



Knowledge grows

# Pre-quarter information

4Q 2025



# Pre-quarter information

- On the first day of quiet period, 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 and Yara's published sensitivities.
- The outside-in model does not include any further quarter-specific adjustments, whether volume impacts or others. However, Yara does provide qualitative comments about key considerations relevant for the quarter based on what has previously been externally disclosed.
- 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.

# Sensitivities preliminarily updated to reflect CBAM price effect on nitrogen in Europe

- With implementation of CBAM and phasing out of free allowances in Europe, European prices will reflect the carbon cost and consequently be quoted at a premium to global prices.
- This was already reflected in 4Q-prices due to pre-buying ahead of CBAM.
- Yara has therefore updated its sensitivities preliminarily for 4Q25 to reflect the current split of deliveries inside and outside Europe.
- **Yara will revert with updated sensitivities ahead of 1Q.**

Sensitivities with CBAM split <sup>1</sup>	EBITDA	
	EU	ROW
<b>Urea sensitivity +10 USD/t</b>	<b>25.0</b>	<b>17.3</b>
...of which pure Urea	20.8	15.4
...of which UAN	4.2	1.9
<b>Nitrate sensitivity CAN +10 USD/t</b>	<b>58.9</b>	<b>28.7</b>
...of which pure Nitrates	42.6	12.1
...of which NPKs	16.3	16.6
Urea reference recommended	Urea FCA France	Urea Arab Gulf ex US
Nitrate reference recommended	CAN CFR Germany	AN FOB Baltics <sup>1</sup>

# Key market prices and outside-in model

## Market prices

		2024					2025				
		Aug	Sep	Oct	Nov	Avg 4Q 24	Aug	Sep	Oct	Nov	Avg 4Q 25
Fertilizers <sup>1</sup> <i>USD/tonne, average of publications</i>	Ammonia <i>FOB Arab Gulf</i>	356	398	418	418	411	319	353	412	470	412
	Urea Europe <i>FCA France</i>	387	339	430	406	412	542	505	480	545	510
	Urea RoW <i>FOB Arab Gulf (ex. US)</i>	336	339	371	345	352	501	430	397	410	412
	CAN Europe <i>CFR Germany</i>	299	309	306	304	306	380	364	357	390	370
	CAN RoW <i>AN FOB Baltics</i>	239	242	234	216	231	307	276	247	245	256
<i>Converted to 27% N content</i>		187	189	183	169	181	240	216	193	192	200
Gas prices <sup>1</sup> <i>USD/MMBtu</i>	Europe <i>TTF Netherlands</i>	12.1	11.8	12.8	13.7	12.8	11.4	11.0	11.0	10.9	11.0
	United States <i>Henry Hub LA-US</i>	2.0	2.2	2.2	2.1	2.2	3.2	2.9	3.0	3.1	3.0

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

Gas cost guiding from 3Q 25 based on forward curves: -40 MUSD

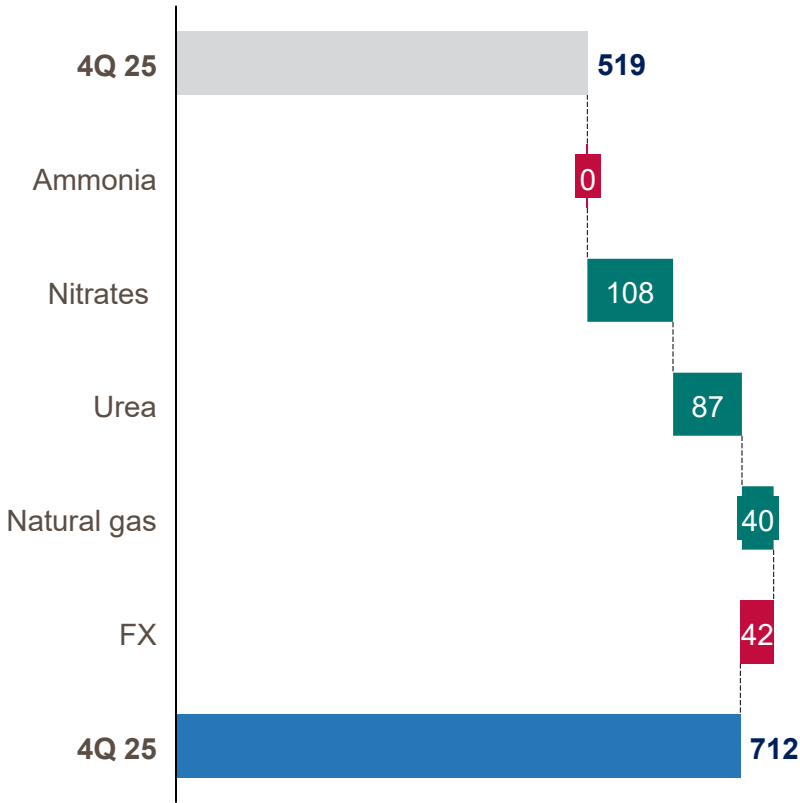
Estimated impact of spot prices compared with forward curves: 0 MUSD

Updated gas cost guiding: -40 MUSD (reduced cost)

		4Q 24	4Q 25	Change
Currencies <i>Updated January 12<sup>th</sup></i>	USD per EUR	1.07	1.16	0.10
	USD per NOK	0.09	0.10	0.01
	USD per BRL	0.17	0.19	0.01

## 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) Based on sensitivities on page 3  
3) As part of the 3Q 25 report, details for 4Q 25 gas guiding were given in the outlook statement on page 6.

