



Knowledge grows



Yara fourth-quarter report 2022

- Improved results with strong cash flow and increased returns across all commercial segments
- Improved ammonia production reliability and continued optimization of production amid margin volatility
- Lower deliveries, however improved farmer affordability and profitability metrics ahead of main application season
- Strong organizational performance in 2022 to optimize operations, maintaining supply to customers amid significant raw material sourcing challenges and volatile market conditions
- NOK 55 per share annual dividend proposed, bringing total 2022 distribution to NOK 65 per share

Yara's fourth-quarter net income was USD 766 million compared with a net loss of USD 26 million a year earlier, mainly reflecting improved margins and currency translation gains this quarter, in addition to impairment loss of USD 250 million in fourth quarter last year. Excluding special items, EBITDA was USD 1,067 million compared with USD 765 million in fourth quarter 2021.

Highlights ¹⁾

USD millions, except where indicated otherwise	4Q 2022	4Q 2021	2022	2021
Revenue and other income	5,464	5,032	24,051	16,607
Operating income	777	148	3,827	1,068
EBITDA	1,065	669	4,959	2,804
EBITDA excl. special items	1,067	765	4,889	2,891
Net income	766	(26)	2,782	384
Basic earnings per share ²⁾	3.02	0.16	10.90	1.75
Basic earnings per share excl. foreign currency translation and special items ²⁾	2.46	1.19	10.98	4.73
Net cash provided by / (used in) operating activities	1,012	(117)	2,391	1,406
Net cash provided by / (used in) investing activities	(273)	(298)	(509)	(874)
Net debt / equity ratio	0.37	0.55	0.37	0.55
Net debt / EBITDA excl. special items (last 12 months) ratio	0.66	1.36	0.66	1.36
Average number of shares outstanding (millions)	254.7	254.7	254.7	256.8
Return on invested capital (ROIC) ³⁾	20.4 %	5.0 %	25.7 %	7.9 %

Key statistics

	4Q 2022	4Q 2021	2022	2021
Yara production (thousand tonnes) ⁴⁾				
Ammonia	1,568	1,759	6,510	7,261
Finished fertiliser and industrial products, excl. bulk blends	4,403	5,087	18,332	20,473
Yara deliveries (thousand tonnes)				
Ammonia trade	467	489	1,771	2,007
Fertiliser	5,113	6,823	22,685	28,610
Industrial Product	1,653	1,907	7,167	7,442
Total deliveries	7,233	9,219	31,623	38,059
Yara's Energy prices (USD per MMBtu)				
Global weighted average gas cost ⁵⁾	20.1	15.4	21.8	9.3
European weighted average gas cost	31.5	22.7	31.8	11.7

¹⁾ See pages 33-40 for definitions, explanations and reconciliations of Alternative Performance Measures (APMs).

²⁾ USD per share. Yara currently has no share-based compensation programs resulting in a dilutive effect on earnings per share.

³⁾ Quarterly numbers annualized.

⁴⁾ Including Yara share of production in equity-accounted investees, excluding Yara-produced blends.

⁵⁾ Excluding Babrala.

Variance analysis

USD millions	4Q 2022	2022
EBITDA 2022	1,065	4,959
EBITDA 2021	669	2,804
Reported EBITDA variance	396	2,155
Special items variance (see page 8 for details)	94	157
EBITDA variance ex special items	302	1,998
Volume/Mix	(170)	(662)
Margin	476	2,693
Currency translation	28	114
Other	(32)	(148)
Total variance explained	302	1,998

Fourth quarter

Yara's fourth-quarter EBITDA excluding special items was 302 MUSD higher than a year earlier, mainly reflecting improved margins with higher selling prices more than offsetting increased production costs and lower deliveries. Compared to a year earlier, deliveries were down 25%, reflecting delayed purchasing amid recent price declines, mainly driven by Americas (-34%) and Europe (-23%)

Europe

EBITDA excluding special items was 95 MUSD higher than a year earlier, as higher fertilizer prices more than offset increased production costs and lower deliveries. Total deliveries were down 23%, as declining prices saw farmers and distributors postpone purchases. Production was impacted by curtailments in some plants.

Americas

EBITDA excluding special items was 21 MUSD higher than a year earlier, mainly reflecting strong production margins in North America more than offsetting lower margins in Latin America. Overall deliveries were down 34%, mainly for commodity fertilizers following sanctions on suppliers from Russia and Belarus this year.

Africa & Asia

EBITDA excluding special items was 34 MUSD higher than a year earlier driven by higher ammonia production margins in Pilbara, which was partly offset by lower commercial margins in Asia. Total deliveries were 4% higher, driven by increased premium product deliveries in Africa.

Global Plants & Operational Excellence (GPOE)

EBITDA excluding special items was 78 MUSD lower than a year earlier, driven by a reduction in deliveries and lower production margins due to high raw material costs. Deliveries to other Yara regions were down 38%, due to a combination of market driven curtailments, planned maintenance and reliability issues.

Industrial Solutions

EBITDA excluding special items was 111 MUSD higher than a year earlier, driven by higher market prices in Europe and improved production reliability. Total deliveries were down

13% mainly in the Base Chemicals unit, which saw lower demand due to reduced industrial activity in Europe, and in the Transport Reagents unit compared with record deliveries a year earlier when customers bought higher volumes to secure supply.

Clean Ammonia

EBITDA excluding special items was 48 MUSD higher than last year, driven by higher ammonia prices. Deliveries were down 5% compared to a year earlier, when deliveries were slightly above average levels.

Full year

Yara's full year EBITDA excluding special items was 1,998 MUSD higher than a year earlier mainly reflecting improved margins with higher selling prices more than offsetting increased production costs and lower deliveries.

Europe

EBITDA excluding special items was 560 MUSD higher than a year earlier, as higher prices more than offset lower deliveries and higher feedstock costs. Deliveries decreased 19%, mainly driven by lower demand due to high fertilizer prices and an increase in imported urea in the key European markets. Production was impacted by curtailments in several plants.

Americas

EBITDA excluding special items was 903 MUSD higher than a year earlier, as strong production margins in North America and commercial margins in Latin America more than offset lower deliveries and higher raw material cost. Total deliveries were 25% lower, driven by a combination of demand reduction due to high prices and lower commodity deliveries following sanctions on suppliers from Russia and Belarus.

Africa & Asia

EBITDA excluding special items was 222 MUSD higher than a year earlier driven by higher production margins in Pilbara and improved margins on premium products. Total deliveries were 12% lower as high fertilizer prices and weaker farmer profitability in several countries of the region reduced demand.

Global Plants & Operational Excellence (GPOE)

EBITDA excluding special items was 168 MUSD lower than a year earlier, as higher energy and raw material costs led to a significant drop in production margins. Deliveries to other Yara regions decreased 20%, due to a combination of reliability issues, planned maintenance and market driven curtailments.

Industrial Solutions

EBITDA excluding special items was 339 MUSD higher than a year earlier, driven by higher market prices in Europe amid increased production costs and supply shortages across the

industry. Total deliveries were down 4%, mainly in the Base Chemicals unit which saw lower demand as some customers reduced or stopped production in Europe.

Clean Ammonia

EBITDA excluding special items was 120 MUSD higher than last year, mainly reflecting higher ammonia prices positively impacting margins. Deliveries were 12% lower than a year earlier, due to lower production at Yara plants and discontinued sourcing from Russia. Those sourcing reductions were to a large extent successfully replaced by alternative supply sources throughout the year.

Production volumes

	4Q 2022	4Q 2021	2022	2021
Thousand tonnes				
Ammonia	1,568	1,759	6,510	7,261
Urea	881	1,165	3,949	4,739
Nitrate	1,452	1,530	5,625	6,254
NPK	1,449	1,659	6,003	6,442
CN	407	443	1,749	1,773
UAN	132	228	738	917
SSP-based fertiliser	82	62	267	334
MAP	-	-	-	14
Total Finished Products	4,403	5,087	18,332	20,473

Deliveries

Crop Nutrition deliveries	4Q 2022	4Q 2021	2022	2021
Thousand tonnes				
Urea	994	1,282	4,696	5,920
Nitrate	1,026	1,390	4,441	5,481
NPK	2,128	2,761	8,489	10,458
<i>of which Yara-produced compounds</i>	1,508	1,529	5,729	6,228
<i>of which blends</i>	593	998	2,455	3,623
CN	326	397	1,511	1,748
UAN	140	237	998	1,295
DAP/MAP/SSP	109	143	558	904
MOP/SOP	149	335	921	1,534
Other products	241	277	1,070	1,270
Total Crop Nutrition deliveries	5,113	6,823	22,685	28,610

Europe deliveries	4Q 2022	4Q 2021	2022	2021
Thousand tonnes				
Urea	59	180	513	940
Nitrate	761	955	3,292	3,774
NPK	587	631	2,096	2,582
<i>of which Yara-produced compounds</i>	571	595	1,994	2,426
CN	56	73	316	432
Other products	198	328	1,238	1,495
Total deliveries Europe	1,661	2,167	7,455	9,222

Americas deliveries	4Q 2022	4Q 2021	2022	2021
Thousand tonnes				
Urea	431	645	1,936	2,684
Nitrate	164	371	852	1,336
NPK	1,204	1,775	5,062	6,157
<i>of which Yara-produced compounds</i>	692	689	2,733	2,437
<i>of which blends</i>	493	877	2,103	3,195
CN	211	256	981	1,106
DAP/MAP/SSP	101	133	507	821
MOP/SOP	123	312	824	1,432
Other products	179	164	779	992
Total deliveries Americas	2,413	3,657	10,942	14,528
<i>of which North America</i>	641	800	2,814	3,465
<i>of which Brazil</i>	1,406	2,282	6,448	8,865
<i>of which Latin America ex Brazil</i>	367	575	1,679	2,198

Africa & Asia deliveries

	4Q 2022	4Q 2021	2022	2021
Thousand tonnes				
Urea	504	458	2,247	2,295
Nitrate	102	64	297	371
NPK	337	355	1,331	1,718
<i>of which Yara-produced compounds</i>	246	245	1,002	1,365
CN	58	68	214	210
Other products	38	54	199	265
Total deliveries Africa & Asia	1,039	998	4,289	4,860
<i>of which Asia</i>	721	730	3,271	3,679
<i>of which Africa</i>	318	269	1,017	1,180

Industrial Solutions deliveries

	4Q 2022	4Q 2021	2022	2021
Thousand tonnes				
Ammonia ¹⁾	102	156	462	564
Urea ¹⁾	318	418	1,422	1,646
Nitrate ²⁾	328	318	1,306	1,234
CN	45	58	198	210
Other products ³⁾	341	355	1,633	1,636
Water content in industrial ammonia and urea	520	602	2,146	2,153
Total Industrial Solutions deliveries	1,653	1,907	7,167	7,442

1) Pure product equivalents.

