Safe operations is our first priority

TRI\textsuperscript{1} (12-month rolling)

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

• Improved results, but unsatisfactory returns
• Strong capital discipline
• Strategy execution well underway

Key items

**Improved operations and profitability, however still unsatisfactory returns**
- Improvement program on track; ~355 MUSD annual improvements realized
- EBITDA ex. special items at USD 1,525 million, up 7% year-over-year
- CROGI ex. special items at 7.3%; improving trend but below cost of capital
- Board of Directors proposes dividend of NOK 6.50/share for 2018 to AGM

**Strong capital discipline**
- Strict capital allocation; focus on executing committed investments
  - Growth investments halved from 2018 to 2019

**New strategy in place, execution well underway**
- Operating model adjusted to new strategy
- Strategic evaluations of non-core units initiated
Improved results in fourth quarter

Yara 4Q results show improved profitability
- EBITDA excluding special items up 21% with improved margins
- Lower deliveries due to downtime and slow off-season market
- Proposed dividend NOK 6.50 per share

Yara Improvement Program on track, further potential identified
- Program on track to reach minimum USD 500 million by end of 2020
- New targets to be launched by mid-2019, expanding scope and timeframe

1 Rolling last 12 months
Yara Improvement Program on track

Start: 2016

End: 2020

- High activity and initiative in all parts of the program
- Recent examples:
  - European packaging cost: 20% savings potential (~15 MUSD p.a.) through simplification and standardization
  - Cartagena plant: cutting product changeover time by 50% yields 1 MUSD p.a. saving
  - Rio Grande plant: reduced product losses by 1.5 MUSD p.a.

EBITDA benefits of ~355 MUSD delivered
Capex reducing in 2019, while volumes and revenues ramp up

### Capex plan\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>USD Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1.6</td>
</tr>
<tr>
<td>2018</td>
<td>0.7</td>
</tr>
<tr>
<td>2019</td>
<td>0.2</td>
</tr>
<tr>
<td>2020</td>
<td>0.7</td>
</tr>
</tbody>
</table>

- **Growth - M&As**
- **Growth - expansions**
- **Cost&capacity improvements**
- **Maintenance**

### Volume ramp-up from growth portfolio\(^2\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Million tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>0.3</td>
</tr>
<tr>
<td>2018</td>
<td>1.1</td>
</tr>
<tr>
<td>2019</td>
<td>1.4</td>
</tr>
<tr>
<td>Full</td>
<td>6.1</td>
</tr>
</tbody>
</table>

- **Ammonia**
- **Finished products**

#### Growth portfolio

- ~20% of 2015 production capacities

\(^1\) Committed investments as of end 4Q18

\(^2\) Growth portfolio = M&As (Babra and Cubatão) and expansions/new builds (Uusikaupunki, Porsgrunn/Grumfjord, Sluiskil, Rio Grande, Freeport, Pilbara TAN, Köping, Salitre)
New strategy in place, execution well underway
Yara – The Crop Nutrition Company for the Future

Why
Mission & Vision
Responsibly feed the world and protect the planet

What
Corporate Strategy
- Operational Excellence
- Scalable Solutions
- Innovative Growth

How
Yara Operating Model
- Customer Centricity
- New Business Development
- One Yara

Purpose into Action
Simplifying operating model to strengthen customer focus and drive value creation

The new operating model and segment structure is effective 1 January 2019

Emphasis on active portfolio management

On-going evaluation of strategic options for Environmental Solutions business
On-going evaluation of strategic options for Yara Environmental Solutions

Yara Environmental Solutions comprises three business areas:

- **Reagents:** Yara’s AdBlue business for land-going vehicles
- **Maritime:** global leader in SO\textsubscript{X} & NO\textsubscript{X} abatement for seagoing vessels
- **Stationary:** NO\textsubscript{X} abatement for land-based industry assets

<table>
<thead>
<tr>
<th>EBITDA (MUSD)</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>50</td>
<td>54</td>
<td>64</td>
</tr>
</tbody>
</table>
Higher fertilizer and gas prices

