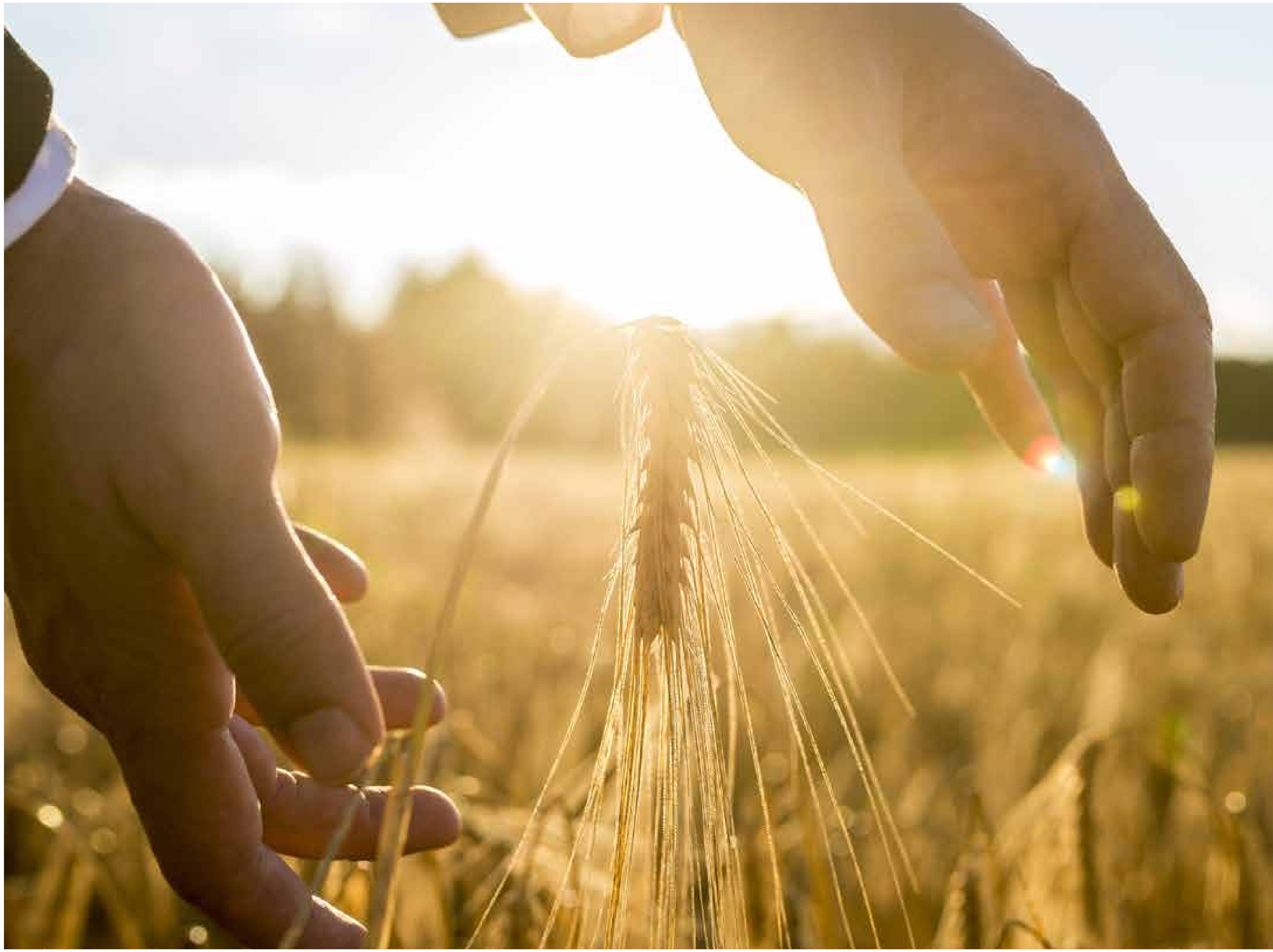
OCI

2015

GLOBAL ENTREPRENEURIAL GROWTH

WERELDWIJD ONDERNEMENDE GROEI

OCI N.V.



OCI N.V. IS A GLOBAL PRODUCER AND DISTRIBUTOR OF NATURAL GAS-BASED FERTILIZERS AND INDUSTRIAL CHEMICALS BASED IN THE NETHERLANDS.

We produce nitrogen fertilizers, methanol and other natural gas based products, serving agricultural and industrial customers from the Americas to Asia. We rank among the world's largest nitrogen fertilizer producers, and can produce nearly 8.4 million metric tons of nitrogen fertilizers and industrial chemicals at production facilities in the Netherlands, the United States, Egypt and Algeria. We expect total production capacity to exceed 12.5 million metric tons in 2017.

OCI N.V. is listed on the Euronext in Amsterdam.

HIGHLIGHTS

736 M

EBITDA
$ MILLION
833 M IN 2014

2.2 BN

REVENUE
$ BILLION
2.7 BN IN 2014

OPERATIONAL

January: Raised EUR 151 million through private placement of 4.2 million shares

March: Demerged construction group through a $1.4 billion repayment of capital to shareholders in the form of shares in Orascom Construction Limited

April: Successfully completed debottlenecking and restart of operations at OCI Beaumont

June: Acquired BioMCN, a methanol producer and pioneer in bio-methanol in the Netherlands

August: Announced transaction with CF Industries

October: Egyptian Fertilizer Company (EFC) resumes full operations and Egypt Basic Industries Corporation (EBIC) ramps up to 60% utilization

November: Launched extension to mandatory tender offer for Orascom Construction Industries S.A.E. shares bringing OCI N.V.'s ownership to 99.94%

December: Received all required antitrust approvals for the transaction with CF Industries

FINANCIAL

$ Million	2015	2014
Revenue	**2,186.1**	2,685.8
Adjusted EBITDA	**736.2**	833.4
Net income attributable to shareholders (continuing operations)	**(246.1)**	444.1
Net income attributable to shareholders (including discontinued operations)	**384.7**	328.7
Total assets (continuing operations)	**7,764.5**	10,577.3
Total equity	**1,749.8**	2,537.8
Gross interest-bearing debt	**4,902.8**	4,981.1
Net debt	**4,349.6**	4,134.5
Capital expenditures	**1,131.4**	1,211.0

NASSEF SAWIRIS
CHIEF EXECUTIVE OFFICER

WELCOME

LETTER TO SHAREHOLDERS

OUR COMMITMENT TO CREATING VALUE FOR OUR SHAREHOLDERS UNDERPINS ALL OF OUR STRATEGIES.

Dear Shareholders,

2015 has been both challenging and transformational for OCI. Towards the end of the year, the market environment was becoming more and more challenging and all commodity prices, including our products, came under pressure. This economic backdrop, combined with unplanned outages at our Algerian operations and lack of natural gas supply in Egypt throughout most of 2015, resulted in a lower operational result compared to the year before.

However, there have also been a number of key positives. Very favourable natural gas feedstock market prices have cushioned the decline in product prices to a large extent and have helped boost our margins. Gas prices started to decline in both the United States and Europe towards the end of 2015 and into 2016, reaching historically low levels. The expectation is that gas prices can remain at low levels in the foreseeable future.

OCI Nitrogen is a major beneficiary of the low gas environment, which combined with the focus on premium products at our operations in the Netherlands, bodes well for the future. Our plants in the Netherlands were shut down due to a fire incident, but have returned to high utilization since the restart early March this year, in time for the application season in Europe.

Despite the production stoppage at OCI Nitrogen, our product volumes rebounded by 9% in the fourth quarter of 2015. OCI Beaumont has already shown that it can run at sustainably high utilization levels and is well-positioned for a rebound in methanol prices. Sorfert continues to deleverage rapidly and the plentiful supply of natural gas in Egypt at the end of the year supports a significantly more optimistic outlook for our operations there.

Our two expansion projects in the United States are progressing, but Iowa Fertilizer Company has faced several challenges, including slow construction progress and adverse weather conditions. We now expect handover by the EPC contractor this summer and the project is due to start production in time for the fall application in the United States. The delay will bring extra costs, however, once operational later this year, the plant is in an excellent position to start generating high returns. The plant is a major beneficiary of its strategic location in the US Midwest, where product prices command a substantial premium over those in other regions. We expect to maintain this competitive advantage.

Our Natgasoline project though is making very good progress and is planned to be on time for start-up of production next year and within budgeted costs. We are pleased to recently have entered into a partnership with Consolidated Energy AG (CEL) for Natgasoline, creating an international leader in the global methanol space benefiting from the combined expertise of both groups. Through the CEL investment of $ 680 million, the project will be fully funded, even before the recent $ 250 million fully underwritten bond offering for the project.

Strategically, we made significant progress in 2015, laying the foundation for future growth opportunities. We demerged the construction business in the beginning of the year, completed the debottlenecking programme at OCI Beaumont in the second quarter and created a strong foothold in the European methanol and bio-methanol market through the acquisition of BioMCN. In August 2015, we entered into an agreement with CF Industries to combine certain OCI businesses with CF's global assets. In March 2016, in connection with CEL's acquisition of 50% of Natgasoline, CF Industries consented to OCI's entry into the agreement with CEL and agreed it has no further rights to purchase an investment in the project, which was originally part of the agreement with CF.

COMPANY OVERVIEW

WE ASPIRE TO BE A LEADER IN OUR INDUSTRIES PROVIDING CLEAN, ENVIRONMENTALLY SOUND SOLUTIONS TO OUR CUSTOMERS. WE AIM TO CREATE A SAFE AND ENCOURAGING WORKPLACE FOR OUR EMPLOYEES, AND ARE COMMITTED TO DELIVERING EXCEPTIONAL VALUE TO OUR SHAREHOLDERS.

OUR VALUES

Promoting excellence in every aspect through our expertise, efficiency, attention to detail and passion.

Creating exceptional value based on the depth of our financial resources, our local knowledge and our technical expertise.

Safety focused in every aspect of our operations.

Ensuring our people and operations to match global standards and maintaining a commitment to develop our host communities

OUR CORE STRENGTHS

Our people – their expertise, hunger for knowledge and passion to excel. Above all, their loyalty and commitment to OCI N.V.

Our resources – capital resources that enable us to respond faster than our competitors.

Our experience – a tradition of excellence and achievement.

Our entrepreneurial attitude – a strong appetite for investment and diversification to grow our business and increase revenue streams.

REVIEW

OCI N.V. IS A LEADING GLOBAL PRODUCER AND DISTRIBUTOR OF NITROGEN FERTILIZERS AND NATURAL GAS-BASED CHEMICALS, WITH PLANTS IN THE NETHERLANDS, THE UNITED STATES, EGYPT, AND ALGERIA.

Global Fertilizer and Industrial Chemicals Player

We produce a diversified portfolio of nitrogen fertilizers and industrial chemicals, including anhydrous ammonia, granular urea, urea ammonium nitrate (UAN), calcium ammonium nitrate (CAN), methanol, and melamine. We are the world's largest melamine producer, Europe's second largest CAN producer, and are on track to be a top five global methanol producer by 2017.

In addition to our production capacity, we are the world's largest distributor of ammonium sulphate (AS), with up to 1.75 million metric tons worth of capacity available for distribution.

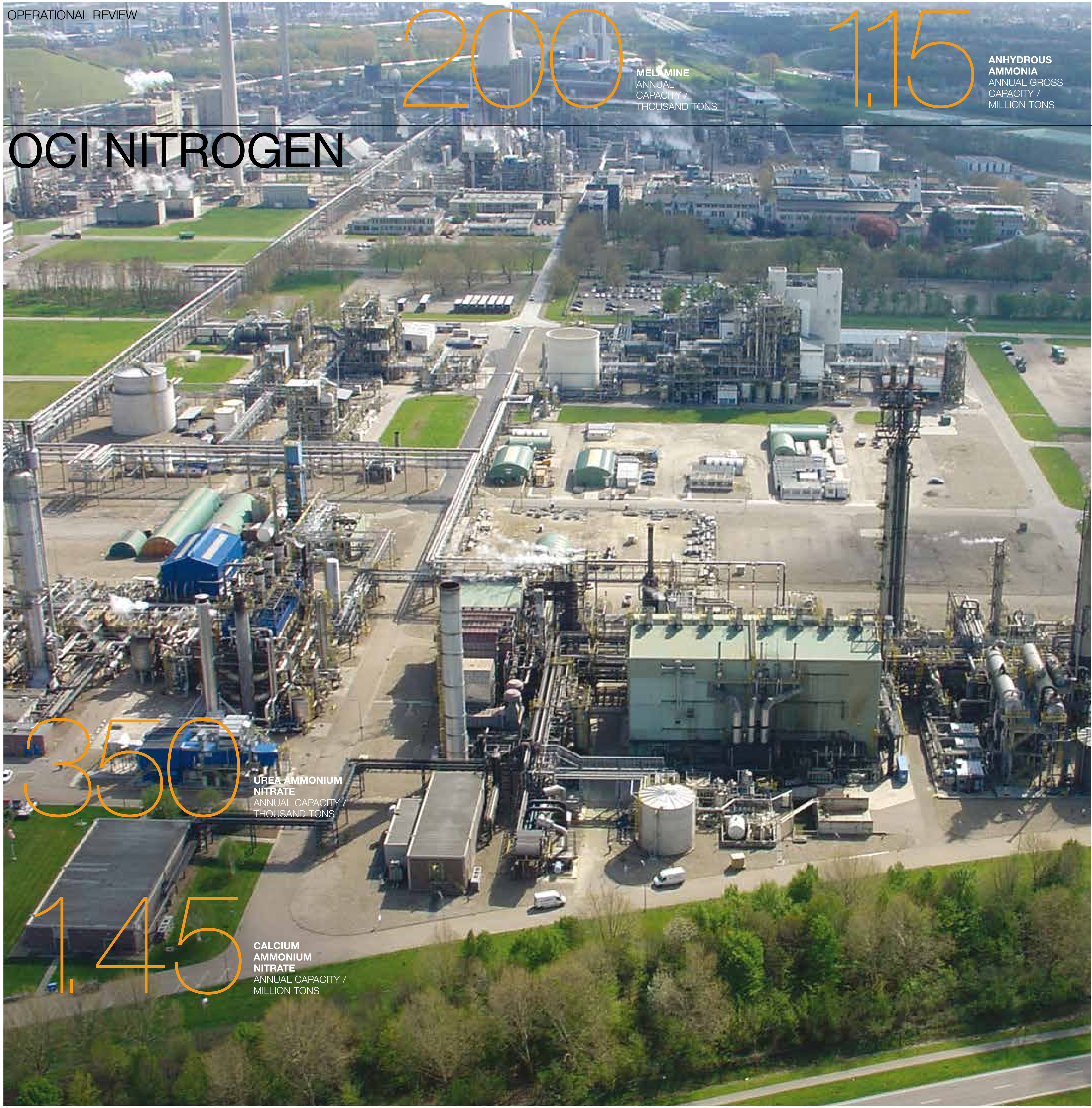
We have the capacity to produce nearly 8.4 million metric tons of nitrogen-based fertilizers and industrial chemicals, and growth initiatives will take our global capacity to more than 12.5 million metric tons in 2017.

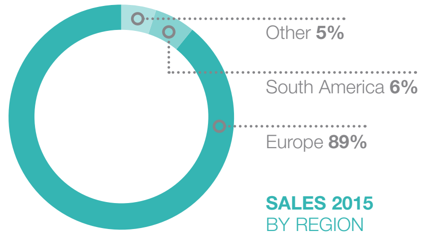
Design capacities[1]

Plant	Country	Ammonia Gross	Ammonia Net[2]	Urea	UAN[3]	CAN	Total Fertilizer for sale*	Methanol	Melamine[4]	DEF	Total Fertilizer & Chemicals for sale
Egyptian Fertilizers Company[5]	Egypt	800	–	1,550	–	–	1,550	–	–	–	1,550
Egypt Basic Industries Corporation	Egypt	730	730	–	–	–	730	–	–	–	730
OCI Nitrogen	Netherlands	1,150	350	–	350	1,450	2,150	–	200	–	2,350
Sorfert Algérie	Algeria	1,600	800	1,260	–	–	2,060	–	–	–	2,060
OCI Beaumont	USA	331	331	–	–	–	331	913	–	–	1,244
BioMCN[6]	Netherlands	–	–	–	–	–	–	440	–	–	440
2015		**4,611**	**2,211**	**2,810**	**350**	**1,450**	**6,821**	**1,353**	**200**	**–**	**8,374**
Iowa Fertilizer Company	USA	875	195	420	1,505	–	2,110	–	–	315	2,425
2016		**5,486**	**2,406**	**3,230**	**1,855**	**1,450**	**8,941**	**1,353**	**200**	**315**	**10,809**
Natgasoline LLC	USA	–	–	–	–	–	–	1,750	–-	–	1,750
2017		**5,486**	**2,406**	**3,230**	**1,855**	**1,450**	**8,941**	**3,103**	**200**	**315**	**12,559**

[1] All tonnage is in thousand metric tons per year (ktpa) and refers to total design capacity, IFCo and Natgasoline volumes are estimates. Design capacities at OCI Nitrogen and IFCo cannot all be achieved at the same time
[2] Net ammonia is remaining capacity after downstream products are produced
[3] OCI Nitrogen maximum UAN capacity cannot be achieved when producing maximum CAN capacity
[4] Split as 150 ktpa in Geleen and 50 ktpa in China (Chinese capacity does not account for 49% stake and exclusive right to offtake 90%)
[5] Also has a 325 thousand metric ton per year (ktpa) UAN blending unit to capitalize on seasonal UAN price premiums over urea (swing capacity replaces urea capacity when in production)
[6] Does not include mothballed line of 430 ktpa

OCI NITROGEN





OWNERSHIP
100%

EMPLOYEES
510

OCI Nitrogen is Europe's second largest integrated nitrates fertilizer producer and the world's largest melamine producer. It is capable of producing over 2 million metric tons of sellable fertilizer and chemicals products annually through nine interconnected plants located on a fully integrated production site in Geleen, the Netherlands. OCI Nitrogen's melamine production capacity in Geleen is complemented by a 49% stake in a melamine production facility in China.

World-Class Production Complex

All of OCI Nitrogen's plants utilize efficient technology from proven global technology providers coupled with proprietary nitric acid and melamine proven technology.

Since our acquisition of the OCI Nitrogen assets from Royal DSM B.V. in 2010, we have fully revamped the facilities through a five year capital expenditure program launched to upgrade the complex to its current state. As a result of this maintenance and replacement program, OCI Nitrogen is a world-class production complex consistently performing at excellent utilization, reliability and efficiency and emissions rates. OCI Nitrogen consistently ranks amongst the top plants globally in terms of energy efficiency.

The capital investment program also added nearly 500 thousand metric tons of production capacity through various improvement and debottlenecking initiatives of OCI Nitrogen's CAN, UAN and melamine plants.

Diversified Product Portfolio

As Europe's second largest integrated nitrates producer and the world's largest melamine producer, OCI Nitrogen benefits from excellent brand recognition with owned trade names including Nutramon®, Exacote®, and Melafine®. Its diversified product portfolio, which includes ammonia, CAN, UAN and melamine, is fully flexible, allowing us to maximize production of certain swing products depending on global supply and demand.

Strategic Location with Strong Distribution and Logistics

OCI Nitrogen has developed a comprehensive and highly efficient distribution and logistics network through pipeline, road, rail and shipping, with access to both Stein harbor and Rotterdam port.

During 2015, OCI Nitrogen completed the construction of a pipeline connecting its ammonia and UAN lines to Stein harbor. In addition to our dedicated CAN and AS barge loaders at the harbour, through which the majority of our fertilizers are distributed, the pipeline allows for direct barging of ammonia and UAN, streamlining import/export activities, and also ensures supply security in the event of unplanned downtime. Access to Stein harbor, which is one of the largest inland ports in the Netherlands, provides links to the seaports of Rotterdam, Terneuzen, Antwerp and Ghent as well as efficient river connections to Belgium, France, Netherlands and Germany.

In 2010, we fully acquired an ammonia terminal at Rotterdam port, naming it OCI Terminal Europoort (OTE), which consists of two ammonia tanks of 15 thousand metric ton capacity each, protected by a surrounding concrete wall. OTE is capable of receiving up to 0.55 million metric tons per year (mtpa) of ammonia and delivering up to 0.45 mtpa. Our access to Rotterdam port through OTE also allows our wholly owned distribution arm, OCI Fertilizer Trade and Supply (OFTS), to trade third party ammonia around the world.

OCI Nitrogen is also able to distribute ammonia by rail. Our leased rail tank car (RTC) fleet in Geleen consists of approximately 250 RTCs, and is the largest ammonia RTC fleet in Europe. Fertilizers and melamine are also trucked across Europe, supported by access to warehousing capacity around Europe of nearly 750 thousand metric tons.

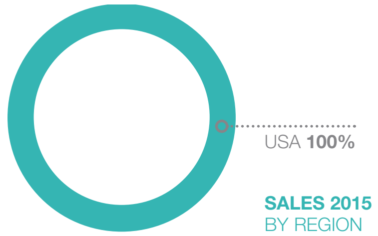
OCI PARTNERS LP
(OCI BEAUMONT)

OWNERSHIP
79.88%

EMPLOYEES
123

913
METHANOL
ANNUAL CAPACITY / THOUSAND TONS

331
ANHYDROUS AMMONIA
ANNUAL CAPACITY / THOUSAND TONS



SALES 2015
BY REGION

OCI Partners LP is a master limited partnership that owns and operates OCI Beaumont, an integrated methanol and ammonia production facility that is strategically located on the Texas Gulf Coast near Beaumont. The Partnership is headquartered in Nederland, Texas. OCI Partners LP is listed on the NYSE in New York under the symbol “OCIP” and we own 79.88%.

World-Class Production Complex
We acquired OCI Beaumont in 2011 and fully rehabilitated the facility, with ammonia restarting production in December 2011 and methanol following in July 2012. In the first half of 2015, OCI Beaumont executed a debottlenecking project to reduce energy consumption, perform maintenance work, implement environmental upgrades, and increase production capacity by 25% to approximately 912.5 thousand metric tons of methanol and 331 thousand metric tons of ammonia. The facility recommenced production in April 2015.

The integrated methanol-ammonia facility uses Lurgi GmbH’s Low Pressure Methanol technology and Haldor Topsøe technology. It is one of the world’s largest merchant methanol producers.

Strategic Location on Gulf Coast
OCI Beaumont is strategically located on the Texas Gulf Coast, which provides advantageous access and connectivity to established infrastructure and transportation facilities, including pipeline connections to adjacent customers and port access with dedicated methanol and ammonia export barge docks. OCI Beaumont has connections to one major interstate and three major intrastate natural gas pipelines that provide access to significantly more natural gas supply than the facility requires and flexibility in sourcing natural gas feedstock. OCI Beaumont also has a state-of-the-art ammonia and methanol truck loading facility on-site, providing flexibility to reach customers effectively. The facility also includes two ammonia tanks with a total capacity of 33 thousand metric tons and two methanol storage tanks with a total capacity of 42 thousand metric tons.

875 **ANHYDROUS AMMONIA** EXPECTED ANNUAL GROSS CAPACITY / THOUSAND TONS

420 **GRANULAR UREA** EXPECTED ANNUAL CAPACITY / THOUSAND TONS

IOWA FERTILIZER COMPANY

OWNERSHIP **100%**

EMPLOYEES **192**

1.5 **UREA AMMONIUM NITRATE** EXPECTED ANNUAL CAPACITY / MILLION TONS

315 **DIESEL EXHAUST FLUID** EXPECTED ANNUAL CAPACITY / THOUSAND TONS

Iowa Fertilizer Company (IFCo) is a wholly owned greenfield nitrogen fertilizer complex currently under construction in Wever County, Iowa. Once operational in 2016, the plant is expected to produce north of 1.5 million metric tons of nitrogen fertilizers and diesel exhaust fluid per year.

IFCo was first envisioned in November 2011 as part of the Company's strategic expansion into the United States. The plant is the first world scale natural gas-based fertilizer plant built in the United States in nearly 25 years. Construction work on the plant broke ground on 19 November 2012. The project is funded by a combination of equity, a facility from National Bank of Abu Dhabi, and a non-recourse project finance tax-exempt municipal bond issuance. IFCo's peak construction activity created approximately 2,500 jobs and the plant is expected to create approximately 200 permanent jobs once it is operational in 2016.

World-Class Production Complex

IFCo is one of the largest nitrogen fertilizer plants in the United States based on design capacity and will utilize proven state-of-the-art production process technologies from world leaders. IFCo has licensed its ammonia production technology from Kellogg Brown & Root (KBR), a leading supplier of ammonia technology; its urea production technology from Stamicarbon B.V. (Stamicarbon), the world's largest licensor of urea production technology; and urea granulation, UAN and nitric acid technologies from ThyssenKrupp Uhde. By using premium technology suppliers, IFCo will benefit from greater reliability, efficiency and flexibility in the production of nitrogen products.

Diversified Product Portfolio

IFCo's diversified nitrogen fertilizer product portfolio includes design capacities of 1.5 million metric tons of UAN, 875 thousand metric tons of ammonia, and 420 thousand metric tons of urea, in addition to 315 thousand metric tons of diesel exhaust fluid, a fuel additive used to lower harmful nitrogen oxide emissions and improve fuel economy. The facility's design provides significant flexibility in determining the relative production amounts of its various nitrogen products and therefore allows IFCo to maximize production of swing products in response to changes in market dynamics and to maximize netback prices.

Strategic Location with Strong Distribution and Logistics

IFCo is strategically located in southeastern Iowa, adjacent to the Iowa-Illinois border and in the center of the Mid Corn Belt, which is generally understood within the nitrogen fertilizer products industry to include the states of Illinois, Indiana, Iowa, Missouri, Nebraska and Ohio. The Mid Corn Belt is the largest market in the United States for direct application nitrogen fertilizer products. The United States is the largest corn producer in the world, with Iowa and Illinois being the top two corn producing states. IFCo's core market for nitrogen fertilizer is considered to be the states of Iowa, Illinois, Indiana and Missouri.

IFCo's proximity to its core markets allows us to optimize logistics infrastructure with access to truck, rail and potentially barge transportation. With the goal of optimizing logistics infrastructure, IFCo currently leases 350 railcars for use in product delivery. IFCo's on-site storage capacity includes 100 thousand metric tons of ammonia, 40 thousand metric tons of urea, and 120 thousand metric tons of UAN. IFCo's physical location in the center of the Mid Corn Belt provides a strategic location and transportation cost advantage compared to other producers who must ship their products over greater distances to our core market. The combination of IFCo's transportation options, proximity to customers and on-site storage capacity allows for advantageous flexibility to reach customers effectively. In addition to truck and rail access, IFCo is located within four miles of the Mississippi River and can expand its distribution network to include barge through the construction of barge facilities.

NATGASOLINE

1.75

METHANOL
ANNUAL CAPACITY / MILLION TONS

OWNERSHIP
100%

EMPLOYEES
9

Natgasoline is a wholly owned greenfield world-scale methanol production complex currently under construction in Beaumont, Texas. The plant is expected to have a capacity of up to approximately 1.75 million metric tons per year, and is expected to commission in 2017.

The project has been awarded a grant of $ 2.1 million from the Texas Enterprise Fund, as well as incentive commitments from local entities, including the city of Beaumont, Jefferson County, the Beaumont Independent School District, the Port of Beaumont and the Sabine-Neches Navigation District. The United States Environmental Protection Agency (EPA) issued a greenhouse gas (GHG) Prevention of Significant Deterioration (PSD) construction permit for Natgasoline on 29 September 2014. Full-scale construction work on the plant began in November 2014. Natgasoline LLC is estimated to create approximately 3,000 construction jobs and 80 permanent jobs.

World-Class Production Complex

Natgasoline will be one of the world's largest methanol production facilities based on nameplate capacity. The project will use proven state-of-the-art Lurgi MegaMethanol® technology and will incorporate best available environmental control technology. Located on the same industrial area as OCI Beaumont, Natgasoline has access to industrial gases, workshops and laboratories and will capitalize on technical support and synergies with OCI Beaumont. Natgasoline will also leverage OCI Beaumont's engineers' and operators' operational know-how given their extensive experience in running, maintaining, rehabilitating and debottlenecking a methanol plant.

We have developed significant methanol sales and marketing experience as one of the world's largest merchant methanol producers and sellers through OCI Beaumont and BioMCN. Once Natgasoline is on-stream, we will leverage our direct pipeline connections to major customers, and are well positioned to capitalize on our existing relationships in the domestic market, in addition to potentially exporting to Europe by capitalizing on BioMCN's position as one of the largest methanol producers on the continent.

Strategic Location with Strong Distribution and Logistics

Natgasoline is strategically located on the Texas Gulf Coast with access to excellent distribution and logistics infrastructure. The plant is located near six existing natural gas pipelines, and is expected to receive natural gas from pipelines owned by Golden Triangle (GTS) that run through the project site. Accordingly, the facility has several options to receive gas given GTS's connection to six existing pipelines.

Natgasoline has entered into a 15-year Terminal Services Agreement with Phillips 66 Gulf Coast Properties LLC and a Pipeline Transportation Services Agreement with Phillips 66 Pipeline LLC for the required outbound logistics. Under the P66 agreements, Phillips 66 plans to construct, operate and own three new methanol storage tanks with capacity of 50 thousand metric tons each at their Beaumont methanol terminal. Phillips 66 is also required to construct approximately seven miles of pipeline from Natgasoline to the terminal, which will be equipped for the loading of methanol onto both deep-sea marine vessels and barges. Natgasoline has also leased two deep-sea methanol tankers.

BIOMCN

OWNERSHIP
100%

EMPLOYEES
56

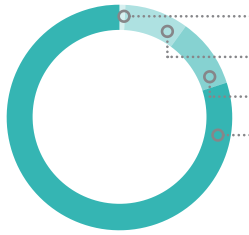
440
METHANOL
ANNUAL
CAPACITY /
THOUSAND TONS

BioMCN is one of Europe's largest methanol producers and is the first company in the world to produce and sell industrial quantities of high quality bio-methanol, a second generation biofuel. Established in 1974 as a joint venture between Azko Nobel, Koninjlijke DSM and Bynea, BioMCN owns two methanol plants: M1 and M2. M1 is capable of producing 440 thousand metric tons per year, and is Europe's fourth largest plant. M2 is a mothballed plant capable of producing 430 thousand metric tons per year.

Bio-methanol Pioneer
BioMCN produces two types of methanol: bio-methanol and regular (also known as grey) methanol. Bio-methanol is produced from bio-gas sourced from waste digestion plants through the national gas grid by purchasing bio-gas certificates to label methanol as bio-methanol. BioMCN is a leader in bio-methanol innovations by continuously developing innovative processes and new feedstock.

We believe BioMCN's attainable bio-methanol market will grow significantly in the medium term, supported by renewable energy requirements such as The European Commission's Renewable Energy Directive (RED) whereby 10% of the energy value of transportation fuels must consist of biofuel by 2020. In addition, RED requires greenhouse gas emissions caused by the production, transport and use of fuels to be reduced by 10% between 2011 and 2020.

Strategic Location with Strong Distribution and Logistics
BioMCN is located at the Chemical Park Delfzijl, The Netherlands. The plant site is connected to the national natural gas grid operated by GTS B.V. The GTS grid is connected to the integrated North West European network, supplied by a number of players including GasTerra, Statoil and Gazprom. The plant has easy logistical access to major European end markets via road, rail, barge and sea freight, allowing it to efficiently reach customers across Western Europe.



SALES 2015
BY REGION

SORFERT ALGÉRIE

OWNERSHIP
51%

EMPLOYEES
775

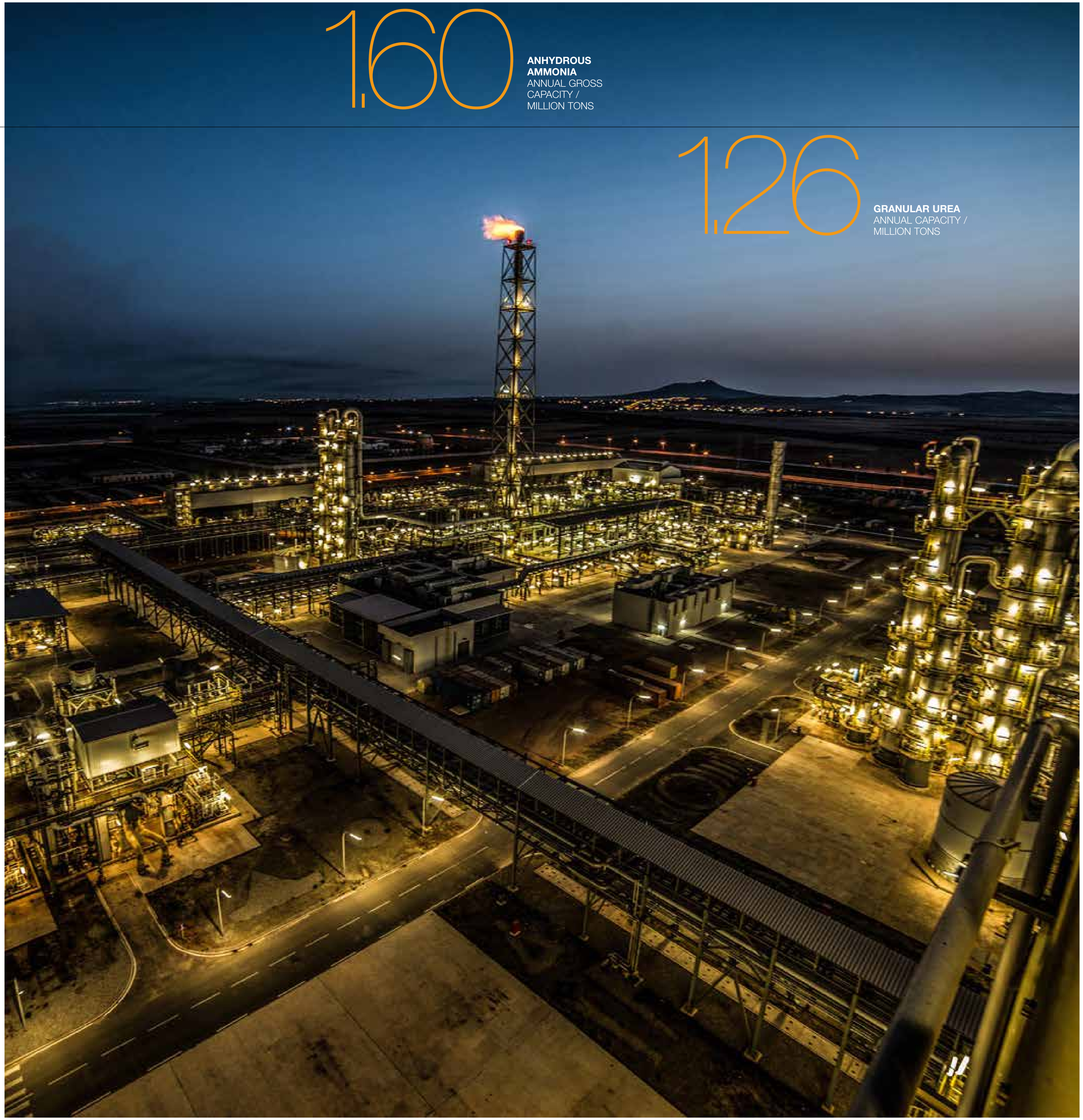
Sorfert Algérie is a 51%-owned joint venture between OCI N.V. and Algeria's state-owned oil and gas authority, Sonatrach.

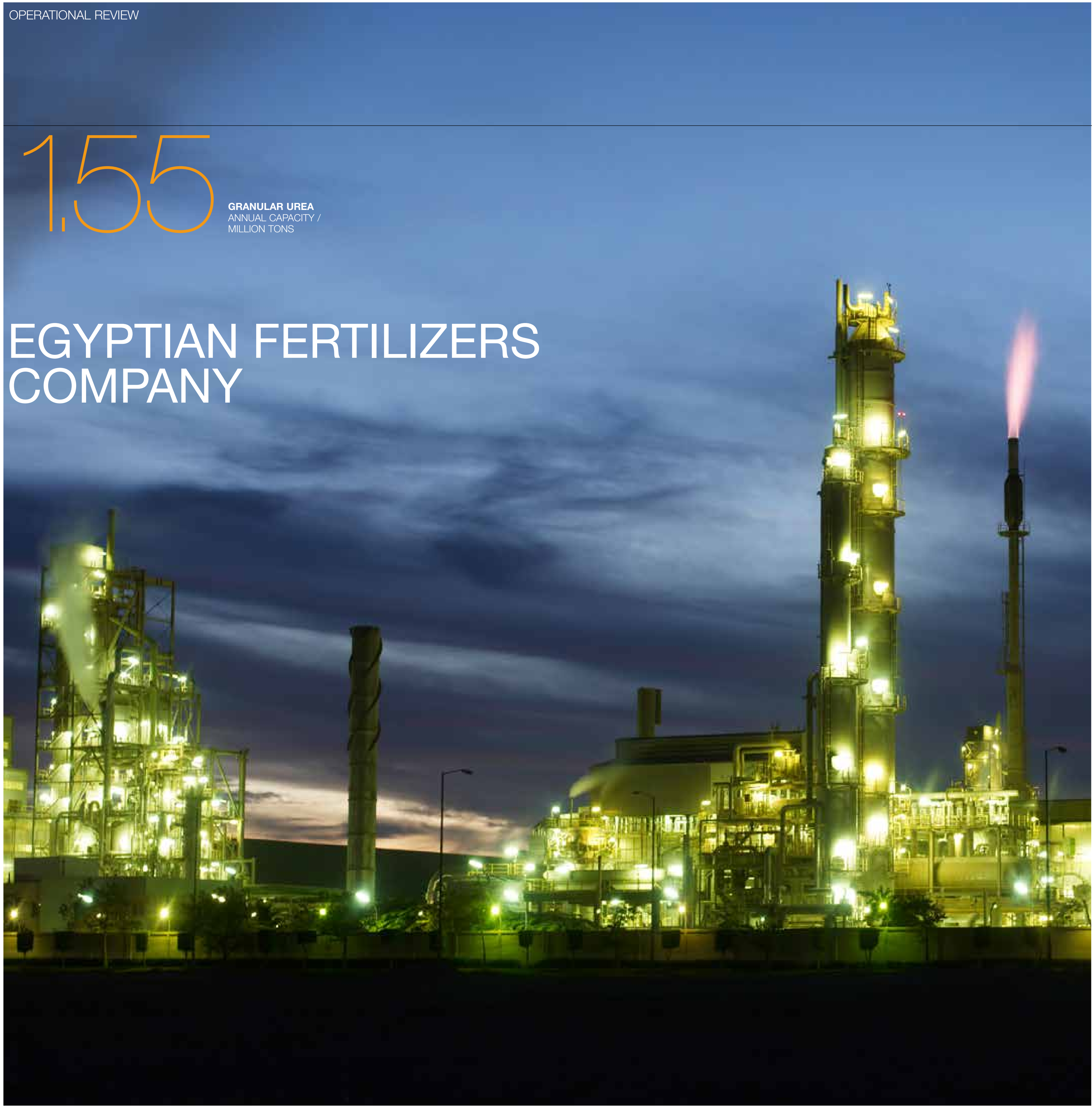
World-Class Production Complex
Sorfert is one of the the largest integrated nitrogen fertilizer producers in North Africa, capable of producing 1.26 million metric tons of granular urea and 1.6 million metric tons of gross anhydrous ammonia per year. The ammonia capacity is split between two lines, one dedicated to urea production and the other produces merchant capacity. OCI constructed the plant in partnership with Uhde, which supplied the state-of-the-art proven process technology.

Strategic Location with Strong Distribution and Logistics
The plant is strategically located in the Arzew industrial complex in northwest Algeria 35 kilometers east of Oran, near three Algerian ports. Sorfert enjoys access to two export jetties at Arzew Port and Bethioua Port with a direct ammonia pipeline to the port, and exclusive access to urea export logistics. Sorfert's access to flexible infrastructure that allows for exports around the world at favorable freight time and cost, coupled with its competitive production costs, maximizes its ability to reach its customers effectively at competitive prices.

Sorfert's storage capacity includes a 100 thousand metric ton urea warehouse on-site, and a 15 thousand metric ton ammonia tank on-site, and two ammonia tanks at Bethioua port of 30 thousand metric tons each.

As a local Algerian company, Sorfert provided significant employment opportunities during its construction and continues to do so as an operational plant.

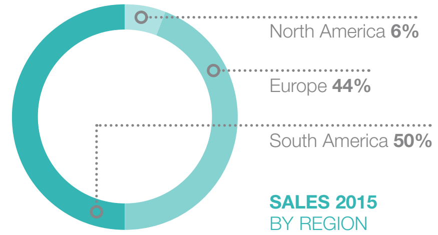




1.55

GRANULAR UREA
ANNUAL CAPACITY /
MILLION TONS

EGYPTIAN FERTILIZERS COMPANY



OWNERSHIP
100%

EMPLOYEES
841

Egyptian Fertilizers Company (EFC) is the largest private sector granular urea producer in Egypt.

World-Class Production Complex
The plant is capable of producing 1.55 million metric tons per year through two identical production lines. The production lines were constructed by OCI in 2000 and 2006 in collaboration with Uhde, which supplied the state-of-the-art proven process technology. The facility also includes a 325 thousand metric ton per year urea ammonium nitrate blending unit, which was added on-site in 2010. EFC was fully acquired in 2008.

Strategic Location with Strong Distribution and Logistics
EFC is located at the port of Ain Al Sokhna, Egypt's deepest port, approximately 55 kilometers south of the Suez Canal at the heart of the global East-West trade route. This gives EFC a freight cost advantage over other Middle Eastern and Asian urea producers as exports from EFC do not pass through the Suez Canal. EFC is also located across the street from Egypt Basic Industries Corporation (EBIC) on the grounds of Suez Industrial Development Company's (SIDC) industrial park in Ain Sokhna, allowing both facilities to benefit from significant synergies.

The plants benefit from several tie-ins for raw materials and utilities, including water, nitrogen, waste water and CO_2. The plants also share workshop facilities and spare parts. Additional tie-in initiatives are assessed and implemented wherever possible. This not only generates savings in capital expenditure, but also allows each plant to depend on the other for backup in case of a malfunction, making our operations at both plants even more reliable.

OWNERSHIP
60%

EMPLOYEES
318

EGYPT BASIC INDUSTRIES CORPORATION

730

ANHYDROUS AMMONIA
ANNUAL CAPACITY / THOUSAND TONS

Egypt Basic Industries Corporation (EBIC) is a state-of-the-art 0.73 million metric ton per year ammonia plant.

World-Class Production Complex
EBIC was constructed by OCI and uses KBR's latest and commercially proven KBR Advanced Ammonia Process (KAAP) technology. The plant was established in in partnership with KBR, government-owned EGAS, and a number of private investors. OCI completed construction of the plant in 2009 and increased its stake to 60% from 30% by buying out several minority investors.

Strategic Location with Strong Distribution and Logistics
Located at Sokhna Port, EBIC's geographic location and logistics infrastructure provide a unique advantage as a cost effective exporter able to ship volumes both east and west of the Suez Canal.

EBIC owns two 40 thousand metric ton refrigerated ammonia storage tanks next to the loading jetty at Sokhna Port. EBIC also owns and operates a dedicated 1,200 metric ton per hour loading arm. The plant and port facilities are connected through an eight kilometer pipeline that continuously transports EBIC's ammonia to both storage tanks located on the jetty, which is able to accommodate vessels with maximum draft of 17 meters.

EBIC is also located across the street from Egyptian Fertilizers Company (EFC) on the grounds of Suez Industrial Development Company's (SIDC) industrial park in Ain Sokhna, allowing both facilities to benefit from significant synergies.

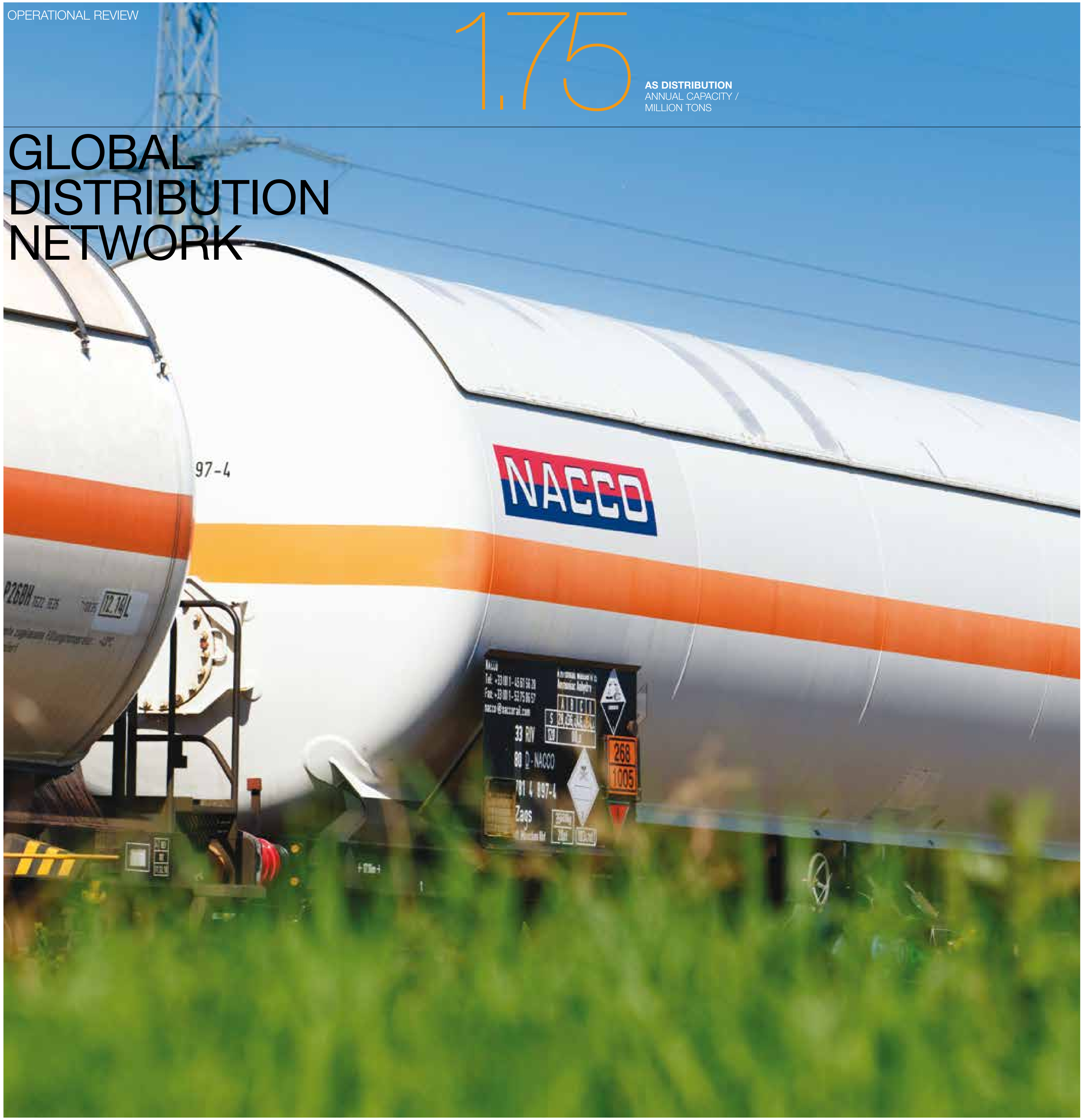
The plants benefit from several tie-ins for raw materials and utilities, including water, nitrogen, waste water and CO_2. The plants also share workshop facilities and spare parts. Additional tie-in initiatives are assessed and implemented wherever possible. This not only generates savings in capital expenditure, but also allows each plant to depend on the other for backup in case of a malfunction, making our operations at both plants even more reliable.

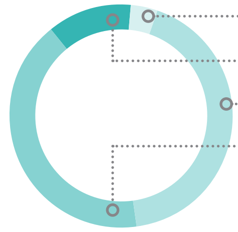
Through the plants' shared CO_2 pipeline, EFC is able to produce additional urea and EBIC is able to decrease its pollutant CO_2 emissions. In manufacturing ammonia, EBIC would have vented its CO_2 into the atmosphere. The pipeline tie-in has proven to be beneficial to the environment and enables EFC to produce additional urea. EBIC strives to continually reduce its CO_2 emissions year-on-year, through both the supply

1.75

AS DISTRIBUTION
ANNUAL CAPACITY / MILLION TONS

GLOBAL DISTRIBUTION NETWORK





EMPLOYEES
27

Through our strategically located trading and distribution operations, we are able to directly reach our customers through a wide-reaching network developed across Europe and the Americas.

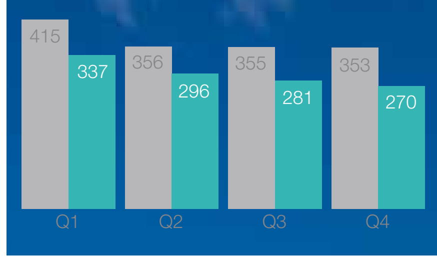
During 2015, we further developed our ability to effectively trade nitrogen fertilizers by splitting out trading activities into two entities: OCI Fertilizer Trading (OFT) and OCI Fertilizer Trade & Supply (OFTS). Located in Dubai, UAE, OFT focuses on trading granular urea and AS. Located in Geleen, the Netherlands, OFTS focuses on ammonia and UAN. We additionally trade various nitrogen fertilizer products and AS in Brazil through FITCO, a 50/50 joint venture with Fertipar, Brazil's largest fertilizer compounder and distributor.

Global Distribution Reach

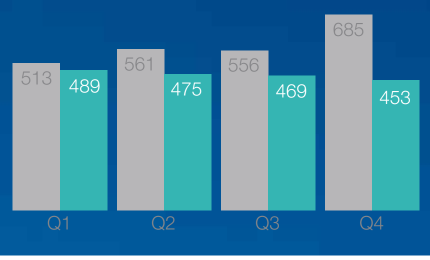
We benefit from strategic access to ports in Europe, North Africa, and the Gulf Coast. OCI Terminal Europoort, our wholly owned ammonia terminal, is located at the port of Rotterdam in the Netherlands; OCI Beaumont has access to jetties on the Gulf Coast; EFC and EBIC are located directly at Sokhna Port on the Red Sea in Egypt, and Sorfert has direct access to two ports in Algeria on the Mediterranean.

With branches in Europe, North Africa, the Americas and the Middle East and sales in 56 countries, our global presence with centralized management allows us to mitigate the effects of regional demand seasonality and maximize freight advantages across locations and product mix.

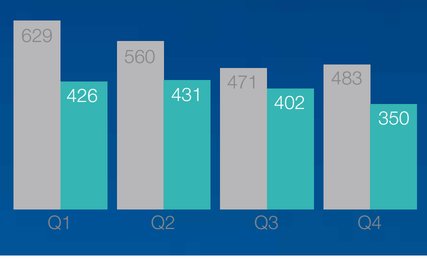
GRANULAR UREA PRICES
EGYPT, FOB ($/TON)



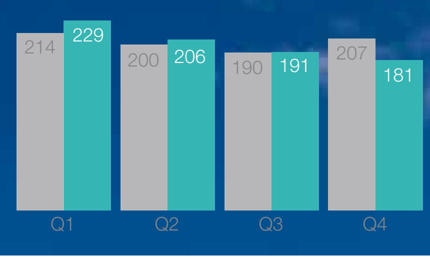
AMMONIA PRICES
NORTH WEST EUROPE, FOB ($/TON)



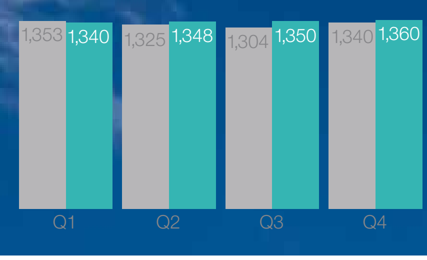
METHANOL PRICES
NORTH AMERICA CONTRACT, FOB ($/TON)



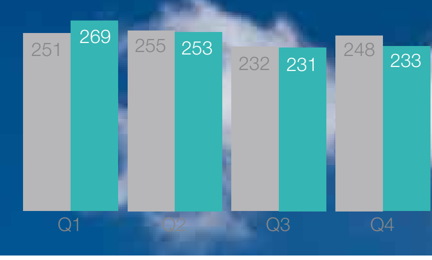
UREA AMMONIUM NITRATE PRICES
FRANCE, FCA ($/TON)



MELAMINE PRICES
EUROPE CONTRACT (EUR/TON)



CALCIUM AMMONIUM NITRATE PRICES
GERMANY, CIF (EUR/TON)



MARKET PERFORMANCE

2015 Market Performance

Nitrogen fertilizers and industrial chemicals are our two main end markets. Nitrogen fertilizers drive agricultural yields higher, which is essential to meet the increasing global demand for food. Population growth, changing diets and future agricultural plantings are some of the main drivers of longer term global fertilizer demand, which has grown at an average annual rate of about 2% in the past 50 years. In the short-term, demand can be affected by factors such as fluctuations in crop prices and farm income, as well as adverse weather conditions.

