



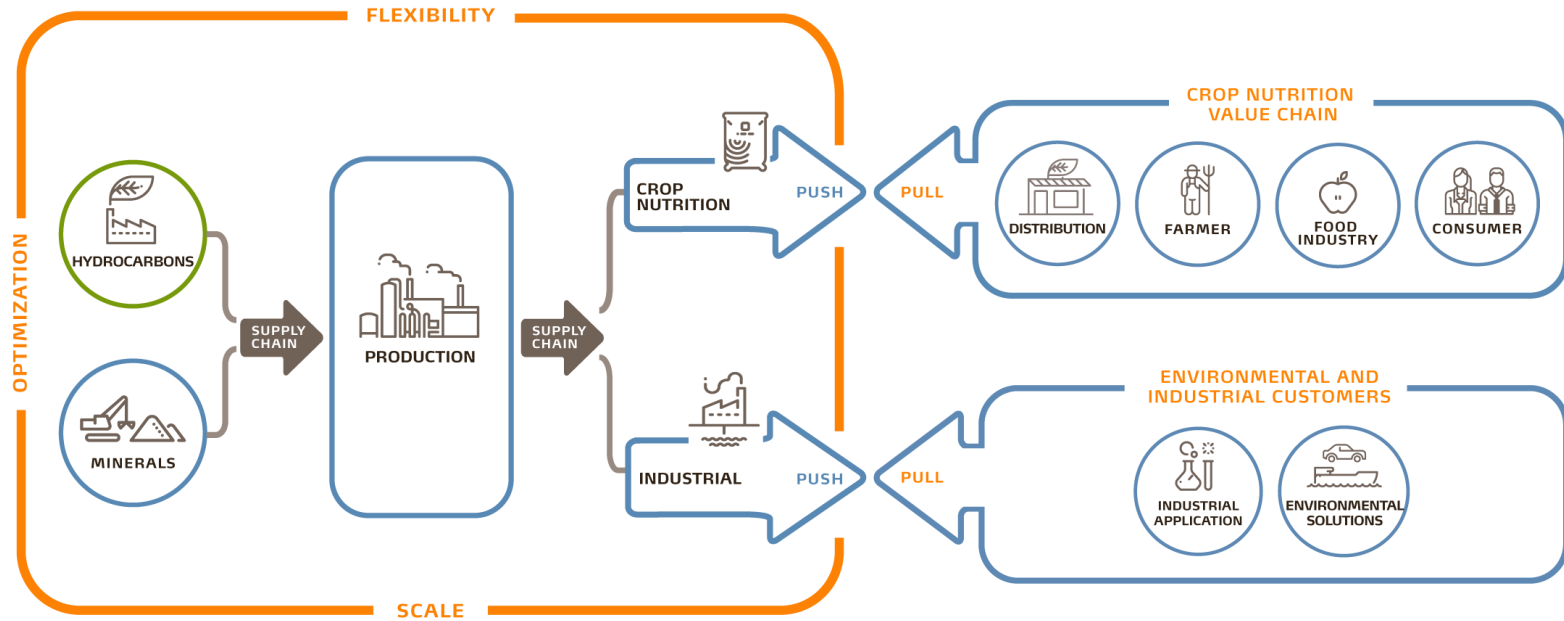
Knowledge grows

Yara International ASA Paris roadshow

Torgeir Kvidal, CFO
Kjetil Storås, IR



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

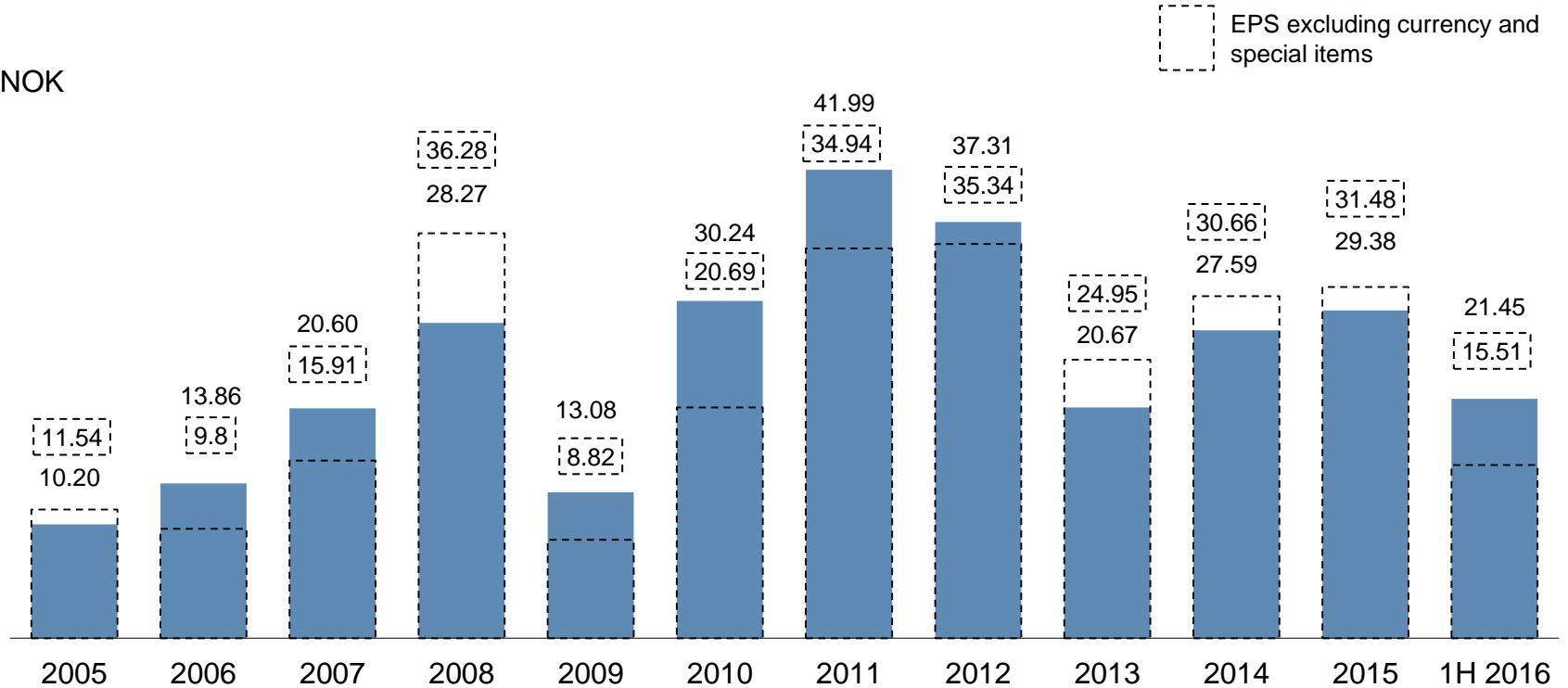


Summary second quarter

- Results impacted by lower fertilizer prices
- Positive impact from lower energy prices and stronger US dollar
- Deliveries of Yara-produced fertilizer up 8%
- Continued strong production performance, especially ammonia
- Gain of NOK 1.6 billion from sale of CO₂ business
- Improvement program: at least USD 500 million identified

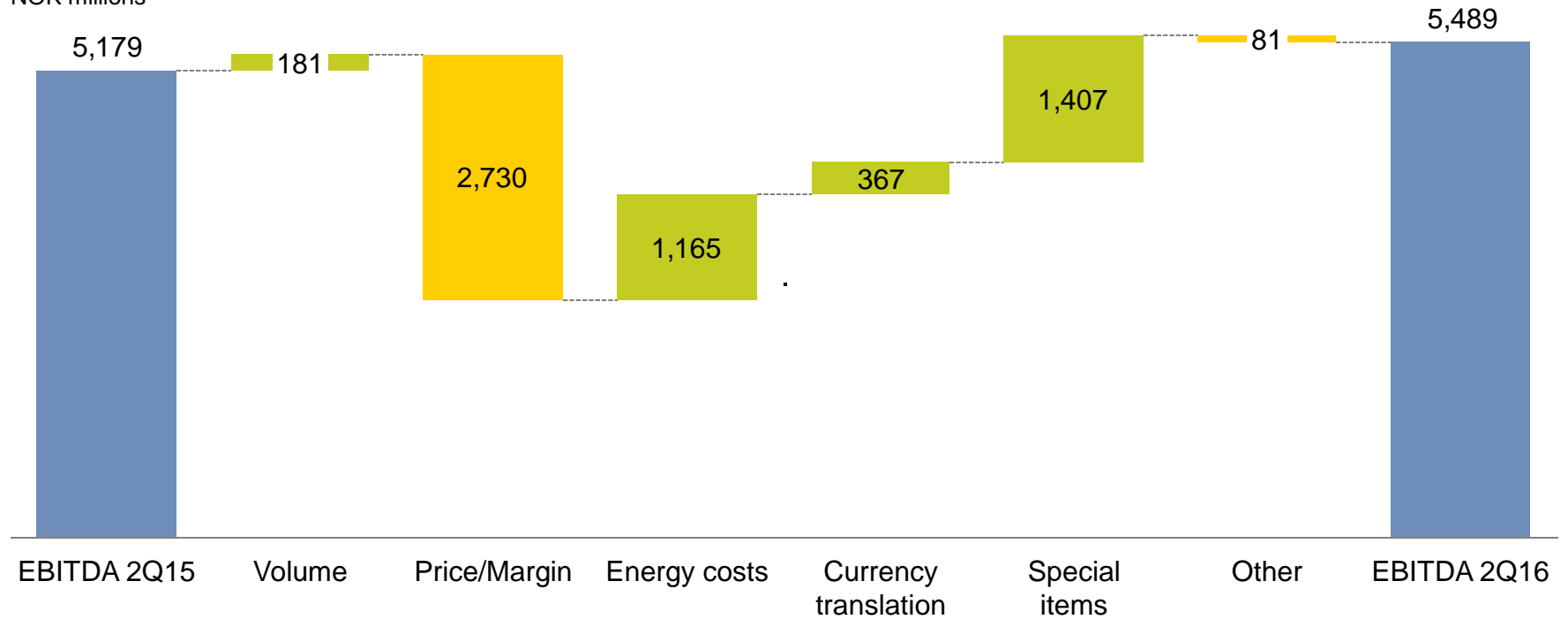
Strong earnings despite supply driven market

