Knowledge grows

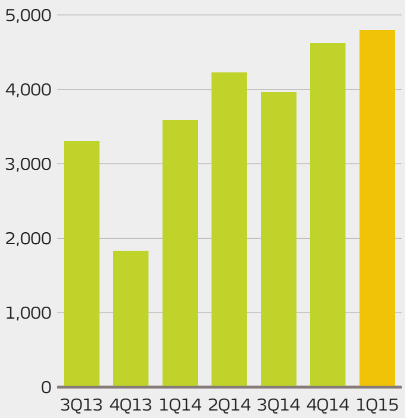
First quarter 2015 report

Yara International ASA

- Strong result driven by higher deliveries and margins
- Margins benefit from lower gas prices and stronger US dollar
- NOK 1.8 billion currency loss due to US dollar appreciation
- Improved production reliability
- Lifeco write-down of NOK 929 million
- Strong Industrial result

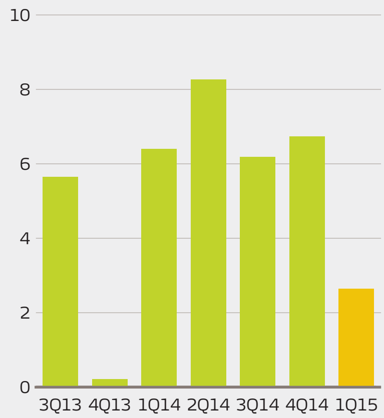
EBITDA

NOK millions



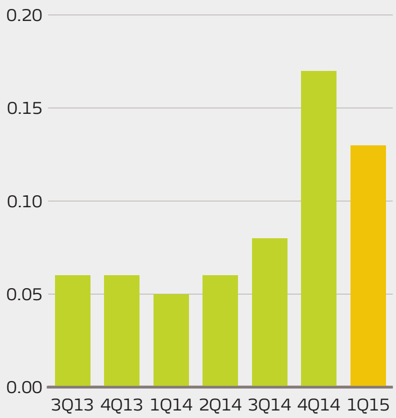
Earnings per share

NOK



Debt/equity ratio

Percent



First quarter 2015

Financial highlights

NOK millions, except where indicated otherwise	1Q 2015	1Q 2014	2014
Revenue and other income	27,767	21,709	95,343
Operating income	3,990	2,268	10,305
Share net income equity-accounted investees	(640)	191	786
EBITDA	4,794	3,591	16,407
EBITDA excl. special items	5,742	3,830	16,544
Net income after non-controlling interests	729	1,773	7,625
Earnings per share [1]	2.65	6.40	27.59
Earnings per share excl. currency [1]	7.12	6.25	29.33
Earnings per share excl. currency and special items [1]	10.51	7.03	30.66
Average number of shares outstanding (millions)	275.5	277.1	276.4
CROGI (12-month rolling average) [2]	13.3 %	11.8 %	13.3 %
ROCE (12-month rolling average)	13.1 %	11.4 %	13.3 %

1) NOK per share. Yara currently has no share-based compensation programs that result in a dilutive effect on earnings per share.
2) First-quarter 2015 CROGI excl. special items annualized 14.6%.

Key statistics

Average prices		1Q 2015	1Q 2014	2014
Urea prilled (fob Black Sea)	USD per ton	295	338	318
CAN (cif Germany)	USD per ton	295	345	329
Ammonia (fob Black Sea)	USD per ton	413	438	496
DAP (fob US Gulf)	USD per ton	482	475	473
Phosphate rock (fob Morocco)	USD per ton	124	114	118
European gas (TTF)	USD per MMBtu	7.0	9.8	8.1
US gas (Henry Hub)	USD per MMBtu	2.9	5.2	4.4
Yara's gas & oil cost (weighted average) [1]	USD per MMBtu	6.0	8.1	6.9
Yara's European gas & oil cost (weighted average) [1]	USD per MMBtu	7.6	11.3	9.1
USD/NOK currency rate		7.75	6.09	6.30
Production (Thousand tons) [1]				
Ammonia		2,000	1,721	7,096
Finished fertilizer and industrial products, excl. bulk blends		5,189	4,660	18,828
Total		7,189	6,381	25,924
Sales (Thousand tons)				
Ammonia trade		602	447	2,041
Fertilizer		6,566	6,389	26,317
Industrial products		1,700	1,537	6,593
Total		8,868	8,373	34,951

1) Including Yara's share in equity-accounted investees.

Yara's first-quarter net income after non-controlling interests was NOK 729 million, compared with NOK 1,773 million a year earlier. Net income was negatively affected by a NOK 1,831 million foreign exchange loss and a NOK 929 million write-down related to the Lifeco investment. Excluding net foreign exchange gain/loss and special items, the result was NOK 2,896 million, compared with NOK 1,946 million in first quarter 2014. The corresponding earnings per share were NOK 10.51 compared with NOK 7.03 a year earlier.

"Yara reports strong first-quarter results with higher deliveries and improved margins, reflecting continued lower natural gas cost and a stronger US dollar," said Torgeir Kvidal, acting Chief Executive Officer of Yara.

"Ammonia and finished fertilizer production increased significantly in the quarter, benefitting from improved reliability and debottlenecking," said Torgeir Kvidal.

FERTILIZER MARKET CONDITIONS

Following two consecutive record global grain harvests, global grain ending stocks are expected to increase to 76 days of consumption, up 4 days over the last two years, according to the latest US Department of Agriculture (USDA) forecast. The strong harvests have also resulted in lower prices for several key crops, when measured in US dollars. The Food and Agriculture Organization of the United Nations (FAO) food price index was down 15% from first quarter 2014 (15% lower than the five-year average), while its cereal price index was down 13% (20% lower than the five-year average).

As the US dollar has strengthened against most relevant currencies, the price developments have been significantly less negative in many key producing regions outside the US, including Europe and Brazil. On average for the first quarter, the Euro depreciated 13% versus the US dollar, while the Brazilian Real has depreciated by 21%.

Although US dollar nominated prices are lower than a year ago, they are still supportive for fertilizer use, and global fertilizer demand is growing. Demand for higher quality fertilizers like nitrates and NPK remains strong.

Prilled urea prices fob Black Sea averaged USD 295 per ton for the quarter, down 13% on same quarter last year, and with a declining trend. Global nitrogen demand remains strong, but the market has not been fully able to absorb the significant increases in Chinese urea exports. Following the record 5.5 million tons exported from China during fourth quarter 2014, up from 2.7 million tons fourth quarter 2013, exports have continued at a high level into 2015. During January and February, China exported 3 million tons, up from 1.3 million tons in the same period last year, triggered by the change to a flat and low export tax for the full year. Production losses in Ukraine and Egypt continued due to political turmoil and gas supply problems, but were not sufficient to balance the market. As a result of the surge in Chinese exports, main import markets have been well supplied, and the market tightness often seen in the first quarter did not materialize this year.

