



Knowledge grows



Yara first-quarter report 2023

- Weaker results compared with strong 1Q22, with steep market price declines impacting both sales volumes and margins
- Production curtailments of around 0.6 mt ammonia and 1.3 mt finished fertilizers for the quarter
- Earnings impacted by ~370 MUSD negative volume effect and 190 MUSD inventory write-downs, more than offsetting lower natural gas cost
- Improved operating cash flow including operating capital release
- Tighter nitrogen market into second quarter, with strong European demand at new season nitrate prices

Yara's first-quarter EBITDA excluding special items was USD 487 million compared with USD 1,346 million a year earlier, mainly reflecting reduced margins and lower deliveries. Excluding currency effects and special items, the basic earnings per share was USD 0.40 compared with USD 3.20 per share in first quarter 2022.

Highlights ¹⁾

USD millions, except where indicated otherwise	1Q 2023	1Q 2022
Revenue and other income	4,161	5,912
Operating income	199	1,039
EBITDA	489	1,323
EBITDA excl. special items	487	1,346
Net income/(loss)	105	947
Basic earnings/(loss) per share ²⁾	0.41	3.71
Basic earnings/(loss) per share excl. foreign currency exchange gain/(loss) and special items ²⁾	0.40	3.20
Net cash provided by/(used in) operating activities	503	315
Net cash provided by/(used in) investing activities	(268)	242
Net debt / equity ratio	0.35	0.42
Net debt / EBITDA excl. special items (last 12 months) ratio	0.75	0.94
Average number of shares outstanding (millions)	254.7	254.7
Return on invested capital (ROIC), quarterly annualized	5.7 %	27.7 %
Return on invested capital (ROIC), 12-month rolling average	20.1 %	12.7 %

Key statistics

	1Q 2023	1Q 2022
Yara production (thousand tonnes) ³⁾		
Ammonia	1,380	1,723
Finished fertilizer and industrial products, excl. bulk blends	4,043	4,863
Yara deliveries (thousand tonnes)		
Ammonia trade	417	443
Fertilizer	4,653	6,123
Industrial Product	1,499	1,801
Total deliveries	6,568	8,367
Yara's Energy prices (USD per MMBtu)		
Global weighted average gas cost ⁴⁾	15.6	20.9
European weighted average gas cost	24.5	30.4

1) See page 30-35 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) Including Yara's share of production in equity-accounted investees, excluding Yara-produced blends.

4) Excluding Babrala.

Variance analysis

USD millions	1Q 2023
EBITDA 2023	489
EBITDA 2022	1,323
Reported EBITDA variance	(833)
Special items variance (see page 7 for details)	25
EBITDA variance ex special items	(858)
Volume/Mix	(370)
Margin	(512)
Currency translation	28
Other	(4)
Total variance explained	(858)

First quarter

Yara's first-quarter EBITDA excluding special items was 858 MUSD lower than a year earlier, mainly reflecting lower deliveries and reduced margins, as lower selling prices more than offset lower production costs, and triggered inventory write-downs.

Europe

EBITDA excluding special items was 350 MUSD lower than a year earlier, as lower deliveries and lower fertilizer prices more than offset a reduction in production costs, and triggered inventory write-downs. Total deliveries were down 26%, as customers postponed purchasing in a declining price environment. Production was impacted by curtailments in some plants.

Americas

EBITDA excluding special items was 269 MUSD lower than a year earlier, mainly reflecting lower production margins in North America, lower commercial margins in Latin America and lower deliveries. Overall deliveries were down 28%, driven by supply overhangs and customers delaying purchases in a declining price environment.

Africa & Asia

EBITDA excluding special items was 56 MUSD lower than a year earlier, driven by lower deliveries, lower commercial margins and reduced ammonia production margins in

Pilbara, partly offset by higher production in Pilbara. Total deliveries were 9% lower, driven by a planned maintenance stop in the Babrala plant, partially offset by higher premium product deliveries in China and Africa.

Global Plants & Operational Excellence (GPOE)

EBITDA excluding special items was 163 MUSD lower than a year earlier, mainly reflecting reduced selling prices impacting production margins and 15% lower deliveries to other Yara segments due to reduced market demand.

Industrial Solutions

EBITDA excluding special items was 127 MUSD lower than a year earlier, driven by lower deliveries and declining market prices. Total deliveries were down 17%, mainly in Base Chemicals Europe due to reduced industrial activity in Europe and in Transport Reagents compared with record deliveries a year earlier.

Clean Ammonia

EBITDA excluding special items was 30 MUSD lower than a year earlier, driven by lower margins due to lower ammonia prices, higher fixed costs and inventory write-downs due to declining ammonia prices through the quarter. Total volumes were in line with a year earlier, but with an increased share of overseas flows driving higher freight costs.

Production volumes

Thousand tonnes	1Q 2023	1Q 2022
Ammonia	1,380	1,723
Urea	830	1,126
Nitrate	1,190	1,525
NPK	1,322	1,456
CN	434	458
UAN	182	229
SSP-based fertilizer	84	67
MAP	-	-
Total Finished Products	4,043	4,863

Deliveries

Crop Nutrition deliveries

	1Q 2023	1Q 2022
Thousand tonnes		
Urea	1,049	1,379
Nitrate	966	1,361
NPK	1,754	2,081
<i>of which Yara-produced compounds</i>	1,323	1,397
<i>of which blends</i>	397	523
CN	325	422
UAN	186	303
DAP/MAP/SSP	66	102
MOP/SOP	71	212
Other products	235	263
Total Crop Nutrition deliveries	4,653	6,123

Europe deliveries

	1Q 2023	1Q 2022
Thousand tonnes		
Urea	83	184
Nitrate	731	994
NPK	548	590
<i>of which Yara-produced compounds</i>	526	557
CN	67	93
Other products	241	387
Total deliveries Europe	1,670	2,249

Americas deliveries

	1Q 2023	1Q 2022
Thousand tonnes		
Urea	504	619
Nitrate	170	311
NPK	849	1,158
<i>of which Yara-produced compounds</i>	522	595
<i>of which blends</i>	320	437
CN	213	272
DAP/MAP/SSP	47	83
MOP/SOP	47	181
Other products	177	172
Total deliveries Americas	2,007	2,796
<i>of which North America</i>	731	905
<i>of which Brazil</i>	921	1,488
<i>of which Latin America ex Brazil</i>	356	403

