



OCI Partners LP

4Q 2016 Results Presentation
March 2017



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

Q4 2016 Results Summary

US\$ thousand	Three Months Ended December 31			Year Ended December 31		
	2016	2015	Change	2016	2015	Change
Revenues	65,934	88,447	-25%	258,229	309,443	-17%
Cost of Goods Sold	46,226	44,028	5%	179,069	165,816	8%
Depreciation Expense	15,297	15,384	-1%	61,441	49,663	24%
Selling, General and Administrative Expenses	3,668	6,067	-40%	20,016	21,232	-6%
Income (loss) from Operations (before interest expense, other income (expense) and income tax expense)	743	22,968	-97%	(2,297)	72,732	-103%
Interest Expense	16,226	8,449	92%	45,096	20,018	125%
Interest Expense - Related Party	1,532	51	2904%	1,777	203	775%
Other Income (Expense)	(123)	6	-2150%	(577)	123	-569%
Income (loss) from Operations (before tax expense)	(17,138)	14,474	-218%	(49,747)	52,634	-195%
Income Tax Expense	217	(33)	-758%	806	613	31%
Net Income (loss)	(17,355)	14,507	-220%	(50,553)	52,021	-197%
	31-Dec-16	31-Dec-15				
Total Debt	465,228	450,193	3%			
Net Debt	457,148	436,955	5%			

Sales Volumes

000 Metric Tons	12M 2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016	12M 2015	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Ammonia	325.1	77.2	81.3	69.9	96.7	234.2	76.3	73.3	49.1	35.5
Methanol	818.7	196.9	219.6	183.3	218.9	644.8	211.3	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, Intercompany Loan 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

	2016	2015	2014
Revenues	\$ 247,234	\$ 298,690	\$ 402,780
Revenues—related party	10,995	10,753	—
Total Revenue	<u>258,229</u>	<u>309,443</u>	<u>402,780</u>
Cost of goods sold (exclusive of depreciation)	162,810	149,463	205,529
Cost of goods sold (exclusive of depreciation)—related party	16,259	16,353	13,266
Total cost of goods sold (exclusive of depreciation)	<u>179,069</u>	<u>165,816</u>	<u>218,795</u>
Selling, general, and administrative expenses	15,856	16,906	17,928
Selling, general, and administrative expenses—related party	4,160	4,326	4,428
Total selling, general, and administrative expenses	<u>20,016</u>	<u>21,232</u>	<u>22,356</u>
Depreciation expense	61,441	49,663	23,105
Income (loss) from operations before interest expense, other income (expense) and income tax expense	(2,297)	72,732	138,524
Interest expense	45,096	20,018	18,250
Interest expense—related party	1,777	203	203
Loss on extinguishment of debt	—	—	—
Other income (expense)	(577)	123	941
Income (loss) from operations before tax expense	<u>(49,747)</u>	<u>52,634</u>	<u>121,012</u>
Income tax expense	806	613	1,564
Net income (loss)	<u>\$ (50,553)</u>	<u>\$ 52,021</u>	<u>\$ 119,448</u>
Earnings (loss) per limited partner unit:			
Common unit (basic and diluted)	<u>\$ (0.58)</u>	<u>\$ 0.61</u>	<u>\$ 1.48</u>
Weighted average number of limited partner units outstanding:			
Common units (basic and diluted)	<u>86,997,590</u>	<u>85,970,912</u>	<u>80,918,531</u>

Appendix

Balance Sheet

Assets	2016	2015
Current assets:		
Cash and cash equivalents	\$ 8,080	\$ 13,238
Restricted cash	—	—
Accounts receivable	22,170	28,554
Accounts receivable—related party	1,322	5,180
Inventories	7,543	5,974
Advances due from related parties	525	56
Other current assets and prepaid expenses	2,712	4,721
Total current assets	42,352	57,723
Property, plant, and equipment, net of accumulated depreciation of \$166,948 and \$105,769 respectively	620,214	674,699
Other non-current assets	1,176	1,188
Total assets	\$ 663,742	\$ 733,610
Liabilities and Member's/Partners' Capital		
Current liabilities:		
Accounts payable	\$ 20,557	\$ 19,363
Accounts payable—related party	13,357	12,624
Other payables and accruals	2,620	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	2,523	3,416
Accrued interest—related party	1,675	203
Other current liabilities	1,942	4,975
Total current liabilities	82,154	74,228
Term loan facility, net	225,748	420,785
Term loan facility—related party	200,000	—
Accrued interest—related party	—	—
Other non-current liabilities	2,589	1,734
Total liabilities	510,491	496,747
Partners' capital:		
Common unitholders—86,997,590 units issued and outstanding at December 31, 2016 and 2015	153,251	236,863
General partner's interest	—	—
Total partners' capital	153,251	236,863
Total liabilities and partners' capital	\$ 663,742	\$ 733,610

