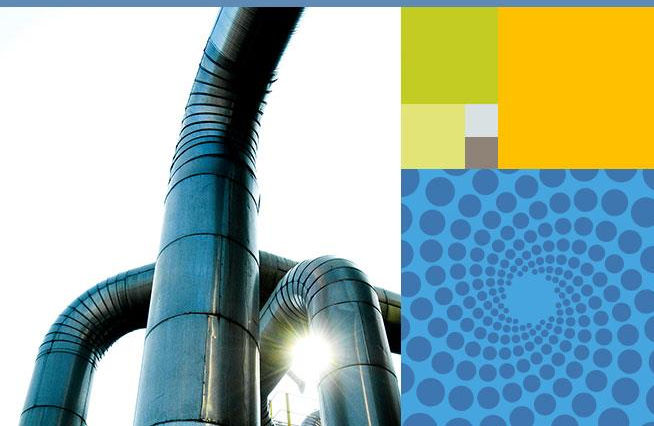




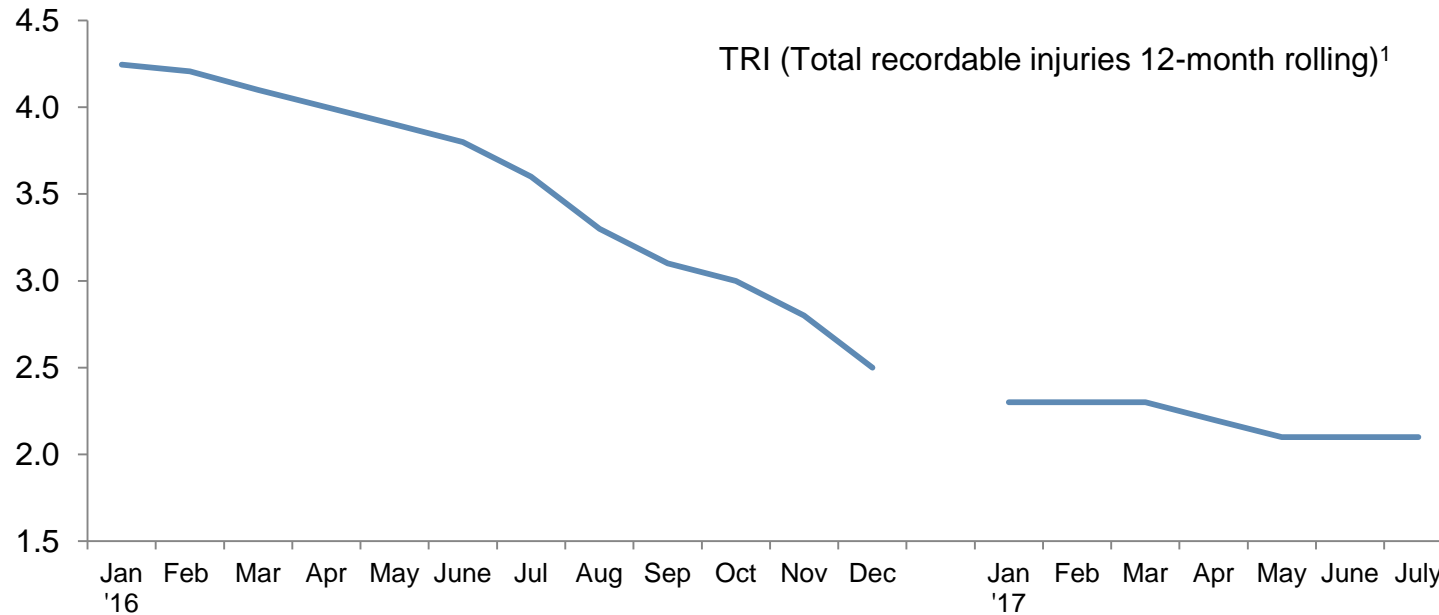
Knowledge grows

Yara International ASA

Bernstein
28 Sep 2017

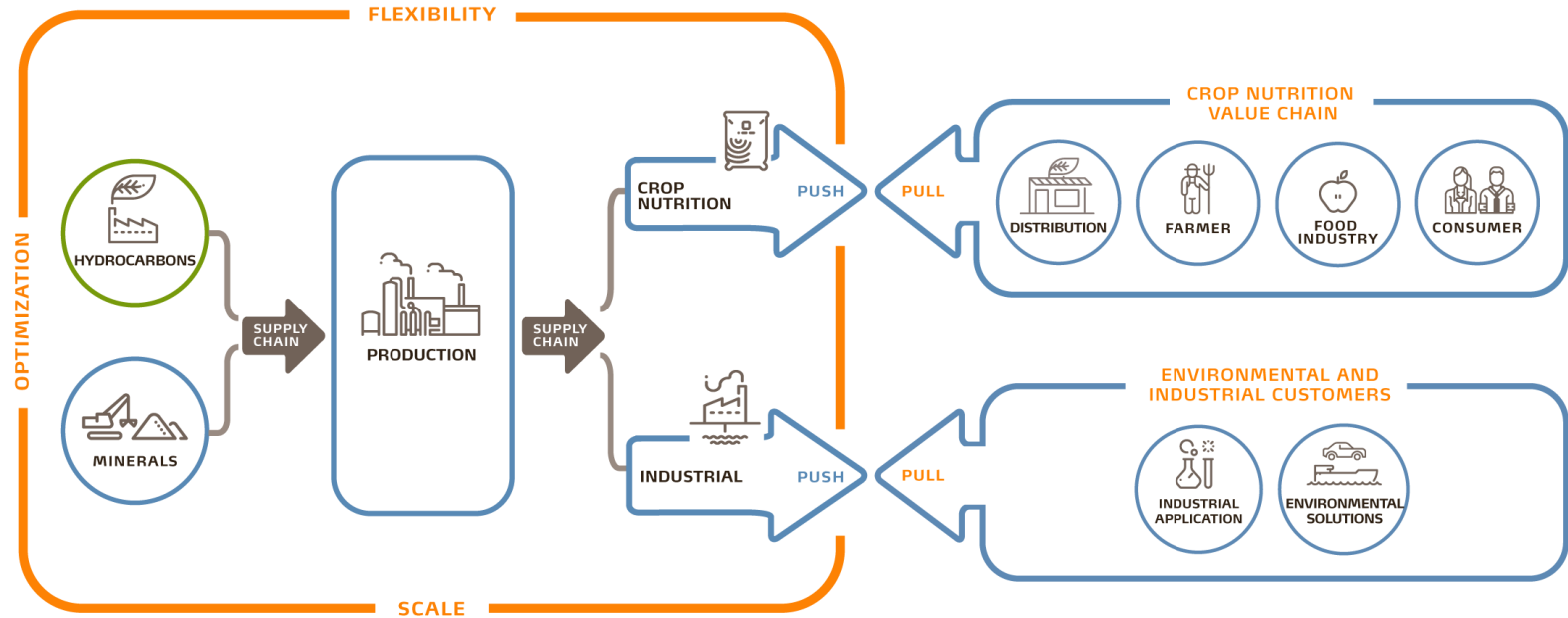


Safe operations is our first priority

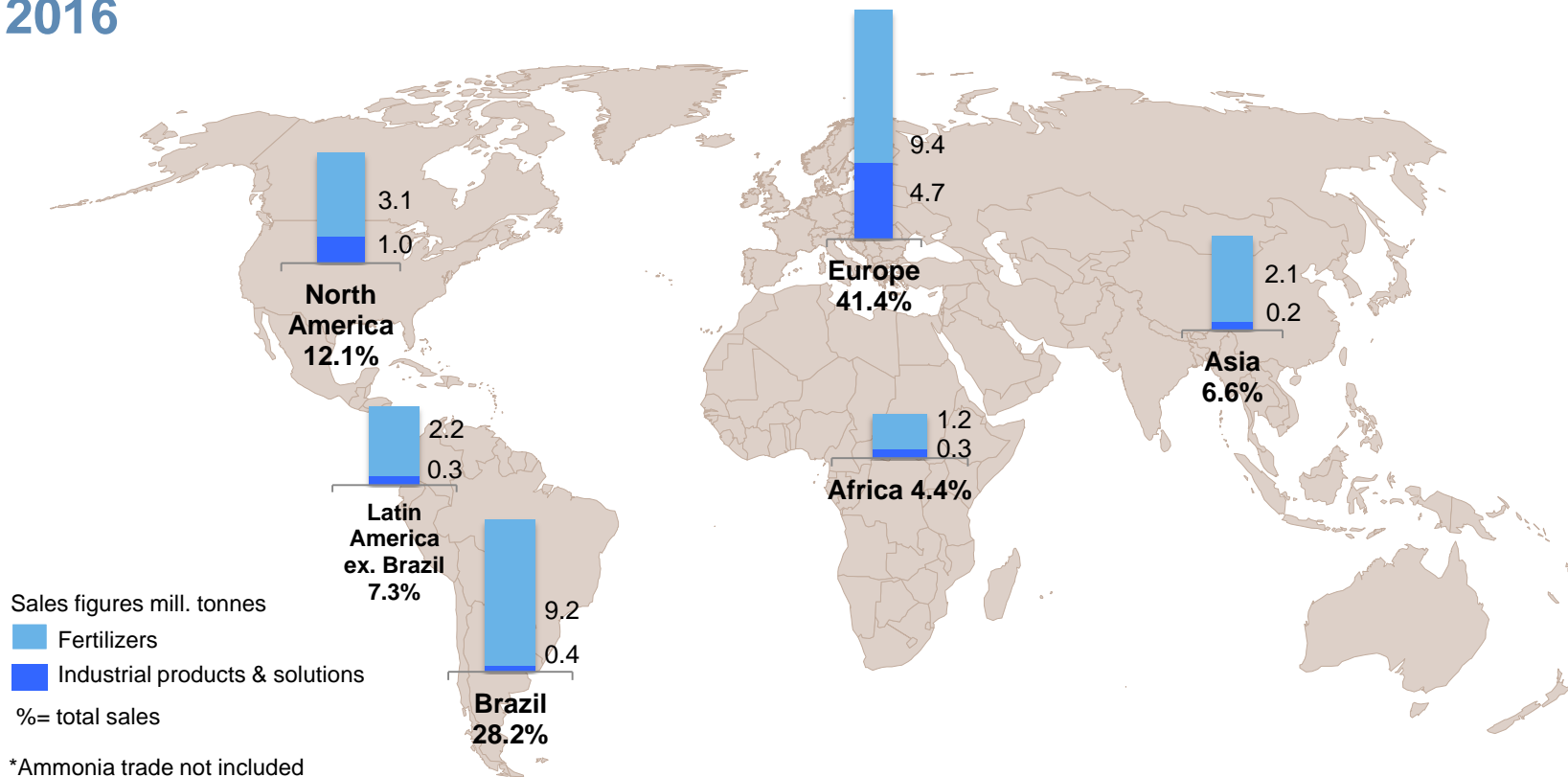


1) TRI: Total recordable injuries, lost time (absence from work), restricted work and medical treatment cases per one million work hours.

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

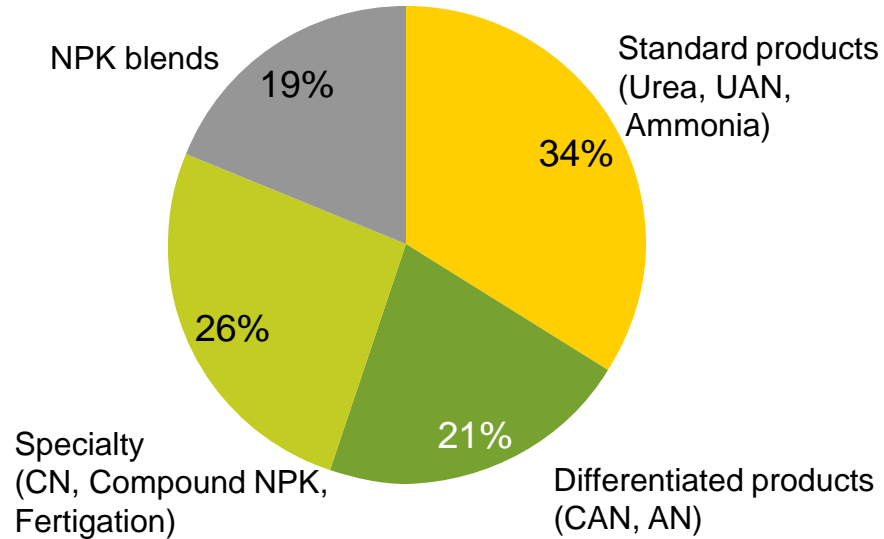


We sold 34.1 million tonnes of products and solutions globally in 2016



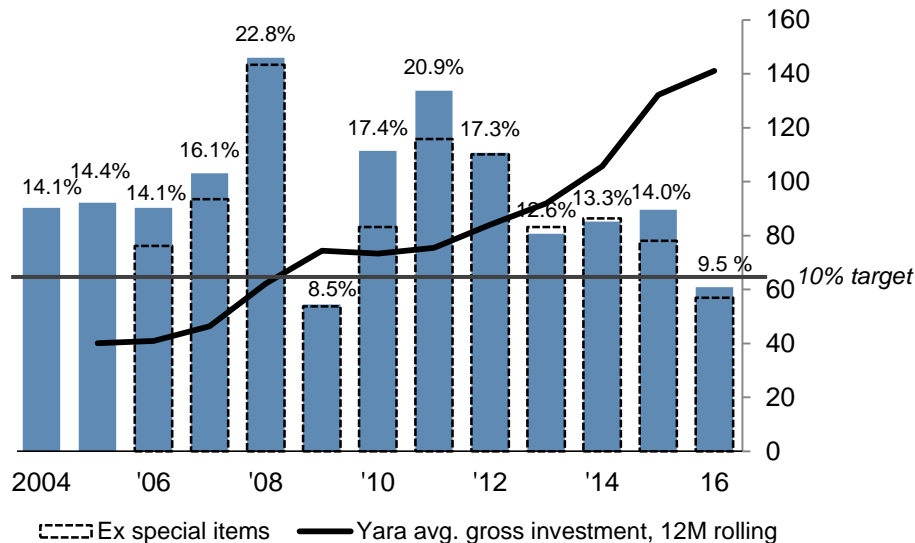
Differentiated product portfolio represents a key source of competitive edge

Fertilizer product portfolio (2016/17 season volume)



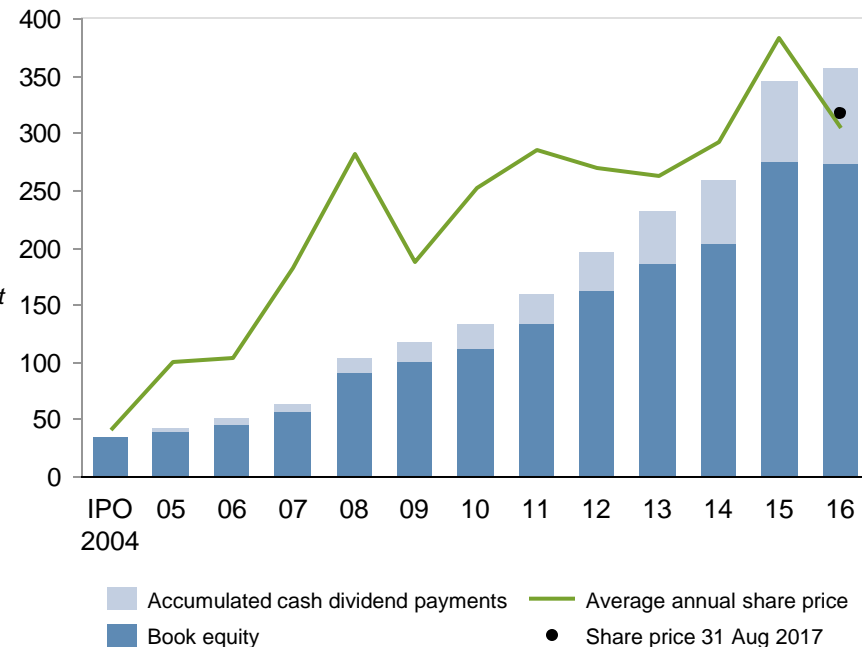
Strong growth and profitability through the cycle

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



Average annual shareholder return of 23%¹

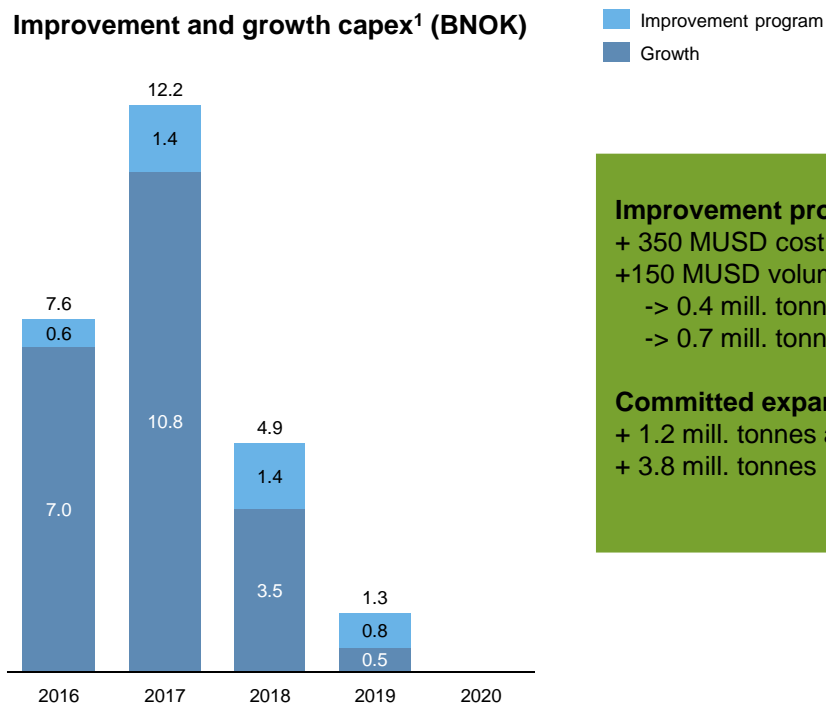
NOK/share



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

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

Improvement and growth capex¹ (BNOK)



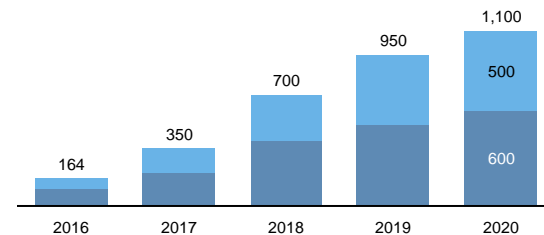
Improvement program:

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

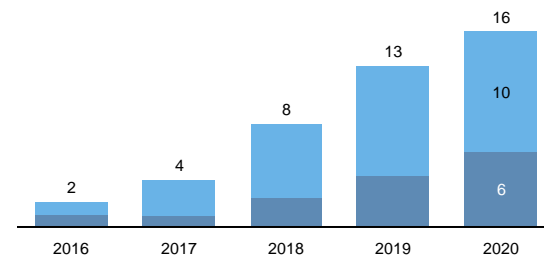
Committed expansions + M&A:

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

EBITDA improvement (MUSD)



Earnings improvement (NOK per share)

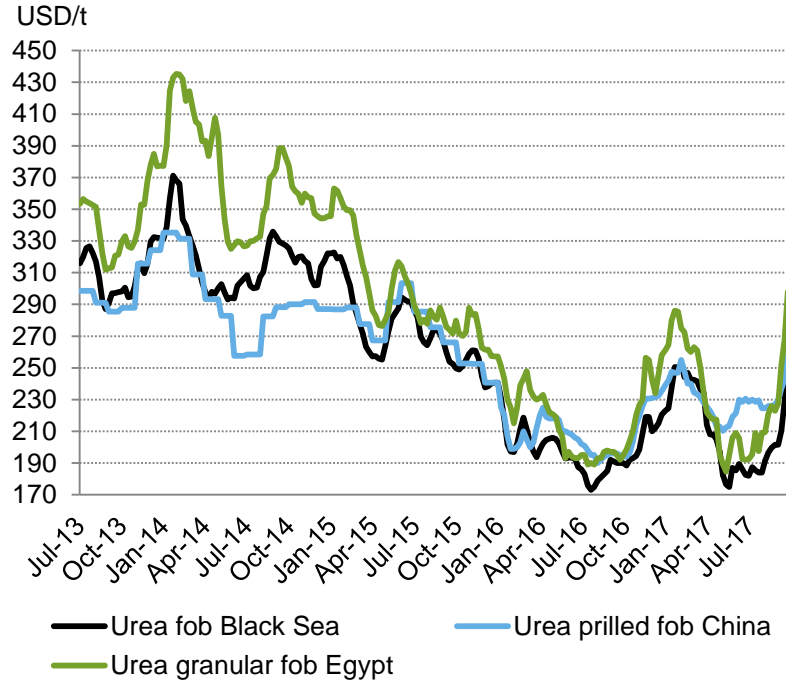


¹ Excluding maintenance capex on existing assets – see page 28. Yara's share of capex. Fully consolidated entities presented at 100% basis

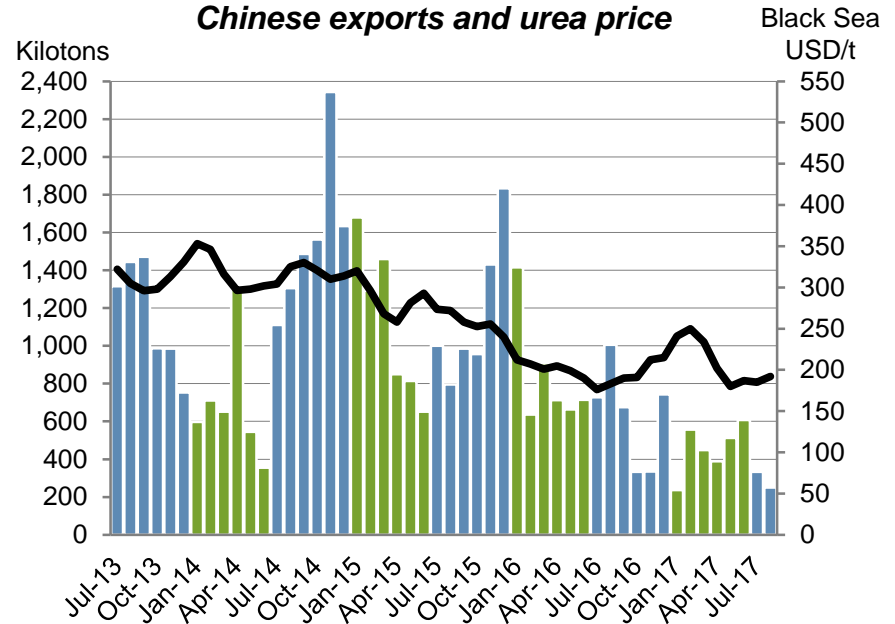
Market

Non-Chinese fob prices reduced to displace Chinese urea exports

Increasing urea pricing

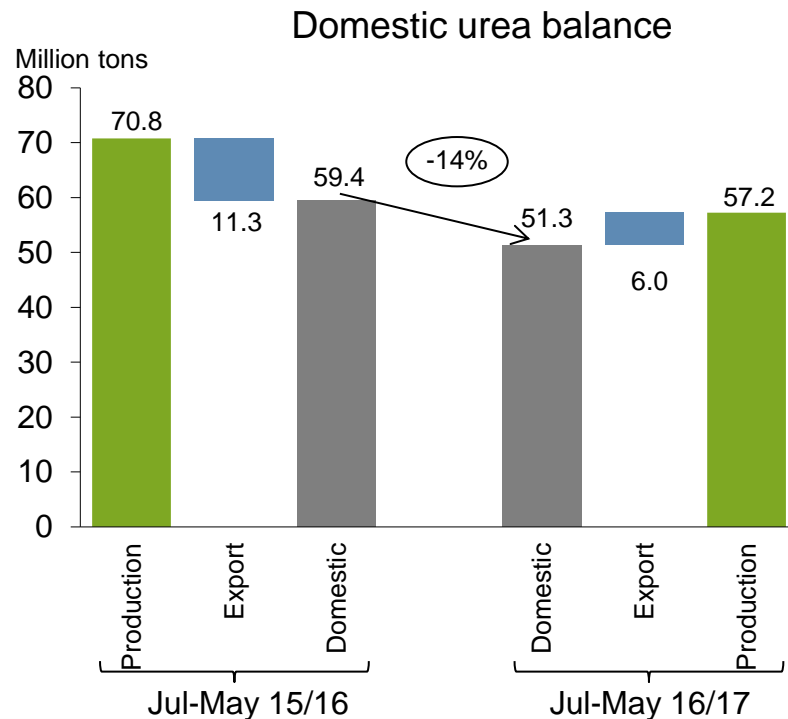
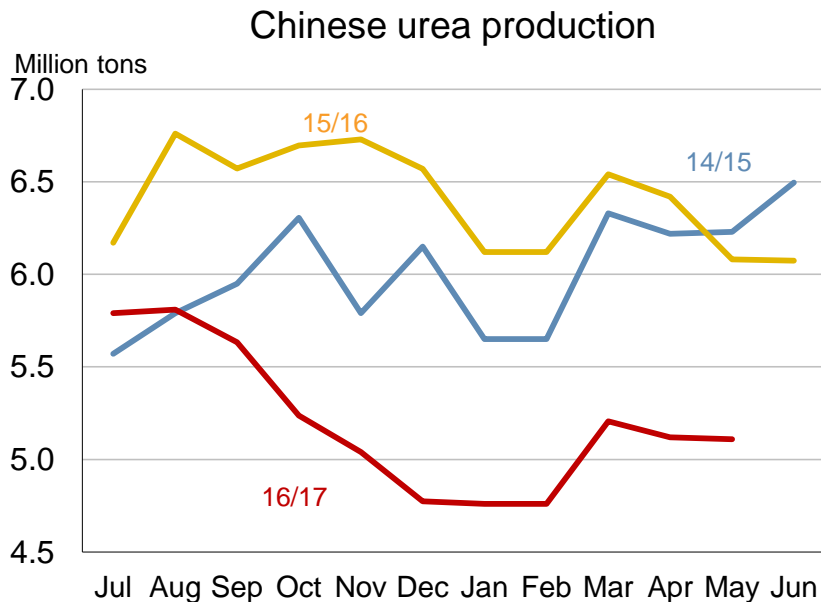


Chinese exports and urea price



Source: BOABC, CFMW

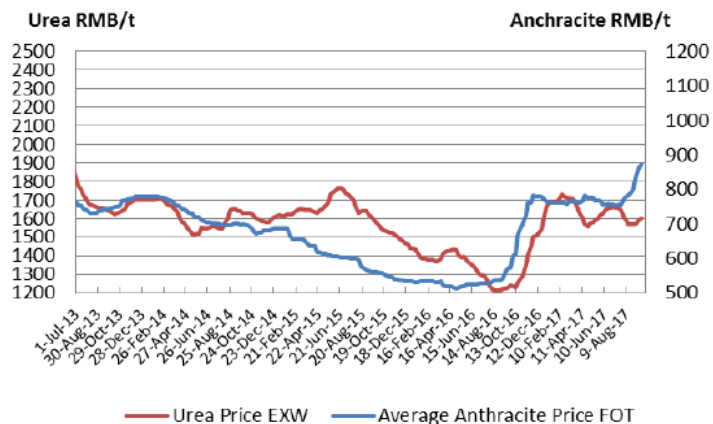
Chinese urea production suffering from increased production costs, domestic demand lower this season



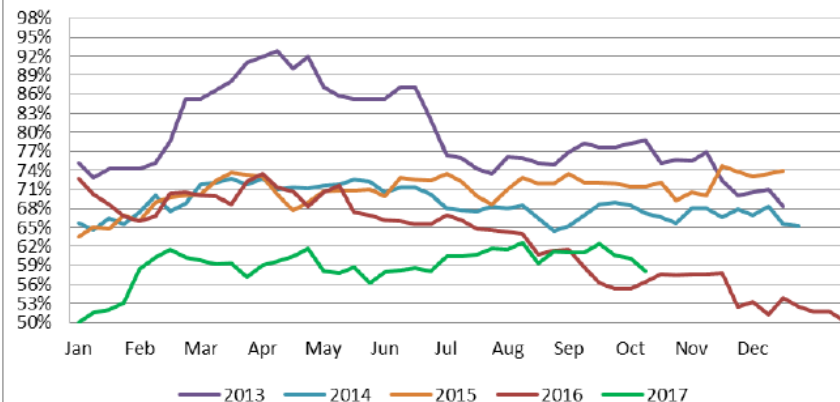
Source: CFMW

China domestic pricing and utilization

Average Price of Anthracite and Urea



Urea Plant Utilization Rate

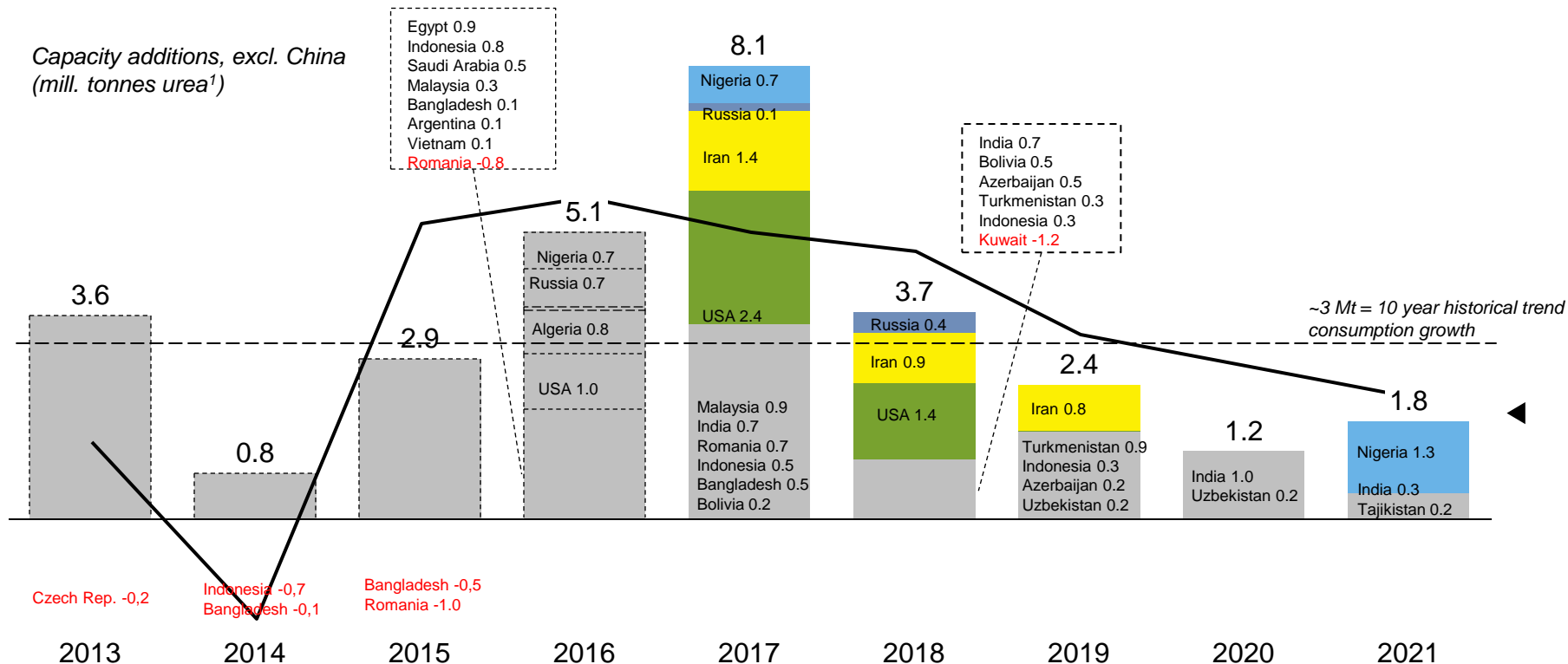


Note: The total daily capacity is based on the nameplate capacity /330days

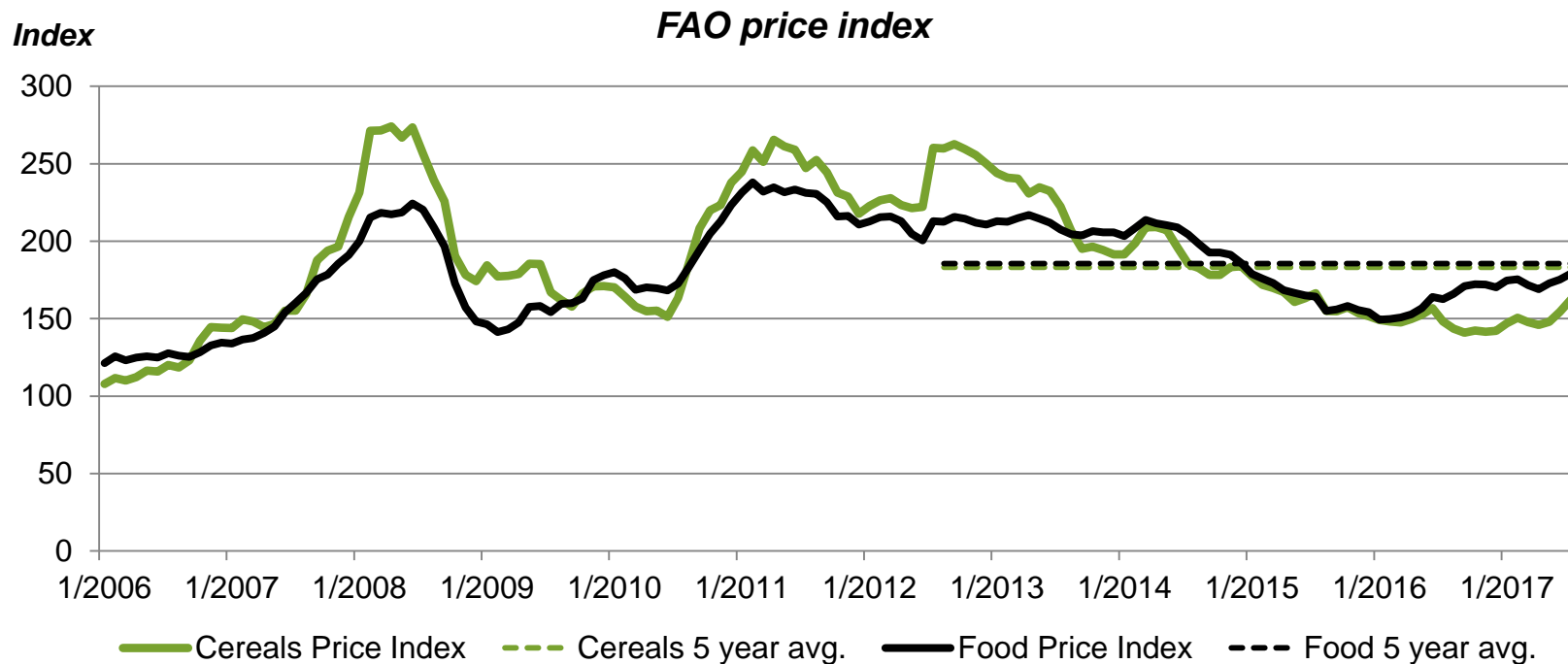
Source: CFMW

Strong urea over-supply outside China

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



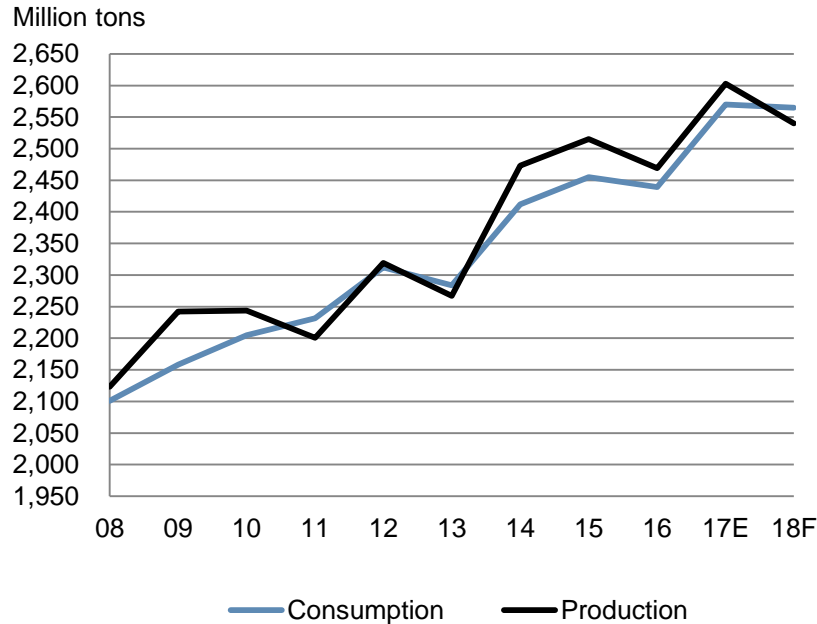
Relatively weak grain and food production economics