2) Including AN Solution.

3) Including sulphuric acid, ammonia and other minor products.

Financial items

USD millions	4Q 2022	4Q 2021	2022	2021
Interest income	33	16	108	64
Interest income and other financial income	33	16	108	64
Interest expense	(53)	(44)	(227)	(138)
Net interest expense on net pension liability	-	(2)	(3)	(5)
Net foreign currency translation gain/(loss)	194	(91)	(61)	(251)
Other	(1)	2	(30)	(21)
Interest expense and foreign currency translation gain/(loss)	140	(135)	(322)	(415)
Net financial income/(expense)	173	(119)	(214)	(351)

Fourth quarter

The variance in financial items primarily reflects a net foreign currency translation gain this quarter, compared with a loss in the same quarter a year ago.

The net foreign currency translation gain this quarter is mainly explained by a gain on Yara's US dollar denominated debt positions as the US dollar depreciated against many of Yara's main currencies. Internal funding positions, mainly in euro against the Norwegian krone, generated a modest gain. In the same quarter a year ago, the net foreign currency translation loss stemmed mainly from the internal funding positions, while Yara's US dollar denominated debt positions generated only a minor net loss.

Yara's accounting policy regarding foreign currency transactions is described on page 16 and in the integrated report for 2021 on pages 133 and 134.

The increase in interest expense this quarter mainly reflects higher floating interest rates. The average gross debt level was around USD 200 million higher than a year earlier.

At the end of the fourth quarter, the US dollar denominated debt position generating currency effects in the income statement was approximately USD 2,650 million, with the exposure primarily towards the Norwegian krone.

Income tax

Fourth quarter

The effective tax rate for the fourth quarter 2022 was 19.6%. Recognition of previously unrecognized deferred tax assets reduced the effective tax rate for the quarter by approximately 4% points. The effective tax rate for same quarter in 2021 was 170% and was impacted by an impairment with limited tax effect.

Full year

Full-year net financial expense was USD 137 million lower than a year ago, with the effect of a lower net foreign currency translation loss partly offset by a higher interest expense.

Interest expense for the full year was USD 89 million higher than a year before, primarily explained by higher floating interest rates.

The full-year 2022 foreign currency translation loss of USD 61 million comprises a loss of USD 281 million on US dollar denominated debt positions and a gain of USD 220 million on internal positions in other currencies than USD. The year before, Yara's US dollar denominated debt positions and the internal positions in other currencies than USD both generated losses of USD 100 million and USD 151 million respectively.

Full year

The effective tax rate for 2022 was 23.5% compared with 48.1% for the year before. The high effective tax rate for 2021 was mainly due to impairments with limited tax impact.

Cash flow

Fourth quarter

Yara's operating cash flow in fourth quarter 2022 was USD 1,129 million higher than a year earlier, driven by higher operating income and release of operating capital. The operating capital release was driven by lower volumes and prices reducing receivable and inventory values, which more than offset lower payables. The financing cash outflow was USD 552 million higher than a year earlier, mainly reflecting an additional dividend payment of USD 258 million and higher principal payments in the period, compared to a year earlier.

Full year

Yara's operating cash flow in 2022 was USD 985 million higher than a year earlier, as increased operating income more than offset a build-up in operating capital. The operating capital build-up was driven by higher prices which more than offset the effect of lower volumes. The investing cash outflow was USD 76 million higher compared to a year earlier when adjusting for Salitre proceeds of USD 440 million, mainly reflecting higher maintenance investments. The financing cash outflow was USD 279 million lower compared to a year earlier, mainly due to lower dividend payments and no share buybacks, which more than offset higher net principal payments.

Outlook

The energy transition, climate crisis and food security have become top priorities globally. With its leading food solutions and ammonia positions, Yara is uniquely positioned to drive these transformations. Furthermore, the volatile operating conditions of the past years has shown the resilience of Yara's global and flexible business model.

While consumption patterns for nitrogen are typically more stable than those of other crop nutrients, the current operating environment has increased short-term demand fluctuations, primarily as a result of strong gas price volatility in Europe and declining nitrogen prices. In the fourth quarter Yara adapted to market conditions by curtailing 0.35 million tonnes ammonia (30% of its European capacity) and 0.57 million tonnes of finished fertilizer (14% of its European capacity). As of the end of January 2023, Yara had curtailed an annual capacity of 1.7 million tonnes of ammonia (35% of its European capacity) and 4.7 million tonnes of finished fertilizer (28% of its European capacity). The curtailments are frequently adjusted according to market conditions. Yara will, where possible, continue to use its global sourcing and production system to import ammonia to Europe and supply global customers, but will not produce or sell at negative margins.

Based on current forward markets for natural gas (31 January 2023) and assuming stable gas purchase volumes, Yara's gas cost for the first quarter 2023 is estimated to be USD 320 million lower than a year earlier. These estimates may change depending on future spot gas prices and local terms.

During 2022, higher prices saw farmers and distributors in some regions postpone purchases, creating supply overhangs and contributing to price declines and low market activity towards the end of 2022 and at the start of 2023.

However, the price declines have led to improved farmer affordability and profitability metrics, and catch-up demand potential is seen in most regions.

On the supply side, lower gas prices in Europe have led to some nitrogen capacity coming back online, with industry consultants now indicating European NH₃ production running at 70% of capacity. Globally, industry consultant projections show new nitrogen capacity additions in 2023 and 2024 above historical trend demand growth, followed by significantly lower supply growth beyond 2024.

Yara continues to lead the energy transition. Clean ammonia from the US represents a significant opportunity for profitable decarbonization and potential to drive increased adoption in new segments including shipping, power generation and as an energy carrier. Yara continues to develop its project of reducing 800kt tons of CO₂ from Porsgrunn, Norway, aiming for emission reduction by 2030. Going forward, the project will continue to seek clarity on availability of grid, power, public support mechanisms and market developments, with milestones depending on the above factors

Yara's financial situation is robust, with a net debt / EBITDA excluding special items ratio of 0.66 and a net debt / equity ratio of 0.37 at the end of fourth quarter. As Yara's resilient business model continues to generate robust returns and in line with its capital allocation policy, Yara will propose a NOK 55 per share annual dividend to be paid after approval in the annual general meeting on 12 June 2023. If approved, this would bring Yara's cash distribution for the last three years to NOK 175 per share. Yara will consider further cash distributions in the coming quarters, in line with its capital allocation policy.

Special items

Yara defines “special items” as items in the results which are not regarded as part of underlying business performance for the period. These comprise restructuring related items, contract derivatives, impairments and other items which are not primarily related to the period in which they are recognized, subject to a minimum value of USD 5 million per

item within a 12-month period. “Contract derivatives” are commodity-based derivative gains or losses which are not the result of active exposure or position management by Yara. Together with impairments, these are defined as special items regardless of amount.

USD millions	Fixed cost effect				EBITDA effect				Operating income effect			
	4Q 2022	4Q 2021	2022	2021	4Q 2022	4Q 2021	2022	2021	4Q 2022	4Q 2021	2022	2021
Restructuring cost	(1)	(1)	(5)	(8)	(1)	(1)	(5)	(8)	(1)	(1)	(5)	(8)
Impairment of non-current assets	-	-	-	-	-	-	-	-	(5)	20	(13)	6
Contract derivatives gain/(loss)	-	-	-	-	4	1	(2)	(1)	4	1	(2)	(1)
Additional bonus to employees	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Total Europe	(5)	(5)	(9)	(12)	(1)	(5)	(11)	(13)	(6)	15	(23)	(7)
Settlement of employee benefit plan	-	-	-	2	-	-	-	2	-	-	-	2
Supplier settlement	-	-	-	-	-	-	-	37	-	-	-	37
Salitre divestment	-	(4)	(2)	(6)	-	(4)	(11)	(6)	-	14	(21)	(344)
Provision related to closure of plant	-	(10)	4	(10)	-	(10)	4	(10)	-	(10)	4	(10)
Impairment of non-current assets	-	-	-	-	-	-	-	-	-	(44)	(3)	(44)
Scrapping of project development	-	-	-	-	-	-	(13)	-	-	-	(13)	-
Additional bonus to employees	(6)	(7)	(6)	(7)	(6)	(7)	(6)	(7)	(6)	(7)	(6)	(7)
Total Americas	(6)	(21)	(4)	(21)	(6)	(21)	(26)	15	(6)	(47)	(40)	(366)
Loss on sold asset	-	-	-	-	-	-	(7)	-	-	-	(7)	-
Insurance claim	-	-	-	-	7	-	7	-	7	-	7	-
Supplier claim compensation	-	-	-	-	-	-	9	8	-	-	9	8
Impairment of non-current assets	-	-	-	-	-	-	-	-	-	-	(2)	(43)
Contract derivatives gain/(loss)	-	-	-	-	14	(65)	98	(90)	14	(65)	98	(90)
Additional bonus to employees	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Total Africa & Asia	(2)	(2)	(2)	(2)	20	(67)	106	(83)	20	(67)	104	(127)
Impairment of non-current assets	-	6	-	6	-	6	-	6	-	(236)	(4)	(236)
Additional bonus to employees	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Total Global Plants & Operational Excellence	(2)	4	(2)	4	(2)	4	(2)	4	(2)	(238)	(5)	(238)
Write off capitalized project costs	-	-	-	-	(9)	-	(9)	-	(9)	-	(9)	-
Reimbursement related to acquisition of asset	-	-	-	-	-	-	17	-	-	-	17	-
Environmental provision	-	-	-	(10)	-	-	-	(10)	-	-	-	(10)
Settlement of employee benefit plan	-	-	-	4	-	-	-	4	-	-	-	4
Impairment of non-current assets	-	-	-	-	-	-	-	-	-	-	-	(3)
Restructuring cost	-	-	-	(1)	-	-	-	(1)	-	-	-	(1)
Additional bonus to employees	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Total Industrial Solutions	(2)	(2)	(2)	(9)	(11)	(2)	6	(9)	(11)	(2)	6	(12)
Contract derivatives gain/(loss)	-	-	-	-	-	(3)	(1)	1	-	(3)	(1)	1
Impairment of non-current assets	-	-	-	-	-	-	-	-	(2)	-	(2)	-
Total Clean Ammonia	-	-	-	-	-	(3)	(1)	1	(2)	(3)	(3)	1
Additional bonus to employees	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Total Other and Eliminations	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Total Yara	(19)	(28)	(21)	(42)	(2)	(96)	70	(87)	(9)	(345)	37	(751)

Description and reconciliation of alternative performance measures are included on pages 33-40.

