



# Investor Presentation

September 2014



NYSE:UAN

## Safe Harbor

*The following information contains forward-looking statements based on management's current expectations and beliefs, as well as a number of assumptions concerning future events. These statements are subject to risks, uncertainties, assumptions and other important factors.*

*Interested parties are cautioned not to put undue reliance on such forward-looking statements (including forecasts and projections regarding our future performance) because actual results may vary materially from those expressed or implied as a result of various factors, including those noted in the Partnership's filings with the Securities and Exchange Commission.*

*CVR Partners, LP assumes no obligation to, and expressly disclaims any obligation to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*



# Overview & Strategic Factors



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-- Partnership formed by CVR Energy, Inc. in June 2007 ... IPO in April 2011 --

-- Manufacturing facility primarily produces ammonia and urea ammonium nitrate (UAN) --

-- Plant located in Coffeyville, KS with capacity to produce ~7% of annual UAN demand in U.S. --

-- General Partner does not receive Incentive Distribution Rights (IDRs) --

- Solid long-term industry fundamentals
- Strategically located assets
- Fully utilized capacity
- Feed stock benefits
- Experienced management team
- Multiple opportunities for growth



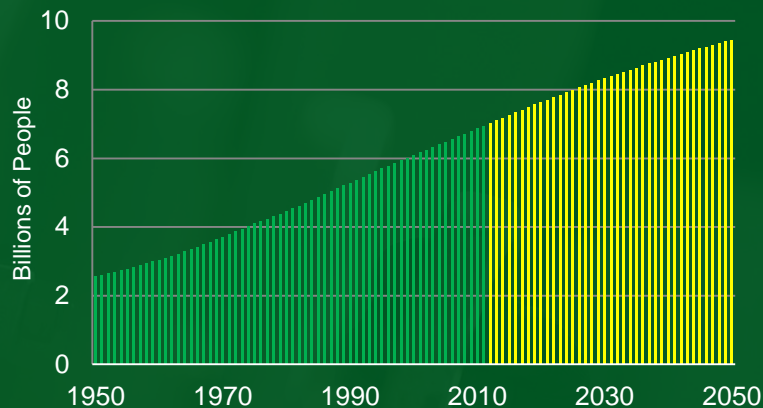
# Solid Industry Fundamentals



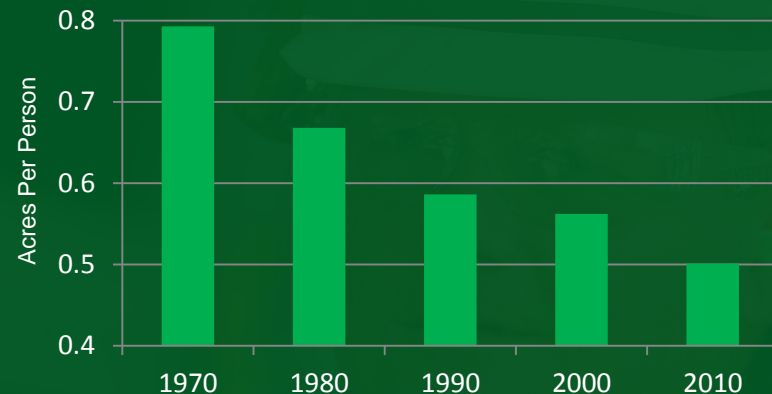
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## Key Demand Drivers

