Knowledge grows

Yara International ASA
Terje Tollefsen, EVP Strategy & Business Development

Handelsbanken, Nordic Large Cap seminar
11 September 2018
Agenda

• Yara introduction
  • Market fundamentals
  • Yara strategy
  • Targets and track record
Safe operations is our first priority

TRI (Total recordable injuries 12-month rolling)¹

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

[Graph showing a decline in TRI from Jan'16 to Jun'18, from 4.5 to 1.4]
Yara’s leading global position and differentiated product portfolio represent key sources of competitive edge

1. Including TAN and CN – Including companies’ share of JVs 2016YE
2. Compound NPK, excluding blends
3. 2016/2017 season volume
4. Ammonia trade not included in chart above
Yara’s integrated business model is unique within the fertilizer industry
Agenda

- Yara introduction
- **Market fundamentals**
- Yara strategy
- Targets and track record
Market fundamentals improving, with positive developments towards 2019 on grain stocks and urea supply

- Grain prices rising slowly, and stocks are falling
- Urea supply increases high in 2018, falling thereafter
- Strong Asian demand drives LNG prices higher

**Grain price index**

- Grain prices rising slowly, and stocks are falling

**Global capacity additions ex China**

- Capacity growth and supply increase
- Trend consumption growth

**LNG imports**

- +14% increase in LNG imports

**Market fundamentals improving, with positive developments towards 2019 on grain stocks and urea supply**

**Grain prices rising slowly, and stocks are falling**

**Urea supply increases high in 2018, falling thereafter**

**Strong Asian demand drives LNG prices higher**
Global prices moving higher, tight Chinese urea situation

**Increasing urea pricing (USD/ton)**

- Urea fob Black Sea
- Urea prilled fob China
- Urea granular fob Egypt
- Urea inland proxy China

**Lower Chinese export (thousand tonnes)**

Source: BOABC, CFMW
Agenda

- Yara introduction
- Market fundamentals
- Yara strategy
- Targets and track record
Our Mission

Responsibly feed the world and protect the planet.

Our Vision

A collaborative society; a world without hunger; a planet respected.
The Crop Nutrition Leader

We will grow responsible solutions to farmers, industry and society, while delivering superior return on capital.
Advance Operational excellence; Improved safety, increased savings

Safe operations is our first priority

TRI (Total recordable injuries 12-month rolling)¹

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

Yara Improvement Program delivering ahead of plan

EBITDA Benefits of 310 MUSD delivered

- Yara Productivity System rolled out to 22 out of 30 sites.
- Good reliability improvements in NPK production.
- Good improvements in procurement initiatives.
The Yara Improvement Program has so far delivered 310 million US dollars of annual sustained benefits, measured at 2015 margins.

The equivalent number using 2018 margins is ~300 million US dollars.

Improvements on Production volume, Consumption factor and Variable unit costs are on or ahead of target.

One-off benefits are related to working capital improvements and sales of white certificates.
Create Scalable Solutions; Closer collaboration with the Food Industry

**Market depth**

- **Asset**: Sell what we produce
  - Place new capacity
  - Manage seasonality
- **Product**: Build product reputation
  - High quality products
  - Viking ship brand
- **Crop**: Build crop solutions
  - Crop knowledge
  - Product portfolio
  - Application competence
- **Farmer**: Farmer centric solutions and tools
  - Building Yara's knowledge margin
- **Food Industry**: Sell benefits of our solutions
  - Deliver required crop quality to processor and ensure reliable raw material supply to food factories
  - Unlock superior value creation for farmers through food industry

**Time**
Precision fertilization made simple - atfarm

- 10x10m precision application of fertilizer
- Quantitative recommendation “in only 5 clicks”
- Empowered by 20 years of Yara precision fertilization R&D
- Benefits for farmers
  - Higher yield
  - Reduced waste
  - Higher protein content
**Drive Innovative Growth;**

**Yara is delivering on its growth pipeline**

### 1 Jan 2018

- **Babrala (India)**
  - Acquisition of urea plant and distribution assets
  - 1.2 mt urea and approx 40 MUSD EBITDA p.a.
  - Provides footprint to accelerate premium product growth

