



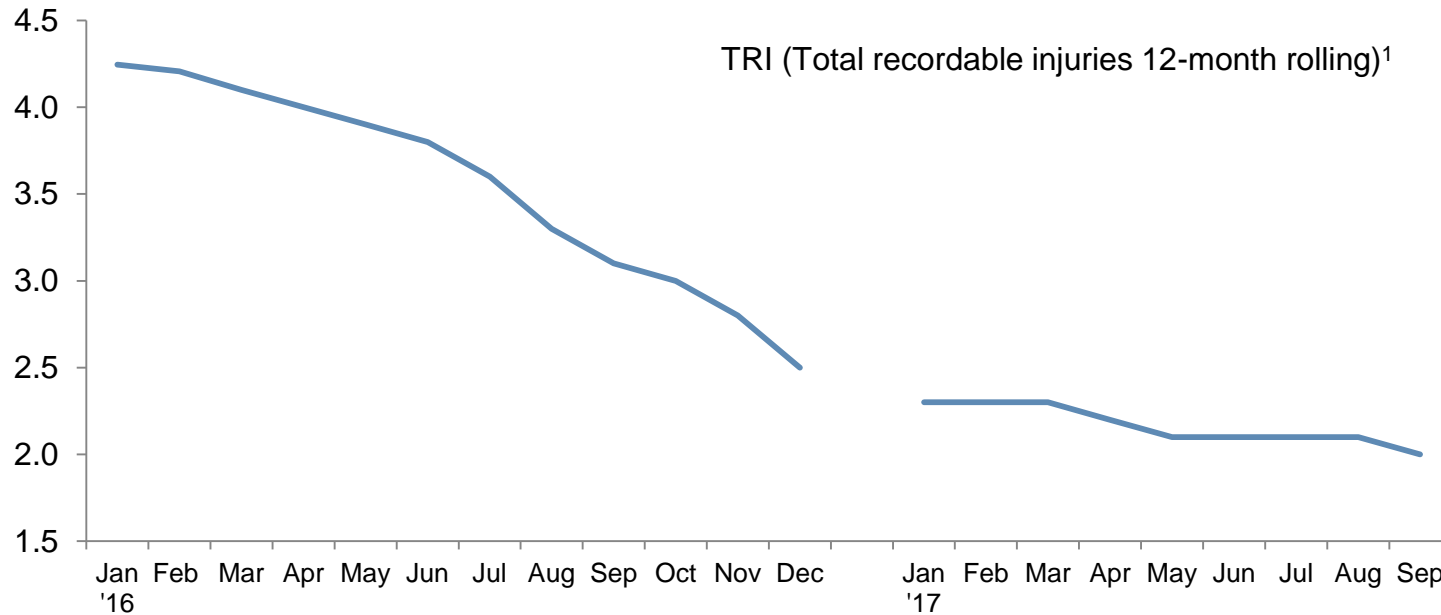
Knowledge grows

Yara International ASA 2017 third quarter results

19 October 2017



Safe operations is our first priority

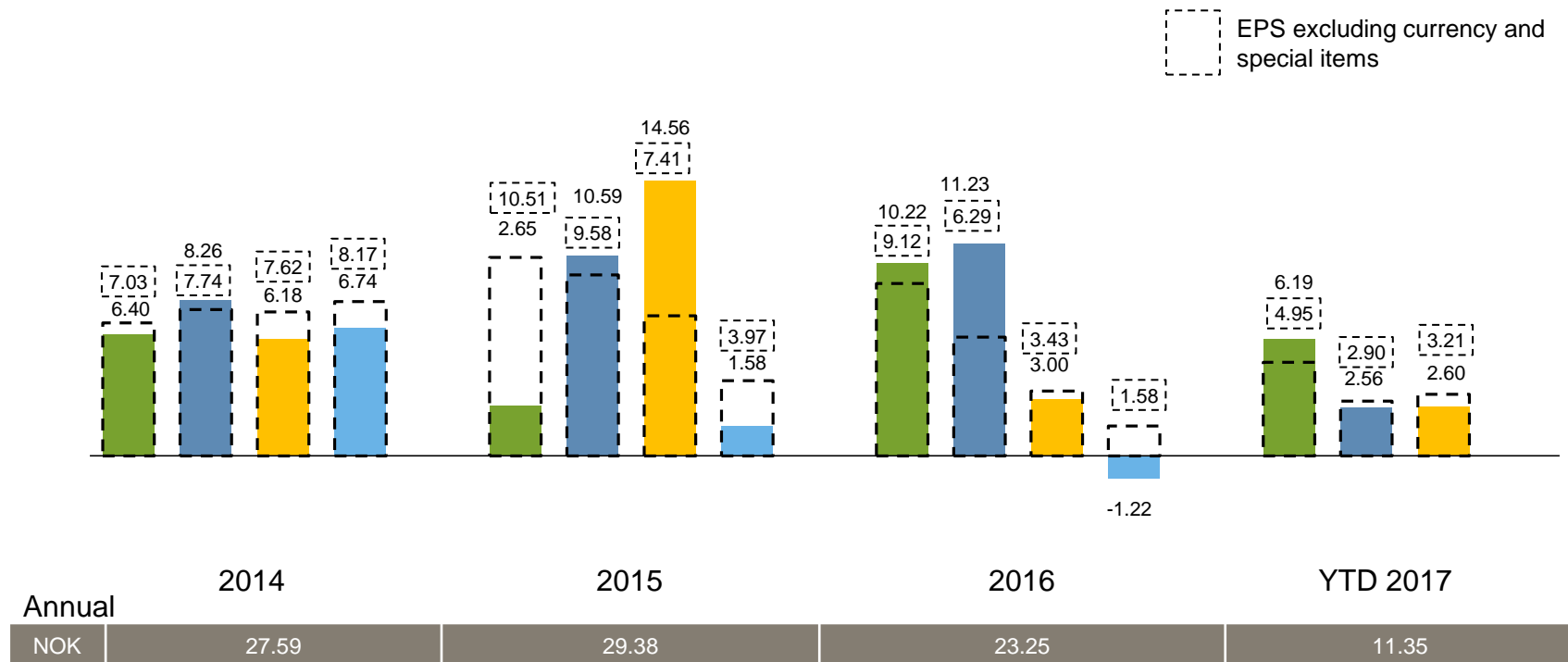


1) TRI: Total recordable injuries, lost time (absence from work), restricted work and medical treatment cases per one million work hours.

Summary third quarter

- Strong production performance
- Improvement program ahead of schedule
- Results reflect lower commodity fertilizer margins

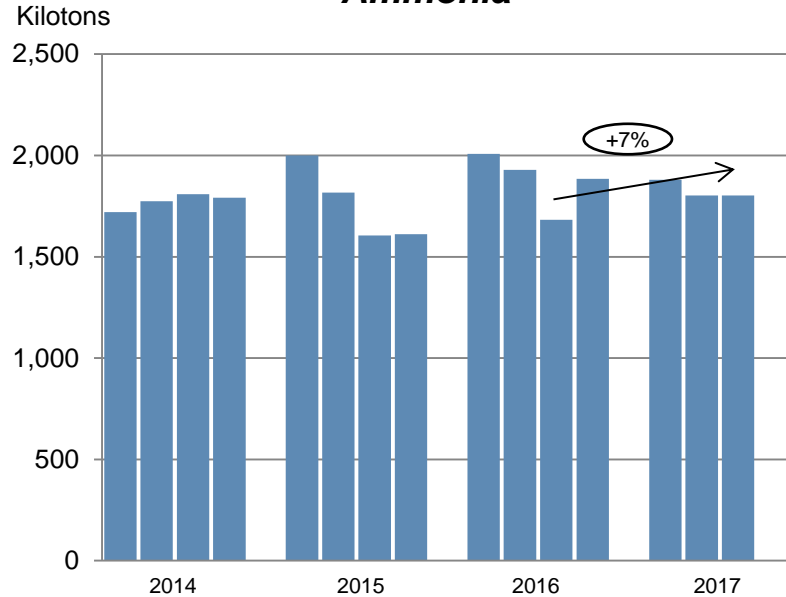
Earnings per share*



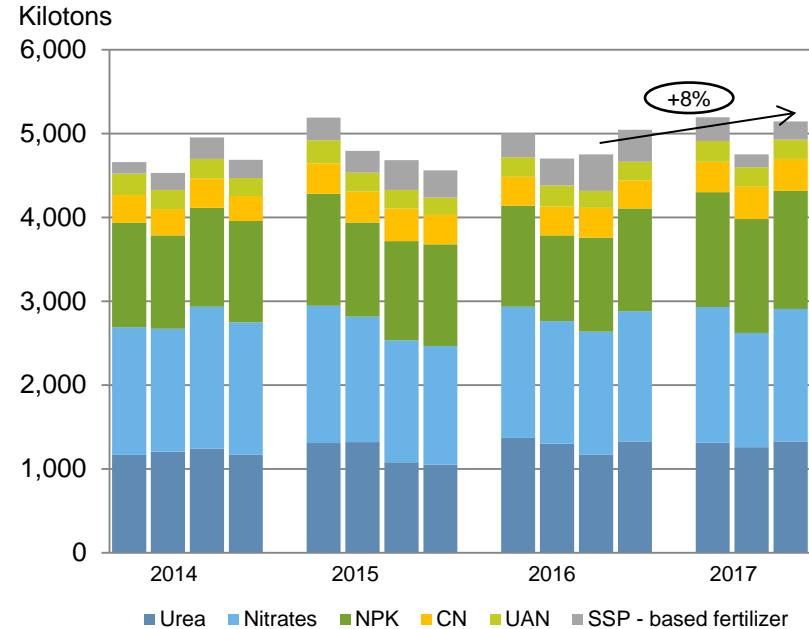
*Average number of shares for 3Q 2017: 273.2 million (3Q 2016: 273.2 million).

Higher finished fertilizer and ammonia production

Ammonia¹



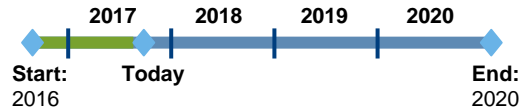
Finished fertilizer & industrial products¹



1) Including share of equity-accounted investees

Yara Improvement Program ahead of schedule

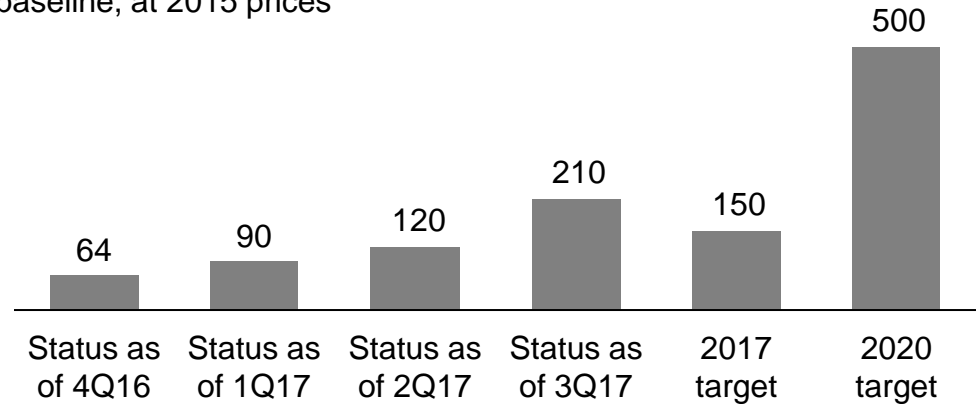
Program progress



- Program still progressing according to plan, with benefits ahead of target
- Yara Productivity System continues to be rolled out. Production reliability strong compared to same period last year
- Procurement Excellence progressing into Wave 2 and delivering ahead of plan

Financial benefits

Annualized EBITDA improvement, USD million, vs. 2015 baseline, at 2015 prices

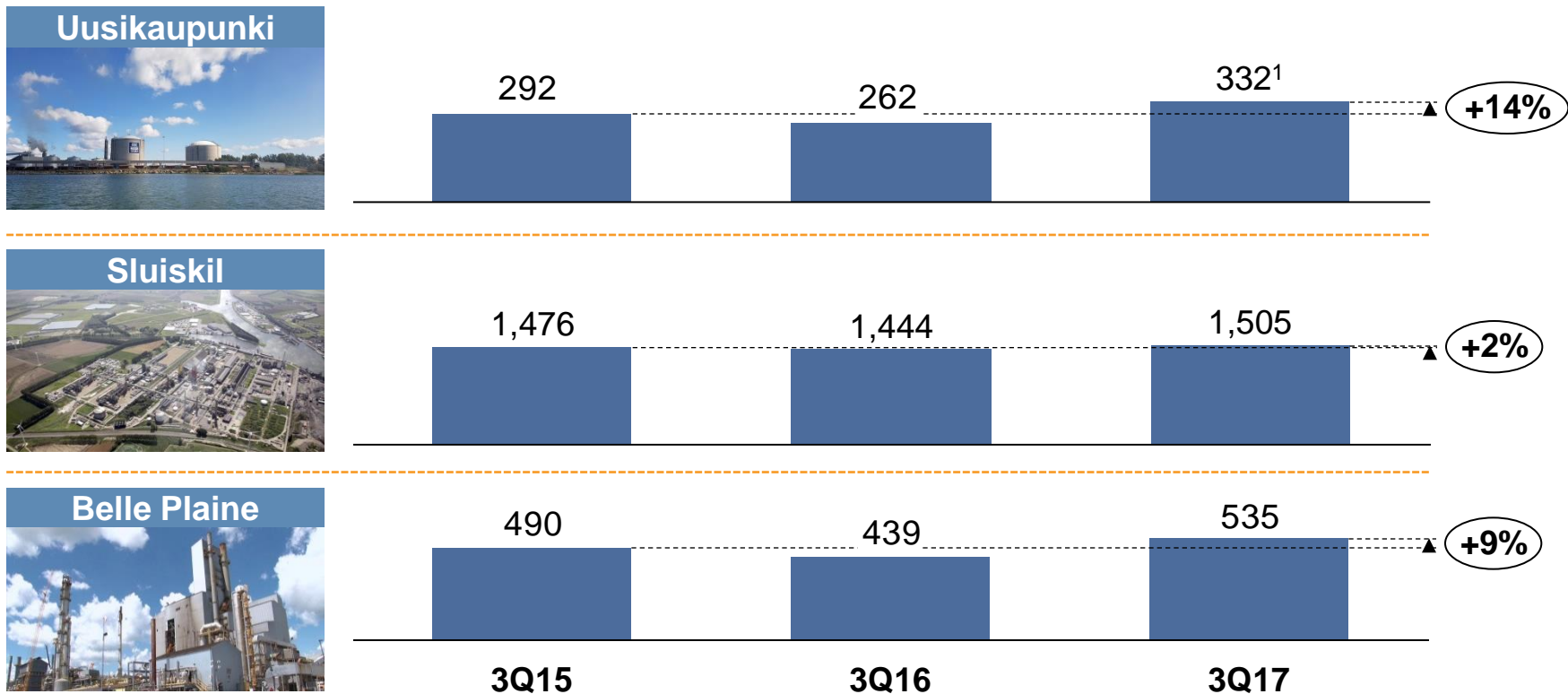


- A total of USD 97 million one-off cash improvement realized, primarily working capital release
- Accumulated one-off program costs: opex USD 47 million and capex USD 147 million

