



Knowledge grows

Yara International ASA Capital Markets Day

1 March 2016



Agenda

08:30	Welcome	
	Business model (15 mins)	Svein Tore Holsether, President & CEO
	Crop Nutrition (25 mins)	Terje Knutsen, Head of Crop Nutrition
	Research & Development (10 mins)	Anke Kwast, Head of Product & Application R&D
	Brazil (20 mins)	Lair Hanzen, Head of Yara Brasil
09:40	<i>Coffee break (30 mins)</i>	
	Industrial (10 mins)	Yves Bonte, Head of Industrial
	Production (10 mins)	Petter Østbø, Head of Production
	Supply Chain (10 mins)	Tove Andersen, Head of Supply Chain
	Market update (20 mins)	Dag Tore Mo, Head of Market Intelligence
	Financial update (20 mins)	Torgeir Kvidal, Chief Financial Officer
	Going forward (15 mins)	Svein Tore Holsether, President & CEO
11:30	Q&A (30 mins)	
12:00	<i>Lunch</i>	

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 Toolbox Meeting



Root cause analysis workshop



Top Management present on the shop floor



7 years LTI free celebration

2014-2015: Growing and integrating assets, and re-focusing segment strategies

New Industrial strategy



Acquisition of 60% stake in Galvani in Brazil



Value added capacity expansion



New Crop Nutrition strategy



Full ownership of Yara Pilbara ammonia



Finalized integration of Bunge in Brazil



Finalized integration of OFD in Latin America



Building of new Ammonia plant in Texas



Divestment of GrowHow UK and CO2 business



Organizational change

First 100 days focused on getting to know the company and industry

Town hall meetings



Site visits



Investor meetings



Customer visits



1:1 conversations



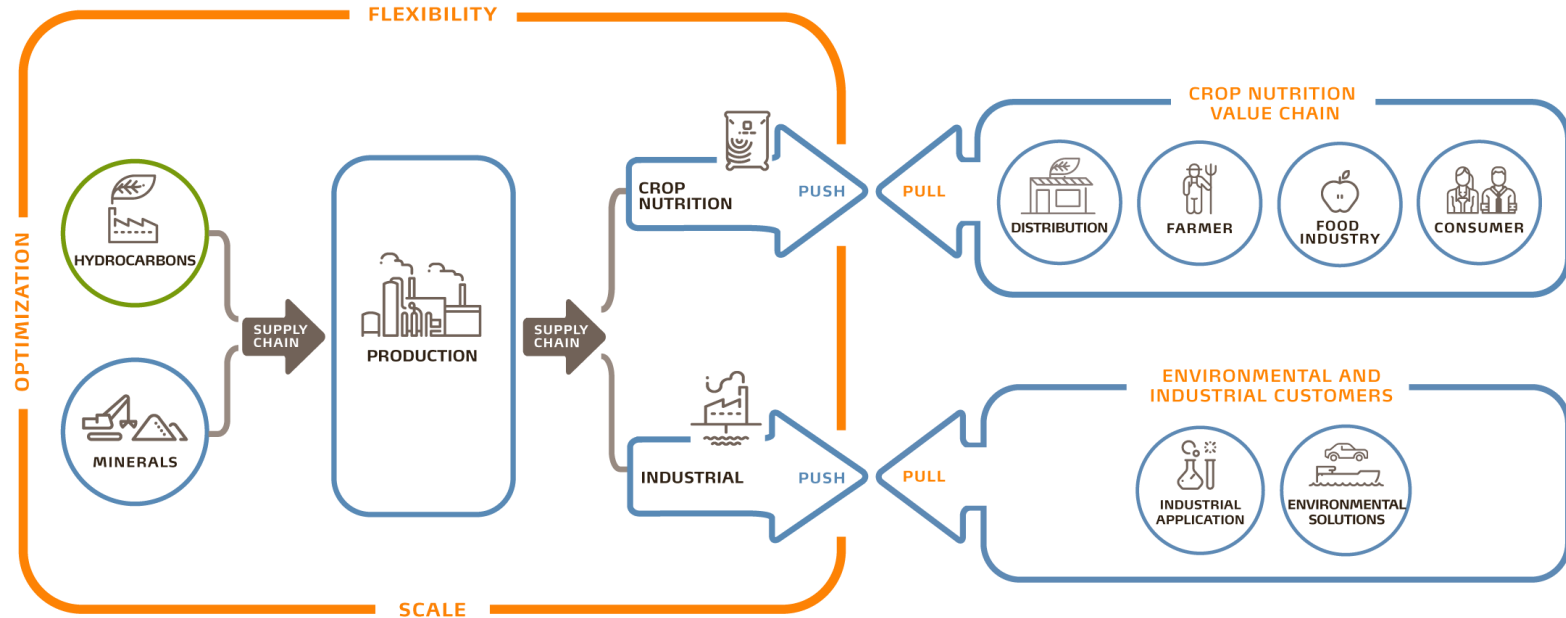
Meeting with partners



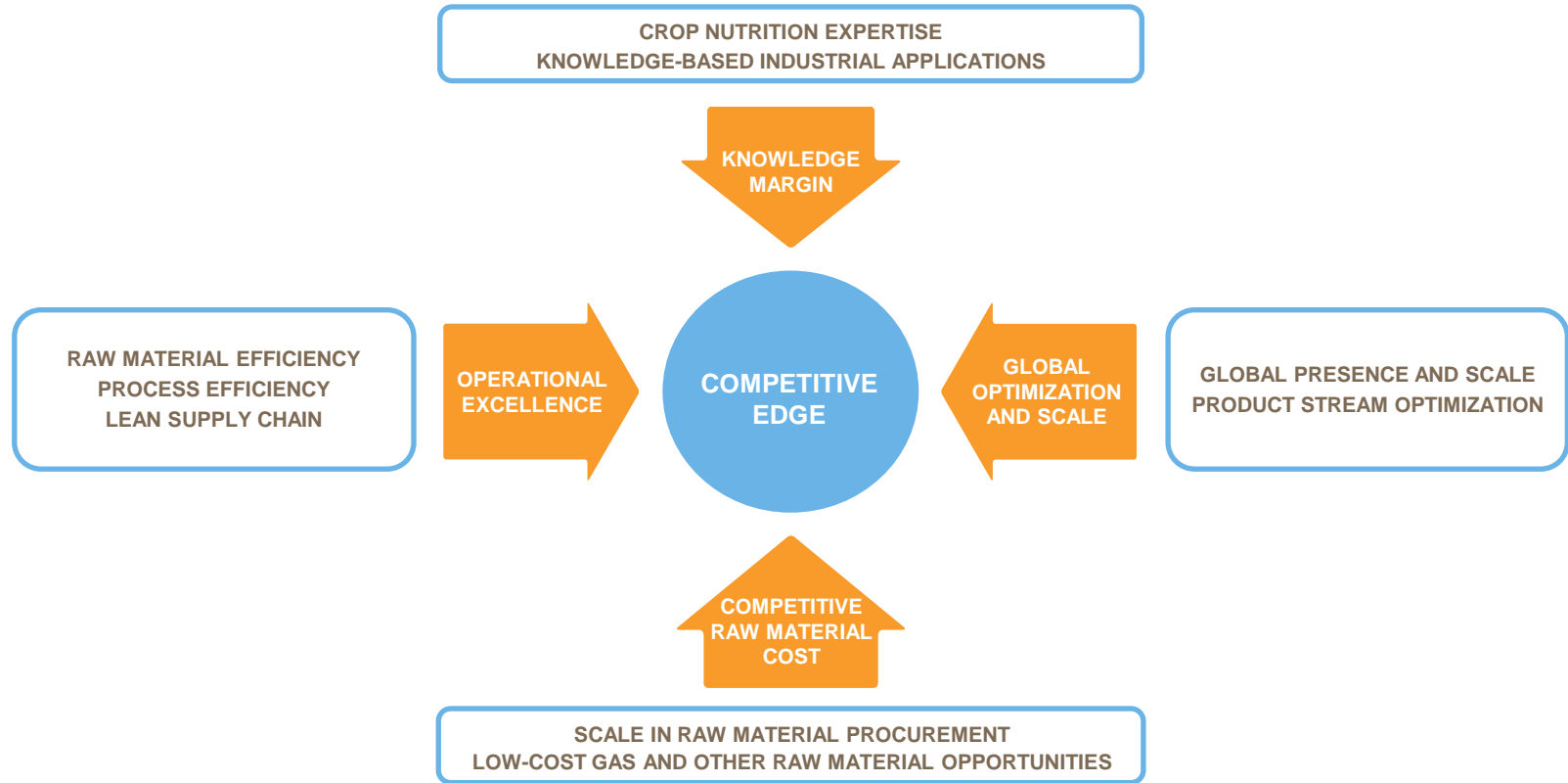
Responding to global challenges is an integral part of our business model and strategy



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



Four main sources of competitive edge



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"



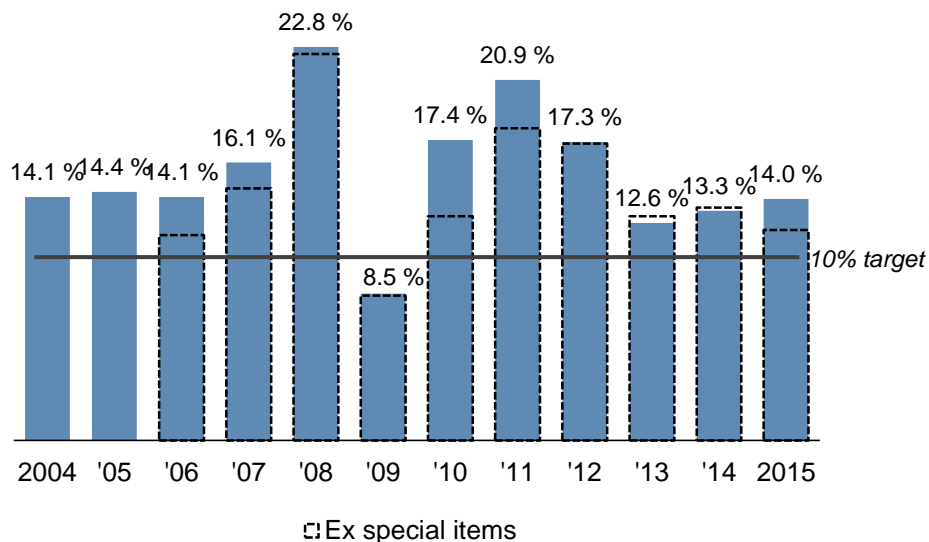
"The N-sensor together with the N-tester ensures that the fertilizer is applied exactly where it is needed"



"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"

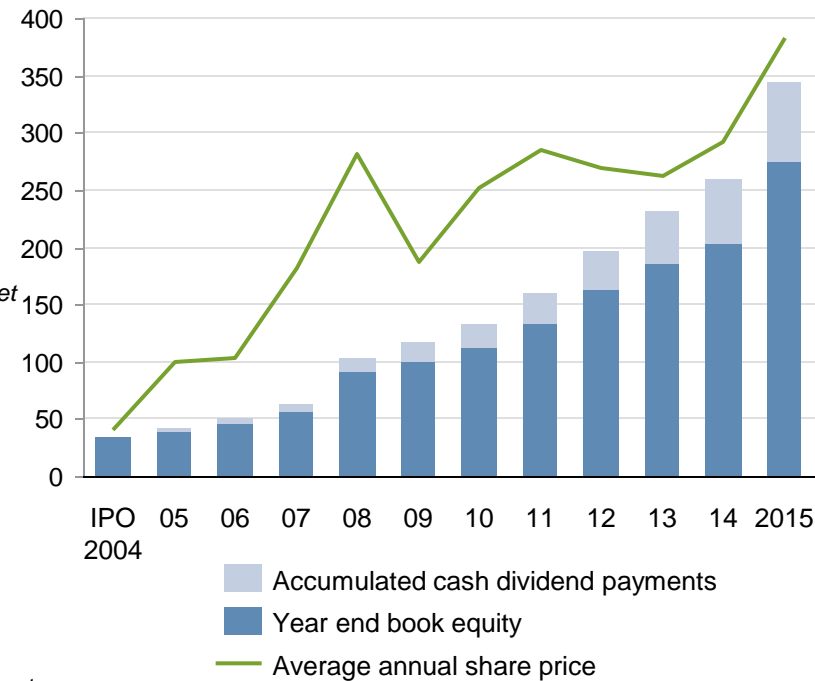
Strong track record of profitable growth

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



Annual shareholder return of 25%¹

NOK/share



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

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

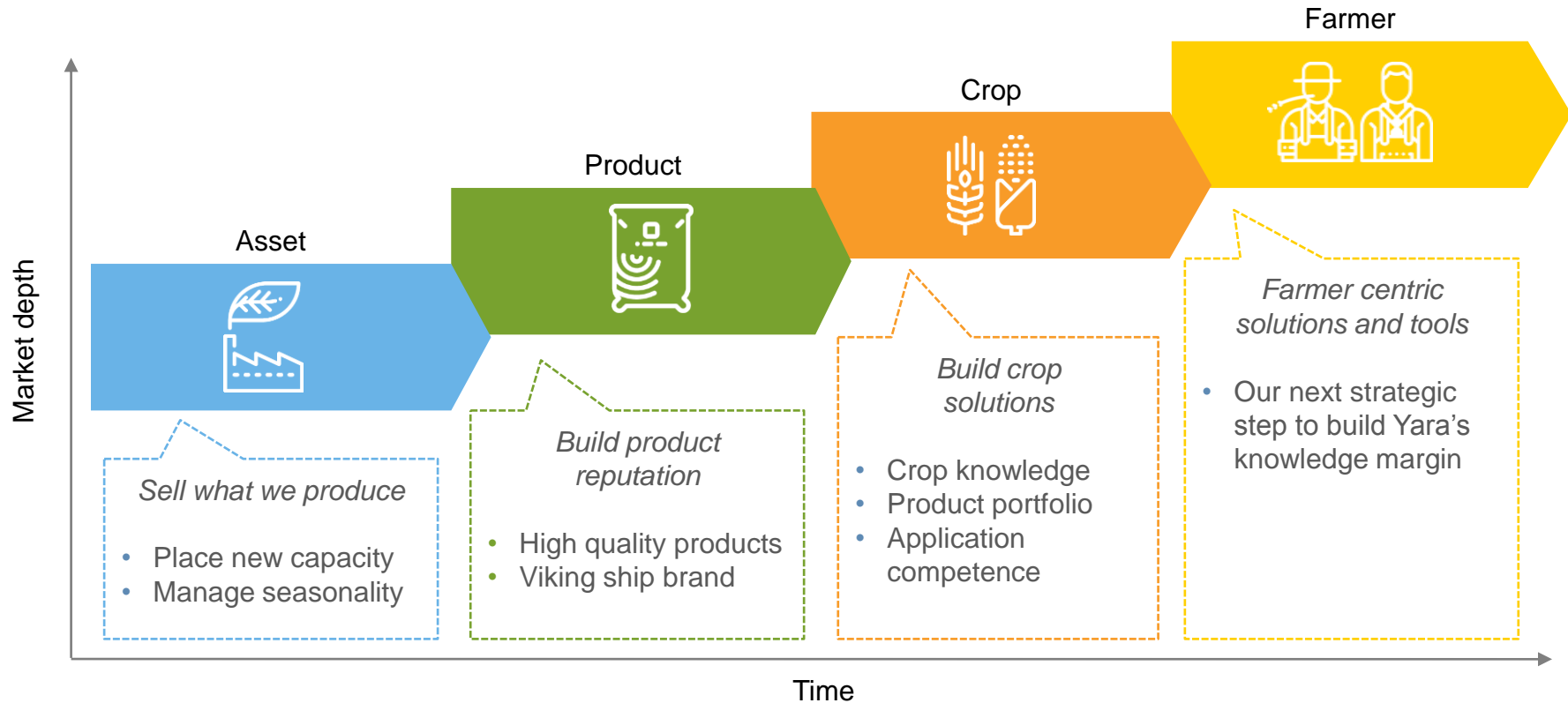
Organizational adjustments shift emphasis towards operations



**Kristine Ryssdal to replace Trygve Faksvaag as General Counsel, by latest 31 May*

Crop Nutrition

Evolved focus and aspiration



*“Our aspiration is to be the leading provider
of sustainable crop nutrition solutions,
supporting farmer profitability through
knowledge, quality and productivity*

Four principles guide our aspiration

Farmer profitability



The farmer is at the centre of a consistent knowledge based approach, as we aim at being the farmer's crop nutrition partner

Sustainable Crop Nutrition Solutions



Crop nutrition solutions incorporating precision farming, and adapted to farmer needs and environmental challenges

Knowledge, productivity and quality



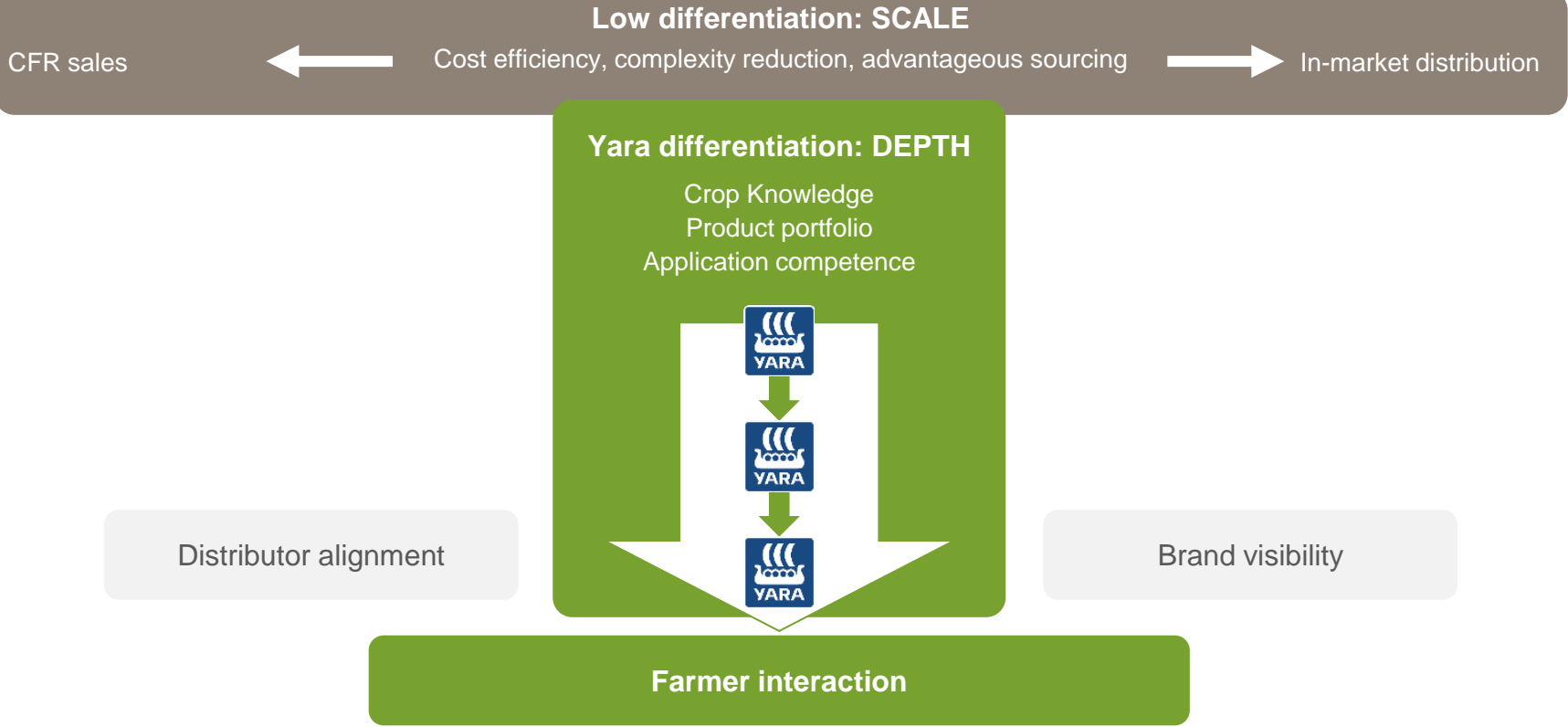
Superior knowledge of crop nutrition, water and soil drives optimal yield, quality and productivity

Leading



The global leader in safety, business ethics, efficient logistics and product quality – and the leading global brand

Crop Nutrition has dual focus, but differentiation is our core

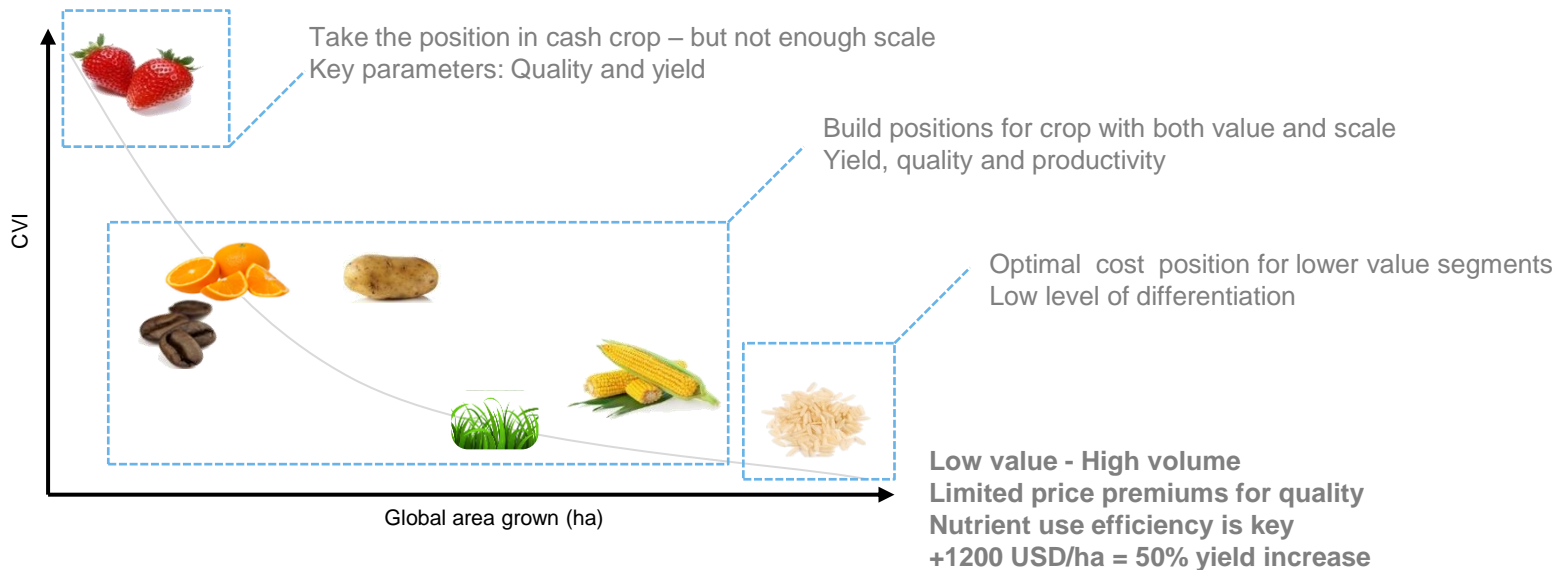


Crop Value Index – a key guide to our approach

What is CVI:

$$\frac{\text{Crop revenue}}{\text{Fertilizer costs}}$$

High value, Low volume
Double price premium for high quality
2% yield increase = +1200 USD/ha



Segmentation will focus our efforts and resources

Farmer Segmentation



- Identify the needs and buying criteria
- Develop offers and Value Propositions
- Allocate resources

Crop Segmentation



- Key focus crops in a country or region
- Based on crop attractiveness and Yara's competitive position

Distributor Alignment



- Identify the needs and buying criteria,
- Prioritize based on strategic alignment, growth potential and market presence,

