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Restatement of operating segment information 2018



Operating segment changes from 1 January 2019

As part of the crop nutrition focused strategy, Yara has simplified its operating model which leads to changes in the reporting segments. The new Sales and Marketing segment will include the existing Crop Nutrition units, in addition to the following businesses which will be transferred from the former Industrial segment:

- Base chemicals
- Industry Reagents
- Animal Nutrition (excluding South Africa)

The New Business segment will include business units for decarbonization, circular economy, autonomous logistics operations and the following businesses from the former Industrial segment:

- Environmental Solutions
- Mining Applications
- Animal Nutrition South Africa
- Industrial Nitrates

Yara has at the same time moved certain plants that are operating in local markets from the former Crop Nutrition segment to the Production segment. These plants are:

- Babrala (India)
- Rio Grande (Brazil)
- Ponta Grossa (Brazil)

In addition, Yara has moved fertilizer sales and marketing activity in Galvani and Cubatao previously reported within the Production segment to the new Sales and Marketing segment.

Yara has restated its segment information for 2018 so that comparative information can be provided when Yara starts reporting based on the new segment structure from the first quarter 2019. Intercompany sales are based on arm's length principle and generally in line with the principles applied in the previous segment structure. A majority of the volume sold in the Sales and Marketing and New Business segment is purchased from the Production segment.

The restated operating segment information is unaudited.

Restated operating segment information for 2018

USD millions	1Q 2018	2Q 2018	3Q 2018	4Q 2018	2018
External revenue and other income					
Sales and Marketing	2,406	2,705	3,013	2,845	10,968
New Business	211	252	283	318	1,063
Production	239	234	248	296	1,017
Other and eliminations	1	1	3	0	5
Total	2,856	3,192	3,547	3,459	13,054
Internal revenue and other income					
Sales and Marketing	39	38	34	50	160
New Business	1	1	1	(0)	3
Production	1,325	1,434	1,725	1,698	6,183
Other and eliminations	(1,365)	(1,473)	(1,759)	(1,748)	(6,346)
Total	-	-	-	-	-
Revenue and other income					
Sales and Marketing	2,444	2,742	3,046	2,895	11,128
New Business	212	254	283	317	1,067
Production	1,565	1,668	1,973	1,994	7,200
Other and eliminations	(1,365)	(1,472)	(1,755)	(1,748)	(6,340)
Total	2,856	3,192	3,547	3,459	13,054
Operating income					
Sales and Marketing	138	99	116	74	427
New Business	17	24	28	35	103
Production	(34)	(66)	51	15	(35)
Other and eliminations	12	(18)	(41)	(45)	(93)
Total	134	38	153	78	402
EBITDA					
Sales and Marketing	177	157	154	125	613
New Business	22	29	26	39	115
Production	153	119	280	305	856
Other and eliminations	18	(9)	(32)	(39)	(62)
Total	370	296	427	430	1,523
Investments ¹⁾					
Sales and Marketing	54	95	76	83	308
New Business	2	2	2	3	9
Production	468	563	300	392	1,723
Other and eliminations	6	13	7	14	41
Total	530	673	385	492	2,080
Total Assets ²⁾					
Sales and Marketing					4,514
New Business					450
Production					11,478
Other and eliminations					213
Total					16,656

1) Investments comprise property, plant and equipment, intangible assets, equity-accounted investees and other equity investments. The figures presented are capitalized amounts, and may deviate from cash flow from investing activities due to timing of cash outflows.

2) Assets exclude internal cash accounts and accounts receivables related to group relief.

	1Q 2018	2Q 2018	3Q 2018	4Q 2018
CROGI (12-month rolling average)				
Yara ¹⁾	6.8%	6.4%	6.9%	7.3%
Sales and Marketing	13.5%	14.0%	13.9%	13.8%
New Business	29.2%	29.6%	27.2%	34.3%
Production	4.4%	3.9%	4.9%	5.4%
ROCE (12-month rolling average)				
Yara ¹⁾	3.7%	3.0%	3.7%	3.7%
Sales and Marketing	11.9%	12.4%	12.5%	12.5%
New Business	25.9%	27.1%	24.5%	42.5%
Production	0.0%	(0.8)%	0.6%	0.5%

1) Cash and other liquid assets are included in gross investments and capital employed when calculating CROGI and ROCE respectively for the segments, but not included for total Yara. In addition, actual Yara tax is used for calculating CROGI and ROCE for Yara while a standardized tax rate of 25% is used for the segments. These two effects explain the variance in CROGI and ROCE between Yara and the segments. See page 9 "Definitions and variance analysis" in the fourth-quarter report 2018 for more information.