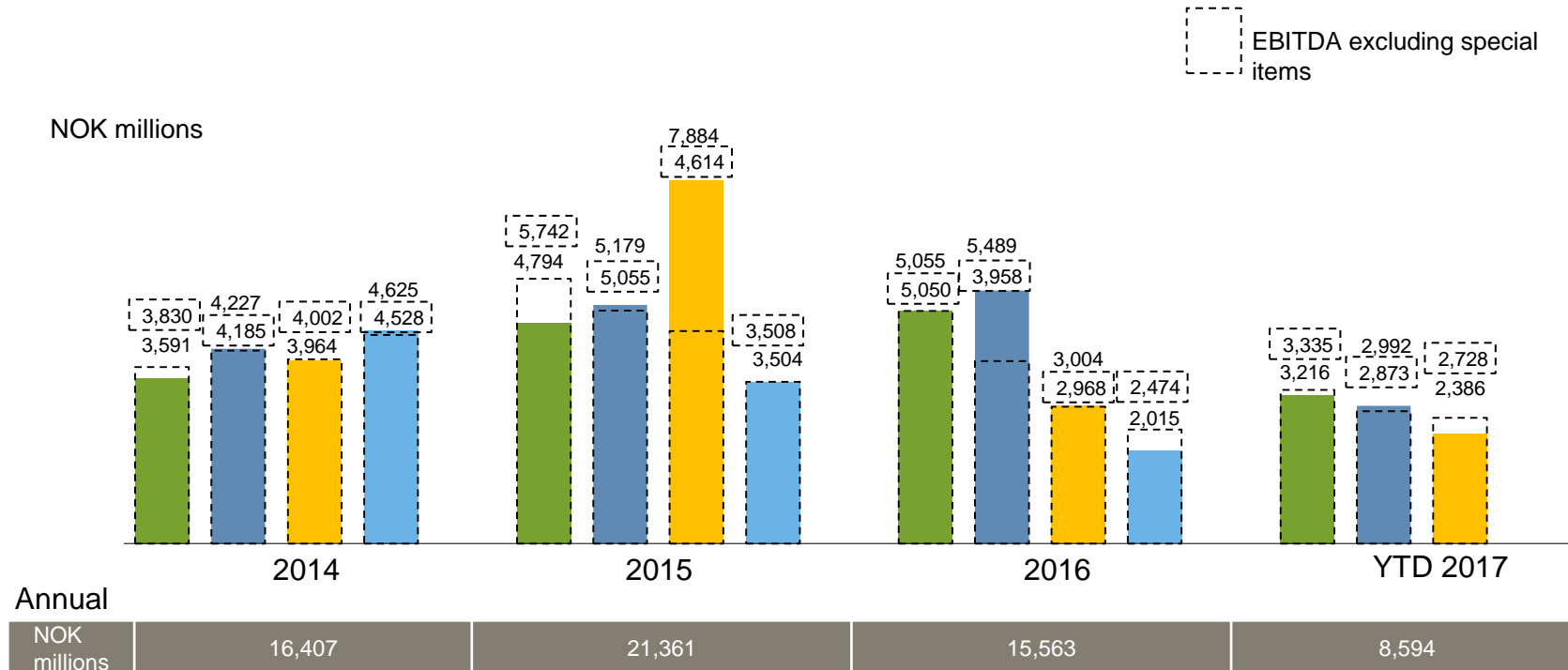
Yara Productivity System in practice

■ Base production (excluding effect of planned maintenance stops)

Total production at site, thousand tonnes

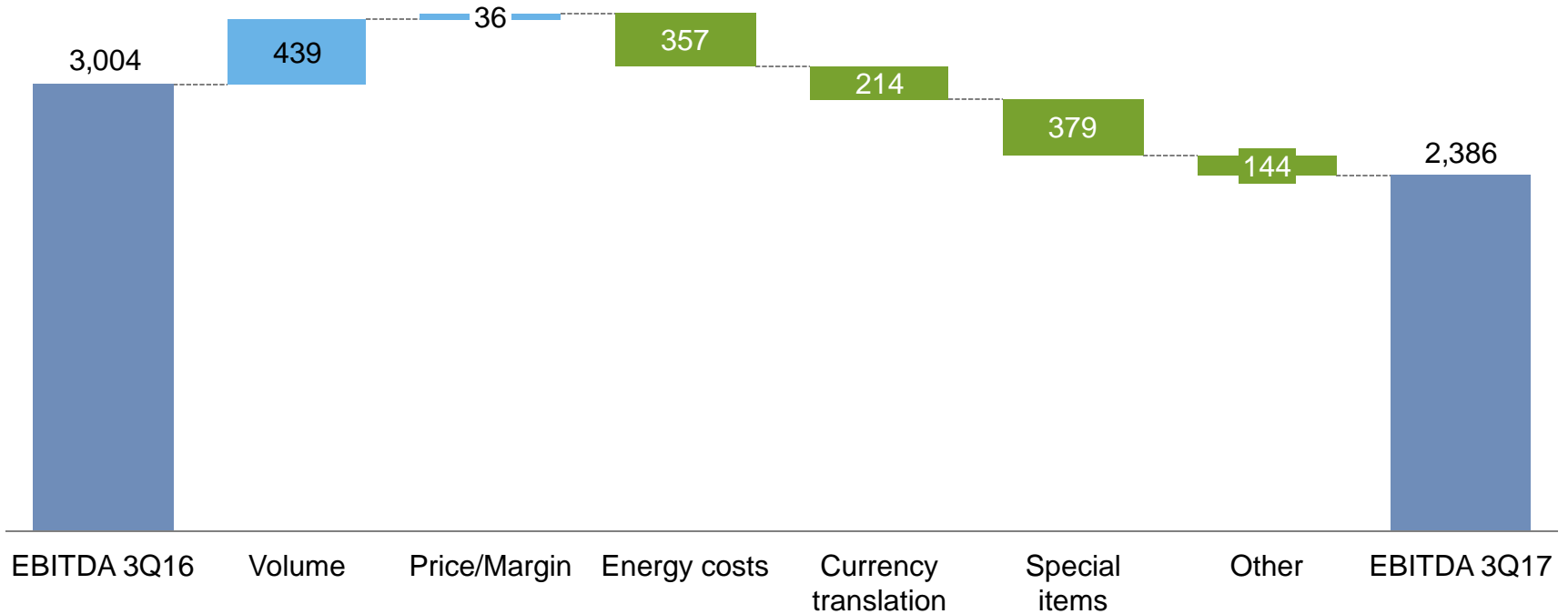


Earnings before interest, tax, depreciation and amortization (EBITDA)

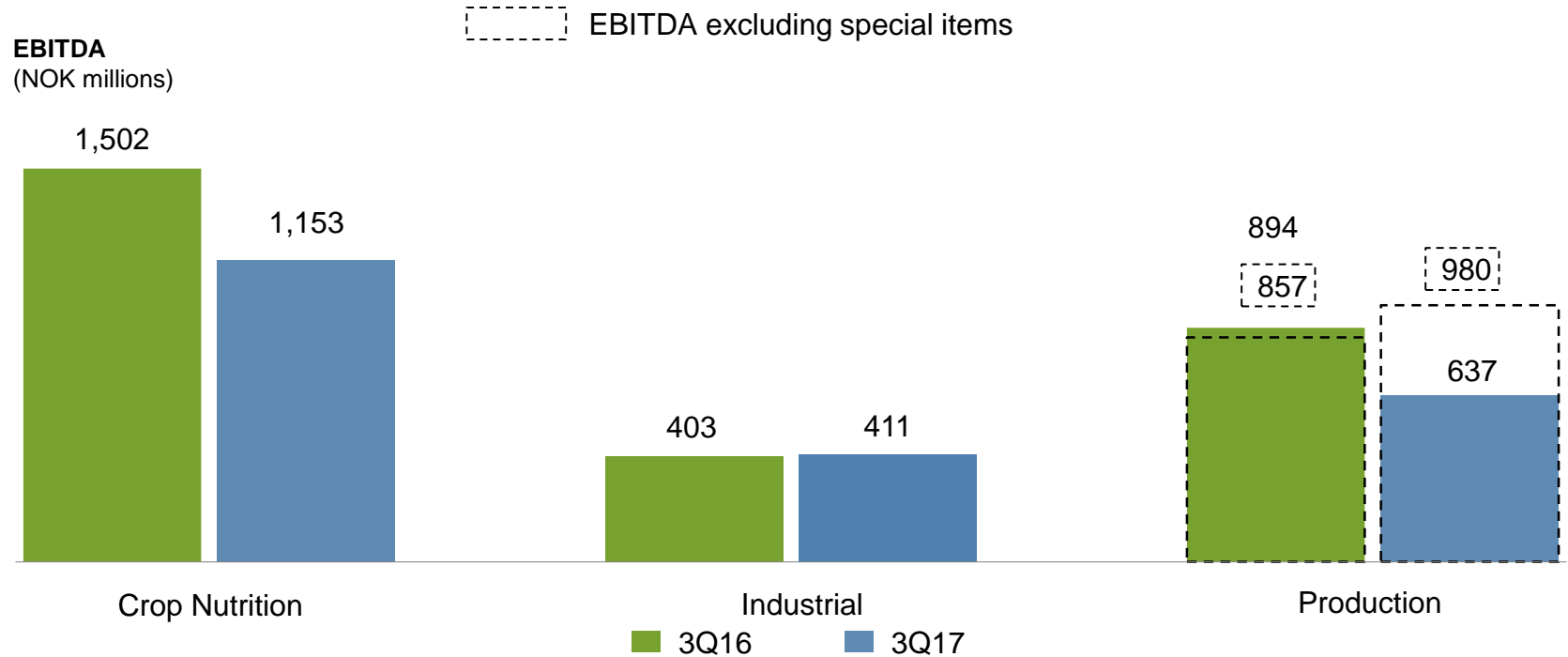


EBITDA: Higher energy cost and weaker US dollar more than offset the impact of higher deliveries

NOK millions

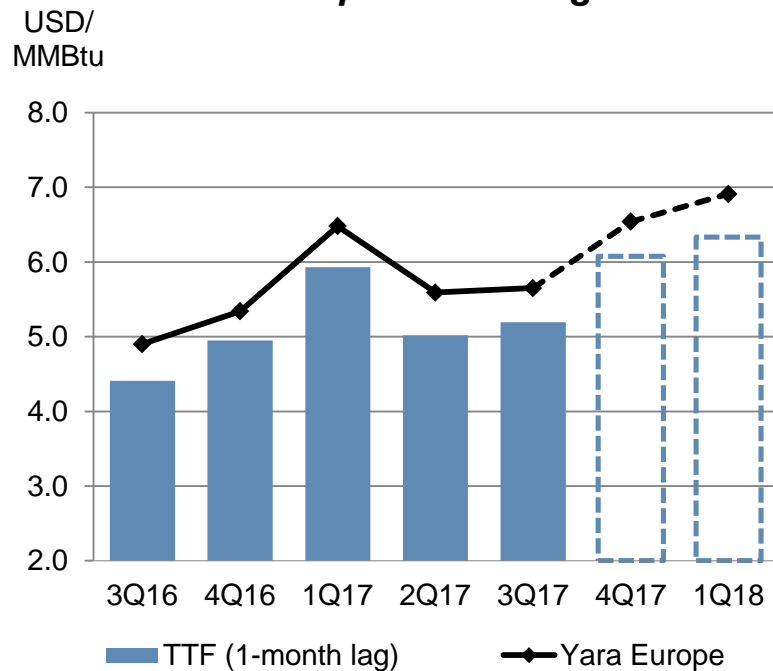


Lower blend margins in Brazil impact Crop Nutrition segment

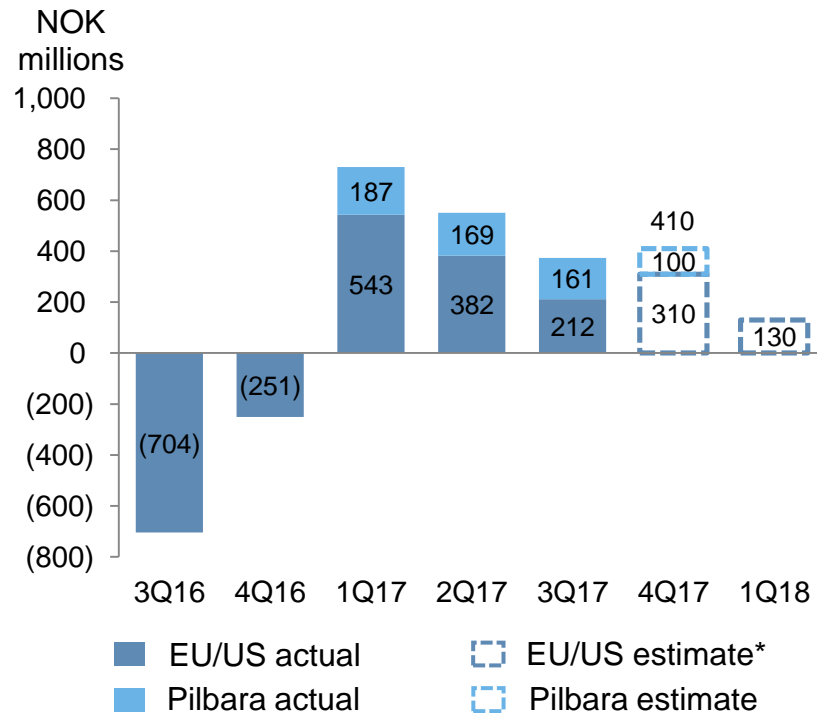


Higher natural gas cost expected for the next two quarters

Yara European natural gas cost

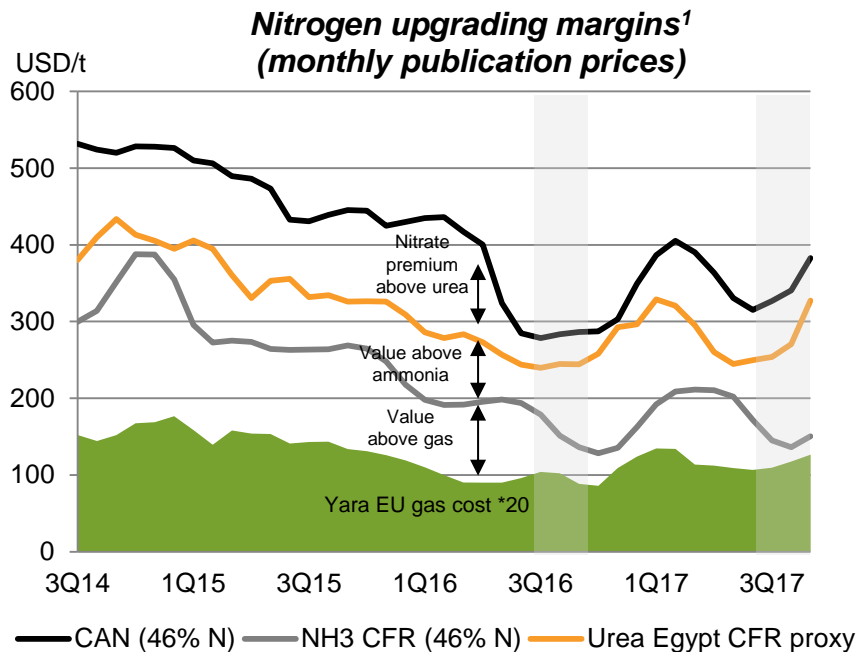


Change in global natural gas cost

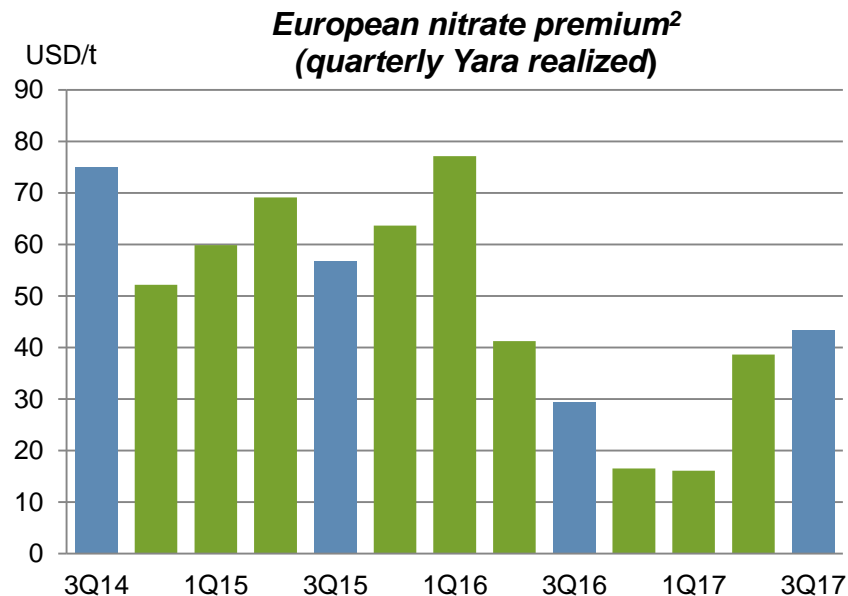


*Dotted lines denote forward prices as of 10 October 2017
Source: Yara, World Bank, Argus/ICIS Heren