Africa & Asia deliveries	1Q 2023	1Q 2022
Thousand tonnes		
Urea	462	576
Nitrate	66	56
NPK	356	333
<i>of which Yara-produced compounds</i>	275	245
CN	45	57
Other products	46	57
Total deliveries Africa & Asia	976	1,078
<i>of which Asia</i>	718	870
<i>of which Africa</i>	258	208

Industrial Solutions deliveries	1Q 2023	1Q 2022
Thousand tonnes		
Ammonia ¹⁾	95	133
Urea ¹⁾	284	380
Nitrate ²⁾	290	320
CN	47	52
Other products ³⁾	317	370
Water content in industrial ammonia and urea	466	546
Total Industrial Solutions deliveries	1,499	1,801

1) Pure product equivalents.

2) Including AN Solution.

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

Financial items

USD millions	1Q 2023	1Q 2022
Interest income	37	23
Interest income and other financial income	37	23
Interest expense	(65)	(58)
Net interest expense on net pension liability	-	(1)
Foreign currency exchange gain/(loss)	3	223
Other	(12)	2
Interest expense and foreign currency exchange gain/(loss)	(74)	166
Net financial income/(expense)	(37)	190

First quarter

The variance in financial items primarily reflects a USD 220 million lower net foreign currency exchange gain this quarter, compared with a year earlier.

This quarter the US dollar appreciated against most of Yara's other main currencies, generating losses on Yara's US dollar denominated debt positions. However, those losses were more than offset by gains on internal funding positions, mainly in European euro against the Norwegian krone. In the same quarter a year ago, around two thirds of the gain was due to a depreciation of the US dollar while the remaining gain came from internal funding positions.

Yara's accounting policy regarding foreign currency transactions is described on page 15 and in the integrated report for 2022 on pages 144 and 145.

The increase in interest income this quarter stems from higher cash deposits as a result of strong earnings in 2022.

The increase in interest expense this quarter mainly reflects higher floating interest rates. The average gross debt level was around USD 100 million higher than a year earlier.

At the end of the first quarter, the US dollar denominated debt position generating currency effects in the income statement was approximately USD 3,300 million, with the exposure primarily towards the Norwegian krone.

Income tax

First quarter

The effective tax rate for first quarter 2023 was 35%, while the effective tax rate was 23% in the same quarter a year earlier. The higher tax rate is mainly explained by tax losses

in certain countries not being recognized as deferred tax assets.

Cash flow

First quarter

Yara's operating cash inflow in first quarter 2023 was USD 188 million higher than a year earlier. The increase was driven by a release of operating capital compared to a year earlier, when a significant buildup of operating capital was experienced. The operating capital release was mainly driven by declining prices impacting receivables and inventories,

which more than offset decreasing payables. The investing cash outflow was USD 510 million higher than a year earlier, mainly reflecting proceeds of USD 440 million from the Salitre divestment a year earlier. Excluding the Salitre proceeds, the investing cash outflow was USD 70 million higher than a year earlier, mainly reflecting increased turnaround project activity.

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 have 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. Yara has responded to these fluctuations with partial curtailments of European production capacity when needed and will continue to use its global sourcing and production system to import ammonia to Europe and supply global customers where possible. In the first quarter Yara adapted to market conditions by curtailing 0.6 million tonnes ammonia (44% of its European capacity) and 1.3 million tonnes of finished fertilizer (30% of its European capacity). As of end of April 2023, Yara had curtailed an annual capacity of 2.8 million tonnes of ammonia (58% of its European capacity) and 3.9 million tonnes of finished products (23% of its European capacity). With a flexible asset footprint, Yara's position in supplying the European market remains strong as plants are situated near ports with infrastructure enabling imports of raw materials like ammonia to limit production costs when European gas prices are high.

Based on current forward markets for natural gas (19 April 2023) and assuming stable gas purchase volumes, Yara's gas cost for the second quarter 2023 is estimated to be USD 650 million lower than a year earlier. These estimates may change depending on future spot gas prices and local terms.

A declining price environment towards the end of 2022 and through the first quarter made farmers and distributors delay purchases, leaving season-to-date European nitrogen industry deliveries an estimated 7% behind a year earlier. However, the start of the second quarter has seen a tighter nitrogen market, with strong European demand at new season prices and improved farmer affordability metrics indicating higher nitrogen application rates.

On the global supply side, 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. In March, Yara announced that Yara and Enbridge have signed a letter of intent to jointly develop and construct a world scale low-carbon blue ammonia production facility at Enbridge Ingleside Energy Center. Clean ammonia from the US represents a significant opportunity for profitable decarbonization and the potential to drive increased adoption in new segments including shipping, power generation and as an energy carrier.

Yara's financial situation is robust, with a net debt / EBITDA excluding special items ratio of 0.75 and a net debt / equity ratio of 0.35 at the end of first quarter. An ordinary dividend for the 2022 fiscal year of NOK 55 per share has been proposed by the Board to the Annual General Meeting in June. Including this, pro-forma net debt / EBITDA ratio at the end of first quarter is 1.09 and the pro-forma net debt / equity ratio is 0.59. 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	
	iQ 2023	iQ 2022	iQ 2023	iQ 2022	iQ 2023	iQ 2022
Restructuring cost	-	(2)	-	(2)	-	(2)
Impairment of non-current assets	-	-	-	-	(3)	-
Contract derivatives gain/(loss)	-	-	2	(1)	2	(1)
Total Europe	-	(2)	2	(3)	(1)	(3)
Salitre divestment	-	(2)	-	(5)	-	(16)
Provision related to closure of plant	-	4	-	4	-	4
Total Americas	-	2	-	(2)	-	(12)
Contract derivatives gain/(loss)	-	-	-	(19)	-	(19)
Total Africa & Asia	-	-	-	(19)	-	(19)
Contract derivatives gain/(loss)	-	-	-	1	-	1
Total Clean Ammonia	-	-	-	1	-	1
Total Yara	-	-	2	(23)	(1)	(33)

Description and reconciliation of alternative performance measures are included on pages 30-35.