Due to high prices during fourth quarter 2014, direct ammonia sales were more attractive than upgrading to urea, and this extra supply caused a sharp correction to ammonia prices during first quarter. After a period of significant upgrading margins in January and February, lower urea prices erased those margins towards the end of the quarter, meaning that ammonia pricing is close to the ceiling set by the urea market.

The global phosphate market remained tight, and prices increased from fourth quarter due to peak spring season buying for northern hemisphere farmers. The average DAP price fob US Gulf was USD 482 per ton, similar to same quarter last year, up 5% on fourth quarter.

Phosphate rock prices were up marginally from the previous quarter, 9% up on same quarter last year. Upgrading margins from rock to DAP were similar to a year earlier, but higher than during fourth quarter.

REGIONAL MARKET DEVELOPMENTS

First-quarter nitrogen fertilizer deliveries in Western Europe were down 3% on a year earlier, with imports down 3% as well, but deliveries were stronger than in first quarter 2012 and 2013. Season-to-date deliveries were in line with a year earlier, with stable market share for imports. With the average CAN price in Germany 15% lower than first quarter last year, nitrate prices in Europe followed the movements in the global urea price.

First-quarter US nitrogen deliveries are estimated to be 3% higher than a year ago. Season-to-date deliveries are estimated to be 6% higher than the previous season, driven by increased imports of urea and UAN. Although some of the additional nitrogen was consumed already last summer, the US market is currently well supplied, also considering the expected reduction in corn and wheat acreage.

In India, urea sales this season (April through March) were 1% higher than a year earlier, with unfavorable weather for the first of the two annual crop seasons more than offset by strong sales for the second crop. For the first quarter in isolation, urea sales were up 17%. Domestic urea production was stable for the season at 23 million tons, while urea imports were 8.8 million tons, exceeding the 7.1 million tons imported the previous season.

First-quarter urea production in China was 4% higher than a year earlier, with season-to-date production only 1% higher. Poor margins for the highest cost anthracite-based producers resulted in production curtailments, and gas based producers were unable to run at capacity due to gas supply limitations and increasing gas prices. Despite stable production and stronger exports so far this season, supply has been adequate, helped by a reduction of urea inventories. The average domestic urea price for first quarter was 4% lower than a year earlier.

In the current low season in Brazil, first-quarter fertilizer deliveries were 5.6 million tons, 5% lower than a year earlier. Imports of all fertilizer dropped by 24%, as in addition to lower sales, domestic production was up 14%, and industry stocks at the end of December was 13% higher than a year earlier. First-quarter urea imports were 0.7 million tons, down from 0.9 million tons a year earlier.

Variance analysis first quarter

NOK millions		1Q 2015
EBITDA 2015		4,794
EBITDA 2014		3,591
Variance EBITDA		1,203
Volume & mix		316
Price/margin		1,089
of which gas & oil costs in Europe	1,314	
Special items		(710)
Other		(515)
Translation NOK vs. USD [1]		1,023
Total variance explained		1,203

1) Based on average NOK per USD for the quarter 2015: 7.75 (2014: 6.09)

Yara delivered strong first-quarter results, with EBITDA excluding special items up 50% compared with a year earlier, mainly driven by lower gas costs and a stronger US dollar. The write-down related to the Lifeco investment had a negative impact of NOK 929 million.

The volume, margin and other variances presented in the Yara variance table include effects generated by performance in equity-accounted investees. Net income from equity-accounted investees decreased by NOK 830 million compared with first quarter 2014, mainly reflecting the write-down of the value of the Lifeco investment due to the worsening security outlook in Libya.

Volume development

Global Yara fertilizer deliveries were up 3% from first quarter 2014 due to the acquisitions of OFD in Latin America and Galvani in Brazil. Excluding OFD and Galvani, deliveries were slightly below last year.

In Europe, fertilizer deliveries were down 3% mainly due to a more normal spring this year compared with an early spring last year. NPK and UAN accounted for most of the decline, which was partially offset by increased deliveries of nitrates and urea. NPK volumes were down partly as a result of better market opportunities outside Europe. Nitrate deliveries were up 2% with dry weather favoring nitrate application, while last year Yara experienced nitrate supply constraints in the first quarter. Calcium nitrate deliveries were slightly lower than last year due to a later season in the Mediterranean.

Fertilizer deliveries outside Europe were up 8% driven by higher sales in Latin America and trade to Africa. Higher compound NPK deliveries to Latin America, Brazil and Asia partly offset the reduced volumes in Europe. First quarter is low season in Brazil, and Yara saw 3% lower deliveries (excluding Galvani) reflecting lower commodity product sales, while deliveries of nitrates and NPK to premium segments were higher compared with a year earlier. Yara deliveries to Latin America (excluding Brazil) were 443 kt compared with 205 kt in 2014 mainly due to the OFD acquisition. Excluding OFD and Galvani, fertilizer deliveries outside Europe were in line with last year.

Industrial sales volumes increased by 11% compared with first quarter 2014. Deliveries of automotive NO_X abatement product (AdBlue by Yara) were up 38% while stationary NO_X abatement products were 6% ahead of last year. Sales of process chemicals were up 16% with increased ammonia and technical urea sales in Europe and additional volumes from the Galvani acquisition in Brazil (9% excluding Galvani). Technical ammonium nitrate (TAN) sales were 10% lower due to lower demand from the mining sector.

Yara's ammonia production increased 16% from first quarter 2014, primarily reflecting improved production regularity. The Lifeco plant in Libya produced at less than 50% capacity during the quarter as gas supply was curtailed, however, last year the plant was not producing for most of the quarter.

Finished fertilizer production was 11% higher compared with first-quarter 2014, with new production capacity from the acquired Cartagena plant (OFD) in Colombia and the Galvani plants in Brazil contributing 4 percentage points of the increase. Urea, nitrate and NPK production increased by 12%, 8% and 7%, respectively.

Yara stocks are up 26% compared with last year. Excluding OFD and Galvani the underlying increase is 11% compared with the exceptionally low level last year resulting from an early spring and production outages.

Margin development

Yara's average European gas and oil cost was 33% below first quarter 2014 on a USD per MMBtu basis, in line with Yara's guiding, as average spot gas prices declined significantly. Yara's global average gas and oil cost decreased 27%.

Ammonia market prices decreased by 6%, while Yara's average realized urea prices decreased 10%. Realized nitrate prices were down 5% compared with first quarter 2014, whereas NPK compound prices decreased on average 3%. NPK blend margins in Brazil were lower than last year.

Industrial margins were higher compared with the previous year. AdBlue margins were in line with last year, while NOxCare margins increased amid increased pollution abatement focus in the power generation sectors in both Europe and the US. Technology margins increased reflecting an improved portfolio as a result of acquisitions last year. Process Chemicals margins were in line with last year. Technical ammonium nitrate (TAN) margins were significantly lower compared with first quarter 2014 due to slow down in the mining sector.