**Higher global urea prices**
- Urea price development\(^1\) (USD/t)

<table>
<thead>
<tr>
<th>Location</th>
<th>4Q 17</th>
<th>4Q 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urea granular FOB Egypt</td>
<td>272</td>
<td>311</td>
</tr>
<tr>
<td>Urea inland China proxy</td>
<td>272</td>
<td>302</td>
</tr>
</tbody>
</table>

- Urea price development\(^1\) (USD/t)

**Increased realized nitrate and NPK prices**
- Yara’s realized CAN and NPK price\(^2\) (USD/t)

<table>
<thead>
<tr>
<th>Region</th>
<th>4Q 17</th>
<th>4Q 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAN 27</td>
<td>207</td>
<td>241</td>
</tr>
<tr>
<td>NPK 19-10-13</td>
<td>378</td>
<td>405</td>
</tr>
</tbody>
</table>

- Yara’s realized European nitrate price in CAN 27 equivalents ex. Sulphur, Yara’s realized global NPK price (average grade) at German proxy CIF

**Higher natural gas prices**
- Spot gas prices\(^1\) (USD/mmbtu)

<table>
<thead>
<tr>
<th>Region</th>
<th>4Q 17</th>
<th>4Q 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>6.7</td>
<td>8.2</td>
</tr>
<tr>
<td>Japan</td>
<td>7.9</td>
<td></td>
</tr>
<tr>
<td>US</td>
<td>2.9</td>
<td>3.8</td>
</tr>
</tbody>
</table>

\(^1\) Source: BOABC, CFMW, IHS
\(^2\) Yara’s realized European nitrate price in CAN 27 equivalents ex. Sulphur, Yara’s realized global NPK price (average grade) at German proxy CIF
Improving earnings trend

**EBITDA ex. SI**

USD millions

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
<th>4Q16</th>
<th>4Q17</th>
<th>4Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported Figures</td>
<td>659</td>
<td>411</td>
<td>296</td>
<td>350</td>
<td>424</td>
</tr>
</tbody>
</table>

**Earnings per share ex. SI and currency**

USD/share

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
<th>4Q16</th>
<th>4Q17</th>
<th>4Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported Figures</td>
<td>0.83</td>
<td>0.15</td>
<td>(0.14)</td>
<td>0.38</td>
<td>0.58</td>
</tr>
</tbody>
</table>
EBITDA 21% higher YoY as higher sales prices and a stronger USD more than offset higher energy costs

EBITDA ex. SI

USD millions

4Q17  Price/ Margin  Currency  Energy costs  Volume  Other  4Q18
350   135           27       93           6       11    424

EBITDA ex. SI USD millions

+21%
Higher upgrading margins in Production, structural volume growth in Crop Nutrition and Industrial

MUSD, excluding special items

- Production
  - Improved nitrogen and phosphate upgrading margins
  - Volumes impacted by turnarounds and outages

- Crop Nutrition
  - Positive margin effect and increased volumes from acquisitions, partly offset by lower underlying volumes
  - European deliveries down 13%

- Industrial
  - Positive contribution from Cubatão acquisition
  - Underlying deliveries in line with last year
Yara is set to deliver growth after period of heavy investments

- Delayed ramp-ups will limit the 2019 EBITDA improvement from expansion projects to USD 330 million\(^1\)
- 2020 impact in line with previous guiding of ~600 MUSD EBITDA

\(^1\) Measured at 2015 margins
Yara Improvement Program effects

<table>
<thead>
<tr>
<th>USD million</th>
<th>355</th>
<th>310</th>
<th>151</th>
<th>23</th>
<th>48</th>
<th>41</th>
<th>23</th>
<th>56</th>
<th>-24</th>
<th>66</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustained EBITDA improvement based on 2015 margins</td>
<td>133</td>
<td>101</td>
<td>145</td>
<td>23</td>
<td>41</td>
<td>41</td>
<td>23</td>
<td>90</td>
<td>9</td>
<td>66</td>
</tr>
<tr>
<td>Sustained EBITDA improvement based on 2018 margins</td>
<td>48</td>
<td>41</td>
<td>23</td>
<td>56</td>
<td>-24</td>
<td>66</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018 YIP impact over 2017</td>
<td>90</td>
<td>56</td>
<td>-7</td>
<td>33</td>
<td>-24</td>
<td>66</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional YIP implementation cost 2018</td>
<td>9</td>
<td>66</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net 2018 YIP impact</td>
<td>66</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2018 Highlights

