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CREDIT OPINION
11 October 2021

Update

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RATINGS

Yara International ASA

Domicile	Oslo, Norway
Long Term Rating	Baa2
Type	LT Issuer Rating - Fgn Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Yara International ASA

Update following H1 2021 results

Summary

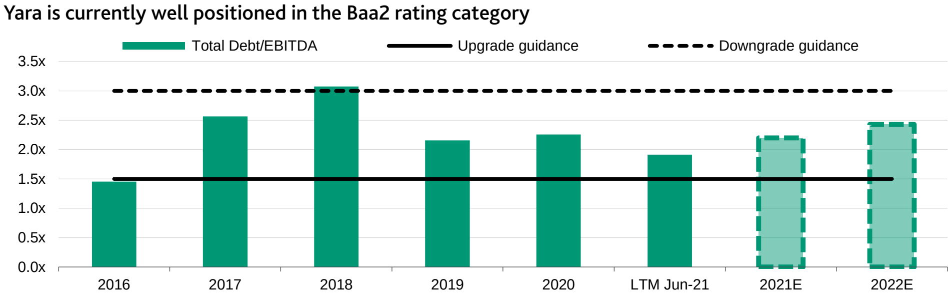
Yara International ASA's (Yara) Baa2 rating is underpinned by the significant scale and high degree of integration of its operations; its leading position in the nitrogen fertiliser market, both as a producer and a distributor; and its global footprint. These positives are tempered by the high cyclicality of the fertiliser industry, and Yara's high exposure to the energy and agricultural commodity markets. In the context of its integrated business model, Yara's strong distribution capabilities are a stabilising factor that outweighs the dilutive effect on its EBITDA margin. The focus of Yara's product offering on premium-priced complex fertilisers (such as nitrogen, phosphorus and potassium [NPK]) also helps mitigate its inherent exposure to the cyclicality affecting the global nitrogen fertiliser sector.

With a steeper decline in natural gas prices than in urea prices in 2019-20 and reduced capital spending, Yara generated high positive free cash flow (FCF) and its financial profile was significantly strengthened. As shown in exhibit 1, Yara's key credit metrics improved further in the first half of 2021, with total debt/EBITDA at 1.9x and retained cash flow (RCF)/total debt at 22% in the 12 months that ended June 2021, thereby positioning the company strongly in the Baa2 rating category. Over the next 12-18 months, we expect the current spike in gas prices, particularly in Europe, to strain the company's profitability. With increased shareholder distributions of more than $1.2 billion and expected working capital build-up of $0.8 billion, we forecast that Yara will generate negative FCF of around $1.2 billion in 2021. Although we expect Yara's Moody's-adjusted debt/EBITDA to increase towards 2.5x in 2022 because of a moderate decline in EBITDA, the relatively low level of investments and the maintenance of a prudent shareholder distribution policy should allow the company to return to positive FCF generation next year.

Exhibit 1

Leverage metrics and upgrade/downgrade guidance

Yara is currently well positioned in the Baa2 rating category



Source: Moody's Investors Service

Credit strengths

» Resilient business model, underpinned by significant scale and leading positions in the fertiliser market, as well as an extensive global distribution network and sizeable marketing operations of nitrogen chemicals

» Flexible growth strategy, tempered by a conservative financial policy and strong track record of integrating acquisitions

» Robust balance sheet, with relatively low leverage over the cycle; financial metrics improved strongly since 2018

Credit challenges

» The cyclical fertiliser business is subject to capacity additions, and demand and pricing trends in agricultural commodities

» Yara has been benefiting from low natural gas prices in 2019-20, but prices have risen substantially since year-end 2020, which will likely hurt Yara's profit margin

» Credit metrics are likely to moderate in 2021-22 because of higher gas prices and higher shareholder remuneration

Rating outlook

The stable rating outlook reflects that Yara is currently strongly positioned in the Baa2 rating category. It also reflects our expectation that the company's profitability and key credit metrics are likely to deteriorate somewhat over the next 12-18 months.

Factors that could lead to an upgrade

Yara's rating could be upgraded if:

» the company continues to improve its profitability and cash flow generation, leading to a permanent reduction in financial leverage

» its Moody's-adjusted total debt/EBITDA is maintained at around 1.5x and RCF/total debt remains in the high-30s in percentage terms throughout the cycle

An upgrade of the ratings would also require Yara's commitment to a financial profile consistent with a higher rating.

