S&P Global Ratings

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Yara International ASA

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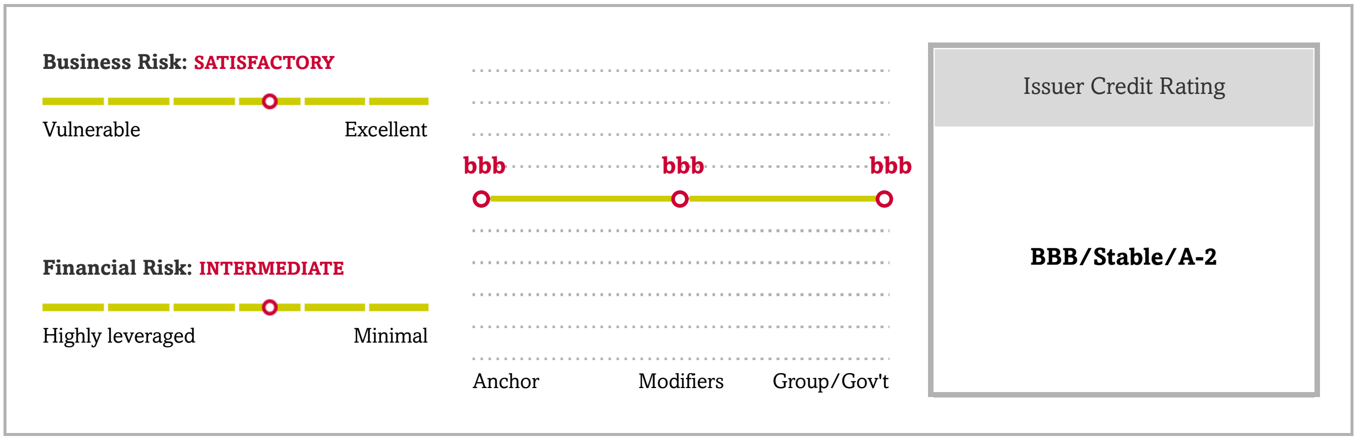
Yara International ASA



Credit Highlights

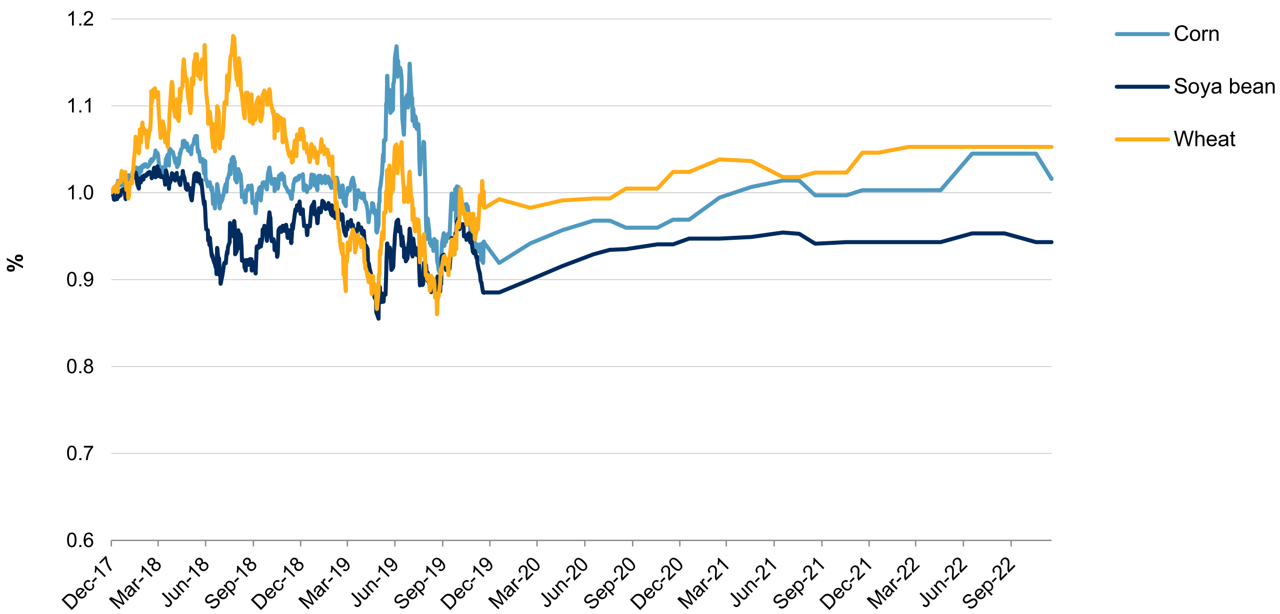
Overview

Key Strengths	Key Risks
World's largest distributor of fertilizer by volume, with good geographic diversity.	Profits anchored in the highly cyclical nitrogen fertilizer industry.
Joint ventures in low-cost gas areas and large-scale efficient production facilities.	Exposure to volatile European gas prices.
Higher-margin specialty fertilizers are a large contributor to profits.	Cash flow swings reflecting cyclicality of the fertilizer industry.
Financial policy commitment to maintain at least a 'BBB' rating.	Capital intensity and long lead time to add or expand capacity.

Long-term fundamentals for fertilizer demand are intact, but downside risks to prices remain. These mainly depend on the behavior of China in the nitrogen market, and supply-demand balance in the phosphate market. Overall, we think that demand for fertilizers will be directly linked to their affordability, an important factor given challenging farm economics and pressure to sustainably increase food production amid persisting weak commodity prices, planting delays, growing resistance to herbicides, and U.S.-China trade tensions.

