Safety is our first priority

TRI\(^1\) (12-month rolling)

\(^1\) TRI: Total recordable injuries, lost time (absence from work), restricted work and medical treatment cases per one million work hours.
Improved first-quarter results

- EBITDA excluding special items and IFRS 16 increased by 17%\(^1\)
- Improved margins and positive currency effects more than offset lower deliveries
- Production performance hit by technical issues in three plants
- Return on invested capital (ROIC) at 4.1%

\(^1\) IFRS 16 EBITDA effect is USD 24 million
Unsatisfactory production performance, impacted by technical issues

Ammonia production down 3%
Finished fertilizer production up 3%

Production volume (mill. tonnes)

Ammonia
Finished products

Improved production in March

Monthly production volume

Technical issues in three of our largest plants

- Mixed production performance
- Technical issues after turnarounds in Pilbara, Sluiskil and Tertre account for losses of:
  - ~200 kt ammonia
  - ~100 kt of finished fertilizer
- Increased production in other plants
- Improved production towards the end of the quarter
Yara Improvement Program affected by production issues

- Continued high activity, but unsatisfactory results as accumulated improvements were affected by production issues.
- Underlying improvements adjusted for these issues were 375 MUSD, driven by strong performance in the rest of the production operations.
- 2020 improvement target of 500 MUSD maintained.
Capex reducing in 2019, growth projects ramping up

### Capex plan\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth - M&amp;As</th>
<th>Growth - expansions</th>
<th>Cost &amp; capacity improvements</th>
<th>Maintenance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>0.7</td>
<td>0.6</td>
<td>0.8</td>
<td>0.7</td>
</tr>
<tr>
<td>2018</td>
<td>2.2</td>
<td>0.5</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>2019</td>
<td>1.3</td>
<td>0.6</td>
<td>0.6</td>
<td>0.7</td>
</tr>
<tr>
<td>2020</td>
<td>1.0</td>
<td>0.1</td>
<td>0.2</td>
<td>0.1</td>
</tr>
</tbody>
</table>

### Status Growth projects\(^2\)

- Freeport and Köping projects completed and integrated into regular production operations; both running at full capacity as of end April
- Sluiskil expansion: further work needed to reach 100% delivery, to be achieved 2H 2019
- Brazil projects under construction:
  - Salitre: phosphate rock production ramping up, chemical production by 1H 2020
  - Rio Grande consolidation and expansion to be completed end 2020
- Tracking methodology update at Capital Markets Day

---

\(^1\) Committed investments as of end 4Q18

\(^2\) Growth portfolio = M&As (Babrala and Cubatão) and expansions/new builds (Uusikaupunki, Porsgrunn/Glomfjord, Sluiskil, Rio Grande, Freeport, Pilbara TAN, Köping, Salitre)
Improving earnings and profitability trend

Quarterly EBITDA excl. special items
USD millions

1Q18 2Q18 3Q18 4Q18 1Q19
377 321 402 424 464

LTM ROIC
%

1Q18 2Q18 3Q18 4Q18 1Q19
3.7 3.1 3.7 3.8 4.1
## Performance overview

<table>
<thead>
<tr>
<th></th>
<th>1Q 2018</th>
<th>1Q 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBITDA ex. special items</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(USD millions)</td>
<td>377</td>
<td>464</td>
</tr>
<tr>
<td><strong>EPS excl. currency and special items</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(USD per share)</td>
<td>0.42</td>
<td>0.59</td>
</tr>
<tr>
<td><strong>Cash from operations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(USD millions)</td>
<td>234</td>
<td>254</td>
</tr>
<tr>
<td><strong>Investments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(USD millions)</td>
<td>736</td>
<td>243</td>
</tr>
<tr>
<td><strong>ROIC</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(12-month rolling)</td>
<td>3.7%</td>
<td>4.1%</td>
</tr>
</tbody>
</table>
**Improved European nitrogen upgrading margins**

