



OCI Partners LP

2Q 2015 Results Presentation
August 2015



Safe Harbor Provision

Unless the context otherwise requires, references in this presentation to “our partnership,” “we,” “our,” “us” and similar terms, when used in a historical context, refer to the business and operations of OCI Beaumont LLC, a Texas limited liability company (“OCIB”) that OCI USA Inc. contributed to OCI Partners LP in connection with the Initial Public Offering (IPO) for periods prior . When used in the present tense or future tense, those terms and “OCI Partners LP” and “OCIP” refer to OCI Partners LP, a Delaware limited partnership, and its subsidiaries, including OCIB. References to “our general partner” refer to OCI GP LLC, a Delaware limited liability company and a wholly owned subsidiary of OCI USA Inc. References to “OCI” refer to OCI N.V., a Dutch public limited liability company, and its consolidated subsidiaries other than us, our subsidiaries and our general partner. References to “OCI USA” refer to OCI USA Inc., a Delaware corporation, which is an indirect wholly owned subsidiary of OCI. References to “OCI Fertilizer” refer to OCI Fertilizer International B.V., a Dutch private limited liability company, which is an indirect wholly owned subsidiary of OCI.

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Non-GAAP Financial Measures Disclosure

Today’s presentation includes certain non-GAAP financial measures as defined under Regulation G of the Securities Exchange Act of 1934, as amended. A reconciliation of those measures to the most directly comparable GAAP measures is available in the appendix to this presentation.

Financial Overview

2Q 2015 Results Summary

US\$ million	Three Months Ended June 30			Six Months Ended June 30		
	2015	2014	Change	2015	2014	Change
Revenues	79,568	113,447	-29.9%	117,313	213,026	-44.9%
Cost of Goods Sold	44,514	55,937	-20.4%	69,679	108,434	-35.7%
Depreciation Expense	12,648	5,695	122.1%	18,732	11,356	65.0%
Selling, General and Administrative Expenses	4,912	6,238	-21.3%	9,972	12,529	-20.4%
Income from Operations (before interest expense, other income (expense) and income tax expense)	17,494	45,577	-61.6%	18,930	80,707	-76.5%
Interest Expense	1,785	4,710	-62.1%	4,291	10,537	-59.3%
Interest Expense - Related Party	51	51	0.0%	101	101	0.0%
Gain (loss) from asset disposal	(1,982)	-	-	5	-	-
Other income	30	587	-94.9%	121	755	-84.0%
Income from Operations (before tax expense)	13,706	41,403	-66.9%	14,664	70,824	-79.3%
Income Tax Expense	228	477	-52.2%	293	891	-67.1%
Net Income	13,478	40,926	-67.1%	14,371	69,933	-79.5%

Sales Volumes

000 Metric Tons	H1 2015	Q2 2015	Q1 2015	H1 2014	Q2 2014	Q1 2014
Ammonia	84.6	49.1	35.5	129.3	73.2	56.1
Methanol	211.9	158.9	53	306.1	161.6	144.5

**Net Debt is defined as Total Debt minus Cash and Cash Equivalents*

**Total Debt is equivalent to Total Long Term Debt which consists of the unpaid principal of Term Loan B Credit Facility and Revolving Credit Facility*

Appendix

Appendix

Income Statement

OCI PARTNERS LP

Condensed Consolidated Statements of Operations
 Three and Six-Month Periods Ended June 30, 2015 and 2014
 (Unaudited)
 (Dollars in thousands, except per unit data)

	Three-Months Ended June 30,		Six-Months Ended June 30,	
	2015	2014	2015	2014
Revenues	\$ 78,956	\$ 113,447	\$ 116,701	\$ 213,026
Revenues—related party	612	—	612	—
Total Revenue	<u>79,568</u>	<u>113,447</u>	<u>117,313</u>	<u>213,026</u>
Cost of goods sold (exclusive of depreciation)	40,190	53,159	59,344	101,599
Cost of goods sold (exclusive of depreciation)—related party	4,324	2,778	10,335	6,835
Total Cost of goods sold (exclusive of depreciation)	<u>44,514</u>	<u>55,937</u>	<u>69,679</u>	<u>108,434</u>
Selling, general and administrative expenses	3,732	4,925	7,487	10,031
Selling, general and administrative expenses—related party	1,180	1,313	2,485	2,498
Total Selling, general and administrative expenses	<u>4,912</u>	<u>6,238</u>	<u>9,972</u>	<u>12,529</u>
Depreciation expense	12,648	5,695	18,732	11,356
Income from operations before interest expense, other income and income tax expense	17,494	45,577	18,930	80,707
Interest expense	1,785	4,710	4,291	10,537
Interest expense—related party	51	51	101	101
Gain (loss) from asset disposal	(1,982)	—	5	—
Other income	30	587	121	755
Income from operations before tax expense	<u>13,706</u>	<u>41,403</u>	<u>14,664</u>	<u>70,824</u>
Income tax expense	228	477	293	891
Net income	<u>\$ 13,478</u>	<u>\$ 40,926</u>	<u>\$ 14,371</u>	<u>\$ 69,933</u>
Earnings per limited partner unit:				
Common unit (basic and diluted)	\$ 0.16	\$ 0.51	\$ 0.17	\$ 0.87
Weighted average number of limited partner units outstanding:				
Common units (basic and diluted)	86,343,329	80,500,000	84,927,218	80,500,000