We are also the world's largest producer of melamine and are on track to becoming a top five global producer of methanol. Historically, demand for methanol in chemical derivatives has been closely correlated to levels of global economic activity, industrial production, consumer spending and energy prices, the latter due to the growing use of methanol in energy applications. Global melamine demand is primarily driven by GDP growth and sentiment in the construction sector.

Natural Gas

Natural gas is the primary feedstock for the production of our main products - nitrogen fertilizers, melamine and methanol. In recent years, increased natural gas production from shale formations in the United States has increased domestic supplies of natural gas, resulting in a relatively low natural gas price environment. As a result, U.S.-based nitrogen fertilizer and methanol producers have a substantial cost advantage compared to producers outside of the United States where the natural gas price environment is generally higher.

In 2015, our operations in the United States continued to benefit from low gas prices, resulting from a decline in average natural gas prices by a substantial 40% from about $ 4.4 / MMBtu in 2014 to $ 2.6 in 2015 and approaching ten-year lows of around $ 1.60 / MMBtu at the beginning of 2016. Natural gas prices fell sharply in the fourth quarter as a result of low demand due to the relatively warm winter, combined with record production levels.

European fertilizer producers have also benefited from significantly lower gas prices during 2015, improving their relative competitiveness and maintaining their margins. European gas prices continued to fall during 2015 to reach a low of under $ 5 / MMBtu at the end of the year, due to falling oil prices, a mild winter and ample gas supply. Price continued to fall into the first quarter of 2016, reaching record low levels under $ 4 / MMBtu.

Nitrogen Fertilizers

Ammonia

For the major part of the year, ammonia prices remained stable as the supply-demand balance remained relatively tight. Ammonia prices did not show their normal seasonal third quarter decline and were relatively stable from the second to the third quarter of 2015, but were down compared to 2014. However, by year-end the deteriorating grain prices had led to a significant decrease of ammonium phosphate consumption, leading to significant lower production and thus ammonia purchases by producers.

In the United States, unfavourable weather had a negative impact on ammonia autumn applications, whereas industrial ammonia demand declined due to lower phosphate production. These factors brought the ammonia market in oversupply in the fourth quarter, which, combined with pressure from lower global oil and gas prices, resulted in a drop in prices over the course of the fourth quarter of 2015.

Urea

Throughout the year the market was in oversupply as a result of the start-up of new plants in Algeria and Saudi Arabia, and with increased export capacity from Egypt towards the end of the year. Exports out of China reached a peak in the first half of 2015, but started to decrease from September 2015 onwards. In the second half of 2015, exports from China declined more than 25% compared to the same period in 2014. For the full year 2015, China exports totalled approximately 14 million tons, at the same level as in 2014.

As a result of the increase in global exports, continually decreasing ocean freight costs and lowering cash costs for marginal producers, and deferred customer purchases to the latter part of the year, granular urea prices corrected downwards during 2015 compared to the end of 2014. High grain stocks as a result of favourable harvests in most agricultural areas of the world resulted in reducing grain prices, further underpinning the negative sentiment in the fertilizer market.

Nitrates

Our operations in Europe benefited from a healthy nitrate market with stable volumes and prices in the first half of 2015. After a good spring market, the nitrate - Ammonium Nitrate (AN) / Calcium Ammonium Nitrate (CAN) - fertilizer market in Europe was affected by deteriorating grain markets leading to high grain stocks in the second half of the year. These stocks occupied warehouse space in the relevant NW European markets, normally used to store fertilizers ahead of the season, negatively impacting the purchase of fertilizers by wholesalers. The falling urea prices further supported customers to postpone their fertilizer purchasing, in anticipation of potential falling future prices. Lower nitrate production in NW Europe during the second half of 2015, partly explained by maintenance operations at competitors and the stop of production as a result of the fire at our operations in Geleen, prevented that major stock builds would pressurize the market. The CAN Euro-denominated prices remained at the same level throughout the remainder of the year, but decreased in US Dollar terms in 2015 compared to 2014. As a result of the stable nitrate pricing, but lower urea prices, the nitrate premium remained at overall high levels.

Industrial Chemicals

Methanol

Methanol is a liquid petrochemical that is used in a variety of industrial and energy-related applications. The primary use of methanol is to make other chemicals, with approximately 60% of global methanol demand being used to produce formaldehyde, acetic acid and a variety of other GDP-cyclical products. These derivatives are used to produce a wide range of products, including adhesives for the lumber industry, plywood, particle board and laminates, resins to treat paper and plastic products, paint and varnish removers, solvents for the textile industry and polyester fibers for clothing and carpeting.

Energy-related applications consume the remaining 40% of global methanol demand. In recent years, there has been a strong demand for methanol in energy applications such as gasoline blending, biodiesel and as a feedstock in the production of dimethyl ether ("DME") and methyl tertiary-butyl ether ("MTBE"), particularly in China. Methanol blending in gasoline is currently not permitted in the United States, but outside of the United States, demand for methanol as a fuel blended with gasoline and as an octane booster in reformulated gasoline has been strong.

In the relatively new MTO (methanol to olefins) segment, methanol is used as a feedstock for the production of polyethylene and propylene for packaging, automotive, furniture and fiber segments. In China there are now a total of twelve completed MTO/MTP plants that have capacity to consume up to 6.5 million metric tons of methanol. An additional four MTO plants are planned to be completed in 2016 which are expected to add an additional 6.5 million metric tons of merchant methanol demand. MTO demand in China has shown strong growth despite weak profitability.

Global methanol demand has grown at 6.3% annually over the last 15 years and we expect the methanol industry to grow at a strong CAGR in excess of 6% during the period 2016-2025, thus far outstripping supply growth. In 2015, methanol demand continued to be healthy in the United States, but methanol prices were adversely impacted predominantly due to a bearish crude oil price environment and an oversupplied global methanol market. In the United States, the supply-demand balance was disrupted towards the end of the year with the earlier-than-expected start-up of two new facilities, at a time when demand was seasonally low. While crude oil and methanol prices have generally exhibited a decoupling over the past several years as compared to their historic correlation, lower crude oil prices have negatively impacted methanol affordability for the production of olefins and other energy applications.

Melamine

Melamine is a white powder made from urea and is mainly used to make amino-formaldehyde resins for the creation of safe, hard, durable glossy surfaces, resistant to heat, chemicals and moisture. Products include surface laminates, laminate flooring, wood-based panels coating resins, moulding compounds, flame retardants, paper and textile resins and superplasticizers for concrete.

In 2015, global melamine demand growth was in line with GDP developments and prices were at the same level as in 2014, despite sharp price declines in most commodity markets. Towards the end of 2015, the supply / demand balance became tighter, leading to a slight increase in selling prices.

YEAR IN REVIEW

000 metric tons	2015	2014	% change
Own Product			
Ammonia	1,340.7	1,333.4	0.5%
Urea	1,383.0	1,470.0	-5.9%
Calcium Ammonium Nitrate (CAN)	995.8	1,158.7	-14.1%
Urea Ammonium Nitrate (UAN)	346.3	321.1	7.8%
Total Fertilizer	**4,065.8**	**4,283.2**	**-5.1%**
Methanol	644.8	613.7	5.1%
Melamine	142.1	165.5	-14.1%
Total Industrial Chemicals	**786.9**	**779.2**	**1.0%**
Total Own Product Sold	**4,852.7**	**5,062.4**	**-4.1%**
Traded Third Party			
Ammonia	280.1	528.8	-47.0%
Urea	65.5	56.2	16.5%
UAN	52.3	76.0	-31.2%
Ammonium Sulphate (AS)	1,669.5	1,694.6	-1.5%
Total Traded Third Party Product	**2,067.4**	**2,355.6**	**-12.2%**
Total Own Product and Traded Third Party	**6,920.1**	**7,418.0**	**-6.7%**
Of which: Fertilizers	6,133.2	6,638.8	-7.6%

Strategy in Action

During 2015, we sold a total of 6.1 million tons of nitrogen fertilizers, a 7.6% decrease year-on-year, and 0.79 million ton of industrial chemicals, a 1.0% increase year-on-year. In total, we sold 6.9 million tons of product in 2015 to customers in 56 countries around the world, a 6.7% decrease over 2014. Our consolidated results were negatively impacted by a volatile commodities market, uneven natural gas supply in Egypt, and one off shutdowns at OCI Beaumont and OCI Nitrogen.

Our 2015 revenue from continuing operations reached $ 2,186.1 million, an 18.6% decrease from $ 2,685.8 million in 2014, the result of a combination of lower product volumes and a decline in selling prices of most products in 2015 compared to 2014. Adjusted EBITDA from continuing operations reached $ 736.2 million in 2015, an 11.7% decrease compared to $ 833.4 million in 2014.

Operational Excellence

Despite lower product volumes and prices, our adjusted EBITDA margin increased to 33.7% in 2015 as compared to 31.0% in 2014, primarily due to a decrease in production costs as a result of a year-on-year decrease in natural gas costs at both OCI Nitrogen and OCI Beaumont. Dutch TTF spot prices declined 5.4% on a Euro basis, which translated into a 20.8% decrease on a U.S. dollar basis. Houston Ship Channel spot prices declined 40.6%. This sustained decrease in natural gas costs at our European and North American operating facilities supports our view on the long-term sustainability of low natural gas and

DURING 2015, WE ACHIEVED A 9% INCREASE IN PRODUCTION CAPACITY THROUGH A DEBOTTLENECKING OF OCI BEAUMONT'S AMMONIA AND METHANOL LINES AND THE ACQUISITION OF BIOMCN. WE MADE PROGRESS AT BOTH GREENFIELDS IN THE UNITED STATES, AND ARE ON TRACK TO GROW OUR PRODUCTION CAPACITY BY NEARLY 50% TO OVER 12.5 MILLION METRIC TONS PER YEAR BY 2017.

YEAR IN REVIEW

validates our decision to move away from natural gas hedging arrangements since our acquisition of OCI Nitrogen in 2010. We have also benefited from our diversified product portfolio, which has given us the flexibility to adapt our production depending on which products sold at a premium during each season.

OCI Nitrogen performed well during the first three quarters of 2015, achieving strong utilization rates across its production lines and meeting targeted sales volumes. However, OCI Nitrogen was required to shut down its ammonia and CAN production lines during the fourth quarter of 2015 in order to repair damage caused by three fire incidents in September, October and November 2015. On 8 October 2015, OCI Nitrogen restarted one ammonia production unit, shortly followed by UAN and part of its melamine production. The other ammonia line restarted on 5 January, 2016, followed by two of the CAN lines on 9 and 11 February, 2016 and the third on 27 February, 2016, in time for the spring application season in Europe. The extended stoppage at OCI Nitrogen has resulted in lost revenue. However, insurance proceeds of $ 56.4 million were recognized in “Other Income” during 2015 (included in EBITDA), covering damage to the plants and lost business.

OCI Beaumont successfully completed its planned debottlenecking project during the first half of 2015. The debottlenecking was executed to improve production efficiencies, reduce energy consumption, perform maintenance work, and implement environmental upgrades. This increased annual methanol and ammonia production design capacities by 25% to approximately 913 thousand and 331 thousand metric tons per year, respectively. The plant’s methanol and ammonia production units were shut down for 82 and 71 days, respectively, in order to complete the debottlenecking project. The plant fully ramped up in the second half and achieved utilization rates of 92% and 96% in the fourth quarter of 2015 for the methanol and ammonia facilities, respectively.

In June 2015, we acquired BioMCN, a methanol and bio-methanol producer based in The Netherlands. BioMCN adds 440 thousand metric tons of methanol and bio-methanol capacity to our product portfolio and provides us with a strong foothold in the European bio-methanol market, which we believe is a growth market with significant profit potential when coupled with our view of sustainably low spot natural gas prices. Methanol consumption in Western Europe is currently more than 7 million tons per year, of which approximately 30% is used in transportation fuel applications. Europe currently imports more than 5 million metric tons of methanol and this deficit is expected to continue to increase for the foreseeable future. BioMCN was not included in the reported methanol volumes in 2015, as the plant produced methanol for a fixed fee for a third party. These toll manufacturing arrangements expired at the end of 2015, and we will fully consolidate BioMCN’s sales volumes in our results going forward.

EFC and EBIC suffered from limited natural gas supply during the first nine months of the year. After a review of EFC, the company recognized a goodwill impairment of $ 422.9 million. Natural gas supply resumed in the fourth quarter following the arrival of a second floating storage and regasification unit (FSRU) in Egypt at the end of September. As a result, natural gas supply to EFC and EBIC resumed production at the end of October / beginning of November 2015. In the last two months of the year, EFC was running at utilization rates of 85-90% and EBIC at 45-50%. The Egyptian government is using EBIC’s jetty for the import of LNG, thus limiting the plant’s ability to export, but nevertheless the plant achieved significantly higher production levels and sales in the fourth quarter than in the periods before.

Sorfert was intermittently shut down during the third quarter and part of the fourth quarter of 2015 for repairs of one of the ammonia production lines and the urea line. The plants restarted production in late October and, except for a brief closure of one line in December, have since been running at stable levels. Sorfert benefits from a competitive low price long-term gas contract and continues to deleverage as a result of strong cash flow generation and the devaluation of the Algerian Dinar, in which Sorfert’s non-recourse project financing is denominated. Net debt at Sorfert has come down substantially throughout the year and reached a level of around $ 700 million as of 31 December 2015.

Global Distribution Reach

Our centralized distribution capabilities allow us to act as a ‘one-stop-shop’ for customers around the world. Our vast distribution network stretches across the Americas, Europe, Africa and parts of Asia, cultivated both organically through our trading units and through strategic investments and partnerships in distribution companies to support our global presence.

We focused on streamlining our ability to trade our various products around the world by splitting out our trading capabilities into two entities: OCI Fertilizer Trading (OFT) and OCI Fertilizer Trade & Supply (OFTS). Located in Dubai, UAE, OFT focuses on trading granular urea and AS. Located in Geleen, the Netherlands, OFTS focuses on ammonia and UAN. We also continued to enhance our sales and distribution presence in North America in preparation for Iowa Fertilizer Company’s commissioning in 2016.

During the year, OCI Nitrogen invested in developing and commissioning a new OCI Nitrogen terminal in the port of Stein, including a direct 3.5 kilometre pipeline link for both ammonia and UAN to the harbour. These upgrades provide OCI Nitrogen with more sustainable and efficient logistics channels in and out of the plant, as access to Stein harbour provides links the seaports of Rotterdam, Terneuzen, Antwerp and Ghent, in addition to efficient river connections to Belgium, France, Netherlands and Germany. The trimodal storage and transhipment port in Stein handles more than two million metric tons worth of transhipments a year, making it one of the largest inland ports in the Netherlands.

In addition to selling OCI-produced product, we traded nearly 2.1 million metric tons of third party product during the year. Our ability to trade third party products, both on a spot basis and through long-term distribution contracts, supports our own product portfolio and gives us supply flexibility to mitigate against potential production disruptions at our plants.

Greenfield Early Mover Advantage

We continued to make progress on the construction of both greenfield projects in the United States, which will add an estimated 4.2 million metric tons of nitrogen fertilizer and industrial chemical capacity to our product portfolio by 2017.

Iowa Fertilizer Company, our nitrogen fertilizer plant located in Wever County, Iowa, is near completion and overall construction was 94.3% complete on 31 March 2016. Construction at Natgasoline, our methanol plant located in Beaumont, Texas, progressed well and was 51.3% compete on 31 March 2016.

IFCo is the first world scale natural gas-based greenfield fertilizer plant built in the United States in nearly 25 years, and is expected to be a key player in the effort to reduce the United States’ dependence on imported fertilizers.

Natgasoline will be one of the largest merchant methanol producers in the world once complete and is one of the only methanol greenfield projects under construction in the United States.

Both plants are well positioned to be key players in their respective markets and have benefitted from a strong early mover advantage in the United States, where the barriers to entry in developing large-scale industrial plants have increased significantly since we broke ground on our projects.

Today, there is limited new announced nitrogen fertilizer and methanol capacity expected in the United States, as new capacity has become increasingly time consuming and capital intensive. Factors affecting this include limited availability of skilled labour, few EPC contractors with industrial greenfield experience, difficulty in securing economic, fixed price EPC contracts resulting in risk of capex inflation, and difficulty in attaining project financing given the long development times of large-scale industrial projects. These and other factors have resulted in limited new capacity coming on-stream.

On the other hand, both the global nitrogen fertilizer and methanol industries have seen continuous demand growth driven by world economic expansion, with global nitrogen fertilizer and methanol consumption growing at a CAGR of 2.3% and 6.3%, respectively, since 2000. Accordingly, we believe the United States will remain a net importer of nitrogen fertilizer and methanol for the medium term.

OUR EBITDA MARGIN INCREASED TO 33.7% IN 2015 AS COMPARED TO 31.0% IN 2014, PRIMARILY DUE TO LOWER NATURAL GAS COSTS AT OUR PLANTS DURING THE YEAR.

FINANCIAL PERFORMANCE

Financial Highlights[1]

$ millions unless otherwise stated	2015	2014
Revenue	**2,186.1**	2,685.8
Cost of sales	(1,654.1)	(1,949.4)
Gross profit	532.0	736.4
Gross profit margin	24.3%	27.4%
EBITDA before one-off items	736.2	**833.4**
EBITDA Margin	33.7%	31.0%
Operating profit before one-off items	434.6	**525.0**
One-off items at EBITDA level	(69.4)	(309.4)
Goodwill impairment	(422.9)	0.0
Operating profit/(loss) - reported	**(57.7)**	(215.6)
Net Income from continuing operations attributable to shareholders	**(246.1)**	(444.1)
Net income margin	(11.3%)	16.5%
Result from discontinued operations attributable to shareholders	630.8	(115.4)
Net income after discontinued operations attributable to shareholders	**384.7**	328.7
Earnings/(loss) per share for continuing operations ($)		
Basic earnings per share	(1.177)	2.168
Diluted earnings per share	(1.177)	2.161
Total assets[2]	7,764.5	10,577.3
Total assets (continuing operations)	7,764.5	8,038.8
Total equity	1,749.8	2,537.8
Gross interest-bearing debt	4,902.8	4,981.1
Net debt	4,349.6	4,134.5
Capital expenditure	1,131.4	1,211.0

[1] As a result of the demerger of the Engineering & Construction business in March 2015, only the Fertilizer & Chemicals financials are reported as continuing operations. The demerged Engineering & Construction business has been classified as Discontinued Operations.

[2] Including $ 2,538.5 million "Assets held for demerger" in 2014.

Notes

In 2015, Sorfert's retained earnings turned positive, which gives OCI's joint venture partner at Sorfert a higher percentage of profits than their 49% equity share in lieu for a low gas price. The negative impact on EBITDA was $ 27.4 million in 2015 ($ 0.0 million in 2014). There was no impact on net income attributable to shareholders

Consolidated Revenue

OCI N.V.'s 2015 revenue from continuing operations reached $ 2,186.1 million, an 18.6% decrease from $ 2,685.8 million in 2014, the result of a combination of lower product volumes and a decline in selling prices of most products in 2015 compared to 2014.

In total, OCI N.V. sold 6.9 million metric tons of nitrogen-based fertilizer and industrial chemical products in 2015, a 6.7% decrease from 7.4 million metric tons in 2014. Total own product volumes sold reached 4.9 million metric tons during 2015, a 4.1% decrease over 2014. Lower margin third party traded volumes dropped 12.2% in 2015 compared to 2014.

Product volumes were lower in 2015 compared to 2014, predominantly as a result of:

- Limited availability of natural gas in Egypt until the end of October 2015;
- A stop in production of calcium ammonium nitrate (CAN) in The Netherlands following a fire in the basement of the CAN lines on 30 September 2015. Two of the CAN lines restarted on 9 and 11 February, 2016 and the third on 27 February, 2016, in time for the spring application season in Europe;
- The drop in lower margin third party traded volumes.

After completion of the debottlenecking project and planned turnaround of OCI Beaumont in April 2015, the plant has witnessed improved reliability on both production lines and was running at high utilization rates in the second half of the year. Methanol volumes improved by 5.1% in 2015 compared to 2014, but by 40.5% in the second half of 2015 compared to the same period in 2014.

Recently acquired BioMCN (June 2015), a methanol and bio-methanol producer based in the Netherlands, is not yet included in the reported methanol volumes, as the plant produces methanol for a fixed fee for a third party. These toll manufacturing agreements were in place until the end of 2015.

In 2015, product prices were lower in US Dollar terms compared to 2014, resulting from increased supply, lower global demand and adverse exchange rate effects. Granular urea prices were down due to an increase in global exports and lower cash costs for marginal producers, where especially China incurred lower cash costs due to lower coal prices. For the major part of the year, ammonia prices remained stable as the supply-demand balance remained relatively tight, but started to decline towards the end of the year. Methanol prices have declined on the back of global supply, in addition to outages in downstream end markets. CAN Euro-denominated prices were overall relatively stable during 2015.

EBITDA

Adjusted EBITDA from continuing operations reached $ 736.2 million in 2015, an 11.7% decrease compared to $ 833.4 million in 2014. The adjusted EBITDA margin reached 33.7% in 2015 compared to 31.0% achieved in 2014. Lower volumes and selling prices were partly offset by a drop in spot natural gas prices that reached the lowest levels seen for several years in both the United States and Europe. The drop in EBITDA was mainly due to lower operational performance in the United States and North Africa:

- Despite the production stop at the CAN facilities in The Netherlands in the fourth quarter of 2015, OCI's operations in Europe performed well in 2015. As a result of a very low gas price and relatively stable CAN prices during 2015, the nitrate premium remained at a high level during the year. The extended stoppage at OCI Nitrogen has resulted in lost revenue. However, insurance proceeds of $ 56.4 million were recognized in "Other Income" during 2015 (included in EBITDA), covering damage to the plants and lost business.
- OCI Beaumont's EBITDA decreased 25% to $ 123 million in 2015 compared to $163 million in 2014, predominantly due to the shutdown for the turnaround in the first half of the year. The higher volumes in the second half of the year, combined with low natural gas prices, were able to largely offset the impact from the lower ammonia and methanol prices.
- In North Africa, product volumes sold were influenced by low gas availability in Egypt throughout most of the year and unplanned shutdowns at our Algerian operations, resulting in an overall lower operational result in 2015 compared to 2014, but improving towards the end of the year.

One-off items

One-off items in 2015 are mainly related to transaction costs, the development projects in the United States, the operations in Egypt, release of provisions and impairment of goodwill. One-off items total $ 69.4 million at the EBITDA and $ 425.7 million at the net income level:

- It is likely that EBIC will be granted tax free status, which has resulted in a release of $ 138.2 million of tax liability and booking $ 13.2 million free zone fees.
- After an impairment test of EFC in Egypt, the company recognized a goodwill impairment of $ 422.9 million.
- Expenses related to the capacity expansion projects in the United States amounted to $ 62.1 million in 2015.
- Due to the low availability of natural gas in Egypt until the end of October 2015 and the resulting shutdown of the plants for prolonged periods, one-off costs of $ 27.4 million at the EBITDA level and a further $ 24.5 million below the EBITDA level were recognized.

One-off items impact on EBITDA

$ millions	2015	2014	One-off item in P&L
Operating profit as reported	**(57.7)**	**215.6**	
Adjustments for:			
Depreciation & amortization	(301.6)	(308.4)	
Goodwill impairment	(422.9)	-	
Donations	-	(266.2)	Donation costs
Transaction cost & other	(16.4)	-	SG&A expenses
Gain on sale of Gavilon	10.1	9.0	Other income
EBIC Free Zone Fees	(13.2)	-	SG&A expenses
Release of provisions	46.3	-	Other income
Egypt idled expenses	(27.4)		COGS/SG&A
Change in fair value of natural gas hedge	(6.7)	(4.2)	SG&A expenses
Expenses related to expansion projects	(62.1)	(38.0)	SG&A expenses
Expenses related to tax dispute	-	(10.0)	SG&A expenses
One-off items at EBITDA level	**(69.4)**	**(309.4)**	
Total one-off items including goodwill impairment	**(492.3)**	**(309.4)**	
Adjusted operating profit	**434.6**	**525.0**	
Adjusted EBITDA	**736.2**	**833.4**	

One-off items impact on net income from continuing operations

$ millions	2015	2014	One-off item in P&L
Reported net income from continuing operations attributable to shareholders	**(246.1)**	444.1	
Adjustments for:			
One-off items in EBITDA	(69.4)	(309.4)	
Goodwill impairment	(422.9)	-	Depreciation & amortisation
Tax dispute settlement reversal	-	557.4	Incom tax
Interest on tax settlement (non-cash)	-	36.6	Finance expenses
Forex gain on tax settlement	-	9.5	Finance income
Forex gain / (loss) on inter-company loans	8.2	(72.9)	Finance expenses
EBIC tax release	82.9	-	Income tax (adjusted for minorities)
Egypt idles expenses, net	(24.5)	-	Net loss after tax
Tax (relief) one-off items	-	15.2	Net loss after tax
Total one-off items	**(425.7)**	**236.4**	
Adjusted net income from continuing operations attributable to shareholders	**179.6**	**207.7**	

Gross profit and cost of sales

Cost of sales from continuing operations of $ 1,654.1 million in 2015 decreased 15.1% from $ 1,949.4 million in 2014.

Cost of sales as a percentage of revenue increased to 75.7% in 2015 from 72.6% in 2014. The gross profit margin decreased from 27.4% in 2014 to 24.3% in 2015, resulting in a decrease in gross profit of 27.8% to $ 532.0 million.

Selling, General and Administrative Expenses

Selling, General and Administrative expenses (SG&A) expenses as a percentage of revenue were 12.4% in 2015 compared to 9.9% in 2014, and amounted to $ 270.3 million in 2015, slightly up from $ 265.1 million in 2014. Excluding one-off costs, SG&A as a percentage of revenue increased from 8.1% in 2014 to 8.2% in 2015, impacted by the loss of revenue at OCI Nitrogen due to the fire incident, lower traded volumes, as well as low utilization rates in Egypt. SG&A expenses are expected to come down as a percentage of revenue, once the two expansion projects in the United States are operational.

Operating Profit

Depreciation and amortization expenses are a significant component of the cost of our operations. Depreciation and amortization expenses stood at $ 301.6 million, at the same level as in 2014 ($ 308.4 million).

Operating loss from continuing operations amounted to $ 57.7 million in 2015 compared to $ 215.6 million in 2014. Excluding one-off items, operating profit amounted to $ 434.6 million in 2015 compared to $ 525.0 million in 2014.

Net financing cost

Net finance costs consist of interest income, gain or loss on foreign exchange, and interest expense on interest-bearing liabilities.

Net interest decreased from $ 190.2 million in 2014 to $ 168.1 million in 2015, mainly the result of lower interest expense at Sorfert, partly offset by higher interest expense at the corporate level. Sorfert's net debt decreased significantly, by approximately $ 525 million from the end of 2014 to reach just above $ 700 million by the end of 2015, as a result of strong cash generation and positive currency effects. Interest expense in 2014 includes $ 36.6 million representing the reversal of interest on the tax dispute liability that was recognized in 2013.

Net finance costs include net foreign exchange gains of $ 22.1 million in 2015 and losses of $ 60.7 million in 2014. This increase in foreign exchange gains from 2014 to 2015 is mainly related to the revaluation of intercompany balances in foreign currencies, for which the income statement impact is not eliminated in the consolidated financial statements.

Total one-off items in net finance costs amounted to $ 8.2 million in 2015 (net foreign exchange gain on intercompany loans) and a loss of $ 26.8 million in 2014 (net foreign exchange gain of $ 9.5 million on the tax dispute liability in Egypt, a $ 36.6 million reversal of interest expense related to this tax dispute liability and a net foreign exchange loss of $ 72.9 million on intercompany loans).

Including those one-off items, net finance costs amounted to $ 146.0 million in 2015 compared to $ 250.4 million in 2014. Excluding one-off items, net finance costs amounted to $ 154.2 million in 2015 compared to $ 223.6 million in 2014.

Income tax

Income tax amounted to a positive $ 93.7 million compared to a positive of $ 565.0 million in 2014. In 2015, (deferred) tax liabilities of $ 138.2 million at year-end 2014 related to EBIC were released.

Net income attributable to shareholders and earnings per share (EPS)

Net income from continuing operations (after non-controlling interest) declined from $ 444.1 million in 2014 to a loss of $ 246.1 million in 2015. Total one-off items had a negative impact of $ 425.7 million on net income in 2015. Net income excluding one-off items decreased 13.5% from $ 207.7 million in 2014 to $ 179.6 million.

Following the demerger of the Engineering & Construction business, all demerged entities have been treated as discontinued operations. In 2015, net profit from discontinued operations amounted to $ 630.8 million, including a gain on the divestment of $ 641.8 million, representing the fair value ($ 1.4 billion) less the carrying value of the net assets of the Engineering & Construction business, at date of demerger.

Basic EPS for continuing operations stood at a loss of $ 1.177 per share compared to $ 2.168 per share during 2014. Diluted EPS for continuing operations stood at a loss of $ 1.177 per share compared to $ 2.161 per share during 2014.

Dividends

OCI has a flexible dividend policy designed to balance the availability of funds for dividend distribution with pursuing growth opportunities that generate attractive returns. We currently have two large greenfield projects under construction in the United States. Accordingly, the Board of Directors has decided to focus cash flows on completing these significant growth initiatives in a timely manner and therefore has not announced a dividend for FY2015.

Number of employees

During the financial year ended 31 December 2015, the average number of staff employed in the Group converted into full-time equivalents amounted to 2,972 employees (2014: 2,891 employees).

Cash flow

Condensed Consolidated Statement of Cash Flows for the years ended 31 December

$ millions	2015	2014
Profit for the year	**522.1**	**449.9**
Adjustments:		
Net profit / (loss) from discontinued operations	(630.8)	96.1
Depreciation of PPE and amortization	301.6	308.4
Impairment of goodwill	422.9	-
Gain on sale of investment	(10.1)	(9.0)
Income tax expense	(93.7)	(565.0)
Changes in working capital	113.8	236.9
Changes in provisions	(41.7)	262.3
Refund of tax dispute liability	243.2	-
Other cash flows from operating activities	(116.9)	(59.6)
Cash flows from operating activities (continuing operations)	**710.4**	**720.0**
Investments in property, plant and equipment	(1,131.4)	(1,211.0)
Dividends from equity accounted investees	7.1	33.0
Other cash flows from investing activities	(8.3)	9.0
Cash flow from investing activities (continuing operations)	**(1,132.6)**	**(1,169.0)**
Proceeds share issuance	161.1	-
Proceeds from sale of treasury share	3.5	37.7
Proceeds from borrowings	760.7	550.0
Repayment of borrowings	(389.0)	(433.2)
Other cash flows from financing activities	(32.5)	(119.2)
Financing related to discontinued operations	-	(390.0)
Cash flows from financing activities (continuing operations)	**503.8**	**(354.7)**
Net cash flows from / (used in) continuing operations	**81.6**	**(803.7)**
Net cash flows from / (used in) discontinued operations	**(85.0)**	**(51.1)**
Net increase (decrease) in cash and cash equivalents	**(3.4)**	**(854.8)**
Cash and cash equivalents at 1 January	1,115.2	1,990.2
Currency translation adjustments	(40.9)	-20.2
Less cash and cash equivalents as at 7 March (demerger date)	(283.9)	-
Cash and cash equivalents at 31 December	**787.0**	**1,115.2**
Presentation in the statement of financial position		
Cash and cash equivalents	**796.4**	846.6
Bank overdraft	**(9.4)**	(100.3)
Cash and cash equivalents (as held for demerger)	-	368.9
Cash and cash equivalents at 31 December	**787.0**	**1,115.2**

Cash Flows from Operating Activitiess
Cash inflows from continuing activities in 2015 totaled $ 710.4 million, compared to $ 720.0 million in 2014. This was principally generated from cash flow generated by our operating companies, positive changes in working capital and a $ 243.2 million refund of the tax dispute liability.

Cash Flows from Investing Activities
Cash used in investing activities (continuing operations) reached $ 1,132.6 million in 2015, slightly lower than $ 1,169.0 million in 2014. Total capital expenditures decreased from $ 1,211.0 million in 2014 to $ 1,131.4 million in 2015, principally used for the construction of the Iowa Fertilizer Company, the debottlenecking and turnaround programme at OCI Beaumont (finalized in April 2015) and Natgasoline LLC.

Cash Flows from Financing Activities
Cash inflows from financing continuing activities in 2015 totaled $ 503.8 million, compared to an outflow of $ 354.7 million in 2014. This consisted primarily of the proceeds of $ 161.1 million from a private placement of 4.2 million shares in January 2015, new borrowings of $ 760.7 million, offset by $ 389 million of repayment of borrowings.

Net debt
Net Debt as at 31 December

$ millions	2015	2014
Long-term interest-bearing debt	3,336.7	4,638.5
Short-term interest-bearing debt	1,566.1	342.6
Gross interest-bearing debt	**4,902.8**	**4,981.1**
Cash and cash equivalents[1]	553.2	846.6
Net debt	**4,349.6**	**4,134.5**

[1] Excluding $ 243.2 million cash refund in 2015 related to tax dispute in Egypt

Total gross debt outstanding was down slightly from $ 4,981.1 million as at 31 December 2014 to $ 4,902.8 million as at 31 December 2015. Our total interest-bearing debt decreased by $ 78.3 million during the year.
Cash & cash equivalents decreased from $ 846.6 million as at 31 December 2014 to $ 553.2 million (excluding the tax dispute refund from the Egyptian Tax Authority of $ 243.2 million) as at 31 December 2015. The decrease in cash held at year-end is principally attributable to cash inflows from operations totaling $ 710.4 million, offset by capital expenditure of $ 1,131.4 million.

OCI N.V.'s net debt of $ 4,349.6 million as at 31 December 2015 is a 5.2% increase over 31 December 2014, driven by cash outflows related to our development projects in the United States.

Balance Sheet
Condensed Consolidated Statement of Financial Position as at 31 December

$ millions	2015	2014
Total non-current assets	6,539.5	6,365.9
Total current assets (continuing operations)	1,225.0	1,672.9
Assets held for demerger	-	2,538.5
Total Assets	**7,764.5**	**10,577.3**
Shareholders' Equity	1,260.3	2,118.9
Non-controlling interest	489.5	418.9
Total Equity	**1,749.8**	**2,537.8**
Total non-current liabilities	3,598.3	5,032.2
Total current liabilities (continuing operations)	2,416.4	1,194.7
Liabilities held for demerger		1,812.6
Total Liabilities	**6,014.7**	**8,039.5**

OCI N.V.'s debt profile is detailed in the table below:

Consolidated Debt Breakdown as at 31 December 2015

$ millions	Description	Companies	Gross debt	Cash	Net debt
Majority Owned Subsidiaries	• Debt at entities where OCI's stake is less than 100% • Debt is non-recourse to OCI N.V., although fully consoldated on the group's balance sheet	• Sorfert • EBIC • OCI Beaumont	1,441.0	254.8	1,186.2
Fully Owned Subsidiaries	• 100% owned operating companies' debt is organized against operating company cash flow and is non-recourse to HoldCo • Corporate support is available from OCI N.V. with Board approvals	• OCI Nitrogen • EFC • OFT	956.1	109.4	846.7
Project Finance Debt	• Project finance debt which can remain with companies after completion of construction • All project finance debt is ring-fenced and non-recourse to OCI N.V. • Debt is raised through banks or capital markets • Long tenures financed by operating cash flow	• IFCo	1,232.2	146.7	1,085.5
Holding Company Debt	• Full responsibility of OCI N.V. • Supported by investment asset values and dividends received from subsidiaries	• OCI N.V. • Other	1,273.5	42.3	1,231.2
Total			**4,902.8**	**553.2**	**4,349.6**

Outlook
While there are some signals of stability in the markets, the start to the year has continued to be volatile. However, we have laid the foundation for future growth opportunities:

- OCI Beaumont is expected to continue to operate at the new design capacity post-debottlenecking. The plant has witnessed improved reliability on both production lines and the plant was able to set production records for both the months of December 2015 and January 2016.
- Sorfert is expected to run at normal capacity utilization levels in 2016, with a 23-day turnaround scheduled for the third quarter of 2016. Sorfert is deleveraging rapidly due to strong free cash flow generation and the devaluation of the Algerian Dinar. In addition, the devaluation has resulted in lower operational costs.
- The shutdown caused by the fire that broke out at OCI Nitrogen's CAN plant in The Netherlands on 30 September 2015 will have a negative impact on reported volumes in the first quarter of 2016, but the overall financial impact is limited as damage to property and loss of business are insured. Following the resumption of CAN production in the in February 2016, OCI Nitrogen has returned to normal operating rates.
- As a result of the Egyptian government's efforts to import LNG, EFC has achieved utilization rates in excess of 80% in the first quarter of 2016. EFC is expected to continue to operate at high utilization rates in 2016. EBIC was running at utilisation rates below 50% during the first quarter of 2016 and is expected to continue to operate at up to 50% utilization until the facility can start using its jetty for exports again. OCI is focused on improving utilization levels to unlock significant value potential of the plants given their quality.
- It is expected that Egypt's domestic production of natural gas will improve from 2017, when two recent large discoveries of natural gas fields (ENI's Zohr and BP's West Nile Delta) are expected to start production.
- In addition, the recent devaluation of the Egyptian Pound is expected to have a positive effect on debt and costs in Egypt.
- Production at Iowa Fertilizer Company is expected to start production in time for the fall application season in the United States.

CSR REPORT

WE SEEK TO CREATE A SUSTAINABLE ENVIRONMENT BY PROMOTING ENVIRONMENTAL STEWARDSHIP AND FOSTERING GROWTH IN OUR COMMUNITIES.

We are proud to have cultivated a strong community-focused identity as a local employer with approximately 3,000 employees around the world. We have a commitment to maximize the use of local resources whenever possible by drawing local people into our company and developing their skills, and by choosing local partners where possible to supply materials and other services.

Investing in our people
Our people are fundamental to the success of our business; we have invested and are committed to continuing to invest in the best people and the best technologies.

A trusted corporate citizen
Our products are sold across Europe, the Americas, Asia and Africa. Our fertilizers optimize yields, strengthen crops and accelerate growth and maturity on a global level and in our local communities. Our industrial chemicals are used in many industries to produce sustainable and environmentally sound manufacturing and energy solutions.

As a leading corporate citizen in the countries in which we operate our plants, we have a vested interest in developing our host communities through our time and resources. We have focused our efforts on education, which we believe is key improving the economic and social well-being of our communities, and on social development causes tailored to each of our host community's needs.

Encouraging Education
Throughout our history, we have invested company resources in educational programs that improve the communities in which we operate. We believe that the key to encouraging tangible improvements our communities is a high quality, well-rounded education promoting critical thinking and entrepreneurship.

Accordingly, all of our plants have endowed time and resources into the entire education value chain, from donating school supplies to needy children and rewarding high achievers to funding university scholarships and providing on-site training opportunities.

Comprehensive development programs at OCI Nitrogen

OCI Nitrogen has developed a comprehensive training and talent management program that aims to invest in all employees' professional development.

Novice program
All fresh graduates from university starting at OCI Nitrogen participate in our Novice program. The objectives of this program are professional and personal development and a strong start in OCI Nitrogen for our potential future managers and directors.

Talent management program
The talent management program identifies and invests in employees in any field and any level with management potential. The objective of the program is to offer talented employees with managerial education, exposure and experience to facilitate and accelerate growth to the next level.

Leadership program
Focusing on senior managers in OCI Nitrogen, the leadership development program helps promote OCI Nitrogen's mission statement and strategy throughout the company.

Sustainable employability
To enable and stimulate sustainable employability OCI Nitrogen organizes workshops and training related to mental and physical fitness for the job, taking into account current and future roles. OCI Nitrogen also facilitates regular vitality (medical and lifestyle) checkups and encourages sport initiatives of employees.

'Alert' – Behavior-based safety program
All manufacturing staff members participate in a behavioral safety training called Alert, which aims to bring OCI Nitrogen's safety performance to the next level. The program focuses on communication, teamwork, risk thinking and personal leadership skills that will be incorporated in daily activities.

Encouraging education

Bringing STEM to Life
IFCo has been a large contributor to programs encouraging STEM education in Southeast Iowa, both through donations to local schools and by participating at the Southeast Iowa STEM Festival.

IFCo's donations have supported the Burlington Notre Dame Schools and their efforts to renovate science labs and provided Fort Madison High School with a plasma cutter used in its advanced welding classes.

In April, the IFCo team organized and coordinated an exhibit at the second annual Southeast Iowa STEM Festival in West Burlington in order to spark student interest in science, technology, engineering and mathematics (STEM). IFCo's team arranged a series of educational activities aimed at increasing students' knowledge about fertilizer and the role IFCo plays in the region.

The STEM Festival is led by a partnership between the University of Iowa and Kirkwood Community College and brings experienced scientists, engineers and educators together with students to provide an afternoon full of hands-on activities.

OCI Nitrogen, OCI Beaumont and IFCo have worked hard to encourage students to pursue their educations in fields of science, technology, engineering and mathematics (STEM).

IFCo has participated in the Southeast Iowa STEM Festival, made contributions to two high schools to renovate science labs and purchase equipment and made a donation to Southeastern Community College's 'Building the Dream' Fund, a capital campaign working to renovate and upgrade classrooms and other technology on its campus in West Burlington.

OCI Beaumont has funded six engineering scholarships at Lamar University, has purchased school supplies for needy children and encouraged high achievers in the Beaumont Independent School District, and has participated in the KDFM 6 Challenge by providing the prize money for winning future engineering students to add to their scholarship funds.

OCI Nitrogen has sponsored a biochemistry scholarship through the Dutch Chemicals Industry's scholarship program, and has facilitated 17 traineeships in 2015: 13 at the vocational level within manufacturing, three at a higher vocational level and one Master's traineeship, all in collaboration with different local educational institutions.

OCI Nitrogen is one of the companies on the Chemelot site participating in "Chemelot2Discover", a program that aims to introduce elementary school students to the world of chemistry and to the companies on the Chemelot site in order to eventually increase the inflow in technical and chemical educations. In 2015 over 1,200 pupils participated in this program.

In addition, OCI Nitrogen participates in a joint initiative of companies in the field of Technology and Chemistry (PML) in an effort to increase the inflow of young operators and technicians. PML organizes different activities for vocational and higher vocational students to introduce them to the jobs of process operator and maintenance technician. 675 students participated in the "process engineering week" in January 2015 consisting of a site tour and different practical activities and experiments.

OCI Nitrogen also invites the freshmen of the operator class of one of our local institutions for a visit to our plants each year. On 1 September 2015, OCI Nitrogen welcomed 85 students.

In March, OCI Nitrogen organized a "case tour" together with other companies on site. 24 technical masters students were invited to meet the different companies on site and perform a case study.

2,961

NUMBER OF EMPLOYEES
AS AT 31 DECEMBER 2015

Encouraging education

OCI Nitrogen Sponsors Biochemistry Scholarship
As a participant of the Dutch Chemicals Industry's scholarship program encouraging the study of chemistry, OCI Nitrogen awarded a chemicals industry scholarship to Nadia Huisjes, a chemistry student specialising in biochemistry at Groningen University.

As part of the scholarship, Nadia will be researching possibilities to ferment livestock manure on an industrial scale. The research will be focusing on the possibilities to extract hydrogen, methane and ammonia from livestock manure using biocatalysts.

During the traineeship project, Nadia will be researching possibilities to ferment livestock manure on an industrial scale. The research will be focusing on the possibilities to extract hydrogen, methane and ammonia from livestock manure using biocatalysts.

"I am particularly interested in this research topic because it highlights sustainability in the food production chain," said Ms. Huisjes.

Since the chemicals industry scholarships were introduced in 2011, there had been a clear increase in the intake of chemistry students, with 67 scholarships awarded in 2015. The scholarships also ensure more intensive contact between businesses and training centres, and very talented and ambitious chemists are being engaged.

Supporting our Communities

In addition to education, we have strong local community engagement programs and partnerships at each of our plants aiming to support and enhance the economic and social well-being of our communities. Our employees are personally engaged as well by participating in fundraisers and volunteering at events.

Examples include:

- OCI Beaumont's and IFCo's donations to United Way, an organization working to support economic development and community improvement projects in communities around the world;
- IFCo employees volunteered to renovate the United Way offices, worked to build a produce stand, and set up fences.
- IFCo employees held a fundraising drive to support three Lee County charities – Community Services Food Pantry, PAWS, and the Emma Cornelius Homeless Shelter.
- IFCo made a donation to local fire departments in Wever, Denmark, and Fort Madison, Iowa to support their efforts in the community and celebrate National Fire Prevention Week.
- IFCo made a donation to the Fort Madison Community Hospital for renovations to their emergency room services and capabilities.
- OCI Beaumont employees volunteered to build a house with Habitat for Humanity.
- OCI Beaumont employees participated in a local Thanksgiving feast for the underprivileged.
- OCI Beaumont hosted blood drives on site.
- OCI Beaumont made several donations to local charities and programs assisting children, the elderly and the needy, including the Red Cross Disaster Relief fund, Spirit Stables, Christian Life Crisis Intervention, Tots for Toys, Garth House, Camp Summit, Harbor Foundation, and Power to Care, among others.
- For several years, OCI Nitrogen has donated to the 'Toon Hermans Huis', a house where people who suffer from cancer can get support and participate in activities.
- OCI Nitrogen employees participated in 5, 10 or 15 kilometer races to raise money for Pink Ribbon, a foundation that supports projects and research on breast cancer.

Supporting our communities

"Leading The Fight Against Hunger in Southeast Texas"
One in every four children and approximately 15% of the elderly live in poverty in Texas, with prevalence of food insecurity in the state measured at 17.2% of households on average between 2012 and 2014 according to the Economic Research Service of the US Department of Agriculture.

As a trusted local citizen, OCI Beaumont is a strong supporter of the South East Texas Food Bank, which works to eliminate hunger and inadequate nutrition in Southeast Texas by providing meals to approximately 12,000 households per month.

Over the last two years, OCI Beaumont has provided north of 85,000 meals to the needy through the South East Texas Food Bank, and our employees have invested their time and resources to volunteer at food drives and personally deliver essential foodstuffs.
We are proud of OCI Beaumont's continued commitment to improving standards of living in Jefferson County and neighbouring communities.

Operational Excellence in HSE
We are committed to meeting or exceeding international product stewardship and health, safety, quality and environment standards. We train all employees to implement the best sustainable practices. We believe that the health and safety of our employees is essential to the successful conduct and future growth of our business and are in the best interest of our shareholders.

We are committed to being an environmental steward by implementing the best technology available to minimize our environmental footprint and promote sustainable business best practices.

Product Stewardship

Product stewardship ensures that fertilizers and their raw materials, additives and intermediate products are processed and manufactured, handled, stored, distributed and used in a way which safeguards health, occupational and public safety, the environment, and ensures security. We comply with international standards as members of the International Fertilizer Association, Fertilizers Europe (formerly EFMA), The Fertilizer Institute (TFI), and the International Methanol Producers & Consumers Association (IMPCA), among others.

Certifications

EFC, EBIC, BioMCN and OCI Nitrogen are ISO 9001 certified. BioMCN, EBIC and EFC also hold ISO 14001 and the Egyptian plants also hold OHSAS 18001 certifications, certifying each plant's commitment to excellence in product quality and management controls and procedures as per global standards. OCI Nitrogen also has a Product Stewardship certificate.

In addition, all OCI products sold in Europe hold REACH registration certificates from the European Chemicals Agency, ensuring a high level of protection of human health and the environment from the risks that can be posed by chemicals.

Health & Safety First

We are committed to providing a safe and healthy workplace for all employees by implementing the highest international safety standards to avoid any potential risks to people, communities, assets or the environment. This commitment is underscored by several safety development initiatives undertaken at our plants, with several achievements during the year aiming to standardize health and safety monitoring, prevention and reporting across our plants.

Occupational health is part of our overall HSE management to ensure that everyone working with OCI N.V. remains healthy at all times. A Fitness for Duty Process is set up to ensure all employees are able to safely perform essential physical and mental requirements of the job without creating risk to themselves, others or the environment. A Health Risk Assessment Process is in place to estimate the nature and probability of adverse health effects to people by identifying the adverse health effects that can be caused by any exposure to any hazardous agent or the work environment.

Lost time injury rate	2011	2012	2013	2014	2015
OCI Nitrogen	0.86	0.77	0.14	0.14	0.28
OCI Beaumont	–	0.13	0.00	0.41	0.00
IFCo	–	–	–	–	–
Natgasoline	–	–	–	–	–
BioMCN	–	–	–	–	0.00
EFC	0.50	1.17	0.00	0.00	0.10
EBIC	0.57	4.19	0.00	0.19	0.00
Sorfert	–	–	1.30	0.00	0.00
OCI Average	**0.64**	**1.57**	**0.29**	**0.16**	**0.06**

Direct GHG emissions (Million tons of CO_2 equivalent)	2011	2012	2013	2014	2015
OCI Nitrogen	1.30	1.20	1.30	1.23	1.36
OCI Beaumont	–	0.26	0.49	0.46	0.46
IFCo	–	–	–	–	–
Natgasoline	–	–	–	–	–
BioMCN	–	–	–	–	0.26
EFC	0.43	0.43	0.36	0.55	0.33
EBIC	0.78	0.68	0.39	0.10	0.13
Sorfert	–	0.40	0.55	1.57	1.25
OCI Average	**0.84**	**0.59**	**0.62**	**0.78**	**0.63**

2015 Safety Performance

During the year, we added eight corporate process safety standards to our 19 existing corporate HSE standards in an effort to continue improving and standardizing our HSE processes at each site. We also held our second global OCI Process Safety conference, where various safety and risk assessment topics were discussed by our process safety experts from across our sites.

In order to encourage information sharing across sites, we also have regular conference calls to share experiences, and have implemented a safety alert system across our sites, where incidents are discussed immediately after occurring to ensure effective communication of lessons learned.

We worked to encourage more stringent reporting of all levels of safety incidents, which we achieved in 2015 by ensuring that each site has at least one process safety specialist dealing with process safety related issues, process safety incidents and process safety near misses.

In addition, we introduced an integrated software system to improve our management of HSE processes at each site and at the corporate level. The combined system has improved our ability to track incident reporting and investigation, training programs, and HSE statistics across our sites in real-time.

Site-specific highlights include:

- OCI Beaumont achieved its Occupational Safety and Health Administration (OSHA) Voluntary Protection Program 'star' qualification, designed for exemplary worksites with comprehensive, successful safety and health management systems
- IFCo focused on training operators on its HSE policies and programs, which were developed last year to meet industry best practices and legal requirements
- Intensive Pre Start up Safety Reviews (PSSR) were held at OCI Beaumont and IFCo
- SGS completed a Management System Surveillance audit of EFC, which was found to be free of non-conformities for the third consecutive year. SGS highlighted EFC management's commitment to setting the tone for high safety standards
- At OCI Nitrogen's ammonia plants and the OTE terminal, a behavioral safety program was conducted with InTense, focusing on aligning behavioral based safety issues on four key items: leadership, risk awareness, communication and cooperation

Lost Time Injury Rates

Our Lost Time Injury Rates (LTIR) at our plants are excellent as compared to the International Fertilizer Association's (IFA) 2014 industry average of 0.45, and are at their lowest levels since we began operations as a fertilizer producer in 2008. The health and safety of our employees is a core focus and we are constantly looking for areas to improve.

2015 HSE Objectives

● achieved ● ongoing

People and Systems	
Strengthen corporate HSE group with an occupational and process safety manager and environmental and regulatory affairs manager	achieved
Implement pilot project to set up KPI's with a Bonus-Malus System	achieved
Set up a Process Safety training program for all sites	ongoing
Perform corporate operational audits	ongoing
Regular site visits	achieved
Implement corporate information portal	achieved

Health and Safety	
Aim for no injuries and a maximum LTIR of 0.16	achieved
Strong HSE support for all greenfields, including project safety reviews, process hazardous analysis, facility siting, and pre-start-up safety review (PSSR)	ongoing
Build expertise platforms for HSE management and process safety	achieved
Perform gap analysis for all new corporate HSE standards	achieved
Introduce software modules to support HSE system and program management	ongoing
Develop a Loss Prevention HSE design criteria standard for process units	achieved

Environment	
Aim for no environmental incidents	ongoing
Full compliance with local environmental regulations	achieved
Standardize corporate environmental reporting	achieved
Introduce energy reporting	achieved
Implement Greenhouse Gas Protocols reporting standards	achieved

Environmental Excellence

We are committed to being an environmental steward by implementing the best technology available where applicable to minimize our environmental footprint and promote sustainable business best practices. At a group-wide level, we have developed a comprehensive environmental reporting system that tracks a range of air emissions and energy consumption.

