

Oslo, 9 February 2017: [Yara International ASA](#) delivered weaker fourth-quarter results compared with a year earlier. EBITDA excluding special items was 29% lower, as higher deliveries and lower energy costs were more than offset by lower fertilizer prices. Yara's board will propose to the Annual General Meeting a dividend payment of NOK 10 per share for 2016.

"Yara reports a weaker result than a year earlier, reflecting lower fertilizer prices as the global nitrogen price floor was tested during the quarter. But our operational performance improved significantly, with fertilizer sales and production up 15% and 11% respectively," said Svein Tore Holsether, President and Chief Executive Officer of Yara.

"The whole Yara organization is working hard to further improve operations, to deliver on the Yara improvement program which we have announced earlier. The program has already delivered approximately USD 25 million of EBITDA improvement in 2016, and will deliver at least USD 500 million of annual EBITDA improvement within 2020," said Holsether.

Yara reports fourth-quarter net income after non-controlling interests of negative NOK 333 million (NOK 1.22 per share), compared with a positive NOK 434 million (NOK 1.58 per share) a year earlier. Excluding net foreign exchange loss and special items, the result was NOK 1.66 per share compared with NOK 3.97 per share in fourth quarter 2015. Fourth-quarter EBITDA excluding special items was NOK 2,474 million compared with NOK 3,508 million a year earlier.

Deliveries of Yara-produced fertilizer including blends were 15% higher than in fourth quarter 2015. In addition, improved reliability and fewer turnarounds in Yara's production plants have enabled higher deliveries compared with a year earlier.

Adjusted for the divestment of the CO₂ business, Industrial deliveries were 13% higher than a year earlier with growth for all products.

Yara's margins were significantly lower compared with a year earlier for both commodity upgrading margins and nitrate premiums. Yara's average realized urea and nitrate prices decreased 25% and 28% respectively, while realized NPK prices decreased by around 10%. Yara's average global gas costs were 17% lower than a year ago.

The global farm margin outlook and incentives for fertilizer application remains supportive overall, and while grain prices are lower, prices for several key crops like sugar, coffee and oils are higher than a year ago.

In Europe, higher nitrogen prices globally have contributed to a positive price and volume momentum for nitrates, and Yara first-quarter European nitrate deliveries are ahead of the same period last year.

As communicated earlier, Yara has established a corporate program to drive and coordinate existing and new improvement initiatives. The Yara Improvement program will deliver at least USD 500 million of annual EBITDA improvement by 2020, of which an estimated USD 150 million will be realized in 2017.

Yara is executing significant expansion activity, and based on today's market prices these are expected to generate approximately NOK 6 per share of incremental earnings by 2020 when fully operational.

Link to report and presentation:

http://www.yara.com/investor_relations/quarterly_report/index.aspx

Link to webcast 9 February at 09:30 CET:

http://www.yara.com/investor_relations/financial_webcasts/index.aspx

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About Yara

Yara's knowledge, products and solutions grow farmers', distributors' and industrial customers' businesses profitably and responsibly, while protecting the earth's resources, food and environment.

Our fertilizers, crop nutrition programs and technologies increase yields, improve product quality and reduce the environmental impact of agricultural practices. Our industrial and environmental solutions improve air quality by reducing emissions from industry and transportation, and serve as key ingredients in the production of a wide range of goods. We foster a culture that promotes the safety of our employees, contractors and societies.

Founded in 1905 to solve emerging famine in Europe, today Yara has a worldwide presence with more than 16,000 employees and sales to more than 150 countries.

www.yara.com

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4Q 2016 Presentation
4Q 2016 Report

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