### Higher urea prices outside China

<table>
<thead>
<tr>
<th>Urea price development¹</th>
<th>(USD/t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urea granular FOB Egypt</td>
<td>257</td>
</tr>
<tr>
<td>Urea inland China proxy</td>
<td>304</td>
</tr>
</tbody>
</table>

### Higher realized nitrate and NPK prices

<table>
<thead>
<tr>
<th>Yara’s realized CAN and NPK price²</th>
<th>(USD/t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAN 27</td>
<td>242</td>
</tr>
<tr>
<td>NPK 19-10-13</td>
<td>414</td>
</tr>
</tbody>
</table>

### Lower European natural gas prices

<table>
<thead>
<tr>
<th>Spot gas prices¹</th>
<th>(USD/Mmbtu)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>7.2</td>
</tr>
<tr>
<td>US</td>
<td>3.1</td>
</tr>
</tbody>
</table>

---

¹ Source: BOABC, CFMW, Argus. 1 month lag applied, as proxy for realized prices (delivery assumed to be 1 month after order taking).

² Yara’s realized European nitrate price in CAN 27 equivalents ex. Sulphur, Yara’s realized global NPK price (average grade) at German proxy CIF
EBITDA improvement, mainly driven by nitrogen margins and currency

EBITDA ex. SI

USD millions

- IFRS 16 +24 MUSD
- Insurance +6 MUSD
- Portfolio +6 MUSD
- Other -17 MUSD

1Q18: 377
Price/ Margin: 37
Currency: 40
Energy costs: 4
Volume: 11
Other: 17
1Q19: 464
Higher production margins, commercial margins in line

EBITDA excluding special items (MUSD)

- Higher nitrogen upgrading margins in Europe
- Pilbara ammonia outage effect ~ USD 10 million

- Margins in line with a year earlier
- Lower NPK deliveries in Asia

- Positive contribution from Cubatão acquisition (completed May 2018)
- Deliveries up 3% excluding Cubatão
Net interest-bearing debt in line with end 2018

USD millions

4,203
409
401
195
243
35
4,205

Net debt Dec 18
Cash earnings¹
Net operating capital change
Investments (net)
Other
Net debt Mar 19

¹ Operating income plus depreciation and amortization, minus tax paid, net gain/(loss) on disposals, net interest expense and bank charges
Sales & Marketing performance

Slightly lower EBITDA due to lower deliveries

Lower commodity deliveries, premium product deliveries in line with a year earlier

Higher realized prices

**EBITDA ex. SI (MUSD)**

<table>
<thead>
<tr>
<th></th>
<th>1Q18</th>
<th>1Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>177</td>
<td>170</td>
</tr>
</tbody>
</table>

-4%

**Volumes (Mt)**

<table>
<thead>
<tr>
<th></th>
<th>1Q18</th>
<th>1Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.6</td>
<td>6.9</td>
<td>6.8</td>
</tr>
</tbody>
</table>

-1%

**Revenues (MUSD)**

<table>
<thead>
<tr>
<th></th>
<th>1Q18</th>
<th>1Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.4</td>
<td>2.5</td>
<td></td>
</tr>
</tbody>
</table>

+4%

*Premium defined as Differentiated N, NPK, CN, fertigation products and YaraVita. YaraVita only included in revenues as measured in units.
European fertilizer deliveries up 3% on last year, further increase in Brazilian premium deliveries

Total fertilizer deliveries

Mill. tonnes

<table>
<thead>
<tr>
<th>Region</th>
<th>1Q18</th>
<th>1Q19</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>2.4</td>
<td>2.4</td>
<td>+3%</td>
</tr>
<tr>
<td>Brazil</td>
<td>1.4</td>
<td>1.6</td>
<td>+16%</td>
</tr>
<tr>
<td>Asia</td>
<td>0.8</td>
<td>0.8</td>
<td>+2%</td>
</tr>
<tr>
<td>North America</td>
<td>0.8</td>
<td>0.7</td>
<td>-12%</td>
</tr>
<tr>
<td>Latin America</td>
<td>0.4</td>
<td>0.4</td>
<td>-16%</td>
</tr>
<tr>
<td>Africa</td>
<td>0.2</td>
<td>0.2</td>
<td>+1%</td>
</tr>
</tbody>
</table>