- **Porsgrunn (Norway)**
  - NPK and calcium nitrate expansion
  - Adds 250 ktpa and approx. 50 MUSD EBITDA p.a.
  - Record nitric acid production in March (5,127 tpd)

### 1 Q 2018

- **Cubatao (Brazil)**
  - N and P production facility acquisition
  - 1.4 mtpa and approx. 60 MUSD EBITDA p.a.
  - Strengthens production and industrial footprint in Brazil

- **Freeport (US)**
  - Hydrogen-based ammonia new-build JV with BASF (Yara 68%)
  - 550 ktpa and approx. 100 MUSD EBITDA p.a. (Yara share)
  - Strengthens Yara’s global ammonia position

- **Salitre (Brazil)**
  - Phosphate mine
  - Adds approx. 1.1 mtpa SSP equivalents by 2020
  - Limited earnings until chemical production starts end 2019

### 1 Jan 2019

- **Sluiskil (NL)**
  - Revamp and urea+S expansion
  - Adds approx. 210 ktpa and 30 MUSD EBITDA p.a.
  - Improved product mix - from urea prills to nitrates and urea+S

- **Köping (Sweden)**
  - Nitric acid revamp and TAN expansion
  - 90 ktpa and approx. 20 MUSD EBITDA p.a.
  - Strong long-term fundamentals for civil explosives industry

**EBITDA figures at 2015 prices except Cubatão which reflects business case prices**
Yara has invested for the long term in Brazil; Bunge acquisition brought critical mass in distribution

Volume (MM tons)

<table>
<thead>
<tr>
<th>Year</th>
<th>Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>0.8</td>
</tr>
<tr>
<td>2001</td>
<td>1.3</td>
</tr>
<tr>
<td>2002</td>
<td>1.5</td>
</tr>
<tr>
<td>2003</td>
<td>1.8</td>
</tr>
<tr>
<td>2004</td>
<td>2.0</td>
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<tr>
<td>2005</td>
<td>1.7</td>
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<tr>
<td>2006</td>
<td>1.8</td>
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<tr>
<td>2007</td>
<td>2.8</td>
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<tr>
<td>2008</td>
<td>2.4</td>
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<tr>
<td>2009</td>
<td>2.2</td>
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<tr>
<td>2010</td>
<td>2.2</td>
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<td>2011</td>
<td>2.7</td>
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<tr>
<td>2012</td>
<td>3.2</td>
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<tr>
<td>2013</td>
<td>3.3</td>
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<tr>
<td>2014</td>
<td>7.8</td>
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<tr>
<td>2015</td>
<td>8.2</td>
</tr>
<tr>
<td>2016</td>
<td>9.3</td>
</tr>
<tr>
<td>2017</td>
<td>9.0</td>
</tr>
<tr>
<td>2018</td>
<td>3.0</td>
</tr>
</tbody>
</table>
Yara combines large-scale local market presence with leading global product portfolio and crop nutrition expertise

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

Main growing area in Cerrado, target area for Galvani expansion
Acquisition of Tata Chemicals’ fertilizer business expands our footprint, enabling accelerated premium product growth

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: 60 own, and approx. 300 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 provides reference case
Agenda

- Yara introduction
- Market fundamentals
- Yara strategy
- Targets and track record
Major improvement and growth investments in 2018; main earnings improvement from 2019 onwards

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

**Committed expansions + M&A:**
- + 1.4 mill. tonnes ammonia
- + 4.7 mill. tonnes fertilizer

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1 Currency assumptions for 2018 onwards: USD/NOK 8.01, EUR/USD: 1.18, USD/BRL: 3.83
2 Excluding maintenance capex on existing assets. Yara’s share of capex. Fully consolidated entities presented at 100% basis
3 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

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**EBITDA improvement** (MUSD)

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**Earnings improvement** (USD per share)
Profitable growth through the cycle

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

Average annual shareholder return of 20%

1) Share price appreciation (end 2Q 18) plus dividend payments
Additional information
Market
Yara’s margins contain both commodity and premium elements

1) Source: International Fertilizer Association (“IFA”) 2016/2017 season (June 2017 estimates)

2) Source: International Fertilizer Association (“IFA”) 2016/2017 season (June 2017 estimates)

