



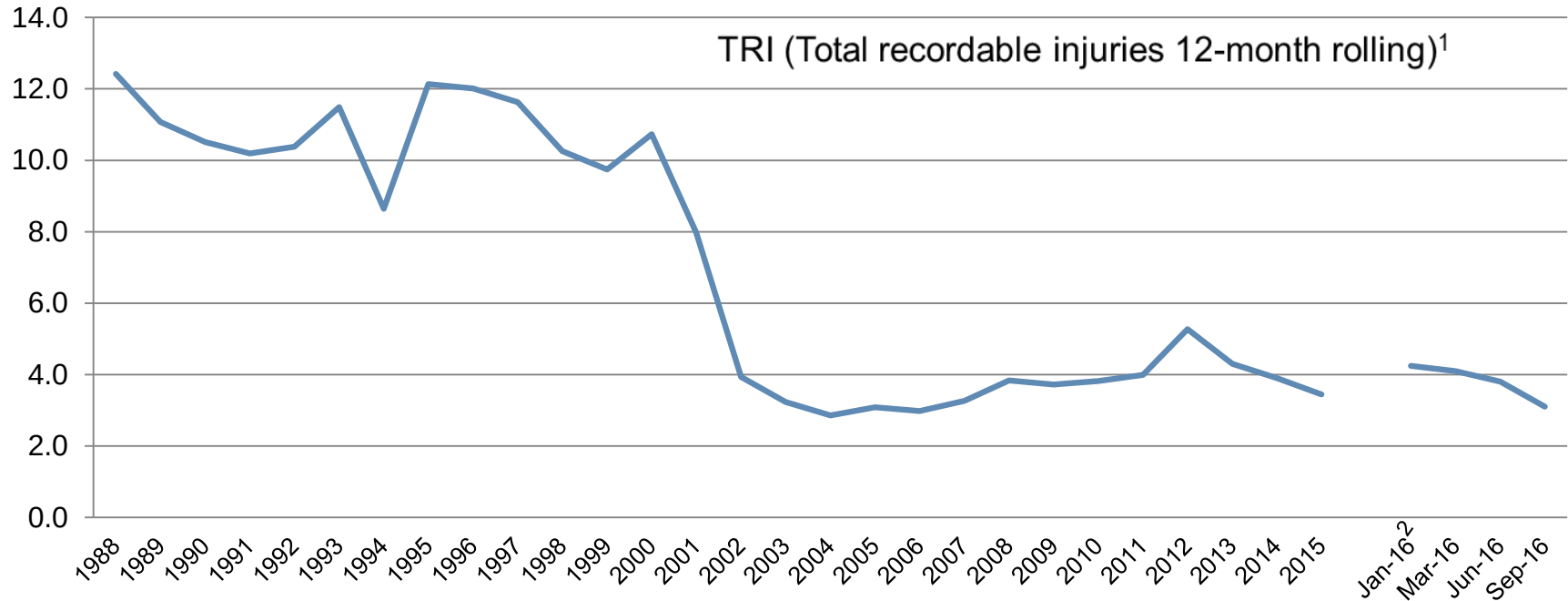
Knowledge grows

Yara International ASA 2016 third quarter results

21 October 2016



Safe operations is our first priority



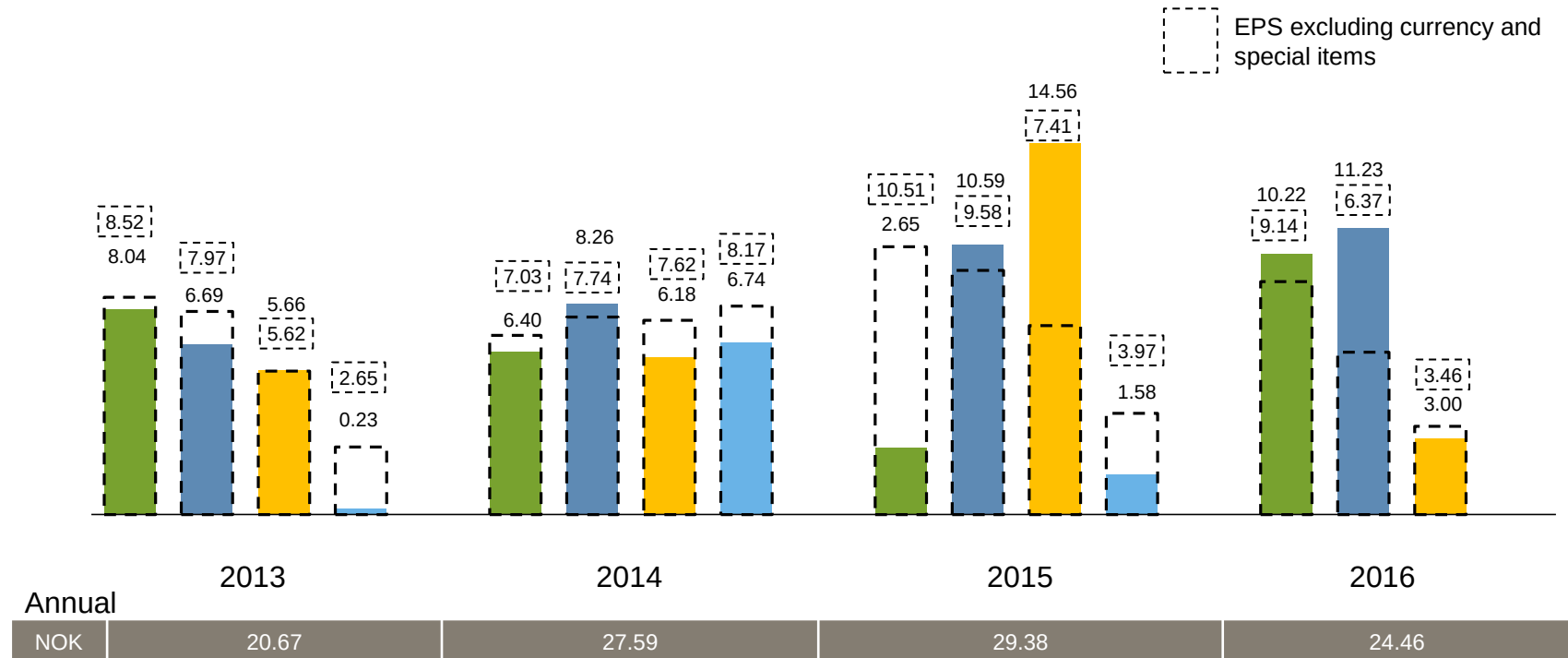
1) TRI: Total recordable injuries, lost time (absence from work), restricted work and medical treatment cases per one million work hours

2) OFD and Galvani included in statistics from January 2016

Summary third quarter

- Weaker results due to lower fertilizer commodity prices
- Strong growth in premium product deliveries, especially in Brazil
- Strong Industrial result

Earnings per share*

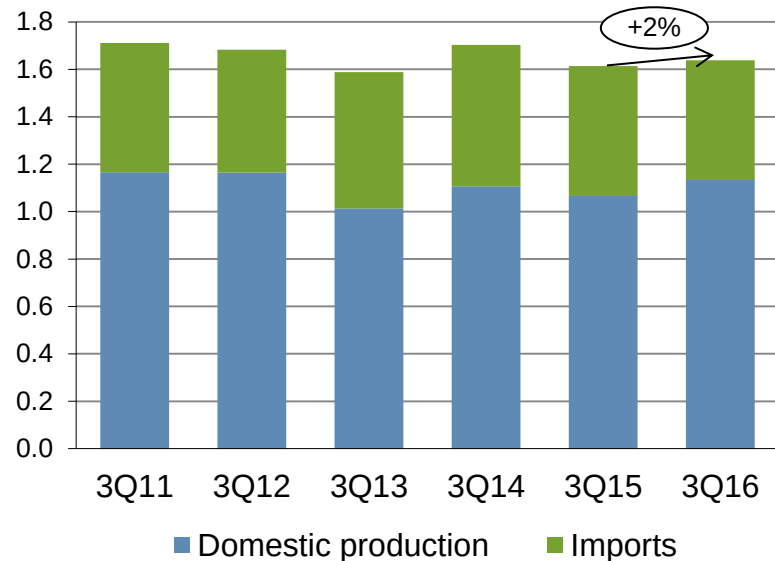


*Average number of shares for 3Q 2016: 273.2 million (3Q 2015: 275.1 million).

Normal start to the European season, slow in the US

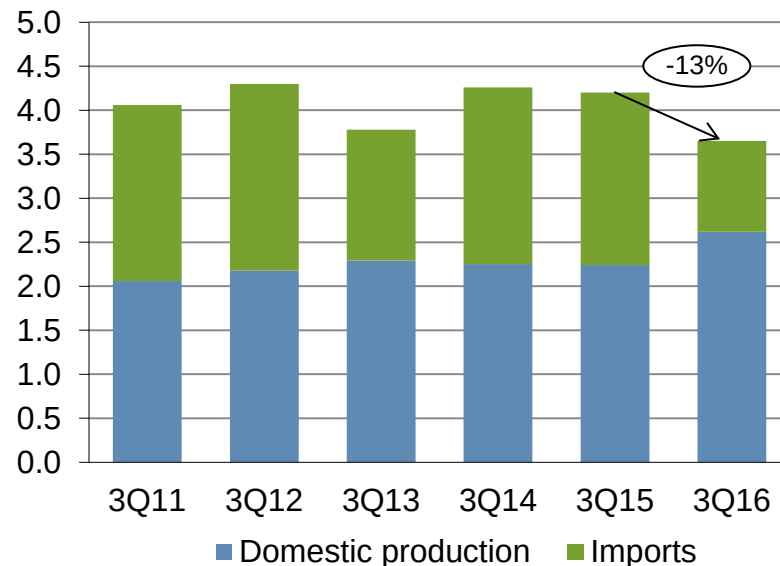
Million tons N

West Europe



Million tons N

US

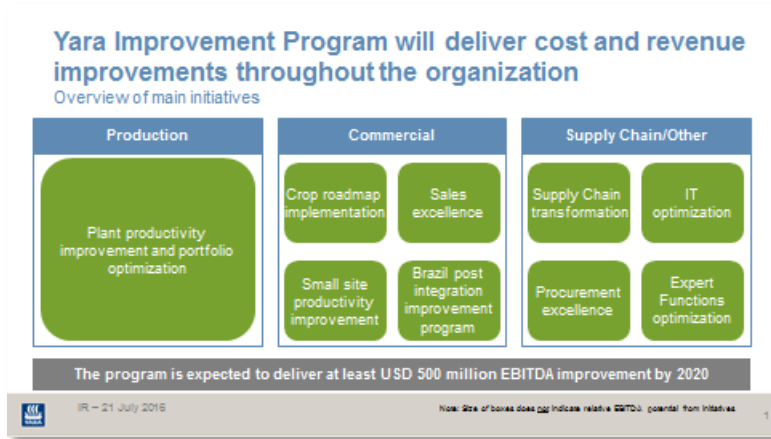


Source: Yara estimate for fertilizer deliveries to selected West European countries.

Total nitrogen deliveries based on TFI, US Trade Commission, Blue-Johnson and Yara estimates

Yara Improvement Program: significant progress during third quarter towards full program launch first quarter 2017

2Q 2016 presentation



- All units working to establish and detail improvement initiatives
- Several large-impact initiatives have started execution, with positive results so far
- Work so far gives confidence Yara will deliver at least USD 500 million EBITDA improvement by 2020
- Baseline for measurement will be 2015
- Full target, description and timeline to be launched in connection with 4Q results

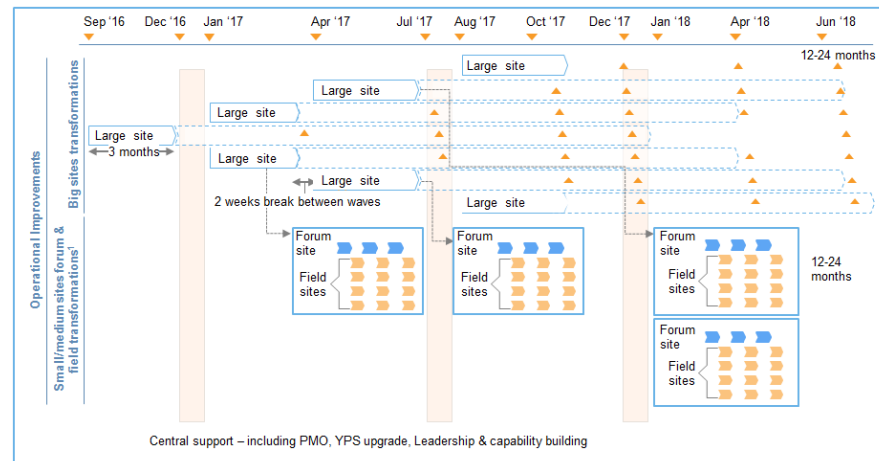
Plant productivity improvement and portfolio optimization will make our upstream positioning more robust

Systemic assessment across Yara Production organization identified a number of improvement areas across all sites



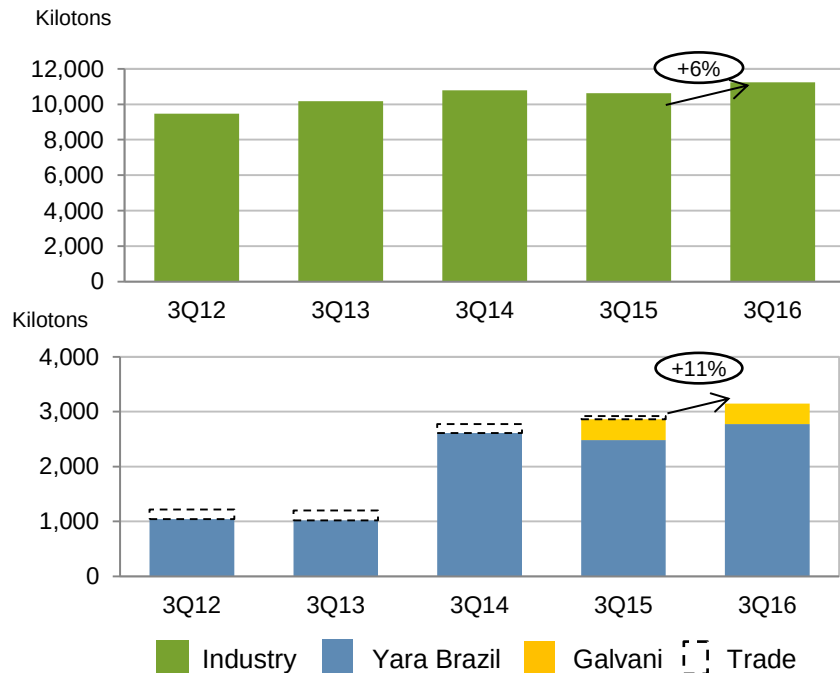
- Implement global best practices
- Improve maintenance execution
- Reduce energy consumption
- Enhance product quality
- Further strengthen safety culture
- Improve capex efficiency
- Optimize asset footprint

