



## H1 2017 Results Summary

*6 September 2017*

# H1 2017 Results

## Financial Highlights

\$ million unless otherwise stated	H1 2017	H1 2016	% Δ
<b>Revenue</b>	<b>1,026.2</b>	<b>982.0</b>	<b>4.5%</b>
Gross Profit	195.9	165.1	<b>18.7%</b>
<b>Adjusted EBITDA<sup>1)</sup></b>	<b>315.7</b>	<b>291.5</b>	<b>8.3%</b>
<i>Adjusted EBITDA margin</i>	<i>30.8%</i>	<i>29.7%</i>	
Reported operating profit	91.4	346.9	<i>(73.7)%</i>
<b>Adjusted net income attributable to shareholders</b>	<b>47.0</b>	<b>45.2</b>	<b>4.0%</b>
Reported net income attributable to shareholders	(35.1)	218.4	<i>Nm</i>
<b>Earnings / (loss) per share (\$)</b>			
Basic earnings per share (reported)	(0.168)	1.045	<i>Nm</i>
Diluted earnings per share (reported)	(0.168)	1.045	<i>Nm</i>
Total Assets	<b>7,354.6</b>	7,963.0	<i>(7.6)%</i>
Total Equity	<b>1,668.1</b>	1,832.3	<i>(9.0)%</i>
Gross Interest-Bearing Debt	<b>4,740.5</b>	4,868.4	<i>(2.6)%</i>
Net Debt <sup>2)</sup>	<b>4,408.4</b>	4,293.3	<i>(2.7)%</i>
Capital Expenditure	<b>86.6</b>	482.4	<i>(82.0)%</i>
<b>Sales volumes ('000 metric tons)</b>			
OCI Product	<b>3,337.4</b>	3,022.6	<i>10.4%</i>
Third Party Traded	<b>622.8</b>	991.7	<i>(37.2)%</i>
Total Product Volumes <sup>3)</sup>	<b>3,960.2</b>	4,014.3	<i>(1.3)%</i>

1) OCI N.V. uses a few Alternative Performance Measures ('APM') to provide a better understanding of the underlying developments of the performance of the business. The APMs are not defined in IFRS and should be used as supplementary information in conjunction with the most directly comparable IFRS measures.

2) Excluding reserved bank balances of \$22.9 million as at 30 June 2017 and \$214.3 million as at 30 June 2016

3) Fully consolidated, not adjusted for OCI ownership stake in plant

# H1 2017 Results

## EBITDA Bridge | Non-Operating Events & One-off Items

### Reconciliation of reported operating income to adjusted EBITDA

\$ million	H1 2017	H1 2016	Adjustment in P&L
<b>Operating profit as reported</b>	<b>91.4</b>	<b>346.9</b>	
<i>Depreciation and amortization</i>	<i>150.0</i>	<i>151.1</i>	
<b>EBITDA</b>	<b>241.4</b>	<b>498.0</b>	
<u>Adjustments for:</u>			
<i>Expenses related to expansion projects</i>	<i>36.0</i>	<i>32.5</i>	<i>SG&amp;A expenses / Other expenses</i>
<i>Sorfert shutdown<sup>1)</sup></i>	<i>27.0</i>	<i>-</i>	<i>Revenue</i>
<i>Termination fee</i>	<i>-</i>	<i>(150.0)</i>	<i>Other income</i>
<i>Transaction costs</i>	<i>-</i>	<i>17.4</i>	<i>Other expenses</i>
<i>Result on sale of 50% and deconsolidation of Natgasoline</i>	<i>-</i>	<i>(107.9)</i>	<i>Other income</i>
<i>Change in fair value of natural gas hedge</i>	<i>0.7</i>	<i>1.5</i>	<i>Other expenses</i>
<i>Gain on sale of AFS investments</i>	<i>(0.4)</i>	<i>-</i>	<i>Other income</i>
<i>Settlement of claims</i>	<i>11.0</i>	<i>-</i>	<i>Other expenses</i>
<b>Total adjustment at EBITDA level</b>	<b>74.3</b>	<b>(206.5)</b>	
<b>Adjusted EBITDA</b>	<b>315.7</b>	<b>291.5</b>	

<sup>1)</sup> Loss of revenue resulting from the shutdown is expected to be covered by insurance (less deductibles). Potential insurance proceeds have not yet been reflected in the H1 2017 Financial Statements

# H1 2017 Results

## Net Income Bridge | Non-Operating Events & One-off Items

### Reconciliation of reported net income to adjusted net income

\$ million	H1 2017	H1 2016	Adjustment in P&L
Reported net income attributable to shareholders	(35.1)	218.4	
<u>Adjustments for:</u>			
<i>Adjustments at EBITDA level</i>	74.3	(206.5)	
<i>Expenses related to expansion projects</i>	3.9	-	<i>Income from equity accounted investees</i>
<i>Forex loss on intercompany loans</i>	48.4	0.1	<i>Finance expense</i>
<i>Recognition of previously unused tax losses BioMCN</i>	(31.4)	-	<i>Income tax</i>
<i>Tax effect of adjustments</i>	(13.1)	33.2	<i>Income tax</i>
<b>Total adjustments at net income level</b>	<b>82.1</b>	<b>(173.2)</b>	
<b>Adjusted net income attributable to shareholders</b>	<b>47.0</b>	<b>45.2</b>	