Chart 1

CBOT Spot And Futures
Indexed

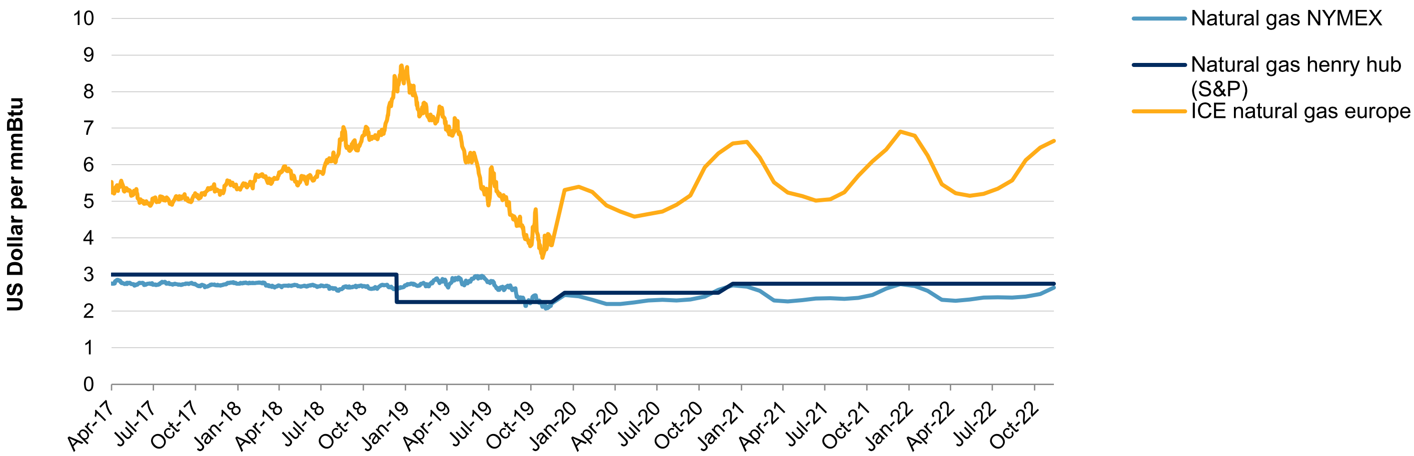


Source: Bloomberg.

Structural cost disadvantage between European and U.S. fertilizer producers to remain. As with its European peers, headwinds from natural gas prices were evident in Yara's EBITDA margins especially in 2018. Even though this pressure eased in 2019, European producers remain disadvantaged compared with broader fertilizer peers operating in North America, Russia, or the Middle East, which benefit from access to competitively priced feedstock. For Yara, the comparative margin gap is also a function of its extensive low-margin distribution activities with an EBITDA margin of 6%-8%, on average, pointing to slightly higher profitability of the production segment when stripped out. We note the favorable cost position of Yara's European plants compared with the regional average.

Chart 2

Natural Gas Prices



mmBtu--one million british thermal units. Source: Bloomberg & S&P Global Ratings.

Outlook: Stable

The stable outlook on Yara reflects our view that it will maintain adjusted FFO to debt of about 30%-45% through the cycle, which we view as commensurate with the rating. This is based on our assumption that, in 2020, Yara's adjusted EBITDA will amount to about $2.0 billion-$2.1 billion, benefiting from supportive prices of natural gas and efficiency gains; and notwithstanding broadly flat prices of nitrogen-based fertilizers.

Downside scenario

We could lower the rating if Yara's adjusted FFO-to-debt ratio declined below 30%. This could occur, in our view, if Yara's margins declined as a result of sustained pressure from European natural gas prices, or if the company increased its capital expenditure (capex), acquisitions, or shareholder distributions.

Upside scenario

Over time, upside potential could emerge and would depend on Yara being able to maintain adjusted FFO to debt of more than 45% through the cycle, and having a financial policy and growth strategy that would support a higher rating.

Our Base-Case Scenario

Assumptions	Key Metrics

- EBITDA of about $1.9 billion-$2.0 billion in 2019 and about $2.0 billion-$2.1 billion in 2020, thanks to supportive prices of natural gas and benefits from Yara's cost improvement program. This is notwithstanding broadly flat prices of nitrogen-based fertilizers and weak prices of phosphates.
- Capex of about $1.3 billion in 2019 and $1.2 billion in 2020.
- No acquisitions in 2019 and 2020, as the company focuses on organic growth and further integration of the assets acquired in 2018.
- $0.1 billion-$0.2 billion of working capital outflows.
- Shareholder distributions at about 50% of previous years' net income under revised policy (previously 40%-45%).
- Share buybacks of about $55 million in 2019 and $33 million in 2020.

	2018A	2019E	2020E
EBITDA (Bil. $)	1.6	1.9-2.0	2.0-2.1
FFO-to-debt (%)	26.7	~35	35-38
Debt-to-EBITDA (x)	3.0	2.3-2.4	2.1-2.3

Note: All figures are S&P Global Ratings adjusted. FFO--Funds from operations. A--Actual. E--Estimate.