Four strategic responses shape our approach to the market



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

...while three shape our organizational approach



Strengthened and aligned brand positioning

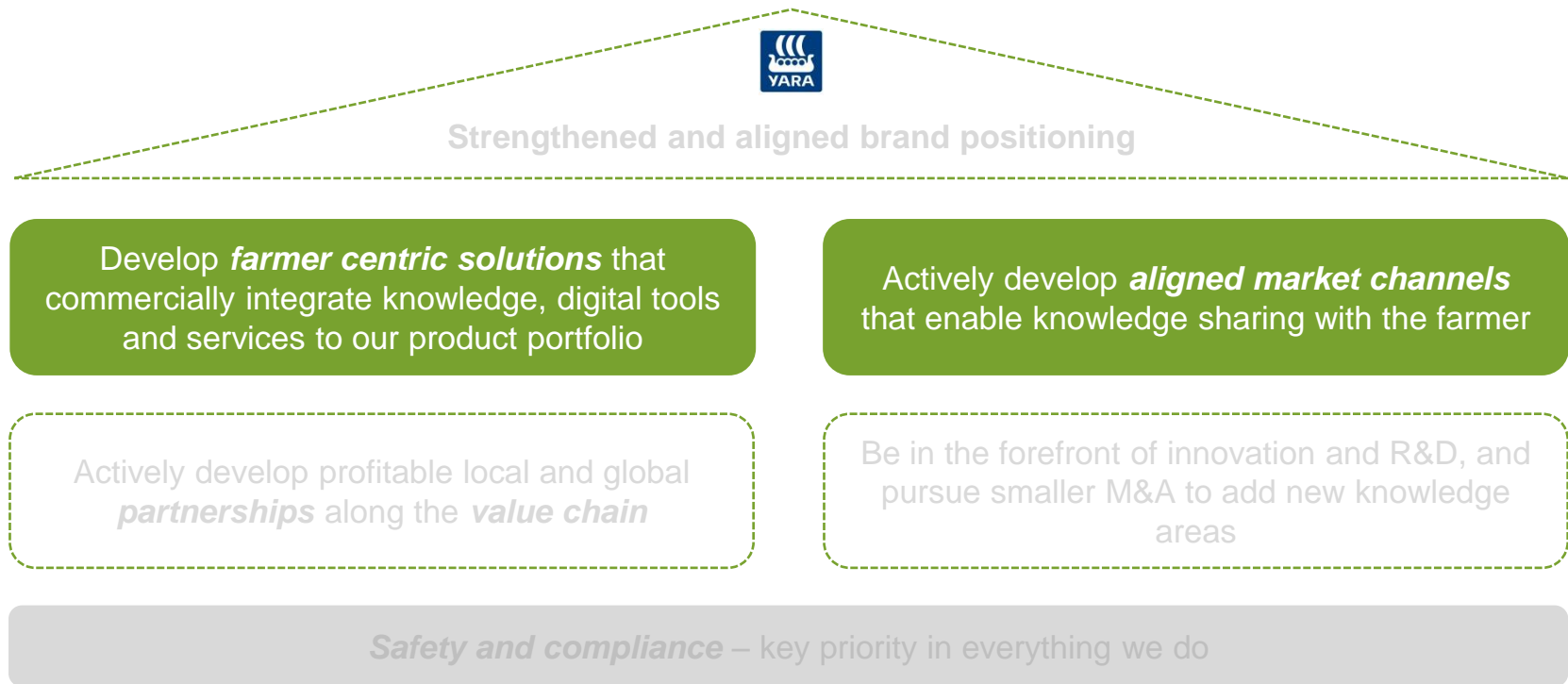
Direct our organization towards **value selling** via higher farmer interaction and knowledge of farmer needs

Increase productivity through cost efficient logistics, standardized processes and capital efficiency

Drive **scale and sharing of knowledge** through strong local organizations, supported by an agile central team

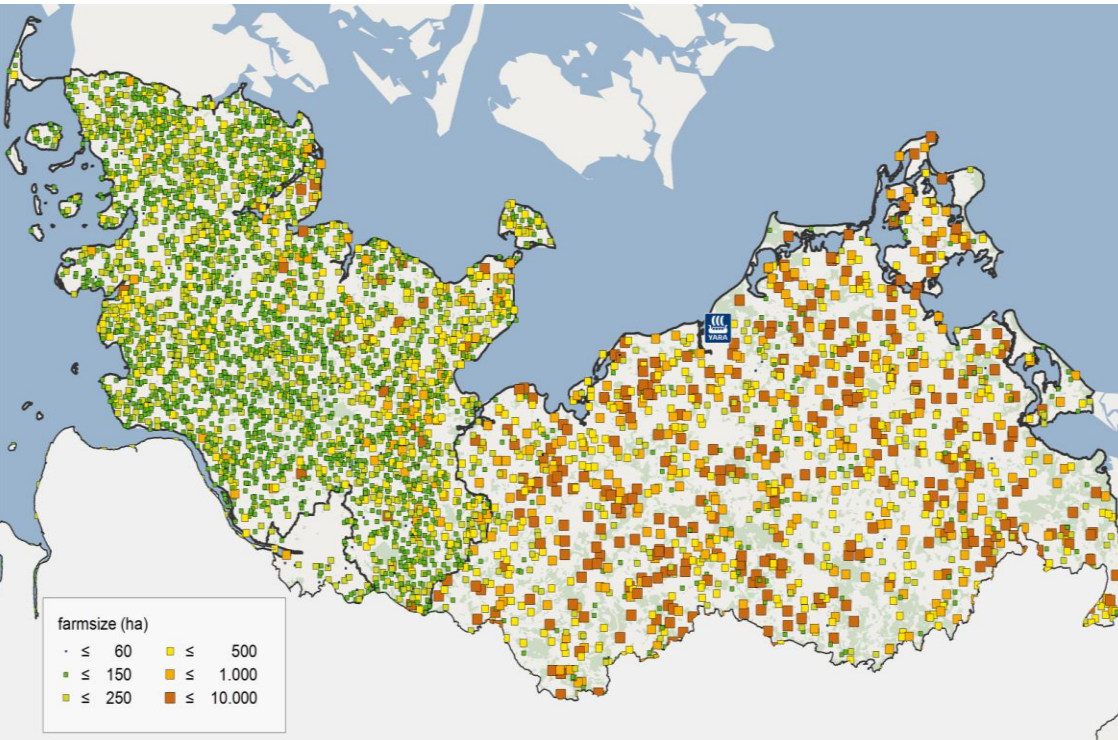
Safety and compliance – key priority in everything we do

Case: Farmer centric approach, Northern Germany



Case: Farmer centric approach, Northern Germany

Integrate farm data, define focus farms and farmer centric actions



CROP
SEGMENTS

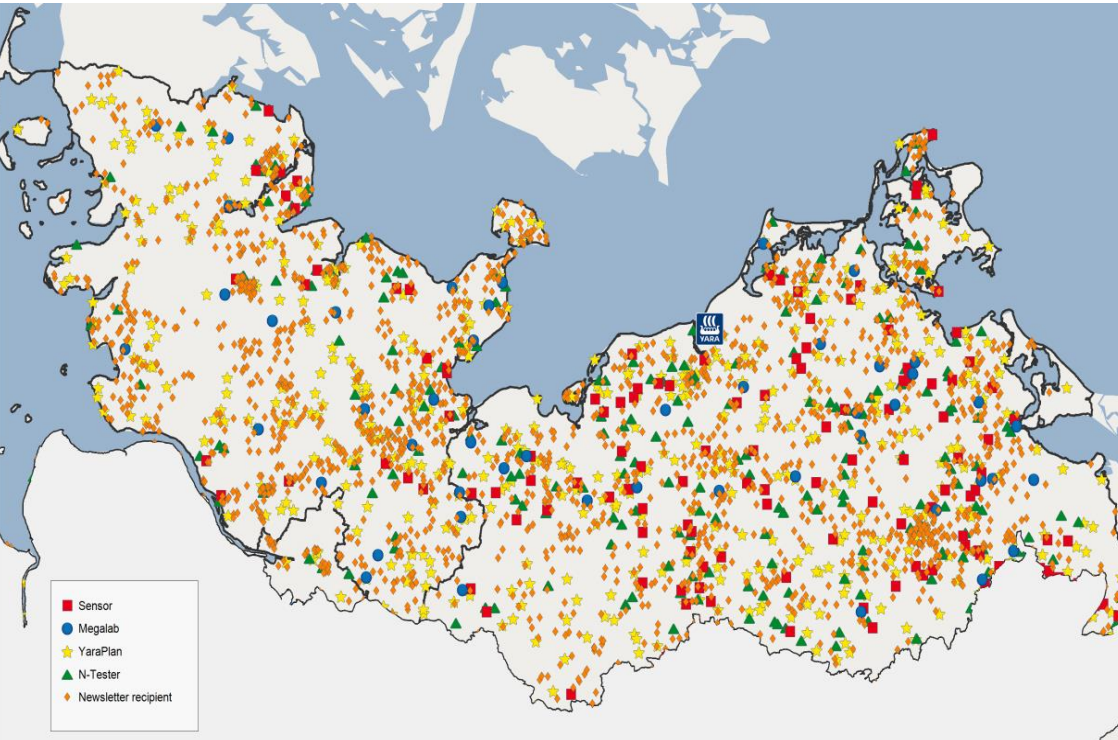


IDENTIFY
FARMER
SEGMENTS



Case: Farmer centric approach, Northern Germany

Integrate farm data, define focus farms and farmer centric actions



TARGET
SPECIFIC
FARMER
SEGMENTS



TARGETED VALUE PROPOSITION

CROP
PROGRAM
(products)

	08/01/16	08/01/16	08/01/16	08/01/16
YaraMila®	08/01/16	08/01/16	08/01/16	08/01/16
YaraBela®	08/01/16	08/01/16	08/01/16	08/01/16
YaraBela®	08/01/16	08/01/16	08/01/16	08/01/16
YaraVita®	08/01/16	08/01/16	08/01/16	08/01/16
YaraVita®	08/01/16	08/01/16	08/01/16	08/01/16



TOOLS
& SERVICES
(application)

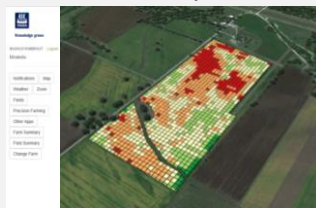


“MyYara” Crop Nutrition Farm Management System



Recommendations

Nutrient Management Broad Acre Crops



Fertigation Management Open Field and Greenhouse



Engagement platform

MyYara Gateway to Yara



Farmers
Customers
Scientific community

Mobilizing and engaging employees, partners and customers...

«Our aspiration is to be the leading provider of sustainable crop nutrition solutions, supporting farmer profitability through knowledge, quality and productivity».

80 local townhall meetings, strategy workshops and crop roadmap workshops around the world



Strategy in action with distributors and farmers

Distributor Crop Symposium (Brazil)



Farmer field day (Vietnam)



Coffee Productivity Conference (Colombia)



Farmer meetings (Spain)



...systematically breaking down the strategy into action plans per crop

56 Country quantitative roadmaps per key crop
- Long term volume targets per group

206 Key crop/country qualitative roadmaps
- Crop specific strategies, actions and resource plan

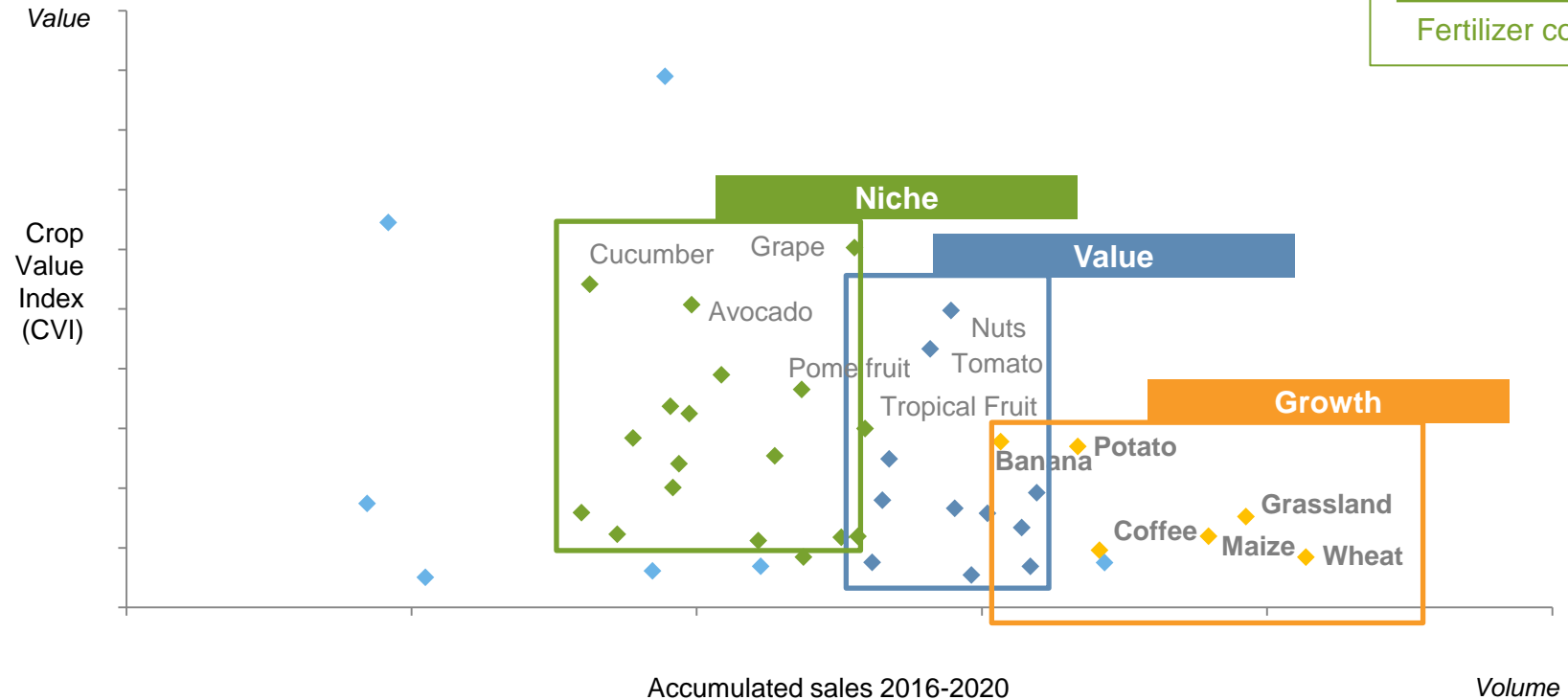
11 Functional global roadmaps
- Roadmaps for key products, agronomy, marketing, digital, value chain, competence, tools and services and R&D

Integrated roadmaps

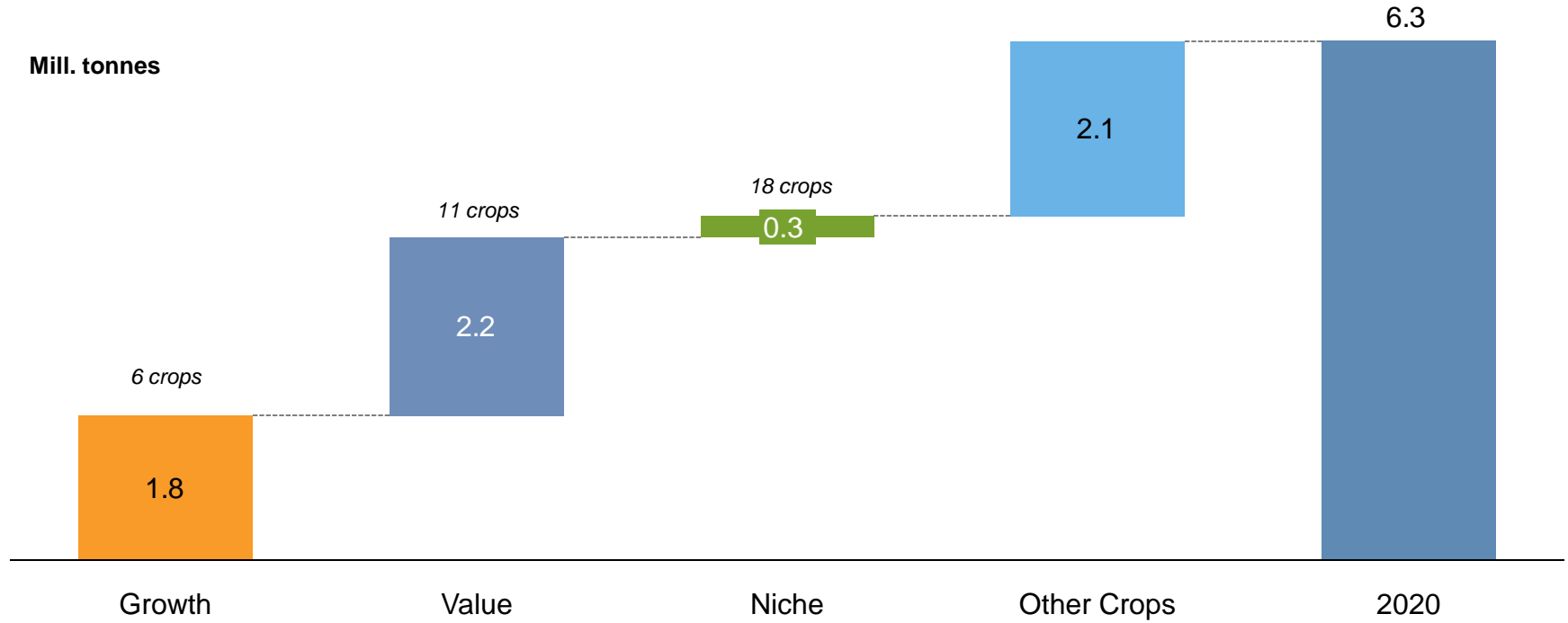
- Focus and priorities
- Targets
- Alignment
- From strategy to action
- Tactical growth plan for expansion program

Segmenting crops by volume and value

What is CVI:
$$\frac{\text{Crop revenue}}{\text{Fertilizer costs}}$$

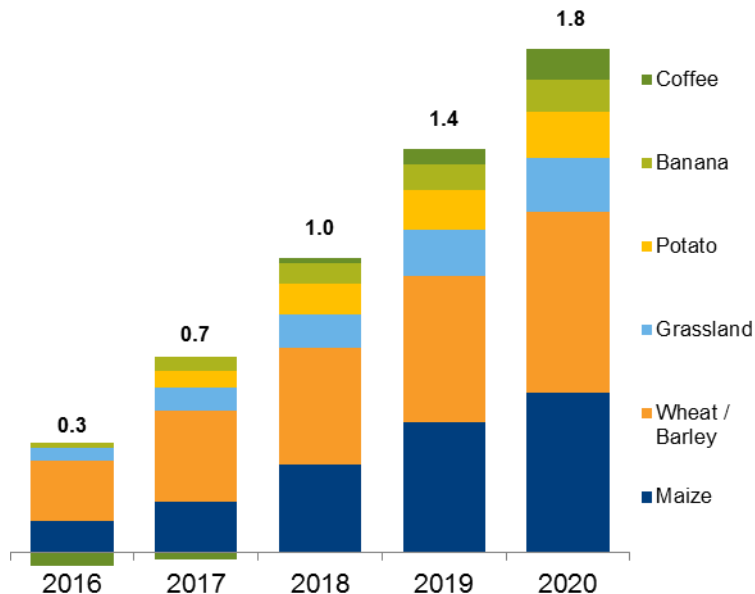


Significant growth planned in all crop categories

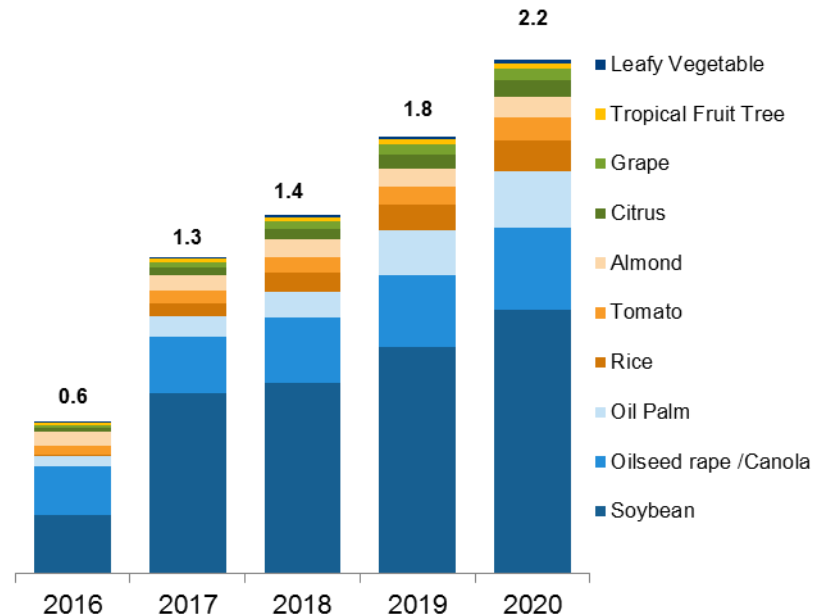


Volume growth per crop

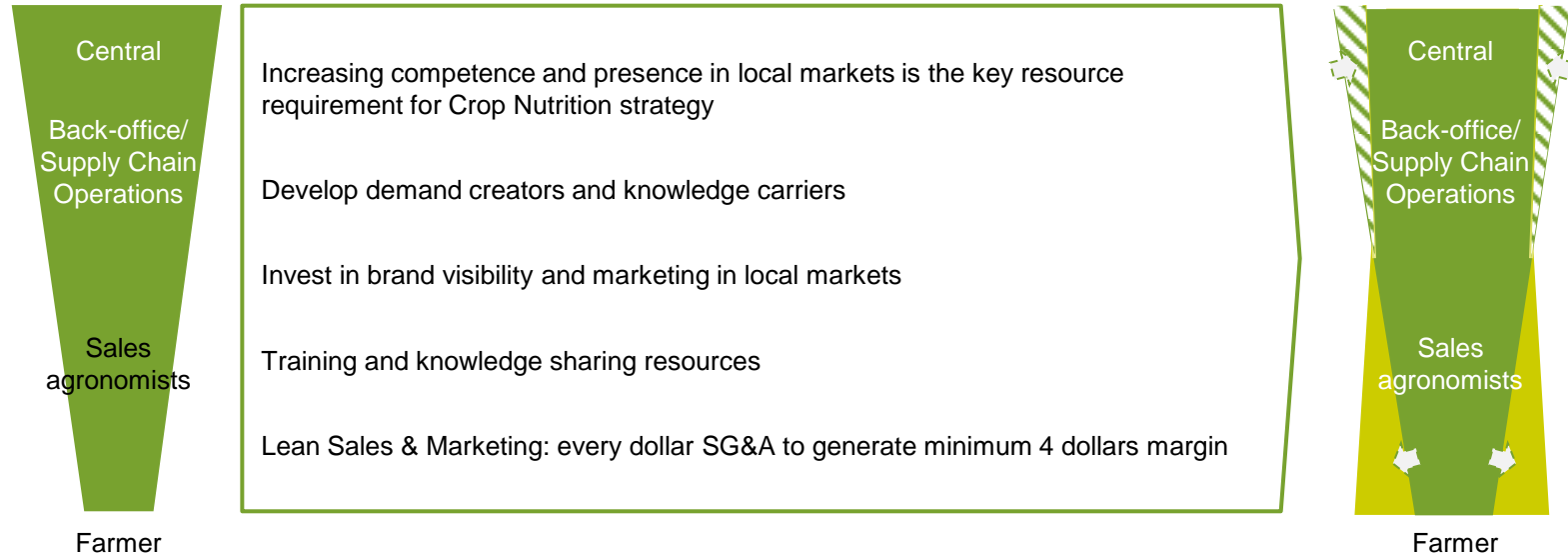
Growth crops - Accumulated growth 2016 – 2020 (in mt)



Value crops - Accumulated growth 2016 – 2020 (in mt)