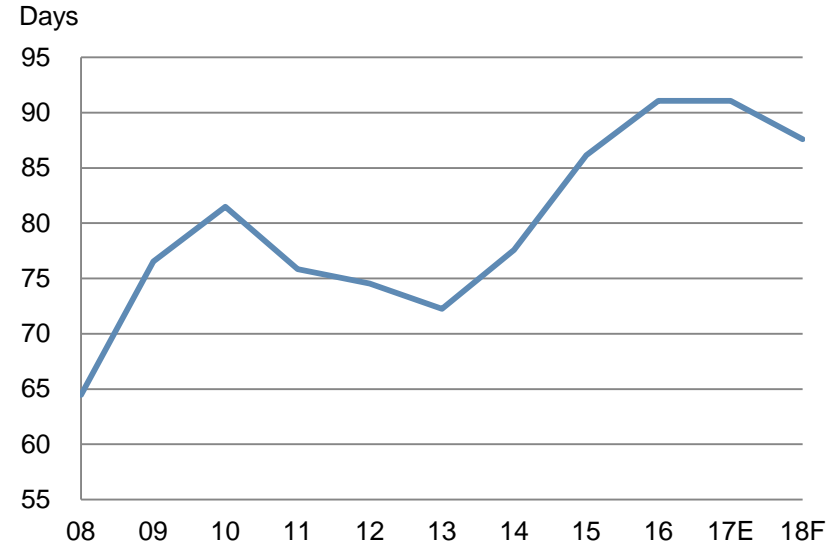
Source: FAO

Reduction in grain inventories expected for this season

Grain consumption and production



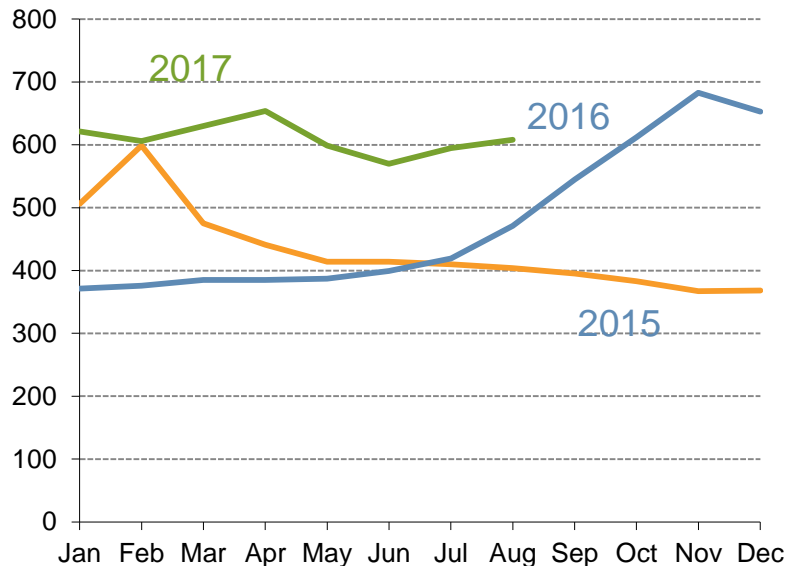
Days of consumption in stocks



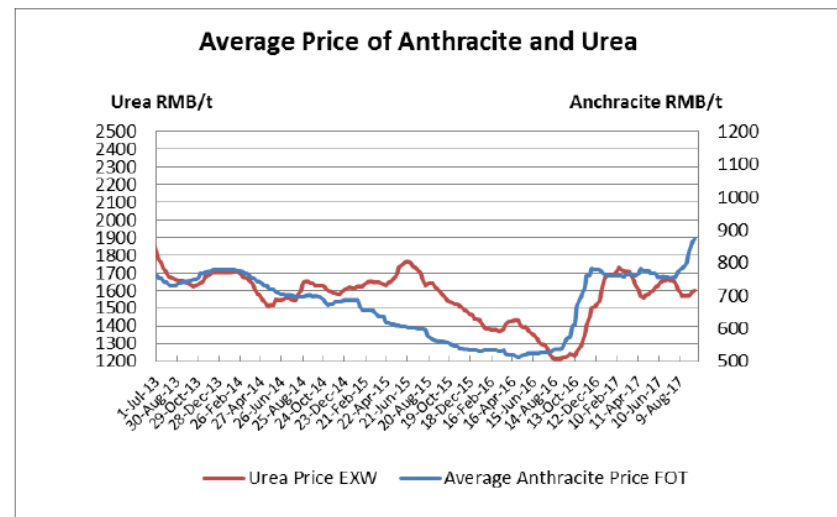
Source: USDA August 2017

China: increased coal prices drove nitrogen prices higher

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



China anthracite and urea prices (RMB/mt)

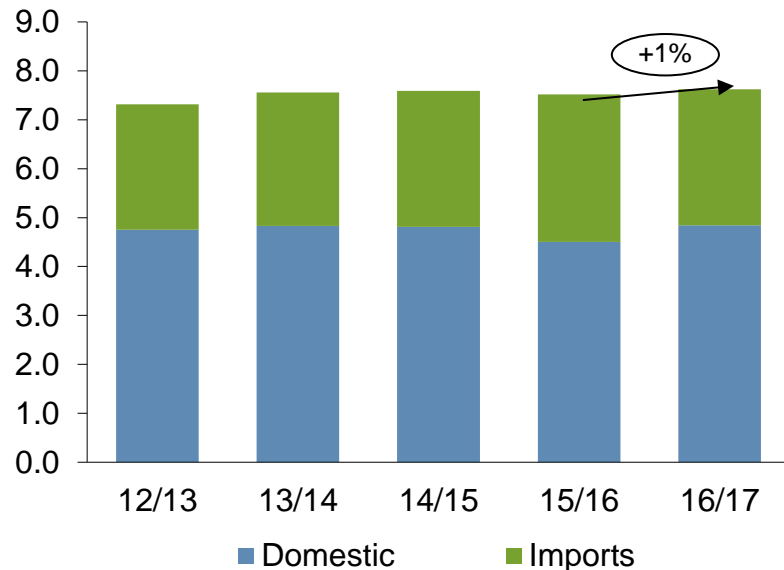


Source: IHS, CFMW

Seasonal deliveries stable in Europe, down in USA

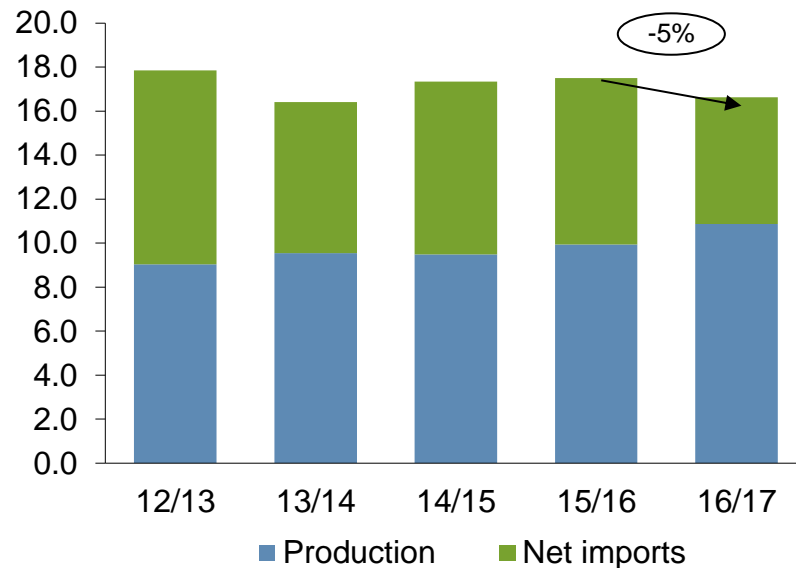
Million tons N

West Europe



Million tons N

US

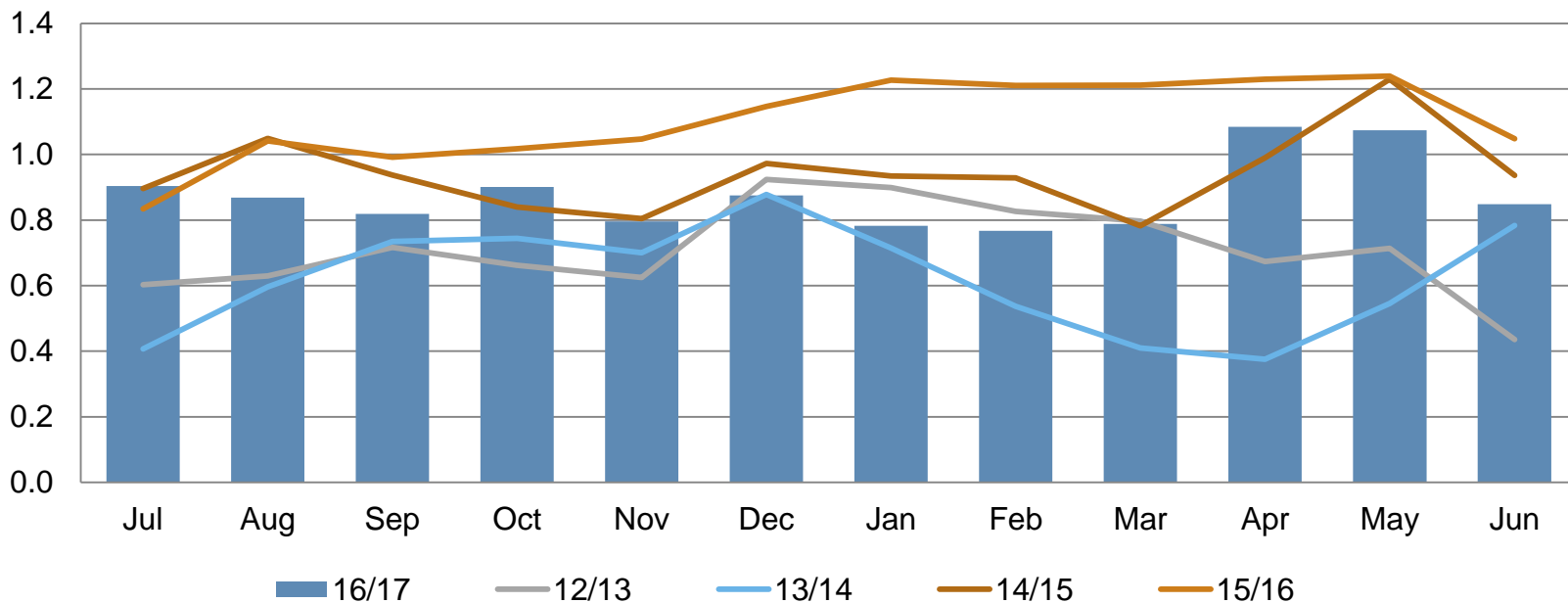


Source: Yara estimate for fertilizer deliveries to selected West European countries.

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

European producers' nitrate stocks

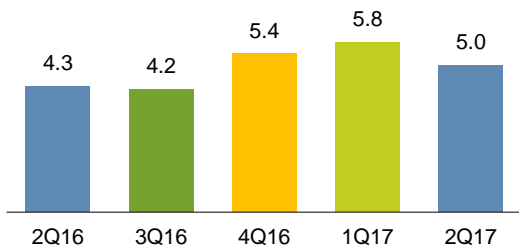
Index
June 2007 = 1



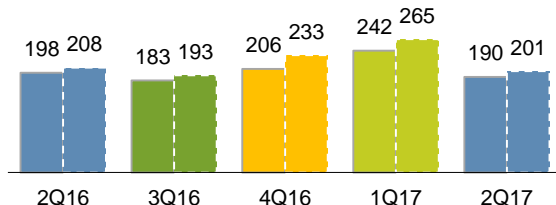
Source: Fertilizers Europe, Yara estimate for June

Key value drivers – quarterly averages

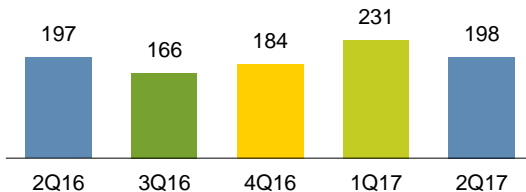
TTF day ahead (USD/MMBtu)



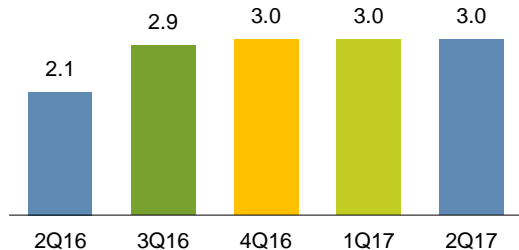
Urea prilled fob Black Sea (USD/t)/Urea granular fob Egypt (dotted line, USD/t)



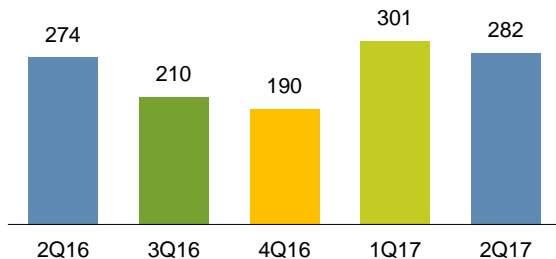
CAN cif Germany (USD/t)



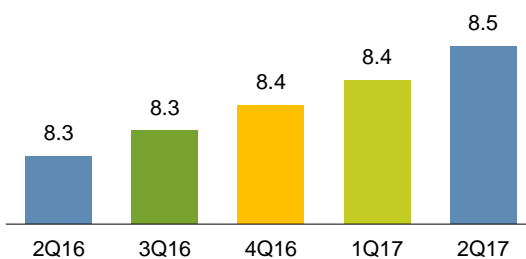
US gas price Henry Hub (USD/MMBtu)



Ammonia fob Black Sea (USD/t)

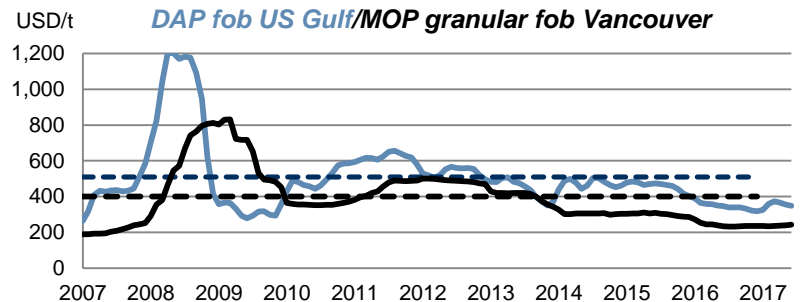
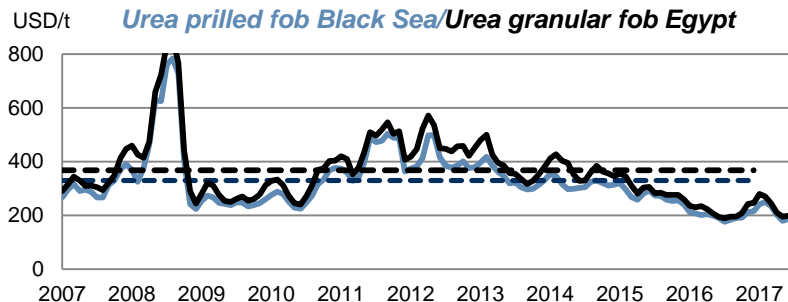
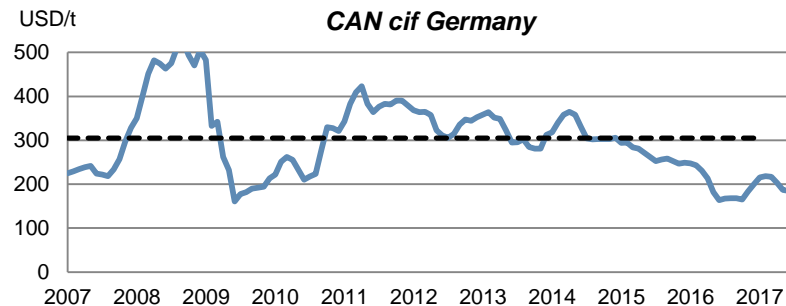
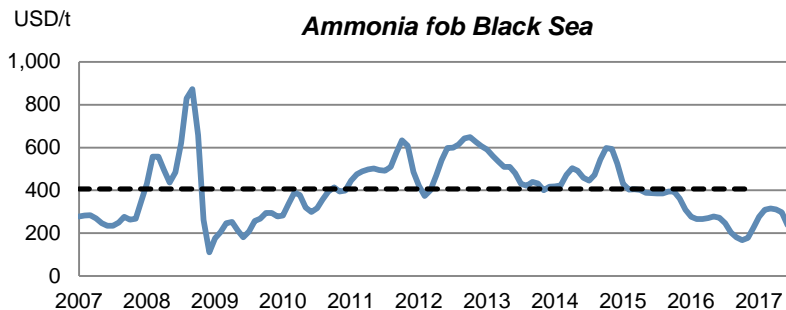


NOK/USD exchange rate



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

10-year fertilizer prices – monthly averages



--- Average prices 2007 - 2016

Growth & Improvement

Sustaining profitable growth and competitive edge within three focus areas

Organic growth and market development



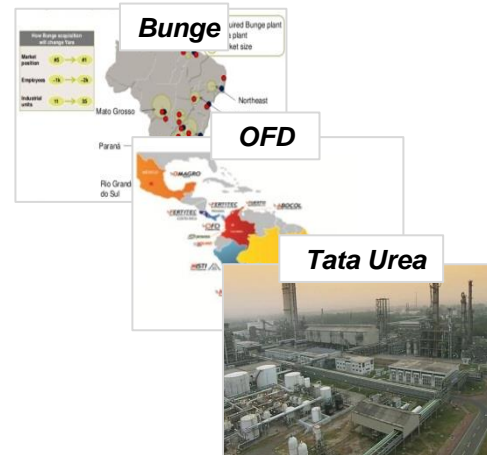
Shape the markets where we are present and grow our positions

Continuous improvement



Fit for the future and positioned for sustainable growth

Profitable step growth



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

Yara has expected commodity nitrogen over-supply, and has focused its growth pipeline on premium & industrial products

Growth focused on premium & industrial

Expand premium products sales and supply

Uusikaupunki NPK (3Q 2016)
Porsgrunn/Glomfjord CN/NPK (4Q 2017)
Sluiskil urea+S (4Q 2017)
Rio Grande NPK/NPK blends (2H 2020)

Expand commodity scale based on attractive full-cost growth opportunities

Freeport ammonia JV (4Q 2017)
Babralla urea acquisition (3Q 2017)

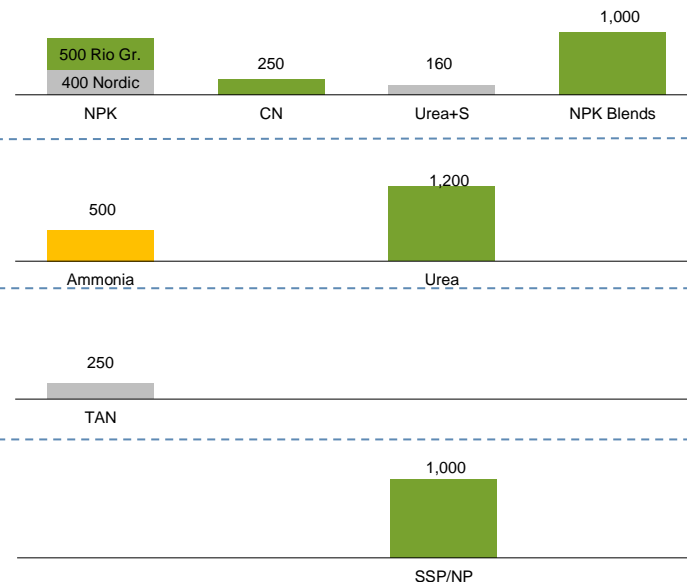
Act on attractive opportunities to grow industrial sales and supply