NOK



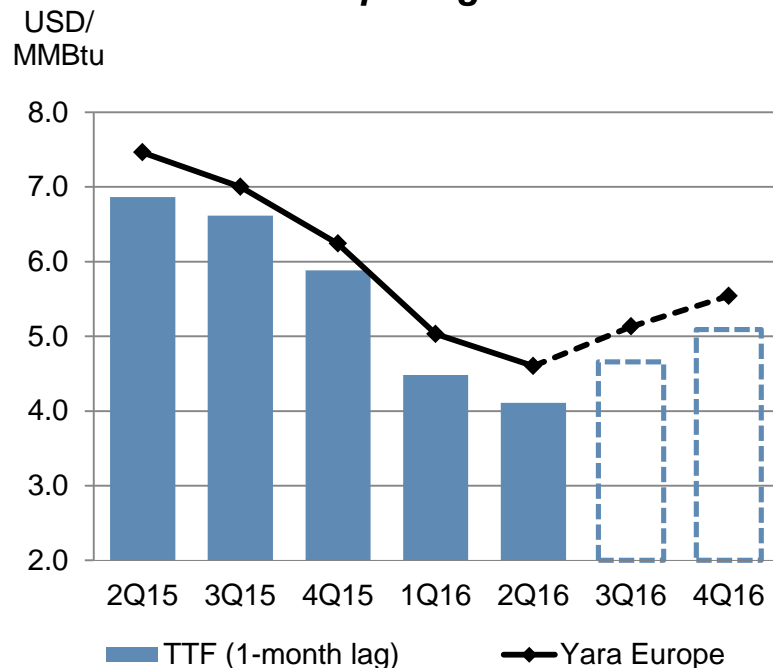
EBITDA development

NOK millions



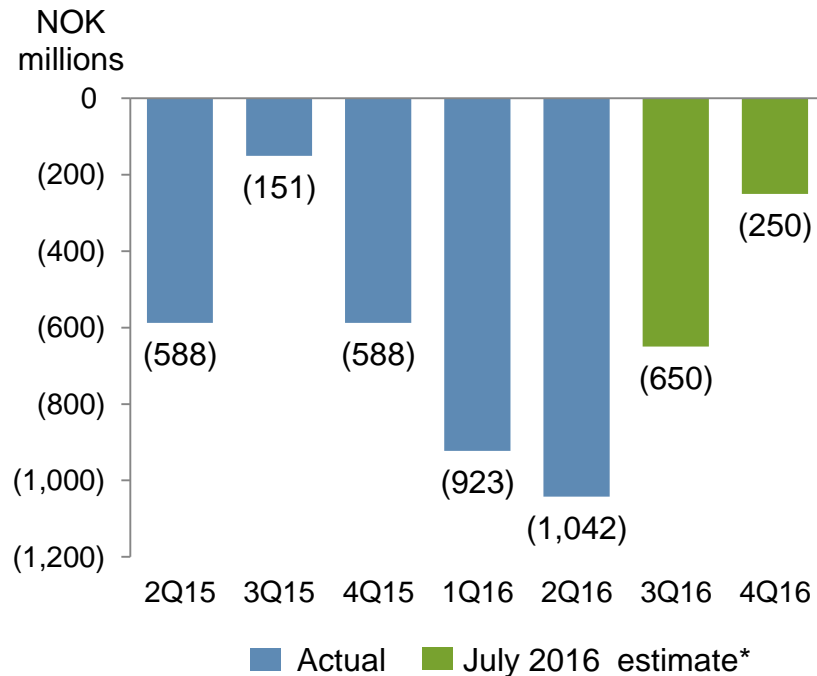
Lower natural gas cost in Europe

Yara European gas & oil cost

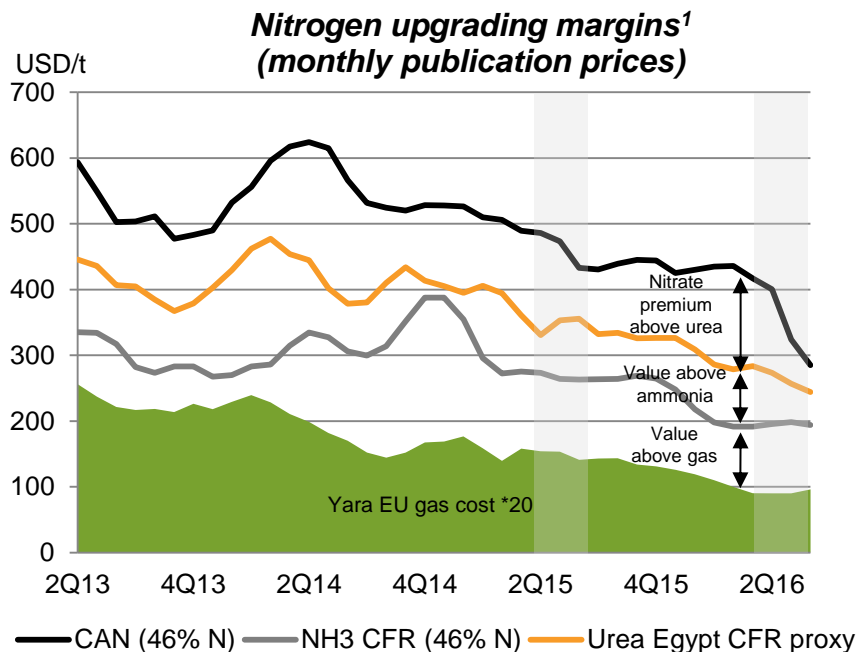


*Dotted lines denote forward prices as of 12 July 2016
 Source: Yara, World Bank, Argus/ICIS Heren

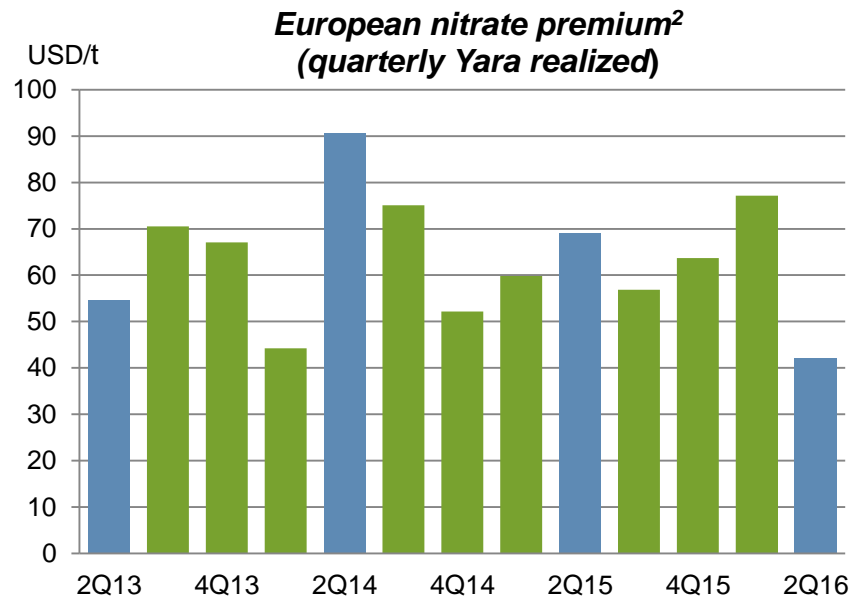
Change in spot energy cost



Lower European nitrate premiums at end of season

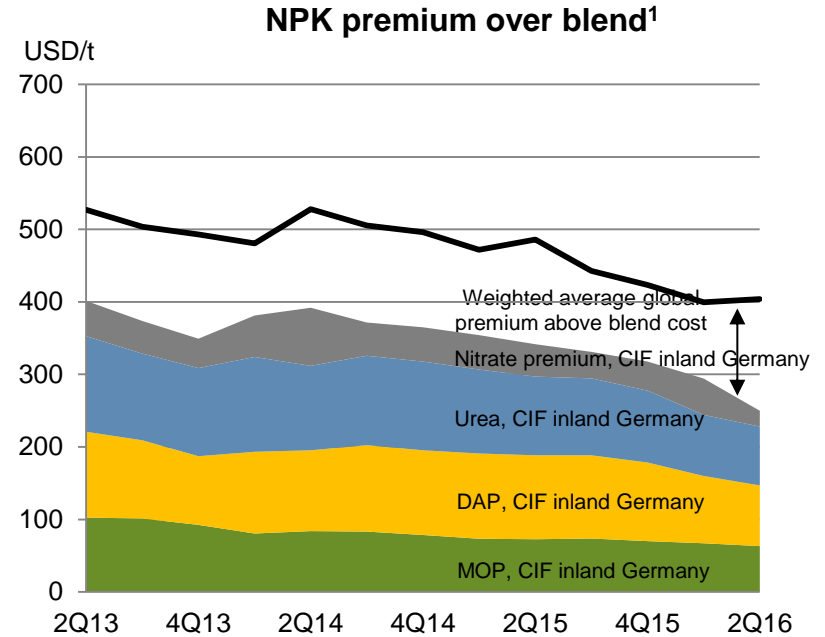
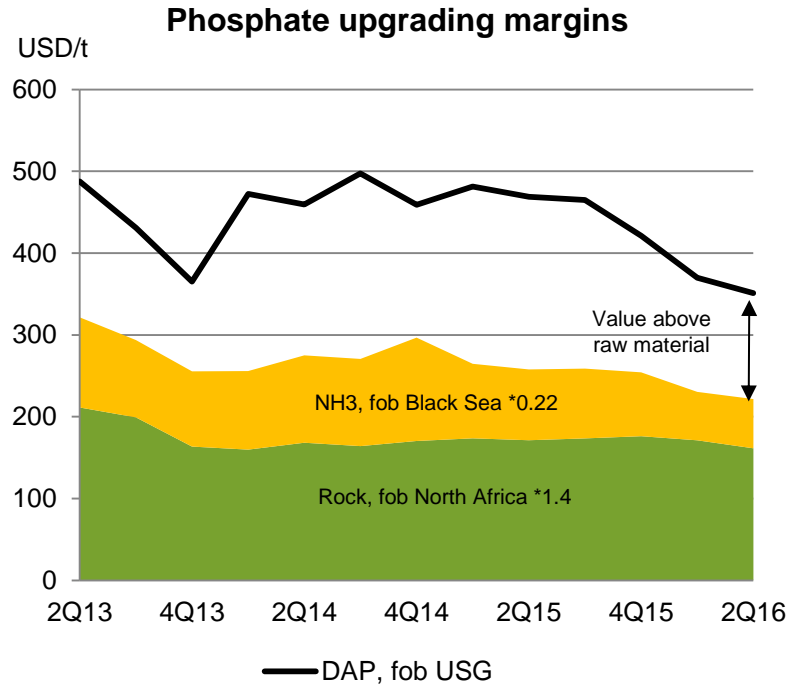


1) All prices in urea equivalents



2) Yara European realized nitrate prices (excl. sulphur grades) compared with urea publication prices (Egypt CFR proxy) with 1 month time lag. All numbers in USD per tonne of CAN equivalents.

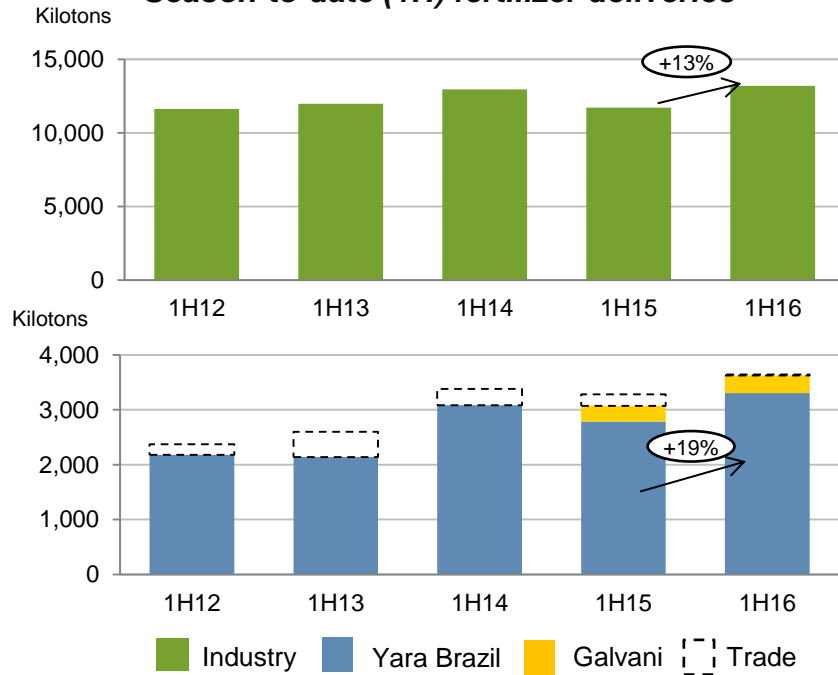
Lower commodity phosphate margins, solid compound NPK premiums



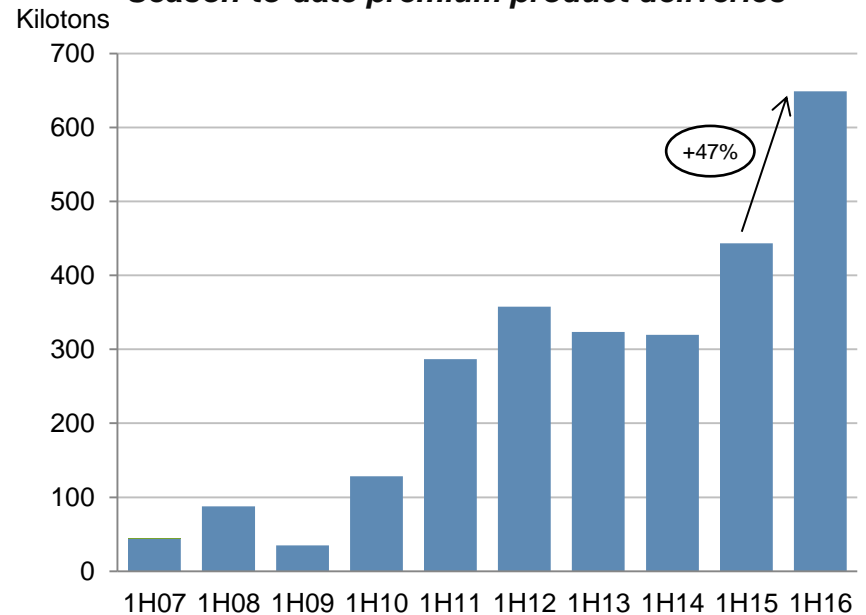
1) Export NPK plants, average grade 19-10-13, net of transport and handling cost.