Other Items

Total special items were a net negative NOK 948 million, mainly reflecting the NOK 929 million write-down related to the Lifeco plant, NOK 36 million related to flooding in the Ravenna plant and OFD integration costs of NOK 25 million. A further NOK 100 million of integration costs for OFD is expected in the next two quarters. First-quarter 2014 special items were a net negative NOK 239 million, with the main negative effect related to the result in Libya where the production was suspended during most of the quarter. For further details on special items see pages 9 and 10.

The major part of the "Other" variance is related to increased fixed costs, primarily due to the acquisitions of OFD in Latin America and Galvani in Brazil and other growth related activities.

The US dollar was approximately 27% stronger versus the Norwegian krone compared with first quarter 2014, resulting in a NOK 1,023 million positive translation effect in Yara's results.

Production volumes [1)]

Thousand tons	1Q 2015	1Q 2014	2014
Ammonia	2,000	1,721	7,096
of which equity-accounted investees	357	308	1,410
Urea	1,308	1,168	4,790
of which equity-accounted investees	373	332	1,440
Nitrate	1,638	1,520	6,252
of which equity-accounted investees	129	100	389
NPK	1,335	1,248	4,755
of which equity-accounted investees	57	63	216
CN	364	330	1,287
UAN	274	258	934
SSP-based fertilizer	270	137	810
Total production [1)]	7,189	6,381	25,924

1) Including Yara share of production in equity-accounted investees.

Sales volumes

Thousand tons	1Q 2015	1Q 2014	2014
Ammonia	813	650	2,859
of which industrial products [1)]	200	171	715
Urea	1,816	1,623	6,908
of which fertilizer	1,378	1,246	5,298
of which Yara-produced fertilizer	523	539	1,997
of which Yara-produced industrial products [2)]	379	290	1,241
of which equity-accounted investees	542	572	2,471
Nitrate	1,763	1,755	6,249
of which fertilizer	1,595	1,570	5,542
of which Yara-produced fertilizer	1,447	1,458	5,100
of which Yara-produced industrial products	120	148	570
NPK	2,179	2,320	9,925
of which Yara-produced compounds	1,268	1,351	4,386
of which Yara-produced blends	763	858	5,139
CN	356	358	1,380
of which fertilizer	278	279	1,002
of which Yara-produced fertilizer	273	276	975
of which Yara-produced industrial products	71	72	349
UAN	418	418	1,332
of which Yara-produced fertilizer	331	393	1,200
DAP/MAP	196	148	777
MOP/SOP	150	122	989
Other products	1,176	980	4,533
of which industrial products	816	726	3,184
Total sales	8,868	8,373	34,951

1) 82% ammonia equivalents.
2) 46% urea equivalents.

Fertilizer volumes by region

Thousand tons	1Q 2015	1Q 2014	2014
Europe	3,008	3,110	9,755
Latin America	1,852	1,585	9,864
North America	901	926	3,320
Asia	420	482	2,011
Africa	385	285	1,368
Total	6,566	6,389	26,317

For a description of the key global fertilizer products, see the Yara Fertilizer Industry Handbook:
http://www.yara.com/investor relations/report presentations/index.aspx

Financial items

NOK millions	1Q 2015	1Q 2014
Interest income from customers	110	73
Interest income, other	14	37
Interest income and other financial income	124	110
Interest expense	(243)	(191)
Net interest expense on net pension liability	(20)	(17)
Net foreign exchange gain/(loss)	(1,831)	78
Other	(86)	(31)
Interest expense and foreign exchange gain/(loss)	(2,180)	(161)
Net financial income/(expense)	(2,056)	(52)

First-quarter net financial expense was NOK 2,056 million compared with NOK 52 million previous year. The variance primarily reflects a net foreign exchange loss of NOK 1,831 million, compared with a gain of NOK 78 million in first quarter 2014.

Interest income from customers increased with NOK 37 million compared with first quarter 2014, while other interest income decreased with NOK 23 million. Average cash deposits were NOK 3 billion lower than last year.

The average gross debt level this quarter was NOK 3.9 billion higher than in the same quarter last year, and first quarter interest expense increased with NOK 52 million.

The net foreign exchange loss this quarter was NOK 1,831 million compared with a gain of NOK 78 million in the same quarter previous year.

During the quarter, the US dollar appreciated 10% against the Norwegian krone, 12% against the euro and 21% against the Brazilian real.

Yara’s US dollar debt generating currency effects in the income statement was approximately USD 1,600 million at the start of the second quarter 2015, with the exposure mainly towards the Brazilian real and other emerging market currencies.

Tax

First-quarter provisions for current and deferred taxes were NOK 446 million, approximately 34% of income before tax.

The tax rate was significantly higher than for first quarter 2014 (22%) due to negative income from equity-accounted investees. Excluding the Lifeco write-down the tax rate was 20%.

Net interest-bearing debt

NOK millions	1Q 2015
Net interest-bearing debt at beginning of period	(11,808)
Cash earnings [1]	4,893
Dividends received from equity-accounted investees	449
Net operating capital change	(634)
Investments (net)	(1,994)
Foreign exchange gain/(loss)	(1,831)
Other	1,941
of which foreign exchange adjustment [2]	1,295
Net interest-bearing debt at end of period	(8,985)

1) Operating income plus depreciation and amortization, minus tax paid, net gain/(loss) on disposals, net interest expense and bank charges.
2) The currency effect included in «Other» is an adjustment from the currency gain/loss in the income statement to the currency impact on net interest bearing debt. The adjustment is mainly explained by applied hedge accounting for net investments in USD, the translation effect when consolidating net interest bearing debt to the presentation currency NOK and internal currency positions that are not related to net interest bearing debt.

As a supplement to the consolidated statement of cash flows (page 16), this table highlights the key factors behind the development in net interest-bearing debt.

Net interest-bearing debt ended at NOK 8,985 million in the first quarter, compared with NOK 11,808 million at the end of 2014. Strong cash earnings and dividends from equity-accounted investees exceeded cash outflows for investments, operating capital and negative currency effects in the period.

Yara received dividends from equity-accounted investees of NOK 449 million in the first quarter, of which dividends from Qafco amounted to NOK 418 million. Net operating capital increased by NOK 634 million due to higher accounts receivable reflecting seasonally stronger sales at the end of the first quarter compared to the end of the fourth quarter 2014.

The investment activity for the quarter mainly reflects planned maintenance programs and ongoing growth investments. Foreign exchange effects include a significant currency impact due to the appreciation of US dollar compared with Norwegian kroner.

The debt/equity ratio at the end of first quarter 2015, calculated as net interest-bearing debt divided by shareholders' equity plus non-controlling interests, was 0.13 compared with 0.17 at the end of fourth quarter 2014.

