

Oslo, 18 July 2017: [Yara International ASA](http://www.yara.com) delivered weaker second-quarter results compared with a year earlier. Net income after non-controlling interests was NOK 699 million (NOK 2.56 per share), compared with NOK 3,072 million (NOK 11.23 per share) a year earlier. Excluding net foreign exchange gain and special items, the result was NOK 2.90 per share compared with NOK 6.29 per share in second quarter 2016.

Second-quarter EBITDA excluding special items was NOK 2,873 million, down 27% compared with a year earlier, driven mainly by higher energy costs and lower realized prices.

"Yara reports a weaker result than a year earlier, primarily reflecting lower commodity margins," said Svein Tore Holsether, President and Chief Executive Officer of Yara.

"Our industry is facing strong over-supply of urea and other commodity nitrogen products, and we have expected this development for some time. We are therefore focused on improving our operations, and making growth investments primarily within premium fertilizer and industrial applications where margins are more stable. The Yara Improvement Program and growth pipeline, both of which are on track to deliver minimum NOK 17 per share of annual earnings improvements within 2020," said Holsether.

Total fertilizer deliveries were 3% lower than in second quarter 2016. Adjusted for the divestment of Yara's CO₂ business last year, Industrial deliveries were 8% higher than a year earlier.

Margins in the quarter were impacted by both higher gas costs and lower realized prices. Yara's average realized fertilizer urea prices decreased 7% while realized nitrate and NPK prices were 1% and 5% lower respectively than a year ago. Yara's average global gas costs were 24% higher than a year ago.

The global farm margin outlook and incentives for fertilizer application remains supportive overall, and the price trend for cereal, meat and dairy has been positive year to date. In Europe, Yara is seeing a normal rate of order taking at the start of the new season, at higher prices than a year ago, and expects roughly stable European nitrogen consumption for the 2017/18 season. Based on current forward markets for oil products and natural gas, Yara's spot energy costs for the next two quarters are expected to be approximately NOK 225 million higher than a year earlier.

Link to report and presentation:

http://yara.com/investor_relations/quarterly_report/

Link to webcast 18 July at 09:30 CEST:

http://yara.com/investor_relations/financial_webcasts/

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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 close to 15,000 employees and sales to about 160 countries.

www.yara.com

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2Q 2017 Presentation

2Q 2017 Report

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Source: [Yara International ASA](#) via Globenewswire