Pilbara – TAN (1H 2017)
Köping – TAN (2Q 2018)

Structurally secure P and K supply

Galvani / Salitre
(mining: 1Q18, chemical 4Q18)

Pipeline tonnes by product (kt)¹



Exposure to commodity nitrogen prices:

Low

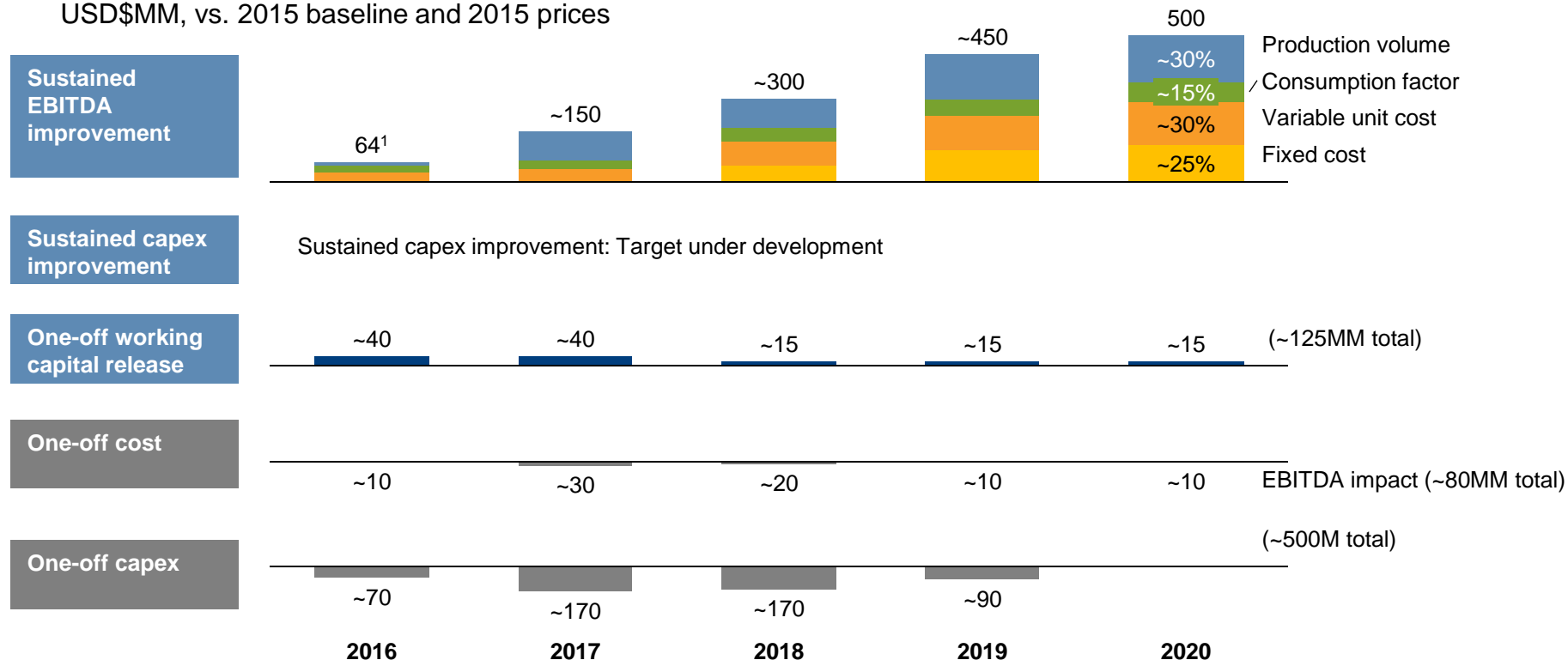
Medium

High

¹ Including Yara's share of volume in non-consolidated investees. Fully consolidated entities presented at 100% basis

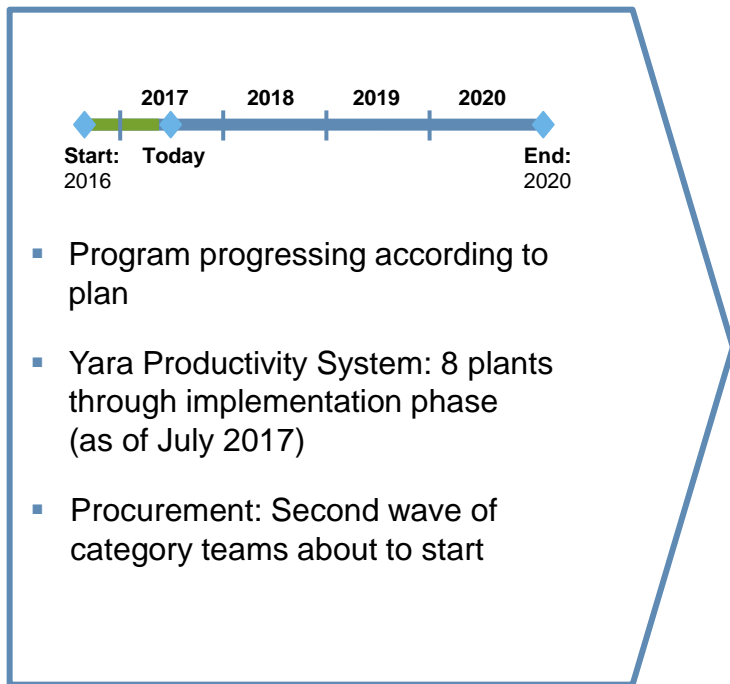
Yara Improvement Program targets sustained improvement of minimum \$500MM EBITDA, plus cash benefits

USD\$MM, vs. 2015 baseline and 2015 prices



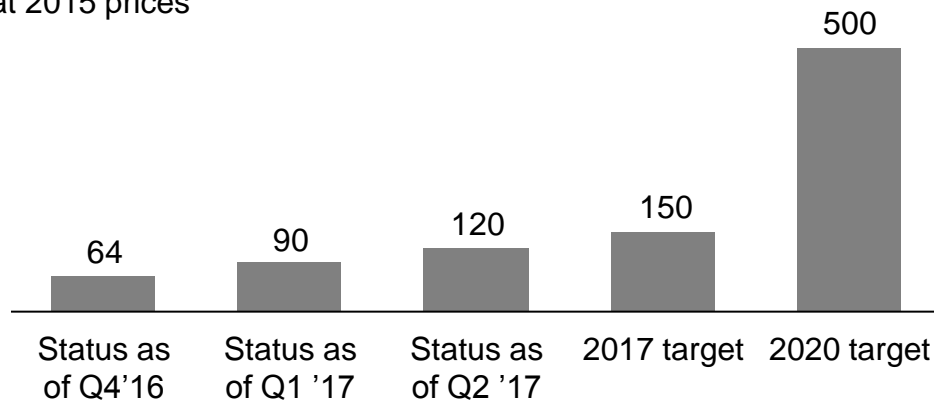
Yara Improvement Program well on track, despite plant outages

Program progress



Financial benefits

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



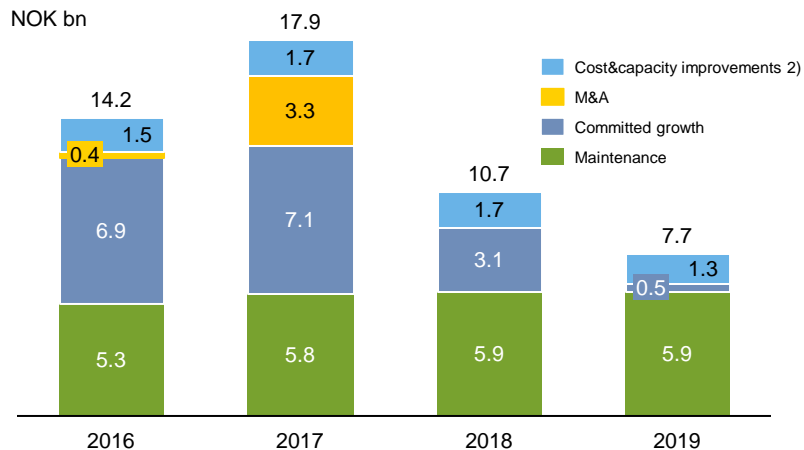
- Further \$80MM one-off cash improvement realized, primarily working capital release
- Accumulated one-off program costs: opex \$36MM and capex \$116MM

Benefits are realized through improvements to core value drivers

	Value driver	How we improve	How we know	
More for less	Volume ¹	Increase production in our existing plants by improving reliability	~400 kt additional ammonia and ~700 kt additional finished fertilizer production by 2020 ⁶	\$500MM sustained EBITDA improvement by 2020 ⁷
	Consumption factor ²	Reduce spend on consumption factors, primarily energy, through better reliability and new technology	~3 % improved energy efficiency by 2020 ⁶	
	Variable unit cost ³	Leverage global scale, apply advanced category management and collaborative procurement approaches	Reduced spend in direct and indirect categories	
	Fixed cost ⁴	Increase focus on standardization and realizing scale benefits	Reduced spend on fixed costs in production and support functions	
	Cash effects ⁵	Capex: Increased standardization, more focus on execution strategy and capability building in the organization Working capital: Better targets and training	Capex: Lower spend for the same project portfolio Working Capital: Reduced inventory and credit days	
Added value	Commercial effects	Profitable growth of value added products through more targeted offerings and sales channels development	Volumes and margins enhancement	

Growth and capex pipeline

Capex plan¹



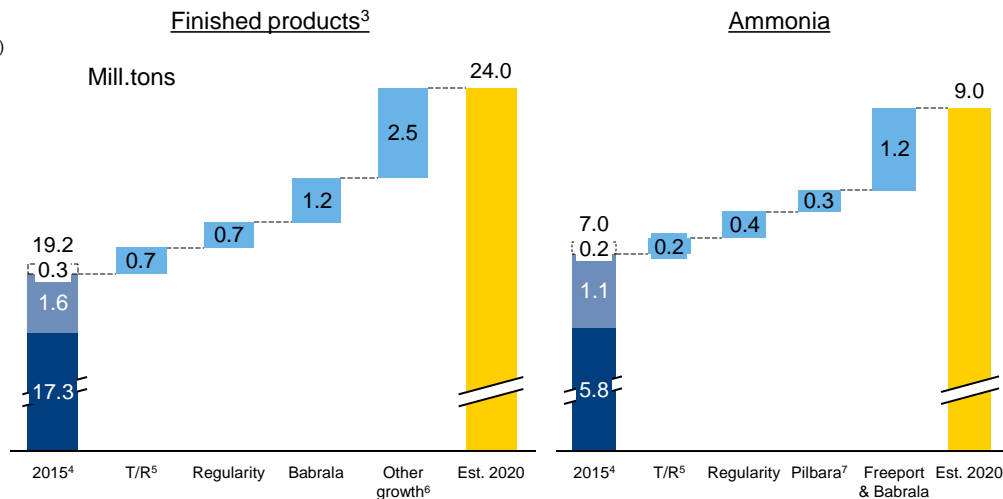
Committed growth (NOK bn):

Porsgrunn	1.2	0.8	-	
Köping	0.4	0.5	0.2	
Sluiskil	0.7	0.8	0.0	
BASF JV	1.6	0.9	0.5	
Rio Grande	0.1	1.6	0.5	0.5
Salitre	0.8	2.1	1.8	
Other projects	2.1	0.3	0.1	
Total	6.9	7.1	3.1	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

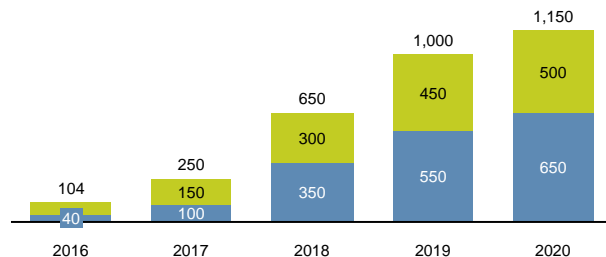


GrowHow UK (divested mid-2015)
 Yara-operated
 Yara's share of Qafco & Lifeco

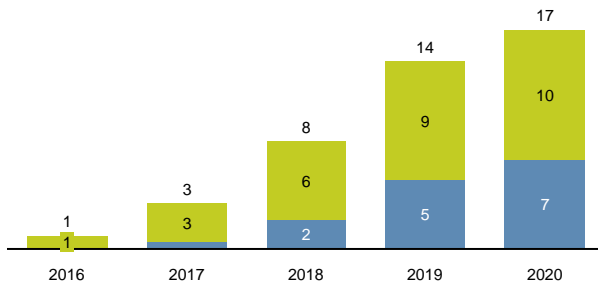
- 2) Rio Grande expansion also adds 1 million tonnes NPK blends by 2020
- 3) Finished fertilizer and industrial products, excl. bulk blends
- 4) Including Yara share of production in non-consolidated investees
- 5) Adjustment to normalized / 2016 turnaround level
- 6) Committed projects only. TAN Pilbara: 160 kt, Porsgrunn: 235kt, Glomfjord: 105kt, Uusikumpi: 250kt, Köping: 90kt, Sluiskil: net 160kt, Galvani (Salitre ~ 1 mill.tons), Rio Grande: 500kt
- 7) Including 100% ownership in Pilbara NH₃ plant

Improvement and growth investments; earnings and sensitivities

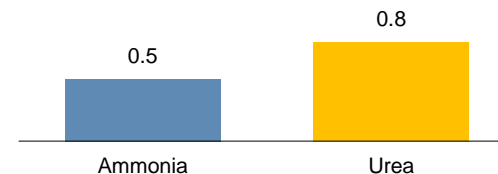
EBITDA improvement¹ (MUSD)



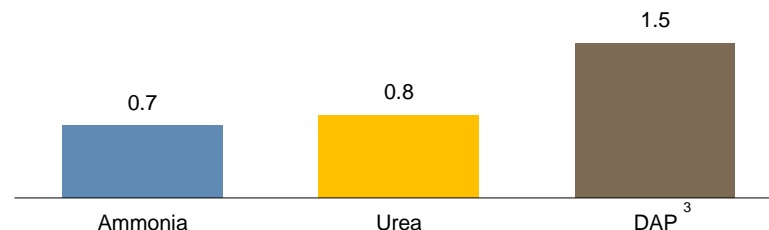
Earnings improvement¹ (NOK per share)



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



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

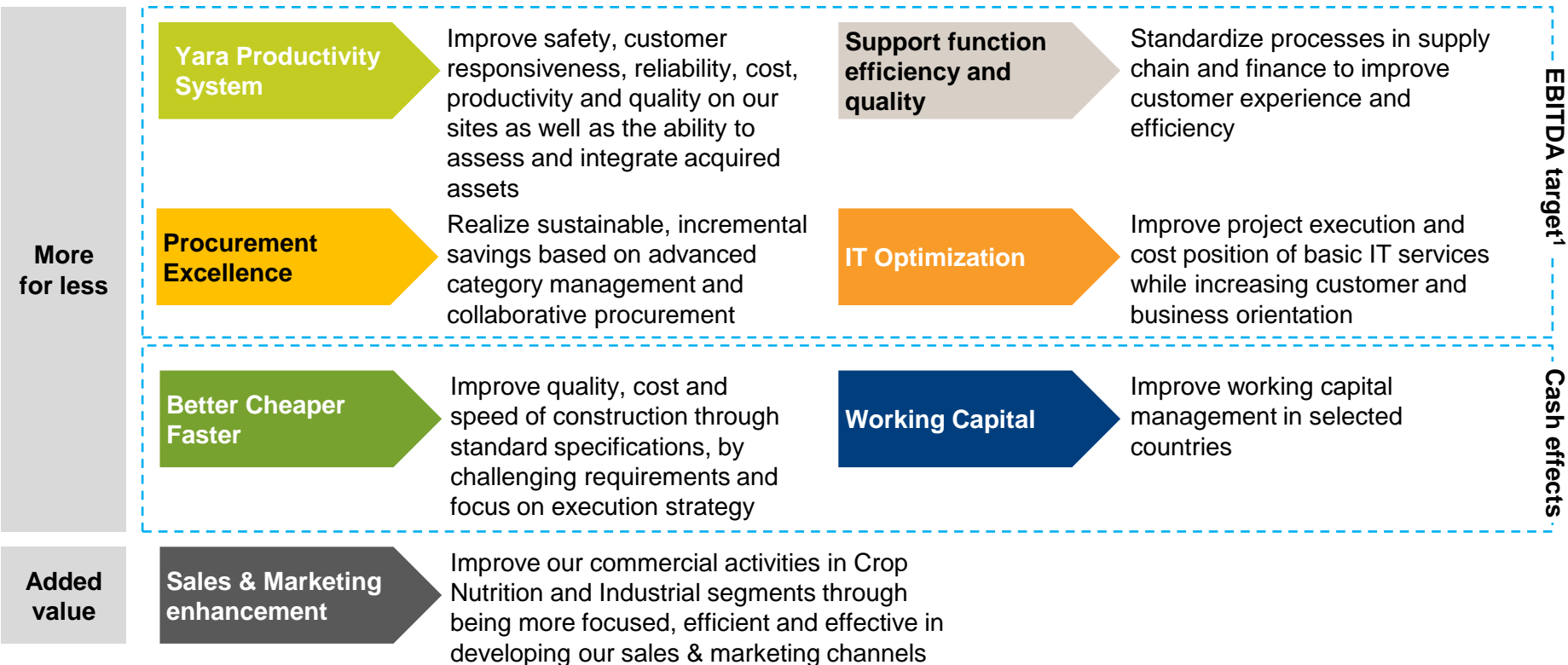


¹ Measured at 2015 conditions. Main average market prices: Ammonia fob Yuzhny 390 USD/t, Urea fob Yuzhny 275 USD/t, DAP fob Morocco 495 USD/t.

² Improvement: 2020 numbers. Growth: At full capacity (2019 for urea and ammonia, 2020 for DAP).

