



Knowledge grows

# Pre-quarter information

3Q 2025



# Pre-quarter information

- Prior to hosting pre-quarter calls, Yara publishes a pre-quarter information package on the website, ensuring that all externally available information relevant to model the upcoming quarter is accessible to all at the same time.
- Yara does not provide guidance on total financial results. However, Yara may communicate guidance and / or targets for discrete activity areas. Yara publishes its most significant external price and currency sensitivities.
- In the pre-quarter information package, Yara discloses its outside-in model, which estimates a quarter EBITDA based on development of key market prices, Yara's published sensitivities and related assumptions.
- The outside-in model does not include any further quarter-specific adjustments, whether volume impacts or others.
- The outside-in model should not be seen as guiding of financial results, as actual results may differ due to both internal and external factors.

# Key market prices and outside-in model

## Market prices

|   |   | 2024 |      |      |      |           | 2025 |      |      |      |           |
|---|---|------|------|------|------|-----------|------|------|------|------|-----------|
|   |   | May  | Jun  | Jul  | Aug  | Avg 3Q 24 | May  | Jun  | Jul  | Aug  | Avg 3Q 25 |
| Fertilizers <sup>1</sup><br><i>USD/tonne, average of publications</i> | Ammonia<br><i>FOB Arab Gulf</i>         | 314  | 340  | 351  | 356  | 349       | 283  | 290  | 313  | 319  | 307       |
|   | Urea<br><i>FOB Arab Gulf (ex. US)</i>   | 287  | 339  | 346  | 336  | 340       | 381  | 413  | 475  | 501  | 463       |
|   | CAN<br><i>CFR Germany</i>               | 278  | 292  | 294  | 299  | 288       | 334  | 365  | 394  | 380  | 364       |
| Gas prices <sup>1</sup><br><i>USD/MMBtu</i>                           | Europe<br><i>TTF Netherlands</i>        | 9.8  | 10.8 | 10.2 | 12.1 | 10.3      | 11.5 | 12.3 | 11.4 | 11.0 | 11.7      |
|   | United States<br><i>Henry Hub LA-US</i> | 2.1  | 2.4  | 2.1  | 2.0  | 2.2       | 3.1  | 3.0  | 3.2  | 2.9  | 3.1       |

### Natural gas<sup>3</sup> - impact of spot price change (using 2 months lag):

Gas cost guiding from 2Q 25 based on forward curves:

Estimated impact of spot prices compared with forward curves:

Updated gas cost guiding:

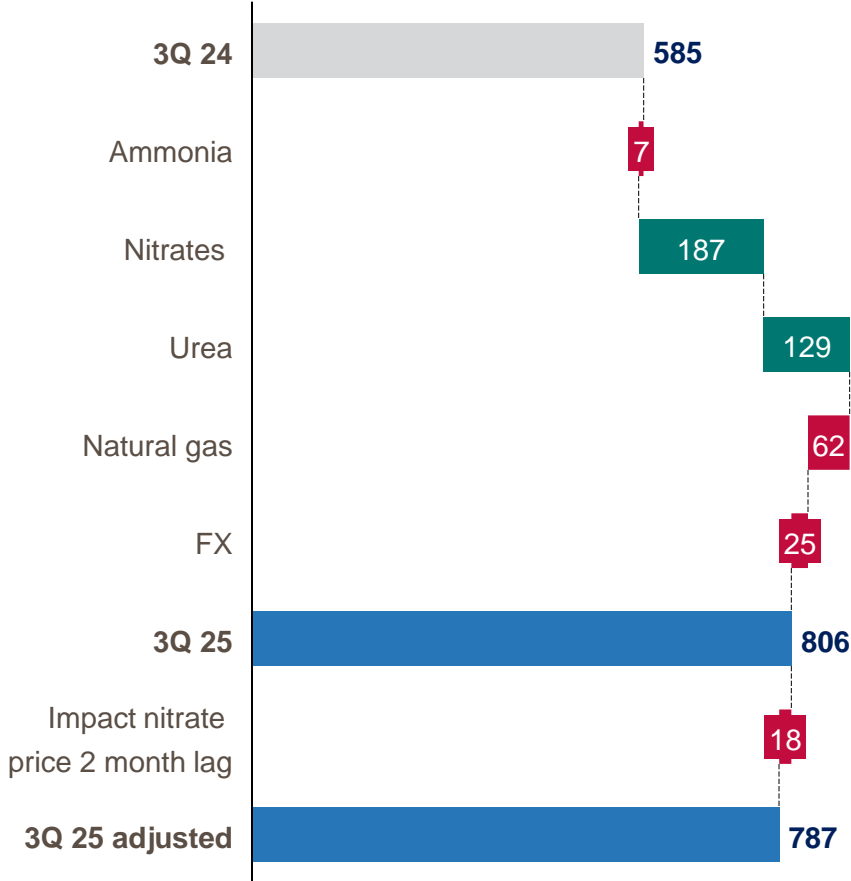
- 60 MUSD
- 2 MUSD
- 62 MUSD (cost)