Outlook

The global farm margin outlook and incentives for fertilizer application remain supportive overall despite lower soft commodity prices. Furthermore, the strengthening of the US dollar has resulted in a less negative price development in key regions like Europe and Brazil.

Season-to-date deliveries in Europe at the end of first quarter are in line with the previous season. However, crops are currently benefitting from favorable growing conditions and application is expected to take place later compared to last year when the spring came early. Yara deliveries in Europe have been running well in April.

In the US, season-to-date deliveries are estimated to be 6% higher than the previous season following a strong first quarter. Given the forecasted reduction in corn and wheat acreage, the US market appears well supplied going into second quarter.

Demand for value-added fertilizers like nitrates and compound NPKs continue to grow outside Europe illustrated by a strong nitrate premium for AN in the Black Sea.

Global nitrogen demand remained strong during the first quarter but continued high urea exports from China more than offset the reduced supply from Ukraine and Egypt leading to lower commodity nitrogen prices during the quarter. The planned capacity additions outside China over the next years will not fully displace Chinese urea exports, indicating that the latter will continue to be key to global nitrogen pricing also going forward.

Poor margins for the highest cost anthracite-based producers in China has resulted in production curtailments and Chinese exporters have refused to drop prices below USD 265/mt. Going forward, the anthracite coal price and the Chinese currency will be key for global pricing of commodity nitrogen.

A weaker euro and lower gas prices have improved the relative competitiveness of European fertilizer capacity. Based on current forward markets for oil products and natural gas (15 April) Yara's European energy costs for the second and third quarter 2015 are expected to be NOK 650 million and NOK 150 million lower respectively than a year earlier. The estimates may change considerably depending on future energy prices.

The Board of Directors of Yara International ASA
Oslo, 24 April 2015

Leif Teksum
Chairperson

Hilde Merete Aasheim
Vice chair

John Thuestad
Board member

Hilde Bakken
Board member

Geir O. Sundbø
Board member

Geir Isaksen
Board member

Rune Bratteberg
Board member

Guro Mauset
Board member

Torgeir Kvidal
President and CEO (acting)

Definitions and variance analysis

The fertilizer season in West Europe referred to in this discussion starts 1 July and ends 30 June.

Several of Yara's purchase and sales contracts for commodities are, or have embedded terms and conditions which under IFRS are, accounted for as derivatives. The derivative elements of these contracts are presented under "Commodity-based derivatives gain/(loss)" in the condensed consolidated interim statement of income, and are referenced in the variance analysis (see below) as "Special items".

"Other and eliminations" consists mainly of cross-segment eliminations, in addition to Yara's headquarter costs. Profits on sales from Upstream to Downstream and Industrial are not recognized in the consolidated Yara condensed consolidated interim statement of income before the products are sold to external customers. These internal profits are eliminated in "Other and eliminations".

Changes in "Other and eliminations" EBITDA therefore usually reflect changes in Upstream-sourced stock (volumes) held by Downstream and Industrial, but can also be affected by changes in Upstream margins on products sold to Downstream and Industrial, as transfer prices move in line with arms-length market prices. With all other variables held constant, higher stocks would result in a higher (negative) elimination effect in Yara's results, as would higher Upstream margins. Over time these effects tend to even out, to the extent that stock levels and margins normalize.

In the discussion of operating results, Yara refers to certain non-GAAP financial measures including EBITDA and CROGI. Yara's management makes regular use of these measures to evaluate the performance, both in absolute terms and comparatively from period to period. These measures are viewed by management as providing a better understanding - both for management and for investors – of the underlying operating results of the business segments for the period under evaluation. Yara manages long-term debt and taxes on a group basis. Therefore, net income is discussed only for the Group as a whole.

Yara's management model, referred to as Value Based Management, reflects management's focus on cash flow-based performance indicators. EBITDA, which Yara defines as income/(loss) before tax, interest expense, foreign exchange gains/losses, depreciation, amortization and write-downs, is an approximation of cash flow from operating activities before tax and net operating capital changes. EBITDA is a measure that in addition to operating income, also includes interest income, other financial income, and results from equity-accounted investees. It excludes depreciation, write-downs and amortization, as well as impairment and amortization of excess values in equity-accounted investees. Yara's definition of EBITDA may differ from that of other companies.

EBITDA should not be considered as an alternative to operating income and income before tax as an indicator of the company's operations in accordance with generally accepted accounting principles. Nor is EBITDA an alternative to cash flow from operating activities in accordance with generally accepted accounting principles.

Yara management uses CROGI (Cash Return On Gross Investment) to measure performance. CROGI is defined as gross cash flow, divided by average gross investment and is calculated on a 12-month rolling basis. "Gross cash flow" is defined as EBITDA less total tax expense, excluding tax on net foreign exchange gains/ losses. On Yara level, actual tax expense is used for the calculation while a standardized tax rate of 25% is used on segment level. "Gross Investment" is defined as total assets (exclusive of deferred tax assets, cash and cash equivalents, other liquid assets and fair value adjustment recognized in equity) plus accumulated depreciation and amortization, less all short-term interest-free liabilities, except deferred tax liabilities. On segment level, cash and other liquid assets are not excluded from "Gross Investment".

ROCE (Return on capital employed) has been included as an additional performance measure to CROGI to simplify benchmarking with other companies. ROCE is defined as EBIT minus tax divided by average capital employed and is calculated on a 12-month rolling average basis. Capital employed is defined as total assets adjusted for deferred tax assets minus other current liabilities.

In order to track underlying business developments from period to period, Yara's management also uses a variance analysis methodology, developed within the Company ("Variance Analysis"), that involves the extraction of financial information from the accounting system, as well as statistical and other data from internal management information systems. Management considers the estimates produced by the Variance Analysis, and the identification of trends based on such analysis, sufficiently precise to provide useful data to monitor our business. However, these estimates should be understood to be less than an exact quantification of the changes and trends indicated by such analysis.

The variance analysis presented in Yara quarterly and annual financial reports is prepared on a Yara EBITDA basis including net income from equity-accounted investees. The volume, margin and other variances presented therefore include effects generated by performance in non-consolidated investees.

Yara defines "special items" as material items in the results which are not regarded as part of underlying business performance for the period. These fall into 2 categories, namely "non-recurring items" and "contract derivatives". "Non-recurring items" comprise restructuring-related items and other gains or losses which are not primarily related to the period in which they are recognized, subject to a minimum value of NOK 30 million per item within a 12-month period. "Contract derivatives" are commodity-based derivatives gains or losses (see above) which are not the result of active exposure or position management by Yara.

Due to it being impractical to obtain financial reports at the same reporting dates as Yara uses, the results for some of Yara's equity-accounted investees are included in Yara results with a one-month time lag.