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

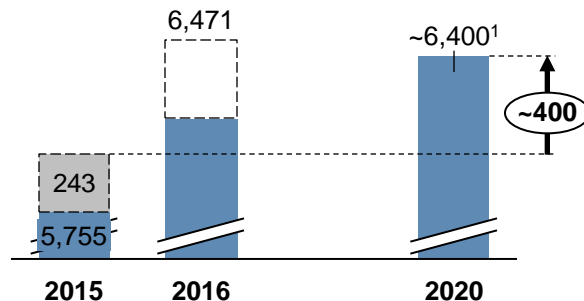
The improvement program is organized into concrete projects across the company



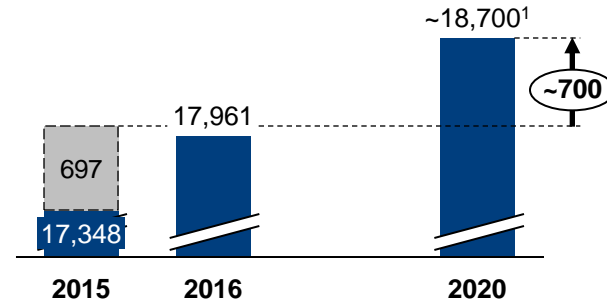
Volume and energy consumption improvement targets

Production volume

Ammonia production,
thousand tonnes

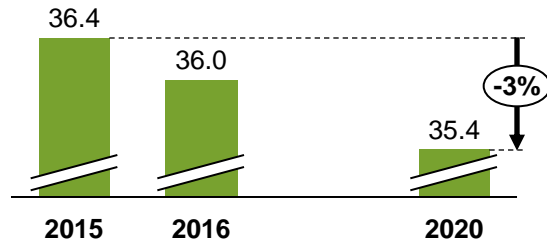


Finished fertilizers production,
thousand tonnes



Consumption factor

Energy consumption,
Mmbtu (HHV²) per tonne Ammonia
(weighted average)

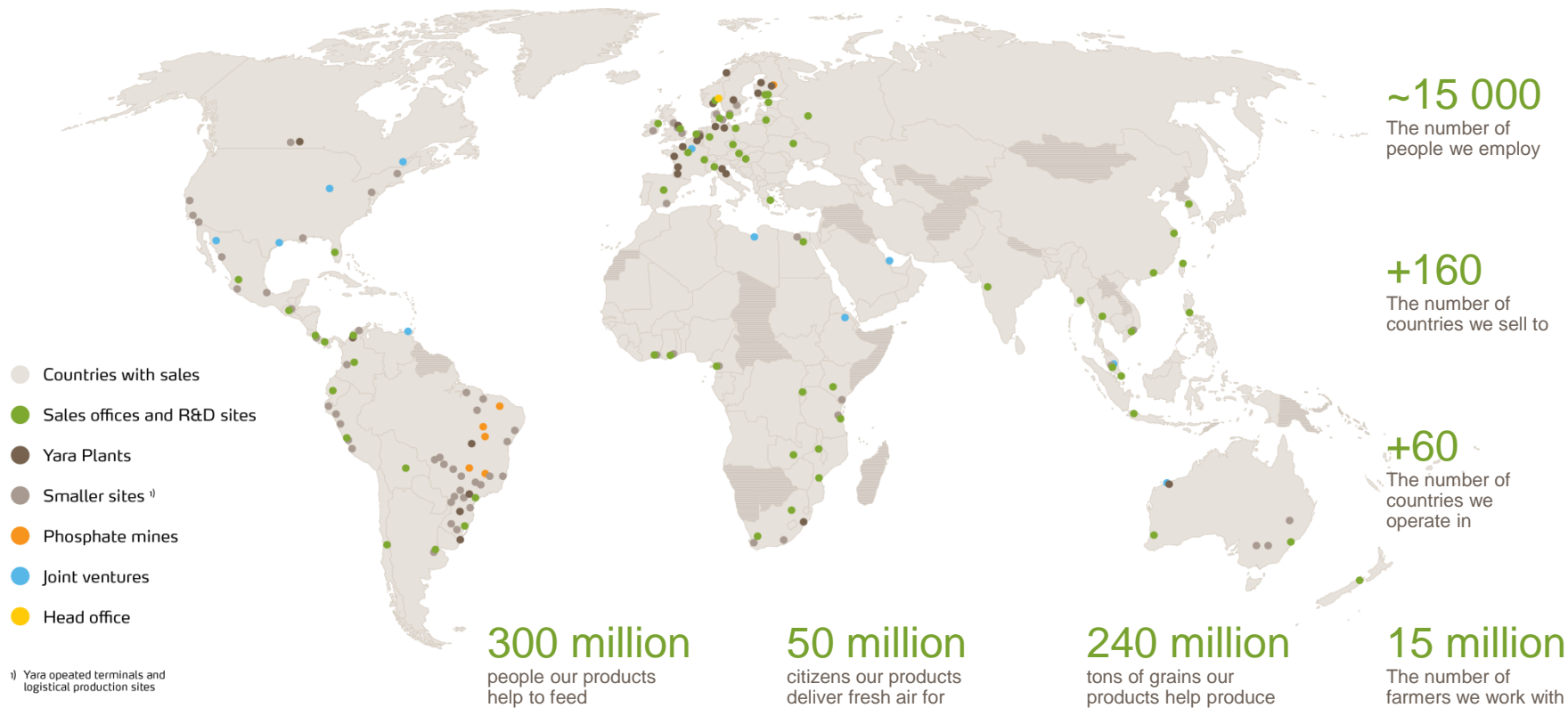


- Ammonia production (excl. pipeline growth)
- Finished fertilizers production
- Adjustment to normalized / 2016 turnaround level
- Pilbara acquisition effect (last 49%)
- Improvement program target

Note: Volume and energy targets are not final; they are subject to change as additional plant assessment deep-dives are completed

Business model and strategy

Our global presence is unique within our industry

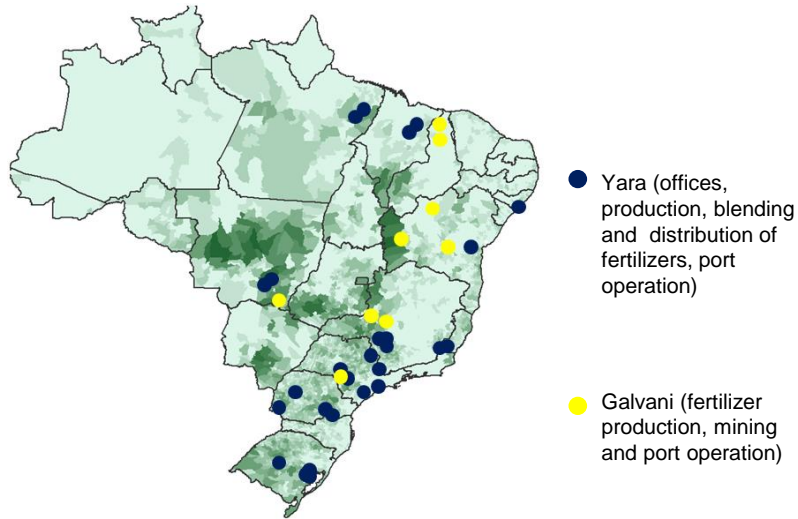


Strategy execution is focused on improving our Competitive Edge



Integrated business model at work in Brazil: combining differentiated product portfolio with strong market presence

Unrivalled presence: 28 sites in 11 states

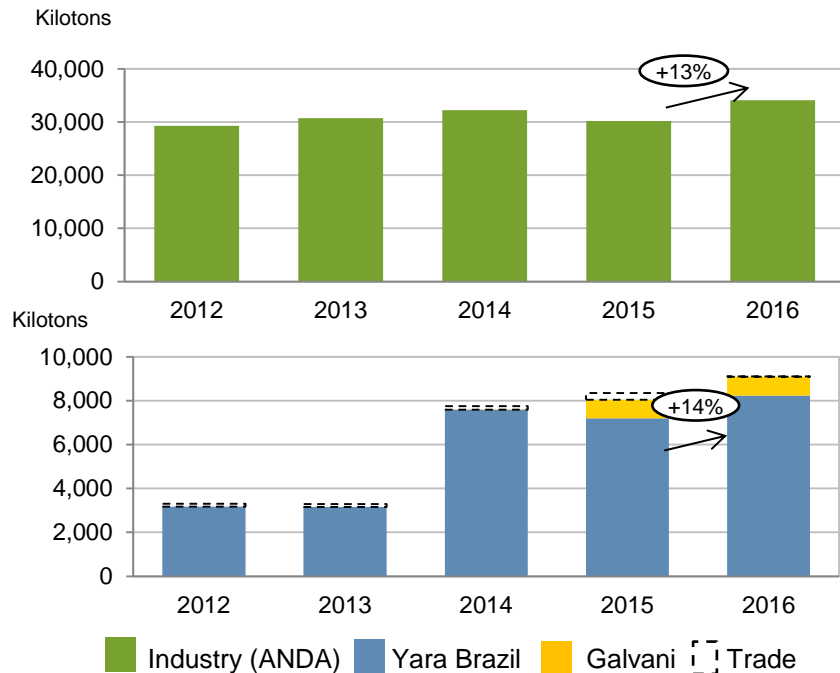


Farmer-centric strategy drives growth

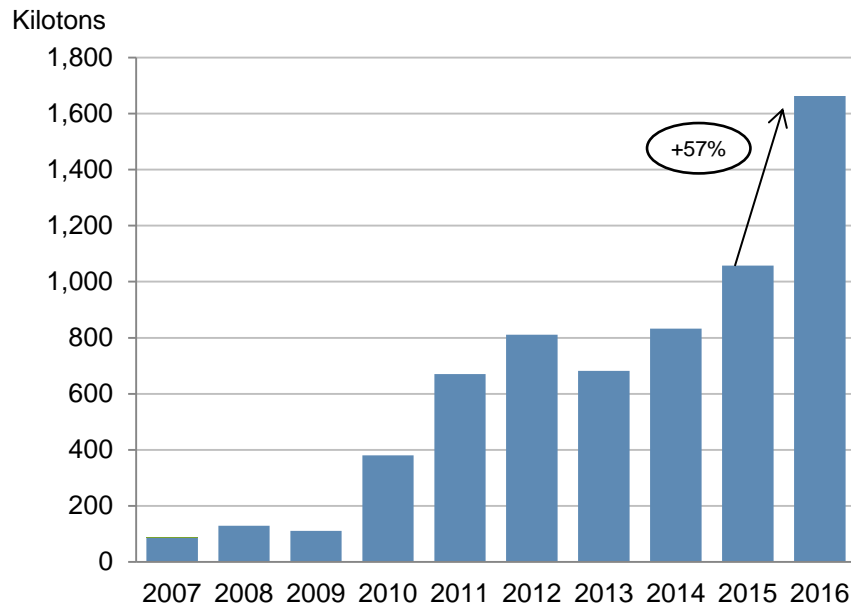
- > 20,000 growers using Yara solutions
- > 200 Yara agronomists and 600 sales representatives
- > 55% of Yara deliveries are direct to farmer
- > 55,000 interactions with growers p.a.

Brazil: focus on premium products and solutions drives growth

Brazil 2016 fertilizer deliveries

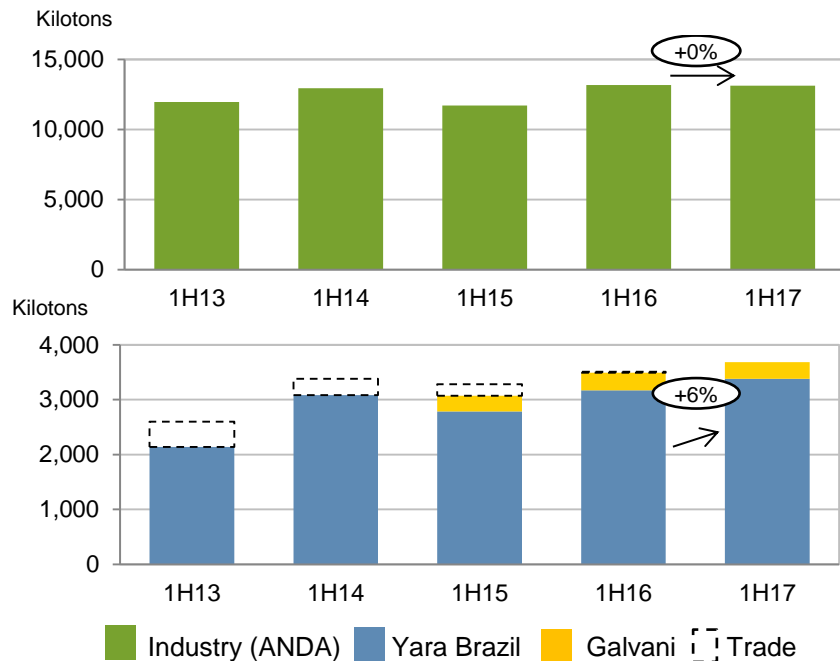


Yara premium product deliveries

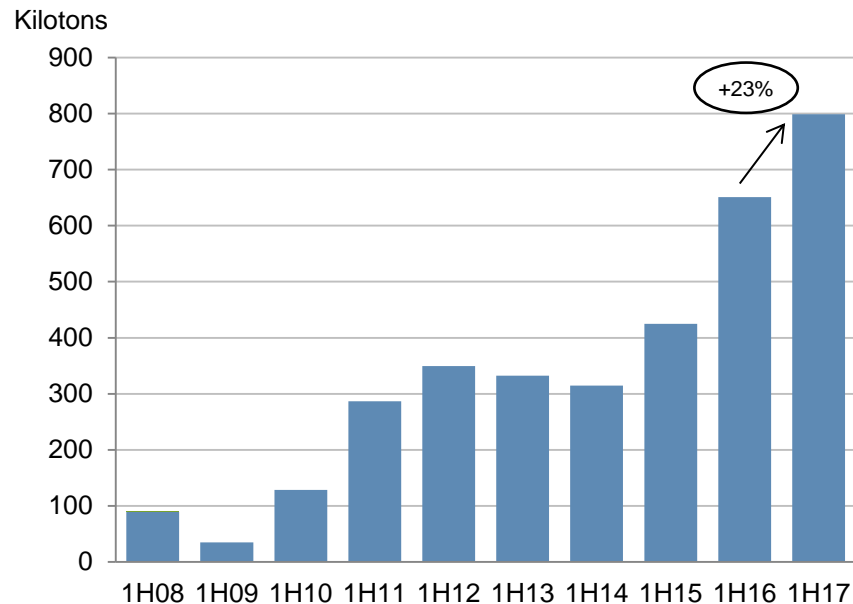


Brazil: continued growth into 2017

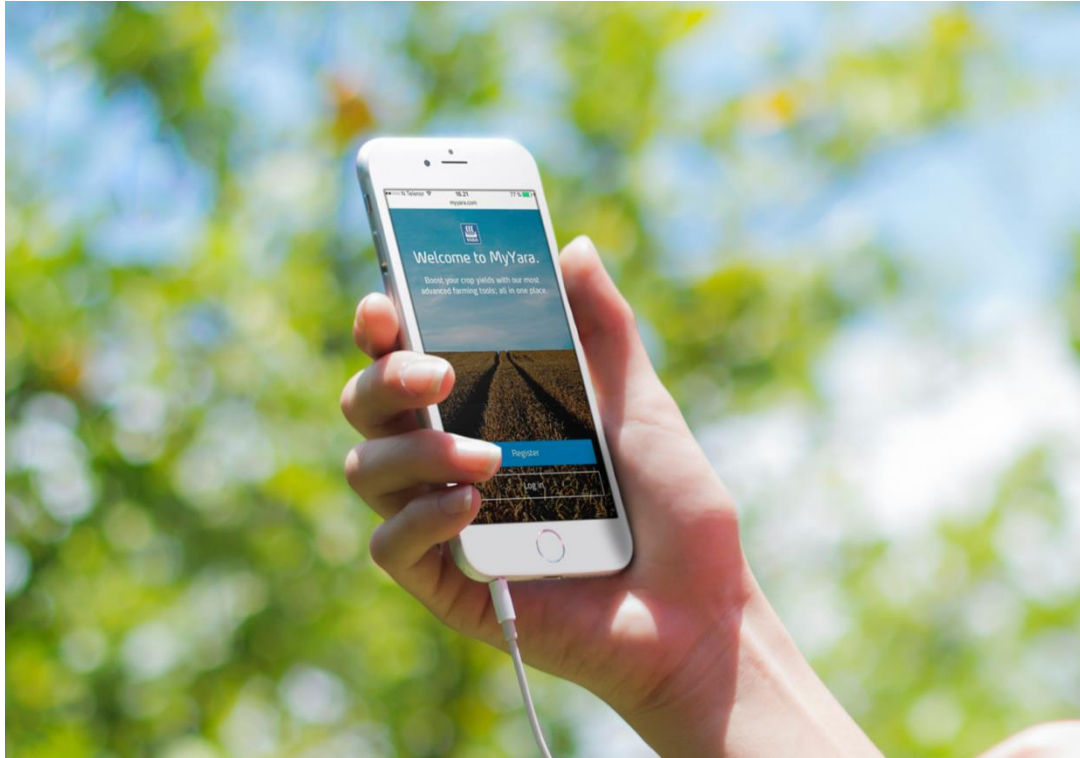
Brazil season-to-date (1H) fertilizer deliveries



Season-to-date premium product deliveries



Digital Farming: Yara to step up its investment in digital farming solutions



Financial

Financial discipline and active risk management guides our strategy

Financial Policy

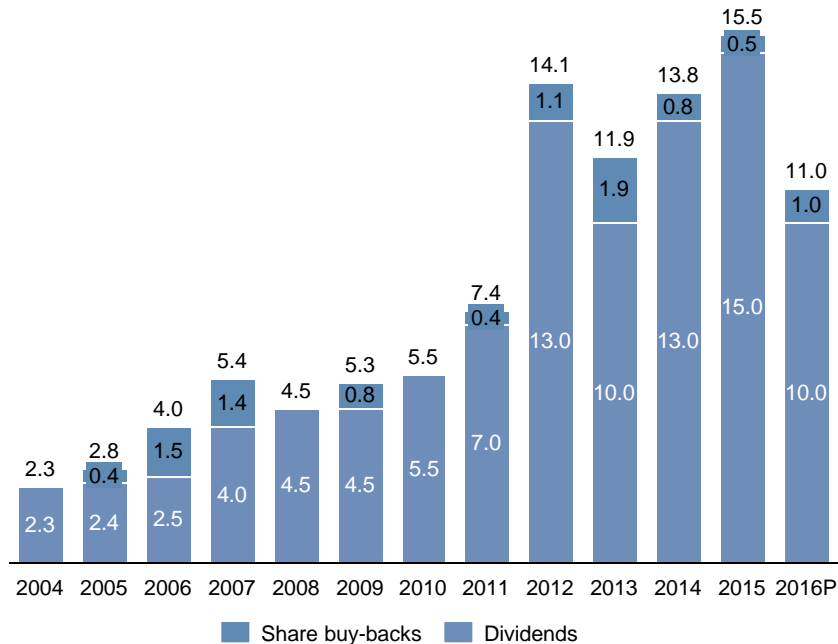
- **Financial discipline will be the basis for the development of Yara's global leadership position**
- **Total cash return to shareholders expected to average 40-45% of net income over the business cycle**
 - Ordinary dividend a minimum 30% of net income over the business cycle
 - Share buyback will constitute the rest