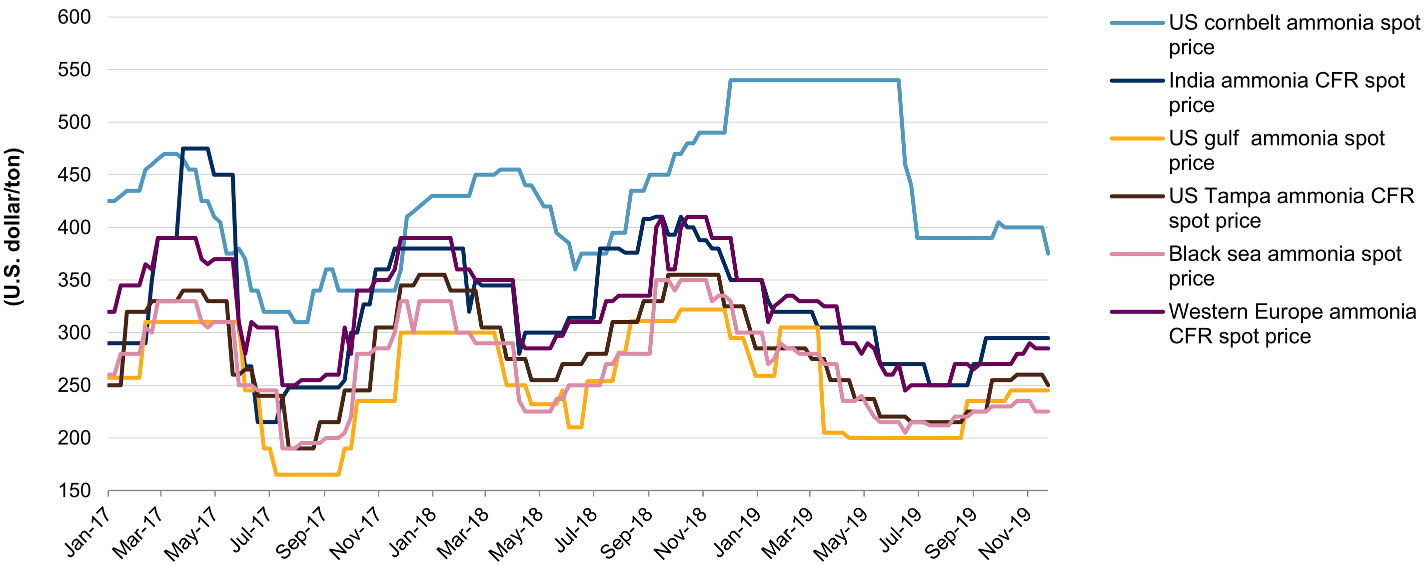
Base-case projections

Strategy of increased focus on the crop nutrition business. We note that Yara intends to increase its focus on the crop nutrition business by enhancing its solutions to farmers to optimize crop yield and equipping them with digital farming solutions. As part of this strategy, Yara is considering an IPO of its industrial nitrogen business while retaining significant ownership. The industrial nitrogen business historically accounted for about 10%-15% of Yara's EBITDA. We understand that the scope of the carve-out is under evaluation and that the separation will require considerable time, cost, and effort, given the intertwined nature of both businesses. Our base-case scenario assumes Yara's current scope, until the IPO plans crystalize and are confirmed by management.

Broadly stable nitrogen fertilizer prices. We anticipate steady demand for nitrogen-based fertilizers in 2020, even though weather-related events may disrupt the timing of the planting season in various regions. Lower natural gas prices will clearly continue to support nitrogen producers' profitability, notably in Europe. After several capacity additions, the supply-side pressure appears manageable, with an uncertain and limited amount of projects in the pipeline. This contributes to our view of broadly stable nitrogen fertilizer prices. The supply from China--amid the weak renminbi and a tight global urea balance--is the key risk, notwithstanding the capacity reductions in the country due to higher production costs as a result of increased environmental regulations.

Chart 3

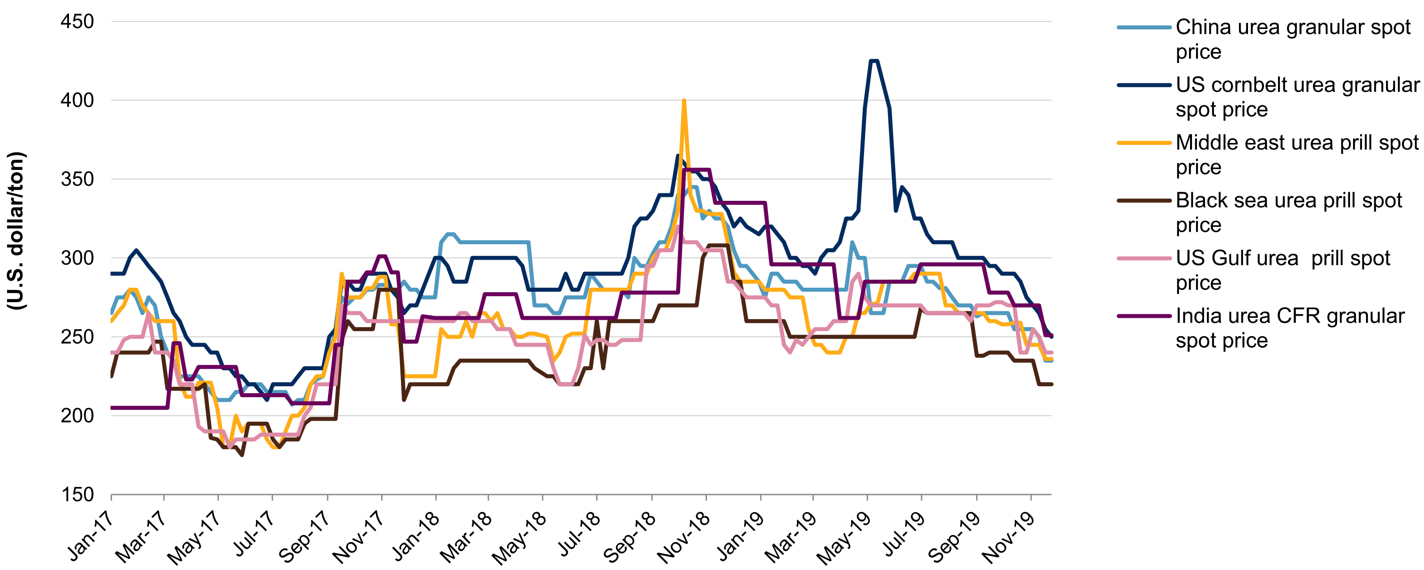
Ammonia Prices



Source: Bloomberg.