Higher European nitrate premiums

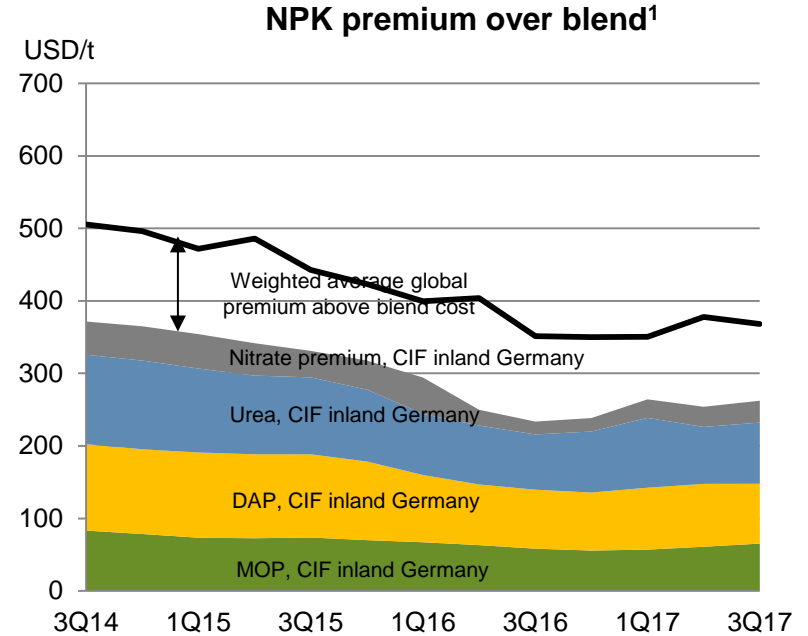
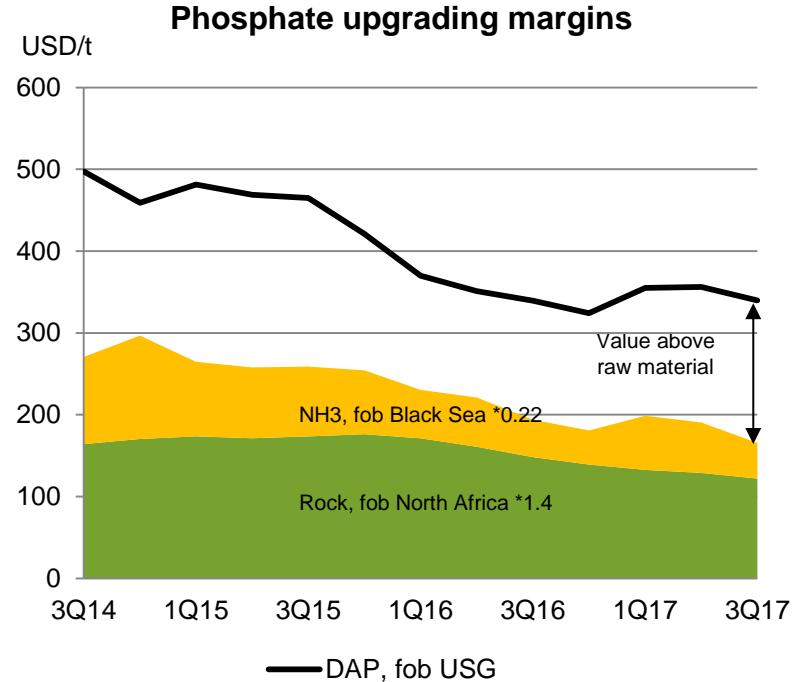


Source: Fertilizer Market Publications



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.

Solid commodity phosphate margins and compound NPK premiums

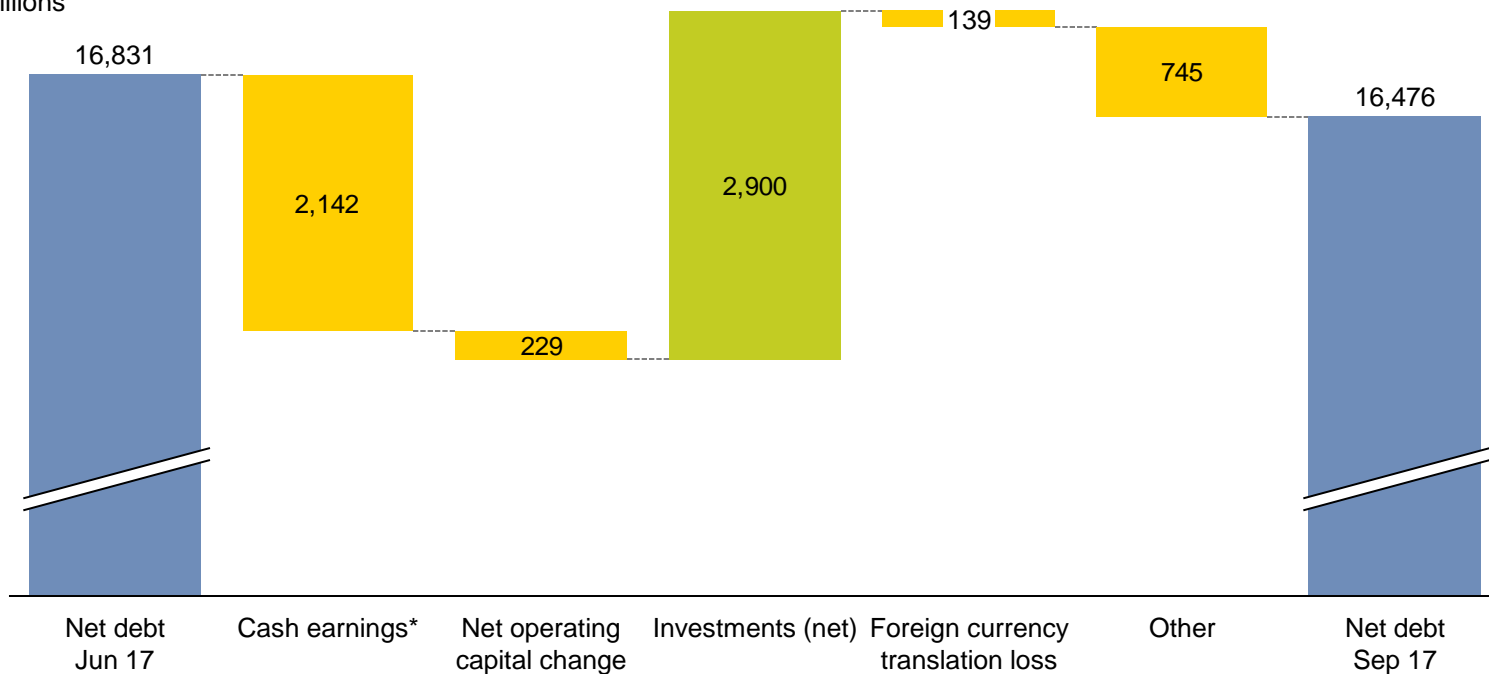


1) Export NPK plants, average grade 19-10-13, net of transport and handling cost.

Source: Fertilizer Market Publications

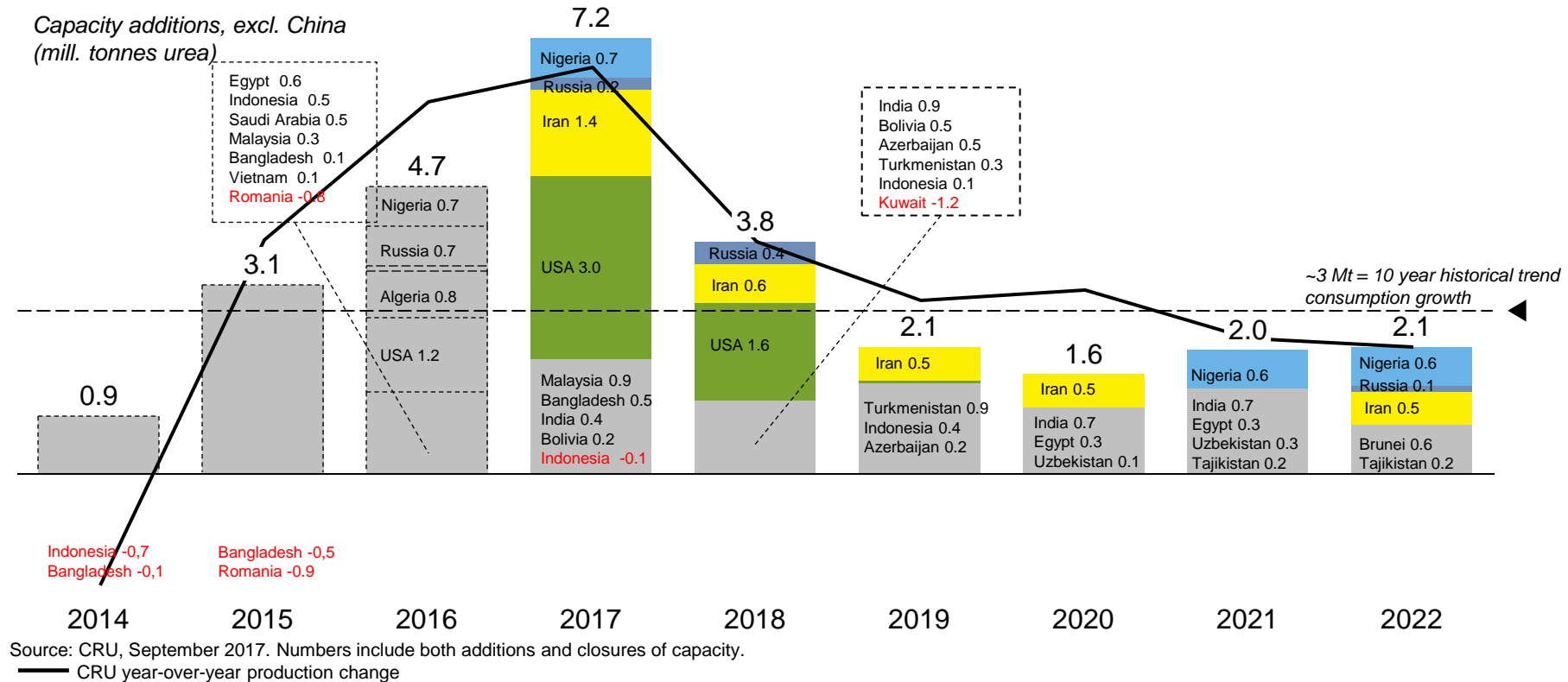
Lower net interest-bearing debt as cash earnings and currency effects more than offset investments

NOK millions



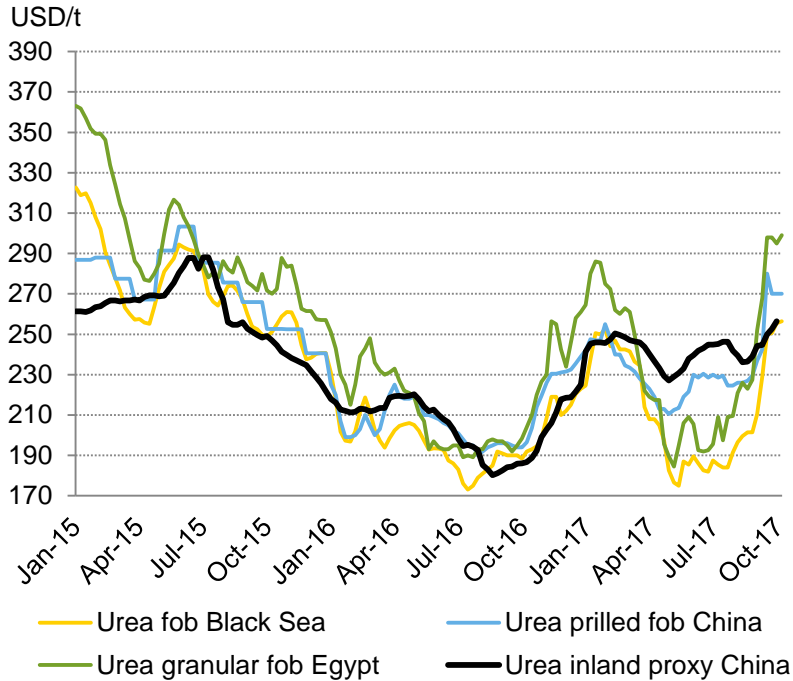
* Operating income plus depreciation and amortization, minus tax paid, net gain/(loss) on disposals, net interest expense and bank charges

Strong urea oversupply outside China.....