Brazil: 1H industry deliveries up 13%, Yara up 19%

Season-to-date (1H) fertilizer deliveries



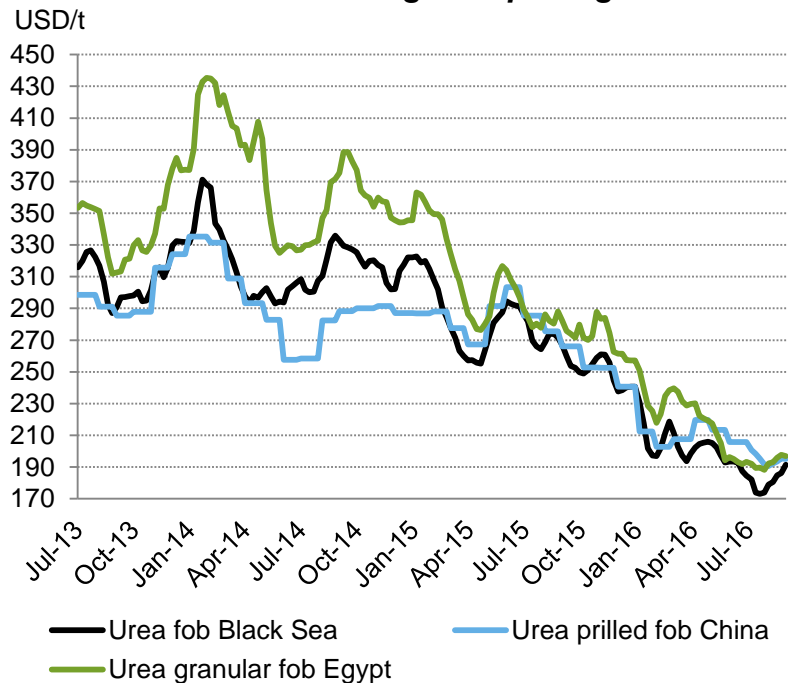
Season-to-date premium product deliveries



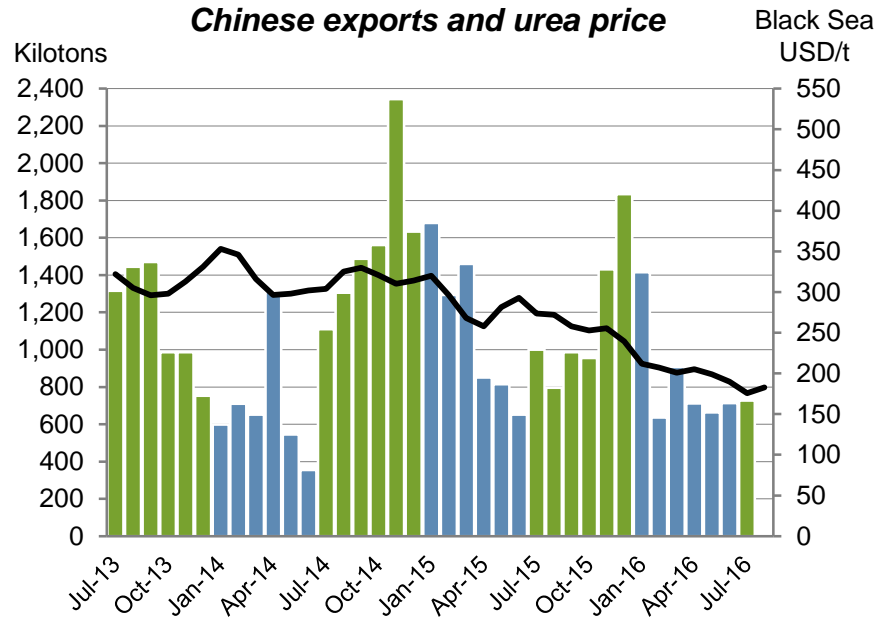
Source: ANDA, Yara

Reduced exports from China amid lower prices...

Declining urea pricing



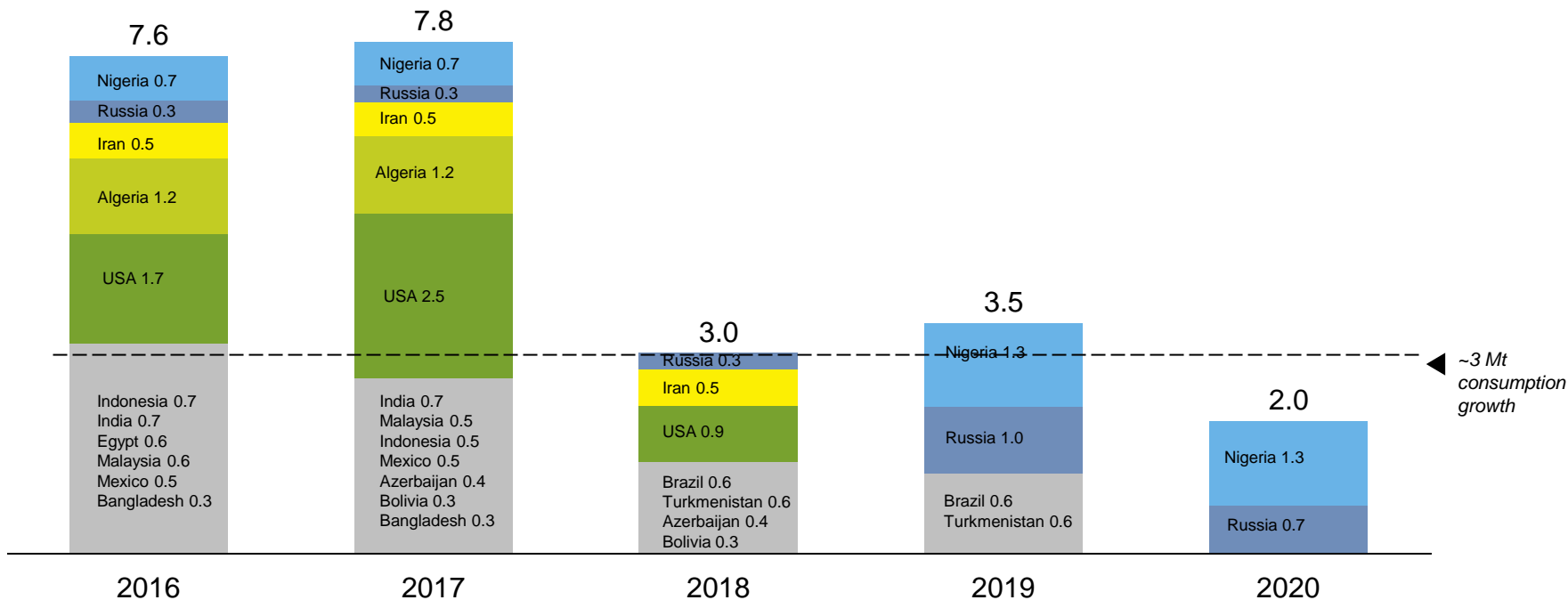
Chinese exports and urea price



Source: BOABC, CFMW

...and increased production elsewhere

Gross capacity additions, excl. China
(mill. tonnes urea¹)

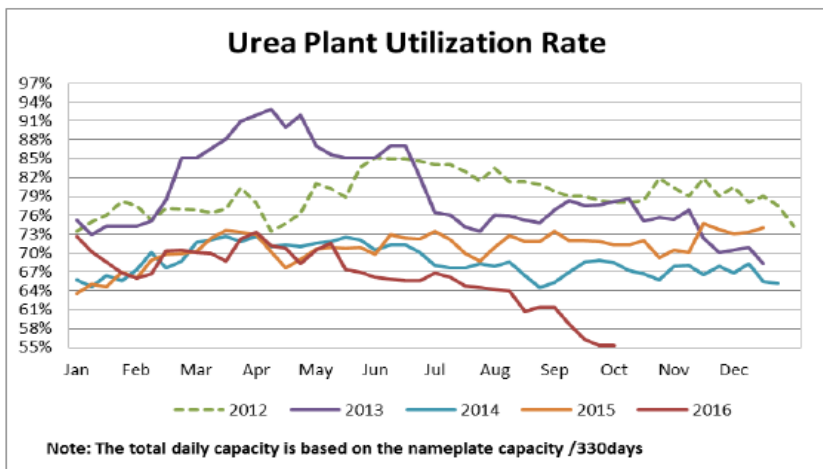


Source: CRU, gross capacities, June 2016

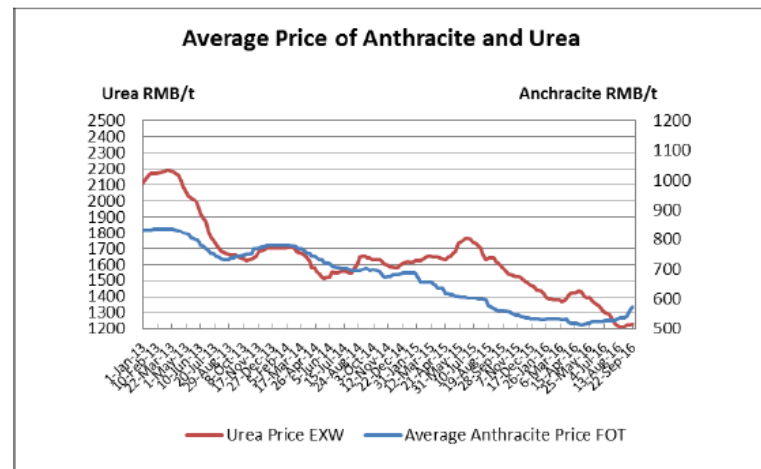
1) Using 50% operating rate in new plants' first year of production

Lower Chinese utilization rates and higher anthracite coal prices

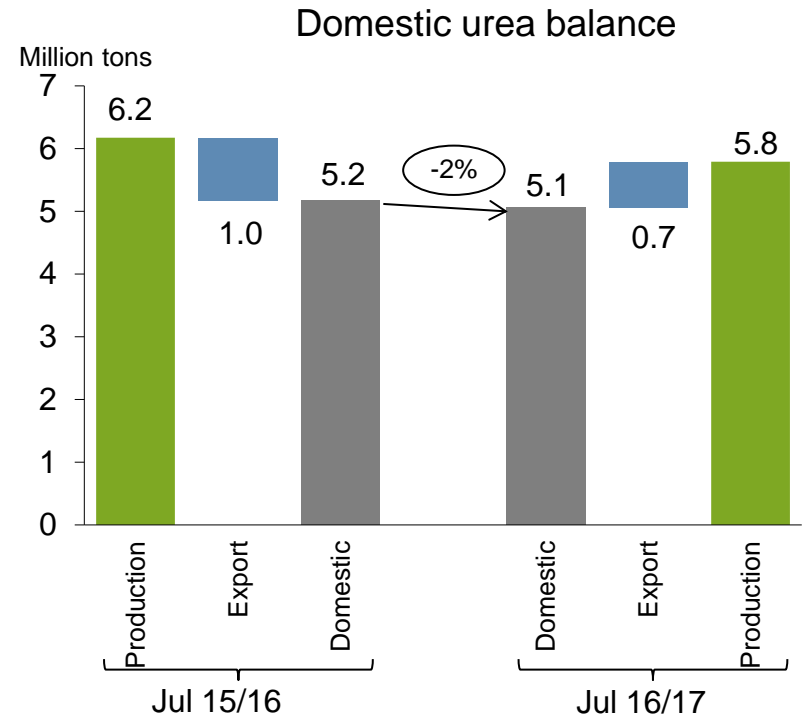
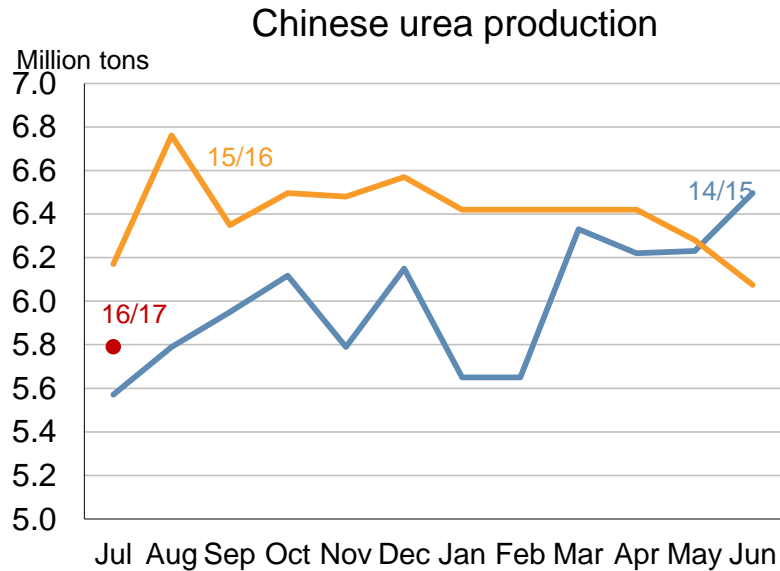
CFMW Chinese urea utilization rates September 2016



CFMW Anthracite prices September 2016 (RMB/mt)



The new season starts with reduced production and exports, keeping domestic supply stable



Source: CFMW

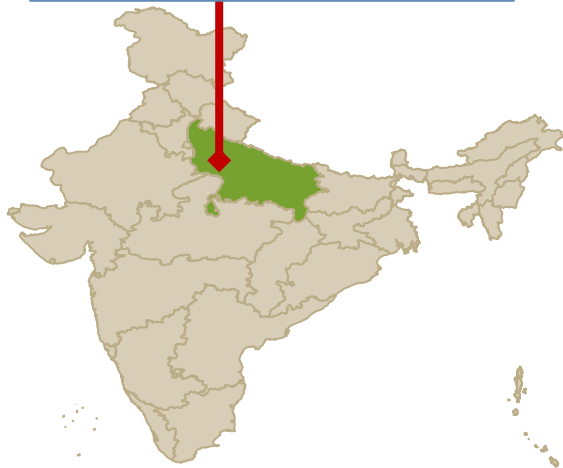
Yara Improvement Program will deliver cost and revenue improvements throughout the organization

Overview of main initiatives



The program is expected to deliver at least USD 500 million EBITDA improvement by 2020

Yara acquires Tata Chemicals' urea business in India for USD 400 million



Integrated world scale urea plant in Babrala, Uttar Pradesh

- ~0.7 million tons ammonia production
- ~1.2 million tons urea production
- Commissioned in 1994

World-class operations and energy efficiency

- Workforce is committed to high HESQ standards; solid safety track record
- Energy consumption below 21 mmbtu/t, on par with Sluiskil

Significant distribution footprint

- Warehouses: 4 own and approx. 100 third-party operated
- Salesforce: 50 own, and approx. 600 on contract

