



Knowledge grows

Yara International ASA 1Q17 results roadshow

Torgeir Kvidal, CFO

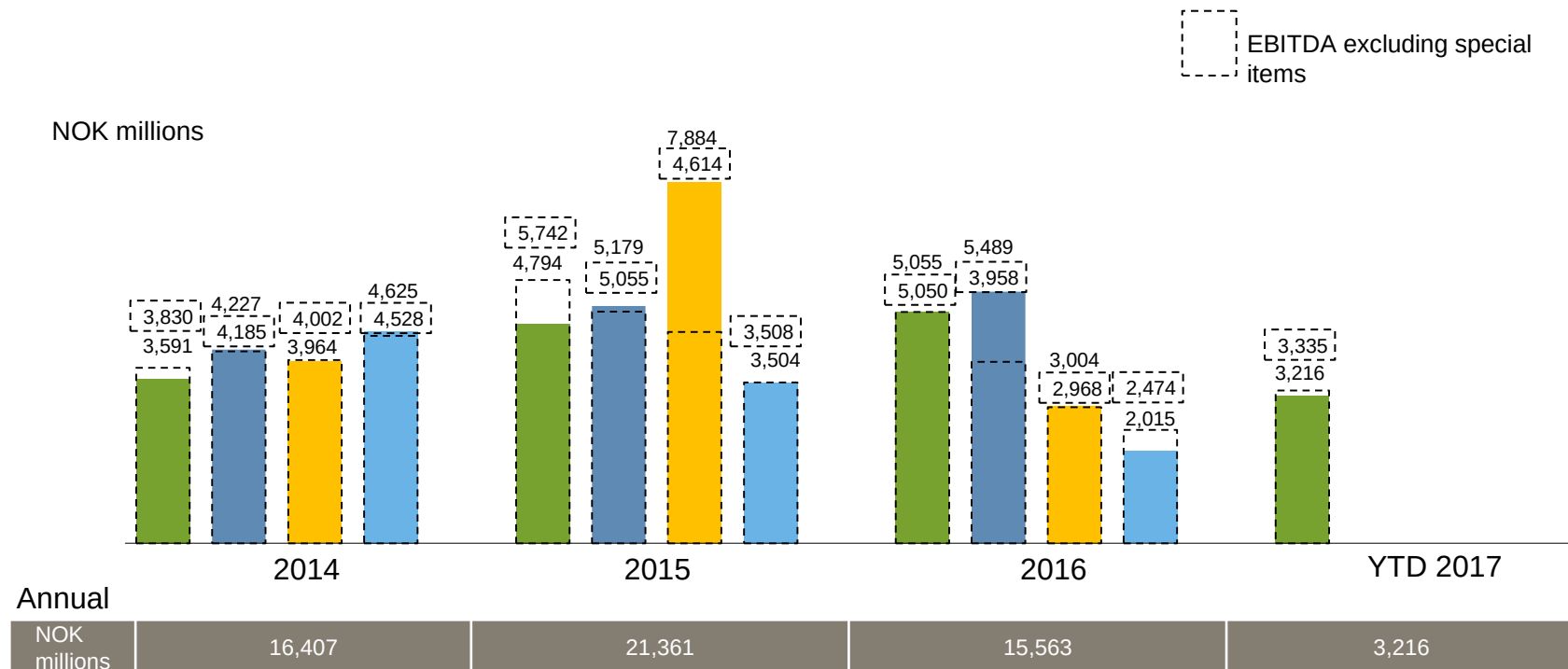
Kjetil Storås, Investor Relations



Summary first quarter

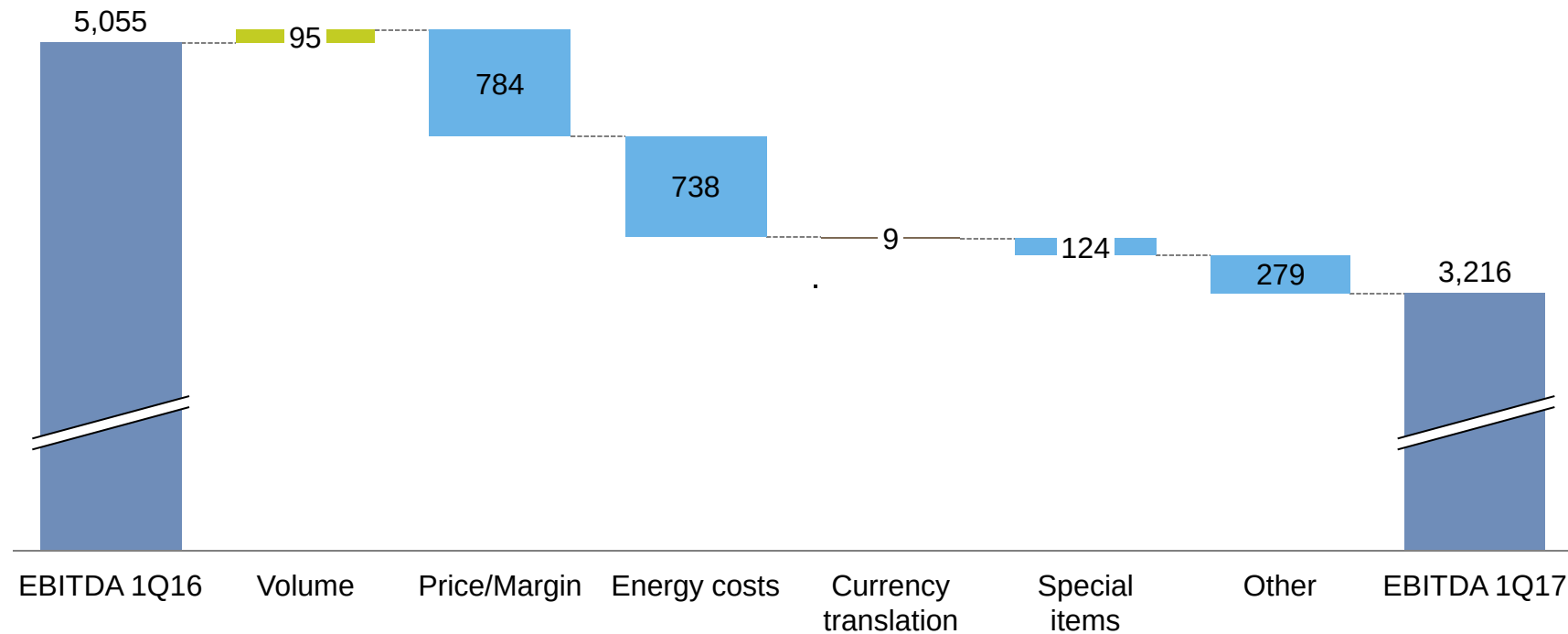
- Weaker results reflecting lower margins
- Strong finished fertilizer production, but lower ammonia production
- Strong Industrial result
- Improvement program on track

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



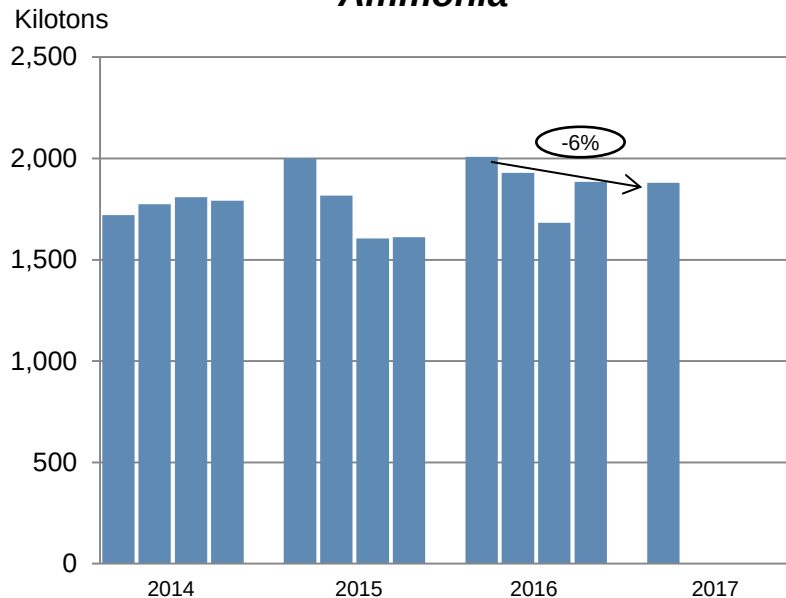
EBITDA development

NOK millions

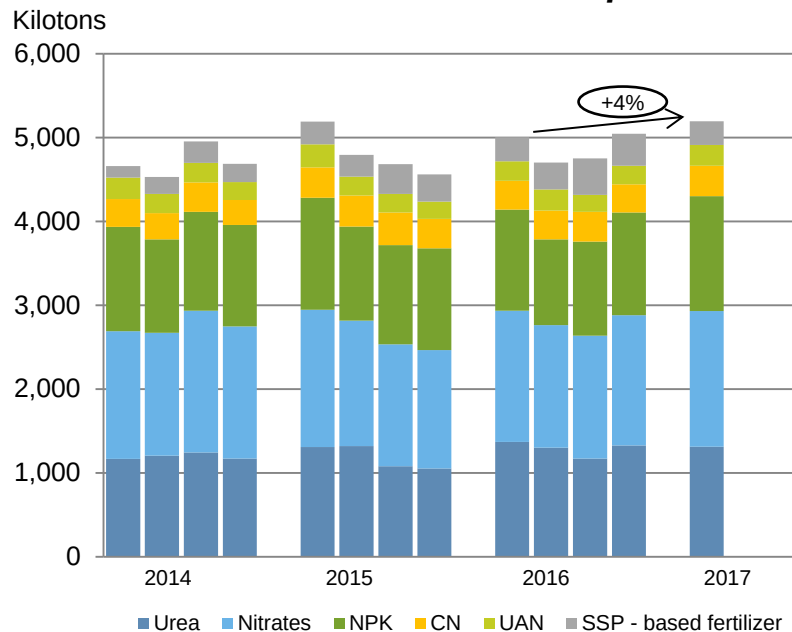


Strong finished fertilizer production; lower ammonia production

Ammonia¹



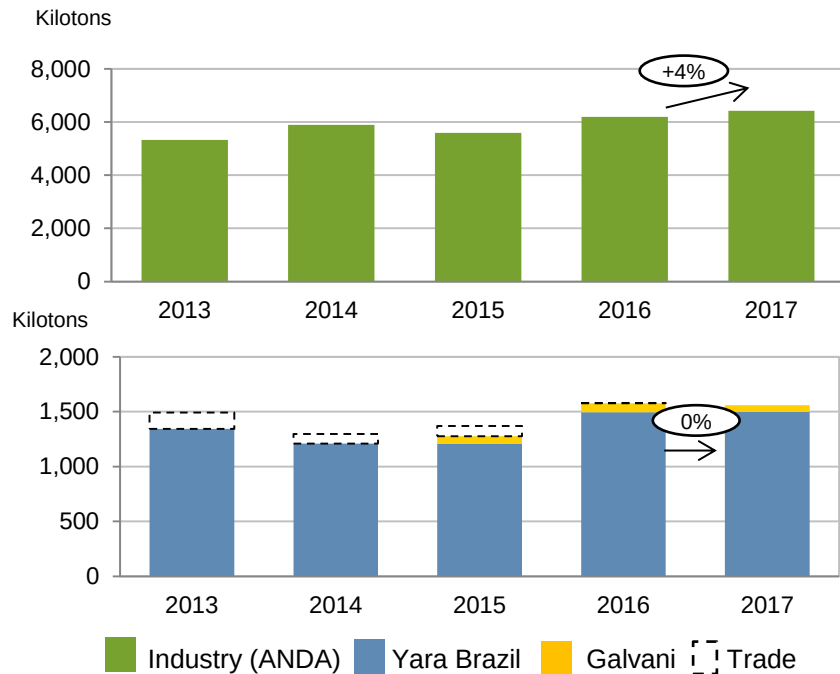
Finished fertilizer & industrial products¹



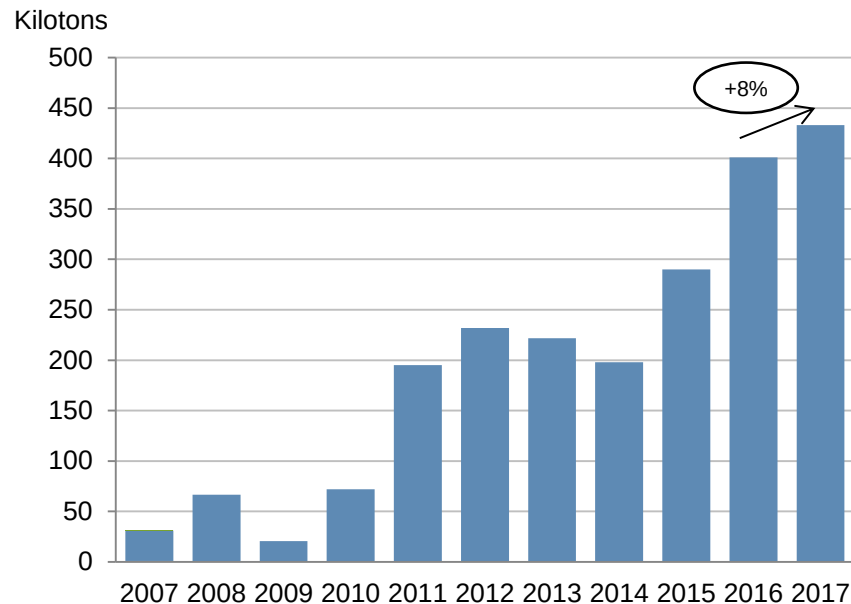
1) Including share of equity-accounted investees