Both crop and fertilizer markets are key margin drivers for Yara …

- The majority of Yara’s business is related to nitrogen, which represents 57% of the main nutrient consumption
- Standardised commodity products like urea make up almost ¾ of the global nitrogen industry
- The supply/demand situation for both commodity and premium fertilizer is important for pricing
- In addition, the supply/demand situation for crops also influences demand and pricing for fertilizer

... however Yara margins also contain premium elements

- Premium products are key in Yara’s portfolio and business model
- Premium product margins typically contain both commodity and premium elements
- The size of the premium is typically linked to crop prices for fertilizer products, and economic activity for Industrial products

Urea is the key commodity Nitrogen product

- Urea: 50%
- NPK: 15%
- AN/CAN: 9%
- UAN: 5%
- Ammonia: 4%
- DAP/MAP: 7%
- Other: 10%

107 Million Tonnes

Premium Commodity

Source: International Fertilizer Association (“IFA”) 2016/2017 season (June 2017 estimates)
Strong urea supply growth this year, but supply-demand balance set to gradually improve after 2018

Global urea capacity additions excl. China (mill. tonnes)

Source: CRU June 2018 - CRU has removed Dangote Fertilizer, Nigeria (3 mill tons) from the medium-term forecast and shifted the project to 2023
Chinese domestic supply slightly up, as export decline more than offsets lower production

**Chinese urea production down vs last year** (million tons)

**Export reduction exceed production decline** (million tons)

Source: CFMW, covering close to 100% of production

Source: CFMW, covering close to 100% of production
Steady growth in grain consumption, production expected to fall short for the 2018/19 season

Grain consumption and production

Days of consumption in stocks

Source: USDA August 2018
Grain prices significantly up from last year

Corn Nov 2018 contract France (EUR/tonnes)

Wheat (milling) Dec 2018 contract France (EUR/tonnes)
Improving grain economics – the Food and Cereal Indexes at 5-year average

[Index]

FAO price index

Source: FAO
10-year fertilizer prices – monthly averages

Source: Fertilizer Market Publications
Key value drivers – quarterly averages

Source: Fertilizer Market Publications, CERA, World Bank, Norges Bank
Business model and strategy
Three operating segments supported by a global supply chain function cover the value chain

<table>
<thead>
<tr>
<th>Description</th>
<th>Production</th>
<th>Crop Nutrition</th>
<th>Industrial</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Credit highlight</strong></td>
<td>Runs large-scale production of nitrogen-based products, the starting point for our crop nutrition and industrial solutions</td>
<td>Provides worldwide sales, marketing and distribution of a range of crop nutrition products and programs</td>
<td>Develops and markets environmental solutions and products for industrial applications</td>
</tr>
<tr>
<td><strong>2017 Revenues</strong>&lt;sup&gt;1&lt;/sup&gt;</td>
<td>0.9 BUSD 8%</td>
<td>8.7 BUSD 76%</td>
<td>1.8 BUSD 16%</td>
</tr>
<tr>
<td><strong>2017 EBITDA</strong>&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.7 BUSD 54%</td>
<td>0.5 BUSD 36%</td>
<td>0.2 BUSD 12%</td>
</tr>
<tr>
<td><strong>Supply Chain</strong></td>
<td>- Global function responsible for optimization of energy, raw materials and third party sourcing - Sourcing and trade of 4,175 kilotonnes of ammonia and purchases of 286 mm MMBtu of energy, 3,456 kilotonness of potassium and 1,042 kilotonnes of phosphate rock</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) External revenues and other income  
2) Excluding other and eliminations  
USD translations use USD/NOK exchange rate of 8.12
Supply Chain creates global scale in raw material purchases and optimization

Global scale in raw material purchasing

- A major buyer of key raw materials and one of the largest buyers of phosphate and potash globally
- Provides scale and secures reliable access and competitive pricing

Global optimization of value potential

- Large number of plant, product and market combinations
- Flexibility in the allocation of production amount various plants, markets and products to optimize overall value potential
- Long-term view combined with short-term arbitrage opportunities

Illustration of Yara’s key optimization tool:

Step 1: Allocate more volume to high margin markets
Step 2: Over time increase the average margin for the product