- Strong realization of procurement related improvements during 2018 supported improvements in variable costs
- Continued finished product volume improvements from the Yara Productivity System partly offset by ammonia outages
- Fixed cost improvements in both small sites (blenders and warehouses), IT, and Production
- Consumption factor (energy use) changes were negative due to turnarounds impacting per ton energy consumption
## Full year 2018 Profit and Loss statement

<table>
<thead>
<tr>
<th>USD millions, except share information</th>
<th>2018</th>
<th>2017</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue and other income</td>
<td>13,054</td>
<td>11,400</td>
<td>1,654</td>
</tr>
<tr>
<td>Raw materials, energy costs and freight expenses</td>
<td>-9,952</td>
<td>-8,547</td>
<td>-1,404</td>
</tr>
<tr>
<td>Payroll and related costs</td>
<td>-1,207</td>
<td>-1,090</td>
<td>-117</td>
</tr>
<tr>
<td>Depreciation, amortization and impairment loss</td>
<td>-957</td>
<td>-784</td>
<td>-172</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>-536</td>
<td>-521</td>
<td>-16</td>
</tr>
<tr>
<td>Operating costs and expenses</td>
<td>-12,652</td>
<td>-10,942</td>
<td>-1,709</td>
</tr>
</tbody>
</table>

| Operating income                       | 402   | 457   | -55      |
| Share of net income in equity-accounted investees | 82   | 29    | 53       |
| Interest income and other financial income | 81   | 77    | 4        |
| Earnings before interest expense and tax (EBIT) | 566  | 563   | 2        |
| Foreign currency translation gain/(loss) | -278  | 99    | -377     |
| Interest expense and other financial items | -153 | -82   | -71      |
| Income before tax                      | 134   | 581   | -446     |
| Income tax                             | 6     | -99   | 105      |
| Net income                             | 141   | 482   | -341     |
| Earnings per share                     | 0.58  | 1.75  | -1.16    |
| Weighted average number of shares outstanding in '000 | 273,170 | 273,218 | -48     |

### Main comments

- **Depreciation**: Increase reflects M&A and expansion projects in addition to impairment losses.
- **Currency**: Translation loss on US dollar denominated debt as the US dollar strengthened against all of Yara’s other main currencies.
- **Interest**: Expense increased, as average gross debt was 1.5 billion higher than in 2017.
- **Tax**: Income reflects lower results and different tax rates in various tax jurisdictions.
## Balance sheet

<table>
<thead>
<tr>
<th>USD millions</th>
<th>31-Dec-18</th>
<th>31-Dec-17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total non-current assets</td>
<td>11,337</td>
<td>11,000</td>
</tr>
<tr>
<td>Total current assets</td>
<td>5,319</td>
<td>4,783</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>16,656</td>
<td>15,783</td>
</tr>
<tr>
<td><strong>Equity and liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total equity</td>
<td>8,910</td>
<td>9,505</td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td>4,116</td>
<td>3,654</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>3,630</td>
<td>2,625</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td>16,656</td>
<td>15,783</td>
</tr>
</tbody>
</table>

### Main comments

- Babrala and Cubatão acquisitions increased non-current assets
- Increased inventory and receivables mainly due to acquisitions, but also higher market prices
- Currency loss directly to equity and declared dividend reduced total equity
- 1 billion US dollar bond issue in 2018
- 2019 bond maturity ~ USD 800 million classified as current liabilities
Net interest-bearing debt increase from higher capex

2018 Net interest-bearing debt

USD millions

- Net debt: Dec 17 - 2,367
- Cash earnings\(^1\): 1,082
- Net operating capital change: 428
- Investments (net): 2,041
- Other: 41
- Net debt: Dec 18 - 3,794

\(+60\%\)

1 Operating income plus depreciation and amortization, minus tax paid, net gain/(loss) on disposals, net interest expense and bank charges
Yara’s leading global market presence and differentiated product portfolio represent key sources of competitive edge