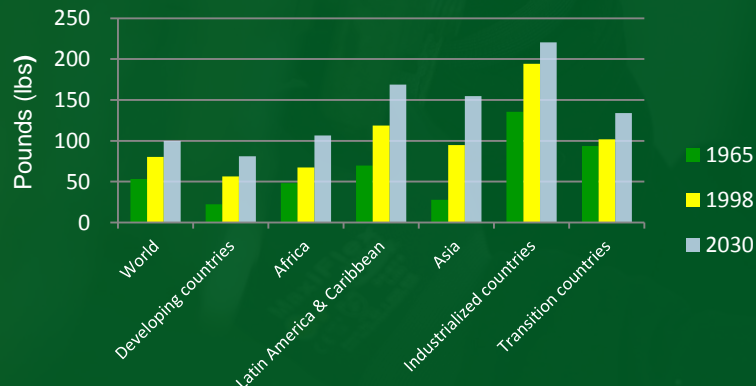
World Population



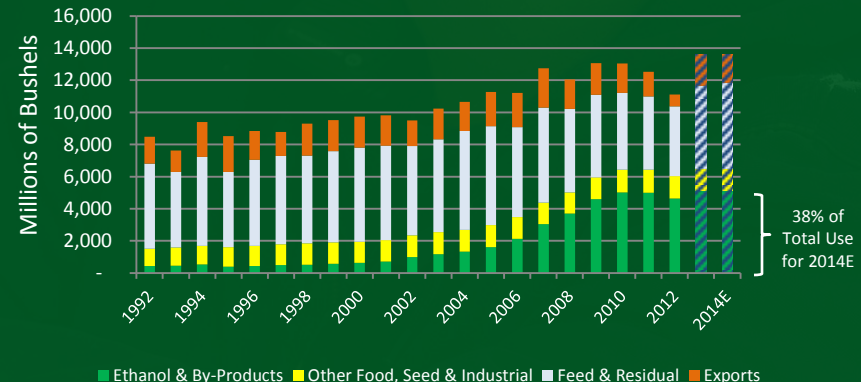
World Farmland Per Capita



Annual Per Capita Consumption of Meat



U.S. Corn Use



Source: USDA, Census Bureau, FAO (<http://www.fao.org/docrep/005/AC911E/ac911e05.htm>) & World Bank (<http://data.worldbank.org/indicator/AG.LND.ARBL.HA.PC>).



# Solid Industry Fundamentals

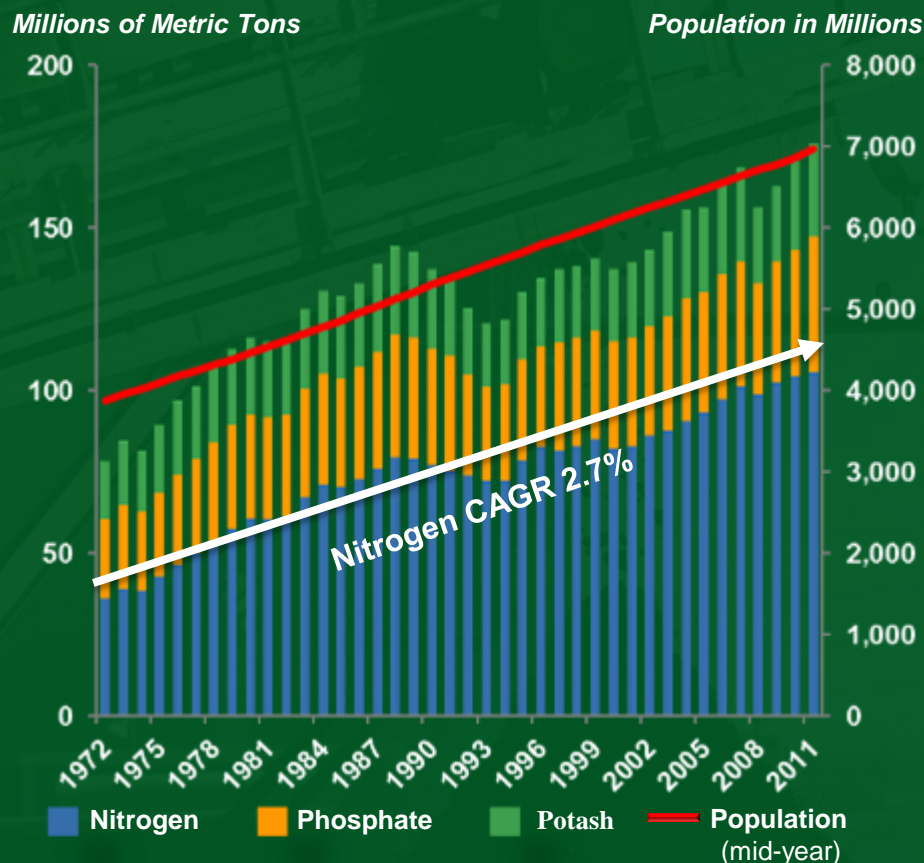


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## Consistent Growth in Fertilizer Demand

- Nitrogen represents ~62% of fertilizer consumption
- Nitrogen fertilizers have the most stable demand
  - Must be applied annually
  - Primary determinant of crop yield
- Corn consumes largest amount of nitrogen fertilizer

### Global Fertilizer Consumption



Note: Nutrient Tons; Fertilizer Years.

