



OCI Partners LP

1Q 2017 Results Presentation
May 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.

Investors are cautioned that the following important factors, among others, may affect these forward-looking statements. These factors include but are not limited to: our business plans may change as the methanol and ammonia industry and markets warrant; the demand and sales prices for methanol, ammonia and their derivatives may decrease due to market, governmental and other factors; we may be unable to obtain economically priced natural gas and other feedstocks; we may be unable to successfully implement our business strategies; the occurrence of shutdowns (either temporary or permanent) or restarts of existing methanol and ammonia facilities (including our own facility); the timing and length of planned and unplanned downtime; the occurrence of operating hazards from accidents, fire, severe weather, floods or other natural disasters; and other risks contained in our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the United States Securities and Exchange Commission (the “SEC”).

Forward-looking statements should not be read as a guarantee of future performance or results and will not be accurate indications of the times at or by which such performance or results will be achieved. Forward-looking information is based on information available at the time and/or management's good faith belief with respect to future events, and is subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statements. OCI Partners LP undertakes no obligation to update or revise any such forward-looking statements.

This presentation is not, and under no circumstances is to be construed to be, a prospectus, offering memorandum, advertisement and is not an offer to sell securities. The SEC and state securities regulators have not reviewed or determined if this presentation is truthful or complete.

Financial Overview

Q1 2017 Results Summary

US\$ thousand	Three Months Ended March 31		
	2017	2016	Change
Revenues	92,891	69,941	33%
Cost of Goods Sold	48,272	44,835	8%
Depreciation Expense	15,244	15,378	-1%
Selling, General and Administrative Expenses	5,069	6,459	-22%
Income from Operations (before interest expense, other expense and income tax expense)	24,306	3,269	644%
Interest Expense	5,547	8,792	-37%
Interest Expense - Related Party	4,530	51	8782%
Other Expense	(19)	(400)	-95%
Income (loss) from Operations (before tax expense)	14,210	(5,974)	-338%
Income Tax Expense	466	80	483%
Net Income (loss)	13,744	(6,054)	-327%
	31-Mar-17	31-Dec-16	
Total Debt	461,522	465,228	-1%
Net Debt	444,347	457,148	-3%

Sales Volumes

000 Metric Tons

	3M 2017	Q1 2017	3M 2016	Q1 2016
Ammonia	85.5	85.5	96.7	96.7
Methanol	203.1	203.1	218.9	218.9

*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, Term Loan facility from related party, 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 March 31,	
	2017	2016
Revenues	\$ 89,312	\$ 64,012
Revenues—related party	3,579	5,929
Total Revenue	92,891	69,941
Cost of goods sold (exclusive of depreciation)	44,888	39,136
Cost of goods sold (exclusive of depreciation)—related party	3,384	5,699
Total Cost of goods sold (exclusive of depreciation)	48,272	44,835
Selling, general and administrative expenses	4,102	4,948
Selling, general and administrative expenses—related party	967	1,511
Total Selling, general and administrative expenses	5,069	6,459
Depreciation expense	15,244	15,378
Income from operations before interest expense, other income and income tax expense	24,306	3,269
Interest expense	5,547	8,792
Interest expense—related party	4,530	51
Loss on disposition of fixed assets	—	(423)
Other income (expense)	(19)	23
Income (loss) from operations before tax expense	14,210	(5,974)
Income tax expense	466	80
Net income (loss)	\$ 13,744	\$ (6,054)
Earnings (loss) per limited partner unit:		
Common unit (basic and diluted)	\$ 0.16	\$ (0.07)
Weighted average number of limited partner units outstanding:		
Common units (basic and diluted)	86,997,590	86,997,590

Appendix

Balance Sheet

	As of	
	March 31, 2017	December 31, 2016
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 17,175	\$ 8,080
Accounts receivable	32,557	22,170
Accounts receivable—related party	817	1,322
Inventories	8,544	7,543
Advances due from related parties	365	525
Other current assets and prepaid expenses	2,064	2,712
Total current assets	61,522	42,352
Property, plant, and equipment, net of accumulated depreciation of \$182,193 and \$166,948, respectively	605,222	620,214
Other non-current assets	1,176	1,176
Total assets	\$ 667,920	\$ 663,742
Liabilities and Partners' Capital		
Current liabilities:		
Accounts payable	\$ 14,650	\$ 20,557
Accounts payable—related party	13,505	13,357
Other payables and accruals	1,415	2,620
Revolving credit facility, net	31,893	—
Revolving credit facility—related party	—	35,000
Current maturities of the term loan facility	4,480	4,480
Accrued interest	2,145	2,523
Accrued interest—related party	1,504	1,675
Other current liabilities	3,269	1,942
Total current liabilities	72,861	82,154
Term loan facility, net	225,149	225,748
Term loan facility—related party	200,000	200,000
Other non-current liabilities	2,915	2,589
Total liabilities	500,925	510,491
Partners' capital		
Common unitholders —86,997,590 issued and outstanding at March 31, 2017 and December 31, 2016	166,995	153,251
General partner's interest	—	—
Total partners' capital	166,995	153,251
Total liabilities and partners' capital	\$ 667,920	\$ 663,742

Appendix

Statement of Partners' Capital

	Common Units		Total Partners' Capital
	Units	Amount	
December 31, 2015	86,997,590	\$ 236,863	\$ 236,863
Distributions	—	(5,600)	(5,600)
Distributions—Related Party	—	(22,239)	(22,239)
Net loss	—	(6,054)	(6,054)
March 31, 2016	86,997,590	\$ 202,970	\$ 202,970
December 31, 2016	86,997,590	\$ 153,251	\$ 153,251
Net income	—	13,744	13,744
March 31, 2017	<u>86,997,590</u>	<u>\$ 166,995</u>	<u>\$ 166,995</u>

Appendix

Cash Flow Statement

	Three-Months Ended March 31,	
	2017	2016
Cash flows from operating activities:		
Net income (loss)	\$ 13,744	\$ (6,054)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation expense	15,244	15,378
Amortization of debt issuance costs	551	1,066
Deferred income tax expense	326	203
Loss on disposition of fixed assets	—	423
Decrease (increase) in:		
Accounts receivable	(10,387)	6,786
Accounts receivable – related party	505	4,171
Inventories	(1,001)	1,812
Advances due from related parties	160	(300)
Other non-current assets, other current assets and prepaid expenses	648	2,036
Increase (decrease) in:		
Accounts payable	(4,850)	(7,046)
Accounts payable – related party	260	956
Other payables, accruals, and current liabilities	180	(2,710)
Accrued interest	(378)	61
Accrued interest – related party	(171)	50
Net cash provided by operating activities	<u>14,831</u>	<u>16,832</u>
Cash flows from investing activities:		
Purchase of property, plant, and equipment	(1,368)	(1,049)
Proceeds from sale of scrap equipment	—	19
Net cash used in investing activities	<u>(1,368)</u>	<u>(1,030)</u>
Cash flows from financing activities:		
Proceeds from revolving credit facility	62,000	—
Repayment of revolving credit facility	(30,000)	—
Repayment of term loan B credit facility	(1,120)	(1,120)
Repayment of revolving credit facility—related party	(35,000)	—
Debt issuance costs	(136)	(1,206)
Remittance of cash to OCI USA for transferred trade receivables	(112)	(207)
Net cash used in financing activities	<u>(4,368)</u>	<u>(2,533)</u>
Net increase in cash and cash equivalents	9,095	13,269
Cash and cash equivalents, beginning of period	8,080	13,238
Cash and cash equivalents, end of period	<u>\$ 17,175</u>	<u>\$ 26,507</u>