|   |             | 2Q 24 | 2Q 25 | Change |
|---|-------------|-------|-------|--------|
| Currencies<br><i>Updated September 8<sup>th</sup></i> | USD per EUR | 1.10  | 1.17  | 0.07   |
|   | USD per NOK | 0.09  | 0.10  | 0.01   |
|   | USD per BRL | 0.18  | 0.18  | 0.00   |



## Outside-in estimate, volume neutral

MUSD, based on financial sensitivities<sup>1,2</sup>



1) Prices are lagged one month, except for gas prices which are lagged 2 months.  
2) From Yara.com: <https://www.yara.com/investor-relations/analyst-information/sensitivities/>.  
3) As part of the 2Q 25 report, details for 3Q 25 gas guiding were given in the outlook statement on page 6.

# Key considerations in addition to market prices

## 3Q 24

- Seasonally strong European orderbook going into the quarter
- Reduced fixed cost following cost reduction program launched in 2Q 24
- Quarter results were supported by
  - Strong premiums
  - Improved phosphate upgrading margins driven by lower rock cost
  - Strong third-party product margins in Brazil compared to very low levels the year before
  - Stable potash prices compared to a downward trend the year before

## 3Q 25

- Seasonally strong European orderbook going into the quarter, suggesting 2 months price lag on nitrates
- High fertilizer prices combined with soft crop prices impacting farmer economics
- High and increasing commodity prices putting pressure on premiums
- Continued focus on cost reductions

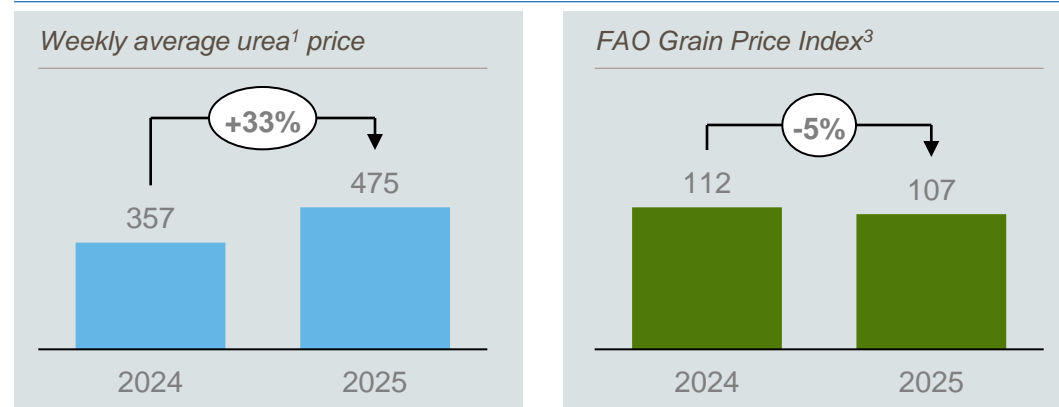


# Market developments

## Urea price developments 3Q 25

- Urea prices increased significantly through June-August, driven by a combination of supply issues in Egypt, Iran and elsewhere, and strong demand from India. Average price fob Egypt for Q3 (1-month lag) at USD 474/t compared to USD 357/t in 3Q last year. India has been the key demand driver, purchasing 3.5 million tons urea through 2 tenders within short time, and has just bought an additional 2 million tons for October shipments. With China increasing its targeted 2025 export quota to 4.2 million tons, to be sold in just a couple of months, current supply is exceeding demand, and prices are falling.
- Cereal prices have declined due to expectation of a strong crop season and record planting in several regions. This has led to worsening affordability ratios in non-subsidized/price-controlled markets, which all else equal serve to dampen demand and urea price development.