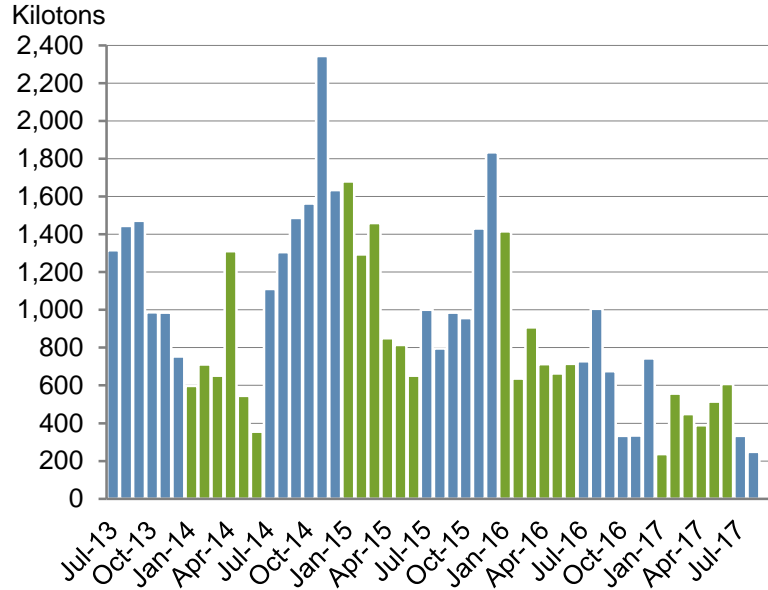


...but higher domestic price and lower exports from China are offsetting oversupply elsewhere

Increasing urea pricing

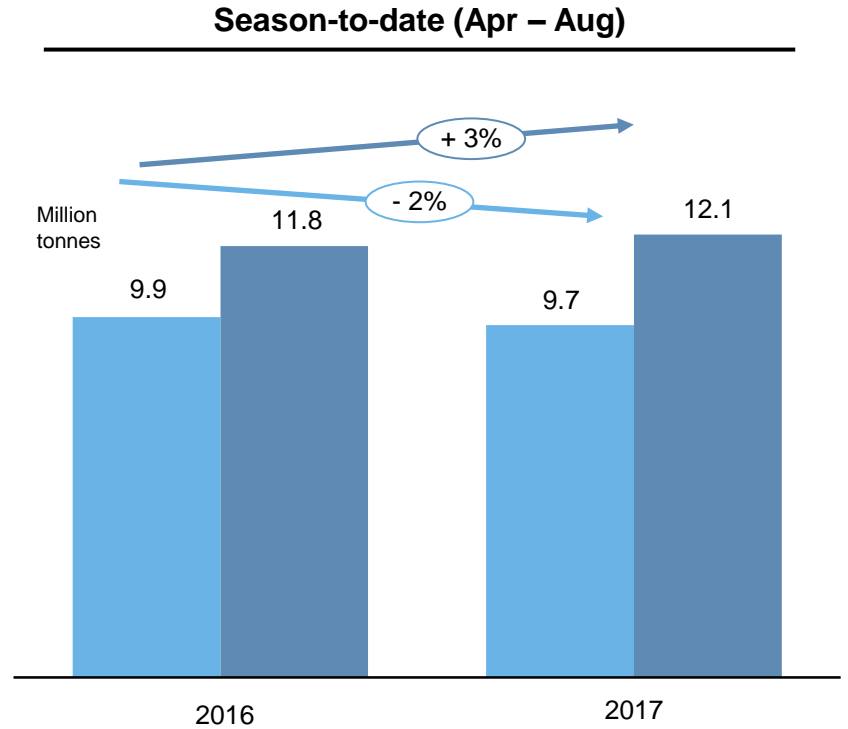
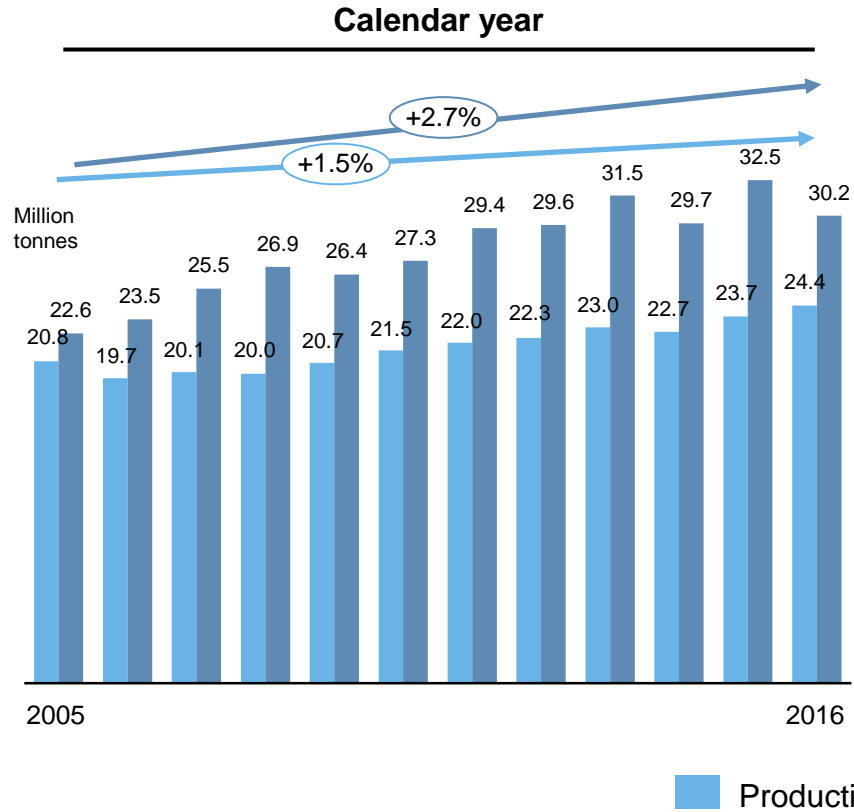


Chinese exports



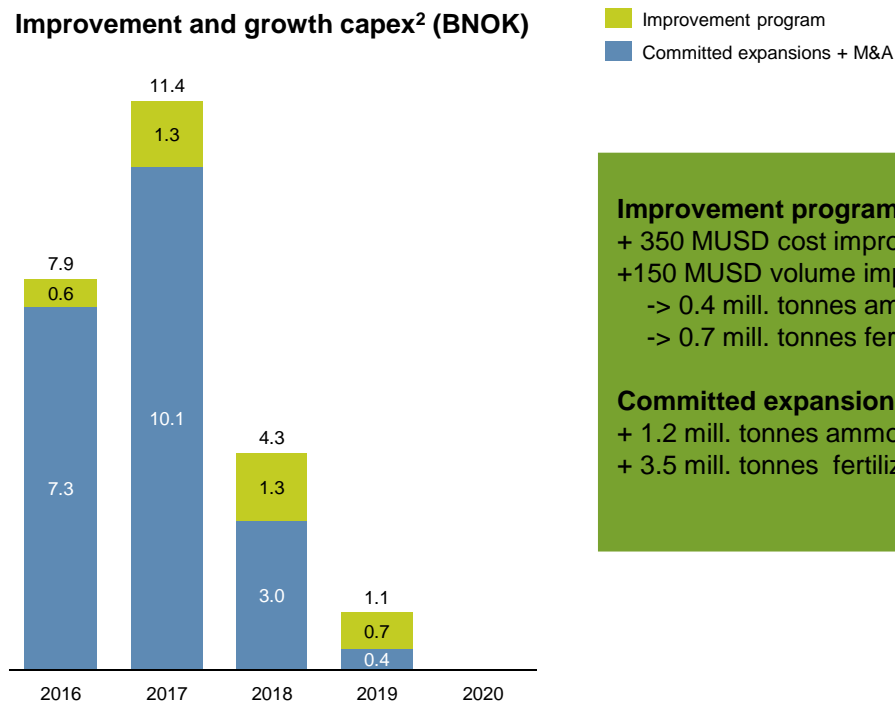
Source: BOABC, CFMW

Import catch-up need in India



Major improvement and growth investments in 2017; main earnings improvement from 2018 onwards¹

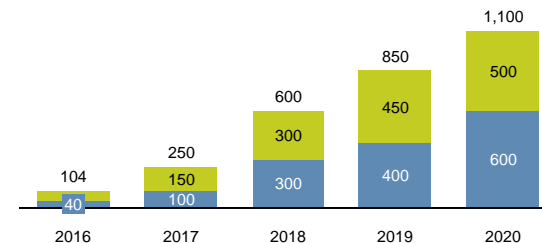
Improvement and growth capex² (BNOK)



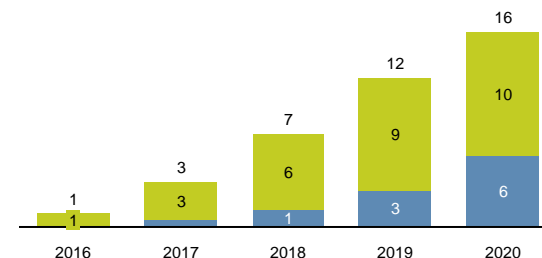
Improvement program:
 + 350 MUSD cost improvement
 +150 MUSD volume improvement:
 -> 0.4 mill. tonnes ammonia
 -> 0.7 mill. tonnes fertilizer

Committed expansions + M&A:
 + 1.2 mill. tonnes ammonia
 + 3.5 mill. tonnes fertilizer

EBITDA improvement³ (MUSD)



Earnings improvement³ (NOK per share)



¹ Currency assumptions for 2017 onwards: USD/NOK 7.90, EUR/NOK: 9.32 , USD/BRL: 3.15

² Excluding maintenance capex on existing assets – see page 21. Yara's share of capex. Fully consolidated entities presented at 100% basis

³ Measured at 2015 conditions. Main average market prices: Ammonia fob Yuzhny 390 USD/t, Urea fob Yuzhny 275 USD/t, DAP fob Morocco 495 USD/t



Knowledge grows

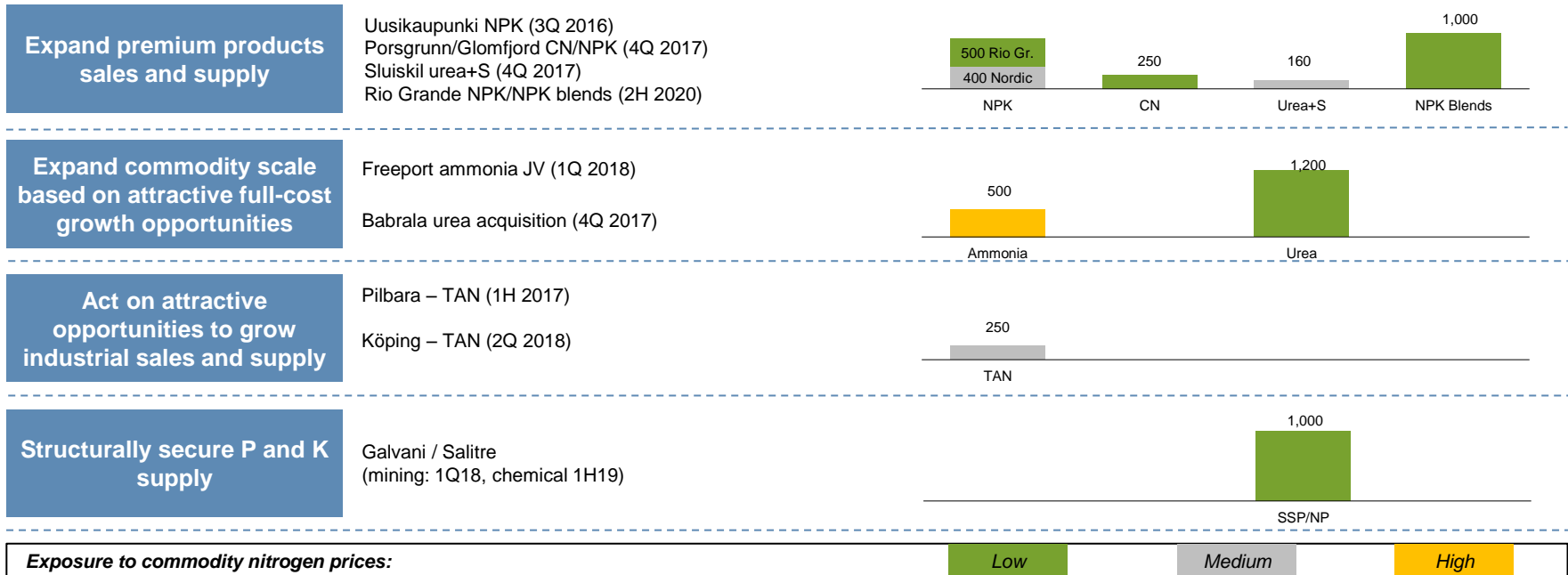
Additional information

12 - 18 July 2017

Yara has expected commodity nitrogen oversupply, and has focused its growth pipeline on premium & industrial products

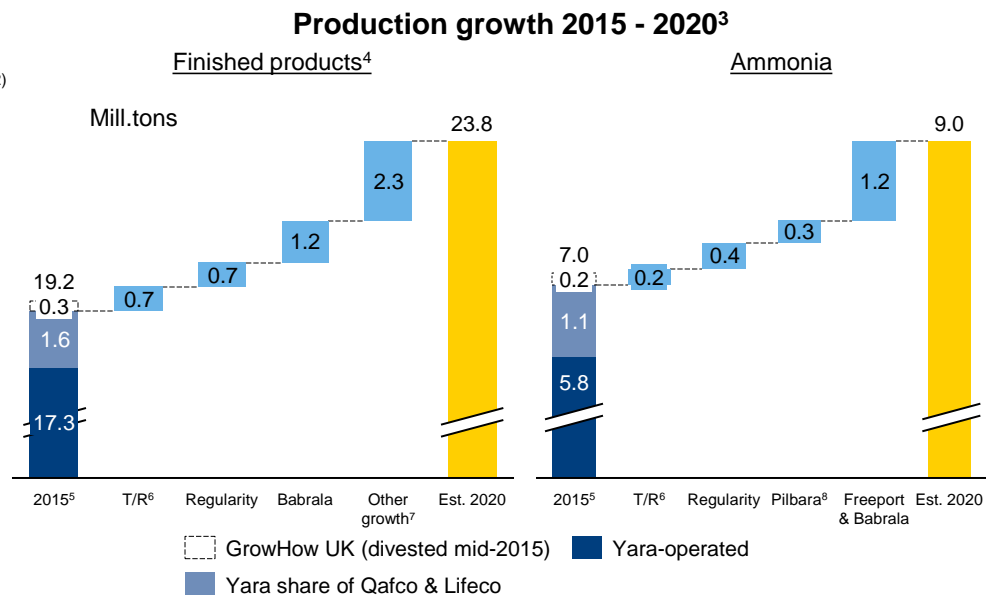
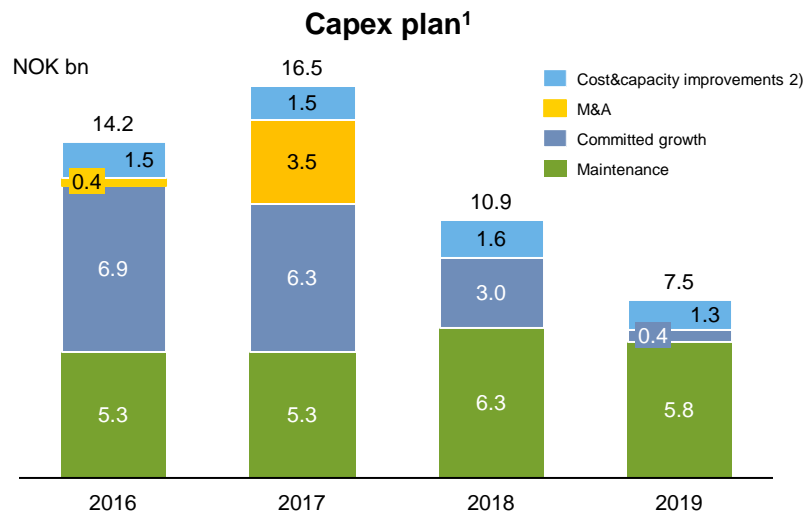
Growth focused on premium & industrial

Pipeline tonnes by product (kt)¹



¹ Including Yara's share of volume in non-consolidated investees. Fully consolidated entities presented at 100% basis

Growth and capex pipeline



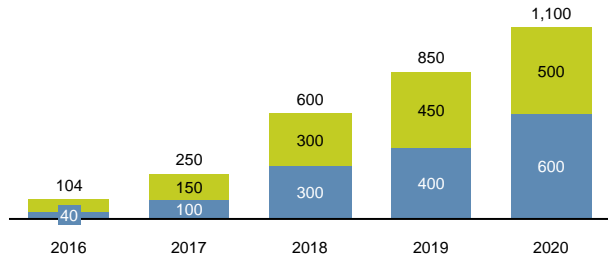
Committed growth (NOK bn):

	2016	2017	2018	2019
Porsgrunn	1.2	0.7	-	-
Köping	0.4	0.5	0.1	-
Sluiskil	0.7	0.7	0.0	-
BASF JV	1.6	0.9	0.5	-
Rio Grande	0.1	1.2	0.7	0.4
Salitre	0.8	2.0	1.6	-
Other projects	2.1	0.3	0.1	-
Total	6.9	6.3	3.0	0.4