Chart 4

Urea Prices

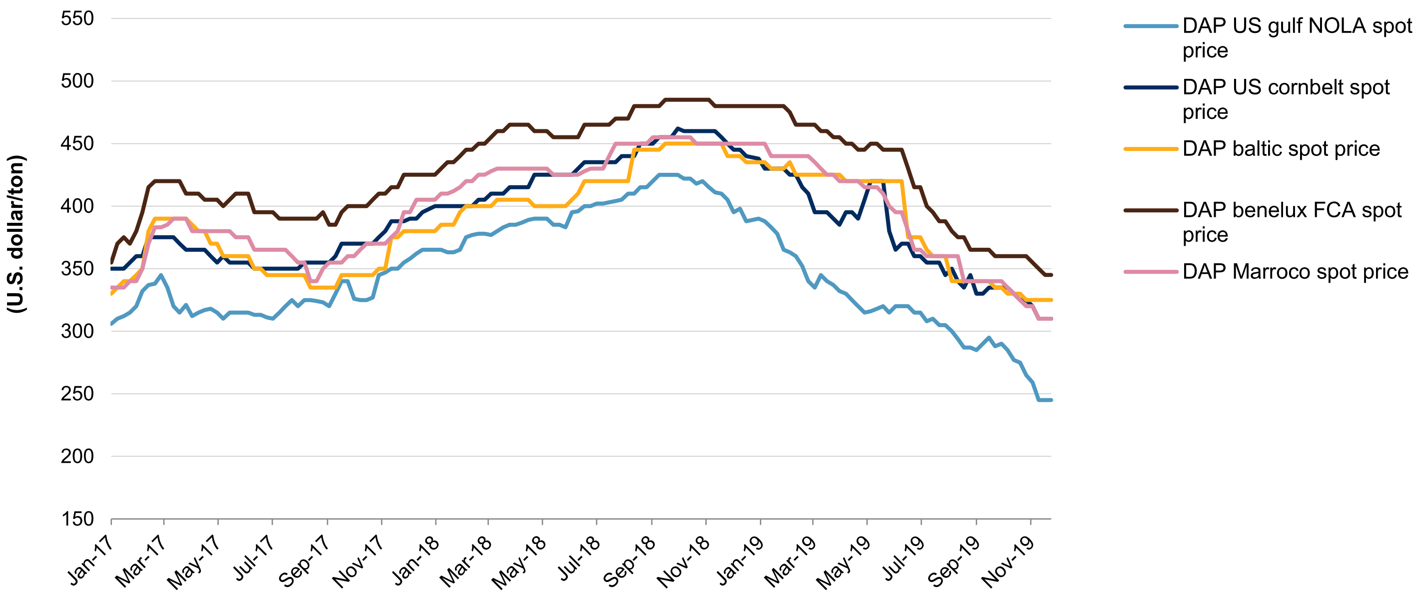


Source: Bloomberg.Copyright © 2018 by Standard & Poor's Financial Services LLC. All rights reserved.

Possible recovery in phosphate prices, but strength will depend on the pace of restocking and timing of the planting season. The impact of additional supply from OCP S.A. and Saudi Arabian Mining Co. (Ma'aden) was partly softened by closures at The Mosaic Co.'s Plant City or Nutrien Ltd.'s Redwater facility. In China, while increased environmental regulations put pressure on the local producers, the effect was mitigated by the devaluation of the Chinese renminbi and lower demand in the domestic market. As a result, contrary to our previous expectations, phosphate exports from China--about 35%-40% of global phosphoric acid production--increased in 2019 to date instead of declining. For 2020, phosphate inventories in distribution channels still appear significant, notably in the U.S. and India. We believe the pace of destocking, coupled with weather conditions and the timing of the planting season, will play a major role in the recovery of phosphate prices.

Chart 5

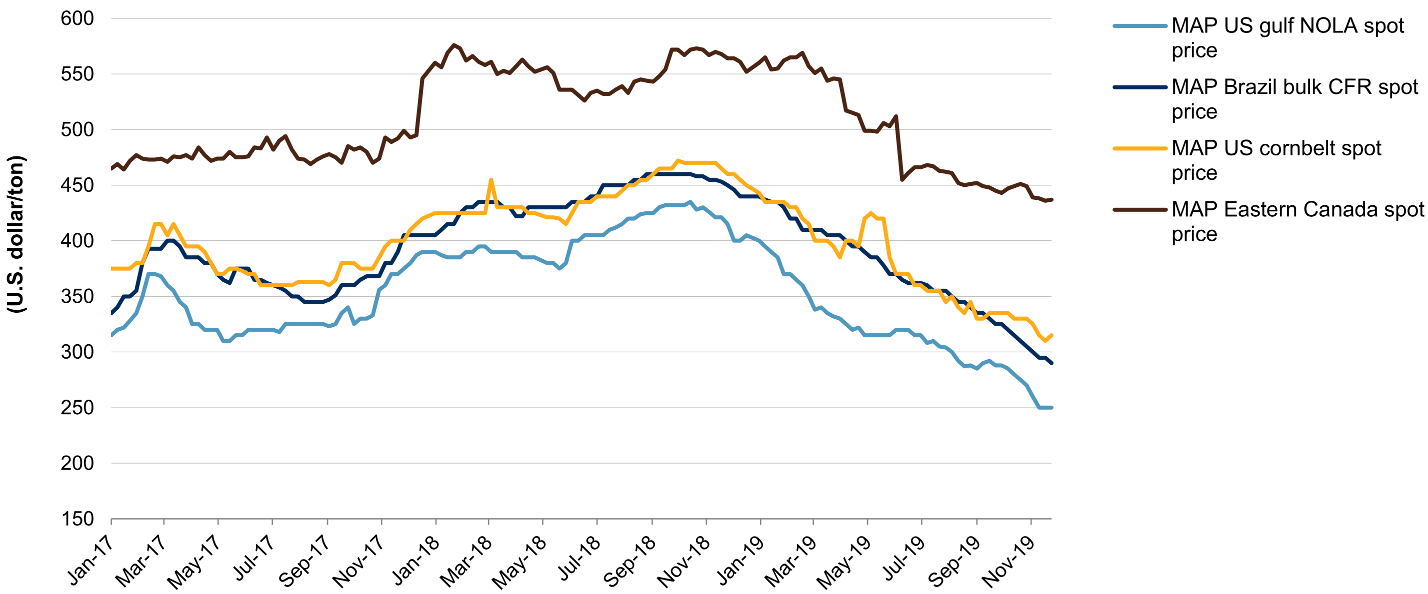
DAP Prices



Source: Bloomberg. DAP--Diammonium phosphate (46% phosphate, 18% nitrogen).Copyright © 2018 by Standard & Poor's Financial Services LLC. All rights reserved.