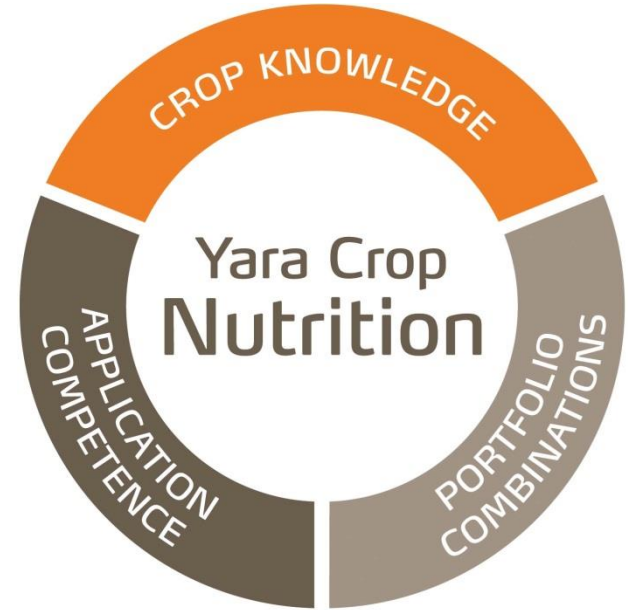


People and competence: Strengthening commercial front end is the priority

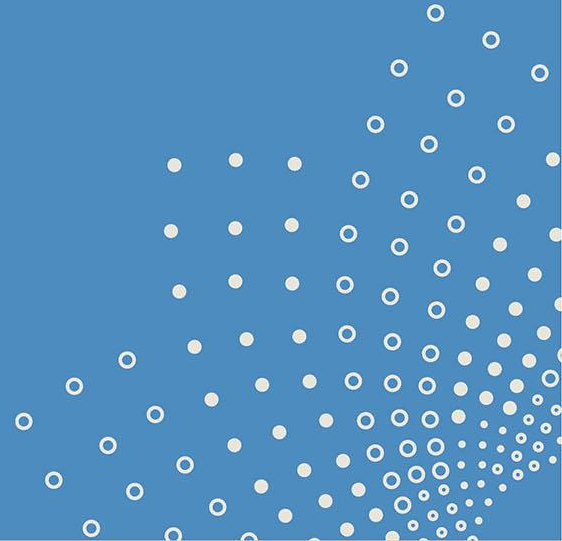


Key conclusion and summary

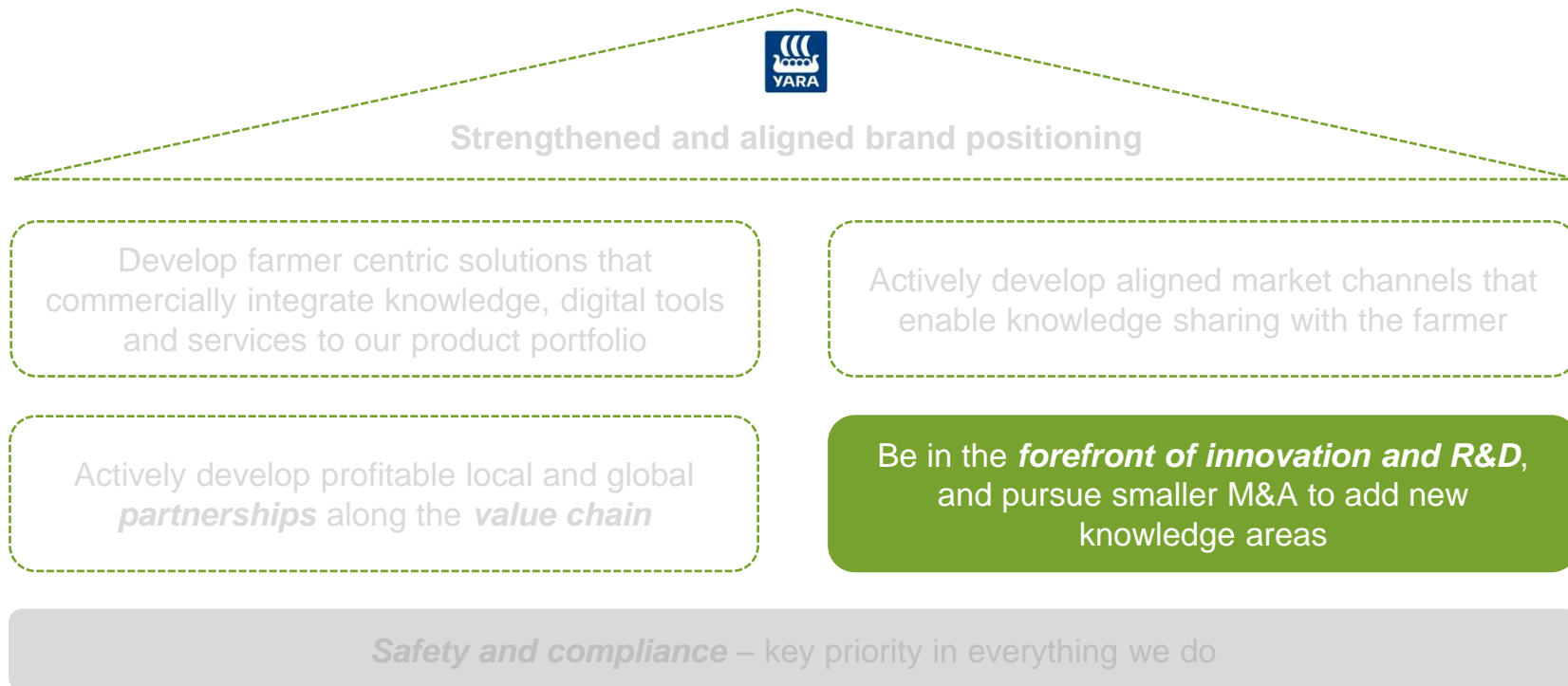
- Farmer centric strategy will strengthen and sustain competitive edge
- Crop-focused segmentation approach with stretched but achievable targets
- Strengthen commercial front end
- Lean sales & marketing



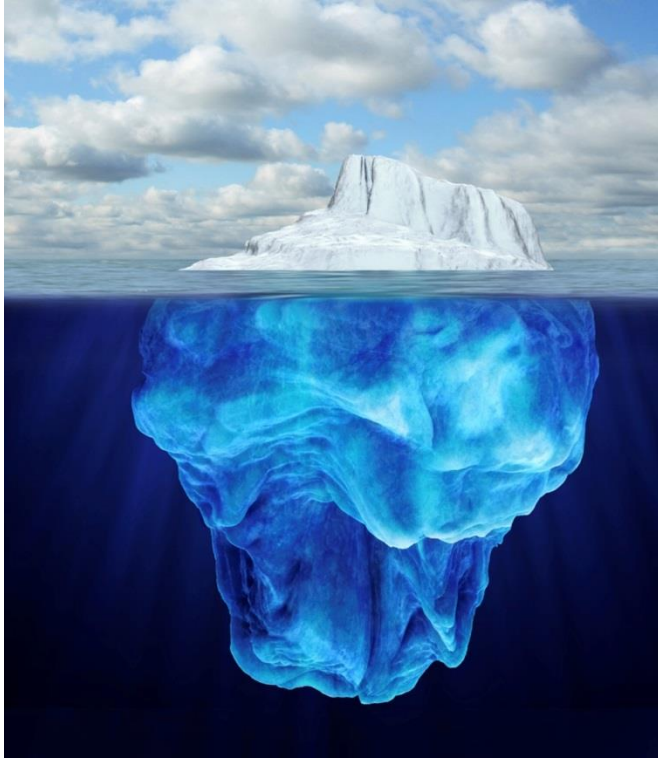
Research & Development



...be in the forefront of innovation and R&D



Our commercial approach is just the tip of the iceberg



R&D is part of the
foundation

In order to be better, we have to be different



Clear Direction

- Focus on crop not on soil
- Just in time and pure nutrients
- Balanced nutrition
- Pioneers on Carbon Footprint (Sustainability)

Knowledge Based

- Scientific proof
- Calibrated tools
- Deep customer knowledge

Long-term Aspiration

- Continuity - long breath
- Developments of complete solutions

Optimized Processes

- Innovation
- Yara Quality Standards
- Alignment

Global Networks

- Internal team work
- External partnerships

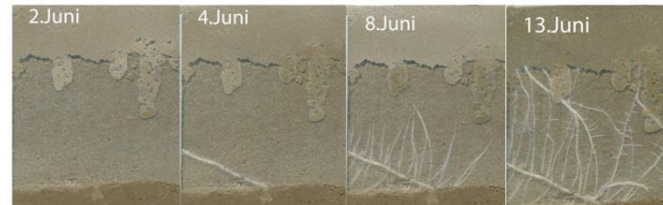
Potatoes: learning by intensive monitoring and visualization



Fast growth requires high rates and high availability of nutrients

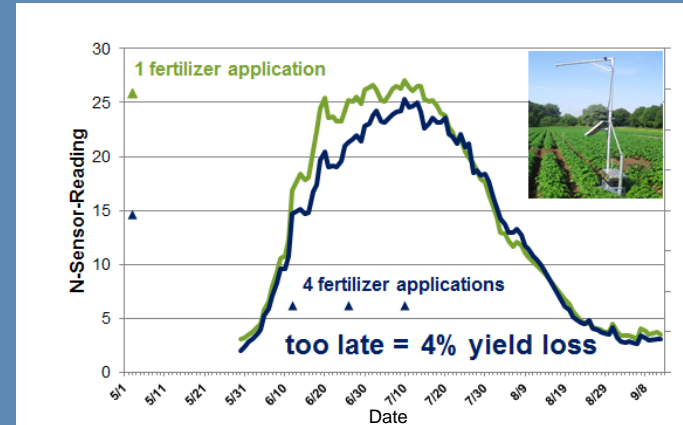


Documentation of growth & nutrient uptake



Monitoring root growth with a scanner in the soil

Timing is key

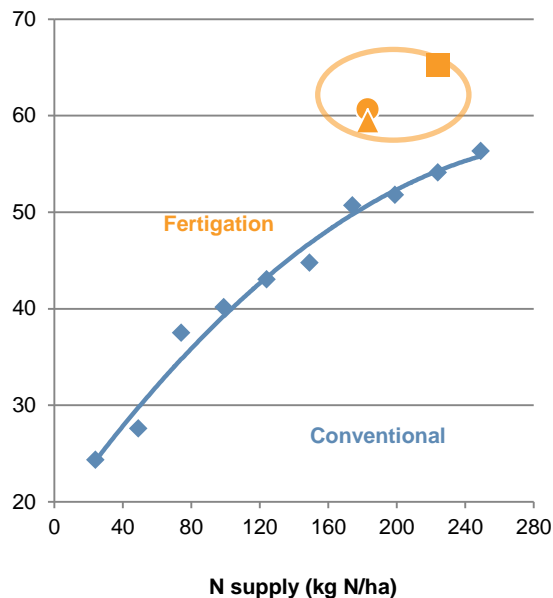


Static Yara N-Sensor for continuous monitoring

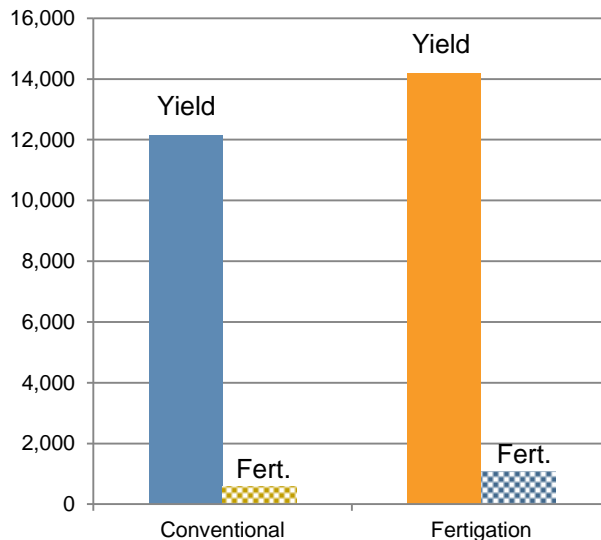
Potatoes: applying knowledge for profitable crop solutions



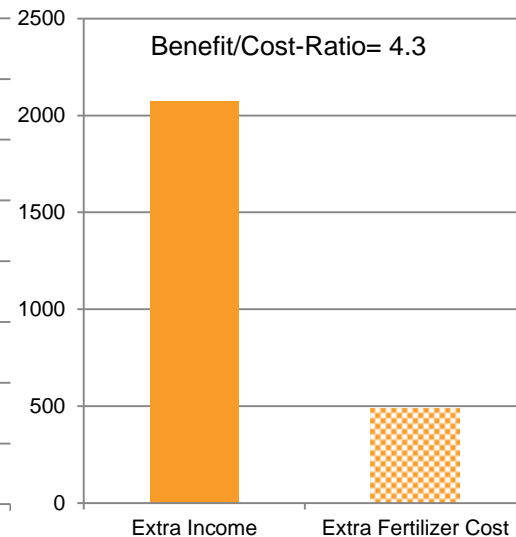
Higher yield (t/ha)



Yield value vers. fertilizer cost (€)



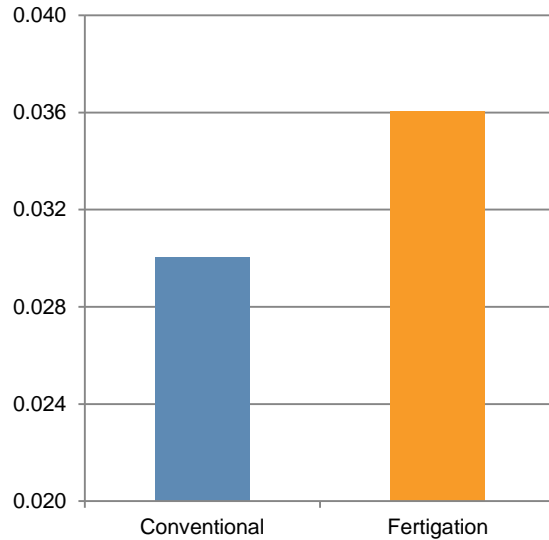
Extra Benefit versus Cost with Fertilization (€)



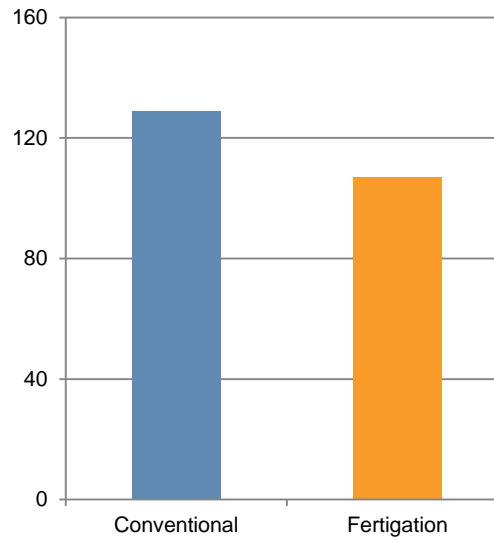
Potatoes: crop solutions with better quality and higher sustainability



Better quality (higher Ca)



Lower water footprint
(Liters/kg potato FM yield)

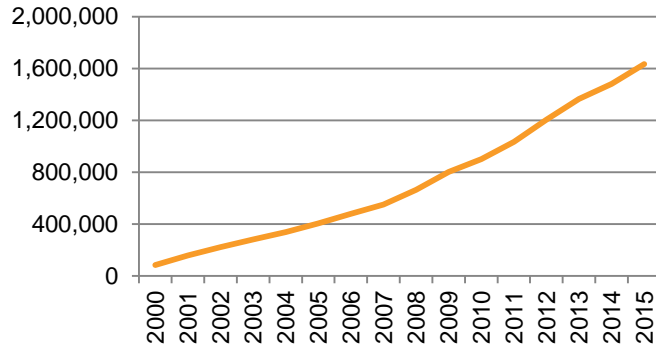


Crop Nutrition Solutions: platform approach

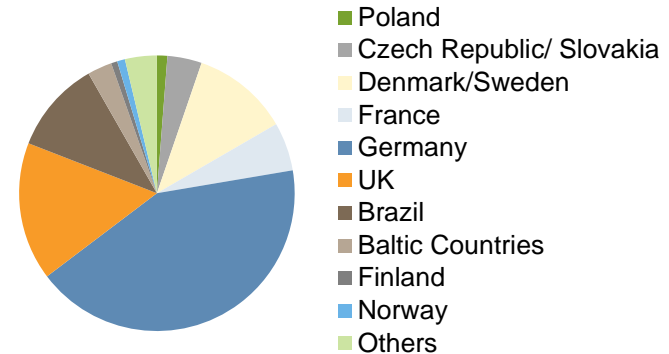


Continue to build on what we have: “Precision Farming”

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

Knowledge sharing with the grower: tools and services

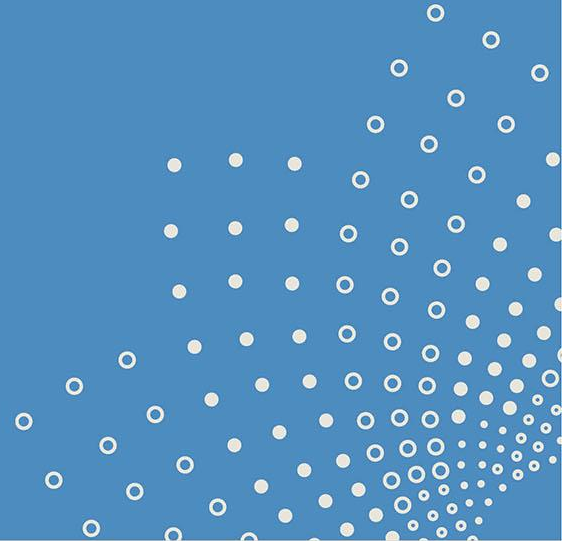
- Development of new and profitable solutions
 - Decision support for fine-tuning and optimization
 - Documentation of Best Practice including Eco-Footprints
- Focus on quality and convenience for grower
 - Scientific calibration – recommendations instead of just data
 - Easy to use
 - Complete solutions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

No limits – dare to be different

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

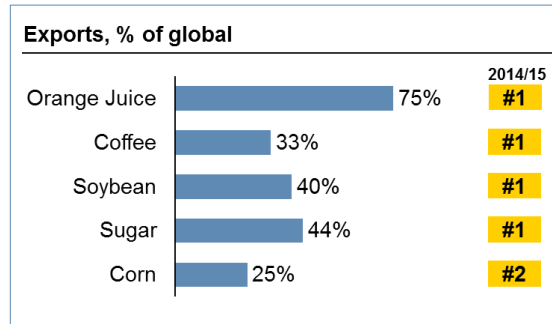
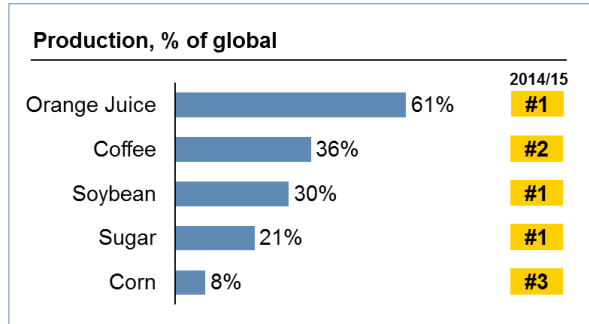


Brazil



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

- Brazilian agribusiness sector has leading position in soft commodities:



Water



13% of global fresh water supply

Technology



High and increasing productivity

Land



Largest arable land area, present and future

Professional



Qualified and well prepared producers

Climate



High rainfall, 2 harvests/year

Competitiveness



Mato Grosso soya competes with Iowa

Agribusiness is one of the pillars of Brazilian Economy

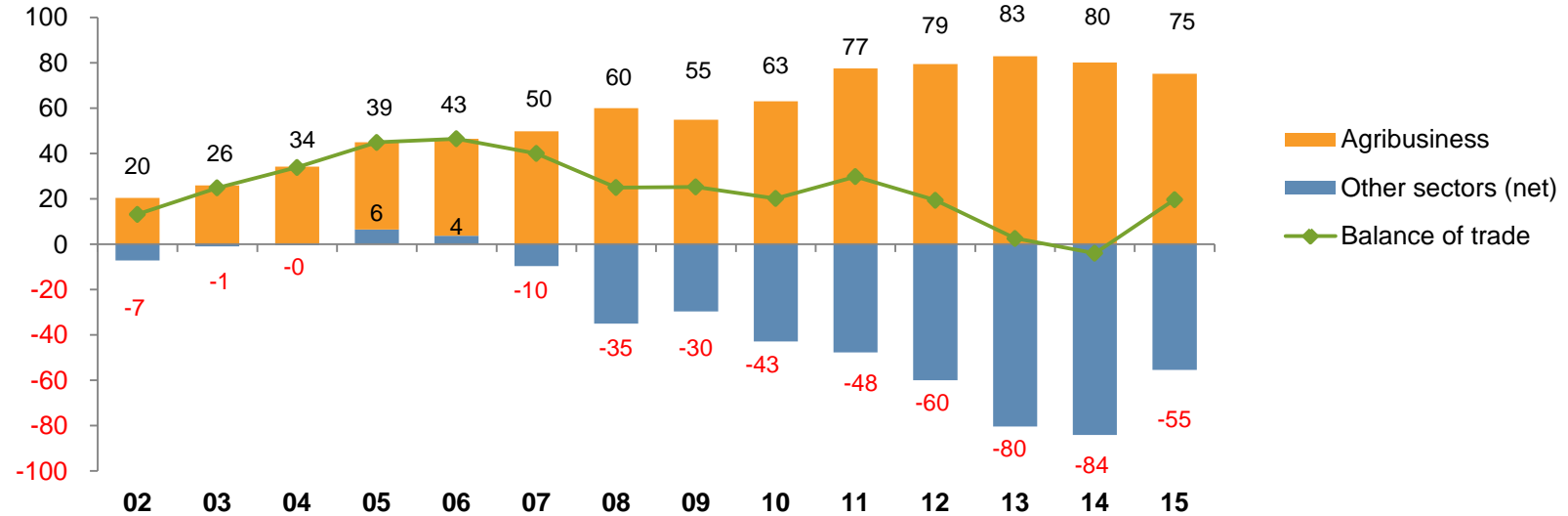
~22% GDP

40% exports

1/3 labor force

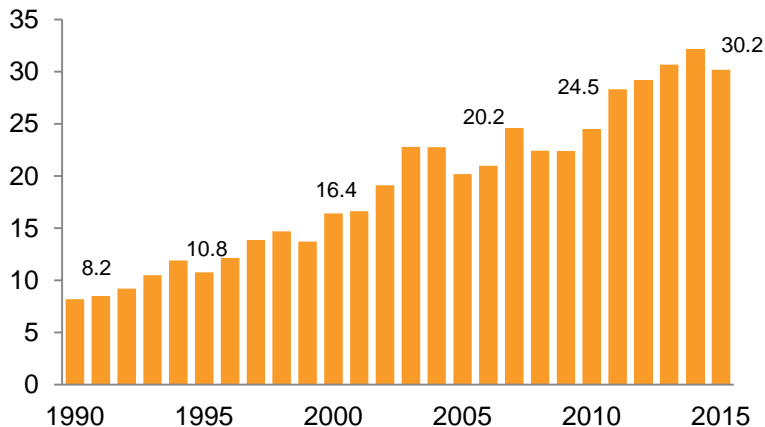
Brazilian Trade Balance

USD Billion

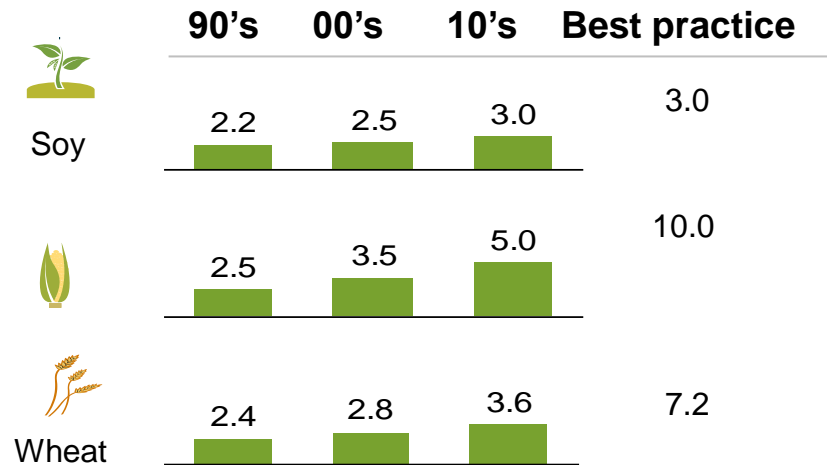


Significant fertilizer growth, but still opportunities

Fertilizer Deliveries



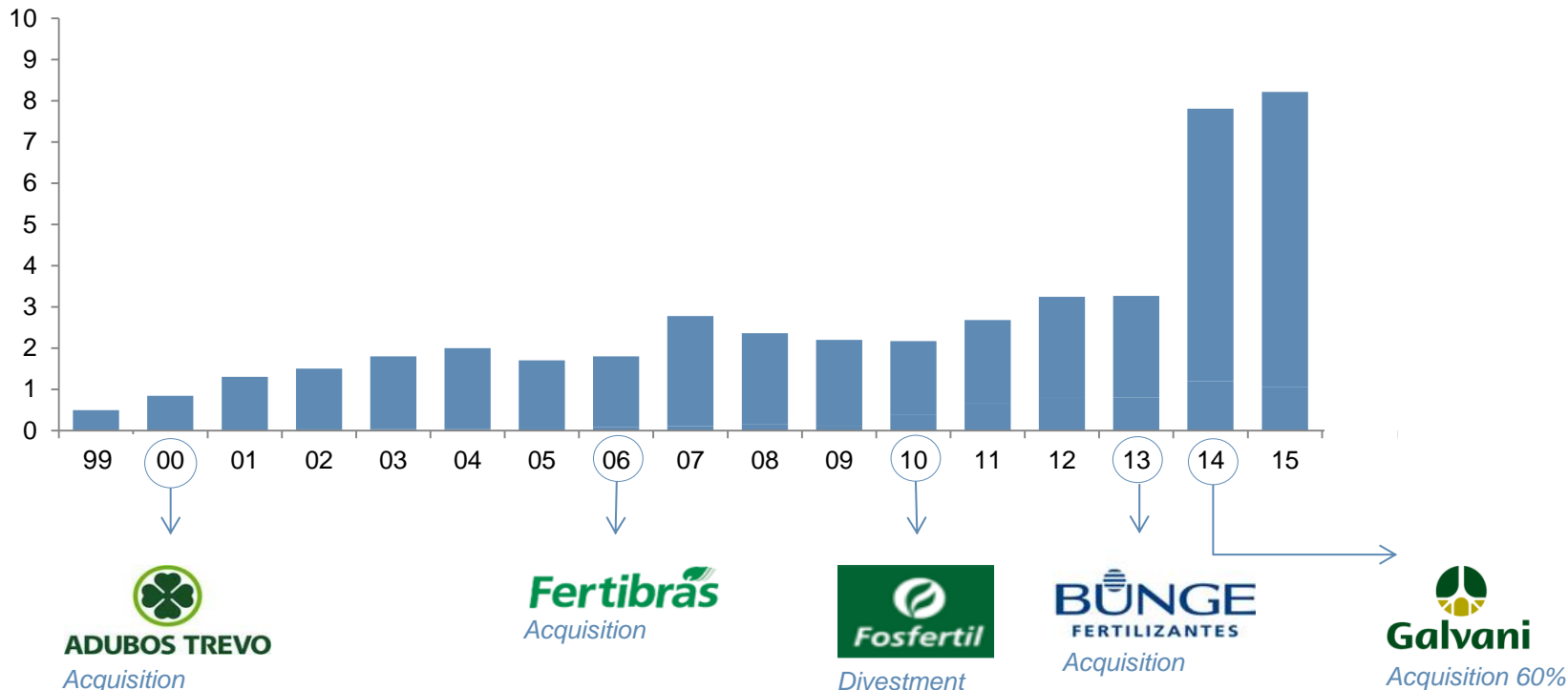
Yield evolution (ton / hectare)