Brazil: focus on premium products and solutions drives growth

Brazil 1Q fertilizer deliveries

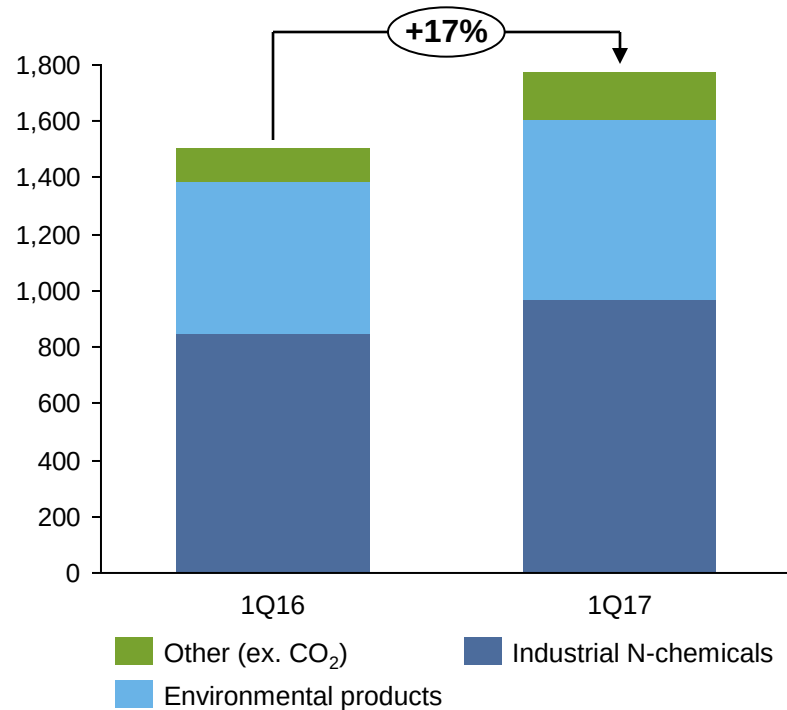


Yara 1Q premium product deliveries



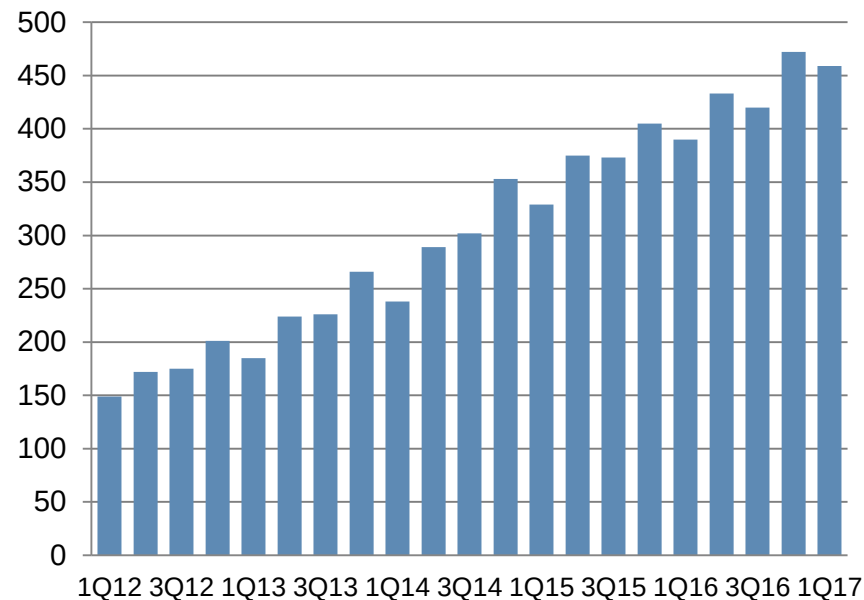
Strong Industrial volume development

Kilotons



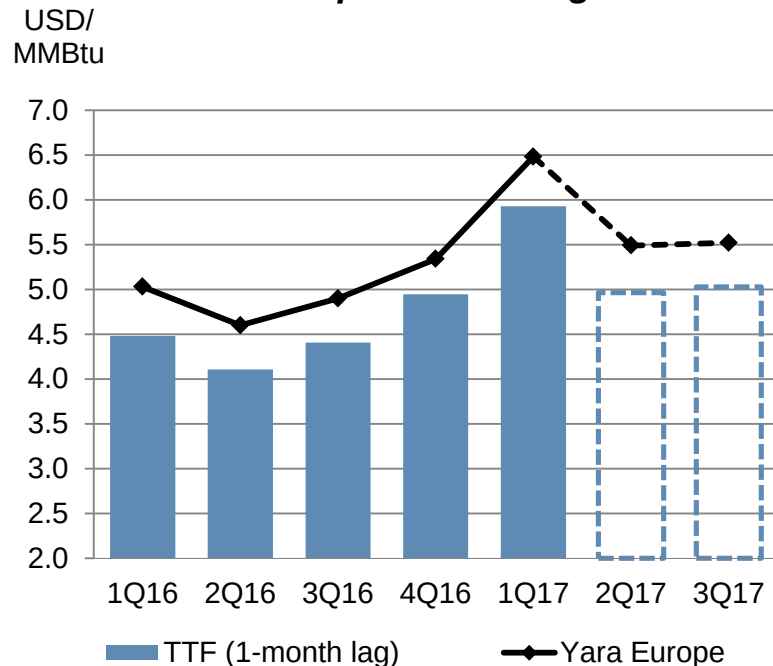
Kilotons

AdBlue deliveries



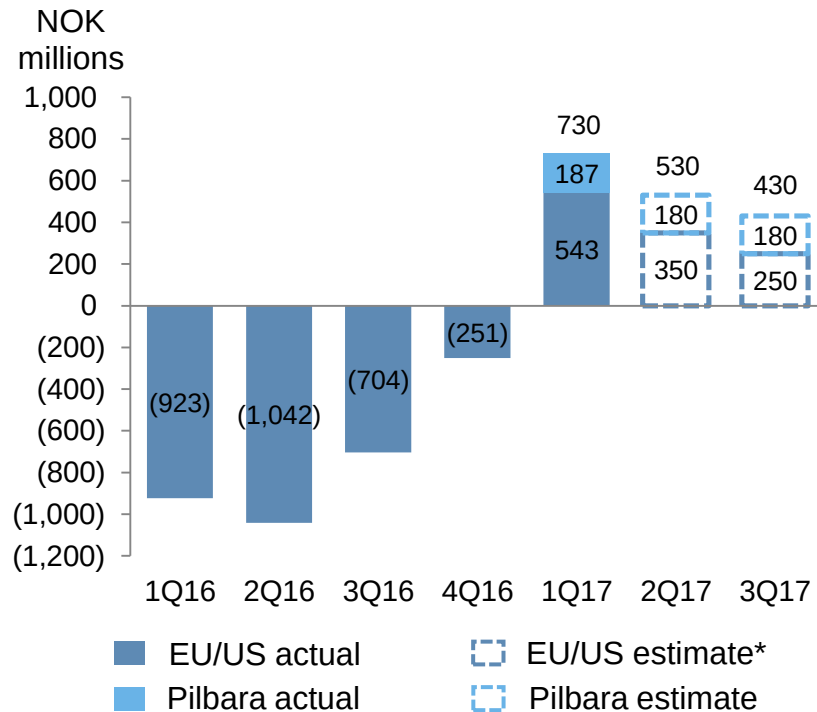
Natural gas cost

Yara European natural gas cost

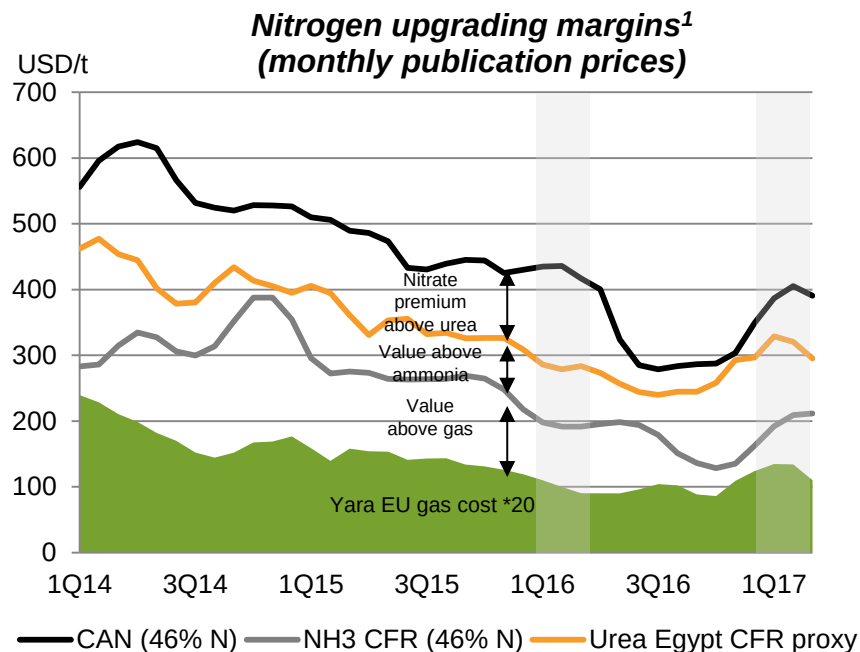


*Dotted lines denote forward prices as of 19 April 2017
Source: Yara, World Bank, Argus/ICIS Heren

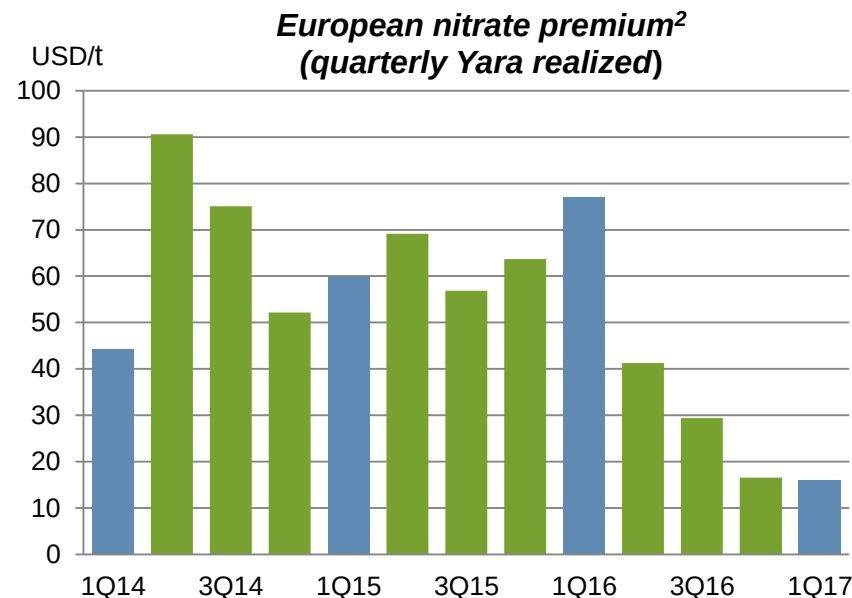
Change in global natural gas cost



Lower European nitrate premiums in new season



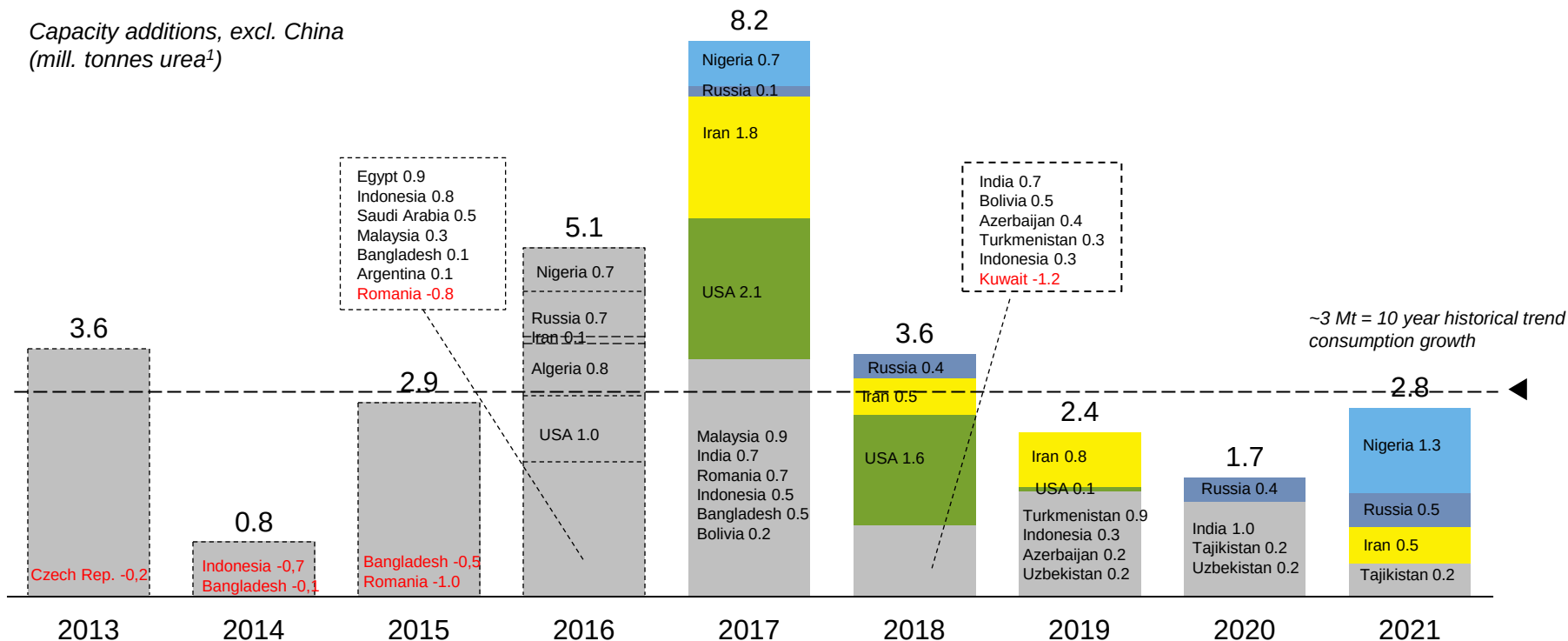
1) All prices in urea equivalents



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.

Capacity additions outside China exceed consumption growth...

Capacity additions, excl. China
(mill. tonnes urea¹)

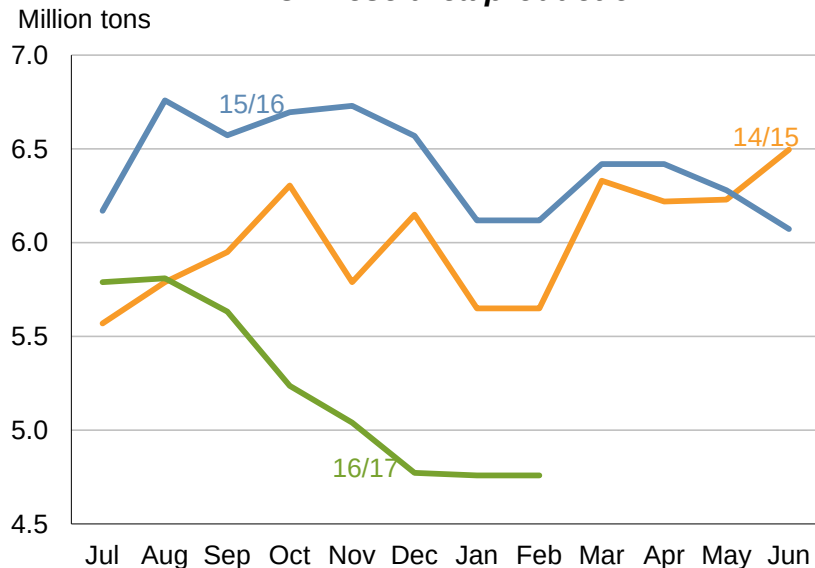


Source: CRU, March 2017. Numbers include both additions and closures of capacity.

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

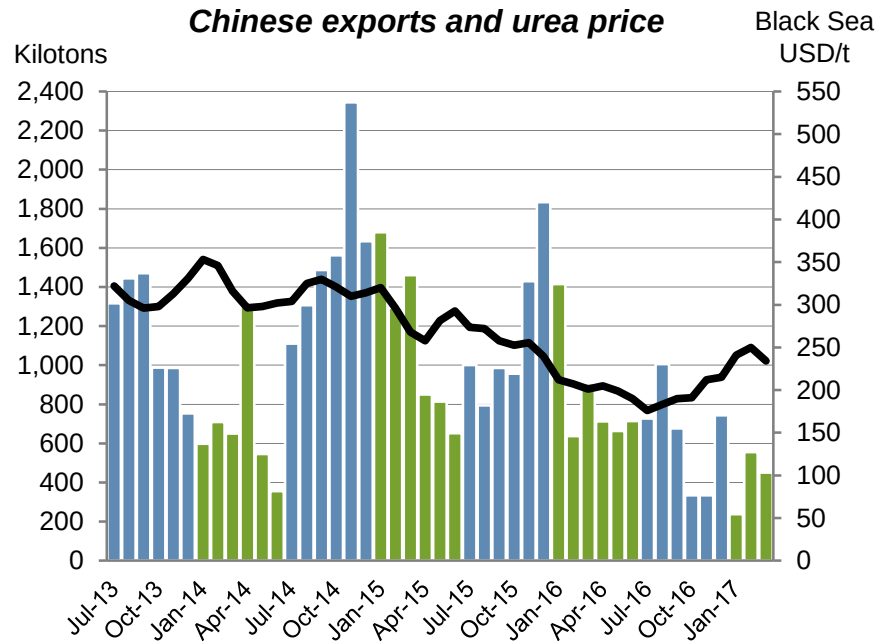
...but higher production and logistical costs have significantly reduced Chinese urea production and exports

Chinese urea production



Source: CFMW

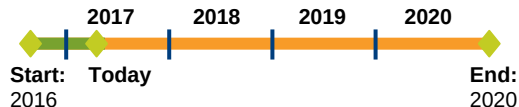
Chinese exports and urea price



Source: BOABC, CFMW

Program is still in early phase, but well on track

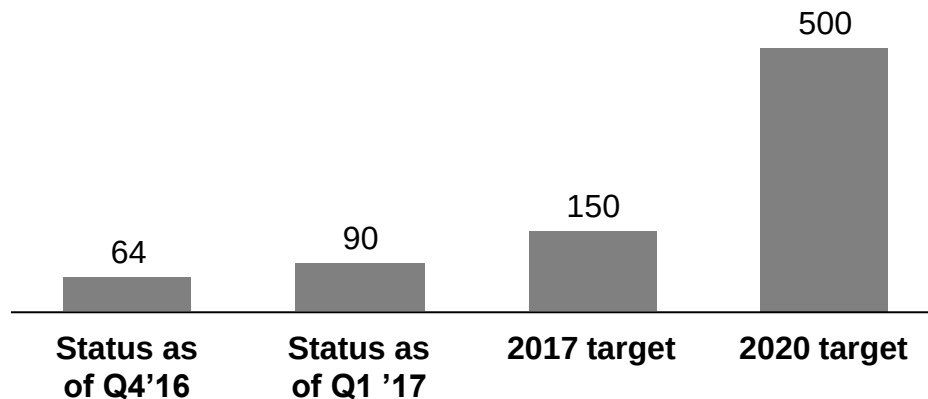
Program progress



- Program progressing according to plan:
 - Productivity system pilots rolled out and improvement targets confirmed in Sluiskil, Uusikaupunki and Belle Plaine
 - Procurement Excellence early in implementation, but savings starting to accrue
- Employees already contributing through changes in their daily work in plants and offices