Acquisition provides footprint to accelerate premium product growth

- Yara India 17% p.a. growth in premium product sales since 2010
- Yara Brazil premium products growth also provides a strong reference

Strategic growth with financial discipline:

Profitable growth through brownfield expansion and M&A, while maintaining credit rating

Expand premium products sales and supply

- OFD (Latin America)
- CN/NPK expansion Porsgrunn (Europe)
- NPK expansion Uusikapuunki (Europe)
- Greenbelt Fertilizers (Africa)
- West Sacramento import terminal (USA)

Expand commodity scale based on attractive full-cost growth opportunities

- Bunge (Crop Nutrition) (Brazil)
- Freeport ammonia JV (newbuild in USA)
- Pilbara (acq. of remaining 49% stake)(Australia)
- New ammonia vessels

Act on attractive opportunities to grow industrial sales and supply

- OFD (Latin America)
- Pilbara – TAN (newbuild in Australia)
- Köping – TAN (Europe)
- Small-scale TAN
- Le Havre (Europe)
- Environmental solution bolt-on (Europe)

Structurally secure P and K supply

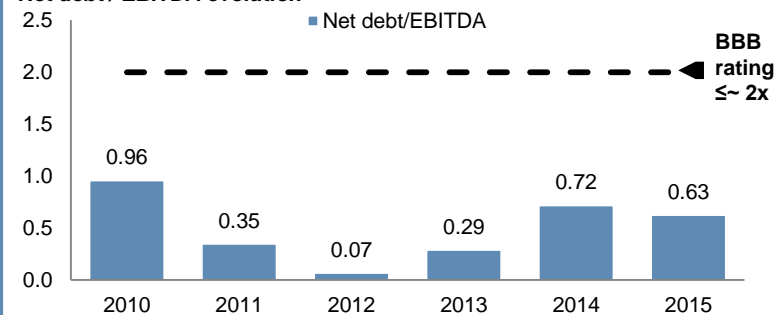
- Galvani (Brazil)
- Dallol¹ (Africa)

Divest non-core businesses

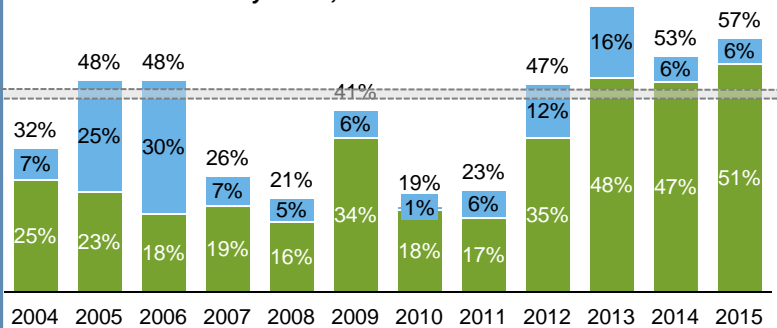
- GrowHow UK (50% stake)
- European CO₂ business

¹ Not yet committed

Net debt / EBITDA evolution



Dividend and share buy-backs, share of net income

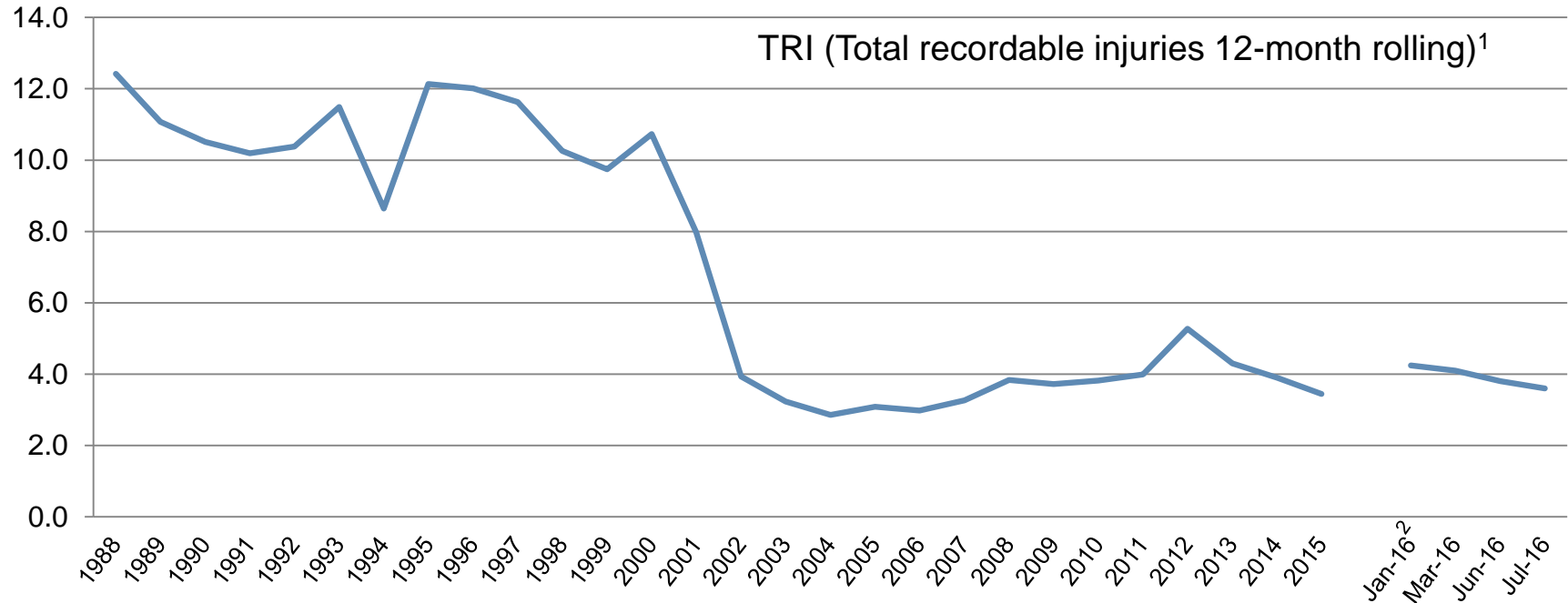




Knowledge grows



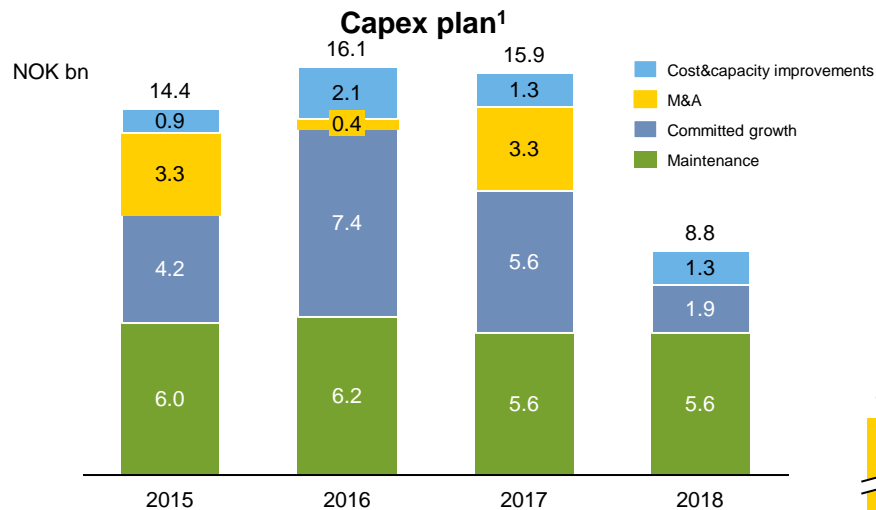
Safe operations is our first priority



1) Lost time (absence from work), restricted work and medical treatment cases per one million work hours

2) OFD and Galvani included in statistics from January 2016

Strong growth pipeline

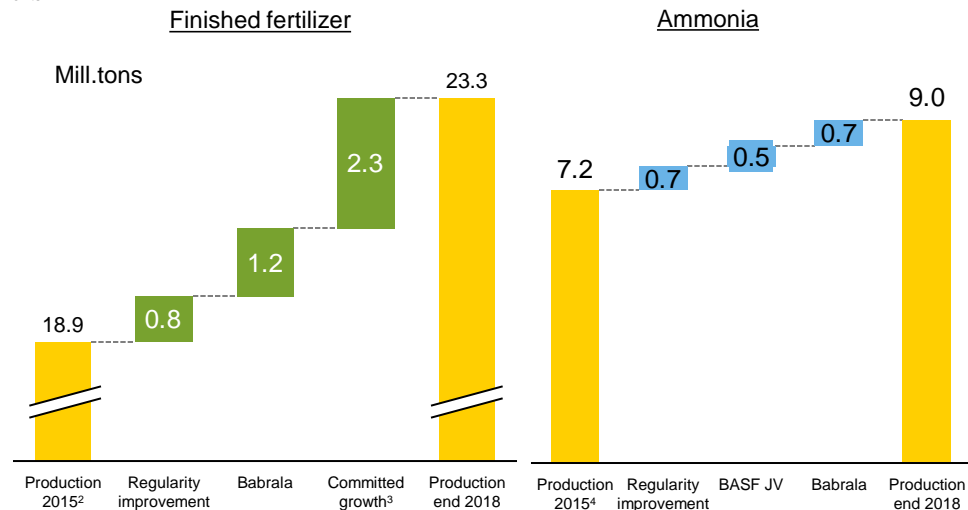


Committed growth (NOK bn):

	2015	2016	2017	2018
BASF JV	1.0	1.9	0.7	
Pilbara TAN	0.5	0.4		
Porsgrunn	0.5	1.1	0.4	
Köping	0.3	0.7	0.5	
Sluiskil	0.1	0.8	0.8	
Uusikapunki	0.3	0.2		
Galvani (Salitre)	1.0	0.6	1.7	0.7
Ammonia vessels	0.2	1.5		
Rio Grande		0.2	1.5	1.1
Other projects	0.3	0.1		
Total	4.2	7.4	5.6	1.9

1) Yara's share of capex

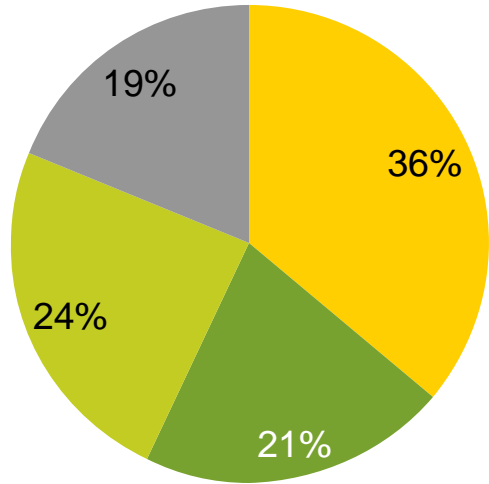
Production growth 2015 - end 2018⁵



- 2) Finished fertilizer and industrial products, excl. bulk blends. Including Yara share of production in JVs. 2015 numbers excl. Growthow 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. Growthow UK (~200 kt). Including 100% ownership in Pilbara NH₃ plant
- 5) Rio Grande expansion adds 0.5 million tons SSP and 1 million ton blends by 2020

Fertilizer portfolio is being driven towards greater product differentiation and profit

Product portfolio (2015/16 season volume)

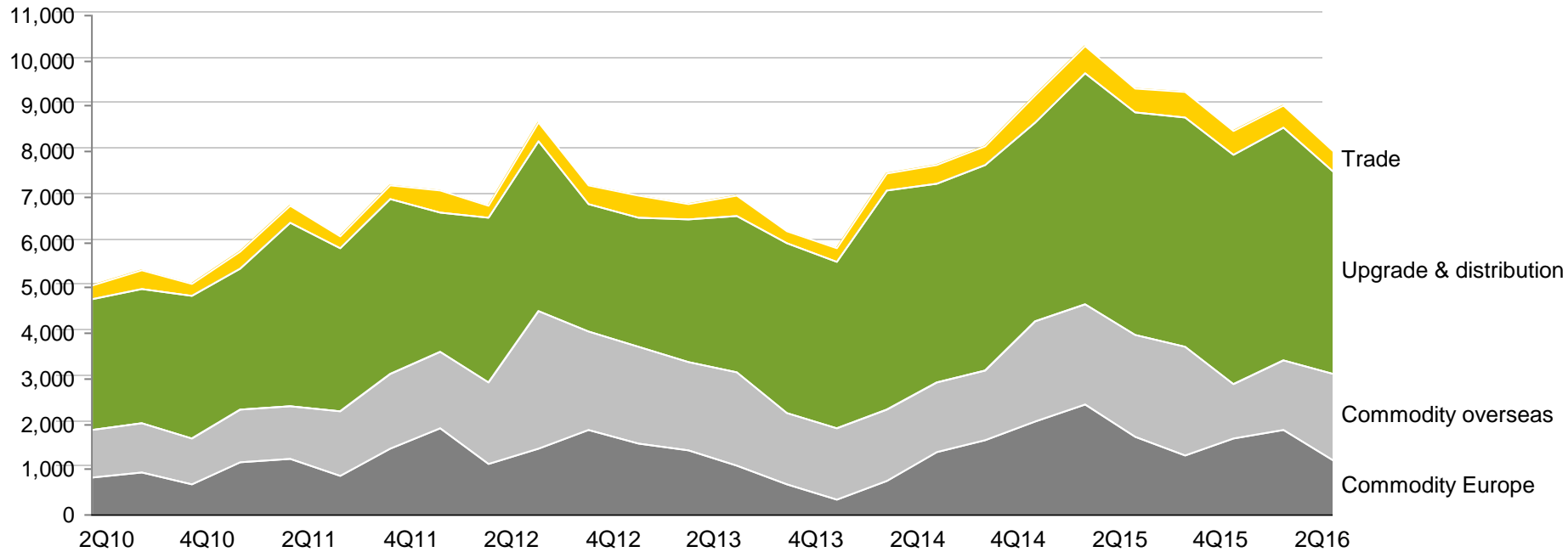


- Standard products (Urea, UAN and Ammonia)
- Differentiated products (CAN, AN)
- Specialty (CN, Compound NPK, Fertigation)
- NPK blends