Intensive rollout with up to three parallel groups of implementations for the next 2.5 years, starting with Sluiskil

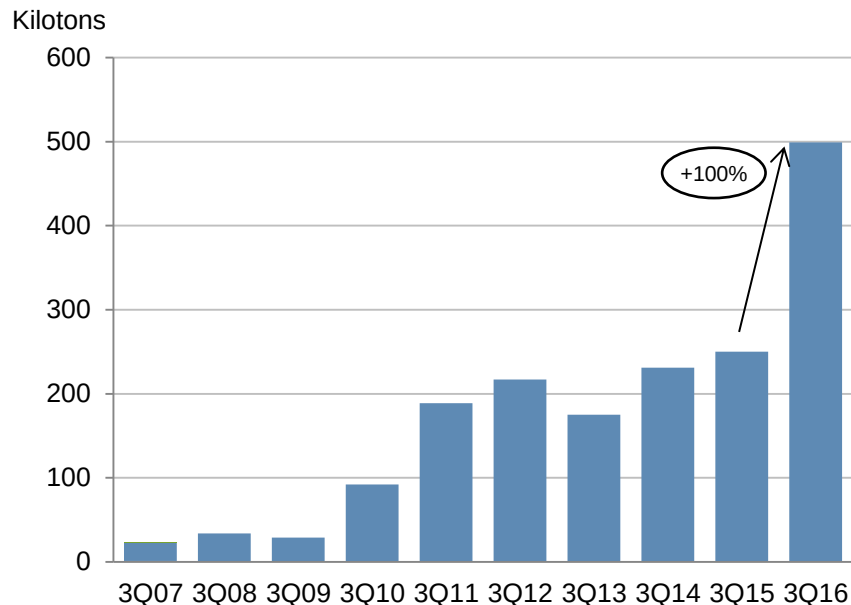


Brazil: focus on premium products and solutions drives growth

Brazil 3Q fertilizer deliveries



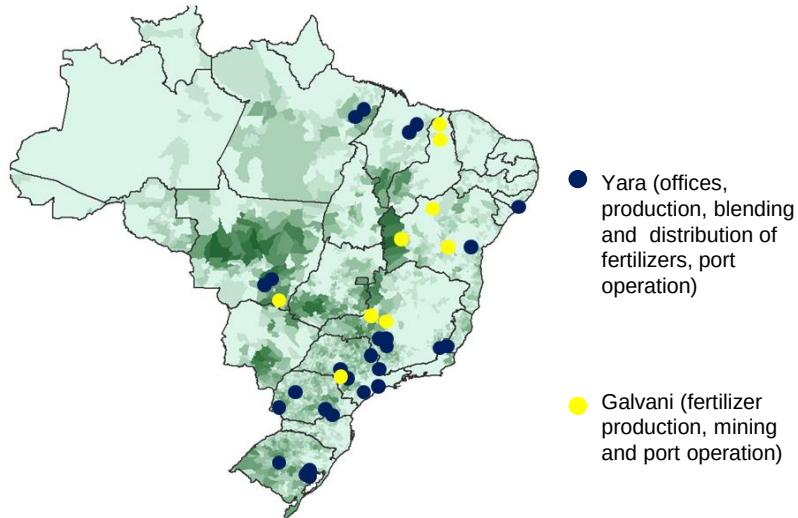
Yara Brazil 3Q premium product deliveries



Source: ANDA, Yara

Brazil: unrivalled market presence and farmer-centric strategy

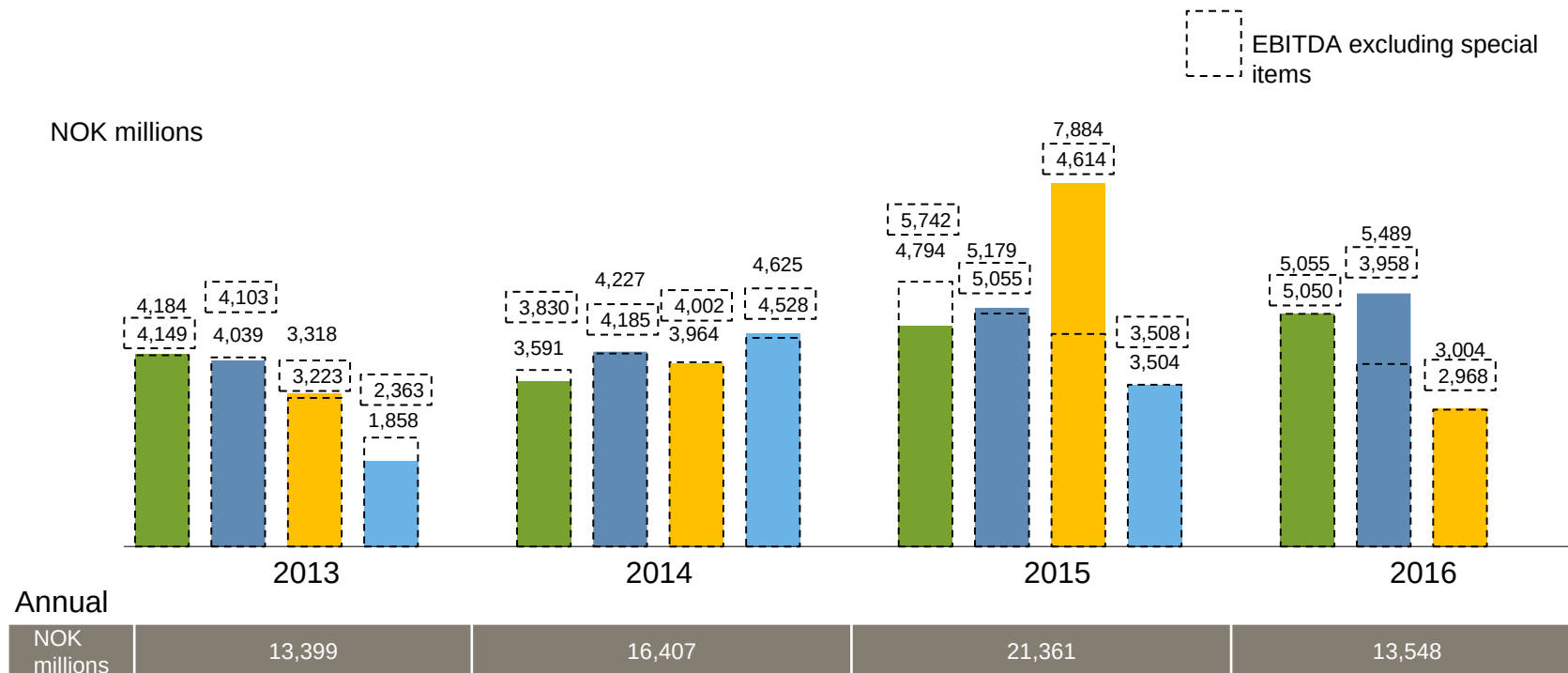
Unrivalled presence: 28 sites in 11 states



Farmer-centric strategy drives growth

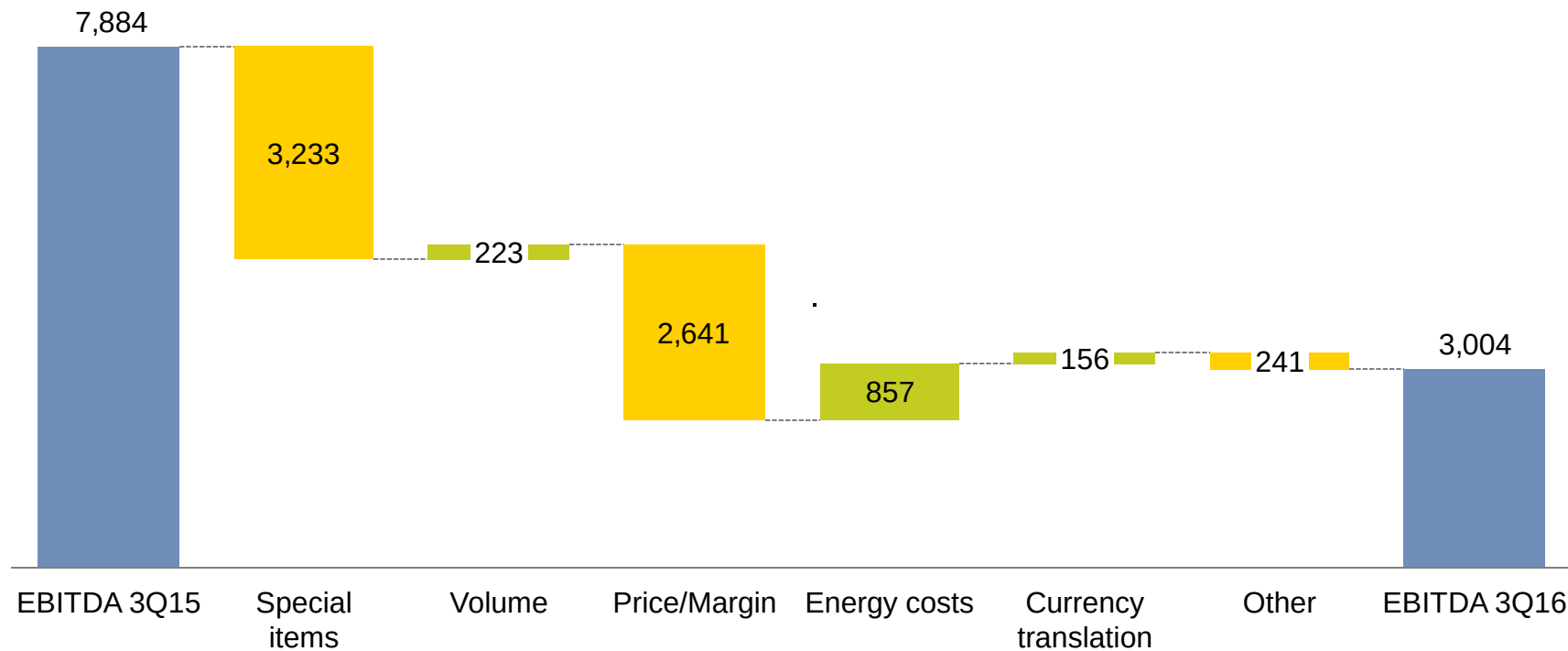
- > 20,000 growers using Yara solutions
- > 200 Yara agronomists and 600 sales representatives
- > 55% of Yara deliveries are direct to farmer
- > 55,000 interactions with growers p.a.

Earnings before interest, tax, depreciation and amortization (EBITDA)



EBITDA development

NOK millions



Lower prices mainly impact Production segment

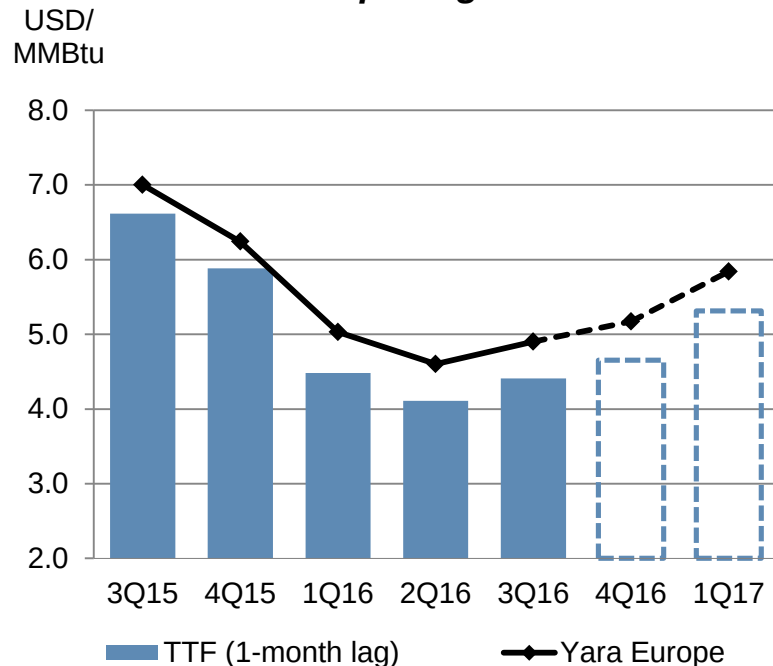
EBITDA
(NOK millions)