Financial benefits

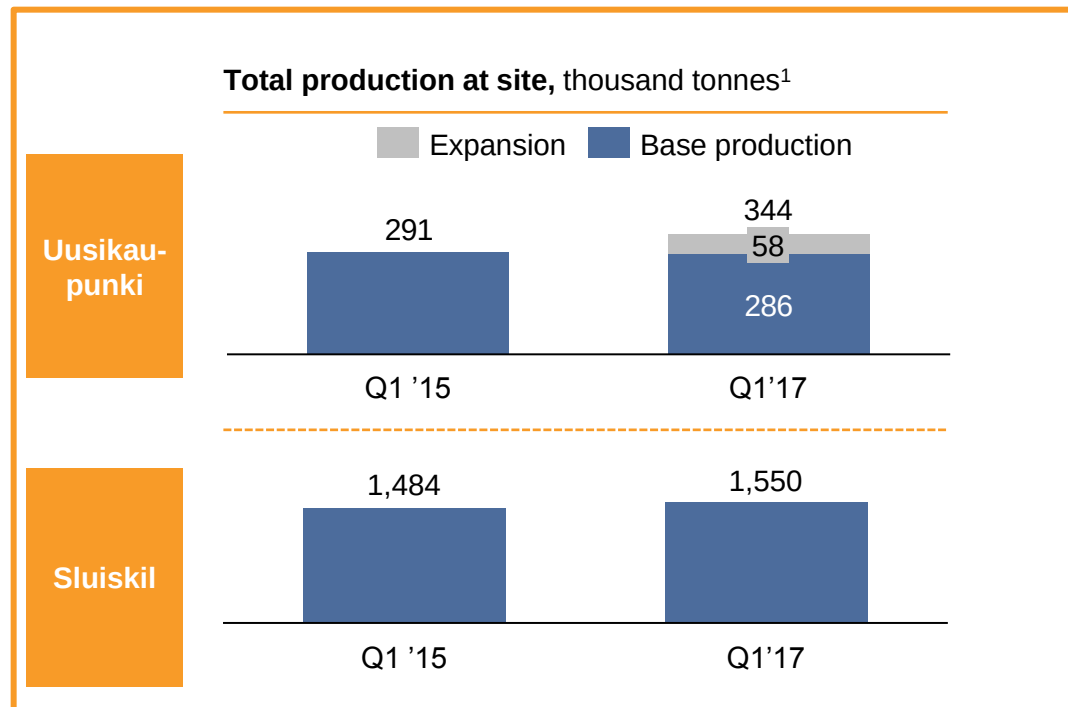
Annualized EBITDA improvement, \$MM, vs. 2015 baseline, at 2015 prices



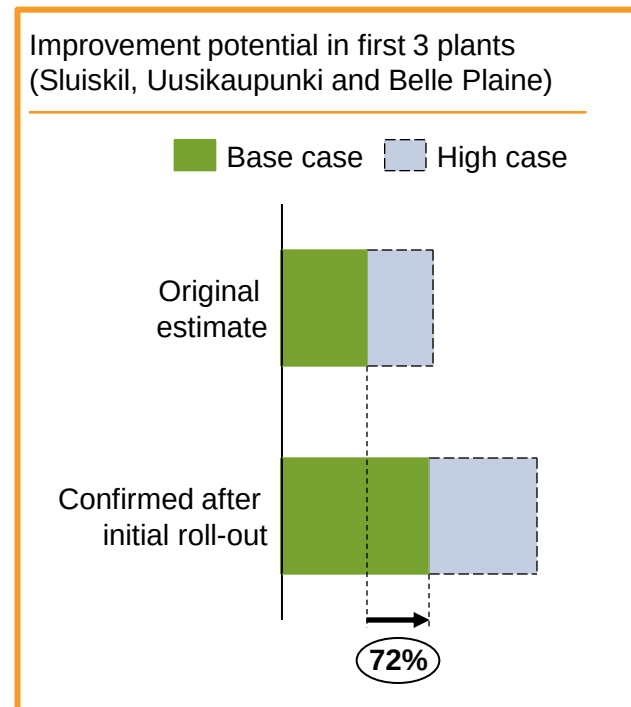
- Further \$65MM one-off cash improvement realized, primarily working capital release
- Accumulated one-off program costs: opex \$18MM and capex \$90MM

The Yara Productivity System roll-out is showing good results

Record production for Uusikaupunki¹ and Sluiskil



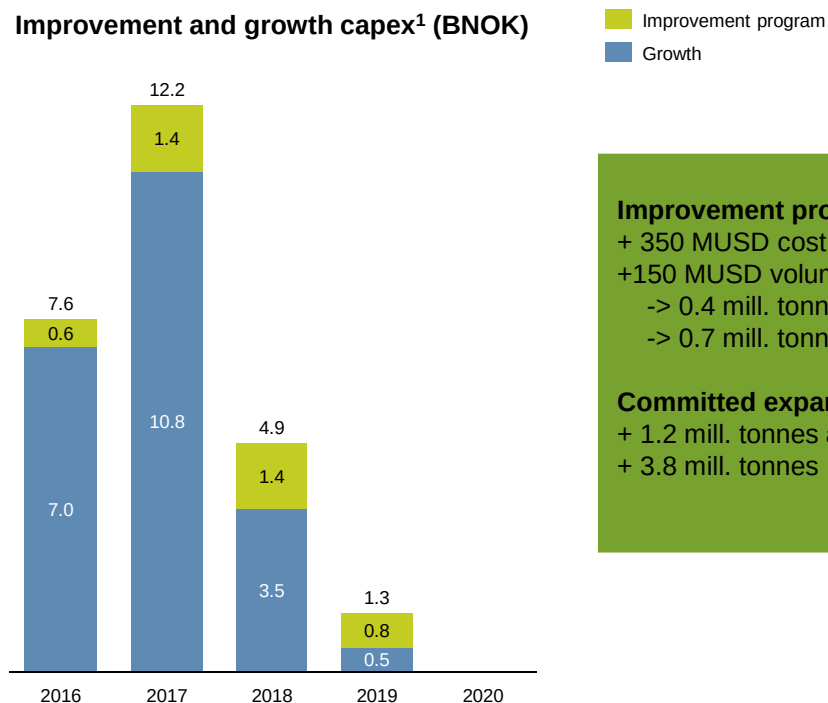
Estimated improvement potential confirmed



¹ Total production, including expansion in Uusikaupunki 1Q'17

Major improvement and growth investments in 2016-2017; main earnings improvement from 2018-2020

Improvement and growth capex¹ (BNOK)



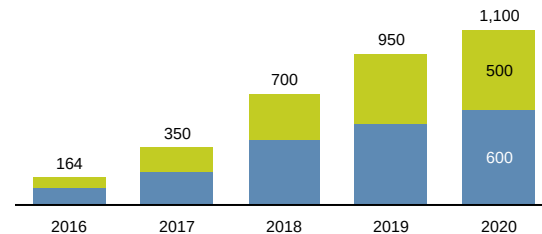
Improvement program:

+ 350 MUSD cost improvement
+150 MUSD volume improvement:
-> 0.4 mill. tonnes ammonia
-> 0.7 mill. tonnes fertilizer

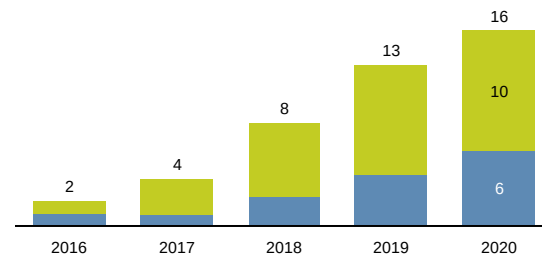
Committed expansions + M&A:

+ 1.2 mill. tonnes ammonia
+ 3.8 mill. tonnes fertilizer

EBITDA improvement (MUSD)



Earnings improvement (NOK per share)



¹ Excluding maintenance capex on existing assets – see page 28. Yara's share of capex. Fully consolidated entities presented at 100% basis

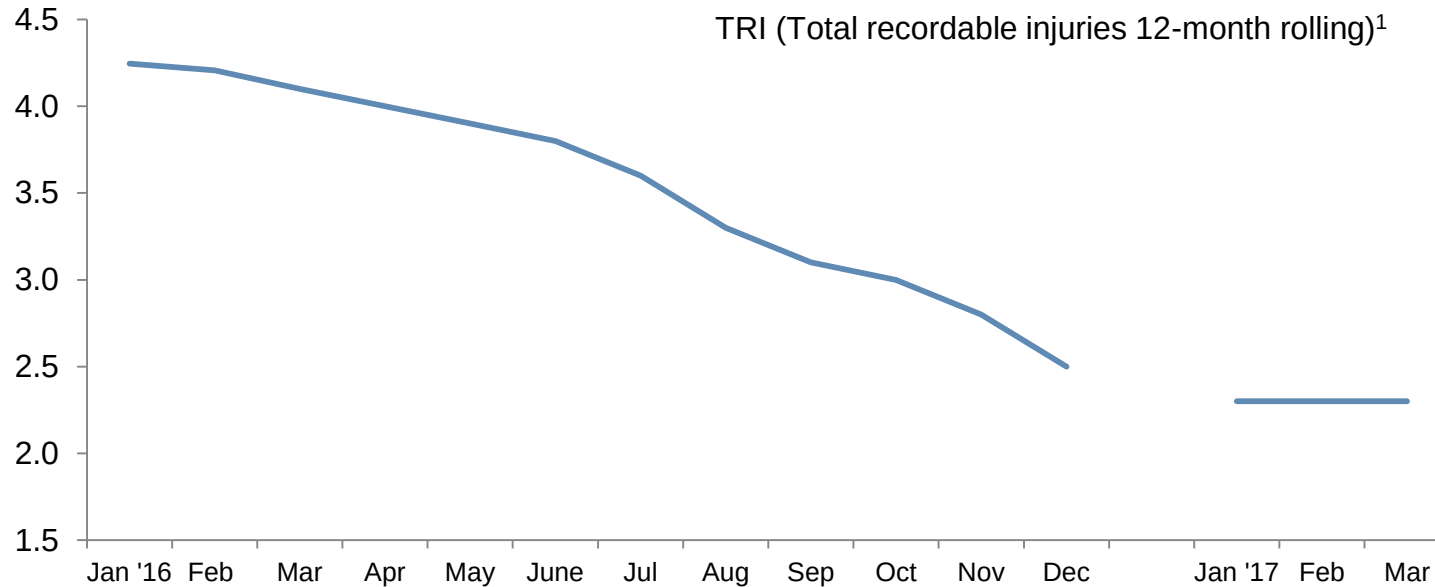


Knowledge grows

Additional information

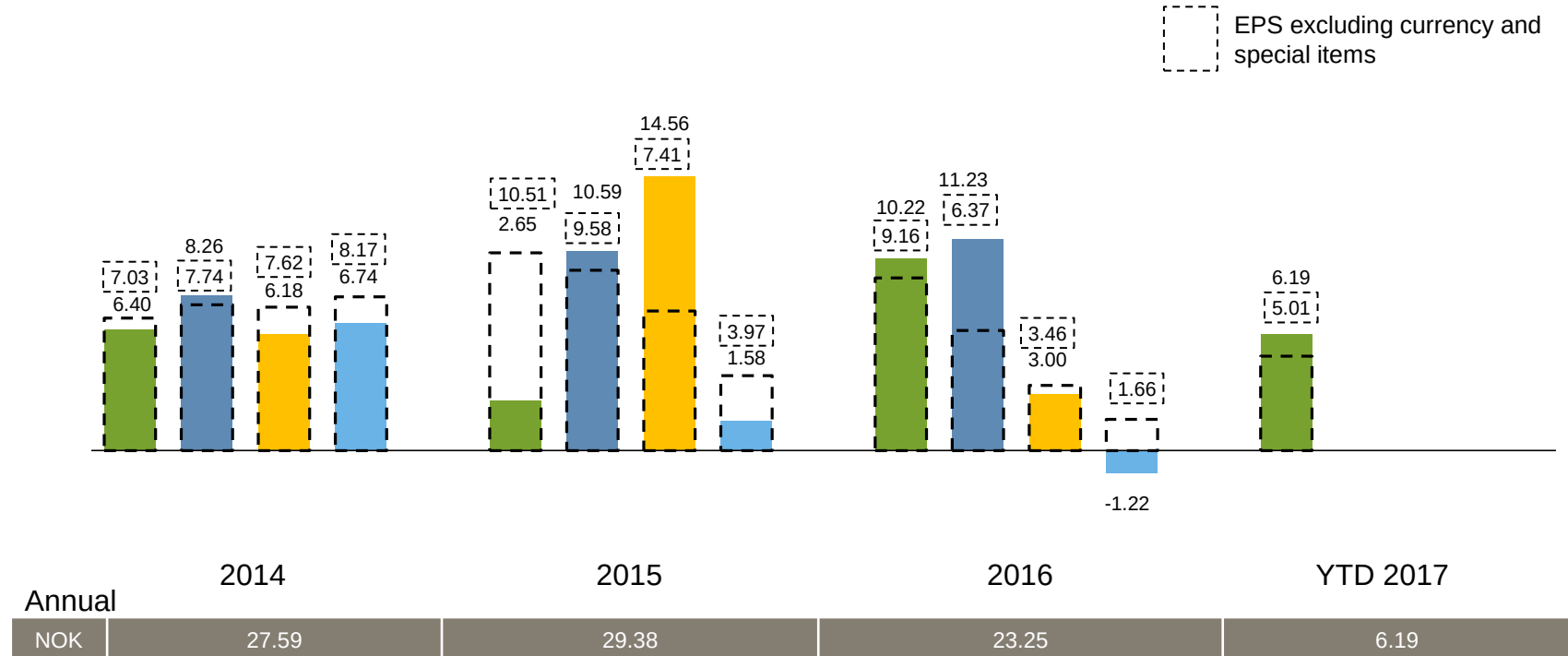
IR - 26 April 2011

Safe operations is our first priority



1) TRI: Total recordable injuries, lost time (absence from work), restricted work and medical treatment cases per one million work hours.
OFD and Galvani included in statistics from January 2016

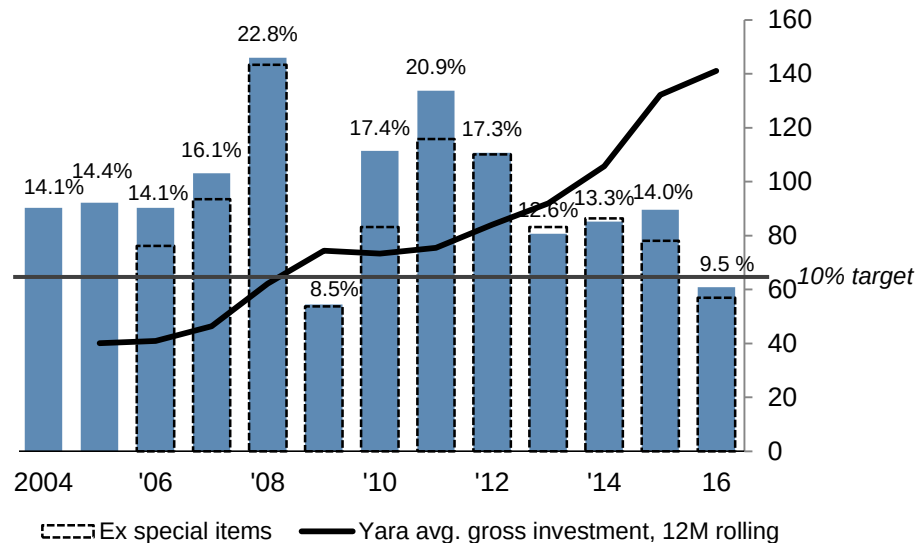
Earnings per share*



*Average number of shares for 1Q 2017: 273.2 million (1Q 2016: 274.1 million).