Factors that could lead to a downgrade

Downward rating pressure could develop if the company were to:

» suffer a severe and sustained deterioration in its operating results and cash flow generation

» embark upon a more aggressive acquisitive strategy

» experience a pronounced weakness in its credit metrics, including debt/EBITDA increasing above 3.0x and RCF/debt falling to the low 20s in percentage terms

Key indicators

Exhibit 2

Yara International ASA						
(in USD Billions)	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	LTM Jun-21
Revenue	11.3	11.4	12.9	12.9	11.6	12.9
Net Property Plant and Equipment	7.5	8.4	8.9	9.0	9.0	8.8
EBITDA Margin %	17.8%	13.0%	12.3%	15.7%	18.1%	18.5%
Debt / EBITDA	1.5x	2.6x	3.1x	2.2x	2.3x	1.9x
RCF / Debt	37.7%	22.1%	26.2%	34.2%	19.9%	22.2%
EBITDA / Interest Expense	12.2x	9.3x	7.0x	9.1x	12.7x	15.4x
EBIT / Avg. Assets	7.6%	3.9%	3.7%	6.5%	6.8%	8.1%

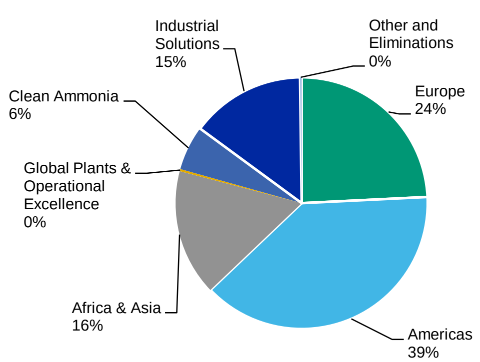
All figures and ratios are calculated using Moody's estimates and standard adjustments.
Periods are financial year end unless indicated. LTM = Last 12 months.
Source: Moody's Investors Service

Profile

Headquartered in Oslo, Norway (Aaa stable), Yara International ASA (Yara) is the largest European producer and marketer of nitrogen fertilisers. In the 12 months that ended June 2021, it produced around 28.7 million tonnes and sold around 38.3 million tonnes of nitrogen fertiliser. It reported revenue of $12.9 billion and Moody's-adjusted EBITDA of $2.4 billion, equivalent to a margin of 18.5%. As of 5 October 2021, Yara's market capitalisation was around $12.8 billion.

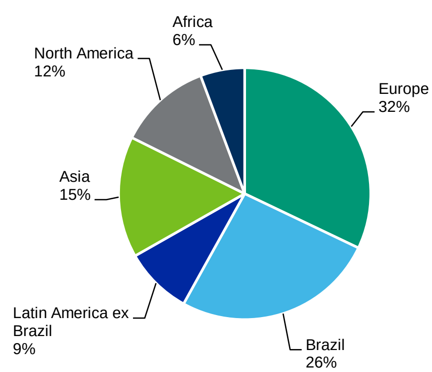
Yara is the world's largest producer of nitrates and NPK complex fertilisers, and is the second-largest producer of ammonia, after CF Industries Holdings, Inc. (Ba1 positive). Yara is also a market leader in nitrogen applications for industrial use and air pollution abatement solutions. The largest markets for Yara are Europe (32% of revenue in the 12 months that ended June 2021), Brazil (26%), Asia (15%) and North America (12%).

Exhibit 3
External revenue for the 12 months that ended June 2021 by operating division



Sources: Company and Moody's Investors Service

Exhibit 4
Revenue for the 12 months that ended June 2021 by region



Sources: Company and Moody's Investors Service

On 1 June 2020, Yara moved to a regional organisational structure. As of year-end 2020, the group's activities consisted of five operating segments, of which three are regional units (Europe, the Americas, and Africa and Asia); one is for global production plants and operational excellence, including health and safety; and one is for Industrial Solutions. In addition, in February 2021, a new global unit was established — Yara Clean Ammonia — to capture growth opportunities within carbon-free food solutions, shipping fuel and other clean ammonia applications.

