

OCI N.V. Trading Update¹**Highlights**

- Own-produced volumes sold increased 12.0% in Q1 2017 compared to the same quarter last year
- Egypt urea utilization rate c.100% during the first quarter of 2017 and in April
- Expect EBIC to regain access to its export jetty by June 2017
- Realized selling prices up from the fourth quarter, on average lower than in first quarter last year
- Net debt stood at \$4.3 billion as of 31 March 2017
- Iowa Fertilizer Company commenced production and sales in April 2017
- Natgasoline 81.1% complete as at 31 March 2017, expect commercial production in Q4 2017
- Board has approved refurbishment of second methanol production line at BioMCN

Financial and Operational Performance

During the first quarter of 2017, own-produced fertilizer and chemical volumes increased by 12.0% to a record 1.7 million metric tons compared to 1.5 million metric tons the same period last year, and also increased by 5.6% compared to the fourth quarter of 2016.

Fertilizer

The fertilizer segment ramped up production with higher utilization rates in North Africa and a return to normalized operating rates in The Netherlands. Total own-produced fertilizer (ammonia, urea and nitrates) volumes improved 13.3% in the first quarter of 2017 compared to the first quarter of 2016. Iowa Fertilizer Company (IFCo) did not yet contribute to first quarter volumes, as production and sales started in April.

Ammonia volumes were significantly higher than last year, primarily driven by a good performance from Sorfert in Algeria. We expect utilization rates at Egypt Basic Industries (EBIC), our ammonia operations in Egypt, to improve once the facility regains access to its export jetty, expected by June 2017.

Urea volumes were boosted by Egyptian Fertilizers Company (EFC), which was running at full utilization during the quarter. Future gas supply to our plants in Egypt is looking increasingly secure. BP started gas production from its West Nile development in March, eight months ahead of schedule. When fully on stream, the West Nile Delta fields are expected to reach production equivalent to about 30% of Egypt's current gas production. Another recent discovery in Egypt, ENI's giant Zohr field, is one of the largest gas discoveries in the world with a potential of up 30 trillion cubic feet (tcf) of gas in place and is expected to start production later this year.

Calcium ammonium nitrate (CAN), our main nitrates business, and urea ammonium nitrate (UAN) reported volumes in line with previous quarters. In the first quarter of 2016, CAN volumes were low due to the

¹ Quarterly figures are based on unaudited results

previously reported shutdown, which also resulted in higher UAN volumes than can normally be achieved when CAN is running at high utilization.

Industrial Chemicals

Our industrial chemicals portfolio (methanol, melamine) performed well during the quarter, with an increase of 7.6% in own produced volumes and a significant increase in selling prices, both compared to the first quarter and the fourth quarter last year. Methanol volumes improved 6.0% due to continued high capacity utilization at OCI Beaumont in the United States and a strong increase in volumes at BioMCN in the Netherlands. Following a comprehensive turnaround of the BioMCN facility in June / July last year, the facility has consistently achieved high utilization rates and returns.

The melamine business continued its strong performance from 2016. Melamine volumes increased by 22.5% in the first quarter compared to the same period last year, with prices increasing for the second year in a row.

Financial Performance

Consolidated first quarter 2017 revenue was approximately at the same level as in the same period last year, as the 12.0% higher own-produced volumes were offset by a 25.0% decrease of lower margin third party traded volumes and lower average realized prices. Average fertilizer selling prices in the first quarter of 2017 were lower than in the same quarter last year, but up from the fourth quarter. Methanol and melamine prices improved compared to both quarters.

Adjusted EBITDA was slightly lower than the level in the same period last year, reflecting higher natural gas costs and start-up costs for Iowa Fertilizer Company, but was higher than the level achieved in the fourth quarter of 2016. In the United States, Henry Hub spot gas prices increased from \$ 2.0 / MMBtu in the first quarter of 2016 to \$ 3.0 / MMBtu in the first quarter of 2017. European TTF spot gas prices increased from \$ 4.1 / MMBtu in the first quarter of 2016 to \$ 5.8 / MMBtu in the first quarter of 2017.

Net debt was \$4.3 billion as at 31 March 2017, at the same level as at 31 December 2016, with an increase in working capital due to mid-season inventory levels offsetting operational cash flow.

Update on Expansion Projects

IFCo was officially inaugurated in April 2017 and has commenced production and sales of both ammonia and downstream products. Consequently, we expect IFCo to start contributing from the second quarter onwards.

Natgasoline continues to make good progress and was 81.1% complete as at end of March 2017. The methanol facility in Texas is expected to start commercial production in the fourth quarter of 2017.

