



Knowledge grows



Yara third-quarter report 2022

- Strong performance, optimizing Yara operations amid supply disruptions and gas price volatility
- Strong margins with improved returns across all commercial segments, more than offsetting lower deliveries
- Production impacted by gas-related curtailments and reliability issues
- NOK 10 per share additional dividend proposed and the Board will also consider further cash returns including share buy-backs in the coming quarters

Yara's third-quarter net income was USD 402 million compared with a net loss of USD 143 million a year earlier, mainly reflecting improved margins this quarter and lower net income in third quarter a year earlier due to impairment loss of USD 366 million. Excluding special items, EBITDA was USD 1,001 million compared with USD 765 million in third quarter 2021.

Highlights ¹⁾

USD millions, except where indicated otherwise	3Q 2022	3Q 2021	YTD 2022	YTD 2021
Revenue and other income	6,222	4,486	18,587	11,576
Operating income	787	121	3,050	920
EBITDA	1,057	750	3,894	2,135
EBITDA excl. special items	1,001	765	3,822	2,126
Net income	402	(143)	2,016	410
Basic earnings per share ²⁾	1.57	(0.56)	7.88	1.59
Basic earnings per share excl. foreign currency translation and special items ²⁾	2.00	1.33	8.52	3.54
Net cash provided by / (used in) operating activities	103	(91)	1,378	1,523
Net cash provided by / (used in) investing activities	(238)	(227)	(236)	(575)
Net debt/equity ratio	0.45	0.48	0.45	0.48
Net debt/EBITDA excl. special items (last 12 months) ratio	0.77	1.31	0.77	1.31
Average number of shares outstanding (millions)	254.7	254.7	254.7	257.5
Return on invested capital (ROIC) ³⁾	21.5 %	4.1 %	22.0 %	8.3 %

Key statistics

	3Q 2022	3Q 2021	YTD 2022	YTD 2021
Yara production (thousand tonnes) ⁴⁾				
Ammonia	1,531	1,819	4,942	5,503
Finished fertiliser and industrial products, excl. bulk blends	4,601	5,453	13,929	15,687
Yara deliveries (thousand tonnes)				
Ammonia trade	457	471	1,304	1,518
Fertiliser	5,629	7,588	17,535	21,786
Industrial Product	1,851	1,919	5,514	5,535
Total deliveries	7,937	9,979	24,353	28,839
Yara's Energy prices (USD per MMBtu)				
Global weighted average gas cost ⁵⁾	23.9	9.5	22.4	7.4
European weighted average gas cost	34.5	11.5	31.9	8.6

1) See page 32-39 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. Year-to-date numbers 12-months rolling average.

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

5) Excluding Babrala.

Variance analysis

USD millions	3Q 2022
EBITDA 2022	1,057
EBITDA 2021	750
Reported EBITDA variance	307
Special items variance (see page 7 for details)	72
EBITDA variance ex special items	235
Volume/Mix	(209)
Margin	438
Currency translation	43
Other	(37)
Total variance explained	235

Yara's third-quarter EBITDA excluding special items was 235 MUSD higher than a year earlier, mainly reflecting improved margins with higher selling prices more than offsetting increased production costs, lower deliveries and increased fixed costs.

Europe

EBITDA excluding special items was 160 MUSD higher than a year earlier, as higher fertilizer prices more than offset increased production costs. Deliveries were down 6% driven by the significant decline in commodity fertilizer deliveries.

Americas

EBITDA excluding special items was 101 MUSD higher than a year earlier, mainly reflecting increased nitrogen upgrading margins in North America as a result of a tight global nitrogen market. Overall deliveries were down 35% due to demand reduction driven by higher prices, reliability issues in North American plants and sanctions on Russian and Belarusian suppliers which mainly impacted commodity fertilizer deliveries.

Africa & Asia

EBITDA excluding special items was 53 MUSD higher than a year earlier driven by higher ammonia production margins in

Pilbara and improved margins on premium products. Total deliveries were 28% lower as high fertilizer prices and weaker farmer profitability in several countries impacted demand.

Global Plants & Operational Excellence (GPOE)

EBITDA excluding special items was 240 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 declined by 24%, due to a combination of reliability issues and gas-related curtailments.

Industrial Solutions

EBITDA excluding special items was 58 MUSD higher than a year earlier, driven by higher market prices in Europe amid increased production costs and supply shortages across the industry. Deliveries were down 4% mainly in the base chemical unit which saw lower demand as some customers have reduced or stopped production in Europe.

Clean Ammonia

EBITDA excluding special items was 28 MUSD higher than last year primarily driven by higher ammonia prices. Deliveries were in line with last year as sourcing from Russia was replaced by alternative supply from other countries and Yara's overseas assets.

Production volumes

	3Q 2022	3Q 2021	YTD 2022	YTD 2021
Thousand tonnes				
Ammonia	1,531	1,819	4,942	5,503
Urea	861	1,186	3,068	3,574
Nitrate	1,448	1,620	4,173	4,725
NPK	1,627	1,764	4,555	4,783
CN	449	477	1,342	1,329
UAN	168	249	606	689
SSP-based fertiliser	49	158	185	573
MAP	-	-	-	14
Total Finished Products	4,601	5,453	13,929	15,687

Deliveries

Crop Nutrition deliveries	3Q 2022	3Q 2021	YTD 2022	YTD 2021
Thousand tonnes				
Urea	1,006	1,467	3,702	4,637
Nitrate	1,183	1,327	3,415	4,091
NPK	2,212	2,966	6,333	7,695
<i>of which Yara-produced compounds</i>	1,468	1,649	4,210	4,698
<i>of which blends</i>	697	1,219	1,845	2,624
CN	341	405	1,185	1,351
UAN	242	297	859	1,058
DAP/MAP/SSP	150	280	442	762
MOP/SOP	261	534	772	1,200
Other products	234	312	827	992
Total Crop Nutrition deliveries	5,629	7,588	17,535	21,786

Europe deliveries	3Q 2022	3Q 2021	YTD 2022	YTD 2021
Thousand tonnes				
Urea	107	203	454	760
Nitrate	931	897	2,531	2,819
NPK	557	557	1,508	1,951
<i>of which Yara-produced compounds</i>	536	529	1,423	1,831
CN	73	98	260	359
Other products	310	348	1,040	1,167
Total deliveries Europe	1,979	2,104	5,793	7,055

Americas deliveries	3Q 2022	3Q 2021	YTD 2022	YTD 2021
Thousand tonnes				
Urea	387	622	1,505	2,040
Nitrate	180	296	688	965
NPK	1,381	1,959	3,831	4,381
<i>of which Yara-produced compounds</i>	726	757	2,030	1,747
<i>of which blends</i>	621	1,131	1,593	2,318
CN	217	255	770	850
DAP/MAP/SSP	138	258	399	687
MOP/SOP	239	514	701	1,120
Other products	146	244	598	827
Total deliveries Americas	2,688	4,149	8,492	10,870
<i>of which North America</i>	436	643	2,173	2,665
<i>of which Brazil</i>	1,763	2,904	5,006	6,582
<i>of which Latin America ex Brazil</i>	489	602	1,313	1,623