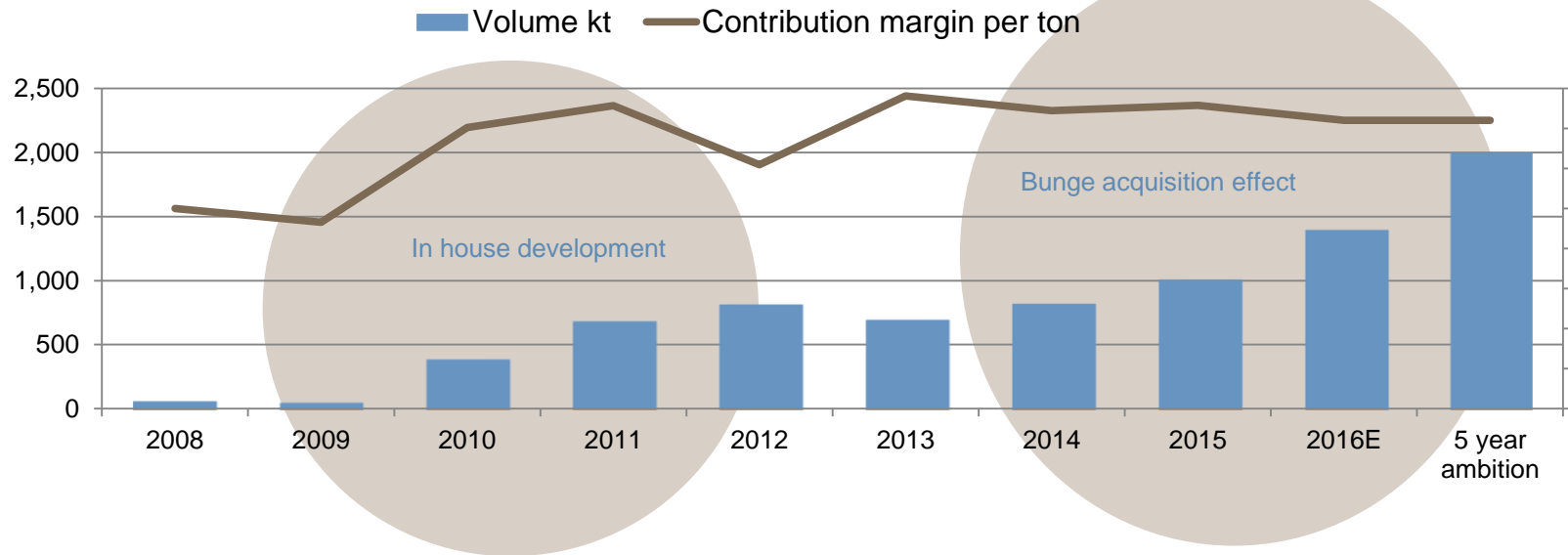
The consumption of fertilizers would grow more than 40% if the US standards were applied in the actual arable land in Brazil.

Bunge acquisition brought critical mass in distribution

Volume
(MM tons)

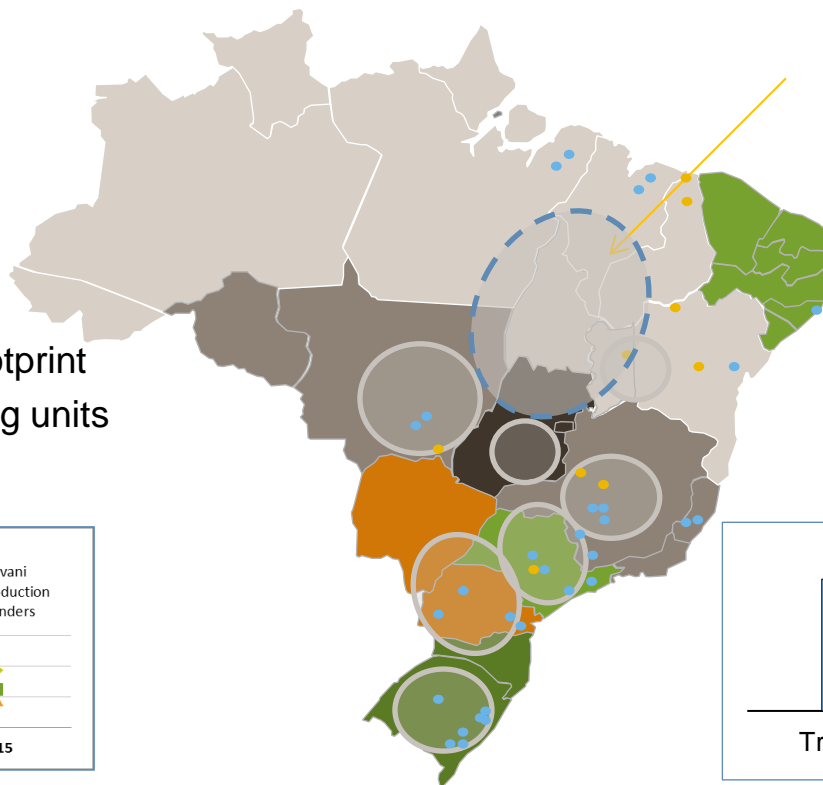
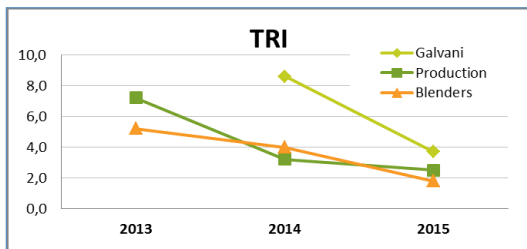


Significant growth in Premium products, both volumes and margins



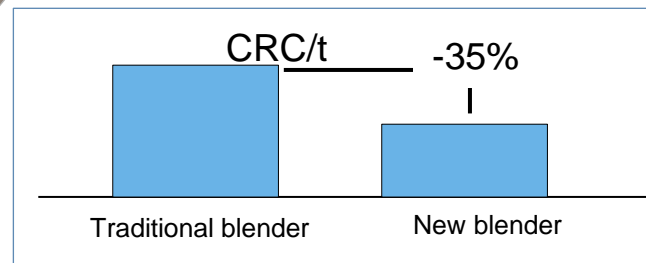
Large scale, experienced teams and financial strength gives more opportunities to optimize operations

- Optimization of asset footprint
- Modernization of blending units
- Process improvements



Main growing area in Cerrado,
target area for Galvani expansion

- Yara Brasil operations
- Galvani operations (mining, fertilizer plant and port)



Farmer centric approach



>200 Yara sales & marketing agronomists



700 sales representatives



+22.000 customers



+55.000 one-to-one (farmer interaction)



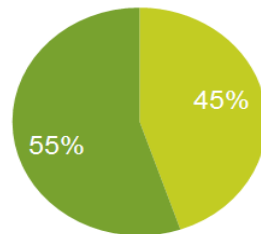
>40%
Direct sales

- 2.100 trainings 
- 1.270 lectures 
- 650 general events 
- 600 trials 
- 550 field days 

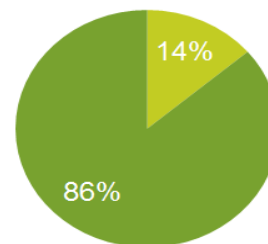
5.170 marketing events





EBITDA MUSD



Volumes kt



 Premium products
 Mainstream

Yara Brasil Crop Nutrition “one page” Strategy

Safety & Compliance



License to operate



Safety TRI < 2,5
Sustainable CROGI
Critical mass

Premium & Volume Optimization

Double premium product business

Differentiate ↔ Simplify

Focus on crop nutrition and farmer

Leverage product portfolio strength

Operational Excellence

Accurately plan and execute (S&OP - Fulfillment)

Provide a good customer experience

Enhance productivity & quality

Develop a cost effective Supply Chain

Optimize asset footprint

Competitive Raw Material

N

P

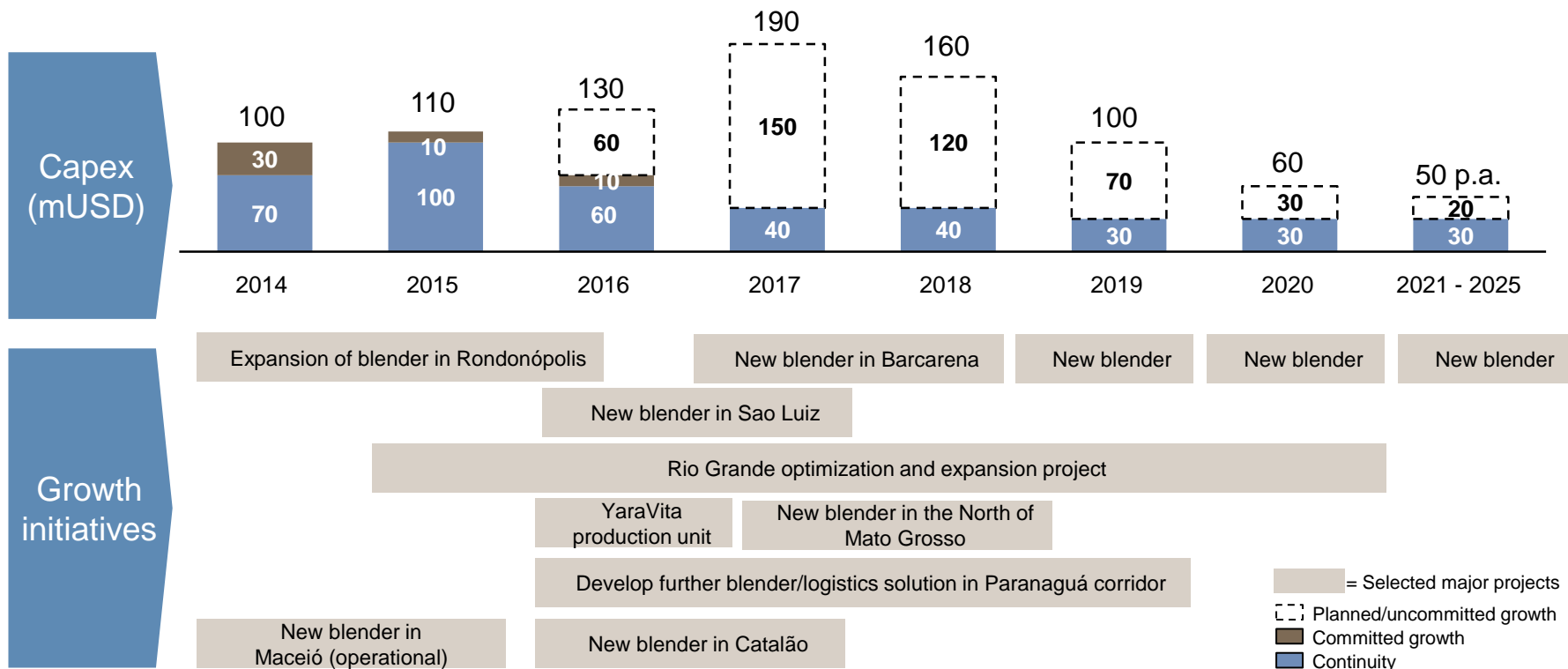
K

Develop and sustain strategic competitive position

Materialize competitive advantage

Elevate Market Intelligence to be a decision driver

Continued organic growth investments in Brazil¹

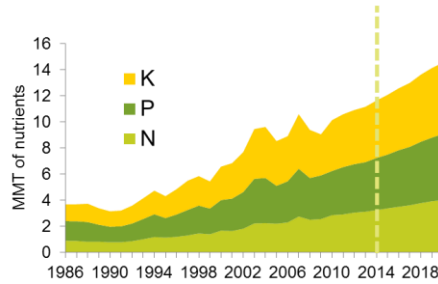


1) Excluding Galvani/Salitre

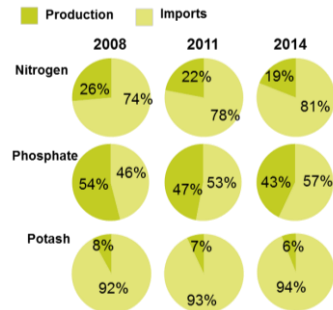
Why did we do Galvani?

Brazil dependence on imports and its profile

Fertilizer consumption by nutrient



Fertilizer consumption - % Share Imports



81% Nitrogen

57% Phosphate

94% Potash

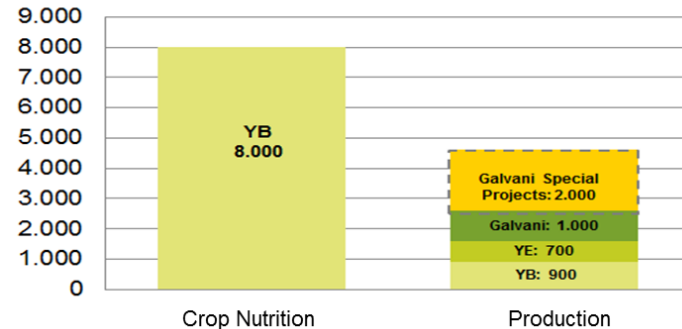
Increasing imports dependency

Source: IFA / ANDA / Yara

Crop mix in Brazil results in relatively high P and K consumption

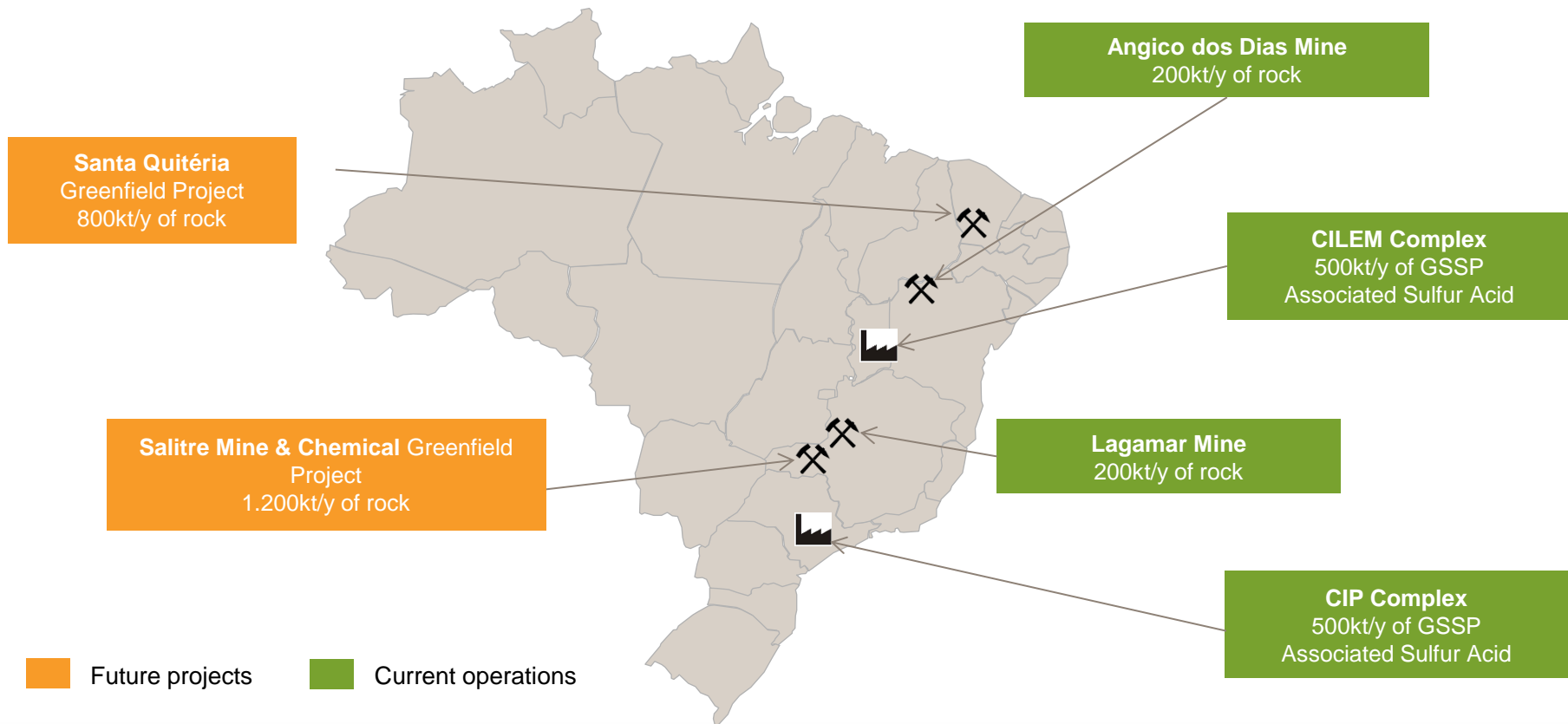
NPK mix	World	Brazil	Yara
Nitrogen	61%	28%	25%
Phosphate	23%	36%	40%
Potash	16%	36%	35%

Yara Brasil* Distribution/Production imbalance



*2014 deliveries Yara Brasil

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

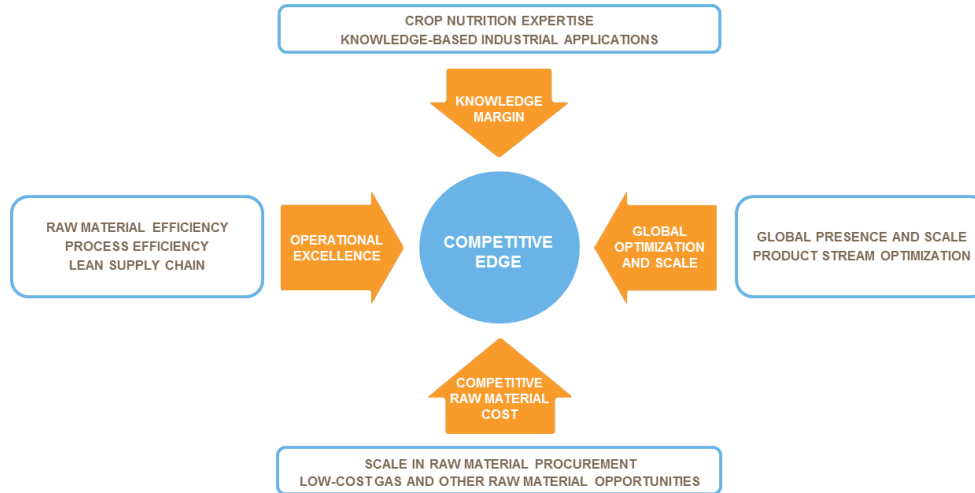
Ramp up to 100% in 3 years

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

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

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



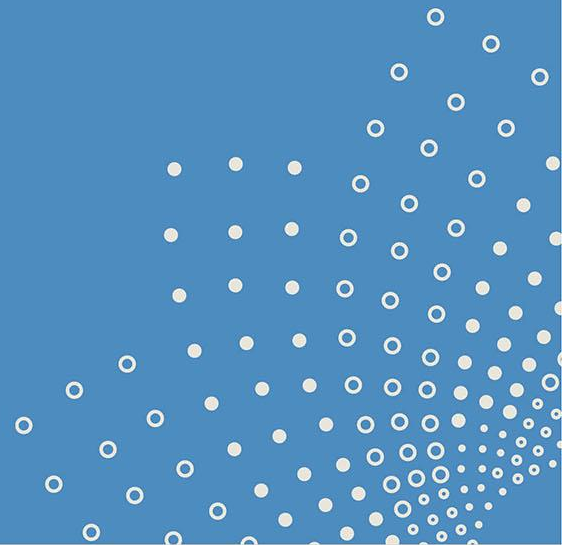
Winner coffee profile

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

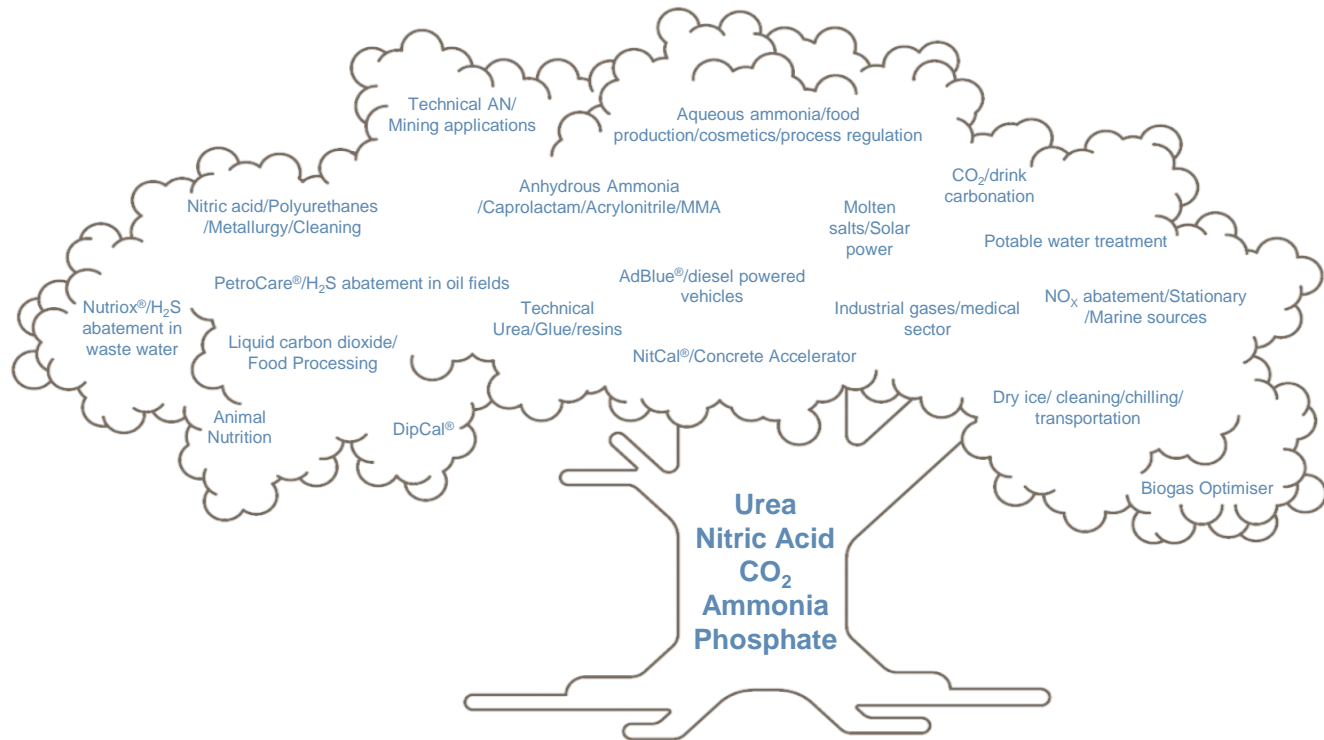
Commodity products

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





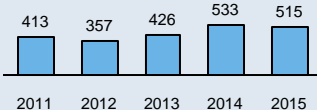
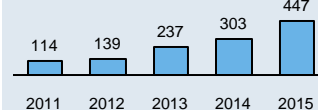
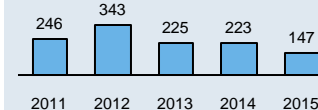
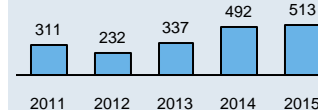