Realization of value potential from scale

Source: International Fertilizer Association («IFA»)

* In P₂O₅ equivalents
Production scale advantage and variable cost flexibility due to asset set-up and product mix

Diversified product portfolio

<table>
<thead>
<tr>
<th>Mill tonnes 2017FY</th>
<th>Europe</th>
<th>Rest of the World</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ammonia</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Nitrates</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>NPK</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Urea</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>CN</td>
<td>2</td>
<td></td>
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<tr>
<td>SSP</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>UAN</td>
<td>1</td>
<td></td>
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<tr>
<td>Phos. Rock</td>
<td>1</td>
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</tbody>
</table>

High ammonia flexibility

<table>
<thead>
<tr>
<th>Mill tonnes 2017FY</th>
<th>Flexible</th>
<th>Non-flexible</th>
</tr>
</thead>
<tbody>
<tr>
<td>European ammonia capacity</td>
<td>4.8</td>
<td>2.7</td>
</tr>
<tr>
<td>Fixed cash cost (16%)</td>
<td>1.7</td>
<td>0.4</td>
</tr>
</tbody>
</table>

Yara’s operating cash costs are mostly variable

BNOK, 2017FY

<table>
<thead>
<tr>
<th>Variable costs (84%)</th>
<th>Fixed cash cost (16%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dry raw materials</td>
<td>70.3</td>
</tr>
<tr>
<td>Energy</td>
<td>13.3</td>
</tr>
<tr>
<td>Freight</td>
<td></td>
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<tr>
<td>3rd party finished fertilizer</td>
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</tbody>
</table>

~90% of nitrate and NPK production can operate independently of ammonia production

1) Including Yara’s share of joint venture plants

Source: Yara internal accounts
Crop Nutrition creates resilience in earnings through distribution of crop nutrition solutions in response to farmer needs

Market needs
Quality, quantity, trends (eco friendly, CO₂, etc.)

Market segmentation
Crop, channel, farmer pains, gains and behaviors.

Yara capabilities
Knowledge, people, assets, products, services

Focus and investment
Crop nutrition solutions

Sustainable value creation

Distributor
Food Industry
Consumer
Industrial segment delivers opportunities for growth and offsets fertilizer cyclicality and seasonality

<table>
<thead>
<tr>
<th>Key product and service offering</th>
<th>Base Chemicals</th>
<th>Environmental Solutions</th>
<th>Mining Applications</th>
<th>Industrial Applications¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemical applications used in paints and packaging, glues, foam, medical products and feed additives</td>
<td>NOx and SOx abatement of emissions from heavy duty vehicles and industry</td>
<td>Technical nitrates and solutions for mining and construction industries</td>
<td>CN and associated solutions for industrial applications; feed urea and phosphates for animal nutrition</td>
<td></td>
</tr>
</tbody>
</table>

| Strategic fit | Optimization of Upstream assets | Utilize logistics advantage and infrastructure footprint | Utilize technology, logistics and infrastructure advantage | Monetize products into higher value markets |

| Geographical market | Europe | Global | Global | Global |

| Market drivers | GDP growth | Legislation, GDP growth | GDP growth, mining industry | GDP growth, standard of living |

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</thead>
<tbody>
<tr>
<td>Base Chemicals</td>
<td>65</td>
<td>85</td>
<td>90</td>
<td>56</td>
<td>70</td>
<td>77</td>
<td>24</td>
<td>21</td>
<td>20</td>
<td>42</td>
<td>35</td>
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<tr>
<td>Environmental Solutions</td>
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<td>Mining Applications</td>
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<tr>
<td>Industrial Applications¹</td>
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</tbody>
</table>

¹ 2015-2017 EBITDA figures restated to exclude divested business (CO2 gas, liquid and dry ice)
Yara’s solutions improves food production per hectare, delivered through products with lower emissions per ton

Yara crop nutrition practices enables farmers to optimize application – and thus lower emissions

- Precision farming promotes best agricultural practices
- Yara’s N-sensor, N-tester and water sensor help optimize application rates and water use
- Yara’s solutions help farmers comply with environmental legislation while supporting their competitiveness

Yara’s product mix has significant less emissions than most of our competitors’