Africa & Asia deliveries	3Q 2022	3Q 2021	YTD 2022	YTD 2021
Thousand tonnes				
Urea	512	641	1,743	1,838
Nitrate	73	134	196	307
NPK	274	449	994	1,363
<i>of which Yara-produced compounds</i>	206	363	757	1,120
CN	50	52	156	143
Other products	54	60	161	211
Total deliveries Africa & Asia	963	1,336	3,250	3,861
<i>of which Asia</i>	715	987	2,550	2,950
<i>of which Africa</i>	248	349	700	912

Industrial Solutions deliveries	3Q 2022	3Q 2021	YTD 2022	YTD 2021
Thousand tonnes				
Ammonia ¹⁾	103	126	360	409
Urea ¹⁾	357	421	1,104	1,227
Nitrate ²⁾	346	338	978	916
CN	52	55	153	152
Other products ³⁾	483	454	1,292	1,280
Water content in industrial ammonia and urea	510	527	1,626	1,551
Total Industrial Solutions deliveries	1,851	1,919	5,514	5,535

1) Pure product equivalents.

2) Including AN Solution.

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

Financial items

USD millions	3Q 2022	3Q 2021	YTD 2022	YTD 2021
Interest income	29	15	75	48
Interest income and other financial income	29	15	75	48
Interest expense	(62)	(34)	(175)	(94)
Net interest expense on net pension liability	(1)	(1)	(3)	(3)
Net foreign currency translation gain/(loss)	(211)	(148)	(256)	(160)
Other	(14)	(7)	(29)	(23)
Interest expense and foreign currency translation gain/(loss)	(288)	(190)	(462)	(281)
Net financial income/(expense)	(259)	(175)	(387)	(232)

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

The increase in interest expense reflects both higher floating interest rates and a higher portion of the gross debt established in Latin American countries. The average gross debt level was around USD 150 million higher than a year earlier.

A significant appreciation of the US dollar against Yara's other main currencies generated a loss on Yara's US dollar denominated debt positions. Internal funding positions, mainly in European euro against the Norwegian krone,

generated a modest gain. In the same quarter a year ago, most of the reported loss also stemmed from the US dollar denominated debt positions. In that quarter there was an additional loss on internal funding positions, primarily in Brazilian real against the European euro and the Norwegian krone.

At the end of the third quarter, the US dollar denominated debt position generating currency effects in the income statement was approximately USD 2,700 million, with the exposure primarily towards the Norwegian krone.

Yara's accounting policy regarding foreign currency transactions is described on page 15 and in the integrated report for 2021, on pages 133 and 134.

Income tax

The effective tax rate for third quarter 2022 was 24.6%, while the effective tax rate for the same quarter last year was impacted by impairment of the Salitre project, which was recognized without any related tax effect. The effective tax

rate for third quarter last year was 30% when excluding the impact of this special item. The main reason for the higher underlying effective tax rate last year was currency effects on certain tax assets.

Cash flow

Yara's operating cash flow in third quarter 2022 was USD 194 million higher than a year earlier, as increase in operating income more than offset build up in operating capital. The operating capital build up was mainly driven by higher selling prices increasing receivables, in addition to a seasonal reduction in prepayments from customers in Brazil. The

financing cash flow was USD 850 million higher than a year earlier, mainly reflecting rollover on short term loans in the period, compared to an additional dividend payment of USD 554 million and redemption of shares held on behalf of the Norwegian state of USD 195 million a year earlier.

Outlook

The resilience of Yara's global business model is clearly demonstrated in the strong returns it has delivered in recent years, both in periods with very low and very high natural gas prices. As a result, Yara has generated considerable shareholder returns over time, in the form of both dividends and share price appreciation.

Going forward, the twin challenges of resource efficiency and environmental footprint require significant transformations within agriculture and the hydrogen economy, and Yara is strongly placed to lead this transformation. With its leading food solutions and ammonia positions Yara has a unique position to both address and create business growth opportunities from these challenges.

Yara's market environment is supportive, with continuity in food production and related value chains remaining a top priority globally. Global nitrogen prices have strengthened significantly over the past year, driven by continued demand growth and supply limitations linked to Chinese exports, Ukraine war, sanctions and natural gas price increases.

However, the operating environment remains challenging, primarily as a result of unprecedented gas price volatility in Europe. Yara continues to adapt to market conditions and has curtailments in several of its production plants, currently amounting to an annual capacity of 1,7 million tonnes of ammonia and 0,9 million tonnes of finished fertilizer. Yara will where possible continue to use its global sourcing and production system to supply customers, but cannot produce at negative margins.

Based on current forward markets for natural gas (11 October) and assuming stable gas purchase volumes, Yara's gas cost

for the fourth quarter 2022 are estimated to be USD 540 million higher than a year earlier. These estimates may change depending on future spot gas prices and local terms.

The global demand outlook remains strong driven by solid fundamentals, but market conditions vary between regions and crops. While global grain prices remain supportive, higher fertilizer prices have shifted optimal application rates lower. In Europe, farmers have sought to secure part of their fertilizer needs for the spring application during third quarter, while other regions have seen a more pronounced slowdown in buying.

The supply outlook indicates a continued tight supply situation going forward. In Europe, fertilizer inventories remain at historically low levels, and there is a risk of nitrogen shortages and price spikes during winter, especially if natural gas availability deteriorates. Globally, industry consultant projections show new nitrogen capacity additions in 2022 and 2023 above historical trend demand growth, followed by significantly lower supply growth in 2024 and beyond.

Yara's financial situation is robust, with a net debt / EBITDA ratio of 0.77 and a net debt / equity ratio of 0.45 at the end of third 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 10 per share additional dividend to be paid in fourth quarter. The Board will also consider further cash returns including share buy-backs in the coming quarters.