Special items

NOK millions	EBITDA effect 1Q 2015	EBITDA effect 1Q 2014	Operating income effect 1Q 2015	Operating income effect 1Q 2014
OFD integration costs	(25)	(18)	(25)	(18)
Bunge integration costs	-	(30)	-	(30)
Partner settlement provision	-	(48)	-	(48)
Total Downstream	(25)	(96)	(25)	(96)
Total Industrial	-	-	-	-
Costs related to flooding Ravenna plant	(36)	-	(36)	-
Impairment Lifeco plant	(929)	-	(36)	-
Lifeco results during shut-down	-	(90)	-	-
Contract derivatives	42	(53)	42	(53)
Total Upstream	(923)	(143)	(30)	(53)
Total Other and eliminations	-	-	-	-
Total Yara	(948)	(239)	(55)	(148)

Condensed consolidated interim statement of income

NOK millions, except share information	Notes	1Q 2015	1Q 2014	2014
Revenue		27,684	21,763	95,047
Other income		35	4	293
Commodity based derivatives gain/(loss)		48	(59)	2
Revenue and other income	3	27,767	21,709	95,343
Raw materials, energy costs and freight expenses		(19,772)	(16,213)	(70,557)
Payroll and related costs		(1,889)	(1,518)	(6,616)
Depreciation, amortization and impairment loss		(1,319)	(1,022)	(4,678)
Other operating expenses		(797)	(688)	(3,186)
Operating costs and expenses		(23,777)	(19,441)	(85,037)
Operating income	3	3,990	2,268	10,305
Share of net income in equity-accounted investees	8	(640)	191	786
Interest income and other financial income		124	110	550
Earnings before interest expense and tax (EBIT)		3,474	2,568	11,642
Foreign exchange gain/(loss)		(1,831)	78	(698)
Interest expense and other financial items		(349)	(239)	(909)
Income before tax		1,294	2,407	10,035
Income tax expense		(446)	(524)	(2,092)
Net income		848	1,882	7,944
Net income attributable to				
Shareholders of the parent		729	1,773	7,625
Non-controlling interests		119	109	319
Net income		848	1,882	7,944
Earnings per share [1]		2.65	6.40	27.59
Weighted average number of shares outstanding [2]	2	275,497,775	277,050,910	276,385,013

1) Yara currently has no share-based compensation that results in a dilutive effect on earnings per share.
2) Weighted average number of shares outstanding was reduced in the second and third quarter 2014 due to the share buy-back program.

Condensed consolidated interim statement of comprehensive income

NOK millions	Notes	1Q 2015	1Q 2014	2014
Net income		848	1,882	7,944
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of foreign operations		2,368	(919)	8,057
Available-for-sale financial assets - change in fair value		(9)	(31)	(12)
Cash flow hedges		(60)	-	(20)
Hedge of net investments		(411)	49	(682)
Share of other comprehensive income of equity-accounted investees, excluding remeasurements		(7)	9	52
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods		1,881	(892)	7,395
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:				
Remeasurements of the net defined benefit pension liability	7	(192)	-	(1,026)
Remeasurements of the net defined benefit pension liability for equity-accounted investees		6	(5)	(160)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods		(187)	(5)	(1,186)
Reclassification adjustments of the period:				
- cash flow hedges		1	3	13
- fair value adjustments on available-for-sale financial assets disposed of in the year		-	-	(16)
- exchange differences on foreign operations disposed of in the year		-	-	8
Net reclassification adjustments of the period:		1	3	4
Total other comprehensive income, net of tax		1,695	(894)	6,214
Total comprehensive income		2,544	989	14,157
Total comprehensive income attributable to				
Shareholders of the parent		2,259	912	13,325
Non-controlling interests		284	77	832
Total		2,544	989	14,157

Condensed consolidated interim statement of changes in equity

NOK millions	Share Capital [1]	Premium paid-in capital	Translation of foreign operations	Available for sale financial assets	Cash flow hedges	Hedge of net invest-ments	Total other reserves	Retained earnings	Attri-butable to share-holders of the parent	Non-controlling interests	Total equity
Balance at 1 January 2014	471	117	1,887	30	(177)	(122)	1,618	51,415	53,621	2,152	55,773
Net income	-	-	-	-	-	-	-	1,773	1,773	109	1,882
Other comprehensive income, net of tax	-	-	(886)	(31)	3	49	(866)	-	(866)	(32)	(898)
Share of other comprehensive income of equity-accounted investees	-	-	1	-	4	-	5	(1)	4	-	4
Total other comprehensive income, net of tax	-	-	(885)	(31)	7	49	(861)	(1)	(861)	(32)	(894)
Long term incentive plan	-	-	-	-	-	-	-	3	3	-	3
Balance at 31 March 2014	471	117	1,002	(1)	(170)	(74)	757	53,191	54,536	2,229	56,765
Net income	-	-	-	-	-	-	-	5,852	5,852	209	6,061
Other comprehensive income, net of tax	-	-	8,437	3	(10)	(730)	7,700	(1,026)	6,673	546	7,219
Share of other comprehensive income of equity-accounted investees	-	-	7	-	35	-	42	(154)	(112)	-	(112)
Total other comprehensive income, net of tax	-	-	8,444	3	25	(730)	7,742	(1,180)	6,561	546	7,107
Long term incentive plan	-	-	-	-	-	-	-	(5)	(5)	-	(5)
Transactions with non-controlling interests	-	-	-	-	-	-	-	33	33	1,047	1,080
Treasury shares	(1)	-	-	-	-	-	-	(229)	(230)	-	(230)
Redeemed shares, Norwegian State [2]	(1)	-	-	-	-	-	-	(210)	(211)	-	(211)
Share capital increase in subsidiary, non-controlling interest	-	-	-	-	-	-	-	-	-	180	180
Dividends distributed	-	-	-	-	-	-	-	(2,771)	(2,771)	(15)	(2,786)
Balance at 31 December 2014	468	117	9,446	3	(145)	(803)	8,499	54,681	63,765	4,196	67,962
Net income	-	-	-	-	-	-	-	729	729	119	848
Other comprehensive income, net of tax	-	-	2,203	(9)	(59)	(411)	1,725	(192)	1,532	165	1,697
Share of other comprehensive income of equity-accounted investees	-	-	(1)	-	(7)	-	(8)	6	(2)	-	(2)
Total other comprehensive income, net of tax	-	-	2,202	(9)	(66)	(411)	1,712	(186)	1,530	165	1,695
Long term incentive plan	-	-	-	-	-	-	-	4	4	-	4
Transactions with non-controlling interests	-	-	-	-	-	-	-	(25)	(25)	(36)	(61)
Dividends distributed	-	-	-	-	-	-	-	-	-	(235)	(235)
Balance at 31 March 2015	468	117	11,643	(6)	(212)	(1,215)	10,215	55,203	66,003	4,209	70,213

1) Par value 1.70.
2) As approved by General Meeting 5 May 2014.