Restated reconciliation of operating income to EBITDA

USD millions	Operating income	Equity-account- ed investees	Interest income and other financial income	EBIT	Depreciation and amortization ¹⁾	Impairment loss ²⁾	EBITDA
1Q 2018							
Sales and Marketing	138	(1)	19	156	20	2	177
New Business	17	(0)	2	19	3	-	22
Production	(34)	12	-	(21)	173	2	153
Other and eliminations	12	-	1	12	6	-	18
Total	134	11	21	165	201	4	370
2Q 2018							
Sales and Marketing	99	5	18	122	21	14	157
New Business	24	0	3	27	3	-	29
Production	(66)	11	(2)	(57)	170	6	119
Other and eliminations	(18)	-	4	(15)	6	-	(9)
Total	38	17	22	77	199	20	296
3Q 2018							
Sales and Marketing	116	2	16	134	20	-	154
New Business	28	(0)	(4)	23	3	-	26
Production	51	24	5	80	165	35	280
Other and eliminations	(41)	-	4	(37)	5	-	(32)
Total	153	26	21	200	193	35	427
4Q 2018							
Sales and Marketing	74	(1)	15	87	25	13	125
New Business	35	1	-	36	3	-	39
Production	15	28	1	44	182	79	305
Other and eliminations	(45)	-	1	(43)	5	-	(39)
Total	78	29	17	124	214	92	430
2018							
Sales and Marketing	427	5	67	498	86	28	613
New Business	103	1	1	105	10	-	115
Production	(35)	76	4	45	689	122	856
Other and eliminations	(93)	-	10	(83)	22	-	(62)
Total	402	82	81	566	807	150	1,523

1) Including amortization on excess value in equity-accounted investees.

2) Including impairment loss on excess value in equity-accounted investees.

Restated disaggregation of external revenues by nature

USD millions	Fertilizer and chemical products	Freight/ insurance services	Other products and services	Total
1Q 2018				
Sales and Marketing	2,326	74	4	2,404
New Business	186	11	14	211
Production	193	11	18	222
Other and eliminations	-	-	1	1
Total	2,705	96	37	2,838
2Q 2018				
Sales and Marketing	2,604	95	4	2,703
New Business	196	30	26	252
Production	190	23	16	229
Other and eliminations	-	-	1	1
Total	2,991	147	47	3,185
3Q 2018				
Sales and Marketing	2,906	102	1	3,009
New Business	215	22	45	283
Production	177	16	16	209
Other and eliminations	-	-	3	3
Total	3,299	140	65	3,504
4Q 2018				
Sales and Marketing	2,724	97	4	2,825
New Business	232	22	65	318
Production	222	15	17	254
Other and eliminations	-	-	4	4
Total	3,178	134	90	3,401
2018				
Sales and Marketing	10,561	367	13	10,941
New Business	829	85	150	1,064
Production	782	64	67	913
Other and eliminations	1	-	9	9
Total	12,173	517	239	12,928

Restated disaggregation of external revenues by geographical area

USD millions	Europe	Brazil	Latin America ex. Brazil	Asia	North America	Africa	Total
1Q 2018							
Sales and Marketing	974	529	193	328	255	124	2,404
New Business	107	2	14	21	41	26	211
Production	30	27	10	72	82	-	222
Other and eliminations	1	-	-	-	-	-	1
Total	1,112	558	218	422	377	150	2,838
2Q 2018							
Sales and Marketing	924	610	295	389	337	147	2,703
New Business	128	16	14	28	38	29	252
Production	28	22	8	90	80	-	229
Other and eliminations	1	-	-	-	-	-	1
Total	1,081	648	318	507	456	176	3,185
3Q 2018							
Sales and Marketing	814	1,224	269	409	164	129	3,009
New Business	126	29	18	43	36	29	283
Production	24	19	6	74	85	-	208
Other and eliminations	3	-	-	-	-	-	3
Total	968	1,273	293	526	285	159	3,504
4Q 2018							
Sales and Marketing	837	1,007	238	368	246	130	2,825
New Business	142	28	21	49	48	30	318
Production	45	28	7	75	99	-	254
Other and eliminations	3	-	-	-	-	-	4
Total	1,028	1,063	265	493	392	160	3,401
2018							
Sales and Marketing	3,549	3,370	995	1,494	1,001	531	10,941
New Business	503	75	68	141	163	114	1,064
Production	128	97	31	311	346	-	913
Other and eliminations	9	-	-	-	-	-	9
Total	4,190	3,542	1,094	1,947	1,511	645	12,928



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