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			
	3Q 2022	3Q 2021	YTD 2022	YTD 2021	3Q 2022	3Q 2021	YTD 2022	YTD 2021	3Q 2022	3Q 2021	YTD 2022	YTD 2021
Restructuring cost	-	(1)	(3)	(6)	-	(1)	(3)	(6)	-	(1)	(3)	(6)
Impairment of non-current assets	-	-	-	-	-	-	-	-	(2)	(3)	(8)	(14)
Contract derivatives gain/(loss)	-	-	-	-	(2)	(2)	(6)	(2)	(2)	(2)	(6)	(2)
Total Europe	-	(1)	(3)	(6)	(2)	(2)	(10)	(8)	(5)	(5)	(18)	(22)
Settlement of employee benefit plan	-	-	-	2	-	-	-	2	-	-	-	2
Supplier settlement	-	-	-	-	-	-	-	37	-	-	-	37
Salitre divestment	-	(2)	(2)	(2)	-	(2)	(11)	(2)	-	(358)	(21)	(358)
Provision related to closure of plant	-	-	4	-	-	-	4	-	-	-	4	-
Impairment of non-current assets	-	-	-	-	-	-	-	-	-	-	(3)	-
Scrapping of project development	-	-	-	-	-	-	(13)	-	-	-	(13)	-
Total Americas	-	(2)	2	(1)	-	(2)	(20)	36	-	(358)	(34)	(319)
Loss on sold asset	-	-	-	-	(7)	-	(7)	-	(7)	-	(7)	-
Supplier claim compensation	-	-	-	-	-	8	9	8	-	8	9	8
Impairment of non-current assets	-	-	-	-	-	-	-	-	-	(8)	(2)	(43)
Contract derivatives gain/(loss)	-	-	-	-	49	(21)	84	(24)	49	(21)	84	(24)
Total Africa & Asia	-	-	-	-	42	(13)	86	(16)	42	(21)	84	(59)
Impairment of non-current assets	-	-	-	-	-	-	-	-	-	-	(4)	-
Total Global Plants & Operational Excellence	-	-	-	-	-	-	-	-	-	-	(4)	-
Reimbursement asset acquisition	-	-	-	-	17	-	17	-	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)
Total Industrial Solutions	-	-	-	(7)	17	-	17	(7)	17	-	17	(10)
Contract derivatives gain/(loss)	-	-	-	-	-	3	(1)	5	-	3	(1)	5
Total Clean Ammonia	-	-	-	-	-	3	(1)	5	-	3	(1)	5
Total Other and Eliminations	-	-	-	-	-	-	-	-	-	-	-	-
Total Yara	-	(3)	(2)	(14)	57	(15)	72	9	54	(381)	45	(406)

Description and reconciliation of alternative performance measures are included on page 32-39.

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	3Q 2022	3Q 2021	YTD 2022	YTD 2021	2021
Revenue from contracts with customers	3	6,148	4,495	18,465	11,530	16,617
Other income and commodity derivative gain/(loss)	5	74	(9)	122	46	(9)
Revenue and other income		6,222	4,486	18,587	11,576	16,607
Raw materials, energy costs and freight expenses		(5,065)	(3,652)	(14,207)	(8,628)	(12,803)
Change in inventories of own products		289	301	747	352	668
Payroll and related costs		(291)	(298)	(938)	(924)	(1,270)
Depreciation and amortization	8	(234)	(244)	(719)	(736)	(984)
Impairment loss	8	(3)	(366)	(28)	(416)	(666)
Expected and realized credit loss on trade receivables		-	-	(6)	-	(6)
Other operating expenses		(131)	(106)	(386)	(303)	(479)
Operating costs and expenses		(5,435)	(4,365)	(15,537)	(10,656)	(15,540)
Operating income		787	121	3,050	920	1,068
Share of net income in equity-accounted investees		5	3	23	14	23
Interest income and other financial income		29	15	75	48	64
Foreign currency translation gain/(loss)		(211)	(148)	(256)	(160)	(251)
Interest expense and other financial items		(77)	(42)	(206)	(120)	(164)
Income before tax		533	(50)	2,685	702	739
Income tax expense		(131)	(92)	(669)	(291)	(355)
Net income		402	(143)	2,016	410	384
Net income attributable to						
Shareholders of the parent		400	(143)	2,008	409	449
Non-controlling interests ¹⁾		2	-	8	2	(65)
Net income		402	(143)	2,016	410	384
Basic earnings per share ²⁾		1.57	(0.56)	7.88	1.59	1.75
Weighted average number of shares outstanding	2	254,725,627	254,725,627	254,725,627	257,485,344	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	3Q 2022	3Q 2021	YTD 2022	YTD 2021	2021
Net income		402	(143)	2,016	410	384
Other comprehensive income that may be reclassified to statement of income (net of tax)						
Currency translation adjustments		(235)	(102)	(391)	(86)	(132)
Hedge of net investments		(54)	(19)	(129)	(22)	(21)
Net other comprehensive income/(loss) that may be reclassified to statement of income in subsequent periods, net of tax		(289)	(121)	(520)	(108)	(154)
Other comprehensive income that will not be reclassified to statement of income in subsequent periods (net of tax)						
Currency translation adjustments ¹⁾		(54)	(44)	(181)	(45)	(45)
Net gain/(loss) on equity instruments at fair value through other comprehensive income		-	-	-	-	4
Remeasurement gains/(losses) on defined benefit plans	9	13	29	145	130	170
Net other comprehensive income that will not be reclassified to statement of income in subsequent periods, net of tax		(41)	(16)	(36)	86	129
Reclassification adjustments of the period		9	-	9	-	-
Total other comprehensive income, net of tax		(320)	(137)	(547)	(22)	(25)
Total comprehensive income, net of tax		82	(279)	1,469	388	359
Total comprehensive income attributable to						
Shareholders of the parent		80	(279)	1,463	387	425
Non-controlling interests		2	-	6	1	(66)
Total		82	(279)	1,469	388	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	-	-	-	-	409	-	409	2	410
Other comprehensive income, net of tax	-	-	(130)	(22)	130	-	(22)	-	(22)
Total comprehensive income, net of tax	-	-	(130)	(22)	539	-	387	1	388
Treasury shares ²⁾	(1)	-	-	-	(247)	-	(248)	-	(248)
Dividends distributed	-	-	-	-	(1,214)	-	(1,214)	(1)	(1,215)
Balance at 30 September 2021	63	(49)	(1,531)	(219)	8,801	-	7,065	80	7,145
Net income	-	-	-	-	41	-	41	(67)	(26)
Other comprehensive income, net of tax	-	-	(48)	5	40	-	(2)	-	(2)
Total comprehensive income, net of tax	-	-	(48)	5	81	-	38	(67)	(29)
Long term incentive plan	-	-	-	-	1	-	1	-	1
Disposal group for sale	-	-	8	-	-	(8)	-	-	-
Balance at 31 December 2021	63	(49)	(1,571)	(214)	8,883	(8)	7,104	13	7,116
Net income	-	-	-	-	2,008	-	2,008	8	2,016
Other comprehensive income, net of tax	-	-	(569)	(129)	145	8	(545)	(2)	(547)
Total comprehensive income, net of tax	-	-	(569)	(129)	2,153	8	1,463	6	1,469
Dividends distributed	-	-	-	-	(797)	-	(797)	(1)	(798)
Balance at 30 September 2022	63	(49)	(2,140)	(343)	10,239	-	7,770	17	7,787

1) Par value NOK 1.70.

2) As approved by General Meeting 7 May 2021.