Variance analysis

In order to track underlying business developments from period to period, Yara's management also uses a variance analysis methodology ("variance analysis"), that involves the extraction of financial information from the accounting system, as well as statistical and other data from internal management information systems. Management considers the estimates produced by the variance analysis, and the identification of trends based on such analysis, sufficiently precise to provide useful data to monitor our business.

However, these estimates should be understood to be less than an exact quantification of the changes and trends indicated by such analysis.

The variance analysis presented in Yara's quarterly and annual financial reports is prepared on a Yara EBITDA basis including net income from equity-accounted investees. The volume, margin and other variances presented therefore include effects generated by performance in equity-accounted investees.

Condensed consolidated interim statement of income

USD millions, except share information	Notes	4Q 2022	4Q 2021	2022	2021
Revenue from contracts with customers	3	5,437	5,086	23,902	16,617
Other income and commodity derivative gain/(loss)	5	28	(55)	150	(9)
Revenue and other income		5,464	5,032	24,051	16,607
Raw materials, energy costs and freight expenses		(3,871)	(4,175)	(18,078)	(12,803)
Change in inventories of own products		(22)	316	725	668
Payroll and related costs		(346)	(346)	(1,284)	(1,270)
Depreciation and amortization	8	(245)	(247)	(964)	(984)
Impairment loss	8	(7)	(250)	(35)	(666)
Expected and realized credit loss on trade receivables		(8)	(4)	(14)	(6)
Other operating expenses		(189)	(177)	(575)	(479)
Operating costs and expenses		(4,687)	(4,884)	(20,224)	(15,540)
Operating income		777	148	3,827	1,068
Share of net income in equity-accounted investees		3	9	25	23
Interest income and other financial income		33	16	108	64
Foreign currency translation gain/(loss)		194	(91)	(61)	(251)
Interest expense and other financial items		(54)	(44)	(260)	(164)
Income before tax		953	38	3,639	739
Income tax expense		(187)	(64)	(857)	(355)
Net income		766	(26)	2,782	384
Net income attributable to					
Shareholders of the parent		769	41	2,777	449
Non-controlling interests ¹⁾		(3)	(67)	5	(65)
Net income		766	(26)	2,782	384
Basic earnings per share ²⁾		3.02	0.16	10.90	1.75
Weighted average number of shares outstanding	2	254,725,627	254,725,627	254,725,627	256,789,744

1) 2021: USD 67 million is related to non-controlling interests' share of Yara Dallol.

2) Yara currently has no share-based compensation program resulting in a dilutive effect on earnings per share.

Condensed consolidated interim statement of comprehensive income

USD millions	Notes	4Q 2022	4Q 2021	2022	2021
Net income		766	(26)	2,782	384
Other comprehensive income that may be reclassified to statement of income (net of tax)					
Currency translation adjustments		192	(47)	(199)	(132)
Hedge of net investments		59	1	(70)	(21)
Net other comprehensive income/(loss) that may be reclassified to statement of income in subsequent periods, net of tax		251	(46)	(269)	(154)
Other comprehensive income that will not be reclassified to statement of income in subsequent periods (net of tax)					
Currency translation adjustments ¹⁾		46	(1)	(134)	(45)
Net gain/(loss) on equity instruments at fair value through other comprehensive income		13	4	13	4
Remeasurement gains/(losses) on defined benefit plans	9	(6)	40	140	170
Net other comprehensive income that will not be reclassified to statement of income in subsequent periods, net of tax		54	43	19	129
Reclassification adjustments of the period		-	-	9	-
Total other comprehensive income, net of tax		305	(2)	(242)	(25)
Total comprehensive income, net of tax		1,071	(29)	2,540	359
Total comprehensive income attributable to					
Shareholders of the parent		1,075	38	2,538	425
Non-controlling interests		(4)	(67)	2	(66)
Total		1,071	(29)	2,540	359

1) Currency translation adjustments that will not be reclassified to statement of income are related to entities with functional currency NOK as these are not classified as "foreign operations" to Yara International ASA.

Condensed consolidated interim statement of changes in equity

USD millions	Share Capital ¹⁾	Premium paid-in capital	Currency translation adjustments	Other reserves ³⁾	Retained earnings	Reserve of disposal group held for sale	Attributable to share-holders of the parent	Non-controlling interests	Total equity
Balance at 31 December 2020	64	(49)	(1,402)	(197)	9,724	-	8,141	79	8,220
Net income	-	-	-	-	449	-	449	(65)	384
Other comprehensive income, net of tax	-	-	(177)	(17)	170	-	(24)	-	(25)
Total comprehensive income, net of tax	-	-	(177)	(17)	619	-	425	(66)	359
Disposal group for sale	-	-	8	-	-	(8)	-	-	-
Treasury shares ²⁾	(1)	-	-	-	(247)	-	(248)	-	(248)
Dividends distributed	-	-	-	-	(1,214)	-	(1,214)	(1)	(1,215)
Balance at 31 December 2021	63	(49)	(1,571)	(214)	8,883	(8)	7,104	13	7,116
Net income	-	-	-	-	2,777	-	2,777	5	2,782
Other comprehensive income, net of tax	-	-	(330)	(57)	140	8	(239)	(3)	(242)
Total comprehensive income, net of tax	-	-	(330)	(57)	2,917	8	2,538	2	2,540
Dividends distributed	-	-	-	-	(1,055)	-	(1,055)	(1)	(1,056)
Balance at 31 December 2022	63	(49)	(1,901)	(270)	10,745	-	8,587	13	8,600

1) Par value NOK 1.70.

2) As approved by General Meeting 7 May 2020.

3) Other reserves include fair value reserve of financial assets at FVOCI, hedge of net investments, and cash flow hedges.

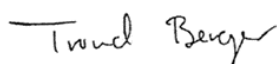
Condensed consolidated interim statement of financial position

USD millions	Notes	31 Dec 2022	31 Dec 2021
Assets			
Non-current assets			
Deferred tax assets		449	504
Goodwill	8	754	789
Intangible assets other than goodwill	8	112	132
Property, plant and equipment	8	6,970	7,133
Right-of-use assets	8	403	421
Associated companies and joint ventures		147	120
Other non-current assets		526	476
Total non-current assets		9,363	9,574
Current assets			
Inventories	6	4,365	4,003
Trade receivables		2,305	2,138
Prepaid expenses and other current assets		932	708
Cash and cash equivalents		1,010	394
Non-current assets and disposal group classified as held-for-sale	4	9	454
Total current assets		8,620	7,698
Total assets		17,982	17,272

Condensed consolidated interim statement of financial position

USD millions, except share information	Notes	31 Dec 2022	31 Dec 2021
Equity and liabilities			
Equity			
Share capital reduced for treasury stock		63	63
Premium paid-in capital		(49)	(49)
Total paid-in capital		14	14
Other reserves		(2,172)	(1,793)
Retained earnings		10,745	8,883
Total equity attributable to shareholders of the parent		8,587	7,104
Non-controlling interests		13	13
Total equity	2	8,600	7,116
Non-current liabilities			
Employee benefits	9	293	399
Deferred tax liabilities		473	443
Long-term interest-bearing debt	7	3,597	3,089
Other non-current liabilities		158	77
Non-current provisions		231	283
Non-current lease liabilities		292	321
Total non-current liabilities		5,043	4,612
Current liabilities			
Trade and other current payables	10	2,549	3,188
Prepayments from customers		620	634
Current tax liabilities		288	166
Short-term provisions		92	74
Current portion of long-term debt	7	54	476
Short-term interest-bearing debt	7	157	337
Other current liabilities		460	549
Current lease liabilities		118	104
Liability associated with disposal group classified as held-for-sale	4	1	17
Total current liabilities		4,338	5,544
Total equity and liabilities		17,982	17,272
Number of shares outstanding	2	254,725,627	254,725,627

The Board of Directors and Chief Executive Officer
Yara International ASA
Oslo, 7 February 2023



Trond Berger
Chair



Jannicke Hilland
Vice chair



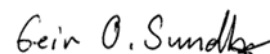
John Thuestad
Board member



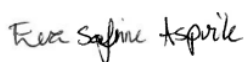
Rune Bratteberg
Board member



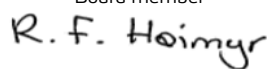
Tove Feld
Board member



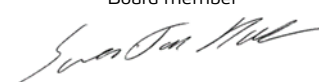
Geir O. Sundbø
Board member



Eva Safrine Aspvik
Board member



Ragnhild Flesland Høimyr
Board member



Svein Tore Holsether
President and CEO

Condensed consolidated interim statement of cash flows

USD millions	Notes	4Q 2022	4Q 2021	2022	2021
Operating activities					
Net income/(loss) before taxes		953	38	3,639	739
Adjustments to reconcile net income/(loss) to net cash provided by operating activities					
Depreciation and amortization	8	245	247	964	984
Impairment loss	8	7	250	35	666
(Gain)/loss on disposal of non-current assets		16	19	34	9
Net foreign currency translation loss/(gain)		(194)	90	61	251
Adjustment for finance income and expense		21	29	153	100
Income taxes paid		(238)	(150)	(627)	(350)
Interest paid ¹⁾		(106)	(83)	(236)	(166)
Interest received		36	17	103	68
Bank charges		(3)	5	(32)	(15)
Other		114	(3)	102	(36)
Working capital changes that provided/(used) cash					
Trade receivables		569	(404)	(299)	(743)
Inventories		358	(798)	(605)	(2,042)
Prepaid expenses and other current assets		161	(72)	(214)	(113)
Trade and other payables		(857)	685	(620)	1,669
Prepayments from customers		(21)	(105)	(6)	291
Other interest-free liabilities		(48)	119	(63)	95
Net cash provided by operating activities		1,012	(117)	2,391	1,406
Investing activities					
Purchases of property, plant and equipment		(284)	(284)	(926)	(809)
Proceeds from sales of property, plant and equipment		5	6	16	15
Cash flows from losing control of subsidiaries or other businesses	4	3	-	456	-
Cash flows used in obtaining control of subsidiaries or other businesses		-	-	(29)	(43)
Net sales/(purchases) of short-term investments		-	-	-	(1)
Purchases of other long-term assets		2	(27)	(32)	(49)
Proceeds from sales of other long-term assets		-	7	6	14
Net cash provided by/(used in) investing activities		(273)	(298)	(509)	(874)
Financing activities					
Loan proceeds ²⁾	7	659	503	613	451
Principal payments ²⁾	7	(591)	(107)	(633)	(235)
Payments of lease liabilities	7	(40)	(37)	(149)	(142)
Purchase of treasury shares	2	-	-	-	(363)
Dividends	2	(258)	(35)	(1,054)	(1,214)
Other cash transfers (to)/from non-controlling interests		-	-	(1)	(1)
Net cash used in financing activities		(229)	323	(1,226)	(1,504)
Foreign currency effects on cash and cash equivalents		(12)	(2)	(42)	4
Net increase/(decrease) in cash and cash equivalents		498	(94)	614	(968)
Cash and cash equivalents at beginning of period ³⁾		513	491	397	1,365
Cash and cash equivalents at end of period ³⁾		1,011	397	1,011	397
Bank deposits not available for the use of other group companies				90	44

1) Including interest on lease liabilities.