 EBITDA excluding special items



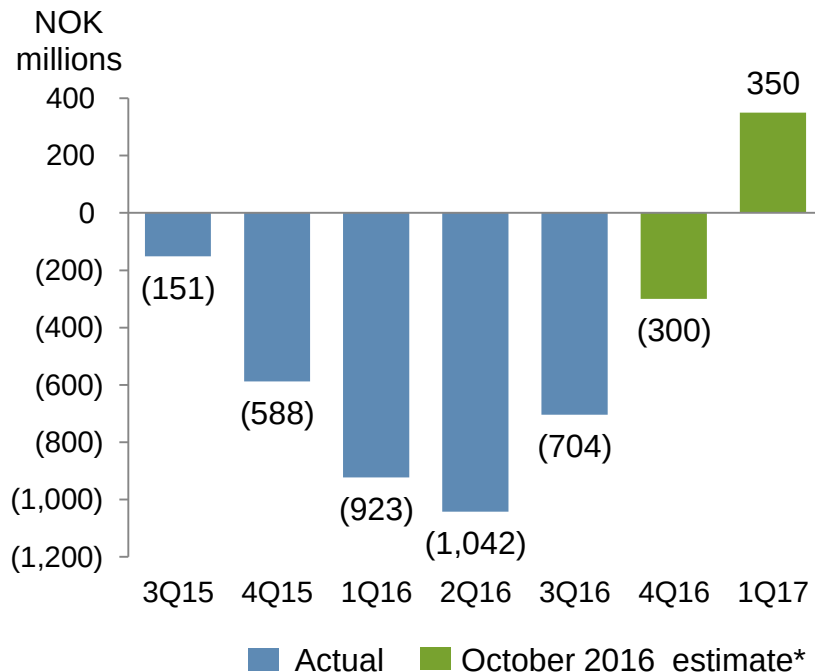
Natural gas cost in Europe

Yara European gas & oil cost

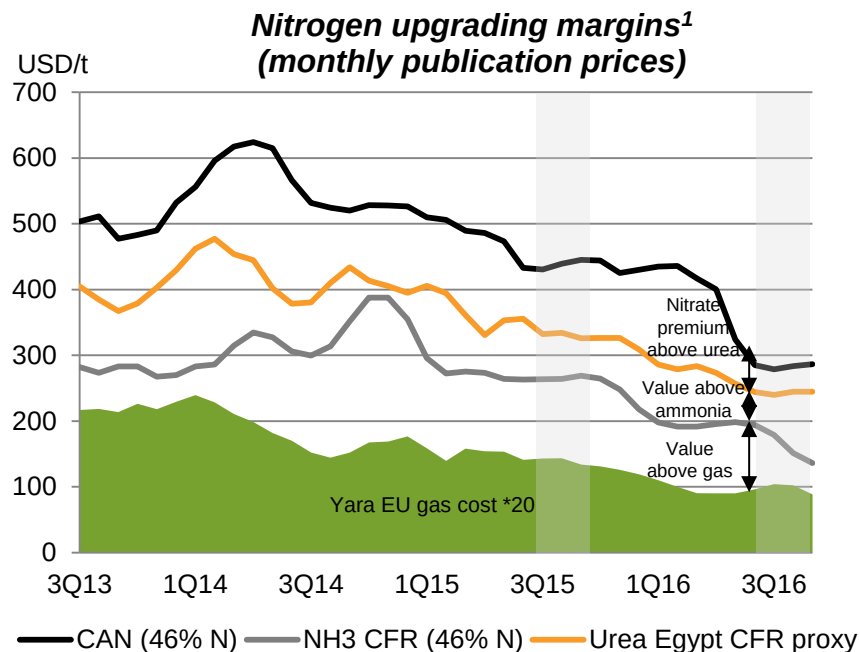


*Dotted lines denote forward prices as of 13 October 2016
Source: Yara, World Bank, Argus/ICIS Heren

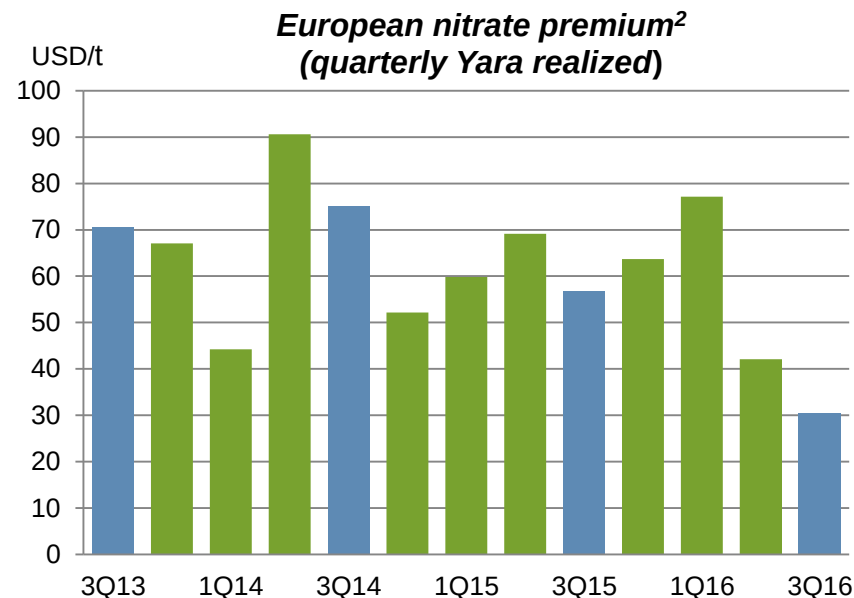
Change in spot energy cost



Lower European nitrate premiums in new season

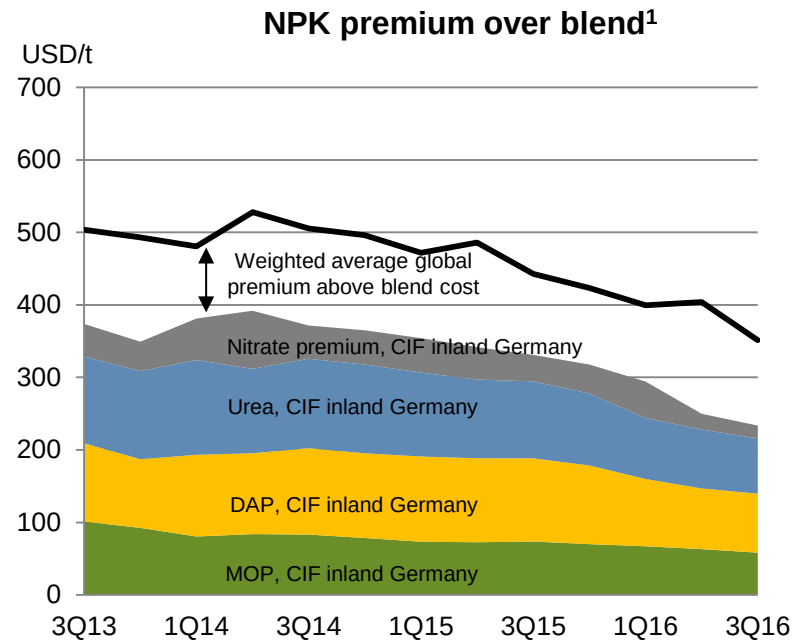
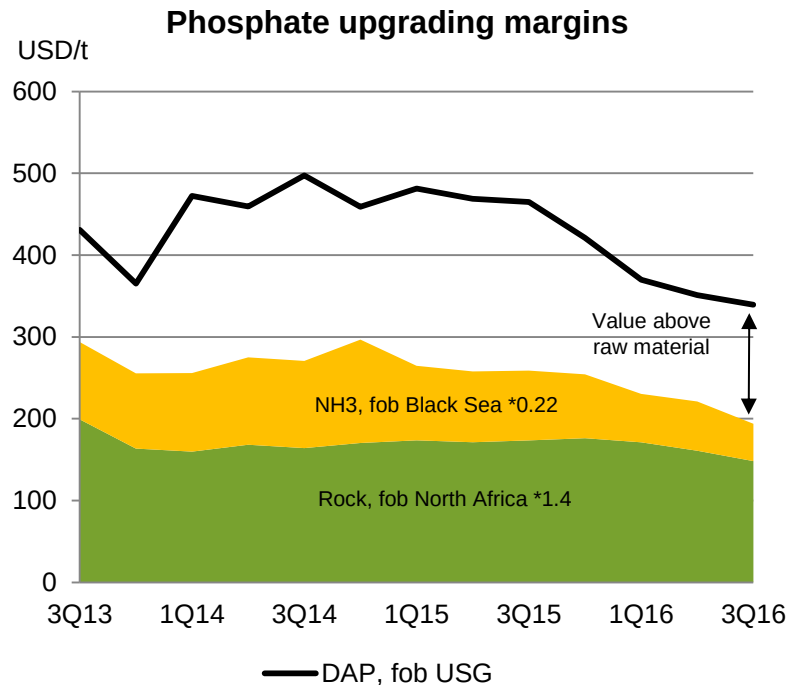


1) All prices in urea equivalents



2) Yara European realized nitrate prices (excl. sulphur grades) compared with urea publication prices (Egypt CFR proxy) with 1 month time lag. All numbers in USD per tonne of CAN equivalents.

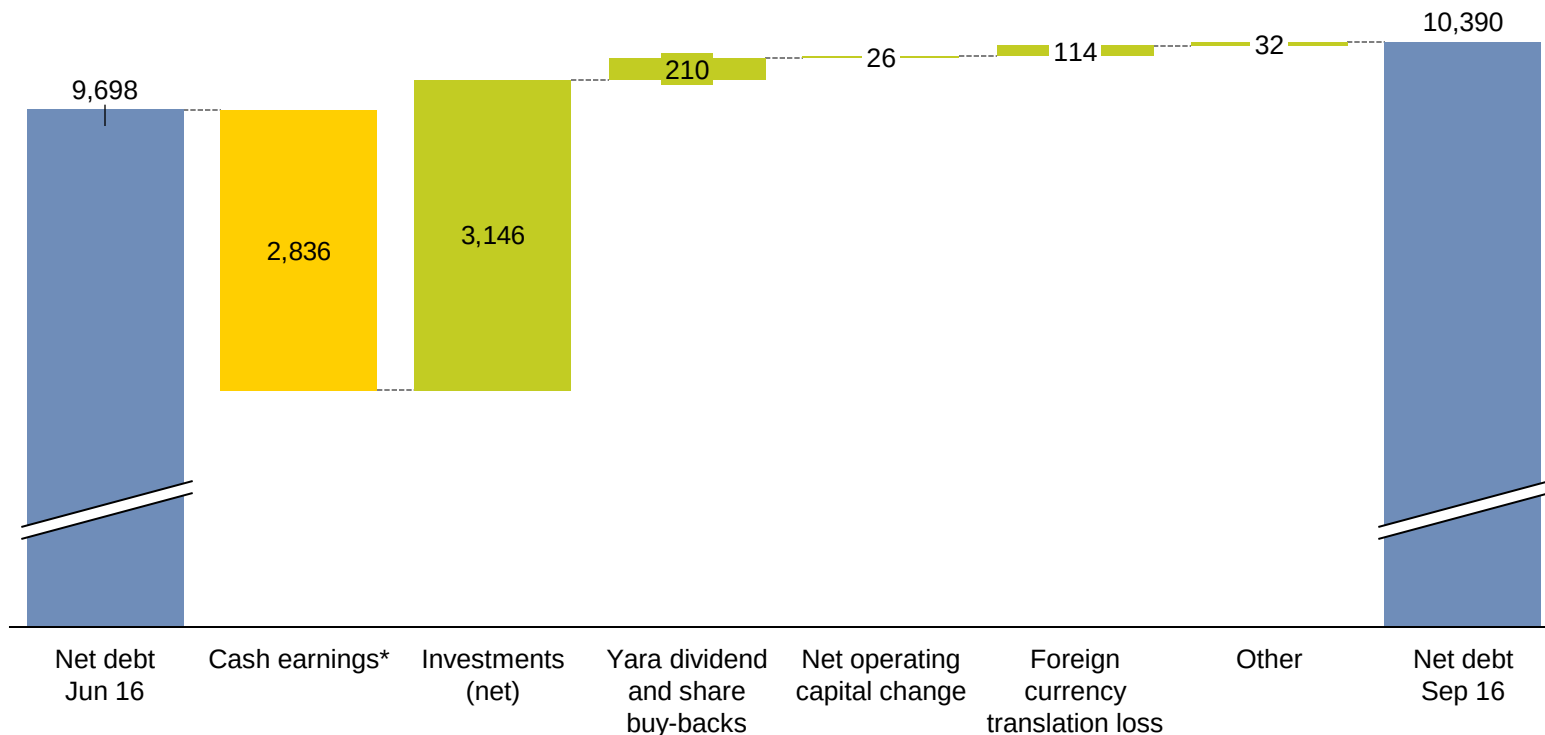
Lower commodity phosphate margins, solid compound NPK premiums



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

Net interest-bearing debt development

NOK millions



* Operating income plus depreciation and amortization, minus tax paid, net gain/loss on disposals, net interest expense and bank charges

Yara growth project pipeline adds ~5 NOK earnings per share by 2020 at current market prices

Profitable growth through expansions and M&A

Expand premium products sales and supply

- CN/NPK expansion Porsgrunn (2H 2017)
- NPK expansion Uusikaupunki (2H 2016)
- Urea 8 Sluiskil (2H 2017)
- Rio Grande expansion (2H 2020)

Expand commodity scale based on attractive full-cost growth opportunities

- Freeport ammonia JV (4Q 2017)
- New ammonia vessels (2016)
- Babrala urea asset (2H 2017)

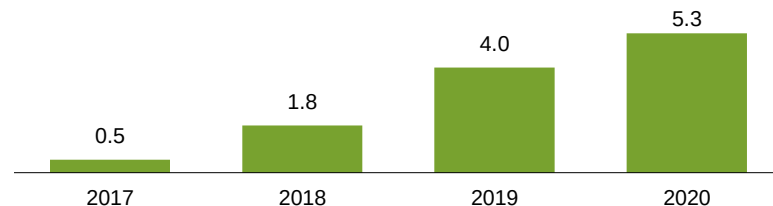
Act on attractive opportunities to grow industrial sales and supply

- Pilbara – TAN (4Q 2016)
- Köping – TAN (1H 2018)

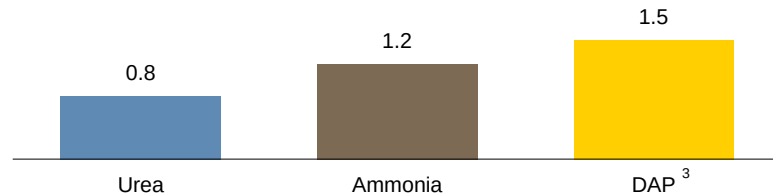
Structurally secure P and K supply

- Galvani, Salitre (mining: 2H17, chemical 1H18)

Incremental earnings at current prices¹ (NOK/share)



Impact² of +100 USD/t price change (NOK/share)



¹ Urea fob Yuzhny 190 USD/t, Ammonia fob Yuzhny 170 USD/t, DAP fob Morocco 345 USD/t

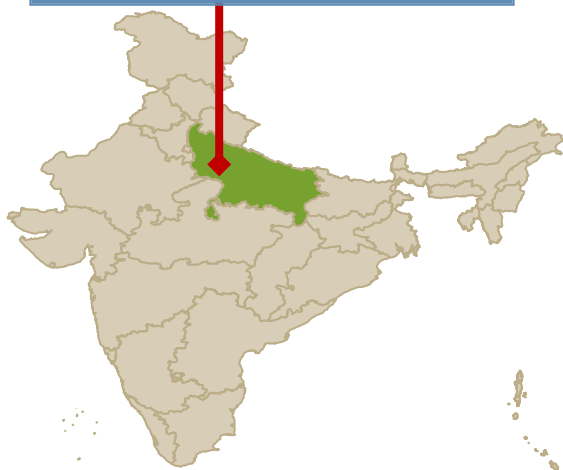
² At full capacity (2019 for urea and ammonia, 2020 for DAP)