Condensed consolidated interim statement of financial position

NOK millions	Notes	31 Mar 2015	31 Mar 2014	31 Dec 2014
Assets				
Non-current assets				
Deferred tax assets		2,633	1,983	2,804
Intangible assets		11,946	8,432	12,008
Property, plant and equipment		45,008	34,232	44,584
Equity-accounted investees	8	10,731	8,880	10,926
Other non-current assets		2,693	1,563	2,737
Total non-current assets		73,012	55,090	73,059
Current assets				
Inventories	5	18,821	13,089	18,639
Trade receivables		13,630	10,923	12,100
Prepaid expenses and other current assets		3,774	3,435	4,196
Cash and cash equivalents		3,980	6,770	3,591
Non-current assets classified as held-for-sale		108	8	47
Total current assets		40,312	34,224	38,537
Total assets		113,324	89,314	111,632

Condensed consolidated interim statement of financial position

NOK millions, except share information	Notes	31 Mar 2015	31 Mar 2014	31 Dec 2014
Equity and liabilities				
Equity				
Share capital reduced for treasury stock		468	471	468
Premium paid-in capital		117	117	117
Total paid-in capital		586	588	586
Other reserves		10,215	757	8,499
Retained earnings		55,203	53,191	54,681
Total equity attributable to shareholders of the parent		66,003	54,536	63,765
Non-controlling interests		4,209	2,229	4,196
Total equity	2	70,213	56,765	67,962
Non-current liabilities				
Employee benefits	7	4,208	2,280	3,897
Deferred tax liabilities		5,636	4,326	5,767
Other long-term liabilities		1,329	579	989
Long-term provisions		764	397	725
Long-term interest-bearing debt	6	9,951	5,784	10,609
Total non-current liabilities		21,888	13,366	21,987
Current liabilities				
Trade and other payables		15,932	13,088	14,628
Current tax liabilities		1,011	1,329	1,060
Short-term provisions		342	434	348
Other short-term liabilities		909	754	843
Bank loans and other interest-bearing short-term debt		1,764	445	4,460
Current portion of long-term debt		1,265	3,134	345
Total current liabilities		21,222	19,183	21,683
Total equity and liabilities		113,324	89,314	111,632
Number of shares outstanding [1]	2	275,497,775	277,050,910	275,497,775

1) Weighted average number of shares outstanding was reduced in the second, third and fourth quarter 2014 due to the share buy-back program.

The Board of Directors of Yara International ASA
Oslo, 24 April 2015

Leif Teksum
Chairperson

Hilde Merete Aasheim
Vice chair

John Thuestad
Board member

Hilde Bakken
Board member

Geir O. Sundbø
Board member

Geir Isaksen
Board member

Rune Bratteberg
Board member

Guro Mauset
Board member

Torgeir Kvidal
President and CEO (acting)

Condensed consolidated interim statement of cash flows

NOK millions	Notes	1Q 2015	1Q 2014	2014
Operating activities				
Operating income		3,990	2,268	10,305
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation, amortization and impairment loss		1,319	1,022	4,678
Write-down and reversals, net		109	16	53
Tax paid		(630)	(817)	(2,378)
Dividend from equity-accounted investees		449	552	1,322
Change in net operating capital [1]		(743)	(522)	(3,827)
Other		920	(123)	(1,546)
Net cash from operating activities		5,413	2,396	8,607
Investing activities				
Purchases of property, plant and equipment		(1,933)	(1,423)	(7,020)
Cash outflow on business combinations		(1)	(293)	(2,280)
Purchases of other long-term investments		(87)	(59)	(524)
Net sales/(purchases) of short-term investments		-	-	-
Proceeds from sales of property, plant and equipment		6	3	26
Proceeds from sales of other long-term investments		20	1	98
Net cash from/(used in) investing activities		(1,994)	(1,772)	(9,700)
Financing activities				
Loan proceeds/(repayments), net		(3,092)	(672)	662
Purchase of treasury shares		-	-	(230)
Redeemed shares Norwegian State		-	-	(211)
Dividend		-	-	(2,771)
Net cash transfers (to)/from non-controlling interests		(51)	-	163
Net cash from/(used in) financing activities		(3,143)	(672)	(2,387)
Foreign currency effects on cash flows		113	(6)	246
Net increase (decrease) in cash and cash equivalents		389	(54)	(3,233)
Cash and cash equivalents at beginning of period		3,591	6,824	6,824
Cash and cash equivalents at end of period		3,980	6,770	3,591
Bank deposits not available for the use of other group companies		388	532	463

1) Operating capital consists of trade receivable, inventories and trade payable.

Notes to the condensed consolidated interim financial statements

GENERAL AND ACCOUNTING POLICIES

Yara (the Group) consists of Yara International ASA (the Company) and its subsidiaries. Yara International ASA is a limited company incorporated in Norway.

The condensed consolidated interim financial statements consist of the Group and the Group's interests in equity-accounted investees. The consolidated financial statements of the Group as at and for the year ended 31 December 2014 are available upon request from the Company's registered office at Drammensveien 131, Oslo, Norway or at www.yara.com. These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 Interim Financial Reporting as approved by EU and additional requirements in the Norwegian Securities Trading Act. They do not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with consolidated financial statements of the Group as at and for the year ended 31 December 2014. These condensed consolidated interim financial statements are unaudited.

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2014.

As a result of rounding differences, numbers or percentages may not add up to the total.

Note 1 Judgments, estimates and assumptions

The preparation of condensed consolidated interim financial statements in accordance with IFRS and applying the chosen accounting policies requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. When preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty, were mainly the same as those that applied to the consolidated financial statements as of the period ended 31 December 2014. Yara performed a significant impairment write-down in first quarter 2015 and further information is provided in note 8.

Note 2 Shares, dividend and share buy-back program

The Board of Directors has proposed to the Annual General Meeting a dividend payment of NOK 13 per share for 2014, which represents 47% of net income after non-controlling interests. If approved by the Annual General Meeting in May 2015, the total dividend payment will be NOK 3,581 million based on current outstanding shares.

In May 2014, the Annual General Meeting authorized the Board of Directors to acquire up to 5% (13,811,388 shares) of total shares in the open market and from the Norwegian State. The purchase price shall not be less than NOK 10 nor more than NOK 1,000. Within this frame, the Company has acquired 730,000 shares with a total nominal value of NOK 229.6 million. The Board of Directors will propose to the Annual General Meeting in May 2015, that these shares shall be cancelled by reduction of the Company's share capital. The Norwegian State committed itself to participate on a pro-rata basis in the capital reduction. This means that the Norwegian State's ownership interest of 36.21% remains unchanged. Total remuneration for the buy-back and redemption of the Norwegian State's shares amounts to NOK 360 million.

Yara has not purchased own shares during first quarter 2015.

The Board has proposed to the Annual General Meeting in May 2015 that the existing buy-back program is replaced by a new program, authorizing the Board to acquire up to 5% (13,754,168 shares) of Yara's shares before the next Annual General Meeting. Shares may be purchased within a price range of NOK 10 to NOK 1,000. The shares may either be used for cancellation or as payment in business transactions. The company will enter into a new agreement with the Norwegian State to redeem shares on a pro-rata basis so that the State's ownership is unchanged in the event of a cancellation of the shares bought back.