Value-added solutions

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

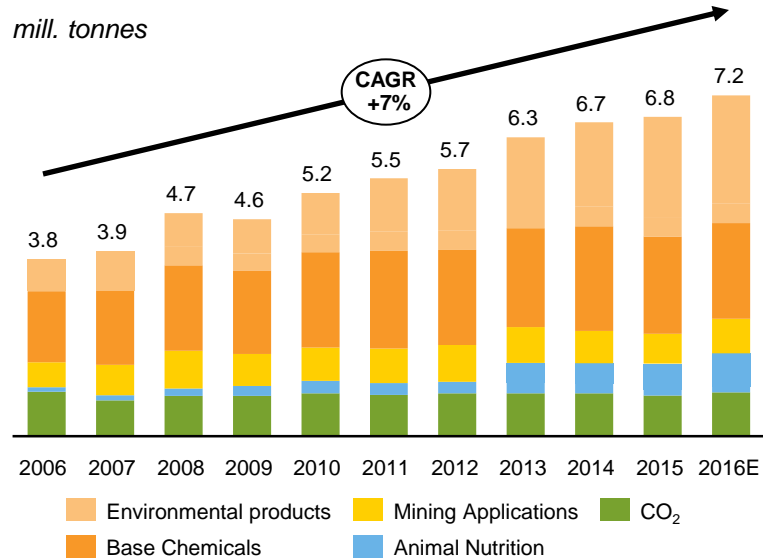


Four business lines with focused strategy and operations

	Base Chemicals	Environmental Solutions	Mining Applications	Gas and Industrial applications
				
Key product and service offering	Chemical applications for food, feed, automotive, space, pharmaceutical and construction industries	Abatement of emissions from heavy duty vehicles NO _x and SO _x abatement for maritime sector	Solutions to the Civil explosives industry Based on Technical nitrates for mining and construction	CO ₂ as gas, liquid and Dry ice CN for Industrial Applications Animal nutrition
Strategic fit	Optimization of Upstream assets	Utilize technology, logistic advantage and infrastructure footprint	Handling, storage and economies of scale	Monetize secondary products into primary markets applications
Geographical market	Europe	Global	Global	Global
Market drivers	GDP growth	Legislations, GDP growth	GDP growth, infrastructure projects, supply security	GDP growth, standard of living
EBITDA 2011- 2015 (MNOK)				
Market CAGR 2014-2020	5% ¹	16% ²	2.1% ³	5% ¹

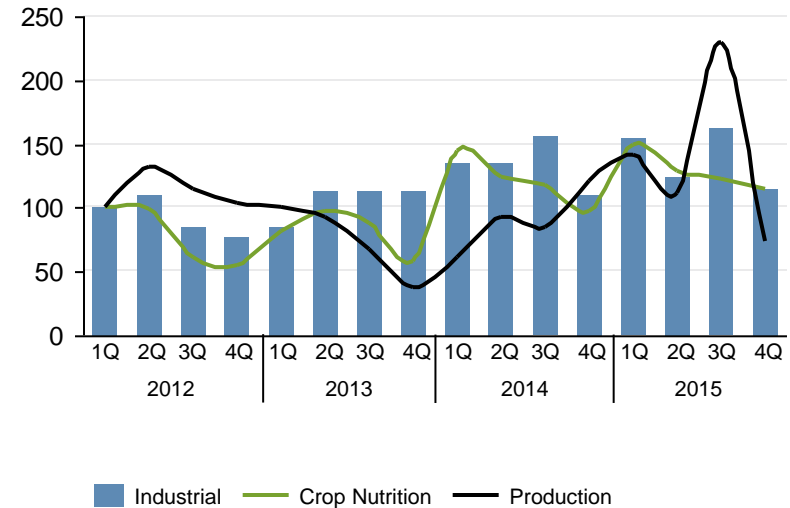
Industrial has become a significant part of Yara

Solid growth last 10 years...



... with stable earnings

Quarterly EBITDA, excl. non-recurring items (rebased to 1Q 2012=100)



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

Delivering solutions for a cleaner environment:

Preventing H₂S emissions and odor from waste water systems with Nutriox™

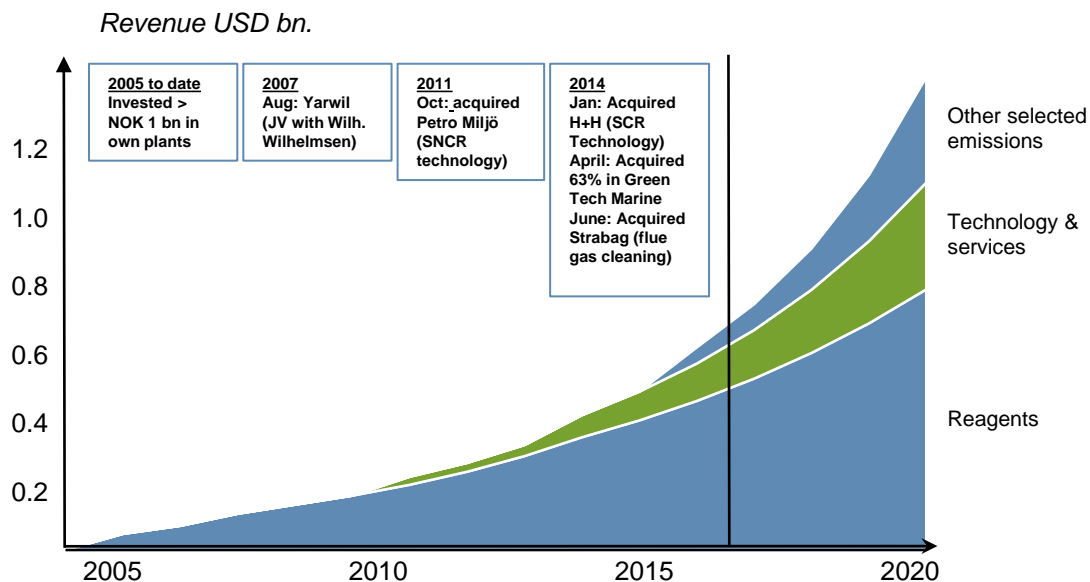


Nutriox™ – technology solutions for preventive waste water odor control built around Calcium Nitrate

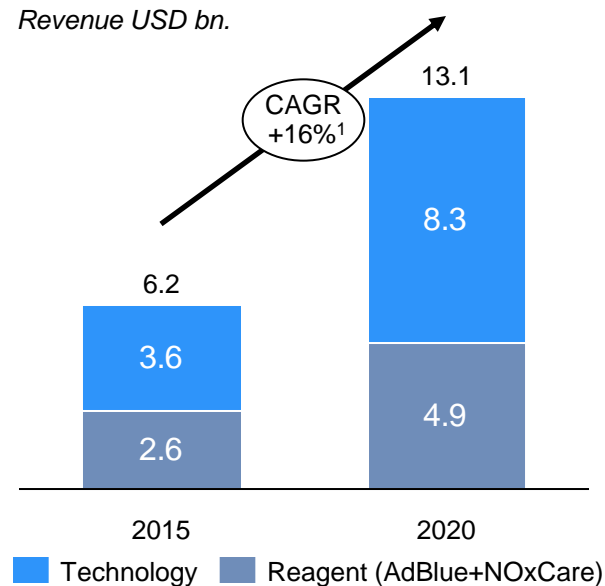
- Nutriox™ provides H₂S prevention for corrosion, odor and toxicity control of municipal and industrial waste water systems
- Yara has developed a full-service concept, including measurement, dosing and optimization

Targeting global market leadership in emission abatement

Yara growth initiatives 2005 - 2016

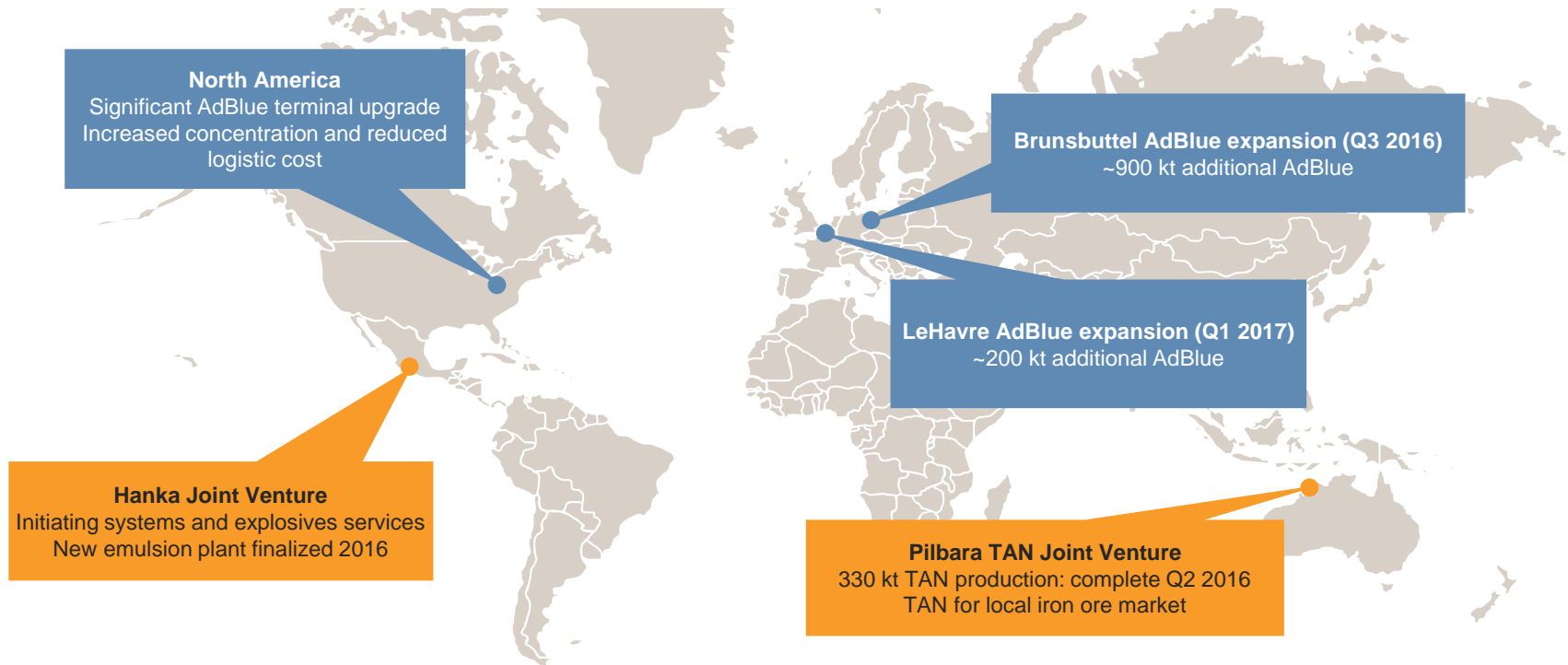


Market growth 2015 - 2020



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

Several focused growth initiatives to be finalized in 2016



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*

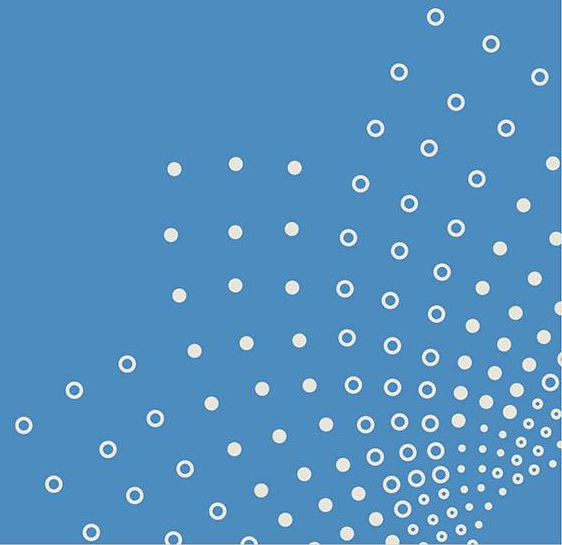
*Expected **double-digit**
EUR million margin
improvement within 1-2
years*

Summary and key priorities for 2016

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



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”

Yara is the world-leading producer of ammonia, nitrates, calcium nitrate and NPKs and a growing portfolio of phosphates

Global fertilizer



Regional fertilizer



Industrial



Mining



Yara Project office

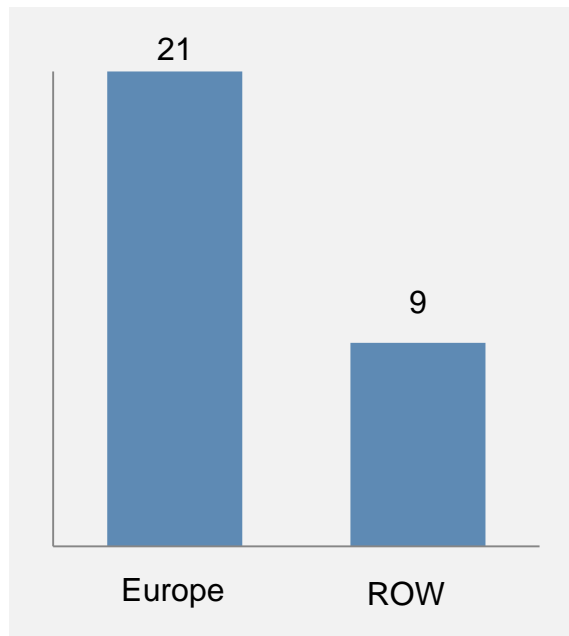
Productivity

Improving safety and diversifying portfolio

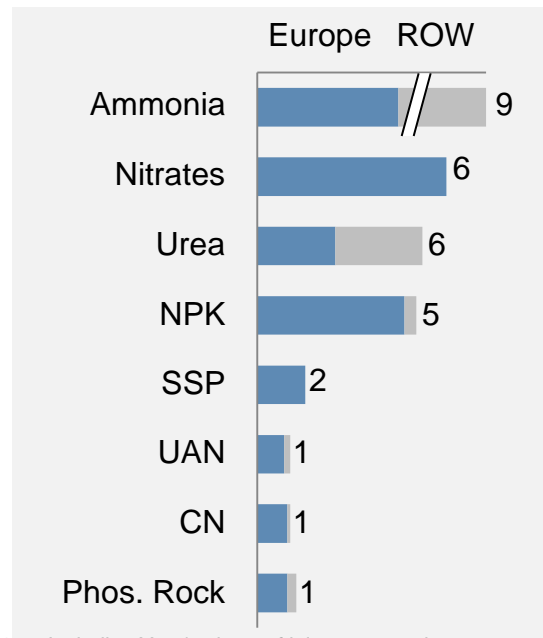
Milion tons, TRIs

— Combined
— Contractors
— Yara

Europe-centric location

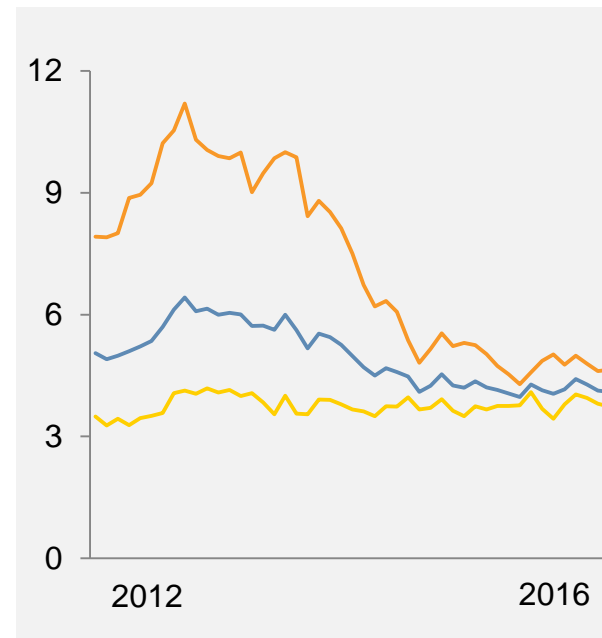


Diversified product portfolio¹



1. Including Yara's share of joint venture plants

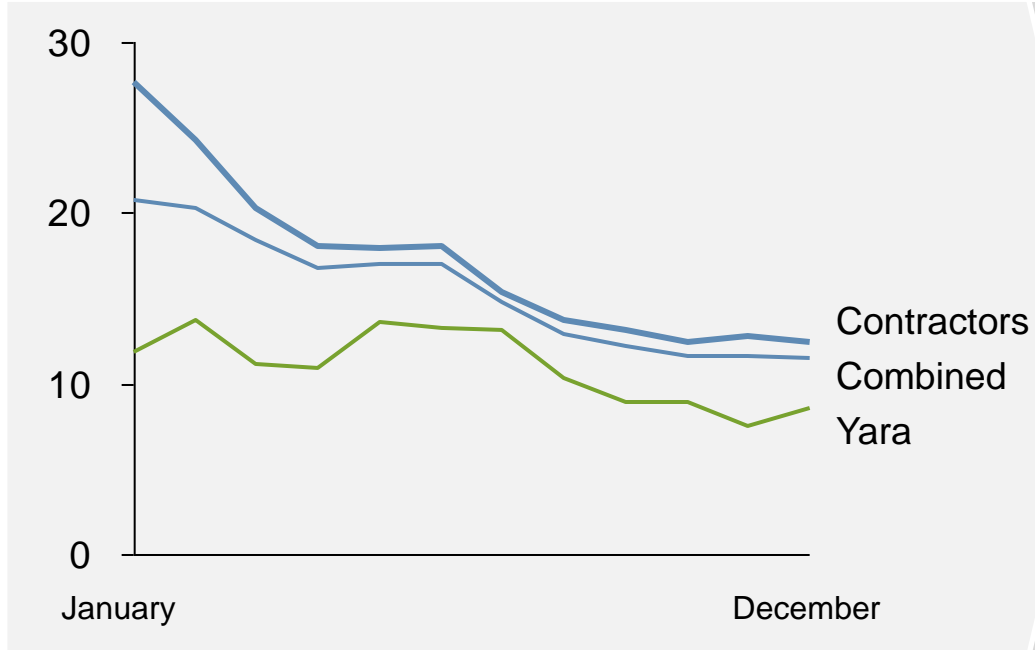
Safety improvement



Safety integration new assets: Cartagena

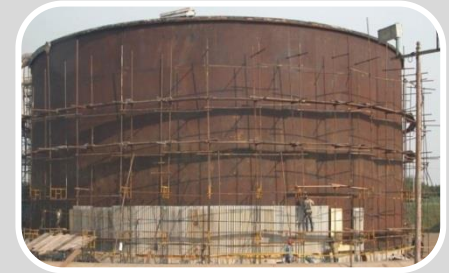
TRI, 12 month rolling average, 2015

TRI rates in Cartagena post acquisition



Example: ammonia tank refurbishment

2004



2015

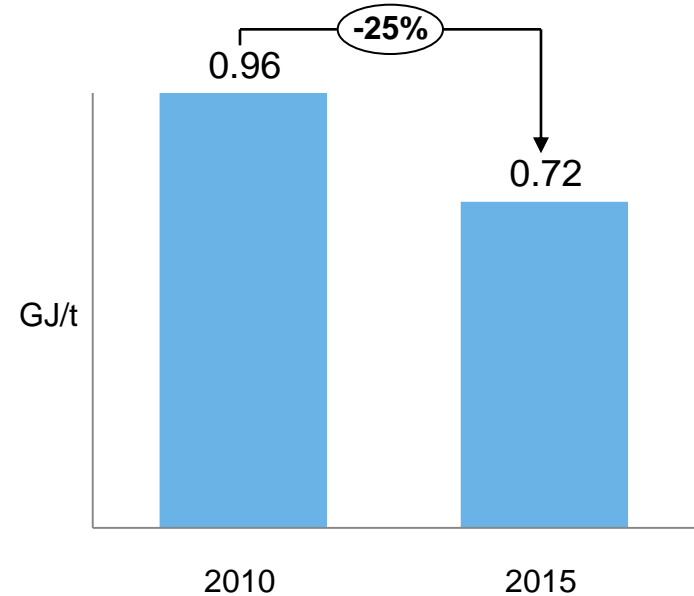


Productivity program and strategy under development

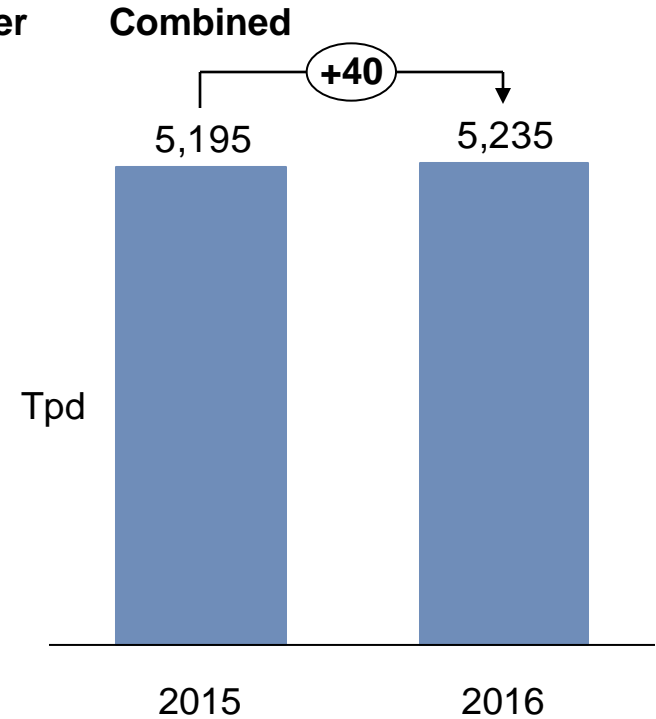
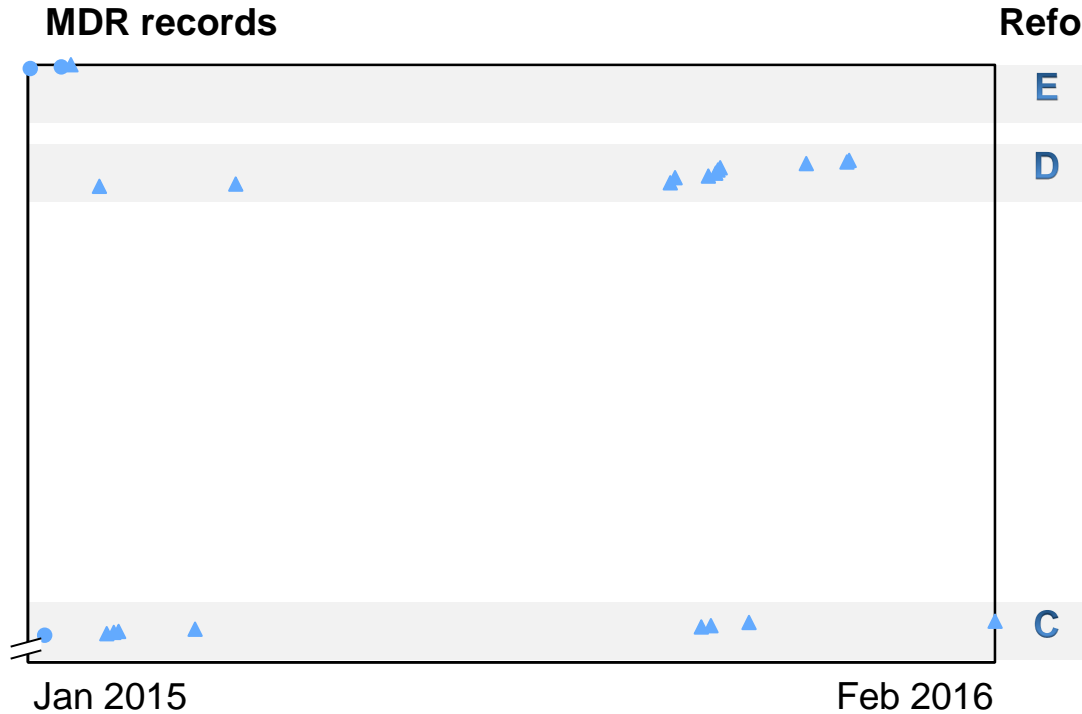
Program status