- Differentiation improves margins and reduces exposure to commodity price volatility
- On-going efforts to further increase differentiation through:
 - Capacity expansions compound NPK, CN, nitrate and urea+S
 - On-going optimization of NPK portfolio towards higher value segments
 - Innovation and market growth in high-value fertigation markets
 - Continued YaraVita growth

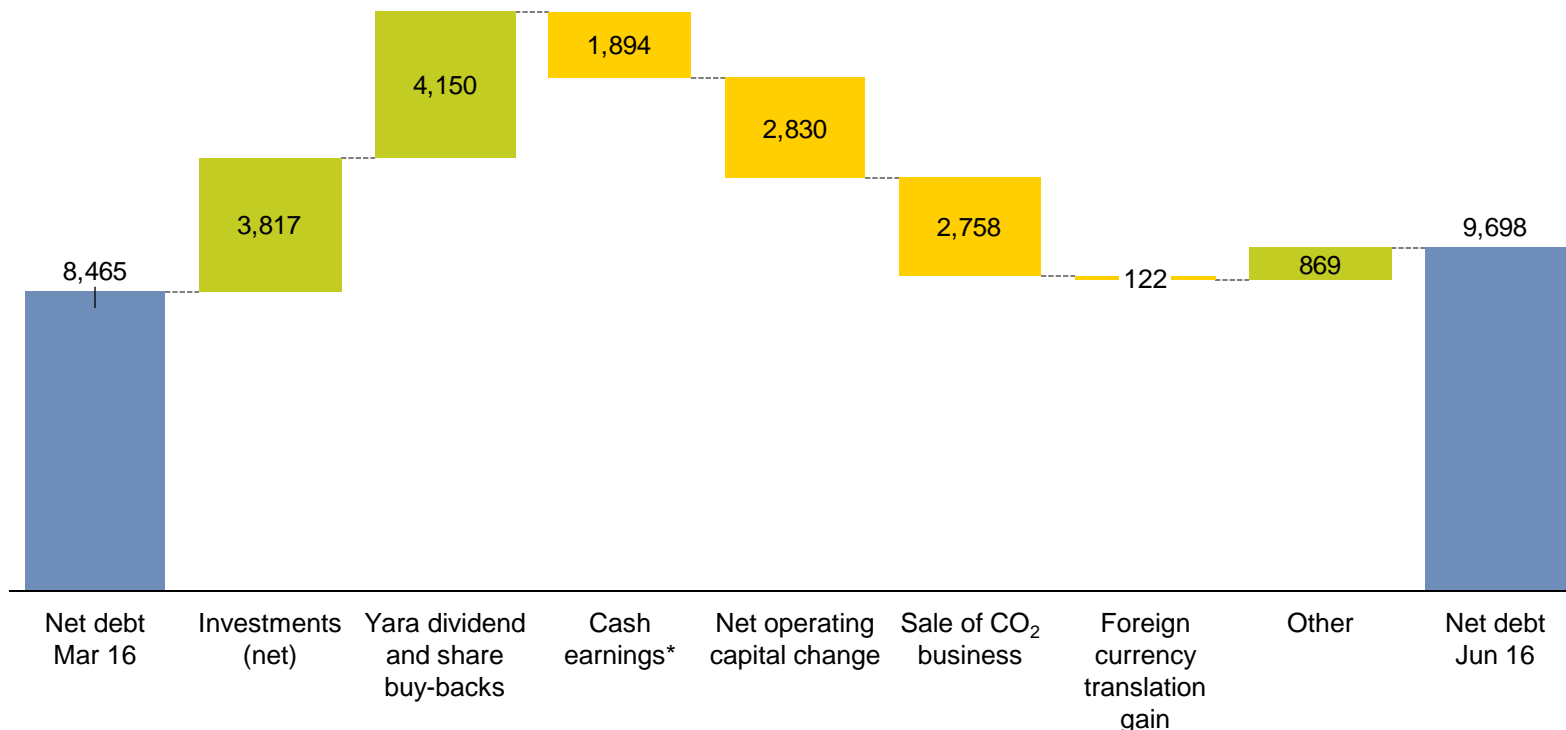
Value-added and distribution make up larger part of Yara's contribution

Total Yara contribution



Net interest-bearing debt development

NOK millions



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

Crop Nutrition creates resilience in earnings...

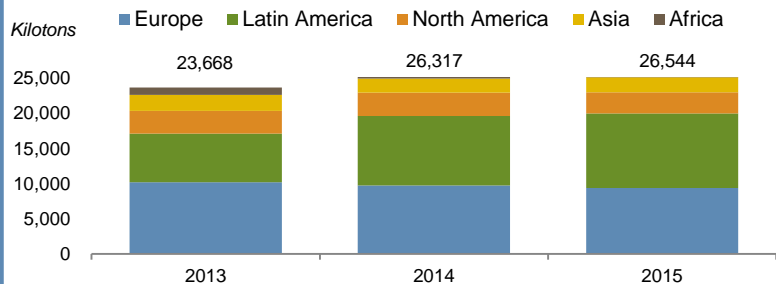
Key financials

(NOKm)	1H 2016	1H 2015	Change	YE 2015
Revenue and other income ¹	37,760	41,950	(4,190)	80,189
EBITDA	3,108	3,415	(307)	6,188
Operating income	2,476	2,854	(378)	4,973
% margin	6.6%	6.8%	N/A	6.1%
CROGI (12-month rolling avg.)	16.3%	17.9%	N/A	17.5%

2015 Highlights

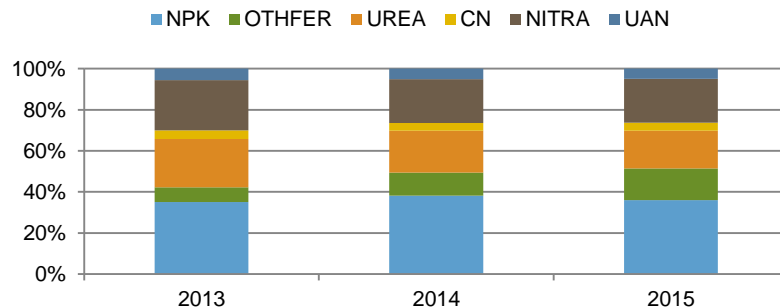
- Offers the industry's most comprehensive product portfolio and has a strong position in value-adding crop solutions.
- Increased market presence in Africa and North America by signing agreements to acquire the Greenbelt Fertilizer and the Sacramento Terminal
- Continued investments in solutions for precision farming and water scarcity. Investments in 2015 amounted to a total of NOK 1.5 bn

Fertilizer volumes by region

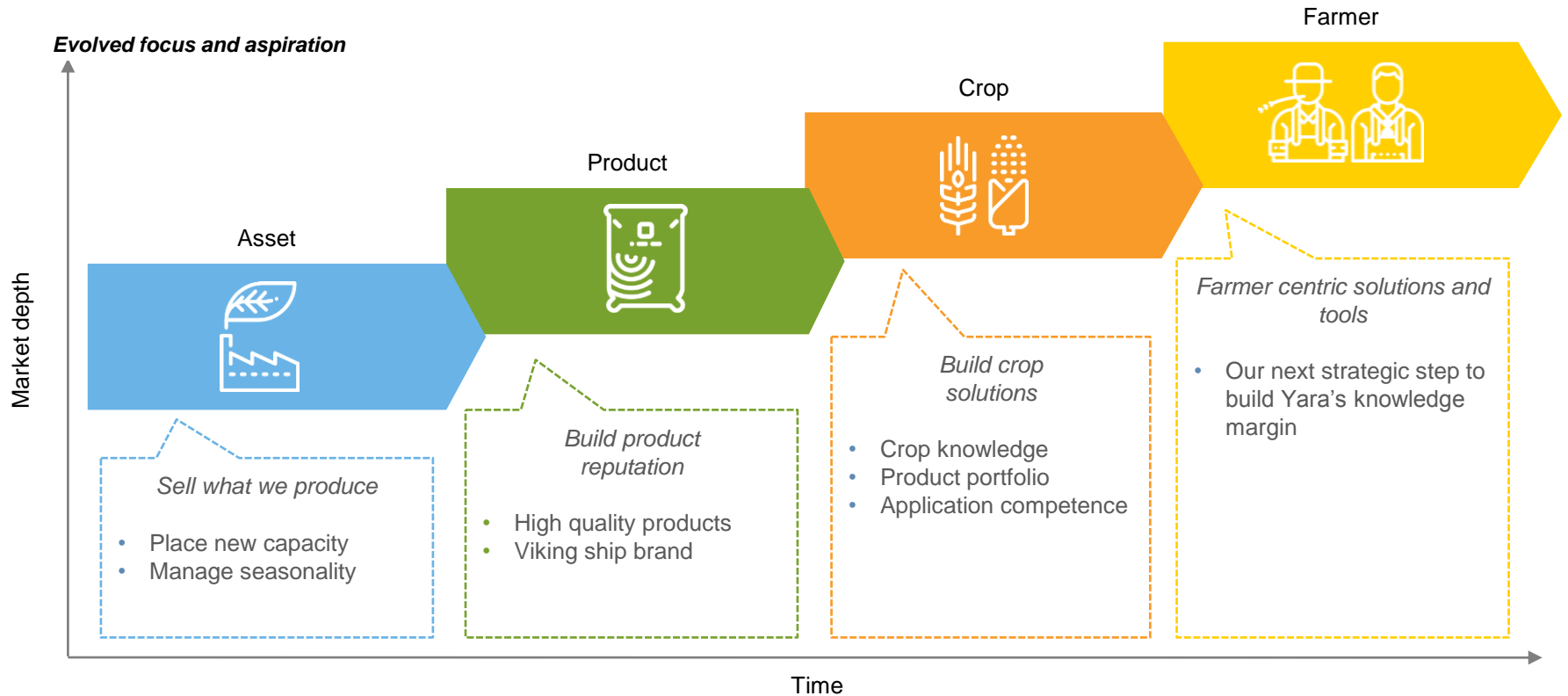


¹ External revenue and other income

Share of fertilizer volumes by product



... by adding distribution and agronomic competence

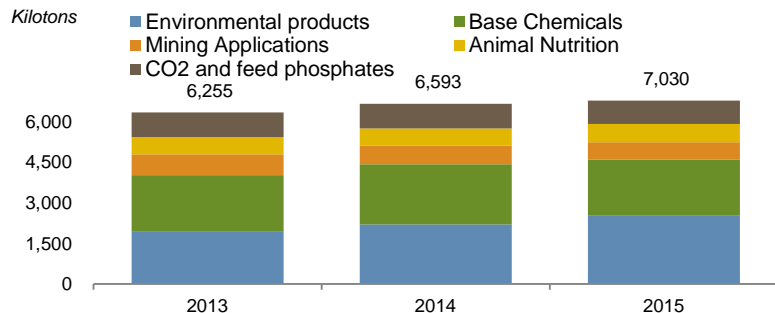


Industrial segment reduces cyclicality and seasonality...