	Ordinary shares	Own shares [1]
Total at 31 December 2013	278,500,910	(1,450,000)
Redeemed shares Norwegian State [2]	(823,135)	
Shares cancelled [2]	(1,450,000)	1,450,000
Treasury shares - share buy-back program [2]		(730,000)
Total at 31 December 2014	276,227,775	(730,000)
Total at 31 March 2015	276,227,775	(730,000)

1) Including employee trust.
2) As approved by General Meeting 5 May 2014.

Note 3 Operating segment information

As of 1 January 2015, Yara transferred seven plants from Downstream and Industrial to Upstream. These plants have historically been included in Downstream and Industrial as they have mainly served the local markets. The transfer is reflecting that Upstream has the operational responsibility of the plants.

Plants transferred from Downstream are: Montoir (France), Ambes (France), Ravenna (Italy), Rostock (Germany) and Glomfjord (Norway). Plants transferred from Industrial are: Pardies (France) and Köping (Sweden). Total property, plant and equipment transferred to Upstream is NOK 2,974 million, of which NOK 2,466 million came from Downstream and NOK 508 million came from Industrial.

It has not been practically possible to restate the 2014 comparative figures on segment level as this would require implementation of transfer pricing on historical transactions. Instead, Yara will present two sets of 2015 segment figures based on the new and the previous segment structure. The 2015 figures based on previous segment structure will then be comparable with prior year figures.

NOK millions	New segment structure 1Q 2015	Previous segment structure 1Q 2015 [1)]	Previous segment structure 1Q 2014	Previous segment structure 2014
External revenue and other income				
Downstream	20,531	20,590	16,748	71,494
Industrial	4,288	4,345	3,405	14,928
Upstream	2,914	2,848	1,544	8,874
Other and eliminations	34	(16)	12	46
Total	27,767	27,767	21,709	95,343
Internal revenue and other income				
Downstream	230	409	418	1,724
Industrial	23	43	37	164
Upstream	12,386	10,228	7,659	31,976
Other and eliminations	(12,640)	(10,681)	(8,115)	(33,864)
Total	-	-	-	-
Revenue and other income				
Downstream	20,761	20,999	17,167	73,219
Industrial	4,311	4,388	3,442	15,092
Upstream	15,300	13,076	9,203	40,850
Other and eliminations	(12,605)	(10,697)	(8,103)	(33,819)
Total	27,767	27,767	21,709	95,343
Operating income				
Downstream	1,578	1,268	1,515	4,488
Industrial	344	317	287	973
Upstream	2,443	2,851	717	5,856
Other and eliminations	(374)	(447)	(252)	(1,011)
Total	3,990	3,990	2,268	10,305
EBITDA				
Downstream	1,843	1,629	1,792	5,991
Industrial	414	409	365	1,385
Upstream	2,884	3,176	1,646	9,871
Other and eliminations	(347)	(419)	(213)	(840)
Total	4,794	4,794	3,591	16,407
Investments [2)]				
Downstream	421		442	3,143
Industrial	43		218	766
Upstream	1,137		748	9,326
Other and eliminations	8		41	176
Total	1,609		1,449	13,411
Total Assets [3)]				
Downstream	35,973		28,890	37,551
Industrial	6,257		5,381	6,860
Upstream	69,773		48,486	64,897
Other and eliminations	1,321		6,556	2,323
Total	113,324		89,314	111,632

1) As of 1 January 2015, Yara has moved plants from the Downstream and Industrial segments to the Upstream segment. Figures for Q1 2015 in the table are presented both according to the new segment structure and the previous segment structure. The figures presented as previous segment structure Q1 2015 are comparable to Q1 2014 figures.
2) Investments comprise property, plant and equipment, intangible assets, equity-accounted investees and other equity investments. The figures presented are the capitalized amounts, and may deviate from cash flow from investing activities due to timing of cash outflows.
3) Assets exclude internal cash accounts and accounts receivables related to group relief.

NOK millions	New segment structure 1Q 2015	Previous segment structure 1Q 2015 [1]	Previous segment structure 1Q 2014	Previous segment structure 2014
CROGI (12-month rolling average)				
Yara [2]	13.3%	13.3%	11.8%	13.3%
Downstream	18.2%	16.6%	16.6%	18.1%
Industrial	18.3%	16.9%	16.9%	16.9%
Upstream	11.7%	12.3%	9.3%	11.5%
ROCE (12-month rolling average)				
Yara	13.1%	13.1%	11.4%	13.3%
Downstream	18.1%	16.4%	17.8%	18.5%
Industrial	21.4%	20.0%	21.9%	20.2%
Upstream	11.0%	11.8%	7.3%	10.8%
Reconciliation of EBITDA to Income before tax				
EBITDA	4,794	4,794	3,591	16,407
Depreciation, amortization and impairment loss [3]	(1,320)	(1,320)	(1,023)	(4,766)
Foreign exchange gain/(loss)	(1,831)	(1,831)	78	(698)
Interest expense and other financial items	(349)	(349)	(239)	(909)
Income before tax	1,294	1,294	2,407	10,035

1) As of 1 January 2015, Yara has moved plants from the Downstream and Industrial segments to the Upstream segment. Figures for Q1 2015 in the table are presented both according to the new segment structure and the previous segment structure. The figures presented as previous segment structure Q1 2015 are comparable to Q1 2014 figures.
2) 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" for more information.
3) Including amortization of excess value in equity-accounted investees.

Reconciliation of operating income to EBITDA

NOK millions	Operating income	Equity-accounted investees	Interest income and other financial income	EBIT	Depreciation, amortization and impairment loss [1]	EBITDA
New segment structure 1Q 2015						
Downstream	1,578	(7)	104	1,675	168	1,843
Industrial	344	20	2	365	49	414
Upstream	2,443	(653)	17	1,807	1,077	2,884
Other and eliminations	(374)	-	2	(372)	25	(347)
Total	3,990	(640)	124	3,474	1,320	4,794
Previous segment structure 1Q 2015 [2]						
Downstream	1,268	(7)	104	1,365	264	1,629
Industrial	317	20	2	339	70	409
Upstream	2,851	(653)	17	2,215	961	3,176
Other and eliminations	(447)	-	2	(445)	25	(419)
Total	3,990	(640)	124	3,474	1,320	4,794
Previous segment structure 1Q 2014						
Downstream	1,515	(1)	90	1,605	188	1,792
Industrial	287	21	2	310	56	365
Upstream	717	170	2	889	757	1,646
Other and eliminations	(252)	-	16	(236)	23	(213)
Total	2,268	191	110	2,568	1,023	3,591
Previous segment structure 2014						
Downstream	4,488	53	457	4,998	993	5,991
Industrial	973	96	8	1,076	309	1,385
Upstream	5,856	638	16	6,510	3,361	9,871
Other and eliminations	(1,011)	-	69	(942)	102	(840)
Total	10,305	786	550	11,642	4,766	16,407

1) Including amortization of excess value in equity-accounted investees.
2) As of 1 January 2015, Yara has moved plants from the Downstream and Industrial segments to the Upstream segment. Figures for Q1 2015 in the table are presented both according to the new segment structure and the previous segment structure. The figures presented as previous segment structure Q1 2015 are comparable to Q1 2014 figures.

