



OCI Partners LP

3Q 2016 Results Presentation
November 2016



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 prior to October 9, 2013, 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). 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.

This presentation may contain forward-looking statements that are based upon current expectations and involve a number of risks and uncertainties. Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include the words “will,” “believe,” “expect,” “anticipate,” “intend,” “estimate” and other expressions that are predictions of or indicate future events and trends and that do not relate to historical matters identify forward-looking statements. Statements about our business strategy, our industry, our expected revenues, our future profitability, our expected capital expenditures (including for maintenance or expansion projects and environmental expenditures) and the impact of such expenditures on our performance, the costs of operating as a publicly traded partnership and other statements, concerns, or matters that are not historical facts are “forward-looking statements,” as that term is defined under United States securities laws. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements.

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Financial Overview

Q3 2016 Results Summary

US\$ thousand	Three Months Ended September 30			Nine Months Ended September 30		
	2016	2015	Change	2016	2015	Change
Revenues	66,076	103,683	-36%	192,295	220,996	-13%
Cost of Goods Sold	48,250	52,109	-7%	132,843	121,788	9%
Depreciation Expense	15,253	15,547	-2%	46,144	34,279	35%
Selling, General and Administrative Expenses	3,447	5,193	-34%	16,348	15,165	8%
Income from Operations (before interest expense, other income (expense) and income tax expense)	(874)	30,834	-103%	(3,040)	49,764	-106%
Interest Expense	10,104	7,278	39%	28,869	11,569	150%
Interest Expense - Related Party	143	51	180%	245	152	61%
Gain (loss) on disposition of fixed assets	(4)	11		(451)	16	
Other Income (Expense)	(16)	(20)	-20%	(5)	100	-105%
Income (loss) from Operations (before tax expense)	(11,141)	23,496	-147%	(32,610)	38,159	-185%
Income Tax Expense	556	353	58%	589	646	-9%
Net Income	(11,697)	23,143	-151%	(33,199)	37,513	-188%
	30-Sep-16	31-Dec-15				
Total Debt	448,718	450,193	0%			
Net Debt	437,523	436,955	0%			

Sales Volumes

000 Metric Tons	9M 2016	Q3 2016	Q2 2016	Q1 2016	9M 2015	Q3 2015	Q2 2015	Q1 2015
Ammonia	247.9	81.3	69.9	96.7	157.9	73.3	49.1	35.5
Methanol	621.8	219.6	183.3	218.9	433.5	221.6	158.9	53.0

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

*Total Debt is the outstanding principal portion of our Term Loan B Credit facility and Revolving Credit Facility less the unamortized portion of the Deferred Financing Cost and Original Issue Discount associated with these facilities

Appendix

Appendix

Income Statement

	Three-Months Ended September 30,		Nine-Months Ended September 30,	
	2016	2015	2016	2015
Revenues	\$ 64,641	\$ 100,402	\$ 183,113	\$ 217,103
Revenues—related party	1,435	3,281	9,182	3,893
Total Revenue	66,076	103,683	192,295	220,996
Cost of goods sold (exclusive of depreciation)	45,175	49,121	119,514	108,465
Cost of goods sold (exclusive of depreciation)—related party	3,075	2,988	13,329	13,323
Total Cost of goods sold (exclusive of depreciation)	48,250	52,109	132,843	121,788
Selling, general and administrative expenses	2,389	4,302	12,628	11,789
Selling, general and administrative expenses—related party	1,058	891	3,720	3,376
Total Selling, general and administrative expenses	3,447	5,193	16,348	15,165
Depreciation expense	15,253	15,547	46,144	34,279
Income from operations before interest expense, other income and income tax expense	(874)	30,834	(3,040)	49,764
Interest expense	10,104	7,278	28,869	11,569
Interest expense—related party	143	51	245	152
Gain (loss) on disposition of fixed assets	(4)	11	(451)	16
Other income (expense)	(16)	(20)	(5)	100
Income (loss) from operations before tax expense	(11,141)	23,496	(32,610)	38,159
Income tax expense	556	353	589	646
Net income (loss)	\$ (11,697)	\$ 23,143	\$ (33,199)	\$ 37,513
Earnings per limited partner unit:				
Common unit (basic and diluted)	\$ (0.13)	\$ 0.27	\$ (0.38)	\$ 0.44
Weighted average number of limited partner units outstanding:				
Common units (basic and diluted)	86,997,590	86,997,590	86,997,590	85,624,926