2) Loan proceeds and principal payments related to short-term borrowings for which maturity is three months or less, are presented net.

3) Excluded expected credit loss provisions on bank deposits.

Notes to the interim financial statements

General and accounting policies

Yara (the Group) consists of Yara International ASA and its subsidiaries. Yara International ASA is a public limited company incorporated in Norway. The address of its registered office is Drammensveien 131, Oslo, Norway.

These unaudited, condensed consolidated interim financial statements consist of the Group and the Group's interests in associated companies and joint arrangements. They are prepared in accordance with International Accounting Standard 34 Interim Financial Reporting and should be read in conjunction with the annual consolidated financial statements in Yara's Integrated Report for 2021. The accounting policies applied are the same as those applied in 2021 and implemented for 2022 as communicated in the annual consolidated financial statements incorporated in Yara's Integrated Report 2021.

As a result of rounding differences numbers or percentages may not add up to the total.

These condensed consolidated financial statements are presented in US dollars (USD) million, except when

otherwise indicated. Individual financial statements of Yara International ASA and its subsidiaries are prepared in the respective entities' functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The functional currency of Yara International ASA is Norwegian kroner (NOK). In the individual financial statements, transactions in currencies other than the entity's functional currency are recognized by applying the exchange rate at the date of transaction. At the balance sheet date, monetary items denominated in foreign currencies are translated using the exchange rate at that date. The changes in value due to such foreign currency translations are recognized in the statement of income of the individual entity and reflected as "foreign currency translation gain/loss" in the consolidated statement of income for the Group. When preparing the consolidated financial statements, all items in the individual financial statements are translated into USD using the exchange rates at period end for statement of financial position items and monthly average exchange rates for statement of income items. Gains and losses derived from this translation are included in other comprehensive income as a separate component.



1 Judgments, estimates and assumptions

Yara faces risks and uncertainties which require management to make judgements, estimates and assumptions when preparing consolidated financial statements, and which may significantly differ from actual results and may lead to material adjustments to carrying amounts. The significant judgements, estimates and assumptions related to impairment of assets, tax assets and liabilities, pensions liabilities, Covid-19, climate change and joint arrangements as communicated in the consolidated financial statements as of 31 December 2021, also apply to these interim financial statements.

The Russian invasion of Ukraine from late February 2022 has brought increased geopolitical risks to global markets and business operations. The war has major impacts on both the food and fertilizer industries, with Russia and Ukraine both being significant players in the global food value chain, representing a major portion of the world's production and export of grains. Furthermore, Russia is one of the world's largest producers and exporters of essential crop nutrients and natural gas. The war is currently impacting global food, fertilizer, ammonia and energy prices, including natural gas prices in Europe. The war has also reduced the availability of essential crop nutrients.

The war situation has created political and economic uncertainty which could result in material adjustments to the carrying amounts of assets and liabilities. To cater for the increased uncertainty, Yara has in the preparation of these interim financial statements had an increased focus on inventory valuation as well as having a special focus on identifying the effects of import restrictions, sanctions, banking and logistical challenges. Judgements, estimates and assumptions communicated in the consolidated financial statements as of 31 December 2021 are reviewed in light of the new situation. Yara does not have significant direct investments in Russia or Ukraine.

See Note 10 for the specific effects of the war in Ukraine to these financial statements. Future financial effects of the war are highly uncertain and cannot be reliably estimated. However, it is likely that future financial effects will be driven by further price volatility for raw materials and end products as well as changes to sourcing patterns. Any estimate will be subject to significant uncertainties. Yara will continue to closely monitor the situation and adapt to market conditions going forward.

Note 2 Shares, dividend and share buy-back program

The Extraordinary General Meeting on 6 December 2022 approved an additional dividend of NOK 2,547 million (NOK 10.00 per share), which has been paid out during fourth quarter 2022 (USD 258 million).

The Annual General Meeting on 10 May 2022 approved a dividend for 2021 of NOK 7,642 million (NOK 30.00 per share), which has been paid out during second quarter 2022 (USD 796 million).

On 10 May 2022, the Annual General Meeting also authorized the Board of Directors to acquire up to 12,736,281 shares in the open market and from the Norwegian State. Shares may be purchased within a price range from NOK 10 to NOK 1,000. The shares shall be subsequently cancelled. Yara has renewed its agreement with the Norwegian State

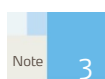
according to which the State's shares will be redeemed on a pro-rata basis to ensure the State's ownership is unchanged in the event of a cancellation of shares bought back. Yara has not purchased own shares under the 2022 buy-back program.

Under the 2020 buy-back program, Yara purchased 3,420,752 own shares in 2021 for a total consideration of NOK 1,398 million (USD 164 million) and 5,131,128 own shares in 2020 for a total consideration of NOK 1,823 million (USD 201 million). These shares were cancelled at the Annual General Meeting on 6 May 2021. Pursuant to the agreement with the Norwegian State, total equity attributable to the shareholders of the parent was reduced with an additional NOK 1,697 million (USD 192 million) for the redemption of 4,854,730 shares from the Norwegian State.

	Ordinary shares	Own shares	Number of shares outstanding
Total at 31 December 2020	268,132,237	(5,131,128)	263,001,109
Treasury shares - share buy-back program ¹⁾	-	(3,420,752)	(3,420,752)
Redeemed shares Norwegian State ²⁾	(4,854,730)	-	(4,854,730)
Shares cancelled ²⁾	(8,551,880)	8,551,880	-
Total at 31 December 2021	254,725,627	-	254,725,627
Total at 31 December 2022	254,725,627	-	254,725,627

1) As approved by the General Meeting 7 May 2020.

2) As approved by the General Meeting 6 May 2021.



3 Operating segment information

Yara's operations comprises of the following operating segments:

- Europe
- Americas
- Africa & Asia
- Global Plants & Operational Excellence
- Clean Ammonia
- Industrial Solutions

The regional segments (Europe, Americas, and Africa & Asia) operate in a fully integrated setup, comprising production, supply chain and commercial operations, producing and delivering Yara's existing fertilizer solutions in addition to commercializing and selling new offerings.

The operating segments presented are the key components of Yara's business which are assessed, monitored and managed on a regular basis by Yara's Chief Executive Officer (CEO) as the Chief Operating Decision Maker.

The Global Plants & Operational Excellence segment operates Yara's largest and export-oriented production plants in Porsgrunn (Norway) and in Sluiskil (the Netherlands) and has a key role in driving operational improvements, competence development and technical project execution across Yara's production system.

The Clean Ammonia segment contains Yara's ammonia trade and shipping activity that plays a vital role in Yara's

production system as it allocates excess volume from producing plants and delivers ammonia to consuming plants in timely manner to ensure full production capacity utilization. In addition, the segment sources and trades ammonia externally. The segment is currently evaluating several new green and blue ammonia projects with the aim to serve growing markets for clean ammonia and add scale to the existing business.

Yara Industrial Solutions mainly provides nitrogen-based solutions and services across a wide range of industries including automotive, construction, waste handling and circular economy, chemicals, mining, and animal feed. The segment performs its activities through four global commercial units; Transport Reagents, Mining Applications, Base Chemicals, and Industrial Nitrates. These commercial units are backed by seven dedicated production plants across Europe, Latin America, Africa and Asia.

Yara Marine Technology activities have been moved from Industrial Solutions to Other and Eliminations from 2022. The comparative segment figures for 2021 have been restated accordingly. The Yara Group figures are unchanged.

USD millions	4Q 2022	4Q 2021 Restated ¹⁾	2022	2021 Restated ¹⁾
External revenue from contracts with customers				
Europe	1,355	1,204	5,729	3,885
Americas	1,740	2,013	8,492	6,587
Africa & Asia	792	594	3,188	2,384
Global Plants & Operational Excellence	16	19	77	51
Clean Ammonia	493	382	1,946	1,162
Industrial Solutions	1,021	860	4,415	2,481
Other and Eliminations	19	15	55	67
Total	5,437	5,086	23,902	16,617
Internal revenue				
Europe	250	313	1,390	936
Americas	300	246	1,240	628
Africa & Asia	270	283	976	847
Global Plants & Operational Excellence	846	941	4,277	2,771
Clean Ammonia	636	431	2,481	1,155
Industrial Solutions	131	68	517	270
Other and Eliminations	(2,433)	(2,283)	(10,883)	(6,607)
Total	-	-	-	-
Total revenue				
Europe	1,606	1,517	7,119	4,822
Americas	2,040	2,259	9,732	7,215
Africa & Asia	1,062	877	4,165	3,231
Global Plants & Operational Excellence	862	960	4,354	2,822
Clean Ammonia	1,129	812	4,428	2,317
Industrial Solutions	1,152	928	4,932	2,751
Other and Eliminations	(2,414)	(2,267)	(10,828)	(6,540)
Total	5,437	5,086	23,902	16,617
Operating income²⁾				
Europe	188	110	953	394
Americas	226	173	1,486	303
Africa & Asia	115	(7)	550	92
Global Plants & Operational Excellence	9	(151)	206	125
Clean Ammonia	52	7	197	93
Industrial Solutions	106	7	509	170
Other and Eliminations	81	9	(74)	(109)
Total	777	148	3,827	1,068
EBITDA ³⁾				
Europe	257	159	1,226	664
Americas	313	277	1,852	991
Africa & Asia	144	23	659	248
Global Plants & Operational Excellence	57	141	396	570
Clean Ammonia	68	16	249	131
Industrial Solutions	139	38	642	288
Other and Eliminations	87	15	(65)	(88)
Total	1,065	669	4,959	2,804
Investments ³⁾				
Europe	133	100	352	302
Americas	52	58	238	174
Africa & Asia ⁴⁾	54	12	15	(1)
Global Plants & Operational Excellence	103	72	225	191
Clean Ammonia	6	2	22	9
Industrial Solutions	68	52	164	153
Other and Eliminations	10	17	26	26
Total	427	313	1,042	854

1) The comparative segment figures for 2021 have been restated due to a change in the structure of Yara's internal organization. The change impacts Yara Industrial Solutions and Other and Eliminations.