<table>
<thead>
<tr>
<th>kg CO2eq/kg N product</th>
<th>Yara product mix</th>
<th>Industry product mix</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yara Nitrates¹</td>
<td>~75%</td>
<td>~10%</td>
</tr>
<tr>
<td>Global Nitrates²</td>
<td>9.4</td>
<td>~5%</td>
</tr>
<tr>
<td>UAN</td>
<td>11.9</td>
<td>~5%</td>
</tr>
<tr>
<td>Urea</td>
<td>13.9</td>
<td>~10%</td>
</tr>
</tbody>
</table>

1. Assumed 15% lower application rates for nitrates, due to lower volatilization
2. Average emissions from production higher, partly driven by plants running without N2O catalysts
Growth & Improvement
Yara Improvement Program – 2017 status

Program progress

Financial benefits

- 2017 EBITDA benefits ahead of target (in 2015 terms):
  - Production volume improvement according to plan
  - Energy consumption improvement ahead of plan
  - Variable cost improvement ahead of plan
  - Fixed cost improvement behind plan
  - One-off program costs higher than original estimate

### Sustained EBITDA improvement

<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>84²</td>
<td>102</td>
<td>242</td>
<td>350</td>
</tr>
<tr>
<td>-10</td>
<td>55</td>
<td>95</td>
<td>450</td>
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</table>

### One-off benefits

<table>
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<tr>
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</thead>
<tbody>
<tr>
<td>60</td>
<td>66</td>
<td>15</td>
<td>15</td>
<td>15</td>
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</table>

### One-off cost

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>14</td>
<td>49</td>
<td>39</td>
<td>13</td>
<td>11</td>
</tr>
</tbody>
</table>

### One-off investments

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>69</td>
<td>116</td>
<td>189</td>
<td>90</td>
<td>0</td>
</tr>
</tbody>
</table>

1. Additional details in the backup section;
2. Adjusted for corrected full-year procurement savings (e.g., full-year bonuses)
3. Includes improvements to direct and indirect categories, as well as value of additional steam and reduced cost of emissions
Benefits are realized through improvements to core value drivers

<table>
<thead>
<tr>
<th>Value driver</th>
<th>How we improve</th>
<th>How we know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume¹</td>
<td>Increase production in our existing plants by improving reliability</td>
<td>~400 kt additional ammonia and ~700 kt additional finished fertilizer production by 2020⁶</td>
</tr>
<tr>
<td>Consumption factor²</td>
<td>Reduce spend on consumption factors, primarily energy, through better reliability and new technology</td>
<td>~3 % improved energy efficiency by 2020⁶</td>
</tr>
<tr>
<td>Variable unit cost³</td>
<td>Leverage global scale, apply advanced category management and collaborative procurement approaches</td>
<td>Reduced spend in direct and indirect categories</td>
</tr>
<tr>
<td>Fixed cost⁴</td>
<td>Increase focus on standardization and realizing scale benefits</td>
<td>Reduced spend on fixed costs in production and support functions</td>
</tr>
<tr>
<td>Cash effects⁵</td>
<td>Capex: Increased standardization, more focus on execution strategy and capability building in the organization Working capital: Better targets and training</td>
<td>Capex: Lower spend for the same project portfolio Working Capital: Reduced inventory and credit days</td>
</tr>
<tr>
<td>Added value</td>
<td>Profitable growth of value added products through more targeted offerings and sales channels development</td>
<td>Volumes and margins enhancement</td>
</tr>
</tbody>
</table>

More for less

- ~400 kt additional ammonia and ~700 kt additional finished fertilizer production by 2020⁶
- ~3 % improved energy efficiency by 2020⁶
- Reduced spend on fixed costs in production and support functions
- Reduced spend in direct and indirect categories

Capex: Increased standardization, more focus on execution strategy and capability building in the organization
Working capital: Better targets and training

Cash effects:
- Capex: Lower spend for the same project portfolio
- Working Capital: Reduced inventory and credit days

Commercial effects

Volumes and margins enhancement

¹ Production volume; ² Energy cost and other input factors; ³ Direct and indirect procurement; ⁴ Fixed costs in production, IT, supply chain and expert functions; ⁵ Capex and working capital; ⁶ Targets are not final and subject to change as additional plant assessment deep-dives are completed; ⁷ Against 2015 baseline
Yara Improvement Program accounts for ~20% of L12M EBITDA