- 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



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



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

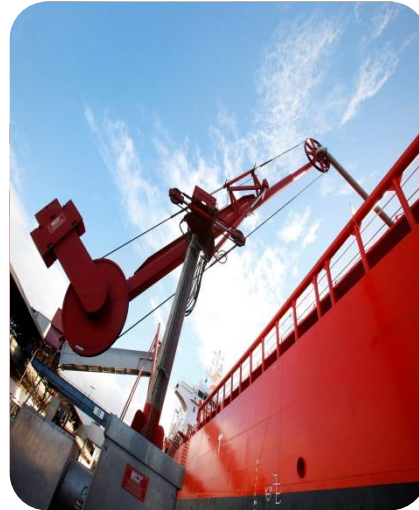
Safety



Reliability



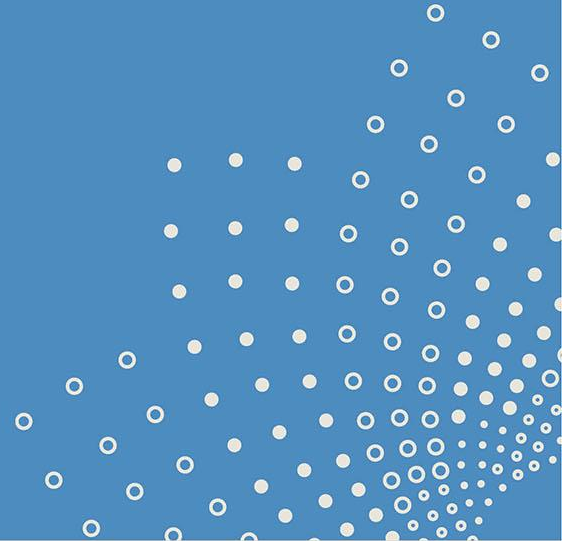
Productivity



Project delivery



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

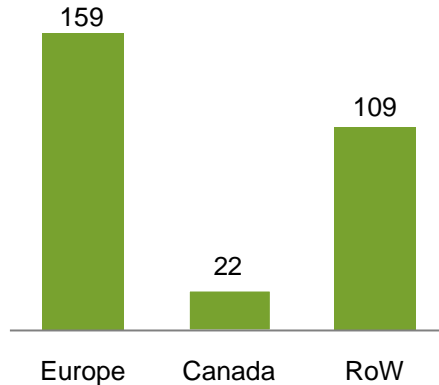


Note: 2015 figures

Supply Chain harvests economies of scale

Biggest industrial buyer of natural gas in Europe

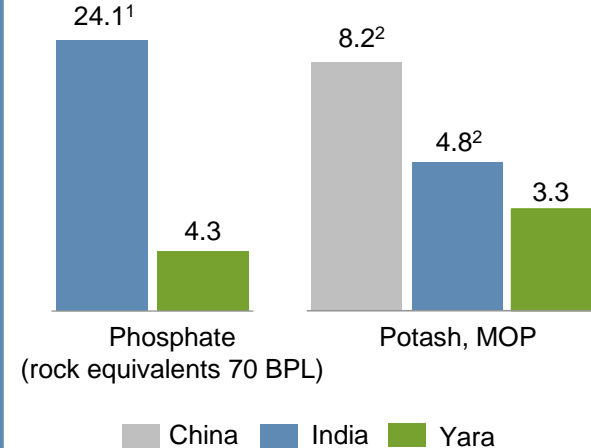
*2015 gas consumption, Million MMBtu**



*Including share of JVs

Third single biggest buyer of P&K globally

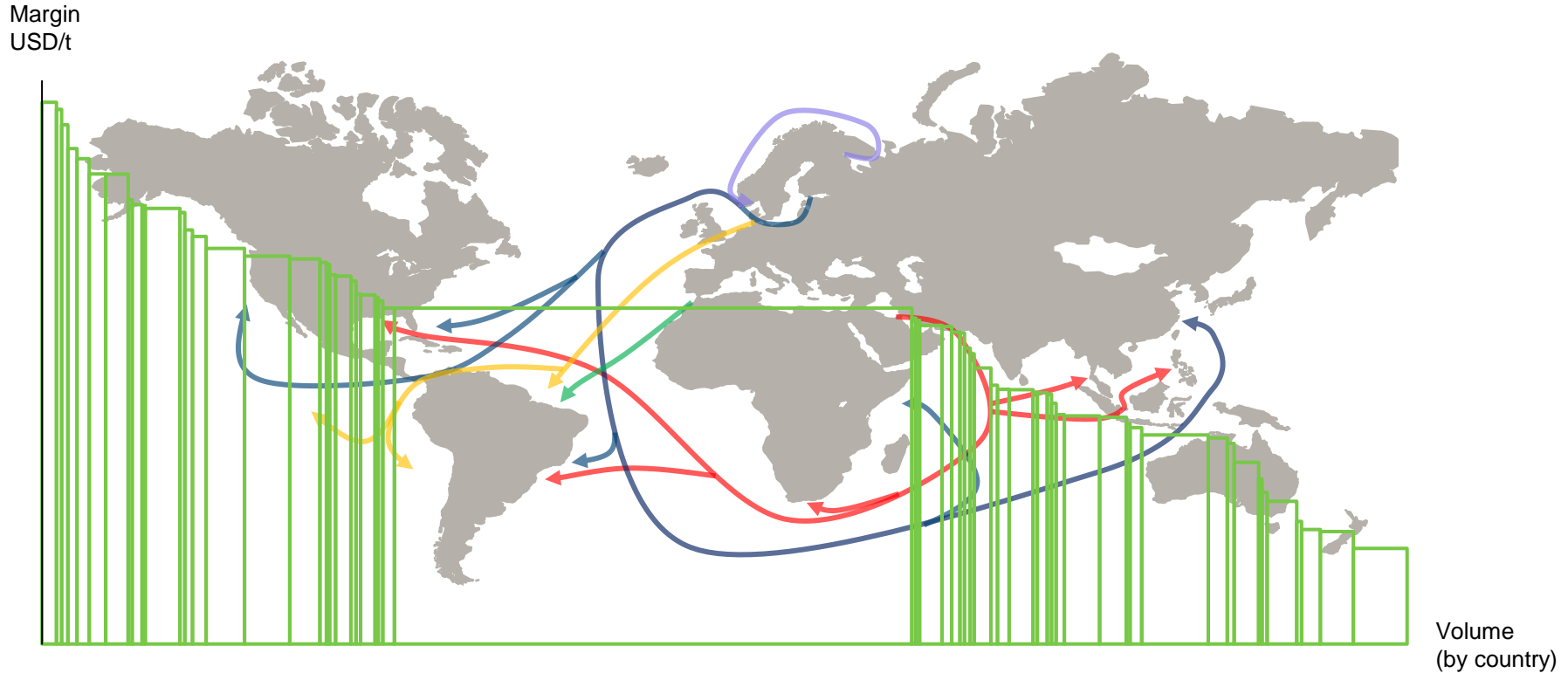
2015 P&K purchases (mt)



1) L12M ending September 2015

2) L12M ending June 2015

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



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

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



Dedicated Supply Chain organization



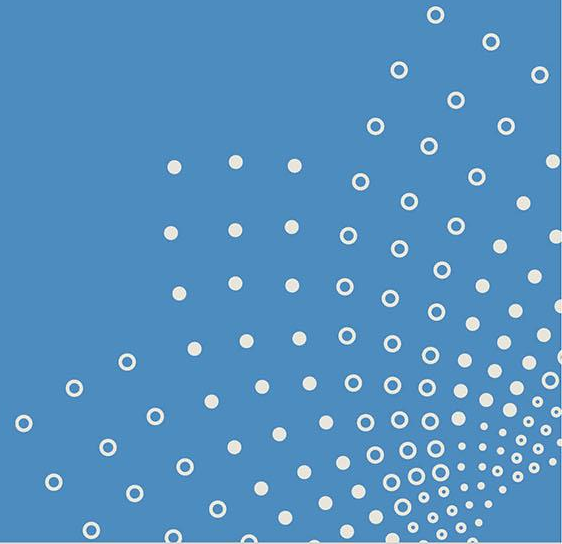
Process excellence



High performance culture

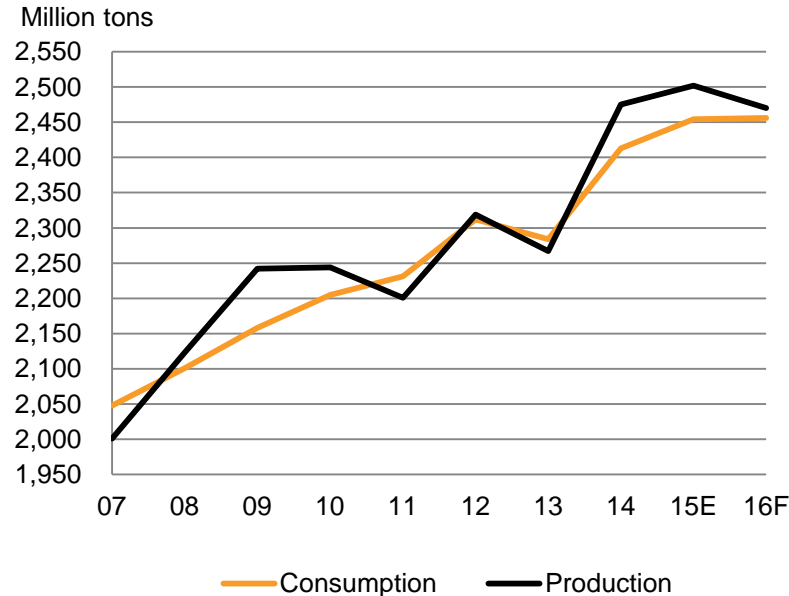
Cost savings, scalability and increased customer satisfaction

Market update



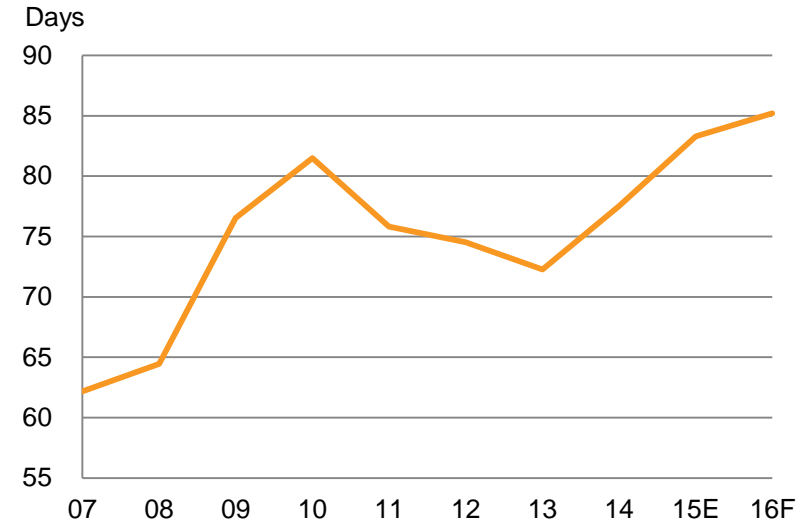
For 2015/16, USDA calls for a modest increase in global grain stocks this season

Grain consumption and production



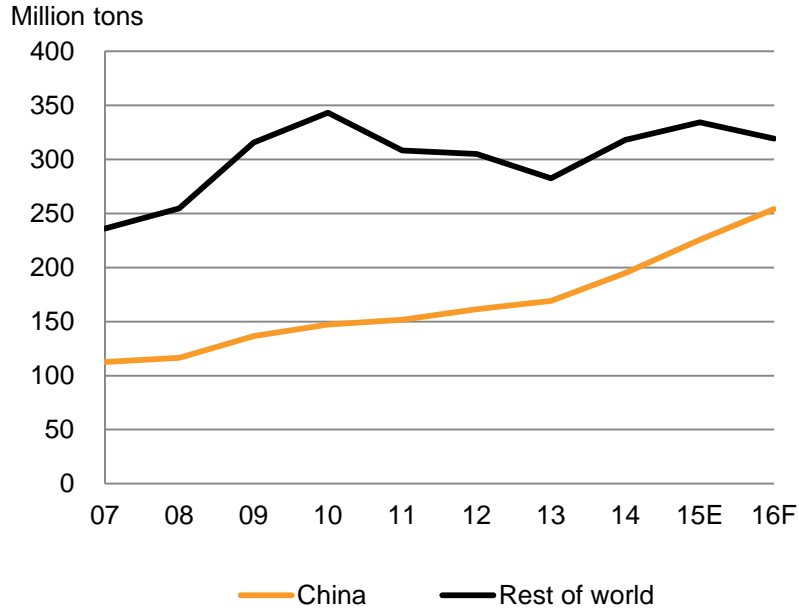
Source: USDA February 2016

Days of consumption in stocks



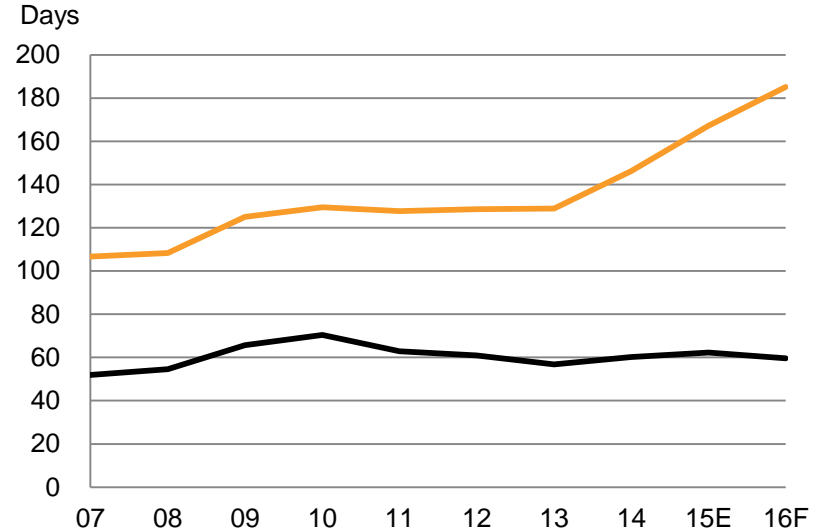
China explains the increase in global grain stocks

Grain stocks – China versus the rest



Source: USDA February 2016

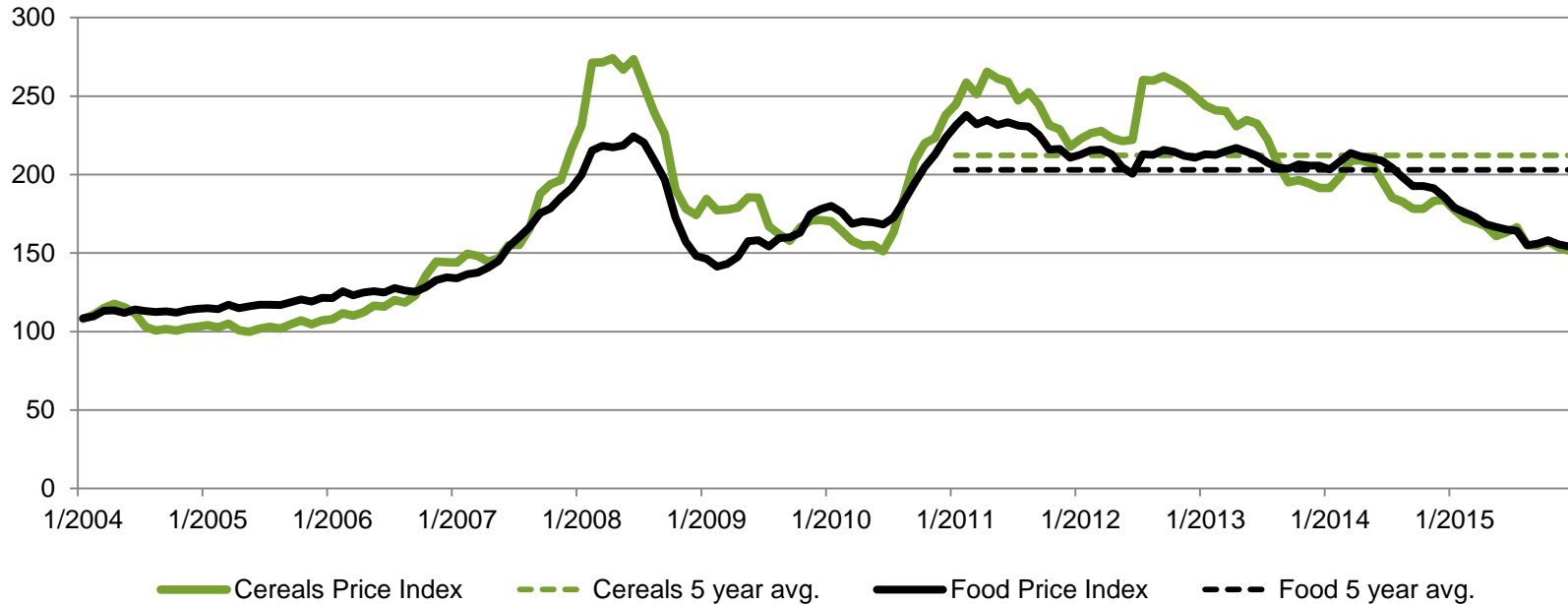
Days of consumption in stocks



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

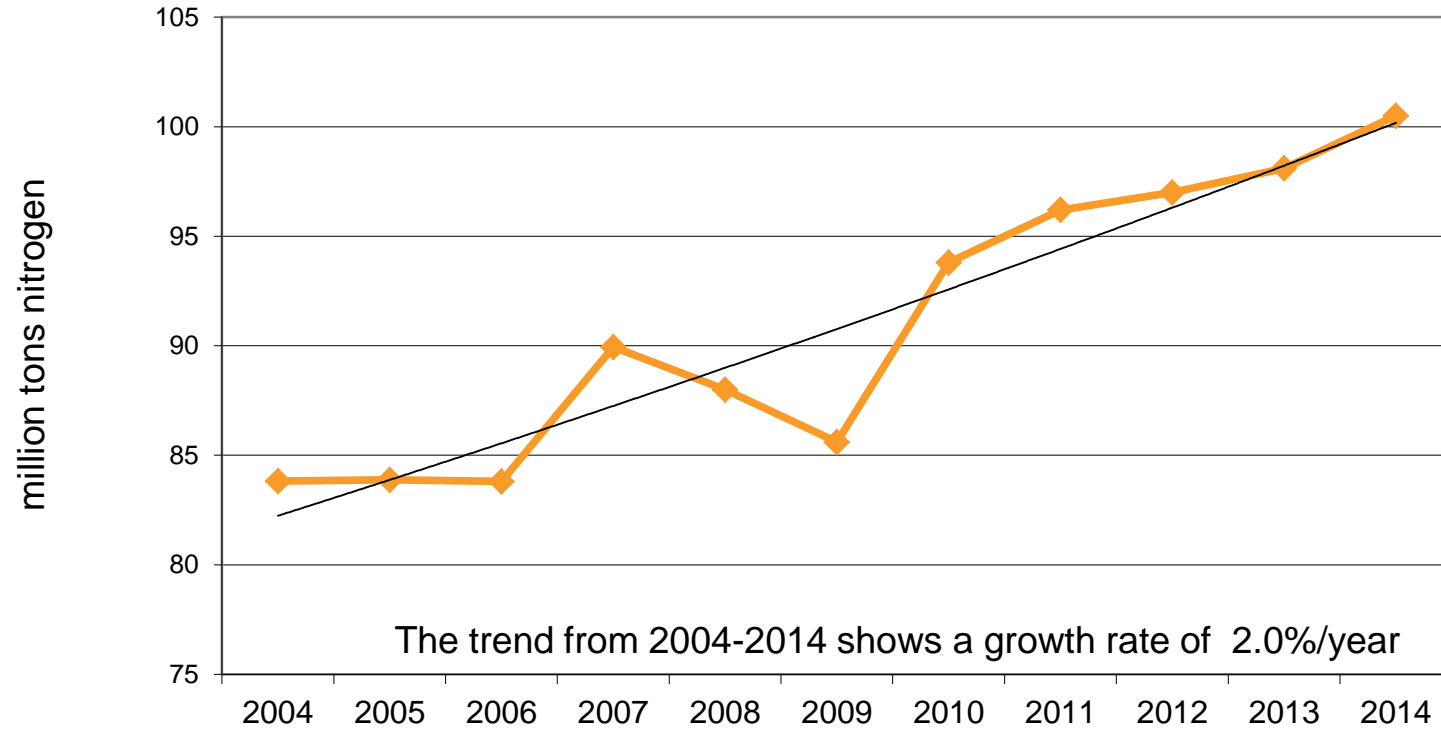
FAO price index

Index



Source: FAO

Apparent nitrogen consumption ex. China

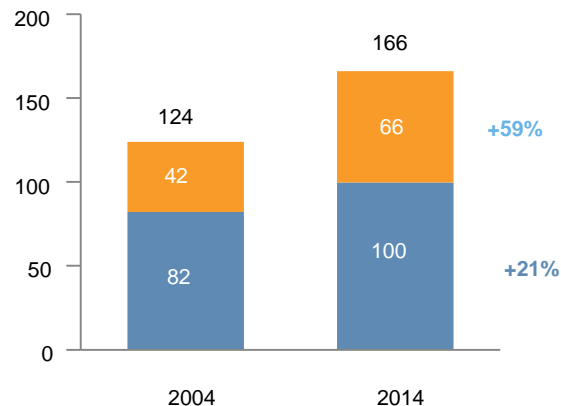


Source: IFA

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

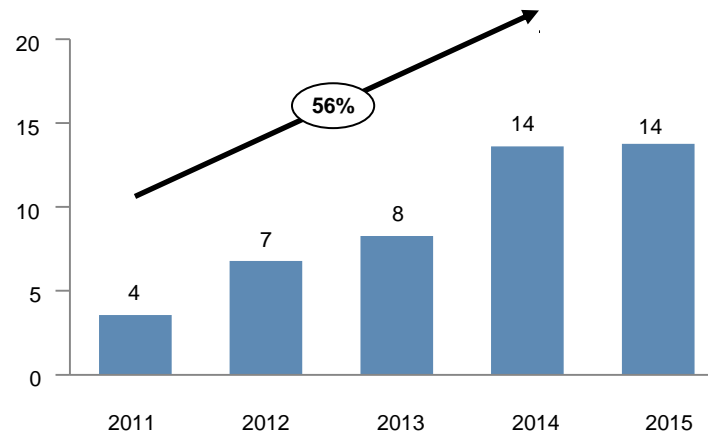
China has accounted for ~60% of world's urea production growth since 2004

World Urea production (Mt)