2) For definition and reconciliation, see section "Alternative performance measures".

3) Investment comprises property, plant and equipment, intangible assets, equity-accounted investees and other equity investments. The figures presented are capitalized amounts and may deviate from cash flow from investing activities due to timing of cash outflows.

4) The 2022 figure includes USD 45 million reduction to decommissioning assets mainly due to an increase in discount rate (2021: USD 50 million). For Q4 2022, the figure includes increase of decommission asset by USD 22 million (Q4 2021: decrease USD 11 million).

USD millions, except where indicated otherwise	2022	2021 Restated ¹⁾
Net operating profit after tax (NOPAT)²⁾		
Europe	722	302
Americas	1,185	288
Africa & Asia	419	74
Global Plants & Operational Excellence	155	94
Clean Ammonia	148	70
Industrial Solutions	396	136
Other and Eliminations	(43)	(62)
Total	2,981	903
Invested capital²⁾		
Yara ³⁾	11,603	11,363
Europe	2,923	2,486
Americas	4,214	3,954
Africa & Asia	2,040	1,910
Global Plants & Operational Excellence	1,081	1,623
Clean Ammonia	446	370
Industrial Solutions	1,385	1,136
ROIC²⁾		
Yara ³⁾	25.7 %	7.9 %
Europe	24.7 %	12.2 %
Americas	28.1 %	7.3 %
Africa & Asia	20.5 %	3.9 %
Global Plants & Operational Excellence	14.3 %	5.8 %
Clean Ammonia	33.1 %	18.8 %
Industrial Solutions	28.6 %	12.0 %

1) The comparative segment figures for 2021 have been restated due to a change in the structure of Yara's internal organization. The change impacts Yara Industrial Solutions and Other and Eliminations.

2) For definition and reconciliation, see section "Alternative performance measures". NOPAT, Invested Capital and ROIC are calculated on a 12-month rolling average basis.

3) A normalized operating cash requirement is employed in the ROIC calculation for Yara, but not for the segments. This effect explains the variance in ROIC, NOPAT and Invested Capital between Yara and the segments. For definition and reconciliation, see "Alternative performance measures" section for more information.

Reconciliation of operating income to EBITDA

USD millions	Operating income	Equity-accounted investees	Interest income and other financial income	Depreciation and amortization	Impairment loss	EBITDA
4Q 2022						
Europe	188	1	1	62	5	257
Americas	226	(2)	25	63	1	313
Africa & Asia	115	-	1	28	-	144
Global Plants & Operational Excellence	9	-	-	47	-	57
Clean Ammonia	52	-	-	14	2	68
Industrial Solutions	106	3	1	30	-	139
Other and Eliminations	81	-	5	1	-	87
Total	777	3	33	245	7	1,065
4Q 2021¹⁾						
Europe	110	1	1	67	(19)	159
Americas	173	7	13	58	26	277
Africa & Asia	(7)	-	-	30	-	23
Global Plants & Operational Excellence	(151)	-	-	50	242	141
Clean Ammonia	7	-	-	10	-	16
Industrial Solutions	7	1	1	29	-	38
Other and Eliminations	9	-	1	4	1	15
Total	148	9	16	247	250	669
2022						
Europe	953	5	4	251	13	1,226
Americas	1,486	9	91	251	15	1,852
Africa & Asia	550	-	3	104	2	659
Global Plants & Operational Excellence	206	-	-	186	4	396
Clean Ammonia	197	-	-	51	2	249
Industrial Solutions	509	10	3	119	-	642
Other and Eliminations	(74)	-	6	2	-	(65)
Total	3,827	25	108	964	35	4,959
2021¹⁾						
Europe	394	5	1	270	(6)	664
Americas	303	15	54	237	381	991
Africa & Asia	92	-	3	110	44	248
Global Plants & Operational Excellence	125	-	-	203	242	570
Clean Ammonia	93	-	-	38	-	131
Industrial Solutions	170	3	2	110	3	288
Other and Eliminations	(109)	-	4	16	2	(88)
Total	1,068	23	64	984	666	2,804

1) The comparative segment figures for 2021 have been restated due to a change in the structure of Yara's internal organization. The change impacts Yara Industrial Solutions and Other and Eliminations.

Disaggregation of external revenues by nature

USD millions	Fertilizer and chemical products	Freight/ insurance services	Other products and services	Total
4Q 2022				
Europe	1,310	30	14	1,355
Americas	1,699	39	2	1,740
Africa & Asia	779	12	1	792
Global Plants & Operational Excellence	1	-	15	16
Clean Ammonia	477	14	2	493
Industrial Solutions	956	49	16	1,021
Other and Eliminations	-	-	19	19
Total	5,222	144	70	5,437
4Q 2021¹⁾				
Europe	1,161	26	17	1,204
Americas	1,966	43	3	2,013
Africa & Asia	584	9	1	594
Global Plants & Operational Excellence	8	-	10	19
Clean Ammonia	365	14	2	382
Industrial Solutions	802	41	17	860
Other and Eliminations	4	-	12	15
Total	4,890	133	63	5,086
2022				
Europe	5,547	122	60	5,729
Americas	8,292	171	28	8,492
Africa & Asia	3,126	57	5	3,188
Global Plants & Operational Excellence	28	-	49	77
Clean Ammonia	1,875	64	7	1,946
Industrial Solutions	4,167	189	59	4,415
Other and Eliminations	4	-	51	55
Total	23,039	604	258	23,902
2021¹⁾				
Europe	3,732	103	50	3,885
Americas	6,410	168	9	6,587
Africa & Asia	2,330	49	5	2,384
Global Plants & Operational Excellence	16	-	35	51
Clean Ammonia	1,093	62	7	1,162
Industrial Solutions	2,290	144	47	2,481
Other and Eliminations	4	-	62	67
Total	15,876	526	215	16,617

1) The comparative segment figures for 2021 have been restated due to a change in the structure of Yara's internal organization. The change impacts Yara Industrial Solutions and Other and Eliminations.

Disaggregation of external revenues by geographical area ¹⁾

USD millions	Europe	Brazil	Latin America ex. Brazil	Asia	North America	Africa	Total
4Q 2022							
Europe	1,318	5	2	4	-	26	1,355
Americas	-	978	347	-	414	-	1,740
Africa & Asia	-	-	-	468	-	324	792
Global Plants & Operational Excellence	16	-	-	-	-	-	16
Clean Ammonia	-	118	8	176	192	-	493
Industrial Solutions	641	166	74	29	29	81	1,021
Other and Eliminations	14	-	-	4	1	-	19
Total	1,989	1,268	431	681	636	431	5,437
4Q 2021 ²⁾							
Europe	1,174	-	5	9	-	15	1,204
Americas	-	1,152	406	-	454	-	2,013
Africa & Asia	-	-	-	405	-	190	594
Global Plants & Operational Excellence	17	-	1	-	-	-	19
Clean Ammonia	-	62	10	154	155	-	382
Industrial Solutions	540	161	34	22	38	64	860
Other and Eliminations	9	-	(1)	8	-	-	15
Total	1,740	1,375	456	598	648	269	5,086
2022							
Europe	5,589	5	22	16	16	81	5,729
Americas	2	4,910	1,607	-	1,972	-	8,492
Africa & Asia	-	-	-	2,155	-	1,033	3,188
Global Plants & Operational Excellence	76	-	-	-	-	-	77
Clean Ammonia	-	391	42	696	818	-	1,946
Industrial Solutions	2,732	815	253	122	164	329	4,415
Other and Eliminations	30	-	-	21	3	-	55
Total	8,431	6,120	1,924	3,009	2,974	1,443	23,902
2021 ²⁾							
Europe	3,755	-	16	61	1	52	3,885
Americas	-	3,821	1,262	-	1,504	-	6,587
Africa & Asia	-	-	-	1,651	-	733	2,384
Global Plants & Operational Excellence	47	-	4	-	-	-	51
Clean Ammonia	6	186	44	472	453	-	1,162
Industrial Solutions	1,397	546	141	87	121	188	2,481
Other and Eliminations	41	-	-	24	1	-	67
Total	5,247	4,553	1,467	2,295	2,080	973	16,617

1) Disaggregation by geographical area is based on customer location.

2) The comparative segment figures for 2021 have been restated due to a change in the structure of Yara's internal organization. The change impacts Yara Industrial Solutions and Other and Eliminations.

Note 4 Business initiatives

Yara Clean Ammonia

On 4 May 2022 Yara announced that it is evaluating a potential initial public offering ("IPO") of its Yara Clean Ammonia business ("YCA") on the Oslo Stock Exchange. Consistent with Yara's ownership approach, the evaluation of a potential future listing is focused on attracting minority investors. It reflects Yara's strategic ambition to enable the hydrogen economy where clean ammonia will play a crucial role within zero-emission shipping fuels, power generation, green fertilizer production and other industrial applications.

YCA was established as a separate segment and business unit in February 2021 to focus on clean ammonia, i.e. green and blue ammonia. A potential IPO would raise capital to accelerate the growth of YCA, visualize the value of the business better and support increased management focus - for both YCA and Yara.

On 24 August 2022 Yara announced the completion of the internal reorganization and transfer of YCA to a wholly owned subsidiary of Yara by way of a demerger and a subsequent triangular merger.

Disposal of Salitre

The sale of Yara's Salitre phosphate mining project in Brazil to Eurochem was completed on 22 February 2022.

The assets and liabilities of the Salitre mining project were classified as a disposal group held-for-sale and

presented on separate lines within *Current assets* and *Current Liabilities* in the consolidated statement of financial position for 2021.

Upon signing of the agreement, the recoverable value of the Salitre assets was determined to be lower than their carrying amount, and the total impairment charge in 2021 was USD 337 million. The charge continued to be sensitive to USD/BRL currency development up until close of the transaction on 22 February 2022. The impairment in the first quarter of 2022 was USD 10 million, recognized on the line *Impairment loss* in the Statement of Income. The settlement of the transaction led to a loss of USD 10 million, of which USD 5 million was recognized in the first quarter and USD 5 million was recognized in the second quarter 2022. The amount was presented in the Statement of Income as *Other operating expenses*.