Source: International Fertilizer Industry Association; U.S. Bureau of the Census, International Data Base

# Solid Industry Fundamentals



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## Fertilizer is Smaller Component of Total Cost

### Corn Prices Continue to Support Fertilizer Use

#### Corn (CBOT)

Price per Bushel



Source: Capital IQ (as of September 11, 2014)

#### Fertilizer Portion of U.S. Farmer Total Input Costs



Source: USDA.



# Solid Industry Fundamentals

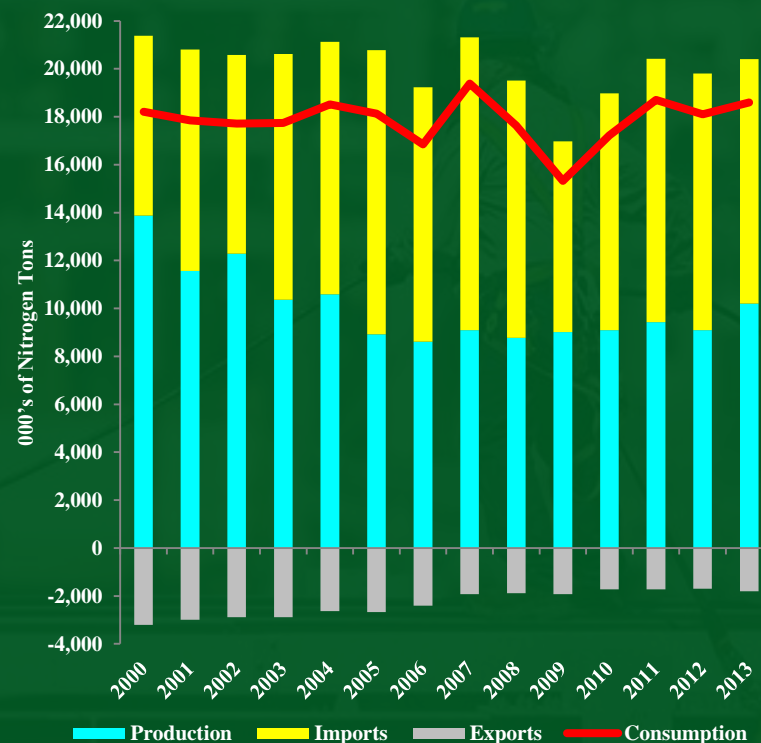


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## Nitrogen Supply/Demand Imbalance in U.S.

- Fertilizer accounted for 72% of total nitrogen use in U.S. for 2013
- To meet fertilizer, industrial and other demand requirements, U.S. has been net importer of nitrogen
  - 2000-2013
    - Average 7.8 million tons per year
    - 43% of demand
  - 2013
    - 8.4 million tons
    - 45% of demand
- Anticipate U.S. will remain net importer despite expected capacity expansions

### Total U.S. Nitrogen Supply & Demand



Source: Blue, Johnson and Associates, Inc.