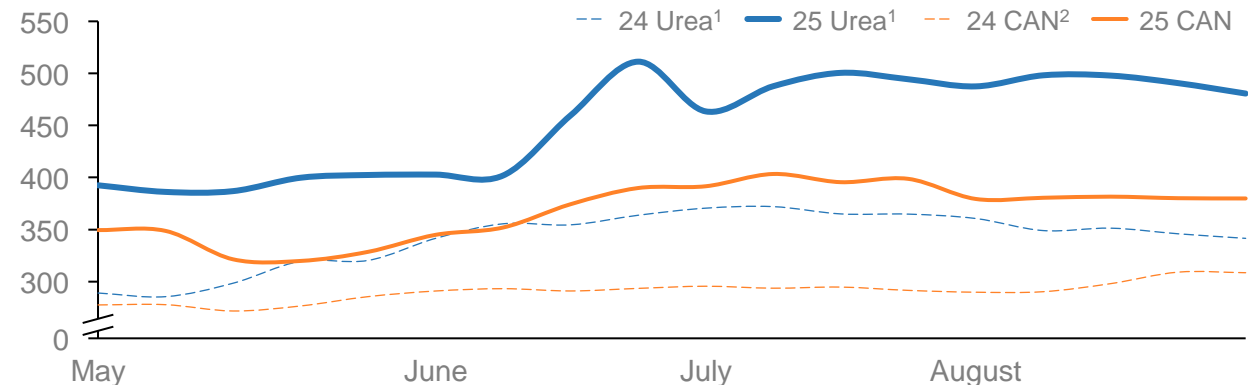
## Urea affordability June - August



## Regional developments

- In India, strong developments in sales have been recorded so far in 2025 with excess inventories from 2024 more than consumed. Monsoon is solid and supportive of demand. In addition, lagging production and low inventories have boosted the import need. 2025 imports are on track to a significantly higher level than 2024. India demand is a strongly supportive factor in the global market.
- Brazil and LatAm are heading into season. Brazil has imported less urea so far this year, compensated by stronger imports of ammonium sulphate, keeping total nitrogen imports at par with last year by end August.
- Europe and North America are out of season. The high price level is not stimulating pre-buying and leads to a continued wait-and-see approach for farmers. US net nitrogen exports in July was the same as last year. US inventory levels appear to be low.

## Price development USD/t, weekly average



# Q&A 1/2

## **Q: How should I think about deliveries for the quarter?**

**A:** Yara has a no guiding policy on volumes, please refer to general market commentary.

## **Q: Does Yara have a volume catch-up potential compared to pre-war levels?**

**A:** Total deliveries are structurally lower than pre-war levels, mainly due to reduced third-party product deliveries in Brazil (approx. 5mt annually across Yara) with limited margin impact, in addition to some portfolio changes (e.g. Montoir repurposing). Yara has been reporting record-high production levels in 2024 and 2025, indicating there is limited further catch-up potential on own-produced products deliveries. Quarterly deliveries depend on current market dynamics.

## **Q: Do you see any impact from poorer farmer affordability on demand?**

**A:** High prices will typically defer pre-buying for regions well ahead of main application season. While nitrogen application is critical to ensure crop yields (as opposed to other main nutrients), weaker farmer affordability will impact the marginal ton of fertilizer applied and consequently lead to dampened demand. However, price expectations for both fertilizers and crops into main season will also impact farmer sentiment and optimal time of purchasing.

## **Q: Should nitrate price be lagged with 2 months rather than 1 month given the strong orderbook going into 3Q?**

**A:** Yara reported in its 2Q25 reporting that the European orderbook was seasonally strong, indicating that a 2-months price lag for CAN is appropriate for 3Q modelling.

## **Q: How should I think about premiums for the quarter?**

**A:** Important to remember that premium is not the same as margin.

Yara reported healthy premiums in 2Q this year. Commodity prices for both N, P and K have increased further from already high levels, putting additional pressure on premiums. Nitrate premiums typically compress when urea prices increase rapidly and expand as urea prices decrease. Weaker farmer affordability typically puts an additional pressure on premiums, especially in the pre-buying season.