³ Phosphate-driven price change, equivalent to 138 USD/t phosphate rock (72 bpl)

Prospects

- Supportive farm margin outlook overall, with higher prices for several crops
- Urea capacity increases in US and North Africa partially displacing Chinese exports
- Improved pre-buying incentives in Europe, but some markets impacted by poor harvests
- Continued growth in Brazil, but fourth quarter industry deliveries expected to be broadly in line with a year earlier
- Yara expansion projects will deliver NOK 5 per share incremental earnings by 2020, based on today's market prices
- Yara improvement program entering implementation phase

Acquisition of Tata Chemicals' urea and distribution business in India provides footprint to accelerate premium product growth



Integrated world scale urea plant in Babrala, Uttar Pradesh

- ~0.7 million tons ammonia production
- ~1.2 million tons urea production
- Commissioned in 1994

World-class operations and energy efficiency

- Workforce is committed to high HESQ standards; solid safety track record
- Energy consumption below 21 mmbtu/t, on par with Sluiskil

Significant distribution footprint

- Warehouses: 4 own and approx. 100 third-party operated
- Salesforce: 50 own, and approx. 600 on contract

Acquisition provides footprint to accelerate premium product growth

- Yara India 17% p.a. growth in premium product sales since 2010
- Yara Brazil premium products growth provides reference case

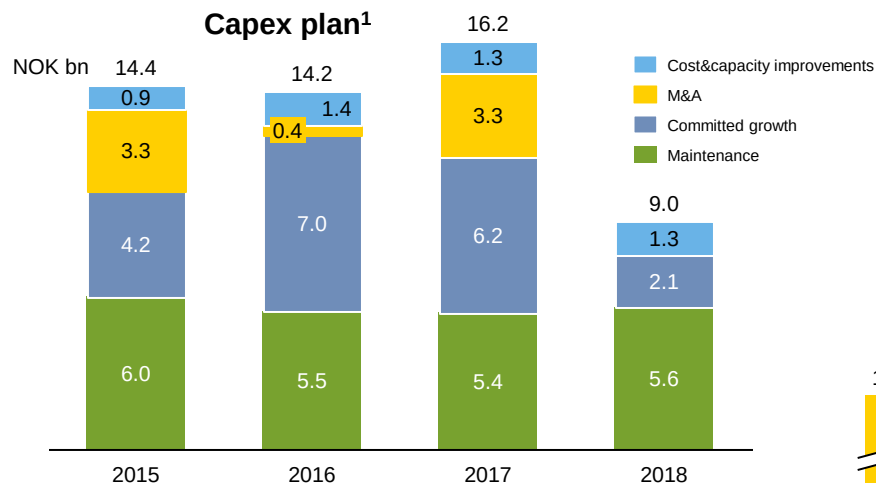


Knowledge grows

Additional information

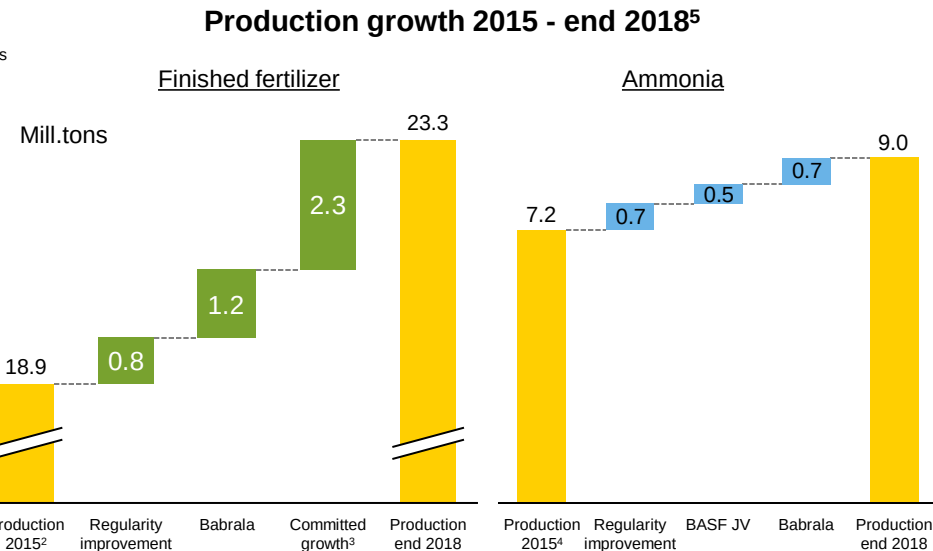
IN – 21 October 2016

Strong growth pipeline



Committed growth (NOK bn):

BASF JV	1	1.5	1.2	
Pilbara TAN	0.5	0.4		
Porsgrunn	0.5	1.2	0.5	
Köping	0.3	0.5	0.6	0.1
Sluiskil	0.1	0.7	0.9	
Uusikapunki	0.3	0.2		
Galvani (Salitre)	1	0.6	1.6	0.5
Ammonia vessels	0.2	1.4		
Rio Grande		0.1	1.3	1.4
Other projects	0.3	0.4	0.1	
Total	4.2	7	6.2	2.1

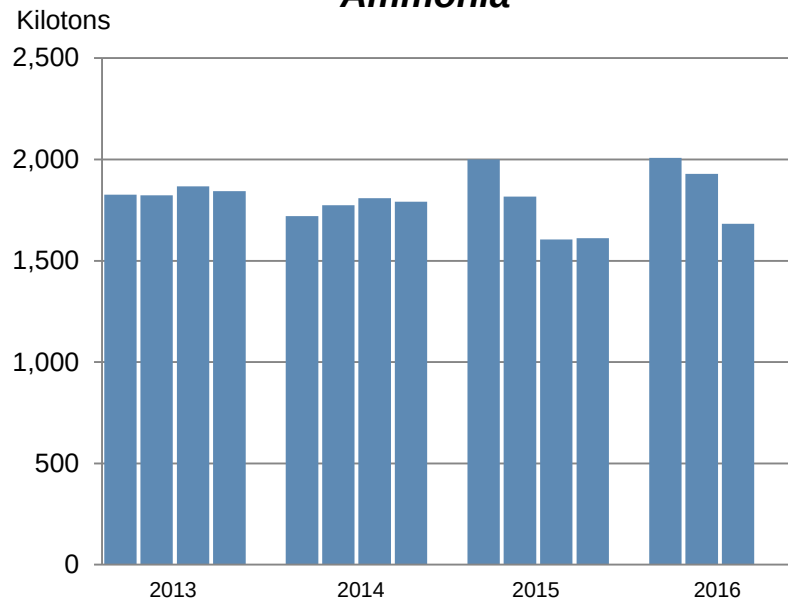


- Finished fertilizer and industrial products, excl. bulk blends. Including Yara share of production in JVs. 2015 numbers excl. Growhow UK (~300 kt)
- Committed projects only. TAN Pilbara: 160 kt, Porsgrunn: 250kt, Glomfjord: 185kt, Uusikapunki: 250kt, Köping: 90kt, Sluiskil: net 160kt, Galvani (Salitre - 60% of ~ 2 mill.tons)
- Excl. Growhow UK (~200 kt). Including 100% ownership in Pilbara NH₃ plant
- Rio Grande expansion adds 0.5 million tons SSP and 1 million ton blends by 2020

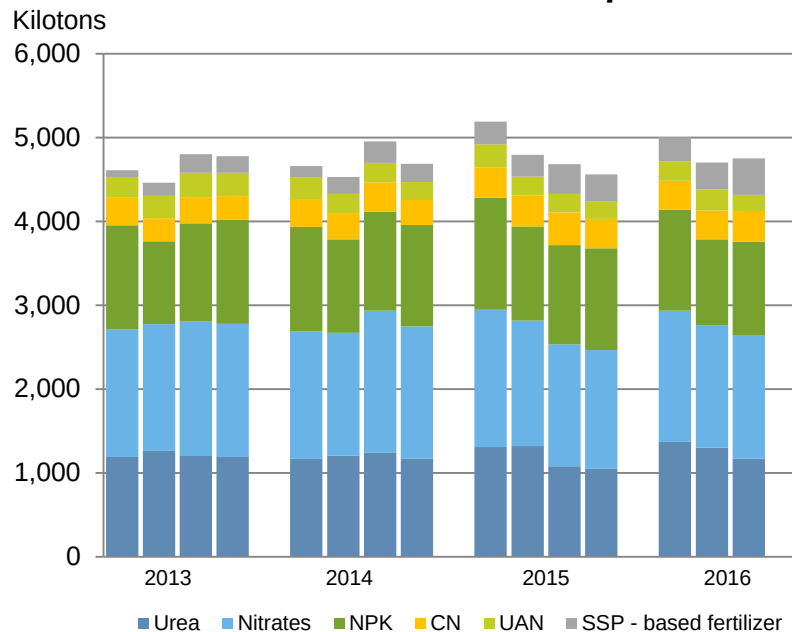
1) Yara's share of capex

Production

Ammonia¹



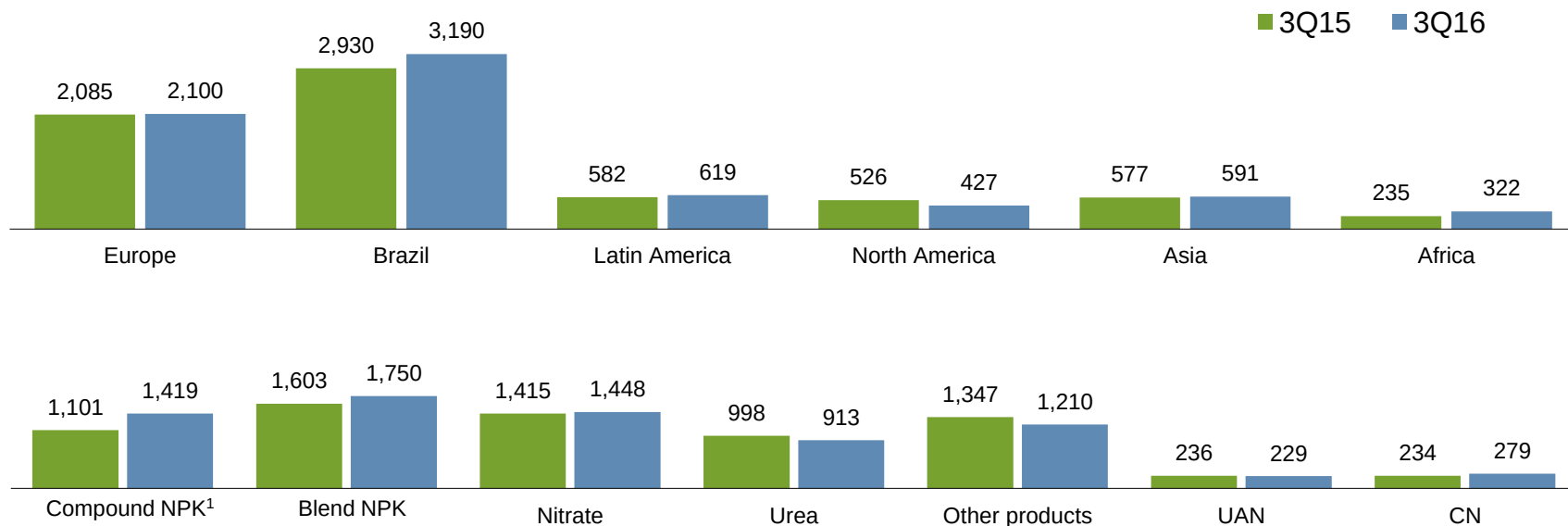
Finished fertilizer & industrial products¹



1) Including share of equity-accounted investees

Yara 3Q fertilizer sales by market and product

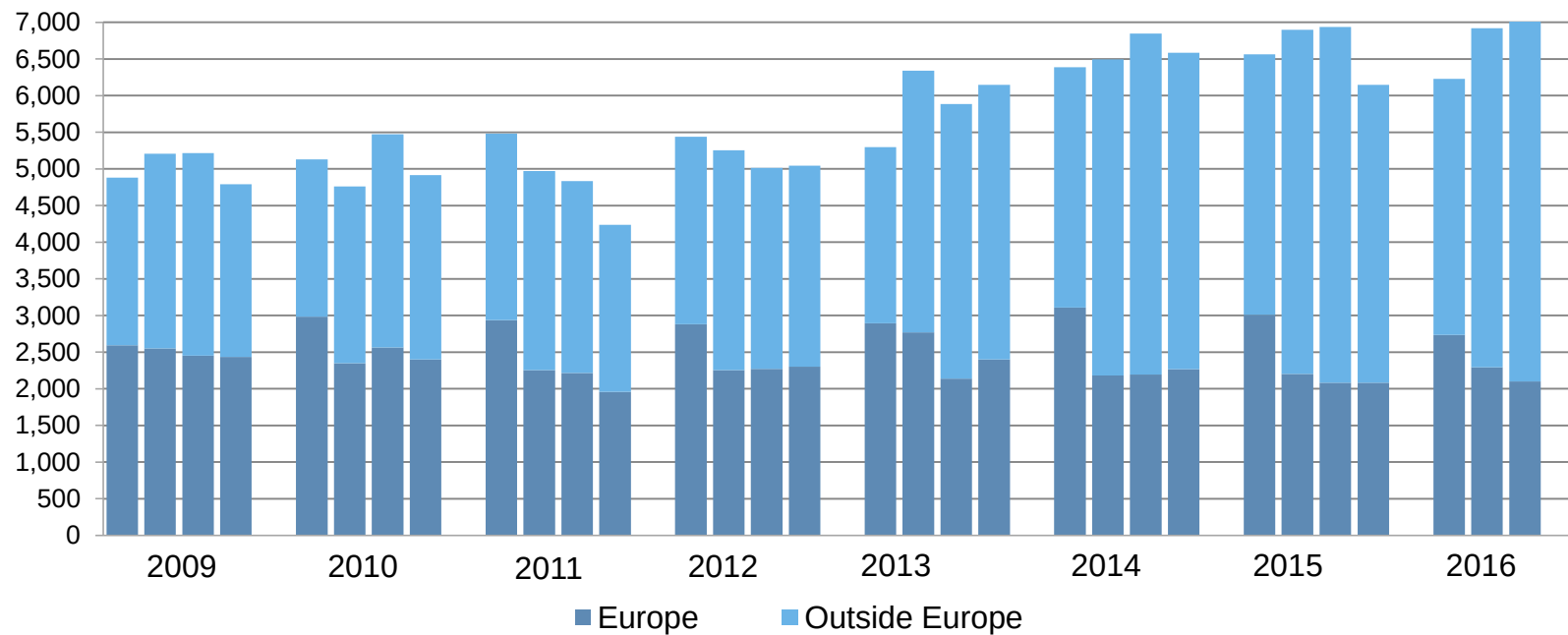
Kilotons



1) Yara-produced compound NPK and third party sourced (Total NPK minus blend NPK)