Detailed credit considerations

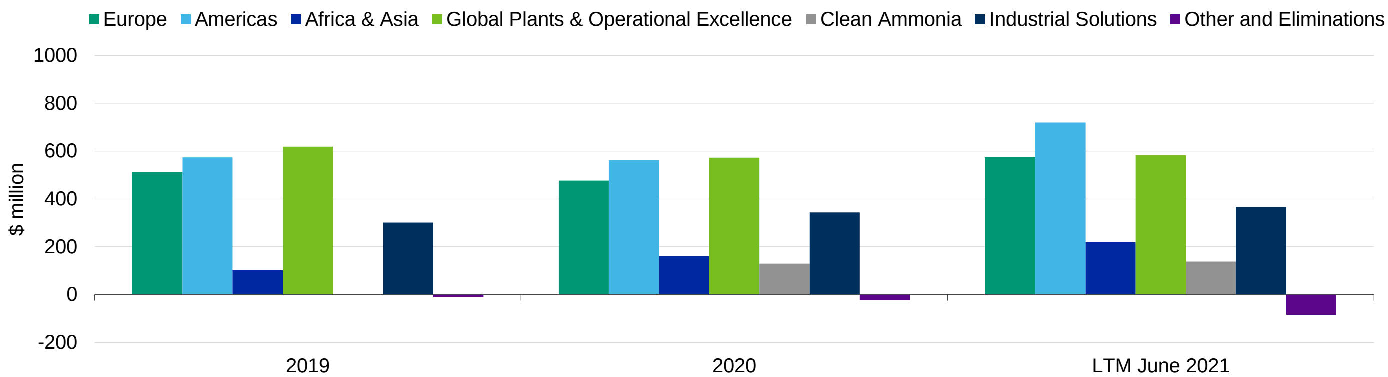
Leading global position in nitrogen fertilisers and global network help buffer earnings volatility

As the world's largest producer of nitrogen fertilisers, Yara's business profile is underpinned by the significant scale and high degree of integration of its operations, its diversified and distribution-focused business model, and its leading positions in the global fertiliser market. These positives are tempered by the relatively high earnings volatility characterising its core nitrogen-based fertiliser business, which is strained by periodic market imbalances resulting from extended periods of investments for capacity additions, the seasonality and cyclicality of agricultural markets, and the company's exposure to swings in energy and raw material costs.

Yara's extensive global distribution network and sizeable marketing operations of nitrogen chemicals add flexibility to its management of volume and margins through the cycle. Nevertheless, the company's profitability remains volatile. It is exposed to fluctuations in urea prices. In addition, Yara's revenue reflects nitrate and NPK premiums, which are influenced by crop prices that drive farmers' demand. Yara is also significantly exposed to feedstock costs, particularly natural gas, which account for 50%-80% of the total input costs for urea production (depending on gas prices).

Exhibit 5

Reported EBITDA by operating division



Sources: Company and Moody's Investors Service

After two years of moderate profit generation during 2017-18 because of high energy prices, Yara's earnings started to increase in H2 2018 because of a recovery in urea and nitrate prices, supported by the company's production growth and efficiency improvements. Despite some moderation in urea and nitrate prices in 2019 and 2020, Yara's EBITDA continued to increase because lower selling prices were offset by lower energy costs and an improved product mix. In 2020, energy prices fell substantially, with the average global natural gas price at only $3.8/Metric Million British Thermal Unit (MMBtu) in 2020, down from $4.7/MMBtu in 2019 and $6.2/MMBtu in 2018.

Accordingly, Yara's EBITDA before special items increased significantly in 2019 and 2020 to $2.2 billion from $1.5 billion in 2018, with the EBITDA margin improving to 18.4% in 2020 from 16.7% in 2019 and 11.7% in 2018. This positive trend continued in H1 2021 when Yara's reported EBITDA before special items increased to $1.4 billion, up from $1.1 billion in H1 2020, with higher urea and nitrate prices more than offsetting rising energy costs.

Yara benefits from a relatively low fixed cash costs (10%-15%) and has a leading cost position in Europe, underpinned by the significant economies of scale of its operations. The favourable logistics of its ammonia facilities in Europe and the relatively low capital intensity of its distribution-focused business model help defend its profitability during downturns.