China export growth balancing the market

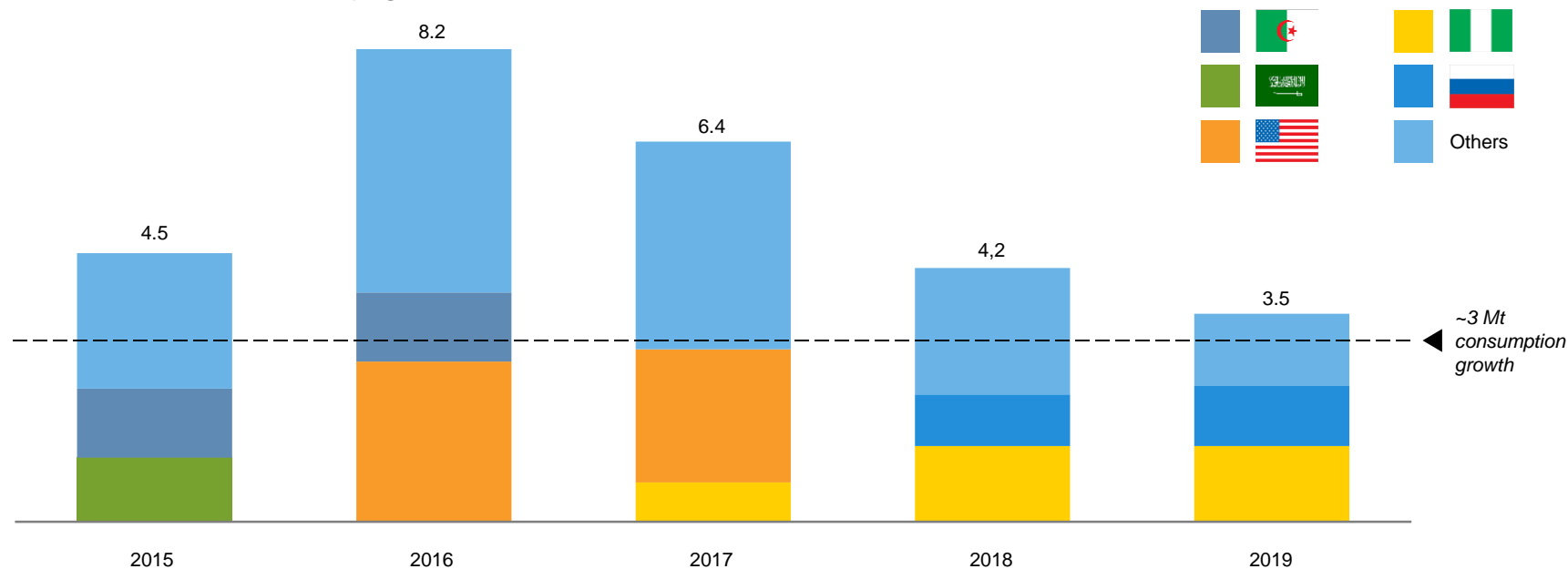
China Urea export (Mt)



Urea market price set by Chinese swing producers

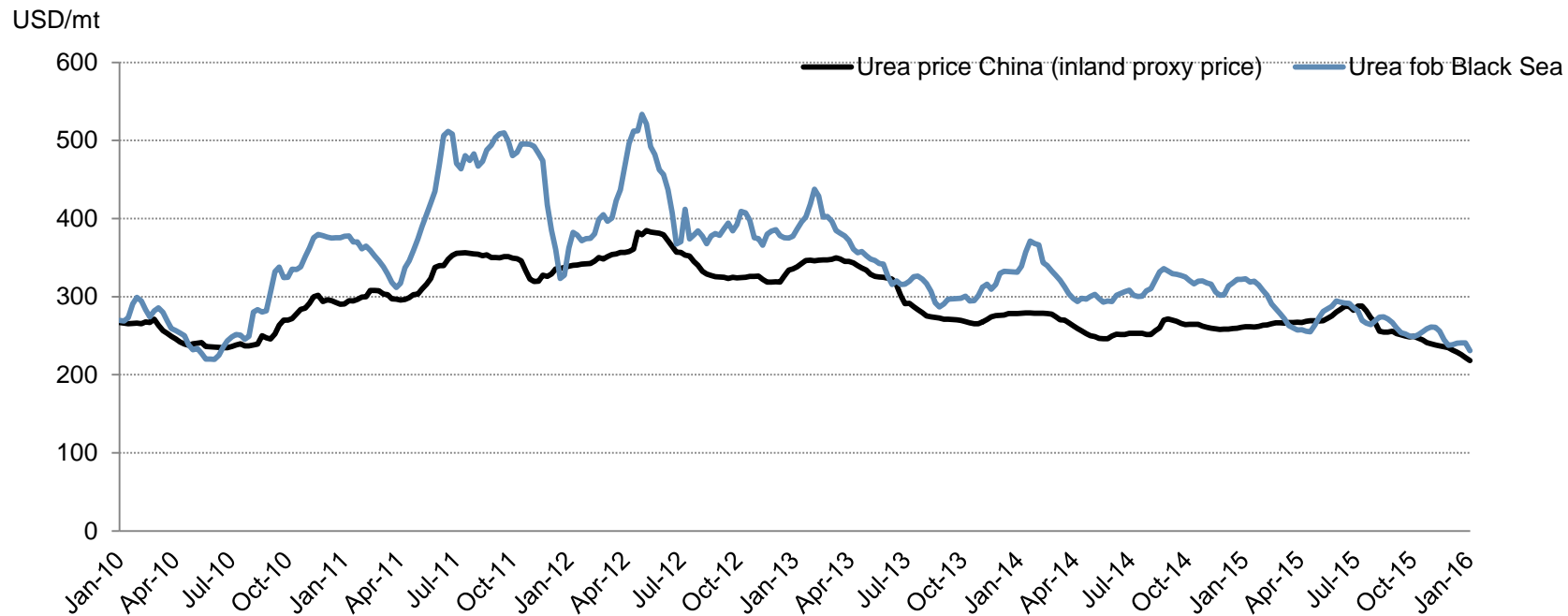
Additional capacity will reduce dependency on Chinese export

World urea capacity growth, ex China (Mt)



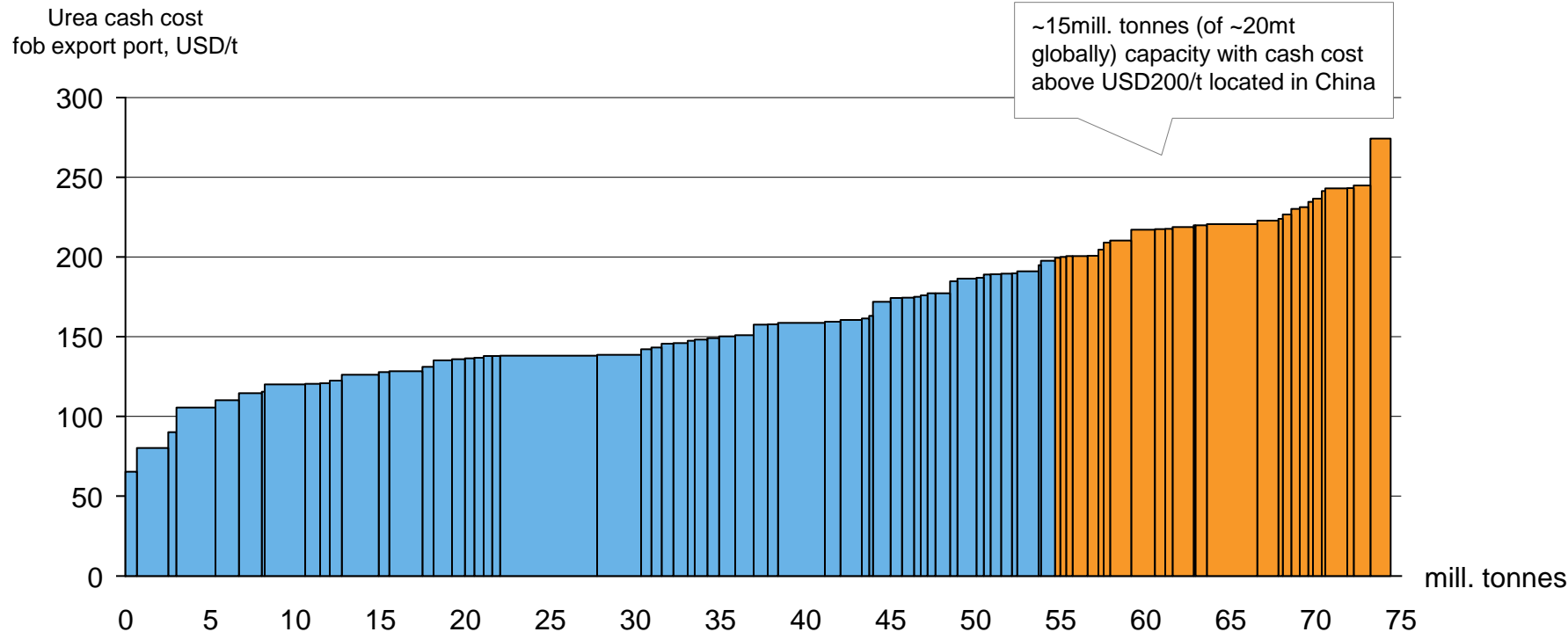
Source: CRU, December 2015

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



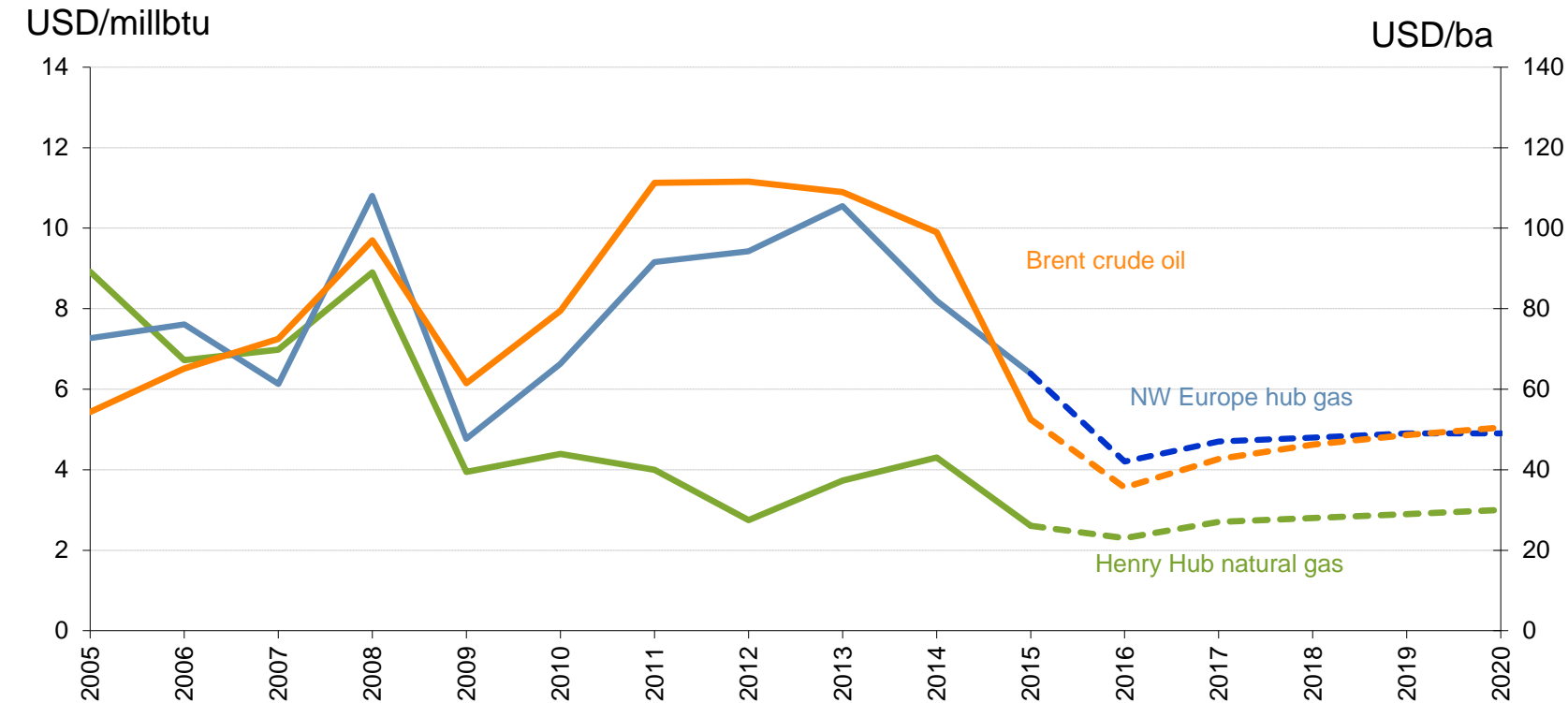
Source: China Fertilizer Market Week, International publications

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



Source: Argus (December 2015)

Energy prices expected to remain low for many years



Forward prices 5 February 2016

Cost of new capacity

Example: Cost for 1 million tons Urea plant in USA

+	Capex	<ul style="list-style-type: none">• 2000 mill USD• 10% return
	Non-Energy cash costs	
	Energy	<ul style="list-style-type: none">• 20 millbtu/ton
<hr/>		
	Total	

Cost per ton Urea

200 \$/t

50 \$/t

? \$/t

? \$/t

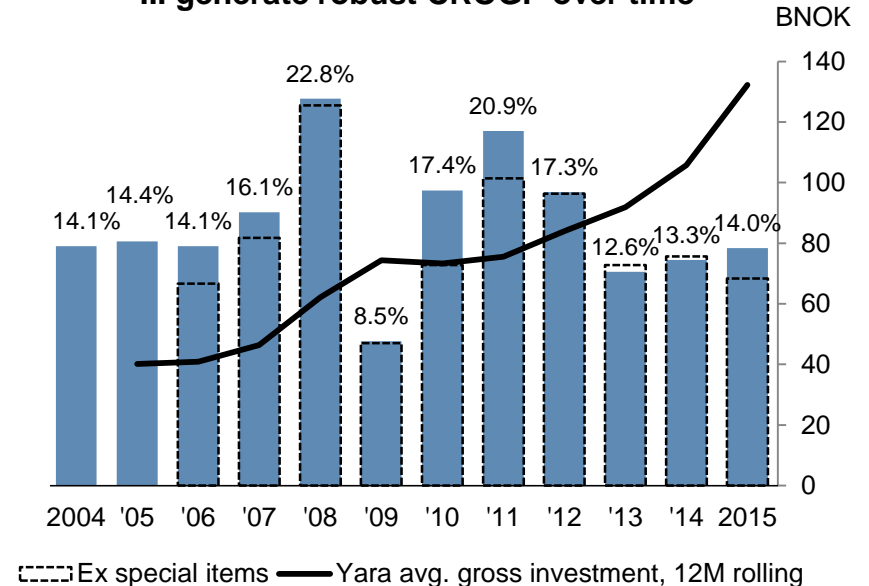
Financial update

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

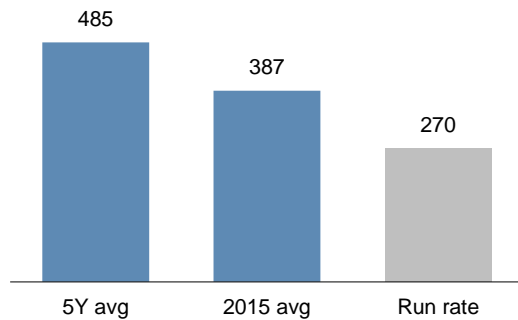
... generate robust CROGI¹ over time



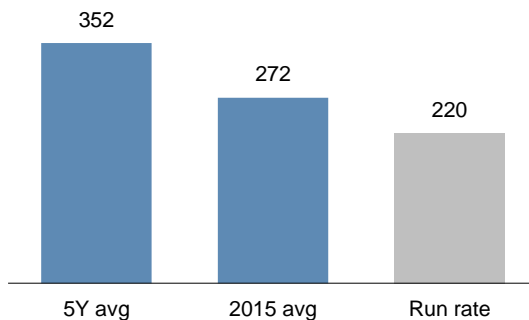
1) Cash return on gross investments

Price and currency scenario assumptions

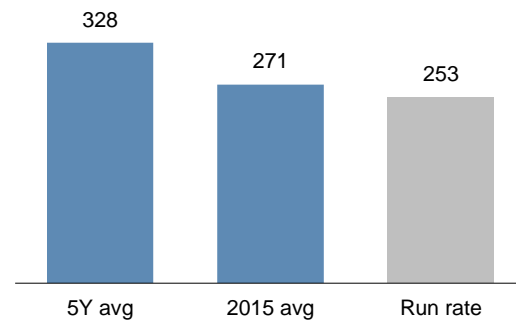
Ammonia fob Black sea, USD/t



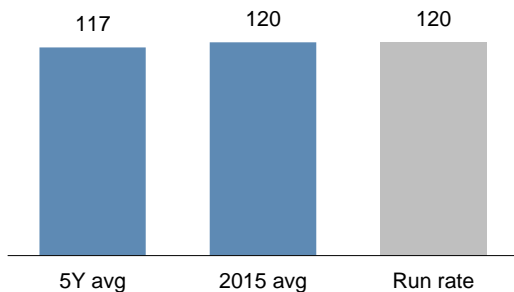
Urea fob Black sea, USD/t



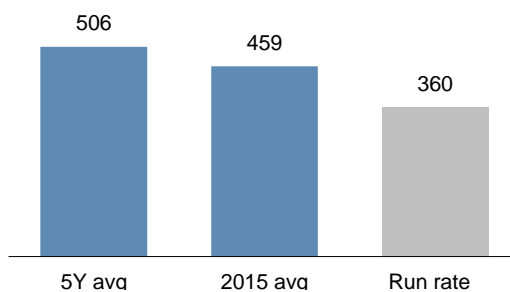
CAN cif Germany, USD/t



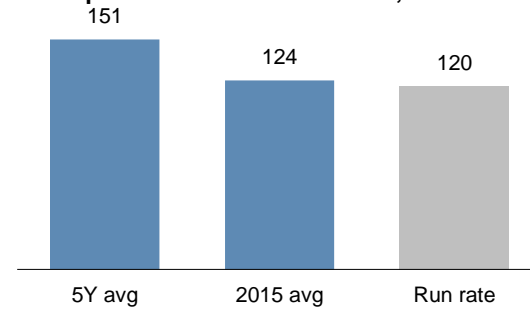
NPK compound premium, USD/t¹



DAP fob US Gulf, USD/t



Phosphate rock fob North Africa, USD/t



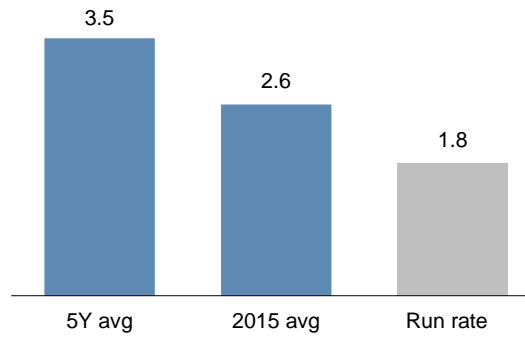
1) Based on weighted realized NPK price brought back to CIF Germany and compared with a nitrate based blend

Price and currency scenario assumptions

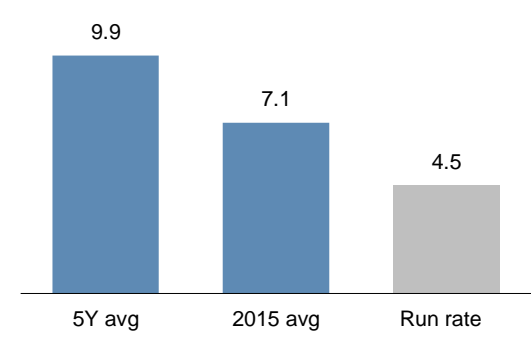
European gas (TTF), USD/mmbtu



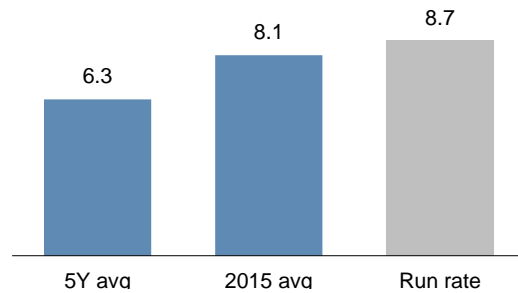
Henry HUB, USD/mmbtu



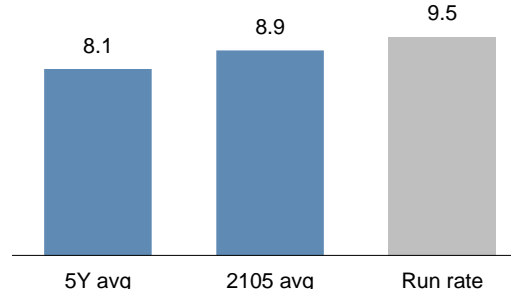
Yara's European gas price, USD/mmbtu



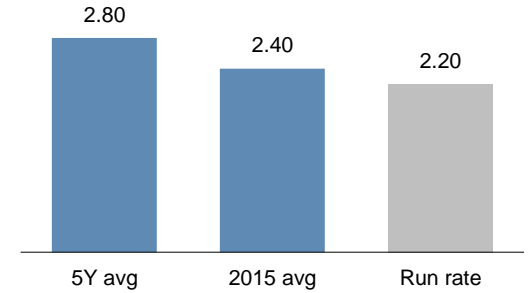
NOK per USD



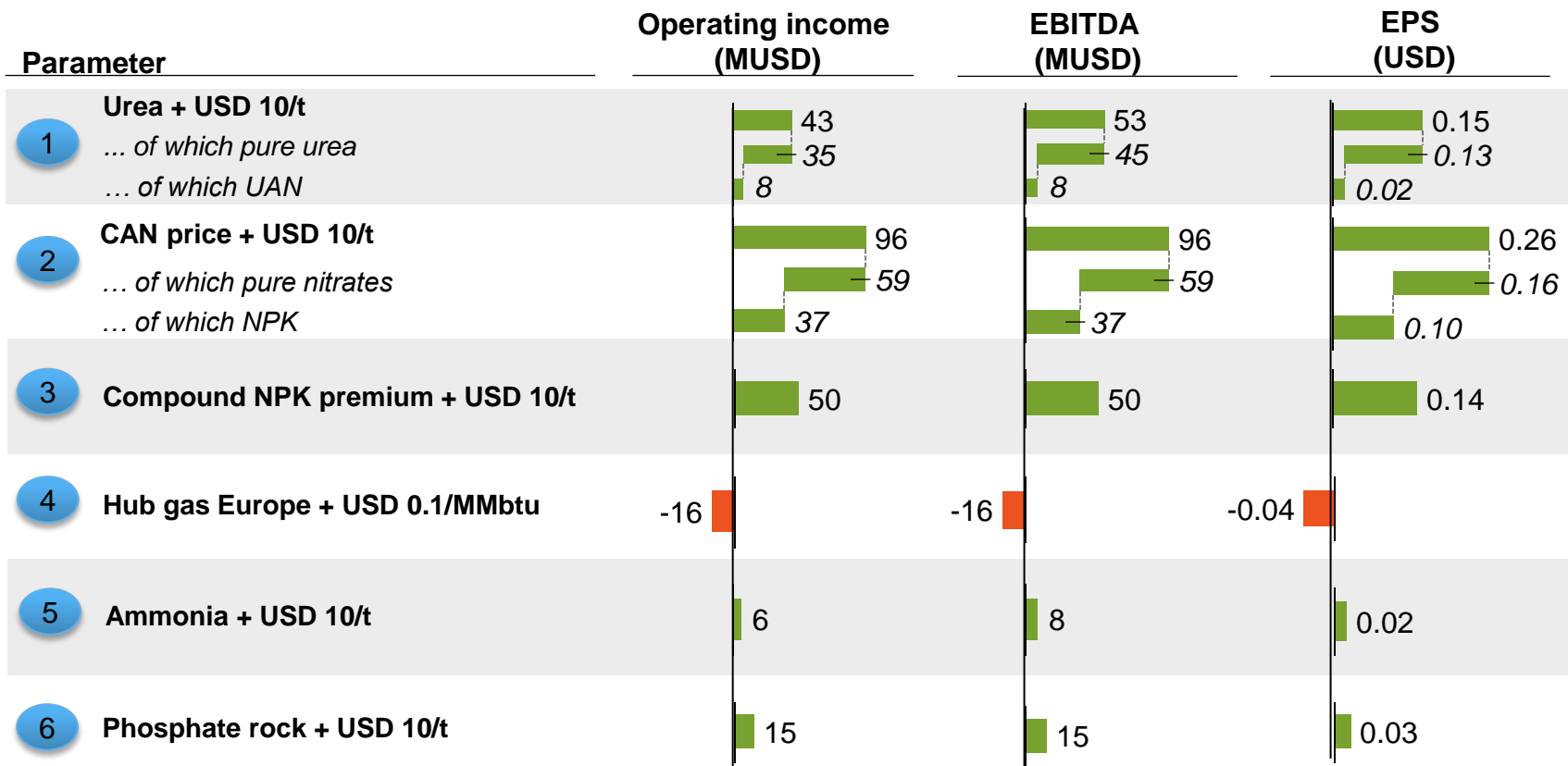
NOK per EUR



NOK per BRL



Price sensitivities linked to capacities



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%)