OCI's board of directors has approved the refurbishment of the second methanol production line at BioMCN and the purchasing of long-lead items. The restart of the plant, which is currently mothballed, will add another 430 ktpa of product.

Market Environment

Selling prices for urea have been volatile, with signs of recovery in the beginning of the year, but declining in March due to a delay in the start of the application season in both the US and Europe, lower import demand

from India and reconciliation of additional capacity. We believe current low prices are not sustainable, and below break-even costs of marginal producers in China and elsewhere.

The medium-term outlook for the supply demand balance continues to look positive. We expect global urea capacity additions slowing to below trend demand growth over at least the next four years, even before taking into account likely further net capacity closures in China. Urea exports from China are expected to be structurally lower than the levels in 2016 going forward, with potential rebounds in exports capped by environmental curtailments and increased focus on profitability of the industry.

Nitrate prices have also declined due to delayed demand in Europe, but have been more resilient than urea. Ammonia prices reached significantly higher levels during the first quarter compared to the previous quarter, and remained firm into the beginning of the second quarter of 2017, reflecting tighter global supply.

Methanol prices have improved steadily since reaching a trough in the first quarter of 2016. In the second quarter of 2017, prices have corrected somewhat, largely due to the return of supply from various methanol plants following turnarounds, and reduced operating rates at some Methanol-to-Olefins (MTO) facilities in China. Nevertheless, current price levels are higher than those achieved in 2016 and continue to generate healthy returns for our operations. Global demand is expected to remain underpinned by the MTO sector, which is benefiting from improved economics and additional MTO capacity starting up.

Evolution of volumes and benchmark prices

Product Sales Volumes

'000 metric tons	Q1 2017	Q1 2016	% Δ	Q4 2016	% Δ
Own Product					
Ammonia	401.8	327.7	22.6%	335.2	19.9%
Urea	569.9	580.2	-1.8%	517.2	10.2%
Calcium Ammonium Nitrate (CAN)	306.8	92.5	231.7%	304.8	0.7%
Urea Ammonium Nitrate (UAN)	25.6	150.4	-83.0%	76.2	-66.4%
Total Fertilizer	1,304.1	1,150.8	13.3%	1,233.4	5.7%
Methanol	318.8	300.8	6.0%	294.7	8.2%
Melamine	38.4	31.3	22.5%	44.9	-14.6%
Total Industrial Chemicals	357.2	332.1	7.6%	339.6	5.2%
Total Own Product	1,661.3	1,482.9	12.0%	1,573.0	5.6%
Traded Third Party					
Ammonia	56.3	55.3	1.8%	29.3	92.2%
Urea	4.2	-	NM	74.6	-94.4%
UAN	82.2	4.0	NM	24.9	230.1%
Ammonium Sulphate (AS)	205.6	405.2	-49.3%	483.7	-57.5%
Total Traded Third Party Product	348.3	464.5	-25.0%	612.5	-43.1%
Total Own Product & Traded Third Party	2,009.6	1,947.4	3.2%	2,185.5	-8.0%

Benchmark Prices

			Q1 2017	Q1 2016	% Δ	Q4 2016	% Δ
Granular Urea	Egypt, FOB	US\$/t	263	231	13.9%	235	11.9%
Ammonia	North West Europe, FOB	US\$/t	358	354	1.1%	263	36.1%
Ammonia	US Gulf Tampa	US\$/t	303	323	-6.2%	220	37.7%
CAN	Germany, CIF	€/t	219	227	-3.5%	172	27.3%
UAN	France, FOT	€/t	169	164	3.0%	149	13.4%
Melamine	Europe contract	€/t	1,450	1,390	4.3%	1,390	4.3%
Methanol	US Gulf Coast Contract, FOB	US\$/t	447	249	79.5%	326	37.1%
Methanol	US Gulf Coast Spot, FOB	US\$/t	383	151	153.6%	306	25.2%
Methanol	Rotterdam FOB Contract	€/t	355	265	34.0%	248	43.1%

About OCI N.V.:

OCI N.V. (Euronext: OCI) is a global producer and distributor of natural gas-based fertilizers & industrial chemicals based in the Netherlands. OCI produces nitrogen fertilizers, methanol and other natural gas based products, serving agricultural and industrial customers from the Americas to Asia. OCI is a leading global nitrogen fertilizer producer with over 8.9 million metric tons of capacity. OCI is also on track to become one of the world's largest methanol producers with over 3.1 million tons of capacity. OCI is listed on Euronext in Amsterdam.

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