In 2019, Yara's management decided to extend the Yara Improvement Program (YIP) and set new targets for 2023. As of year-end 2018, the initial programme that was launched in 2016 achieved EBITDA benefits of around $355 million, driven by a number of initiatives to improve productivity and efficiency in the production process. The extended YIP aims to keep fixed costs largely flat despite a targeted 15% increase in the ammonia production volume compared with 2019 and a 14% targeted increase in the finished products volume in 2023 compared with 2019. Yara also targets to free up to $300 million of working capital by 2023 compared with 2019 by reducing working capital days by 25.

We expect the current spike in nitrogen fertiliser prices to abate over the next 12-18 months because annual urea capacity additions will gradually meet consumption growth. Although we expect natural gas prices to decrease from their currently very high levels, particularly in Europe, the negative effect of increased energy costs will have hurt Yara's profitability starting from Q4 2021 and well into 2022. Overall, we forecast that Moody's-adjusted EBITDA will remain largely flat at $2.4 billion as of year-end 2021 compared with that in the 12 months that ended June 2021. However, we expect Moody's-adjusted EBITDA to soften to around $2.2 billion in 2022.

Yara balances organic growth projects with bolt-on acquisitions to expand its value-added products offering

Yara's growth strategy leverages its integrated business model by undertaking some organic projects (including expansion/reconfiguration of existing facilities, and greenfield projects), as well as by establishing partnerships and making bolt-on acquisitions. In recent years, Yara's growth strategy has spanned the whole fertiliser value chain, including building large-scale, cost-efficient production facilities, securing access to low-cost raw material supplies, and growing its sales of premium fertiliser products and industrial products.

Yara has grown its presence in the strategically important Latin American markets. In 2013, it acquired the fertiliser mixing and distribution capabilities of Bunge Limited (Baa2 Stable) in Brazil, which helped double its deliveries to the continent. This was followed by the acquisition of Colombian OFD Holdings in October 2014, which added some production capacity in Colombia and further distribution capabilities across Latin America. To address the imbalance of its Latin American operations that were largely focused on mixing and distribution activities, Yara acquired a 60% stake in Galvani in December 2014, which gave it access to phosphate resources and fertiliser capacity in Brazil. In 2019, Yara increased it stake in the business to 100%. Also, Yara decided to invest in the expansion and modernisation of the Rio Grande plant, which will significantly increase the site's current 0.8 million tonnes of annual fertiliser production capacity and 1.6 million tonnes of blending capacity. However, the finalisation of the project has been postponed to 2021 from Q2 2020 partially because of the effect of the coronavirus pandemic on construction activity. In January 2018, Yara acquired Tata Chemicals Limited's (Ba1 stable) urea business in India for $421 million on a debt- and cash-free basis, which gave it an integrated position in the world's second-largest fertiliser market. In May 2018, Yara also purchased the Vale Cubatão Fertilizantes complex in Brazil for an enterprise value of $255 million, which further strengthened its footprint in Brazil.

Yara also undertook several brownfield expansion projects in the Nordic countries and the Netherlands. In the US, where Yara remains underrepresented in terms of production, it teamed up with BASF (SE) (BASF, A3 stable) to build a $600 million ammonia plant (owned 68% by Yara and 32% by BASF) with an annual capacity of 750,000 tonnes, which started production in April 2018. Yara's capital investments fell significantly in 2019 and 2020 after having peaked in 2018, and the company guides for significantly lower investments from 2021 at around $1.2 billion per year. In February 2021, Yara signed a three-way joint venture with Statkraft AS (A3 stable) and Aker Horizons, aiming to establish Europe's first large-scale green ammonia project in Norway by electrifying Yara's existing ammonia facility in Porsgrunn.

Around 50% of the group's total deliveries are now derived from value-added products such as calcium nitrate (CN); compound fertiliser (NPK), which contains all three major plant nutrients (that is, nitrogen [N], phosphorus [P] and potassium [K]); and differentiated products (for example, calcium ammonium nitrate [CAN] and ammonium nitrate [AN]), for which Yara has solid price premiums. This increase in contribution from premium products somewhat reduces the group's earnings volatility compared with historical measures.

Yara recently evaluated strategic options for its non-core operations and considered holding an IPO for a large part of the former Yara Industrial segment. However, the company decided to retain the industrial operations because it identified organic growth opportunities that can be best captured in a Yara-owned model, but the company also introduced a more autonomous setup in an industrial holding.