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

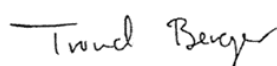
Condensed consolidated interim statement of financial position

USD millions	Notes	30 Sep 2022	30 Sep 2021	31 Dec 2021
Assets				
Non-current assets				
Deferred tax assets		481	461	504
Goodwill	8	741	793	789
Intangible assets other than goodwill	8	104	137	132
Property, plant and equipment	8	6,463	7,406	7,133
Right-of-use assets	8	383	412	421
Associated companies and joint ventures		141	112	120
Other non-current assets		453	357	476
Total non-current assets		8,766	9,678	9,574
Current assets				
Inventories	6	4,615	3,263	4,003
Trade receivables		2,774	1,772	2,138
Prepaid expenses and other current assets		1,031	594	708
Cash and cash equivalents		512	488	394
Non-current assets and disposal group classified as held-for-sale	4	8	430	454
Total current assets		8,940	6,546	7,698
Total assets		17,706	16,222	17,272

Condensed consolidated interim statement of financial position

USD millions, except share information	Notes	30 Sep 2022	30 Sep 2021	31 Dec 2021
Equity and liabilities				
Equity				
Share capital reduced for treasury stock		63	63	63
Premium paid-in capital		(49)	(49)	(49)
Total paid-in capital		14	14	14
Other reserves		(2,483)	(1,751)	(1,793)
Retained earnings		10,239	8,801	8,883
Total equity attributable to shareholders of the parent		7,770	7,065	7,104
Non-controlling interests		17	80	13
Total equity	2	7,787	7,145	7,116
Non-current liabilities				
Employee benefits	9	259	415	399
Deferred tax liabilities		449	471	443
Long-term interest-bearing debt	7	2,980	3,146	3,089
Other non-current liabilities		201	128	77
Non-current provisions		197	295	283
Non-current lease liabilities		276	311	321
Total non-current liabilities		4,362	4,766	4,612
Current liabilities				
Trade and other current payables	10	3,241	2,478	3,188
Prepayments from customers		626	758	634
Current tax liabilities		366	64	166
Short-term provisions		71	84	74
Current portion of long-term debt	7	281	285	476
Short-term interest-bearing debt	7	396	90	337
Other current liabilities		465	435	549
Current lease liabilities		110	107	104
Liability associated with disposal group classified as held-for-sale	4	1	8	17
Total current liabilities		5,557	4,311	5,544
Total equity and liabilities		17,706	16,222	17,272
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, 19 October 2022



Trond Berger
Chair



Jannicke Hilland
Vice chair




Håkon Reistad Fure
Board member



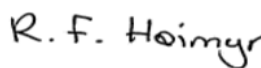
John Thuestad
Board member



Rune Bratteberg
Board member




Tove Feld
Board member



Ragnhild Flesland Høimyr
Board member



Geir O. Sundbø
Board member



Eva Safrine Aspvik
Board member



Svein Tore Holsether
President and CEO

Condensed consolidated interim statement of cash flows

USD millions	Notes	3Q 2022	3Q 2021	YTD 2022	YTD 2021	2021
Operating activities						
Net income/(loss) before taxes		533	(50)	2,685	702	739
Adjustments to reconcile net income/(loss) to net cash provided by operating activities						
Depreciation and amortization	8	234	244	719	736	984
Impairment loss	8	3	366	28	416	666
(Gain)/loss on disposal of non-current assets		1	(2)	18	(9)	9
Net foreign currency translation loss/(gain)		211	148	256	160	251
Adjustment for finance income and expense		48	27	132	72	100
Income taxes paid		(106)	(110)	(389)	(200)	(350)
Interest paid ¹⁾		(23)	(17)	(129)	(83)	(166)
Interest received		27	16	68	51	68
Bank charges		(13)	(5)	(29)	(20)	(15)
Other		-	23	(12)	(33)	(36)
Working capital changes that provided/(used) cash						
Trade receivables		(420)	(79)	(868)	(339)	(743)
Inventories		(69)	(747)	(962)	(1,244)	(2,042)
Prepaid expenses and other current assets		(122)	(26)	(375)	(41)	(113)
Trade and other payables		(27)	446	237	984	1,669
Prepayments from customers		(274)	(359)	15	396	291
Other interest-free liabilities		102	34	(15)	(25)	95
Net cash provided by operating activities		103	(91)	1,378	1,523	1,406
Investing activities						
Purchases of property, plant and equipment		(236)	(195)	(642)	(525)	(809)
Proceeds from sales of property, plant and equipment		5	3	11	9	15
Cash flows from losing control of subsidiaries or other businesses	4	13	-	453	-	-
Cash flows used in obtaining control of subsidiaries or other businesses		(25)	(26)	(29)	(43)	(43)
Net sales/(purchases) of short-term investments		-	-	-	(1)	(1)
Purchases of other long-term assets		3	(8)	(34)	(22)	(49)
Proceeds from sales of other long-term assets		3	-	6	7	14
Net cash provided by/(used in) investing activities		(238)	(227)	(236)	(575)	(874)
Financing activities						
Loan proceeds ²⁾	7	324	37	260	44	451
Principal payments ²⁾	7	(201)	(17)	(349)	(222)	(235)
Payments of lease liabilities	7	(38)	(36)	(110)	(107)	(142)
Purchase of treasury shares	2	-	(195)	-	(363)	(363)
Dividends	2	-	(554)	(796)	(1,179)	(1,214)
Other cash transfers (to)/from non-controlling interests		-	-	(1)	(1)	(1)
Net cash used in financing activities		86	(764)	(996)	(1,827)	(1,504)
Foreign currency effects on cash and cash equivalents		(18)	(13)	(30)	6	4
Net increase/(decrease) in cash and cash equivalents		(67)	(1,095)	116	(874)	(968)
Cash and cash equivalents at beginning of period ³⁾		580	1,586	397	1,365	1,365
Cash and cash equivalents at end of period ³⁾		513	491	513	491	397
Bank deposits not available for the use of other group companies				133	51	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

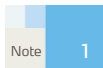
Yara (the Group) consists of Yara International ASA and its subsidiaries. Yara International ASA is a public limited company incorporated in Norway. The address of its registered office is Drammensveien 131, Oslo, Norway.

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.



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 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 is expected to have 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 and provisions for expected credit losses, 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's direct investments in Russia and Ukraine are limited.

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 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).

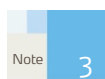
On 10 May 2022, the Annual General Meeting also authorized the Board of Directors to acquire up to 12,736,281 shares in the open market and from the Norwegian State. Shares may be purchased within a price range from NOK 10 to NOK 1,000. The shares shall be subsequently cancelled. Yara has renewed its 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. The payment of the redemption was carried out in July 2021.

	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 30 September 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.