As a testament to EFC's commitment to producing urea at the lowest possible impact on the environment, EFC is the only plant in Egypt that has implemented a novel solution to the large quantity of water produced as a by-product of the urea manufacturing process. In 2010, the plant invested $ 1.2 million for the construction of two irrigation ponds capable of holding up to 10,000 cubic meters of water. The water is used to irrigate 50 acres of forestry near the plant in an environmentally friendly manner. EFC was impacted by the natural gas supply disruptions throughout 2014 and 2015, which resulted in reduced emissions efficiency during the year.

At EBIC, the plant supplies EFC with the excess CO_2 produced in the manufacture of ammonia. Through this shared pipeline, EFC is able to produce additional urea and EBIC is able to decrease its pollutant CO_2 emissions. In addition, both plants have been tuned to share some utilities, primarily electricity and waste water. This not only generates savings in capital expenditure, but also allows each plant to depend on the other for backup in case of a malfunction, making our operations at both plants even more reliable.

OCI Nitrogen's plants all operate at excellent energy efficiency rates, with energy consumption and CO_2 emissions at levels close to the chemical and physical minimum. In addition, OCI Nitrogen's award winning "COOL!" indirect cooling technology has allowed OCI Nitrogen to reduce its annual fine particle emissions from 174 metric tons to zero, the first nitrogen fertilizer plant in the world to achieve this. COOL! has also allowed OCI Nitrogen to reduce energy consumption by 75% while increasing production by 20%. The innovative cooling system was awarded the Dutch Chemical Industry Association's (VNCI) Responsible Care prize in 2013, and placed in the top three for the European Business Awards for the Environment's (EBAE) 'sustainable process' prize in 2014. The European Business Awards for the Environment are awarded to eco-innovation companies that successfully combine innovation, competitiveness and outstanding environmental performance.

In the United States, OCI Beaumont installed a Selective Catalytic Reduction (SCR) Unit, which is expected to achieve a 90% reduction in NOx emissions. We already saw significant improvement during 2015. Both IFCo and Natgasoline are equipped with the best available emissions technology. Risk assessments prior to operations will ensure a smooth environmental management system.

CORPORATE GOVERNANCE

BOARD OF DIRECTORS' PROFILE

OCI N.V. (the Company) has a one-tier Board of Directors (the Board), which is responsible for the management, general affairs, strategy, and long-term success of the business as a whole. The Board comprises a majority of Non-Executive Directors and a minority of Executive Directors whose responsibility is collective, taking into account their respective roles as Executive Directors and Non-Executive Directors.

1 **Michael Bennett**
Chairman

Nationality American

Age 62

Reappointed Chairman June 2015

Current term of office expires 2019

Committee memberships
Health Safety & Environment, Nomination & Governance, Remuneration

Current external appointments
- Director, Alliant Energy Corporation
- Director, Arclin, Inc.

Previous relevant experience
- CEO and Director, Terra Industries Inc.
- Chairman and President, Terra Nitrogen Company L.P.
- Chairman, The Fertilizer Institute and The Methanol Institute in the United States

2 **Nassef Sawiris**
Chief Executive Officer

Nationality Egyptian

Age 55

Appointed CEO January 2013

Current term of office expires 2017

Current external appointments
- Non-Executive Director:
  - Orascom Construction Ltd.
  - LafargeHolcim Ltd
  - BESIX Group

Previous relevant experience
Chairman and CEO, Orascom Construction Industries S.A.E.

3 **Salman Butt**
Chief Financial Officer

Nationality Pakistani

Age 56

Appointed CFO January 2013

Current term of office expires 2017

Current external appointments
- Non-Executive Director, Orascom Construction Ltd.

Previous relevant experience
- Head of Investment Banking, Samba Financial Group in Saudi Arabia
- Various positions at Citibank in Pakistan, Hong Kong, United Kingdom, Egypt and Saudi Arabia

4 **Jan Ter Wisch**
Vice-Chairman

Nationality Dutch

Age 63

Appointed January 2013

Current term of office expires 2019

Committee memberships
Nomination & Governance (Chairman), Audit, Health Safety & Environment

Current external appointments
- Chairman, Stichting De Westberg
- Director, Stichting Administratiekantoor Grass
- Chairman of Investment Committee, 5square MKB Fund III Coöperatieve U.A

Previous relevant experience
- Partner
  - Deloitte
  - Loeff Claeys Verbeke
  - Allen & Overy
- Member European Tax Board, Deloitte
- Board Member, Loeff Claeys Verbeke
- Chairman of Global Tax Board, Allen & Overy

5 **Sipko Schat**
Senior Independent Director

Nationality Dutch

Age 56

Appointed December 2013

Current term of office expires 2017

Committee memberships
Remuneration (Chairman), Audit

Current external appointments
- Member of the Supervisory Board
  - Rothschild & Co.
  - Trafigura Group Pte Ltd
  - Vion N.V. (Chairman)

Previous relevant experience
Member of the Executive Board, Rabobank Group

6 **Robert Jan van de Kraats**
Non-Executive Director

Nationality Dutch

Age 55

Appointed June 2014

Current term of office expires 2018

Committee memberships
Audit (Chairman), Remuneration

Current external appointments
- CFO and Vice-Chairman of the Executive Board, Randstad Holding N.V.
- Member of the Supervisory Board of Schiphol Group

Previous relevant experience
- Qualified Chartered Accountant
- Various finance and operational executive and non-executive positions in the technology, financial services and credit insurance sectors

7 **Jérôme Guiraud**
Non-Executive Director

Nationality French

Age 55

Appointed June 2014

Current term of office expires 2018

Committee memberships
Audit, Nomination & Governance

Current external appointments
- Chief Executive Officer and Director, NNS Capital Ltd.
- Member of the Board and Audit Committee, LafargeHolcim Ltd
- Director
  - NNS Holding Sàrl
  - NNS Luxembourg
  - OS Luxembourg

Previous relevant experience
- 30 years of professional experience in banking and financial markets
- 15 years as a director in listed and non-listed companies

8 **Greg Heckman**
Non-Executive Director

Nationality American

Age 53

Appointed June 2015

Current term of office expires 2019

Committee memberships
Health Safety & Environment

Current external appointments
- Director, Waitt Brands

Previous relevant experience
- President and CEO of The Gavilon Group
- Various positions at ConAgra Foods

MICHAEL BENNETT
CHAIRMAN

The Board of Directors oversaw an exciting year which included demerging our construction business, acquiring a new methanol business in the Netherlands, and announcing the merger of several of our assets with CF Industries.

CHAIRMAN'S LETTER

Dear Shareholders,
The Board of Directors oversaw an exciting year in 2015 that included demerging our construction business, acquiring a new methanol business in the Netherlands, and announcing the merger of several of our assets with CF Industries.

We also executed several initiatives to develop our corporate governance, resulting in a new Code of Conduct for OCI N.V. and its subsidiaries, a stronger Whistleblower policy, and the establishment of our Integrity Committee at management level, which deals with severe material compliance breaches and reports to the Board if required. These actions are part of the Board's continuous effort to promote OCI's core values and principles, which underpin our identity and how we do business.

Our Board membership also developed during the year, resulting in a diverse group of eight members from five countries with a collective expertise that we believe is curated to serve OCI N.V. well. Mr. Greg Heckman, was voted in by our shareholders at the 2015 Annual General Meeting. Mr. Arif Naqvi's term ended on 15 February 2015, and Mr. Kees van der Graaf stepped down from his position on our Board at the 2015 AGM in order to focus on his personal endeavors. We would like to thank both Mr. Naqvi and Mr. Van der Graaf for their valuable contributions to OCI N.V.

We also announced the nomination of our first female Board member, Ms. Anja Montijn, as an independent non-executive member of the Board of Directors. Ms. Montijn is a Dutch national with more than 25 years' experience at Accenture, where she worked as a consulting professional in various industries, and for the last 15 years fulfilled various national and international leadership positions in the resources market, focusing on the energy, chemicals utilities and natural resources sectors. Ms. Montijn's expertise in our industries brings a wealth of specialized experience to our Board, and will add support in the pursuit of our strategy going forward.

During the year, the Board also underwent a performance evaluation through Lintstock, an external consultant. Lintstock produced a report addressing several areas of the Board's performance, including composition, understanding of OCI's markets and views of major stakeholders, the Board's interpersonal relationships and relationships with senior management, use of Board time and planning cycle, the information packs and presentations received by the Board, risk oversight and efficacy of the Board appraisal of OCI's strategy, succession planning and structure of OCI's senior management, and Committee, Chairman and individual performance. In addition to these areas of core performance, the review also included a case study addressing the recent transaction with CF, including the role played by the Board and the flow of information during the process.

Following the review, the Board agreed to consider the allocation of its time to focus more on strategy, and to continue its focus on the management of risk. We recognize the role we play in safeguarding OCI's sustainability and operational performance, which we strive to achieve through strong corporate governance led by the Board. To that end, the Board met 12 times during the year to ensure each member remained well informed.

For the year ended 31 December 2015, the Board reports the following:
- The Board has reviewed and discussed the audited financial statements for the year 2015.
- The Board discussed with the external auditor the outcome of their performed audits in accordance with International Standards on Auditing.
- The Board has received written confirmation of the external auditor's independence.
- Based on the review and discussions referred to above, the Board has approved that the audited consolidated and Company financial statements be included in the 2015 Annual Report.

The Board of Directors recommends that the General Meeting of Shareholders adopts the 2015 financial statements included in this Annual Report.

The Board acknowledges the commitment and effort of every employee at OCI during 2015 – a busy and tumultuous year. I would also like to thank my fellow Board members for their diligence during a year in which OCI announced several landmark transactions.

OVERVIEW

OCI N.V. is committed to the principles of good corporate governance. The Board believes that good corporate governance practices align the interests of all stakeholders by putting structures in place that ensure the business is managed with integrity and efficiency, thereby maximizing the profitability and long-term value of the Company. The Board is committed to continuously monitor and strengthen the Company's corporate governance.

OCI N.V. is a public limited liability Company under Dutch law, with its official seat in Amsterdam, the Netherlands. The authorized capital of the Company amounts to EUR 6 billion. The authorized capital is divided into 300 million shares, with a nominal value of EUR 20 each.

All shares are registered shares. No share certificates are issued. OCI N.V.'s shares are listed and quoted in Euros on NYSE Euronext's Amsterdam market. The Company reports its financial statements in US Dollars.

This section contains an overview of the corporate governance structure and how it was applied in 2015. It includes the information required by the Dutch Corporate Governance Code. Additional information on our corporate governance can be found on the corporate website www.oci.nl/corporate-governance.

Corporate Governance Structure

The Board of Directors

OCI N.V.'s Board is a one-tier Board, which in 2015 comprised two Executive Directors and - after the resignation in 2015 of Mr. Arif Naqvi and Mr. Kees van der Graaf - in a majority, six Non-Executive Directors.

The Board has ultimate responsibility for the management, general affairs, direction, performance and success of the business as a whole. The responsibility of the Directors is collective, taking into account the respective roles of the Executive and Non-Executive Directors.

The Board is responsible for monitoring and assessing its own performance.

Non-Executive Directors

The role of the Non-Executive Directors is essentially supervisory in nature. Their primary responsibilities are:

- The supervision of the Executive Directors;
- Assessing the performance of the business;
- Assessing risks and controls;
- Assessing the Internal Control function;
- Supervising financial and audit functions;
- Developing strategy with the Chief Executive Officer (CEO);
- Remuneration and succession planning;
- Selection and nomination for appointment of Executives and
- Governance and Compliance.

Chairman

OCI has a Non-Executive Chairman and a CEO. There is a clear division of responsibilities between their roles. The Chairman is primarily responsible for the functioning of the Board and its Committees.

The Chairman sets the Board's agenda and promotes effective relationships and open communication between the Executive and Non-Executive Directors. With the Corporate Secretary, the Chairman will take the lead in providing an induction program for new Directors that is tailored to the respective Director.

Senior Independent Director

The Senior Independent Director acts as a trusted intermediary for the individual Directors.

Executive Directors

OCI's Executive Directors are the CEO and the Chief Financial Officer (CFO).

Chief Executive Officer

The CEO has the authority to determine which duties regarding the strategic and operational management will be carried out under his responsibility. The Board has delegated the operational management of the business to the CEO, who can take day-to-day decisions within the boundary conditions as being defined in the Articles of Association and By-laws, without the need to revert to the Board for approval. Matters reserved for the Board include structure, Risk Management & Internal Control Systems, corporate governance, approval of dividends, approval of overall strategy, approval of significant transactions, financial reporting and compliance. The CEO is responsible to the Board and is able to delegate his authorities and powers.

Corporate Secretary

The Corporate Secretary advises the Board on matters relating to governance of the Group and compliance with Board procedures.

Appointment of Directors

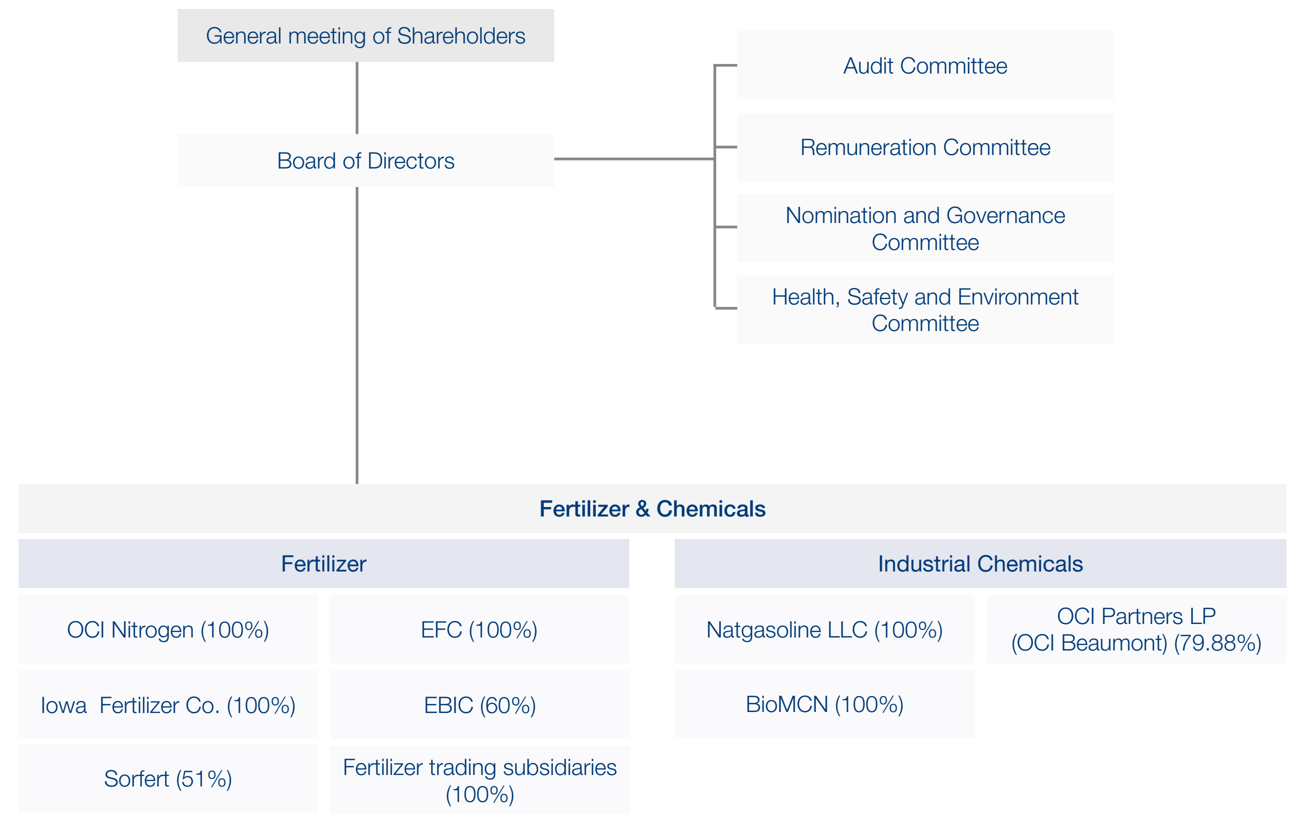
The General Meeting of Shareholders can appoint, suspend or dismiss a Director by an absolute majority of the votes cast upon a proposal of the Board. In addition, the General Meeting of Shareholders is able to nominate Directors. To do so they must put a resolution to the General Meeting of Shareholders in line with the requirements as described in the Articles of Association. A Director is appointed for a four year term and is eligible for reappointment. However, a Non-Executive Director may not serve for more than 12 years.

The Non-Executive Directors are selected individually for their broad and relevant experience and international profile as well as for their independence. The Board profile for Non-Executive Directors (which can be found on OCI N.V.'s website) provides guiding principles for the composition of the Board.

Organizational structure

Prior to the demerger of the Construction business, OCI N.V.'s organizational structure was split between its two main segments: the Engineering & Construction Group and the Fertilizer & Chemicals Group. Each Group was empowered to manage its day-to-day operations under the supervision of its respective Chief Operating Officer (COO). As of March 2015 the Engineering & Construction Group was demerged. The below simplified corporate structure illustrates the current governance of OCI. The day-to-day operational structure is supervised by the Chief Operational Officer (COO). Each subsidiary is led by a General Manager and a local Chief Financial Officer who report to the COO and the corporate CFO.

For 2015, the Board set the strategic mandate for the Company by setting the financial and non-financial targets. The Executive Directors supervised the achievement of these goals through regular reporting from the COO and each subsidiary's management team and reported progress to the Non-Executive Directors.



This does not represent a legal structure and is for illustrative purposes only.

BOARD REPORT

Shareholders' rights

OCI N.V.'s shareholders exercise their rights through the Annual General Meeting of Shareholders in the Netherlands each year, no later than six months after the end of the Company's financial year. Additional Extraordinary General Shareholders meetings may be convened at any time by the Board of Directors or by one or more shareholders representing more than 10% of the issued share capital.

A notice convening a General Meeting of Shareholders shall be issued on behalf of the Board by no later than the 42nd day prior to the day of the meeting. Parties who have the right to vote and attend the meeting and who are registered as such in a designated (sub)register on the 28th day prior to the day of the meeting ("registratiedatum") will be entitled to attend the meeting and vote, irrespective of the identity of the entitled party with respect to those shares at the time of the meeting.

Votes representing shares can be cast at the General Meeting of Shareholders either personally or by proxy. No restrictions are imposed on these proxies, which can be granted electronically or in writing to the Company, or to independent third parties. OCI N.V.'s shareholders may cast one vote for each share, be it in the form of ordinary shares or American Depository Receipts. All resolutions adopted by the General Meeting of Shareholders are passed by an absolute majority of the votes cast, unless the law or the Articles of Association prescribe a larger majority. The Shareholders possess the rights conferred by the Articles of Association and By-laws.

Information pertaining to the structure of, admission to, and Shareholders' voting rights at the General Meeting of Shareholders can be found on the corporate website.

Important matters that require the approval of the (Annual) General Meeting of Shareholders are:

- Adoption of the financial statements;
- Declaration of dividends;
- Significant changes to the Company's corporate governance;
- Remuneration policy;
- Remuneration of the Non-Executive Directors;
- Discharge from liability of the Board of Directors;
- Appointment of the external auditor;
- Appointment, suspension or dismissal of the members of Board of Directors;
- Issuance of shares or rights to shares, restriction or exclusion of pre-emptive rights of Shareholders and repurchase or cancellation of shares;
- Amendments to the Articles of Association.

The Company's Articles of Association detail the proposals that the Board may submit to the meeting, and the procedure according to which Shareholders may submit matters for consideration by the meeting. Within three months of the meeting, the draft minutes of the meeting are made available for three months for comments. The final minutes are published on the corporate website.

External Auditor

The General Meeting of Shareholders appoints the external auditor. The Audit Committee recommends to the Board the external auditor to be proposed for (re)appointment by the General Meeting of Shareholders. In addition the Audit Committee evaluates the functioning of the external auditor. On 10 June 2015, the General Meeting appointed KPMG Accountants N.V. as external auditor for OCI N.V. for the financial year 2015.

Decree Article 10 EU Takeover Directive

OCI N.V. has an authorized capital of EUR 6 billion divided into 300 million shares, each with a nominal value of EUR 20. One vote can be cast for each share.

According to the Dutch Financial Supervision Act, any person or legal entity who, directly or indirectly, acquires or disposes of an interest in the Company's capital or voting rights must immediately give written notice to the Netherlands Authority for the Financial Markets (AFM) if the acquisition or disposal of the percentage of the outstanding capital interest or voting rights exceeds or falls below certain thresholds (3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%).

OCI N.V. is aware, on the basis of the information in the registers of the Netherlands Authority for the Financial Markets (AFM), that the following shareholders possessed an interest of more than 3% on 31 December 2015:

Shareholder	Total Shareholding (Real)	Voting Rights	Date of report
Nassef Sawiris	61,914,389	61,914,389	29-Dec-15
Onsi Sawiris	36,045,159	36,045,159	31-Jul-13
Samih Sawiris	15,527,516	15,527,516	19-Feb-13
Southeastern Asset Management, Inc.	14,037,719	14,037,719	09-Jun-14
Mr. W.H. Gates III	12,725,704	12,725,704	31-Jul-13
IGCF General Partner Limited	12,532,310	12,532,310	30-Jan-13
Davis Selected Advisors	8,754,054	8,754,054	31-Jul-13
Genesis Asset Managers, LLP	6,274,246	6,274,246	3-Mar-15
Total	**167,811,097**	**167,811,097**	

The above information is extracted from the AFM notifications and registers website as at 31 December 2015 http://www.afm.nl/en/professionals/registers/alle-huidige-registers.aspx?type={1331D46F-3FB6-4A36-B903-9584972675AF}

As at 31 December 2015, 46.04% of the total shares outstanding were free-float. For details on the number of outstanding shares, see note 15 of the Consolidated Financial Statements. For details on capital structure, listings, share performance and dividend policy see 'Shareholder Information'.

The Company confirms that it has no anti-takeover instruments, in the sense of measures that are primarily intended to block future hostile public offers for it shares. Although the members of the Sawiris family have not entered into any formal shareholders agreement, they have historically coordinated their voting on the OCI N.V. shares and should therefore be regarded as parties acting in concert ("personen die in onderling overleg handelen") as defined in section 1:1 of the Dutch Financial Supervision Act. Their collective voting rights of 53.96% as at 31 December 2015 act as an implicit anti-takeover element.

Composition and independence

The composition of the Board strives to arm the Company with leadership that is diverse in skills, experience, and background, thereby maximizing the Board's ability to independently and critically act without emphasis on particular interests. The Board maintains independence by ensuring the majority of Non-Executive Directors including the Chairman are independent. The Board's composition, independence, competencies, and qualifications are detailed in the Board Profile adopted on 13 May 2013 and available on the corporate website. Greg Heckman was appointed by the General Meeting of Shareholders on 10 June 2015 as a Non-Executive Director. Arif Naqvi's term ended as per 15 February 2015 and his term was not renewed. Kees van der Graaf stepped down from his position as Non-Executive Director at the General Meeting of Shareholders in order to dedicate more time to his bio-tech start-up Facio Therapies B.V. The Board thanks Mr. Naqvi and Mr. Van der Graaf for their contributions to the Company.

In 2015, the Board has discussed and assessed its composition and concluded that the board is diverse in terms of nationality, experience and age. In 2014 the Board sought to further diversify its composition particularly by nominating female Directors as well as US Directors. By appointing Greg Heckman in June 2015 one of these goals was met. The Board continued its efforts to find female nominees who fit the profile. In February 2016, the Board announced the nomination of Anja Montijn. This is an important step in the gender diversity of the Board. The search for female talent is continued in 2016.

Assessment and evaluation of the Board

Every year, the Board evaluates its performance based on a questionnaire that is completed by the Directors. The evaluation is performed every three years with the aid of an external consultant and was conducted for the first time in 2015. OCI engaged Lintstock for this purpose. The first stage of the review involved Lintstock engaging with the Chairman and the Corporate Secretary to set the context for the evaluation. The evaluation is survey-based. The anonymity of all respondents is ensured throughout the process in order to promote the open and frank exchange of views.
Subsequently the Board received a report which addressed the following areas of Board performance:

- The composition of the Board was reviewed, and the key changes that ought to be made in subsequent years were specified.
- The Board members' understanding of the markets in which OCI operates, and the views of its major investors and stakeholders, was considered.
- The relationships between individual Board members, and between the Board and senior management, were reviewed, as was the atmosphere in the boardroom.
- The use of time at meetings was considered, as were the planning of the annual cycle of work and the agenda, and the Board packs and management presentations were addressed.
- The Board's oversight of risk was reviewed and the effectiveness with which the Board tests and develops OCI's strategy, and oversees the implementation of strategic objectives, was considered. The Board members' views as to the top strategic issues facing the Company were identified.
- The structure of OCI at senior levels was considered, as was the Board's oversight of development and succession plans for members of senior management.
- The performance of the Committees of the Board was also considered in the review, as was the performance of the Chairman and that of the individual Directors.

In addition to these areas of core performance, the review also included a case study addressing the announced transaction with CF, including the role played by the Board and the flow of information during the process.

Following the review, among other things the Board agreed to consider the allocation of Board time, to focus more on strategy and to continue its focus on the management of risk.

Board rotation schedule

The Board adopted its rotation schedule on 13 May 2013 and updated it on 10 June 2015 to reflect the changes to the Board's composition as described above. Directors shall retire periodically in accordance with the Rotation Plan, outlined in the table below, in order to avoid, as far as possible, a situation in which many Directors retire at the same time. Each Non-Executive Director is in principle appointed for a maximum term of four years and can be reappointed for not more than two other terms. As soon as there is clarity on whether or not the revised Dutch Governance Code will apply a transitional regime, the current rotation schedule may be reviewed. There is no maximum term for Executive Directors. Nassef Sawiris and Salman Butt will be nominated for reappointment in the 2016 AGM.

Name	Date of first appointment	Reappointment	Final retirement Max. 3x4 yrs
Nassef Sawiris	16 January 2013	2017 (4 yrs)	None
Salman Butt	25 January 2013	2017 (4 yrs)	None
Michael Bennett	25 January 2013	2019 (4 yrs)	2024
Jan Ter Wisch	25 January 2013	2019 (4 yrs)	2024
Sipko Schat	9 December 2013	2017 (4 yrs)	2025
Jérôme Guiraud	26 June 2014	2018 (4 yrs)	2026
Robert Jan van de Kraats	26 June 2014	2018 (4 yrs)	2026
Greg Heckman	10 June 2015	2019 (4 yrs)	2027

Induction

An Induction Program for the Board was set up in 2014. It provides an excellent governance tool to introduce new Directors with the key people, the business and the internal governance and risk framework. Upon nomination, Non-Executive Directors receive a comprehensive Directors' Information Pack and are briefed on their responsibilities and the business with a tailored Induction Program. In 2015 Greg Heckman followed the Induction Program and met all key staff, visited several plants and was provided an introduction on the Company's governance and risk framework.

The Chairman ensures that ongoing training is provided for Directors by way of presentations and updates. Throughout the year all or a part of the members of the Board visit one or more of OCI N.V.'s businesses, operations and other parts of the Company to gain greater familiarity with senior Management and to develop deeper knowledge of local operations, opportunities and challenges and the business in general. In 2015 part of the Board visited the Beaumont plant after its debottlenecking as well as the Natgasoline construction site. The focus of this site visit was Health, Safety and Environment.

Board Meetings

The Board held 12 meetings in 2015. Six of those meetings were fully dedicated to the combination with CF Industries. The issues on which the Board focused during the year comprised:

- Spin-off of the Engineering & Construction Group;
- Strategic options for the Fertilizer Group;
- Combination with CF Industries;
- Acquisition of BioMCN;
- Discuss the performance of the business;
- Further implementation of the Company's structure and governance charters;
- Convening of AGM on 10 June 2015;
- The gas supply situation at EBIC and EFC;
- Further implementation on topics including internal audit, internal controls, risk and legal & compliance;
- Fires at OCI Nitrogen;
- Discussion of the audit approach and risk assessment for the year 2015 with the external auditor and approval the Charter of the Internal Audit function;
- Discussion on IFCo completion and Natgasoline, including financing;
- Sorfert; and
- Approval of key financing, operational, investment activities and other business developments as described below:

At the beginning of the year, the Board discussed the execution of the spin-off of the Engineering & Construction Group. OCI N.V.'s shareholders approved the proposal to reduce the share capital of OCI N.V. by $1.4 billion to facilitate the demerger at an extraordinary general meeting of shareholders held on 12 November, 2014. The demerger was effected on 7 March, 2015 whereby OCI N.V. shareholders received one Orascom Construction share every two OCI N.V. shares they owned as at 18:00 CET on 6 March, 2015. The demerger resulted in OCI N.V. continuing to be listed on the Euronext Amsterdam as a global producer of nitrogen fertilizers, methanol and other industrial chemical products.

The Board continued to monitor the development and construction of IFCo and Natgasoline as well as its financing.

In the middle of the year, the Board reviewed its strategy. An assessment of potential business combinations was made given the ongoing consolidation of the fertilizer industry. The proposed combination with CF Industries proved to be an attractive one. Consequently, the Board met six times to discuss the transaction and its execution. Items of focus were: shareholder value, regulatory requirements, financing, and the position of OCI post-closing.

The following table shows the attendance of Directors at Board meetings for the year 2015. If Directors are unable to attend they have the opportunity to discuss any agenda item with the Chairman.

Board Attendance	Date of appointment during the year	Number of meetings held	Number of meetings attended
Nassef Sawiris	16 January 2013	12	12
Salman Butt	25 January 2013	12	12
Michael Bennett	25 January 2013	12	12
Jan Ter Wisch	25 January 2013	12	12
Sipko Schat	9 December 2013	12	12
Jérôme Guiraud	26 June 2014	12	12
Robert Jan van de Kraats	26 June 2014	12	11
Greg Heckman*	10 June 2015	10	10
Kees van der Graaf*	9 December 2013	4	2

* The number of meetings held are pro-rated to the term of the individual's board membership during the year. Mr. Naqvi is not included in this table since he resigned on 15 February 2015.

Board Committees

The Board has established four committees: the Audit Committee, the Nomination and Governance Committee, the Remuneration Committee and the Health, Safety and Environment Committee. All Committees are governed by Terms of Reference. In 2015 the Committee meetings were conducted in line with those Terms of Reference. All committees are made up of Non-Executive members who meet the independence and experience requirements to the extent required under applicable securities laws, stock exchange regulations and By-Laws, The Committees reported on a regular basis to the Board. The duties of each committee can be found in the Terms of Reference on the corporate website. The full reports of each committee are set out below.

Annual General Meeting

On 10 June 2015 the Annual General Meeting was held, which comprised the following resolutions:

- Adopt the Annual Accounts and appropriation of the profits to the reserves for the 2014 financial year;
- Discharge the Executive and Non-Executive Directors from liability;
- Appointment of Mr. Heckman as Non-Executive Director;
- Reappointment of Mr. Bennett and Mr. Ter Wisch as Non-Executive Directors;
- Adopt the proposal to adjust the Remuneration Policy;
- Appointment of KPMG as auditor charged with the auditing of the Annual Accounts for the 2015 financial year;
- Increase the issued share capital and to amend the Articles of Association of the Company;
- Extend the designation of the Board of Directors as the authorized body to issue shares in the share capital of the Company and restrict or exclude pre-emptive rights upon the issuance of shares; and
- Authorize the Board of Directors to repurchase shares in the share capital of the Company.

All resolutions were adopted and the minutes of the Annual General Meeting are published on the corporate website.

Compliance with the Dutch Corporate Governance Code

The Board subscribes the Dutch Code's principles and best practice provisions. In accordance with the Corporate Governance Code's 'apply or explain' principle, OCI N.V. has outlined below departures from the Dutch Code to ensure full transparency.

- Provision IV.3.1: The General Meetings of Shareholders are not webcasted for cost efficiency reasons.
- Provision II.3.2: The CEO is Non-Executive Chairman of the Board of Directors of Orascom Construction Limited. He was appointed to the Orascom Construction Limited Board as he has significant understanding and experience in managing the Engineering & Construction Group. In order to give Orascom Construction Limited a strong start as an independent company it was required that the CEO fulfilled the Chairman position. Reference is made to the paragraph on Conflicts of Interests on page 57. The CEO is also a Non-Executive Board member of LafargeHolcim Ltd, and a Non-Executive Director of BESIX, a subsidiary of Orascom Construction Limited.

The Board confirms that throughout the year, the Company has complied with the Dutch Code, and any departures from the Dutch Code are explained in accordance with the Dutch Code's "comply or explain" principle. Any substantial changes to the Corporate Governance structure undertaken by the Board will be presented to the General Meeting of Shareholders.

The Audit Committee Report

The Audit Committee consists of four (Non-Executive) members who are mandated with monitoring and supervising activities related to the Company's financial, internal audit, compliance and tax performance. Robert Jan van de Kraats is the financial expert ex article III.3.2 of the Dutch Corporate Governance Code.

Seven Audit Committee meetings were held in 2015. On 25 April 2016, the 2015 full year financial results and statements were discussed. In accordance with its Charter, the Audit Committee reviewed the annual report including the 2015 financial statements and nonfinancial information, the annual report including non-financial information prior to its publication. The Audit Committee also reviewed and advised on:

- Risk management, including minimum requirements;
- The functioning of the Company's internal control processes:
- In-control statement and underlying in-control situation;
- Financing strategy;
- The liquidity position of the Company;
- Trading updates and press releases;
- Financial aspects of the transaction with CF Industries;
- The Corporate governance framework in place;
- The Compliance function and Compliance program that was implemented in 2015 and is continued in 2016;
- Discussed Related Party Transactions;
- Tax review and policy;
- Financial implications of the demerger of the Engineering & Construction Group, including segmentation;
- Set up and functioning of the internal audit function; and
- External auditor's appointment, including scope, risk analysis and materiality.

Financial Reporting and External Auditor

The Company's external auditor is KPMG Accountants N.V. The external auditor attended all Audit Committee meetings in 2015 and 2016. The Board prepared and approved an Independence policy for the external auditor on 8 April 2015 which was applied as of that date. The Chairman met with the internal and external auditor in advance of every Audit Committee meeting in order to secure all relevant issues to be sufficiently addressed.

The Nomination and Governance Committee Report

The Nomination and Governance Committee consists of three (Non-Executive) members. Four meetings were held in 2015. The Nomination and Governance Committee:

- Discussed and approved the selection and appointment criteria for senior management;
- Assessed the size and composition of the Board;
- Successfully searched for a female board member;
- Assessed the individual functioning of Directors;
- Discussed succession and emergency planning;
- Discussed ancillary positions held by Directors and the acceptance thereof; and
- Evaluated the status of the corporate governance framework and compliance with the Dutch Corporate Governance Code.

The Remuneration Committee Report

The Remuneration Committee consists of three Independent (Non-Executive) members. Six meetings were held this year. The Remuneration Committee discussed and prepared for decision making:

- 2015 target setting;
- The 2015 short-term and long-term incentives; and
- Performance share plan administration.

More information on the remuneration policy and the 2015 remuneration of the Board can be found in the Remuneration Report on page 64.

RISK MANAGEMENT & COMPLIANCE

The Health, Safety and Environment Committee Report

The Health, Safety and Environment (HSE) Committee consists of three (Non-Executive) members. Four meetings were held in 2015 including a site visit to Beaumont and Natgasoline. The HSE Committee:

- Set and evaluated the HSE targets for 2015;
- Assessed the fires at OCI Nitrogen;
- Discussed a reporting system on incidents to the HSE Committee;
- Prepared an HSE bonus incentive scheme; and
- Made a site visit to Beaumont and Natgasoline.

More information on HSE can be found in the HSE section of the annual report.

Conflicts of interest

The Board members are bound by the Company's Code of Business Principles and Conduct, and Code of Ethics. Potential or actual conflicts of interest are governed by the Company's Articles of Association and By-Laws. A Director shall immediately report any conflict of interest or potential conflict of interest that is of material significance and may not take part in any discussion or decision-making that involves a subject or transaction in relation to which he has a potential conflict of interest with the Company.

Given the position of the CEO and the CFO as Non-Executive directors on the Board of Orascom Construction Limited, in case a conflict of interest arises between the Company and Orascom Construction, the CEO will not participate in the discussions and decision-making that involves a transaction between Orascom Construction and the Company. In addition, the CFO will not participate in the decision-making process in Orascom Construction in respect of such transaction.

In July 2015 an amount of USD 150 million was drawn by a subsidiary of Orascom Construction Limited under a reimbursement agreement with OCI N.V. that was signed in 2014 as part of the demerger of the engineering and construction business. It was recognized that the CEO has a material financial interest in Orascom Construction Limited and in line with best practice provision II.3.2 (i) of the Dutch Corporate Governance Code this was regarded as a conflict of interest. Therefore the CEO was excused from participating in these resolutions.

For a complete overview of related party transactions, please refer to 'Related Party Transactions' disclosed in the Financial Statements.

Indemnifications

The Company grants an indemnity to all of its Directors to the extent permitted by law. These indemnity amounts are uncapped in relation to losses and liabilities which Directors may incur to third parties in the course of acting as a Director of the Company, or in any office where such duties are performed at the request of the Board, or as a result of their appointment as Directors.

Introduction

Our businesses inherently involve risks. Our management is cognizant of these risks and takes a measured mitigation approach to maximize our ability to successfully pursue sustained growth. Our Board and management foster a transparent company-wide approach to risk management and internal controls as outlined in our corporate governance section, which allows our businesses to operate effectively. We are working diligently to further enhance our Risk Management within the Company.

Our risk appetite is flexible to account for our diversified market presence and product portfolio, and is tailored to four main categories:

- Strategic: As a leading player in our markets, we are able to take certain calculated strategic risks that create opportunities to maximize our ability to deliver outstanding value to our shareholders. Our ability to adapt our risk management to meet the requirements of our global positioning and diversified exposure to emerging and developed markets is key to maintaining our success.
- Operational: We aim to minimize operational risks while maximizing our ability to capitalize on our leadership positions in our markets. We strive to maximize operational efficiency while fostering a safe and entrepreneurial environment for our employees and the environment in general.
- Financial: We implement a financial strategy to maintain an efficient balance sheet whilst securing good access to financing. Our key financial policies are described in the notes to the financial statements.
- Compliance: All employees are bound by our Code of Business Principles & Conduct and Code of Ethics, which we are in the process of embedding throughout the Company. It is in the values of the Company and its employees to act with honesty, integrity and fairness to foster a business climate that maintains such standards. We strive to comply with applicable laws and regulations everywhere we do business.

Risk	Mitigating Actions
Strategic	
Economic and political conditions in the markets in which we operate	
OCI N.V. does business in both developed and emerging markets, which means that we are exposed to some countries where there is a risk of adverse sovereign action. Accordingly, developments in any of the countries in which we operate can create an uncertain environment for investment and business activity and may adversely impact our business.	We mitigate the impact of any single market by diversifying our presence with operating facilities in both emerging and developed markets. We actively monitor economic, political and legal developments and strive to be a 'local' player in each of our markets.
Inability to realize all of the anticipated benefits of the transaction with CF Industries	
There can be no assurance that the announced transaction with CF Industries will close within the expected timeframe, receive all required approvals, or realize some or all of its potential benefits. In addition, we will require a period of transition to implement our new strategy and streamline our operations following the consummation of the transaction. Please refer to the 'Risk Factors' section of the registration statement on Form S-4, available through the SEC's website at www.sec.gov under the company name "CF B.V.", for additional risks associated with the proposed transaction with CF Industries.	We anticipated the impact the transaction with CF Industries would have on the operation and management of each of the sold and remaining businesses, and took several steps to ensure that the transaction would be implemented in a minimally disruptive manner. This will facilitate our ability to transfer the businesses acquired by CF Industries and we expect a short transition period that may be covered by a Transitional Service Agreement if required. For more information please refer to note 2.2.2 of the financial statements.
Tax Verdict Appeal	
In November 2014, the Egyptian Tax Authority's (ETA) Independent Appeals Committee, the responsible body overseeing the tax dispute between OCI N.V.'s subsidiary, Orascom Construction Industries S.A.E. (OCI S.A.E.), and the ETA, ruled in favor of the Company. As a result of the positive ruling, the balance of the tax liability is released through the 2014 income statement. The Board also unanimously approved the transfer of the rights to amounts paid to the ETA in April 2013 to the Tahya Misr ("Long Live Egypt") Fund. Cash donations do not require entering into an agreement under Egyptian law. The tax dispute related to the sale of OCI S.A.E.'s cement assets to Lafarge SA in 2007. Although the management and advisors of OCI S.A.E. believed that the aforementioned transaction was exempted of tax, management entered into a settlement to resolve the tax dispute whereby approximately $ 1 billion would be paid over a five-year period. The agreement was followed by payment of a first installment amounting to approximately $ 360 million in 2013. Following the change in government, the Egyptian Public Prosecutor investigated the tax file over a 6 months period and fully exonerated OCI S.A.E. of any tax evasion in a final written opinion published on February 18th, 2014. On 11 December 2014, OCI S.A.E. received a notification that the ETA lodged an appeal before the first instance court. During 2015, only procedural hearings took place where both parties submitted memos. On 29 December 2015, the court dismissed the case due to its incompetence and referred to the administrative court. OCI S.A.E. is currently waiting for the State Council to set the next hearing's date after receipt of the case file from the Preliminary Court.	As this dispute does not relate to either OCI N.V. or OCL exclusively, any liabilities and any recoveries are shared under the Tax Claim Agreement on a 50% basis between OCI N.V. and Orascom Construction Limited (excluding the EGP 2.5 billion to be paid to Tahya Misr social fund in Egypt). The appeal is a legal formality and proceedings usually take between two to three years before the court issues its judgment. The Company believes the likelihood of a judgment issued in favour of the ETA is weak. Please also refer to note 12.2 of the financial statements.

Risk	Mitigating Actions
Strategic	
Risk of adverse sovereign action	
We do business in locations where we are exposed to a greater than average risk of adverse sovereign action, including overt or effective expropriation or nationalization of property, the renegotiation of contract terms, the implementation of export controls on commodities regarded by them as strategic, the placement on foreign ownership restrictions, or changes in tax structures or free zone designations.	We work closely with the governments in the countries in which we do business to maintain positive working relationships. Although there is no guarantee that the government of a location in which we operate will not adopt adverse policies going forward, we have worked to minimize this risk through water-tight contracts for our assets and government agreements. Our legal team also works diligently to monitor and review our practices and any changes in laws or regulations in the countries in which we operate to provide reasonable assurances that we remain in line with all relevant laws. Management has also drafted contingency plans for various unforeseen events and adverse scenarios.
Global economic conditions	
Economic changes may result in business interruption, inflation, deflation or decreased demand for our products. Our success will depend in part on our ability to manage continued global economic uncertainty, especially in our markets.	We aim to maintain a strong financial position that would cushion any global economic or cyclical downturns. As a fertilizer producer, we have balanced our natural gas costs through our long-term natural gas supply contracts, a natural gas hedge in the United States, and spot purchasing. This mix provides us with competitive feedstock prices, allowing us to withstand a decline in global economic conditions.
Ability to execute large greenfield projects on time	
OCI N.V. is developing two large-scale greenfield production facilities in the United States: Iowa Fertilizer Company (IFCo) and Natgasoline LLC. Our ability to achieve our growth targets is in part dependent on our ability to complete these projects on time and in line with our expected cost of construction and development, and in obtaining project financing in a timely manner. Greenfield projects are inherently confronted with uncertainties, such as unexpected weather conditions and cost pressures as a result of changes in cost of labour, building materials, and other construction costs.	Both greenfield projects are being executed by OCL, which has more than 20 years' experience in the construction of large-scale, complex industrial projects. In addition, the completion of both projects is subject to intense monitoring by OCI N.V.'s senior management.

Risk	Mitigating Actions
Operational	
Cost of Production	
Our cost of production is primarily dependent on the availability and cost of natural gas, the primary feedstock in manufacturing our products. Our production facilities can be adversely impacted by supply interruptions, as seen in Egypt, where our plants have experienced volatility since 2012 due to the government prioritizing the supply of natural gas to the electricity sector to reduce power blackouts in the country. Our costs are also subject to fluctuations in the cost of labour, other raw materials, and foreign exchange rates. We must implement, achieve and sustain cost improvement plans, including our outsourcing projects and those related to general overhead and workforce rationalization.	Our success is dependent, in part, on our continued ability to manage cost fluctuations through pricing actions and cost savings. We have hedged our global exposure to natural gas price fluctuations through a mix of long-term contracts in Egypt, the United States and Algeria, and spot prices in the United States and The Netherlands. With regard to supply issues in Egypt, the Egyptian government has taken several steps to address the country's gas supply issues. These efforts resulted in an improved supply of natural gas in the fourth quarter of 2015 and we expect to see continued improvement in 2016.
Business continuity and competition risk	
We rely on continued demand for and distribution of our products at favorable prices. Our continued success is dependent on the quality and pricing of our products, and on our continued positive reputation. This means we must be able to obtain and manage our resources at competitive costs. Our success is also dependent on effective marketing programs in the competitive environments in which we operate.	To address these challenges, we have policies in place to respond to competitive factors and maintain mutually beneficial relationships with our key customers, in order to effectively compete and achieve our business plans. Since our goals include a growth component tied to acquisitions, we manage and integrate key acquisitions, including achieving the cost and growth synergies in accordance with stated goals.
Commodity pricing and over-supply risk	
A change in market dynamics in our fertilizer and industrial chemicals production portfolio, such as over-supply, may result in lower product prices, which would adversely impact our margins.	We have a diversified production portfolio comprising fertilizers, downstream products, and industrial chemicals, which mitigates the risk of potential downturns in any natural gas linked sector. We are also geographically diversified in emerging and developed markets to reduce market-related risks.
Risks associated with our partnerships and joint ventures	
We participate in joint ventures and other partnerships including Sorfert Algérie and Egypt Basic Industries Corporation. Our investments in partnerships and joint ventures involve risks that are different from the risks involved in owning facilities and operations independently.	The Shareholders Agreements for our joint ventures include clauses that protect OCI N.V.'s economic and operating interests as much as reasonably possible. We maintain close working relationships with our partners and monitor the operating and financial results of the joint ventures in which we hold minority stakes or do not have management control. In our larger partnerships, such as EBIC and Sorfert, we retain management control and/or seats on each joint venture's Board of Directors. In addition, we have a policy of constantly reviewing all businesses to determine whether they continue to be core businesses worth retaining on a long-term basis. This is particularly applicable to businesses in which we do not have control. If a business becomes non-core or has reached a certain level of maturity, we actively pursue monetizing the business through divestment.
Human Capital	
Our ability to employ, develop, and retain talented employees is essential to maintain our high quality operations and management. Given the combination with CF Industries, this risk is increased until closing of the transaction.	We have been able to attract, motivate and retain knowledgeable and experienced employees due to our reputation and market position, our in-house training programs, our Employee Incentive Plans (as described in note 21 of the financial statements), as well as our strategic partnerships with industry leaders, which offer employees exposure to high profile projects and advanced technologies.

Risk	Mitigating Actions
Financial	
Ability to raise debt or meet financing requirements	
Our ability to complete strategic acquisitions and greenfields or refinancing existing debt is contingent on our access to new funding. Although we strive to ensure that adequate levels of working capital and liquidity are maintained, unfavorable financial market conditions may adversely affect our financing costs, hinder our ability to achieve additional financing, hinder our ability to refinancing existing debt, and/or postpone new projects. This could therefore have an adverse effect on business prospects, earnings and/or our financial position.	We strive to maintain a strong financial position and creditworthiness with our creditors. Our treasury department closely monitors our cash position and credit lines to ensure our financial flexibility. We have also diversified our funding sources to avoid dependence on a single market, and have staggered our debt maturity profile to reduce repayment burdens.
Currency fluctuations	
A substantial portion of the company's consolidated revenue, operating expenses and long-term debt is denominated in foreign currencies Significant changes in the exchanges rates of operational currencies, which include the US Dollar, the Euro, the Egyptian Pound, and the Algerian Dinar, can have a material effect on the reported and actual financial performance of the company.	We hedge our foreign exchange cash flow risk on a consolidated basis by matching our foreign currency-denominated liabilities with continuing sources of foreign currencies through a centralized treasury.
Regulatory	
Regulatory conditions in the markets in which we operate	
Changes in laws, regulations and the related interpretations may alter the environment in which we do business. This includes changes in environmental, competition and product-related laws, as well as changes in accounting standards and taxation requirements. In addition, this includes regions where corrupt behavior exists that could impair our ability to do business in the future or result in significant fines or penalties. Our ability to manage regulatory, tax and legal matters and to resolve pending matters within current estimates may impact our results.	Management of Operating Companies and several staff departments are responsible for monitoring the legal developments in order to comply with the laws and regulations of the countries in which we operate.
Health, Safety and Environment	
Ability to maintain our health, safety and environment (HSE) standards	
HSE is a vital aspect at OCI N.V. We have a deep commitment to maintaining our strong HSE track record. Despite the nature of our businesses, we aim to prevent every accident through stringent HSE rules, standards and training programs.	We implement strict HSE training and operating discipline at every plant in order to minimize HSE risks, and closely monitor our plants through regular audits. Our safety and emissions records meet or exceed international standards, underscoring our commitment to providing our employees with a safe, secure and environmentally conscious workplace. In addition, the HSE Committee has worked to develop OCI N.V.'s HSE monitoring and reporting processes.

Risk management approach

Our risk management framework was developed to align with the Dutch Corporate Governance Code and is devised to provide reasonable assurances that the risks we face are properly evaluated and mitigated, and that management is provided with information necessary to make informed decisions in a timely manner. Our risk profile has improved significantly due to the demerger of construction business.

The key elements of our internal risk management, compliance and control systems in 2015 are described below.

Internal Financial Reporting & Audits

Subsidiaries are required to provide management with weekly activity reports, with a detailed monthly review of performance, financials and operating issues held for each subsidiary to the Chief Executive Officer, Chief Financial Officer, and the Chief Operating Officer.

A detailed budget for each subsidiary is prepared and presented to management in the fourth quarter of each preceding year, and includes a one year forecast. The subsidiary budgets are updated monthly to account for actuals, and the forecasts are updated at a mid-year review. These budgets and forecasts are consolidated into an OCI N.V. budget and forecast, which is used by management as a tool to evaluate the Company's investment strategy, performance indicators, and operations.

Periodic Internal Audits are conducted to review any specific issues at the subsidiary level, and management is consulted on performance developments and variations.

The Board of Directors is given a full financial and operational update by the Executive Directors at each Board meeting.

The Group Controller provides guidance on internal and financial controls that must exist for each process and monitors the implementation of these controls in collaboration with the internal audit and controls department.

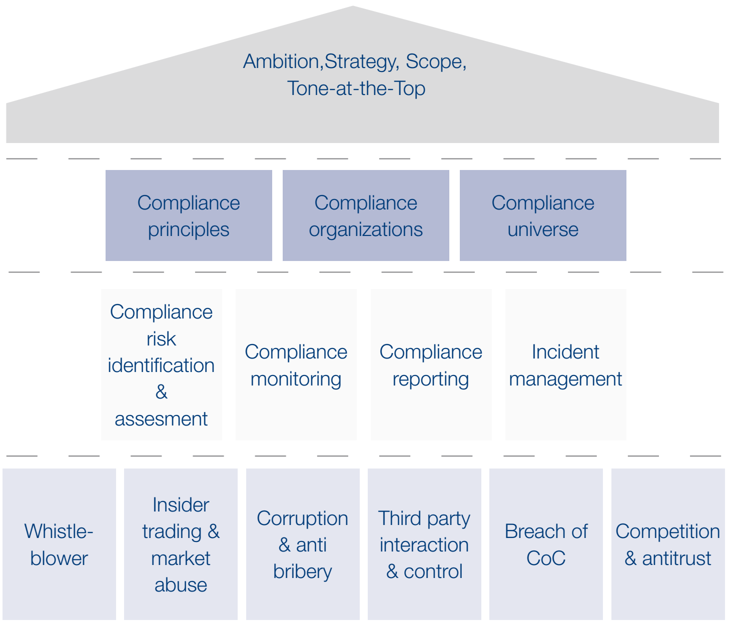
Strategic and Operational Risk Management

Each subsidiary reports on the top risks it faces at its monthly review either in writing or verbally, including the nature of the risk, the likelihood of it materializing, and the financial and operational impact it may have on the subsidiary. Management monitors these risks and provides guidance where necessary.