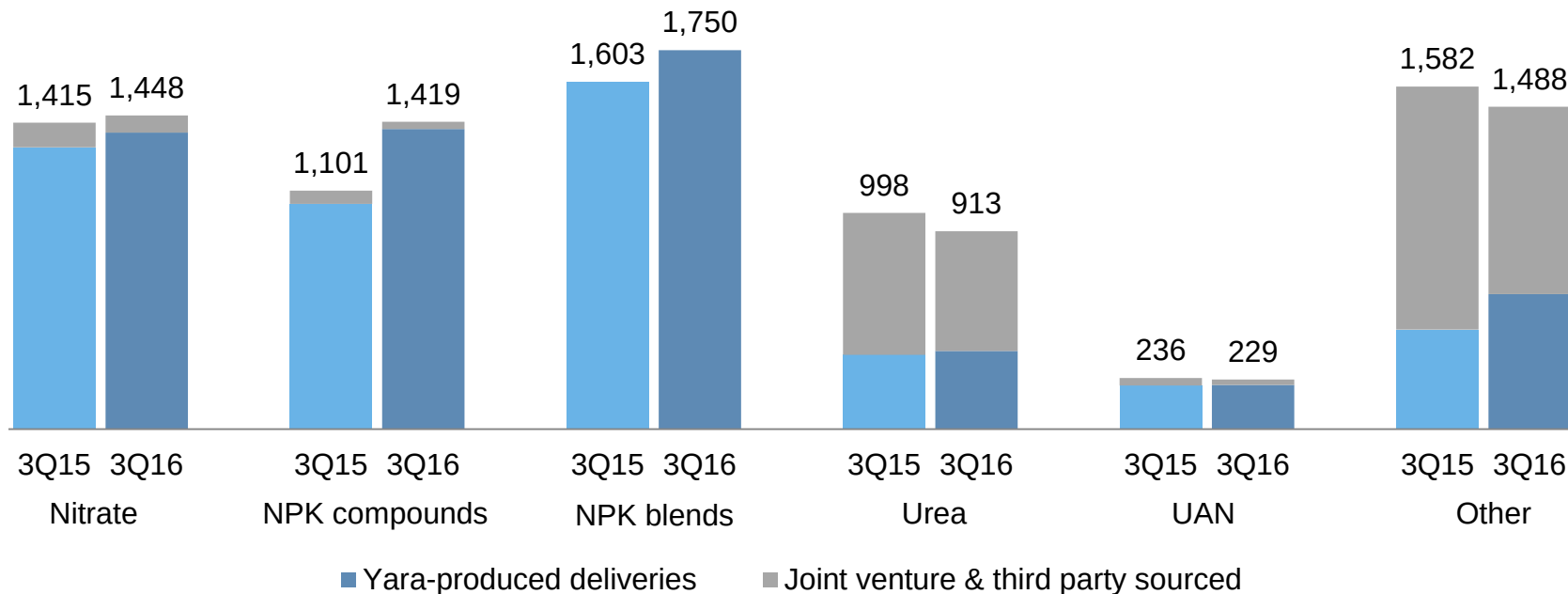
Fertilizer deliveries

Kilotons

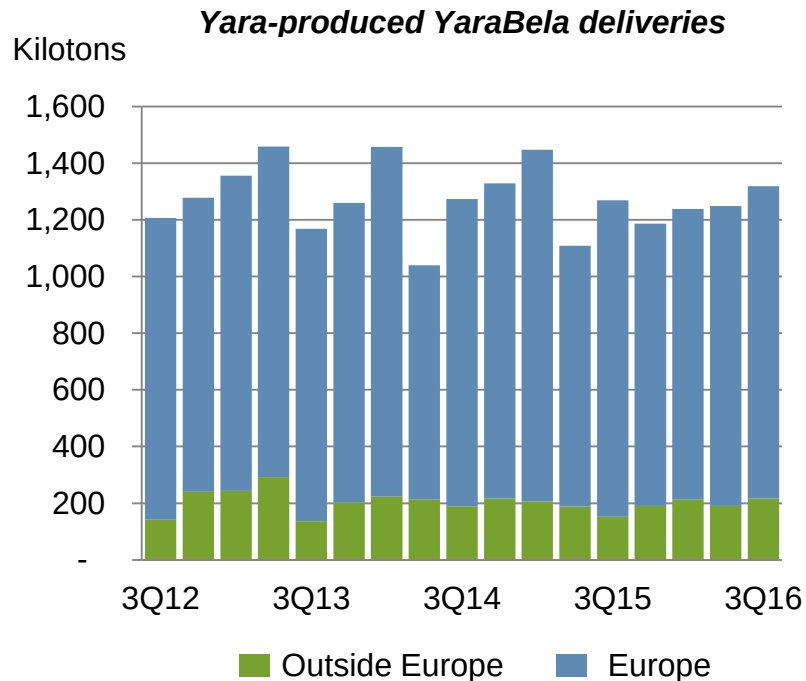
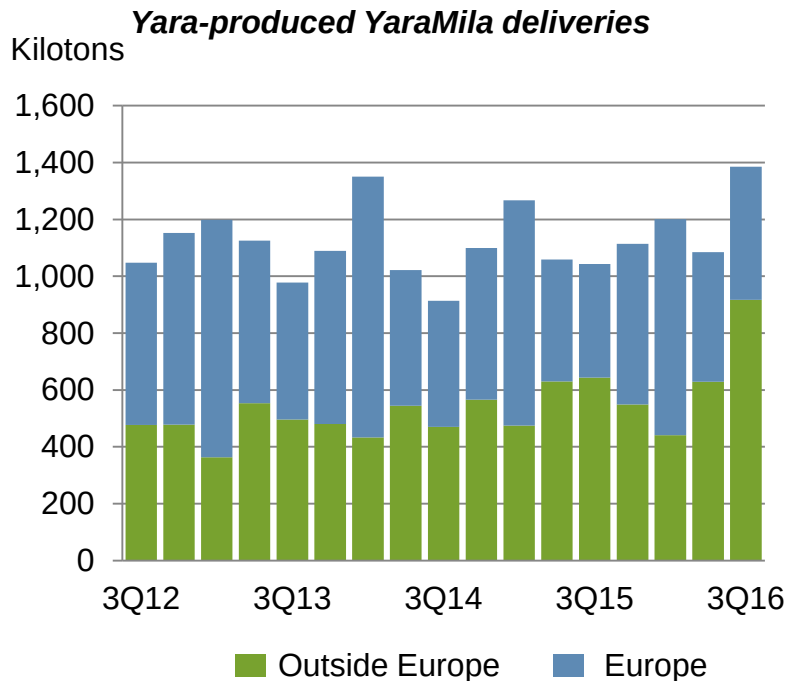