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 under the guidance of Farming 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 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 six 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	3Q 2022	3Q 2021 Restated ¹⁾	YTD 2022	YTD 2021 Restated ¹⁾	2021 Restated ¹⁾
External revenue from contract with customers					
Europe	1,502	891	4,374	2,682	3,885
Americas	2,202	1,972	6,752	4,574	6,587
Africa & Asia	726	680	2,397	1,789	2,384
Global Plants & Operational Excellence	33	11	61	32	51
Clean Ammonia	471	294	1,453	781	1,162
Industrial Solutions	1,199	632	3,393	1,621	2,481
Other and Eliminations	15	15	36	51	67
Total	6,148	4,495	18,465	11,530	16,617
Internal revenue					
Europe	299	233	1,140	623	936
Americas	334	165	940	381	628
Africa & Asia	335	249	707	564	847
Global Plants & Operational Excellence	1,027	729	3,432	1,830	2,771
Clean Ammonia	614	318	1,845	724	1,155
Industrial Solutions	88	59	387	202	270
Other and Eliminations	(2,697)	(1,753)	(8,450)	(4,324)	(6,607)
Total	-	-	-	-	-
Total revenue					
Europe	1,802	1,124	5,514	3,305	4,822
Americas	2,536	2,138	7,692	4,956	7,215
Africa & Asia	1,061	928	3,103	2,353	3,231
Global Plants & Operational Excellence	1,060	739	3,492	1,862	2,822
Clean Ammonia	1,085	612	3,298	1,505	2,317
Industrial Solutions	1,287	691	3,780	1,823	2,751
Other and Eliminations	(2,683)	(1,738)	(8,414)	(4,273)	(6,540)
Total	6,148	4,495	18,465	11,530	16,617
Operating income²⁾					
Europe	241	74	764	284	394
Americas	298	(148)	1,261	130	303
Africa & Asia	172	55	435	99	92
Global Plants & Operational Excellence	(139)	95	196	276	125
Clean Ammonia	53	30	145	86	93
Industrial Solutions	108	38	403	162	170
Other and Eliminations	55	(23)	(154)	(117)	(109)
Total	787	121	3,050	920	1,068
EBITDA³⁾					
Europe	306	145	969	505	664
Americas	386	283	1,539	713	991
Africa & Asia	198	90	516	225	248
Global Plants & Operational Excellence	(95)	145	339	429	570
Clean Ammonia	66	41	181	115	131
Industrial Solutions	139	65	502	250	288
Other and Eliminations	57	(18)	(152)	(103)	(88)
Total	1,057	750	3,894	2,135	2,804
Investments³⁾					
Europe	57	80	218	202	302
Americas	69	31	186	116	174
Africa & Asia ⁴⁾	13	16	(39)	(13)	(1)
Global Plants & Operational Excellence	52	34	122	119	191
Clean Ammonia	12	2	16	7	9
Industrial Solutions	31	58	96	101	153
Other and Eliminations	3	18	15	9	26
Total	237	237	615	541	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) Q3 2022 includes USD 3 million reduction to decommissioning assets due to increase in discount rate (YTD 2022: USD 67 million, YTD 2021: USD 40 million, 2021: USD 50 million).

USD millions, except where indicated otherwise

	3Q 2022	3Q 2021 Restated ¹⁾	2021 Restated ¹⁾
Net operating profit after tax (NOPAT) ²⁾			
Europe	663	243	302
Americas	1,152	176	288
Africa & Asia	327	95	74
Global Plants & Operational Excellence	35	234	94
Clean Ammonia	114	84	70
Industrial Solutions	320	162	136
Other and Eliminations	(95)	(55)	(62)
Total	2,516	940	903
Invested capital ²⁾			
Yara ³⁾	11,454	11,353	11,363
Europe	2,734	2,460	2,486
Americas	4,237	3,889	3,954
Africa & Asia	1,998	1,944	1,910
Global Plants & Operational Excellence	1,145	1,685	1,623
Clean Ammonia	441	354	370
Industrial Solutions	1,327	1,098	1,136
ROIC ²⁾			
Yara ³⁾	22.0 %	8.3 %	7.9 %
Europe	24.3 %	9.9 %	12.2 %
Americas	27.2 %	4.5 %	7.3 %
Africa & Asia	16.4 %	4.9 %	3.9 %
Global Plants & Operational Excellence	3.0 %	13.9 %	5.8 %
Clean Ammonia	25.8 %	23.8 %	18.8 %
Industrial Solutions	24.1 %	14.8 %	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 ²⁾	Impairment loss ³⁾	EBITDA
3Q 2022						
Europe	241	1	2	59	2	306
Americas	298	1	24	64	-	386
Africa & Asia	172	-	1	26	-	198
Global Plants & Operational Excellence	(139)	-	-	43	-	(95)
Clean Ammonia	53	-	-	13	-	66
Industrial Solutions	108	3	1	28	-	139
Other and Eliminations	55	-	1	1	-	57
Total	787	5	29	234	3	1,057
3Q 2021¹⁾						
Europe	74	1	1	67	3	145
Americas	(148)	2	13	61	355	283
Africa & Asia	55	-	1	27	8	90
Global Plants & Operational Excellence	95	-	-	50	-	145
Clean Ammonia	30	-	-	10	-	41
Industrial Solutions	38	-	1	27	-	65
Other and Eliminations	(23)	-	1	4	-	(18)
Total	121	3	15	244	366	750
YTD 2022						
Europe	764	4	3	189	8	969
Americas	1,261	11	65	188	14	1,539
Africa & Asia	435	-	2	76	2	516
Global Plants & Operational Excellence	196	-	-	139	3	339
Clean Ammonia	145	-	-	36	-	181
Industrial Solutions	403	8	3	89	-	502
Other and Eliminations	(154)	-	1	1	-	(152)
Total	3,050	23	75	719	28	3,894
YTD 2021¹⁾						
Europe	284	4	1	203	13	505
Americas	130	8	41	179	355	713
Africa & Asia	99	-	2	80	44	225
Global Plants & Operational Excellence	276	-	-	153	-	429
Clean Ammonia	86	-	-	29	-	115
Industrial Solutions	162	2	1	81	3	250
Other and Eliminations	(117)	-	3	12	1	(103)
Total	920	14	48	736	416	2,135
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.

2) Including amortization of excess value in equity-accounted investees.

3) Including impairment loss on excess value in equity-accounted investees.