# H1 2017

## Debt Overview

### Consolidated Debt Breakdown as at 30 June 2017

\$ million	Description	Companies	Gross Debt	Cash <sup>1)</sup>	Net debt <sup>1)</sup>
<b>Majority Owned Subsidiaries</b>	<ul style="list-style-type: none"> <li>Debt at entities where OCI's stake is less than 100%</li> <li>Debt is non-recourse to OCI N.V., although fully consolidated on the group's balance sheet</li> </ul>	<ul style="list-style-type: none"> <li>Sorfert</li> <li>EBIC</li> <li>OCI Beaumont</li> </ul>	1,081.8	161.7	920.1
<b>Fully Owned Subsidiaries</b>	<ul style="list-style-type: none"> <li>100% owned operating companies' debt is organized against operating company cash flow and is non-recourse to HoldCo</li> <li>Corporate support is available from OCI N.V. with Board approvals</li> </ul>	<ul style="list-style-type: none"> <li>OCI Nitrogen</li> <li>EFC</li> <li>OFT</li> </ul>	1,025.5	91.3	934.2
<b>Project Finance Debt</b>	<ul style="list-style-type: none"> <li>Project finance debt which can remain with the company after completion of construction</li> <li>Debt is ring-fenced and non-recourse to OCI N.V.</li> <li>Debt is raised through banks or capital markets</li> <li>Long tenures financed by operating cash flow</li> </ul>	<ul style="list-style-type: none"> <li>IFCo</li> </ul>	1,221.1	1.6	1,219.5
<b>Holding Company Debt</b>	<ul style="list-style-type: none"> <li>Full responsibility of OCI N.V.</li> <li>Supported by investment asset values and dividends received from subsidiaries</li> </ul>	<ul style="list-style-type: none"> <li>OCI N.V.</li> <li>Other</li> </ul>	1,412.1	77.5	1,334.6
<b>Total</b>			<b>4,586.0</b>	<b>337.0</b>	<b>4,249.0</b>

1) Excluding reserved bank balances of \$ 22.9 million

# Operational Highlights

## Product Sales Volumes

'000 metric tons	Q2 2017	Q2 2016	% Δ	H1 2017	H1 2016	% Δ
<b>Own Product</b>						
Ammonia	300.8	391.2	-23.1%	702.6	718.9	-2.3%
Urea <sup>1)</sup>	618.6	405.6	52.5%	1,188.5	985.8	20.6%
Calcium Ammonium Nitrate (CAN)	356.5	319.5	11.6%	663.3	412.0	61.0%
Urea Ammonium Nitrate (UAN) <sup>2)</sup>	79.8	102.2	-21.9%	105.4	252.6	-58.3%
<b>Total Fertilizer</b>	<b>1,355.7</b>	<b>1,218.5</b>	<b>11.3%</b>	<b>2,659.8</b>	<b>2,369.3</b>	<b>12.3%</b>
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Methanol <sup>3)</sup>	275.3	284.1	-3.1%	594.1	584.9	1.6%
Melamine	45.1	37.1	21.6%	83.5	68.4	22.0%
<b>Total Industrial Chemicals</b>	<b>320.4</b>	<b>321.2</b>	<b>-0.2%</b>	<b>677.6</b>	<b>653.3</b>	<b>3.7%</b>
<hr/>						
<b>Total Own Product Sold</b>	<b>1,676.1</b>	<b>1,539.7</b>	<b>8.9%</b>	<b>3,337.4</b>	<b>3,022.6</b>	<b>10.4%</b>
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<b>Traded Third Party</b>						
Ammonia	72.2	106.4	-32.1%	128.5	161.7	-20.5%
Urea	32.4	14.4	125.0%	36.6	14.4	154.2%
UAN	10.0	16.4	-39.0%	92.2	20.4	352.0%
Ammonium Sulphate (AS)	159.9	390.0	-59.0%	365.5	795.2	-54.0%
<b>Total Traded Third Party Product</b>	<b>274.5</b>	<b>527.2</b>	<b>-47.9%</b>	<b>622.8</b>	<b>991.7</b>	<b>-37.2%</b>
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<b>Total Own Product and Traded Third Party</b>	<b>1,950.6</b>	<b>2,066.9</b>	<b>-5.6%</b>	<b>3,960.2</b>	<b>4,014.3</b>	<b>-1.3%</b>
<i>Of which: Fertilizers</i>	<i>1,630.2</i>	<i>1,745.7</i>	<i>-6.6%</i>	<i>3,282.6</i>	<i>3,361.0</i>	<i>-2.3%</i>

1) Includes Diesel Exhaust Fluid product volumes (in equivalent urea tons)

2) Includes 25.9% nitrogen solution (in equivalent UAN tons)

3) Includes 10.9 kt procured by OCI Beaumont in Q2 2017 during the unplanned shutdown

# Operational Highlights

## Benchmark Prices

			Q2 '17	Q2 '16	% Δ	Q1 '17	% Δ	H1 '17	H1 '16	% Δ
<b>Granular Urea</b>	Egypt, FOB	\$/t	<b>201</b>	206	(2%)	263	(24%)	<b>232</b>	218	6%
<b>Ammonia</b>	NW Europe, FOB	\$/t	<b>318</b>	357	(11%)	358	(11%)	<b>338</b>	355	(5%)
<b>Ammonia</b>	US Gulf Tampa	\$/t	<b>302</b>	315	(4%)	303	0%	<b>303</b>	319	(5%)
<b>CAN</b>	Germany, CIF	€/t	<b>177</b>	173	2%	219	(19%)	<b>198</b>	198	0%
<b>UAN</b>	France, FOT	€/t	<b>150</b>	157	(4%)	169	(11%)	<b>159</b>	160	(1%)
<b>Melamine</b>	Europe contract	€/t	<b>1,500</b>	1390	8%	1450	3%	<b>1,475</b>	1390	6%
<b>Methanol</b>	USGC Contract, FOB	\$/t	<b>405</b>	247	64%	447	(9%)	<b>426</b>	248	72%
<b>Methanol</b>	Rotterdam FOB Contract	€/t	<b>405</b>	202	100%	355	14%	<b>380</b>	234	62%

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