*Premium = NPK, Differentiated N, CN, fertigation products and YaraVita.
OPP = Own Produced Products
Yara and IBM join forces to transform the future of farming

- Partnership agreement to build the world’s leading digital farming platform, combining Yara’s unrivalled agronomic knowledge and market presence with IBM’s digital platforms, services and expertise in data analytics
- Yara and IBM will develop digital solutions for both professional and smallholder farmers to sustainably increase yields, crop quality, and incomes
- The joint platform will apply artificial intelligence, machine learning and in-field data to achieve worldwide coverage, aiming to reach 100 million hectares of farmland
- Yara and IBM will establish joint innovation teams, collaborating at digital hubs in Europe, Singapore, the US and Brazil
- The teams will work to develop new capabilities, such as visual analytics, machine learning techniques for crop identification and validation as well as field boundary digitization
- The first services are planned for end 2019
Attractive Yara prospects

Attractive industry fundamentals and supply-demand outlook

- Growing population and dietary improvement drives demand
- Resource and environment challenges require strong agri productivity improvement
- Tightening global grain balance and slow-down in nitrogen supply growth

Operating cash flow improvement with strict capital allocation

- Operating cash flow improving with cycle and Yara actions
- Committed capex almost halved from 2018 to 2019
- Strict capital allocation
- Active portfolio management

Focused long-term strategy

- Crop nutrition focus; #1 market presence and #1 premium fertilizer producer
- Strengthening position with digital farming services and food chain partnerships

Knowledge grows
Yara Capital Markets Day 26 June: venue and agenda

Venue: Tate Modern, London

Format and timing

08:30 – 11:30 Plenary presentations
11:30 – 12:30 Lunch
12:30 – 15:30 Group meetings with management

Main topics

**Strategy update**
Our long-term market outlook and how the Yara business model and strategy will create further value

**Driving value growth in our markets**
How we will drive further value growth in the market, and optimize our market positions

**Improving operations**
How Yara will realize the full value potential of projects under execution, and how Yara will drive further operational improvement, beyond the current targets

**Capital allocation & returns**
How Yara will allocate capital to drive further value growth
Yara Improvement Program impacted by reliability in production

- EBITDA benefits at the end of Q1 lower than year end 2018:
  - Continued high activity, but unsatisfactory results as accumulated improvements are affected by the mentioned reliability hits in Pilbara, Sluiskil and Tertre
  - Focus increasingly shifting towards ensuring the sustainability including further focus on excellence in our main functions

---

**Annual impact, USD million, vs. 2015 baseline, at 2015 margins**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sustained EBITDA improvement</strong></td>
<td>84</td>
<td>242</td>
<td>355</td>
<td>320</td>
<td>450</td>
</tr>
<tr>
<td><strong>One-off</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefits¹</td>
<td>60</td>
<td>69</td>
<td>28</td>
<td>9</td>
<td>15</td>
</tr>
<tr>
<td>Cost</td>
<td>14</td>
<td>49</td>
<td>24</td>
<td>6</td>
<td>13</td>
</tr>
<tr>
<td>Investments</td>
<td>69</td>
<td>116</td>
<td>91</td>
<td>9</td>
<td>90</td>
</tr>
<tr>
<td>2016</td>
<td>2017</td>
<td>2018</td>
<td>Q1 2019</td>
<td>2019 target</td>
<td>2020 target</td>
</tr>
</tbody>
</table>

¹ One-off benefits are related to working capital improvements and white certificates
Key sensitivities (based on 2018 production capacities)