Chart 6

MAP Prices



Source: Bloomberg. MAP--Monoammonium phosphate (46% phosphate, 11% nitrogen).Copyright © 2018 by Standard & Poor’s Financial Services LLC. All rights reserved.

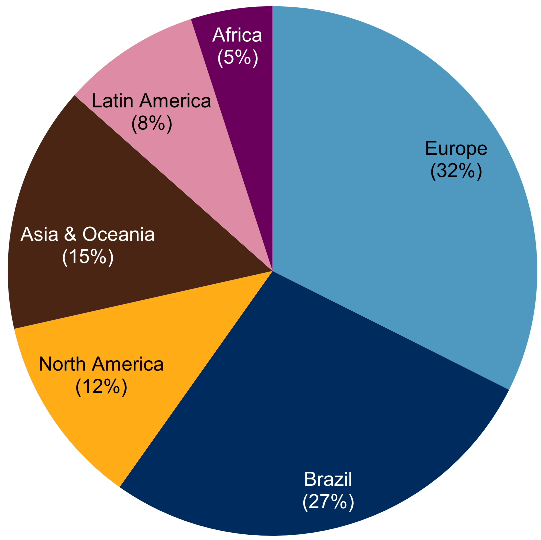
Company Description

Yara is the world's largest nitrogen fertilizer producer and fertilizer distributor. The group's network includes more than 200 terminals, warehouses, and blending plants, located in more than 60 countries across the globe.

The group distributes and markets standard and differentiated fertilizers from its wholly and partly-owned (through joint ventures) production plants, as well as from third parties. It sources raw materials, such as potash and phosphate, from third parties. Yara is also a major supplier of nitrogen chemicals for industrial explosives and other industrial markets.

Chart 7

Yara 2018 Revenue By Region



Source: Yara Annual Report 2018.

Norway, through the Ministry of Trade, Industry, and Fisheries, is Yara's largest shareholder, with a 36.21% stake as of Dec. 31, 2018, with The Government Pension Fund of Norway accounting for a further 4.86%. We view Yara's shareholder structure as stable and anticipate no major changes at present. Yara's market capitalization was about Norwegian krone (NOK) 95.4 billion in December 2019, up from about NOK91 billion on Dec. 31, 2018.

Business Risk: Satisfactory

Our view on Yara's business risk takes into account its position as one of the world's largest producers and distributors of fertilizers, with a strong and geographically extensive marketing network. Yara derives a large share of its profits from premium, higher-margin fertilizers, rather than commodity products such as ammonia and urea--the profits of which depend not on selling prices but on the spread between selling and feedstock prices. The premium generally translates into more-resilient profits and provides important margin support during peaks in natural gas prices.

Yara's production is geographically diverse. It directly operates large-scale, efficient plants in Europe and Canada, and its joint ventures also have efficient assets. There are three fertilizer markets--nitrogen, phosphate, and potash. Yara's primary focus is nitrogen fertilizers, which forms by far the largest of these markets. Farmers tend to consider nitrogen fertilizers indispensable, given their short-term impact on crop yields and the need to apply them every year. We consider Yara's competitive advantage as anchored primarily in its agronomic competence, strategic focus on sustainability, diverse product mix, and presence in key markets.

The main business risks include the highly cyclical nature of the fertilizer industry. This cyclicality reflects the industry's changing supply-demand balance, which is difficult to predict as it depends on fertilizer price expectations, harvests, the crop mix, farmers' earnings (which themselves depend on crop prices), the weather, and inventory levels. New supply depends on the speed with which projects come onstream, or higher cost capacities are curtailed.

Political decisions also influence both demand and supply, through export allowances or taxes and subsidies in various core markets, especially in India and China. The latter country is a swing producer in the industry, accounting for about 40% of global nameplate urea capacity. Of this only about 20%-30% uses natural gas as feedstock--the availability of natural gas fluctuates in winter months. The rest depends on the price of coal, which is subject to government regulation. We note that the increased focus on the protection of the environment in China puts pressure on the local coal-based urea production, which is currently primarily destined to meet internal demand.

Peer comparison

Table 1

Yara International ASA--Peer Comparison				
Industry sector: Chemical companies				
	Yara International ASA	**CF Industries Inc.**	**OCI N.V.**	**The Mosaic Co.**
Ratings as of Nov. 13, 2019	BBB/Stable/A-2	BB+/Stable/--	BB/Stable/--	BBB-/Stable/NR
	--Fiscal year ended Dec. 31, 2018--			
(Mil. $)				
Revenue	12,959.0	4,429.0	3,252.5	9,587.3
EBITDA	1,558.0	1,713.0	932.6	2,159.3
Funds from operations (FFO)	1,260.5	1,457.3	538.0	1,979.5
Interest expense	226.5	262.7	351.2	303.8
Cash interest paid	187.5	248.7	360.3	213.9
Cash flow from operations	802.5	1,573.3	611.2	1,456.8
Capital expenditure	1,276.0	421.0	293.0	932.4
Free operating cash flow (FOCF)	(473.5)	1,152.3	318.2	524.4
Discretionary cash flow (DCF)	(713.5)	262.3	295.9	485.9
Cash and short-term investments	202.0	682.0	443.1	847.7
Debt	4,726.1	4,562.4	4,409.7	4,324.5
Equity	8,910.0	5,731.0	1,477.1	10,604.7
Adjusted ratios				
EBITDA margin (%)	12.0	38.7	28.7	22.5
Return on capital (%)	5.0	7.3	7.3	8.3
EBITDA interest coverage (x)	6.9	6.5	2.7	7.1
FFO cash interest coverage (x)	7.7	6.9	2.5	10.3
Debt/EBITDA (x)	3.0	2.7	4.7	2.0
FFO/debt (%)	26.7	31.9	12.2	45.8
Cash flow from operations/debt (%)	17.0	34.5	13.9	33.7

Table 1

Yara International ASA--Peer Comparison (cont.)