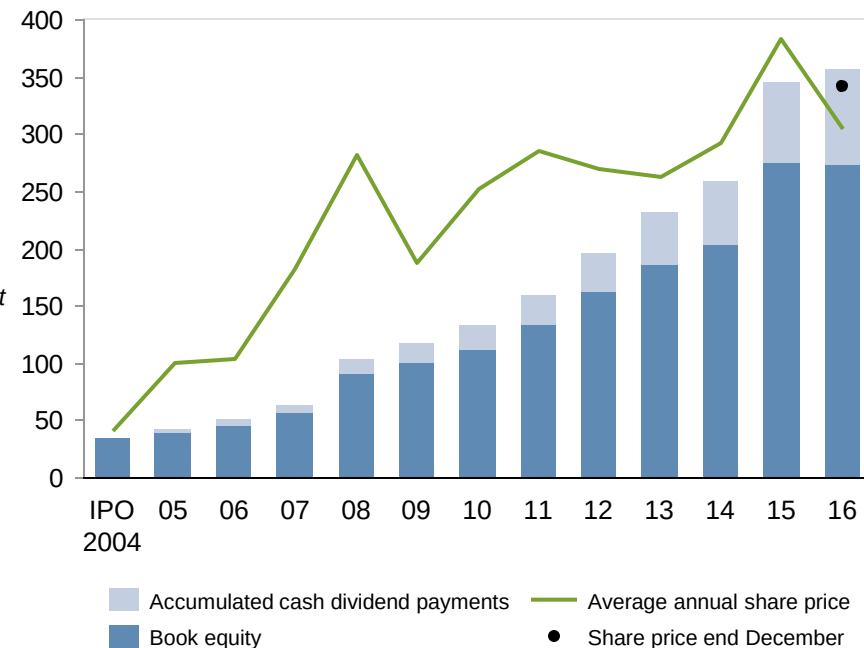
Strong growth and profitability track record

Average cash return on gross investment (CROGI) well above the Yara CROGI target of 10%



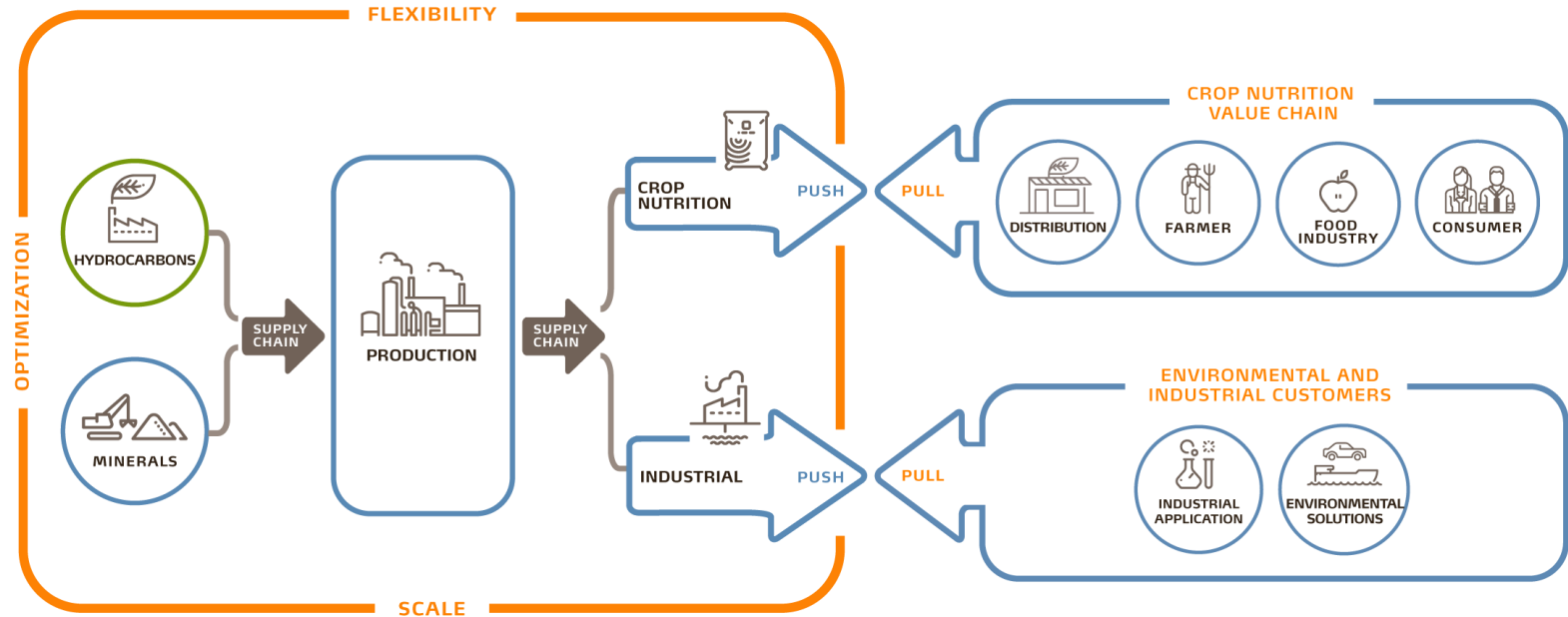
Average annual shareholder return of 23%¹

NOK/share



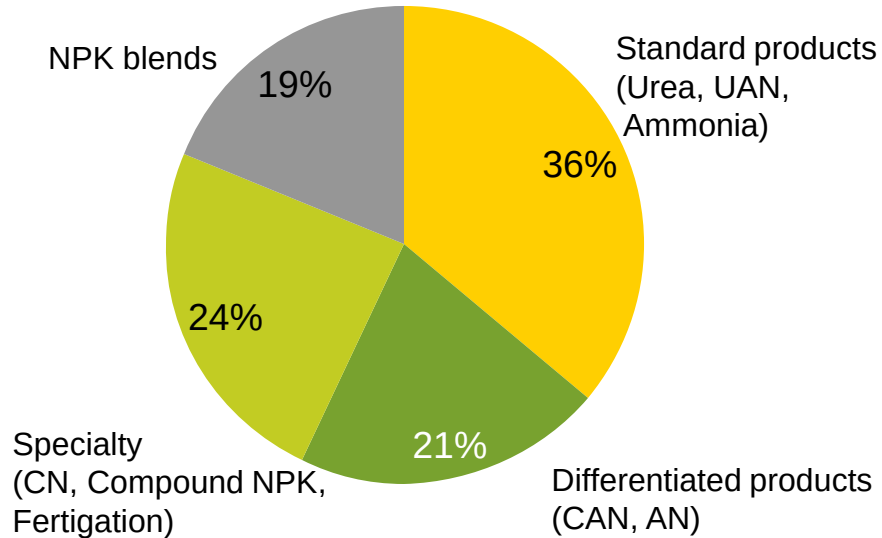
1) Share price appreciation (end 2016) plus dividend payments

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



Differentiated product portfolio represents a key source of competitive edge

Fertilizer product portfolio (2015/16 season volume)



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

Operational improvement

Improve productivity and returns through company-wide program

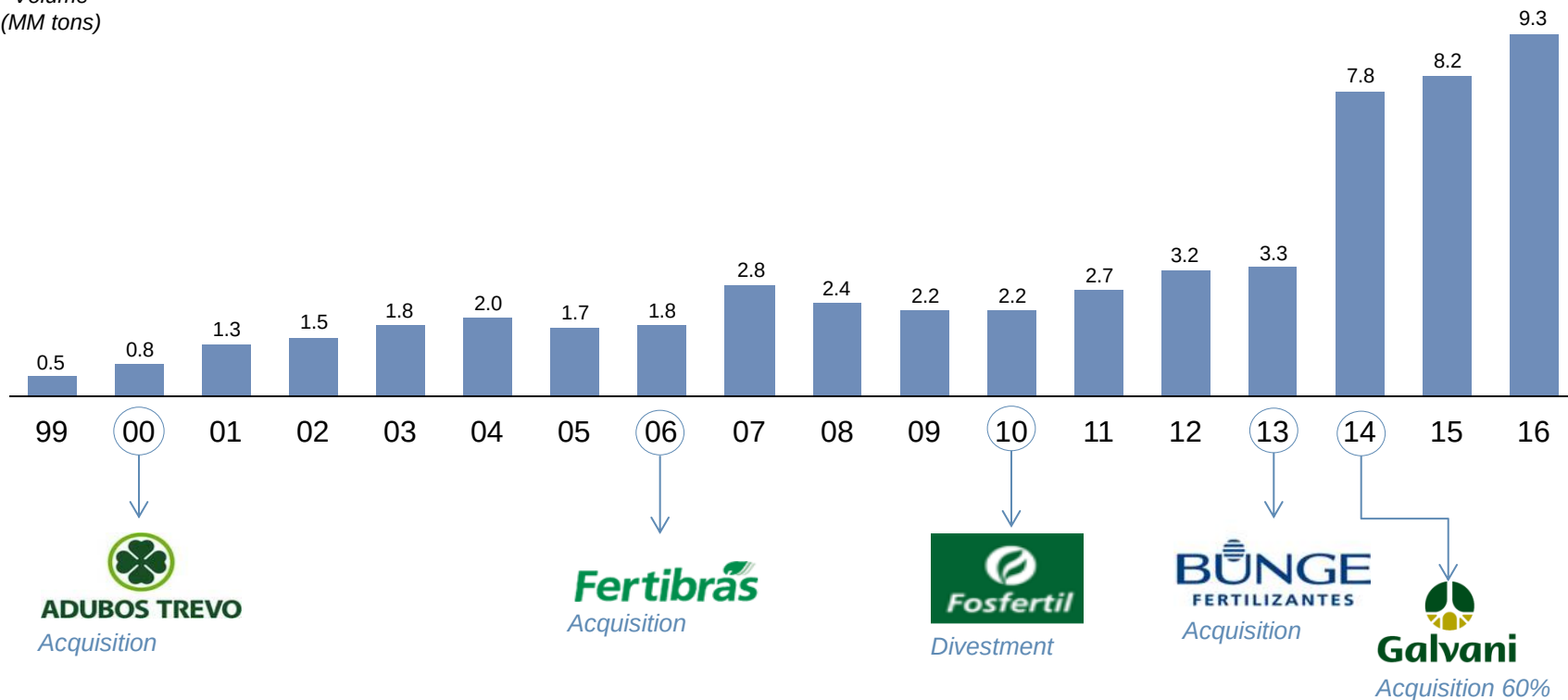
3

Profitable step growth

Drive growth through M&A, as well as capacity expansions and new builds

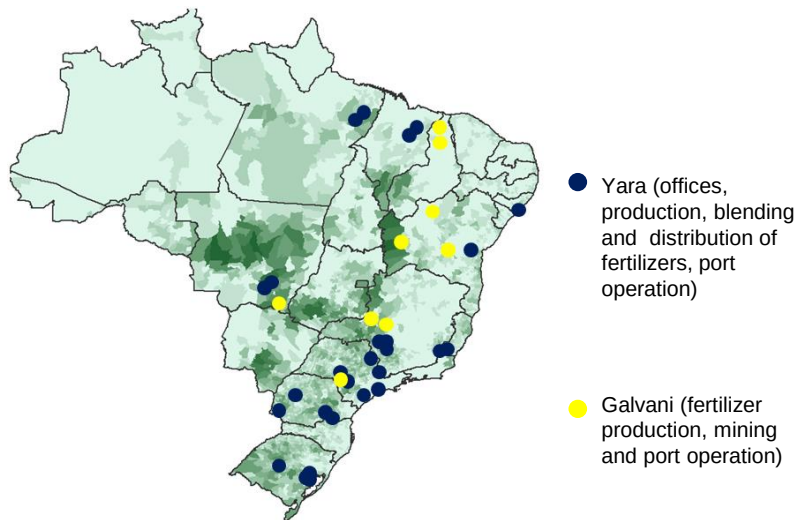
Yara has invested for the long term in Brazil; Bunge acquisition brought critical mass in distribution

Volume
(MM tons)



Yara Brazil today: unrivalled market presence and farmer-centric strategy

Unrivalled presence: 28 sites in 11 states



Farmer-centric strategy drives growth

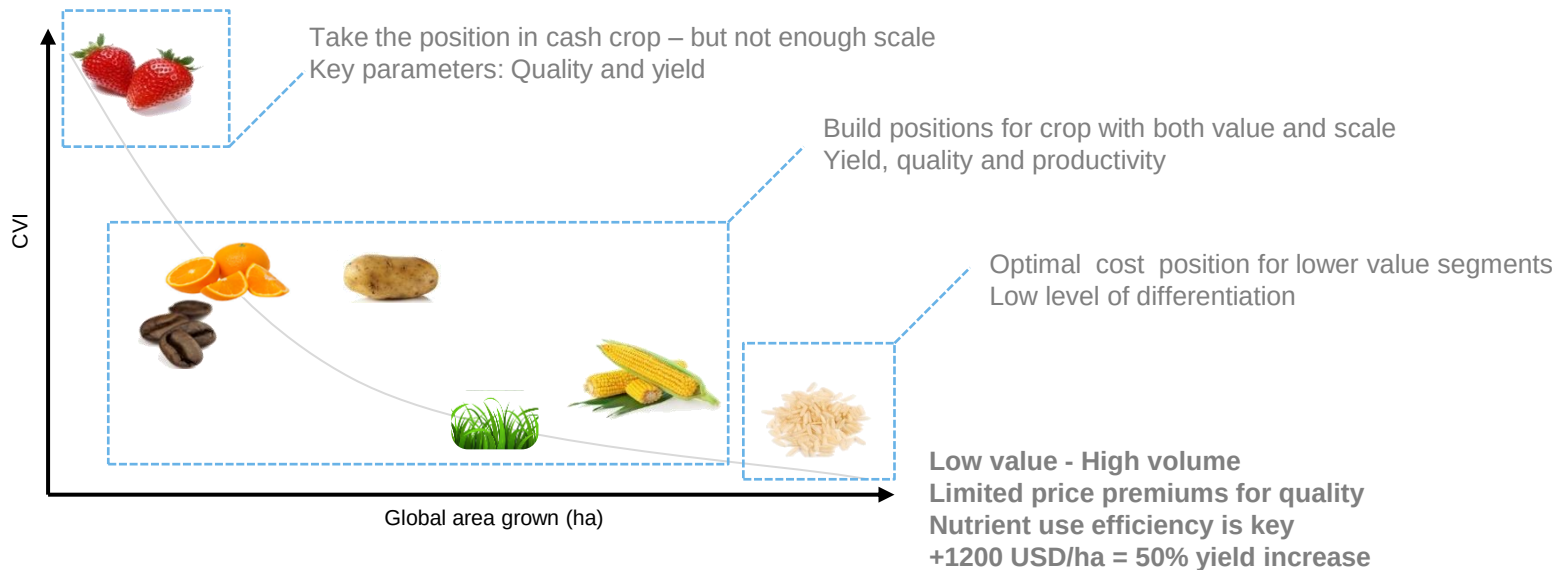
- > 20,000 growers using Yara solutions
- > 200 Yara agronomists and 600 sales representatives
- > 55% of Yara deliveries are direct to farmer
- > 55,000 interactions with growers p.a.

Crop Value Index – a key guide to our approach

What is CVI:

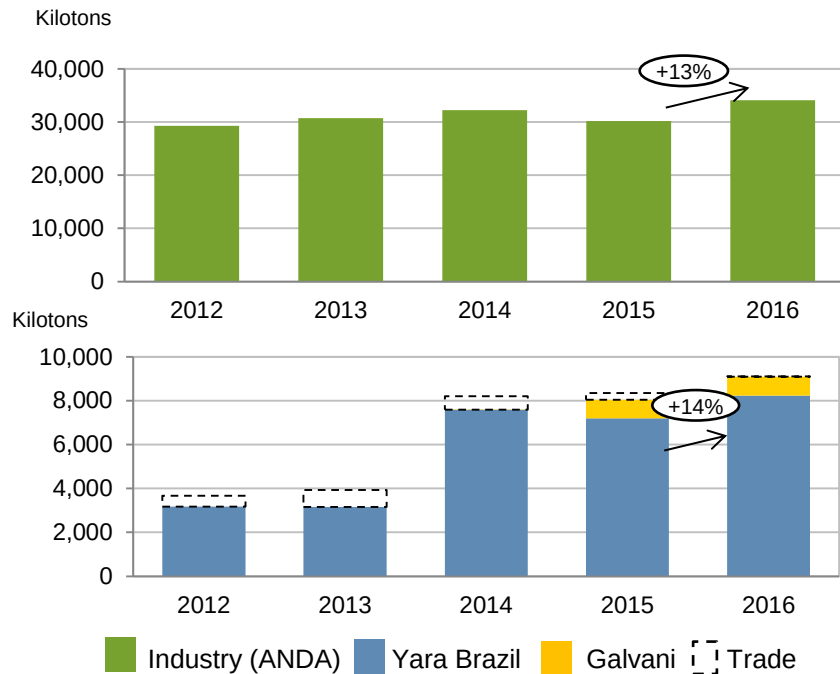
$$\frac{\text{Crop revenue}}{\text{Fertilizer costs}}$$