<table>
<thead>
<tr>
<th></th>
<th>Operating income</th>
<th>EBITDA</th>
<th>EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD million</td>
<td>USD million</td>
<td>USD</td>
</tr>
<tr>
<td>Urea sensitivity +10 USD/t</td>
<td>45</td>
<td>54</td>
<td>0.16</td>
</tr>
<tr>
<td>...of which pure Urea</td>
<td>38</td>
<td>47</td>
<td>0.14</td>
</tr>
<tr>
<td>...of which UAN</td>
<td>7</td>
<td>7</td>
<td>0.02</td>
</tr>
<tr>
<td>Nitrate sensitivity CAN +10 USD/t</td>
<td>101</td>
<td>101</td>
<td>0.28</td>
</tr>
<tr>
<td>...of which pure Nitrates</td>
<td>61</td>
<td>61</td>
<td>0.17</td>
</tr>
<tr>
<td>...of which NPKs</td>
<td>40</td>
<td>40</td>
<td>0.11</td>
</tr>
<tr>
<td>Compound NPK premium over nitrate +10 USD/t</td>
<td>54</td>
<td>54</td>
<td>0.15</td>
</tr>
<tr>
<td>Hub gas Europe + 0.1 USD/MBlot</td>
<td>-16</td>
<td>-16</td>
<td>-0.04</td>
</tr>
<tr>
<td>Hub gas North Am + 0.1 USD/MBlot</td>
<td>-2.6</td>
<td>-2.6</td>
<td>-0.01</td>
</tr>
<tr>
<td>Ammonia + 10 USD/t</td>
<td>3</td>
<td>4</td>
<td>0.01</td>
</tr>
</tbody>
</table>

Currency sensitivity

<table>
<thead>
<tr>
<th></th>
<th>USD million</th>
<th>USD</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%-points EUR appreciation versus USD</td>
<td>-120</td>
<td>-95</td>
<td>-0.30</td>
</tr>
<tr>
<td>10%-points NOK appreciation versus USD</td>
<td>-50</td>
<td>-35</td>
<td>-0.10</td>
</tr>
<tr>
<td>10%-points BRL appreciation versus USD</td>
<td>-40</td>
<td>-25</td>
<td>-0.10</td>
</tr>
</tbody>
</table>
Higher nitrogen upgrading margin, global NPK premium slightly below last year

Nitrogen upgrading margins\(^1\)

USD/t (monthly publication prices)

NPK premium over blend\(^2\)

USD/t

1 Upgrading margin from gas to nitrates in 46% N (USD/t): All prices in urea equivalents, with 1 month time lag.

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

Source: Fertilizer Market Publications
Energy cost

Yearly averages 2010-2017, quarterly averages for 2018-2019 with forward prices* for 2Q19 and 3Q19

*Dotted lines denote forward prices as of 4 April 2019
Source: Yara, World Bank, Argus/ICIS Heren
Yara stocks

Kilotons
Finished fertilizer

8,000

1Q 2015 1Q 2016 1Q 2017 1Q 2018 1Q 2019

Other
Compound
NPK
Nitrates
Urea
Improving industry fundamentals

Declining grains stocks excluding China

Grain stocks ex China and grain prices

Nitrogen supply growth set to reduce significantly

Global urea capacity additions excl. China

Lower expected European natural gas prices

Spot gas prices1 (USD/Mmbtu)

1 Source: Argus, dotted bars represent forward prices as of 15 April 2019. 1 month lag applied.
European producers’ nitrate stocks

Index
June 2007 = 1

Source: Fertilizers Europe, Yara estimate for March
Nitrogen supply growth is forecast to reduce significantly

Global urea capacity additions excl. China (mill. tonnes)

Source: CRU March 2019
Modest improvement in urea pricing, but no need for Chinese exports

Urea price development\(^1\) (USD/t)

\(^1\) Source: BOABC, CFMW