Key value drivers

- Global presence and farmer interaction
- Global agronomic crop knowledge
- Crop-specific nutrition solutions based on a differentiated product portfolio
- Digital farming and value chain collaboration initiatives drive further growth
- Commercial excellence

2018 sales figures in mill. tonnes, % = total 2018 Yara sales
Higher 4Q18 Crop Nutrition EBITDA

Higher earnings and volumes from acquisitions

Volume growth from acquisitions partly offset by delayed European deliveries

Increased realized prices

**EBITDA ex. SI (MUSD)**

- 4Q17: 88
- 4Q18: 100

**Volumes (kt)**

- 4Q17:
  - M&As: 3.2
  - High value premium: 1.5
  - Premium NPK: 1.6
  - Differentiated N: 0.4
  - Commodities: 0.6

- 4Q18:
  - M&As: 2.9
  - High value premium: 1.5
  - Premium NPK: 1.4
  - Differentiated N: 0.4
  - Commodities: 0.6

**Revenues (MUSD)**

- 4Q17:
  - M&As: 180
  - High value premium: 677
  - Premium NPK: 404
  - Differentiated N: 1,125
  - Commodities: 1,038

- 4Q18:
  - M&As: 180
  - High value premium: 677
  - Premium NPK: 404
  - Differentiated N: 1,125
  - Commodities: 1,038

* High value premium defined as CN, fertigation products and YaraVita. YaraVita only included in revenues as measured in units.
### Long-term premium product growth strategy is showing results

<table>
<thead>
<tr>
<th></th>
<th>Total fertilizer deliveries</th>
<th>Premium NPK deliveries</th>
<th>High value premium(^1) deliveries</th>
<th>YaraVita deliveries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Million tons</td>
<td>Million tons</td>
<td>Million tons</td>
<td>Million units</td>
</tr>
<tr>
<td></td>
<td>26.5</td>
<td>4.8</td>
<td>1.5</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>28.5</td>
<td>5.9</td>
<td>1.7</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>2015</td>
<td>2015</td>
<td>2015</td>
</tr>
<tr>
<td></td>
<td>+7%</td>
<td>+24%</td>
<td>+15%</td>
<td>+55%</td>
</tr>
</tbody>
</table>

- **2015**
  - Total fertilizer deliveries: 26.5 million tons
  - Premium NPK deliveries: 4.8 million tons
  - High value premium deliveries: 1.5 million tons
  - YaraVita deliveries: 25 million units

- **2018**
  - Total fertilizer deliveries: 28.5 million tons
  - Premium NPK deliveries: 5.9 million tons
  - High value premium deliveries: 1.7 million tons
  - YaraVita deliveries: 39 million units

Premiums of more than USD 1 billion generated versus commodity alternative for premium NPKs, High value premium and YaraVita in 2018

\(^1\) High value premium defined as CN and fertigation products
YaraVita represent a compelling growth case in core of Yara’s strategy

48% growth since 2015, doubling of current volumes expected in 3-4 years

<table>
<thead>
<tr>
<th>Yara Vita volumes (units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
</tr>
</tbody>
</table>

- YaraVita: a high-margin and knowledge-intensive solution
- Micronutrients are needed for both cash crops and commodity crops
- Yara’s global position and competence position us to leverage this opportunity
- Proven track record of growth with 55% growth since 2015, CAGR of 16%
- New YaraVita plant operational from April 2018 in Brazil, allowing further global growth
- Increased market reach via the Babrala acquisition

Contribution margin of ~ USD 80 million, 6% of Yara Crop Nutrition’s contribution
Attractive Yara prospects

### Attractive industry fundamentals and supply-demand outlook
- Growing population and dietary improvement drives demand
- Resource and environment challenges require strong agri productivity improvement
- Tightening global grain balance and slow-down in nitrogen supply growth

### Operating cash flow improvement with strict capital allocation
- Operating cash flow improving with cycle and Yara actions
- Committed capex almost halved from 2018 to 2019
- Strict capital allocation
- Active portfolio management