Financial Targets

- **Long-term credit rating target**
 - Mid investment grade (minimum Baa2/BBB)
- **Relative competitiveness**
 - EBITDA/Total assets in best quartile of peers
- **Solid profitability**
 - CROGI over the cycle > 10% as average
- **New investment profitability**
 - Hurdle rate: IRR nominal, after tax > 9%

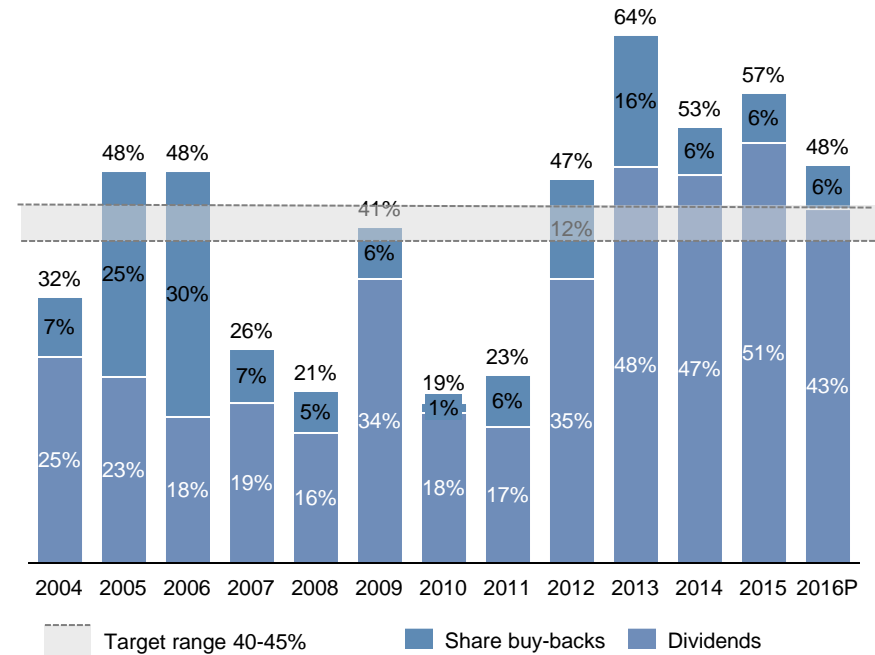
Cash return target range 40-45% of net income

Dividend and buy-backs¹ per share

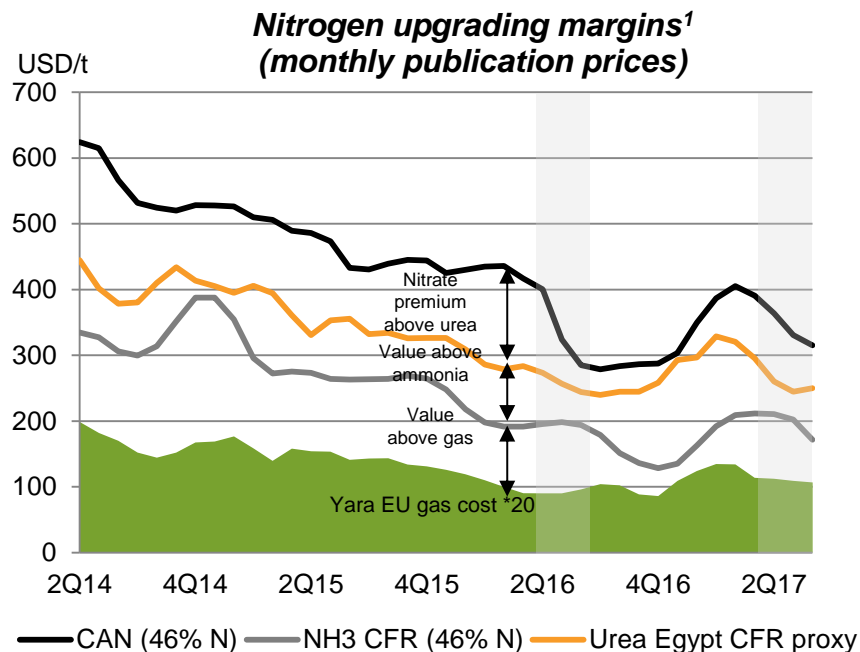


1) Number of shares based on the number of shares receiving dividend

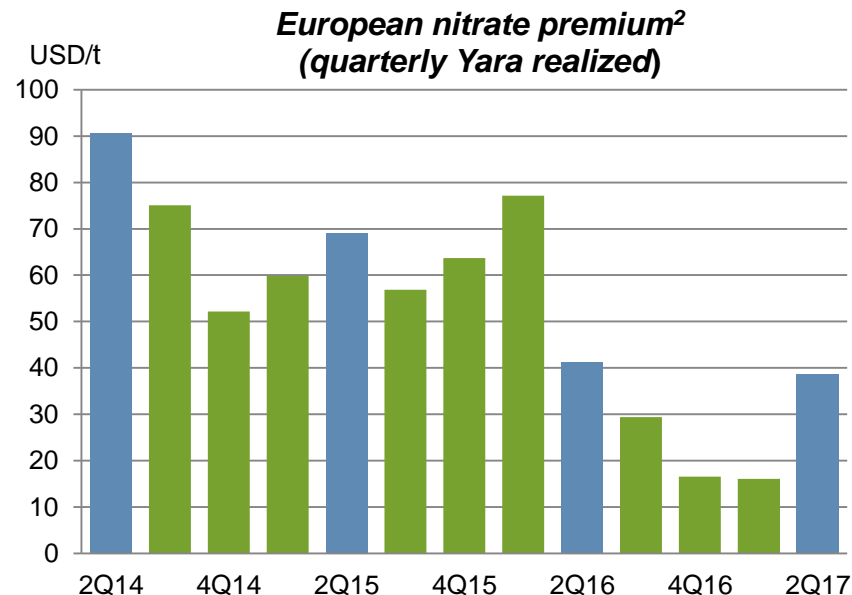
Share of net income



European nitrate premiums

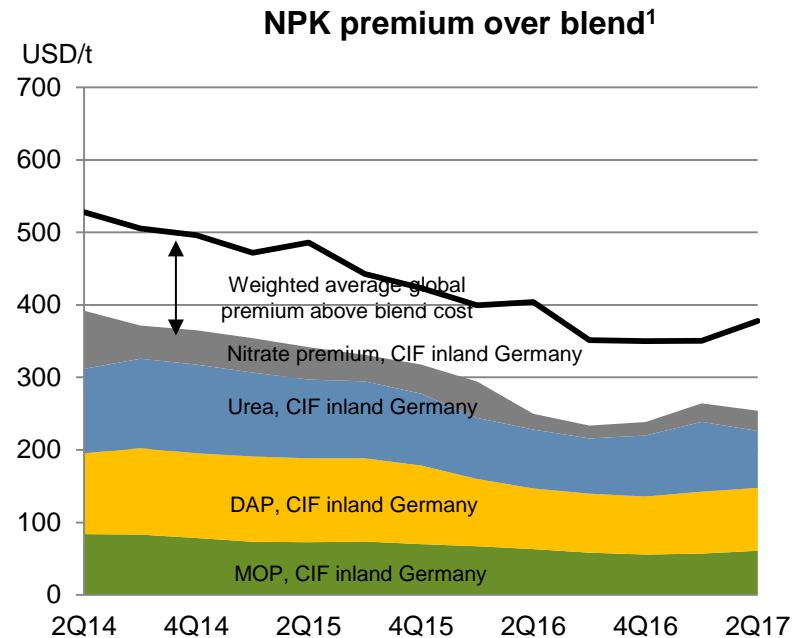
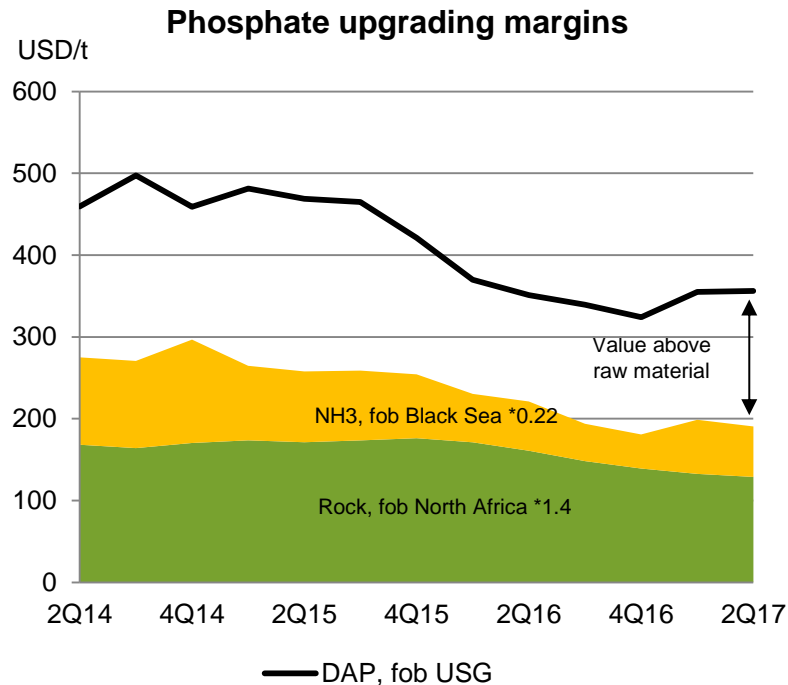


1) All prices in urea equivalents



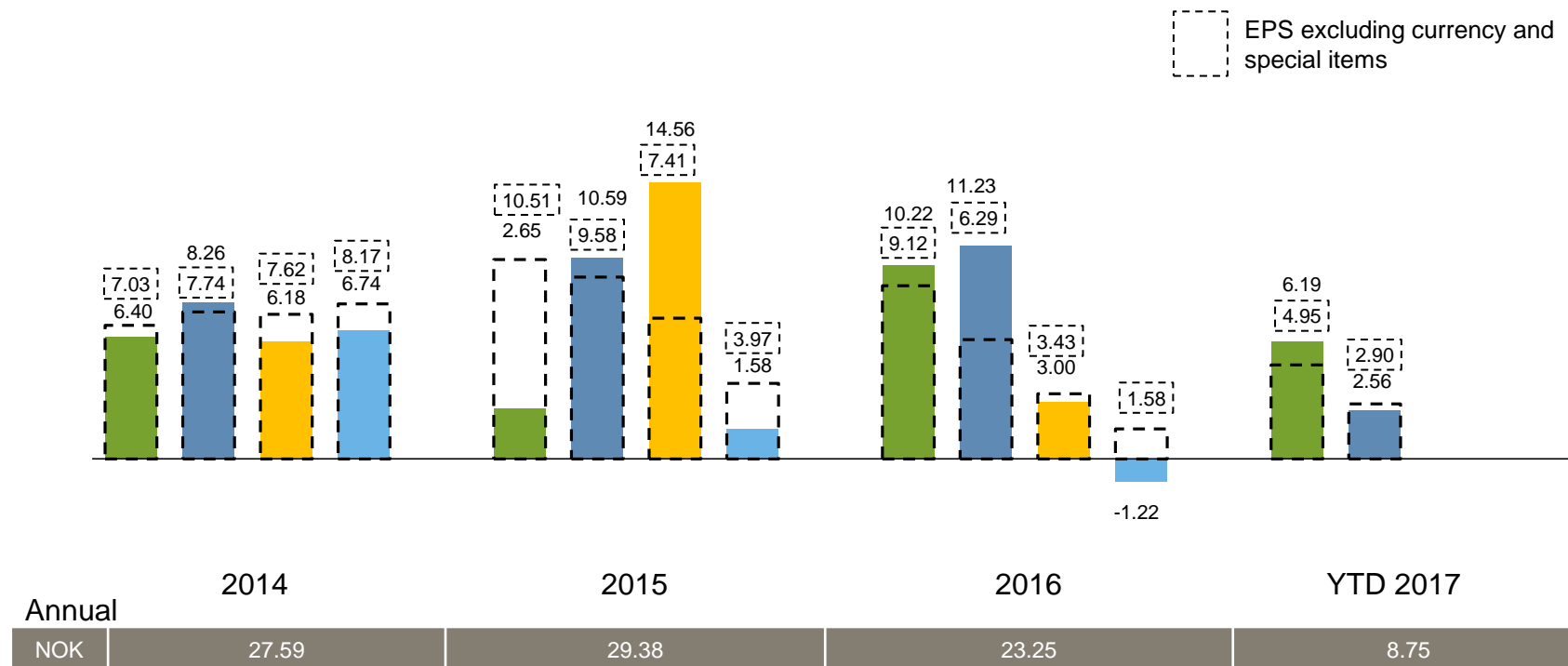
2) Yara European realized nitrate prices (excl. sulphur grades) compared with urea publication prices (Egypt CFR proxy) with 1 month time lag. All numbers in USD per tonne of CAN equivalents.

Phosphate upgrading margins and compound NPK premiums



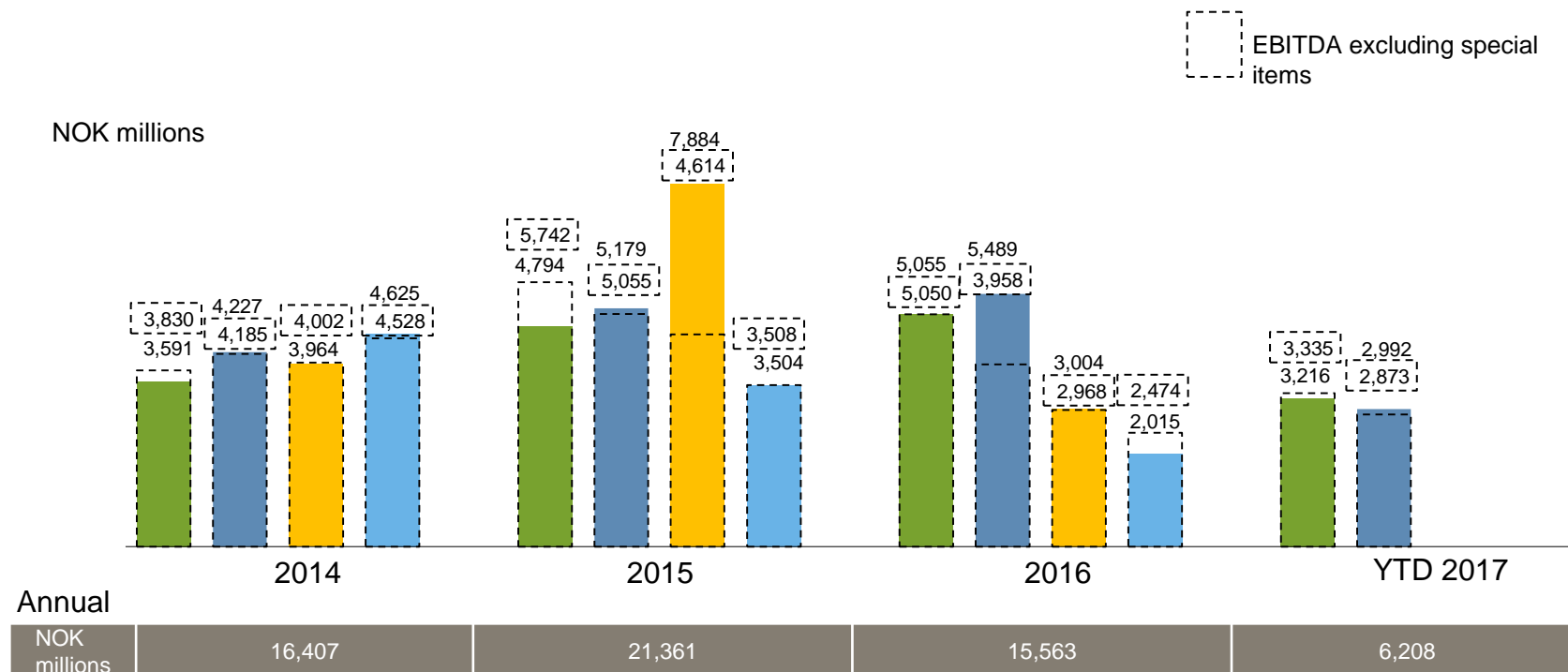
1) Export NPK plants, average grade 19-10-13, net of transport and handling cost.

Earnings per share*



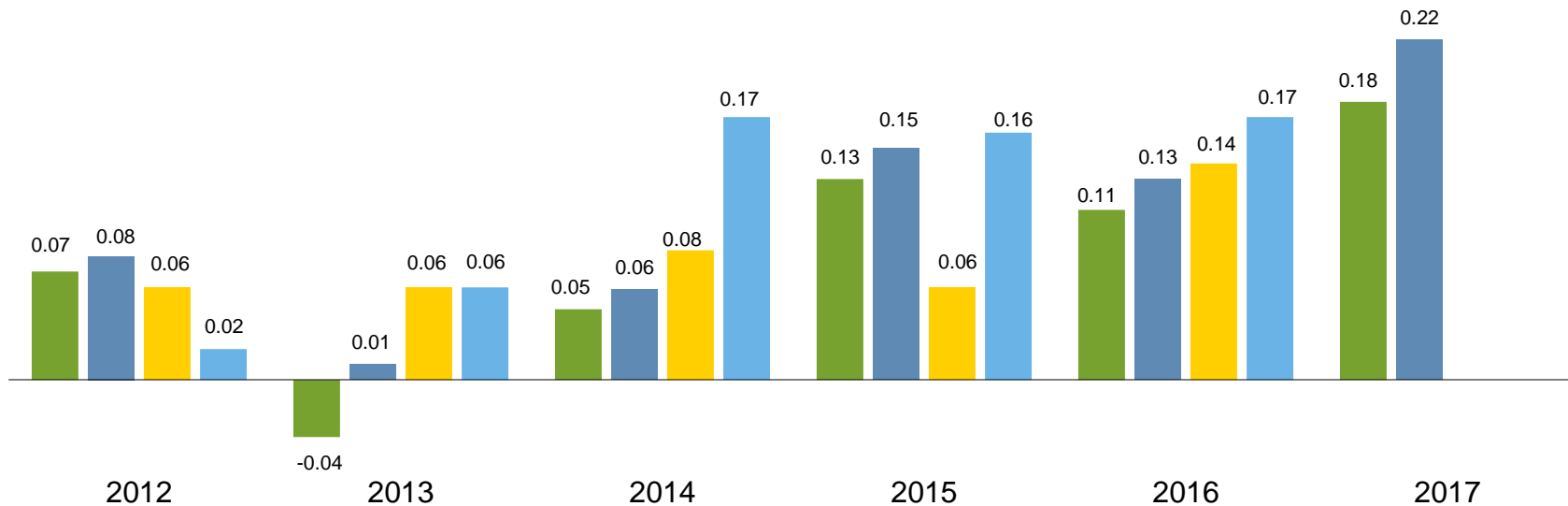
*Average number of shares for 2Q 2017: 273.2 million (2Q 2016: 273.5 million).