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 the 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/(loss) in 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	1Q 2023	1Q 2022	2022
Revenue from contracts with customers	3	4,136	5,926	23,902
Other income and commodity derivative gain/(loss)	5	25	(15)	150
Revenue and other income		4,161	5,912	24,051
Raw materials, energy costs and freight expenses		(3,077)	(4,416)	(18,078)
Change in inventories of own products		(205)	234	725
Payroll and related costs		(321)	(322)	(1,284)
Depreciation and amortization	8	(251)	(247)	(964)
Impairment loss	8	(3)	(11)	(35)
Expected and realized credit loss on trade receivables		3	(4)	(14)
Other operating expenses		(107)	(107)	(575)
Operating costs and expenses		(3,961)	(4,873)	(20,224)
Operating income		199	1,039	3,827
Share of net income/(loss) in equity-accounted investees		(1)	2	25
Interest income and other financial income		37	23	108
Foreign currency exchange gain/(loss)		3	223	(61)
Interest expense and other financial items		(77)	(57)	(260)
Income/(loss) before tax		161	1,231	3,639
Income tax expense		(56)	(284)	(857)
Net income/(loss)		105	947	2,782
Net income/(loss) attributable to				
Shareholders of the parent		104	944	2,777
Non-controlling interests		1	2	5
Net income/(loss)		105	947	2,782
Basic earnings/(loss) per share ¹⁾		0.41	3.71	10.90
Weighted average number of shares outstanding	2	254,725,627	254,725,627	254,725,627

1) 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	1Q 2023	1Q 2022	2022
Net income/(loss)	105	947	2,782
Other comprehensive income/(loss) that may be reclassified to statement of income in subsequent periods, net of tax			
Currency translation adjustments	107	1	(199)
Hedge of net investments	(38)	6	(70)
Net other comprehensive income/(loss) that may be reclassified to statement of income in subsequent periods, net of tax	68	7	(269)
Other comprehensive income/(loss) that will not be reclassified to statement of income in subsequent periods, net of tax			
Currency translation adjustments ¹⁾	(22)	13	(134)
Net gain/(loss) on equity instruments at fair value through other comprehensive income	-	-	13
Remeasurement gains/(losses) on defined benefit plans	-	37	140
Net other comprehensive income/(loss) that will not be reclassified to statement of income in subsequent periods, net of tax	(22)	50	19
Reclassification adjustments of the period	-	-	9
Other comprehensive income/(loss), net of tax	46	57	(242)
Total comprehensive income/(loss)	151	1,004	2,540
Total comprehensive income/(loss) attributable to			
Shareholders of the parent	151	1,003	2,538
Non-controlling interests	-	1	2
Total comprehensive income/(loss)	151	1,004	2,540

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 ²⁾	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 2021	63	(49)	(1,571)	(214)	8,883	(8)	7,104	13	7,116
Net income/(loss)	-	-	-	-	944	-	944	2	947
Other comprehensive income/(loss)	-	-	16	6	37	-	58	(1)	57
Total comprehensive income/(loss)	-	-	16	6	982	-	1,002	1	1,004
Long-term incentive plan	-	-	-	-	1	-	1	-	1
Balance at 31 March 2022	63	(49)	(1,555)	(208)	9,865	(8)	8,107	14	8,121
Net income/(loss)	-	-	-	-	1,833	-	1,833	2	1,835
Other comprehensive income/(loss)	-	-	(345)	(63)	103	8	(297)	(2)	(299)
Total comprehensive income/(loss)	-	-	(345)	(63)	1,936	8	1,536	-	1,536
Long-term incentive plan	-	-	-	-	(1)	-	(1)	-	(1)
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
Net income/(loss)	-	-	-	-	104	-	104	1	105
Other comprehensive income/(loss)	-	-	85	(38)	-	-	47	(1)	46
Total comprehensive income/(loss)	-	-	85	(38)	104	-	151	-	151
Long-term incentive plan	-	-	-	-	(2)	-	(2)	-	(2)
Balance at 31 March 2023	63	(49)	(1,816)	(309)	10,847	-	8,736	13	8,750

1) Par value NOK 1.70.

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

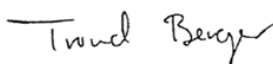
Condensed consolidated interim statement of financial position

USD millions	Notes	31 Mar 2023	31 Mar 2022	31 Dec 2022
Assets				
Non-current assets				
Deferred tax assets		488	485	449
Goodwill	8	760	797	754
Intangible assets other than goodwill	8	132	129	112
Property, plant and equipment	8	6,948	7,094	6,970
Right-of-use assets	8	405	442	403
Associated companies and joint ventures		148	136	147
Other non-current assets		550	499	526
Total non-current assets		9,430	9,582	9,363
Current assets				
Inventories	6	4,039	4,616	4,365
Trade receivables		2,096	2,937	2,305
Prepaid expenses and other current assets		891	836	932
Cash and cash equivalents		1,188	695	1,010
Non-current assets and disposal group classified as held-for-sale	4	8	19	9
Total current assets		8,222	9,104	8,620
Total assets		17,652	18,685	17,982

Condensed consolidated interim statement of financial position

USD millions, except share information	Notes	31 Mar 2023	31 Mar 2022	31 Dec 2022
Equity and liabilities				
Equity				
Share capital reduced for treasury shares		63	63	63
Premium paid-in capital		(49)	(49)	(49)
Total paid-in capital		14	14	14
Other reserves		(2,125)	(1,772)	(2,172)
Retained earnings		10,847	9,865	10,745
Total equity attributable to shareholders of the parent		8,736	8,107	8,587
Non-controlling interests		13	14	13
Total equity	2	8,750	8,121	8,600
Non-current liabilities				
Employee benefits		278	364	293
Deferred tax liabilities		467	449	473
Interest-bearing debt	7	3,576	3,067	3,597
Other non-current liabilities		183	75	158
Non-current provisions		243	246	231
Non-current lease liabilities		292	334	292
Total non-current liabilities		5,039	4,535	5,043
Current liabilities				
Trade and other current payables	9	2,181	3,306	2,549
Prepayments from customers		550	942	620
Current tax liabilities		212	284	288
Current provisions		61	60	92
Other current liabilities		512	716	460
Interest-bearing debt	7	227	602	210
Current lease liabilities		121	115	118
Liabilities associated with non-current assets and disposal group classified as held-for-sale	4	-	4	1
Total current liabilities		3,863	6,029	4,338
Total equity and liabilities		17,652	18,685	17,982
Number of shares outstanding	2	254,725,627	254,725,627	254,725,627