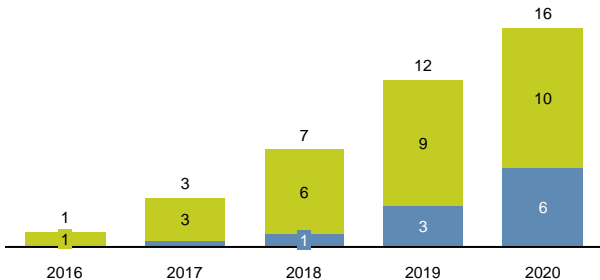
- 1) Yara's share of capex. Fully consolidated entities presented at 100% basis.
- 2) Includes Yara Improvement program Capex and other improvements
- 3) Rio Grande expansion also adds 1 million tonnes NPK blends by 2020
- 4) Finished fertilizer and industrial products, excl. bulk blends
- 5) Including Yara share of production in non-consolidated investees
- 6) Adjustment to normalized / 2016 turnaround level
- 7) Committed projects only. TAN Pilbara: 160 kt, Porsgrunn: 235kt, Glomfjord: 105kt, Uusikapunki: 250kt, Köping: 90kt, Sluiskil: net 160kt, Galvani (Salitre ~ 0.8 mill.tonnes, reaching 1.1 mill.tonnes in 2022), Rio Grande: 500kt
- 8) Including 100% ownership in Pilbara NH₃ plant

Improvement and growth investments; earnings and sensitivities¹

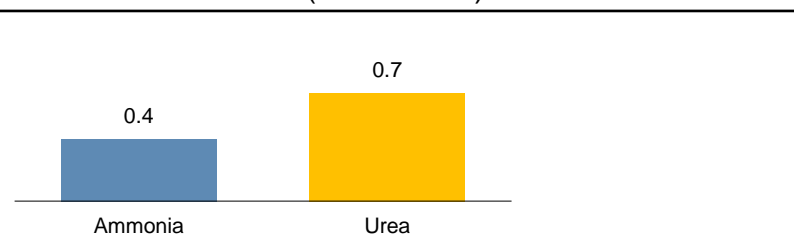
EBITDA improvement² (MUSD)



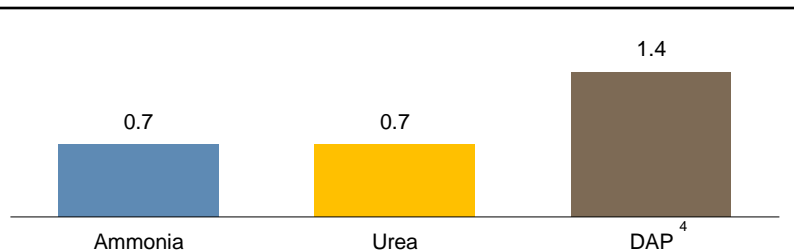
Earnings improvement² (NOK per share)



Improvement program: Impact³ of +100 USD/t price change (NOK/share)



Growth: Impact³ of +100 USD/t price change (NOK/share)



¹ Currencies for all amounts from 2017: USD/NOK 7.90, EUR/NOK: 9.32, USD/BRL: 3.15

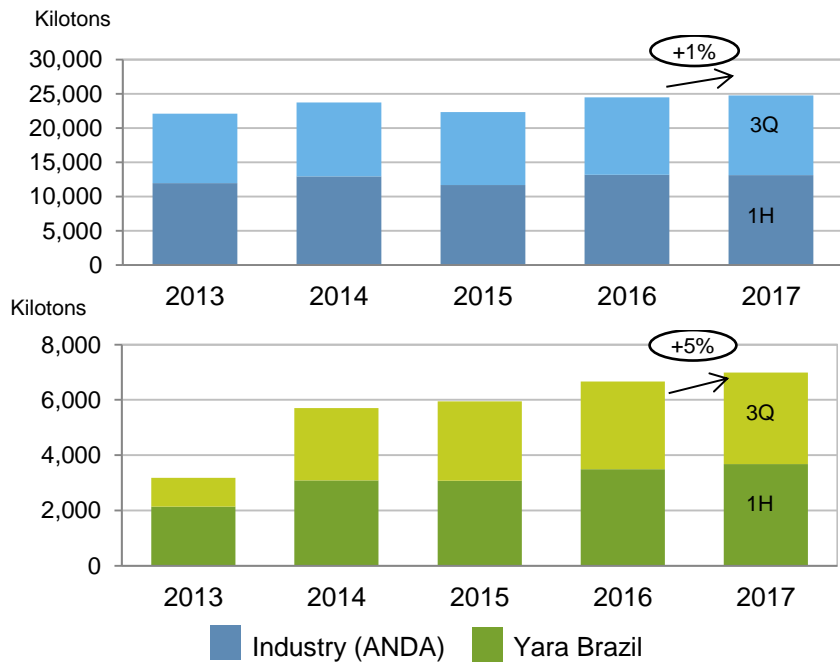
² Measured at 2015 conditions. Main average market prices: Ammonia fob Yuzhny 390 USD/t, Urea fob Yuzhny 275 USD/t, DAP fob Morocco 495 USD/t.

³ Improvement: 2020 numbers. Growth: At full capacity (2019 for urea and ammonia, 2020 for DAP).

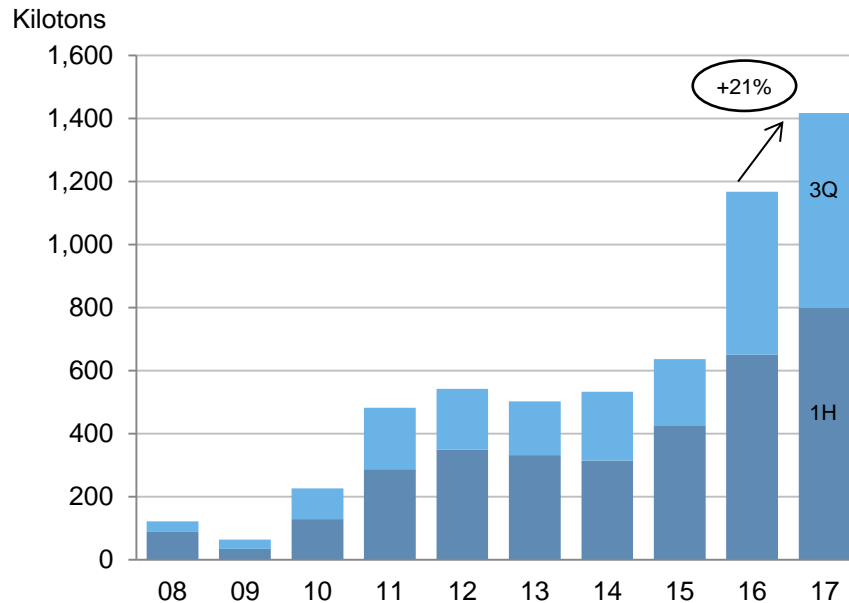
⁴ Phosphate-driven price change, equivalent to 138 USD/t phosphate rock (72 bpl)

Brazil: focus on premium products and solutions drives growth

Brazil season-to-date fertilizer deliveries

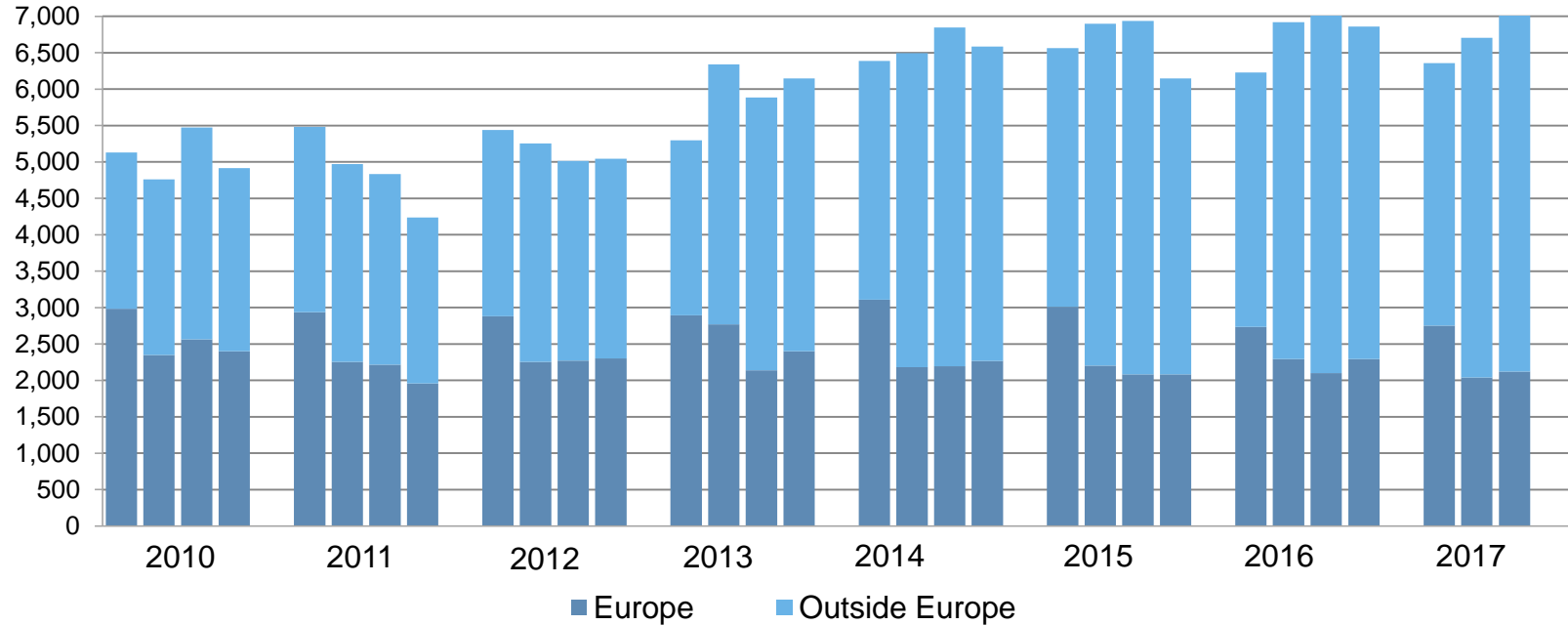


Brazil season-to-date premium product deliveries



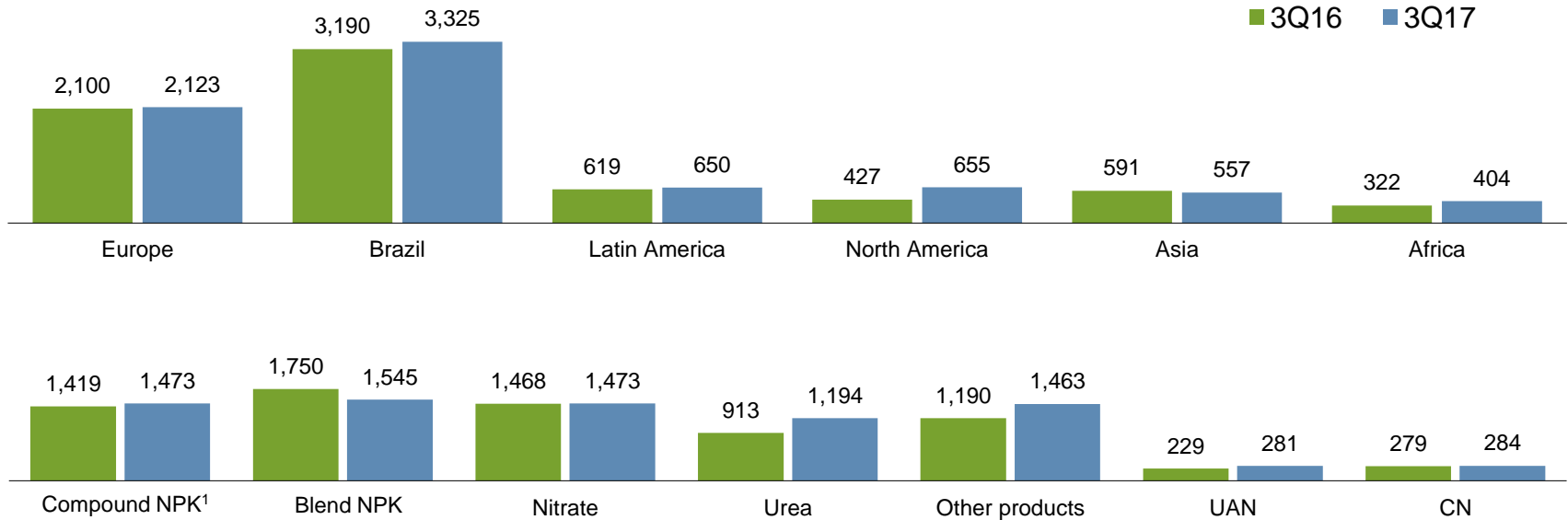
Fertilizer deliveries

Kilotons



Yara 3Q fertilizer deliveries by market and product

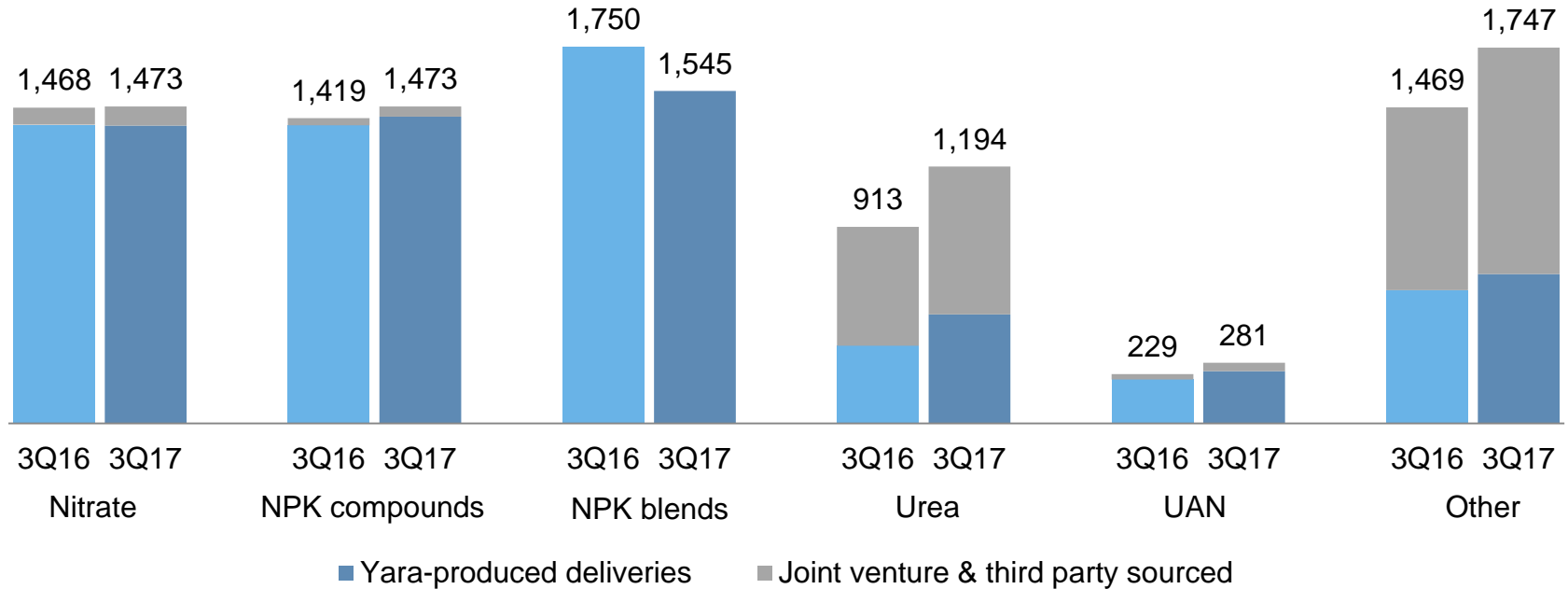
Kilotons



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

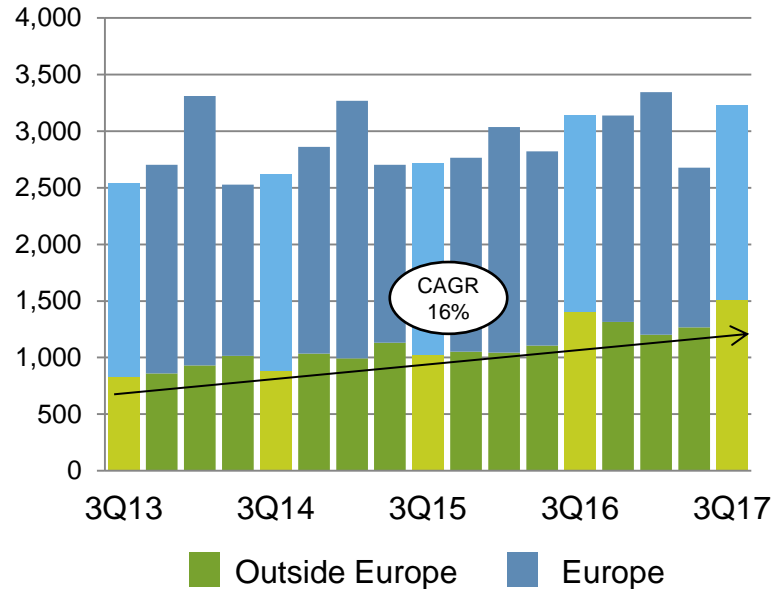
Fertilizer deliveries by product and source