### Focused long-term strategy
- Crop nutrition focus; #1 market presence and #1 premium fertilizer producer
- Strengthening position with digital farming services and food chain partnerships
Welcome to Yara Capital Markets Day: 26 June

• Save the date
• Location: TBD (London)
New segment structure effective 1 January 2019

Production

Sales and Marketing

Crop Nutrition units

Animal Nutrition
Excl South Africa

Base Chemicals

Industry Reagent

New Business

Yara Birkeland

Decarbonize Yara

Circular Economy

New Business Scale-up

Innovation Support & Research

Environmental ex Industry Reagents

Industrial Nitrates

Animal Nutrition South Africa

Mining Applications
Yara Environmental Solutions is comprised of Yara Marine Technologies, Transport Reagents and Stationary:
- Reagents: Yara’s AdBlue business for landbased vehicles
- Maritime: global leader in SOx & NOx abatement for seagoing vessels
- Stationary: NOx abatement for landbased industry assets

Yara Mining Applications is Yara’s business within civil explosives, a high margin outlet for ammonium nitrate.
- Mining applications is a leading global technical ammonium nitrate (TAN) partner, with focus on raw material production and 1.5 million ton capacity.

Business Unit Industrial Nitrates’ purpose is to sell and profitable develop new outlets for Calcium Nitrate (CN) based solutions.
- Activities include sales of Nutriox (specialized CN) through odor control business in Europe and the US, DipCal Latex additive factory in Malaysia, construction additives and other forms of industrial CN sales.
Yara Improvement Program on track

- 2018 EBITDA benefits reached targets (in 2015 terms):
  - Strong realization of procurement related improvements
  - The Yara Productivity System delivered finished product and cost improvements, while energy were lagging due to turn-around effects
  - Focus increasingly shifting towards ensuring the sustainability including further focus on excellence in our main functions

**Annual impact, USD million, vs. 2015 baseline, at 2015 margins**

- **Sustained EBITDA improvement**
  - 2016: 84
  - 2017: 242
  - 2018: 350
  - 2019: 355
  - 2020: 450
  - Today: 500

- **One-off**
  - **Benefits¹**
    - 2016: 60
    - 2017: 69
    - 2018 target: 15
    - 2018: 28
    - 2019: 15
    - 2020 target: 15
  - **Cost**
    - 2016: 14
    - 2017: 49
    - 2018 target: 35
    - 2018: 24
    - 2019: 13
    - 2020 target: 11
  - **Investments**
    - 2016: 69
    - 2017: 116
    - 2018 target: 100
    - 2018: 91
    - 2019 target: 90
    - 2020 target: 0

¹ One-off benefits are related to working capital improvements and white certificates

2018 Cost and Investment targets revised from 39 to 35 and from 140 to 100 respectively earlier during 2018 (all figures in USD million)
Major improvement and growth investments in 2018; main earnings improvement from 2019 onwards

1 Currency assumptions for 2018 onwards: USD/NOK 8.23, EUR/USD: 1.16, USD/BRL: 3.95
2 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
Sensitivities improvement and growth investments

Improvement program: Impact\(^1\) of +100 USD/t price change (USD/share)

<table>
<thead>
<tr>
<th></th>
<th>Ammonia</th>
<th>Urea</th>
</tr>
</thead>
</table>

Growth: Impact\(^1\) of +100 USD/t price change (USD/share)

<table>
<thead>
<tr>
<th></th>
<th>Ammonia</th>
<th>Urea</th>
<th>DAP(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phosphate-driven price change, equivalent to 138 USD/t phosphate rock (72 bpl)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Main average 2015 market prices: Ammonia fob Yuzhny 390 USD/t, Urea fob Yuzhny 275 USD/t, DAP fob Morocco 495 USD/t

---


\(^2\) Phosphate-driven price change, equivalent to 138 USD/t phosphate rock (72 bpl)
Key sensitivities (based on 2018 production capacities)