Industry sector: Chemical companies

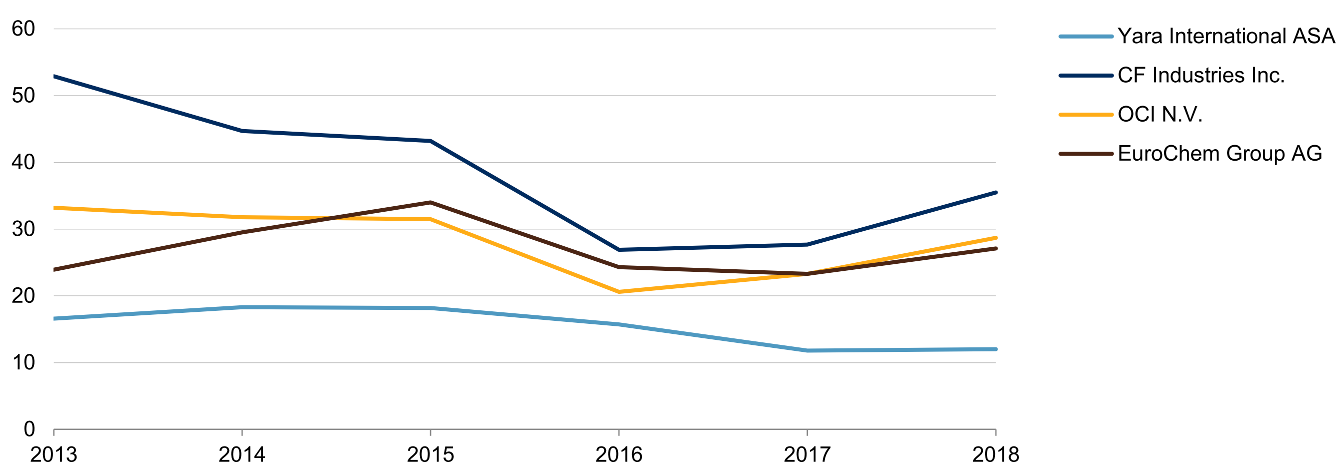
	Yara International ASA	CF Industries Inc.	OCI N.V.	The Mosaic Co.
FOCF/debt (%)	(10.0)	25.3	7.2	12.1
DCF/debt (%)	(15.1)	5.7	6.7	11.2

We compare Yara with companies that operate in the fertilizer business, such as U.S.-based nitrogen producer CF Industries, Netherlands-headquartered producer of nitrogen-based fertilizers, methanol, and other commodity products OCI N.V., and Switzerland-headquartered producer of nitrogen and phosphate EuroChem Group AG (which has most of its production assets located in Russia).

The structural cost disadvantage of Europe-based nitrogen producers compared with those located in North America or Russia is clearly visible in the profitability gap within the peer group. Yara's EBITDA margins are clearly lower than its peers, notably CF Industries, which benefits from access to lower-cost feedstock in the U.S., and EuroChem, whose profitability is supported by low gas prices in Russia (even though this is partly offset by higher transportation and freight costs). Similarly, OCI's margins are supported by its access to low-cost natural gas feedstock in the U.S. and very competitive long-term gas supply in North Africa.

Chart 8

Yara International ASA Profitability - Adjusted EBITDA Margin Peer Comparison



Source: S&P Global Ratings.

Financial Risk: Intermediate

Yara's EBITDA (excluding special items, as defined by the company) strengthened by almost 50% in the first nine months of 2019 to $1.6 billion, up from $1.1 billion in the same period last year. This primarily reflected lower

European natural gas prices, which declined to $4.6 per MMBtu on average in the first nine months of the year, down from $7.8 per MMBtu in the first nine months of 2018, notwithstanding broadly flat deliveries and the price of nitrogen-based fertilizers.

We forecast that Yara will report adjusted EBITDA of about $1.9 billion-$2.0 billion in 2019 and $2.0 billion-$2.1 billion in 2020. Our forecast factors in a margin gain stemming from the supportive natural gas price environment, as well as ongoing benefits from the company's operational improvement program, which encompasses productivity improvements, procurement excellence, and the efficiency of support systems. Yara extended the program and now targets EBITDA improvements of more than $600 million in 2023 over the 2018 baseline through further improvements to the reliability and efficiency of production, reduction of fixed costs, and optimization of working capital.

Partly offsetting these benefits, Yara's total deliveries volumes in 2019 to date have been broadly stable, while prices of nitrogen- and phosphate-based fertilizers have declined. In our base case, we assume that this situation will continue in 2020, suggesting that the improvement in Yara's EBITDA is primarily driven by the lower cost of feedstock and internal efficiencies, rather than the market recovery.

We assume that higher EBITDA and capex of about $1.2 billion will translate into free operating cash flow (FOCF) of about $0.4 billion in 2020 under our base-case scenario. This FOCF should be more than sufficient to cover dividends of about $0.3 billion, leaving scope for further net deleveraging. We forecast an adjusted FFO-to-debt ratio of about 35%-38% in 2020, up from about 35% in 2019, and about 27% in 2018. Importantly, we do not factor in share buybacks over and above NOK800 million announced by the company on Oct. 18, 2019.

We anticipate that Yara will balance its growth strategy and shareholder remunerations against the publicly stated commitment to maintain at least a 'BBB' rating and the intention to maintain leverage (as calculated by management) of net debt to EBTIDA of 1.5x-2.0x and a net debt to equity ratio below 60%.