Fertilizer deliveries by product and source

Kilotons

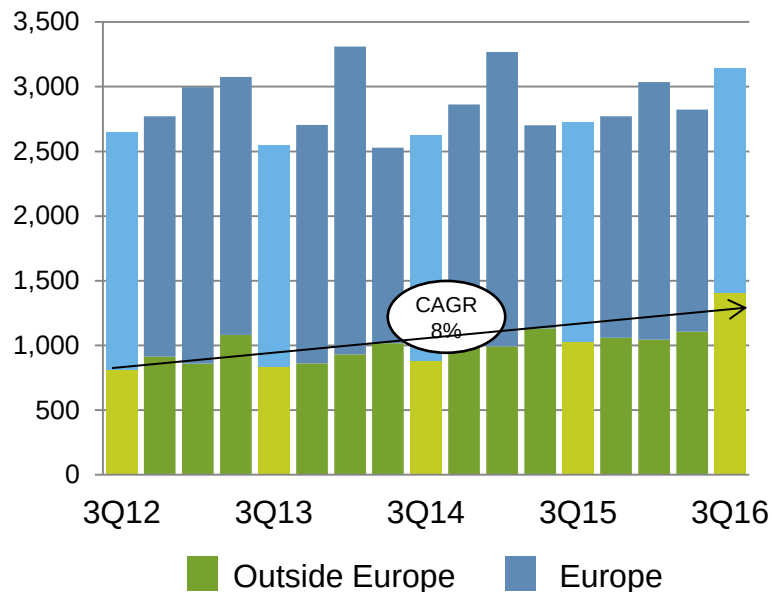


YaraMila (compound NPK) and YaraBela (nitrate) deliveries



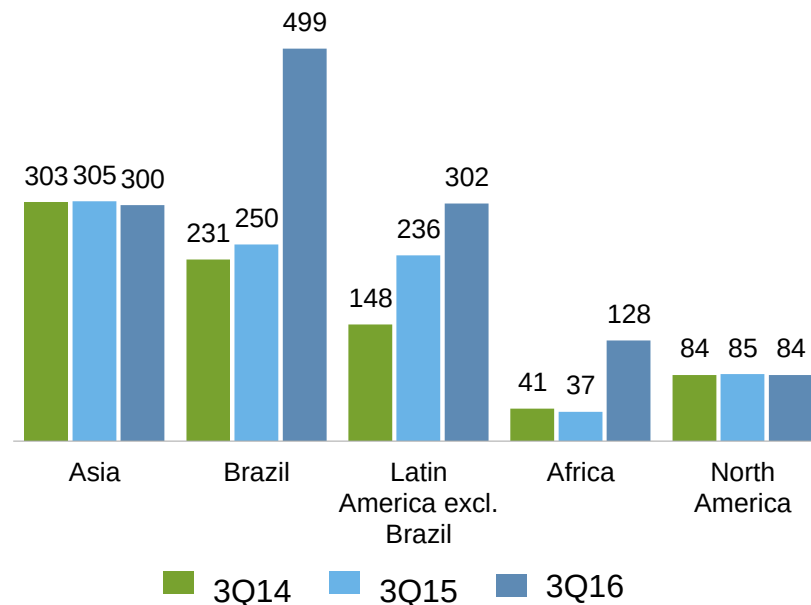
Strong premium product deliveries

Value-added fertilizer deliveries¹

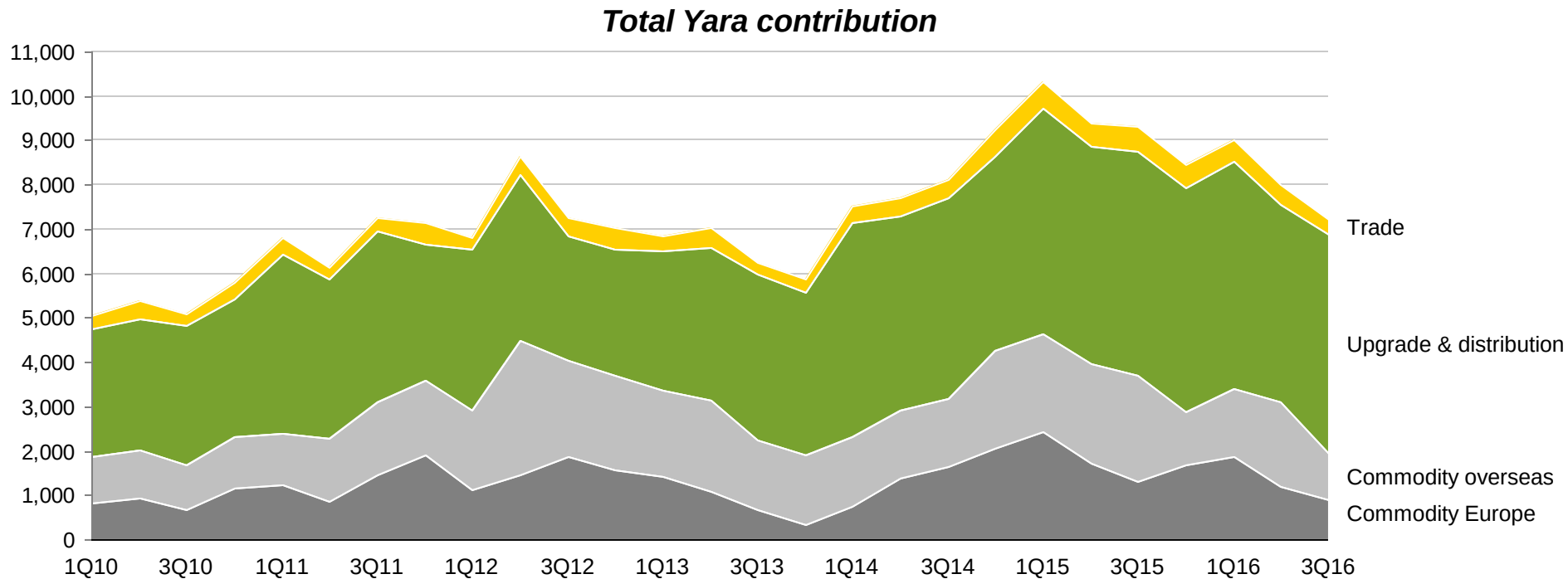


1) YaraBela, YaraMila and YaraLiva deliveries

Value-added fertilizer deliveries¹

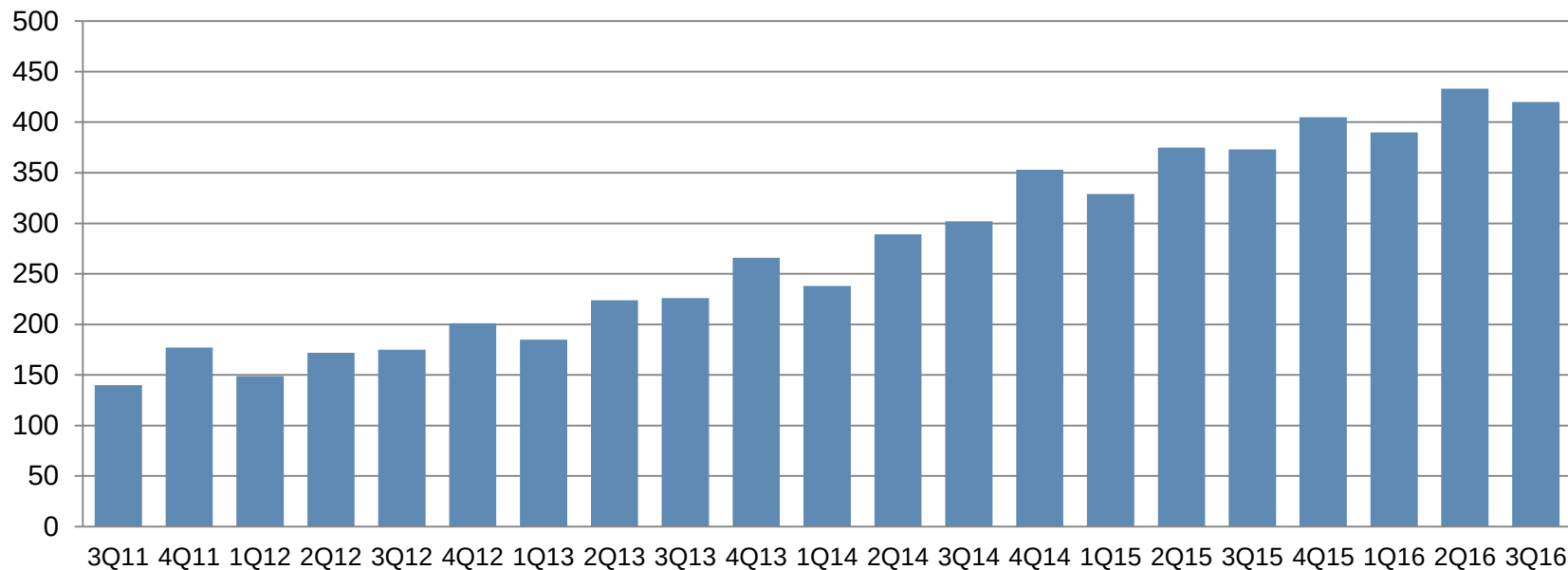


Value-added and distribution make up larger part of Yara's contribution



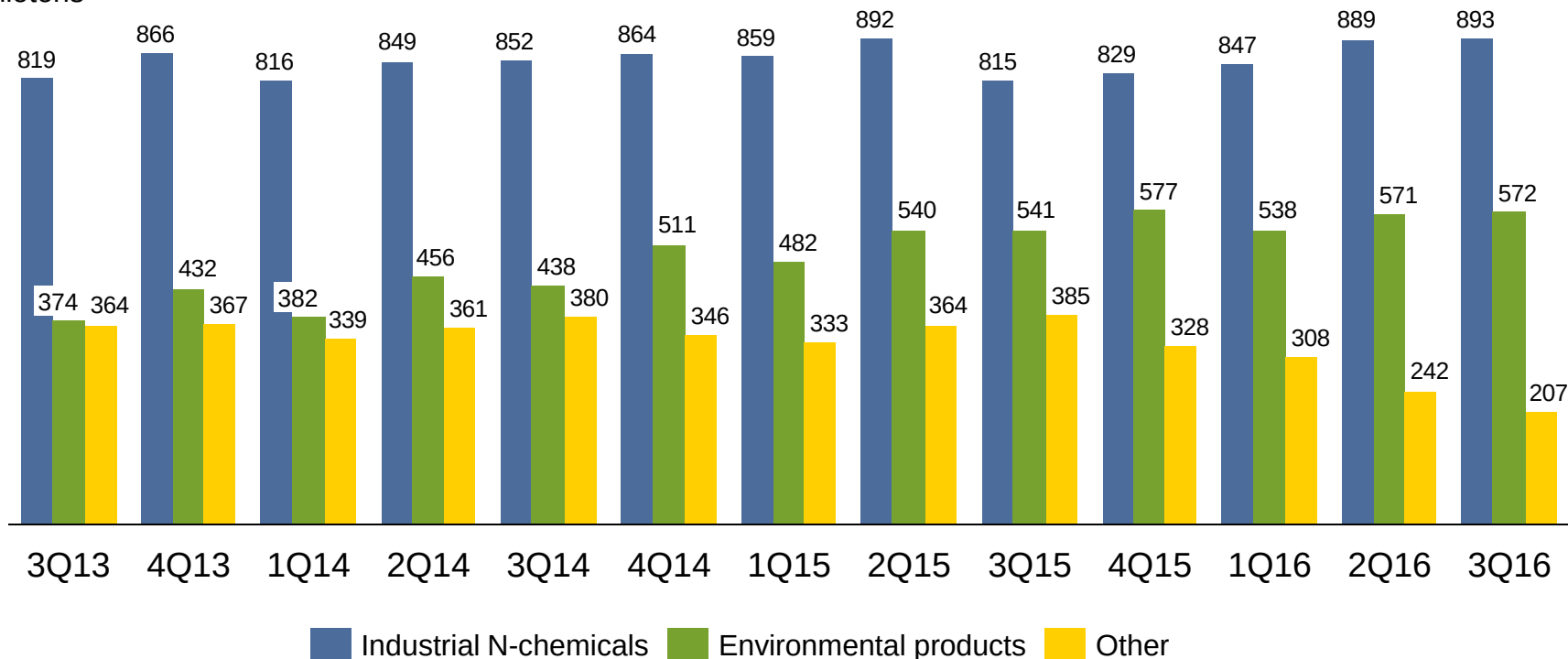
AdBlue deliveries

Kilotons



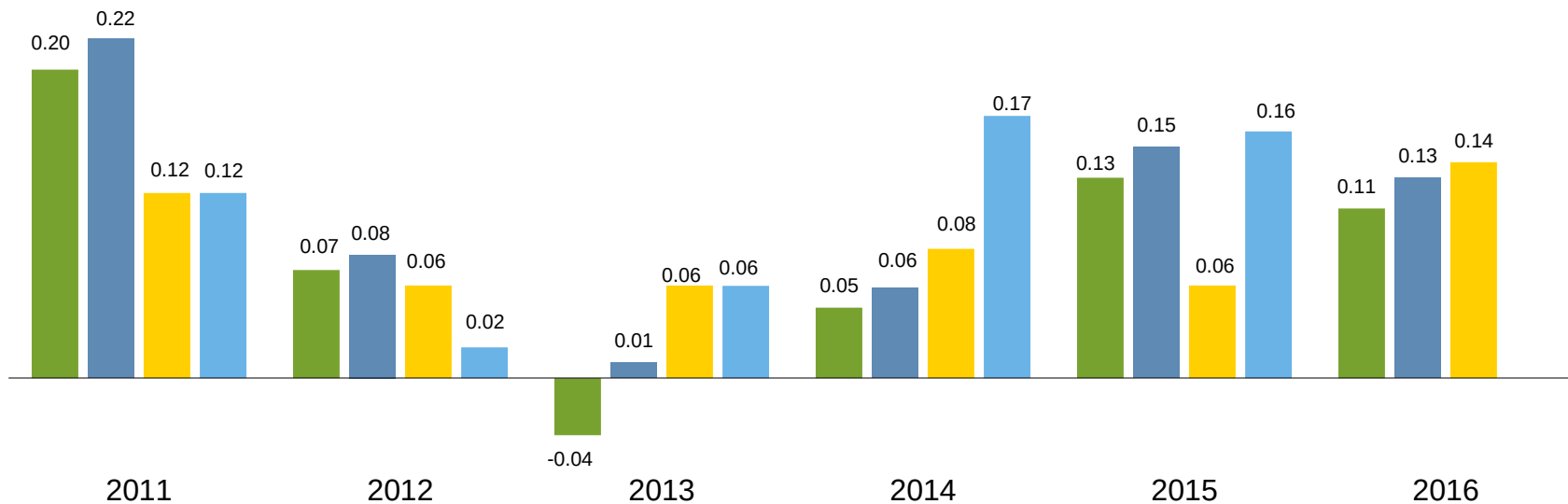
Industrial volume development

Kilotons



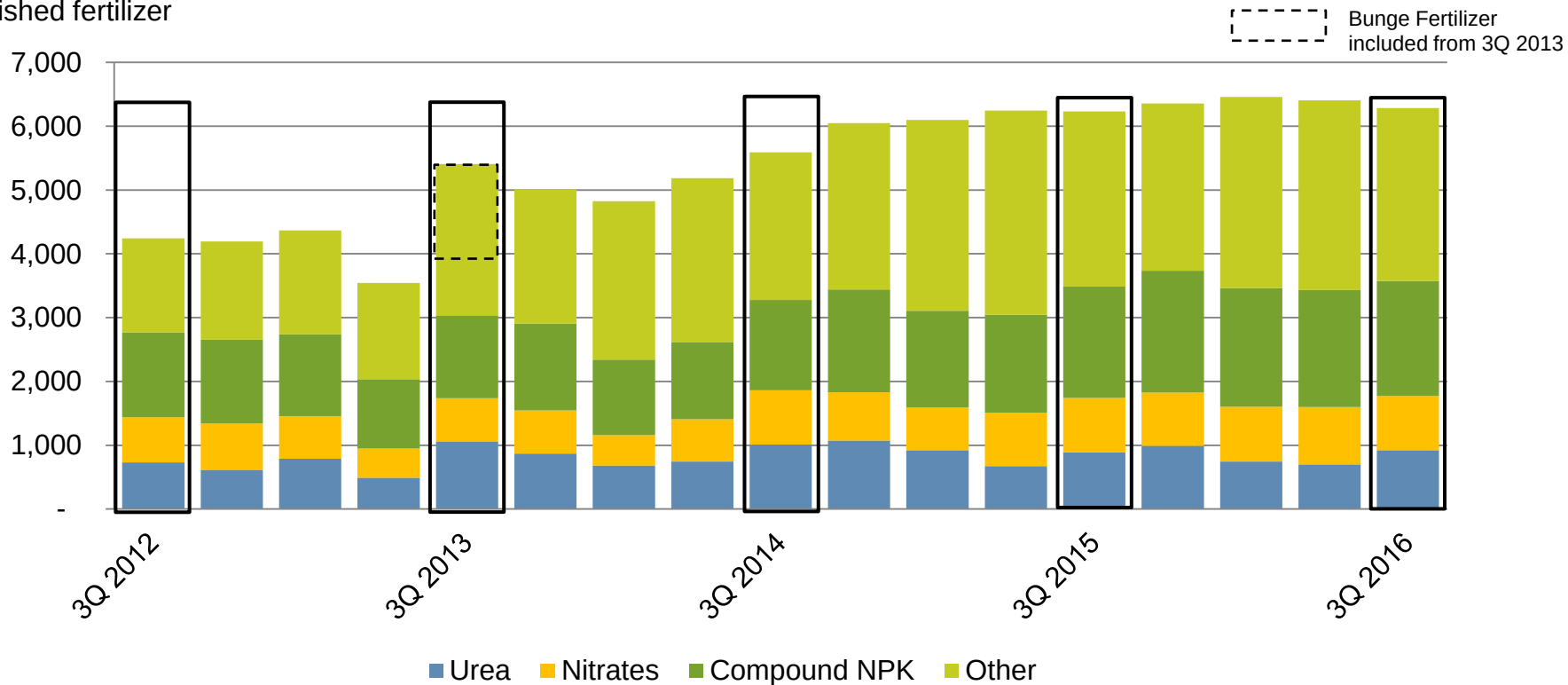
Debt/equity ratio

Net interest-bearing debt / equity ratio (end of period)



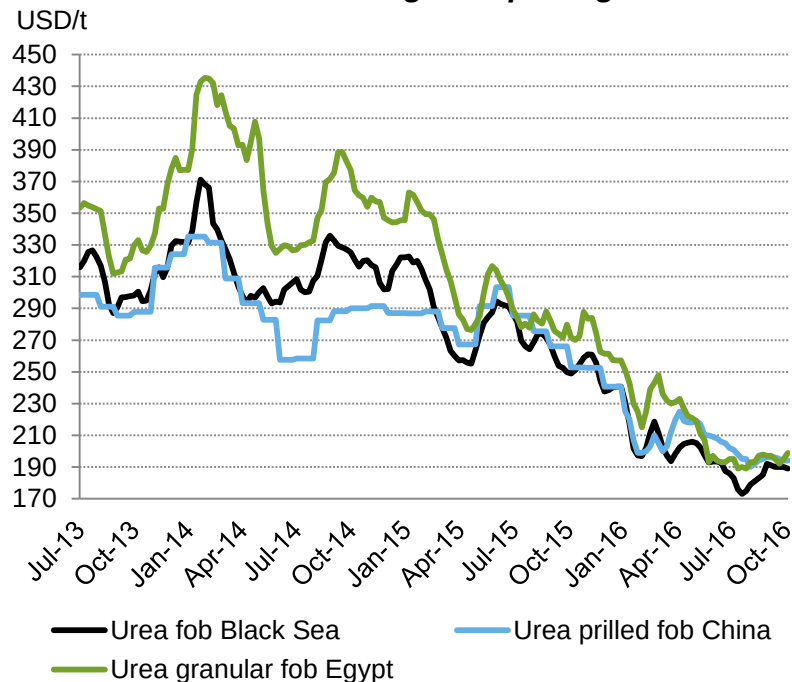
Yara stocks

Kilotons
Finished fertilizer

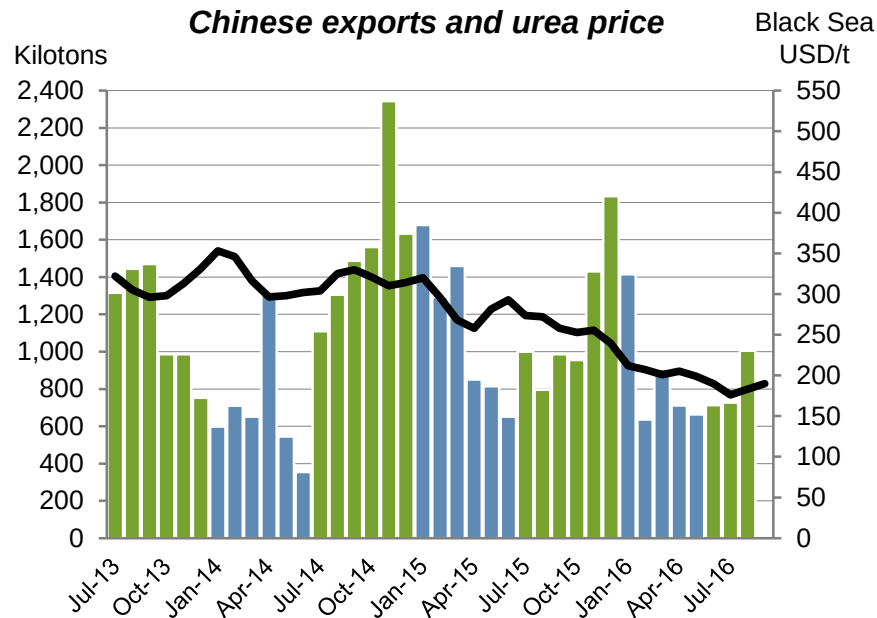


Reduced exports from China amid lower prices...