The Board of Directors and Chief Executive Officer
Yara International ASA
Oslo, 27 April 2023



Trond Berger
Chair



Jannicke Hilland
Vice chair



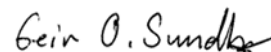
John Thuestad
Board member



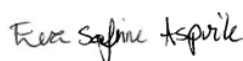
Rune Bratteberg
Board member



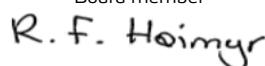
Tove Feld
Board member



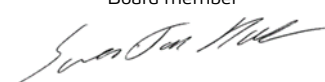
Geir O. Sundbø
Board member



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	1Q 2023	1Q 2022	2022
Operating activities				
Income/(loss) before tax		161	1,231	3,639
Adjustments to reconcile income/(loss) before tax to net cash provided by/(used in) operating activities				
Depreciation and amortization	8	251	247	964
Impairment loss	8	3	11	35
(Gain)/loss on disposal of non-current assets		(5)	1	34
Foreign currency exchange (gain)/loss		(3)	(223)	61
Finance income and expense		40	34	153
Income taxes paid		(191)	(134)	(627)
Interest paid ¹⁾		(27)	(43)	(236)
Interest received		46	13	103
Other		(24)	(18)	70
Working capital changes that provided/(used) cash				
Trade receivables		233	(752)	(299)
Inventories		365	(356)	(605)
Prepaid expenses and other current assets		36	(135)	(214)
Trade and other payables		(243)	119	(620)
Prepayments from customers		(86)	225	(6)
Other interest-free liabilities		(53)	96	(63)
Net cash provided by/(used in) operating activities		503	315	2,391
Investing activities				
Purchase of property, plant and equipment		(255)	(180)	(926)
Proceeds from sales of property, plant and equipment		2	3	16
Cash flows from losing control of subsidiaries or other businesses		-	440	456
Cash flows used in obtaining control of subsidiaries or other businesses		(3)	-	(29)
Purchase of other non-current assets		(14)	(23)	(32)
Proceeds from sales of other non-current assets		3	2	6
Net cash provided by/(used in) investing activities		(268)	242	(509)
Financing activities				
Loan proceeds ²⁾	7	40	4	613
Principal payments ²⁾	7	(32)	(231)	(633)
Payment of lease liabilities	7	(41)	(36)	(149)
Dividends paid	2	(17)	-	(1,054)
Other cash transfers (to)/from non-controlling interests		-	-	(1)
Net cash provided by/(used in) financing activities		(51)	(263)	(1,226)
Foreign currency effects on cash and cash equivalents		(6)	7	(42)
Net increase/(decrease) in cash and cash equivalents		178	301	614
Cash and cash equivalents at beginning of period ³⁾		1,011	397	397
Cash and cash equivalents at end of period ³⁾		1,189	699	1,011
Bank deposits not available for the use by the Group		152	71	102

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 2022. The accounting policies applied are the same as those applied in 2022 and implemented for 2023 as communicated in the annual consolidated financial statements incorporated in Yara's Integrated Report 2022.

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 exchange 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.

Note 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 judgments, estimates and assumptions related to inventory, impairment of assets, tax assets and liabilities, pensions liabilities, and joint arrangements as communicated in the consolidated financial statements as of 31 December 2022, also apply to these interim financial statements as well as the other key factors mentioned related to climate change, price

volatility and the war in Ukraine.

See Note 9 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

Yara International ASA will hold its Annual General Meeting on Monday 12 June 2023. The Board proposes that a dividend of NOK 55.00 per share is paid for the financial year 2022.

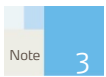
The Extraordinary General Meeting on 6 December 2022 approved an additional dividend of NOK 2,547 million (NOK 10.00 per share), which was paid out during fourth quarter 2022 (USD 258 million).

The Annual General Meeting on 10 May 2022 approved a dividend for 2021 of NOK 7,642 million (NOK 30.00 per share), which was 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.

Total number of shares outstanding as of 31 March 2023 is 254,725,627. Yara has not purchased or cancelled own shares in 2022 or 2023, and does not hold own shares as of 31 March 2023.



Operating segment information

Yara's operations comprise of the following operating segments:

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

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 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 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. In addition, the segment includes the global planning and optimization function, the product management function, the direct procurement functions, and the corporate Health, Environment, Safety and Quality (HESQ) function.

The Clean Ammonia segment contains Yara's ammonia sales and logistics 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 and provides optimized shipping solutions through use of a fleet of owned and time-chartered vessels. 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 commercial units: Transport Reagents, Mining Applications, Base Chemicals Europe, and Base Chemicals Americas. These commercial units are backed by six dedicated production plants across Europe, Latin America, Africa and Asia.