At completion, Yara received a cash consideration of USD 452 million. Net cash proceeds after deducting for cash in the business that is disposed is USD 440 million and was presented on the line *Cash flows from losing control of subsidiaries or other businesses* in the Condensed consolidated interim statement of cash flows in the first quarter 2022.

All amounts are included in the Americas segment.

Held-for-sale

The table below summarizes the major classes of assets and liabilities held for sale at 31 December 2021:

USD millions	Salitre	Other	Total
Intangible assets other than goodwill	2	-	2
Property, plant and equipment	375	22	397
Inventories	19	-	19
Prepaid expenses and other current assets	37	-	37
Non-current assets and disposal group held-for-sale	433	22	454
Non-current provisions	7	-	7
Trade and other current payables	2	8	10
Liabilities directly associated with disposal group held-for-sale	9	8	17

As of 31 December 2022, the amount recognized as held-for-sale is immaterial and is related to investments in Americas and Global Plants & Operational segment.

Note 5 Specifications

Other income and commodity derivative gain/(loss)

USD millions	4Q 2022	4Q 2021	2022	2021
Sale of white certificates	-	7	5	13
Insurance and other compensations	7	-	17	14
Supplier settlement	-	-	-	37
Commodity based derivatives gain/(loss)	18	(68)	94	(90)
Gain on sale of non-current assets	-	-	4	-
Other	3	6	30	16
Total	28	(55)	150	(9)

Note 6 Inventories

USD millions	Europe	Americas	Africa & Asia	Global Plants & Operational Excellence	Clean Ammonia	Industrial Solutions	Other and Eliminations	Total
31 Dec 2022								
Finished goods	989	769	503	123	-	197	(168)	2,413
Work in progress	59	2	8	44	-	50	-	164
Raw materials	223	827	15	184	146	112	(14)	1,494
Spare parts	93	56	29	70	-	46	-	294
Total 31 December 2022	1,365	1,654	555	421	146	405	(181)	4,365
Write-down, closing balance	(37)	(61)	(19)	(33)	(4)	(18)	30	(140)
31 Dec 2021								
Finished goods	606	622	473	165	-	165	(174)	1,857
Work in progress	54	1	1	35	-	39	-	130
Raw materials	133	1,272	24	78	121	102	(9)	1,722
Spare parts	92	57	28	72	-	44	2	294
Total 31 December 2021	885	1,952	526	350	121	350	(181)	4,003
Write-down, closing balance	(11)	(48)	(7)	(4)	-	(5)	35	(42)

Note 7 Interest-bearing debt and financial instruments at fair value

Contractual payments on long-term interest-bearing debt

USD millions	Debentures ¹⁾	Bank Loans	Other LT loans	Total
2024	157	181	8	346
2025	-	31	17	48
2026	712	31	8	750
2027	94	-	8	102
Thereafter	2,340	-	12	2,352
Total	3,302	242	53	3,597
Current portion	-	45	8	54
Total including current portion	3,302	287	62	3,651

1) Yara International ASA is responsible for the entire amount.

At 31 December 2022, the fair value of the long-term debt, including the current portion, is USD 3,381 million while the carrying value is USD 3,651 million. The difference between fair value and carrying value decreased by USD 127 million during the quarter as lower long-term risk-free rates and tighter credit spreads led to lower discount rates applied in the calculation of fair value.

In November, Yara completed a USD 600 million bond issue due 2032 with a coupon rate of 7.378% pursuant to rule 144A/Regulation S. The issue was made in accordance with the "Yara Green Financing Framework" and an amount equivalent to the proceeds will be exclusively allocated to finance and/or refinance, in whole or in part, Eligible Green Projects as defined in this Framework. The Framework is available at Yara's webpage under Investor Relations.

In December, Yara completed upon maturity the repayment of the SEK 450 million, SEK 800 million and NOK 1,250 million bonds issued in 2017. Also the associated SEK fixed-to-floating interest rate swap and the cross-currency swaps from NOK and SEK to USD were settled upon maturity.

In November, Yara signed a USD 250 million revolving credit facility with a tenor of 2 years. The facility remains fully undrawn at 31 December 2022, as does the USD 1,100 million revolving credit facility established in 2019. A further USD 820 million is available through unused short-term credit facilities with various banks.

Reconciliation of liabilities arising from financing activities

USD millions	31 December 2021	Cash flows	Non-cash changes					31 December 2022
			Additions and lease modifications	Foreign exchange movement	Amortization ¹⁾	Other	Reclassification	
Long-term interest-bearing debt	3,089	543	-	(33)	(2)	36 ²⁾	(35)	3,597
Short-term interest-bearing debt	337	(153)	-	(27)	-	-	-	157
Current portion of long-term debt	476	(409)	-	(47)	-	-	35	54
Lease liabilities	425	(149)	155	(21)	-	-	-	410
Total liabilities from financing activities	4,326	(169)	155	(128)	(2)	36	-	4,218

1) Amortization of transaction cost.

2) Other non-cash changes include USD 57 million increase related to financing of machinery acquired by a contractor which in substance is controlled by Yara. It also includes value changes on interest rate swaps designated as hedging instruments.

Financial instruments at fair value at end of period with corresponding gains and losses in the period

USD millions	2022	2021
Equity instruments	54	34
Derivatives, net	(132)	(154)
Financial liabilities	(15)	(27)
Financial instruments at fair value in the statement of financial position at end of period	(92)	(147)

USD millions	4Q 2022	4Q 2021	2022	2021
Gains and (losses) from financial instruments at fair value recognized in:				
Consolidated statement of income	84	(73)	(15)	(65)
Consolidated statement of comprehensive income	19	4	4	1
Total	103	(69)	(11)	(64)

There has been no transfer between levels of the fair value hierarchy used in measuring the fair value in the period.

Note 8 Non-current assets

USD millions	Property, plant and equipment (PP&E)		Goodwill	Intangible assets other than goodwill	Right-of-use assets
	PP&E other than AuC	Assets under construction (AuC)			
Carrying value					
2022					
Balance at 1 January 2022	6,553	581	789	132	421
Additions and lease modifications ¹⁾	605	391	-	21	156
Disposals	(19)	(25)	-	-	-
Transfers	375	(372)	-	-	-
Depreciation and amortization	(777)	-	-	(34)	(153)
Impairment loss	(32)	(2)	-	-	-
Foreign currency translation gain/(loss)	(279)	(26)	(35)	(8)	(21)
Balance at 31 December 2022	6,424	546	754	112	403
1) Additions to PP&E other than AuC in 2022 is USD 650 million. The net amount includes USD 45 million reduction to decommissioning assets related to buildings, this is mainly due to increase in discounting rate. Additions to PP&E also include machinery acquired by a contractor, which in substance is controlled by Yara (USD 57 million).					
2021					
Balance at 1 January 2021	6,991	1,588	831	157	430
Additions and lease modifications	449	343	7	40	146
Disposals	(41)	(4)	-	(8)	-
Transfers	440	(846)	-	(1)	6
Depreciation and amortization	(800)	-	-	(42)	(141)
Impairment loss	(201)	(468)	(31)	(6)	-
Reversal of impairment loss	31	10	-	-	-
Foreign currency translation gain/(loss)	(314)	(42)	(18)	(7)	(20)
Balance at 31 December 2021	6,553	581	789	132	421

Leases expensed in the period

Leases expensed in the quarter amounts to USD 14 million (2021: USD 11 million) and in 2022 USD 55 million (2021: USD 46 million), and refers to leases with variable payments, leases of low value, or leases of short term.

Note 9 Employee benefits

By the end of the fourth quarter, the defined benefit obligations have been remeasured following full actuarial valuations of all defined benefit plans, using revised financial and demographic assumptions, as well as updated membership data. Plan asset values have also been remeasured to reflect market value at the end of the quarter. The UK pension plan remains at a carrying amount of zero due to an unrecognized surplus funding position.

A remeasurement loss was recognized as an increase in the net pension liability of USD 4 million before tax in the fourth

quarter, whereas a remeasurement gain of USD 183 million before tax has been recognized in the year. The negative effect in other comprehensive income was USD 6 million (after tax) in the fourth quarter, but in the year the effect was positive with USD 140 million (after tax).

As of 31 December 2022 Yara has recognized plan assets of USD 215 million for surplus funded pension plans which is reported as Other non-current assets, and pension plan liabilities of USD 277 million reported as Employee benefits.

Note 10 Effects of price volatility and the war in Ukraine

Import restrictions, as well as several rounds of new sanctions, have been presented by the EU, UK, US and other countries following Russia's invasion of Ukraine. This has restricted, and will likely continue to restrict, trade with Russian and Belarus counterparties, both due to sanctions imposed on entities and individuals, and due to banking and logistical challenges.

Yara has historically sourced phosphate, potash and ammonia from Russia, and purchased significant volumes of natural gas for its production in Europe. Yara has stopped all sourcing from suppliers which are prohibited by sanctions in certain jurisdictions, and is utilizing its global sourcing, production and distribution capabilities with the objective to keep supplying customers and secure continuity in food supply chains.

To cater for the reduced volumes of ammonia from Russian producers, Yara has replaced these volumes by sourcing ammonia from other producers, including from producers in the Middle East, North Africa, North America and the Caribbean.

In the fourth quarter Yara adapted to market conditions by curtailing 0.35 million tonnes (30% of the Group's European capacity) and 0.57 million tonnes of finished fertilizer (14% of the Group's European capacity). As of the end of January 2023, Yara had curtailed an annual capacity of 1.7 million tonnes of ammonia (35% of the Group's European capacity) and 4.7 million tonnes of finished fertilizer (28% of the Group's European capacity). The curtailments are frequently adjusted according to market conditions.

For phosphates and potash Yara has increased sourcing from existing suppliers outside of Russia/Belarus and entered into contracts with new suppliers, which has secured supplies to our production system for 2022. There has been no material impact on Yara's production volumes so far due to lack of raw materials. There can be no assurance, however, that Yara will be able to continue to do so in the future, whether on commercially acceptable terms, within a reasonable amount of time, and as a result there could be a reduction in volumes sourced by Yara.

Accounts payables to companies linked to Russian sanctioned individuals amount to USD 221 million as of 31 December 2022. The amount is adjusted based on foreign currency rates at the balance sheet date. These payables are related to goods received before sanctions were implemented and are presented on the line "Trade and other current payables" in the statement of financial position. All were overdue as of 31 December 2022. Future settlements are dependent on the development in sanction regulations, so the timing of cash outflow is uncertain.