Appendix

Balance Sheet

	As of	
	September 30, 2016 (unaudited)	December 31, 2015
Assets		
Current assets:		
Cash and cash equivalents	\$ 11,195	\$ 13,238
Accounts receivable	22,884	28,554
Accounts receivable—related party	373	5,180
Inventories	4,877	5,974
Advances due from related parties	230	56
Other current assets and prepaid expenses	4,308	4,721
Total current assets	43,867	57,723
Property, plant, and equipment, net of accumulated depreciation of \$151,698 and \$105,769, respectively	635,481	674,699
Other non-current assets	1,039	1,188
Total assets	\$ 680,387	\$ 733,610
Liabilities and Partners' Capital		
Current liabilities:		
Accounts payable	\$ 22,488	\$ 19,363
Accounts payable—related party	13,642	12,624
Other payables and accruals	4,471	4,239
Revolving credit facility, net	—	24,928
Revolving credit facility—related party	35,000	—
Current maturities of the term loan facility	4,480	4,480
Accrued interest	4,001	3,416
Accrued interest—related party	143	203
Other current liabilities	3,876	4,975
Total current liabilities	88,101	74,228
Term loan facility, net	419,310	420,785
Other non-current liabilities	2,371	1,734
Total liabilities	509,782	496,747
Partners' capital		
Common unitholders—86,997,590 issued and outstanding at September 30, 2016 and December 31, 2015	170,605	236,863
General partner's interest	—	—
Total partners' capital	170,605	236,863
Total liabilities and partners' capital	\$ 680,387	\$ 733,610

Appendix

Statement of Partners' Capital

	Common Units		Total Partners' Capital
	Units	Amount	
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	—	37,513	37,513
Balance, September 30, 2015	86,997,590	\$ 258,024	\$ 258,024
Balance, December 31, 2015	86,997,590	\$ 236,863	\$ 236,863
Distributions	—	(6,650)	(6,650)
Distributions—Related Party	—	(26,409)	(26,409)
Net (loss)	—	(33,199)	(33,199)
Balance, September 30, 2016	86,997,590	\$ 170,605	\$ 170,605

Appendix

Cash Flow Statement

	Nine-Months Ended September 30,	
	2016	2015
Cash flows from operating activities:		
Net income (loss)	\$ (33,199)	\$ 37,513
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	46,144	34,279
Amortization of debt issuance costs	3,149	2,680
Deferred income tax expense	637	648
(Gain) loss on disposition of fixed assets	451	(16)
Decrease (increase) in:		
Accounts receivable	5,670	10,136
Accounts receivable – related party	4,807	(1,319)
Inventories	1,097	446
Advances due from related party	(174)	79
Other non-current assets, other current assets and prepaid expenses	562	(2,137)
Increase (decrease) in:		
Accounts payable	350	(2,120)
Accounts payable – related party	1,118	2,056
Other payables, accruals, and current liabilities	(853)	3,736
Accrued interest	585	(8,024)
Accrued interest – related party	244	(68)
Net cash provided by operating activities	<u>30,588</u>	<u>77,889</u>
Cash flows from investing activities:		
Purchase of property, plant, and equipment	(4,621)	(221,619)
Proceeds from sale of scrap equipment	19	2,503
Net cash provided by (used in) investing activities	<u>(4,602)</u>	<u>(219,116)</u>
Cash flows from financing activities:		
Proceeds from revolving credit facility	27,000	40,000
Proceeds from term loan b credit facility	—	50,000
Proceeds from intercompany revolving credit facility	39,170	—
Repayment of debt	(55,360)	(18,110)
Repayment of debt – related party	(4,170)	—
Cash contributions by member	—	60,000
Debt issuance costs	(1,206)	(5,023)
Remittance of cash to OCI USA for transferred trade receivables	(404)	(222)
Distributions to Unitholders	(6,650)	(5,775)
Distributions to Unitholders – related party	(26,409)	(21,778)
Net cash provided by (used in) financing activities	<u>(28,029)</u>	<u>99,092</u>
Net increase (decrease) in cash and cash equivalents	(2,043)	(42,135)
Cash and cash equivalents, beginning of period	13,238	71,810
Cash and cash equivalents, end of period	<u>\$ 11,195</u>	<u>\$ 29,675</u>
Supplemental cash disclosures:		
Cash paid during the period for income taxes	\$ 100	\$ 1,200
Cash paid during the period for interest, net of amount capitalized	25,105	8,327
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	\$ 3,373	\$ 1,325
Noncash settlement of accrued interest – related party	304	—
Capitalized interest	—	8,586