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

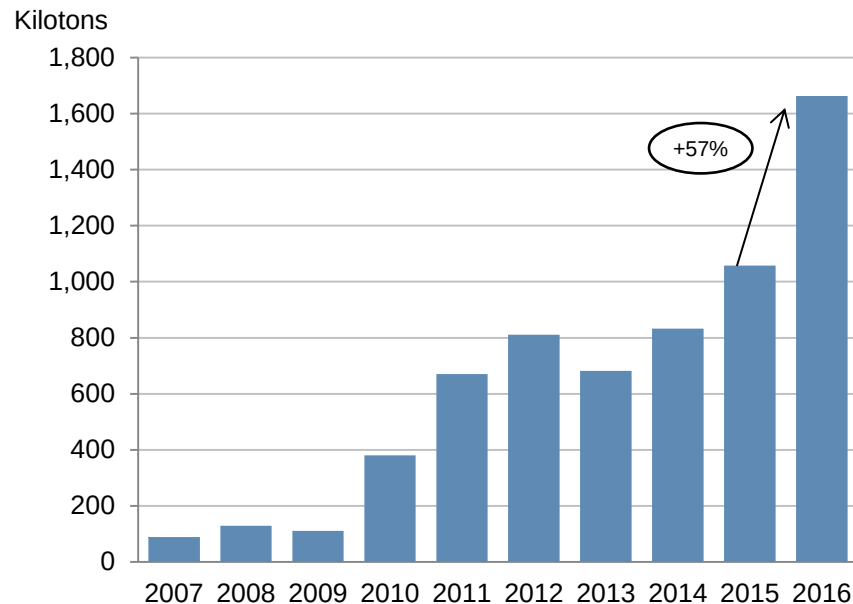


Brazil: focus on premium products and solutions drives growth

Brazil 2016 fertilizer deliveries



Yara premium product deliveries



Yara growth project pipeline adds ~6 NOK earnings per share by 2020 at current market prices

Profitable growth through expansions and M&A

Expand premium products sales and supply

- CN/NPK expansion Porsgrunn (2H 2017)
- NPK expansion Uusikaupunki (2H 2016)
- Urea 8 Sluiskil (2H 2017)
- Rio Grande expansion (2H 2020)

Expand commodity scale based on attractive full-cost growth opportunities

- Freeport ammonia JV (4Q 2017)
- New ammonia vessels (2016)
- Babrala urea asset (2H 2017)

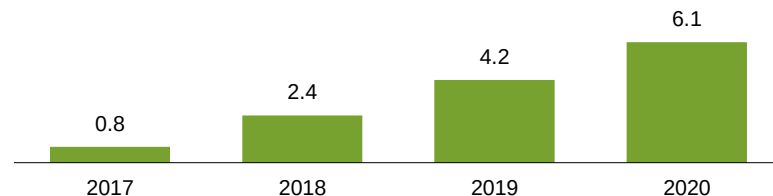
Act on attractive opportunities to grow industrial sales and supply

- Pilbara – TAN (1Q 2017)
- Köping – TAN (1H 2018)

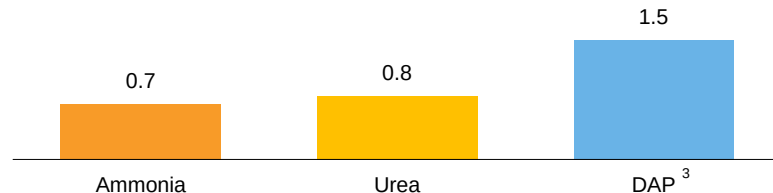
Structurally secure P and K supply

- Galvani, Salitre (mining: 4Q17, chemical 4Q18)

Incremental earnings at current prices¹ (NOK/share)



Impact² of +100 USD/t price change (NOK/share)



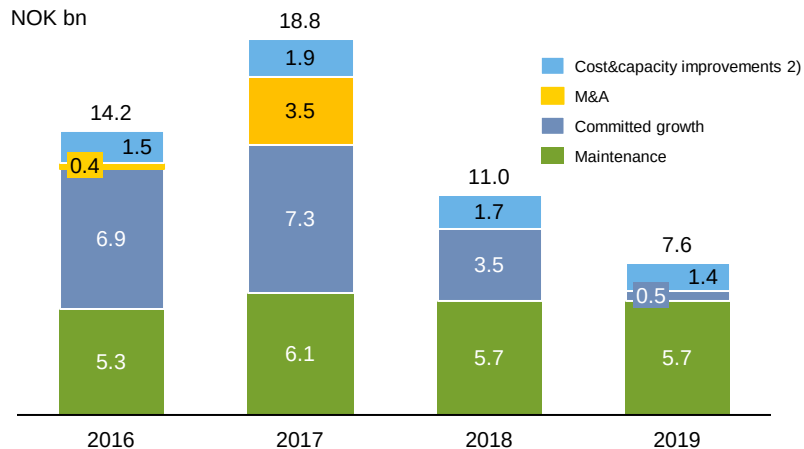
¹ Current prices (previous quarter prices in brackets): Ammonia fob Yuzhny 300 USD/t (300 USD/t), Urea fob Yuzhny 200 USD/t (250 USD/t), DAP fob Morocco 380 USD/t (350 USD/t).

² At full capacity (2019 for urea and ammonia, 2020 for DAP). New ammonia sensitivity based on net numbers

³ Phosphate-driven price change, equivalent to 138 USD/t phosphate rock (72 bpl)

Growth and capex pipeline

Capex plan¹



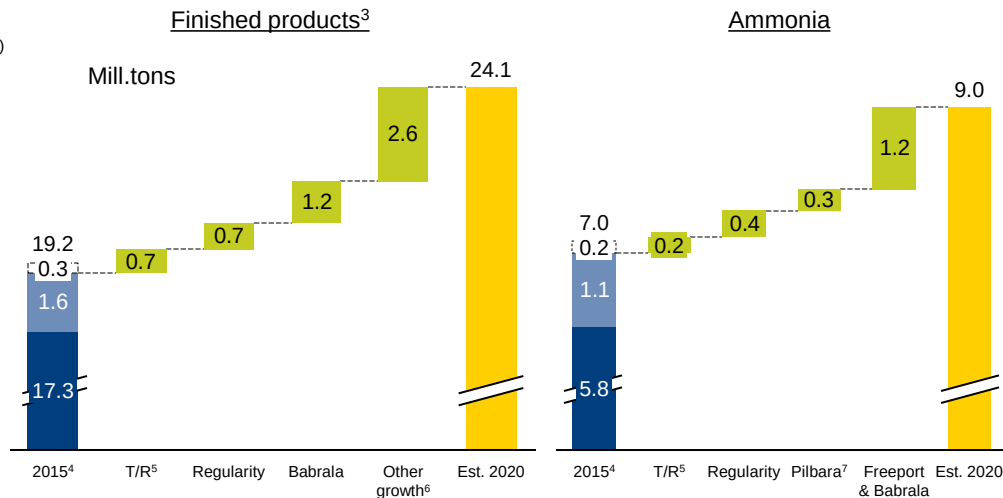
Committed growth (NOK bn):

Porsgrunn	1.2	0.7	-	
Köping	0.4	0.7	0.2	
Sluiskil	0.7	0.8	0.0	
BASF JV	1.6	1.0	0.5	
Rio Grande	0.1	1.5	1.2	0.5
Salitre	0.8	2.4	1.6	
Other projects	2.1	0.4		
Total	6.9	7.3	3.5	0.5

1) Yara's share of capex. Fully consolidated entities presented at 100% basis.

2) Includes Yara Improvement program Capex and other improvements

Production growth 2015 - 2020²

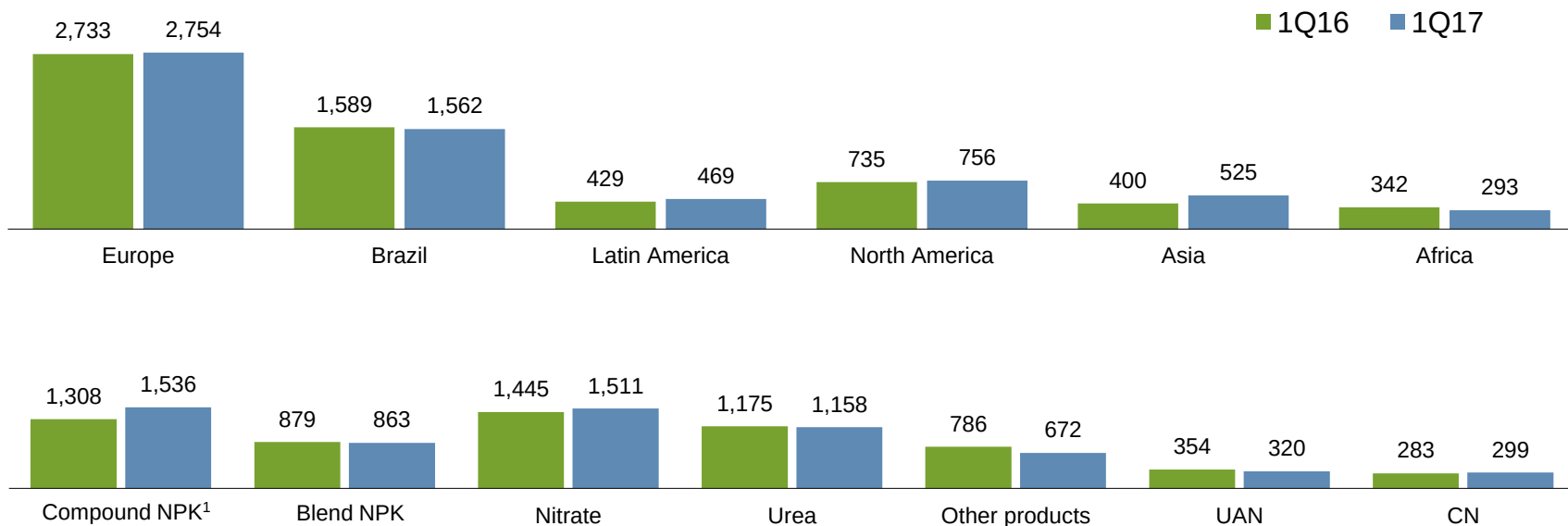


GrowHow UK (divested mid-2015)
 Yara-operated
 Yara's share of Qafco & Lifeco

- 2) Rio Grande expansion also adds 1 million tonnes NPK blends by 2020
- 3) Finished fertilizer and industrial products, excl. bulk blends
- 4) Including Yara share of production in non-consolidated investees
- 5) Adjustment to normalized / 2016 turnaround level
- 6) Committed projects only. TAN Pilbara: 160 kt, Porsgrunn: 250kt, Glomfjord: 185kt, Uusikapunki: 250kt, Köping: 90kt, Sluiskil: net 160kt, Galvani (Salitre ~ 1 mill.tons), Rio Grande: 500kt
- 7) Including 100% ownership in Pilbara NH₃ plant

Yara 1Q fertilizer deliveries by market and product

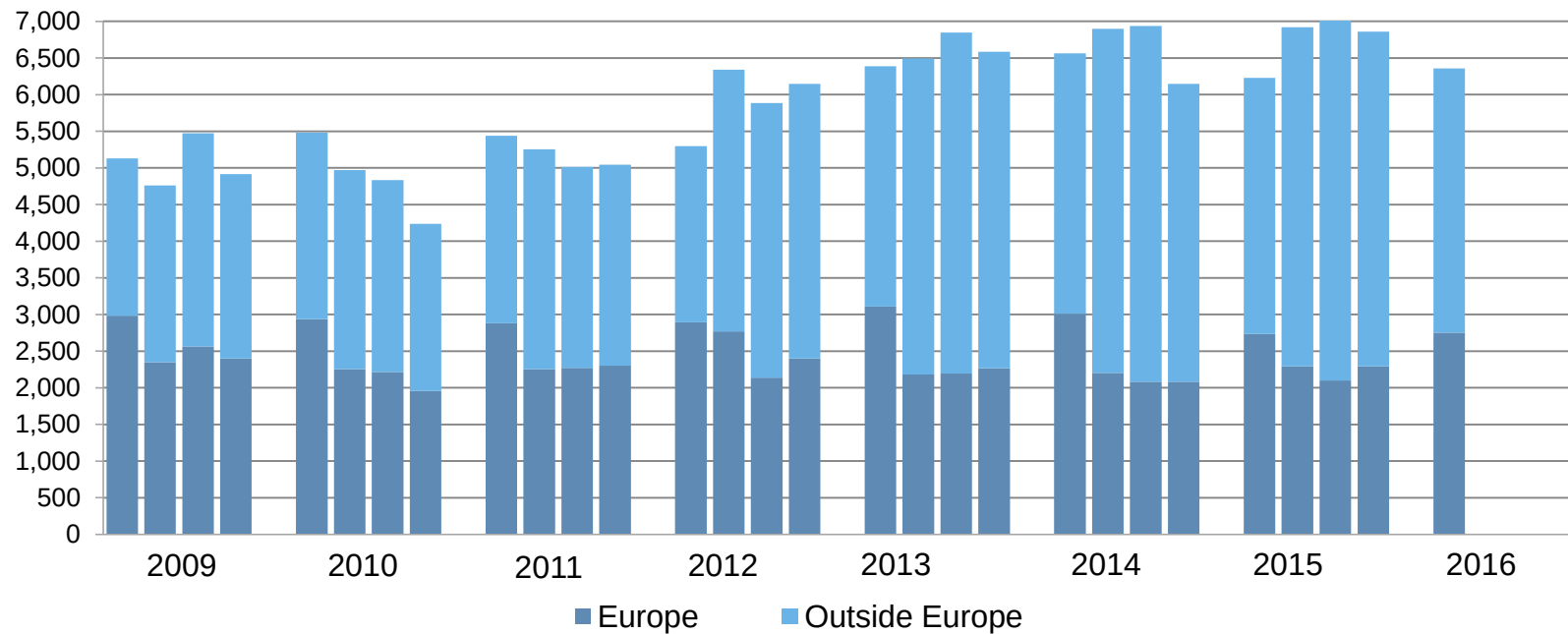
Kilotons



1) Yara-produced compound NPK and third party sourced (Total NPK minus blend NPK)