Yara has received contractual demands from suppliers that are linked to Russian sanctioned individuals, see note 11 Contingencies.

While raw material price increases in isolation are negative for Yara, higher end-product prices create offsetting positive effects, as higher grain prices improve farmers' profitability and demand incentives for agricultural inputs.

Note 11 Contingencies

Sanctions

Yara has certain long term supply agreements where sourcing has, to date, been stopped or terminated as a result of the political and economic import restrictions and sanctions that have been imposed against Russia and certain Russian entities and individuals. Yara, together with its advisors, are constantly reviewing the scope of the sanctions to ensure that the Group operates in accordance with relevant government regulation and contractual commitments. As the sanction regulations are complex and the assessments of the related impact on each business partner depend on several judgements, there is some uncertainty when drawing conclusions. The suppliers' assessments of the sanction regulation and the related impact on contractual commitments may therefore differ from Yara's conclusions, which could subject Yara to potential claims.

Yara has received contractual demands from suppliers

that are linked to Russian sanctioned individuals. For each of these demands, Yara has considered if it is probable that they will require outflow of resources. Based on available information and legal advice, Yara has not made material provisions for these demands. It is not possible to provide a reliable estimate of the potential exposure as these demands are not detailed with amounts.

Tax

Several subsidiaries are engaged in legal and administrative proceedings related to various disputed tax matters. There are no material changes to the tax related contingencies that were disclosed in the annual integrated report for 2021. A subsidiary received in 2022 a notification of potential changes to historic tax assessments combined with a request for more information. Yara disagrees with the basis for the notification which has a potential tax exposure of approximately USD 50 million.

Note 12 Post balance sheet events

Disposal of Yara Dallol B.V.

The Share Purchase Agreement with XLR Enterprises Limited to sell its ownership interest in the Dallol Mining project in Ethiopia as announced on 4 July 2022 was completed on 27 January 2023. Yara's full legal ownership interest in the project, together with all economic rights and all obligations and liabilities attaching or relating thereto, are transferred to XLR Enterprises at closing date. The accounting effect of the closing is immaterial.

Dividends

The Board will propose to the Annual General Meeting a dividend of NOK 55 per share for 2022.

Quarterly historical information

EBITDA

USD millions	4Q 2022	3Q 2022	2Q 2022	1Q 2022	4Q 2021 Restated ¹⁾	3Q 2021 Restated ¹⁾	2Q 2021 Restated ¹⁾	1Q 2021 Restated ¹⁾
Europe	257	306	321	342	159	145	169	190
Americas	313	386	638	515	277	283	289	142
Africa & Asia	144	198	211	107	23	90	89	47
Global Plants & Operational Excellence	57	(95)	240	194	141	145	168	116
Clean Ammonia	68	66	52	63	16	41	46	29
Industrial Solutions	139	139	171	192	38	65	106	79
Other and Eliminations	87	57	(117)	(92)	15	(18)	(68)	(16)
Total	1,065	1,057	1,514	1,323	669	750	799	586

¹⁾ The comparative segment figures for 2021 have been restated due to a change in the structure of Yara's internal organization. The change impacts Yara Industrial Solutions and Other and Eliminations.

Results

USD millions, except share information	4Q 2022	3Q 2022	2Q 2022	1Q 2022	4Q 2021	3Q 2021	2Q 2021	1Q 2021
Revenue and other income	5,464	6,222	6,453	5,912	5,032	4,486	3,947	3,142
Operating income	777	787	1,223	1,039	148	121	477	322
EBITDA	1,065	1,057	1,514	1,323	669	750	799	586
Net income attributable to shareholders of the parent	769	400	664	944	41	(143)	539	13
Basic earnings per share	3.02	1.57	2.61	3.71	0.16	(0.56)	2.10	0.05

Alternative performance measures

Yara makes regular use of certain non-GAAP financial alternative performance measures (APMs), both in absolute terms and comparatively from period to period. The APMs used are the following:

- Operating income
- EBITDA
- EBITDA excluding special items
- Return on invested capital (ROIC)
- Premium generated
- Fixed cost
- Net operating capital (days)
- Net interest-bearing debt
- Net debt / equity ratio
- Net debt / EBITDA excluding special items ratio
- Basic earnings per share excluding currency and special items

Definitions and explanations for the use of these APMs are described below, including reconciliations of the APMs to the most directly reconcilable line item, subtotal or total presented in the financial statements.

Operating income

Operating income is directly identifiable from Yara's consolidated statement of income and is considered key information understanding the Group's financial performance. It provides performance information covering all activities which normally are considered as "operating". Share of net income in equity-accounted investees is however not included.

EBITDA

Earnings before interest, tax, depreciation and amortization (EBITDA) is used for providing consistent information on Yara's operating performance and debt servicing ability. Such a measure is relative to other companies and frequently used by securities analysts, investors and other stakeholders. EBITDA, as defined by Yara, includes operating income, share of net income in equity-accounted investees, interest income and other financial income. It excludes depreciation, amortization and impairment loss, as well as amortization of excess values in equity-accounted investees. Yara's definition of EBITDA may differ from that of other companies.

EBITDA excluding special items

EBITDA excluding special items is used to better reflect the underlying performance in the reported period, adjusting for items which are not primarily related to the period in which they are recognized. Yara defines "special items" as items in the results which are not regarded as part of underlying business performance for the period. These comprise restructuring related items, contract derivatives, impairments and other items which are not primarily related to the period in which they are recognized, subject to a minimum value of USD 5 million per item within a 12-month period. "Contract derivatives" are commodity-based derivative gains or losses which are not the result of active exposure or position management by Yara. Together with impairments, these are defined as special items regardless of amount. See section "Special items" on page 8 for details on special items.

Reconciliation of operating income to EBITDA excluding effect of special items

USD millions		4Q 2022	4Q 2021	2022	2021
Operating income		777	148	3,827	1,068
Share of net income in equity-accounted investees		3	9	25	23
Interest income and other financial income		33	16	108	64
Depreciation and amortization		245	247	964	984
Impairment loss		7	250	35	666
Earnings before interest, tax and depreciation/amortization (EBITDA)		1,065	669	4,959	2,804
Special items included in EBITDA ¹⁾		2	96	(70)	87
EBITDA, excluding special items	A	1,067	765	4,889	2,891

1) See section "Special items" for details on special items.

Special items per operating segment included in EBITDA

USD millions	4Q 2022	4Q 2021	2022	2021
Europe	(1)	(5)	(11)	(13)
Americas	(6)	(21)	(26)	15
Africa & Asia	20	(67)	106	(83)
Global Plants & Operational Excellence	(2)	4	(2)	4
Clean Ammonia	-	(3)	(1)	1
Industrial Solutions	(11)	(2)	6	(9)
Other and Eliminations	(2)	(2)	(2)	(2)
Total special items included in EBITDA ¹⁾	(2)	(96)	70	(87)

1) See section "Special items" for details on special items.

EBITDA per operating segment, excluding special items

USD millions	4Q 2022	4Q 2021	2022	2021
Europe	258	164	1,237	677
Americas	319	298	1,878	975
Africa & Asia	124	90	554	331
Global Plants & Operational Excellence	59	137	398	566
Clean Ammonia	68	20	251	130
Industrial Solutions	151	40	636	297
Other and Eliminations	89	17	(63)	(86)
EBITDA, excluding special items ¹⁾	1,067	765	4,889	2,891

1) See section "Special items" for details on special items.

Reconciliation of net income to EBITDA

USD millions	4Q 2022	4Q 2021	2022	2021
Net income	766	(26)	2,782	384
Income tax expense	187	64	857	355
Interest expense and other financial items	54	44	260	164
Foreign currency translation (gain)/loss	(194)	91	61	251
Depreciation and amortization	245	247	964	984
Impairment loss	7	250	35	666
EBITDA	1,065	669	4,959	2,804

ROIC

Return on invested capital (ROIC) is defined as Net Operating Profit After Tax (NOPAT) divided by average invested capital calculated on a 12-months rolling average basis. NOPAT is defined as operating income excluding amortization and impairment of intangible assets other than goodwill, plus interest income from external customers, minus tax cost calculated on the previous mentioned items with a 25% flat rate, and plus net income from equity-accounted investees. Average invested capital is defined as total current assets excluding cash and cash equivalents,

plus a normalized cash level of USD 200 million, minus total current liabilities excluding short-term interest-bearing debt and current portion of long-term debt, plus property, plant and equipment, plus right-of-use assets, plus goodwill and plus equity-accounted investees.

NOPAT and average invested capital are defined and reconciled as components in the reporting of ROIC as an APM. They are not considered to be separate APMs.

Reconciliation of operating income to net operating profit after tax

USD millions		4Q 2022	4Q 2021	2022	2021
Operating income		777	148	3,827	1,068
Amortization and impairment of intangible assets		8	13	33	47
Interest income from external customers		20	15	81	58
Calculated tax cost (25% flat rate) on items above		(201)	(44)	(985)	(293)
Share of net income in equity-accounted investees		3	9	25	23
Net operating profit after tax (NOPAT)	B	606	141	2,981	903
Annualized NOPAT	C=Bx4	2,426	564		
12-month rolling NOPAT	C			2,981	903

Reconciliation of net income to net operating profit after tax

USD millions		4Q 2022	4Q 2021	2022	2021
Net income		766	(26)	2,782	384
Amortization and impairment of intangible assets		8	13	33	47
Interest income from external customers		20	15	81	58
Interest income and other financial income		(33)	(16)	(108)	(64)
Interest expense and other financial items		54	44	260	164
Foreign currency translation (gain)/loss		(194)	91	61	251
Income tax expense, added back		187	64	857	355
Calculated tax cost (25% flat rate)		(201)	(44)	(985)	(293)
Net operating profit after tax (NOPAT)	B	606	141	2,981	903
Annualized NOPAT	C=Bx4	2,426	564		
12-month rolling NOPAT	C			2,981	903