USD millions	1Q 2023	1Q 2022	2022
External revenue from contracts with customers			
Europe	1,122	1,604	5,729
Americas	1,340	2,010	8,492
Africa & Asia	616	741	3,188
Global Plants & Operational Excellence	13	15	77
Clean Ammonia	287	461	1,946
Industrial Solutions	736	1,084	4,415
Other and Eliminations	21	12	55
Total	4,136	5,926	23,902
Internal revenue			
Europe	275	331	1,390
Americas	192	289	1,240
Africa & Asia	137	190	976
Global Plants & Operational Excellence	681	1,128	4,277
Clean Ammonia	499	581	2,481
Industrial Solutions	99	145	517
Other and Eliminations	(1,882)	(2,665)	(10,883)
Total	-	-	-
Total revenue			
Europe	1,397	1,935	7,119
Americas	1,532	2,299	9,732
Africa & Asia	752	931	4,165
Global Plants & Operational Excellence	694	1,143	4,354
Clean Ammonia	787	1,042	4,428
Industrial Solutions	835	1,229	4,932
Other and Eliminations	(1,861)	(2,653)	(10,828)
Total	4,136	5,926	23,902
EBITDA ¹⁾			
Europe	(3)	342	1,226
Americas	248	515	1,852
Africa & Asia	70	107	659
Global Plants & Operational Excellence	32	194	396
Clean Ammonia	33	63	249
Industrial Solutions	65	192	642
Other and Eliminations	45	(92)	(65)
Total	489	1,323	4,959
Investments ²⁾			
Europe	45	26	352
Americas	25	41	238
Africa & Asia ³⁾	28	(42)	15
Global Plants & Operational Excellence	24	24	225
Clean Ammonia	15	1	22
Industrial Solutions	20	22	164
Other and Eliminations	9	19	26
Total	166	91	1,042

1) Refer to section "Alternative performance measures" for definition and relevant reconciliations.

2) Investments comprises additions to property, plant and equipment, intangible assets other than goodwill, associated companies and joint ventures, and equity instruments in the period. The figures presented are capitalized amounts and may deviate from net cash provided by/(used in) investing activities due to timing of cash outflows.

3) The 2022 figure includes a USD 45 million reduction of decommissioning assets, mainly due to an increase in discount rate. For 1Q 2023, the figure includes a USD 9 million increase to decommissioning assets (1Q 2022: reduction of USD 44 million).

USD millions	Apr 2022– Mar 2023	Apr 2021– Mar 2022	2022
Net operating profit after tax (NOPAT) ¹⁾			
Europe	463	420	722
Americas	984	557	1,185
Africa & Asia	392	120	419
Global Plants & Operational Excellence	36	153	155
Clean Ammonia	121	93	148
Industrial Solutions	296	219	396
Other and Eliminations	57	(117)	(43)
Total	2,349	1,445	2,981
Invested capital ²⁾			
Yara ²⁾	11,695	11,349	11,602
Europe	3,053	2,560	2,923
Americas	4,082	4,017	4,214
Africa & Asia	2,061	1,888	2,040
Global Plants & Operational Excellence	1,122	1,476	1,081
Clean Ammonia	424	400	446
Industrial Solutions	1,415	1,200	1,385
ROIC ¹⁾			
Yara ²⁾	20.1 %	12.7 %	25.7 %
Europe	15.2 %	16.4 %	24.7 %
Americas	24.1 %	13.9 %	28.1 %
Africa & Asia	19.0 %	6.3 %	20.5 %
Global Plants & Operational Excellence	3.2 %	10.4 %	14.3 %
Clean Ammonia	28.6 %	23.3 %	33.1 %
Industrial Solutions	20.9 %	18.2 %	28.6 %

1) NOPAT, Invested capital and ROIC are calculated on a 12-month rolling average basis. Refer to section "Alternative performance measures" for definitions and relevant reconciliations.

2) A normalized operating cash requirement is employed in the ROIC calculation for Yara, but not for the operating segments. This effect explains the variance in invested capital and ROIC between Yara and the operating segments.

Reconciliation of operating income to EBITDA ¹⁾

USD millions	Operating income	Share of net income in equity-accounted investees	Interest income and other financial income	Depreciation and amortization	Impairment loss	EBITDA
1Q 2023						
Europe	(69)	-	-	63	3	(3)
Americas	155	(2)	29	65	1	248
Africa & Asia	43	-	3	25	-	70
Global Plants & Operational Excellence	(15)	-	-	47	-	32
Clean Ammonia	17	-	-	16	-	33
Industrial Solutions	28	1	-	36	-	65
Other and Eliminations	41	-	4	-	-	45
Total	199	(1)	37	251	3	489
1Q 2022						
Europe	275	1	1	66	-	342
Americas	425	(1)	19	61	11	515
Africa & Asia	78	-	3	26	-	107
Global Plants & Operational Excellence	143	-	-	51	-	194
Clean Ammonia	52	-	-	12	-	63
Industrial Solutions	159	2	-	30	-	192
Other and Eliminations	(93)	-	-	1	-	(92)
Total	1,039	2	23	247	11	1,323
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

1) Refer to section "Alternative performance measures" for a reconciliation of net income to EBITDA.

Disaggregation of external revenues by nature

USD millions	Fertilizer and chemical products	Freight/ insurance services	Other products and services	Total
1Q 2023				
Europe	1,083	26	13	1,122
Americas	1,302	36	2	1,340
Africa & Asia	605	9	1	616
Global Plants & Operational Excellence	3	-	10	13
Clean Ammonia	274	12	1	287
Industrial Solutions	675	48	13	736
Other and Eliminations	-	-	20	21
Total	3,943	132	60	4,136
1Q 2022				
Europe	1,554	33	17	1,604
Americas	1,972	35	3	2,010
Africa & Asia	727	12	2	741
Global Plants & Operational Excellence	4	-	11	15
Clean Ammonia	443	16	1	461
Industrial Solutions	1,021	40	23	1,084
Other and Eliminations	-	-	12	12
Total	5,721	137	68	5,926
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

Disaggregation of external revenues by geographical area ¹⁾

USD millions	Europe	Brazil	Latin America ex. Brazil	North America	Africa	Asia	Total
1Q 2023							
Europe	1,087	5	5	2	20	4	1,122
Americas	1	612	290	437	-	-	1,340
Africa & Asia	-	-	-	-	214	402	616
Global Plants & Operational Excellence	13	-	-	-	-	-	13
Clean Ammonia	-	50	-	94	-	144	287
Industrial Solutions	443	136	47	23	52	36	736
Other and Eliminations	16	-	-	1	-	4	21
Total	1,559	803	342	557	284	590	4,136
1Q 2022							
Europe	1,570	-	9	1	21	3	1,604
Americas	-	1,014	352	643	-	-	2,010
Africa & Asia	-	-	-	-	204	537	741
Global Plants & Operational Excellence	15	-	-	-	-	-	15
Clean Ammonia	-	88	11	210	-	151	461
Industrial Solutions	664	206	60	51	73	30	1,084
Other and Eliminations	8	-	-	-	-	4	12
Total	2,257	1,309	432	905	298	725	5,926
2022							
Europe	5,589	5	22	16	81	16	5,729
Americas	2	4,910	1,607	1,972	-	-	8,492
Africa & Asia	-	-	-	-	1,033	2,155	3,188
Global Plants & Operational Excellence	76	-	-	-	-	-	77
Clean Ammonia	-	391	42	818	-	696	1,946
Industrial Solutions	2,732	815	253	164	329	122	4,415
Other and Eliminations	30	-	-	3	-	21	55
Total	8,431	6,120	1,924	2,974	1,443	3,009	23,902

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

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 operating 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.