Financial summary

Table 2

Yara International ASA--Financial Summary

Industry Sector: Chemical companies

	--Fiscal year ended Dec. 31--				
	2018	**2017**	**2016**	**2015**	**2014**
(2017-2018 Mil. $, 2014-2016 Mil NOK)					
Revenue	12,959.0	11,359.0	95,367.0	108,344.0	95,340.0
EBITDA	1,558.0	1,335.0	14,984.0	19,727.0	17,400.5
Funds from operations (FFO)	1,260.5	1,047.8	11,153.6	15,175.0	14,044.6
Interest expense	226.5	165.2	1,397.4	1,354.0	1,028.9
Cash interest paid	187.5	91.2	1,094.4	1,172.0	977.9
Cash flow from operations	802.5	825.4	14,717.6	15,672.0	9,602.6
Capital expenditure	1,276.0	1,270.0	12,509.0	9,520.0	7,019.0
Free operating cash flow (FOCF)	(473.5)	(444.6)	2,208.6	6,152.0	2,583.6
Discretionary cash flow (DCF)	(713.5)	(765.6)	(2,244.4)	2,080.0	(628.4)

Table 2

Yara International ASA--Financial Summary (cont.)

Industry Sector: Chemical companies

	--Fiscal year ended Dec. 31--				
	2018	**2017**	**2016**	**2015**	**2014**
Cash and short-term investments	202.0	544.0	3,751.0	3,220.0	3,591.0
Gross available cash	202.0	544.0	3,751.0	3,220.0	3,591.0
Debt	4,726.1	3,184.1	20,098.6	19,173.7	18,472.3
Equity	8,910.0	9,504.0	76,770.0	75,727.0	67,962.0
Adjusted ratios					
EBITDA margin (%)	12.0	11.8	15.7	18.2	18.3
Return on capital (%)	5.0	1.1	7.9	12.3	15.5
EBITDA interest coverage (x)	6.9	8.1	10.7	14.6	16.9
FFO cash interest coverage (x)	7.7	12.5	11.2	13.9	15.4
Debt/EBITDA (x)	3.0	2.4	1.3	1.0	1.1
FFO/debt (%)	26.7	32.9	55.5	79.1	76.0
Cash flow from operations/debt (%)	17.0	25.9	73.2	81.7	52.0
FOCF/debt (%)	(10.0)	(14.0)	11.0	32.1	14.0
DCF/debt (%)	(15.1)	(24.0)	(11.2)	10.8	(3.4)

NOK--Norwegian krone.

Liquidity: Adequate

We assess Yara's liquidity as adequate, based on our view that liquidity sources will cover uses by about 1.4x over the 12 months from Sept. 30, 2019. We note that Yara repaid its $500 million bond upon maturity in June 2019 and anticipate that the company will continue addressing its upcoming maturities well ahead of time.

Principal Liquidity Sources	Principal Liquidity Uses
• Available cash and cash equivalents of around $0.2 billion as of Sept. 30, 2019; • FFO of about $1.7 billion-$1.8 billion; and • Full availability under the committed revolving credit facility (RCF) of $1.1 billion and under other long-term committed facilities of about $0.35 billion. The RCF of $1.1 billion matures in July 2024, but can be extended twice, by one year each time.	• Short-term debt of $1.1 billion, of which $242 million (NOK2.2 billion) relates to the bond due December 2019, and the remainder to various local and offshore short-term lines with 12-month durations; • Capex (excluding acquisitions) of about $1.2 billion, of which $0.8 billion is maintenance; • Dividend payment of about $0.3 billion; • Working capital outflows of $0.1 billion-$0.2 billion; and • Share buyback of $0.08 billion.

Debt maturitiesas of Dec. 31, 2018

- 2019: $1.2 billion
- 2020: $0.05 billion
- 2021: $0.1 billion
- 2022: $0.5 billion
- 2023: $0.05 billion
- Thereafter: $2.1 billion

Covenant Analysis

Our assessment also factors in comfortable headroom under the financial covenant incorporated in Yara's $1.25 billion RCF, which stipulates that net debt to equity in the consolidated accounts is 1.4x maximum at the end of each quarter.

Environmental, Social, And Governance

We see nitrogen-based fertilizers as having higher environmental exposure than the broader industry, because there is potential for an increasing number of consumers to take the view that chemical fertilizers can release damaging nitrous oxide into the atmosphere, and that excess is often washed away by rain, polluting ground waters, and eventually leaching into rivers. At the same time, consumers are putting the agriculture and food industries under increasing scrutiny as they become more concerned about the sustainability and origin of their food choices. As a result, customers, especially in the developed economies, are gradually shifting their preferences toward food products that are grown without the use of crop protection chemicals or fertilizers. Mitigating these risks is the critical role fertilizers play in sustaining the ever-increasing global population with crops that are grown on shrinking arable land, and that are able to withstand pressures posed by the climate change.

Similar to other nitrogen-based fertilizer producers, we see Yara as having a higher degree of exposure to future environmental regulations and consumer perception. Yara responds to these challenges by 1) educating and engaging with farmers to ensure that they use the right amount and the correct type of fertilizers for the crops, thus promoting precision in the application of fertilizers; 2) creating crop-specific solutions by combining its premium product offering with onsite advice from the company's agronomists to the farmer, and 3) developing technology solutions such as sensors, cloud solutions, and satellite-supported tools.

The company is also facing long-term environmental risks, notably from tightening regulation of greenhouse gas (GHG) emissions. Yara reduced its GHG emissions by nearly half over the past 15 years, notably through installation of nitrous oxide catalysts, which removed about 90% of nitrous oxide emissions in Yara's plants. It is also investing in energy efficiency, notably at the ammonia plants, which account for almost 90% of Yara's energy consumption. We view this as positive to the profitability of the company.