Operational, health, safety, environmental, quality systems are in place at each subsidiary. All our subsidiaries have been awarded relevant certifications, including ISO and REACH, among others. In addition, insurance policies have been taken out for operating entities to provide full coverage.

Compliance Management

OCI strives to conduct all business activities responsibly, transparently, and with integrity and respect towards all stakeholders. In support of that we have a Code of Conduct and a Compliance Program.



The effectiveness of the Code of Conduct is monitored through our Compliance Program and hence ensures all employees are aware of and committed to our Code of Conduct. In conjunction with OCI's Whistleblowing Policy our Code of Conduct provides a safe and confidential procedure to raise any concerns and breaches.

OCI is subject to local, regional and international laws and regulations in countries where we conduct business. We are monitoring and adapting to significant and rapid changes in legal and compliance areas to ensure that the Code of Conduct and the Compliance Program, including internal policies and guidelines remain suited for purpose and are properly applied.

Code of Conduct

The Code of Conduct serves as a reference document for all our employees and affiliates. The Code of Conduct applies to our corporate actions and the behavior of individual employees and affiliates. Furthermore, we want to do business with suppliers who share our values and principles.

In 2015 we have initiated renewed communication about our Code of Conduct throughout OCI and its Operating Companies.

Whistleblowing policy and incident reporting channels

One of the means of keeping our promise to our employees and affiliates of creating a positive workplace environment where there is mutual trust and respect towards and amongst employees, with a shared sense of responsibility for fostering our reputation and success, is to provide the possibility to safely report concerns.

Employees should promote ethical behavior and should encourage other employees to talk to supervisors or managers when in doubt about the best course of action in a particular situation. Within OCI employees on all levels are encouraged to report, in good faith, any suspected misbehavior or malpractice to their immediate or next higher level manager, including possible violations of laws, rules and regulations.

In 2015 OCI has amended its Whistleblower Policy in order to, amongst others, ensure non-retaliation and the possibility to report anonymously and outside the ordinary reporting channels, via the independent Trusted Persons Network.

Compliance Governance

The Group Compliance Officer, in close collaboration with the Board of Directors, provides an adequate compliance framework, consisting of the Compliance Program and all its compliance activities. Management of Operating Companies and of staff departments are responsible and accountable for raising compliance awareness within their respective businesses and departments. In 2015 all Operating Companies have appointed Local Compliance Officers, who collectively form our compliance community. The Local Compliance Officer supports management in its compliance responsibility by enabling them to assess compliance risks, improve and monitor the progress of compliance and its effectiveness and provide training to relevant employees. The Local Compliance Officer ensures that alleged breaches of our Code of Conduct or any other compliance related policy are investigated and findings and lessons learned are reported to the relevant business management, who then take appropriate action.

In 2015 an Integrity Committee was installed. The Integrity Committee deals with severe material compliance breaches. The Integrity Committee consists of the Chief Financial Officer and the Group Compliance Officer. No material breaches occurred in 2015.

Insider Trading

Members of the Board of Directors and senior management of Operating Companies are made aware of their obligations under the OCI N.V. Insider Trading Policy.

In 2015 the Group Compliance Officer has set the annual agenda for closed trading periods and has kept the list of permanent and incidental insiders. Given the combination with CF Industries, the OCI Insiders were blocked from trading almost the entire second half of 2015.

Non-Financial Letter of Representation (NF LoR)

At the end of the year, the CEO of each Operating Company signs the NF LoR to confirm compliance with the Code of Conduct and other corporate non-financial requirements. The outcome is reviewed by the Group Compliance Officer and the Audit Executive and the results are reported to the Board of Directors and the Audit Committee. Outstanding actions are followed up in each business and progressed in quarterly reviews. The outcome of the NF LoR process, in combination with the internal control self-assessment process, the HSE report, the Compliance Program, the Risk assessments and the performed internal audits, establishes the basis for the In Control Statement of the Board of Directors in this Report 2015.

REMUNERATION REPORT

This report gives an overview of the remuneration of the Board and explains how the remuneration policy was applied in 2015.

Introduction

The Remuneration Committee ("the Committee") oversees the remuneration policy, plans and practices of OCI N.V. and recommends changes when appropriate. The Committee is comprised solely of Non-Executive Directors from the OCI N.V. Board of Directors.

The 2015 Remuneration Report is comprised of two sections:
1. Detail on the current Executive and Non-Executive Board remuneration policy that was approved by the 2015 Annual General Meeting of shareholders (votes cast in favour: 99.69%)
2. Details of actual remuneration paid to the Executive and Non-Executive Directors in 2015

Part 1: Current Remuneration Policy

Remuneration policy: objective and scope

The objective of OCI N.V.'s remuneration policy is to attract, motivate and retain the qualified individuals that it needs in order to achieve its strategic and operational objectives. The policy is designed in the context of international competitive market trends, the relevant provisions of statutory requirements, corporate governance best practices, the societal context around remuneration and the interests of OCI N.V.'s shareholders and other stakeholders. The policy is simple and transparent, promotes the interests of the Company in the medium and long-term, and encourages a "pay for performance" culture.

Term of Employment and severance arrangements

The Executive Directors referred to in this Remuneration Report are the Chief Executive Officer (CEO) and Chief Financial Officer (CFO). The details of their appointment terms are provided below:

Name	Title	Date of appointment	Notice period
Nassef Sawiris	Chief Executive Officer (CEO)	16 January 2013	3 months
Salman Butt	Chief Financial Officer (CFO)	16 January 2013	3 months

If the Company terminates a service agreement with an Executive Director other than due to an urgent cause or serious culpability, the Executive Director is entitled to a severance payment of an amount equal to 100% of base salary.

Peer groups

The Remuneration Committee consults multiple points of data when setting the remuneration policy, as well as the structure and quantum of remuneration. To ensure the competitiveness of OCI N.V.'s remuneration levels, benchmark remuneration data from a peer group of international companies similar in size and scope to OCI N.V. is used for decision making. In addition, the Committee also refers to remuneration levels at Dutch listed companies of a similar size to OCI N.V.

The Committee reviewed the appropriateness of the international peer group following the spin-off of the Engineering & Construction group. The new peer group is as follows.

International labour market peer group
Celanese
CF Industries
K + S
Koppers Holdings
Methanex
Mosaic
Olin
Potash
Tessenderlo Chemie
Wacker Chemie
Westlake

The peer group used for the assessment of Total Shareholder Return (described in the LTI section below) is different to the one detailed above as it is used for a different purpose. The Total Shareholder Return peer group is intended to reflect the market in which OCI N.V. competes for investment rather than for executive talent.

Elements of remuneration

The remuneration policy consists of five main elements:
- Base salaries: fixed cash compensation set in line with individual performance and contribution to Company goals with reference to external market data;
- Short-term incentives (annual bonus): performance-based annual bonus to encourage and reward the achievement of annual financial performance measures and other specified corporate objectives;
- Matching rights over OCI N.V. shares where Executive Directors elect to defer part of their bonus into OCI N.V. shares for at least three years;
- Long-term incentives: share-based compensation focusing on enterprise value creation and retention; and
- Other benefits: simple benefit plans focusing on key needs.

Base salaries

The current base salaries reflect the size and international scope of the Executive Director roles and the calibre and experience of the individuals. The base salaries include a fixed cash allowance (amounting to 25% of the total base salary) which is designed to compensate the Executive Directors for their personal provision of key benefits such as pension, car, and life and disability insurance.

Short-term incentives

The annual bonus is a key element of a "pay for performance" culture and is linked to pre-determined, measurable targets set and assessed by the Committee. Short-term incentives provide context for Management decisions, ensure focus on primary corporate financial, operational or strategic goals, and reward decisions that drive short-term results and support long-term strategy. For the CEO, the STI is capped at 150% of base salary. On-target performance will result in a pay-out of 75% of base salary and threshold performance 30% of salary. For the CFO, the STI is capped at 120% of base salary, on-target performance will result in a pay-out of 60% of base salary and threshold performance 24% of salary.

At the beginning of each year, the Remuneration Committee establishes the performance measures and targets based on OCI N.V.'s business priorities for the year. Specific targets will not be disclosed as they are commercially sensitive. At the end of the year the Committee will review performance against the targets and approve STI awards based on the performance achieved. The strategic measures will be determined and assessed by the Committee based on key priorities for the year.

For 2015, performance targets were a mix of corporate financial (60%) and operational, strategic and personal (40%) objectives. The key financial measure was Group EBITDA. The strategic measures will be determined and assessed by the Committee based on key priorities for the year.

Payment of the STI to the CEO and CFO will be at least 50% in cash (net of taxes) with the option to invest up to 50% (net of taxes) in the shares of the Company for a period of three years. Any deferral of STI into shares will result in the award of matching share rights on a 1:1 basis to incentivise Executive Directors to increase their long-term interest in the Company. Matching rights will be based on the post-tax value of the amount elected for deferral. Aligned to international best practice, the matching rights will be adjusted to reflect any dividends paid during the vesting period. Vesting of the matching rights at the end of the holding period will normally be conditional upon the incumbent still being employed by OCI N.V. After vesting, shares arising from the matching rights (net of tax) will be held for a further two years in line with the Dutch Corporate Governance Code.

Other executives and senior managers will also be invited to participate in a similar deferred bonus and matching plan.

Payments under the STI may be reduced by up to 20% in the event that health, safety and environment ("HSE") performance is judged unsatisfactory by the Remuneration Committee, taking account of feedback from the HSE Committee. For 2015 the key measure was the Lost Time Incident rate.

Long-term incentives

The Performance Share Plan aims to:
- Incentivise the creation of shareholder value in excess of that achieved by comparator organisations;
- Align the interests of executives with those of shareholders;
- Comply with the Dutch Corporate Governance Code Best Practice; and
- Increase retention of key executive.

Executive Directors will be granted performance share awards which will vest after three years only if pre-specified performance targets are met. Vested shares for Executive Directors (net of tax) will then be held for a further two years after vesting in line with the requirements of the Dutch Corporate Governance Code.

The number of performance shares will be calculated based on the face value method which calculates the number of shares granted based on the share price at date of grant and a fixed percentage of base salary. The maximum award size for all Executive Directors is 100% of total salary.

Share awards under the plan are made annually.

Performance targets are based on relative Total Shareholder Return (TSR) against a peer group of companies that reflect the market in which OCI N.V. competes for investment.

As a result of the demerger of the Engineering & Construction group, the original peer group, as detailed in the 2014 Remuneration Report, was reviewed by the Committee with the assistance of Mercer. As a result, a new TSR peer group has been agreed which is focused on fertilizer and chemicals companies.

Given that the spin-off took place less than one year into the performance period for the 2014 awards, the Committee has determined that the new peer group (which reflects the new make-up of OCI) should also be used for the 2014 awards with the addition of Air Products (which was part of the original 2014 peer group).

The new peer group is as follows.

TSR peer group	
Agrium	Methanex
Air Products [2014 cycle only]	Mosaic
Akzo Nobel	Potash Corp
Celenese	Royal DSM
CF Industries	Solvay
Intrepid Potash	Westlake Chemicals
Lanxess	Yara International

The design of the plan ensures that no pay-out will be made for below-threshold performance. Threshold vesting will begin with performance at the 40th percentile of the peer group. At threshold performance (40th percentile) 25% of the award will vest, for target performance (67th percentile) performance 100% of the award will vest and at maximum performance (90th percentile) vesting will be equivalent to 150% of the original award. Straight line vesting will occur between these points.

TSR calculations will be externally verified. Appropriate adjustments will be made to deal with mergers and acquisitions, demergers, rights issues and other material changes.

Other benefits

As mentioned, the base salaries provided to the Executive Directors include a fixed cash allowance, which is 25% of the total, in lieu of pension, car and other key benefits. No material pension benefits in excess of statutory requirements are offered and the Executive Directors are not eligible for a car benefit. The Committee believes that this is a transparent approach.

The Executive Directors receive medical insurance, use of a mobile phone, and reimbursement of business expenses. They also benefit from directors' and officers' liability insurance coverage. In addition, the CEO is able to expense the use of a private aircraft for business travel.

Loans and guarantees

No personal loans or guarantees, including mortgage loans, are offered to members of the Board.

Claw back

A "claw-back" clause is included in the terms of employment of the Executive Directors, applicable in the situation that the financial or other information on which the pay-out of variable remuneration was based is determined to be incorrect. This will be applied if needed with the discretion of the Remuneration Committee.

Non-Executive Directors

The remuneration of the Non-Executive Directors consists of fixed fee payments for Board membership and for service on the committees. The fees are not linked to the financial results of the Company. Non-Executive Directors do not receive any performance or equity-related compensation and do not accrue any pension rights with the Company. Non-Executive Directors benefit from directors' and officers' liability insurance coverage, and are not entitled to any benefits upon the termination of their appointment.

Part 2: Actual Remuneration

Executive Directors

The details of the individual remuneration of the Executive and Non-Executive Directors and its costs to the Company are presented in the table below:

Remu-nera-tion	Name	Currency	Base salary	Short-term incentive pay[1]	Share-based compen sation[2]	Benefits	Pension
2015	Nassef Sawiris	$	2,000,000	900,000	511,935	0	0
	Salman Butt	$	1,680,000	604,800	190,061	0	0
2014	Nassef Sawiris	$	2,000,000	1,000,000	1,320,482	0	0
	Salman Butt	$	1,680,000	840,000	83,545	0	0

[1] In 2014, OCI granted a bonus to Mr. Sawiris of USD 1.0 million and to Mr. Butt of USD 0.8 million relating to the performance of 2013, which was expensed to the statement of profit or loss in 2014.

[2] In 2015 the option plans and bonus matching plan 2014 were modified from equity-settled share based payment plans to cash-settled plans, as a result of the demerger of the Engineering & Construction business. The cash-settled plans were remeasured from the grant date fair value to the fair value as at 31 December 2015 which resulted in a net gain recognized in the statement of profit or loss of 2015 relating to share based compensation for the board member Nassef Sawiris of USD 1.6 million, and a total expense recognized for the Board member Salman Butt of USD 0.2 million. The amount disclosed in the overview of remuneration relates only to the expenses recorded for the board members for the 2015 share based payment expenses excluding the remeasurement effect of previous years.

Base salary

The base salary of the Chief Executive Officer was $ 2,000,000 which remained unchanged from 2014. The base salary of the Chief Financial Officer was $ 1,680,000 and remained unchanged from 2014. For the avoidance of doubt, the Executive Directors do not receive housing allowances or other expatriate-style benefits. The base salaries of the Executive Directors include their fees for their positions on the OCI N.V. Board of Directors. As mentioned previously, the Executive Director base salaries disclosed above include a fixed cash allowance of 25% of the total base salary in lieu of pension, car and other key benefits.

No changes to salaries for the Executive Directors are proposed for 2016.

Short-term incentives 2014 and 2015

For 2015, performance targets were a mix of corporate financial (60%) and operational, strategic and personal (40%) objectives. The key financial measure was Group EBITDA.

In making a decision about the appropriate short-term incentive award for 2015, the Committee took the following factors and achievements into account:

- The 2015 EBITDA threshold target was not achieved;
- Key strategic objectives for the CEO and CFO were largely achieved including meeting key milestones relating to the ongoing transaction with CF Industries. In addition a compliance framework and incident management framework was set up and there were no material incidents.

The payment was calculated at 30% of the maximum bonus for both the CEO and CFO which equates to 45% of salary for the CEO and 36% of salary for the CFO. In both cases the payment is below target.

The HSE Committee judged the HSE performance target as met, so no reduction on that basis was applied.

As at 31 December 2015, the Executive Directors held 400,000 stock options (2014: 400,000) at a weighted average exercise price of USD 25.94.

Name	Outstanding as at 31 December 2015	Exercise Price in EUR	Value at grant date in USD	Vesting date	Value at vesting date USD[2]
Nassef Sawiris	200,000	EUR 26.43	2,685,993	31-03-2015	-[1]
	200,000	EUR 25.45	1,937,400	02-01-2016	123,633
Salman Butt	-	-	-	-	-

[1] Considering that the shares vested on 31-03-2015, but have not been exercised, this is the value at reporting date.
[2] Value of the shares at exercise date minus the exercise price to be paid.

As OCI N.V. was in a closed period for the majority of 2015, no LTI awards were made to Executive Directors. The intention is to make an LTI award in respect of 2015 as soon as practicable.

As at 31 December 2015, the Executive Directors had been granted 112,702 conditional performance shares.

Name	Outstanding year-end 2014	Granted conditional	Outstanding year-end 2015	Value at grant date in USD[1]	Vesting date	End of lock-up period
Nassef Sawiris	51,321	11,291	62,612	553,809	01-07-2017	01-07-2019
Salman Butt	41,057	9,033	50,090	443,050	01-07-2017	01-07-2019

[1] Fair value calculated at grant date.

Nassef Sawiris elected to defer 50% of his 2014 bonus and Salman Butt elected to defer 47.6% of his 2014 bonus (paid in 2016). As OCI N.V. was in a closed period for the majority of 2015, no shares have yet been purchased with the deferred bonus monies and no matching rights have been awarded. The intention is for shares to be purchased and matching awards made as soon as practicable.

As at 31 December 2015, the Executive Directors had been granted 16,409 matching rights to bonus shares. As noted above, no matching rights have yet been granted in respect of the deferred element of 2014 bonus.

Name	Outstanding year-end 2014	Granted conditional	Outstanding year-end 2015	Value at remeasurement date[1]	Vesting date	End of lock-up period
Nassef Sawiris	9,116	0	9,116	257,340	17-11-2017	17-11-2019
Salman Butt	7,293	0	7,293	205,878	17-11-2017	17-11-2019

[1] The option plans have been modified into cash-settled plans due to the demerger of the construction business and have been remeasured at reporting date

Remuneration scenarios

The Remuneration Committee conducts pay scenario analysis modelling on an annual basis which investigates pay-out quantum for Executive Directors under different performance scenarios. This modelling is undertaken in order to ensure that the remuneration policy links directly with the performance of OCI N.V. and therefore, is in the interests of shareholders. If specific short-term and long-term threshold performance targets are not hit, then pay in that year for Executive Directors will not include any variable element.

Non-Executive Directors

The Non-Executive Director fee rates for 2015 were as follows. There is no intention to change the fee rates in 2016. Greg Heckman, who was appointed by the General Meeting of Shareholders on 10 June received a pro rata remuneration over 2015.

$	Main Board	Audit	Remuneration	Nomination	HSE
Chairman	260,000	25,000	10,000	10,000	10,000
Member	130,000	20,000	7,500	7,500	7,500

Non-Executive Directors are reimbursed for all reasonable costs of travel, accommodation and representation in the performance of their duties. The Chairman received an additional fixed fee of $ 150,000 for service on the board of OCI Partners, a publicly-traded subsidiary of the Company in the United States.

On behalf of the Remuneration Committee
Sipko Schat, Chairman

DECLARATIONS

Introduction

This 2015 Annual Report dated 29 April 2016 (the Annual Report) comprises regulated information within the meaning of sections 1:1 and 5:25c of the Dutch Act on Financial Supervision ("wet op het financieel toezicht").

For the consolidated and the parent Company's 2015 financial statements "jaarrekening" within the meaning of section 2:361 of the Dutch Civil Code, please refer to the financial statements. The Members of the Board of Directors have signed the 2015 financial statements pursuant to their obligation under section 2:101, paragraph 2 of the Dutch Civil Code.

The following sections of the Annual Report together constitute the Management Report ("jaarverslag") within the meaning of section 2:391 Civil Code: the Operational Review, the Corporate Governance Section, the Financial Statements and the Additional Information. For other information "overige gegevens" within the meaning of section 2:392 of the Dutch Civil Code, reference is made to the financial statements and to the section Shareholders information.

Corporate governance statement

As referred to in article 2a of the Decree laying down additional requirements for annual reports 'Vaststellingsbesluit nadere voorschriften inhoud jaarverslag' effective 1 January 2010 (the 'Decree'), OCI N.V. is required to make a statement on corporate governance.

The information required to be included in this corporate governance statement as described in articles 3, 3a and 3b of the Decree can be found in the following sections of this Annual Report and Accounts:

- The information concerning compliance with the Dutch Code, as required by article 3 of the Decree, can be found in the section Compliance with the 'Dutch Corporate Governance Code';
- The information concerning OCI N.V.'s Risk Management and control frameworks relating to the financial reporting process, as required by article 3a(a) of the Decree, can be found in the section 'Risk Management';
- The information regarding the functioning of OCI N.V.'s General Meeting of Shareholders, and the authority and rights of OCI N.V.'s shareholders and holders of depositary receipts, as required by article 3a(b) of the Decree, can be found within the relevant sections under 'Corporate Governance';
- The information regarding the composition and functioning of OCI N.V.'s Board and its Committees, as required by article 3a(c) of the Decree, can be found within the relevant sections under 'Corporate Governance'; and
- The information concerning the inclusion of the information required by the decree Article 10 European Takeover Directive, as required by article 3b of the Decree, can be found in the section 'Decree Article 10 EU Takeover Directive'.

The Dutch Corporate Governance Code was last amended on 10 December 2008 and is available at www.commissiecorporategovernance.nl.

In control statement

The Board believes that, to the best of its knowledge and in accordance with best practice provisions of section II.1.4 and II.1.5 of the Dutch Corporate Governance Code, OCI N.V. is in control of its business processes. The Board confirms that internal controls over financial reporting provide a reasonable level of assurance, that the financial reporting does not contain any material inaccuracies, and confirms that these controls functioned properly during the year 2015. In its assessment the Board identified certain areas for improvement in the accounting and reporting cycle given the one-off projects the company engaged in. These have been addressed and we will continue to do so in 2016. This provides reasonable assurance that OCI N.V.'s financial reporting for the financial year 2015 does not contain any material misstatements.

Directors' statement pursuant to article 5:25c of the Dutch Financial Supervision Act (Wft)

In accordance with Article 5:25C of the Dutch Financial Supervision Act (Wft), OCI N.V.'s Board declares that to the best of its knowledge, (i) the 2015 financial statements provide a true and fair view of the assets, liabilities, financial position and results of the Company and its subsidiaries included in the consolidated statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU); and (ii) the annual report provides a true and fair view of the situation as at December 31st, 2015, and of the Company's state of affairs for the financial year 2015, as well as the principal risks faced by OCI N.V. (iii) the Management report includes a description of the principal risks and uncertainties that the Company faces.

Amsterdam, the Netherlands, 29 April 2016

The OCI N.V. Board of Directors
Michael Bennett, Chairman
Nassef Sawiris
Salman Butt
Jan Ter Wisch
Sipko Schat
Jérôme Guiraud
Greg Heckman
Robert Jan van de Kraats

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER

$ millions	Note	2015	2014
Assets			
Non-current assets			
Property, plant and equipment	(7)	5,913.9	5,272.4
Goodwill and other intangible assets	(8)	499.6	932.9
Trade and other receivables	(9)	44.9	49.7
Equity accounted investees	(10)	33.4	37.9
Other investments	(11)	41.2	22.9
Deferred tax assets	(12)	6.5	50.1
Total non-current assets		**6,539.5**	**6,365.9**
Current assets			
Inventories	(13)	140.6	178.5
Trade and other receivables	(9)	276.5	344.0
Other investments	(11)	9.3	31.2
Current income tax receivables	(12)	2.2	272.6
Cash and cash equivalents	(14)	796.4	846.6
Assets held for demerger	(27)	-	2,538.5
Total current assets		**1,225.0**	**4,211.4**
Total assets		**7,764.5**	**10,577.3**
Equity			
Share capital	(15)	4,704.9	273.3
Share premium	(15)	1,610.7	1,447.6
Reserves	(16)	(87.6)	196.5
Retained earnings		(4,967.7)	201.5
Equity attributable to owners of the Company		**1,260.3**	**2,118.9**
Non-controlling interest	(17)	489.5	418.9
Total equity		**1,749.8**	**2,537.8**
Liabilities			
Non-current liabilities			
Loans and borrowings	(18)	3,336.7	4,638.5
Trade and other payables	(19)	24.9	30.9
Provisions	(20)	12.0	19.4
Deferred tax liabilities	(12)	224.7	343.4
Total non-current liabilities		**3,598.3**	**5,032.2**
Current liabilities			
Loans and borrowings	(18)	1,566.1	342.6
Trade and other payables	(19)	568.3	492.3
Provisions	(20)	243.4	301.1
Income tax payables	(12)	38.6	58.7
Liabilities held for demerger	(27)	-	1,812.6
Total current liabilities		**2,416.4**	**3,007.3**
Total liabilities		**6,014.7**	**8,039.5**
Total equity and liabilities		**7,764.5**	**10,577.3**

The notes on pages 76 to 136 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER

$ millions	Note	2015	2014
Revenue	(26)	2,186.1	2,685.8
Cost of sales	(21)	(1,654.1)	(1,949.4)
Gross profit		**532.0**	**736.4**
Other income	(22)	116.9	15.2
Selling, general and administrative expenses	(21)	(270.3)	(265.1)
Impairment of goodwill	(8)	(422.9)	-
Donation cost	(20)	-	(266.2)
Other expenses	(23)	(13.4)	(4.7)
Operating (loss) / profit		**(57.7)**	**215.6**
Finance income	(24)	128.0	21.8
Finance cost	(24)	(274.0)	(272.2)
Net finance cost	(24)	**(146.0)**	**(250.4)**
Income from equity accounted investees (net of tax)	(10)	1.3	15.8
(Loss) before income tax		**(202.4)**	**(19.0)**
Income tax	(12)	93.7	565.0
Net (loss) / profit from continued operations		**(108.7)**	**546.0**
Net profit / (loss) from discontinued operations (net of tax)	(27)	**630.8**	**(96.1)**
Total net profit		**522.1**	**449.9**
Other comprehensive income:			
Items that are or may be reclassified to profit or loss			
Net change in fair value of available-for-sale financial assets	(16)	0.3	(1.2)
Release of cash flow hedges due to demerger	(27)	12.8	(6.1)
Currency translation differences	(16)	(69.4)	70.2
Release of currency translation differences due to demerger	(27)	108.8	-
Other comprehensive income, net of tax		**52.5**	**62.9**
Total comprehensive income		**574.6**	**512.8**
Profit / (loss) attributable to:			
Owners of the Company		384.7	328.7
Non-controlling interest		137.4	121.2
Net profit		**522.1**	**449.9**
Total comprehensive income attributable to:			
Owners of the Company		423.5	415.6
Non-controlling interest		151.1	97.2
Total comprehensive income		**574.6**	**512.8**
Earnings per share from total operations (in USD)			
Basic earnings per share	(25)	1.839	1.604
Diluted earnings per share	(25)	1.817	1.603
Earnings / (loss) per share from continuing operations (in USD)			
Basic (loss) / earnings / per share	(25)	(1.177)	2.168
Diluted (loss) / earnings per share	(25)	(1.177)	2.161

The notes on pages 76 to 136 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

$ millions	Note	Share capital (15)	Share premium (15)	Reserves (16)	Retained earnings	Equity attributable to owners of the Company	Non-controlling interest (17)	Total equity
Balance at 1 January 2014		**272.1**	**1,441.8**	**109.6**	**(102.2)**	**1,721.3**	**366.3**	**2,087.6**
Net profit		-	-	-	328.7	328.7	121.2	449.9
Other comprehensive income		-	-	86.9	-	86.9	(24.0)	62.9
Total comprehensive income		-	-	**86.9**	**328.7**	**415.6**	**97.2**	**512.8**
Dividends	(15)	-	-	-	-	-	(57.1)	(57.1)
Capital contribution OCI Partners LP	(15)	-	-	-	(12.5)	(12.5)	12.5	-
Treasury shares sold	(16)	-	-	50.2	(12.5)	37.7	-	37.7
Treasury shares acquired	(16)	-	-	(62.1)	-	(62.1)	-	(62.1)
Change in capital	(15)	1.2	5.8	-	-	7.0	-	7.0
Share-based payments	(21)	-	-	11.9	-	11.9	-	11.9
Balance at 31 December 2014		**273.3**	**1,447.6**	**196.5**	**201.5**	**2,118.9**	**418.9**	**2,537.8**
Net profit		-	-	-	384.7	384.7	137.4	522.1
Other comprehensive income	(16)	-	-	38.8	-	38.8	13.7	52.5
Total comprehensive income		-	-	**38.8**	**384.7**	**423.5**	**151.1**	**574.6**
Dividends		-	-	-	-	-	(13.0)	(13.0)
Increase nominal amount of shares	(15)	4,426.9	-	-	(4,426.9)	-	-	-
Conversion of retained earnings into share capital	(15)	1,400.0	-	-	(1,400.0)	-	-	-
Dividend in kind demerged activities	(15)	(1,400.0)	-	-	-	(1,400.0)	-	(1,400.0)
Capital contribution OCI Partners LP	(15)	-	-	-	(10.8)	(10.8)	10.8	-
Demerger reclassification effect on Non-controlling interest	(27)	-	-	-	-	-	(78.3)	(78.3)
Treasury shares sold	(16)	-	-	3.5	-	3.5	-	3.5
Treasury shares acquired	(16)	-	-	(19.5)	-	(19.5)	-	(19.5)
Exchange of treasury shares	(16)	-	-	5.5	-	5.5	-	5.5
Capital increase	(15)	4.7	163.1	-	(6.7)	161.1	-	161.1
Reclassification from reserves	(16)	-	-	(312.4)	312.4	-	-	-
Modification of share-based payments to cash alternatives	(21c)	-	-	-	(23.7)	(23.7)	-	(23.7)
Share-based payments	(21)	-	-	-	1.8	1.8	-	1.8
Balance at 31 December 2015		**4,704.9**	**1,610.7**	**(87.6)**	**(4,967.7)**	**1,260.3**	**489.5**	**1,749.8**

The notes on pages 76 to 136 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED 31 DECEMBER

$ millions	Note	2015	2014
Net profit		522.1	449.9
Adjustments for:			
Net (profit) / loss from discontinued operations	(27)	(630.8)	96.1
Depreciation and amortization	(7),(8)	301.6	308.4
Impairment of goodwill	(8)	422.9	-
Interest income	(24)	(12.8)	(9.0)
Interest expense	(24)	180.9	199.2
Foreign exchange (gain) / loss and others	(24)	(22.1)	60.2
Share in income of equity-accounted investees	(10)	(1.3)	(15.8)
Impairment available-for-sale financial assets	(23)	3.5	-
Gain on sale of investment	(22)	(10.1)	(9.0)
Share-based payment transactions	(21)	1.8	11.9
Income tax expense	(12)	(93.7)	(565.0)
Changes in:			
Inventories	(13)	37.9	7.5
Trade and other receivables	(9)	88.6	88.6
Trade and other payables	(19)	(12.7)	140.8
Provisions	(20)	(41.7)	262.3
Cash flows:			
Interest paid	(24)	(274.3)	(284.5)
Interest received	(10)	9.1	9.0
Income taxes paid	(12)	(1.7)	(30.6)
Refund of tax dispute liability	(12)	243.2	-
Cash flow from operating activities (continuing operations)		**710.4**	**720.0**
Proceeds from sale of property, plant and equipment	(7)	3.1	-
Investments in property, plant and equipment	(7)	(1,131.4)	(1,211.0)
Proceeds from sale of other investments	(22)	5.1	9.0
Dividends from equity-accounted investees	(10)	7.1	33.0
Acquisition of subsidiary net of cash acquired	(31)	(16.5)	-
Cash flow (used in) investing activities (continuing operations)		**(1,132.6)**	**(1,169.0)**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER (CONTINUED)

$ millions	Note	2015	2014
Proceeds from share issuance	(15)	161.1	-
Proceeds from sale of treasury shares	(16)	3.5	37.7
Purchase of treasury shares	(16)	(19.5)	(62.1)
Proceeds from borrowings	(18)	760.7	550.0
Repayment of borrowings	(18)	(389.0)	(433.2)
Dividends paid to non-controlling interest	(17)	(13.0)	(57.1)
Financing related to discontinued operations		-	(390.0)
Cash flows from / (used in) financing activities (continuing operations)		**503.8**	**(354.7)**
Net cash flows from / (used in) continuing operations		**81.6**	**(803.7)**
Cash flows (used in) operating activities		**(123.3)**	**(27.4)**
Cash flows (used in) investing activities		**(20.0)**	**(69.6)**
Cash flows from financing activities		**58.3**	**45.9**
Net cash flows (used in) discontinued operations	(27)	**(85.0)**	**(51.1)**
Net (decrease) in cash and cash equivalents		**(3.4)**	**(854.8)**
Cash and cash equivalents at 1 January		1,115.2	1,990.2
Currency translation adjustments		(40.9)	(20.2)
Less cash and cash equivalents as at 7 March (demerger date)		(283.9)	-
Cash and cash equivalents at 31 December		**787.0**	**1,115.2**
Presentation in the statement of financial position			
Cash and cash equivalents	(14)	796.4	846.6
Bank overdraft	(18)	(9.4)	(100.3)
Cash and cash equivalents (as held for demerger)	(27)	-	368.9
Cash and cash equivalents at 31 December		**787.0**	**1,115.2**

The notes on pages 76 to 136 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER

1. General

OCI N.V. ('OCI', 'the Group' or 'the Company') was established on 2 January 2013 as a public limited liability company incorporated under Dutch law, with its head office located at Honthorststraat 19, Amsterdam, the Netherlands. OCI is registered in the Dutch commercial register under No. 56821166 dated 2 January 2013. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries (together referred to as the 'Group') and the Group's interests in associates and joint ventures.
The Group is primarily involved in the production of nitrogen based fertilizers and industrial chemicals. The Engineering & Construction business has been demerged as of 7 March 2015.

2. Basis of preparation

2.1 General

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Union (IFRS-EU).

The consolidated financial statements have been prepared on the historical cost basis, except when otherwise indicated.

The financial year of the Group commences on 1 January and ends on 31 December.

The parent company financial statements have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Union (IFRS-EU).

These consolidated financial statements are presented in US dollars ('USD'), which is the Group's presentation currency. The euro ('EUR') is the functional currency of OCI N.V. All values are rounded to the nearest tenth million (in millions of USD), except when stated otherwise.

The financial statements have been authorised for issue by the Company's Board of Directors on 29 April 2016. The financial statements are subject to adoption of the Annual General Meeting of Shareholders on 28 June 2016.

2.2 Demerger of the Engineering & Construction and the intended disposal of the ENA business

OCI has completed the demerger of the Engineering & Construction business on 7 March 2015 and has initiated the disposal of the ENA business on 6 August 2015 (reference is made to note 2.2.2.1) The Engineering & Construction demerger was performed by a dividend distribution in kind. OCI intends to apply a similar approach for the disposal of the ENA business.

In order to ensure that sufficient share capital will be available to account for such distributions, OCI N.V. has applied IFRS 1 'First time adoption of IFRS' in 2015 (effectively, 1 January 2014) to its Company financial statements and applied a deemed cost approach for the initial valuation of its subsidiaries using fair value as a substitute for initial cost. The resulting revaluation reserve is partially converted to capital. For the demerger of the Engineering & Construction business, OCI N.V.'s capital was reduced by the same amount, representing the fair value of the shares of Orascom Construction Limited (the ultimate parent company of the Engineering & Construction business) which were distributed to OCI N.V.'s shareholders on 7 March 2015.

2.2.1 Completed Demerger of the Engineering & Construction business

2.2.1.1 General

On 6 November 2014, the Board of Directors of OCI N.V. announced its intention to seek a dual listing for the Engineering & Construction business of OCI N.V., through the separation of OCI's Engineering & Construction business from OCI's Fertilizer & Chemicals business. The Board of Directors of OCI N.V. confirmed its intention to implement this demerger at its meeting on 10 December 2014.

On 7 March 2015, the Demerger was completed successfully, with the listing of shares on Nasdaq Dubai as of 9 March 2015 and a secondary listing on the Egyptian Exchange as of 11 March 2015. The Demerger has resulted in the Engineering & Construction and Fertilizer & Chemicals businesses being owned by two, separately-listed companies. OCI N.V. remains listed on Euronext Amsterdam and owns the Fertilizer & Chemicals business, and Orascom Construction Limited ('OCL') is dual-listed on the Nasdaq Dubai and the Egyptian Exchange and owns the Engineering & Construction business.

The Demerger was achieved by OCI N.V. carrying out a reduction of its share capital. At an Extraordinary General Meeting of Shareholders of OCI N.V. held on 12 November 2014, shareholders approved the proposal to increase the share capital by converting reserves into share capital and subsequently reduce the share capital of OCI N.V. to facilitate the Demerger. On 16 January 2015, the mandatory creditor objection period related to the resolutions passed on 12 November 2014, expired without any objections being made. Accordingly, the Board of Directors of OCI N.V. have passed a resolution to execute the Demerger.

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2.2.1.2 Accounting consequences of the Engineering & Construction business demerger

The consolidated net results of the discontinued operations (Engineering & Construction business) are presented under discontinued operations in the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows. The comparative information in the consolidated statements of profit or loss and other comprehensive income and the consolidated statement of cash flows are reclassified as if the operation had been discontinued from the start of the comparative period in accordance with the requirements IFRS 5. In the statement of financial position, the assets and liabilities of the Engineering & Construction business have been presented as "held for demerger" as of the date that the demerger became "highly probable". The comparative numbers in the 31 December 2013 Statement of Financial Position were not reclassified.

Reference is made to note 27 for the disclosure on this demerger.

2.2.1.3 Ongoing relationship between OCI N.V. and Orascom Construction Limited

After the Demerger, OCI N.V. and OCL each operate as separately listed company. There are no cross- directorships, other than Nassef Sawiris who is Chief Executive Officer of OCI N.V. and chairman of OCL, and Salman Butt, who is Chief Financial Officer of OCI N.V. and non-executive director of OCL. The senior management teams of OCI N.V. and OCL are different.

OCL and OCI N.V. will remain party to continuing commercial arrangements, in particular, in relation to the construction of certain fertilizer plants. Reference is made to 'Construction contracts' below and to note 32.

Shared services agreement

On 5 February 2015, OCI N.V. and OCL entered into a shared services agreement whereby each of the parties has agreed to supply certain transitional services to the other. These services include: the provision by OCI N.V. to OCL of accounting and consolidation, and any general corporate support services as required and the provision by OCL to OCI N.V. of accounting, treasury, information technology, administration, corporate human resources, and office space services. It is expected that the services will be provided for a transitional period of up to 18 months, following which each of the parties will make their own arrangements for the provision of these services. The consideration payable for the services will be on a cost-plus basis.

Conditional sale agreement

Orascom Construction Industries S.A.E ('OCI S.A.E.') was the former parent company of the OCI Group and contains both Fertilizer & Chemical business and well as Engineering & Construction business. OCI N.V. is in the process of demerging OCI S.A.E. to a separate engineering and construction business from the fertilizer and chemical business, and is expected to complete the demerger in 2016. In preparation for the demerger of OCL, on 5 February 2015, OC IHC 4 B.V. (a subsidiary of OCL) and OCI MENA B.V. (a subsidiary of OCI N.V.) entered into an Agreement for the Conditional Sale and Purchase of all the shares it will receive from the demerger of the engineering and construction business of OCI S.A.E. ("Construction Egypt"). Under the Conditional Sale Agreement, OCI MENA B.V. has agreed to sell to OC IHC 4 B.V. all of the shares it will receive in the engineering and construction business of OCI S.A.E. (as a result of the anticipated demerger of OCI S.A.E.). In addition, OCI MENA B.V. commits to appoint management personnel in the construction operations, such personnel to be nominated by OC IHC 4 B.V.; to appoint accounting personnel responsible for the preparation of the carve out financials of the construction operations, such personnel to be nominated by OC IHC 4 B.V., and to vote on the board of directors of Orascom Construction Industries S.A.E. in matters related to the construction operations based on the recommendation of OC IHC 4 B.V. The Conditional Sale Agreement also provides for the economic benefits/liabilities of the Construction Egypt Shares including the underlying Relevant Construction Projects (together with the right to any dividends) to pass from OCI MENA B.V. to OC IHC 4 B.V. with effect from the date of the Conditional Sale Agreement as if such shares had been in existence since 30 September 2014. This transfer of economic benefit will remain in force until the earlier of completion of the Egypt Demerger and transfer of the Construction Egypt Shares to the Company and completion of all of the Relevant Construction Projects, while any new awards will be sought through wholly-owned subsidiaries of OCL.

OCI S.A.E. has delisted from the Egypt Exchange and management is currently in the process to demerge its activities into two separate legal entities in order to complete the agreement.

2.2.1.3 Ongoing relationship between OCI N.V. and Orascom Construction Limited continued

Tax indemnity agreement

On 6 February 2015, OCL and OCI S.A.E. entered into a tax indemnity agreement which sets out the obligations of the parties in respect of the tax claim lodged by the tax authorities in Egypt relating to the sale of the OCI S.A.E.'s cement business to Lafarge SA in 2007 (further reference is made to note 12). The parties have agreed that, to the extent that any liability is incurred by OCI S.A.E. in relation to the Tax Claim (including the costs of dealing with the Tax Claim), this will be shared between the parties on a 50%/50% basis. In addition, to the extent that any recoveries are made in relation to the tax claim, including interest received on the funds, these will be shared between the parties on a 50%/50% basis (excluding the amount of EGP 1.9 billion (refund received in March 2015) for which it was announced that the rights will be transferred to Tahya Misr social fund in Egypt).

Construction contracts

A commercial relationship between OCI N.V. and OCL will remain on-going in respect of the construction of the projects for the fertilizer business, reference is made to note 32 'Related party transactions'.

2.2.2 Intended disposal of ENA business

2.2.2.1 General

On 6 August 2015, OCI N.V. and CF Industries Holdings, Inc. ('CF') entered into a definitive agreement to combine OCI's European, North American, and Global Distribution businesses (together referred to as the 'ENA business') with CF's global assets to form 'New CF'. The agreement was amended on 23 December 2015 to reflect changes to New CF's jurisdiction of incorporation. This transaction is subject to certain conditions, including obtaining regulatory approvals and the approval of OCI and CF shareholders. The terms of the disposal are further documented in the combination agreement as agreed between CF and OCI as of 6 August 2015.

The disposal, once approved, will be effected through a cash and shares transaction as described in the registration statement on Form S-4, available through the SEC's website at www.sec.gov under the company name 'CF B.V.' The New CF ordinary shares are expected to be listed on the New York Stock Exchange under the symbol 'CF'. Following completion of the combination, the OCI shares are expected to remain listed on Euronext in Amsterdam under the symbol 'OCI', and its American Depository Receipts (ADRs) are expected to remain listed on the OTCQX International Premier Market under the symbol 'OCINY'.

2.2.2.2 Accounting for the intended disposal of the ENA business

Management has assessed the transaction based on the requirements of IFRS 5 'Non-current Assets Held for Sale and Discontinued operations' and has concluded that the transaction does not meet all the criteria of a discontinued operations / assets held for disposal based on uncertainties surrounding the transaction given the required approvals. For this reason, OCI has not applied any reclassifications in the presentation of the 2015 financial statements for this transaction.

2.2.2.3 Entities comprising the ENA business

Pursuant to the combination agreement with CF Industries, OCI will contribute the Dutch holding companies owning OCI Nitrogen B.V., Iowa Fertilizer Company ("IFCo"), OCI's global distribution businesses (OCI Fertilizer Trading Limited and OCI Fertilizer Trade & Supply B.V.), OCI's stake in OCI Partners LP ("OCI Partners"), which stake as of 31 December 2015 was 79.88%, and several other holding and finance companies (collectively the 'ENA business').

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3. Summary of significant accounting policies

3.1 Changes in accounting policies

The Group has applied the accounting policies set out in note 3 consistently over both periods presented in these consolidated financial statements. No new accounting standards, amendments and revisions became applicable during 2015. Reference is made to note 4.

3.2 Consolidation

The consolidated financial statements include the financial statements of OCI N.V., its subsidiaries and the Group's interests in associates and joint ventures.

Subsidiaries

Subsidiaries are all companies to which OCI N.V. is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its control over the investee, generally accompanying a shareholding of more than half of the shares issued and related voting power. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. When the Group ceases to have control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss including related cumulative translation adjustments accumulated in other comprehensive income. If it becomes an associate, the interest retained is subsequently valued in accordance with the equity method. The principal subsidiaries are listed in note 36.

Transactions eliminated in the consolidated financial statements

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investees. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Non-controlling interest

Non-controlling interest is presented as a separate component in equity. 'Profit or loss' and 'Total comprehensive income' attributable to the non-controlling interest are presented as a separate line items in the statement of profit or loss and other comprehensive income. Non-controlling interest is measured at its proportionate share of the acquiree's identifiable net assets at the balance sheet date. Changes in Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3.3 Equity accounted investees

Associates

Associates are those companies in which the Group exercises significant influence, but does not have control over the financial and operating policies, and are presumed to exist when the Group holds 20% to 50% of the shareholding and related voting rights of the other entity. Associates are accounted for under the equity method. The Group's share of profit or loss of an associate is recognized in profit or loss from the date when significant influence begins up to the date when that influence ceases. Investments in associates with negative shareholder's equity are impaired and a provision for its losses is recognized only if the Group has a legal or constructive obligation to cover the losses. Equity changes in investees accounted for under the equity method that do not result from profit or loss are recognized in other comprehensive income. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Unrealized gains on transactions between two associates are not eliminated.

Joint ventures

Under IFRS 11, investments in joint arrangements are classified as either joint ventures or joint operations depending on the contractual rights and obligations of each investor. Those joint arrangements that are assessed as joint ventures are accounted for using the equity method. Joint operations are accounted for using the line by line accounting.

Joint ventures are accounted for under the equity method. Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted subsequently for the Group's share in the post-acquisition profit or losses and movements in comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture (which includes any long term interest that, in substance, forms part of the Group's net investment in joint ventures), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

3.4 Discontinued operations / assets held for demerger or sale

A discontinued operation is a component of the Group's business which:

- has operations and cash flows that can be clearly distinguished from the rest of the Group;
- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale or demerger. When an operation is classified as a discontinued operation, the comparative information in the statement of comprehensive income and the consolidated statement of cash flows are reclassified as if the operation had been discontinued from the start of the comparative period. In the statement of financial position, the comparative numbers are not reclassified.

3.5 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss. Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 'Financial Instruments: Recognition and Measurement', is measured at fair value with changes in fair value recognized either in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of IAS 39, it is measured in accordance with the appropriate IFRS. Contingent consideration classified as equity is not remeasured and subsequent settlement is accounted for within equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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3.6 Foreign currency

Foreign currency transactions

The financial statements of subsidiaries and joint operations are prepared in the currencies which are determined based on the primary economic environment in which they operate ('the functional currency'). Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the transaction dates. At each balance sheet date, monetary items denominated in foreign currencies are revalued into the entity's functional currency at the then prevailing closing-rates. Exchange differences arising on the settlement and translation of monetary items are included in profit or loss for the period except when deferred to other comprehensive income for available-for-sale assets and the effective part of qualifying cash flow hedges.

Foreign currency translation

Upon consolidation, the assets and liabilities of subsidiaries with a functional currency other than the US dollar are translated into US dollars using the exchange rates prevailing at the balance sheet date. Income and expense items are translated using exchange rates prevailing at the date of the transactions. Investments in joint ventures and associates with a functional currency other than the US dollar are translated into US dollar using exchange rates prevailing on the balance sheet date. Exchange rate differences arising during consolidation and on the translation of investments in subsidiaries, joint arrangements and associates are included in other comprehensive income, as 'Currency translation adjustments'. When a foreign operation is (partly) disposed of or sold, (the proportionate share of) the related currency translation differences that were recorded in other comprehensive income are recycled to profit or loss as part of the gain and loss on disposal or sale. Goodwill and fair value adjustments arising on the acquisition of a foreign subsidiary are considered as assets and liabilities denominated in the functional currency of the foreign subsidiary.

3.7 Financial instruments

The Group classifies financial instruments into the following categories: (i) financial instruments at fair value through profit or loss, (ii) derivatives designated in a hedge relationship, (iii) loans, receivables and payables at amortized cost, and (iv) available-for-sale financial assets. Financial instruments are classified as current liabilities unless the remaining term of the financial instruments or the remaining term of the facility, under which the financial instruments are drawn, is 12 months or more. The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Group is recognized as a separate asset or liability. The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously. Compound financial instruments are bifurcated and the components are presented separately as financial liabilities, financial assets or equity instruments.

Financial instruments at fair value through profit or loss

A financial instrument is classified at fair value through profit or loss if it is classified as held-for-trading or designated into this category. Directly attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognized in profit or loss. Financial instruments classified as 'at fair value through profit or loss' are initially recognized on the trade date and changes in fair value are accounted for under finance income and cost.

Embedded derivatives

Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not clearly and closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss. Changes in the fair value of separated embedded derivatives are recognized immediately in profit or loss.

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognized immediately in profit or loss.

Derivatives designated in a hedge relationship

In order to mitigate risk, the Group applies hedging in case by case situations. The Group holds derivative financial instruments to hedge its foreign currency risk, interest rate risk, and fluctuating natural gas price exposures. On initial designation of the derivative as a hedging instrument, the Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk on a prospective and retrospective basis.

For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that ultimately could affect reported profit or loss. Derivatives are recognized initially at fair value. Attributable transaction costs are recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are accounted for as described below.

3.7 Financial instruments continued

Cash flow hedges

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognized asset or liability, or a highly probable forecast transaction that could ultimately affect profit or loss, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income as 'hedging reserve', net of related tax. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss. When the hedged item is a non-financial asset, the amount otherwise accumulated in equity is included in the carrying amount of the asset. In other cases, the amounts recognized as other comprehensive income are reclassified to profit or loss when the hedged transaction affects profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. In these cases, the cumulative gain or loss on the hedging instrument that has been recognized in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs. If the forecast transaction is no longer expected to occur, the balance in equity is reclassified to profit or loss.

Loans, receivables and payables

Loans, receivables and payables are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost, using the effective interest method less any impairment losses.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative instruments that are either designated in this category or not classified in any of the other categories of financial instruments under IAS 39. Available-for-sale financial assets include debt and equity securities. For available-for-sale debt securities interest income is recognized using the effective interest method. Available-for-sale financial assets are accounted for using trade date accounting and are carried at fair value. The change in fair value is recognized in other comprehensive income net of taxes. When securities classified as available-for-sale are sold or impaired, the accumulated gains and losses are reclassified to profit or loss. Available-for-sale financial assets are included in non-current assets unless the Group intends to dispose of the available-for-sale financial assets within 12 months after the balance sheet date. The dividend income from equity instruments is recognized in profit or loss as 'Other income' when the Group's right to receive payment is established.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date (original maturity) that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments. Restricted cash comprises cash balances where specific restrictions exist on the Company's ability to use this cash. Restricted cash includes cash deposited as collateral for letters of credit issued by the Company. Restricted funds include bank balances reserved by the lending institution for installments of loan payments to be made in the near future.

3.8 Share capital

Ordinary shares are classified as equity. Share premium is the excess amount received over the par value of the shares. Incremental costs directly attributable to the issue of new shares are recognized in equity as a deduction, net of tax, from the proceeds. When ordinary shares are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognized as a deduction from 'Reserves'. Repurchased shares are classified as treasury shares and are presented in 'Reserves'. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in 'Reserves', and the resulting surplus or deficit on the transaction is presented in share premium.

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3.9 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any impairment. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes cost of material, direct labour, other directly attributable cost incurred to bring the asset ready to its intended use, cost of asset retirement obligations and any capitalized borrowing cost.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. When parts of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. Subsequent expenditures are capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance costs are expensed as incurred. Spare parts of property, plant and equipment are recognized under property, plant and equipment if the average turn-over exceeds 12 months or more, otherwise they are recognized within inventories.

Finance leases

Leased assets in which the Group bears substantially all the risks and rewards incidental to ownership are classified as finance leases and recognized under property, plant and equipment. Upon initial recognition, the leased asset is measured at the lower of its fair value and the present value of minimum lease payments. Minimum lease payments made under finance leases are apportioned between the interest expenses and the reduction of the outstanding liability. The interest expenses are recognized as other financing cost over the lease term. The finance cost is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Property, plant and equipment under construction

Expenditures incurred for purchasing and constructing property, plant and equipment are initially recorded as 'under construction' until the asset is completed and becomes ready for use. Upon the completion of the assets, the recognized costs are reclassified from 'under construction' to its final category of property, plant and equipment. Assets under construction are not depreciated and measured at cost less any impairment losses.