Key financials

(NOKm)	1H 2016	1H 2015	Change	YE 2015
Revenue and other income ¹	9,085	8,520	565	17,233
EBITDA	2,116	749	1,367	1,489
Operating income	2,030	602	1,428	1,174
% margin	22.3%	7.1%	N/A	6.8%
CROGI (12-month rolling avg.)	43.6%	18.8%	N/A	22.0%

Industrial sales by product²



2015 Highlights

- Significantly expansion of terminal and logistics network in North America and Brazil to better and more efficiently serve the automotive Nox abatement markets with respectively DEF (Diesel Exhaust Fluid) and Arla 32 reagent
- Increased deliveries of air pollution abatement products by 20% and achieved strong growth parameters for Nutriox business (waste water treatment) and increasing demand for related services and monitoring technologies
- Agreement to sell European CO2 business





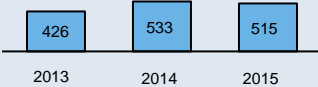
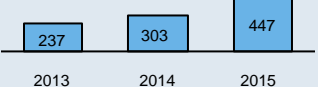
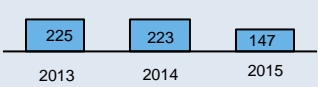
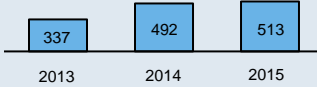
¹ External revenue and other income

² Including Yara share of production in equity-accounted investees

³ Including share of JVs

...by securing stable off-take from production plants and the unseasonal nature of its businesses

Four business lines with focused strategy and operations

	Base Chemicals	Environmental Solutions	Mining Applications	Gas and Industrial applications																																
Key product and service offering	 <p>Chemical applications for food, feed, automotive, space, pharmaceutical and construction industries</p>	 <p>Abatement of emissions from heavy duty vehicles NO_x and SO_x abatement for maritime sector</p>	 <p>Solutions to the Civil explosives industry Based on Technical nitrates for mining and construction</p>	 <p>CO₂ as gas, liquid and Dry ice CN for Industrial Applications Animal nutrition</p>																																
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	Legislation, GDP growth	GDP growth, infrastructure projects, supply security	GDP growth, standard of living																																
EBITDA 2013- 2015¹ (NOKm)	 <table border="1"> <tr><th>Year</th><td>2013</td><td>2014</td><td>2015</td></tr> <tr><th>EBITDA (NOKm)</th><td>426</td><td>533</td><td>515</td></tr> </table>	Year	2013	2014	2015	EBITDA (NOKm)	426	533	515	 <table border="1"> <tr><th>Year</th><td>2013</td><td>2014</td><td>2015</td></tr> <tr><th>EBITDA (NOKm)</th><td>237</td><td>303</td><td>447</td></tr> </table>	Year	2013	2014	2015	EBITDA (NOKm)	237	303	447	 <table border="1"> <tr><th>Year</th><td>2013</td><td>2014</td><td>2015</td></tr> <tr><th>EBITDA (NOKm)</th><td>225</td><td>223</td><td>147</td></tr> </table>	Year	2013	2014	2015	EBITDA (NOKm)	225	223	147	 <table border="1"> <tr><th>Year</th><td>2013</td><td>2014</td><td>2015</td></tr> <tr><th>EBITDA (NOKm)</th><td>337</td><td>492</td><td>513</td></tr> </table>	Year	2013	2014	2015	EBITDA (NOKm)	337	492	513
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¹ EBITDA not adjusted for eliminations between Business Units

Production segment has plants and mines across the globe which provide scale and flexibility...

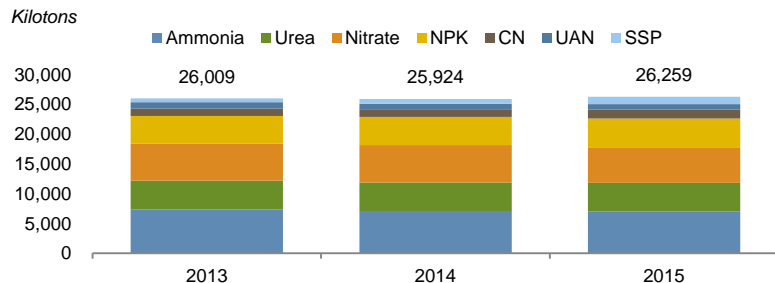
Key financials

(NOKm)	1H 2016	1H 2015	Change	YE 2015
Revenue and other income ¹	22,881	28,266	(5,385)	55,812
EBITDA	4,965	6,017	(1,052)	14,414
Operating income	2,132	4,364	(-2,232)	8,842
% margin	9.3%	15.4%	N/A	15.8%
CROGI (12-month rolling avg.)	11.0%	11.4%	N/A	12.1%

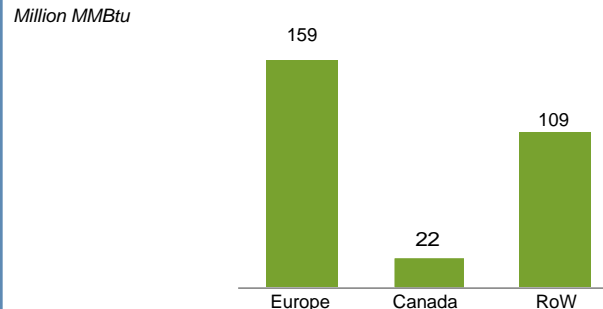
2015 Highlights

- In the US, Yara and BASF started construction of a world-scale ammonia plant in Freeport. In Australia, Yara secured full ownership of the Pilbara ammonia plant and increased ownership in the Pilbara TAN plant. Construction started on the project to increase the capacity of value-added production in Sluiskil, the Netherlands. Yara sold its 50% stake in GrowHow UK.
- Total production ended at 26.5mm tons, ammonia production decreased by 1% and finished fertilizer and industrial products increased by 2%

Production volumes by product²



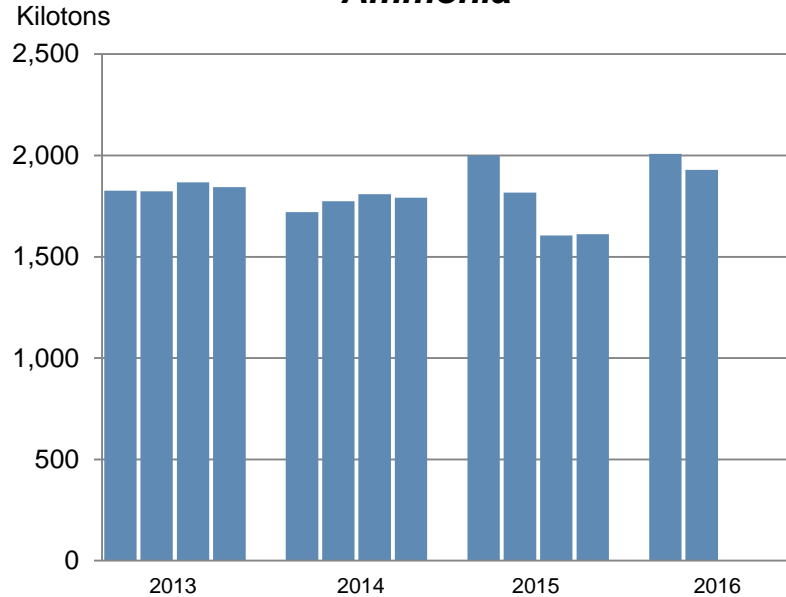
Gas consumption by region in 2015²



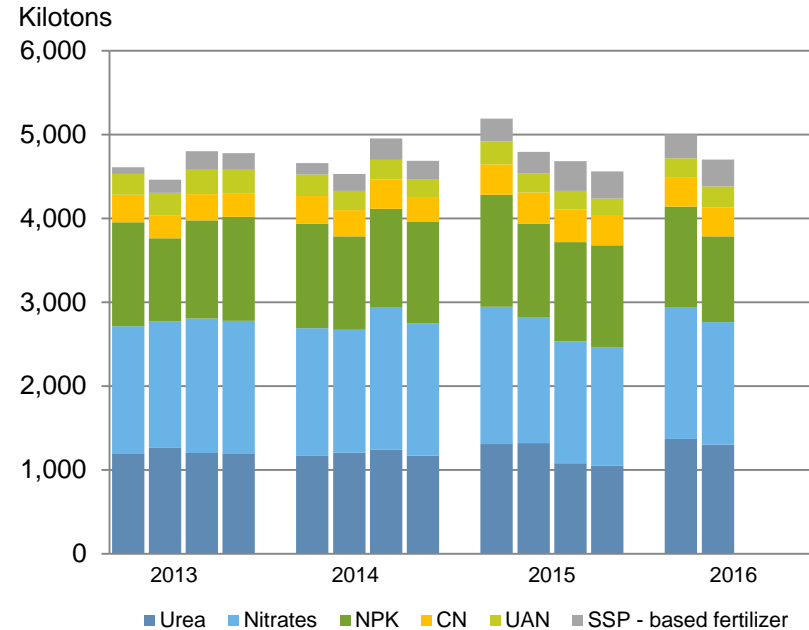
¹ Including Yara share of production in equity-accounted investees; ² Including share of JVs

Continued strong production performance

Ammonia¹



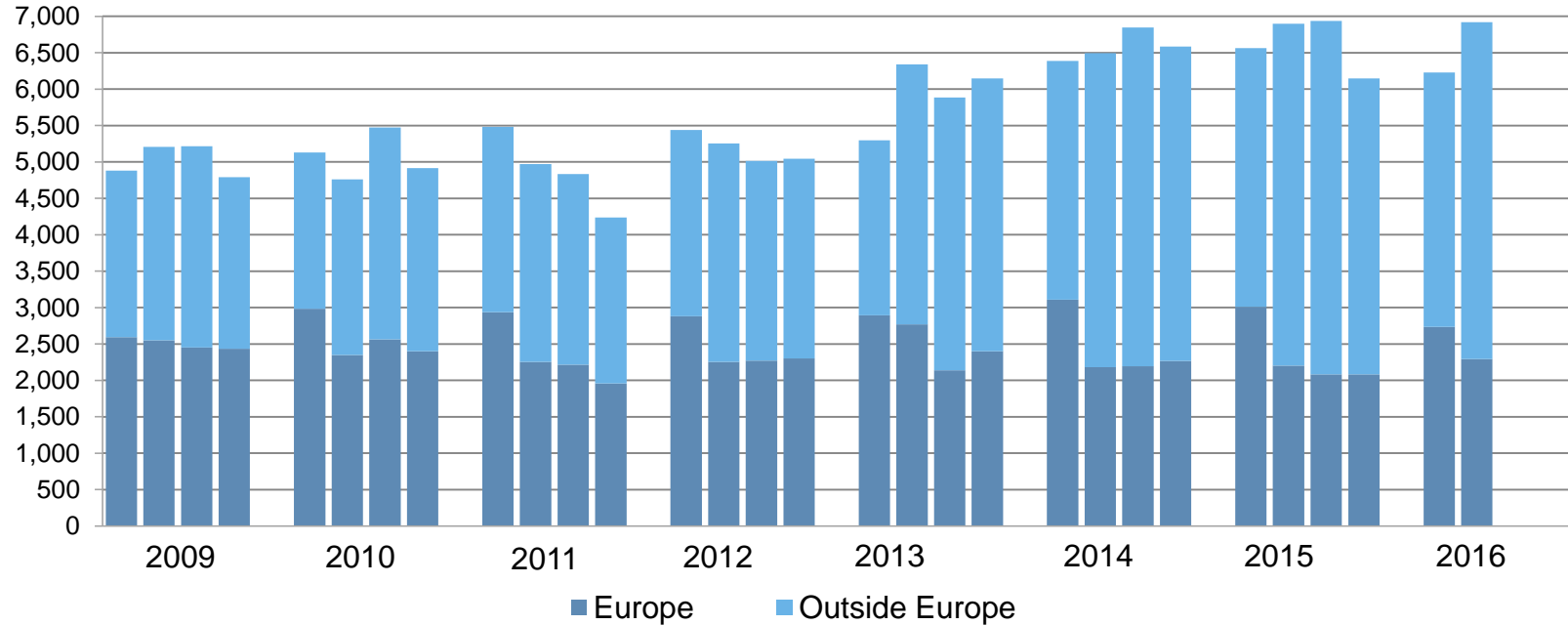
Finished fertilizer & industrial products¹