# Key considerations in addition to market prices

## 4Q 24

- Favourable phosphate economics compared to 4Q 23
- Other income of 19 MUSD mainly reflecting insurance settlement in Australia (not recognized as special items)
- Impact from cost program

## 4Q 25

- Phosphate economics improved compared to 4Q24, however DAP prices have been on a falling price trend since August, which normally puts pressure on premiums due to time lags from mining/sourcing phosphate rock to delivery of the compound NPK.
- Fixed costs program continues, expecting to deliver 180 MUSD in cost reduction from 2Q24 adjusted for seasonality, 30 MUSD above target (as indicated in 3Q25).
- Pre-buying ahead of CBAM implementation in Europe impacted prices leading up to end November – Yara issues preliminary updated sensitivities to reflect this.



# Market developments

## Urea price developments 4Q 25

- Urea prices dropped moderately September-November driven by a significant increase in Chinese exports. Continued strong import demand from India was not sufficient to offset a price drop.
- There was an uptick in the FOB Egypt price leading up to end November due to pre-buying ahead of CBAM implementation in Europe from 1. January.
- Cereal prices continued to decline due to expectation of a strong crop season and record planting in several regions. This led to low affordability ratios in non-subsidized/price-controlled markets throughout 2025, which all else equal served to dampen demand and urea price development. Some improvement in affordability ratios in 4Q after a low in August, driven by lower urea prices.

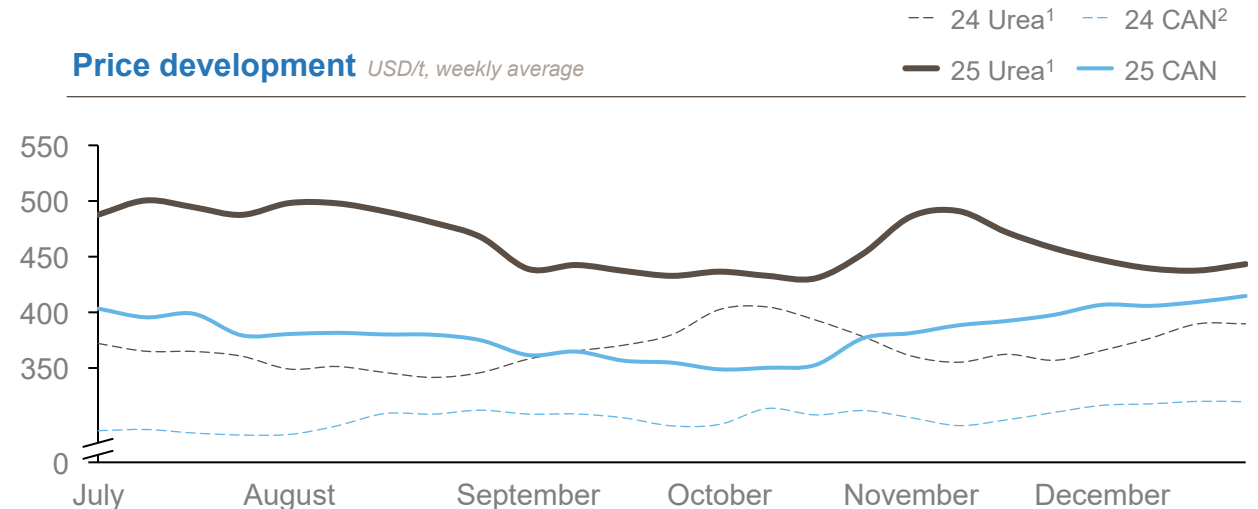
## Urea affordability September - November



## Regional developments

- Strong urea import demand from India driven by strong domestic sales, rebuilding of inventories from unusually low levels and production issues at the start of the year. Preliminary numbers indicate another sales record in December. Strongly supportive factor in the global market in 2025.
- Brazil imported 7% less urea in 2025 (Jan-Dec), compensated by stronger imports of ammonium sulphate, with total nitrogen imports slightly ahead of last year (5.6 mt nitrogen in 2025 vs. 5.5 mt in 2024).
- Urea prices in Europe has remained at a level reflecting CBAM cost in addition to freight and duties through December and into January.
- US net nitrogen imports moderately ahead of last year so far this season (Jul-Oct), but significantly below previous years.

## Price development USD/t, weekly average





# Q&A 1/3

## Q: Why is Urea FCA France the suggested price reference?

A: Urea FCA France is a liquid price reference, based on imports to La Pallice port which is a major hub for importing and distributing urea across Europe, reflecting both import parity to Europe and transportation costs.