Reconciliation of invested capital and ROIC calculation

USD millions		4Q 2022	4Q 2021	2022	2021
Total current assets as reported		8,620	7,698	8,620	7,698
Cash and cash equivalents as reported		(1,010)	(394)	(1,010)	(394)
Normalized level of operating cash		200	200	200	200
Total current liabilities as reported		(4,338)	(5,544)	(4,338)	(5,544)
Short-term interest-bearing debt as reported		157	337	157	337
Current portion of long-term debt as reported		54	476	54	476
Current lease liabilities as reported		118	104	118	104
Property, plant and equipment as reported		6,970	7,133	6,970	7,133
Right-of-use assets as reported		403	421	403	421
Goodwill as reported		754	789	754	789
Equity-accounted investees		143	117	143	117
Adjustment for 3-months/12-months average		(201)	(9)	(468)	27
Invested capital	D	11,869	11,327	11,602	11,363
Return on invested capital (ROIC)	E=C/D	20.4 %	5.0 %	25.7 %	7.9 %

Premium generated

Yara reports the measure Premium Generated to provide information on its commercial performance for selected Premium Products, reflecting Yara's ability to grow premium offerings and to generate a positive price premium compared with alternative commodity products. The brief definition of

Premium Generated is total tonnage of delivered Premium NPKs and straight Nitrate fertilizers, multiplied by their associated price premiums. NPK premium is defined as Yara's average realized price for Premium NPKs benchmarked against a comparable and theoretically

calculated blend of global nitrogen (N), phosphorus (P) and potassium (K) prices, adjusted for variable bagging costs and logistical costs. The blend model is calculated using Urea Prilled FOB Black Sea, DAP FOB North Africa, and MOP FOB Vancouver / SOP FOB West Europe for the respective main nutrients. These commodity prices are derived from external publications. Costs for content of secondary and micro nutrients in Yara deliveries are deducted for comparability. The Nitrate premium is defined as Yara's average sales price for straight nitrates versus the

comparable value of urea. Comparability is achieved through adjusting the measures for relevant freight components and nitrogen content, such that both are represented in a theoretical delivered CIF bulk Germany value of CAN 27%. The urea reference applied is Urea Granular FOB Egypt, and the measure is adjusted for Sulphur content. The measurement includes estimates and simplified assumptions, however, it is considered to be of sufficient accuracy to assess the premium development over time. Market references applied are currently under revision.

Reconciliation of Premium generated

USD millions		2022	2021
Revenues ¹⁾ from premium NPKs and straight nitrates		7,956	5,318
Adjustments to revenues ²⁾		(666)	(615)
Adjusted revenues as basis for premium generated	F	7,290	4,703
Benchmark revenue for premium generated ³⁾	G	5,482	4,422
Calculated premium generated	H=F-G	1,808	280

1) IFRS revenues, ref. Yara Integrated Report 2021 page 138, Note 2.1 Revenue from contracts with customers.

2) Adjustments for logistical and bagging costs, incoterms, sulphur content, and homogenization of nutrient content (for nitrates).

3) Value of commodity fertilizers adjusted by nutrient content, secondary and micro nutrients in NPK, cost of coloring and incoterms. The commodity prices are derived from the external publications Fertecon, Fertilizer Week, Profercy, The Market and FMB. Market references applied are currently under revision.

Yara Improvement Program (YIP)

Yara has established a corporate program to drive and coordinate existing and new improvement initiatives, the Yara Improvement Program. At its Capital Markets Day on 26 June 2019, Yara launched an extended version of this program which distinguishes between three defined pillars; a) higher production returns and lower variable costs, b) leaner cost base, and c) smarter working capital management. At the same time, Yara moved to reporting operational metrics on underlying value drivers to provide information on project performance to management, and which Yara also considers to be relevant for external stakeholders. The operational metrics are reported on a rolling 12-months basis and include:

- production volume (kt),
- energy efficiency (Gj/T),
- fixed cost (USD millions), and
- net operating capital (days).

The fixed cost and the net operating capital measures represent financial alternative performance measures and are defined below.

Fixed cost is defined as the subtotal "Operating costs and expenses" in the consolidated statement of income minus variable product cost (raw materials, energy, freight), other variable operating expenses, depreciation, amortization and impairment loss. The reported amounts are adjusted for items which are not considered to be part of underlying business performance for the period (see section "Special items" for details on special items) as

well as items which relate to portfolio and structural changes. Previously the reported amounts were also adjusted for currency effects calculated by converting from local currency to reporting currency using baseline exchange rates as of 2018. With effect from fourth quarter 2022, Yara changed the exchange rates in this fixed cost definition and started adjusting for actual exchange rates for each year instead of adjusting for baseline exchange rates as of 2018. The rationale for this change is the significant variation in the USD exchange rates over the last four years and the corresponding significant currency effects in this KPI over time. The change to using actual exchange rates of the year enables a better understanding of the fixed cost development for stakeholders.

Net operating capital days are reported on a 12-months average basis and is defined as the net of credit days, inventory days and payable days. Credit days are calculated as trade receivables, adjusted for VAT payables, relative to total revenue and interest income from customers. Inventory days are calculated as the total inventory balance relative to product variable costs. Payable days are calculated as trade payables adjusted for payables related to investments, relative to supplier related operating costs and expenses.

As Yara Improvement Program performance measures are presented to report on the progress towards Yara's strategic goals, previous calendar year is considered to represent the relevant comparatives.

Reconciliation of operating costs and expenses to fixed cost

USD millions	2022	2021	2020	2019
Operating costs and expenses	20,224	15,540	10,551	11,946
Variable part of Raw materials, energy costs and freight expenses	(16,762)	(11,508)	(7,399)	(8,714)
Variable part of Other operating expenses	(64)	(37)	(31)	(25)
Depreciation and amortization	(964)	(984)	(919)	(923)
Impairment loss	(35)	(666)	(46)	(43)
Special items within fixed cost	(21)	(42)	(44)	(53)
Fixed cost ¹⁾	2,379	2,303	2,113	2,189

1) Fixed cost is calculated using actual exchange rate of the year, as explained above in the paragraph Yara Improvement Program (YIP).

Reconciliation of Net operating capital days

USD millions		2022	2021
Trade receivables as reported		2,305	2,138
Adjustment for VAT payables		(164)	(133)
Adjustment for 12-months average		257	(383)
Adjusted trade receivables (12-months average)	I	2,398	1,621
Revenue from contracts with customers		23,902	16,617
Interest income from external customers		78	54
Total revenue and interest income from customers	J	23,979	16,671
Credit days	$K=(I/J)*365$	36	35
Inventories as reported		4,365	4,003
Adjustment for 12-months average		219	(1,202)
Inventories (12-months average)	L	4,584	2,801
Raw materials, energy costs and freight expenses		18,078	12,803
Change in inventories of own products		(725)	(668)
Fixed product costs and freight expenses external customers		(1,606)	(1,753)
Product variable costs	M	15,747	10,383
Inventory days	$N=(L/M)*365$	106	98
Trade and other current payables as reported		2,549	3,188
Adjustment for other payables		(214)	(164)
Adjustment for payables related to investments		(221)	(162)
Adjustment for 12-months average		733	(1,004)
Trade payables (12-months average)	O	2,846	1,857
Operating costs and expenses		20,224	15,540
Depreciation and amortization		(964)	(984)
Impairment loss		(35)	(666)
Other non-supplier related costs		(733)	(668)
Operating costs and expenses, adjusted	P	18,493	13,222
Payable days	$Q=(O/P)*365$	56	51
Net operating capital days	$R=K+N-Q$	87	83

Capital structure measures

Yara reports the Group's net interest-bearing debt, net debt / equity ratio and net debt / EBITDA excluding special items ratio to provide information on the Group's financial position as references to the targeted capital structure as communicated in Yara's financial policy. In addition, Yara's reporting of net interest-bearing debt highlights key development factors which supplement the consolidated statement of cash flows. Net interest-bearing debt is defined by Yara as cash and cash

equivalents and other liquid assets, reduced for short-term and long-term (including current portion) interest-bearing debt, and lease liabilities. The net debt / equity ratio is calculated as net interest-bearing debt divided by shareholders' equity plus non-controlling interests. The Net Debt / EBITDA ratio is calculated as net interest-bearing debt divided by EBITDA excluding special items on a 12-months rolling basis.

Net interest-bearing debt

USD millions		31 Dec 2022	31 Dec 2021
Cash and cash equivalents		1,010	394
Other liquid assets		1	2
Short-term interest-bearing debt		(157)	(337)
Current portion of long-term debt		(54)	(476)
Current lease liabilities		(118)	(104)
Long-term interest-bearing debt		(3,597)	(3,089)
Non-current lease liabilities		(292)	(321)
Net interest-bearing debt	S	(3,206)	(3,930)

Net debt / equity ratio

USD millions		31 Dec 2022	31 Dec 2021
Net interest-bearing debt	S	(3,206)	(3,930)
Total equity	T	(8,600)	(7,116)
Net debt / equity ratio	$U=S/T$	0.37	0.55

Net debt / EBITDA excluding special items ratio

USD millions		31 Dec 2022	31 Dec 2021
Net interest-bearing debt	S	(3,206)	(3,930)
EBITDA, excluding special items (last 12 months)	A	4,889	2,891
Net debt / EBITDA excluding special items ratio	$V=(S)/A$	0.66	1.36

Basic earnings per share excluding currency and special items

Basic earnings per share (EPS) excluding currency and special items is an adjusted EPS measure which reflects the underlying performance in the reported period by adjusting for currency effects and items which are not primarily related to the period in which they are recognized.

This APM represent net income after non-controlling interests, excluding foreign currency translation gain/loss and special items after tax, divided by average number of shares outstanding in the period. The tax effect on foreign currency and special items is calculated based on relevant statutory tax rate for simplicity.

Earnings per share

USD millions, except earnings per share and number of shares		4Q 2022	4Q 2021	2022	2021
Weighted average number of shares outstanding	W	254,725,627	254,725,627	254,725,627	256,789,744
Net income attributable to shareholders of the parent	X	769	41	2,777	449
Foreign currency translation gain/(loss)	Y	194	(91)	(61)	(251)
Tax effect on foreign currency translation	Z	(48)	22	25	61
Non-controlling interest's share of foreign currency translation (gain)/loss, net after tax	AA	(2)	-	(3)	-
Special items within income before tax ¹⁾	AB	(9)	(345)	37	(751)
Tax effect on special items	AC	2	67	(22)	91
Special items within income before tax, net after tax	AD=AB+AC	(6)	(278)	15	(659)
Non-controlling interest's share of special items, net after tax	AE	-	(84)	-	(84)
Net income excluding currency and special items	AF=X-Y-Z+AA-AD+AE	627	304	2,797	1,215
Basic earnings per share	AG=X/W	3.02	0.16	10.90	1.75
Basic earnings per share excluding foreign currency translation and special items	AH=AF/W	2.46	1.19	10.98	4.73

1) See section "Special items" for details on special items.



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