- L12M earnings impacted by lower fertilizer prices and higher natural gas cost (~900 MUSD)
- Yara Improvement Program is (1) a driver of improved long-term Yara performance and (2) a response to challenging market conditions
- Measured at L12M margins and prices, the equivalent number is approximately 260 MUSD. This represents almost 20% of Yara L12M EBITDA excluding special items.
Yara has expected commodity nitrogen oversupply, and has focused its growth pipeline on premium & industrial products

<table>
<thead>
<tr>
<th>Growth focused on premium &amp; industrial</th>
<th>Expected start up</th>
<th>Pipeline EBITDA (2015 prices, USDm)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expand premium products sales and supply</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uusikaupunki NPK</td>
<td>3Q 2016</td>
<td>190</td>
</tr>
<tr>
<td>Porsgrunn/Glomfjord CN/NPK</td>
<td>1Q 2018</td>
<td>160</td>
</tr>
<tr>
<td>Sluiskil urea+S</td>
<td>3Q 2018</td>
<td>180</td>
</tr>
<tr>
<td>Rio Grande NPK/NPK blends</td>
<td>2H 2020</td>
<td>40</td>
</tr>
<tr>
<td><strong>Expand commodity scale based on attractive full-cost growth opportunities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freeport ammonia JV</td>
<td>2Q 2018</td>
<td>150</td>
</tr>
<tr>
<td>Babrala urea acquisition</td>
<td>1Q 2018</td>
<td>70</td>
</tr>
<tr>
<td><strong>Act on attractive opportunities to grow industrial sales and supply</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pilbara – TAN</td>
<td>2Q 2017&lt;sup&gt;2&lt;/sup&gt;</td>
<td>120</td>
</tr>
<tr>
<td>Köping – TAN</td>
<td>3Q 2018</td>
<td>110</td>
</tr>
<tr>
<td>Cubatão – N and P</td>
<td>2Q 2018</td>
<td>90</td>
</tr>
<tr>
<td><strong>Structurally secure P and K supply</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galvani / Salitre</td>
<td>mining 2Q18, chemical 4Q19</td>
<td>0</td>
</tr>
</tbody>
</table>

1) Including Yara’s share of volume in equity accounted investees. Fully consolidated entities presented at 100% basis

2) Plant started up in 2Q 2017, but has suffered from technical difficulties and the site is currently undergoing a turnaround.
Yara is delivering on its growth pipeline; multiple plant expansions and M&A coming on stream in 2018

Production growth 2015 - 2020

Mill. tonnes (mt)

Finished products

Ammonia

20151 Babrala (2Q 2018) 0.1 0.2 6.4 9.2 Est. 2020
20151 Pilbara (1Q 2018) 1.1 0.7 0.5 0.2
20151 Freeport (2Q 2018) 7.7 0.3 0.2
20151 Cubatão (2Q 2018) 18.7 25.1 20.6 1.6

Yara-operated plants

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


1) Adjusted to normalized / 2016 turnaround level (0.7mt finished fertilizer and 0.2mt NH3) and regularity level (0.7mt finished fertilizer and 0.4mt NH3)
2) Salitre will reach 1.1 mill. tonnes in 2022
3) Rio Grande expansion also adds 1 million tonnes NPK blends by 2020
4) Including 100% ownership in Pilbara NH3 plant (not included in committed growth pipeline)
5) TAN Pilbara started up in 2Q 2017, but has suffered from technical difficulties and the site is currently undergoing a turnaround
Improvement and growth investments; earnings and sensitivities

EBITDA improvement\(^1\) (MUSD)

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>124</td>
<td>282</td>
<td>500</td>
<td>450</td>
<td>500</td>
</tr>
<tr>
<td>Growth</td>
<td>40</td>
<td>40</td>
<td>150</td>
<td>450</td>
<td>600</td>
</tr>
</tbody>
</table>

Earnings improvement\(^1\) (USD per share)

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>0.2</td>
<td>0.6</td>
<td>0.9</td>
<td>1.5</td>
<td>2.0</td>
</tr>
<tr>
<td>Growth</td>
<td>0.2</td>
<td>0.6</td>
<td>0.9</td>
<td>1.1</td>
<td>1.2</td>
</tr>
</tbody>
</table>

Improvement program: Impact\(^2\) of +100 USD/t price change (USD/share)

- **Ammonia**: 0.06
- **Urea**: 0.09

Growth: Impact\(^2\) of +100 USD/t price change (USD/share)

- **Ammonia**: 0.10
- **Urea**: 0.19
- **DAP**: 0.30

---

\(^1\) 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.