Declining urea pricing



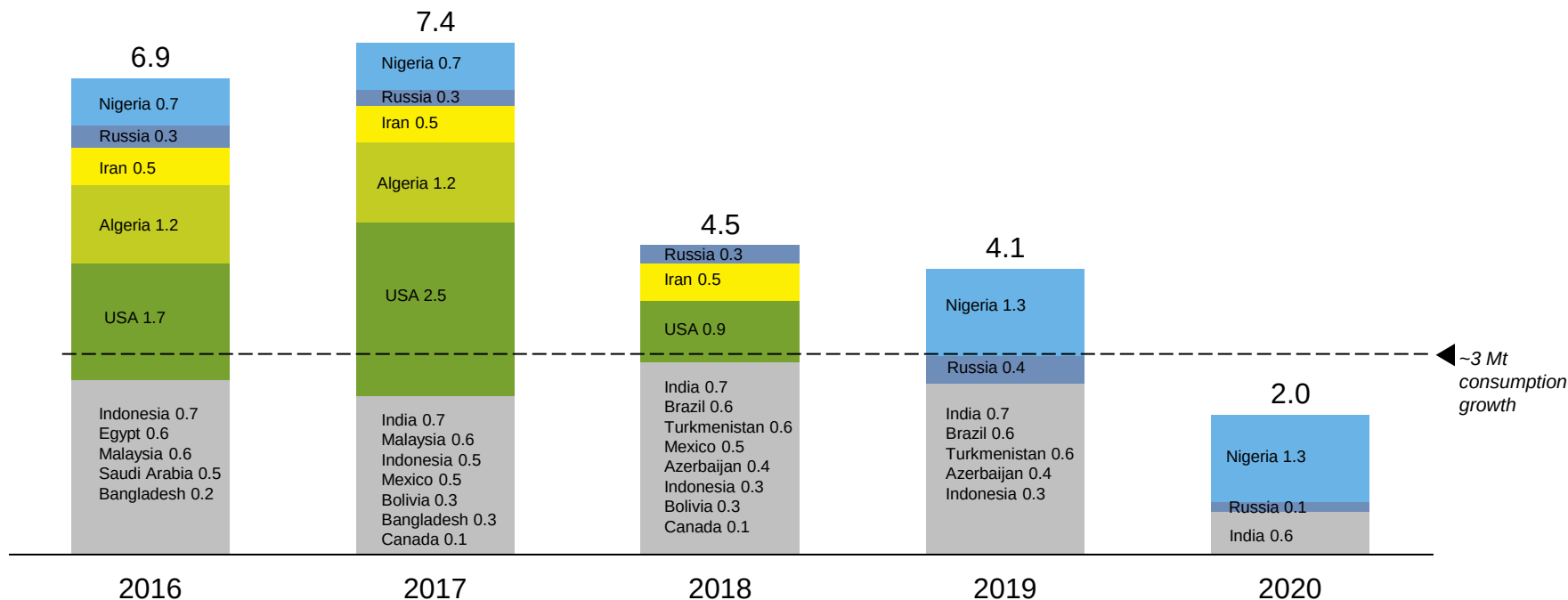
Chinese exports and urea price



Source: BOABC, CFMW

...and increased production elsewhere

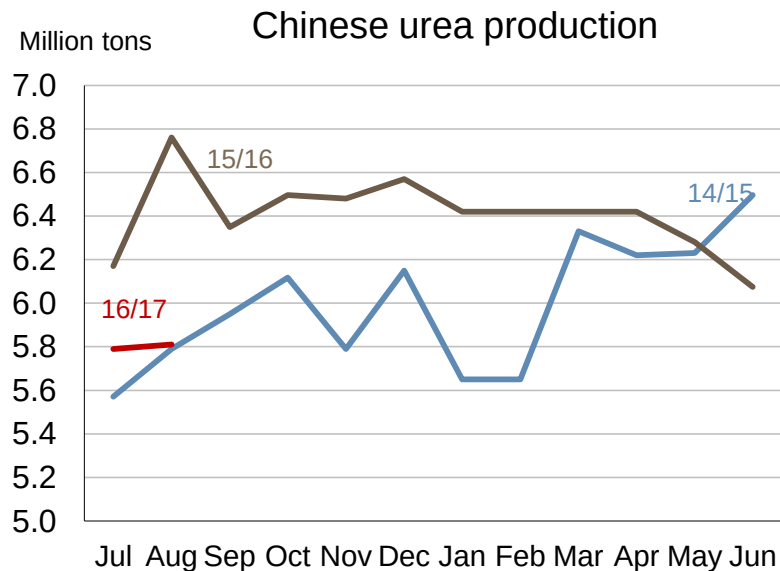
Gross capacity additions, excl. China
(mill. tonnes urea¹)



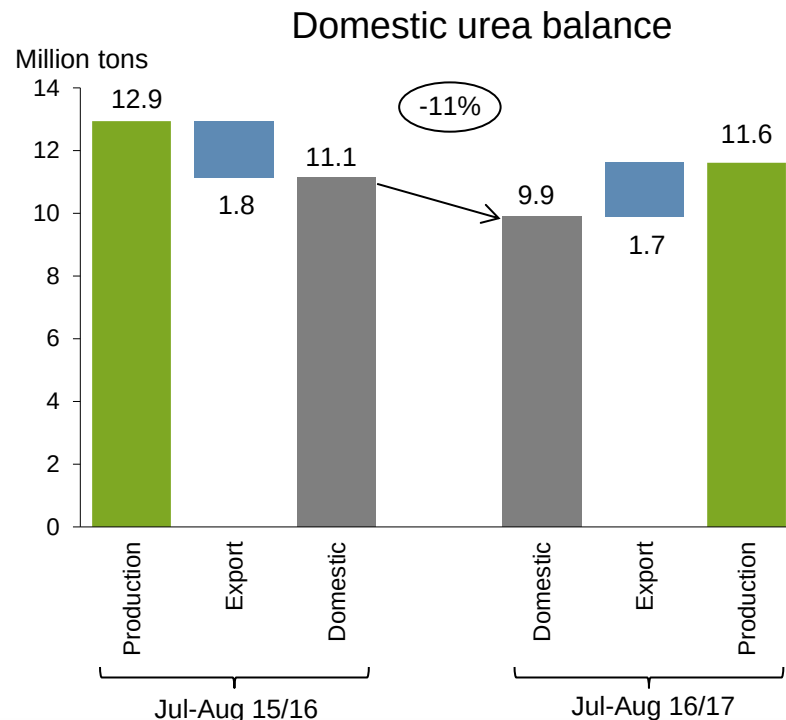
Source: CRU, gross capacities, September 2016

1) Using 50% operating rate in new plants' first year of production

The new season starts with reduced Chinese urea production

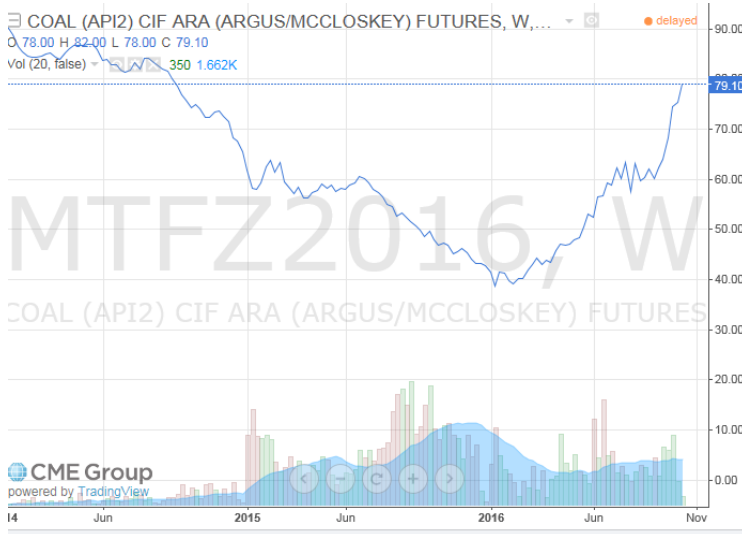


Source: CFMW

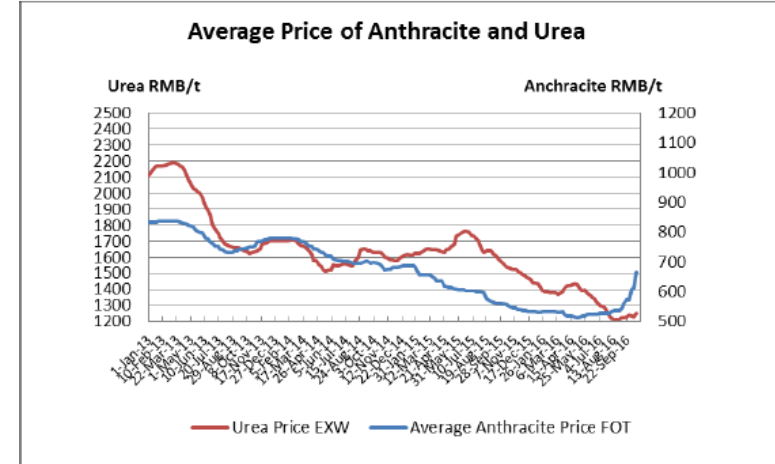


Increasing coal prices

CIF ARA¹ December 2016 (\$/mt)



China anthracite prices September 2016 (RMB/mt)