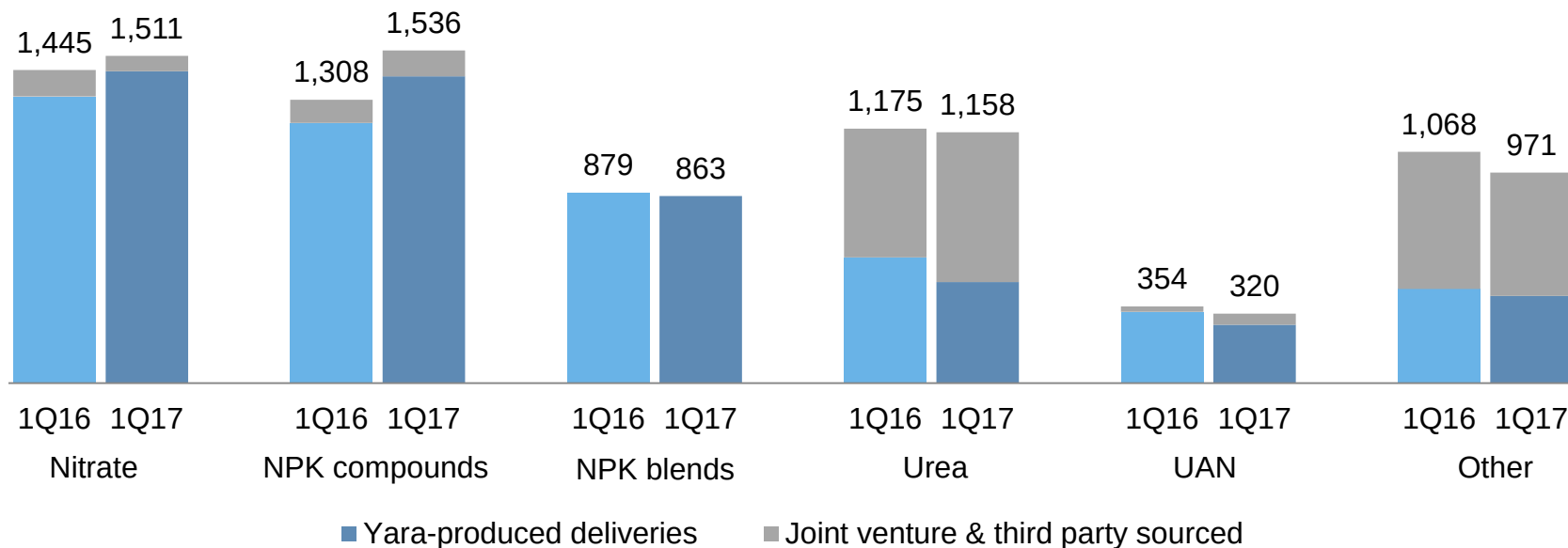
Fertilizer deliveries

Kilotons

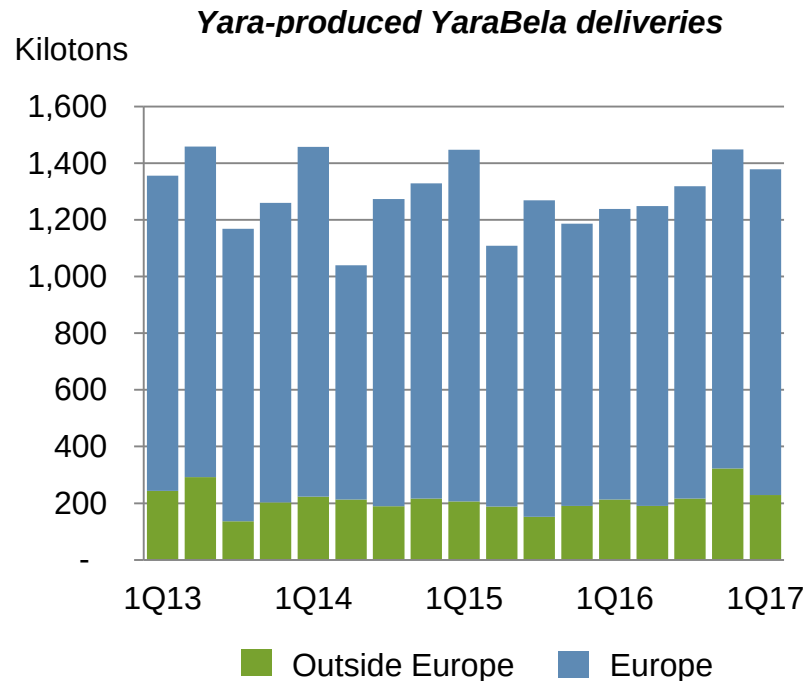
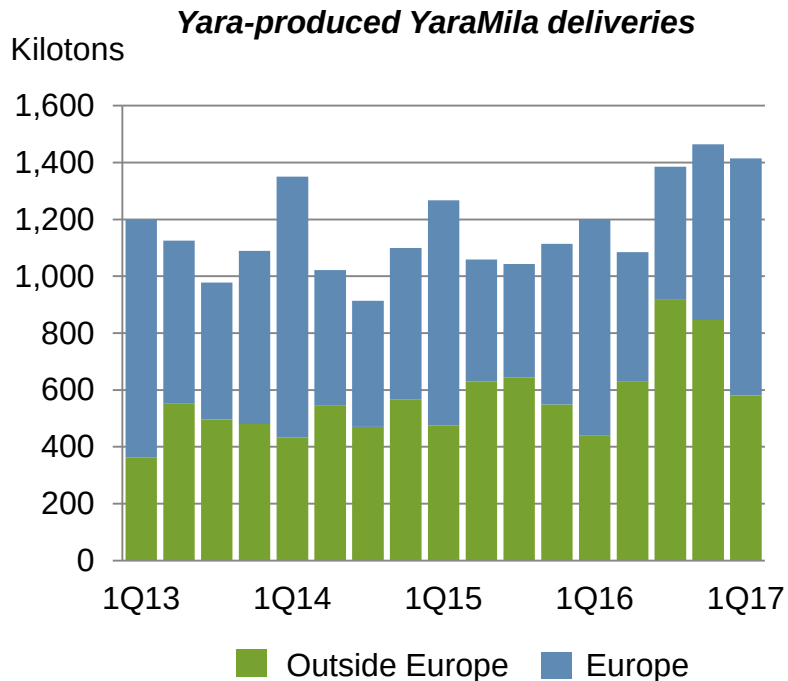