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



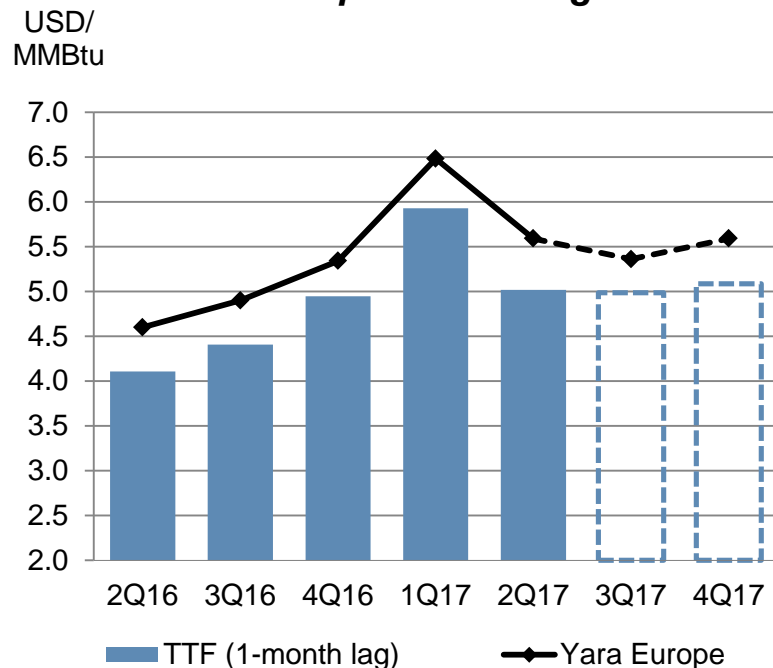
Debt/equity ratio

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



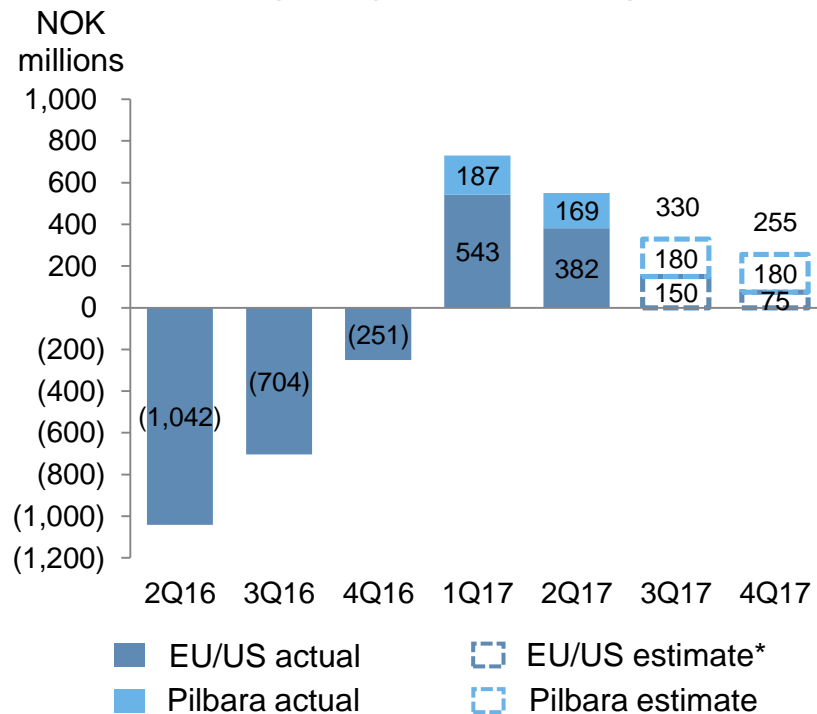
Natural gas cost

Yara European natural gas cost



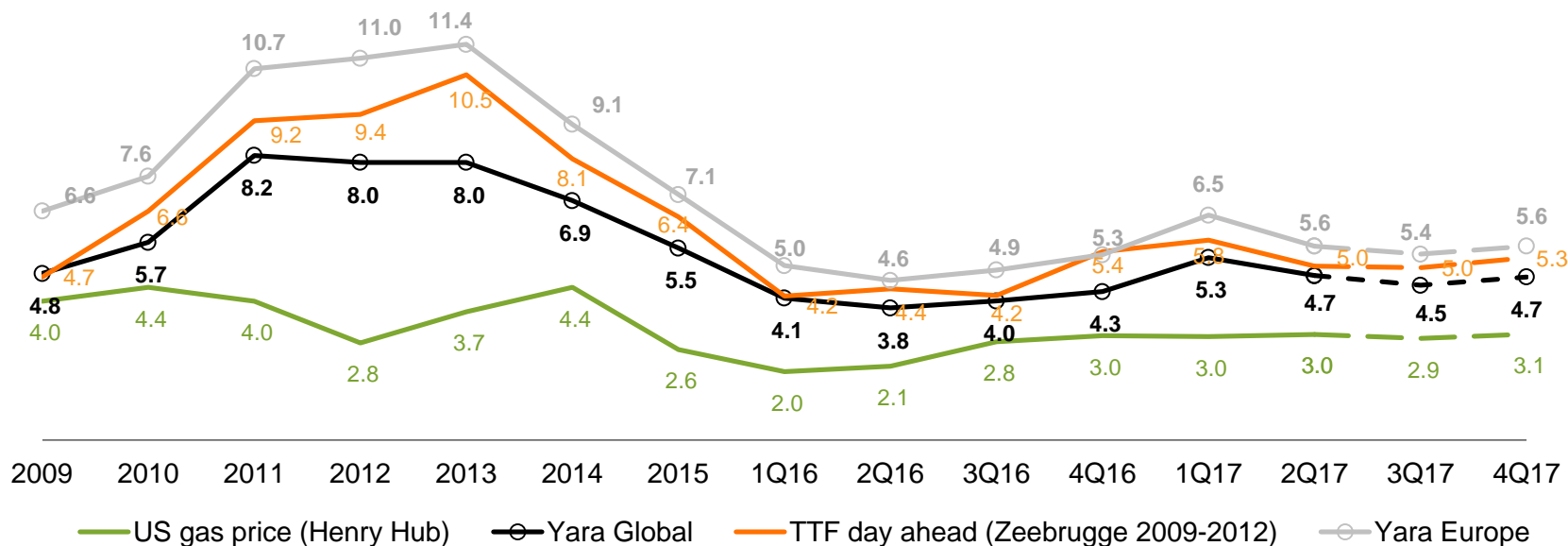
*Dotted lines denote forward prices as of 10 July 2017
Source: Yara, World Bank, Argus/ICIS Heren

Change in global natural gas cost



Energy cost

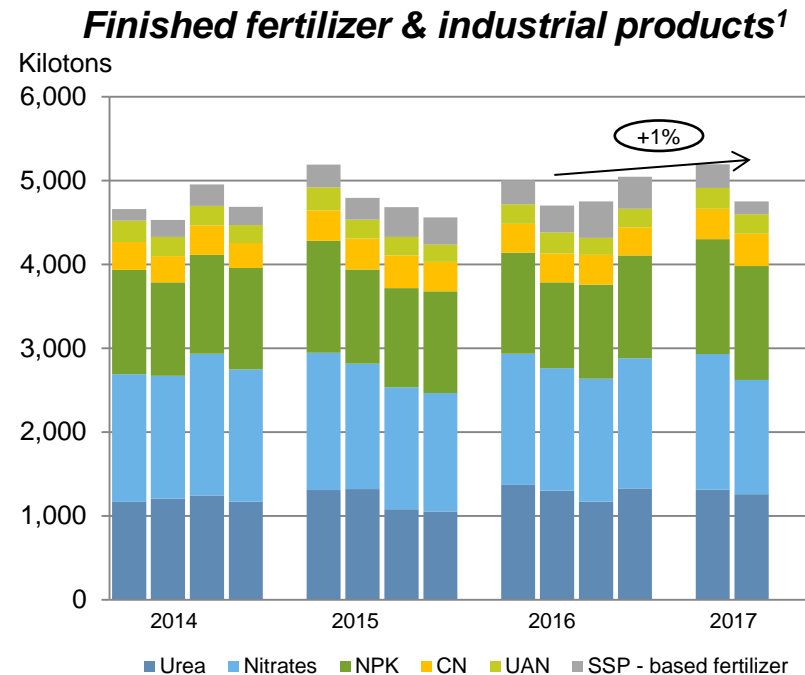
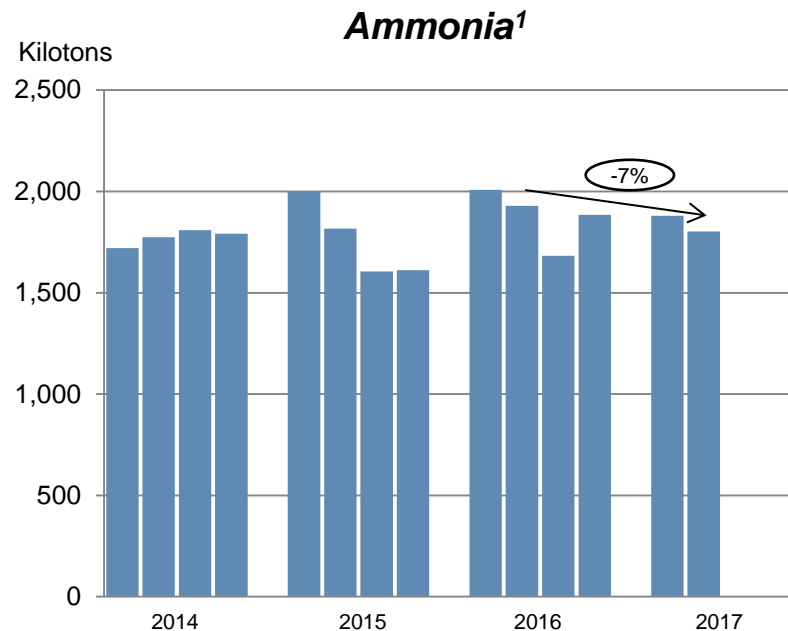
Yearly averages 2009 – 2015, quarterly averages for 2016-17 with forward prices* for 3Q17 and 4Q17.



*Dotted lines denote forward prices as of 10 July 2017
Source: Yara, World Bank, Argus/ICIS Heren

Production and Deliveries

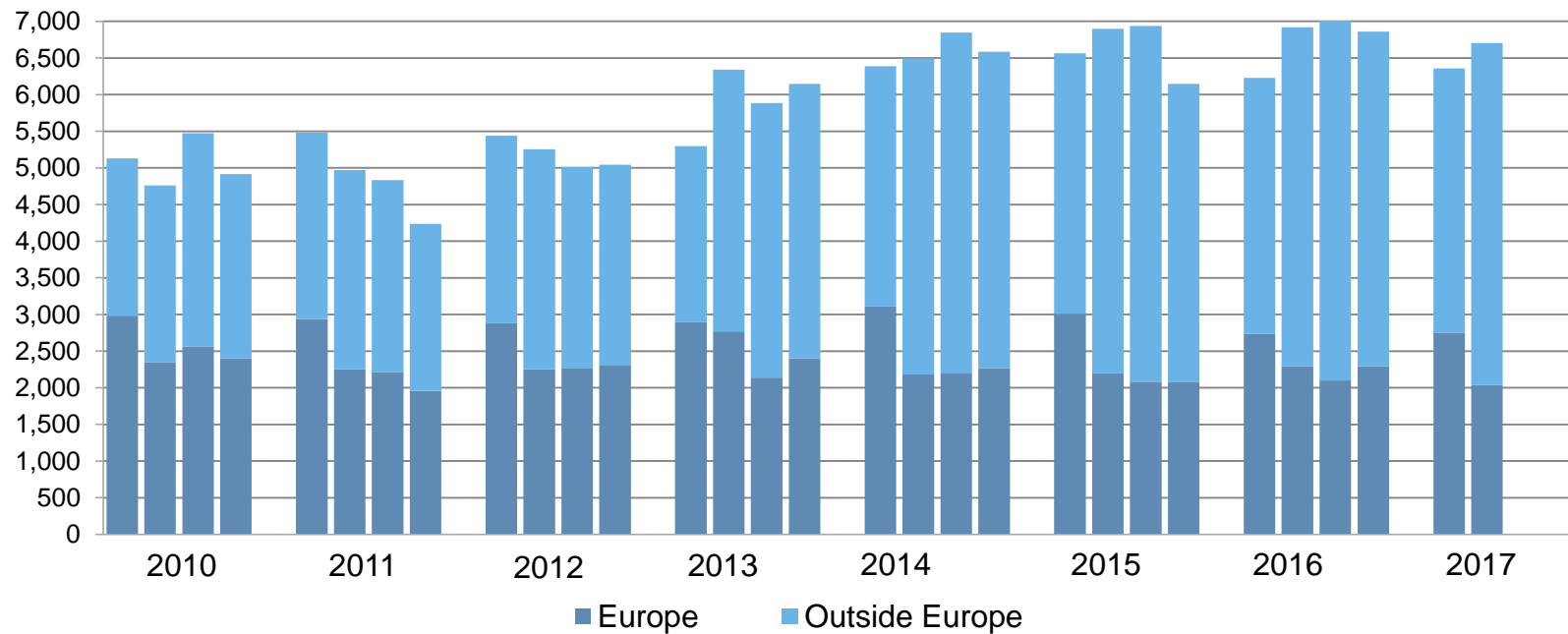
Ammonia and finished fertilizer production



1) Including share of equity-accounted investees

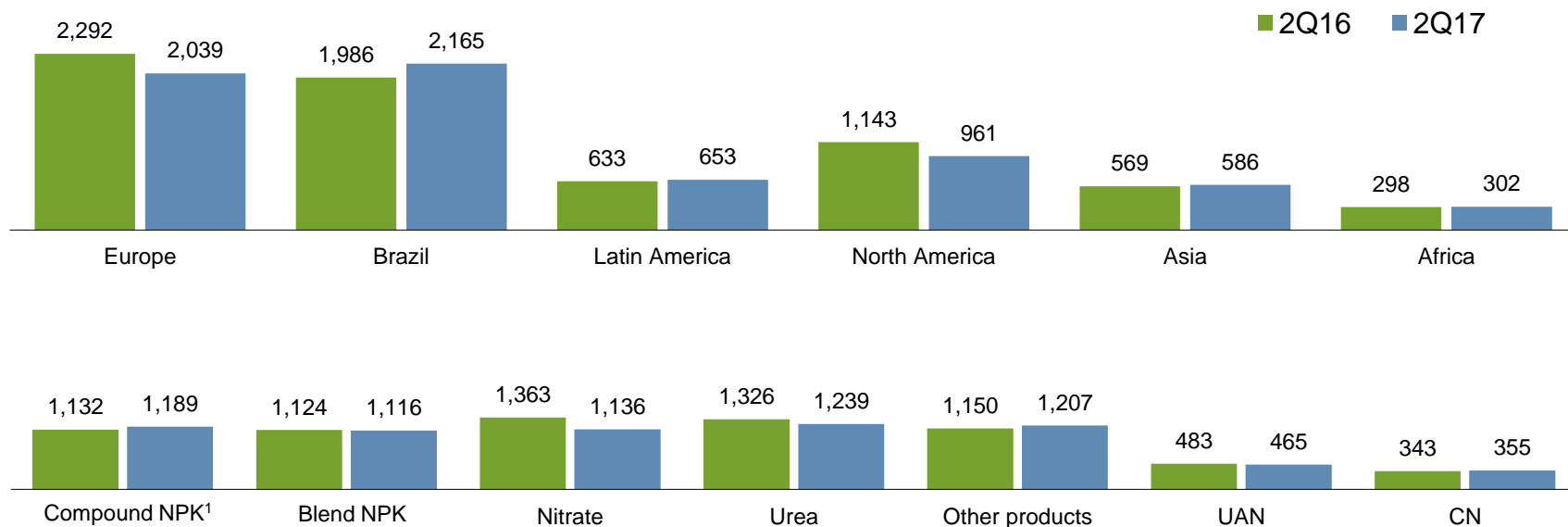
Fertilizer deliveries

Kilotons



Yara 2Q fertilizer deliveries by market and product

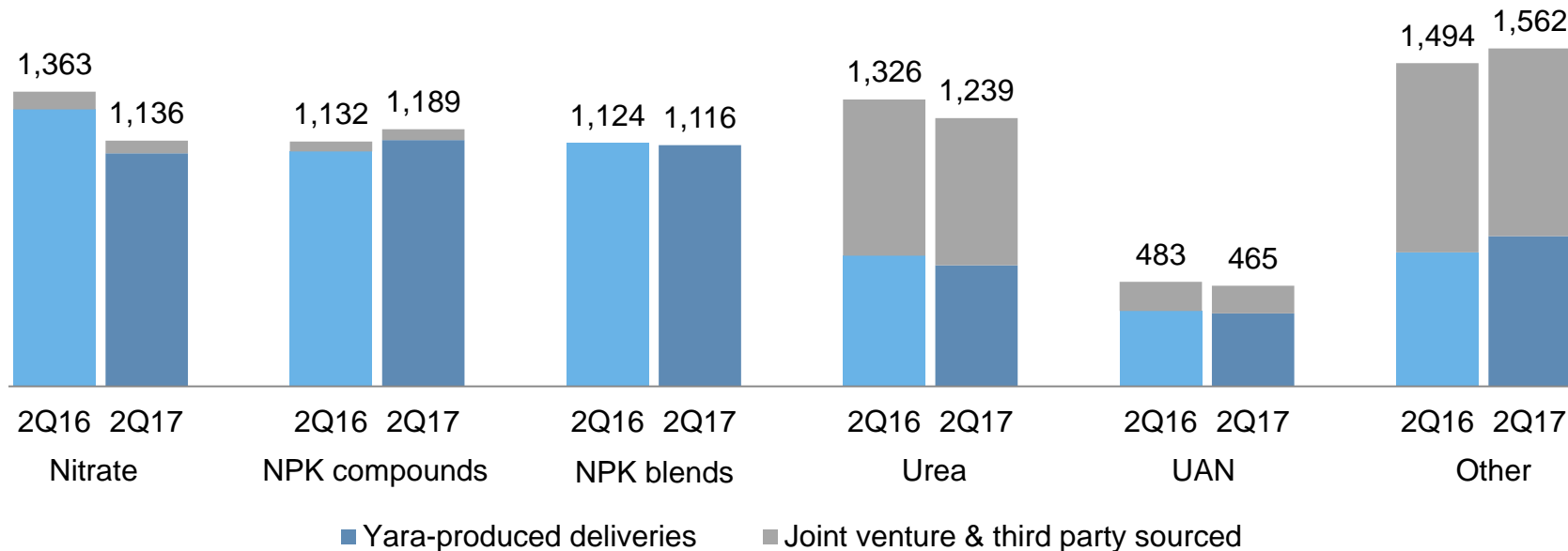
Kilotons



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

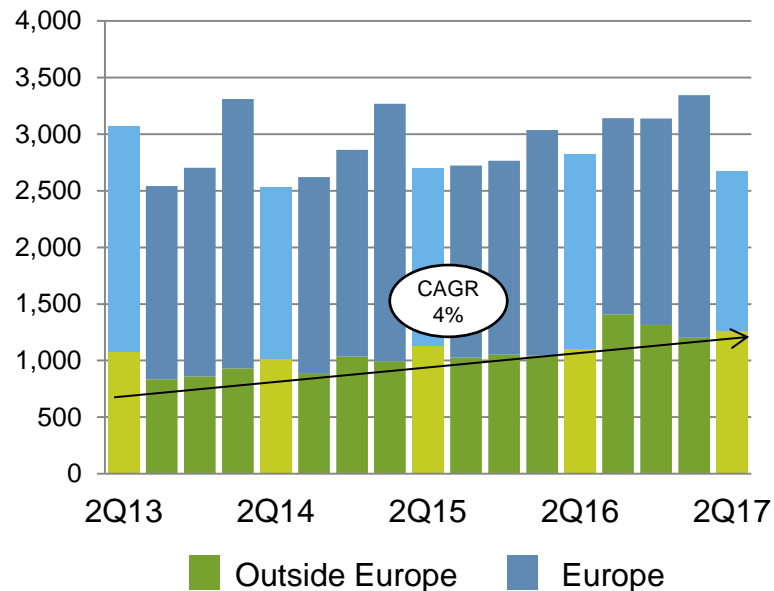
Fertilizer deliveries by product and source