Negative FCF expected in 2021 because of higher shareholder distributions and build-up of working capital

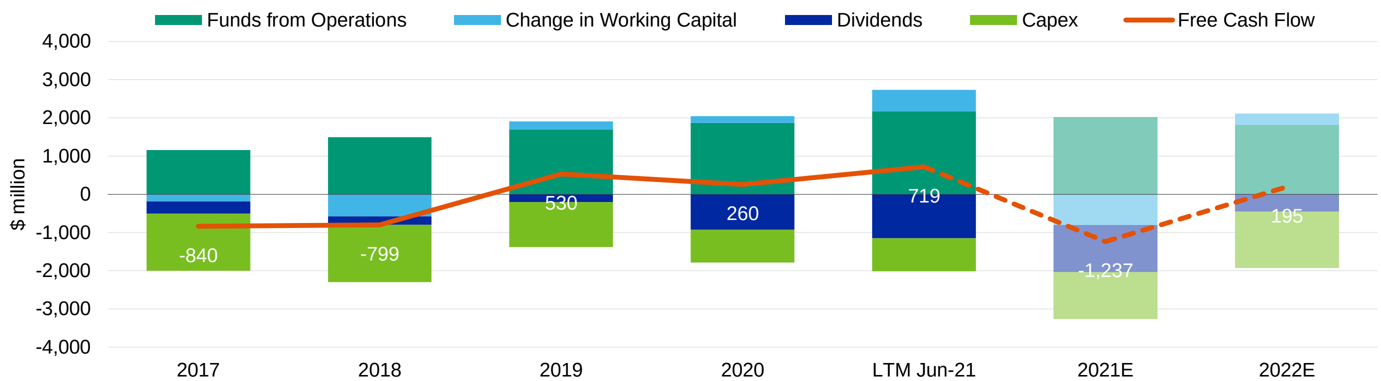
In 2017-18, Yara invested heavily in a number of organic growth projects and its Moody's-adjusted capital spending averaged $1.5 billion annually. Although the company offset some of the strain on its cash flow generation by cutting its dividend payout to $321 million in 2017 and $219 million in 2018, from $489 million in 2016, the high investment level, alongside the significant EBITDA decline in 2017-18, resulted in a cumulative negative Moody's-adjusted FCF of $1.6 billion.

Yara's FCF turned positive in 2019 and 2020, driven by increasing funds from operations (FFO) and significantly reduced capital spending, which fell to $1.2 billion on a Moody's-adjusted basis in 2019 and $0.9 billion in 2020, because the company deferred some activities into 2021. Although its dividend payments remained modest at around $200 million in 2019, in 2020, Yara divested its 25% stake in

Qatar Fertiliser Company for $1 billion and distributed a large part of the proceeds to its shareholders, increasing the total payout for the year to $926 million.

We expect the company to generate FFO of $1.8 billion-$2 billion annually in 2021-22. However, increased dividend payments of more than $1.2 billion, combined with our expectation of a significant build-up of working capital of around $800 million in 2021 because of recent price increases, will result in negative FCF of more than $1 billion in 2021, according to our estimates. In 2022, assuming no further distributions besides the targeted ordinary dividend payout ratio of 50% of net income, we forecast a return to positive FCF. We also include disposal proceeds of $410 million from the sale of the Salitre phosphate mining project in Brazil in our forecast for 2022 but cash flows from acquisitions and disposals are outside of Moody's definition of FCF.

Exhibit 6
FCF development



Sources: Company and Moody's Investors Service

Yara's large headroom within the Baa2 rating category will likely reduce over the next 12-18 months

Yara's financial profile improved notably in 2019-20 and in H1 2021, driven by a combination of high earnings and low capital investments, which contributed to Yara's positive FCF generation. Although Yara's Moody's-adjusted RCF/debt moderately declined to 22% in the 12 months that ended June 2021 from 26% as of year-end 2018 because of higher dividend payments, its debt/EBITDA fell to 1.9x from 3.1x over the same period, positioning the company strongly in the Baa2 rating category.