Kilotons

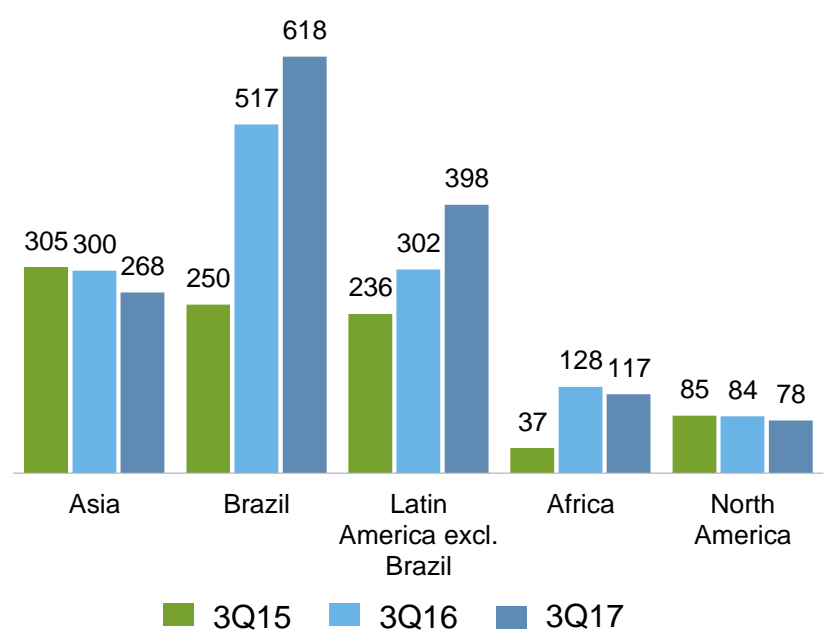


Strong premium product deliveries

Value-added fertilizer deliveries¹

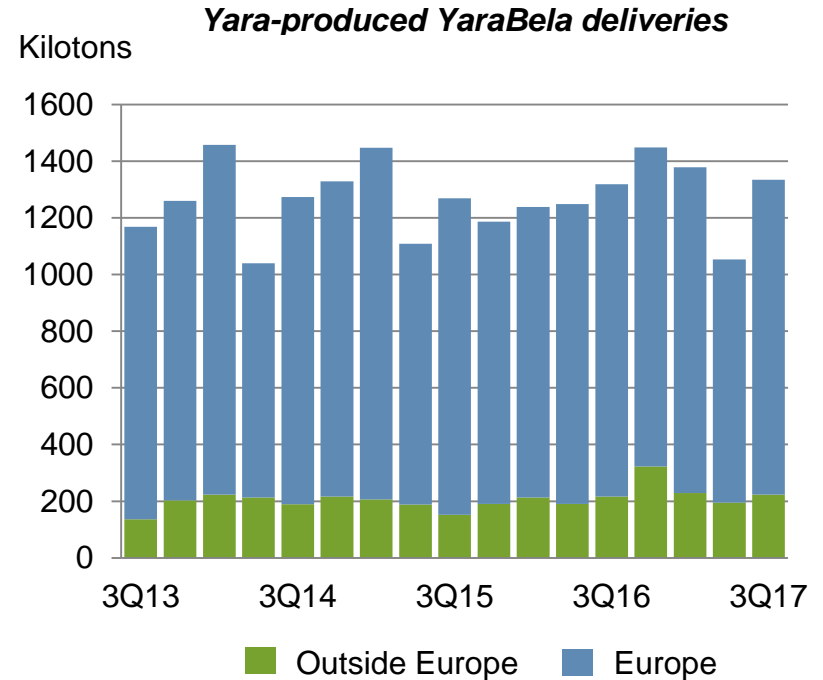
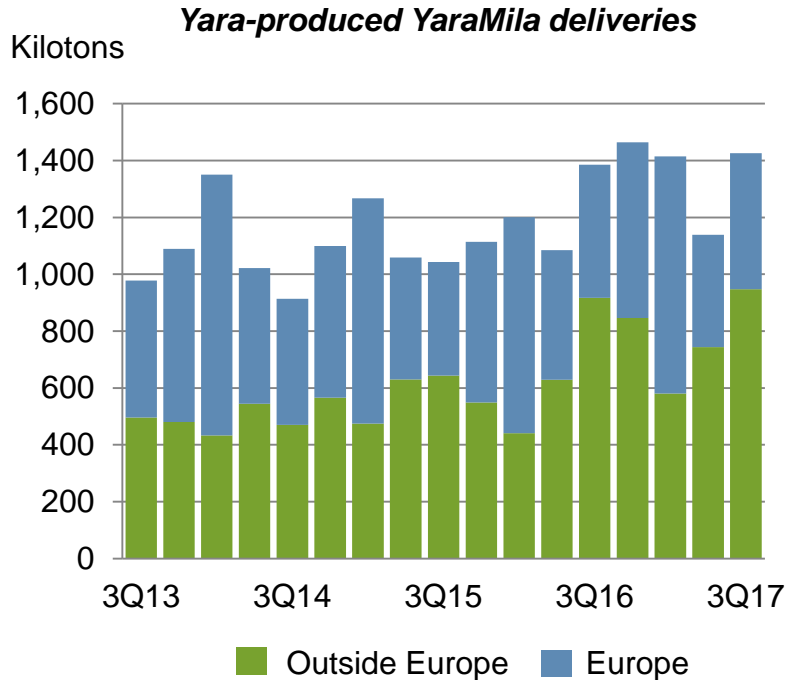


Value-added fertilizer deliveries¹



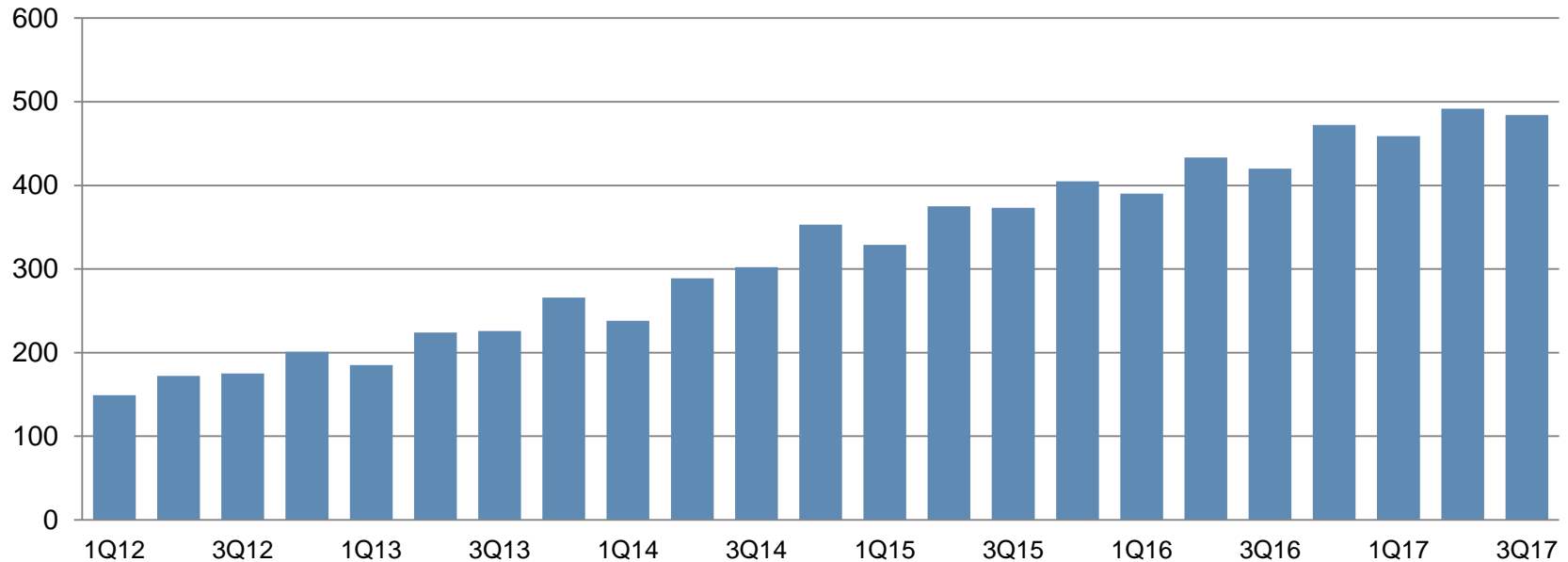
1) YaraBela, YaraMila and YaraLiva deliveries

YaraMila (compound NPK) and YaraBela (nitrate) deliveries



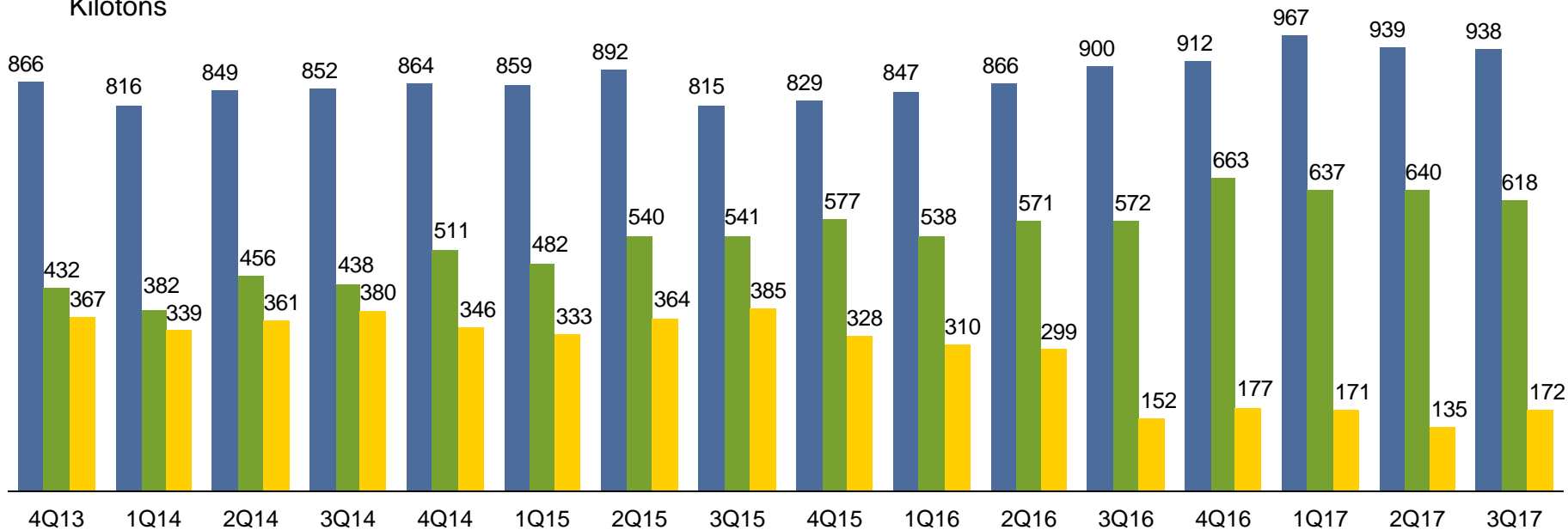
AdBlue deliveries

Kilotons



Industrial volume development

Kilotons

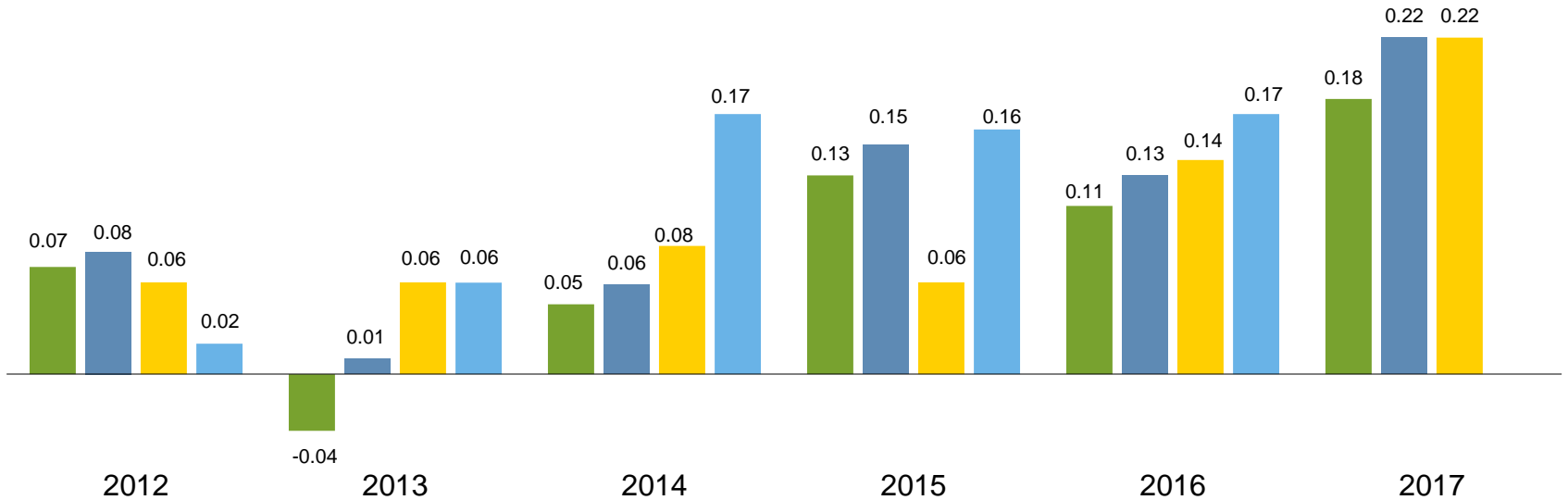


■ Industrial N-chemicals ■ Environmental products ■ Other¹

¹ European CO2 business divested 1 June 2016

Debt/equity ratio

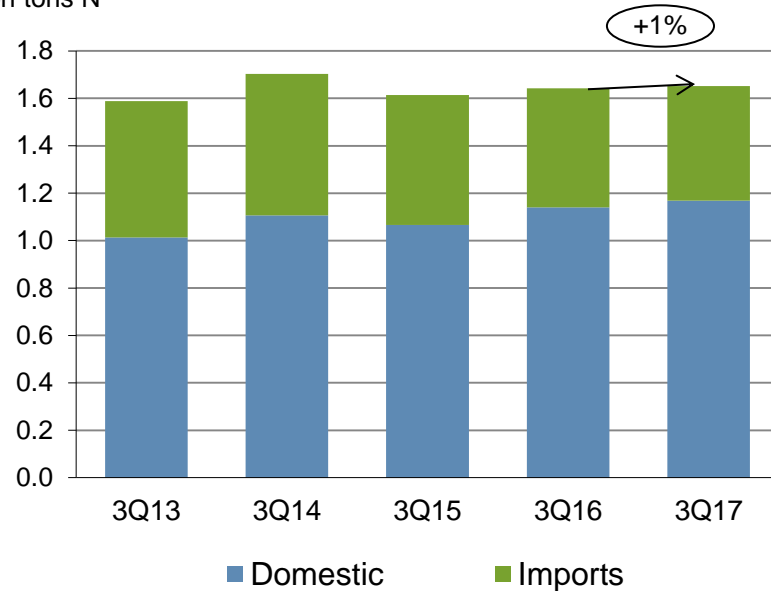
Net interest-bearing debt / equity ratio (end of period)