Appendix

Statement of Partners' Capital

	Common Units		Total Partners' Capital
	Units	Amount	
January 1, 2014	80,500,000	\$ 151,371	\$ 151,371
Distributions	—	(30,864)	(30,864)
Distributions—related party	—	(111,891)	(111,891)
Capital contribution	2,995,372	60,000	60,000
Net income	—	119,448	119,448
December 31, 2014	83,495,372	\$ 188,064	\$ 188,064
Distributions	—	(12,950)	(12,950)
Distributions—related party	—	(50,272)	(50,272)
Capital contribution	3,502,218	60,000	60,000
Net income	—	52,021	52,021
Balance, December 31, 2015	<u>86,997,590</u>	<u>\$ 236,863</u>	<u>\$ 236,863</u>
Distributions	—	(6,650)	(6,650)
Distributions—related party	—	(26,409)	(26,409)
Net loss	—	(50,553)	(50,553)
Balance, December 31, 2016	<u>86,997,590</u>	<u>\$ 153,251</u>	<u>\$ 153,251</u>

Appendix

Cash Flow Statement

	2016	2015	2014
Cash flows from operating activities:			
Net income (loss)	\$ (50,553)	\$ 52,021	\$ 119,448
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation expense	61,441	49,663	23,105
Amortization of debt issuance costs	11,552	3,710	2,815
Loss on extinguishment of debt	—	—	—
(Gain) loss on disposition of fixed assets	567	(16)	—
Deferred income tax expense	855	557	419
Decrease (increase) in:			
Restricted cash	—	—	282
Accounts receivable	6,384	7,253	9,207
Accounts receivable—related party	3,858	(5,180)	—
Inventories	(1,569)	178	(2,166)
Advances due from related parties	(469)	41	253
Other non-current assets, other current assets and prepaid expenses	2,021	(858)	(596)
Increase (decrease) in:			
Accounts payable	491	(2,106)	2,246
Accounts payable—related party	861	1,511	(671)
Other payables, accruals, and current liabilities	(4,710)	1,672	3,438
Accrued interest	(893)	(7,480)	(6,746)
Accrued interest—related party	1,776	(17)	203
Net cash provided by operating activities	<u>31,612</u>	<u>100,949</u>	<u>151,237</u>
Cash flows from investing activities:			
Purchase of property, plant, and equipment	(6,785)	(223,540)	(152,160)
Proceeds from sale of scrap equipment	24	2,503	—
Net cash used in investing activities	<u>(6,761)</u>	<u>(221,037)</u>	<u>(152,160)</u>
Cash flows from financing activities:			
Proceeds from revolving credit facility	69,500	40,000	—
Proceeds from term loan b credit facility	—	50,000	—
Proceeds from revolving credit facility—related party	69,170	—	—
Proceeds from term loan facility—related party	200,000	—	—
Repayment of revolving credit facility	(94,500)	(15,000)	—
Repayment of term loan b credit facility	(204,480)	(4,230)	(3,985)
Repayment of revolving credit facility—related party	(34,170)	—	—
Cash contributions by member	—	60,000	60,000
Debt issuance costs	(2,038)	(5,701)	(5,982)
Cash distributions to member	—	—	—
Remittance of cash to OCI USA for transferred trade receivables	(432)	(331)	(17,522)
Net proceeds from issuance of common units	—	—	—
Initial public offering costs	—	—	—
Distribution to Unitholders	(6,650)	(12,950)	(30,864)
Distribution to Unitholders—related party	(26,409)	(50,272)	(111,891)
Net cash provided by (used in) financing activities	<u>(30,009)</u>	<u>61,516</u>	<u>(110,244)</u>
Net decrease in cash and cash equivalents	(5,158)	(58,572)	(111,167)
Cash and cash equivalents, beginning of period	13,238	71,810	182,977
Cash and cash equivalents, end of period	<u>\$ 8,080</u>	<u>\$ 13,238</u>	<u>\$ 71,810</u>