Fertilizer deliveries by product and source

Kilotons

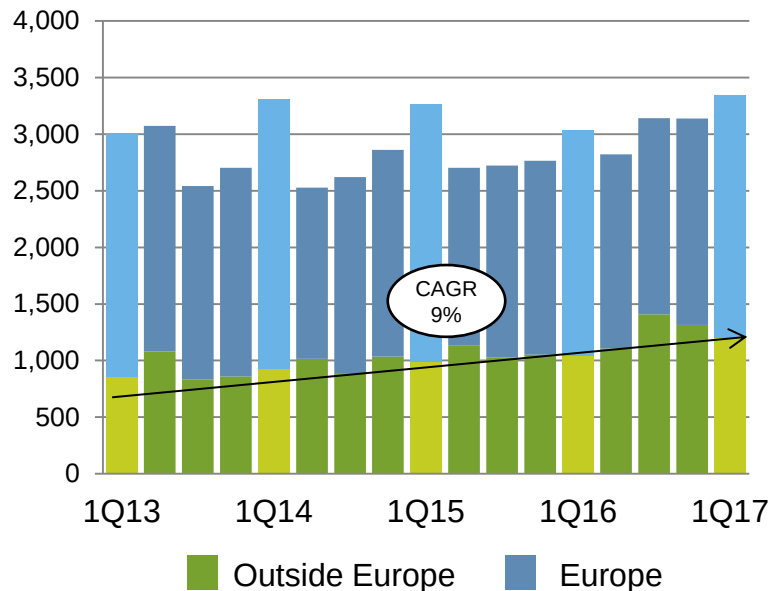


YaraMila (compound NPK) and YaraBela (nitrate) deliveries



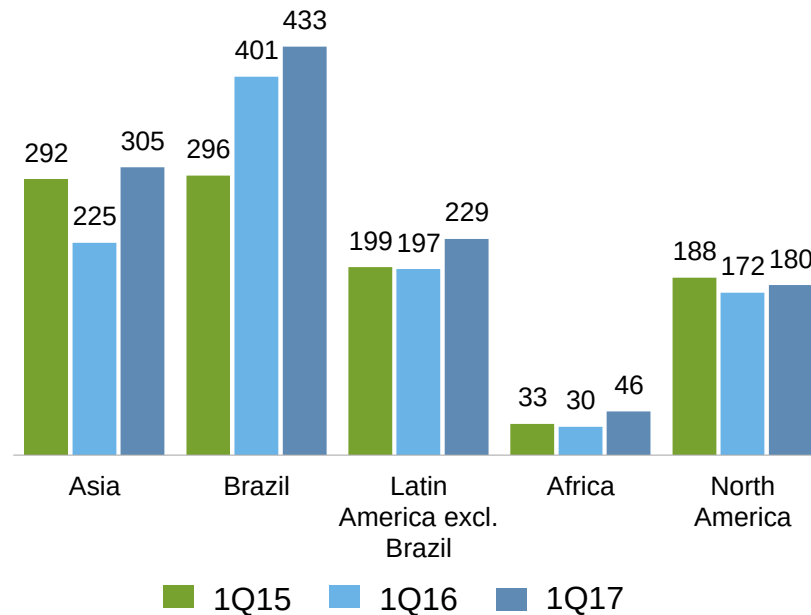
Strong premium product deliveries

Value-added fertilizer deliveries¹



1) YaraBela, YaraMila and YaraLiva deliveries

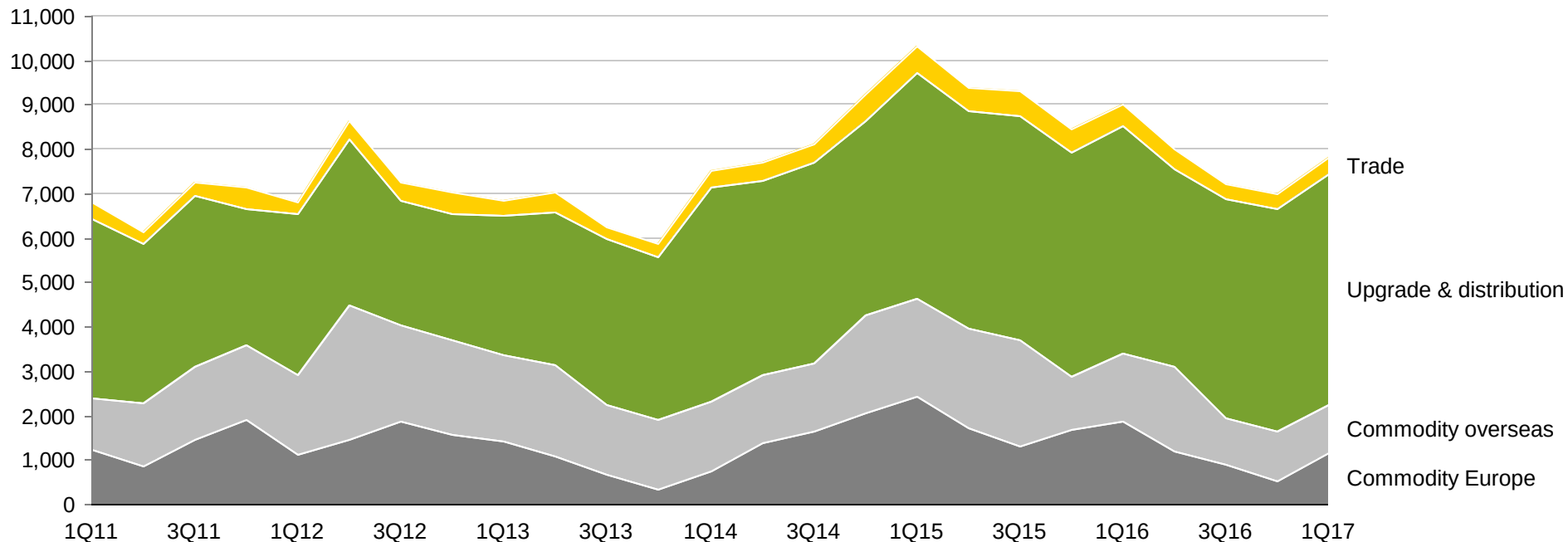
Value-added fertilizer deliveries¹



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

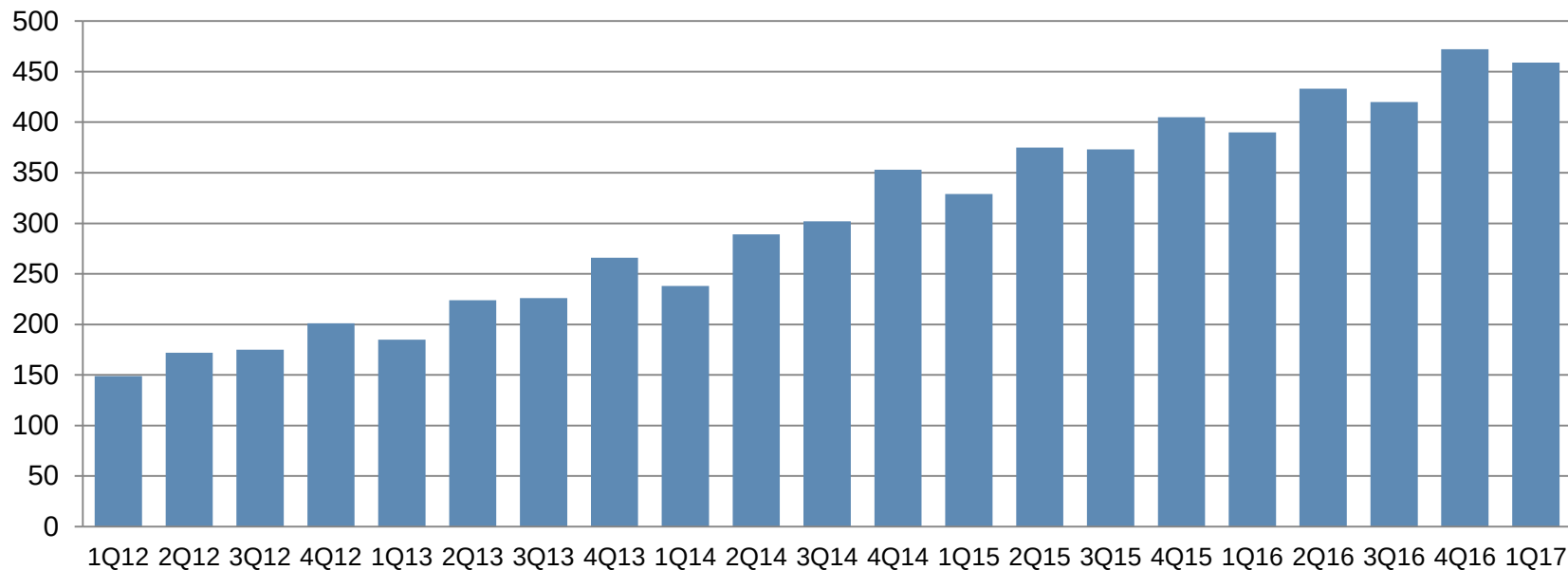
NOK millions

Total Yara contribution



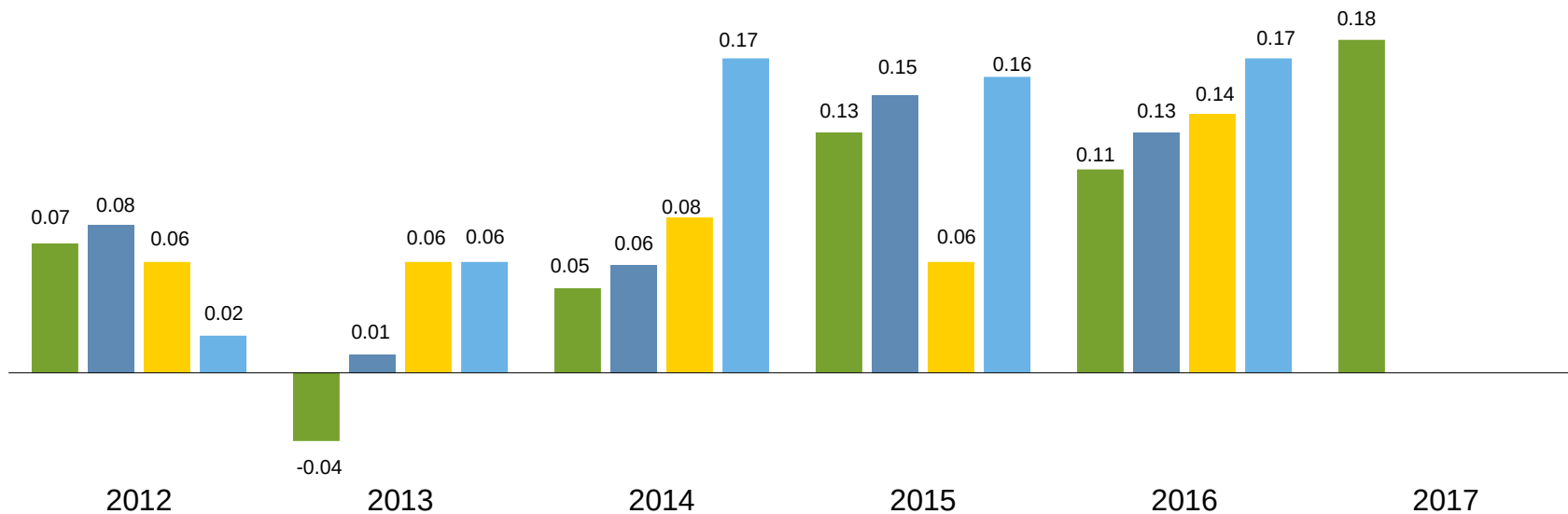
AdBlue deliveries

Kilotons



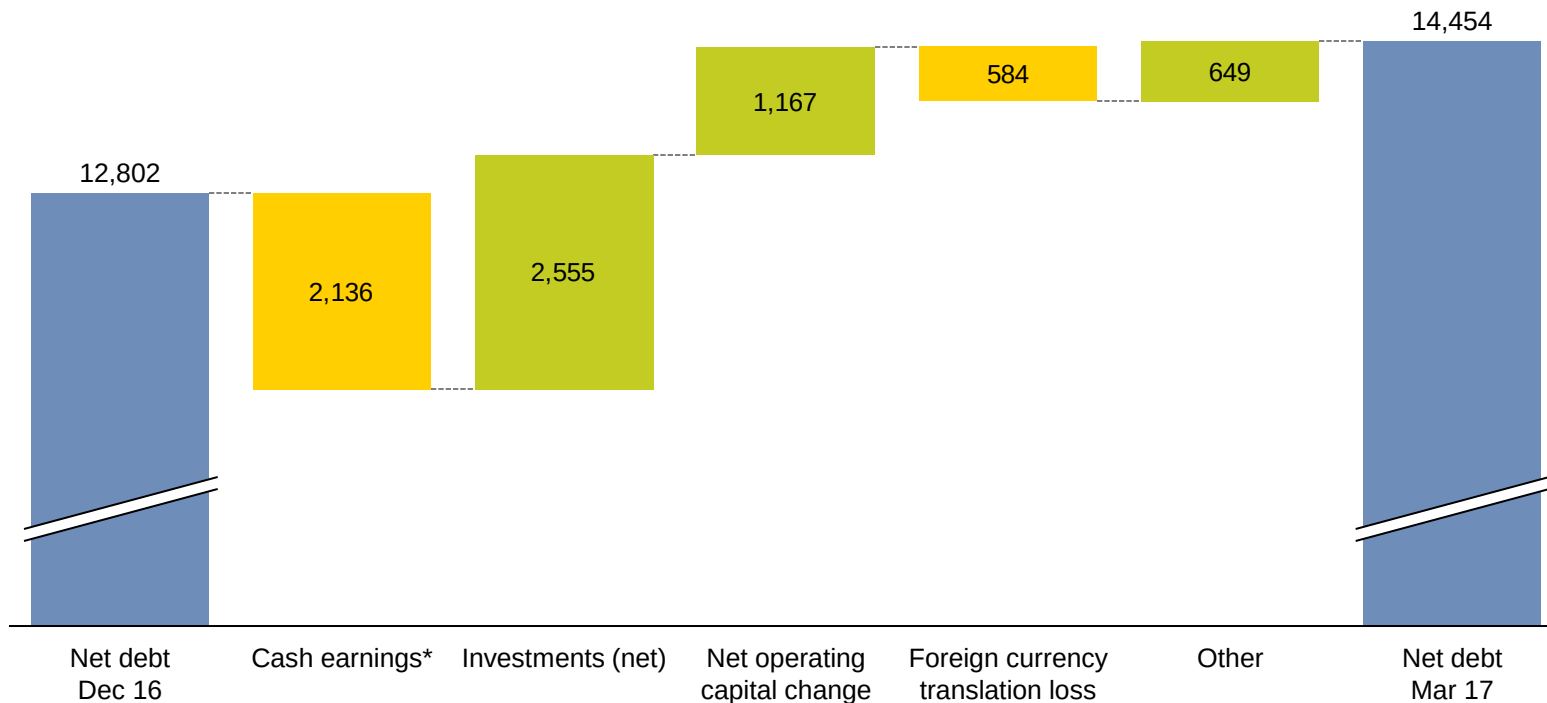
Debt/equity ratio

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



Net interest-bearing debt development

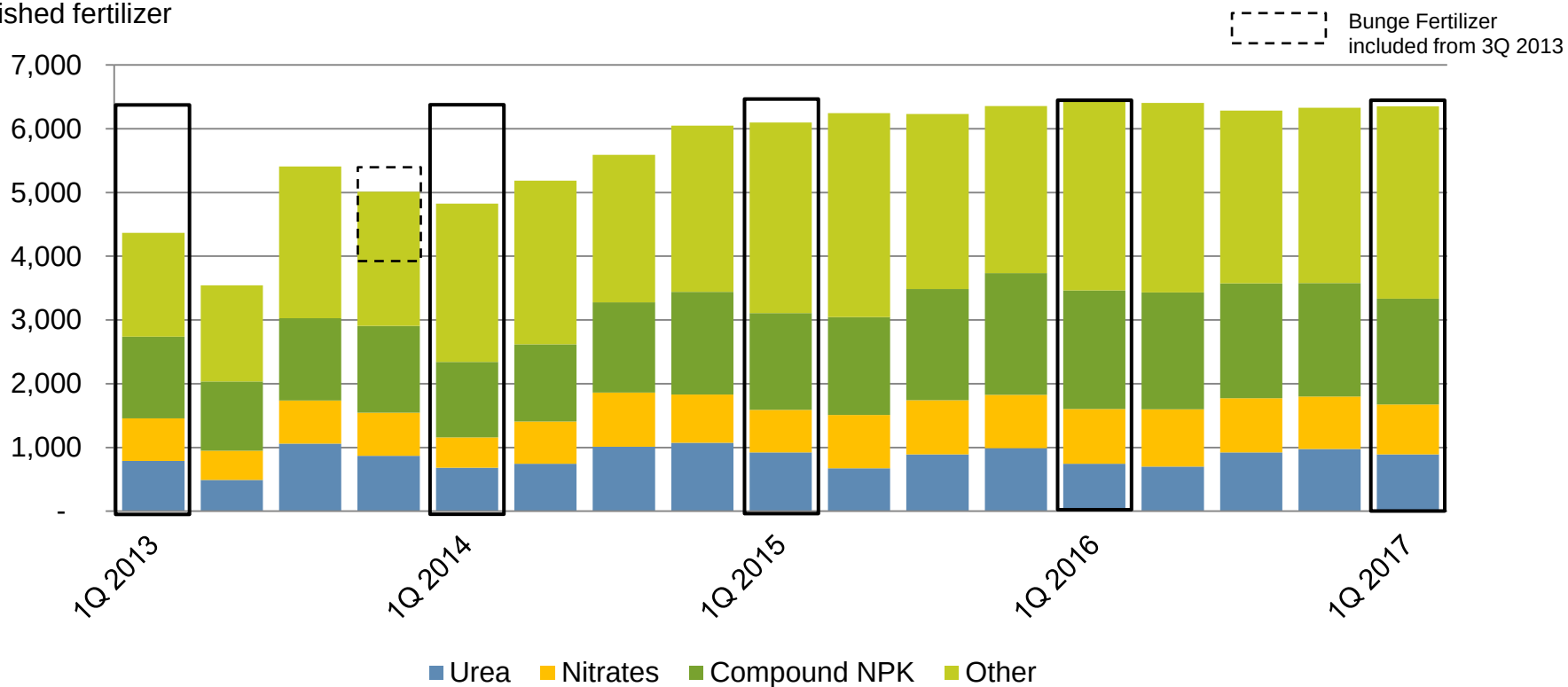
NOK millions



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

Yara stocks

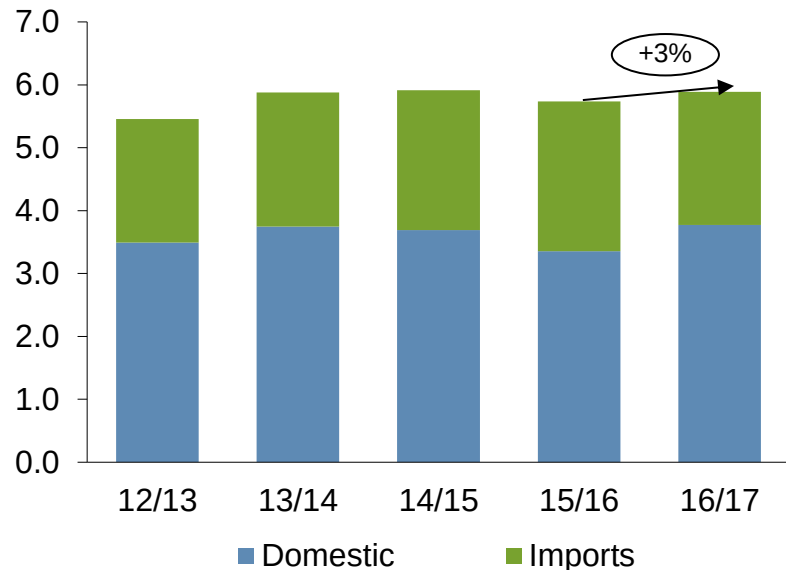
Kilotons
Finished fertilizer



Season to date deliveries up in Europe, down in USA

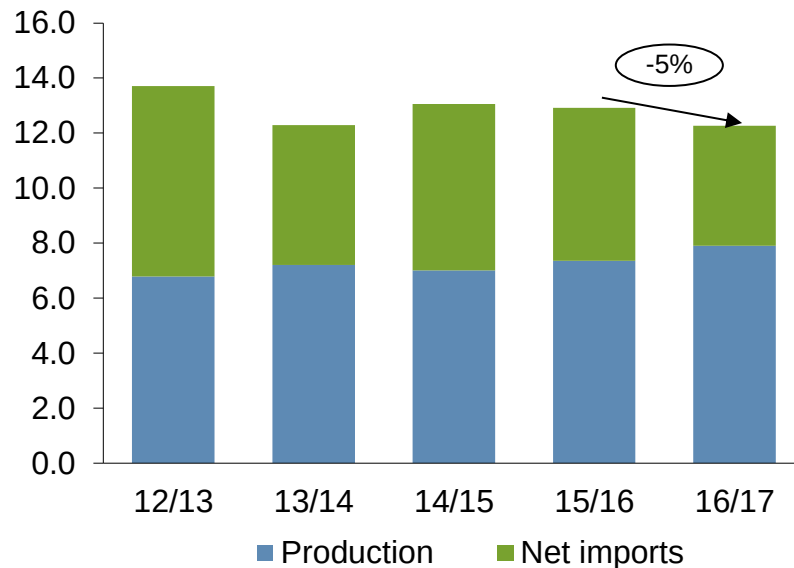
Million tons N

West Europe



Million tons N

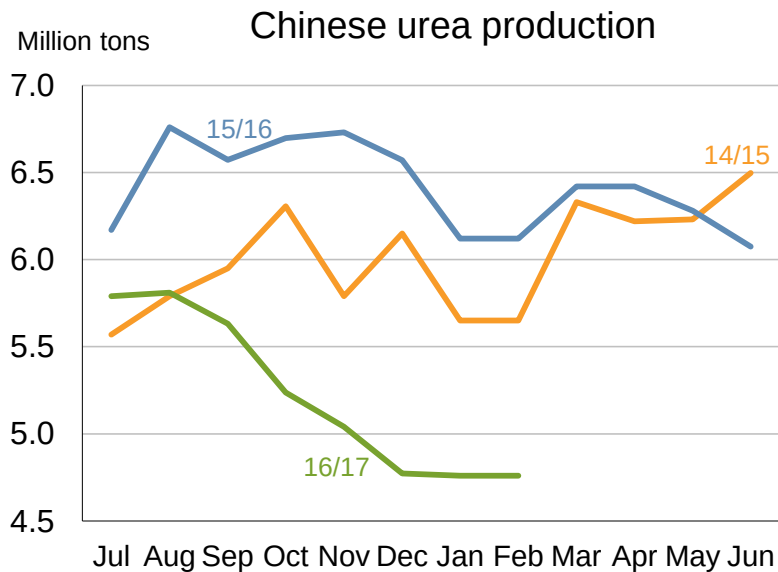
US



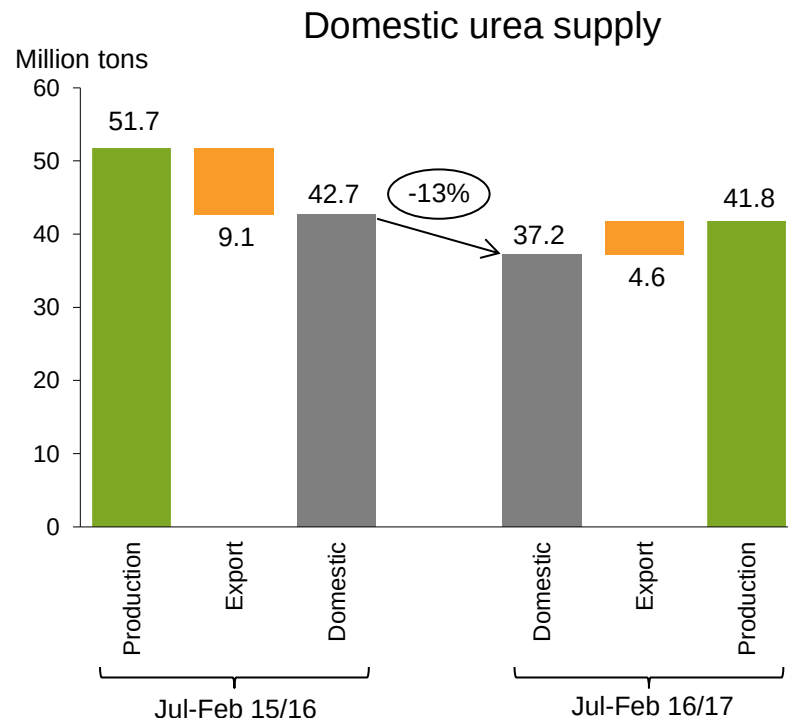
Source: Yara estimate for fertilizer deliveries to selected West European countries.

Total nitrogen deliveries based on TFI, US Trade Commission, Blue-Johnson and Yara estimates

Chinese urea production suffering from increased production costs, domestic demand lower this season

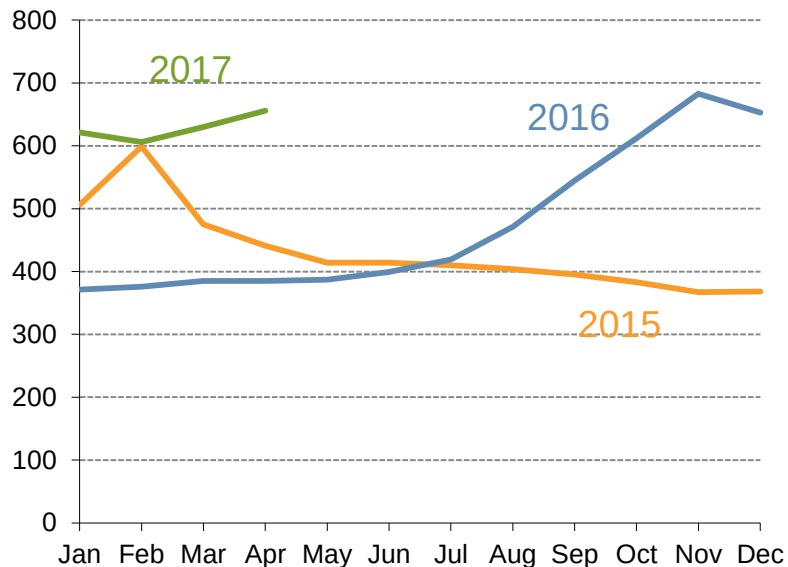


Source: CFMW

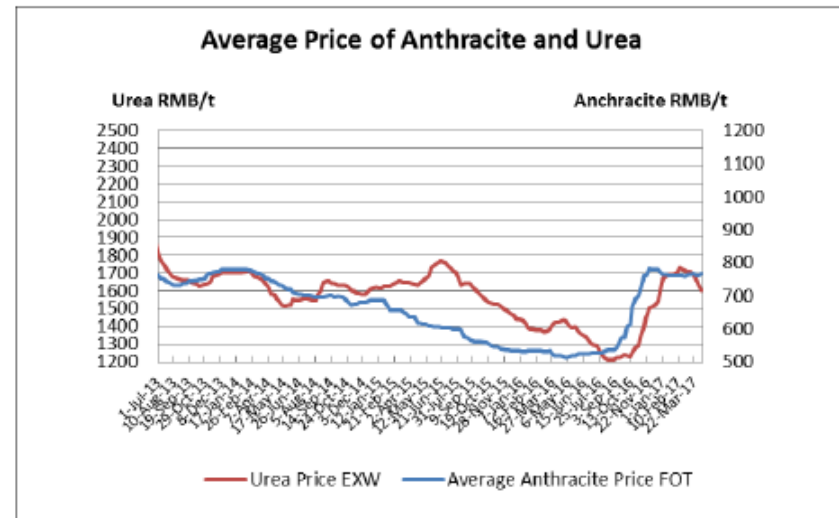


Increasing coal prices drove nitrogen prices higher

Coal price in China (fob Qinhuangdao 5500, RMB/mt)



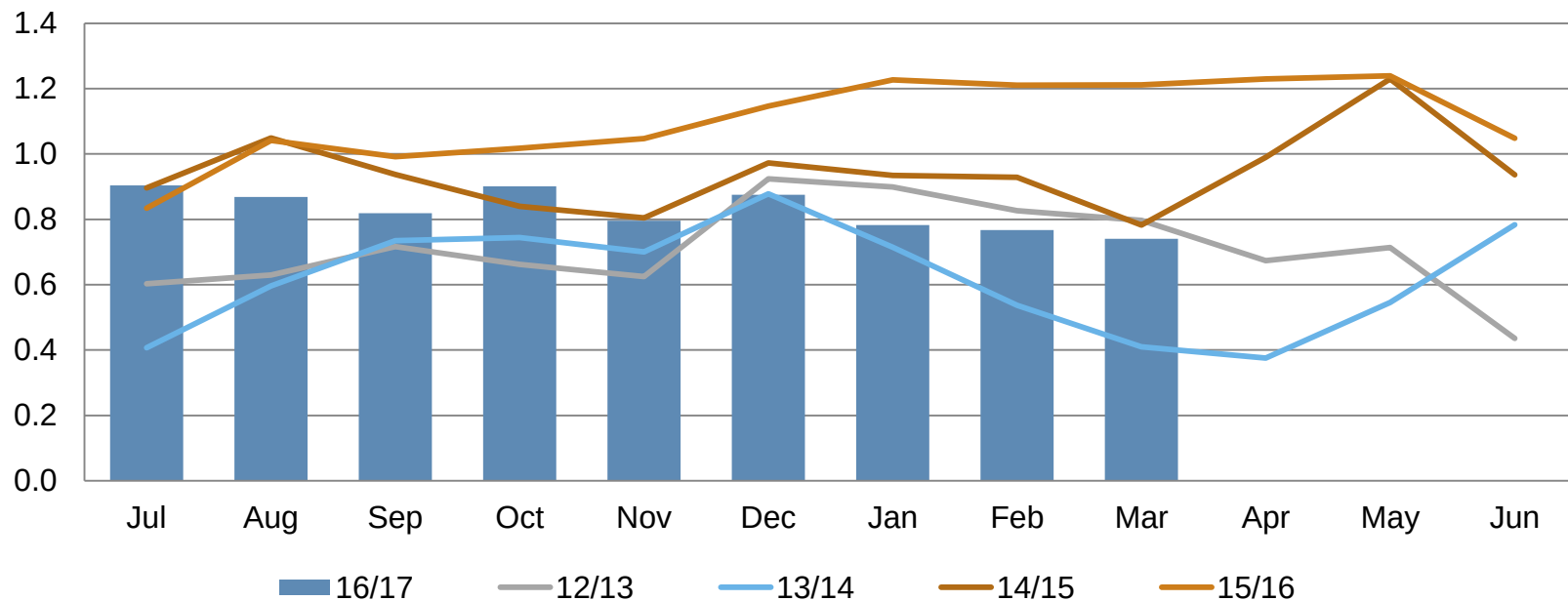
China anthracite and urea prices (RMB/mt)