Normal start to the European fertilizer season, slow in USA like last season

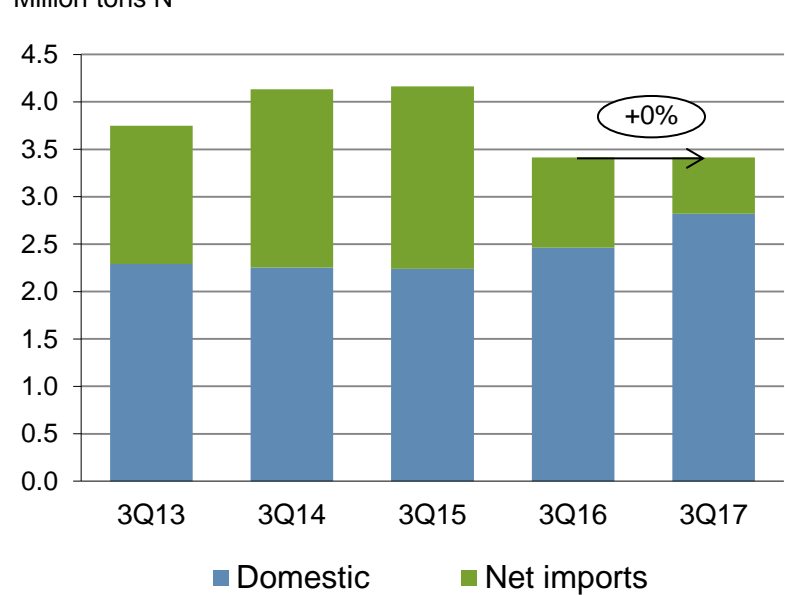
West Europe

Million tons N



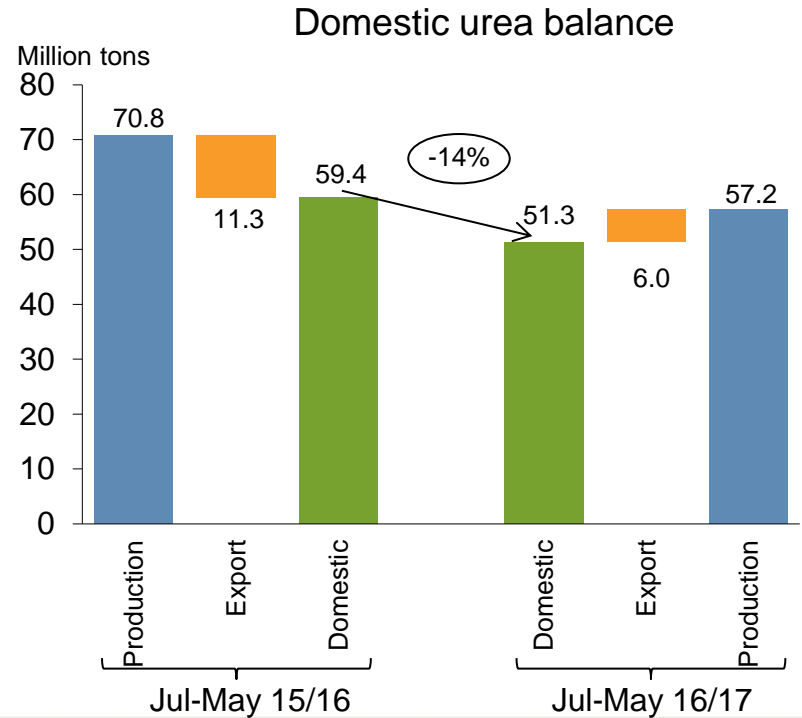
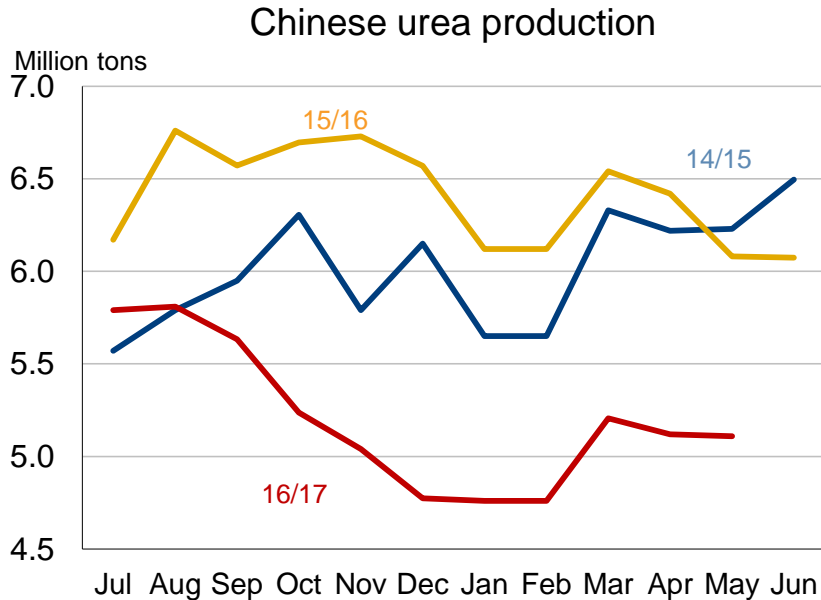
USA

Million tons N



Source: Yara estimate, TFI, US Customs.

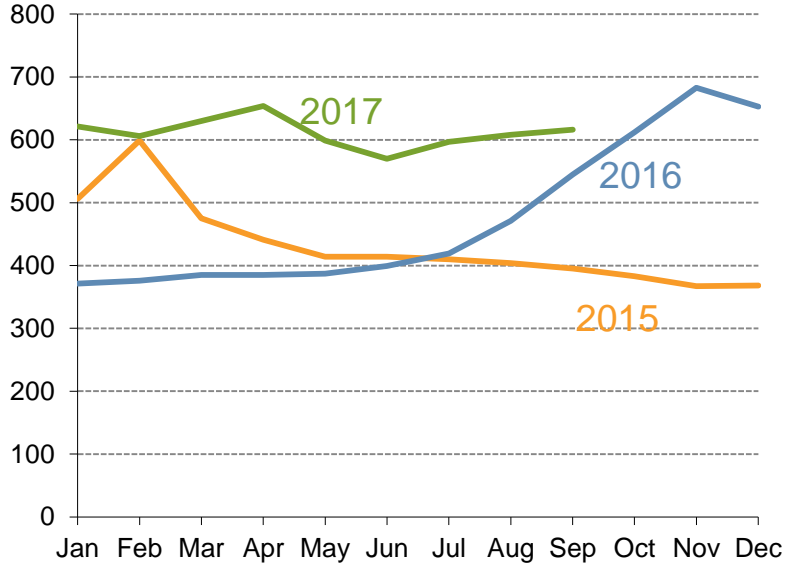
Chinese urea production suffering from increased production costs, domestic demand lower this season



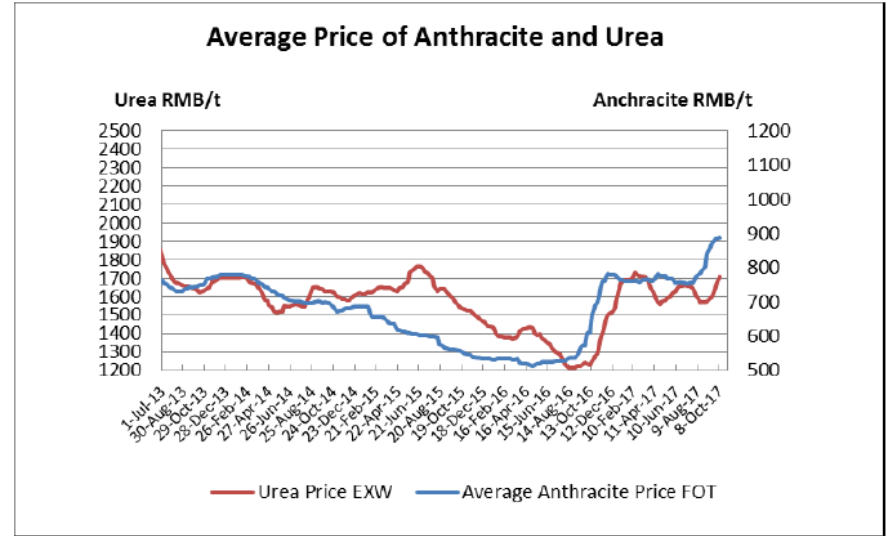
Source: CFMW

Increased coal prices drove nitrogen prices higher

Coal price in China (fob Qinhuangdao 5500, RMB/mt)



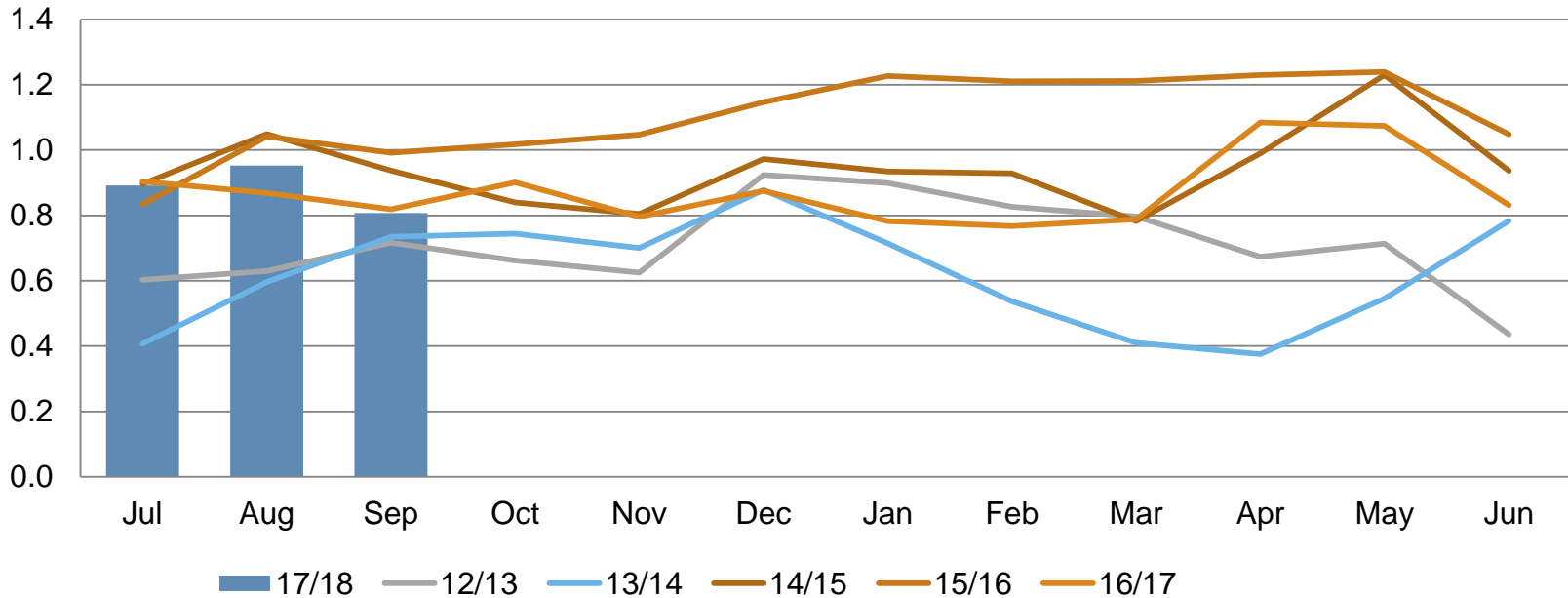
China anthracite and urea prices (RMB/mt)



Source: IHS, CFMW

European producers' nitrate stocks

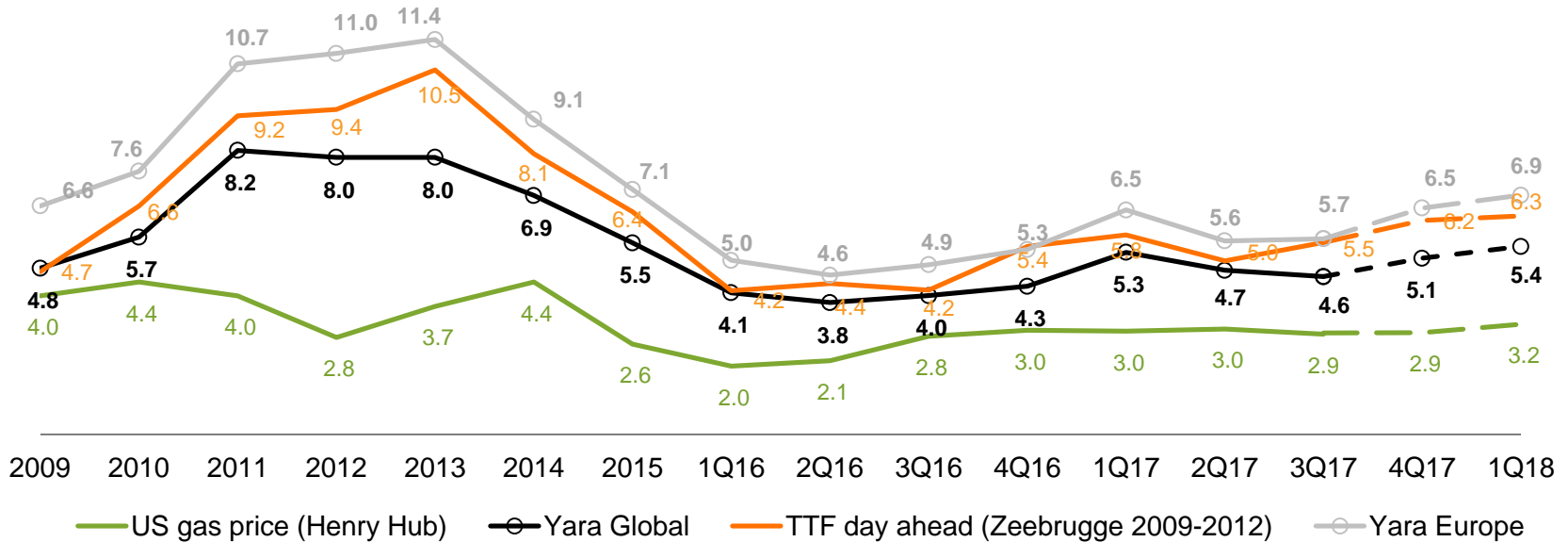
Index
June 2007 = 1



Source: Fertilizers Europe, Yara estimate for September

Energy cost

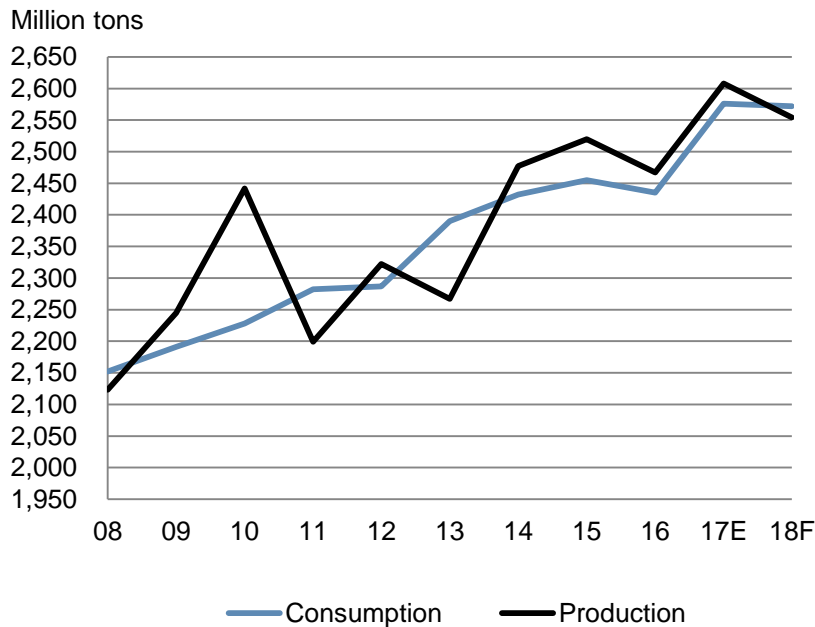
Yearly averages 2009 – 2015, quarterly averages for 2016-18 with forward prices* for 4Q17 and 1Q18.