On 31 March 2023, Yara announced the signing of a letter of intent with Enbridge Inc. to jointly develop and construct a world scale low-carbon blue ammonia production facility as equal partners. The facility (including autothermal reforming with carbon capture), will be located in Texas, United States. The total project investment is expected in the range of USD 2.6-2.9 billion, with production start-up in 2027/2028. The expected capacity is 1.2-1.4 million tonnes per annum.

Disposal of Yara Dallol B.V.

On 27 January 2023, Yara completed the sale of its ownership interest in the Dallol mining project in Ethiopia. The sale had immaterial impact on Yara's first quarter 2023 financial statements.

Note 5 Specifications

Other income and commodity derivative gain/(loss)

USD millions	1Q 2023	1Q 2022	2022
Sale of white certificates	3	2	5
Insurance and other compensations	17	-	33
Commodity based derivatives gain/(loss)	2	(19)	94
Gain on sale of non-current assets	-	-	4
Other	4	3	14
Total	25	(15)	150

Note 6 Inventories

USD millions	Europe	Americas	Africa & Asia	Global Plants & Operational Excellence	Clean Ammonia	Industrial Solutions	Other and Eliminations	Total
31 Mar 2023								
Finished goods	792	750	565	86	-	152	(106)	2,240
Work in progress	42	1	12	27	-	18	-	100
Raw materials	182	894	16	172	69	79	(15)	1,397
Spare parts	95	57	30	71	-	48	-	302
Total	1,111	1,703	623	356	69	298	(121)	4,039
Write-down, closing balance	(58)	(58)	(25)	(17)	(29)	(12)	51	(149)
31 Mar 2022								
Finished goods	697	783	559	164	-	167	(225)	2,146
Work in progress	52	1	1	46	-	16	-	117
Raw materials	164	1,468	32	77	179	144	(11)	2,052
Spare parts	93	60	29	73	-	48	-	301
Total	1,006	2,312	621	360	179	376	(236)	4,616
Write-down, closing balance	(7)	(6)	(5)	(2)	-	(5)	3	(24)
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	1,365	1,654	555	421	146	405	(181)	4,365
Write-down, closing balance	(37)	(61)	(19)	(33)	(4)	(18)	30	(140)

New write-downs recognized during 1Q 2023 amount to USD 190 million (1Q 2022: USD 26 million).

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

Specification of interest-bearing debt

USD millions	31 Mar 2023	31 Mar 2022	31 Dec 2022
Non-current liabilities			
Debenture bonds ¹⁾	3,297	2,772	3,302
Bank loans	226	272	242
Other loans	52	23	53
Total non-current interest-bearing debt	3,576	3,067	3,597
Current liabilities			
Current portion of non-current debt	54	473	54
Credit and overdraft facilities	173	129	157
Total current interest-bearing debt	227	602	210
Total interest-bearing debt	3,803	3,669	3,808

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

At 31 March 2023, the fair value of the non-current interest-bearing debt, including the current portion, is USD 3,397 million while the carrying value is USD 3,630 million. The difference between fair value and carrying value decreased by USD 37 million during the quarter as lower long-term risk-free rates led to lower discount rates applied in the calculation of the fair value.

There have been no significant changes in Yara's interest-bearing debt profile during the first quarter.

Yara's USD 1,350 million long-term revolving credit facilities remain completely undrawn. A further USD 820 million is available through unused short-term credit facilities with various banks.

Contractual payments on non-current interest-bearing debt

USD millions	Debenture loans	Bank Loans	Other loans	Total
2024	149	165	6	320
2025	-	31	18	48
2026	700	31	8	739
2027	90	-	8	97
Thereafter	2,358	-	13	2,371
Total	3,297	226	52	3,576

Reconciliation of liabilities arising from financing activities

USD millions	31 Dec 2022	Cash flows	Non-cash changes			31 Mar 2023
			Additions and lease modifications	Foreign exchange movement	Other	
Interest-bearing debt	3,808	8	-	(35)	21 ¹⁾	3,803
Lease liabilities	410	(41)	42	1	-	413
Total	4,218	(33)	42	(34)	21	4,215

¹⁾ Other non-cash changes include fair 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	31 Mar 2023	31 Mar 2022	31 Dec 2022
Equity instruments	54	39	54
Derivatives, net	(148)	(270)	(132)
Financial liabilities	(5)	(17)	(15)
Financial instruments at fair value in the statement of financial position at end of period	(99)	(248)	(92)

USD millions	1Q 2023	1Q 2022	2022
Gains and (losses) from financial instruments at fair value recognized in:			
Consolidated statement of income	2	(109)	(15)
Consolidated statement of comprehensive income	(49)	2	(76)
Total	(47)	(108)	(91)

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					
1Q 2023					
Balance at 1 January 2023	6,424	546	754	112	403
Additions and lease modifications	29	123	-	13	46
Transfers	68	(79)	-	14	(3)
Depreciation and amortization	(203)	-	-	(6)	(42)
Impairment loss	(2)	(1)	-	-	-
Foreign currency exchange gain/(loss)	36	6	6	(1)	1
Balance at 31 March 2023	6,354	594	760	132	405
1Q 2022					
Balance at 1 January 2022	6,553	581	789	132	421
Additions and lease modifications	(20)	86	-	3	57
Disposals	2	-	-	-	-
Transfers	41	(30)	-	-	-
Depreciation and amortization	(200)	-	-	(9)	(38)
Impairment loss	(9)	(2)	-	-	-
Foreign currency exchange gain/(loss)	88	5	7	3	2
Balance at 31 March 2022	6,454	640	797	129	442
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 exchange 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 was USD 650 million. The net amount included USD 45 million reduction to decommissioning assets related to buildings, this was mainly due to increase in discounting rate. Additions to PP&E also included machinery acquired by a contractor, which in substance is controlled by Yara (USD 57 million).