Note 4 Business initiatives

On 19 February 2015, Yara announced that it has agreed with BASF to build a world scale ammonia plant in Texas. The ammonia plant will be owned 68% by Yara and 32% by BASF. The plant will have a capacity of about 750,000 metric tons per year. Each party will off-take ammonia from the plant in accordance with its equity share. Total capital investment for the plant is estimated at USD 600 million. The feedstock contracts have take-or-pay clauses, partly supported by guarantees from Yara and BASF. The total take-or-pay commitment on Yara's share is USD 488 million (undiscounted). In addition, Yara will build an ammonia tank at the BASF terminal bringing Yara's total investments to USD 490 million. BASF will upgrade its current terminal and pipeline assets. KBR, Inc., Houston, Texas, has been awarded a fixed price turnkey contract for the engineering, procurement and construction. The plant is expected to be completed by the end of 2017. Yara will manage construction of the plant while BASF will operate the plant and the export terminal. The entity is classified as a joint operation and Yara accounts for the assets, liabilities, revenues and expenses relating to its 68% interest in the investment.

Note 5 Inventories

NOK millions	31 Mar 2015	31 Mar 2014	31 Dec 2014
Finished goods	10,284	6,382	10,085
Work in progress	774	506	707
Raw materials	7,764	6,201	7,847
Total	18,821	13,089	18,639
Write-down			
Balance at 1 January	(92)	(103)	(103)
Reversal/(write-down), net	(12)	5	18
Foreign currency translation	1	2	(7)
Closing balance	(103)	(95)	(92)

Note 6 Long-term debt

An updated overview of the contractual payments on long-term interest-bearing debt is provided in the table below:

Contractual payments on long-term debt

NOK millions	Debentures	Bank Loans	Capital lease and other LT loans	Total
2016	-	180	856	1,036
2017	-	152	55	207
2018	-	152	44	196
2019	6,234	126	41	6,401
Thereafter	1,331	488	291	2,110
Total	7,565	1,098	1,287	9,951

In January 2015, Yara signed a USD 500 million bridge-to-bond facility with a tenor of up to two years. The facility remains undrawn at end of first quarter 2015.

Note 7 Employee benefits

By the end of first quarter 2015, the defined benefit obligations and plan assets have been remeasured using revised financial assumptions in order to capture the main developments in the financial markets. The remeasurement loss of the quarter is recognized as an increase in net liability of NOK 275 million and a negative effect in other comprehensive income of NOK 192 million (after tax). Full actuarial valuations of all long-term employee benefit obligations will be recognized in the fourth quarter 2014.

Note 8 Impairment write-down

At the end of first quarter 2015, Yara made an impairment write-down of its investment in the equity-accounted investee Lifeco of NOK 893 million and impaired receivables against the same company of NOK 36 million, all reported within the Upstream segment. The impairments were triggered by the worsening security outlook in Libya and that Yara sees a high likelihood of a further deterioration in 2015 of Lifeco's operating ability. Yara is evaluating the operation of the plants on an on-going basis in cooperation with the other partners, in order to protect the employees as well as the assets. Lifeco produced at less than 50% capacity during the quarter and Yara's share of the first quarter 2015 net income was a negative NOK 62 million.

The impairment of the investment is reported under "Share of net income in equity-accounted investees" in the interim statement of income and Yara's remaining carrying value is NOK 143 million at the end of first quarter 2015. If and when Yara sees improvements to the political situation and outlook in Libya and to Lifeco's operating conditions, parts or the whole impairment will be reversed.

Note 9 Other events

On 30 March 2015, it was announced that the Board of Directors of Yara International ASA has appointed Mr. Svein Tore Holsether as the company's new President and Chief Executive Officer. He will succeed acting CEO Torgeir Kvidal within October 2015. Holsether currently serves as President and CEO of Sapa Group, a position he has held since 2011. Prior to this, he has held a number of management positions in Elkem, Orkla and Sapa. Holsether was born in Norway in 1972 and holds a BSc in Finance from the University of Utah. Torgeir Kvidal, who has served as acting CEO since October 2014 will resume his previous position as Chief Financial Officer. At the same time, Thor Giæver, currently acting CFO, will return to his position as Head of Investor Relations.

Quarterly historical information

EBITDA

	New segment structure 1Q 2015	Previous segment structure 1Q 2015 [1]	Previous segment structure 4Q 2014	Previous segment structure 3Q 2014	Previous segment structure 2Q 2014	Previous segment structure 1Q 2014
Downstream	1,843	1,629	1,211	1,463	1,525	1,792
Industrial	414	409	235	420	365	365
Upstream	2,884	3,176	3,434	2,293	2,498	1,646
Other and eliminations	(347)	(419)	(254)	(212)	(162)	(213)
Total	4,794	4,794	4,625	3,964	4,227	3,591

1) As of 1 January 2015, Yara has moved plants in France, Germany, Italy and Sweden from the Downstream and Industrial segments to the Upstream segment. Figures for Q1 2015 in the table are presented both according to the new segment structure and the previous segment structure. The figures presented as previous segment structure Q1 2015 are comparable to Q1 2014 figures.

RESULTS

NOK millions, except per share information	1Q 2015		4Q 2014	3Q 2014	2Q 2014	1Q 2014
Revenue and other income	27,767		26,230	24,095	23,309	21,709
Operating income	3,990		2,688	2,501	2,849	2,268
EBITDA	4,794		4,625	3,964	4,227	3,591
Net income after non-controlling interests	729		1,860	1,707	2,285	1,773
Earnings per share (NOK)	2.65		6.74	6.18	8.26	6.40

USD [1] millions, except per share information	1Q 2015		4Q 2014	3Q 2014	2Q 2014	1Q 2014
Revenue and other income	3,583		3,817	3,859	3,898	3,565
Operating income	514		392	401	477	373
EBITDA	622		671	635	708	590
Net income after non-controlling interests	99		233	274	383	292
Earnings per share (USD)	0.36		0.85	0.99	1.38	1.05

1) USD numbers are calculated monthly based on average NOK/USD per month.

Yara International ASA
Drammensveien 131
NO–0277 Oslo
Norway
Tel: +47 24 15 70 00
Fax: +47 24 15 70 01

www.yara.com

Design: Artbox AS, Print: Printbox AS