Based on our projection of a moderate decline in EBITDA and negative FCF generation, we forecast that Yara's key credit metrics will deteriorate over the next 12-18 months. Yara's Moody's-adjusted debt/EBITDA should increase to 2.2x and RCF/total debt should fall to around 15% as of year-end 2021. For 2022, we expect the company's Moody's-adjusted debt/EBITDA to slightly increase further to 2.4x but its RCF/total debt metric to improve to around 25% due to lower dividend payments. While a potentially weaker financial performance than our current expectation would have a negative effect on the company's financial profile, we positively view Yara's continued commitment to a Baa2 rating and the associated financial policy. This should ensure that Yara will make its financial policy decision in a way that protects its current Baa2 rating.

ESG considerations

Yara's ratings also factor in the following environmental, social and governance (ESG) factors:

Commodity chemicals is among the five sectors we have identified as those with very high exposure to environmental risks. The sector is exposed to increasing regulations, particularly related to water, soil and air pollution caused by large manufacturing plants and facilities. Agriculture accounts for 23% of the global carbon dioxide (CO_2) emissions, and Yara's production process is very energy intensive, with 16.6 million tonnes of CO_2 equivalent greenhouse gas emissions in 2020. However, Yara has already reduced the CO_2 intensity of its production process to 3.0 tonnes CO_2 per tonne of fertiliser produced in 2020 from 5.4 tonnes in 2005, and targets a further 10% reduction by 2025 from the 2018 baseline. The company's ultimate goal is to become climate neutral by 2050.

Yara's ratings factor in its prudent financial policy, which remains conservative despite a recent increase in the targeted ordinary dividend payout ratio to 50% of net income from the previous 40%-45% on average through the cycle (which included a minimum of 30% of net income in the form of ordinary dividends, with a share buyback making up the balance). We positively view Yara's confirmed commitment to a Baa2 rating and its capital structure targets, with a low medium- to long-term net debt/EBITDA range of 1.5x-2.0x (as calculated by the company).

Yara's board of directors consists of 10 members, of which six are elected by the shareholders and four are elected by the employees. Four board members are female and six are male. Neither the president and CEO nor any other member of the executive management is a director of the board. Yara reviews its corporate governance annually and reports corporate governance in accordance with the Norwegian Accounting Act §3-3b and the Norwegian Code of Practice for Corporate Governance. This code contains stricter requirements than mandated by the Norwegian law.

Liquidity analysis

Yara maintains sound liquidity. As of 30 June 2021, the company had cash balances of $1.6 billion, as well as a long-term committed revolving credit facility (RCF) of $1.1 billion. The facility is currently undrawn and has been recently extended to July 2026 through the second extension option. The large liquidity buffer should enable Yara to meet total debt maturities of around $0.5 billion falling due in the 12 months to June 2022, including lease liabilities, as well as to cover any negative FCF over the same period.

Methodology and scorecard

The principal methodology used in rating Yara is our Chemical Industry rating methodology.

Our Chemical Industry scorecard indicates a Baa2 rating for the 12 months that ended June 2021 and for the forecast period. Because of its 36% ownership by the Government of Norway, Yara falls within the scope of our Government-Related Issuers rating methodology. Under this methodology, we continue to assume low dependence, considering Yara's broadly diversified international footprint and the modest operational and financial links between the company and the government. Furthermore, our assumption of low support from the Norwegian government reflects the absence of guarantees or formal obligations on behalf of the Norwegian government to support Yara's obligations; the government's track record of supporting capital raising, jointly with other shareholders; no precedent of direct government intervention; and the relative importance of Yara to the domestic economy. Although recent steps to broaden Yara's international profile diversify and strengthen its standalone credit quality, they further reduce its domestic concentration in Norway. Based on our assumptions of low dependence and low support, the Baa2 rating does not currently incorporate any uplift from the Baa2 Baseline Credit Assessment.