Leases expensed in the period

Leases expensed in the quarter amounts to USD 17 million (1Q 2022: USD 14 million), and refers to leases with variable payments, leases of low value, or leases of short term.

Note 9 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 first quarter Yara adapted to market conditions by curtailing 0.6 million tonnes ammonia (44% of the Group's European capacity) and 1.3 million tonnes of finished fertilizer (30% 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 Yara's production system. There has been no material impact on Yara's production volumes so far due to a 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 or 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 225 million as of 31 March 2023. 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 March 2023. 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 10 Contingencies.

Note 10 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 imposed against Russia and certain Russian entities and individuals. Yara, together with its advisors, is 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 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 at this time as these demands are not detailed with amounts and have not been sufficiently stipulated.

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 2022.

Quarterly historical information

EBITDA

USD millions	1Q 2023	4Q 2022	3Q 2022	2Q 2022	1Q 2022
Europe	(3)	257	306	321	342
Americas	248	313	386	638	515
Africa & Asia	70	144	198	211	107
Global Plants & Operational Excellence	32	57	(95)	240	194
Clean Ammonia	33	68	66	52	63
Industrial Solutions	65	139	139	171	192
Other and Eliminations	45	87	57	(117)	(92)
Total	489	1,065	1,057	1,514	1,323

Results

USD millions, except share information	1Q 2023	4Q 2022	3Q 2022	2Q 2022	1Q 2022
Revenue and other income	4,161	5,464	6,222	6,453	5,912
Operating income	199	777	787	1,223	1,039
EBITDA	489	1,065	1,057	1,514	1,323
Net income/(loss) attributable to shareholders of the parent	104	769	400	664	944
Basic earnings/(loss) per share	0.41	3.02	1.57	2.61	3.71

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/(loss) per share excluding foreign currency exchange gain/(loss) 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 7 for details on special items.

Reconciliation of operating income to EBITDA excluding effect of special items

USD millions		1Q 2023	1Q 2022	Apr 2022– Mar 2023	Apr 2021– Mar 2022	2022
Operating income		199	1,039	2,987	1,785	3,827
Share of net income/(loss) in equity-accounted investees		(1)	2	22	25	25
Interest income and other financial income		37	23	121	70	108
Depreciation and amortization		251	247	968	988	964
Impairment loss		3	11	27	672	35
Earnings before interest, tax and depreciation/amortization (EBITDA)		489	1,323	4,126	3,541	4,959
Special items included in EBITDA ¹⁾		(2)	23	(95)	111	(70)
EBITDA, excluding special items	A	487	1,346	4,031	3,652	4,889

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

Special items included in EBITDA per operating segment

USD millions	1Q 2023	1Q 2022	2022
Europe	2	(3)	(11)
Americas	-	(2)	(26)
Africa & Asia	-	(19)	106
Global Plants & Operational Excellence	-	-	(2)
Clean Ammonia	-	1	(1)
Industrial Solutions	-	-	6
Other and Eliminations	-	-	(2)
Total special items included in EBITDA ¹⁾	2	(23)	70

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

EBITDA per operating segment, excluding special items

USD millions	1Q 2023	1Q 2022	2022
Europe	(5)	345	1,237
Americas	248	516	1,878
Africa & Asia	70	126	554
Global Plants & Operational Excellence	32	194	398
Clean Ammonia	33	63	251
Industrial Solutions	65	192	636
Other and Eliminations	45	(92)	(63)
EBITDA, excluding special items ¹⁾	487	1,346	4,889

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

Reconciliation of net income/(loss) to EBITDA

USD millions	1Q 2023	1Q 2022	2022
Net income/(loss)	105	947	2,782
Income tax expense	56	284	857
Interest expense and other financial items	77	57	260
Foreign currency exchange (gain)/loss	(3)	(223)	61
Depreciation and amortization	251	247	964
Impairment loss	3	11	35
EBITDA	489	1,323	4,959

Return on invested capital (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 and a quarterly annualized basis. NOPAT is defined as operating income adding back amortization and impairment of intangible assets other than goodwill, as well as adding interest income from external customers and net income from equity-accounted investees, reduced with a tax cost calculated based on a 25% flat rate.

Average invested capital is defined as total current assets excluding cash and cash equivalents and adding a normalized cash level of USD 200 million, reduced for total current liabilities excluding current interest-bearing debt and current portion of non-current debt, and adding property, plant and equipment, right-of-use assets, goodwill and associated companies and joint ventures. 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	1Q 2023	1Q 2022	Apr 2022– Mar 2023	Apr 2021– Mar 2022	2022
Operating income	199	1,039	2,987	1,785	3,827
Amortization and impairment of intangible assets other than goodwill	6	9	31	46	33
Interest income from external customers	23	20	84	63	81
Calculated tax cost (25% flat rate) on items above	(57)	(267)	(776)	(473)	(985)
Share of net income/(loss) in equity-accounted investees	(1)	2	22	25	25
Net operating profit after tax (NOPAT)	170	803	2,349	1,445	2,981
Annualized NOPAT	681	3,213			
12-month rolling NOPAT			2,349	1,445	2,981

Reconciliation of net income/(loss) to net operating profit after tax

USD millions		1Q 2023	1Q 2022	Apr 2022– Mar 2023	Apr 2021– Mar 2022	2022
Net income/(loss)		105	947	1,940	1,317	2,782
Amortization and impairment of intangible assets		6	9	31	46	33
Interest income from external customers		23	20	84	63	81
Interest income and other financial income		(37)	(23)	(121)	(70)	(108)
Interest expense and other financial items		77	57	280	184	260
Foreign currency exchange (gain)/loss		(3)	(223)	282	(228)	61
Income tax expense, added back		56	284	628	607	857
Calculated tax cost (25% flat rate)		(57)	(267)	(776)	(473)	(985)
Net operating profit after tax (NOPAT)	B	170	803	2,349	1,445	2,981
Annualized NOPAT	C=Bx4	681	3,213			
12-month rolling NOPAT	C			2,349	1,445	2,981