Depreciation

Items of property, plant and equipment are depreciated on a straight line basis through profit or loss over the estimated useful lives of each component, taking into account any residual values. Finance lease assets are depreciated over the shorter of the lease term and their useful lives. If it is reasonably certain that the Group will obtain ownership by the end of the lease term, the finance lease assets are depreciated over their useful lives. Land is not depreciated. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for items of property, plant and equipment are as follows:	Years
Buildings	10 - 50
Plant and equipment	5 - 25
Fixtures and fittings	3 - 10

Depreciation methods, useful lives and residual values are reviewed at each reporting date by the Group.

Borrowing costs

Borrowing costs attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use or sale, are recognized as part of the cost of those assets. All other borrowing costs are recognized as 'Finance cost' in the period in which they are incurred.

3.10 Goodwill and other intangible assets

Goodwill

Goodwill represents the excess of purchase price and related costs over the value assigned to the net tangible and identifiable intangible assets of businesses acquired that were directly attributable to the legal entities comprising the Group.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognized in profit or loss.

Goodwill on acquisition of entities that qualify as subsidiaries is presented under 'Intangible assets'. Goodwill on acquisitions of entities that qualify as associates or joint ventures is included in 'Equity-accounted investees'. Goodwill on acquisition of subsidiaries is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or group of units that are expected to benefit from the business combination through which the goodwill arose, based on past experience.

Goodwill is initially measured at cost. After initial recognition, goodwill is measured at cost less any impairment losses. Goodwill is tested annually for impairment; an impairment loss is recognized for the amount by which the cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of the cash-generating unit is determined by the higher of its fair value less cost to sell and its value in use. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold. All other expenditures on internally generated goodwill and other intangible assets is recognized in profit or loss as incurred.

3.10 Goodwill and other intangible assets continued

Other intangible assets

Other intangible assets with a finite useful life (licenses, customer relations, brand names and other rights that are acquired separately or through business combinations) are amortized on a straight-line basis in profit or loss over their estimated useful lives taking into account any residual value, from the date that they are available for use.

The estimated useful lives of intangible assets are as follows:	Years
Licenses and trade names	3 - 10
Purchased rights and other	4 - 10

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if necessary.

3.11 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories of raw materials, spare parts and supplies cost are based on weighted average principle or the first-in-first-out method, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.12 Impairment of assets

Non-derivative financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a non-derivative financial asset or a group of non-derivative financial assets is impaired. A non-derivative financial asset is considered to be impaired if the counterpart does meet the agreed payment terms or when evidence exists that the counterpart will not be able to do so. An impairment loss is recognized for the amount by which the carrying amount of a non-derivative financial asset exceeds its estimated discounted future cash flows using the original interest rate. Impaired non-derivative financial assets are tested periodically to determine whether the estimated future cash flows have increased and the impairment has to be reversed. Reversal of impairments is only permitted if in a subsequent period after an impairment loss has been recognized, the amount of the impairment loss decreases and the decrease can be related objectively to an event after the impairment loss was recognized. In the case of a financial asset classified as available-for-sale, a significant or prolonged decline in the fair value of the available-for-sale financial asset below its acquisition cost is considered as an indicator that the available-for-sale financial asset is impaired. If any such evidence exists for an available-for-sale financial asset, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from other comprehensive income and recognized in profit or loss. Impairment losses recognized in profit or loss on equity instruments classified as available-for-sale are not reversed through profit or loss.

Derivative financial assets

Derivative financial assets are measured at fair value and the Group investigates whether the counterpart creditworthiness gives rise to an impairment. When determining the fair value, credit value and debit value adjustments are taken into account.

Non-financial assets

Non-financial assets that have an indefinite useful life, for example goodwill, are not subject to amortization but are tested annually for impairment or more frequently when indicators arise. Assets with a finite useful life are subject to depreciation or amortization and are reviewed (at least at the balance sheet date) for impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. An impairment loss is recognized for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purposes of assessing impairment, assets are grouped based on the lowest level for which there are separately identifiable cash flows (cash-generating units). Impairment is recognized as an expense in profit or loss. Non-financial assets, which are impaired, are tested periodically to determine whether the recoverable amount has increased and the impairment has to be (partially) reversed. Impairment losses on goodwill are not reversed. Reversal of impairments is only permitted if in a subsequent period after an impairment loss has been recognized, the amount of the impairment loss decreases and the decrease can be related objectively to an event after the impairment loss was recognized.

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3.13 Provisions

Provisions are recognized when a present legal or constructive obligation as a result of a past event exists, and it is probable that an outflow of economic benefits is required to settle the obligation. If the outflow is probable, but cannot be determined reliably, the obligation is disclosed. The non-current part of provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Asset retirement obligations

The Group recognizes a provision if the Group has an obligation to restore a leased asset in its original condition at the end of its lease term and in case of legal requirements with respect to clean-up of contamination of land, and the estimate can be made reliable.

Claims and contingencies

The Group is subject to legal and regulatory proceedings in various jurisdictions. Such proceedings may result in criminal or civil sanctions, penalties or disgorgements against the Company. If it is probable that an obligation to the Group exists, which will result in an outflow of resources and the amount of the outflow can be reliably estimated, a provision is recognized.

Donation provision

The donation provision is recognized as a constructive obligation, the amount is undiscounted as the Group does not know the exact settlement date.

3.14 Revenue recognition

Revenues comprise the fair value of the considerations received or receivable from the sale of goods and services to third parties in the ordinary course of the Group's activities, excluding the taxes levied and taking into account any discounts granted. OCI recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to OCI and specific criteria have been met as described below.

Revenue on goods sold is recognized, in addition to abovementioned criteria, when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership of the goods have transferred to the customer, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognized as a reduction of revenue as the sales are recognized. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement, whereby usually the transfer occurs when the product is received at the customer's warehouse or the products leave the Company's warehouse; however, for some international shipments transfer occurs on loading the goods onto the relevant carrier at the port. Generally for such products the customer has no right of return.

3.15 Government grants

An unconditional government grant related to an asset is recognized in profit or loss as 'Other income' when the grant becomes receivable. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset. Grants that compensate the Group for expenses incurred are recognized in profit or loss as 'Other income' on a systematic basis in the periods in which the expenses are recognized. Other government grants are recognized initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant, and are then recognized in profit or loss as 'Other income' on a systematic basis over the useful life of the asset.

3.16 Operating leases

Leases in which a significant portion of the risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Payments made by OCI under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of profit or loss and other comprehensive income on a 'straight-line' basis over the period of the lease.

3.17 Finance income and cost

Finance income comprises:

- interest income on funds invested (including available-for-sale financial assets);
- gains on the disposal of available-for-sale financial assets;
- fair value gains on financial assets at fair value through profit or loss;
- gains on hedging instruments related to foreign currency and interest rate derivatives that are recognized in profit or loss and reclassifications of amounts previously recognized in other comprehensive income; and
- interest income is recognized as it accrues in profit or loss, using the effective interest method.

Dividend income is recognized in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

Finance cost comprise:

- interest expense on borrowings;
- unwinding of the discount on provisions and contingent consideration;
- losses on disposal of available-for-sale financial assets;
- fair value losses on financial assets at fair value through profit or loss;
- loss on hedging instruments related to foreign currency and interest rate derivatives that are recognized in profit or loss and reclassifications of amounts previously recognized in other comprehensive income; and
- impairment losses recognized on financial assets (other than trade receivables).

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss and expensed as incurred. Foreign currency gains and losses are recognized on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3.18 Employee benefits

Defined contribution plan

Certain Group subsidiaries provide 'pension plans', 'end of service remuneration plans' and 'long-term service benefits'. These pension plans qualify as defined contribution plans. Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term employee benefits

The Group long-term employee benefits are recognized if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably to determine its present value. The discount rate is the yield at the balance sheet date on triple-A ('AAA') credit rated bonds that have maturity dates approximating to the terms of the Group's obligations. Re-measurements are recognized in profit or loss in the period in which they arise.

Termination benefits

Employee termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. OCI recognizes termination benefits when OCI is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or when OCI is providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

The grant date fair value of equity-settled share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period (the vesting period) that the employees render service and becomes unconditionally entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For cash-settled share-based compensation plans and share-based compensation plans with cash alternatives the liability is remeasured at each balance sheet date during the vesting period and for share option plans also during the exercise period.

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3.19 Income tax

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends. Current income tax receivable and payable are offset when there is a legally enforceable right to offset and when the current income tax relates to the same fiscal authority.

Deferred tax

Deferred income tax liabilities are recognized for all taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements ('liability' method). Deferred income tax assets are recognized for all deductible temporary differences, unused carry forward losses and unused carry forward tax credits, to the extent that it is probable that future taxable profit will be available against which the deferred income tax assets can be utilized.

Deferred income tax is not recognized if it arises from initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. Also, no deferred income tax is recognized regarding the initial recognition of goodwill.

Deferred income tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax relates to the same fiscal authority.

3.20 Segment reporting

An operating segment is a component of an entity that engages in business activities for which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker ('CODM') to make decisions about resource allocation to the segment and to assess its performance and for which discrete financial information is available. The Group determines and presents operating segments on the basis of information that internally is provided to the CODM during the period. Operating segments are grouped into reporting segments based on similar long-term financial performance and similar economic characteristics.

3.21 Consolidated statement of cash flows

The consolidated statement of cash flows has been prepared using the 'indirect' method. Cash flows in foreign currencies have been translated applying average exchange rates. Currency translation differences are shown separately in the consolidated statement of cash flows. Cash flows from investing activities consist mostly of investments and divestments in property, plant and equipment, intangible assets, and acquisitions insofar as these are paid for in cash. Acquisitions or disposals of subsidiaries are presented as acquisition of subsidiary, net of cash. Cash flows relating to capitalized borrowing cost are presented as cash flows from operating activities similar as other cash flows to acquire the qualifying asset. Cash flows from discontinued operations / assets held for demerger are presented separately form the cash flows from continuing operations.

3.22 Earnings per share

Earnings per ordinary share are calculated by dividing the profit or loss (net) attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the year. In making this calculation the (ordinary) treasury shares are deducted from the number of ordinary shares outstanding. The calculation of the diluted earnings per share is based on the weighted average number of ordinary shares outstanding plus the potential increase as a result of the conversion of convertible bonds and the settlement of share-based compensation plans (share option plans). Anti-dilutive effects are not included in the calculation. With regard to the convertible notes it is assumed that these are converted in full. An adjustment is made to profit or loss (net) to eliminate interest charges, whilst allowing for effect of taxation. Regarding equity-settled share option plans it is assumed that all outstanding plans will vest. The potential increase arising from share option plans is based on a calculation of the value of the options outstanding. This is the number of options multiplied by the exercise price, divided by the average share price during the financial year. This potential increase is only applied if the option has intrinsic value.

4. New accounting standards and policies

On a regular basis, the IASB issues new accounting standards, amendments and revisions to existing standards and interpretations. These new accounting standards, amendments and revisions to existing standards and interpretations are subject to endorsement by the European Union.

During 2015, no new standards, amendments and revisions to existing standards or interpretations became applicable to OCI that significantly impacted these consolidated financial statements.

4.1 Standards, amendments, revisions and interpretations not yet effective to OCI:

IFRS 9 'Financial Instruments'

IFRS 9 is effective for annual periods beginning on or after 1 January 2018, but is subject to endorsement by the EU. IFRS 9 addresses the classification and measurement of financial assets, impairment and hedge accounting phases of the IASB's project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 9 enhances the ability of investors and other users of financial information to understand the accounting of financial assets and reduces complexity. OCI is currently investigating the impact of IFRS 9 on the consolidated financial statements.

IFRS 14 'Regulatory Deferral Accounts'

The Standard was issued in January 2014 and is effective from 1 January 2016, with earlier application permitted, but is subject to endorsement by the EU. IFRS 14 permits an entity which is a first-time adopter of International Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements. Regulatory deferral account balances, and movements in them, are presented separately in the statement of financial position and statement of profit or loss and other comprehensive income, and specific disclosures are required. IFRS 14 will not have an impact on the consolidated financial statements, because OCI is not a first-time adopter.

IFRS 15 'Revenue from Contracts with Customers'

The Standard was issued in January 2014 and is effective from 1 January 2018, but is subject to endorsement by the EU. IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers. The group does not expect a significant impact from the application of this standard on its continuing operations.

IFRS 16 'Leases'

IFRS 16 is effective for annual periods beginning on or after 1 January 2019, with earlier application permitted. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). IFRS 16 introduces a single lessee accounting model. Applying that model, a lessee (like the Group) is required to recognize: (a) assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value; and (b) depreciation of lease assets separately from interest on lease liabilities in the statement of profit or loss. The Group is currently investigating the impact of IFRS 16 on the consolidated financial statements.

Amendments to IAS 1 'Disclosure Initiative'

The amendments issued on 18 December 2014 are effective for annual periods beginning on or after 1 January 2016, with earlier application being permitted. The amendments aim at clarifying IAS 1 to address perceived impediments to preparers exercising their judgment in presenting their financial reports. OCI is currently investigating the impact of the amendments.

Amendments to IFRS 10 and IAS 28 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'

The amendments issued on 11 September 2014 are effective for annual periods beginning on or after 1 January 2016, but is subject to endorsement by the EU. When a parent loses control of a subsidiary in a transaction with an associate or joint venture, there is a conflict between the existing guidance on consolidation and equity accounting. In response to this conflict and the resulting diversity in practice, the amendments requires the recognition of the full gain when the assets transferred meet the definition of a business combination under IFRS 3. OCI is currently investigating the impact of the amendments.

Amendments to IAS 27 'Equity Method in Separate Financial Statements'

The amendment to IAS 27 issued on 12 August 2014 will be effective for reporting period starting on or after 1 January 2016. In some countries, local regulations require entities to apply the equity method for accounting for investments in subsidiaries in their separate financial statements. The amendment allows for the use of the equity method. In 2015 OCI N.V. will convert its corporate financial statements to IFRS, but will apply the cost method in accounting for subsidiaries.

Amendments to IAS 16 and IAS 38 'Clarification of Acceptable Methods of Depreciation and Amortization'

The amendments issued on 12 May 2014 are effective for annual periods beginning on or after 1 January 2016, with earlier application being permitted. These amendments clarify the principle in IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, the ratio of revenue generated to total revenue expected to be generated cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. OCI is currently investigating the impact of the amendments.

Amendments to IFRS 11 'Accounting for Acquisitions of Interests in Joint Operations'

The amendment was issued on 6 May 2014 and will be effective for reporting periods starting on or after 1 January 2016. The amendment states that, where a joint operator acquires an interest in a joint operation in which the activity of the joint operation constitutes a business, it must apply all of the principles on business combinations accounting as set out in IFRS 3 Business Combinations, and other standards. In addition, the joint operator must disclose the information required by IFRS 3 and other IFRSs for business combinations. The amendment will only affect OCI's consolidated financial statements if the entity would enter into a significant joint operation.

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5. Critical accounting judgment, estimates and assumptions

The preparation of the financial statements in compliance with IFRS requires management to make judgments, estimates and assumptions that affect amounts reported in the consolidated financial statements. The estimates and assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised or in the revision period and future periods, if the changed estimates affect both current and future periods. The most critical accounting policies involving a higher degree of judgment and complexity in applying principles of valuation and for which changes in the assumptions and estimates could result in significantly different results than those recorded in the financial statements are the following:

Goodwill and other intangible assets

Intangible assets with finite useful lives are carried at cost less cumulative amortization and any impairment. Amortization is calculated using the 'straight-line' method based on the estimated useful lives. Management makes estimates regarding the useful lives and residual values and assumes that amortization takes place on a 'straight-line' basis. The assets' useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. For intangible assets with finite useful lives, OCI assesses annually or more frequently whether indicators exist that suggest the intangible asset might be impaired by comparing the recoverable amounts with their carrying amounts. In determining the recoverable amounts of intangible assets, OCI makes estimates and assumptions about future cash flows based on the value in use. In doing so, OCI also makes assumptions and estimates regarding the discount rates in order to calculate the net present value of the future cash flows.

OCI tests at least annually whether goodwill is impaired by comparing the recoverable amounts of cash-generating units with their carrying amounts. The recoverable amount is the higher of the fair value less cost to sell and the value in use. In determining the recoverable amount, OCI makes estimates and assumptions concerning future revenues, future costs, future working capital, future investments, Weighted Average Cost of Capital ('WACC') and future inflation rates.

Property, plant and equipment

Depreciation is calculated using the 'straight-line' method based on the estimated useful lives, taking into account any residual values. Management makes estimates regarding the useful lives and residual values and assumes that depreciation takes place on a 'straight-line' basis. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. OCI assesses annually, or more frequently, whether indicators exist that suggest that an item of property, plant and equipment might be impaired by comparing the recoverable amounts with their carrying amounts. In determining the recoverable amounts of property, plant and equipment, OCI makes estimates and assumptions about future cash flows based on the value in use. The discount rate to be used in order to calculate the net present value of the future cash flows in the impairment analysis is based on the WACC.

Financial instruments

The fair value of financial instruments traded in active markets (financial instruments in the fair value hierarchy category 1) is based on quoted market prices at the balance sheet date. The fair value of financial instruments that are not traded in an active market (financial instruments in the fair value hierarchy category 2) is determined using generally accepted valuation techniques. These valuation techniques include estimates and assumptions about forward rates, discount rates based on a single interest rate, or on a yield-curve based on market conditions existing at the balance sheet date. The fair value of borrowings and interest rate swaps is calculated based on the present value of the estimated future cash flows based on the yield-curve applicable at the balance sheet date. If the financial instrument contains a floating interest rate, the future expected interest rates are determined based on the 'boot-strap' method. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date. The net carrying amount of trade receivables and trade payables is assumed to approximate the fair value due to the short term nature.

The fair value of non-current financial liabilities is estimated by discounting the future cash flows using original effective yield-curves. For unlisted equity securities in the available-for-sale category (financial instruments in the fair value hierarchy category 3) the equity-method is used as a proxy for fair value. In using the equity method, input is derived from the financial statements of the unlisted equity investments. Counterparty risk in connection with triggers for impairment is based on judgment of the financial position of the counterparty. A significant and prolonged decline in the fair value of the available-for-sale financial asset below its acquisition cost is considered as an indicator that the available-for-sale financial asset is impaired. If any such evidence exists for an available-for-sale financial asset, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in the income statement – is removed from other comprehensive income and recognized in the income statement.

Impairment financial instruments (including trade receivables)

Objective evidence may exist in circumstances in which a counterparty has been placed in bankruptcy, or has failed on the repayments of principal and interest. In other circumstances OCI uses judgment in order to determine whether a financial assets may be impaired. OCI uses judgment in order to determine whether an impairment can be reversed, an assumption in doing so might be an improvement in the debtor's credit rating or receipt of payments due. For listed equity securities in the available-for-sale financial assets category, the Group uses the assumption that if the market value declined by more than 25 percent and more than 6 months, the asset is assumed to be impaired. For debt-securities, an impairment trigger exist when the counterpart fails to meet its contractual payment obligations or there is evidence that the counterpart has encountered financial difficulties. The impairment is determined based on the carrying amount and the recoverable amount. The recoverable amount is determined as the present value of estimated future cash flows using the original effective interest rate.

Inventories

In determining the net realisable value of inventories, OCI estimates the selling prices in the ordinary course of business, cost of completion and cost to sell. In doing so, OCI makes estimates and assumptions based on current market prices, historical usage of various product categories versus current inventory levels and specific identified obsolescence risks (e.g. end of life of specific goods and spare parts and the impact of new environmental legislation).

5. Critical accounting judgment, estimates and assumptions continued

Provisions

Recognition of provisions include significant estimates, assumptions and judgments. IFRS requires only those provisions to be recognized if there is an expected outflow of resources in the near future and if the cost of these outflows can be estimated reliably. Accordingly, management exercises considerable judgment in determining whether there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated. These judgments are subject to change as new information becomes available. The required amount of a provision may change in the future due to new developments in the particular matter. Revisions to estimates may significantly impact future profit or loss. Upon resolution, the Group may incur charges in excess of the recorded provisions for such matters.

Provisions for asset retirement obligations, represent estimated costs of decommissioning. Due to the long time frame over which future cash outflows are expected to occur including the respective interest accretion require assumptions. Amongst others, the estimated cash outflows could alter significantly if, and when, political developments affect future laws and regulation with respect to asset retirements.

With respect to legal cases, the Group has to estimate the outcome of the legal cases. Regulatory and legal proceedings as well as government investigations often involve complex legal issues and are subject to substantial uncertainties. The Company periodically reviews the status of these proceedings with both the internal and external legal counsels.

Income taxes

OCI is subject to income taxes in numerous jurisdictions. Estimates are required in determining the worldwide provision for income taxes. There are some transactions and calculations for which the ultimate tax position is uncertain during the ordinary course of business. The Group recognizes provisions for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from amounts that were initially recorded, such differences will impact the current income tax and deferred tax provisions in the period in which such determination is made. OCI recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available for the deferred tax asset to be recovered. This is based on estimates of taxable future income by jurisdiction in which OCI operates and the period over which deferred tax assets are expected to be recoverable. In the event that actual results or new estimates differ from previous estimates and depending on the possible tax strategies that may be implemented, changes to the recognition of deferred tax assets could be required, which could impact the financial position and profit or loss.

Asset held sale for sale / demerger, discontinued operations

OCI used judgment in determining what a disposal group or a discontinued operation is and when it qualifies for reclassification according to IFRS 5 (management commitment, ready for sale / demerger, highly probable, completion within one year). In determining what is a disposal group or a discontinued operation, OCI judges whether the cash flows of the disposal group or a discontinued operation can be distinguished from the rest of the group, what determines a major line of operation and whether a single coordinated plan to dispose exists and at what date it was formally approved.

Liquidity risk

As part of the preparation of the financial statements, the Company has assessed its liquidity risk and going concern. Liquidity risk is the risk that the Group may encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company has made a number of assumptions in assessing its ability to meet its covenant requirements and satisfy obligations as they become due. Determining these assumptions requires significant judgment about future results and cash flows. Key assumptions include product pricing, gas pricing, utilization rates, IFCo commissioning, and the ability to arrange financing and obtain waivers for anticipated covenant breaches. Refer to note 6.2 and note 18 for the Company's analyses of liquidity risk and debt covenants, respectively.

6. Financial risk and capital management

Overview

The Group has exposure to credit, liquidity and market risks from financial instruments. These risks arise from exposures that occur in the normal course of business and are managed on a consolidated company basis. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing these risks, additionally it also includes the Group's management of capital.

Risk management framework

Senior management has an overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's business activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by the Internal Audit Department. The Internal Audit Department undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

6.1 Exposure to credit risk

The Company mitigates the exposure to credit risk on outstanding cash balances by placing funds at multiple financial institutions with a sufficient credit rating. As of 31 December 2015, IFCo has a maximum concentration risk of USD 146.2 million in relation to its outstanding cash at UMB Bank (guaranteed investment contracts). The Group's exposure to customer credit risk is monitored and mitigated by performing credit checks before selling any goods. The Group establishes an allowance, if needed, for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. The carrying amount of financial assets represents the maximum credit exposure. During the years ended 31 December 2015 and 2014, no allowance for bad debt has been recognized, as management's assessment did not result in any significant credit risk.

With respect to transactions with financial institutions, the group sets limits to the credit worthiness rating of the counterparty. The maximum credit risk is the carrying amount of financial instruments, for an overview reference is made to the tables financial instruments by category.

The major exposure to credit risk at the reporting date was as follows:

$ millions	Note	2015	2014
Trade and other receivables	(9)	321.4	393.7
Available-for-sale financial assets	(11)	50.5	54.1
Cash and cash equivalents	(14)	796.4	846.6
Total		**1,168.3**	**1,294.4**

The major exposure to credit risk for trade and other receivables by geographic region was as follows:

$ millions	2015	2014
Middle East and Africa	49.6	202.8
Asia and Oceania	5.0	7.4
Europe and United States	266.8	183.5
Total	**321.4**	**393.7**

6.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The following are the contractual maturities of financial liabilities, including estimated interest payments and exclude the impact of netting agreements:

At 31 December 2015 $ millions	Note	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	More than 5 years
Financial liabilities						
Cash outflows:						
Loans and borrowings	(18)	4,902.8	5,971.2	1,815.9	2,802.0	1,353.3
Trade and other payables	(19)	566.7	566.7	556.8	9.9	-
Letters of guarantee	(28)	-	0.2	-	-	0.2
Derivatives	(19)	26.5	61.2	46.2	15.0	-
Cash inflows:						
Derivatives	(9)	(0.1)	(31.2)	(31.2)	-	-
Total		**5,495.9**	**6,568.1**	**2,387.7**	**2,826.9**	**1,353.5**

6.2 Liquidity risk continued

At 31 December 2014 $ millions	Note	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	More than 5 years
Financial liabilities						
Cash outflows:						
Loans and borrowings	(18)	4,981.1	6,466.2	586.1	4,013.7	1,866.4
Trade and other payables	(19)	503.5	503.5	502.6	0.9	-
Letters of guarantee	(28)	-	0.2	-	-	0.2
Derivatives	(19)	19.7	56.4	26.4	30.0	-
Cash inflows:						
Derivatives	(9)	(4.8)	(26.4)	(26.4)	-	-
Total		**5,499.5**	**6,999.9**	**1,088.7**	**4,044.6**	**1,866.6**

The interest on floating rate loans and borrowings is based on forward interest rates at period-end. This interest rate may change as the market interest rate changes. Callable loan amounts are classified as "Less than one year". The future obligations will be managed by the future incoming cash from operations, currently available non-restricted cash and cash equivalents of USD 646.8 million and unused amounts on credit facility agreements (reference is made to note 18).

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. This is also safeguarded by using multiple financial institutions in order to mitigate any concentration of liquidity risk.

The Company's financing strategy is to secure finance as much as possible on an operating level. Excess cash flows from operating companies are used to fund investment projects that cannot be funded in full on operating level. OCI N.V. acts as the financing company thus limiting the number of cross relationships within the Company and maximizing flexibility to divest operating companies. The Group entered into construction agreements regarding the building of new plants, reference is made to note 29 'Capital commitments'.

The Group has breached a number of covenants in 2015 that all have been waived (see note 18), with the exception of the OCI N.V. revolver. The official covenant waiver for this loan was obtained in March 2016, and therefore the revolver balance outstanding as of 31 December 2015 was reclassified to current liabilities. Furthermore, the Group has been able to cure upfront a number of anticipated covenant breaches in 2016 (see notes 18 and 34). However, not all breaches currently forecasted have been waived or cured as of the date of these financial statements. Strong operational performance may result in the forecasted breach to not occur. In addition, the Company has a positive track record in obtaining covenant waivers and/or amendments or even repaying loans in full to prevent a breach. Further, the existing financing of OCI Nitrogen B.V. matures in October 2016. Based on the debt capacity analyses and ongoing dialogues with financial stakeholders the Company believes it will be able to refinance this financing arrangement.

A number of recent actions have been taken to safeguard and strengthen the Company's financial position. These recent accomplishments include, other than covenant waivers, the sale of 50% of Natgasoline to the Proman Group, a fully underwritten bond issue and formalized shareholders support (see note 34 for additional information).

The Company will fulfil its obligation to repay and refinance USD 1,815.9 million of loans and borrowings that are due in less than one year in the following ways:

- In March 2016 the Company formally agreed on an amendment and waiver letter for the USD 528.6 million OCI N.V. revolver loan which restored the original maturity date of 30 July 2017. This decreases the amount of current liabilities of the Company accordingly. Management believes that refinancing this loan at maturity will be feasible given the leverage profile of the Company at that time vis-à-vis its cash flows from operations and asset base. In addition, the Company has various alternatives to repay the loan, such as proceeds from potential divestments.
- OCI Nitrogen B.V. has a USD 350.2 million loan that matures in Q3 2016. The Company plans to refinance and upsize the loan at maturity. Preliminary discussions with financiers have already taken place.
- The Company expects to partially repay the USD 398.2 million bridge loans from proceeds that will be received following the Natgasoline bond issuance and Natgasoline subscription agreement with Proman, totalling approximately USD 300.0 million. The remaining amount can be repaid from the Company's cash surplus.
- All remaining current liabilities are expected to be settled in the ordinary course of business with operational cash flows.

Reference is made to note 34 for details of the subscription agreement with the Proman Group, which will be a funding source for the Natgasoline capital commitments for the Natgasoline project (which were USD 678.0 million as of 31 December 2015), and the JP Morgan Standby Letter of Credit, which will be funding sources for the IFCo capital commitments (which were USD 43.9 million as of 31 December 2015).

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6.2 Liquidity risk continued

The liquidity risk is monitored internally at Group level. On an ongoing basis the Group prepares liquidity forecasts to verify whether the Group is able to meet its future debt obligations. The Company has also carefully evaluated the funding of its Business Plan for the next 12 months, taking into account the previously mentioned measures and has applied sensitivities to the forecast level of liquidity headroom available. Key assumptions include product pricing, gas pricing, utilisation rates and IFCo commissioning. Management has applied these contingencies to the forecasts, which would leave sufficient liquidity headroom.

Taking into account the period under review, the size and complexity of the Company, the financing structure, and sensitivities to market risk, liquidity risk remains. However the Company has a range of options to address a potential liquidity risk. After performing its assessment, Management applied judgement and, although a level of uncertainty remains, is of the opinion that the liquidity risk is limited based on the analysis and assessment of the options available to solve uncertainties.

6.3 Market risk

Market risk is the risk of changes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices that will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group is exposed to foreign currency risk arising in separate ways:

Foreign exchange translation risk

Due to the Group's international presence, the Group is exposed to foreign exchange fluctuations as these affect the translation of the Group's business entities presented in foreign currencies that are different from the U.S. dollar (which is the Group's functional currency). The currencies concerned are mainly the Euro, the Egyptian pound and the Algerian dinar. Foreign exchange translation exposure is considered a part of doing business on an international level; this risk is not hedged.

Foreign exchange transaction risk

The Group entities predominantly execute their activities in their respective functional currencies. The Group is however exposed to foreign exchange transaction risk to the extent that there is a mismatch between the currencies in which sales, purchases, investments and borrowings are denominated and the respective functional currencies of the Group entities. The Group monitors the exposure to foreign currency risk arising from operating activities and enters selectively into foreign exchange contracts to hedge foreign currency exposures but does not apply hedge accounting, therefore all changes in fair value adjustments are recognized in profit or loss. The functional currencies of the Group entities are primarily the U.S. dollar, the Algerian dinar, the Egyptian pound and the Euro.

As of 31 December 2015, if the US dollar had strengthened/weakened by 12.0 percent against the Euro, 3.0 percent against the Egyptian Pound and 6.0 percent against the Algerian Dinar with all other variables held constant, the translation of foreign currency receivables, payables and loans and borrowings would have resulted in a decrease / increase of USD 94.9 million, an increase / decrease of USD 3.3 million and an increase / decrease of USD 9.2 million of the profit of the year, respectively.

The summary of quantitative data about the Group's exposure to foreign exchange transaction exposure based on risk management policy for the main currencies was as follows (amounts after intercompany elimination):

At 31 December 2015 $ millions	USD	EUR	EGP
Trade and other receivables	18.3	4.4	2.3
Trade and other payables	(7.6)	(14.9)	(0.6)
Loans and borrowings	(398.2)	-	(129.4)
Provisions	-	-	(243.2)
Cash and cash equivalents	216.3	5.5	259.8

6.3 Market risk continued

At 31 December 2014 $ millions	USD	EUR	EGP
Trade and other receivables	42.7	7.0	3.0
Trade and other payables	(8.5)	(24.5)	(13.0)
Loans and borrowings	(94.8)	-	(141.9)
Provisions	-	-	(266.2)
Cash and cash equivalents	11.2	1.9	7.6

The Algerian Dinar is not included in the above table of foreign exchange transaction exposure, since there are no entities in the Group, which have monetary items denominated in Algerian Dinar, except for Sorfert, which has the Algerian Dinar as its functional currency.

Significant rates

The following significant exchange rates applied during the year:

	Average 2015	Average 2014	Closing 2015	Closing 2014
Euro	1.1089	1.3282	1.0845	1.2155
Egyptian pound	0.1296	0.1412	0.1275	0.1398
Algerian Dinar	0.0100	0.0124	0.0093	0.0114

The following tables demonstrate the sensitivity to a reasonably possible change in EUR, EGP and DZD exchange rates, with all other variables held constant. The impact on the Group's cost of goods sold is due to changes in the fair value of monetary assets and liabilities, including inter-company positions. The Group's exposure to foreign currency changes for all other currencies is not material.

2015 $ millions	Change in FX rate	Effect on profit before tax	Effect on equity
EUR - USD	12 percent	94.9	-
	(12) percent	(94.9)	-
EGP - USD	3 percent	(3.3)	-
	(3) percent	3.3	-
DZD - USD	6 percent	(9.2)	-
	(6) percent	9.2	-

2014 $ millions	Change in FX rate	Effect on profit before tax	Effect on equity
EUR - USD	7 percent	(3.2)	-
	(7) percent	3.2	-
EGP - USD	1 percent	(1.3)	-
	(1) percent	1.3	-
DZD - USD	4 percent	1.7	-
	(4) percent	(1.7)	-

The figures in the above overview are determined on the volatility of last year for the respective currencies. A significant part of the Group's exposure to foreign currency transaction risk relates to intercompany balances in foreign currencies, which balances have been eliminated in the consolidated financial statements.

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6.3 Market risk continued

Interest rate risk

The Group's cash flow interest rate risks arise from the exposure to variability in future cash flows of floating rate financial instruments. The Group reviews its exposure in light of global interest rate environment. The Group has not entered into any interest rate derivative.

The Group analyses its interest rate exposure on a dynamic basis. The Group calculates the impact on profit or loss of a defined interest rate shift. The same interest rate shift is used for all currencies. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings plus refinancing of fixed rate borrowings, as follows:

$ millions	in basis points	2015	2014
Effect on profit before tax for the coming year	+100 bps	(23.1)	(22.6)
	- 100 bps	22.4	21.8

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market data, showing a lower volatility compared to prior years. The interest rate sensitivity calculation is based on the interest bearing liabilities excluding the restricted funds of IFCo, reference is made to note 14.

Commodity price risk

The Group is exposed to natural gas price commodity risk as natural gas is one of the primary raw materials used in the fertilizer and chemicals production process, for those entities that buy natural gas at spot prices. The Group enters into gas swaptions (option to swap) in order to hedge future gas price levels over a certain period of time (reference is made to note 19). This commodity hedging policy is only applied in those regions (mainly the US) in which natural gas commodity hedging is possible. The Group did not apply hedge accounting on these instruments.

Management monitors the gas and selling prices on a daily basis using external market data provided by several data vendors. These data vendors provide historical and forecast market data. The market data is used by management to analyze the potential profit margin per product in order to make operational decisions.

Although the IFCo plant is still under construction, IFCo has entered into a swaption (option to swap) to mitigate the potential impact of the increase in natural gas prices for a portion of the expected usage. The Group does not apply hedge accounting, therefore all fair value changes related to this financial instrument are recognized in profit or loss. The derivative entitles IFCo to an option to buy a quantity of 95,887,500 MMBtu representing 50% of expected consumption against a strike price of USD 6.0/MMBtu for years 2015-2018 and USD 6.5/MMBtu for years 2019-2022. As of 31 December 2015 and 2014, the fair value of the derivative amounted to USD 0.3 million and USD 4.8 million, respectively. The discounted value of the outstanding installments related to the gas price derivative amounting to USD 26.8 million and USD 24.5 million, respectively, have been netted with the fair value of the derivative. The discount rate used was 9.2% for both 2015 and 2014.

For the entities that are impacted by changes in natural gas prices, an increase or decrease in the average natural gas prices by USD 1 per MMBtu would impact the total annual cost of sales by USD 84.2 million and USD 58.8 million based on the capacity levels as of 31 December 2015 and 2014, respectively.

Categories of financial instruments

2015 $ millions	Note	Loans and receivables / payables at amortized cost	Derivatives at fair value	Available-for-sale financial asset at fair value	Available-for-sale financial asset at amortized cost
Assets					
Trade and other receivables	(9)	321.3	0.1	-	-
Other investments	(11)	-	-	28.9	21.6
Cash and cash equivalents	(14)	796.4	-	-	-
Total		**1,117.7**	**0.1**	**28.9**	**21.6**
Liabilities					
Loans and borrowings	(18)	4,902.8	-	-	-
Trade and other payables	(19)	566.7	26.5	-	-
Total		**5,469.5**	**26.5**	**-**	**-**

6.3 Market risk continued

2014 $ millions	Note	Loans and receivables / payables at amortized cost	Derivatives at fair value	Available-for-sale financial asset at fair value	Available-for-sale financial asset at at amortized cost
Assets					
Trade and other receivables	(9)	388.9	4.8	-	-
Other investments	(11)	-	-	29.8	24.3
Cash and cash equivalents	(14)	846.6	-	-	-
Total		**1,235.5**	**4.8**	**29.8**	**24.3**
Liabilities					
Loans and borrowings	(18)	4,981.1	-	-	-
Trade and other payables	(19)	503.5	19.7	-	-
Total		**5,484.6**	**19.7**	**-**	**-**

The Group makes limited use of financial instruments carried at fair value. For those carried at fair value, the fair value is calculated within hierarchy category level 2, with the exception of financial assets in the available-for-sale category. An amount of USD 9.3 million (2014: USD 6.9 million) was recognized as level 1, an amount of USD 19.6 million (2014: USD 22.9 million) was recognized as level 2 and an amount of USD 21.6 million (2014: USD 24.3 million) was recognized as amortized cost as no reliable fair value information is available, reference is made to note 11. In 2015 and 2014, there were no transfers between the fair value hierarchy categories. The fair value of loans and borrowings and receivables are disclosed in notes 18 and 9.

6.4 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares, retained earnings and non-controlling interest of the Group. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders. The Group is required by external financial institutions to maintain certain capital requirements compared to its debt. Reference is made to note 18 for a description of financial covenants.

The Group's net debt to equity ratio at the reporting date was as follows:

$ millions	Note	2015	2014
Loans and borrowings	(18)	4,902.8	4,981.1
Less: cash and cash equivalents	(14)	796.4	846.6
Net debt		**4,106.4**	**4,134.5**
Total equity		1,749.8	2,537.8
Net debt to equity ratio at 31 December		**2.35**	**1.63**

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7. Property plant and equipment

$ millions	Land and buildings	Plant and equipment	Fixtures and fittings	Under construction	Total
Cost	408.2	4,724.5	30.2	642.9	5,805.8
Accumulated depreciation	(50.8)	(959.8)	(21.8)	-	(1,032.4)
At 1 January 2014	**357.4**	**3,764.7**	**8.4**	**642.9**	**4,773.4**
Movements in the carrying amount:					
Additions	19.3	155.4	7.1	1,227.4	1,409.2
Disposals	(17.0)	(8.4)	(1.3)	(0.7)	(27.4)
Depreciation	(15.3)	(323.3)	(8.9)	-	(347.5)
Transfers	(0.2)	64.9	16.5	(81.2)	-
Effect of movement in exchange rates	(16.0)	(229.2)	(10.2)	(7.7)	(263.1)
Assets reclassified as held for demerger	(122.8)	(137.2)	(5.3)	(6.9)	(272.2)
At 31 December 2014	205.4	3,286.9	6.3	1,773.8	5,272.4
Cost	234.5	4,140.3	17.2	1,773.8	6,165.8
Accumulated depreciation	(29.1)	(853.4)	(10.9)	-	(893.4)
At 31 December 2014	205.4	3,286.9	6.3	1,773.8	5,272.4
Movements in the carrying amount:					
Additions	3.7	37.2	2.0	1,237.4	1,280.3
Release asset retirement obligation	-	(9.4)	-	-	(9.4)
Disposals	(0.5)	(2.6)	-	-	(3.1)
Acquisition of subsidiary	0.1	17.9	0.2	0.6	18.8
Depreciation	(9.1)	(279.4)	(2.0)	-	(290.5)
Transfers	10.0	420.1	0.2	(430.3)	-
Effect of movement in exchange rates	(21.6)	(325.6)	(0.8)	(6.6)	(354.6)
At 31 December 2015	188.0	3,145.1	5.9	2,574.9	5,913.9
Cost	227.0	4,497.9	19.4	2,574.9	7,319.2
Accumulated depreciation	(39.0)	(1,352.8)	(13.5)	-	(1,405.3)
At 31 December 2015	**188.0**	**3,145.1**	**5.9**	**2,574.9**	**5,913.9**

As at 31 December 2015, the group had land with a carrying amount of USD 62.2 million (2014: USD 62.4 million).

Additions to assets under construction in 2014 and 2015 are mainly related to the construction of Iowa Fertilizer Company (IFCo) and Natgasoline in Iowa and Texas respectively. Included in the additions of USD 1,237.4 million to assets under construction is a USD 150.0 million indemnification payment made by OCI N.V. to related party Orascom E&C USA Inc. ("OEC"), for liabilities in connection with the construction contract for IFCo's fertilizer and chemicals greenfield plant. Reference is made to note 32 for further discussion of these construction contracts.

For the release of the asset retirement obligation reference is made to note 20.

USD 430.3 million of transfer of assets under construction in 2015 is mostly related to the completion of the debottlenecking project of OCI Partners.

The capitalized borrowing costs during the year ended 31 December 2015 amounted to USD 82.0 million and relates to IFCo for USD 65.4 million, to OCI Partners for USD 8.6 million and to Natgasoline for USD 8.0 million. The capitalized borrowing costs during the year ended 31 December 2014 amounted to USD 67.3 million and relates to IFCo for USD 64.2 million, to OCI Partners for USD 3.1 million. The capitalized borrowing costs during the years ended 31 December 2015 and 2014 were substantially paid.

The amount of USD 354.6 million under effect of movement in exchange rates mainly relates to the Sorfert plant (Algeria) and OCI Nitrogen B.V., which have different functional currencies (Algerian Dinar and Euro respectively), than the Group's presentation currency. The Algerian Dinar decreased by 18.4% and the Euro decrease by 10.8% during 2015.

For capital commitments reference is made to note 29.

8. Goodwill and other intangible assets

$ millions	Goodwill	Licenses and trademarks	Purchase rights and other	Total
Cost	1,831.0	87.5	40.6	1,959.1
Accumulated amortization and impairment	(900.0)	(61.1)	(13.7)	(974.8)
At 1 January 2014	**931.0**	**26.4**	**26.9**	**984.3**
Movements in the carrying amount:				
Disposals	-	-	(0.6)	(0.6)
Amortization	-	(14.5)	(7.2)	(21.7)
Impairment loss	(7.0)	-	-	(7.0)
Other	-	-	(4.8)	(4.8)
Effect of movement in exchange rates	(3.0)	(1.9)	-	(4.9)
Assets reclassified as held for demerger	(12.4)	-	-	(12.4)
At 31 December 2014	908.6	10.0	14.3	932.9
Cost	1,808.6	85.6	35.2	1,929.4
Accumulated amortization and impairment	(900.0)	(75.6)	(20.9)	(996.5)
At 31 December 2014	908.6	10.0	14.3	932.9
Movements in the carrying amount:				
Amortization	-	(3.9)	(7.2)	(11.1)
Impairment loss	(422.9)	-	-	(422.9)
Acquisition of subsidiary	-	-	4.5	4.5
Effect of movement in exchange rates	(2.4)	(1.0)	(0.4)	(3.8)
At 31 December 2015	483.3	5.1	11.2	499.6
Cost	1,811.9	71.6	36.8	1,920.3
Accumulated amortization and impairment	(1,328.6)	(66.5)	(25.6)	(1,420.7)
At 31 December 2015	**483.3**	**5.1**	**11.2**	**499.6**

Goodwill

Goodwill amounting to USD 483.3 million mainly relates to EFC (USD 440.0 million), which is part of the 'North Africa' reportable segment. The remaining goodwill of USD 43.3 million relates to (1) the acquisition of OCI Beaumont LLC, subsequently renamed OCI Partners LP, for USD 23.0 million in 2012 and (2) the acquisition of OCI Terminal Europoort B.V. by OCI Nitrogen B.V. in 2012 for USD 20.3 million, and is recorded in the OCI Partners and OCI Nitrogen/Trading reportable segments, respectively.

In 2014, OC Egypt (discontinued operations) impaired goodwill for an amount of USD 7.0 million relating to the National Steel Fabrication company ('NSF').

Licenses and trademarks

As at 31 December 2015, the total licenses and trademarks have a carrying amount of USD 5.1 million as compared to an amount of USD 10.0 million as at 31 December 2014. The licenses and trademarks mainly relate to the customer relationships, trademarks and technology assets of OCI Nitrogen B.V. These intangible assets were identified during the acquisition of OCI Nitrogen B.V. in 2010. The useful life of the customer relationships, trademarks and technology assets are respectively 5 to 10 years, 3 years and 5 years.

Purchase rights and other

As at 31 December 2015, the 'Purchase rights and other' have a carrying amount of USD 11.2 million (2014: USD 14.3 million). The 'Purchase rights and other' mostly relates to the Ammonium Sulphate supply agreement between Fertiva GmbH and OFT., where OFT is entitled to all rights, benefits and obligations relating the supply of Ammonium Sulphate by LANXESS. The term of the contract is from 1 November 2012 through 31 December 2016. The addition of purchase rights and others amounting to USD 4.5 million relates to the acquisition of BioMCN B.V. in 2015; reference is made to note 31.

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8. Goodwill and other intangible assets continued

Goodwill impairment testing

The Group is required to test goodwill for impairment on an annual basis or sooner when there are indicators that the goodwill might be impaired. In 2014 OCI had a separate reporting structure for Fertilizer & Chemicals and Engineering & Construction. The Company appointed a COO for the entire Fertilizer & Chemicals business in 2014, as the changes in the setup of the Fertilizer and Chemicals operations warranted managing the business at a more aggregated level. Following the appointment of the COO and the aforementioned changes, the Fertilizer & Chemicals group was monitored as a group rather than on an individual production facility basis, and therefore goodwill was tested for impairment at the Fertilizer & Chemicals group level.

In 2015, following the demerger of the Engineering & Construction business, the reporting structure of the Company changed, such that there was no longer a COO for the Fertilizers and Chemicals business. As a result, the cash generating units 'CGU' of the Company are the same as the operating segments, which are the plants. The CGU's represent the lowest level within the Group at which the associated goodwill is monitored for internal management purposes and are not larger than the primary and secondary segments determined in accordance with IFRS 8.

Goodwill has been allocated to the cash generating units as follows:

Cash generating units $ millions	2015
EFC	440.0
OCI Partners	23.0
OCI Nitrogen	20.3
Total	**483.3**

Cash generating units $ millions	2014
Fertilizer & Chemicals Group	908.6
Weitz	12.4
Goodwill reclassified as held for demerger	(12.4)
Total	**908.6**

Details of the goodwill impairment test are as follows:

Key assumptions and method of quantification

The Group recognizes its intangible assets in accordance with IAS 38 and IFRS 3. In accordance with IAS 36, the Group has performed an impairment test on the capitalized goodwill of each CGU. The determination of the recoverable amounts for the cash generating units requires significant judgments and estimates, including projections of future cash flows from the businesses. The recoverable values have been estimated based on value in use. The tests were carried out by discounting future cash flows to be generated from the continuing use of the cash-generating units to which the goodwill applies and on the assumption of an indefinite life. Key assumptions used in the calculation of recoverable amounts are the discount rate, the terminal value growth rate, selling price outlook per product, natural gas availability and the number of expected operating days per plant. Selling prices assumptions are based on a published independent price outlook prepared by global fertilizer experts. The other assumptions used are based on past experience and external sources, but that are unpredictable and inherently uncertain.

The impairment tests are based on specific estimates for the USD cash flow projections for the years 2016 to 2020 which are approved by the Board of Directors. For the subsequent years the residual values were calculated on the basis of the average EBITDA margin of the projection period and whereby a perpetual growth rate of 1.5% was taken into account.

In determining the pre-tax discount rate for each CGU, first the post-tax average cost of capital was calculated. The post-tax rate is based on a debt leveraging compared to the market value of equity of 25%.The estimated pre-tax cash flows are discounted to their present value using a pre-tax weighted average cost of capital of 15.0%,10.9% and 11.7% for EFC, OCI Partners LP and OCI Nitrogen B.V., respectively.

8. Goodwill and other intangible assets continued

Percentage	2015 EFC	2015 OCI Partners	2015 OCI Nitrogen	2014[1]
Discount rate (pre-tax weighted average cost of capital)	15.0%	10.9%	11.7%	11.2%
Perpetual growth rate	1.5%	1.5%	1.5%	2.0%

[1] The 2014 percentage of the discount rate and perpetual rate relates to the Fertilizers & Chemicals CGU. In 2014 this was monitored and tested for impairment on operating segment level.

Result of the impairment test

For all cash generating units (except EFC in 2015), the recoverable values exceed carrying amounts (CGU OCI Partners + USD 0.9 billion and CGU OCI Nitrogen + USD 2.2 billion).

For 2015, the result of the impairment test for the EFC CGU was that the carrying amount exceeded the recoverable value by USD 422.9 million. As a result, an impairment loss for this amount has been recognized on a separate line in the consolidated statement of profit or loss and other comprehensive income.

Sensitivity analysis

When performing the annual impairment test, we performed sensitivity analyses for the EFC CGU. The effect on the recoverable amount of 100 bps modifications in the assumed WACC and the terminal growth rate can be summarized as follows:

$ millions	In basis points	2015
Change in discount rate (pre-tax WACC)	+ 100 bps	(91.1)
	- 100 bps	110.0
Change in assumed perpetual growth rate	+ 100 bps	57.0
	- 100 bps	(47.1)

9. Trade and other receivables

$ millions	2015	2014
Trade receivables (gross)	163.9	256.4
Allowance for trade receivables	-	-
Trade receivables (net)	163.9	256.4
Loans and trade receivables due from related parties (note 32)	72.7	46.5
Prepayments	29.3	14.9
Derivative financial instruments	0.1	4.8
Loans granted to personnel in relation to share-based payment arrangements	3.3	19.5
Other tax receivable	35.3	45.1
Supplier advanced payments	14.8	-
Other receivables	2.0	6.5
Total	**321.4**	**393.7**
Non-current	44.9	49.7
Current	276.5	344.0
Total	**321.4**	**393.7**

Trade receivables amounting to USD 123.7 million (2014: USD 166.1 million) have been pledged as security for external loans and borrowings. Of these amounts, USD 94.8 million (2014: USD 130.3 million), were pledged by OCI Nitrogen and USD 28.9 million (2014: US 35.8 million) by OCI Partners. Reference is made to note 18.

The carrying amount of 'Trade and other receivables' as at 31 December 2015 approximates its fair value.

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9. Trade and other receivables continued

The aging of current gross trade receivables at the reporting date were as follows:

$ millions	2015	2014
Neither past due nor impaired	152.9	237.4
Past due 1 - 30 days	10.0	17.1
Past due 31 - 90 days	0.4	0.3
Past due 91 - 360 days	-	0.5
More than 360 days	0.6	1.1
Total	**163.9**	**256.4**

Management believes that the unimpaired amounts that are past due by more than 30 days are collectible in full, based on historic payment behavior and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

$ millions	2015	2014
At 1 January	**-**	**(37.4)**
Additions	-	(24.4)
Used amounts	-	10.2
Exchange rates differences	-	0.8
Reclassified as assets held for demerger	-	50.8
At 31 December	**-**	**-**

10. Equity-accounted investees

(i) The following table shows the movement in the carrying amount of the Groups' associates and joint ventures:

$ millions	2015	2014
At 1 January	**37.9**	**517.1**
Share in income	1.3	(152.9)
Investment/divestment	-	96.9
Dividend	(7.1)	(42.0)
Other comprehensive income	(0.6)	(6.1)
Provisions on associates recognized under 'Trade and other payables'	-	21.4
Effect of movement in exchange rates	(2.9)	(25.3)
Other	4.8	-
Associates reclassified as held for demerger	-	(371.2)
At 31 December	**33.4**	**37.9**
Joint ventures	10.3	11.0
Associates	23.1	26.9
Total	**33.4**	**37.9**

In 2014, the share of income of USD 152.9 million loss is composed of a gain of USD 15.8 million relating to the continuing operations and a loss of USD 168.7 million relating to discontinued operations. The 2014 loss in discontinued operations relates mainly to the associate Sidra Medical Centre in the amount of USD 188.0 million partly off-set by a profit of Besix of USD 31.2 million.