Disaggregation of external revenues by nature

USD millions	Fertilizer and chemical products	Freight/ insurance services	Other products and services	Total
3Q 2022				
Europe	1,452	34	16	1,502
Americas	2,141	47	13	2,202
Africa & Asia	712	12	1	726
Global Plants & Operational Excellence	20	-	13	33
Clean Ammonia	453	17	1	471
Industrial Solutions	1,138	52	9	1,199
Other and Eliminations	4	-	11	15
Total	5,921	162	65	6,148
3Q 2021¹⁾				
Europe	860	19	12	891
Americas	1,916	54	2	1,972
Africa & Asia	657	21	1	680
Global Plants & Operational Excellence	3	-	8	11
Clean Ammonia	277	16	1	294
Industrial Solutions	586	38	8	632
Other and Eliminations	-	-	15	15
Total	4,299	148	48	4,495
YTD 2022				
Europe	4,236	92	46	4,374
Americas	6,593	132	26	6,752
Africa & Asia	2,348	45	4	2,397
Global Plants & Operational Excellence	27	-	34	61
Clean Ammonia	1,398	51	5	1,453
Industrial Solutions	3,211	140	42	3,393
Other and Eliminations	4	-	32	36
Total	17,817	460	188	18,465
YTD 2021¹⁾				
Europe	2,571	78	33	2,682
Americas	4,443	125	6	4,574
Africa & Asia	1,746	40	3	1,789
Global Plants & Operational Excellence	8	-	24	32
Clean Ammonia	729	47	5	781
Industrial Solutions	1,488	103	30	1,621
Other and Eliminations	1	-	50	51
Total	10,986	393	151	11,530
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
3Q 2022							
Europe	1,469	-	5	9	-	18	1,502
Americas	4	1,466	454	-	277	-	2,202
Africa & Asia	-	-	-	502	-	224	726
Global Plants & Operational Excellence	33	-	-	-	-	-	33
Clean Ammonia	-	54	12	201	205	-	471
Industrial Solutions	775	203	66	30	36	88	1,199
Other and Eliminations	2	-	-	11	1	-	15
Total	2,284	1,724	537	754	520	330	6,148
3Q 2021 ²⁾							
Europe	845	-	6	28	-	11	891
Americas	-	1,328	352	-	292	-	1,972
Africa & Asia	-	-	-	439	-	241	680
Global Plants & Operational Excellence	10	-	1	-	-	-	11
Clean Ammonia	5	44	6	114	126	-	294
Industrial Solutions	310	167	44	25	33	54	632
Other and Eliminations	10	-	1	4	-	-	15
Total	1,180	1,539	410	610	452	305	4,495
YTD 2022							
Europe	4,270	-	20	27	1	57	4,374
Americas	6	3,930	1,259	-	1,557	-	6,752
Africa & Asia	-	-	-	1,687	-	709	2,397
Global Plants & Operational Excellence	60	-	-	-	-	-	61
Clean Ammonia	-	272	34	520	627	-	1,453
Industrial Solutions	2,086	648	184	86	135	254	3,393
Other and Eliminations	16	-	-	17	2	-	36
Total	6,439	4,850	1,496	2,337	2,322	1,020	18,465
YTD 2021 ²⁾							
Europe	2,581	-	11	52	1	36	2,682
Americas	-	2,668	856	-	1,050	-	4,574
Africa & Asia	-	-	-	1,246	-	543	1,789
Global Plants & Operational Excellence	29	-	3	-	-	-	32
Clean Ammonia	6	124	34	318	298	-	781
Industrial Solutions	857	385	107	65	83	125	1,621
Other and Eliminations	33	-	1	16	1	-	51
Total	3,507	3,178	1,011	1,697	1,432	704	11,530
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.

Disposals 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 is recognized in the first quarter and USD 5 million is recognized in the second quarter 2022. The amount is 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.

Disposal of Yara Dallol B.V.

On 4 July 2022 Yara announced that it has signed a Share Purchase Agreement with XLR Enterprises Limited to sell its ownership interest in the Dallol mining project in Ethiopia. The Dallol mining project comprises a planned Sulphate of potash (SOP) mine in the Afar region in Ethiopia. Yara has been the majority shareholder in the project, with XLR Enterprises Limited and Liberty Metals and Mining Holdings, LLC as partners.

Yara's full legal ownership interest in the project, together with all economic rights and all obligations and liabilities attaching or relating thereto, will be transferred to XLR Enterprises at closing. As Yara recognized an impairment loss of USD 232 million in fourth quarter 2021, the effect upon closing is expected to be immaterial. The transaction is conditional on obtaining necessary local regulatory approvals and customary closing conditions.

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 30 September 2022, the amount recognized as held-for-sale is immaterial and is related to investments in Americas and Global Plants segment.

Note 5 Specifications

Other income and commodity derivative gain/(loss)

USD millions	3Q 2022	3Q 2021	YTD 2022	YTD 2021	2021
Sale of white certificates	3	-	5	6	13
Insurance and other compensations	17	8	26	14	14
Supplier settlement	-	-	-	37	37
Commodity based derivatives gain/(loss)	47	(20)	76	(22)	(90)
Gain on sale of non-current assets	-	-	4	-	-
Other	7	3	10	10	16
Total	74	(9)	122	46	(9)

Note 6 Inventories

USD millions	Europe	Americas	Africa & Asia	Global Plants & Operational Excellence	Clean Ammonia	Industrial Solutions	Other and Eliminations	Total
30 Sep 2022								
Finished goods	732	808	602	123	2	242	(251)	2,257
Work in progress	54	3	14	47	-	44	0	163
Raw materials	220	1,221	17	178	200	107	(24)	1,920
Spare parts	83	58	29	64	-	42	-	275
Total 30 Sep 2022	1,089	2,090	661	412	202	436	(275)	4,615
Write-down, closing balance	(11)	(17)	(6)	(2)	(1)	(10)	16	(30)
30 Sep 2021								
Finished goods	447	544	465	116	-	99	(161)	1,510
Work in progress	40	1	2	20	-	18	-	80
Raw materials	108	1,023	27	40	94	77	(1)	1,367
Spare parts	92	64	28	74	-	46	-	305
Total 30 Sep 2021	687	1,632	522	250	94	240	(162)	3,263
Write-down, closing balance	(9)	(39)	(1)	(2)	-	(6)	13	(43)
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 Dec 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
2023	-	7	3	10
2024	145	181	7	332
2025	-	31	25	56
2026	694	31	7	731
Thereafter	1,832	-	19	1,851
Total	2,670	249	60	2,980
Current portion	228	45	7	281
Total including current portion	2,898	295	67	3,261

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

At 30 September 2022, the fair value of the long-term debt, including the current portion, is USD 2,864 million while the carrying value is USD 3,261 million. The difference between fair value and carrying value increased by USD 190 million during the quarter as higher long-term risk-free rates and wider credit spreads led to higher discount rates applied in the calculation of fair value.

The USD 150 million term loan from the International Finance Corporation was repaid upon maturity in September. There were no other significant changes in Yara's long-term interest bearing debt profile during the third quarter.

Yara's USD 1,100 million long-term revolving credit facility remains completely undrawn. A further USD 1,590 million is available through unused short-term credit facilities with various banks.

Reconciliation of liabilities arising from financing activities

USD millions	31 Dec 2021	Cash flows	Non-cash changes					30 Sep 2022
			Additions and lease modifications	Foreign exchange movement	Amortization ¹⁾	Other	Reclassification	
Long-term interest-bearing debt	3,089	(47)	-	(65)	1	41 ²⁾	(39)	2,980
Short-term interest-bearing debt	337	108	-	(48)	-	-	-	396
Current portion of long-term debt	476	(150)	-	(84)	-	-	39	281
Lease liabilities	425	(110)	114	(43)	-	-	-	386
Total liabilities from financing activities	4,326	(199)	114	(240)	1	41	-	4,043

1) Amortization of transaction cost.