NPK premiums are typically less volatile than nitrate premiums, and more dependent on local market conditions and commercial performance.

## **Q: Are you able to price in the price spikes observed through 3Q?**

**A:** In a quarter with market price spikes, limited volumes are typically sold at the highest price levels, by design reflecting the need for a downward price correction. Reported publication prices are not volume weighted.

## **Q: How should I think about the impact from third party product (TPP) margins in Brazil this quarter?**

**A:** 3Q24 saw a positive EBITDA impact from TPP margins in Brazil, due to very low margins the year before. TPP margins have in general normalized in 2024-1H2025 and in 2Q25 were in line with the year before.



# Q&A 2/2

## **Q: What is the impact from improved phosphate upgrading economics on your results?**

**A:** Yara's premium compound NPK pricing is influenced by several factors in addition to price movements on the underlying commodities, including agronomical advantages, value offering and local market conditions. Yara does not publish a sensitivity on phosphate upgrading margins. In 2Q 2025 the effect from higher DAP prices compared to last year was approximately 30 MUSD. Since then, prices have increased further. However, considering the already high price levels, high premiums and pressured farmer affordability will likely cap the direct impact of higher DAP prices on NPK prices.

## **Q: How should I think about impact from potash (K) prices this quarter?**

**A:** 3Q24 saw a positive EBITDA impact from potash prices compared to a year earlier, due to a loss on our long position on potash in a declining price environment through the first three quarters of 2023. Yara does not have any production margin on potash like we have on nitrogen and phosphate – and cost of potash is mainly seen as a pass-through cost. However, as a producer we are naturally long and have some exposure on our input costs from time of procurement to delivery, including on potash. Yara does not provide sensitivities for our potash exposure and does not recommend modelling any impact from potash pricing on quarterly financials.

## **Q: How should I think about fixed cost this quarter?**

**A:** Yara has delivered strong progress on its fixed cost program, reporting L12M fixed costs of 2,346 BUSD in 2Q24 compared to 2,488 BUSD in 3Q24. Current progress suggests 4Q run-rate of 2,350 excluding currency effects and net of inflation, subject to phasing.

## **Q: How should I think about the other bucket in the EBITDA bridge?**

**A:** The “other” bucket in the EBITDA bridge includes currency effects and typically non-recurring events reported within other cost and income. Yara provides sensitivities for currency impact, but no further guiding on the “other” bucket.

## **Q: How should I think about capex for the upcoming quarter?**

**A:** Yara provided an updated capex guidance of 1.1 BUSD for 2025 in 2Q. Maintenance capex is typically higher towards the end of the year as turnarounds and other maintenance is scheduled to off-season in Europe.

## **Q: How should I think about changes in net working capital (NWC)?**

**A:** Yara does not guide on working capital developments. Typically, there is a seasonal build up of working capital in 3Q and 4Q. However, changes in NWC will mainly depend on changes in prices.

# 3Q 25 | Timeline

At Yara, we strictly adhere to all applicable regulations governing communication with financial markets. This includes our communication process around the financial quarter. Please see the timeline for 3Q25 below:

## Period for pre-quarter calls:

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Pre-quarter information published: **September 12<sup>th</sup>, 2025**

Period for pre-quarter calls: **September 15<sup>th</sup>, 2025 - September 30<sup>th</sup>, 2025**

Please contact Ksenia Borzenina for booking a pre-quarter call: [Ksenia.Borzenina@Yara.com](mailto:Ksenia.Borzenina@Yara.com)

*Yara does not share information in pre-quarter calls that is not publicly available. Any relevant pre-quarter information is published in the “pre-quarter information” package, including market prices and outside-in estimate. Any information discussed during these calls has been assessed as non-insider information.*

## Closed period:

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**October 1<sup>st</sup>, 2025 - October 17<sup>th</sup>, 2025\***

*Ahead of announcement of quarterly results, Yara has a so-called "closed period" when contact with external analysts, investors and journalists is minimized. Yara will not comment upon own activities or market developments during this period, to minimize the risk of unequal information in the marketplace.*

## Quarterly results release date:

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**October 17<sup>th</sup>, 2025\***



\*Quiet period lasts until quarterly results are announced, which is 8 am the day of the quarter release.





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