# Solid Industry Fundamentals

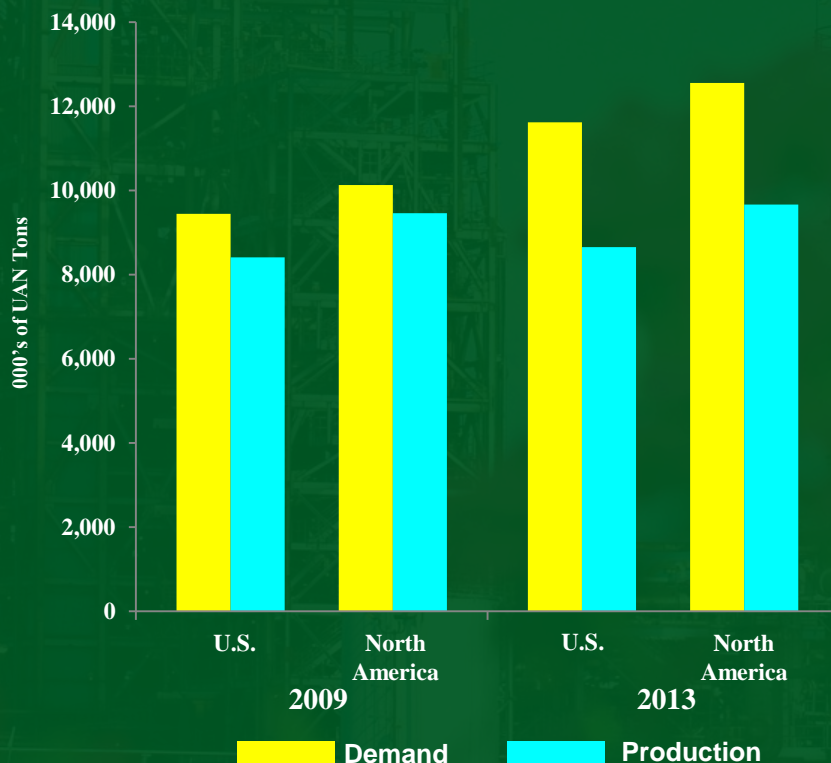


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## Excess Demand Driving Net Imports of UAN

U.S. Net Imports of UAN were 26% of Demand in 2013 <sup>(1)</sup>

### UAN Demand/Supply



Source: Fertecon.

### U.S. Imports of UAN

(000's of UAN Short Tons)

Country	2009	2010	2011	2012	2013
Trinidad & Tobago	0	777	1,010	852	719
Russia	658	749	674	750	1,315
Canada	427	437	617	402	333
Romania	29	254	487	284	238
Egypt	0	123	117	221	366
Lithuania	69	79	489	395	119
Ukraine	0	73	30	0	0
Poland	0	0	0	0	42
Estonia	30	117	92	0	0
Netherlands	0	44	144	143	186
Bulgaria	0	33	21	109	54
Germany	69	30	153	81	110
Turkey	0	0	0	46	0
Rest of world	3	2	29	3	2
<b>Total</b>	<b>1,285</b>	<b>2,718</b>	<b>3,853</b>	<b>3,286</b>	<b>3,484</b>

Source: USDA.

(1) North American net imports of UAN were 23% of demand in 2013.



# Solid Industry Fundamentals

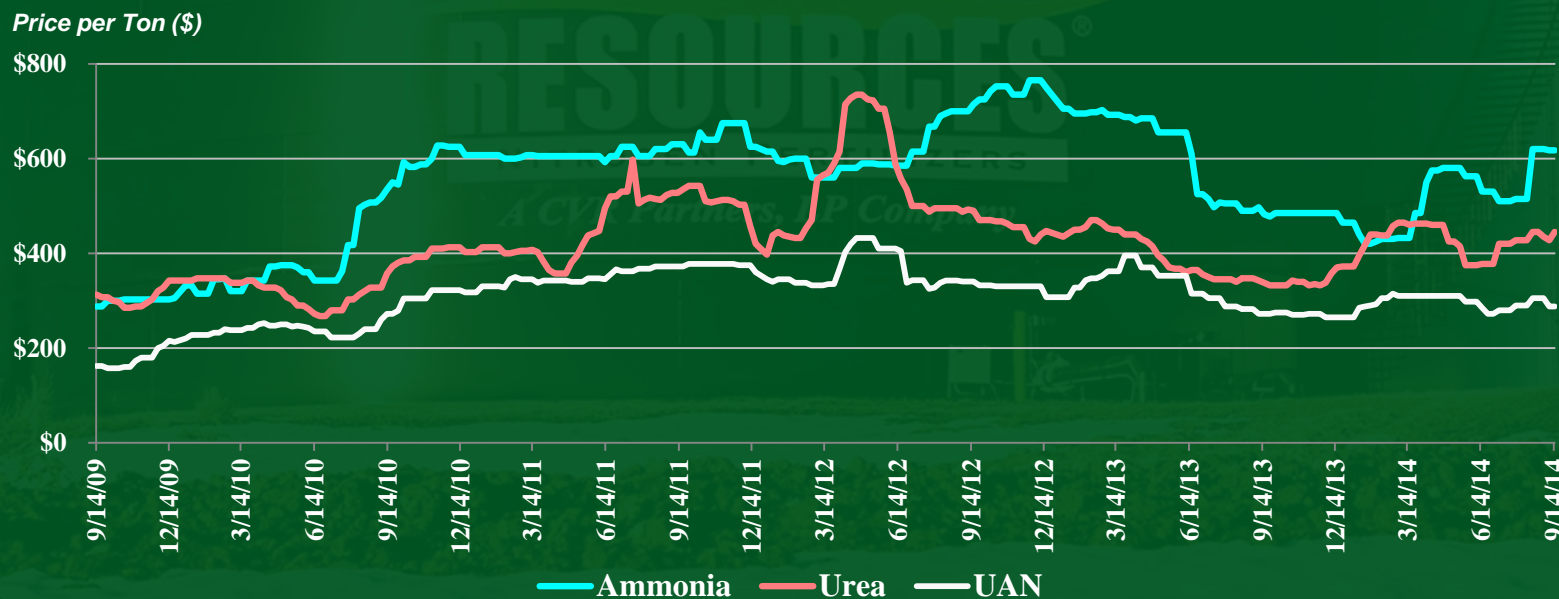


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## Fertilizer Prices Remain Attractive