10. Equity-accounted investees continued

(ii) The Group has interests in a number of associates and joint ventures relating to continuing operations:

Name	Type	Participation via	Country	Participation %
Sitech Manufacturing Services C.V.	Associate	OCI Nitrogen B.V.	The Netherlands	35.0
Sitech Utility Holding Beheer B.V.	Associate	OCI Nitrogen B.V.	The Netherlands	40.0
Sitech Utility Holding C.V.	Associate	OCI Nitrogen B.V.	The Netherlands	39.9
Sitech Services B.V.	Associate	OCI Nitrogen B.V.	The Netherlands	23.0
Nitrogen Iberian Company SL.	Joint venture	OCI Nitrogen B.V.	Spain	50.0
Shanxi Fenghe Melamine Company Ltd.	Joint venture	OCI Nitrogen B.V.	China	49.0
Fitco OCI Agro S.A.	Joint venture	OCI Fertilizers International B.V.	Uruguay	50.0
Fitco OCI Agronegocios do Brazil	Joint venture	OCI Fertilizers International B.V.	Brazil	50.0

The associates include the Sitech entities, which are used to operate the 'Chemelot' site in Geleen the Netherlands, for OCI Nitrogen B.V. The Chemelot site is used by several other companies.

(iii) The following table summarizes the financial information of OCI N.V.'s associates and joint ventures (on a 100% basis) of continuing operations:

$ millions	2015 Associates	2015 Joint venture	2015 Total	2014 Associates	2014 Joint venture	2014 Total
Non-current assets	105.8	14.2	120.0	115.3	24.4	139.7
Current assets	116.3	40.8	157.1	140.8	71.3	212.1
Non-current liabilities	(3.6)	-	(3.6)	(17.4)	-	(17.4)
Current liabilities	(118.3)	(34.2)	(152.5)	(121.9)	(64.1)	(186.0)
Net assets	**100.2**	**20.8**	**121.0**	**116.8**	**31.6**	**148.4**
Income	386.6	170.5	557.1	466.8	417.7	884.5
Expenses	(371.4)	(175.0)	(546.4)	(447.7)	(412.4)	(860.1)
Net profit / (loss)	**15.2**	**(4.5)**	**10.7**	**19.1**	**5.3**	**24.4**

The following chart summarizes the financial information of significant joint ventures (on a 100% basis):

	Fitco OCI Agro S.A.		Nitrogen Iberia Company SL.		Shanxi Fenghe Melamine Co. Ltd	
$ millions	2015	2014	2015	2014	2015	2014
Non-current assets	-	-	-	-	14.2	24.4
Current assets (excluding cash and cash equivalents)	18.4	29.2	4.8	26.8	4.5	4.2
Cash and cash equivalents	7.5	3.2	0.1	0.6	5.4	7.3
Non-current liabilities	-	-	-	-	-	-
Current liabilities	(17.6)	(22.8)	(4.6)	(24.6)	(12.0)	(16.7)
Net assets	**8.3**	**9.6**	**0.3**	**2.8**	**12.1**	**19.2**
Group's share of net assets	4.2	4.8	0.2	1.4	5.9	9.4
Revenues	123.1	266.9	15.8	109.4	31.6	41.3
Depreciation	-	-	-	-	-	-
Interest income	-	-	-	0.2	-	-
Interest expense	(0.2)	(0.1)	-	(0.2)	-	-
Profit (loss) before taxes	3.1	5.4	(1.1)	0.8	(8.8)	(0.8)
Tax expense	-	(0.1)	-	-	2.3	-
Net Profit (loss)	3.1	5.3	(1.1)	0.8	(6.5)	(0.8)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	**3.1**	**5.3**	**(1.1)**	**0.8**	**(6.5)**	**(0.8)**
Group's share in total comprehensive income	**1.6**	**2.6**	**(0.6)**	**0.4**	**(3.2)**	**(0.4)**
Dividends	**4.3**	**-**	**1.1**	**-**	**-**	**-**

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10. Equity-accounted investees continued

The following chart summarizes the financial information of significant associates (on a 100% basis):

	Sitech Services B.V.		Sitech Manufacturing Services B.V.	
$ millions	2015	2014	2015	2014
Non-current assets	101.8	110.7	4.0	4.6
Current assets (excluding cash and cash equivalents)	40.3	63.7	75.8	77.1
Non-current liabilities	(3.6)	(14.4)	-	(3.0)
Current liabilities	(38.5)	(43.2)	(79.8)	(78.7)
Net assets	**100.0**	**116.8**	**-**	**-**
Group's share of net assets	23.0	26.9	-	-
Revenues	109.4	129.5	276.9	337.0
Depreciation	(10.7)	(11.1)	-	-
Interest income	0.1	-	-	-
Profit (loss) before taxes	20.1	25.4	-	-
Tax expense	(5.0)	(6.4)	-	-
Profit (loss) after taxes	15.1	19.0	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income	**15.1**	**19.0**	**-**	**-**
Group's share in total comprehensive income	**3.5**	**4.4**	**-**	**-**
Dividends	**19.3**	**26.6**	**-**	**-**

11. Other investments

$ millions	2015	2014
Available-for-sale / equity securities	50.5	54.1
Total	**50.5**	**54.1**
Non-current	41.2	22.9
Current	9.3	31.2
Total	**50.5**	**54.1**

Available-for-sale equity securities

The amount of the equity securities in 2015 includes USD 21.6 million (2014: USD 24.3 million) representing the Group's 13.07 percent share in Notore Chemicals Industries (Mauritius), which has been reclassified to non-current as the 2015 expected sale has not occurred. USD 5.6 million (2014: USD 6.9 million) represent the market value of 308,976 shares of a 0.4 percent shareholding in ABU KIR Fertilizer and Chemical Industries Co (Bloomberg ticker: ABUK:EY), which are held by one of the subsidiaries and which are expected to be sold in 2016. USD 19.5 million (2014: USD 22.9 million) represents the Group's interest in the Infrastructure and Growth Capital Fund LP. The fund is managed by the Abraaj Group, which is a related party. OCI N.V. holds an amount of USD 3.7 million (2014: nil) worth of shares in Orascom Construction Limited, which is a related party.

The investment in Notore is measured at cost as no reliable fair value information is available, the remaining other investments are measured at fair value.

12. Income taxes

12.1 Income tax in the statement of profit or loss

The income tax on profit before income tax on continuing operations amounts to USD 93.7 million (2014: USD 565.0 million) and can be summarized as follows:

$ millions	2015	2014
Current tax	22.7	518.5
Deferred tax	71.0	46.5
Total Income tax in profit or loss	**93.7**	**565.0**

The amount excludes the income tax on discontinued operations of USD (4.4) million (2014: USD 263.0 million), which is included in profit or loss from discontinued operations, net of tax (see note 27).

12.2 Reconciliation of effective tax rate

OCI's operations are subject to income taxes in various foreign jurisdictions. The statutory income tax rates vary from 0.0% to 42.2%, which results in a difference between the weighted average statutory income tax rate and the Netherlands' statutory income tax rate of 25.0%.

Reconciliation of the statutory income tax rate in the Netherlands with the effective tax rate can be summarized as follows:

$ millions	2015	%	2014	%
Loss before income tax	(202.4)		(19.0)	
Enacted income tax rate in the Netherlands	25%		25%	
Tax calculated at enacted tax rate	**50.6**	**(25.0)**	**4.8**	**(25.0)**
Effect of rates in foreign juridictions	15.8	(7.8)	4.4	(23.2)
Unrecognized tax losses	(74.8)	37.0	(72.2)	380.0
Recognition of previously unrecognized tax losses	-	-	26.3	(138.4)
Non-deductible goodwill impairment	(95.2)	47.1	-	-
Non-taxable income on sale of Gavilon	1.0	(0.5)	0.9	(4.7)
Expenses non-deductible	(33.1)	16.4	(38.0)	200.0
Tax credits	12.5	(6.2)	-	-
Uncertain tax positions	136.6	(67.5)	-	-
Income not subject to tax	73.3	(36.2)	69.3	(364.7)
Reversal of tax liability relating to the tax evasion claim	-	-	557.4	(2,933.7)
Change in tax rates	9.1	(4.5)	-	-
Other	(2.1)	1.0	12.1	(63.7)
Total income tax in profit or loss	**93.7**	**(46.3)**	**565.0**	**(2,973.4)**

The effective tax rate was (46.3)% (2014: (2,973.4)%), mainly due to the release of uncertain tax position by amongst other EBIC (USD 138.2 million) for a amount of USD 136.6 million, and the tax impact on the impairment of goodwill by EFC for an amount of USD 95.2 million.

Futhermore tax assets were unrecognzied for an amount of USD 74.8 million mainly relating to start-up cost of IFCo and Natgasoline, income not subject for tax for an amount of USD 73.3 million and expenses non-deductible for an amount of USD 33.1 million.

The tax credit carry forward relates to a investment tax credit granted to the IFCo project by the Iowa State.

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12.2 Reconciliation of effective tax rate continued

OCI S.A.E. Financial Tax liability

In April 2013, OCI S.A.E. and the Egyptian Tax Authority ("ETA") reached agreement on the accusation of tax evasion following the sale of Orascom Building Materials Holding S.A.E. to Lafarge in 2007. Although the management of OCI S.A.E. and their advisors believed that the aforementioned transaction was exempted of tax, management entered into an agreement to resolve the tax dispute. A modified tax filing was made and cheques were issued to the ETA for approximately USD 1.0 billion. The agreement was followed by payment of a first installment amounting to approximately USD 360.0 million in 2013.

On 18 February 2014, the Egyptian general prosecutor exonerated OCI S.A.E. from tax evasion. Following this court ruling, OCI S.A.E. started proceedings to have the tax settlement and cheques reversed. As the outcome of this litigation was uncertain at 31 December 2013, management concluded that the full liability, amounting to USD 674.0 million including interest, had to be accrued. On 4 November 2014, the Egyptian Tax Authorities' Independent Appeals Committee ruled in favor of the Company. Despite the fact that the Egyptian Prosecutor started an appeal on 30 November 2014, the Company's management, supported by its legal experts concluded that the tax liability of USD 674.0 million should be released. The release has been accounted for in the 2014 Consolidated Statement of Profit and Loss and Comprehensive Income, the 2014 profit or loss is accounted for under the lines Income taxes (USD 557.4 million) and Finance income and expenses (USD 21.7 million) and includes foreign currency translation gains amounting to USD 9.5 million.

In March 2015, the Company received a cheque for approximately USD 266.2 million from the ETA, which refunded the amounts paid in excess from the first installment paid in 2013. This amount has been recognized as a receivable in the 2014 Consolidated Statement of Financial Position and a gain on the Income tax line in the Statement of Profit and Loss and Comprehensive Income.

As per the date of these financial statements the appeal is still ongoing and a final ruling has not yet been issued. The appeal was set for ruling on 29 December 2015, however, the court stated that it lacks jurisdiction to hear the appeal and decided to transfer it to the council of state court, to fulfill the Supreme Constitution Court ruling. OCI management believes that the likelihood of a judgment issued in favor of the Tax Authority is unlikely. It is very rare to see judgments issued by Appeals Committees overturned by courts.

Tax indemnity agreement

With reference to note 2.2.1.3 "Tax indemnity agreement" it should be noted that OCI N.V. and OCL have entered into a tax indemnity agreement in which it has been agreed that the outcome of the tax evasion case (both positive or negative) will be allocated to OCI and OCL on a 50%/50% basis, with the exception of the amount for which the rights have been transferred to the Tahya Misr Fund (please see 'Transfer of rights to the Tahya Misr Fund' in note 20).

EBIC tax free zone status

On 21 March 2015, the Administrative Court ruled in favor of EBIC, this verdict is however independent from the appeal that the General Authority of Investments and Free Zone ('GAFI') has initiated. The Administrative Court has imposed a symbolic penalty on GAFI with respect to the case. Based on the opinion of external lawyers it is per 31 December 2015 more likely than not (60%) that EBIC will win the the appeal of the court case against GAFI and be granted the tax free status again. As a result of this opinion, EBIC has released its provision for uncertain tax positions through the statement of profit or loss. As the case is not virtually certain, will disclose this matter as a contingent liability until the issue has been resolved in full.

12.3 Deferred income tax assets and liabilities

Changes in deferred tax asset and liabilities

$ millions	2015	2014
At 1 January	**(293.3)**	(308.1)
Profit from continuing operations	71.0	46.5
Loss from discontinued operations	-	(29.3)
Effect of movement in exchange rates	4.1	(23.8)
Assets reclassified as held for demerger	-	21.4
At 31 December	**(218.2)**	(293.3)

Recognized deferred tax assets and liabilities

	Assets		Liabilities		Net	
$ millions	2015	2014	2015	2014	2015	2014
Intangible assets	-	-	(51.3)	(50.5)	(51.3)	(50.5)
Propert, plant and equipment	-	-	(138.5)	(215.8)	(138.5)	(215.8)
Inventory	-	-	(4.1)	-	(4.1)	-
Investments in Partnership	-	-	(73.0)	(58.8)	(73.0)	(58.8)
Provisions	-	-	-	-	-	-
Trade and other receivables	0.6	0.7	-	(9.4)	0.6	(8.7)
Loans and borrowings	15.2	14.8	(5.3)	-	9.9	14.8
Trade and other payables	-	-	(0.2)	(8.9)	(0.2)	(8.9)
Provisions	-	-	(9.2)	-	(9.2)	-
Operating losses caryforward	47.6	34.6	-	-	47.6	34.6
Total	**63.4**	**50.1**	**(281.6)**	(343.4)	**(218.2)**	(293.3)
Netting of fiscal positions	(56.9)	-	56.9	-	-	-
Amounts recognized in the balance sheet	**6.5**	50.1	**(224.7)**	(343.4)	**(218.2)**	(293.3)

Deferred tax liabilities recognized in relation to property, plant and equipment will be realized over the depreciation period of the related asset. The amount of USD 35.3 million relates to the fiscal recognition of start-up cost at IFCo. Carry-forward losses recognized in the balance sheet are expected to be realized in 2016-2019. The US operating loss carry forwards not recognized in the financial statements will begin to expire in 2033 if not utilized.

The deferred tax liability 'investment in partnership' relates to OCI Partners. This partnership is a Delaware limited partnership and is a non-taxable entity. Each partner of the partnership is required to take into account its share of items of income, gain, loss and deduction of the partnership in computing its federal income tax liability.

The deferred tax assets of Natgasoline and IFCo have been fully provided for, which has been effectuated by deduction of a valuation allowance on the deferred tax assets of these companies.

The carry forward losses excluding valuation allowances amount to USD 72.7 million in total. The valuation allowance on temporary differences (intangible assets) amounts to USD 35.3 million.

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13. Inventories

$ millions	2015	2014
Finished goods	53.8	91.0
Raw materials and consumables	20.0	19.4
Spare parts, fuels and others	66.8	68.1
Total	**140.6**	**178.5**

During 2015, the total write-downs amount to USD 11.0 million (2014: USD 1.5 million) which related for USD 9.6 million to spare parts, fuels and other and for USD 1.4 million to finished goods. During 2015 there were no reversals of write downs (2014: nil). No significant amount of inventory has been written down to net realizable value. Inventory amounting to USD 52.0 million (2014: USD 89.9 million) has been pledged as security for external loans, consisting of USD 46.0 million to OCI Nitrogen B.V. (2014: USD 83.8 million) and USD 6.0 million to OCI Partners (2014: USD 6.1 million). Reference is made to note 18.

14. Cash and cash equivalents

$ millions	2015	2014
Cash on hand	0.2	2.5
Bank balances	646.6	413.4
Restricted funds	146.2	427.7
Restricted cash	3.4	3.0
Total	**796.4**	**846.6**

Bank balances

Part of the bank balances are being held in order to settle the constructive obligation towards the Tahya Misr Fund, reference is made to note 20.

Restricted funds

In May 2013, IFCo issued "Series 2013" bonds pursuant to a Bond Financing Agreement with the Iowa Finance Authority to finance the construction of its plant. A portion of the cash proceeds from the bonds were invested under an investment agreement with Natixis Funding Corporation and Bayern LB New York, and are restricted due to the requisition procedures in the agreement. As of 31 December 2015 and 2014, the invested amounts that are included as restricted funds had a carrying amount of USD 64.9 million and USD 371.2 million, respectively.

In addition, IFCo entered into a Collateral Agency and Account Agreement, dated as of 1 May 2013, with UMB Bank, N.A., which establishes certain accounts to be held by UMB Bank, N.A. for the deposit of funds related to the Series 2013 bonds. Amounts of USD 80.3 million and USD 39.0 million as of 31 December 2015 and 2014, respectively, were held as restricted funds for bond service requirements in accordance with the Bond Financing Agreement and the Collateral Agency and Account Agreement. The first installment of the bonds is due on 1 June 2016.

The remaining restricted funds of USD 1.0 million as of 31 December 2015 are held for debt service requirements related to IFCo's new USD 59.7 million credit agreement entered into May 2015. The remaining restricted funds as of 31 December 2014 are letter of credits USD 16.5 million and letters of guarantees USD 1.0 million.

Restricted cash

Restricted amounts are held as collateral against letters of credit and letters of guarantees issued.

15. Equity attributable to owners of the Company

The movements in the number of shares can be summarized as follows:

	2015	2014
Number of shares at 1 January	205,911,570	204,840,744
Number of issued shares in restructuring	-	1,070,826
Number of issued shares	4,202,284	-
On issue at 31 December - fully paid	**210,113,854**	**205,911,570**
At 31 December (in millions of USD)	**4,704.9**	**273.3**

Movements in equity attributable to owners of the Company in 2015:

- On 8 January 2015, 4,202,284 new shares were issued for a total amount of USD 167.8 million (excluding related transaction cost of USD 6.7 million).
- On 11 August 2015, after conversion of reserves into capital, the issued capital of OCI N.V. increased with an amount of USD 4,426.9 million (EUR 3,992.2 million) by means of an increase of the nominal value of each ordinary share from EUR 1.0 to EUR 20.0.
- In order to facilitate the demerger of the Engineering & Construction business, OCI N.V. converted USD 1,400.0 million of reserves into capital, representing the fair value of the shares of OCL. The capital increase of USD 1,400.0 million was distributed as a capital in kind reduction to OCI N.V.'s shareholders on 7 March 2015.
- As part of the demerger transaction of the Engineering & Construction business, OCI N.V. exchanged treasury shares with Orascom Construction Ltd. shares on a 2:1 basis. This resulted in a decrease of the amount of treasury shares held for USD 5.5 million and an increase in other investments for an amount of USD 3.7 million. Reference is made to note 16.
- An amount of USD 78.3 million represents the non-controlling interest derecognized as a result of the demerger of the Engineering & Construction business.
- On 17 April 2015, OCI Partners received a capital contribution of USD 60.0 million in cash from OCI N.V.'s subsidiary OCIP Holding LLC to partially fund capital expenditures and other costs and expenses incurred in connection with the debottlenecking project, and in exchange OCI Partners issued 3,502,218 common units to OCIP Holding. Non-controlling interest attributable to these additional partnership common units was USD 10.8 million. A corresponding amount has been deducted from 'Equity attributable to owners of the company'.
- Under the terms of the demerger, OCI N.V.'s shareholders received one Orascom Construction Ltd. share for every two OCI N.V. shares owned. As a result of these developments, all outstanding options and matching rights held by awardees related to OCI N.V. shares have been replaced with new options and matching rights related to both OCI N.V. and Orascom Construction Ltd. shares. The new options and matching rights are cash settled (were equity settled). Due to this modification of the share-based compensation plans from equity settled to cash settled the other reserves decreased for a total amount of USD 23.7 million.
- OCI Partners paid a distribution in amount of USD 13.0 million to the non-controlling unit holders. OCIP Holding LLC received a distribution in amount of USD 50.2 million, which was eliminated in the consolidation as OCI owns 80% of the shares of OCIP Holding LLC.
- An amount of USD 1.8 million related to share-based compensation and increase the other reserves.

Movements in equity attributable to owners of the Company in 2014:

- In March 2014, 1,070,826 shares in OCI S.A.E. were swapped for ordinary shares. This transaction resulted to an increase of share premium by approximately USD 5.8 million.
- On 10 November 2014, OCI Partners received a capital contribution of USD 60.0 million in cash from OCIP Holding LLC to provide a portion of the estimated remaining funding required to complete the debottlenecking project, and in exchange OCI Partners issued 2,995,372 common units to OCIP Holding LLC. Non-controlling interest attributable to these additional partnership common units was USD 12.5 million.
- A corresponding amount has been deducted from 'Equity attributable to owners of the company'.
- An amount of USD 11.9 million related to share-based compensation expenses.
- An amount of USD 57.1 million, dividends to non-controlling unit holders, related to:
  - Egyptian Basic Industries Corporation distributed an amount of USD 17.0 million to the non-controlling unit holders.
  - OCI Partners distributed an amount of USD 30.9 million to the non-controlling unit holders.
  - The discontinued and other operations distributed an amount of USD 9.2 million to the non-controlling unit holders.

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16. Reserves

$ millions	Hedge reserve	Available-for-sale	Currency translation	Other reserve	Convertible note[1]	Treasury shares	Employees stock option	Total
At 1 January 2014	**(6.7)**	**(1.9)**	**(208.0)**	**224.7**	**31.4**	**(16.9)**	**87.0**	**109.6**
Changes in cash flow hedge reserve	(6.1)	-	-	-	-	-	-	(6.1)
Currency translation differences	-	-	94.2	-	-	-	-	94.2
Available-for-sale financial assets	-	(1.2)	-	-	-	-	-	(1.2)
Other comprehensive income	**(6.1)**	**(1.2)**	**94.2**	**-**	**-**	**-**	**-**	**86.9**
Treasury shares acquired	-	-	-	-	-	(62.1)	-	(62.1)
Share-based payment transactions	-	-	-	-	-	-	11.9	11.9
Treasury shares sold	-	-	-	-	-	50.2	-	50.2
At 31 December 2014	**(12.8)**	**(3.1)**	**(113.8)**	**224.7**	**31.4**	**(28.8)**	**98.9**	**196.5**
Realization due to demerger	12.8	-	108.8	-	-	-	-	121.6
Currency translation differences	-	-	(83.1)	-	-	-	-	(83.1)
Available-for-sale financial assets	-	0.3	-	-	-	-	-	0.3
Other comprehensive income	**12.8**	**0.3**	**25.7**	**-**	**-**	**-**	**-**	**38.8**
Exchange of treasury shares	-	-	-	-	-	5.5	-	5.5
Treasury shares acquired	-	-	-	-	-	(19.5)	-	(19.5)
Treasury shares sold	-	-	-	-	-	3.5	-	3.5
Reclassification to retained earnings	-	11.2	-	(224.7)	-	-	(98.9)	(312.4)
At 31 December 2015	**-**	**8.4**	**(88.1)**	**-**	**31.4**	**(39.3)**	**-**	**(87.6)**

[1] Relates to equity component convertible Euro-notes, net of taxes (note 18).

OCI N.V. is a company incorporated under Dutch law. In accordance with the Dutch Civil Code, legal reserves have to be established in certain circumstances. The hedging reserve, the available-for-sale reserve, the currency translation reserve and other legal reserves are legal reserves that limit distributions to shareholders to the extent that these reserves individually have a credit balance. 'Other reserves' include amongst other the reserve for non-distributed income of minority share holdings.

Treasury shares

During the financial year ended 31 December 2015 the company sold 116,625 of its own shares and acquired 549.000 shares.

	2015	2014
Number of shares	1,189,949	757,574
Cost of acquiring the shares (In millions of USD)	**39.3**	**28.8**
Average cost per share (USD)	33.03	38.07

17. Non-controlling interest

2015 $ millions	OCI Partners LP	Egyptian Basic Industries Corporation	Sorfert Algeria Spa	Other	Total
Non-controlling interest percentage	20.12%	40.00%	49.01%	-	-
Non-current assets	136.0	163.8	659.6	34.4	993.8
Current assets	11.6	20.8	127.9	9.2	169.5
Non-current liabilities	(85.0)	(20.5)	(411.9)	(1.2)	(518.6)
Current liabilities	(14.9)	(44.2)	(95.9)	(0.2)	(155.2)
Net assets	**47.7**	**119.9**	**279.7**	**42.2**	**489.5**
Revenues	60.1	4.8	188.3	0.1	253.3
Profit	10.5	29.0	97.9	-	137.4
Other comprehensive income	-	-	13.7	-	13.7
Total comprehensive income	**10.5**	**29.0**	**111.6**	**-**	**151.1**
Dividend cash flows	**(13.0)**	**-**	**-**	**-**	**(13.0)**

2014 $ millions	OCI Partners LP	Egyptian Basic Industries Corporation	Sorfert Algeria Spa	Discontinued and other	Total
Non-controlling interest percentage	20.96%	40.00%	49.01%	-	-
Non-current assets	114.6	176.5	863.8	74.8	1,229.7
Current assets	24.6	30.2	49.7	142.2	246.7
Non-current liabilities	(79.4)	(59.6)	(557.9)	(32.0)	(728.9)
Current liabilities	(20.4)	(57.5)	(143.8)	(106.9)	(328.6)
Net assets	**39.4**	**89.6**	**211.8**	**78.1**	**418.9**
Revenues	84.4	33.6	268.2	170.1	556.3
Profit	25.0	(1.0)	80.0	17.2	121.2
Other comprehensive income	-	(0.8)	(22.3)	(0.9)	(24.0)
Total comprehensive income	**25.0**	**(1.8)**	**57.7**	**16.3**	**97.2**
Dividend cash flows	**(30.9)**	**(17.0)**	**-**	**(9.2)**	**(57.1)**

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18. Loans and borrowings

Information about the Group's exposure to interest rate, foreign currency and liquidity risk is disclosed in the financial risk and capital management paragraph in note 6.

Borrowing Company	Type of loan	Principal amount	Interest rate	Date of maturity	Carrying amount[1]	Long term portion	Short term portion	Fair value	Collateral / Guarantee given (if applicable)
Sorfert Algeria SPA	Secured	USD 1,064.3 (DZD 114,440.0)	Algerian bank interest rate plus rate of 1.95% per annum	June 2026	929.1	840.4	88.7	929.1	Debt service reserve account, ban for any disposal or decrease of the company share and assets.
Iowa Fertilizer Company (IFCo)	Secured	USD 390.0 USD 365.7 USD 429.0	Fixed: 5.00% Fixed: 5.50% Fixed: 5.25%	December 2019 December 2022 December 2025	1,174.0	1,097.2	76.8	1,253.2	Certain bank accounts, personal property of IFCo, all funds, including equity contributions of USD 762.0 million by OCI N.V
Iowa Fertilizer Company (IFCo)	Secured	USD 59.7	2019: USD LIBOR + 3.0%	December 2019	58.4	45.1	13.3	58.4	Certain bank accounts, personal property of IFCo and all funds.
EFC	Secured	USD 930.0 USD 129.4 (EGP 1,015.0)	LIBOR + 5.00% margin CBE Mid Corridor + 2.90% margin for EGP denominated borrowings	October 2019	596.5	537.4	59.1	596.5	Pledge EFC shares 99.9% owned by 'Orascom Fertilizer plant maintenance'. Power of Attorney for perfection of commercial and real estate mortgages. OCI N.V. will pay for shortfalls.
OCI Nitrogen B.V.	Secured	USD 569.4 (EUR 525.0)	LIBOR /EURIBOR + a variable margin based on leverage ratio ranging 2.00%-3.25%	October 2016	350.2	-	350.2	350.2	Pledge of OCI Fertilizer International shares in OCI Nitrogen, Pledge of moveable assets, trade receivables and company accounts, property mortgage.
OCI N.V.	Unsecured	USD 367.6 (EUR 339.0)	Fixed at 3.875%	September 2018	346.6	346.6	-	416.5	
OCI N.V.	Secured	USD 550.0	EURIBOR + 2.75%	July 2017	528.6	-	528.6	528.6	OCI Fertilizers B.V.
OCI N.V.	Secured	USD 200.0	LIBOR + 2.25%	September 2016	198.8	-	198.8	198.8	
OCI N.V.	Secured	USD 200.0	LIBOR + 2.50%	September 2016	199.4	-	199.4	199.4	
OCI Fertilizer Trading Ltd. and OFTS	Secured		LIBOR + 2.50%	Renewed annually	1.3	-	1.3	1.3	OCI Fertilizers B.V. as guarantor and pledge over commodities and bank accounts.
OCI Fertilizer Trading Ltd. and OFTS	Secured		LIBOR + 1.50%	Renewed annually	8.1	-	8.1	8.1	OCI N.V. as guarantor and pledge over commodities and bank accounts.
OCI Partners LP	Secured	USD 450.0	USD LIBOR + 5.50% margin, with USD LIBOR Floor of 1%	August 2019	425.3	420.8	4.5	425.3	Secured by liens on OCI Partners LP's assets as well as assets of future consolidated entities
OCI Partners LP	Secured	USD 40.0	USD LIBOR + 2.75%	March 2016	24.9	-	24.9	24.9	Secured by liens on OCI Partners LP's assets as well as assets of future consolidated entities
Egypt Basic Industries Corporation (EBIC)	Unsecured	USD 100.0	LIBOR + 3.25%	December 2017	61.6	49.2	12.4	61.6	
Total 31 December 2015					**4,902.8**	**3,336.7**	**1,566.1**	**5,051.9**	
Sorfert Algeria SPA	Secured	USD 1,304.6 (DZD 114,440.0)	Algerian bank interest rate plus rate of 1.95% per annum	June 2026	1,247.1	1,138.4	108.7	1,247.1	Debt service reserve account, ban for any disposal or decrease of the company share and assets.
Iowa Fertilizer Company (IFCo)	Secured	USD 390.0 USD 365.7 USD 429.0	Fixed: 5.00% Fixed: 5.50% Fixed: 5.25%	December 2019 December 2022 December 2025	1,171.0	1,171.0	-	1,229.0	Certain bank accounts, personal property of IFCo, all funds, including equity contributions of USD 612.0 million by OCI N.V.
EFC	Secured	USD 930.0 USD 141.9 (EGP 1,015.0)	LIBOR + 5.00% margin CBE Mid Corridor + 2.90% margin for EGP denominated borrowings	October 2019	663.9	607.1	56.8	663.9	Pledge EFC shares 99.9% owned by 'Orascom Fertilizer plant maintenance'. Power of Attorney for perfection of commercial and real estate mortgages. OCI N.V. will pay for shortfalls.
OCI Nitrogen B.V.	Secured	USD 638.1 (EUR 525.0)	LIBOR /EURIBOR + a variable margin based on leverage ratio ranging 2.00%-3.25%	October 2016	450.2	392.5	57.7	450.2	Pledge of OCI Fertilizer International shares in OCI Nitrogen, Pledge of moveable assets, trade receivables and company accounts, property mortgage.
OCI N.V.	Unsecured	USD 412.0 (EUR 339.0)	Fixed at 3.875%	September 2018	379.6	379.6	-	409.8	
OCI N.V.	Secured	USD 550.0	EURIBOR + 2.75%	July 2017	511.2	511.2	-	511.2	OCI Fertilizers B.V.
OCI N.V.	Unsecured		-	-	94.8	-	94.8	94.8	
OCI Fertilizer Trading Ltd	Secured		LIBOR + 2.50%	Renewed annually	5.5	-	5.5	5.5	OCI Fertilizers B.V. as guarantor and pledge over commodities and bank accounts.
OCI Partners LP	Secured	USD 400.0	USD LIBOR + 4.00% margin, with USD LIBOR Floor of 1%	August 2019	384.0	377.4	6.6	384.0	Secured by liens on OCI Partner LP's assets as well as assets of future consolidated entities
Egypt Basic Industries Corporation (EBIC)	Unsecured	USD 100.0	LIBOR + 3.25%	December 2017	73.8	61.3	12.5	73.8	
Total 31 December 2014					**4,981.1**	**4,638.5**	**342.6**	**5,069.3**	

[1] As at 31 December 2015 the carrying amount of loans and borrowings excluded interest of USD 45.2 million (2014: USD 75.4 million)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

18. Loans and borrowings continued

Covenants

Certain loan agreements include covenants. The covenant calculations are prepared based on the individual borrowing company's financial statements at each period of twelve months ending on the last day of the Company's financial quarter or half year.

The definitions for calculating the covenants can be summarized as follows:

- Debt Service Coverage Ratio: Income Available (revenue earned less operating expenses) to Debt Service (net finance charges including the capital element of finance leases) or gross profit less change in working capital to interest and principal payments.
- Debt to Equity Ratio: Gross Debt (current and long term debt obligations) to total Equity (the sole capital of the borrower).
- Cash Flow Coverage Ratio: the Excess Cash Flow available to pay current debt obligations (Debt Service). Excess Cash Flow is adjusted EBITDA further adjusted by net working capital as well as cash paid and received during the relevant period that has not already been taken into account in establishing adjusted EBITDA.
- Net Leverage Ratio: the Group's Net Debt (meaning the aggregate amount of all obligations of the Group, excluding intergroup loans and cash and cash equivalents, but including finance leases) to adjusted EBITDA.
- Interest Coverage Ratio: EBITDA, EBIT or Distribution Receipts (cash received by the borrower by way of dividends or repayments of loans) to Finance Charges (meaning finance payments in respect of borrowings including the interest element of finance leases).
- Maximum Capital Expenditure: the aggregate capital expenditure of the Group (any expenditure or obligation that creates a future benefit to the Group, excluding those related to business acquisitions and including the capital element of a finance lease) should not exceed the required threshold.
- Debt to Distributions Receipts: the Group's Net Debt to Distribution Receipts.
- Minimum Tangible Net Worth: the Group's Consolidated Equity minus the capitalized intangible assets and intercompany receivables of the Guarantor should exceed a required threshold.

In the event the Company would not comply with the covenant requirements, the loans would become immediately due. Below is a summary of compliance with the main covenants per borrowing company:

- OCI N.V. borrowings include compliance with the following financial ratios: Interest Coverage Ratio, Debt to Distributions Receipts and Net Leverage Ratio. As of 31 December 2015, the Net Leverage Ratio for each secured loan was in breach, therefore the balance outstanding as of 31 December 2015 was reclassified to current liabilities; however, a waiver amendment was obtained in March 2016.
- EFC borrowings include compliance with the following financial ratios: Cash Flow Coverage Ratio, Net Leverage Ratio and Capital expenditures should not exceed the budget. As of 31 December 2015, the Net Leverage Ratio was in breach; however, a waiver was obtained before year-end. In addition, the Cash Flow Coverage Ratio was amended due to foreseen covenant breaches in Q1 2016 and Q2 2016.
- EBIC borrowings include compliance with the following financial ratios: Net Leverage Ratio, Cash Flow Coverage Ratio and Minimum Tangible Net Worth. As of 31 December 2015, the Net Leverage Ratio and Cash Flow Coverage Ratio were in breach however, a waiver was obtained before year-end.
- OCI Nitrogen borrowings include compliance with the following financial ratios: Interest Coverage Ratio, Net Leverage Ratio, Cash Flow Coverage Ratio and Maximum Capital Expenditure. All original ratios were met as of 31 December 2015.
- OCI Partners borrowings include compliance with the following financial ratios: Interest Coverage Ratio and Net Leverage Ratio. As of 31 December 2015, the financial ratios were not in breach; however, a loan amendment was obtained resetting the ratios in Q4 2015, Q1 2016 and each fiscal quarter thereafter until Q1 2017.
- Sorfert borrowings include compliance with the following financial ratios: Debt Service Coverage Ratio and Debt to Equity Ratio. All original ratios were met as of 31 December 2015.
- IFCo and OCI Fertilizer Trading Ltd. borrowings do not have covenants that require compliance as of 31 December 2015. However, a technical breach is expected in Q4 2016 for IFCo due to historical construction delay. Management expects that breach will be waived. If a waiver is not obtained, the Company has the option to repay the USD 59.7 million loan.

Refer to note 6.2 for additional discussion of the Company's liquidity risk and to note 34 for details of additional waivers obtained. The aforementioned external borrowings include change in control clauses that enable the lenders to call the financing provided.

18. Loans and borrowings continued

New and amended financing arrangements in 2015

OCI Chemicals B.V.

In July 2015, OCI Chemicals B.V. entered into a bridge facility agreement for a total amount of USD 150.0 million. The maximum amount drawn was USD 145.0 million and was repaid in full including interest in September 2015. The facility carried interest of USD LIBOR plus a margin of 4.50% per annum.

IFCo

In May 2015, IFCo entered into a new credit agreement with several lenders for a total amount of USD 59.7 million. Net proceeds were USD 58.2 million after taking into account transaction costs in the amount of USD 1.5 million. The credit agreement bears interest of LIBOR plus a margin of 3.0%. The credit agreement matures in December 2019.

OCI Partners

In March 2015, OCI Partners borrowed USD 40.0 million under the Revolving Credit Facility agreement with several lenders. Net proceeds were USD 39.9 million after taking into account transaction costs in the amount of USD 0.1 million. The Revolving Credit Facility bears interest at OCI Partners' option at either LIBOR plus a margin of 2.75% or a base rate plus a margin of 1.75%. OCI Partners pays a commitment fee of 1.10% per annum on the unused portion of the Revolving Credit Facility. The facility has a one-year term that may be extended for an additional one year period subject to the consent of the lenders.

OCI Partners had term loans outstanding as of 31 December 2014 of USD 384.0 million. On 2 July 2015 OCI Partners entered into an incremental term loan commitment in the principal amount of USD 50.0 million with the same terms and provisions as the existing term loans. Net proceeds were USD 49.1 million after taking into account transaction costs in the amount of USD 0.9 million.

On 16 October 2015, OCI Partners amended the covenants and received a waiver from the lender for its outstanding term loans and revolving credit facility which have new carrying amounts of USD 425.3 million and USD 24.9 million, respectively, as of 31 December 2015.

OCI Fertilizer Trading and OCI Fertilizer Trade and Supply

On 26 July 2015, OCI Fertilizer Trading signed an uncommitted trade finance facility for USD 75.0 million. The facility carries an interest rate of LIBOR + 1.50% margin. As of 31 December 2015, the outstanding debt balance was USD 8.1 million.

OCI N.V.

In September 2015, OCI N.V. entered into a term facility agreement with a principal amount of USD 200.0 million. Net proceeds were USD 198.5 million after taking into account transaction cost in the amount of USD 1.5 million. The term facility agreement carries an interest rate of LIBOR + 2.25%.

In September 2015, OCI N.V. entered into another term facility agreement with a principal amount of USD 200.0 million. Net proceeds were USD 199.0 million after taking into account transaction cost in the amount of USD 1.0 million. The term facility agreement carries an interest rate of LIBOR + 2.50%.

Proceeds from borrowings

Proceeds from borrowings in 2015 totalled an amount of USD 760.7 million, which consisted of the net proceeds of the new and amended financing arrangements mentioned above, except for the trade finance facility entered into by OCI Fertilizer Trading which is presented under bank overdraft and an increase of USD 71.0 million in the USD 550.0 million credit facility agreement entered into by OCI N.V., which is currently fully drawn in euro's.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

18. Loans and borrowings continued

New and amended financing arrangements in 2014

OCI Fertilizer Trading and OCI Fertilizer Trade and Supply

On 15 January 2014, OCI Fertilizer Trading signed an uncommitted trade finance facility for USD 75.0 million. The facility carries an interest rate of LIBOR + 2.50% margin. As of 31 December 2015, the outstanding debt balance was USD 1.3 million.

EFC

In March, 2014 EFC entered into a restructuring of its loan agreements. For the USD denominated loans the margin was increased from 3.5% to 5.0% per annum, whereas for the EGP denominated loans the margin was increased from 2.25% to 2.9% per annum. The maturity date for both the USD and EGP denominated loans was extended from October 2016 to October 2019.

OCI N.V.

In July 2014, OCI NV entered into a revolving credit facility agreement with several lenders for a total amount of USD 550.0 million. The amount drawn per 31 December 2014 was USD 520.1 million. Transaction costs were incurred at inception in the amount of USD 10.3 million. The credit agreement bears interest of EURIBOR plus a margin of 2.75%. The credit agreement matures in July 2017.

In December 2014, the agreement was amended and restated due to the demerger of the Construction business.

Undrawn bank and intercompany facilities

As of 31 December 2015, the Group had not drawn external bank facilities in the amount of USD 199.3 million. This relates to external bank facilities of OFT and OCI Fertilizer Trade & Supply B.V. of USD 140.6 million, OCI Nitrogen of USD 27.1 million, OCI Partners of USD 15.0 million, and OCI N.V. of USD 16.6 million.

Convertible note terms

In September, 2013, OCI N.V. issued convertible Euro notes with proceeds of USD 466.5 million. The notes have a 5 year maturity date and a coupon rate of 3.875 percent per annum, payable semi-annually in arrears. The issued convertible notes qualify as compound financial instruments, since each note contains both an equity and liability component. These notes contain an equity component which entitles the holder to convert into shares at a conversion fixed price of EUR 34.45 per share and so contain a liability component for the issuer's obligation to pay interest and potentially, to redeem the note in cash. In March 2015, post the Demerger of the Engineering & Construction business, the conversion price was adjusted to EUR 28.4690. The conversion price was calculated based on the 5-day weighted average price (WAP) of OCI N.V. prior to the Demerger and the 5-day WAP of Orascom Limited post the Demerger.

Transaction costs that are directly attributable for the issuance of the shares and convertible notes totalled USD 11.7 million. This includes fees and commissions paid to advisers, brokers, dealers and lawyers. These costs are allocated to the liability and equity component on a pro rate basis. The transaction costs related to the liability component will be recognized in accordance with the effective interest rate method over the term of the convertible bond and will be recognized under finance expenses in the statement of profit or loss.

Management has measured the liability component by establishing the fair value of a similar note, with similar terms, credit status and containing similar non-equity derivative features, yet without the conversion option. This results in a fair value of the liability component of EUR 308.2 million (USD equivalent 420.2 million). The group did not recognize separately an embedded derivative as it is closely related to the host contract and therefore it is included as part of the liability component. Transaction costs allocated to the liability component represent 90 percent of the total transaction cost, totalling USD 10.5 million.

The equity component is calculated by deducting the fair value attributable to the bonds (USD 466.5 million) from the liability component (USD 424.1 million). The amount recognized, net of taxes, for the equity component is USD 31.4 million. Transaction costs allocated to the equity component represent 10 percent of the total transaction cost, totalling USD 1.2 million. As per 31 December 2015, the carrying amount of the debt element is USD 346.6 million (31 December 2014: 379.6 million).

19. Trade and other payables

$ millions	2015	2014
Trade payables	138.6	215.7
Trade payable due to related party (note 32)	192.3	31.1
Other payables	56.3	77.4
Share-based payment liabilities	11.8	-
Accrued expenses	97.5	88.0
Accrued interest	45.2	75.4
Deferred income	12.4	-
Other tax payable	12.6	15.9
Derivative financial instruments	26.5	19.7
Total	**593.2**	**523.2**
Non-current	24.9	30.9
Current	568.3	492.3
Total	**593.2**	**523.2**

Information about the Group's exposure to currency and liquidity risk is included in note 6. The carrying amount of 'Trade and other payables' approximated the fair value. Reference is made to note 22 in regards to deferred income.

Derivative financial instruments include the following:

$ millions	2015	2014
Gas price derivatives at fair value	(0.3)	(4.8)
Discounted value of outstanding instalments on gas price derivative	26.8	24.5
Total	**26.5**	**19.7**

All derivatives included in trade and other payables are classified in the fair value hierarchy level 2.

Gas price derivative

Although the IFCo plant is still under construction, IFCo has entered into a swaption (option to swap) to mitigate the potential impact of the increase in natural gas prices for a portion of the expected usage. The Group does not apply hedge accounting, therefore all fair value changes related to this financial instrument are recognized in profit or loss. The derivative entitles IFCo to an option to buy a quantity of 95,887,500 MMBtu representing 50% of expected consumption against a strike price of USD 6.0/MMBtu for years 2015-2018 and USD 6.5/MMBtu for years 2019-2022. As of 31 December 2015 and 2014, the fair value of the derivative amounted to USD 0.3 million and USD 4.8 million, respectively. The discounted value of the outstanding installments related to the gas price derivative amounting to USD 26.8 million and USD 24.5 million, respectively, have been netted with the fair value of the derivative. The discount rate used was 9.2% for both 2015 and 2014.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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20. Provisions

$ millions	Asset retirement obligation	Claims and other contingencies	Donation provision	Total
At 1 January 2015	**10.0**	**44.3**	**266.2**	**320.5**
Provision made during the year	-	3.2	-	3.2
Provision used during the year	-	(1.8)	-	(1.8)
Provision reversed during the year	(9.4)	(34.4)	-	(43.8)
Acquisition of subsidiary	0.2	1.1	-	1.3
Effect of movement in exchange rates	(0.6)	(0.4)	(23.0)	(24.0)
At 31 December 2015	**0.2**	**12.0**	**243.2**	**255.4**
Non-current	0.2	11.8	-	12.0
Current	-	0.2	243.2	243.4
Total	**0.2**	**12.0**	**243.2**	**255.4**

Asset retirement obligation

The asset retirement obligation of USD 10.0 million as at 1 January 2015 relating to the Group's Algerian plant (Sorfert), has been reversed in full as a result of changes in estimates. The acquisition of subsidiary relates to asset retirement obligation of BioMCN, reference is made to note 31.

Claims and other contingencies

The Group is involved in various litigations and arbitrations. In cases where it is probable that the outcome of the proceedings will be unfavorable, and the financial outcome can be measured reliably, a provision has been recognized. Reference is made to note 28 for detailed information with respect to major ongoing litigations and claims for which no provision has been recognized.

Donation provision

On 13 November 2014, the Company announced that it had decided to transfer the rights to the amounts receivable from the first instalment already paid to the tax authorities in 2013 (USD 360.0 million) to the Tahya Misr ("Long Live Egypt") social fund (see note 12.2.) No formal agreement has been drafted with the Tahya Misr social fund yet and no payments have been made to the fund. The transfer of rights has been approved by OCI N.V.'s Board of Directors on 12 November 2014.

Following the guidance under IAS 37 (constructive obligations) the Company has presented the transfer of rights to the Tahya Misr Fund as a donation provision of USD 243.2 million (2014: USD 266.2 million) under provisions.

21. Development of cost of sales and selling, general and administrative expenses

a. Expenses by nature

$ millions	2015	2014
Raw materials and consumables and finished goods	1,162.9	1,456.7
Employee benefit expenses (b)	226.3	232.2
Depreciation, amortization	301.6	369.2
Provisions	3.2	2.7
Consultancy expenses	20.6	16.6
Other	209.8	137.1
Total	**1,924.4**	**2,214.5**
Cost of sales	1,654.1	1,949.4
Selling, general and administrative expenses	270.3	265.1
Total	**1,924.4**	**2,214.5**

21. Development of cost of sales and selling, general and administrative expenses continued

b. Employee benefit expenses

$ millions	2015	2014
Wages and salaries	163.6	165.2
Social securities	6.3	5.7
Employee profit sharing	36.1	30.1
Pension cost	9.3	9.0
Total SBP expense (c)	1.8	11.9
Release remeasurement employee liability share-based payments	(2.7)	-
Other employee expenses	11.9	10.3
Total	**226.3**	**232.2**

During the financial year ended 31 December 2015, the number of key executives was 2 (2014: 2 key executives), which represents the Executive Board members; Nassef Sawiris (CEO), and Salman Butt (CFO). During the financial year ended 31 December 2015, the average number of staff employed in the Group converted into full-time equivalents amounted to 2,972 employees (2014: 2,891 employees).

c. Share-based compensation arrangements

OCI N.V. currently has four share-based compensation plans which are intended to (i) attract and retain the best available personnel for positions of substantial responsibility, (ii) provide additional incentive to management and employees, (iii) promote the success of the Company's business, and (iv) align the economic interests of key personnel directly with those of shareholders. Under the first two plans, stock options have been granted to management and employees. The other plans comprise of share incentive plans.

Share option plans

As a result of the reverse takeover and group restructuring that took place during 2013, OCI N.V. acquired the assets and liabilities of the OCI S.A.E. Stock Incentive Plan (the first plan). Under the terms of the OCI S.A.E. incentive plan, in the event of a change of control of OCI S.A.E., each outstanding option or right shall be assumed or an equivalent option, or right substituted by the successor company or a subsidiary of the successor company. In the event that the successor company refuses to assume or substitute for the option or right, all outstanding options or rights shall fully vest and become immediately exercisable. OCI N.V. elected that holders of options or rights under the OCI S.A.E. incentive plan exchange each of their existing options or rights for an option or right in respect of shares of OCI N.V. on the same terms and conditions as the existing options or rights. The options under the OCI S.A.E. plan were generally granted at the fair market value on the date of grant, vested after four years (cliff vesting) and expired after five years. On 28 August 2013, following the commencement of OCI N.V. 's share trading in Euros, the options under the OCI S.A.E. plan were replaced by the Company's options and accounted for as a modification of the original grant of options. Furthermore, under existing authority, 1,529,598 shares were repurchased from employees to facilitate the administration of the OCI S.A.E. plan during the year.

Under the terms of the OCI S.A.E. plan, certain employees were allowed to vest their options immediately and purchase the respective shares with a promissory note (as a payment method in order to be able to finance the exercise price) bearing interest at the "applicable federal rate prescribed under the United States Internal Revenue Code" at the time of purchase, secured by a pledge of the shares purchased by the note pursuant to a security agreement. The notes generally have a term of nine years, and may not be prepaid until four years after issuance which necessitates that the employee remain a shareholder for at least four years. As of 31 December 2014, 500,000 shares were pledged by employees as security against their notes valued at USD 19,383,350.14. As at 31 December 2015, no shares were pledged by employees as security against their notes. Employees held 1,135,400 vested options which were exercisable as at 31 December 2015 for which payment of the purchase price could be made with a promissory note.

On 20 December 2013, the non-executive board members of OCI N.V. adopted an additional Employees Incentive Plan (the second plan). The second plan authorized the issuance of up to 1 million shares to employees and excludes the executive directors. The exercise price of the options granted to employees is equal to the fair market value of the shares on the date of grant. The options granted under this plan generally vest after three years (cliff vesting) and expire after seven years.

The company modified the plans as at 7 March 2015 due to the demerger of the Construction business. Under the terms of the demerger, OCI N.V. shareholders received one Orascom Construction share for every two OCI N.V. shares owned. As a result of these developments, all outstanding options and matching rights held by awardees related to OCI N.V. shares have been replaced with new options and matching rights. The new option right will give the awardee a right to a cash payment equal to the increase in value of one OCI NV share plus ½ Orascom Construction share less the original exercise price. The new options and matching rights are cash-settled plans. The exercise price of the options and all other terms and conditions remained the same. Of the 3,488,075 option rights outstanding as at 31 December 2015 1,754,375 are option rights are held by former employees which are now employed by Orascom Construction after the demerger. The vesting date of these rights did not change but since OCI N.V. no longer receives services for these option rights the expenses of USD 1.1 million have been recognized as at 31 December 2015 instead of recognition over the remaining vesting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

21. Development of cost of sales and selling, general and administrative expenses continued

The following table summarizes information about the stock options outstanding at 31 December 2015:

Grant date [1]	Number of options outstanding at 31 December 2015 Fertilizer	Number of options outstanding at 31 December 2015 Construction	Number of options outstanding at 31 December 2015 Total	Exercise price per share (EUR)	Remaining life as at 31 December 2015 (in years)	Number of options exercisable at 31 December 2015
1 June 2010	105,000	-	105,000	29.99	-	105,000
31 March 2011	320,000	-	320,000	26.43	0.25	320,000
31 March 2011	202,400	-	202,400	31.48	0.25	202,400
28 November 2012	618,800	825,700	1,444,500	25.45	1.00	-
28 November 2012	120,000	388,000	508,000	26.46	1.00	508,000
31 December 2013	367,500	540,675	908,175	32.74	5.00	-
Total	**1,733,700**	**1,754,375**	**3,488,075**	**-**	**-**	**1,135,400**

[1] In the table above, options granted between 2010 and 2012 are a part of the first plan described above replaced in August 2013. Options granted in December 2013 are a part of the second plan described above.

Measurement of fair values

As a consequence of the demerger of construction on 6 March 2015 the option plans were modified from equity-settled plans into cash-settled plans and as a consequence fair values was remeasured as at 31 December 2015 to determine the liability out of share option plans as at 31 December 2015. The inputs used in the measurement of the fair values at remeasurement date were as follows:

Options granted in:	2013	2012	2011	2011
Fair value at 31 December 2015 (remeasurement date)	EUR 5.85	EUR 3.49	EUR 0.14	EUR 1.23
Share price at grant date	EUR 32.74	EUR 25.45	EUR 31.48	EUR 26.43
Share price at remeasurement date	EUR 26.02	EUR 26.02	EUR 26.02	EUR 26.02
Exercise price	EUR 32.74	EUR 25.45	EUR 31.48	EUR 26.43
Expected volatility (weighted average)	44.3%	43.7%	39.3%	39.3%
Expected life (weighted average in years)	3.00	0.51	0.12	0.12
Expected dividends	none	none	none	none
Risk-free interest rate (based on government bonds)	0.23%	-0.13%	-0.28%	-0.28%
Performance conditions	No	No	No	Yes

Expected volatility has been based on the developments of the share price over the option's expected life taking into account the remaining contractual life and the effects of expected early exercise. The fair value on remeasurement date were calculated using the Black-Scholes option model.