1) Including share of equity-accounted investees

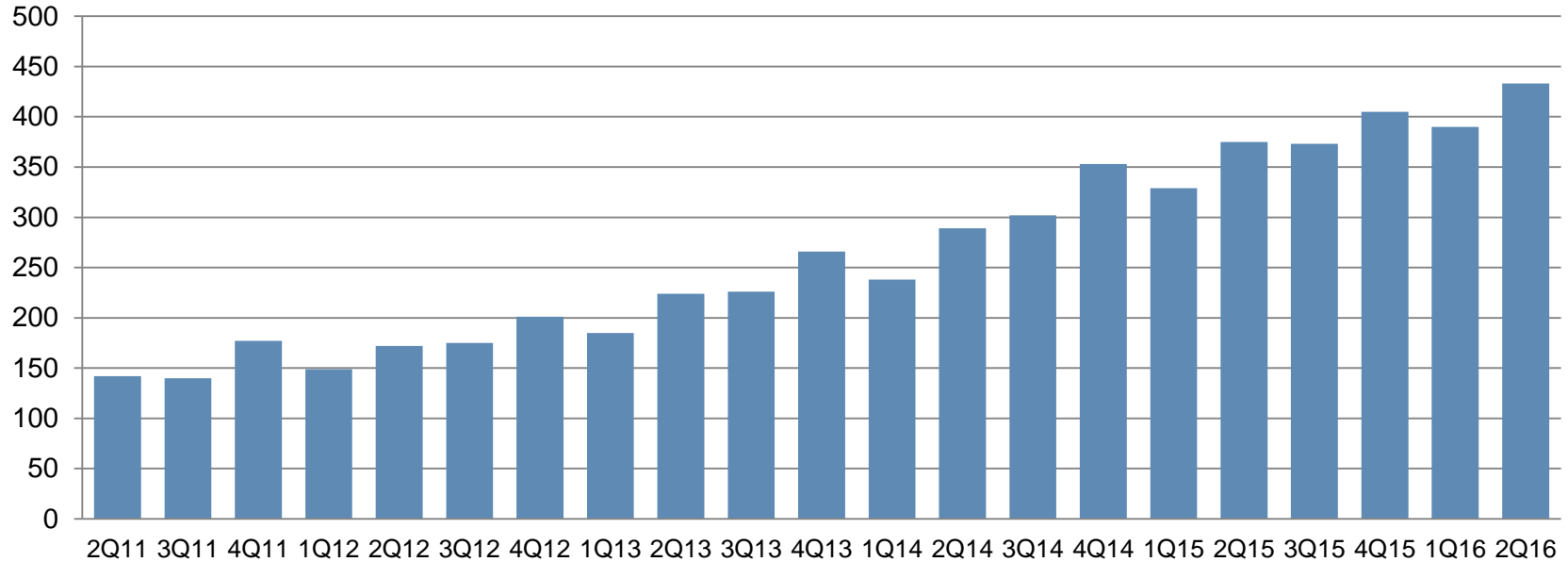
Fertilizer deliveries

Kilotons



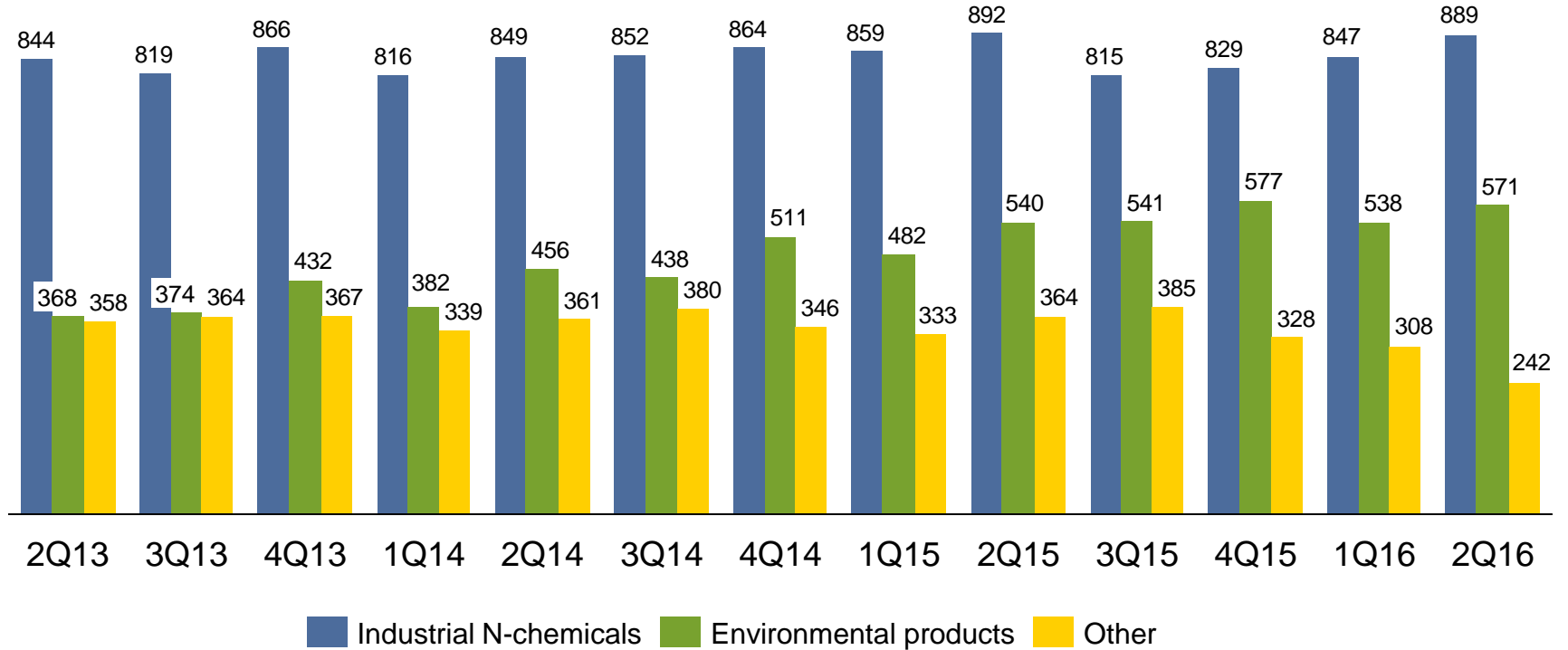
AdBlue deliveries

Kilotons



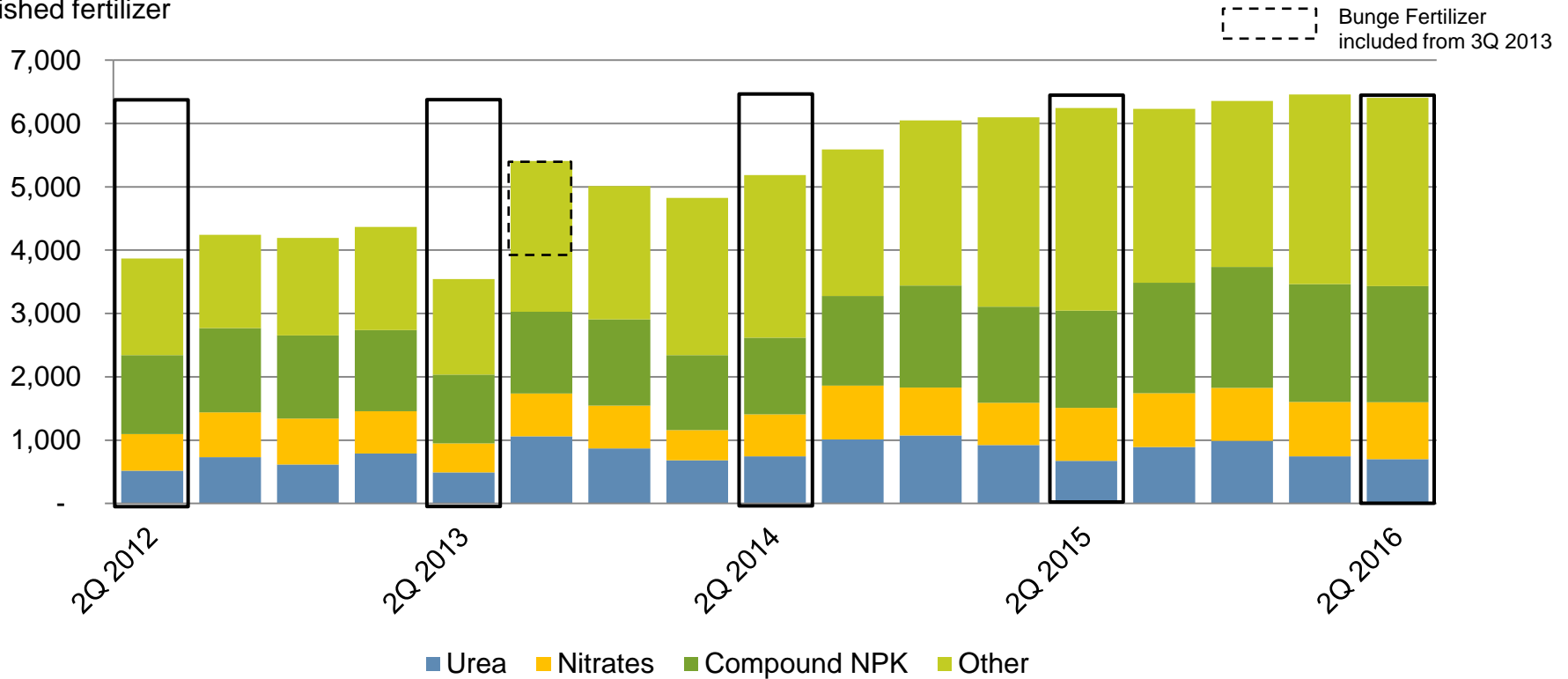
Industrial volume development

Kilotons



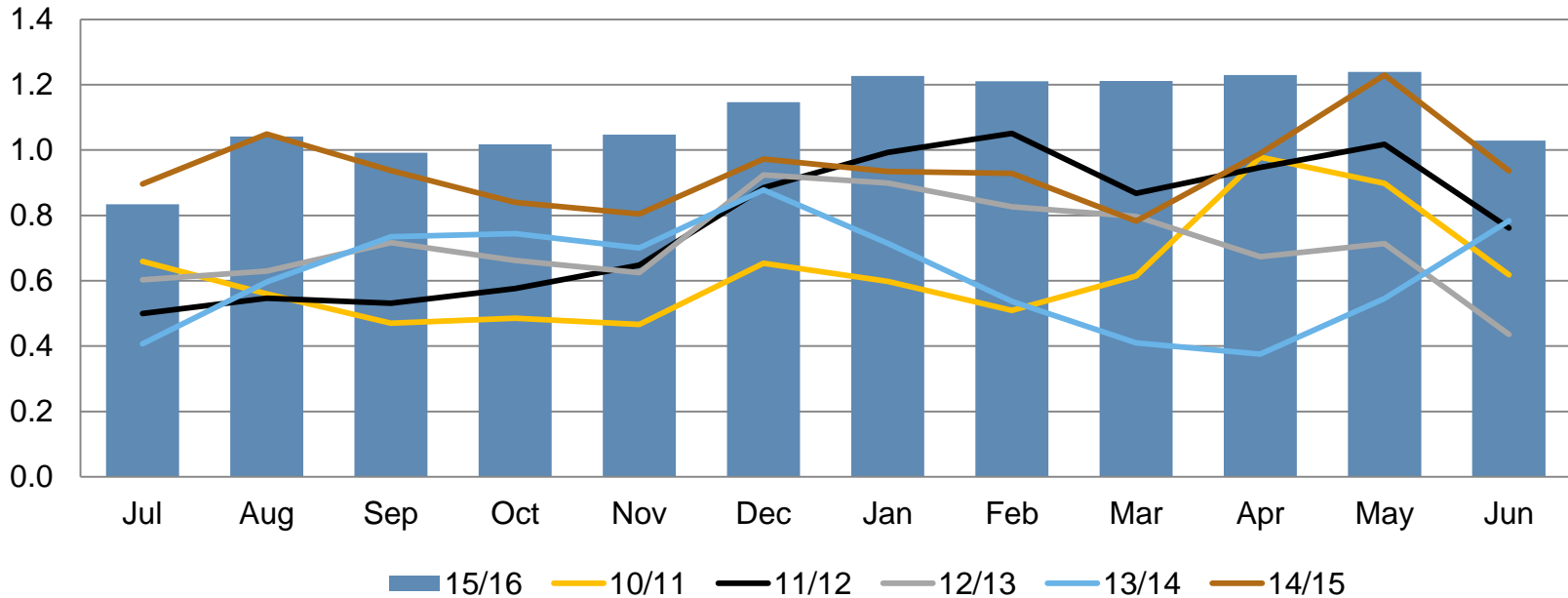
Yara stocks

Kilotons
Finished fertilizer



European producers' nitrate stocks

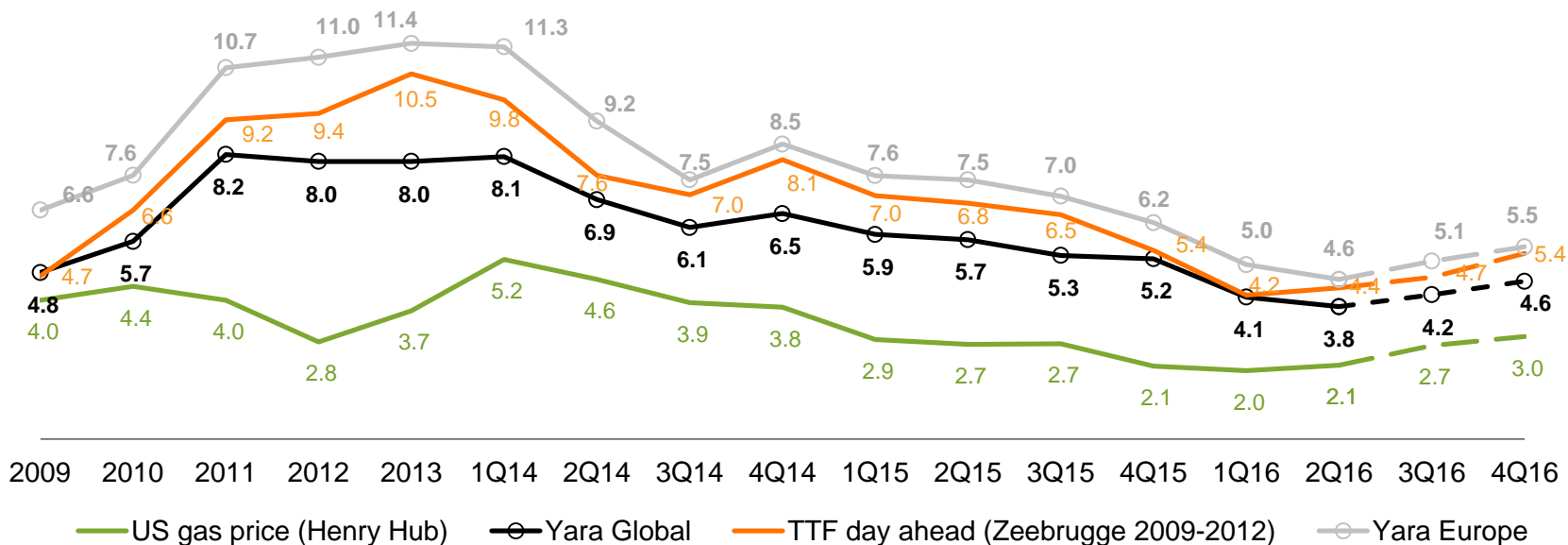
Index
June 2007 = 1



Source: Fertilizers Europe, Yara estimate for June

Energy cost

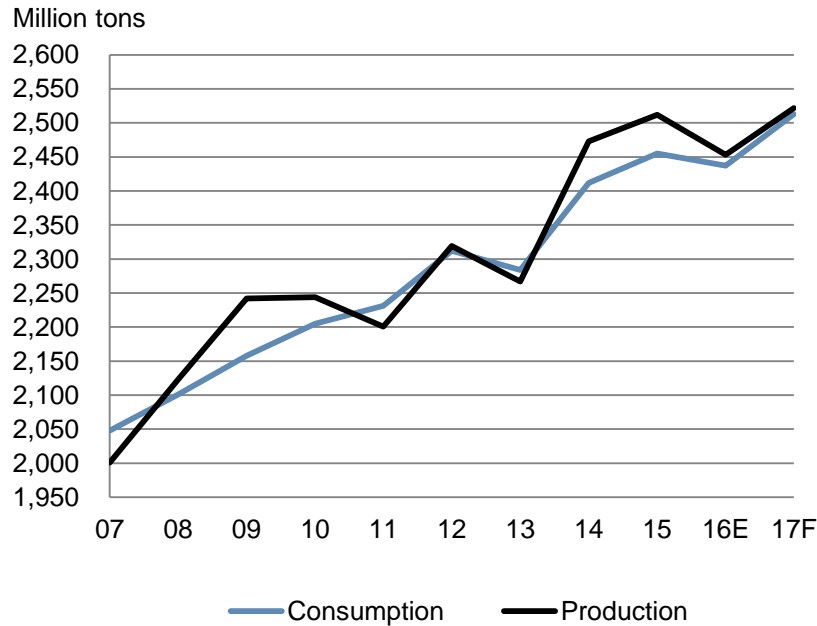
Yearly averages 2009 – 2013, quarterly averages for 2014-16 with forward prices* for 3Q16 and 4Q16.



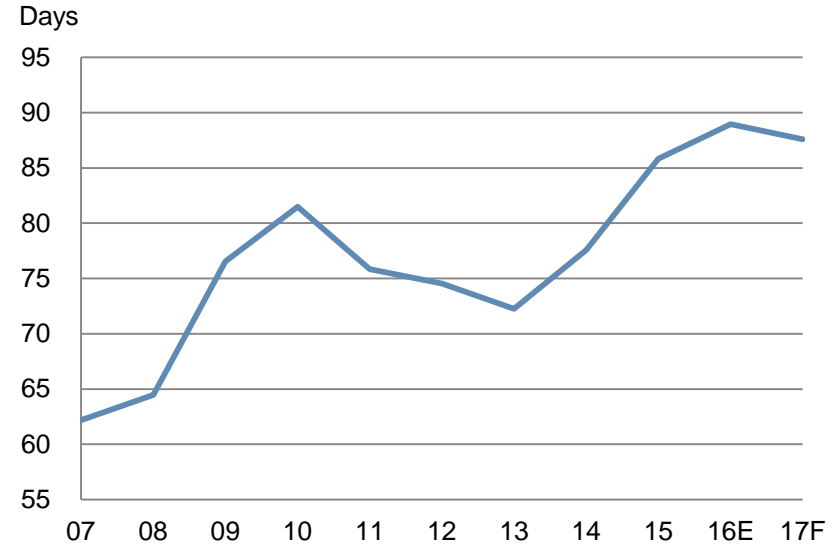