Reconciliation of invested capital and ROIC calculation

USD millions		3-months average		12-months average		2022
		1Q 2023	1Q 2022	Apr 2022– Mar 2023	Apr 2021– Mar 2022	
Total current assets, as reported		8,222	9,104	8,222	9,104	8,620
Cash and cash equivalents, as reported		(1,188)	(695)	(1,188)	(695)	(1,010)
Normalized level of operating cash		200	200	200	200	200
Total current liabilities, as reported		(3,863)	(6,029)	(3,863)	(6,029)	(4,338)
Current interest-bearing debt, as reported		227	602	227	602	210
Current lease liabilities, as reported		121	115	121	115	118
Property, plant and equipment, as reported		6,948	7,094	6,948	7,094	6,970
Right-of-use assets, as reported		405	442	405	442	403
Goodwill, as reported		760	797	760	797	754
Associated companies and joint ventures		144	133	144	133	143
Adjustment for 3-months/12-months average		12	(155)	(280)	(413)	(468)
Invested capital	D	11,987	11,608	11,695	11,349	11,602
Return on invested capital (ROIC)	E=C/D	5.7 %	27.7 %	20.1 %	12.7 %	25.7 %

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 sulfur 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		Apr 2022– Mar 2023	2022
Revenues ¹⁾ from premium NPKs and straight nitrates		7,487	7,956
Adjustments to revenues ²⁾		(626)	(666)
Adjusted revenues as basis for premium generated	F	6,861	7,290
Benchmark revenue for premium generated ³⁾	G	4,716	5,482
Calculated premium generated	H=F–G	2,145	1,808

1) IFRS revenues, ref. Yara Integrated Report 2022 page 151, Note 2.1 Revenue from contracts with customers.

2) Adjustments for logistical and bagging costs, incoterms, sulfur 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.

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		Apr 2022– Mar 2023	2022
Operating costs and expenses		19,313	20,224
Variable part of Raw materials, energy costs and freight expenses		(15,854)	(16,762)
Variable part of Other operating expenses		(53)	(64)
Depreciation and amortization		(968)	(964)
Impairment loss		(27)	(35)
Special items within fixed cost		(20)	(21)
Fixed cost ¹⁾		2,391	2,379

Reconciliation of Net operating capital days

USD millions, except when days are indicated		Apr 2022– Mar 2023	2022
Trade receivables, as reported		2,096	2,305
Adjustment for VAT payables		(145)	(164)
Adjustment for 12-months average		405	257
Adjusted trade receivables (12-months average)	I	2,356	2,398
Revenue from contracts with customers		22,111	23,902
Interest income from external customers		79	78
Total revenue and interest income from customers	J	22,190	23,979
Credit days	$K=(I/J) * 365$	39	36
Inventories, as reported		4,039	4,365
Adjustment for 12-months average		531	219
Inventories (12-months average)	L	4,570	4,584
Raw materials, energy costs and freight expenses		16,738	18,078
Change in inventories of own products		(286)	(725)
Fixed product costs and freight expenses external customers		(1,532)	(1,606)
Product variable costs	M	14,920	15,747
Inventory days	$N=(L/M) * 365$	112	106
Trade and other current payables, as reported		2,181	2,549
Adjustment for other payables		(176)	(214)
Adjustment for payables related to investments		(102)	(221)
Adjustment for 12-months average		759	733
Trade payables (12-months average)	O	2,662	2,846
Operating costs and expenses		19,313	20,224
Depreciation and amortization		(968)	(964)
Impairment loss		(27)	(35)
Other non-supplier related costs		(1,190)	(733)
Operating costs and expenses, adjusted	P	17,128	18,493
Payable days	$Q=(O/P) * 365$	57	56
Net operating capital days	$R=K+N-Q$	94	87

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 current and non-current (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 Mar 2023	31 Dec 2022
Cash and cash equivalents		1,188	1,010
Other liquid assets		2	1
Current interest-bearing debt		(227)	(210)
Current lease liabilities		(121)	(118)
Non-current interest-bearing debt		(3,576)	(3,597)
Non-current lease liabilities		(292)	(292)
Net interest-bearing debt	S	(3,025)	(3,206)

Net debt / equity ratio

USD millions, except for ratio		31 Mar 2023	31 Dec 2022
Net interest-bearing debt	S	(3,025)	(3,206)
Total equity	T	(8,750)	(8,600)
Net debt / equity ratio	U=S/T	0.35	0.37

Net debt / EBITDA excluding special items ratio

USD millions, except for ratio		31 Mar 2023	31 Dec 2022
Net interest-bearing debt	S	(3,025)	(3,206)
EBITDA, excluding special items (last 12 months)	A	4,031	4,889
Net debt / EBITDA excluding special items ratio	V=(S)/A	0.75	0.66

Basic earnings/(loss) 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 represents net income after non-controlling interests, excluding foreign currency exchange 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/(loss) per share

USD millions, except earnings per share and number of shares		1Q 2023	1Q 2022	2022
Weighted average number of shares outstanding	W	254,725,627	254,725,627	254,725,627
Net income/(loss) attributable to shareholders of the parent	X	104	944	2,777
Foreign currency exchange gain/(loss)	Y	3	223	(61)
Tax effect on foreign currency exchange gain/(loss)	Z	(1)	(65)	25
Non-controlling interest's share of foreign currency exchange (gain)/loss, net after tax	AA	(1)	-	(3)
Special items within income before tax ¹⁾	AB	(1)	(33)	37
Tax effect on special items	AC	-	6	(22)
Special items within income before tax, net after tax	AD=AB+AC	-	(28)	15
Net income/(loss) excluding foreign currency exchange gain/(loss) and special items	AE=X-Y-Z+AA-AD	101	814	2,797
Basic earnings/(loss) per share	AF=X/W	0.41	3.71	10.90
Basic earnings/(loss) per share excluding foreign currency exchange gain/(loss) and special items	AG=AE/W	0.40	3.20	10.98

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



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