21. Development of cost of sales and selling, general and administrative expenses continued

Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option plans and replacement awards were as follows:

Options	Number of options 2015	Weighted-average exercise price 2015 (EUR)	Number of options 2014	Weighted-average exercise price 2014 (EUR)
Outstanding at 1 January	4,547,689	27.75	5,805,440	27.52
Forfeited during the year	(81,914)	27.36	(209,251)	26.53
Granted during the year	-	-	-	-
Exercised during the year	(977,700)	26.61	(1,048,500)	26.71
Expired during the year	-	-	-	-
Outstanding at 31 December	**3,488,075**	**28.07**	**4,547,689**	**27.75**
Exercisable at 31 December	**1,135,400**	**27.67**	**687,000**	**27.25**

The options outstanding at 31 December 2015 had an exercise price in the range of EUR 25.45 to EUR 32.74 (2014: EUR 25.45 to EUR 32.74) and a weighted-average contractual life of 1.90 years (2014: 2.54 years).

Performance share plans

In 2014 a new performance share plan was introduced for the Executive Board. The share plan comprises the conditional granting of shares in OCI N.V. Each year a plan with a 3-year vesting period starts in which the company's performance is measured on total shareholder return (TSR) against a peer group of companies. The fair value of these awards have been calculated using Monte-Carlo simulations. The number of conditional shares corresponds to a percentage (at most 150%) of the fixed reference salary divided by the price of the share on the stock market on the first day of the vesting period. The relative ranking that OCI achieves in the peer group determines the definitive number of shares that are granted at the end of the vesting period. The remaining shares vested must be retained by the members of the Executive Board for a period of 2 years. In 2014, in total 127,652 conditional shares have been granted with a fair value of EUR 1.0 million (fair value at grant date EUR 7.90 per share, using a volatility of 49%, a risk-free rate of 0,10 percent). At 6 March 2015, 3,421 conditional shares are settled in cash and 11,975 conditional shares are forfeited, given a remaining total as at 6 March 2016 of 112,256 conditional shares. In 2015, the remaining conditional shares increased with 22% as an effect of the demerger from 112,256 to 136,953 with a fair value of EUR 886,826 (fair value at grant date EUR 6.4754 per share, using a volatility of 49.0%, a risk free rate of 0.10%).

Bonus matching plan

In 2014 a new bonus matching plan was introduced for the members of the Executive Board and Senior Management. In this plan members of the Executive Board and Senior Management are entitled to buy shares from their annual bonus. The shares will be withheld for a period of three years. After the 3-year period, the participants will receive a bonus share for each share of the plan. For the members of the Executive Board, the shares vested must be retained for a period of 2 years. In 2014 63,064 shares were granted in the bonus matching plan with a fair value of EUR 1.6 million (with a fair value of EUR 26.03 at 31 December 2015). As mentioned on page 118 as a consequence of the demerger of the construction business the matching right plans of 2014 were modified into cash-settled plans. For each matching right the awardee will be entitled to a cash payment equal to the value of one OCI N.V. share plus ½ Orascom Construction share. Of the 63,064 matching rights outstanding as at 31 December 2015 18,175 are matching rights held by former employees which are now employed by Orascom Construction after the demerger. The vesting date of these rights did not change but since OCI N.V. no longer receive services for these matching rights the expenses of USD 0.3 million have been recognized as at 31 December 2015 and are no longer recognized over the remaining vesting period.

In 2015 a new bonus matching plan was introduced for the members of the Executive Board and Senior Management. In this plan members of the Executive Board and Senior Management are entitled to buy shares from their annual bonus. The shares will be withheld for a period of three years. After the 3-year period, the participants will receive a bonus share for each share of the plan. For the members of the Executive Board, the shares vested must be retained for a period of 2 years. In 2015 65,007 shares were granted in the bonus matching plan with a fair value of EUR 1.6 million (with a fair value of EUR 24.125 at grant date equal to the share price at grant date).

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22. Other income

$ millions	2015	2014
Insurance claims	56.4	0.6
Result on sale of non-controlling interest (Gavilon)	10.1	9.0
Reversal of provisions and accrued expenses	46.3	-
Other	4.1	5.6
Total	**116.9**	**15.2**

Other income

During the year ended 31 December 2015, the Group received USD 68.8 million in provisional insurance proceeds related to three fire incidents at the site of OCI Nitrogen B.V.. The incidents caused damages to property, plant and equipment and resulted in business interruptions. The majority of the damaged assets were fully depreciated, so the impact based on book values was minimal. OCI Nitrogen B.V. stopped production for an extended period of time resulting in lost revenue. As such, the Group recognized USD 56.4 million of insurance proceeds during the year ended 31 December 2015 for the portion of the total proceeds received that were earned for the year ended 31 December 2015. The remaining proceeds received of USD 12.4 million are recognized as deferred income as of 31 December 2015, and are expected to be recognized as Other Income as compensation for lost margin in early 2016. The deferred income is classified under Trade and other payables in the accompanying statement of financial position as of 31 December 2015.

The USD 10.1 million of 'Result on sale of non-controlling interest' in 2015 (2014: USD 9.0 million) relates to the partial release of the escrow account created during the sales transaction of Gavilon in 2013. During 2015 USD 5.1 million was received and in the beginning of January 2016 another USD 5.0 million was collected, the latter was recorded under 'Trade and other receivables' as at 31 December 2015. During 2013, OCI Fertilizer Holding Limited ('OCI FH') sold its full ownership in Gavilon Group for a total consideration of USD 666.7 million, resulting into a gain of USD 262.1 million. Out of the total consideration, USD 656.9 million was paid before 31 December 2015. As at 31 December 2015, an amount of USD 9.8 million was still held by the buyer in the escrow account, which was originally created to cover any post-closing indemnity under the Sale and Purchase Agreement. From the amount of USD 9.8 million outstanding per 31 December 2015, an amount of USD 5 million was collected in the beginning of January 2016. It is uncertain when and how much of the remaining amount of USD 4.8 million amount will be received. No receivable has been recognized for this remaining amount.

The reversal of provisions and accrued expenses of USD 46.3 million relates for USD 34.4 million to the reversal of claims and other contingencies, (reference is made to note 20) and for USD 11.9 million of reversals of accrued expenses for OCI S.A.E. relating to court cases of which the probability has changed in favor of OCI S.A.E.

23. Other expenses

$ millions	2015	2014
Loss on gas price derivative by IFCo	6.7	4.2
Impairment available-for-sale financial assets	3.5	0.5
Other	3.2	-
Total	**13.4**	**4.7**

Other expenses in 2015 of USD 13.4 million (2014: USD 4.7 million) are mainly related to IFCo's loss on the gas price derivative for USD 6.7 million (2014: USD 4.2 million). For further information on the gas price derivative, reference is made to note 19. The impairment of the available-for-sale financial assets related to the OCL shares held by OCI N.V.

24. Net finance cost

$ millions	2015	2014
Interest income on loans and receivables	12.8	9.0
Fair value gain on derivatives	-	0.5
Foreign exchange gain	115.2	12.3
Finance income	**128.0**	**21.8**
Interest expense on financial liabilities measured at amortized cost	(180.9)	(199.2)
Foreign exchange loss	(93.1)	(73.0)
Finance cost	**(274.0)**	**(272.2)**
Net finance cost recognized in profit or loss	**(146.0)**	**(250.4)**

The increase in foreign exchange gains from 2014 to 2015 mainly related to the revaluation of intercompany balances in foreign currencies, for which the statement of profit or loss impact is not eliminated in the consolidated financial statements. Interest expense in 2014 includes USD 36.6 million interest income, representing the reversal of interest on the tax dispute liability that was recognized in 2013. Foreign exchange gain and losses in 2015, both include the foreign currency result from the donation provision and the tax refunds received (USD 23.0 million).
The above finance income and finance costs include the following interest income and expense in respect of assets (liabilities) not measured at fair value through profit or loss:

$ millions	2015	2014
Total interest income on financial assets	12.8	9.0
Total interest expenses on financial liability	(180.9)	(199.2)

25. Earnings per share

25.1 Earnings per share from total operations

	2015	2014
i. Basic		
Net Profit / (Loss) attributable to shareholders	384.7	328.7
Weighted average number of ordinary share (Basic)	209,164,389	204,871,270
Basic earnings per ordinary share	**1.839**	**1.604**
ii. Diluted		
Net Profit / (Loss) attributable to holders of ordinary shareholders	384.7	328.7
Interest expense on convertible notes	17.4	anti-dilutive
Net Profit / (Loss) attributable to holders of ordinary shareholders based on full conversion	402.1	328.7
Weighted average number of ordinary shares (Basic)	209,164,389	204,871,270
Adjustment for assumed conversion of convertible notes	11,907,689	anti-dilutive
Adjustment for assumed equity - settled share-based compensation	172,395	236,648
Weighted average number of ordinary shares outstanding on the basis of full conversion	221,244,473	205,107,918
Diluted earnings per ordinary share	**1.817**	**1.603**

At 31 December 2014, the effect of conversion of convertible notes was excluded from the calculation of the diluted earnings per share for total operations because the effect would be anti-dilutive. Further reference on the details of the effect of conversion of convertible notes is made in note 25.2.

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25.1 Earnings per share from total operations continued

(i) Weighted average number of ordinary shares calculation

shares	2015	2014
Issued ordinary shares at 1 January	205,911,570	204,840,744
Effect of treasury shares held	(926,439)	(779,195)
Effect of shares issued during the year	4,179,258	809,721
Weighted average number of ordinary shares outstanding	**209,164,389**	**204,871,270**

25.2 Earnings per share from continued operations

	2015	2014
i. Basic		
Net Profit / (Loss) attributable to shareholders	(246.1)	444.1
Weighted average number of ordinary share (Basic)	209,164,389	204,871,270
Basic earnings per ordinary share	**(1.177)**	**2.168**
ii. Diluted		
Net Profit / (Loss) attributable to holders of ordinary shareholders	(246.1)	444.1
Interest expense on convertible notes	anti-dilutive	20.4
Net Profit / (Loss) attributable to holders of ordinary shareholders based on full conversion	(246.1)	464.5
Weighted average number of ordinary shares (Basic)	209,164,389	204,871,270
Adjustment for assumed conversion of convertible notes	anti-dilutive	9,840,348
Adjustment for assumed equity - settled share-based compensation	anti-dilutive	236,648
Weighted average number of ordinary shares outstanding on the basis of full conversion	209,164,389	214,948,266
Diluted earnings per ordinary share	**(1.177)**	**2.161**

(i) Weighted average number of ordinary shares calculation

shares	2015	2014
Issued ordinary shares at 1 January	205,911,570	204,840,744
Effect of treasury shares held	(926,439)	(779,195)
Effect of shares issued during the year	4,179,258	809,721
Weighted average number of ordinary shares outstanding	**209,164,389**	**204,871,270**

26. Segment reporting

OCI's reportable segments are consistent with how we manage the business and view the markets we serve. Our reportable segments are: OCI Partners, IFCo, Natgasoline, OCI Nitrogen and Trading, and North Africa. The business' organizational structure is based on a number of factors that our chief operating decision maker (CODM) uses to evaluate, view, and run our business operations.

A summary description of each reportable segment is as follows:

OCI Nitrogen and Trading

OCI Nitrogen and Trading aggregates two operating segments: (1) OCI Nitrogen, which produces fertilizer and melamine, and (2) OCI Fertilizer Trading Ltd, OCI Fertilizer Trade & Supply B.V. and OCI Fertilizers USA LLC, which trades fertilizer products. The segment is Europe's second largest integrated nitrates fertilizer producer and the world's largest melamine producer. The segment also operates a trading and distribution arm operating through offices in Dubai, U.A.E, and Geleen, the Netherlands. In addition, the business trades nitrogen based fertilizers in Brazil through FITCO, a joint venture with Fertipar, capturing a significant share of the Brazilian ammonia sulfate (AS) market through the joint venture.

North Africa

North Africa aggregates four operating segments: (1) EFC, which is the largest private sector granular urea producer in Egypt, (2) EBIC, which is a state-of-the-art 0.73 million metric ton per year ammonia plant, (3) Sorfert, which is a joint venture with Algeria's state-owned oil and gas authority, is the largest nitrogen fertilizer producer in Algeria, capable of producing 1.26 million metric tons of urea and 1.6 million metric tons of gross anhydrous ammonia per year, and (4) OCI Trading Limited, which trades the products of EFC, EBIC, and Sorfert.

OCI Partners

OCI Partners operates an integrated methanol and ammonia production facility that is strategically located on the Texas Gulf Coast near Beaumont. The facility has a maximum annual methanol and ammonia production capacity of approximately 912,500 and 331,000 metric tons, respectively making it one of the largest producing methanol facilities in the United States. OCI Partners sells all production domestically; primarily to industrial customers in and around the U.S. Gulf Coast through pipeline connections to adjacent customers, port access with dedicated methanol and ammonia import/export jetties, and truck loading facilities for both methanol and ammonia.

IFCo

IFCo is currently constructing a greenfield nitrogen fertilizer complex in Wever County, Iowa. Once operational in 2016, the plant is expected to produce approximately 1.5 to 2.0 million tons of nitrogen fertilizers and diesel exhaust fluid per year. The facility was a strategic effort to expand into the U.S.

IFCo will use state of the art production process technologies from world leaders. Kellogg Brown & Root LLC, Maire Tecnimont Stamicarbon, and Uhde are supplying the process technologies for the plant. It is expected that the plant will have 100 thousand metric tons of ammonia storage, 120 thousand metric tons of UAN storage and 40 thousand metric tons of urea storage. Construction work on the plant broke ground on November 19, 2012. The project is funded by a combination of equity and non-recourse project finance tax exempt municipal bond issuance.

Natgasoline

Natgasoline is a Greenfield methanol production complex being developed in Beaumont, Texas. The world-class plant is expected to have a capacity of approximately 1.75 million metric tons per year, and is expected to start production in the second half of 2017. It will be the largest methanol producer in the US based on nameplate capacity.

Segment policy

The company derives the results of the business segments directly from its internal management reporting system. All segments are managed separately because they require different operating strategies and use their own assets and employees.

Segment revenue includes revenue from sales to external customers and intersegment revenues. Prices for transactions between segments are determined on an arm's length basis. Profit before tax is the primary performance measure used by our CODM to evaluate operating results and allocate capital resources among segments. Profit/(loss) before tax is also the profitability measure used to set management and executive incentive compensation goals. Corporate and other consists of share-based compensation and certain corporate general and administrative expenses that are not allocated to the segments. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be reasonably and consistently allocated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

26. Segment reporting continued

2015 $ million	OCI Partners	IFCo	Natgasoline	OCI Nitrogen / Trading	North Africa	Corporate and other	Total
Segment revenues	309.4	-	-	1,479.9	700.3	22.5	2,512.1
Inter-segment revenues	(10.8)	-	-	(130.8)	(184.4)	-	(326.0)
Total revenues	**298.6**	**-**	**-**	**1,349.1**	**515.9**	**22.5**	**2,186.1**
Fertilizers	89.1	-	-	1,121.2	504.0	-	1,714.3
Chemicals	209.5	-	-	227.9	11.9	22.5	471.8
Total revenues	**298.6**	**-**	**-**	**1,349.1**	**515.9**	**22.5**	**2,186.1**
Income from equity-accounted investees	-	-	-	1.3	-	-	1.3
Depreciation and amortization	(48.9)	(0.5)	-	(58.2)	(188.8)	(5.2)	(301.6)
Impairment on goodwill	-	-	-	-	(422.9)	-	(422.9)
Finance income	-	2.7	-	9.7	29.2	86.4	128.0
Finance expense	(20.1)	(0.2)	-	(16.7)	(115.3)	(121.7)	(274.0)
Income tax gain / (expense)	(0.8)	(30.5)	(3.6)	(49.5)	148.2	29.9	93.7
Net profit / (loss) from continued operations	**52.6**	**(86.8)**	**(12.8)**	**179.2**	**(182.8)**	**(58.1)**	**(108.7)**
Equity-accounted investees	-	-	-	33.4	-	-	33.4
Capital expenditures PP&E	185.9	335.6	694.6	57.4	2.5	4.3	1,280.3
Total assets	**719.7**	**1,929.0**	**799.6**	**703.1**	**3,043.8**	**569.3**	**7,764.5**

2014 $ million	OCI Partners	IFCo	Natgasoline	OCI Nitrogen / Trading	North Africa	Corporate and other	Total
Segment revenues	402.8	-	-	2,297.1	809.6	-	3,509.5
Inter-segment revenues	-	-	-	(432.4)	(391.3)	-	(823.7)
Total revenues	**402.8**	**-**	**-**	**1,864.7**	**418.3**	**-**	**2,685.8**
Fertilizers	126.8	-	-	1,633.2	368.3	-	2,128.3
Chemicals	276.0	-	-	231.5	50.0	-	557.5
Total revenues	**402.8**	**-**	**-**	**1,864.7**	**418.3**	**-**	**2,685.8**
Income from equity-accounted investees	-	-	-	15.8	-	-	15.8
Depreciation and amortization[1]	(22.9)	(0.2)	-	(75.9)	(208.4)	(1.0)	(308.4)
Finance income	-	7.3	0.4	20.5	9.8	(16.2)	21.8
Finance expense	(18.3)	(2.1)	-	(36.8)	(165.6)	(49.4)	(272.2)
Income tax gain / (expense)	6.4	29.4	2.0	(49.7)	3.4	573.5	565.0
Net profit / (loss) from continued operations	**127.7**	**(4.1)**	**(0.5)**	**161.8**	**124.3**	**136.8**	**546.0**
Equity-accounted investees	-	-	-	37.9	-	-	37.9
Capital expenditures[1]	196.1	963.3	66.7	83.7	11.7	1.6	1,323.1
Total assets[2]	**655.0**	**1,884.1**	**115.7**	**830.5**	**3,487.6**	**1,065.9**	**8,038.8**

[1] Depreciation, amortization and capital expenditures in 2014 do not reconcile to the respective movement schedules as a result of the reclassification of assets held for demerger.

[2] Total assets excludes assets held for demerger.

26. Segment reporting continued

Geographical information of continuing operations

The geographic information below analyses the Group's revenue (by destination of the goods) and non-current assets (by the Company where the activities are being operated). OCI N.V. has no single customer that represents 10 percent or more of revenues and therefore information about major customers is not provided.

	Revenue		Non-current assets[1]	
$ millions	2015	2014	2015	2014
Europe & America	1,966.2	2,446.8	4,284.6	2,415.2
Africa & Middle East	165.9	181.2	2,228.1	3,886.6
Asia & Oceania	54.0	57.8	20.2	9.3
Total	**2,186.1**	**2,685.8**	**6,532.9**	**6,311.1**

[1] The non-current assets exclude deferred taxes and derivative financial instruments based on the disclosure requirements of IFRS 8.

27. Assets classified for demerger / discontinued operations

The Demerger of the Engineering & Construction business was completed successfully on 7 March 2015, with the listing of shares on Nasdaq Dubai as of 9 March 2015 and a secondary listing on the Egyptian Exchange on 11 March 2015.

Following the Demerger and following the guidance under IFRS 5, the Engineering & Construction business are accounted for as "Assets held for demerger / discontinued operations".

Consequently, the net assets and net liabilities of the Engineering & Construction have been presented as "Assets held for demerger" and "Liabilities held for demerger" in the consolidated statement of financial position as at 31 December 2014, while the 2015 and 2014 consolidated net results of the discontinued operations (Engineering & Construction business) are presented under discontinued operations in the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows for the period till 7 March for which the Engineering & Construction business was still consolidated.

Statement of profit or loss for 'discontinued operations' for the year ended 31 December:

$ millions	2015	2014
Total revenue	665.2	3,067.9
Inter-segment revenue from with Fertilizer & Chemicals group	(180.8)	(1,020.7)
Revenue	484.4	2,047.2
Expense	(488.3)	(2,237.7)
Income of equity accounted investees (net of tax)	(2.7)	(168.6)
Profit / (loss) before income tax	(6.6)	(359.1)
Income tax	(4.4)	263.0
Net (loss)	**(11.0)**	**(96.1)**

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27. Assets classified for demerger / discontinued operations continued

Statement of financial position for 'assets held for demerger' as at 31 December:

$ millions	2015	2014
Non-current assets	-	777.4
Current assets (excluding cash and cash equivalents)	-	1,392.2
Cash and cash equivalents	-	368.9
Assets held for demerger	**-**	**2,538.5**
Non-current liabilities	-	(67.6)
Current liabilities	-	(1,745.0)
Liabilities held for demerger	**-**	**(1,812.6)**
Net assets / equity	**-**	**725.9**

Result on demerger:

$ millions	Note	2015
Dividend in kind	(15)	1,400.0
Net assets / equity of discontinued operations		(714.9)
Net loss for the period ended 7 March 2015		(11.0)
Derecognition of non-controlling interest in net assets		78.3
Derecognition of hedge reserve	(16)	(12.8)
Derecognition of accumulated currency translation loss	(16)	(108.8)
Net profit from discontinued operations		**630.8**

Inter-segment revenues

Orascom E&C and Iowa Fertilizer Company, Natgasoline, and OCI Beaumont

Orascom E&C (an OCL group company) is engaged in the construction of the Iowa Fertilizer Company and Natgasoline plants and the debottlenecking of the OCI Beaumont plant (owned by OCI Partners LP) during 2015, 2014 and 2013. Iowa Fertilizer Company, Natgasoline, and OCI Partners LP are part of OCI N.V. Fertilizer Group. The total amount of revenues of Orascom E&C in 2015 amount to USD 180.8 million (2014: USD 1,020.7 million including revenues from Weitz for an amount of USD 275.5 million as a sub-contractor). The construction of these plants will continue in 2016. These inter-segment revenues have been fully eliminated and are therefore not included in the above disclosed revenues.

28. Contingencies

Contingent liabilities

Letters of guarantee / letters of credit

Letters of guarantee issued by banks for continuing operations in favor of others as at 31 December 2015 amounted to USD 0.2 million (2014: USD 0.2 million). Outstanding letters of credit as at 31 December 2015 (uncovered portion) amounted to nil (2014: nil).

Litigations and claims

In the normal course of business, the Group entities and joint ventures are involved in some arbitration or court cases as defendants or claimants. These litigations are carefully monitored by the entities' management and legal counsels, and are regularly assessed with due consideration for possible insurance coverage and recourse rights on third parties. OCI does not expect these proceedings to result in liabilities that have a material effect on the company's financial position. In cases where it is probable that the outcome of the proceedings will be unfavorable, and the financial outcome can be measured reliably, a provision has been recognized in the financial statements which is disclosed in note 20 'Provisions'. It should be understood that, in light of possible future developments, such as (a) potential additional lawsuits, (b) possible future settlements, and (c) rulings or judgments in pending lawsuits, certain cases may result in additional liabilities and related costs. At this point in time, OCI cannot estimate any additional amount of loss or range of loss in excess of the recorded amounts with sufficient certainty to allow such amount or range of amounts to be meaningful. Moreover, if and to the extent that the contingent liabilities materialize, they are typically paid over a number of years and the timing of such payments cannot be predicted with confidence. While the outcome of said cases, claims and disputes cannot be predicted with certainty, we believe, based upon legal advice and information received, that the final outcome will not materially affect our consolidated financial position but could be material to our results of operations or cash flows in any one accounting period.

EBIC tax exemption arbitration

In 1997, Egypt Basic Industries Corp. (EBIC), a subsidiary of the OCI group, was established as a free zone company under the then prevailing investments laws. In 2008, the tax exemption for activities related to fertilizers, iron and steel, oil production and liquidation and transmission of natural gas in free zones has been canceled, and those activities became subject to taxes for the year 2008 onwards.

On 20 April 2013, the Administrative Court ruled in favor of EBIC and ordered for the revocation of the disputed Decision, and reinstating EBIC to its previous status as a free zone entity in Egypt. On 1 June 2013, the General Authority for Investment and Free Zones (GAFI) filed an appeal to stop the execution of the ruling. The appeal has been lodged, however, it has not been reviewed by the court nor has a hearing been scheduled ('first appeal').

GAFI filed a motion to remain the execution of the verdict before the Administrative Court as an interim measure while the appeal is ongoing ('second appeal').

On the hearing on 21 March 2015 the Administrative Court rejected the motion of GAFI ('second appeal') and ruled in favor of EBIC and has imposed a symbolic penalty of GAFI. The hearing on the 21 March 2015 did not suspend the first appeal of GAFI. This was a separate claim filed by GAFI to the Administrative Court to freeze the court decision of the first degree court till the appeal is decided on. No tax filings have been done by the company since the filing for the year 2011.

In June 2015 the Administrative Court forwarded the 1st appeal to the State Delegated Authority (SDA) for a technical opinion on the appeal. The SDA Report (technical opinion) concluded to accept the appeal in form and dismiss it in subject. Based on a legal assessment of the case and this technical opinion management concluded that it is more likely than not that it will win the appeal. Consequently, OCI concluded based on guidance in IAS 37 and IAS 12 to release the (deferred) tax liabilities totaling USD 138.2 million at 31 December 2015.

Tax evasion claim

We refer to note 12 to the consolidated financial statements.

Termination fees combination agreement

Pursuant to the terms of the combination agreement, OCI may be required to pay a termination fee of USD 150.0 million if the transactions contemplated by the combination agreement are not consummated because of the occurrence of certain events, including a change to the recommendation of the OCI board of directors. Similarly, CF Industries may be required to pay a termination fee of USD 150.0 million if the transactions contemplated by the combination agreement are not consummated because of the occurrence of certain events, including a change to the recommendation of the CF Industries board of directors.

In addition, if the combination agreement is terminated because a party fails to obtain its required shareholder approval, such party is obligated to reimburse the other party's expenses up to a cap of USD 30.0 million.

Liens on assets of IFCo

IFCo has liens placed on its property by subcontractors of OEC amounting to USD 206 million. Management believes that the liens will beremediated by OEC with no liability on IFCo.

Asset retirement obligation Sorfert

Sorfert has a contractual asset retirement obligation in connection with the lease of its land. During 2015, this asset retirement obligation has been released from provision (reference is made to note 20) and is being disclosed as a contigent liability because it is not possible to determine a reliable estimate in both timing and value of this obligation.

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29. Capital commitments

$ millions	2015	2014
Iowa Fertilizer Company (IFCo)	43.9	180.5
Natgasoline LLC	678.0	1,239.0
OCI Partners	-	152.4
OCI Nitrogen B.V.	10.9	11.0
Total	**732.8**	**1,582.9**

30. Operating lease commitments

The Group leases a number of office space, warehouses, computers, machinery and cars under operating leases. The leases typically run for a period of 10 years, with an option to renew the lease after that date. Lease payments are renegotiated every five years to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices.

(i) Future minimum lease payments

$ millions	2015	2014
Less than one year	15.7	9.3
Between one and five years	25.1	22.2
More than five years	26.0	35.3
Total	**66.8**	**66.8**

(ii) Amount recognized in profit or loss

$ millions	2015	2014
Lease expense	16.4	8.2
Total	**16.4**	**8.2**

Operating lease expense is recognized in either 'Cost of sales' or in 'Selling, general and administrative expenses' depending on the nature of the underlying asset.

31. Business combinations

On 12 June 2015 OCI acquired 100% of the shares of BioMCN, a methanol producer and pioneer in bio-methanol production based in Delfzijl, The Netherlands. The acquisition adds 440 ktpa methanol design production capacity to OCI N.V.'s current methanol capacity at OCI Beaumont to reach a total of 1.35 million metric tons per annum (excluding BioMCN's mothballed facility with capacity of 430 ktpa). The acquisition creates a foothold for OCI in the European methanol market. The amount of revenues and profit in 2015 (as of the date of acquisition) amounts to USD 22.5 million and USD 1.6 million, respectively. The final purchase price allocation is presented below. No goodwill or badwill was identified.

$ millions	Initial purchase price allocation
Property, plant and equipment	18.8
Intangible assets	4.5
Deferred tax	(3.3)
Current assets	1.8
Non-current liabilities	(2.1)
Current liabilities	(3.2)
Net assets acquired / purchase price (net of cash)	**16.5**

32. Related party transactions

Transactions with related parties – Normal course of business

Transactions with related parties occur when a relationship exists between the company, its participating interest and their directors and key management personnel. In the normal course of business, the company buys and sells goods and services from and to various related parties (including associates) within the Group. The CEO is able to expense the use of a private aircraft for business travel.

Moreover, OCI used to own construction operations until 7 March 2015 when the Engineering & Construction business was divested into a separate legal entity incorporated under the name Orascom Construction Limited ("OCL") in the United Arab Emirates. The Sawiris Family, the majority shareholders of OCI, also owns the majority of the outstanding shares of OCL, which qualifies OCL and its subsidiaries to be classified as related parties. The Group has significant ongoing construction contracts with OCL Group. The transactions with the following entities of the OCL Group are presented in the financial statements as related party transactions:

- Orascom Construction Limited ("OCL")
- OCI Construction Holding
- Orascom E&C ("OEC")
- Contrack International Inc.
- The Weitz Group LLC ("Weitz")
- OC Egypt

Next to this, the group engages in transaction with its associates and joint ventures of the group:

- Fitco OCI Agro S.A.
- Shanxi Fenghe Melamine Company Ltd.
- Nitrogen Iberian Company SL
- Sitech Manufacturing Services C.V.
- Sitech Utility Holding Beheer B.V
- Sitech Utility Holding C.V.
- Sitech Services B.V.
- Fitco OCI Agronegocios do Brazil

The Utility Support Group B.V. is a subsidiary of Sitech Services B.V.

The following is a list of significant related party transactions and outstanding amounts as at 31 December 2015:

Related party	Relation	Revenue transactions during the year	AR outstanding at year end	Purchases transactions during the year	AP outstanding at year end	Loans receivables
OC Egypt	OCL group company	-	-	-	7.8	-
Contract International	OCL group company	-	3.0	-	0.6	-
Orascom E&C	OCL group company	-	3.3	949.2	142.6	-
OCI Construction Holding Cyprus	OCL group company	-	-	-	1.7	-
Weitz	OCL group company	-	9.2	-	-	-
Orascom Construction Limited	OCL group company	-	3.2	-	-	-
Fitco Agro S.A.	Joint venture	117.4	16.1	-	-	-
Sitech Manufacturing Services C.V.	Associate	-	-	117.1	35.9	-
Utility Support Group B.V.	Related via associate	17.8	1.8	89.8	2.7	27.6
Sitech Services B.V.	Associate	-	-	6.5	1.0	-
OCI Nitrogen Iberian Company	Joint venture	3.9	4.1	-	-	-
Shanxi Fenghe Melamine Co Ltd.	Joint venture	-	0.6	23.1	-	3.8
Total		**139.1**	**41.3**	**1,185.7**	**192.3**	**31.4**

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CONTINUED

32. Related party transactions continued

The following is a list of significant related party transactions and outstanding amounts as at 31 December 2014:

Related party	Relation	Revenue transactions during the year	AR outstanding at year end	Purchases transactions during the year	AP outstanding at year end	Loans outstanding to associates
Continuing operations:						
Fitco Agro S.A.	Joint venture	157.7	21.4	-	-	-
Sitech Manufacturing Services C.V.	Associate	-	-	185.9	29.1	-
Utility Support Group B.V.	Related via associate	33.2	2.4	-	1.5	16.9
Sitech Services B.V.	Associate	-	-	-	0.1	-
OCI Nitrogen Iberian Company	Joint venture	65.7	-	-	0.4	-
Shanxi Fenghe Melamine Co Ltd.	Joint venture	0.4	0.3	-	-	5.5
Total		**257.0**	**24.1**	**185.9**	**31.1**	**22.4**
Discontinuing operations:						
Orascom Trading	Associate	-	2.1	3.2	0.3	-
Alico	Associate	0.4	29.6	-	-	-
Medrail	Associate	-	11.2	-	-	-
Orasqualia	Associate	-	3.3	-	-	-
Obrascon Huarte Lain SA /Contrack Cyprus Limited JV	Associate	15.7	-	-	-	-
OPTD	Related by member of key management personnel	-	0.6	-	1.3	-
United Yamama Orascom	Associate	-	1.2	-	-	-
Watts Webcor Obayashi	Joint venture	16.0	1.0	22.7	5.0	-
URS Contrack Pacer Forge IV	Joint venture	6.1	-	5.2	0.2	-
Lafarge S.A.	Related by member of key management personnel	-	-	19.2	12.9	-
Other		1.5	1.8	0.8	0.7	-
Total		**39.7**	**50.8**	**51.1**	**20.4**	**-**

In addition to the related party transactions in the table above, the company incurs certain operating expenses for immaterial amounts in relation to services provided by related parties.

32. Related party transactions continued

Construction contracts

On 7 March 2015, OCL was demerged from the Group. The Sawiris family is a majority shareholder in both OCI and OCL. This commercial relationship will remain on-going for the construction of the IFCo and Natgasoline projects and the already completed debottlenecking project of OCI Beaumont LLC.

OEC, a wholly owned subsidiary of OCL is:

- A party to an Engineering, Procurement and Construction (EPC) contract for IFCo's 1.5-2.0 million metric ton per year fertilizer and industrial chemicals greenfield plant under construction in Iowa, USA. Under the terms of the EPC contract, the contractor is required to furnish a complete nitrogen fertilizer facility that is engineered, procured and constructed on a lump-sum fixed-price basis of USD 1,216.0 million, plus limited increases, including costs related to breaches, extraordinary subsurface conditions, certain hazardous substances, change orders, changes in law, certain work outside the boundaries of the property, specified reimbursable work and off-site and on-site training ("Contract Price"). The Contract Price is divided among certain categories of work and then further divided among specified milestones. OEC has subcontracted with Tecnimont, KBR and Uhde for state-of-the-art engineering and technology procurement. The plant is expected to begin production in 2016. The project is funded by a combination of cash and a non-recourse project finance tax-exempt municipal bond issuance. In addition, OCI N.V. paid USD 150.0 million to OEC in July 2015 pursuant to an indemnity for certain liabilities under or in connection with the contracts within the Group. This amount was allocated to IFCo and recognized in property, plant and equipment in the second half of 2015.
- A party to an EPC contract for Natgasoline's 1.75 million metric ton per year methanol plant under construction in Texas, USA. Under the terms of the EPC contract, the contractor is required to furnish a complete methanol facility that is engineered, procured and constructed on a lump-sum fixed-price basis of USD 1,396.0 million plus limited increases, including costs related to breaches, extraordinary subsurface conditions, change orders, changes in law, work outside the boundaries of the property and necessary for the operation of the Facility, specified reimbursable work and off-site and on-site training and delays caused by other contractors, engineers or other person engaged to work on the plant ("Contract Price"). The Contract Price is divided among certain categories of work and then further divided among specified milestones. OEC has subcontracted with ALPC to engineer and procure the plant incorporating state-of-the-art production process technology from Lurgi MegaMethanol® technology supplied by Air Liquide's engineering and construction division, Air Liquide Global E&C Solutions. The plant is expected to begin production in 2017. The project will be funded by a combination of cash and debt.
- In June 2013, OCI Beaumont LLC entered into a procurement and construction contract with OEC pursuant to which OEC undertook the debottlenecking of OCI Beaumont LLC's methanol and ammonia production units (the "Construction Contract"). Upon execution of the Construction Contract, a technical service agreement that was previously entered into by OCI Beaumont LLC and OCL Company, an affiliate of OCI, providing for the management and construction services relating to the debottlenecking project was subsumed within the Construction Contract. Under the terms of the Construction Contract, OEC was paid on a cost-reimbursable basis, plus a fixed fee equal to 9.0% of the costs of the project, excluding any discounts. The contract allocated customary responsibilities to OCI Beaumont LLC and OEC. The agreement did not provide for the imposition of liquidated or consequential damages.

Due to the related party nature of above transactions, the terms and conditions may not necessarily be the same as transactions negotiated between third parties. Management believes that the terms and conditions of all transactions with our related parties are generally no less favorable to either party than those that could have been negotiated with unaffiliated parties with respect to similar services.

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33. Remuneration of the Board of Directors (Key management personnel)

During 2015, we considered the members of the Board of Directors (Executive and Non-executive) to be the key management personnel as defined in IAS 24 'Related parties'. The key management personnel have not entered into any related party transactions. No other benefits or remuneration were provided to or have been entered into with above mentioned key management personnel except as disclosed below.

Remuneration of the Directors

In 2015, the total remuneration costs relating to the Executive Directors amounted to USD 5.9 million (2014: USD 6.9 million) consisting of the elements in the table below:

2015	Age	Base salary	Annual bonus	Share-based compensation[1]	Total remuneration
N. Sawiris	54	2,000,000	900,000	511,935	3,411,935
S. Butt	56	1,680,000	604,800	190,061	2,474,861
Total		**3,680,000**	**1,504,800**	**701,996**	**5,886,796**

2014	Age	Base salary	Annual bonus[2]	Share-based compensation	Total remuneration
N. Sawiris	53	2,000,000	1,000,000	1,320,482	4,320,482
S. Butt	55	1,680,000	840,000	83,545	2,603,545
Total		**3,680,000**	**1,840,000**	**1,404,027**	**6,924,027**

[1] In 2015 the option plans and bonus matching plan 2014 were modified from equity-settled share based payment plans to cash-settled plans, as a result of the demerger of the Engineering & Construction business. The cash-settled plans were remeasured from the grant date fair value to the fair value as at 31 December 2015 which resulted in a net gain recognized in the statement of profit or loss of 2015 relating to share based compensation for the board member Nassef Sawiris of USD 1.6 million, and a total expense recognized for the Board member Salman Butt of USD 0.2 million. The amount disclosed in the overview of remuneration relates only to the expenses recorded for the board members for the 2015 share based payment expenses excluding the remeasurement effect of previous years.

[2] In 2014, OCI granted a bonus to Mr. Sawiris of USD 1.0 million and to Mr. Butt of USD 0.8 million relating to the performance of 2013, which was expensed to the statement of profit or loss in 2014.

As at 31 December 2015, the Executive Directors held 400,000 stock options (2014: 400,000) at a weighted average exercise price of EUR 25,94.

	Outstanding Year end '14	Granted	Exercised	Expired	Outstanding Year End '15	Exercise Price	Expiration
N. Sawiris	200,000	-	-	-	200,000	EUR 26.43	31-03-2016
N. Sawiris	200,000	-	-	-	200,000	EUR 25.45	02-01-2017
Total	**400,000**	**-**	**-**	**-**	**400,000**		

At 31 December 2015, the Executive Directors were held 112,702 conditional performance shares (2014: 92,378).

	Outstanding Year end '14	Granted conditional	Outstanding Year End '15	Vesting date
N. Sawiris	51,321	11,291	62,612	01-07-2017
S. Butt	41,057	9,033	50,090	01-07-2017
Total	**92,378**	**20,324**	**112,702**	

As at 31 December 2015, the Executive Directors held 16,409 bonus matching shares (2014: 16,409)

	Outstanding Year end '14	Granted	Outstanding Year End '15	Vesting date
N. Sawiris	9,116	-	9,116	17-11-2017
S. Butt	7,293	-	7,293	17-11-2017
Total	**16,409**	**-**	**16,409**	

33. Remuneration of the Board of Directors (Key management personnel) continued

In 2015, the total remuneration costs relating to the Non-Executive Directors amounted to USD 1,276,293 (2014: USD 1,343,149) consisting of the elements in the table below:

2015	Annual fixed fee	Audit Committee membership	Additional fee	Nomination governance committee	Remuneration committee	Health safety environment committee	Total
M. Bennett	260,000	-	150,000	7,500	7,500	7,500	432,500
J.A. Ter Wisch	130,000	20,000	-	10,000	-	7,500	167,500
A. Naqvi	16,027	2,466	-	925	-	-	19,418
S. N. Schat	130,000	20,000	-	-	10,000	-	160,000
K. van der Graaf	65,000	-	-	3,750	-	5,000	73,750
R.J. van de Kraats	130,000	25,000	-	-	7,500	-	162,500
G.A. Heckman	97,500	-	-	-	-	5,625	103,125
J. Guiraud	130,000	20,000	-	7,500	-	-	157,500
Total	**958,527**	**87,466**	**150,000**	**29,675**	**25,000**	**25,625**	**1,276,293**

The additional fee for Mr. Bennett is for service on the Board of the publicly traded company OCI Partners in the US. Mr. van de Graaf has left the Board of Directors as of 10 June 2015 and Mr. Naqvi on 15 February 2015. Mr. Heckman joined the Board of Directors as of 10 June 2015.

2014	Annual fixed fee	Audit Committee membership	Additional fee	Nomination governance committee	Remuneration committee	Health safety environment committee	Total
M. Bennett	260,000	-	150,000	3,750	7,500	7,500	428,750
J.A. Ter Wisch	130,000	20,000	-	10,000	-	1,875	161,875
A. Naqvi	130,000	20,000	-	7,500	-	7,500	165,000
S. N. Schat	130,000	20,000	9,041	-	10,000	-	169,041
K. van der Graaf	130,000	-	-	7,500	-	10,000	147,500
R.J. van de Kraats	130,000	25,000	10,045	-	7,500	-	172,545
J. Guiraud	81,250	12,500	-	4,688	-	-	98,438
Total	**991,250**	**97,500**	**169,086**	**33,438**	**25,000**	**26,875**	**1,343,149**

The additional fee for Mr. Bennett is for service on the Board of the publicly traded company OCI Partners in the US. The additional fee for Mr. Schat and Mr. van de Kraats relates to 2013 fees which were paid in 2014.

34 Subsequent events

Consolidated Energy AG Investment in Natgasoline

In April 2016, OCI and Consolidated Energy AG ('CEL') entered into definitive agreements for an investment in a 50% stake in Natgasoline in participation with OCI. CEL, which is owned by the Proman Group ('Proman') and its long-term partner Helm AG ('Helm'), will inject USD 630.0 million in equity (partly upfront and partly as construction progresses) and an additional USD 50.0 million shareholder loan to cover any required contingencies.

The investment will be made via G2X Energy, Inc. ('G2X'), a subsidiary of CEL. An injection of USD 680.0 million into the project, combined with OCI's existing equity of USD 520.0 million and shareholder loans of USD 511.0 million, will complete the funding requirements for the project.

Upon the closing of the CEL investment, OCI will deconsolidate Natgasoline and will account for its 50% interest as an associate in the Equity accounted investees line item on the statement of financial position going forward.

In connection with the CEL investment, on 21 April 2016 OCI and CEL announced that Citi and Morgan Stanley have priced and fully underwritten approximately USD 250.0 million of tax-exempt Mission Economic Development Corporation Senior Revenue Lien Bonds (Natgasoline Project), Series 2016.

IFCo

On 19 February 2016, Maintenance Enterprises, LLC ("MEI") filed a USD 53.4 million lawsuit against OEC, the general contractor for our construction project in IFCo. MEI also named IFCo in the lawsuit and has filed a lien against the IFCo property. Total liens placed on its property by subcontractors of OEC amounted to USD 206 million.. We believe that the likelihood of loss is not probable and plan to vigorously defend this claim.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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34 Subsequent events continued

USD 300.0 million loan from Nile Holding

On 22 January 2016, OCI N.V. entered into a credit facility agreement with Nile Holding for USD 300.0 million that were fully drawn, and were used to finance the construction project in Natgasoline. The loan matures on 28 February 2018 and can be extended for two years. The loan carries an interest rate between 7.5% to 9.0% plus LIBOR.

Standby letter of credit from JP Morgan

In April 2016, JP Morgan issued an irrevocable Standby Letter of Credit for USD 150.0 million at the request of NNS Holding to OCI N.V. The proceeds of this letter of credit will be used to cover any funding requirement to complete the construction at IFCo. In addition, NNS has committed to provide an additional USD 80.0 million if requested by the Company for general corporate purposes.

OCI Partners

On 17 March 2016, OCI Partners extended the maturity of the revolving credit facility to 31 March 2017 and amended the covenants from the lenders for its outstanding term loans and revolving credit facility for the three month periods ending 30 June 2016, 30 September 2016, 31 December 2016 and 31 March 2017.

On 17 March 2016, the board of directors of OCI Partners declared a cash distribution to our common unit holders for the period 1 October 2015 through and including 31 December 2015 of USD 0.32 cents per unit, or approximately USD 27.8 million in the aggregate. The cash distribution will be paid on 8 April 2016 to unitholders of record at the close of business on 30 March 2016.

OCI S.A.E.

On 23 March 2016, the Egyptian Stock Exchange approved the voluntary delisting of OCI S.A.E., which was the original holding entity of the Group before the re-domiciliation in the Netherlands in 2013.

Settlement and acceleration agreement with OEC

OCI N.V. and OEC, the EPC contractor of Iowa Fertilizer Company LLC ("IFCo"), have committed to enter into a settlement and acceleration agreement. The agreement is expected to address outstanding claims between IFCo and OEC, and provide for additional consideration of up to $200.0 million to ensure commercial operations in the second half of 2016. The terms and conditions of this agreement are to be mutually agreed by OCI N.V. and OEC, subject to any necessary additional consents.

35. External auditors' fee

The service fees recognized in the financial statements 2015 for the service of KPMG amounted to USD 7.0 million (2014: USD 9.1 million). The amounts per service category are shown in the following table:

	Total service fee		of which KPMG Accountants N.V. (the Netherlands)	
$ millions	2015	2014	2015	2014
Audit of Group Financial Statements	4.1	6.2	1.8	1.5
Other assurance services	2.0	1.8	1.7	0.9
Total assurance services	**6.1**	**8.0**	**3.5**	**2.4**
Tax services	0.1	0.8	-	-
Sundry services	-	0.3	-	-
Total	**6.2**	**9.1**	**3.5**	**2.4**

36. List of principal subsidiaries

Companies	Country	Percentage of interest	Consolidation Method
OCI N.V.	The Netherlands	100.00	Full
Sorfert Algérie Spa	Algeria	50.99	Full
Orascom Construction Industries SAE	Egypt	99.94	Full
OCI Fertilizer Trading Limited	Cyprus	100.00	Full
Egypt Basic Industries Corporation	Egypt	60.00	Full
Egyptian Fertilizers Company	Egypt	99.90	Full
OCI Nitrogen B.V.	The Netherlands	100.00	Full
Iowa Fertilizer Company LLC	USA	100.00	Full
OCI Partners LP	USA	79.88	Full
Natgasoline LLC	USA	100.00	Full

A full list of affiliated companies will be available for public inspection at the Commercial Registry in conformity with the provisions of Article 2:379 of the Dutch Civil Code.

PARENT COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER

$ millions	Note	31 December 2015	31 December 2014 restated[1]	1 January 2014 restated[1]
Assets				
Non-current assets				
Property, plant and equipment		1.1	0.9	-
Investment in subsidiaries	(43)	6,403.4	7,323.6	9,556.6
Trade and other receivables		-	-	19.5
Deferred tax assets	(56)	-	1.6	47.6
Total non-current assets		**6,404.5**	**7,326.1**	**9,623.7**
Current assets				
Trade and other receivables	(44)	487.6	335.2	697.3
Other investments	(45)	3.7	-	-
Cash and cash equivalents	(46)	19.2	111.3	5.4
Assets held for demerger	(47)	-	1,176.6	-
Total current assets		**510.5**	**1,623.1**	**702.7**
Total assets		**6,915.0**	**8,949.2**	**10,326.4**
Equity				
Share capital	(48),(15)	4,704.9	273.3	272.1
Share premium	(15)	1,610.7	1,447.6	1,441.8
Revaluation reserve investment in subsidiaries	(39)	-	6,825.0	7,592.0
Currency translation reserve	(16)	(1,801.9)	(976.4)	-
Other reserves	(16)	(112.2)	(79.8)	(79.8)
Retained earnings		534.7	418.6	87.2
Equity attributable to owners of the Company		**4,936.2**	**7,908.3**	**9,313.3**
Liabilities				
Non-current liabilities				
Loans and borrowings	(49)	346.6	890.8	420.4
Deferred tax liabilities	(56)	4.5	-	-
Total non-current liabilities		**351.1**	**890.8**	**420.4**
Current liabilities				
Loans and borrowings	(49)	1,537.6	99.8	549.4
Trade and other payables	(50)	49.5	46.4	43.3
Income tax payables		40.6	3.9	-
Total current liabilities		**1,627.7**	**150.1**	**592.7**
Total liabilities		**1,978.8**	**1,040.9**	**1,013.1**
Total equity and liabilities		**6,915.0**	**8,949.2**	**10,326.4**

The notes on pages 141 to 155 are an integral part of these parent company financial statements.

[1] Restated for the effects of the adoption of IFRS.

PARENT COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER

$ millions	Note	2015	2014 restated[1]
Dividend income	(51)	28.4	408.3
Other income	(53)	15.9	19.4
Impairment investment in subsidiaries	(43)	(1,073.0)	(767.0)
General and administrative expenses	(52)	(37.6)	(41.8)
Other expenses	(54)	(3.5)	-
Operating (loss)		**(1,069.8)**	**(381.1)**
Finance income	(55)	9.2	-
Finance cost	(55)	(72.4)	(84.1)
Net finance cost	(55)	**(63.2)**	**(84.1)**
Profit before income tax		**(1,133.0)**	**(465.2)**
Income tax	(56)	14.7	11.7
Net profit from continuing operations		**(1,118.3)**	**(453.5)**
Net profit from discontinued operations (net of tax)	(47)	**243.0**	**30.4**
Total net (loss)		**(875.3)**	**(423.1)**
Other comprehensive income:			
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences		(825.5)	(976.4)
Other comprehensive income, net of tax		**(825.5)**	**(976.4)**
Total comprehensive income		**(1,700.8)**	**(1,399.5)**

The notes on pages 141 to 155 are an integral part of these parent company financial statements.

[1] Restated for the effects of the adoption of IFRS.

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

$ millions	Note	Share capital (15)	Share premium (15)	Revaluation reserve[2]	Currency translation[2]	Other reserves	Retained earnings	Equity attributable to owners of the Company
Balance at 31 December 2013		**272.1**	**1,441.8**	**-**	**(208.0)**	**(79.8)**	**295.2**	**1,721.3**
Application of IFRS 1	(39)	-	-	7,592.0	208.0	-	(208.0)	7,592.0
Balance at 1 January 2014 (restated)[1]		**272.1**	**1,441.8**	**7,592.0**	**-**	**(79.8)**	**87.2**	**9,313.3**
Net profit / (loss)		-	-			-	(423.1)	(423.1)
Other comprehensive income		-	-	-	(976.4)	-	-	(976.4)
Total comprehensive income		**-**	**-**	**-**	**(976.4)**	**-**	**(423.1)**	**(1,399.5)**
Change in capital	(15)	1.2	5.8	-	-	-	-	7.0
Treasury shares sold	(16)	-	-	-	-	50.2	(12.5)	37.7
Treasury shares acquired	(16)	-	-	-	-	(62.1)	-	(62.1)
Share-based payments	(21c)	-	-	-	-	11.9	-	11.9
Reclass due to impairment		-	-	(767.0)	-	-	767.0	-
Balance at 31 December 2014 (restated)[1]		**273.3**	**1,447.6**	**6,825.0**	**(976.4)**	**(79.8)**	**418.6**	**7,908.3**
Net profit / (loss)		-	-	-	-	-	(875.3)	(875.3)
Other comprehensive income		-	-	-	(825.5)	-	-	(825.5)
Total comprehensive income		**-**	**-**	**-**	**(825.5)**	**-**	**(875.3)**	**(1,700.8)**
Capital increase	(15)	4.7	163.1	-	-	-	(6.7)	161.1
Conversion of revaluation reserve into share capital	(15)	1,400.0	-	(1,400.0)	-	-	-	-
Dividend in kind of demerged activities	(15)	(1,400.0)	-	-	-	-	-	(1,400.0)
Increase nominal amount of shares	(15)	4,426.9	-	(4,426.9)	-	-	-	-
Treasury shares sold	(16)	-	-	-	-	3.5	-	3.5
Treasury shares acquired	(16)	-	-	-	-	(19.5)	-	(19.5)
Exchange of treasury shares	(16)	-	-	-	-	5.5	-	5.5
Modification of share-based payments to cash alternatives	(21c)	-	-	-	-	(23.7)	-	(23.7)
Share-based payments	(21c)	-	-	-	-	1.8	-	1.8
Reclass due to impairment		-	-	(998.1)	-	-	998.1	-
Balance at 31 December 2015		**4,704.9**	**1,610.7**	**-**	**(1,801.9)**	**(112.2)**	**534.7**	**4,936.2**

The notes on pages 141 to 155 are an integral part of these parent company financial statements.