*Dotted lines denote forward prices as of 12 July 2016
 Source: Yara, World Bank, Argus/ICIS Heren

Global grain balance

Grain consumption and production



Days of consumption in stocks

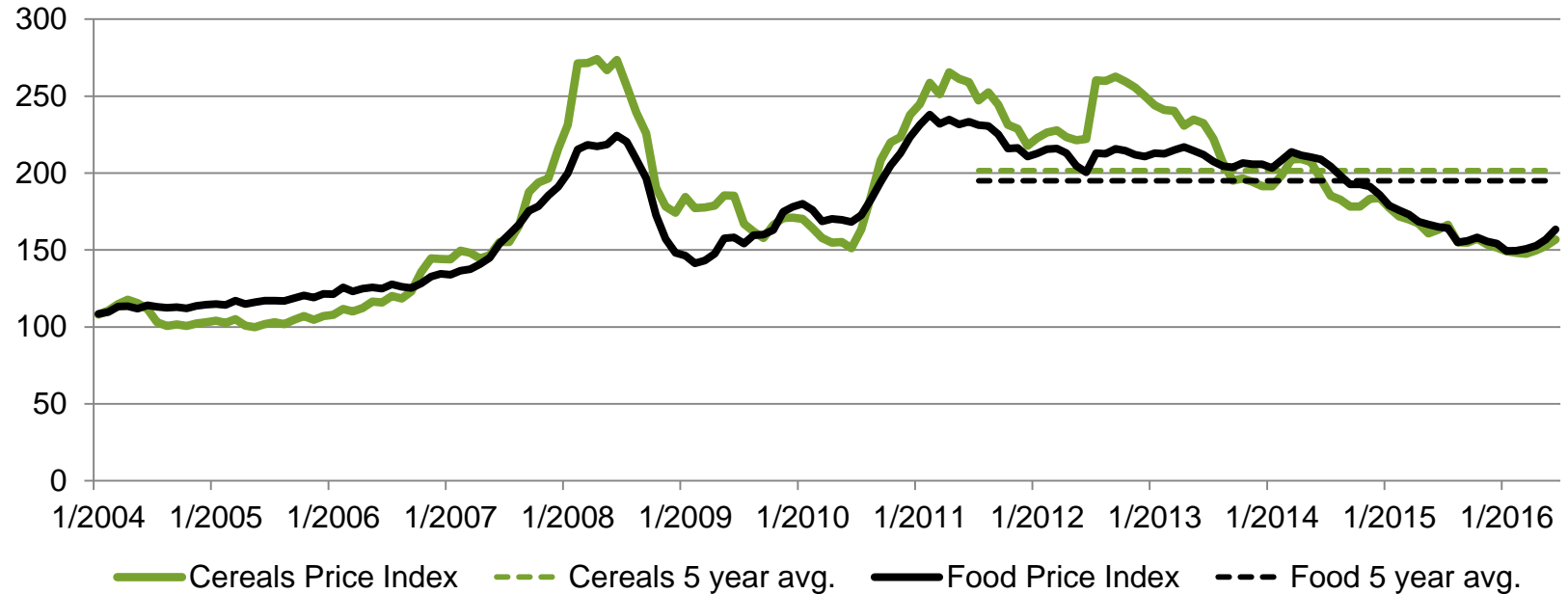


Source: USDA July 2016

Weaker farm economics in USD, affecting particularly P and K demand

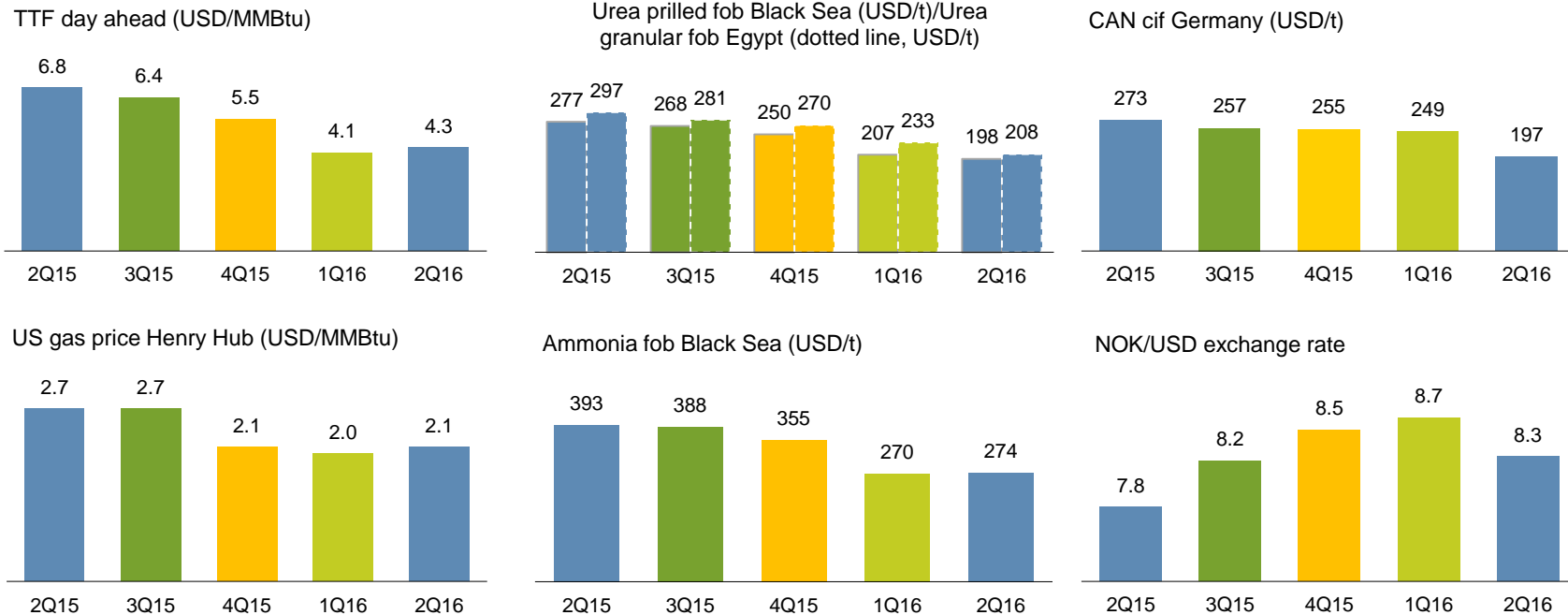
FAO price index

Index



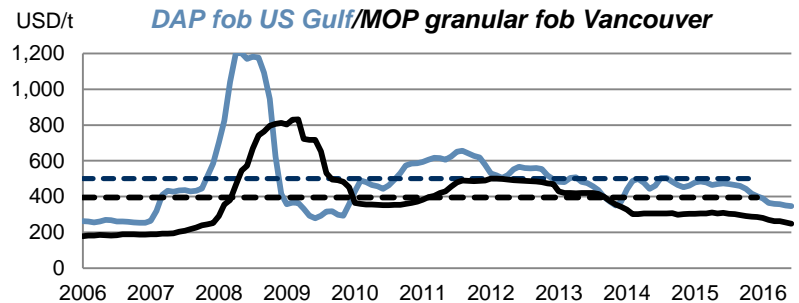
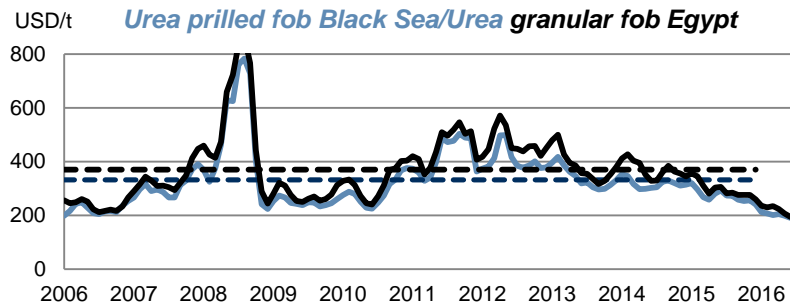
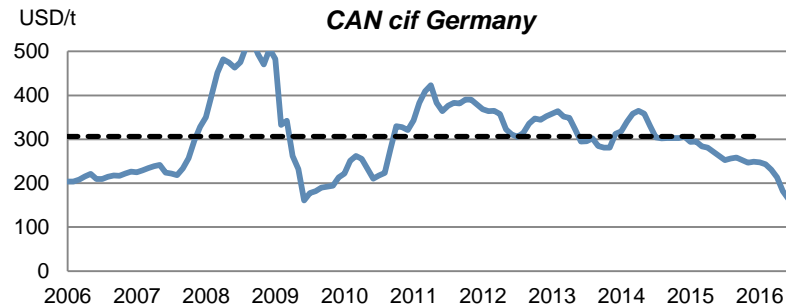
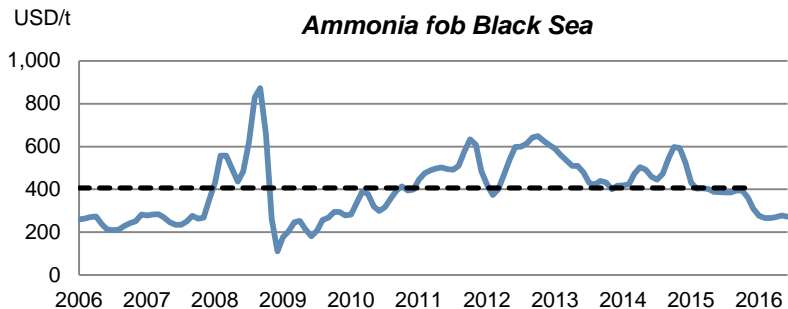
Source: FAO

Key value drivers – quarterly averages



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

10-year fertilizer prices – monthly averages



--- Average prices 2006 - 2015