Appendix

Balance Sheet

OCI PARTNERS LP

Condensed Consolidated Balance Sheets
June 30, 2015 and December 31, 2014
(Dollars in thousands, except per unit data)

	As of	
	June 30, 2015 (unaudited)	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	\$ 20,615	\$ 71,810
Accounts receivable	40,565	35,807
Accounts receivable—related party	612	—
Inventories	4,902	6,152
Advances due from related parties	24	97
Other current assets and prepaid expenses	699	3,664
Total current assets	<u>67,417</u>	<u>117,530</u>
Property, plant, and equipment, net of accumulated depreciation of \$74,838 and \$56,689, respectively	702,684	545,258
Other non-current assets	1,385	1,529
Total assets	<u>\$ 771,486</u>	<u>\$ 664,317</u>
Liabilities and Partners' Capital		
Current liabilities:		
Accounts payable	\$ 82,164	\$ 37,144
Accounts payable—related party	24,959	37,278
Other payables and accruals	5,407	11,285
Revolving credit facility, net	39,914	—
Current maturities of the term loan facility	3,980	3,980
Accrued interest	2,557	2,310
Accrued interest—related party	101	220
Other current liabilities	3,149	5,282
Total current liabilities	<u>162,231</u>	<u>97,499</u>
Term loan facility, net	372,901	377,577
Other non-current liabilities	1,472	1,177
Total liabilities	<u>536,604</u>	<u>476,253</u>
Partners' capital		
Common unitholders—86,997,590 issued and outstanding at June 30, 2015 and 83,495,372 units issued and outstanding at December 31, 2014	234,882	188,064
General partner's interest	—	—
Total partners' capital	<u>234,882</u>	<u>188,064</u>
Total liabilities and partners' capital	<u>\$ 771,486</u>	<u>\$ 664,317</u>

Appendix

Statement of Changes in Equity

OCI PARTNERS LP

Condensed Consolidated Statements of Member's Capital and Partners' Capital

Six-Months Ended June 30, 2015 and 2014

(Unaudited)

(Dollars in thousands, except per unit data)

	Common Units		Total Partners' Capital
	Units	Amount	
Balance, December 31, 2013	80,500,000	\$ 151,371	\$ 151,371
Distributions	—	(17,914)	(17,914)
Distributions—Related Party	—	(64,491)	(64,491)
Net income	—	69,933	69,933
Balance June 30, 2014	80,500,000	\$ 138,899	\$ 138,899
Balance, December 31, 2014	83,495,372	\$ 188,064	\$ 188,064
Distributions	—	(5,775)	(5,775)
Distributions—Related Party	—	(21,778)	(21,778)
Capital Contribution	3,502,218	60,000	60,000
Net income	—	14,371	14,371
Balance, June 30, 2015	86,997,590	\$ 234,882	\$ 234,882

Appendix

Cash Flow Statement

OCI PARTNERS LP

Condensed Consolidated Statements of Cash Flows
Six-Months Ended June 30, 2015 and 2014
(Unaudited)
(Dollars in thousands, except per unit data)

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Net income	\$ 14,371	\$ 69,933
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	18,732	11,356
Amortization of debt issuance costs	1,727	1,242
Deferred income tax expense	295	201
(Gain) loss from asset disposal	(5)	—
Decrease (increase) in:		
Accounts receivable	(4,758)	7,934
Accounts receivable – related party	(612)	—
Inventories	1,250	(5,357)
Advances due from related party	73	251
Other non-current assets, other current assets and prepaid expenses	2,965	1,644
Increase (decrease) in:		
Accounts payable	721	370
Accounts payable – related party	2,450	602
Other payables, accruals, and current liabilities	(2,147)	1,487
Accrued interest	(8,142)	(2,440)
Accrued interest – related party	(119)	101
Net cash provided by operating activities	<u>26,801</u>	<u>87,324</u>
Cash flows from investing activities:		
Purchase of property, plant, and equipment	(146,664)	(56,441)
Proceeds from sale of scrap equipment	2,492	—
Net cash used in investing activities	<u>(144,172)</u>	<u>(56,441)</u>
Cash flows from financing activities:		
Proceeds from revolving credit facility	40,000	—
Repayment of debt	(1,990)	(1,995)
Cash contributions by member	60,000	—
Debt issuance costs	(4,118)	(5,983)
Remittance of cash to OCI USA for transferred trade receivables	(163)	(17,500)
Distributions to Unitholders	(5,775)	(17,914)
Distributions to Unitholders – related party	(21,778)	(64,491)
Net cash provided by (used in) financing activities	<u>66,176</u>	<u>(107,883)</u>
Net increase (decrease) in cash and cash equivalents	(51,195)	(77,000)
Cash and cash equivalents, beginning of period	71,810	182,977
Cash and cash equivalents, end of period	<u>\$ 20,615</u>	<u>\$ 105,977</u>
Supplemental cash disclosures:		
Cash paid during the period for income taxes	\$ 1,200	\$ 1,350
Cash paid during the period for interest, net of amount capitalized	2,317	9,543
Cash paid during the period for interest, net of amount capitalized – related party	220	—
Supplemental non-cash disclosures:		
Accruals of property, plant and equipment purchases	\$ 63,495	\$ 4,760
Accruals of property, plant and equipment purchases – related party	11,228	13,079
Capitalized interest	8,389	2,192