.6%)
Gross annual addition 2011-2014				**~2.1%**
Assumed annual closures				~0.5%
Net annual addition 2011-2014				**~1.6%**
Trend consumption growth from 2001			**2.5%**	**2.0%**

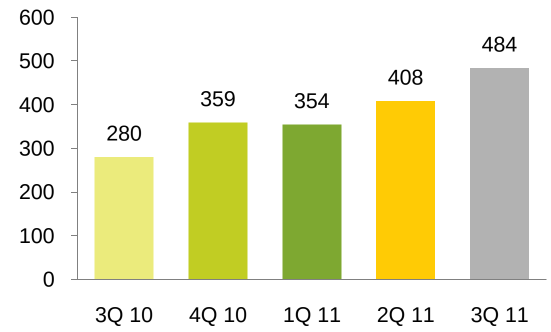
Source: Fertecon update October 2011, IFA on consumption figures

Key value drivers quarterly averages

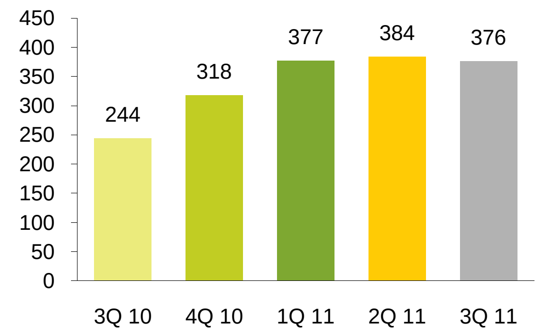
Zeebrugge day ahead(USD/MMBtu)



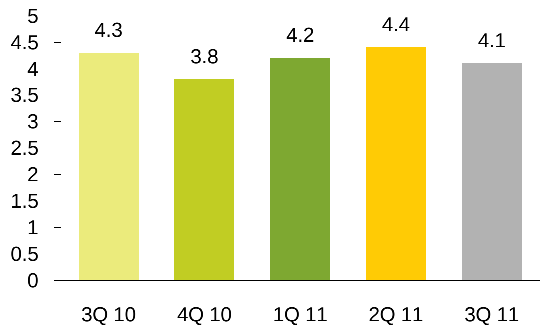
Urea prilled fob Black Sea (USD/t)



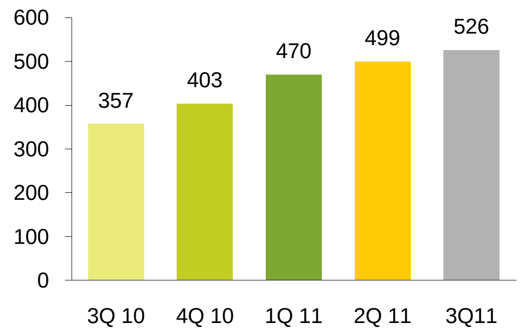
CAN cif Germany (USD/t)



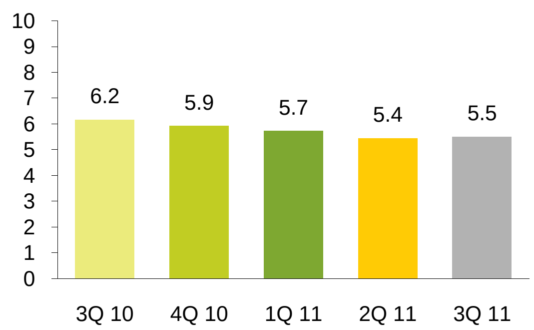
US gas price Henry Hub (USD/MMBtu)



Ammonia fob Black Sea (USD/t)



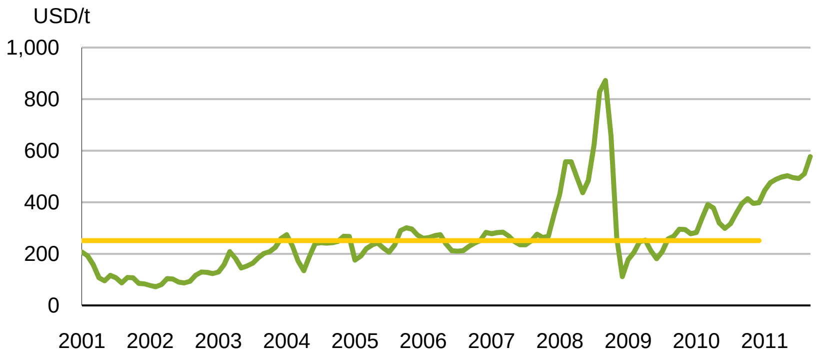
NOK/USD exchange rate



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

10-year fertilizer prices monthly averages

Ammonia fob Black Sea



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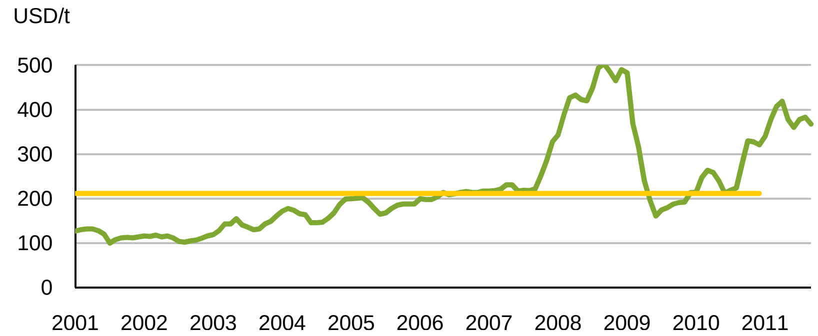
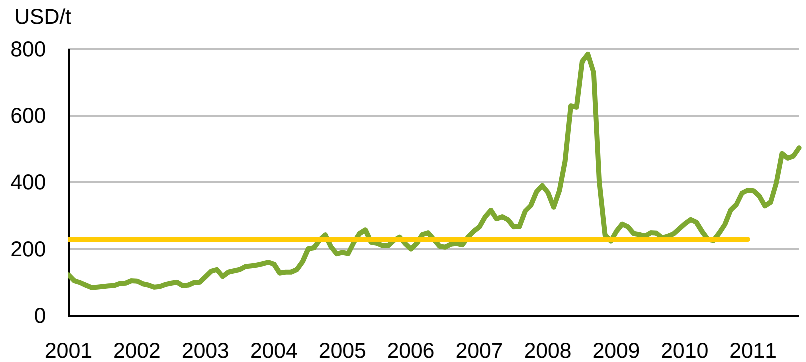
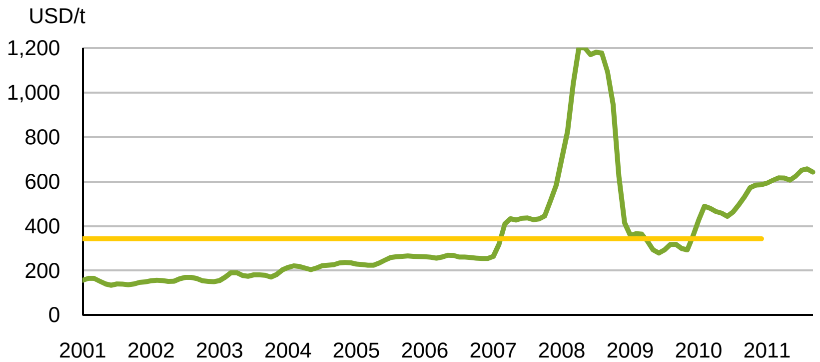


Urea prilled fob Black Sea



DAP fob US Gulf



Average prices 2001 - 2010

Source: Average of international publications