\(^3\) Phosphate-driven price change, equivalent to 138 USD/t phosphate rock (72 bbl)
Financial
Yara’s 2Q results reflect the business environment where increased deliveries and prices are offset by higher gas costs

**Increased deliveries in Europe following late spring**

**Global urea price rebound in June, but limited impact on 2Q**

**Tight LNG market drives European gas prices higher**

**European industry deliveries**

<table>
<thead>
<tr>
<th>Million tons N</th>
<th>2Q17</th>
<th>2Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q17</td>
<td>2</td>
<td>2.2</td>
</tr>
<tr>
<td>2Q18</td>
<td>2.2</td>
<td>2.4</td>
</tr>
</tbody>
</table>

**Urea price development**

- Urea fob Black Sea
- Urea prilled fob China
- Urea granular fob Egypt
- Urea inland proxy China

**Yara European natural gas cost**

- TTF (1-month lag)

<table>
<thead>
<tr>
<th>USD/MMBtu</th>
<th>1Q17</th>
<th>2Q17</th>
<th>3Q17</th>
<th>4Q17</th>
<th>1Q18</th>
<th>2Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD/t</td>
<td>6.5</td>
<td>5.6</td>
<td>5.7</td>
<td>6.6</td>
<td>7.7</td>
<td>8.1</td>
</tr>
</tbody>
</table>

**Global urea price rebound in June, but limited impact on 2Q**
Earnings per share impacted by higher energy cost and currency translation loss

Average number of shares for 2Q 2018: 273.2 million (2Q 2017: 273.2 million).

Negative result includes a currency translation loss of USD 302 million, a non-cash effect mainly resulting from a strengthening US dollar through the quarter, which is fundamentally positive for Yara.
Yara investment activity peaked in first half 2018

**Capex plan**

USD billions

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost &amp; capacity improvements</th>
<th>M&amp;A</th>
<th>Committed growth</th>
<th>Maintenance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1.6</td>
<td>0.2</td>
<td>0.2</td>
<td>0.6</td>
</tr>
<tr>
<td>2018</td>
<td>2.3</td>
<td>0.7</td>
<td>0.6</td>
<td>0.8</td>
</tr>
<tr>
<td>1H18</td>
<td>1.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2H18</td>
<td>1.0</td>
<td>0.2</td>
<td>0.4</td>
<td>0.7</td>
</tr>
<tr>
<td>2019</td>
<td>1.3</td>
<td></td>
<td>0.2</td>
<td>0.7</td>
</tr>
<tr>
<td>2020</td>
<td>1.0</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

**Net interest-bearing debt**

- Net debt Mar 18: 2.9
- Net operating capital change: 0.4
- Cash earnings*: 0.2
- Dividends received equity acc. Inv.: 0.6
- Yara dividend: 0.2
- Net debt Jun 18: 3.2

- Net debt Mar 18: 2.9
- Net operating capital change: 0.4
- Cash earnings*: 0.2
- Dividends received equity acc. Inv.: 0.6
- Yara dividend: 0.2
- Net debt Jun 18: 3.2

* Operating income plus depreciation and amortization, minus tax paid, net gain/(loss) on disposals, net interest expense and bank charges
European market nitrate prices up 4%; Yara realized NPK prices up 7%

**Nitrogen upgrading margins**

(monthly publication prices)

**Yara NPK premium over blend**

1) Yara NPK (average grade 19-10-13) net of transport and handling cost, compared with nitrate, urea, DAP and MOP publication prices

Source: Fertilizer Market Publications

1) All prices in urea equivalents, with 1 month time lag
Higher natural gas cost expected for the next two quarters

**Yara European natural gas cost**

**Y-o-Y change in Yara gas cost**

*Dotted lines denote forward prices as of 10 July 2018

Source: Yara, World Bank, Argus/ICIS Heren
Energy cost

Yearly averages 2009 – 2015, quarterly averages for 2016-18 with forward prices* for 3Q18 and 4Q18.