[1] Restated for the effects of the adoption of IFRS.

[2] Legal reserves under Dutch Law.

PARENT COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER

$ millions	Note	2015	2014 restated[1]
Net (loss)		(875.3)	(423.1)
Adjustments for:			
Net profit from discontinued operations	(47)	(243.0)	(30.4)
Depreciation	(52)	0.2	-
Interest income	(55)	(9.2)	-
Interest expense	(55)	55.7	42.2
Foreign exchange loss	(55)	16.7	41.9
Dividend income from subsidiaries	(51)	-	(345.3)
Impairment on subsidiaries	(43)	1,073.0	767.0
Impairment available-for-sale financial assets	(54)	3.5	-
Share-based payment transactions	(21c)	1.8	11.9
Income tax expense	(57)	(14.7)	(11.7)
Changes in:			
Trade and other receivables	(44)	(692.9)	168.7
Trade and other payables	(50)	(23.8)	(5.9)
Cash flows:			
Interest paid	(55)	(34.0)	(22.6)
Interest received	(55)	2.3	-
Income taxes paid	(55)	-	-
Cash flow (used in) / from operating activities (continuing operations)		**(739.7)**	**192.7**
Investments in property, plant and equipment		(0.4)	(0.9)
Capital contributions in subsidiaries	(43)	(457.7)	(143.2)
Cash flow (used in) investing activities (continuing operations)		**(458.1)**	**(144.1)**
Proceeds from share issuance	(15)	161.1	7.0
Proceeds from sale of treasury shares	(15)	3.5	37.7
Purchase of treasury shares	(15)	(19.5)	(62.1)
Proceeds from borrowings	(49)	468.5	508.8
Proceeds from borrowings from subsidiaries	(49)	599.2	118.4
Repayment of borrowings from subsidiaries	(49)	-	(688.1)
Cash flows from / (used in) financing activities (continuing operations)		**1,212.8**	**(78.3)**
Net cash flows from / (used in) continuing operations		**15.0**	**(29.7)**
Cash flows from operating activities		**-**	**30.4**
Net cash flows from discontinued operations	(57)	**-**	**30.4**
Net (decrease) / increase in cash and cash equivalents		**15.0**	**0.7**
Cash and cash equivalents at 1 January		16.5	5.4
Currency translation adjustments		(12.3)	10.4
Cash and cash equivalents at 31 December		**19.2**	**16.5**
Presentation in the statement of financial position			
Cash and cash equivalents		19.2	111.3
Bank overdraft		-	(94.8)
Cash and cash equivalents at 31 December		**19.2**	**16.5**

The notes on pages 141 to 155 are an integral part of these parent company financial statements.

[1] Restated for the effects of the adoption of IFRS.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

37. General

OCI N.V. ('The Company') was established on 2 January 2013 as a public limited liability company incorporated under Dutch law, with its head office located at Honthorststraat 19, Amsterdam, the Netherlands. OCI N.V. is registered in the Dutch commercial register under No. 56821166 dated 2 January 2013. OCI N.V. is a holding company.

38. Basis of preparation

The parent company financial statements have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Union (IFRS-EU).

The parent company financial statements have been prepared on the historical cost basis, except when otherwise indicated.

The financial year of OCI N.V. commences on 1 January and ends on 31 December.

The parent company financial statements are presented in US dollars ('USD'), which is the Company's presentation currency. The euro ('EUR') is the functional currency of OCI N.V. All values are rounded to the nearest tenth million (in millions of USD), except when stated otherwise.

The parent company financial statements have been authorised for issue by the Company's Board of Directors on 29 April 2016. The financial statements are subject to adoption of the Annual General Meeting of Shareholders on 28 June 2016.

39. Change in accounting principles - Adoption of IFRS

These are OCI N.V.'s first parent company financial statements prepared in accordance with IFRS-EU and IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been applied.

Previously the parent company financial statements were prepared in accordance with Dutch Generally Accepted Accounting Principles (Dutch GAAP). The company decided to adopt IFRS to facilitate international shareholders who are more familiar with IFRS than Dutch GAAP in combination with the possibility to measure the investments at fair value following the demerger of the Engineering & Construction business and the intended disposal of the ENA business. Reference is made to note 2.2 of the consolidated financial statements.

IFRS 1 requires that an entity applies accounting policies based on the standards and related interpretations effective at the reporting date of its first annual IFRS-EU financial statements (31 December 2015). IFRS 1 also requires that those policies be applied as of the date of transition to IFRS-EU (1 January 2014) and throughout all periods presented in the first IFRS-EU financial statements. For this reason, the statement of financial position as at 1 January 2014 is presented additionally.

In the parent company financial statements, investments in subsidiaries are recorded at 'deemed cost' less impairment, which was the fair value at the date of transition to IFRS. Subsequently, the investments in subsidiaries are measured at cost.

The change in the accounting framework and the related remeasurement of the investments in subsidiaries of OCI N.V. at the transition date results in a revaluation of the underlying OCI N.V. investments amounting to USD 7,592.0 million. This remeasurement of investments is recognised as a revaluation reserve within equity in the parent company financial statements of OCI N.V. As a result of the change in accounting framework in the parent company financial statements, the following main differences with the consolidated financial statements can be identified:

- revaluation of the investments in subsidiaries and relating impairment charge in the parent company financial statements;
- difference in the recognized demerger gain due to a difference in valuation upon demerger of the Engineering & Construction business;
- dividend income recognised compared to results from investments in accordance with the equity method.

The accounting principles in the consolidated financial statements remain unchanged. For more details, see paragraph ' Reconciliation from previous GAAP to IFRS-EU and [note 48].

39. Change in accounting principles - Adoption of IFRS continued

$ millions	1 January 2014 after restatement to IFRS	Restatement	1 January 2014 before restatement to IFRS
Investments in subsidiaries	9,556.6	7,592.0	1,964.6
Other non-current assets*	67.1	(18.1)	85.2
Non-current assets	9,623.7	7,573.9	2,049.8
Current assets*	702.7	18.1	684.6
Total assets	10,326.4	7,592.0	2,734.4
Equity	9,313.3	7,592.0	1,721.3
Non-current liabilities*	420.4	(549.4)	969.8
Current liabilities*	592.7	549.4	43.3
Total equity and liabilities	**10,326.4**	**7,592.0**	**2,734.4**

* Presentation differences

Reconciliation from previous GAAP to IFRS-EU

As at 1 January 2014, shareholders' equity is USD 7,592.0 million higher compared to previous GAAP due to the effect from the measurement of investments in subsidiaries.

For its investments in subsidiaries, OCI N.V. opted to measure these investments at fair value, being the deemed cost going forward. The Company determined the individual fair value of the investments by using a discounted cash flow method (income approach based on level 3 inputs) and comparing the outcomes with (i) the market capitalization of the entire company (level 2 inputs), (ii) the outcome of comparable company analysis and (iii) company analyst's consensus views to substantiate the outcome of the level 3 valuation exercise. Cash flow projections are based on the company's business plans which include specific estimates for the years 2014 to 2017 which are approved by the Board of Directors.

40. Summary of significant accounting policies

The Company has not made use of the optional exemptions and certain mandatory exemptions for first-time IFRS adopters in the conversion from Dutch GAAP to IFRS-EU, except for the optional exemption D13 to deem all currency translation to zero at the date of transition. As the Company already adopted IFRS-EU for the consolidated financial statements, the Company based its measurements and accounting principles on those that the Company already used, except for the measurements of the investments in subsidiaries in the parent financial statements, previously presented under 'financial fixed assets'. Reference is made to note 3 of the consolidated financial statements. These policies have been consistently applied to all years presented.

In the parent company financial statements, investments in subsidiaries are recorded at 'deemed cost' less impairment, which was the fair value at the date of transition to IFRS. Subsequently, the investments in subsidiaries are measured at cost. In prior years, investments in subsidiaries were stated at 'net asset value' ('nettovermogenswaarde'). As a consequence, the determination of the results in the parent company financial statements changed compared to previous years. In the parent company statement of profit or loss and other comprehensive income, dividend received from investments in subsidiaries is recorded as dividend income.

Due to this application, the parent equity and net result are not equal to the consolidated equity and net result. A reconciliation for total equity attributable to owners of the company and total comprehensive income is presented in note 48 to the parent company financial statements.

During 2015, no new standards became applicable to OCI N.V. that significantly impacted these parent company financial statements. For an overview of new standards not yet applicable to OCI N.V., reference is made to note 4 of the consolidated financial statements.

Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Parent Company financial statements, in the period in which the dividends are approved by the Company's shareholders.

Investments in subsidiaries

Investments in subsidiaries are stated at cost, less impairment. Dividend income from the Company's subsidiaries is recognized when the right to receive payment is established.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS
CONTINUED

40. Summary of significant accounting policies continued

Discontinued operations / assets held for demerger or sale

A discontinued operation is a component of the Group's business which:

- has operations and cash flows that can be clearly distinguished from the rest of the Group;
- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale or demerger. When an operation is classified as a discontinued operation, the comparative information in the statement of comprehensive income and the consolidated statement of cash flows are reclassified as if the operation had been discontinued from the start of the comparative period. In the statement of financial position, the comparative numbers are not reclassified.

Taxation

The Company is tax resident in the Netherlands.

The tax expense for the year comprises current and deferred tax. Tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized directly in other comprehensive income. The amount of income tax included in the statement of profit or loss is determined in accordance with the rules established by the tax authorities in the Netherlands, based on which income taxes are payable or recoverable.

Deferred tax assets and/or liabilities, arising from temporary differences between the carrying amounts of assets and liabilities and the tax base of assets and liabilities, are calculated using the substantively enacted tax rates expected to apply when they are realized or settled. Deferred tax assets are recognized if it is probable that they will be realized.

41. Use of estimates and judgments

The preparation of the parent company financial statements in conformity with IFRS-EU requires management to exercise judgment and make estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the parent company financial statements are the impairment of the investments in subsidiaries.

Impairment of investments in subsidiaries

At each balance sheet date, the Company reviews whether there is an indication that its investments in subsidiaries might be impaired.

An indication for impairment of the investments in subsidiaries may include, respectively, management's downward adjustment of the strategic plan. Further indications for impairments of its investments may include other areas where observable data indicates that there is a measurable decrease in the estimated future cash flows. These determinations require significant judgment. In making this judgment, management evaluates, among other factors, the financial performance of and business outlook for its investments, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

If any indication for impairment exists, the recoverable amount of the investments is estimated in order to determine the extent, if any, of the impairment loss. An investment is impaired if the recoverable amount is lower than the carrying value. The recoverable amount is defined as the higher of an investment's fair value less costs to sell and its value in use.

The investments' fair value less costs to sell represents the best estimate of the amount OCI N.V. would receive if it sold its investments. The fair value of each investment has been estimated on the basis of the present value of future cash flows, taking into account costs to sell.

The determination of the investment's value in use is based on calculations using pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated growth rates.

If the recoverable amount of an investment is estimated to be less than its carrying amount, the carrying amount of the investment is reduced to its recoverable amount. Any impairment loss is recognized immediately in the statement of profit or loss.

Impairment losses recognized in prior periods shall be reversed only if there has been a change in the estimates or external market information used to determine the investment's recoverable amount since the last impairment loss was recognized. The recoverable amount shall not exceed the carrying amount that would have been determined had no impairment loss been recognized in prior years.

42. Financial risk management

Unless stated otherwise in this disclosure note, reference is made to note 6 'Financial risk and capital management' in the notes to the consolidated financial statements.

42.1 Credit risk

The major exposure to credit risk at the reporting date was as follows:

$ millions	Note	2015	2014
Trade and other receivables	(44)	487.6	335.2
Available-for-sale financial assets	(45)	3.7	-
Cash and cash equivalents	(46)	19.2	111.3
Total		**510.5**	**446.5**

The major exposure to credit risk for trade and other receivables by geographic region was as follows:

$ millions	2015	2014
Middle East and Africa	11.8	288.8
Europe and United States	475.8	46.4
Total	**487.6**	**335.2**

42.2 Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and exclude the impact of netting agreements:

At 31 December 2015 $ millions	Note	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	More than 5 years
Financial liabilities						
Loans and borrowings	(49)	1,273.4	1,380.4	975.5	404.9	-
Loans and borrowings from subsidiaries[1]	(49)	610.8	610.8	610.8	-	-
Trade and other payables	(50)	49.5	49.5	49.5	-	-
Letters of guarantee	(28)	-	0.2	-	-	0.2
Total		**1,933.7**	**2,040.9**	**1,635.8**	**404.9**	**0.2**

At 31 December 2014 $ millions	Note	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	More than 5 years
Financial liabilities						
Loans and borrowings	(49)	985.6	1,130.8	126.2	1,004.6	-
Loans and borrowings from subsidiaries[1]	(49)	5.0	5.0	5.0	-	-
Trade and other payables	(50)	46.4	46.4	46.4	-	-
Letters of guarantee	(28)	-	0.2	-	-	0.2
Total		**1,037.0**	**1,182.4**	**177.6**	**1,004.6**	**0.2**

[1] No interest cash flows are included, since the loans and borrowings from subsidiaries are repayable on demand.

As part of the preparation of the financial statements, the Company has assessed its liquidity risk and going concern. Liquidity risk is the risk that the Company may encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company has made a number of assumptions in assessing its ability to meet its covenant requirements and satisfy obligations as they become due. Determining these assumptions requires significant judgment about future results and cash flows. Key assumptions include product pricing, gas pricing, utilization rates, IFCo commissioning, and the ability to arrange financing and obtain waivers for anticipated covenant breaches. Refer to note 6.2 and note 18 of the notes to the consolidated financial statements for the Company's analyses of liquidity risk and debt covenants, respectively. Furthermore, the Company's financial liabilities include loans and borrowings from subsidiaries. Although these loans and borrowings from subsidiaries are classified as short term due the contractual terms, the repayment date of these loans and borrowings can be controlled and determined by OCI N.V and may be extended beyond one year.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS
CONTINUED

42.3 Market risk

Foreign exchange risk

As of 31 December 2015, if the US dollar had strengthened/weakened by 12.0 percent against the Euro with all other variables held constant, the translation of foreign currency receivables, payables and loans and borrowings would have resulted in a decrease / increase of USD 41.2 million of the profit of the year.

The summary of quantitative data about the Company's exposure to foreign exchange transaction exposure based on risk management policy for the main currencies was as follows (amounts after intercompany elimination):

At 31 December 2015 $ millions	USD
Trade and other receivables	532.7
Trade and other payables	(17.1)
Loans and borrowings	(825.2)
Cash and cash equivalents	7.6

The foreign exchange transaction exposure of 'Trade and other receivables' of USD 532.7 million, exceeds the amount presented in the Statement of Financial position of USD 487.6 million. The reason for this is that the balances presented in the Statement of Financial position include netting of EUR denominated liabilities and USD denominated receivables with the same subsidiary, since there is a legal right to set off and the intention to do so.

At 31 December 2014 $ millions	USD
Trade and other receivables	47.1
Trade and other payables	(46.4)
Loans and borrowings	(99.8)
Cash and cash equivalents	3.7

The following tables demonstrate the sensitivity to a reasonably possible change in EUR-USD exchange rates, with all other variables held constant. The impact on the Company's general and administrative expenses is due to changes in the fair value of monetary assets and liabilities, including inter-company positions. The Company's exposure to foreign currency changes for all other currencies is not material.

2015 $ millions	Change in FX rate	Effect on profit before tax	Effect on equity
EUR - USD	12 percent	41.2	-
	(12) percent	(41.2)	-

2014 $ millions	Change in FX rate	Effect on profit before tax	Effect on equity
EUR - USD	7 percent	8.0	-
	(7) percent	(8.0)	-

42.3 Market risk continued

Interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings plus refinancing of fixed rate borrowings, as follows:

$ millions	in basis points	2015	2014
Effect on profit before tax for the coming year	+100 bps	(8.6)	(3.9)
	- 100 bps	8.6	3.9

Categories of financial instruments

2015 $ millions	Note	Loans and receivables / payables at amortized cost	Available-for-sale financial asset at fair value
Assets			
Trade and other receivables	(44)	487.6	-
Other investments	(45)	-	3.7
Cash and cash equivalents	(46)	19.2	-
Total		**506.8**	**3.7**
Liabilities			
Loans and borrowings from third parties	(49)	1,273.4	-
Loans and borrowings from subsidiaries	(49)	610.8	
Trade and other payables	(50)	49.5	-
Total		**1,933.7**	**-**

2014 $ millions	Note	Loans and receivables / payables at amortized cost	Available-for-sale financial asset at fair value
Assets			
Trade and other receivables	(44)	335.2	-
Cash and cash equivalents	(46)	111.3	-
Total		**446.5**	**-**
Liabilities			
Loans and borrowings from third parties	(49)	985.6	-
Loans and borrowings from subsidiaries	(49)	5.0	
Trade and other payables	(50)	46.4	-
Total		**1,037.0**	**-**

The only financial instruments carried at fair value by the Company are available-for-sale financial assets which are recognized in level 1 of the fair value hierarchy.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS
CONTINUED

43. Investment in subsidiaries

$ millions	2015	2014 restated
Balance at 31 December (before restatement)	-	1,964.6
Application of IFRS 1	-	7,592.0
Balance at 1 January (after restatement)	**7,323.6**	**9,556.6**
Impairment subsidiaries	(1,073.0)	(767.0)
Capital contributions and additions	1,026.8	777.8
Asset classified as held for demerger	-	(1,176.6)
Exchange rate differences	(874.0)	(1,067.2)
Balance at 31 December	**6,403.4**	**7,323.6**

Capital contributions and additions

In 2014, the following additions to the capital of the subsidiaries in amount of USD 777.8 million have been made:

- Capital contribution in OCI S.A.E. in the amount of USD 657.4 million, of which USD 40.4 million was paid in cash and USD 635.0 million was paid in kind by settling trade and other receivables;
- Capital contribution in the capital of Orascom Coop Holding of USD 102.8 million (discontinued operations);
- Net asset transfer shares OCI S.A.E. of USD 8.9 million (part of the MTO);
- Transfer of investment Besix to associates of USD 8.7 million (discontinued operations).

In 2015, the following additions to the capital of the subsidiaries in the amount of USD 1,026.8 million have been made:

- Capital contribution in the capital of OCI Fertilizer B.V. of USD 74.7 million in cash;
- Capital contribution in the capital of OCI Chemicals B.V. of USD 442.6 million of which USD 233.0 million was paid in cash and USD 209.6 million was paid in kind by settling trade and other receivables;
- Capital contribution in the capital of Iowa Fertilizer Company of USD 150.0 million in cash;
- Net asset transfer shares OCI S.A.E. of USD 1.8 million;
- Capital contribution in OCI Overseas Ltd was made in kind for an amount of USD 357.7 million by settling trade and other receivables.

Impairment Loss

An impairment trigger was identified in OCI N.V.'s investments due to a decrease in share price and drop in commodity selling prices. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

In accordance with IAS 36, the Group has performed an impairment test on the investments. The determination of the recoverable amounts requires significant judgments and estimates, including projections of future cash flows from the businesses. The recoverable values have been estimated based on value in use. The tests were carried out by discounting future cash flows to be generated from the continuing use of the operating entities to which the investments relate and on the assumption of an indefinite life. Key assumptions used in the calculation of recoverable amounts are the discount rate, the terminal value growth rate, selling price outlook per product, natural gas availability and the number of expected operating days per plant. Selling price assumptions are based on a published independent price outlook prepared by global fertilizer experts. The other assumptions used are based on past experience and external sources, but that are unpredictable and inherently uncertain.

The 2014 and 2015 impairment tests are based on specific estimates for the USD cash flow projections for the subsequent five years which are approved by the Board of Directors. The residual value was calculated on the basis of the last year of the projection period and whereby a perpetual growth rate of 1.5% was taken into account. In determining the pre-tax discount rate, first the post-tax average cost of capital was calculated for the underlying entities. The post-tax rate is based on a debt leveraging compared to the market value of equity of 17% and 25% in 2014 and 2015, respectively. The estimated pre-tax cash flows are discounted to their present value using a pre-tax weighted average cost of capital in the range of 9.7% to 13.6% and 10.9% to 12.9% in 2014 and 2015. The key assumptions and methods of quantification are as follows:

Unobservable input	Peer group range (average) 31-12-2015	Peer group range (average) 31-12-2014	Peer group range (average) 1-1-2014
WACC	9.0% - 12% (9.7%)	8.5% - 10.8% (9.3%)	9.3% - 13.2%
Long term revenue growth	1.5%	1.5%	2.0%
Revenue CAGR	16.8%	10.0%	9.0%
EBITDA margin	30.7% - 40.9% (36.0%)	31.2% - 36.0% (34.5%)	13.0% - 20.0%

43. Investment in subsidiaries continued

The carrying amounts of OCI Mena B.V. and OCI Chemicals B.V. exceeded the recoverable values, estimated using discounted cash flows, by USD 767.0 million and USD 1,073.0 million in 2014 and 2015, respectively, for which an impairment charge was recognized in the Parent company statement of Profit or Loss and Other Comprehensive Income. In 2015, OCI Mena B.V. was transferred to OCI Fertilizer B.V. As of 31 December 2015 the recoverable amount exceeded the carrying amount of OCI Fertilizer B.V. with USD 1,067.3 million. For OCI Chemicals B.V. the sensitivity analysis for 2015 is shown below.

$ millions	Change %	2015
WACC	1%	(404.0)
WACC	(1%)	526.0
Long-term Growth-rate	1%	365.0
Long-term Growth-rate	(1%)	(280.0)

List of subsidiaries

Name	Country of incorporation	Ownership %
OCI Fertilizer B.V.	The Netherlands	100.0
OCI Chemicals B.V.	The Netherlands	100.0
OCI IGB B.V.	The Netherlands	100.0
OCI UK Ltd	United Kingdom	100.0

OCI Fertilizer B.V. and OCI Chemicals B.V. are holding companies that have operating companies as subsidiaries.

44. Trade and other receivables

$ millions	2015	2014
Receivables from subsidiaries	474.0	302.8
Receivables from related parties	12.2	9.0
Other receivables	1.4	23.4
Total	**487.6**	**335.2**

No receivables have a maturity exceeding one year. The carrying amount of receivables approximates their fair value.

45. Other investments

$ millions	2015	2014
Available-for-sale / equity securities	3.7	-
Total	**3.7**	**-**

OCI N.V. holds an amount of USD 3.7 million (2014: nil) worth of shares in Orascom Construction Limited, which is a related party.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS
CONTINUED

46. Cash and cash equivalents

$ millions	2015	2014
Bank balances	19.2	111.3
Total	**19.2**	**111.3**

The bank balances are freely available for usage and are not restricted.

47. Assets held for demerger / discontinued operations

Reference is made to note 27 of the consolidated financial statements. The assets held for demerger / discontinued operations include the subsidiaries transferred to OCL on 7 March 2015.

Construction entities (discontinued operations)

$ millions	Country of domicile	Ownership percentage
Cementech	BVI	100.00
Orascom Construction Industries Algeria Spa	Algeria	99.90
BESIX Group SA	Belgium	50.00
OCI Construction Limited	Cyprus	100.00
Orascom Construction	Egypt	100.00
Orascom Road Construction	Egypt	99.98
Orasqualia for the Development of the Wastewater Treatment Plant	Egypt	50.00
National Steel Fabrication	Egypt	99.90
Alico Egypt	Egypt	50.00
Suez Industrial Development Company	Egypt	60.50
Orascom Saudi Company	Kingdom of Saudi Arabia	60.00
Contrack International Inc.	USA	100.00
Orascom E&C USA Inc.	USA	100.00
The Weitz Group LLC	USA	100.00

$ millions	2015	2014 restated
Balance at 1 January (after restatement)	**1,176.6**	**-**
Asset held for sale - transfer from financial assets	-	1,176.6
Contribution in kind	107.1	-
Exchange rate differences	(126.7)	-
Dividend in kind of demerged activities	(1,400.0)	-
Demerger result gain	243.0	-
Balance at 31 December	**-**	**1,176.6**

The dividend in kind of demerged activities relates to the demerger of the Engineering & Construction business. As a result of the demerger, the parent company realized a gain of USD 243.0 million.

48. Reconciliation of consolidated income and equity attributable to shareholders to parent company income and equity attributable to owners

$ millions	2015 Equity	2015 Profit / (loss)	2014 Equity	2014 Profit / (loss)
Consolidated equity attributable to owners of the company	1,260.3	423.5	2,118.9	415.6
Revaluation of subsidiaries	7,592.0	-	7,592.0	-
Difference gain on demerger	(387.8)	(387.8)	-	-
Results from subsidiaries	216.0	200.8	15.2	15.2
Other comprehensive income	(1,927.6)	(864.3)	(1,063.3)	(1,063.3)
Other direct equity movements	23.3	-	12.5	-
Impairment subsidiaries	(1,840.0)	(1,073.0)	(767.0)	(767.0)
Parent company equity attributable to owners	**4,936.2**	**(1,700.8)**	**7,908.3**	**(1,399.5)**

The reconciling items for equity and income are further detailed below.

Reconciling item – Revaluation of subsidiaries

The initial revaluation of OCI as at 1 January 2014 amounts to USD 7,592.0 million. Reference is made to the paragraph ‘Reconciliation from previous GAAP to IFRS-EU’ in note 39 of these parent company financial statements.

Reconciling item – Gain on demerger

In the 2015 parent company financial statements, the demerger gain of USD 243.0 million is lower compared to the demerger gain as reported in the consolidated financial statements of USD 630.8 million as the investment is stated at cost.

Reconciling item – Results from investments

The 2014 results from investments are USD 15.2 million higher in the parent company financial statements as dividend income for 2014 is USD 438.7 million, whereas the result in the consolidated financial statements was USD 423.5 million.

The 2015 results from investments are USD 200.8 million higher in the parent company financial statements as dividend income for 2015 is USD 28.4 million, whereas the result in the consolidated financial statements was USD 172.4 million.

Reconciling item – Other comprehensive income

The reconciliation item ‘Other comprehensive income’ represents hedge and currency translation adjustments which are recognised in the consolidated financial statements but not in the parent company financial statements as the investments are stated at cost.

The 2014 difference in income of USD 1,063.3 million comprises USD 1,070.6 million of currency translation adjustments partially offset by USD 7.3 million of losses on cash flow hedges and available-for-sale financial assets, which do not occur in the parent company financial statements.

The 2015 difference in income of USD 864.3 million comprises USD 851.2 million of currency translation adjustments and USD 13.1 million of gains on cash flow hedges and available-for-sale financial assets, which do not occur in the parent company financial statements.

Reconciling item – Other direct equity movements

Other direct equity movements represent capital contributions in the minority shareholding of OCIP Holding, which are not included in the parent company financial statements.

Reconciling item – Impairment subsidiaries

For details of impairment of the investments in OCI Mena B.V. and OCI Chemicals B.V. recognized in the 2014 and 2015 parent company financial statements, reference is made to note 43.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS
CONTINUED

49. Loans and borrowings

$ millions	2015	2014
Convertible note	346.6	379.6
Revolving credit facility	528.6	511.2
Term facility agreement	198.8	-
Term facility agreement	199.4	-
Bank overdraft	-	94.8
Sub-total third party	**1,273.4**	**985.6**
OCI Overseas Holding Ltd.	408.2	5.0
OCI Nitrogen B.V.	183.8	-
OCI S.A.E.	18.8	-
Sub-total subsidiaries	**610.8**	**5.0**
Total	**1,884.2**	**990.6**
Non-current	346.6	890.8
Current	1,537.6	99.8
At 31 December	**1,884.2**	**990.6**

Reference is made to note 18 'Loans and borrowings' of the consolidated financial statements for detailed information on third party loans.

Proceeds from borrowings third party

Proceeds from borrowings in 2015 for the Company totaled an amount of USD 468.5 million. Reference is made to note 18 of the consolidated financial statements.

Proceeds from borrowings from subsidiaries

Proceeds from borrowings from subsidiaries include net proceeds of USD 396.6 million from OCI Overseas Holding Ltd., USD 183.8 million from OCI Nitrogen B.V. and USD 18.8 million from OCI SAE.

The maturity dates of loans and borrowings from third party are as follows:

$ millions	2015	2014
2015	-	94.8
2016	398.2	-
2017	528.6	511.2
2018	346.6	379.6
Total	**1,273.4**	**985.6**

Specification of loans and borrowings from subsidiaries

$ millions	Type	Interest %	2015 Long term	2015 Short term	2014 Long term	2014 Short term
OCI Overseas Holding Ltd	Unsecured	Libor + 3.25	-	408.2	-	5.0
OCI Nitrogen B.V.	Unsecured	Euribor + 3.25	-	183.8	-	-
OCI SAE	Unsecured	Libor + 3.25	-	18.8	-	-
Total			**-**	**610.8**	**-**	**5.0**

50. Trade and other payables

$ millions	2015	2014
Payables due to subsidiaries	13.5	31.0
Payables due to related parties	0.8	0.8
Share-based payments	11.8	-
Other current liabilities	23.4	14.6
Total	**49.5**	**46.4**

51. Dividend income

In 2015, OCI Chemicals B.V. distributed an amount of USD 28.4 million in cash to OCI N.V.

In 2014, OCI Fertilizer B.V. distributed an amount of USD 345.3 million in kind to OCI N.V. and OCI Construction Holding Limited distributed an amount of USD 63.0 million in cash to OCI N.V.

52. Development of general and administrative expenses

a. Expenses by nature

$ millions	2015	2014
Employee benefit expenses (b)	3.4	20.3
Depreciation	0.2	-
Consultancy expenses	25.3	15.8
Other	8.7	5.7
Total	**37.6**	**41.8**

The expenses by nature comprise 'general and administrative expenses'.

b. Employee benefit expenses

$ millions	2015	2014
Wages and salaries	4.0	4.3
Social securities	0.2	0.1
Employee profit sharing	2.1	2.6
Pension cost	0.3	0.3
Share-based payments IFRS 2 expenses	1.8	11.9
Release remeasurement employee liability	(2.7)	-
Other employee expenses	(2.3)	1.1
Total	**3.4**	**20.3**

For specifications on share-based payments, reference is made to note 21c of the notes to the consolidated financial statements.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS
CONTINUED

53. Other income

$ millions	2015	2014
Holding recharges	15.9	19.4
Total	**15.9**	**19.4**

The Company recharges certain expenses 'holding recharges' for rendered headquarter services to its subsidiaries. These recharges include but are not limited to, general corporate expenses related to finance, legal, information technology, human resources, internal audit, investor relations, treasury services and employee benefits and incentives.

54. Other expenses

$ millions	2015	2014
Impairment available-for-sale financial assets	3.5	-
Total	**3.5**	**-**

The impairment of the available-for-sale financial assets related to the OCL shares held by OCI N.V.

55. Net finance cost

$ millions	2015	2014
Interest income on loans and receivables third party	0.7	-
Interest income on loans and receivables subsidiaries	8.5	-
Finance income	**9.2**	**-**
Interest expense on financial liabilities measured at amortized cost third party	(48.8)	(36.9)
Interest expense on financial liabilities measured at amortized cost subsidiaries	(6.9)	(5.3)
Foreign exchange loss	(16.7)	(41.9)
Finance cost	**(72.4)**	**(84.1)**
Net finance cost recognized in profit or loss	**(63.2)**	**(84.1)**

$ millions	2015	2014
Total interest income on financial assets	9.2	-
Total interest expenses on financial liability	(55.7)	(42.2)

56. Income tax

$ millions	2015	2014
Current tax	20.7	19.8
Deferred tax	(6.0)	(8,1)
Total Income tax in profit or loss	**14.7**	**11.7**

56.1 Income tax expense

Reconciliation of the statutory income tax rate in the Netherlands with the effective tax rate can be summarized as follows:

$ millions	2015	%	2014	%
Profit / (loss) before income tax	(1,133.0)		(465.2)	
Enacted income tax rate in the Netherlands	25%		25%	
Tax calculated at statutory tax rate	**283.3**	**(25.0)**	**116.3**	**(25.0)**
Expenses non-deductible	(16.0)	1.4	(16.7)	3.6
Income not subject to tax	13.0	(1.1)	103.9	(22.3)
Impairment subsidiaries[1]	(268.3)	23.7	(191.8)	41.2
Other	2.7	(0.2)	-	-
Total Income tax in profit or loss	**14.7**	**(1.3)**	**11.7**	**(2.5)**

[1] The impairment on subsidiaries in amount of USD 1,073.0 million in 2015 (2014: USD 767.0 million) is not subject to income tax.

56.2 Deferred income tax assets and liabilities

Changes in deferred tax assets and liabilities

$ millions	2015	2014
At 1 January	**1.6**	**47.6**
Profit or loss from continuing operations	(6.0)	(8.1)
Profit or loss from discontinued operations	-	-
Effect of movement in exchange rates	(0.1)	(1.8)
Transferred to current tax position	-	(36.1)
Assets reclassified as held for demerger	-	-
At 31 December	**(4.5)**	**1.6**

Recognized deferred tax assets and liabilities

	Assets		Liabilities		Net	
$ millions	2015	2014	2015	2014	2015	2014
Subsidiaries	-	4.6	-	-	-	4.6
Trade and other receivables	0.6	0.6	-	-	0.6	0.6
Loans and borrowings	-	-	(5.5)	(4.0)	(5.5)	(4.0)
Trade and other payables	0.4	0.4	-	-	0.4	0.4
Total	**1.0**	**5.6**	**(5.5)**	**(4.0)**	**(4.5)**	**1.6**
Netting of fiscal position	(1.0)	(4.0)	1.0	4.0	-	-
Amounts recognized in the balance sheet	**-**	**1.6**	**(4.5)**	**-**	**(4.5)**	**1.6**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS
CONTINUED

57. Related party balances

For an overview of the related parties, reference is made to note 32 of the consolidated financial statements. The company (itself) has the following current account related party balances with OCL group companies:

$ millions	note	2015	2014
Orascom Construction Limited ('OCL')		3.2	-
Orascom E&C		3.0	3.0
Weitz		3.0	3.0
Contrack USA		3.0	3.0
OCI Construction Cyprus		(0.8)	(0.8)
Total		11.4	8.2
Receivables from related parties	(44)	12.2	9.0
Payables due to related parties	(51)	(0.8)	(0.8)
Total		11.4	8.2

The current accounts consist of management fees, transferred cost and other. In 2014, Besix distributed divided in cash of USD 30.4 million to OCI N.V.

58. Contingencies

Guarantees

OCI N.V. has provided financial guarantees to certain subsidiaries including EFC related to its International Finance Corporation ('IFC') bank loan. For OCI Fertilizers B.V. and OCI Nitrogen B.V. comfort letters were provided by OCI N.V.

Termination fees CF Industries combination agreement

Pursuant to the terms of the CF Industries combination agreement, OCI may be required to pay a termination fee of USD 150.0 million if the transactions contemplated by the combination agreement are not consummated because of the occurrence of certain events, including a change to the recommendation of the OCI board of directors. Similarly, CF Industries may be required to pay a termination fee of USD 150.0 million if the transactions contemplated by the CF Industries combination agreement are not consummated because of the occurrence of certain events, including a change to the recommendation of the CF Industries board of directors.

In addition, if the combination agreement is terminated because a party fails to obtain its required shareholder approval, such party is obligated to reimburse the other party's expenses up to a cap of USD 30.0 million.

59. Employees

The total number of employees in 2015 was 25 (2014: 26 employees).

60. Fiscal unity

OCI N.V. forms a fiscal unity with several Dutch entities for corporation tax purposes. In accordance with the standard conditions, a company and its subsidiaries that form the fiscal unity are jointly and severally liable for taxation payable by the fiscal unity. The following entities are included in the fiscal unity headed by OCI N.V.:

- OCI N.V.
- OCI Nitrogen B.V.
- OCI Personnel B.V.
- OCI Terminal Europoort B.V.
- OCI Fertilizers B.V.
- OCI China Holding B.V.

OTHER INFORMATION PROPOSED APPROPRIATION OF NET PROFIT / (LOSS)

$ millions	2015	2014
Cash dividend interim	-	-
Cash dividend final	-	-
Added to retained earnings	**(875.3)**	(423.1)
Total net profit / (loss) attributable to shareholders	**(875.3)**	**(423.1)**

Upon adoption of this proposed Net Profit / (Loss) appropriation, the dividend for the 2015 financial year will be nil. This proposed Net Profit / (Loss) appropriation is in conformity with article 26 of the Company's Articles of Association.

Extract from the Articles of Association relating to Net Profit / (Loss) appropriation

Article 26. 'Profits and Distributions'.

26.1 The Board may decide that the profits realized during a financial year will fully or partially be appropriated to increase and/or from reserves.

26.2 The profits remaining after application of Article 26.1 shall be put at the disposal of the General Meeting. The Board shall make a proposal for that purpose. A proposal to pay a dividend shall be dealt with as a separate agenda item at the General Meeting of Shareholders.

26.3 Distributions from the Company's distributable reserves are made pursuant to a resolution of the General Meeting at the proposal of the Board.

26.4 Provided it appears from an interim statement of assets signed by the Board that the requirement mentioned in Article 26.8 concerning the position of the Company's assets has been fulfilled, the Board may make one or more interim distributions to the holders of Shares.

26.5 The Board may decide that a distribution on Shares shall not take place as a cash payment but as a payment in Shares, or decide that holders of Shares shall have the option to receive a distribution as a cash payment and/or as a payment in Shares, out of the profit and/or at the expense of reserves, provided that the Board is designated by the General Meeting pursuant to Articles 6.2. The Board shall determine the conditions applicable to the aforementioned choices.

26.6 The Company's policy on reserves and dividends shall be determined and can be amended by the Board. The adoption and thereafter each amendment of the policy on reserves and dividends shall be discussed and accounted for at the General Meeting of Shareholders under a separate agenda item.

26.7 The Company may further have a policy with respect to profit participation for employees which policy will be established by the Board.

26.8 Distributions may be made only insofar as the Company's equity exceeds the amount of the paid in and called up part of the issued capital, increased by the reserves which must be kept by virtue of the law or these Articles of Association.

Amsterdam, the Netherlands, 29 April 2016

The OCI N.V. Board of Directors
Michael Bennett, Chairman
Nassef Sawiris
Salman Butt
Jan Ter Wisch
Sipko Schat
Jérôme Guiraud
Robert Jan van de Kraats
Greg Heckman

INDEPENDENT AUDITOR'S REPORT

To: the General Meeting and the Board of Directors of OCI N.V.

Report on the audit of the Financial Statements 2015

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of OCI N.V. (also referred to as "the Company") as at 31 December 2015, and of its result and its cash flows for 2015 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Netherlands Civil Code.

What we have audited

We have audited the 2015 financial statements of OCI N.V., based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements.

The financial statements comprise:

1 the consolidated and company statement of financial position as at 31 December 2015;

2 the following consolidated and company statements for 2015: the statement of profit or loss and other comprehensive income, changes in equity and cash flows; and

3 the notes comprising a summary of the significant accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of OCI N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Audit approach

Summary

Materiality

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

For the consolidated financial statements as a whole we determined, based on our professional judgment, the materiality at USD 15 million (2014: USD 30 million). The materiality is determined with reference to profit before tax from continuing operations, before exceptional items of which it represents approximately 4%. The significant decrease in materiality is caused by the demerging of the engineering and construction business as described in the 'Our key audit matters' section of our report. We consider profit before tax from continuing operations, before exceptional items as the most appropriate benchmark considering the nature of the business and the results of the Company. In addition, the appropriateness of the materiality was assessed by comparing the materiality to consolidated revenue from continuing operations (0.7%) and total assets (0.2%). We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the consolidated financial statements.

For the company financial statements we considered total assets as a more appropriate benchmark in determining materiality given the nature of the activities of the Company on company level only (asset based). Based on our professional judgment we have determined the materiality at USD 60 million (being approximately 1% of total assets). Also for the company financial statements we have taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the company financial statements.

We agreed with the Board of Directors that misstatements in excess of USD 0.75 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

OCI N.V. is head of a group of components. The financial information of this group is included in the financial statements of OCI N.V.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for the components of the group. Decisive were the size and / or the risk profile of the components or operations. On this basis, we selected components for which an audit or review had to be carried out on the complete set of financial information or specific items.

Based on these scoping criteria, we selected 10 components from 5 countries for a full scope audit. This resulted in a coverage of approximately 91% of revenue and approximately 98% of total assets. The remaining revenues and assets result from a number of components, of which none individually represented more than 5% of total revenue or 1% of total assets. For these remaining components, we performed amongst others review or specific audit procedures to validate our assessment that there were no significant risks of material misstatement within these components.

We have:

- performed audit procedures ourselves at group level in respect of areas such as the annual goodwill impairment tests, acquisition (BioMCN) and disposals (Engineering & Construction Business) and the liquidity risk;
- performed audit procedures ourselves at component OCI Nitrogen B.V.;
- used the work of local KPMG and non-KPMG auditors when auditing components in other foreign countries;
- performed review procedures or specific audit procedures at other components where no local auditor was involved.

The group audit team has set component materiality levels, which ranged from USD 2 million to USD 8 million, based on the mix of size and risk profile of the components within the group.

The group audit team provided detailed instructions to all component auditors part of the group audit, covering the significant audit areas, including the relevant risks of material misstatement identified by us, and set out the information required to be reported back to the group audit team. The group audit team visited component auditors and performed file reviews for components in Egypt, Algeria and the United States of America. Telephone conferences were held with all the component auditors part of the group audit. During these visits and telephone conferences, the planning, audit approach and findings and observations reported to the group audit team were discussed and reviewed in more detail by us, where considered necessary. Any further work deemed necessary was subsequently performed by the component auditors and reviewed by us.

By performing the procedures mentioned above at both group and component level, together with additional procedures at component level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the financial statements.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Board of Directors. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Liquidity risk

Description

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company's liquidity risk and related ability to continue as a going concern. The assessment of the liquidity risk has been identified as a key audit matter as it requires significant judgment about future results and cash flows. Management prepared a liquidity risk analysis addressing amongst others the financing and cash requirements for the plants under construction, the repayment obligation of the Company's debt due on or before 30 July 2017 and the Company's debt covenants as set forth in Note 5 including references therein, to the financial statements.

Our response

In our audit of this liquidity risk we evaluated and tested the assumptions, methodologies and data used by the Company. The Company's analysis includes assumptions in respect of being able to refinance or repay loans with due dates on or before 30 July 2017. We evaluated the assumptions in respect of projected available future cash flows from operating, financing, divesting and investing activities and projected key ratios for the future covenant calculations. We assessed the reliability of the forecasted cash flows by comparing with the historical performance, market expectations and other sensitivities. In addition, we evaluated management assumptions in respect of the ability to obtain waivers or otherwise cure future covenant breaches. Furthermore, we inspected supporting documentation such as contracts, waivers and underlying calculations and correspondence with financing and other relevant parties. We evaluated the disclosure about liquidity risk and the related going concern assumption as set forth in Note 5 including references therein, and noted that the main assumptions and uncertainties are appropriately disclosed.

INDEPENDENT AUDITOR'S REPORT
CONTINUED

Valuation of goodwill

Description

OCI N.V. carries a significant amount of goodwill on the statement of financial position of which approximately 91% relates to its subsidiary Egyptian Fertilizer Company ("EFC"). Under EU-IFRSs, the Company is required to test the amount of goodwill for impairment at least annually and in case of indications of impairment. The impairment tests were significant to our audit due to the complexity of the assessment process and judgments and assumptions involved which are affected by expected future market and economic developments, including the availability of sufficient gas supplies in Egypt. The assumptions applied by the Company may have a material effect on the result of the impairment test calculations. The Company has disclosed the impairment test method including the main underlying assumptions, the results of the tests, showing an impairment loss for 2015 amounting to USD 422.9 million, as well as the impact of the sensitivity analyses in disclosure note 8 to the consolidated financial statements.

Our response

In our audit we evaluated the cash flow projections included in the annual goodwill impairment tests. Furthermore, we critically assessed and tested the assumptions, methodologies, the weighted average cost of capital and other data used, for example by comparing them to external and historical data, such as external market growth expectations, utilization rates, the availability of sufficient gas supplies and by analysing sensitivities in OCI N.V.'s valuation model. We included in our team valuation specialists to assist us with these procedures. We specifically focused on the sensitivity in the available headroom for the cash generating units, evaluating whether a reasonably possible change in assumptions could cause the carrying amount to exceed its recoverable amount and assessed the historical accuracy of management's estimates. In case of recorded impairment losses, we tested the impairment calculations. Based on our procedures performed we consider management's key assumptions to be within a reasonable range. We also assessed the adequacy of the disclosure notes in the consolidated financial statements.

Demerger Engineering & Construction Business

Description

On 7 March 2015, OCI N.V. demerged its Engineering & Construction Business by distributing the shares of OCL (ultimate parent company of the Engineering & Construction Business) to OCI N.V.'s shareholders. Following the demerger, the shares of OCL became listed on Nasdaq Dubai and the Egyptian Exchange. We considered the accounting treatment of this demerger as a key audit matter because of its size, complexity and the judgment required in calculating the gain on the demerger.

Our response

We tested the gain on the demerger of the Engineering & Construction Business by comparing the fair value of the shares of OCL with supporting calculations and the market capitalization of OCL in the period directly after the demerger. In addition, we verified the correct cut-off of net results of the Engineering & Construction Business until the date of demerger and the correct calculation and accounting of recycling of accumulated currency translation results and cash flow hedge reserves from other comprehensive income to profit or loss. We also evaluated the adequacy of the disclosure note (note 27) of the demerger (discontinued operations).

First time adoption IFRS company financial statements

Description

OCI N.V. applied IFRS 1 "First time adoption of IFRS" for its Company financial statements in 2015. Consequently, the Company applied the deemed cost approach for the initial valuation of its subsidiaries using fair value. The "First time adoption of IFRS" and especially the resulting revaluation of OCI N.V. subsidiaries were significant to our audit due to the complexity of the process to determine fair value and judgments and assumptions involved which are affected by expected future market and economic developments. The assumptions applied by the Company may have a material effect on the subsidiaries' valuation. The same applies to the impairment tests performed, based on an analysis of indications of impairment, with respect to the valuation of the subsidiaries as per 31 December 2015 and 2014. The Company has disclosed the valuation method including the main underlying assumptions in disclosure note 43 to the company financial statements.

Our response

In our audit we evaluated the cash flow projections included in the subsidiaries' valuation method. Furthermore, we critically assessed and tested the assumptions, methodologies, the weighted average cost of capital and other data used, for example by comparing them to external and historical data, such as external market growth expectations, utilization rates and by analysing sensitivities in OCI N.V.'s valuation model. We included in our team valuation specialists to assist us with these procedures. In relation to the 31 December 2015 and 2014 impairment tests with respect to the valuation of the subsidiaries, we specifically focused on the sensitivity in the available headroom for these subsidiaries, evaluating whether a reasonably possible change in assumptions could cause the carrying amount to exceed its recoverable amount and assessed the historical accuracy of management's estimates. In case of recorded impairment losses, we tested the impairment calculations. Based on our procedures performed we consider management's key assumptions and the valuation of the subsidiaries to be within a reasonable range. We also assessed the adequacy of the disclosure note in the company financial statements.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and with Part 9 of Book 2 of the Netherlands Civil Code and for the preparation of the report of the Board of Directors in accordance with Part 9 of Book 2 of the Netherlands Civil Code. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of financial statements

Our objective is to plan and perform the audit to obtain sufficient and appropriate audit evidence for our opinion. Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all errors and fraud. For a further description of our responsibilities in respect of an audit of financial statements we refer to the website of the professional body for accountants in the Netherlands (NBA) www.nba.nl/standardtexts-auditorsreport.

Report on other legal and regulatory requirements

Report on the report of the Board of Directors and the other information

Pursuant to legal requirements of Part 9 of Book 2 of the Netherlands Civil Code (concerning our obligation to report about the report of the Board of Directors and other information):

- We have no deficiencies to report as a result of our examination whether the report of the Board of Directors, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of the Netherlands Civil Code, and whether the information as required by Part 9 of Book 2 of the Netherlands Civil Code has been annexed.
- We report that the report of the Board of Directors, to the extent we can assess, is consistent with the financial statements.

Engagement

Our first appointment as auditor of OCI N.V. was in 2013. On 10 June 2015, we were re-appointed by the General Meeting as auditor of OCI N.V. for 2015.

Amstelveen, 29 April 2016

KPMG Accountants N.V.

M. Meester RA

SHAREHOLDER INFORMATION

Share Listing

OCI N.V.'s shares have been listed on the Euronext in Amsterdam as of 25 January 2013.

The OCI N.V. Share in 2015 [1]

Number of outstanding ordinary shares as at 31 December 2015	210,113,854
Highest share price	€ 31.97
Average share price	€ 26.14
Lowest share price	€ 21.72
Share price at 31 December 2015	€ 22.80
Market capitalization at 31 December 2015	€ 4.79 billion

[1] Adjusted for OCL Demerger

Demerger of the Engineering & Construction Business

At an OCI N.V. extraordinary general meeting held on 12 November 2014, shareholders approved the proposal to facilitate the demerger of the company's engineering and construction business from its fertilizer and chemicals business (the "Spin-Off"). The demerged engineering and construction business formed OCL. The Spin-Off was effected after the close of trading on 6 March 2015 (the "Record Date") through a $ 1.4 billion repayment of capital in kind to OCI N.V. shareholders as registered on the Record Date in the form of OC shares. An OCI N.V. shareholder received one OC share for every two OCI N.V. shares held. OC shares commenced trading on 9 March 2015 on NASDAQ Dubai and on 11 March 2015 on the Egyptian Exchange.

After close of trading on the Record Date, Euronext announced a reference price of $ 13.33 per OC share and a EUR:USD exchange rate of 1.087 (https://www.euronext.com/en/products/equities/NL0010558797-XAMS), to calculate an adjustment of EUR 6.13 per OCI N.V. share. The $ 13.33 reference price is based on the $ 1.4 billion capital repayment divided by the number of OC shares available for transfer to the OCI N.V. shareholders. Based on a closing price of EUR 34.095, Euronext adjusted the OCI N.V. shares to EUR 27.965 as at 18:00 CET on 6 March 2015.

Share capital

All of the Company's issued shares are ordinary shares with authorized par value of 20 Euros.

Dividend Policy

OCI N.V. has a flexible dividend policy designed to balance the availability of funds for dividend distribution with pursuing growth opportunities that generate attractive returns. We currently have two large greenfield projects under construction in the US. Accordingly, the Board has decided to focus cash flows on completing our significant growth initiatives in a timely manner and therefore has not announced a dividend for FY 2015.

Investor Relations

OCI N.V. places great importance on maintaining active dialogue with existing and potential shareholders, banks, and analysts. OCI N.V. is committed to providing relevant, high-quality and timely information to all stakeholders, and to giving current and potential shareholders, analysts and financial press broader insight into the Company and the industries in which we operate. To this end, OCI N.V. strives to ensure that relevant information is provided equally and simultaneously to all interested parties.

As per the Company's by-laws, OCI N.V. observes a 'black-out' period during which analysts' meetings and presentations to and/or direct discussions with current or potential shareholders do not take place shortly before the publication of the regular financial information.

Investor Relations contact

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KEY SUBSIDIARIES

OCI NITROGEN (100%)

Nitrates and melamine manufacturer, the Netherlands

IOWA FERTILIZER COMPANY (100%)

Nitrates and diesel exhaust fluid manufacturer, USA

OCI PARTNERS LP (79.88%)

Owner and operator of OCI Beaumont, ammonia and methanol manufacturer, USA

NATGASOLINE (100%)

Methanol manufacturer, USA

BioMCN (100%)

Methanol manufacturer, Netherlands

SORFERT ALGÉRIE (51%)

Ammonia and granular urea manufacturer, Algeria

EGYPTIAN FERTILIZERS COMPANY (100%)

Granular urea manufacturer, Egypt

EGYPT BASIC INDUSTRIES CORPORATION (60%)

Ammonia manufacturer, Egypt

OCI FERTILIZER TRADING (100%)

Fertilizer trading and distribution, UAE

OCI FERTILIZER TRADE & SUPPLY (100%)

Fertilizer trading and distribution, Netherlands

OCI TERMINAL EUROPOORT B.V. (100%)

Ammonia tank owner and operator, Netherlands

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