<table>
<thead>
<tr>
<th></th>
<th>Operating income</th>
<th>EBITDA</th>
<th>EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD million</td>
<td>USD million</td>
<td>USD</td>
</tr>
<tr>
<td>Urea sensitivity +10 USD/t</td>
<td>45</td>
<td>54</td>
<td>0.16</td>
</tr>
<tr>
<td>...of which pure Urea</td>
<td>38</td>
<td>47</td>
<td>0.14</td>
</tr>
<tr>
<td>...of which UAN</td>
<td>7</td>
<td>7</td>
<td>0.02</td>
</tr>
<tr>
<td>Nitrate sensitivity CAN +10 USD/t</td>
<td>101</td>
<td>101</td>
<td>0.28</td>
</tr>
<tr>
<td>...of which pure Nitrates</td>
<td>61</td>
<td>61</td>
<td>0.17</td>
</tr>
<tr>
<td>...of which NPKs</td>
<td>40</td>
<td>40</td>
<td>0.11</td>
</tr>
<tr>
<td>Compound NPK premium over nitrate +10 USD/t</td>
<td>54</td>
<td>54</td>
<td>0.15</td>
</tr>
<tr>
<td>Hub gas Europe + 0.1 USD/MMBtu</td>
<td>-16</td>
<td>-16</td>
<td>-0.04</td>
</tr>
<tr>
<td>Hub gas North Am + 0.1 USD/MMBtu</td>
<td>-2.6</td>
<td>-2.6</td>
<td>-0.01</td>
</tr>
<tr>
<td>Ammonia + 10 USD/t</td>
<td>3</td>
<td>4</td>
<td>0.01</td>
</tr>
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</table>

Currency sensitivity

<table>
<thead>
<tr>
<th></th>
<th>USD million</th>
<th>USD million</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%-points EUR appreciation versus USD</td>
<td>-120</td>
<td>-95</td>
<td>-0.30</td>
</tr>
<tr>
<td>10%-points NOK appreciation versus USD</td>
<td>-50</td>
<td>-35</td>
<td>-0.10</td>
</tr>
<tr>
<td>10%-points BRL appreciation versus USD</td>
<td>-40</td>
<td>-25</td>
<td>-0.10</td>
</tr>
</tbody>
</table>
European nitrogen upgrading margin and global NPK premium slightly below last year

Nitrogen upgrading margins¹

USD/t (monthly publication prices)

NPK premium over blend²

USD/t

1 Upgrading margin from gas to nitrates in 46% N (USD/t): All prices in urea equivalents, with 1 month time lag

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

Source: Fertilizer Market Publications
Yearly averages 2010-2016, quarterly averages for 2017-2018 with forward prices* for 1Q19 and 2Q20

*Dotted lines denote forward prices as of 18 January 2019
Source: Yara, World Bank, Argus/ICIS Heren
Yara stocks

Kilotons
Finished fertilizer

8,000

4Q 2014  4Q 2015  4Q 2016  4Q 2017  4Q 2018

Other
Compound
NPK
Nitrates
Urea
European producers’ nitrate stocks

Index
June 2007 = 1

Source: Fertilizers Europe
Nitrogen supply growth is forecast to reduce significantly

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

<table>
<thead>
<tr>
<th>Year</th>
<th>India</th>
<th>Iran</th>
<th>USA</th>
<th>Russia</th>
<th>Algeria</th>
<th>Nigeria</th>
<th>Others</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td>2014</td>
<td>1.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>1.1</td>
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<tr>
<td>2015</td>
<td>3.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>3.4</td>
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<tr>
<td>2016</td>
<td>4.7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4.7</td>
</tr>
<tr>
<td>2017</td>
<td>6.7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6.7</td>
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<tr>
<td>2018</td>
<td>4.1</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>2019</td>
<td>2.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.3</td>
</tr>
<tr>
<td>2020</td>
<td>2.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.0</td>
</tr>
<tr>
<td>2021</td>
<td>1.2</td>
<td></td>
<td></td>
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<td>1.2</td>
</tr>
<tr>
<td>2022</td>
<td>2.7</td>
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<td>2.7</td>
</tr>
<tr>
<td>2023</td>
<td>3.1</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>3.1</td>
</tr>
</tbody>
</table>

Source: CRU December 2018
Higher global urea prices

Urea price development\(^1\) (USD/t)

\(^1\) Source: BOABC, CFMW