Exhibit 7

Rating factors

Yara International ASA

Chemical Industry Scorecard [1][2]	Current LTM 6/30/2021		Moody's 12-18 Month Forward View As of 10/6/2021 [3]	
Factor 1 : Scale (15%)	**Measure**	**Score**	**Measure**	**Score**
a) Revenue (USD Billion)	$12.9	Baa	$13 - $14	Baa
b) PP&E (net) (USD Billion)	$8.8	A	$8.7 - $9.1	A
Factor 2 : Business Profile (25%)				
a) Business Profile	Baa	Baa	Baa	Baa
Factor 3 : Profitability (10%)				
a) EBITDA Margin	18.5%	Baa	16% - 18%	Baa
b) ROA (Return on Average Assets)	8.1%	Ba	6.5% - 8%	Ba
Factor 4 : Leverage & Coverage (30%)				
a) Debt / EBITDA	1.9x	A	2x - 2.5x	Baa
b) RCF / Debt	22.2%	Baa	15% - 25%	Baa
c) EBITDA / Interest Expense	15.4x	A	12.5x - 14.5x	Baa
Factor 5 : Financial Policy (20%)				
a) Financial Policy	Baa	Baa	Baa	Baa
Rating:				
a) Scorecard-Indicated Outcome		Baa2		Baa2
b) Actual Rating Assigned				Baa2
Government-Related Issuer	**Factor**			
a) Baseline Credit Assessment	Baa2			
b) Government Local Currency Rating	Aaa			
c) Default Dependence	Low			
d) Support	Low			
e) Actual Rating Assigned	Baa2			

[1] All ratios are based on adjusted financial data and incorporate Moody's global standard adjustments for non-financial Corporations. [2] As of 06/30/2021. [3] This represents Moody's forward view, not the view of the issuer, and unless noted in the text, does not incorporate significant acquisitions and divestitures.
Source: Moody's Investors Service

Appendix

Exhibit 8

Peer comparison

	Yara International ASA Baa2 Stable			Nutrien Ltd. Baa2 Stable			Mosaic Company (The) Baa3 Stable			CF Industries Holdings, Inc. Ba1 Positive			OCI N.V. Ba2 Stable		
(in USD Millions)	FYE Dec-19	FYE Dec-20	LTM Jun-21	FYE Dec-19	FYE Dec-20	LTM Jun-21	FYE Dec-19	FYE Dec-20	LTM Jun-21	FYE Dec-19	FYE Dec-20	LTM Jun-21	FYE Dec-19	FYE Dec-20	LTM Jun-21
Revenue	$12,858	$11,591	$12,932	$20,084	$20,908	$22,700	$8,906	$8,682	$9,937	$4,590	$4,124	$4,585	$3,032	$3,474	$4,370
EBITDA	$2,021	$2,100	$2,397	$3,780	$3,386	$4,042	$1,500	$1,537	$2,468	$1,707	$1,437	$1,674	$657	$784	$1,321
Total Debt	$4,355	$4,743	$4,591	$11,552	$11,829	$11,916	$4,819	$4,763	$4,625	$4,594	$4,423	$4,146	$5,078	$4,858	$4,450
Cash & Cash Equiv.	$265	$1,331	$1,551	$671	$1,454	$1,794	$519	$574	$1,418	$287	$683	$777	$601	$686	$987
EBITDA Margin	15.7%	18.1%	18.5%	18.8%	16.2%	17.8%	16.8%	17.7%	24.8%	37.2%	34.8%	36.5%	21.7%	22.6%	30.2%
ROA - EBIT / Avg. Assets	6.5%	6.8%	8.1%	4.3%	3.1%	4.4%	2.6%	3.2%	7.8%	6.0%	3.8%	5.8%	1.3%	2.0%	7.7%
EBITDA / Int. Exp.	9.1x	12.7x	15.4x	7.5x	6.9x	8.8x	5.8x	6.0x	10.3x	6.5x	7.1x	8.4x	2.1x	2.9x	4.7x
Debt / EBITDA	2.2x	2.3x	1.9x	3.1x	3.5x	2.9x	3.2x	3.1x	1.9x	2.7x	3.1x	2.5x	7.7x	6.2x	3.4x
RCF / Debt	34.2%	19.9%	22.2%	18.6%	14.5%	20.2%	24.0%	21.4%	34.2%	28.9%	21.4%	29.7%	6.9%	9.4%	20.6%

All figures and ratios are based on adjusted financial data and incorporate Moody's global standard adjustments for non-financial corporations.
Source: Moody's Financial Metrics™

Exhibit 9

Moody's-adjusted debt breakdown

Yara International ASA

(in USD Millions)	FYE Dec-16	FYE Dec-17	FYE Dec-18	FYE Dec-19	FYE Dec-20	LTM Jun-21
As Reported Debt	**1,923**	**2,911**	**3,998**	**4,025**	**4,294**	**4,142**
Pensions	369	378	319	330	449	449
Operating Leases	648	510	570	0	0	0
Moody's-Adjusted Debt	**2,940**	**3,799**	**4,887**	**4,355**	**4,743**	**4,591**