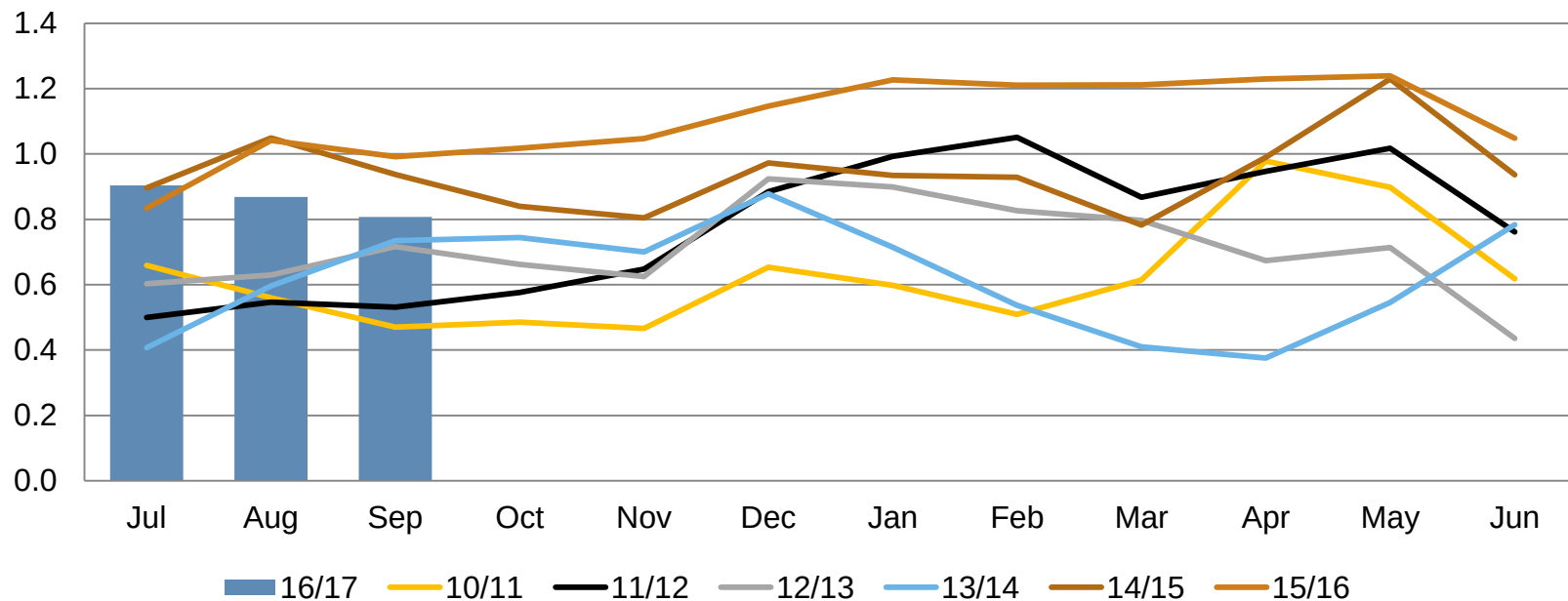


1) Amsterdam, Rotterdam, Antwerp

Source: CME Group, China Fertilizer Market Weekly

European producers' nitrate stocks

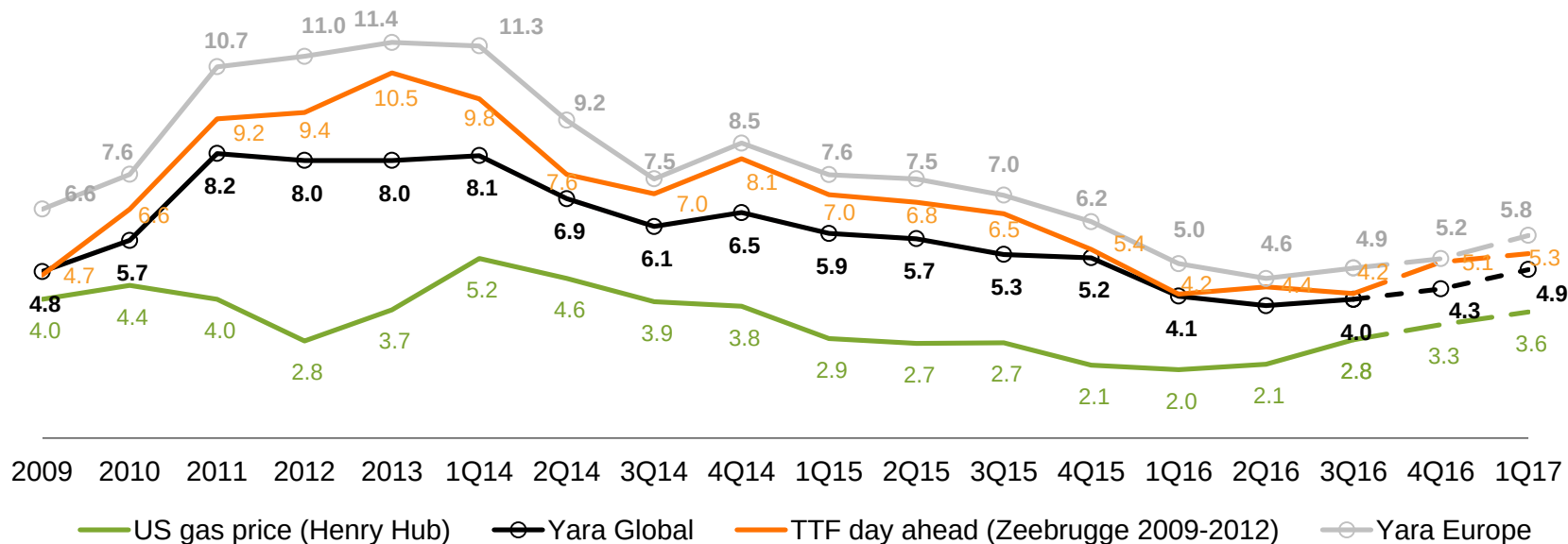
Index
June 2007 = 1



Source: Fertilizers Europe, Yara estimate for September

Energy cost

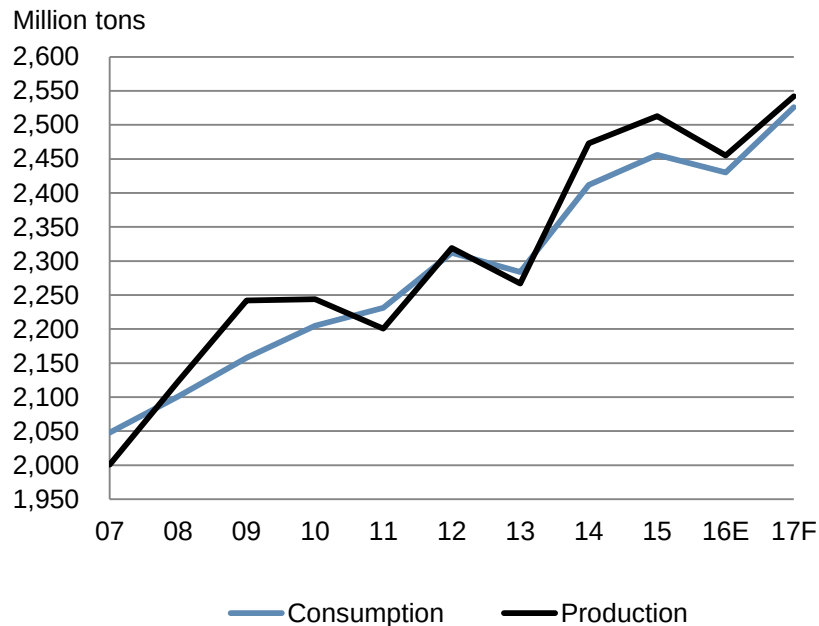
Yearly averages 2009 – 2013, quarterly averages for 2014-16 with forward prices* for 4Q16 and 1Q17.



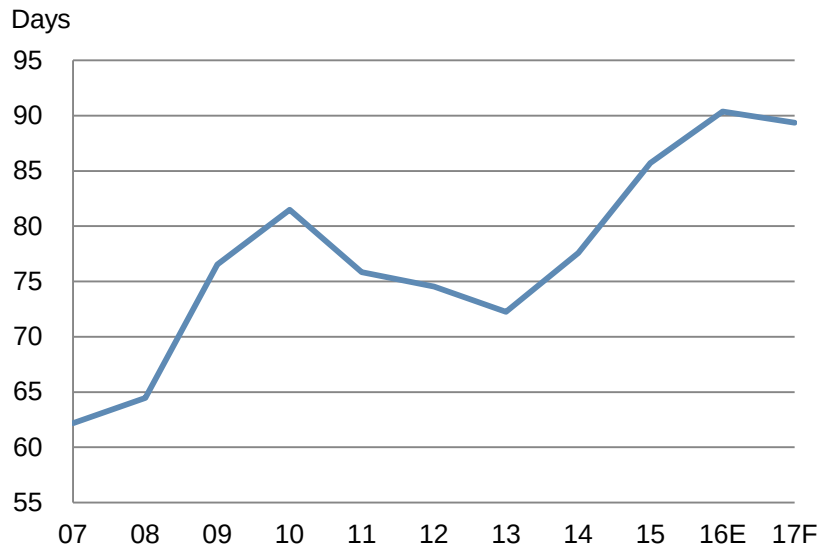
*Dotted lines denote forward prices as of 13 October 2016
Source: Yara, World Bank, Argus/ICIS Heren

Global grain balance

Grain consumption and production



Days of consumption in stocks



Source: USDA October 2016

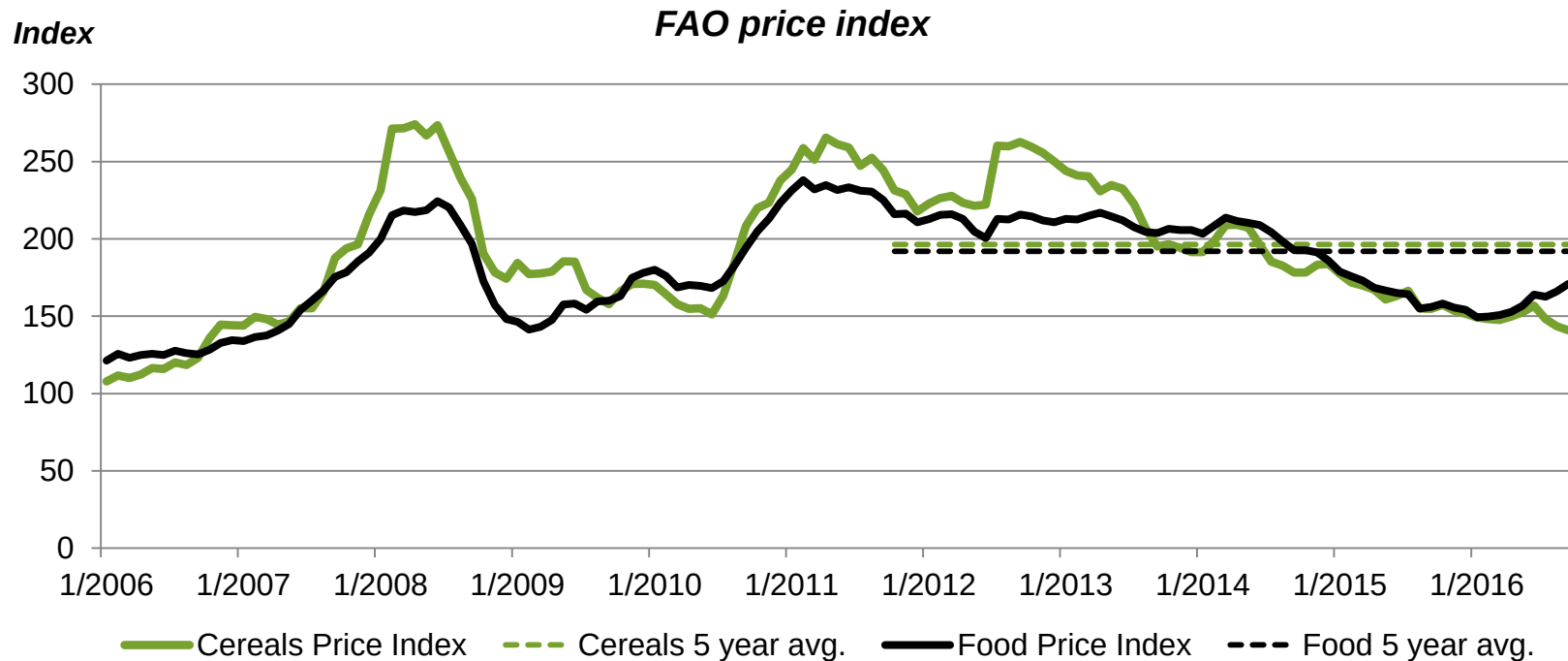
Non-commercials' net long position in corn

Thousand contracts



Source: US Commodity Futures Trading Commission

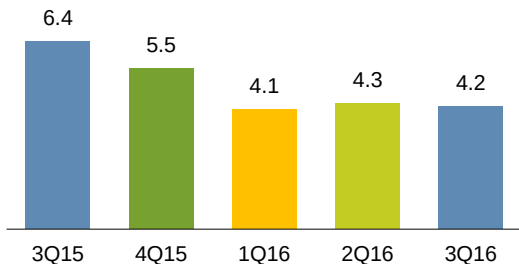
Weak grain production economics, affecting particularly P and K demand



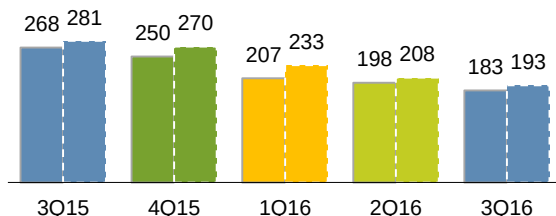
Source: FAO

Key value drivers – quarterly averages

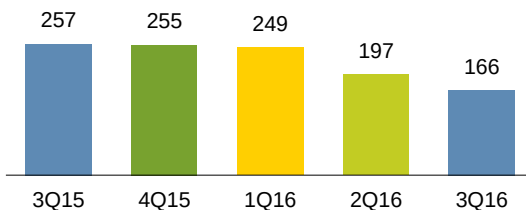
TTF day ahead (USD/MMBtu)



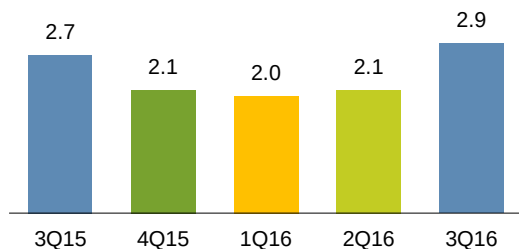
Urea prilled fob Black Sea (USD/t)/Urea granular fob Egypt (dotted line, USD/t)



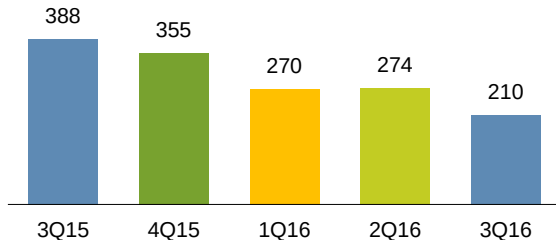
CAN cif Germany (USD/t)



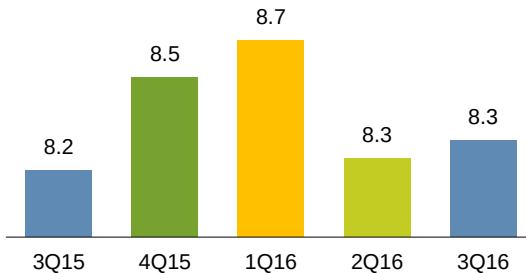
US gas price Henry Hub (USD/MMBtu)



Ammonia fob Black Sea (USD/t)

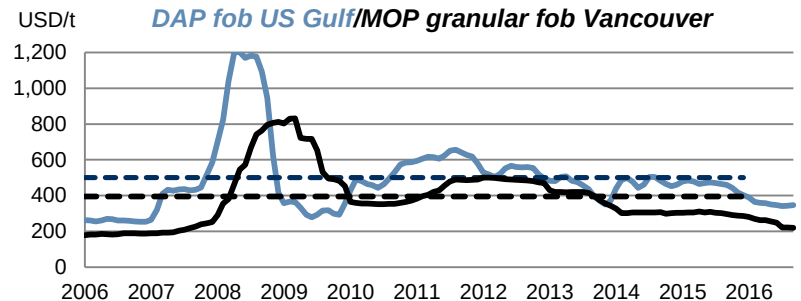
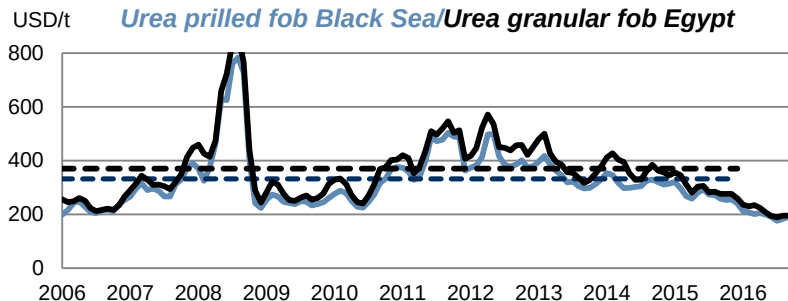
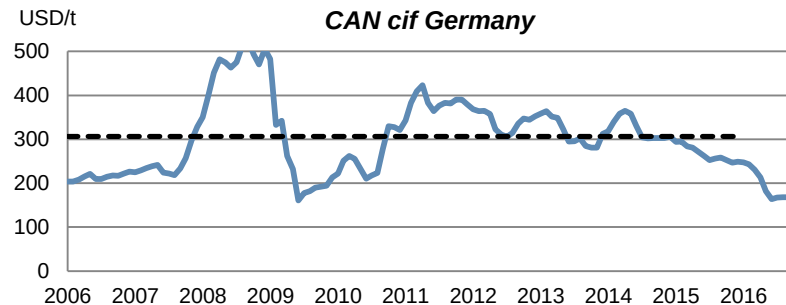
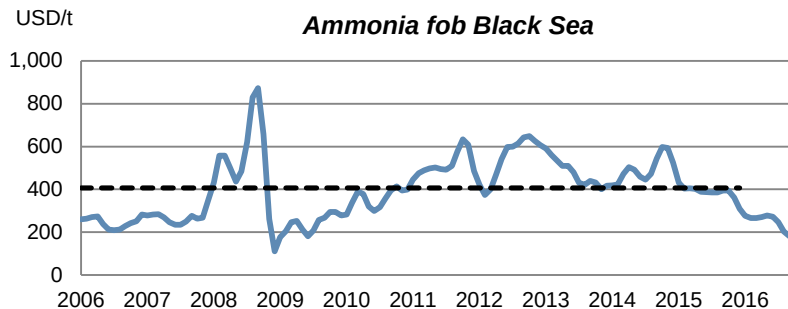


NOK/USD exchange rate



Source: Fertilizer Market Publications, CERA, World Bank, Norges Bank

10-year fertilizer prices – monthly averages



--- Average prices 2006 - 2015