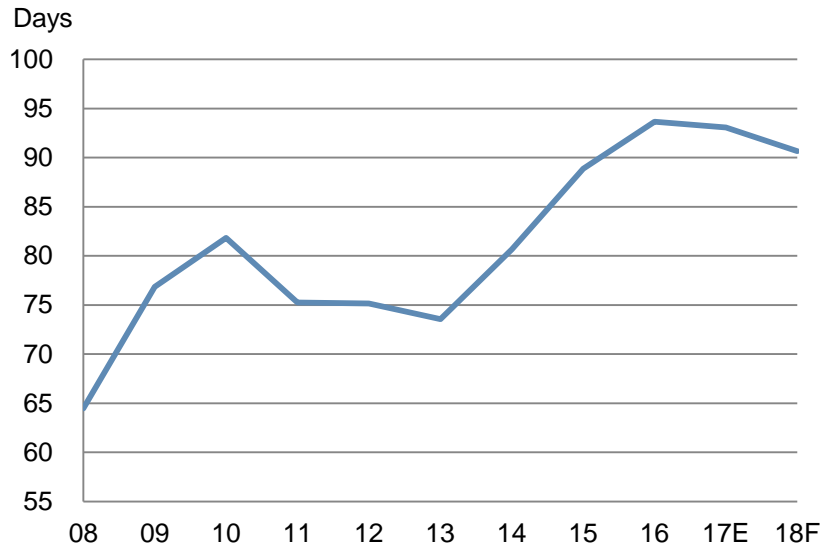
*Dotted lines denote forward prices as of 10 October 2017
 Source: Yara, World Bank, Argus/ICIS Heren

Reduced inventories expected for the 2017/18 season

Grain consumption and production



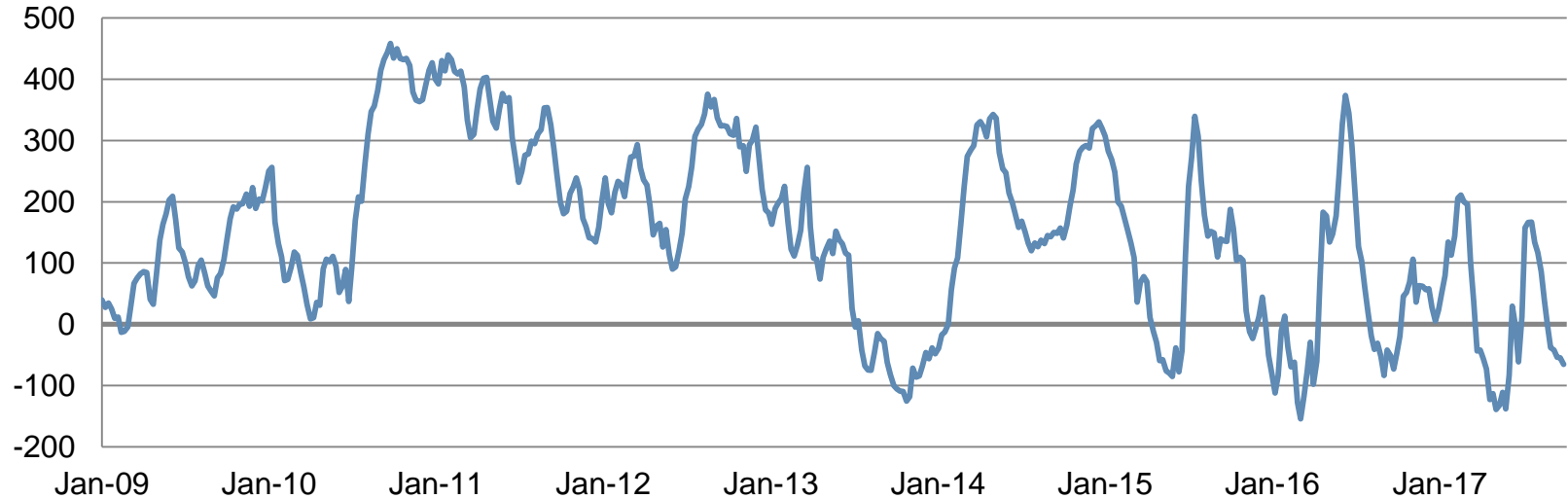
Days of consumption in stocks



Source: USDA October 2017

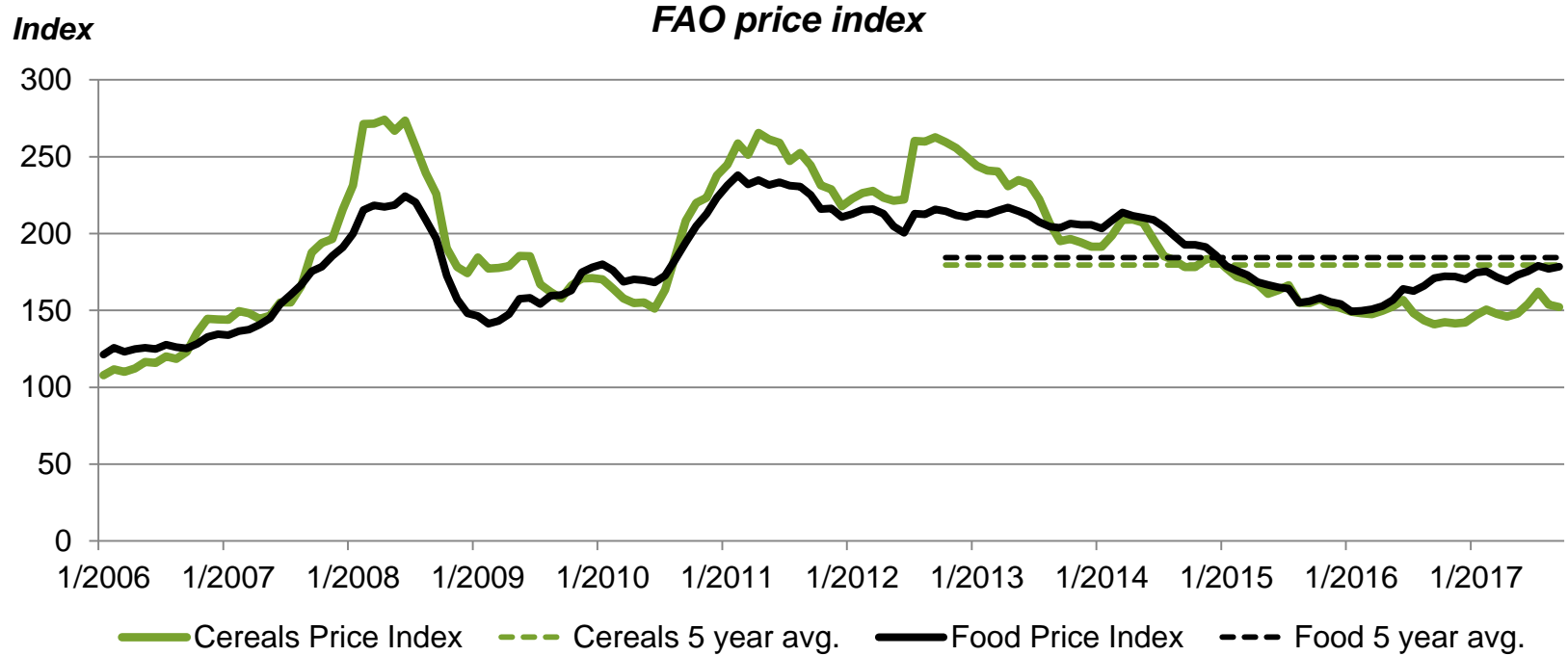
Non-commercials' net long position in corn

Thousand contracts



Source: US Commodity Futures Trading Commission

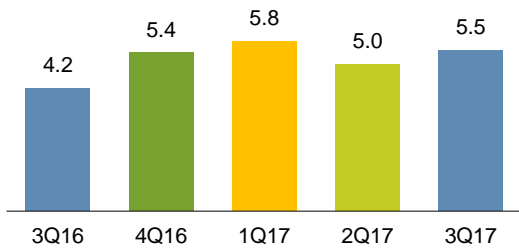
Relatively weak grain economics



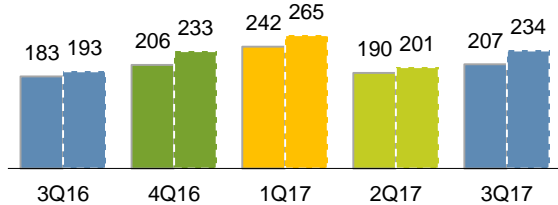
Source: FAO

Key value drivers – quarterly averages

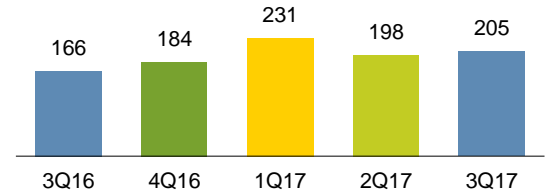
TTF day ahead (USD/MMBtu)



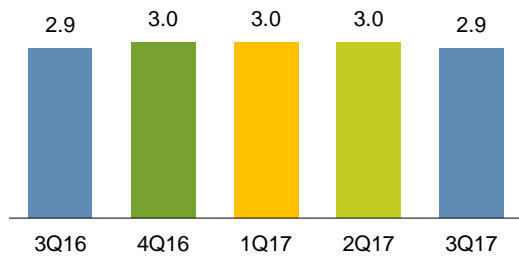
Urea prilled fob Black Sea (USD/t)/Urea granular fob Egypt (dotted line, USD/t)



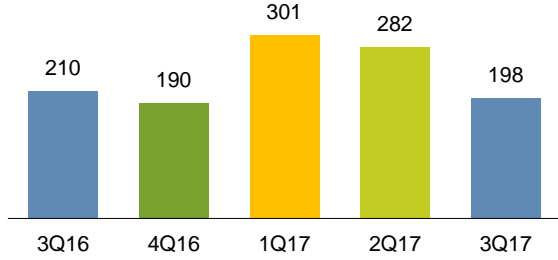
CAN cif Germany (USD/t)



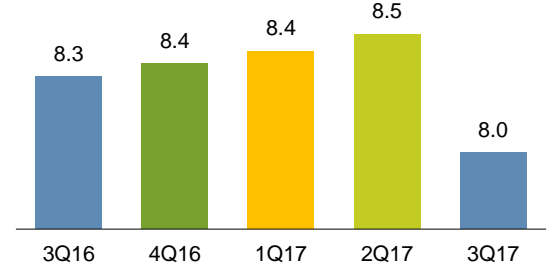
US gas price Henry Hub (USD/MMBtu)



Ammonia fob Black Sea (USD/t)

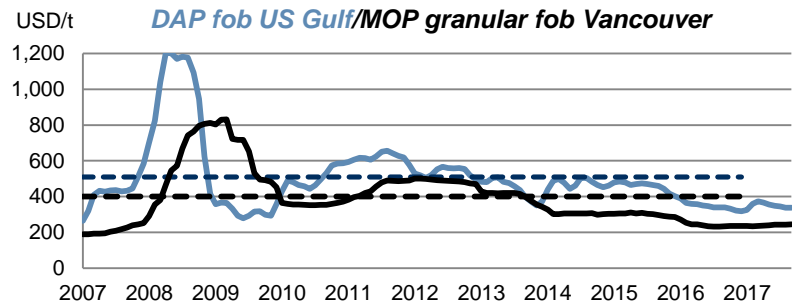
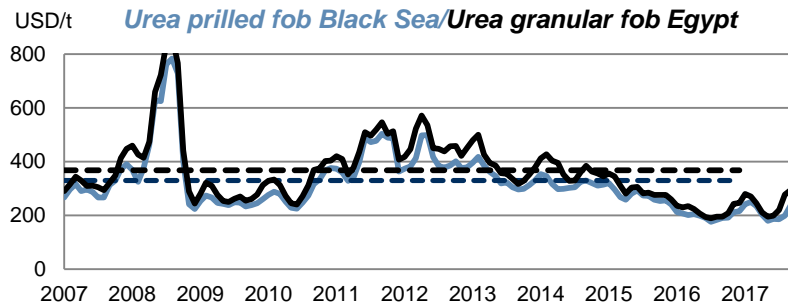
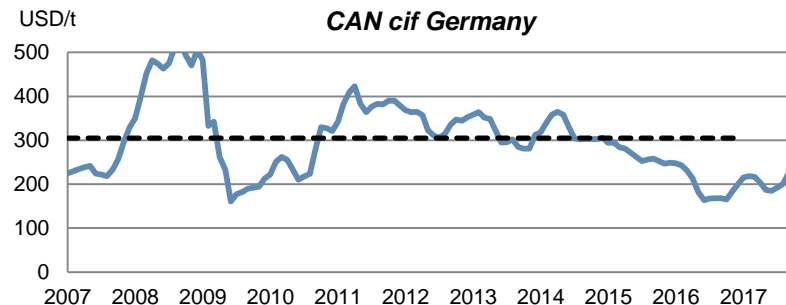
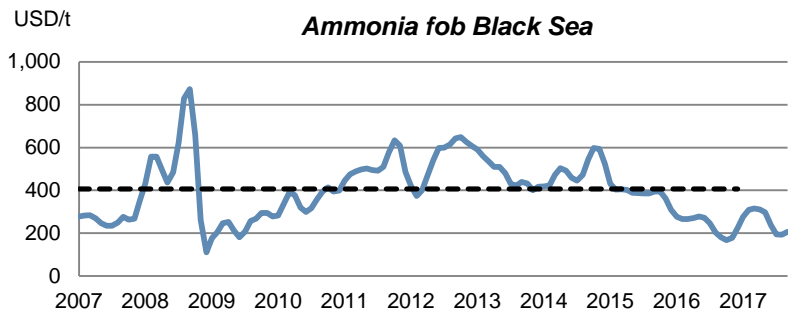


NOK/USD exchange rate



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

10-year fertilizer prices – monthly averages



Source: Fertilizer Market Publications

--- Average prices 2007 - 2016