## Q: Why is AN Baltics the suggested price reference?

A: Going forward, and with an early start in 4Q, CBAM will be reflected in the CAN CFR price in Europe, and CBAM is less relevant for pricing in other regions. Yara therefore suggests using AN Baltics for nitrate and NPK deliveries outside Europe for 4Q.

## Q: AN Baltics trades at a significant discount to CAN CFR Germany?

A: The absolute levels are lower, reflecting lower nitrate commodity premium outside Europe and the fact that it's a FOB price compared to CAN CFR including freight costs. Yara's sales outside of Europe are done at a significant premium relative to this. The relevant factor for Yara's EBITDA modelling is however the price delta.

## Q: Why didn't you split ammonia sensitivities to reflect CBAM effect in Europe?

Yara does not have material sales of ammonia to external customers in Europe.

## Q: Should we expect the split between European and non-European deliveries to change?

A: Yara has a strong position in a carbon-taxed Europe, with its flexible ammonia sourcing and premium product portfolio. Yara is targeting increasing our European market share and strengthening premiums.

## Q: How do you expect prices to develop with the implementation of CBAM?

A: Implementation of carbon tax will increase European nitrogen prices, also demonstrated through the increase in Urea FCA France price in 4Q 2025 (see market section).

## Q: What would EBITDA using previous sensitivities be?

With previous sensitivities, the estimated outside-in EBITDA for 4Q would be at 721 MUSD – limited delta from new sensitivities due to a mix of European reference for nitrates and global reference for urea.

## Q: Should we use the new sensitivities for modelling going forward?

A: With the implementation of CBAM, European prices will trade at a premium to global prices reflecting the added carbon tax. Urea FCA France and CAN CFR Germany are considered good proxies to capture this for Yara's European deliveries. For overseas deliveries, there are several global references for both urea and nitrates available, and while they should usually correlate, there could be scenarios where changing market dynamics would also change the relevance of these price references for Yara. Preliminarily, Yara suggests using AN FOB Baltics and Urea Arab Gulf for non-European deliveries. **However, Yara will publish updated sensitivities ahead of 1Q.**

# Q&A 2/3

## **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: Should I lag nitrate prices with one or two months?**

**A:** The European orderbook is typically at its longest in 3Q – decreasing until main application in 1Q/2Q. A lag of 1 months is recommended for 4Q although variations between seasons will occur based on the prevailing supply/demand balance.

## **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 2,322 BUSD in 3Q25 compared to 2,488 BUSD in 3Q24. Progress as of 3Q25 suggests 4Q run-rate of 2,350 excluding currency effects and net of inflation, subject to phasing.

## **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 3Q, although lower than a year earlier due to increase in commodity prices for both N, P and K, putting additional pressure on premiums. Since then, K prices have been fairly stable, N prices have dropped moderately September to November while P prices have been dropping since mid-year. Weaker farmer affordability typically puts an additional pressure on premiums, especially in the pre-buying season. Nitrate premiums typically compress when urea prices increase rapidly and expand as urea prices decrease. NPK premiums are typically less volatile than nitrate premiums, and more dependent on local market conditions and commercial performance.

## **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. First half of 2025 saw an increase in DAP prices until mid-year, before falling with appx 100 USD/t from August to December. Average DAP prices for 4Q 2025 (using 3 months lag) is however still higher than 4Q 2024 – albeit on a falling trend which typically puts pressure on the NPK premiums given time lags from mining/sourcing phosphate rock to the compound NPK product is delivered.



# Q&A 3/3

## **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 Other income in the Income statement?**

**A:** Other income typically reflects one off effects and should normally be taken out of the baseline if not classified as special item.

## **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.

## **Q: What is Yara’s EU ETS costs in 4Q 2025?**

**A:** Yara’s EU ETS cost is calculated as the difference between actual emissions and granted free allowances. Yara has in recent years accumulated a surplus of EU ETS quotas, reflecting Yara’s emissions being lower than the benchmark for free allowances.

These surplus quotas can be used to settle future emission deficits. As they are recognized in the balance sheet at cost (which is zero), submitting these to pay for emissions comes at a zero cost in the P&L and at zero cash flow impact. This would change if Yara were to sell the surplus of EU ETS quotas and purchase required emissions on the market.

Therefore, it is not relevant to model any EU ETS costs for Yara in 4Q 2025.

## **Q: What is Yara’s CBAM cost effect in 4Q 2025**

CBAM was implemented January 1<sup>st</sup>, 2026 so Yara will not incur any CBAM costs in 4Q 2025.

From January 1<sup>st</sup>, 2026, Yara’s CBAM exposure will reflect Yara’s net imported ammonia if inward processing mechanism in place. Yara imports approximately 1.5 mt ammonia per year, but re-exports approximately 1mt of ammonia equivalents in finished products.

# 4Q 25 | Timeline

## Closed period:

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**January 16<sup>th</sup>, 2026 – February 11<sup>th</sup>, 2026\***

*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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**February 11<sup>th</sup>, 2026**





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