*Dotted lines denote forward prices as of 10 July 2018
Source: Yara, World Bank, Argus/ICIS Heren
Increased deliveries in all main markets except Brazil, where truck strike impacts negatively

**Kilotons**

<table>
<thead>
<tr>
<th>Region</th>
<th>2Q17</th>
<th>2Q18</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yara</td>
<td>6,604</td>
<td>7,331</td>
<td>+11%</td>
</tr>
<tr>
<td>Europe</td>
<td>2,039</td>
<td>2,413</td>
<td>+18%</td>
</tr>
<tr>
<td>Brazil</td>
<td>961</td>
<td>1,671</td>
<td>-19%</td>
</tr>
<tr>
<td>North America</td>
<td>1,076</td>
<td>1,045</td>
<td></td>
</tr>
<tr>
<td>Asia</td>
<td>586</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Latin America</td>
<td>664</td>
<td>711</td>
<td></td>
</tr>
<tr>
<td>Africa</td>
<td>302</td>
<td>414</td>
<td></td>
</tr>
</tbody>
</table>

2Q17 vs 2Q18
Increased ammonia and finished products production

Ammonia

Kilotons

2015 2016 2017 2018

+13%

Finished fertilizer & industrial products

Kilotons

Urea Nitrates NPK CN UAN SSP

2015 2016 2017 2018

+10%

1) Including share of equity-accounted investees
Fertilizer deliveries

Kilotons


Europe

Outside Europe

IR – September 2018
Yara 2Q fertilizer deliveries by market and product

Kilotons

<table>
<thead>
<tr>
<th>Market</th>
<th>2Q17</th>
<th>2Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>2,039</td>
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<td>Africa</td>
<td>302</td>
<td>414</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product</th>
<th>2Q17</th>
<th>2Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compound NPK</td>
<td>1,213</td>
<td>1,359</td>
</tr>
<tr>
<td>Blend NPK</td>
<td>1,097</td>
<td>1,007</td>
</tr>
<tr>
<td>Nitrate</td>
<td>1,137</td>
<td>1,401</td>
</tr>
<tr>
<td>Urea</td>
<td>1,244</td>
<td>1,872</td>
</tr>
<tr>
<td>Other products</td>
<td>1,094</td>
<td>846</td>
</tr>
<tr>
<td>UAN</td>
<td>465</td>
<td>475</td>
</tr>
<tr>
<td>CN</td>
<td>355</td>
<td>371</td>
</tr>
</tbody>
</table>

1) Yara-produced compound NPK and third party sourced (Total NPK excluding blend NPK)
Fertilizer deliveries by product and source

Kilotons

<table>
<thead>
<tr>
<th>Product</th>
<th>2Q17</th>
<th>2Q18</th>
<th>2Q17</th>
<th>2Q18</th>
<th>2Q17</th>
<th>2Q18</th>
<th>2Q17</th>
<th>2Q18</th>
<th>2Q17</th>
<th>2Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nitrate</td>
<td>1,137</td>
<td>1,401</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NPK compounds</td>
<td>1,213</td>
<td>1,359</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>NPK blends</td>
<td>1,097</td>
<td>1,007</td>
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<td></td>
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<td></td>
<td></td>
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<td>475</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td>1,449</td>
<td>1,217</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Yara-produced deliveries**
- **Joint venture & third party sourced**
Strong premium product deliveries

Value-added fertilizer deliveries

1) YaraBela, YaraMila and YaraLiva deliveries

IR – September 2018
AdBlue deliveries

Kilotons

2Q13  2Q14  2Q15  2Q16  2Q17  2Q18

0  100  200  300  400  500  600
Yara stocks

Kilotons
Finished fertilizer

8,000

Other
Compound
NPK
Nitrates
Urea

2Q 2014
2Q 2015
2Q 2016
2Q 2017
2Q 2018