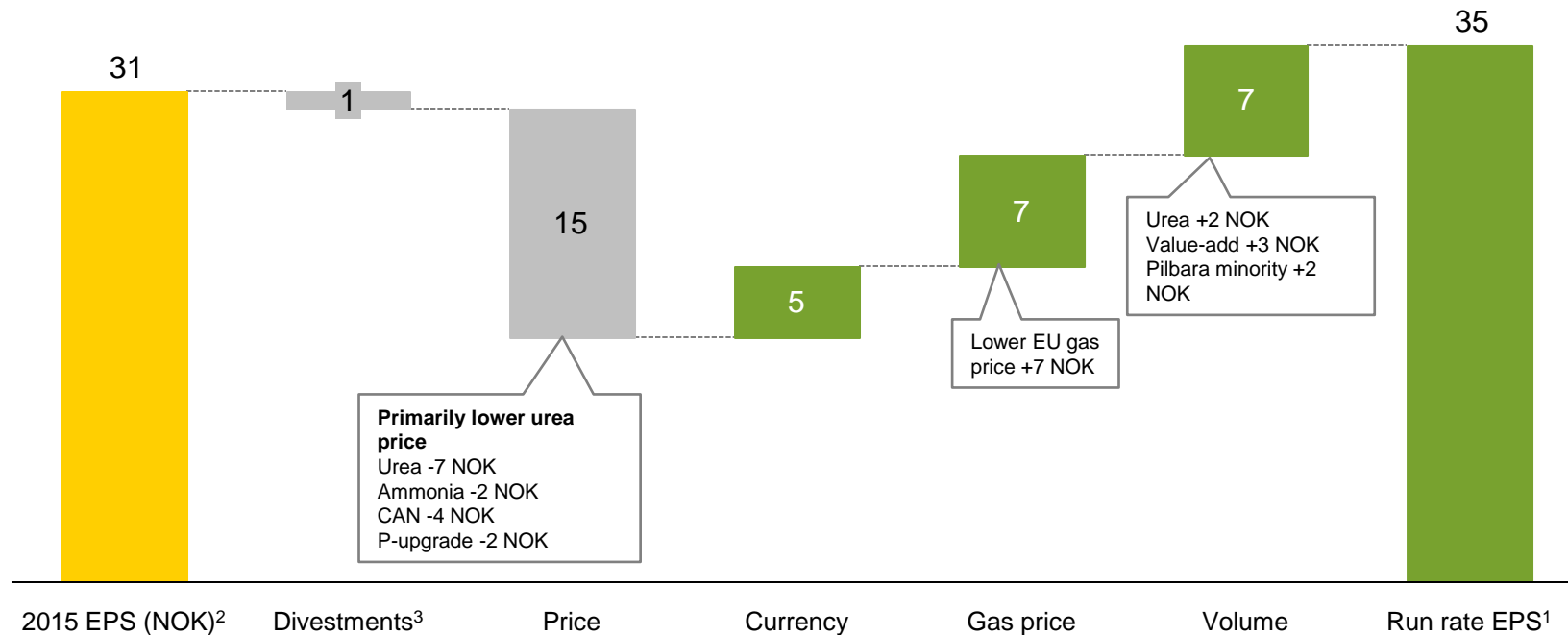
Impact of 10% appreciation vs. NOK¹

	EBITDA (NOK bn)		EBIT (NOK bn)	EPS (NOK) ³	NOK vs. FX		% appreciation in FX vs NOK	Impact on EPS (NOK)	
	Fixed costs	Translation impact			2015 avg.	25 Feb 2016			
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

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

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 CO₂ business and Yara Praxair JV

Full cost scenario

Example: Cost for 1 million tons urea plant in USA

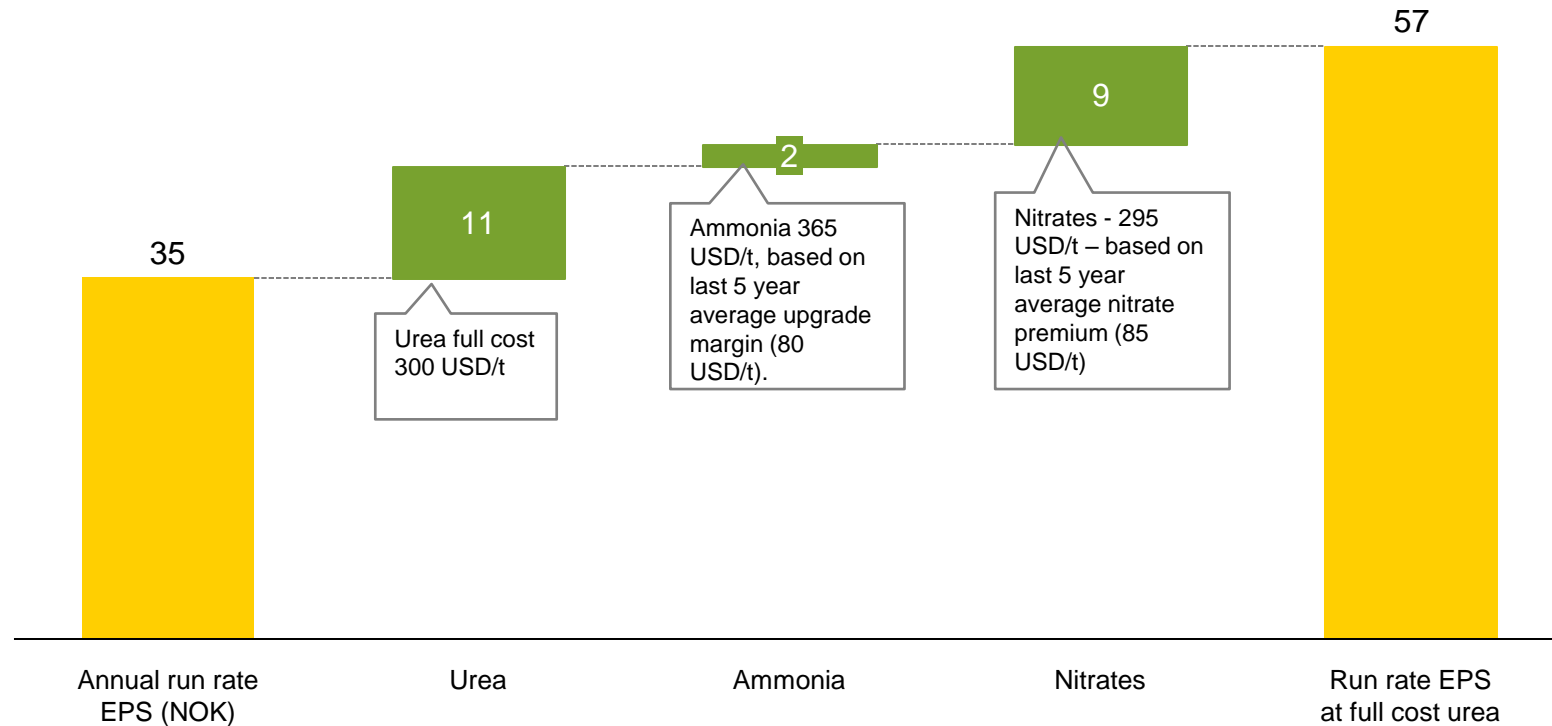
+	Capex	<ul style="list-style-type: none">• 2000 mill USD• 10% return	~200 \$/t
+	Non-Energy cash costs		~50 \$/t
+	Energy	<ul style="list-style-type: none">• 20 mill.btu/ton	~50 \$/t
<hr/>			
	Total		
<hr/>			

Cost per ton Urea

Scenario assumptions

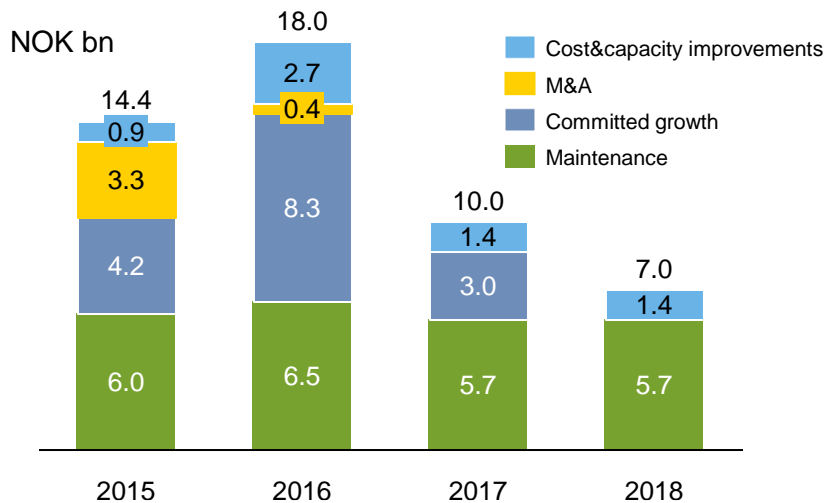
- Urea fob Black sea 300 USD/t
- Ammonia fob Black sea 365 USD/t
 - Based on last 5 years average upgrade margin from ammonia to urea of ~ 80 USD/t
- CAN cif Germany 295 USD/t
 - Based on last 5 years average nitrate premium of 85 USD/t

EPS of NOK 57 in full cost urea scenario



Strong growth pipeline

Capex plan

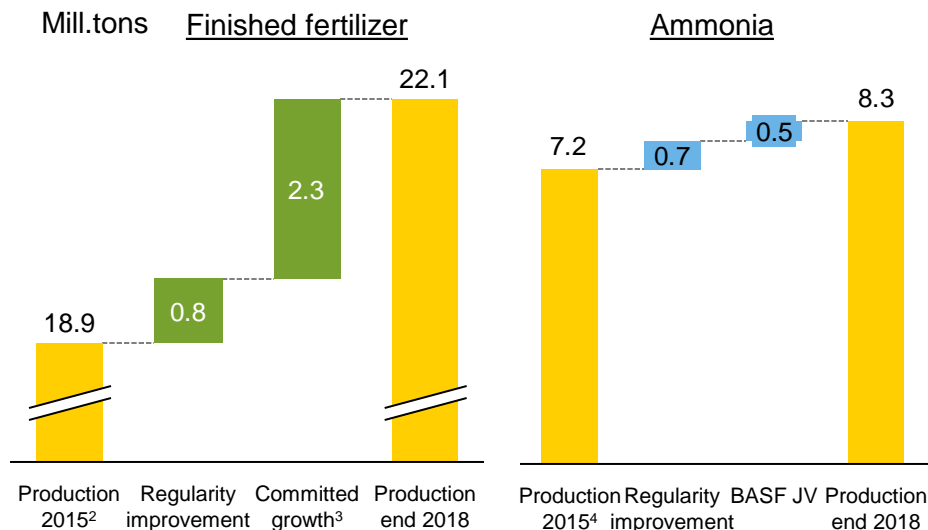


Committed growth (NOKbn)¹

	2015	2016	2017	2018
BASF JV	1.0	1.7	1.1	
Pilbara TAN	0.5	0.5		
Porsgrunn	0.5	1.4	0.1	
Köping	0.3	0.8	0.4	
Sluiskil	0.1	1.1	0.6	
Uusikapunki	0.3	0.2		
Galvani (Salitre)	1.0	0.9	0.8	
Ammonia vessels	0.2	1.5		
Other projects	0.3	0.1		
Total	4.2	8.3	3.0	

1) Yara's share of capex

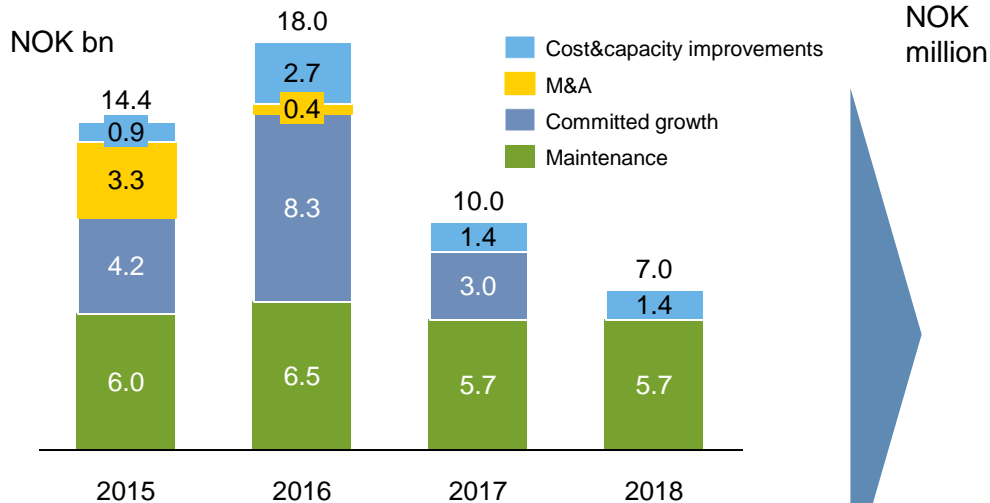
Production growth 2015 - end 2018



- 2) Finished fertilizer and industrial products, excl. bulk blends. Including Yara share of production in JVs. 2015 numbers excl. Growhow UK (~300 kt)
- 3) Committed projects only. TAN Pilbara: 160 kt, Porsgrunn: 250kt, Glomfjord: 185kt, Uusikapunki: 250kt, Köping: 90kt, Sluiskil: net 160kt, Galvani (Salitre - 60% of ~ 2 mill.tons)
- 4) Excl. Growhow UK (~200 kt). Including 100% ownership in Pilbara NH₃ plant

Capex mainly Euro and USD exposed

Capex plan

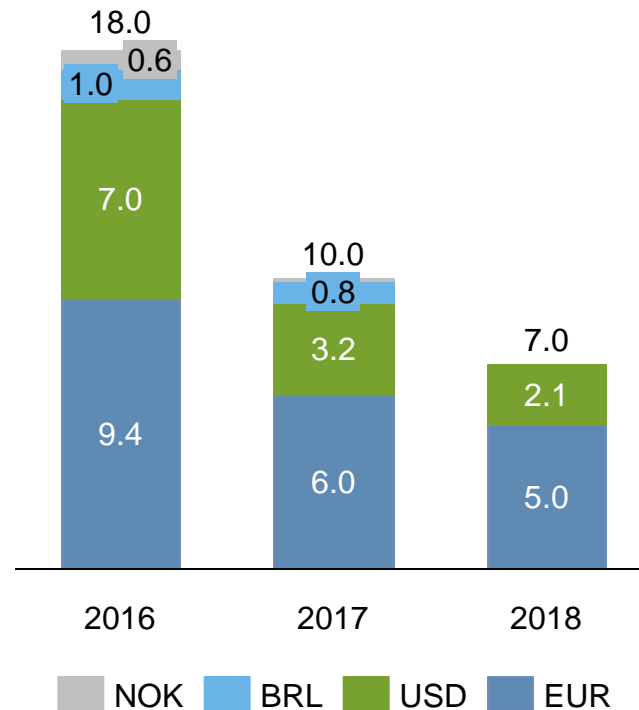


Committed growth (NOKbn)¹⁾

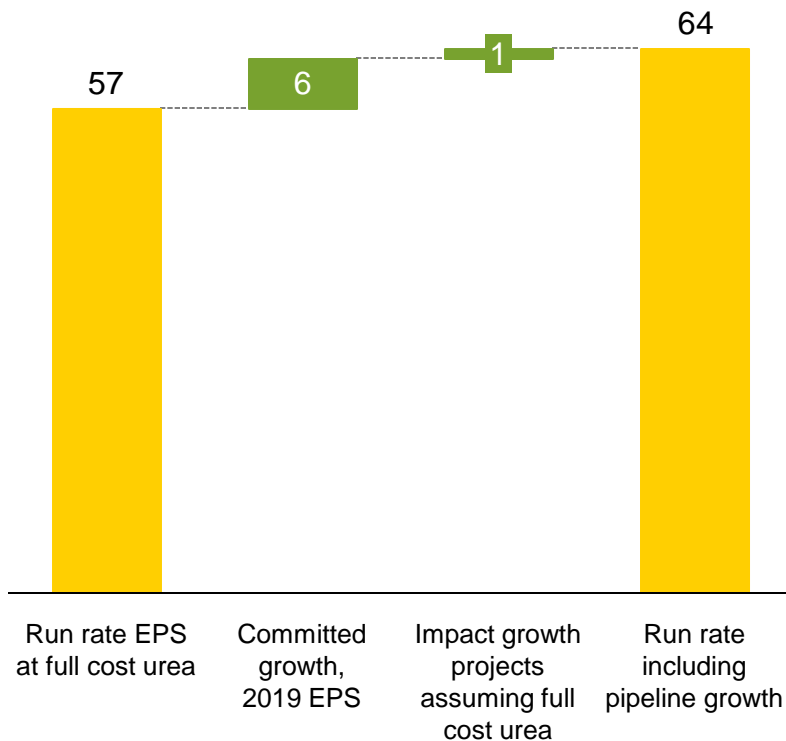
	2015	2016	2017	2018
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Galvani (Salitre)	1.0	0.9	0.8	
Ammonia vessels	0.2	1.5		
Other projects	0.3	0.1		
Total	4.2	8.3	3.0	

1) Yara's share of capex

Currency exposure



Committed growth assuming full cost urea adds NOK 7 to EPS






Projects	Products	Estimated completion
NPK expansion Uusikaupunki ¹	250kt	Mid 2016
Pilbara TAN ¹	330kt TAN (100%)	Mid 2016
New ammonia vessels	3 Handy-size and 2 mid-size LPG vessels	2016
Urea 8 Sluiskil	260kt Urea+S, 130kt CAN and -230kt UAN	2H 2017
CN/NPK expansion Porsgrunn	235kt NPK and 200kt CN	2H 2017
Köping nitric acid - TAN	90kt TAN	2H 2017
Ammonia BASF JV Freeport	750 kt NH ₃ (100%)	End 2017
Galvani -Salitre	~1.2 million ton phosphate rock (100%)	Mining; mid 2017, Chemical; mid 2018

1) Included in base (run rate) scenario.

Status committed growth projects



Value add

<u>Projects</u>	<u>IRR</u>
• CN/NPK expansion Porsgrunn	
• NPK expansion Uusikapunki	
• Urea 8 Sluiskil	

Commodity scale

• Freeport ammonia BASF JV	
• New ammonia vessels	

Industrial

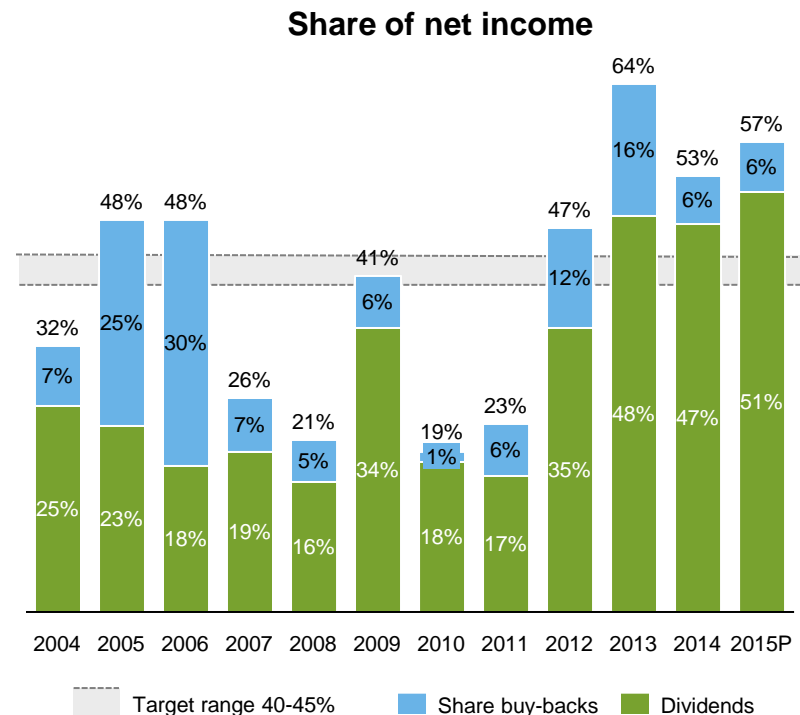
• Pilbara – TAN	
• Köping – TAN	

Structurally secure phosphate and potash supply

• Galvani Salitre	
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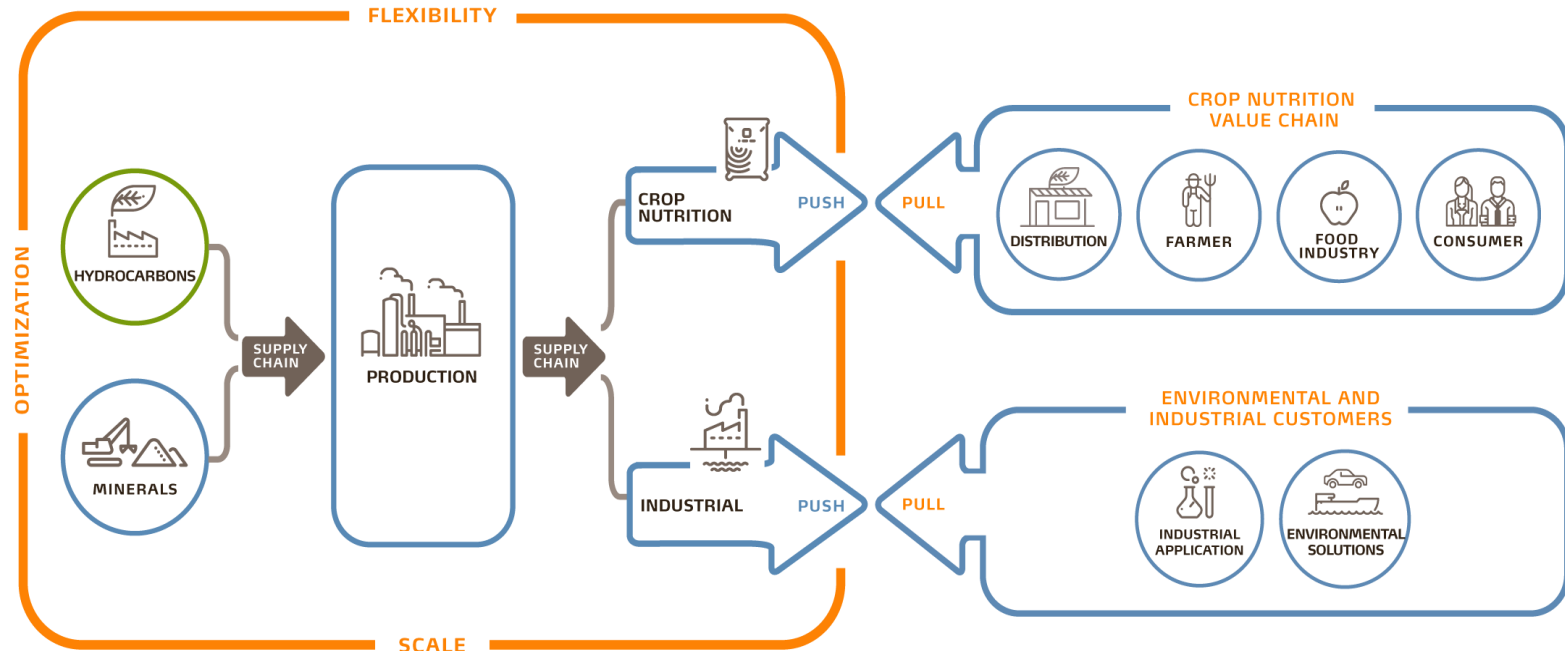
Proposed dividend NOK 15 per share

- 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 expected pipeline of future growth opportunities and market outlook



Going forward

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



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

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)

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

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 product 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

...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 (Crop Nutrition)
- 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
- Dallol¹

1) Not yet committed

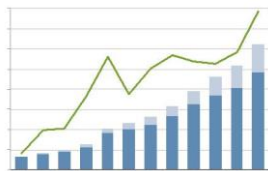
CEO priorities going forward

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



Knowledge grows