We see Yara's management and governance as satisfactory, reflecting management's extensive expertise as well as environmental awareness. We note that the company's $1.1 billion RCF is linked to a sustainability indicator target, which references the reduction in carbon dioxide equivalent per tonne of nitrogen produced, compared with the 2018 level.

Issue Ratings - Subordination Risk Analysis

Capital structure

Yara's capital structure consists primarily of:

- A $500 million bond due 2026,
- $1.0 billion bond due 2028,
- NOK2.2 billion bond due December 2019,
- NOK700 million bond due 2021,
- NOK1.6 billion bond due 2024,

- NOK1.25 billion bond due 2022,
- NOK1 billion bond due 2027,
- Swedish krona (SEK) 1.25 billion bond due 2022, and
- Various local lines.

All notes are unsecured and unsubordinated obligations of the issuer, ranking equally with each other. Liquidity is supported by the main $1.1 billion RCF due July 2024, which has the same seniority as Yara's current and present obligations, and other RCF lines of about $0.8 billion.

Analytical conclusions

With no material priority obligations ranking ahead of the company senior unsecured obligations, we rate Yara's senior unsecured bonds at 'BBB', in line with the issuer credit rating on Yara.

Reconciliation

Table 3

Reconciliation Of Yara International ASA Reported Amounts With S&P Global Ratings' Adjusted Amounts (Mil. $)

	--Fiscal year ended Dec. 31, 2018--								
Yara International ASA reported amounts									
	Debt	**Shareholders' equity**	**Revenue**	**EBITDA**	**Operating income**	**Interest expense**	**S&P Global Ratings' adjusted EBITDA**	**Cash flow from operations**	**Capital expenditure**
Reported	3,974.0	8,683.0	13,054.0	1,359.0	402.0	127.0	1,558.0	756.0	1,336.0
S&P Global Ratings' adjustments									
Cash taxes paid	--	--	--	--	--	--	(110.0)	--	--
Cash taxes paid: Other	--	--	--	--	--	--	--	--	--
Cash interest paid	--	--	--	--	--	--	(158.0)	--	--
Cash interest paid: Other	--	--	--	--	--	--	60.0	--	--
Reported lease liabilities	23.0	--	--	--	--	--	--	--	--
Operating leases	435.2	--	--	136.0	29.5	29.5	(29.5)	106.5	--
Postretirement benefit obligations/deferred compensation	333.0	--	--	3.0	3.0	7.0	--	--	--
Accessible cash and liquid investments	(150.0)	--	--	--	--	--	--	--	--
Capitalized interest	--	--	--	--	--	60.0	(60.0)	(60.0)	(60.0)
Dividends received from equity investments	--	--	--	155.0	--	--	--	--	--
Asset retirement obligations	93.9	--	--	--	--	3.0	--	--	--

Table 3

Reconciliation Of Yara International ASA Reported Amounts With S&P Global Ratings' Adjusted Amounts (Mil. $) (cont.)									
Nonoperating income (expense)	--	--	--	--	163.0	--	--	--	--
Noncontrolling interest/minority interest	--	227.0	--	--	--	--	--	--	--
Debt: Contingent considerations	17.0	--	--	--	--	--	--	--	--
Revenue: Other	--	--	(95.0)	(95.0)	(95.0)	--	--	--	--
Depreciation and amortization: Impairment charges/(reversals)	--	--	--	--	150.0	--	--	--	--
Total adjustments	752.1	227.0	(95.0)	199.0	250.5	99.5	(297.5)	46.5	(60.0)
S&P Global Ratings' adjusted amounts									
	Debt	**Equity**	**Revenue**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from operations**	**Cash flow from operations**	**Capital expenditure**
Adjusted	4,726.1	8,910.0	12,959.0	1,558.0	652.5	226.5	1,260.5	802.5	1,276.0

Ratings Score Snapshot

Issuer Credit Rating

BBB/Stable/A-2

Business risk: Satisfactory

- **Country risk:** Low
- **Industry risk:** Moderately high
- **Competitive position:** Satisfactory

Financial risk: Intermediate

- **Cash flow/leverage:** Intermediate

Anchor: bbb

Modifiers

- **Diversification/portfolio effect:** Neutral (no impact)
- **Capital structure:** Neutral (no impact)
- **Financial policy:** Neutral (no impact)
- **Liquidity:** Adequate (no impact)
- **Management and governance:** Satisfactory (no impact)
- **Comparable rating analysis:** Neutral (no impact)

Related Criteria

- Group Rating Methodology, July 1, 2019
- Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
- Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- Corporate Methodology: Ratios And Adjustments, Nov. 19, 2013
- Corporate Methodology, Nov. 19, 2013
- Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- Industry Risk, Nov. 19, 2013
- Management And Governance Credit Factors For Corporate Entities And Insurers, Nov. 13, 2012

Business And Financial Risk Matrix

	Financial Risk Profile					
Business Risk Profile	Minimal	Modest	**Intermediate**	Significant	Aggressive	Highly leveraged
Excellent	aaa/aa+	aa	a+/a	a-	bbb	bbb-/bb+
Strong	aa/aa-	a+/a	a-/bbb+	bbb	bb+	bb
Satisfactory	a/a-	bbb+	**bbb/bbb-**	bbb-/bb+	bb	b+
Fair	bbb/bbb-	bbb-	bb+	bb	bb-	b
Weak	bb+	bb+	bb	bb-	b+	b/b-
Vulnerable	bb-	bb-	bb-/b+	b+	b	b-

Ratings Detail (As Of December 18, 2019)*

Yara International ASA	
Issuer Credit Rating	BBB/Stable/A-2
Senior Unsecured	BBB
Issuer Credit Ratings History	
20-Nov-2015	BBB/Stable/A-2
30-Sep-2013	BBB/Positive/A-2
16-Nov-2010	BBB/Stable/A-2

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.