Source: IHS, CFMW

European producers' nitrate stocks

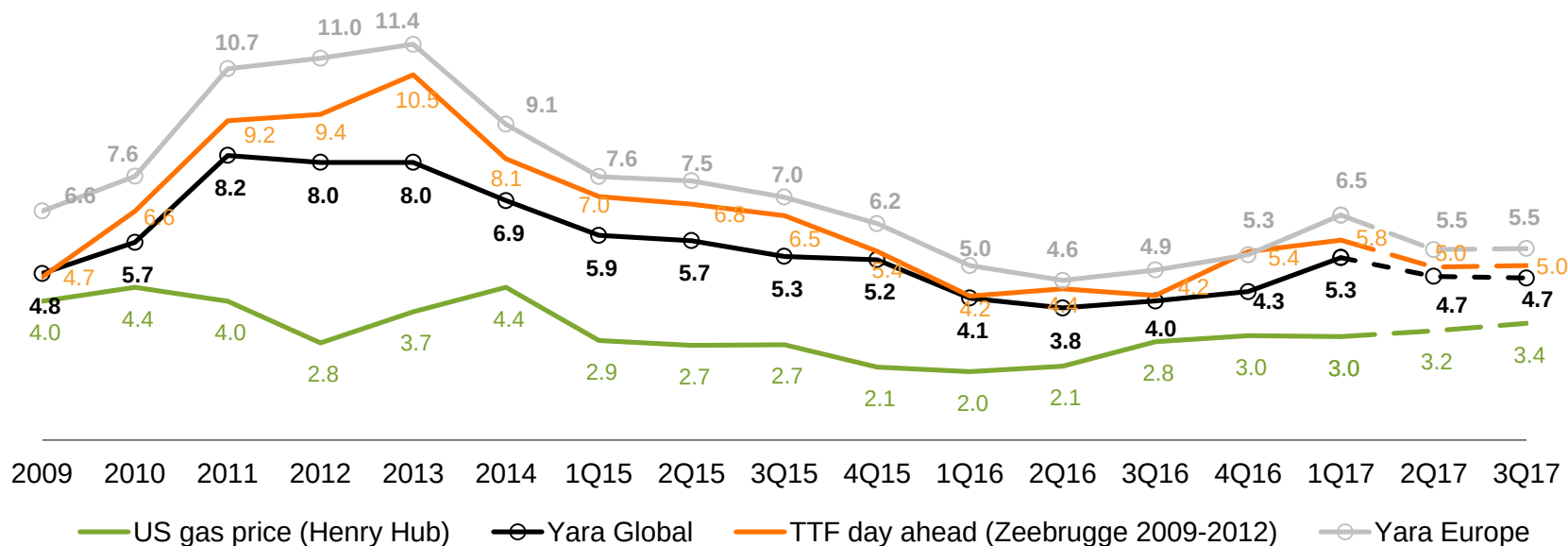
Index
June 2007 = 1



Source: Fertilizers Europe, Yara estimate for March

Energy cost

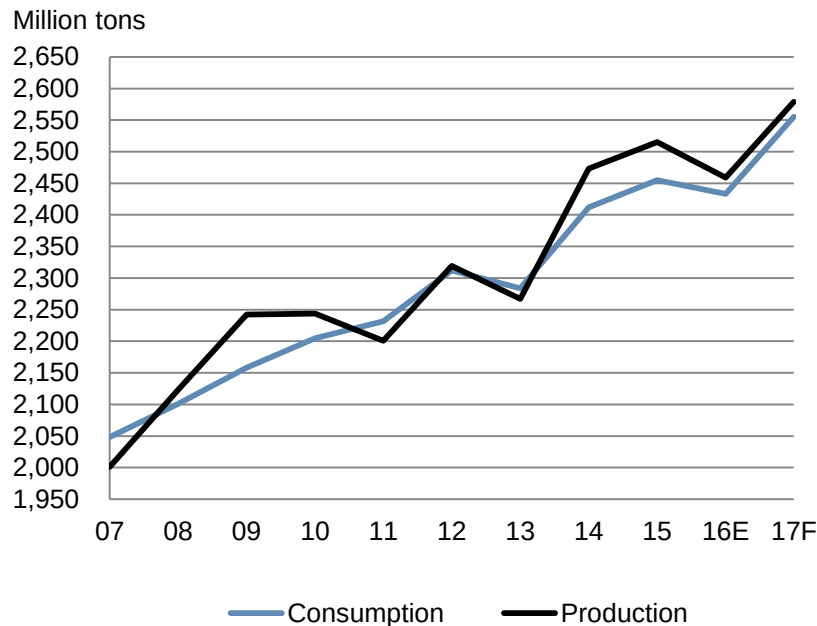
Yearly averages 2009 – 2014, quarterly averages for 2015-17 with forward prices* for 2Q17 and 3Q17.



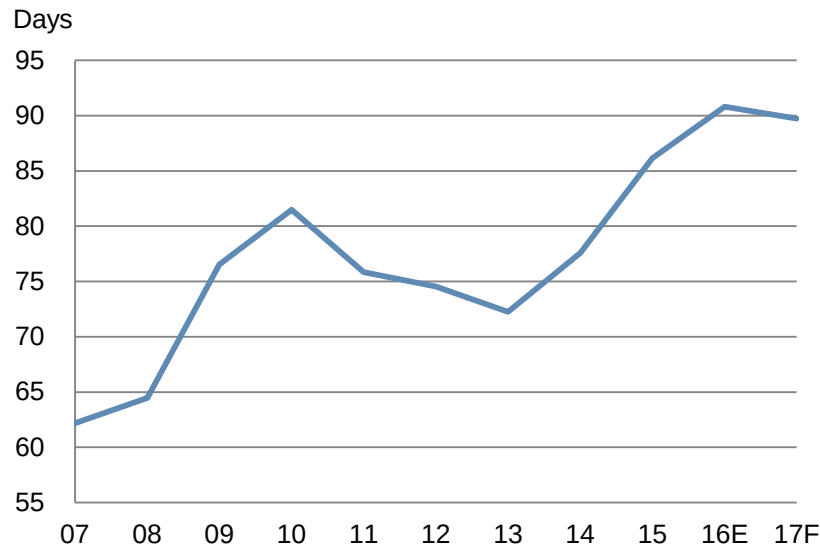
*Dotted lines denote forward prices as of 19 April 2017
Source: Yara, World Bank, Argus/ICIS Heren

Balanced grain market forecasted for this season, stable stock-to-use ratio, despite a record crop

Grain consumption and production



Days of consumption in stocks



Source: USDA April 2017

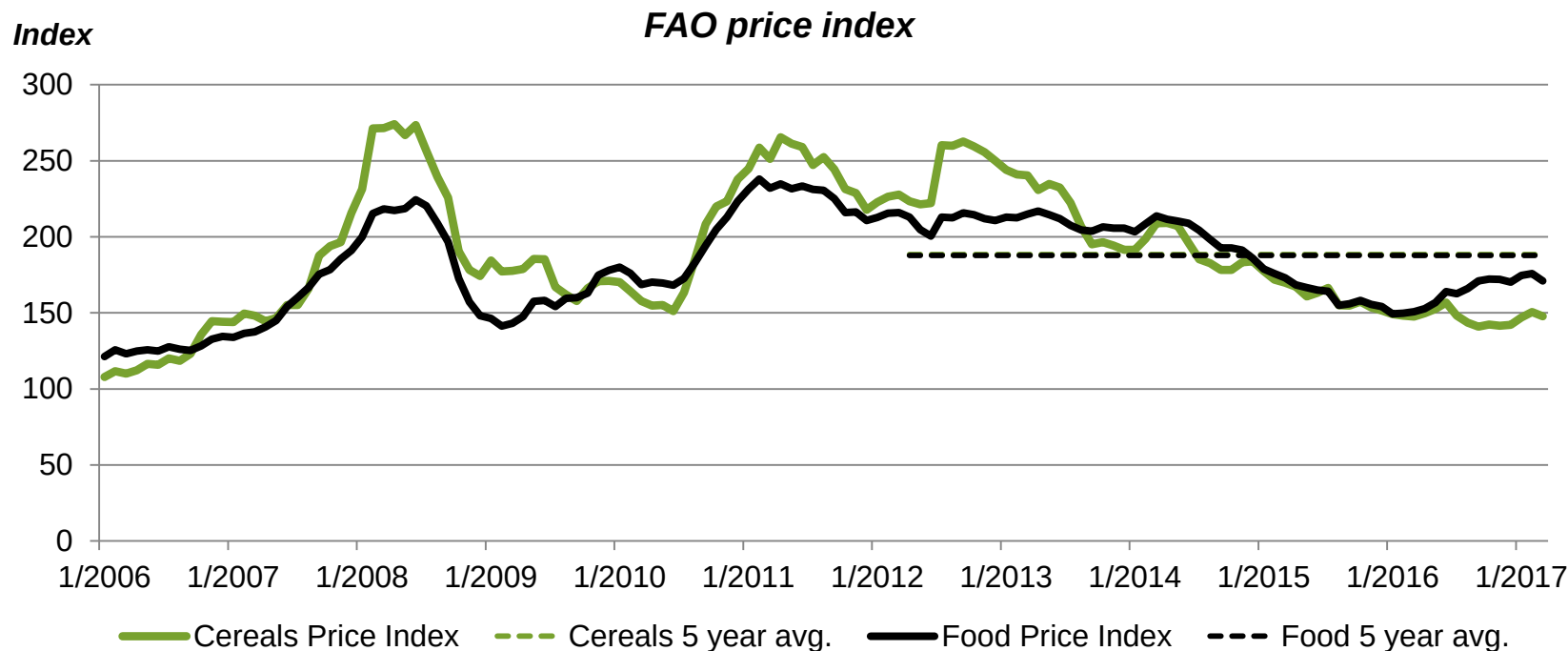
Non-commercials' net long position in corn

Thousand contracts



Source: US Commodity Futures Trading Commission

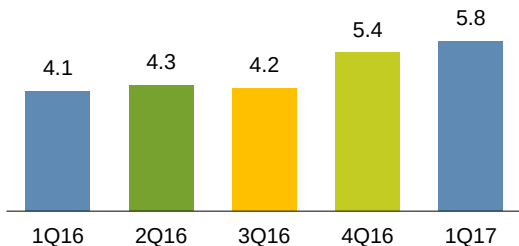
Relatively weak grain and food production economics



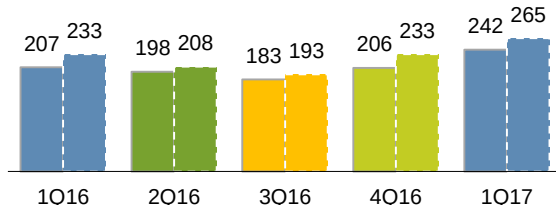
Source: FAO

Key value drivers – quarterly averages

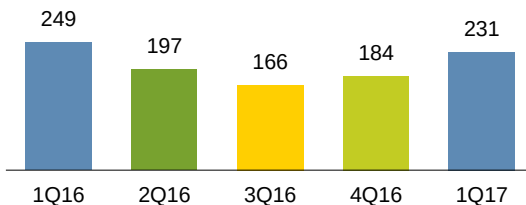
TTF day ahead (USD/MMBtu)



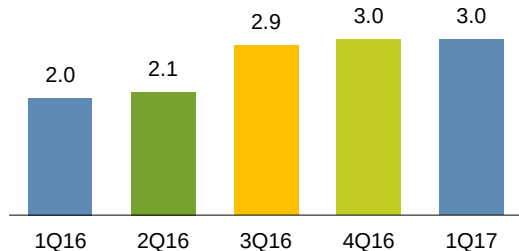
Urea prilled fob Black Sea (USD/t)/Urea granular fob Egypt (dotted line, USD/t)



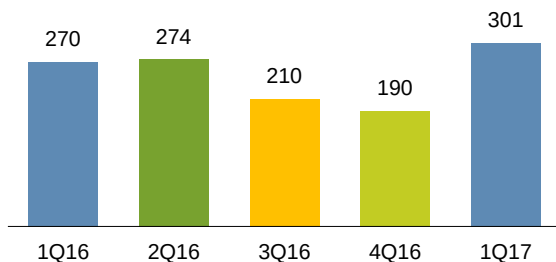
CAN cif Germany (USD/t)



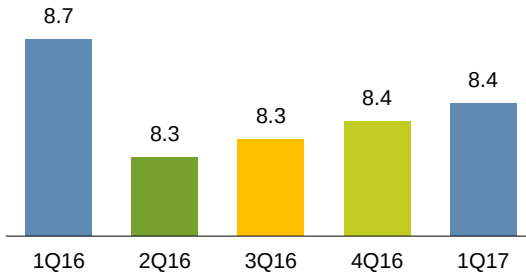
US gas price Henry Hub (USD/MMBtu)



Ammonia fob Black Sea (USD/t)

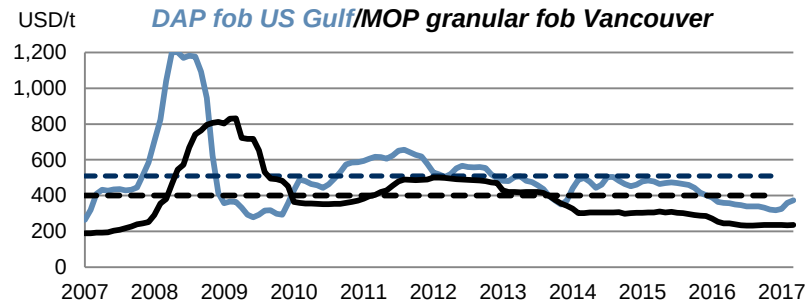
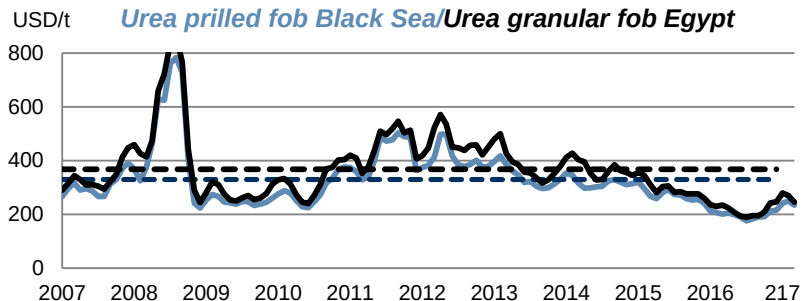
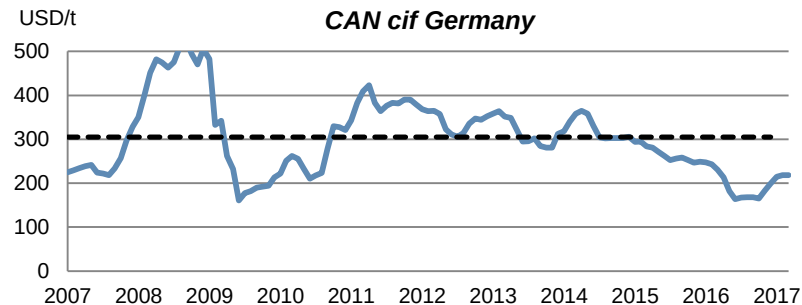
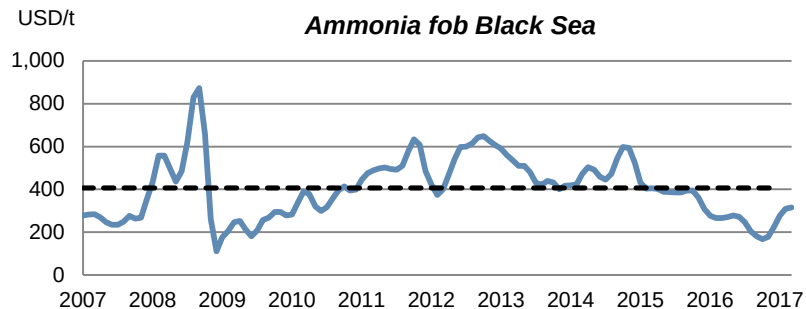


NOK/USD exchange rate



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

10-year fertilizer prices – monthly averages



--- Average prices 2007 - 2016