2) Other non-cash changes include USD 57 million increase related to financing for assets that are in substance held by Yara and therefore recognized as PP&E. 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			YTD 2022	YTD 2021	2021
Equity instruments			39	21	34
Derivatives, net			(214)	(62)	(154)
Financial liabilities			(14)	(31)	(27)
Financial instruments at fair value in the statement of financial position at end of period			(189)	(72)	(147)

USD millions	3Q 2022	3Q 2021	YTD 2022	YTD 2021	2021
Gains and (losses) from financial instruments at fair value recognized in:					
Consolidated statement of income	18	(21)	(99)	(1)	(65)
Consolidated statement of comprehensive income	(10)	(3)	(15)	(3)	1
Total	8	(24)	(114)	(4)	(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					
YTD 2022					
Balance at 1 January 2022	6,553	581	789	132	421
Additions and lease modifications ¹⁾	244	330	-	11	114
Disposals	(3)	(14)	-	-	-
Transfers	225	(222)	-	-	-
Depreciation and amortization	(581)	-	-	(26)	(112)
Impairment loss	(23)	(5)	-	-	-
Foreign currency translation gain/(loss)	(559)	(63)	(48)	(14)	(40)
Balance at 30 September 2022	5,856	607	741	104	383
1) Additions to PP&E other than AuC in 2022 is USD 311 million. The net amount includes USD 67 million reduction to decommissioning assets related to buildings. This is due to increase in discounting rate.					
YTD 2021					
Balance at 1 January 2021	6,991	1,588	831	157	430
Additions and lease modifications	175	332	6	24	96
Disposals	(44)	(1)	-	(1)	-
Transfers	387	(775)	-	(2)	7
<i>of which transfers to assets held-for-sale, related to the Salitre transaction</i>	(7)	(362)	-	(2)	-
Depreciation and amortization	(601)	-	-	(31)	(105)
Impairment loss	(191)	(190)	(31)	(3)	-
<i>of which impairment related to the Salitre transaction</i>	(140)	(184)	(31)	-	-
Foreign currency translation gain/(loss)	(235)	(30)	(13)	(6)	(15)
Balance at 30 September 2021	6,481	924	793	137	412
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 12 million (2021: USD 12 million) and USD 41 million (2021: USD 35 million) year-to-date, and refers to leases with variable payments, leases of low value, or leases of short term.

Note 9 Employee benefits

Defined benefit obligations have been remeasured at the end of third quarter using revised financial assumptions. Following a further increase in yield on high quality corporate bonds within the Euro zone, discount rates were increased by 0.6 percentage points in the quarter and 2.8 percentage points year-to-date. The discount rate for pension plans in Norway remained unchanged in the quarter and was increased by 1.3 percentage points year-to-date. Other financial assumptions were revised where deemed appropriate, including an increase in expected long term inflation for the Euro zone of 0.1 percentage point in the quarter and 0.4 percentage points year-to-date. Plan asset

values were also remeasured to reflect market value at the end of the third quarter. The UK pension plan remains at a carrying amount of zero due to an unrecognized surplus funding position.

The net remeasurement gain was recognized as an increase in Other non-current assets of USD 8 million in the third quarter and USD 95 million year-to-date, and a decrease in Employee Benefits liability of USD 10 million in the quarter and USD 92 million year-to-date. The positive effect in other comprehensive income was USD 13 million (after tax) in the third quarter and USD 145 million (after tax) year-to-date.

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. As a result of high gas prices in Europe, Yara has implemented curtailments in several of its production plants, currently amounting to an annual capacity of 1.7 million tonnes of ammonia and 0.9 million tonnes of finished fertilizer.

For phosphates and potash Yara has increased sourcing from existing suppliers and entered into contracts with

new suppliers, which is expected to secure 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 215 million as of 30 September 2022. 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 30 September 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, till 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 depends 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

The Board will propose to Extraordinary General Meeting an additional dividend of NOK 10 per share to be paid out in fourth quarter.

Quarterly historical information

EBITDA

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

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

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 in order to understand the Group's financial performance. It provides performance information which covers all activities which normally are to be 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 mirror 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	3Q 2022	3Q 2021	Oct 2021– Sep 2022	Oct 2020– Sep 2021	2021
Operating income	787	121	3,198	1,130	1,068
Share of net income in equity-accounted investees	5	3	32	14	23
Interest income and other financial income	29	15	90	68	64
Depreciation and amortization ¹⁾	234	244	966	974	984
Impairment loss ²⁾	3	366	277	433	666
Earnings before interest, tax and depreciation/amortization (EBITDA)	1,057	750	4,563	2,619	2,804
Special items included in EBITDA ³⁾	(57)	15	23	18	87
EBITDA, excluding special items	1,001	765	4,587	2,637	2,891

1) Including amortization of excess value in equity-accounted investees.

2) Including impairment loss on excess value in equity-accounted investees.

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

Reconciliation of operating income to EBITDA excluding effect of special items

USD millions	YTD 2022	YTD 2021	2021
Operating income	3,050	920	1,068
Share of net income in equity-accounted investees	23	14	23
Interest income and other financial income	75	48	64
Depreciation and amortization ¹⁾	719	737	984
Impairment loss ²⁾	28	416	666
EBITDA	3,894	2,135	2,804
Special items included in EBITDA ³⁾	(72)	(9)	87
EBITDA, excluding special items	3,822	2,126	2,891

1) Including amortization of excess value in equity-accounted investees.

2) Including impairment loss on excess value in equity-accounted investees.

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

Special items per operating segment included in EBITDA

USD millions	3Q 2022	3Q 2021	YTD 2022	YTD 2021	2021
Europe	(2)	(2)	(10)	(8)	(13)
Americas	-	(2)	(20)	36	15
Africa & Asia	42	(13)	86	(16)	(83)
Global Plants & Operational Excellence	-	-	-	-	4
Clean Ammonia	-	3	(1)	5	1
Industrial Solutions	17	-	17	(7)	(9)
Other and Eliminations	-	-	-	-	(2)
Total special items included in EBITDA ¹⁾	57	(15)	72	9	(87)

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

EBITDA per operating segment, excluding special items

USD millions	3Q 2022	3Q 2021	YTD 2022	YTD 2021	2021
Europe	308	148	978	513	677
Americas	386	285	1,559	677	975
Africa & Asia	156	103	430	241	331
Global Plants & Operational Excellence	(95)	145	339	429	566
Clean Ammonia	66	38	183	110	130
Industrial Solutions	122	65	485	257	297
Other and Eliminations	57	(18)	(152)	(103)	(86)
EBITDA, excluding special items ¹⁾	1,001	765	3,822	2,126	2,891

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

Reconciliation of net income to EBITDA

USD millions	3Q 2022	3Q 2021	YTD 2022	YTD 2021	2021
Net income	402	(143)	2,016	410	384
Income taxes	131	92	669	291	355
Interest expense and other financial items	77	42	206	120	164
Foreign currency translation (gain)/loss	211	148	256	160	251
Depreciation and amortization ¹⁾	234	244	719	737	984
Impairment loss ²⁾	3	366	28	416	666
EBITDA	1,057	750	3,894	2,135	2,804

1) Including amortization of excess value in equity-accounted investees.

2) Including impairment loss on excess value in equity-accounted investees.