Kilotons



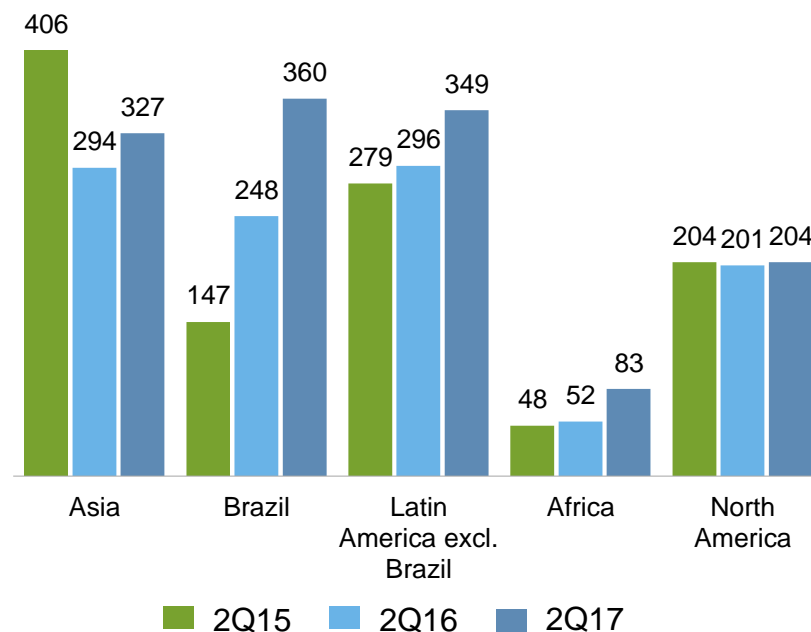
Premium product deliveries

Value-added fertilizer deliveries¹

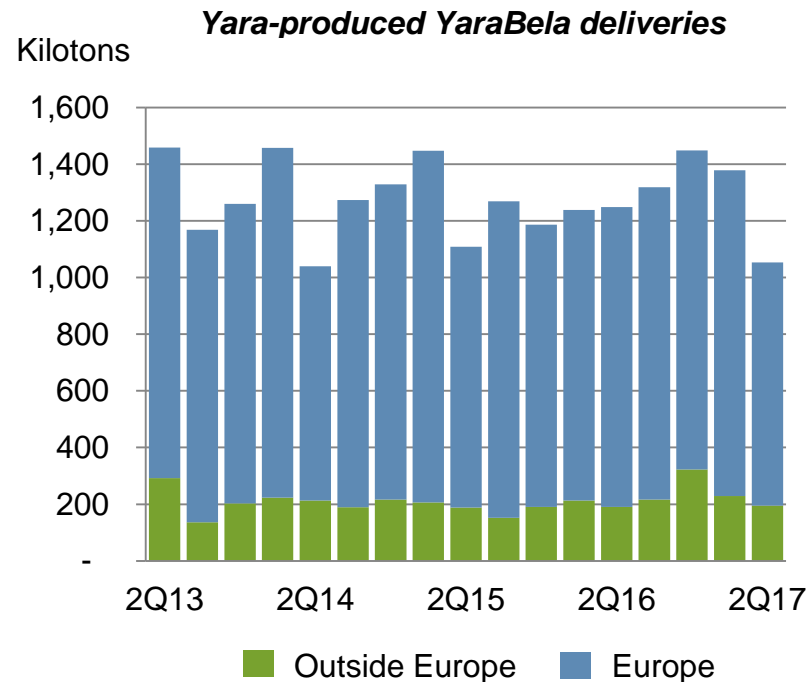
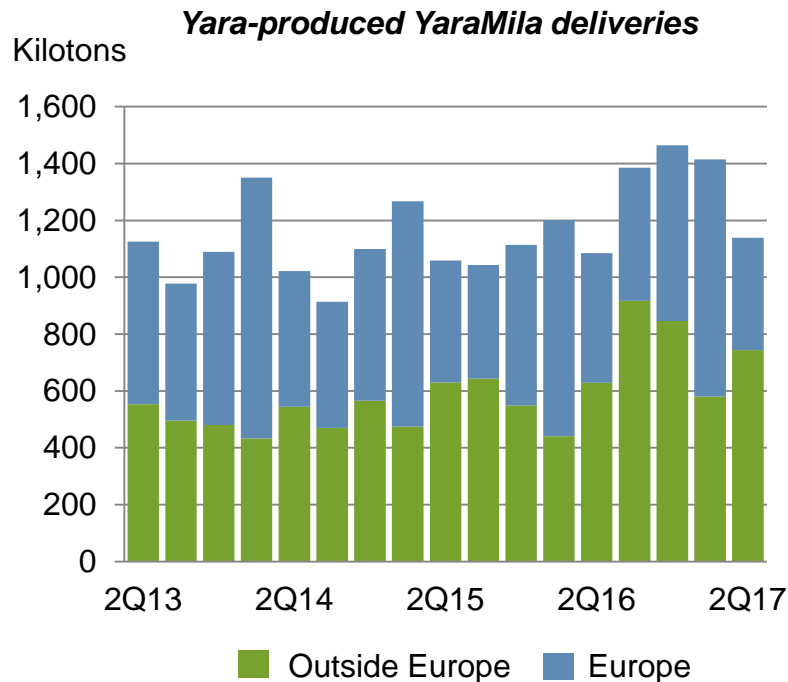


1) YaraBela, YaraMila and YaraLiva deliveries

Value-added fertilizer deliveries¹

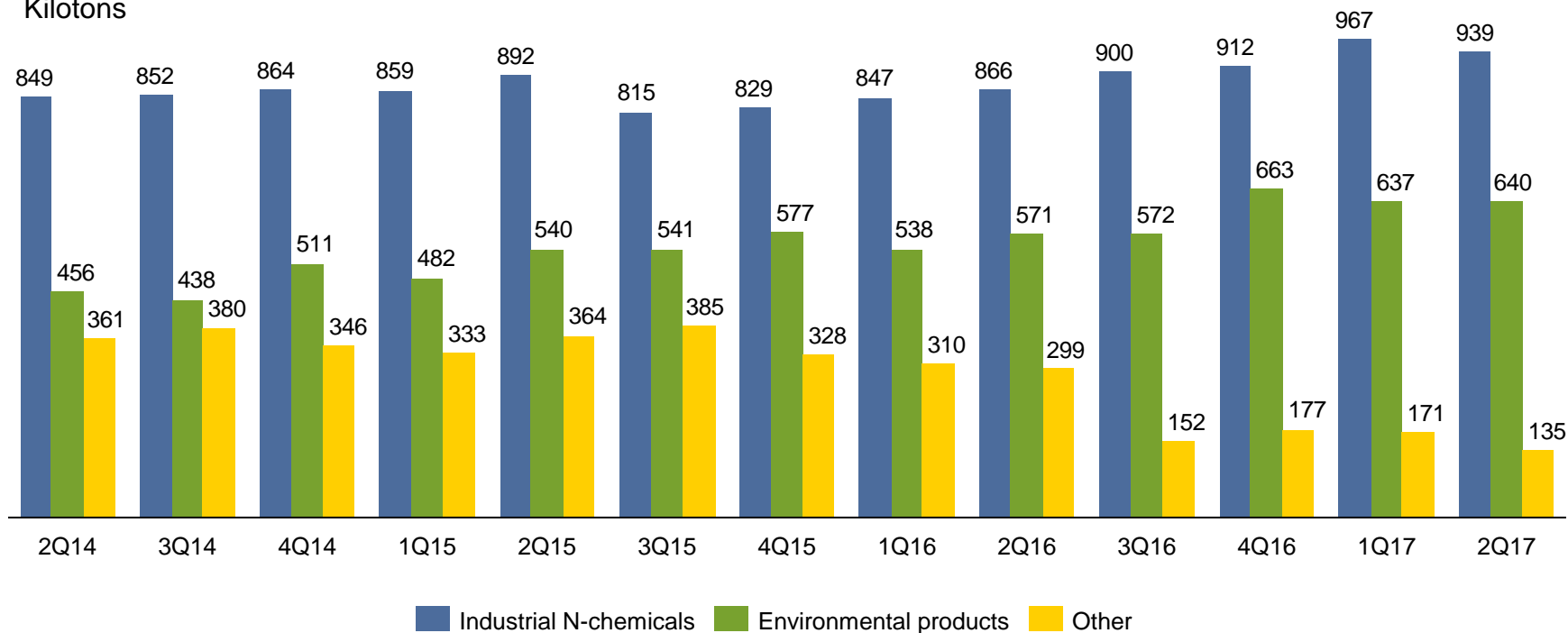


YaraMila (compound NPK) and YaraBela (nitrate) deliveries



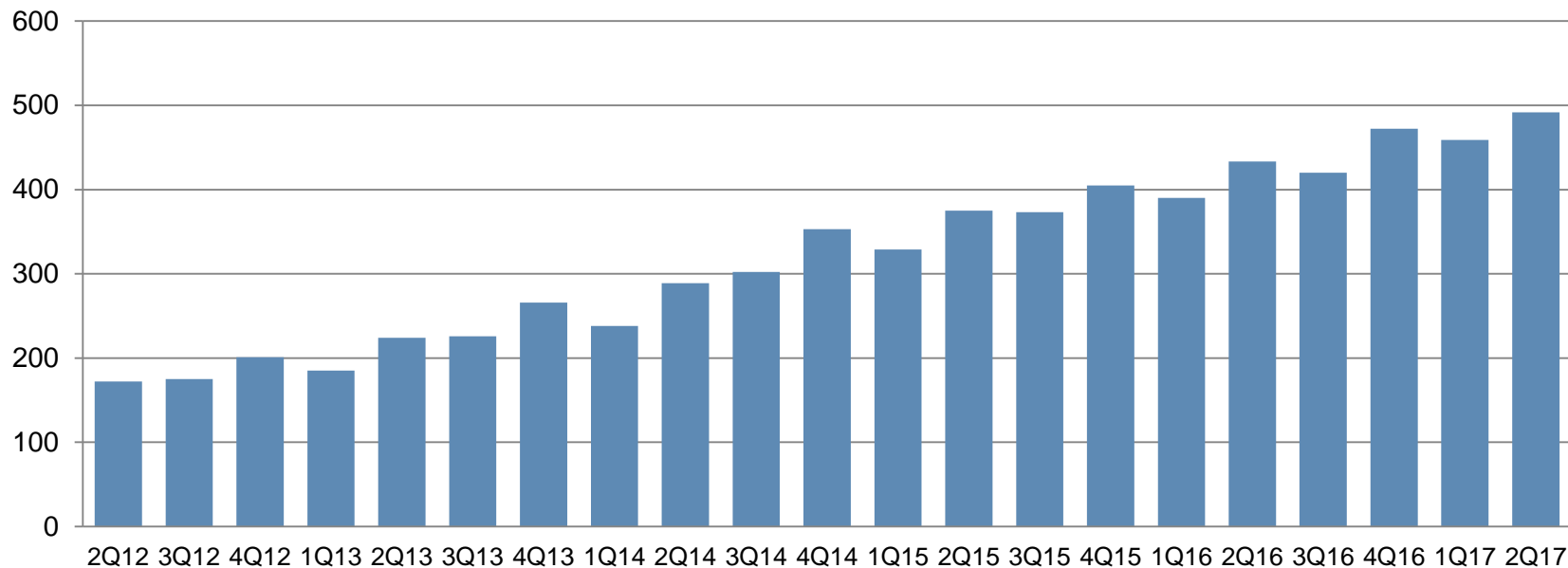
Industrial volume development

Kilotons



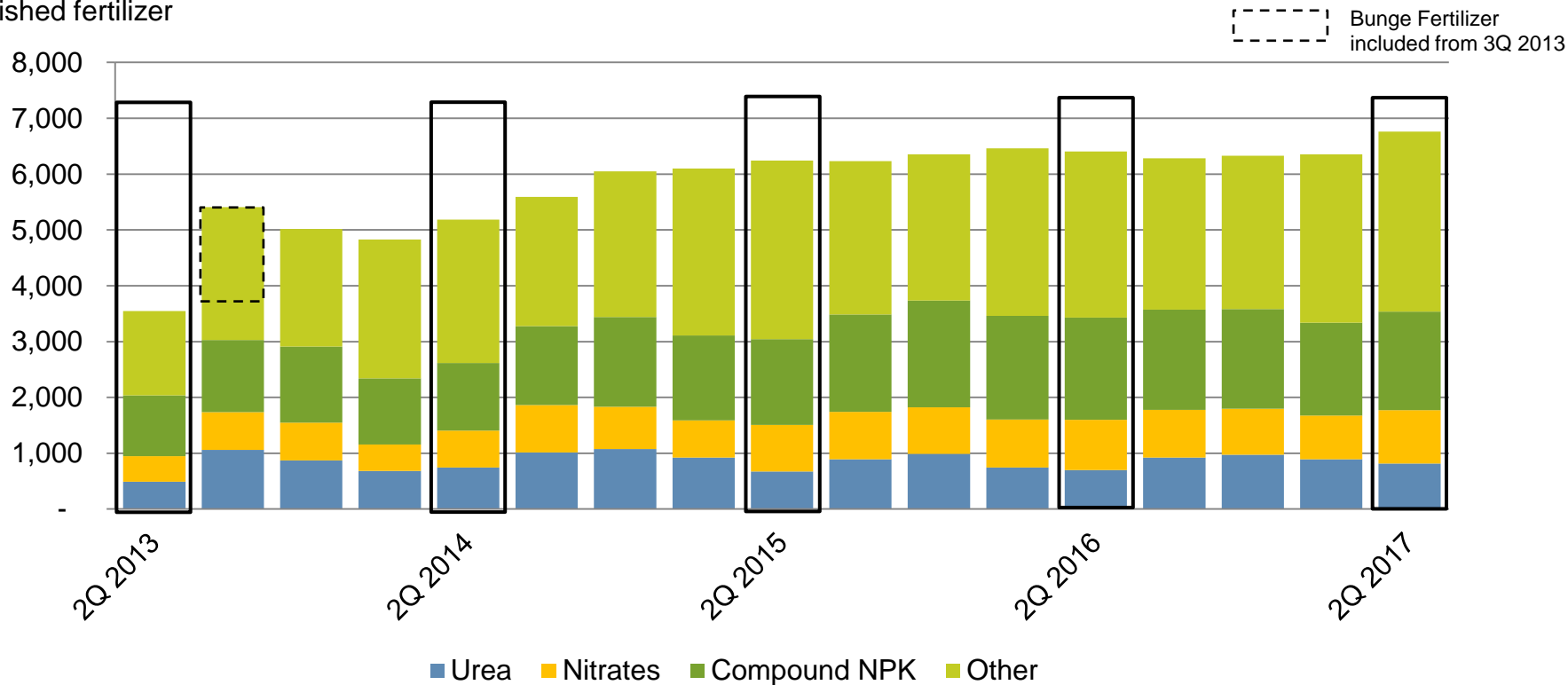
AdBlue deliveries

Kilotons



Yara stocks

Kilotons
Finished fertilizer

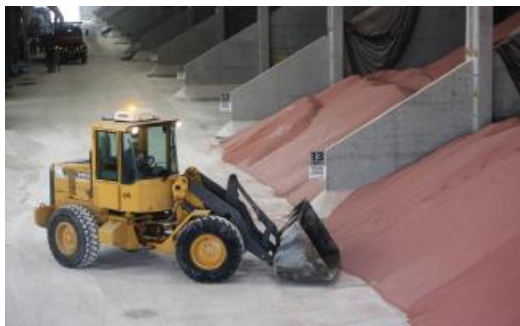


Operating segments

Our business segments - Production

Our aspiration is to have the best safety performance, lowest production costs, best reliability and highest quality in the Chemicals industry, made possible by the most qualified, motivated, and satisfied work force driving continuous productivity improvement, combined with a portfolio of process technology for the future and the ability to build better, cheaper and faster than anyone else.

Operational efficiency | Clean technologies | Safe and reliable production



I am particularly happy with a record low number of safety incidents, with several plants achieving zero incidents and our new acquisitions having shown great improvements.”

Petter Østbø
Head of Production

Our business segments - Crop Nutrition

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

- Global and local agronomic, marketing and sales knowledge
- Presence in 57 countries and sales to about 160 countries worldwide



The acquisition of Tata Chemicals' urea plant and distribution business in India represents a significant step in our growth strategy."

Terje Knutsen
Head of Crop Nutrition

Our business segments - Industrial

Our aspiration is to make life safer, healthier and easier by leveraging our industry leading products, assets, technology and knowledge.

- Reagents and solutions to reduce emissions from plants, ships, trucks and cars
- Nitrate-based chemicals with applications ranging from renewable energy to pharmaceutical industry
- Base chemicals used as raw materials for the healthcare, wood, pharmaceutical, steel, space and yeast industries
- Solutions for the civil explosives industry
- Solutions for animal feed



While demand for AdBlue has pushed our delivery system to the limit, our commercial and logistic teams have done their utmost to ensure that products arrive on time.”

Yves Bonte
Head of Industrial

Our business segments – Supply Chain

Our aspiration is to create value by leveraging Yara's knowledge and scale through global procurement, optimization of assets and efficient supply chain operations.

- Unique ammonia trade and logistics worldwide
- Purchase of energy, potassium, and phosphate rock
- Sourcing and trade of finished fertilizer and ammonia
- New Supply Chain in Europe to increase the customer experience and value



We believe significant bottom- line impact can be achieved by shaping a procurement function with stronger strategic focus, increased cross- functional collaboration and capability build- up”

Tove Andersen
Head of Supply Chain