All figures and ratios are based on adjusted financial data and incorporate Moody's global standard adjustments for non-financial corporations.
Source: Moody's Financial Metrics™

Exhibit 10

Moody's-adjusted EBITDA breakdown

Yara International ASA

(in USD Millions)	FYE Dec-16	FYE Dec-17	FYE Dec-18	FYE Dec-19	FYE Dec-20	LTM Jun-21
As Reported EBITDA	**1,854**	**1,430**	**1,225**	**1,934**	**1,955**	**2,607**
Pensions	4	-2	6	2	-1	-1
Operating Leases	221	170	190	0	0	0
Unusual	-98	-88	251	150	146	-209
Non-Standard Adjustments	41	-29	-82	-65	0	0
Moody's-Adjusted EBITDA	**2,023**	**1,481**	**1,590**	**2,021**	**2,100**	**2,397**

All figures and ratios are based on adjusted financial data and incorporate Moody's global standard adjustments for non-financial corporations.
Source: Moody's Financial Metrics™

Exhibit 11

Historical and projected Moody's-adjusted financial data

Yara International ASA

(In USD Millions)	2017	2018	2019	2020	LTM Jun-21	2021E	2022E
INCOME STATEMENT							
Revenues	11,358	12,928	12,858	11,591	12,932	13,909	13,075
EBITDA	1,481	1,590	2,021	2,100	2,397	2,419	2,190
EBIT	605	619	1,099	1,135	1,357	1,307	1,144
Interest Expense	160	228	223	165	155	168	177
BALANCE SHEET							
Cash & Cash Equivalents	520	150	265	1,331	1,551	377	703
Total Debt	3,799	4,887	4,355	4,743	4,591	5,319	5,319
Net Debt	3,279	4,737	4,090	3,412	3,040	4,942	4,616
CASH FLOW							
Funds from Operations	1,159	1,499	1,693	1,871	2,171	2,022	1,821
Change in Working Capital items	(185)	(579)	214	176	562	(800)	300
Cash Flow from Operations	974	920	1,907	2,047	2,733	1,222	2,121
Capital Expenditures (CAPEX)	(1,493)	(1,500)	(1,174)	(861)	(864)	(1,222)	(1,472)
Dividends	(321)	(219)	(203)	(926)	(1,150)	(1,236)	(454)
Free Cash Flow (FCF)	(840)	(799)	530	260	719	(1,237)	195
Retained Cash Flow (RCF)	838	1,280	1,490	945	1,021	785	1,367
RCF / Total Debt	22.1%	26.2%	34.2%	19.9%	22.2%	14.8%	25.7%
RCF / Net Debt	25.6%	27.0%	36.4%	27.7%	33.6%	15.9%	29.6%
PROFITABILITY							
EBIT Margin %	5.3%	4.8%	8.5%	9.8%	10.5%	9.4%	8.8%
EBITDA Margin %	13.0%	12.3%	15.7%	18.1%	18.5%	17.4%	16.8%
INTEREST COVERAGE							
EBIT / Interest Expense	3.8x	2.7x	4.9x	6.9x	8.7x	7.8x	6.5x
EBITDA / Interest Expense	9.3x	7.0x	9.1x	12.7x	15.4x	14.4x	12.4x
LEVERAGE							
Total Debt / EBITDA	2.6x	3.1x	2.2x	2.3x	1.9x	2.2x	2.4x
Net Debt / EBITDA	2.2x	3.0x	2.0x	1.6x	1.3x	2.0x	2.1x

All figures and ratios are based on adjusted financial data and incorporate Moody's global standard adjustments for non-financial corporations. This represents Moody's forward view, not the view of the issuer.

Sources: Moody's Financial Metrics™ and Moody's Investors Service

Ratings

Exhibit 12

Category	Moody's Rating
YARA INTERNATIONAL ASA	
Outlook	Stable
Issuer Rating	Baa2
Senior Unsecured	Baa2

Source: Moody's Investors Service

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MOODY'S INVESTORS SERVICE