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		3Q 2022	3Q 2021	Oct 2021– Sep 2022	Oct 2020– Sep 2021	2021
Operating income		787	121	3,198	1,130	1,068
Amortization and impairment of intangible assets		8	10	38	49	47
Interest income from external customers		19	14	77	56	58
Calculated tax cost (25% flat rate) on items above		(204)	(36)	(828)	(309)	(293)
Share of net income in equity-accounted investees		5	3	32	14	23
Net operating profit after tax (NOPAT)	B	616	112	2,516	940	903
Annualized NOPAT	C=Bx4	2,464	449			
12-month rolling NOPAT	C			2,516	940	903

Reconciliation of net income to net operating profit after tax

USD millions		3Q 2022	3Q 2021	Oct 2021– Sep 2022	Oct 2020– Sep 2021	2021
Net income		402	(143)	1,990	656	384
Amortization and impairment of intangible assets		8	10	38	49	47
Interest income from external customers		19	14	77	56	58
Interest income and other financial income		(29)	(15)	(90)	(68)	(64)
Interest expense and other financial items		77	42	251	148	164
Foreign currency translation (gain)/loss		211	148	346	63	251
Income tax, added back		131	92	733	344	355
Calculated tax cost (25% flat rate)		(204)	(36)	(828)	(309)	(293)
Net operating profit after tax (NOPAT)	B	616	112	2,516	940	903
Annualized NOPAT	C=Bx4	2,464	449			
12-month rolling NOPAT	C			2,516	940	903

Reconciliation of invested capital and ROIC calculation

USD millions	3Q 2022	3Q 2021	Oct 2021– Sep 2022	Oct 2020– Sep 2021	2021	
Total current assets as reported	8,940	6,546	8,940	6,546	7,698	
Cash and cash equivalents as reported	(512)	(488)	(512)	(488)	(394)	
Normalized level of operating cash	200	200	200	200	200	
Total current liabilities as reported	(5,557)	(4,311)	(5,557)	(4,311)	(5,544)	
Short-term interest-bearing debt as reported	396	90	396	90	337	
Current portion of long-term debt as reported	281	285	281	285	476	
Current lease liabilities as reported	110	107	110	107	104	
Property, plant and equipment as reported	6,463	7,406	6,463	7,406	7,133	
Right-of-use assets as reported	383	412	383	412	421	
Goodwill as reported	741	793	741	793	789	
Equity-accounted investees as reported	138	109	138	109	117	
Adjustment for 3-months/12-months average	(131)	(87)	(129)	203	27	
Invested capital	D	11,453	11,063	11,454	11,363	
Return on invested capital (ROIC)	E=C/D	21.5 %	4.1 %	22.0 %	8.3 %	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		Oct 2021– Sep 2022	2021
Revenues ¹⁾ from premium NPKs and straight nitrates		7,642	5,318
Adjustments to revenues ²⁾		(699)	(615)
Adjusted revenues as basis for premium generated	F	6,944	4,703
Benchmark revenue for premium generated ³⁾	G	6,018	4,422
Calculated premium generated	H=F–G	926	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), currency effects, as well as items which relate to portfolio and structural changes. The currency effects are calculated by converting from local currency to reporting currency using baseline exchange rates as of 2018.

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	Oct 2021– Sep 2022	2021
Operating costs and expenses	20,421	15,540
Variable part of Raw materials, energy costs and freight expenses	(16,717)	(11,508)
Variable part of Other operating expenses	(70)	(37)
Depreciation and amortization ¹⁾	(966)	(984)
Impairment loss ²⁾	(277)	(666)
Currency effects (using baseline exchange rates as of 2018)	294	184
Special items within fixed cost	(30)	(42)
Fixed cost	2,655	2,487

1) Including amortization of excess value in equity-accounted investees.

2) Including impairment loss on excess value in equity-accounted investees.

Reconciliation of Net operating capital days

USD millions		Oct 2021– Sep 2022	2021
Trade receivables as reported		2,774	2,138
Adjustment for VAT payables		(211)	(133)
Adjustment for 12-months average		(282)	(383)
Adjusted trade receivables (12-months average)	I	2,281	1,621
Revenue from contracts with customers		23,551	16,617
Interest income from external customers		71	54
Total revenue and interest income from customers	J	23,622	16,671
Credit days	$K=(I/J) * 365$	35	35
Inventories as reported		4,615	4,003
Adjustment for 12-months average		(257)	(1,202)
Inventories (12-months average)	L	4,358	2,801
Raw materials, energy costs and freight expenses		17,320	12,136
Fixed product costs and freight expenses external customers		(1,716)	(1,753)
Product variable costs	M	15,604	10,383
Inventory days	$N=(L/M) * 365$	102	98
Trade and other payables as reported		3,241	3,188
Adjustment for other payables		(284)	(164)
Adjustment for payables related to investments		(101)	(162)
Adjustment for 12-months average		36	(1,004)
Trade payables (12-months average)	O	2,891	1,857
Operating costs and expenses		20,421	15,540
Depreciation and amortization		(966)	(984)
Impairment loss		(277)	(666)
Other non-supplier related costs		(326)	(668)
Operating costs and expenses, adjusted	P	18,851	13,222
Payable days	$Q=(O/P) * 365$	56	51
Net operating capital days	$R=K+N-Q$	81	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		30 Sep 2022	30 Sep 2021	31 Dec 2021
Cash and cash equivalents		512	488	394
Other liquid assets		2	2	2
Short-term interest-bearing debt		(396)	(90)	(337)
Current portion of long-term debt		(281)	(285)	(476)
Short-term lease liabilities		(110)	(107)	(104)
Long-term interest-bearing debt		(2,980)	(3,146)	(3,089)
Long-term lease liabilities		(276)	(311)	(321)
Net interest-bearing debt	S	(3,529)	(3,450)	(3,930)

Net debt / equity ratio

USD millions		30 Sep 2022	30 Sep 2021	31 Dec 2021
Net interest-bearing debt	S	(3,529)	(3,450)	(3,930)
Total equity	T	(7,787)	(7,145)	(7,116)
Net debt / equity ratio	U=S/T	0.45	0.48	0.55

Net debt / EBITDA excluding special items ratio

USD millions		30 Sep 2022	30 Sep 2021	31 Dec 2021
Net interest-bearing debt	S	(3,529)	(3,450)	(3,930)
EBITDA, excluding special items (last 12 months)	A	4,587	2,637	2,891
Net debt / EBITDA excluding special items ratio	V=(S)/A	0.77	1.31	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 mirrors 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		3Q 2022	3Q 2021	YTD 2022	YTD 2021	2021
Weighted average number of shares outstanding	W	254,725,627	254,725,627	254,725,627	257,485,344	256,789,744
Net income attributable to shareholders of the parent	X	400	(143)	2,008	409	449
Foreign currency translation gain/(loss)	Y	(211)	(148)	(256)	(160)	(251)
Tax effect on foreign currency translation	Z	66	41	73	38	61
Non-controlling interest share of foreign currency translation (gain)/loss, net after tax	AA	-	-	(1)	-	-
Special items within income before tax ¹⁾	AB	54	(381)	45	(406)	(751)
Tax effect on special items	AC	(19)	8	(24)	25	91
Special items within income before tax, net after tax	AD=AB+AC	35	(373)	21	(381)	(659)
Non-controlling interest's share of special items, net after tax	AE	-	-	-	-	(84)
Net income excluding currency and special items	AF=X-Y-Z+AA-AD+AE	509	338	2,169	912	1,215
Basic earnings per share	AG=X/W	1.57	(0.56)	7.88	1.59	1.75
Basic earnings per share excluding foreign currency translation and special items	AH=AF/W	2.00	1.33	8.52	3.54	4.73

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



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