Market Dynamics Support Stable Pricing Environment

### Weekly Spot Prices (U.S. Southern Plains)



	Ammonia	Urea	UAN
Trailing 5 year	\$548	\$421	\$309
Trailing 3 year	\$594	\$453	\$329
Trailing 1 year	\$508	\$403	\$289
9/15/14 (Current)	\$618	\$445	\$288

Source: Green Markets.

# Solid Industry Fundamentals

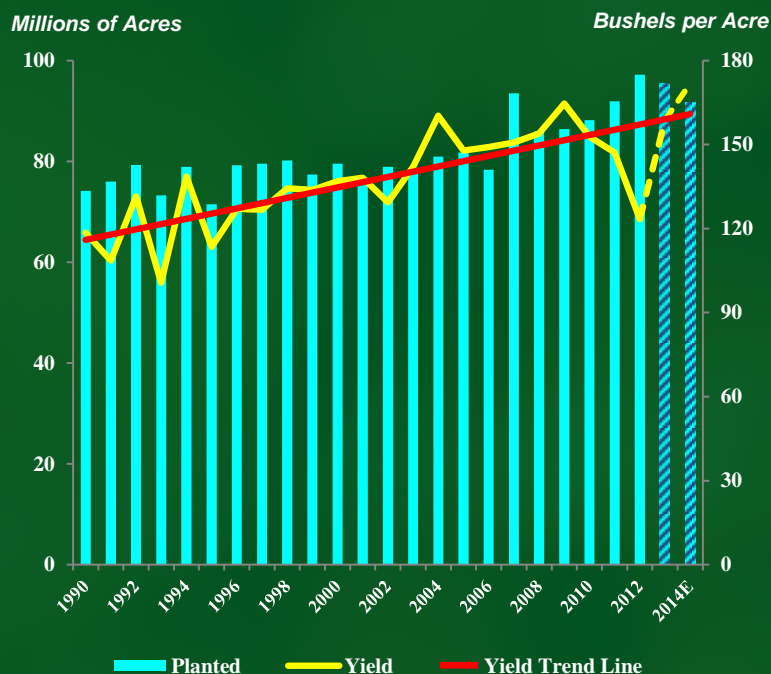


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## Corn Inventory Impacts Planting Levels

USDA Estimates Ended 2013 with Corn Stocks-to-Use of 8.7%  
-- 45% Lower Than Initial Projection in February 2013 --

### U.S. Corn Planted & Yields



### U.S. Corn Supply & Use

Millions of Bushels (unless otherwise noted)					
	2012	2013E		2014E	
	USDA <sup>(1)</sup>	Feb '13 USDA <sup>(2)</sup>	Sep '14 USDA <sup>(1)</sup>	USDA <sup>(1)</sup>	89 MM ac & 172 bu/ac 92 MM ac & 168 bu/ac
Planted (MM acres)	97.2	96.0	95.4	91.6	89 92
Harvested %	89.9%	92.0%	91.9%	91.5%	91.5% 91.5%
Yield (bu/ac)	123.4	163.5	158.8	171.7	172 168
Beginning Stocks	989	647	821	1,181	1,181 1,181
Production	10,781	14,435	13,925	14,396	14,004 14,078
Imports	162	25	35	30	30 30
Total Supply	11,932	15,107	14,781	15,607	15,215 15,289
Total Use	11,111	13,040	13,600	13,605	13,605 13,605
Ending Stocks	821	2,067	1,181	2,002	1,610 1,684
Stocks to Use %	7.4%	15.9%	8.7%	14.7%	11.8% 12.4%

(1) WASDE (September 2014).

(2) Long-Term Projections to 2022 (included initial estimate for 2013/14 fertilizer year).

Note: 20-year (1994-2013) average for year-ending stocks-to-use was 13.1%.

Source: USDA.



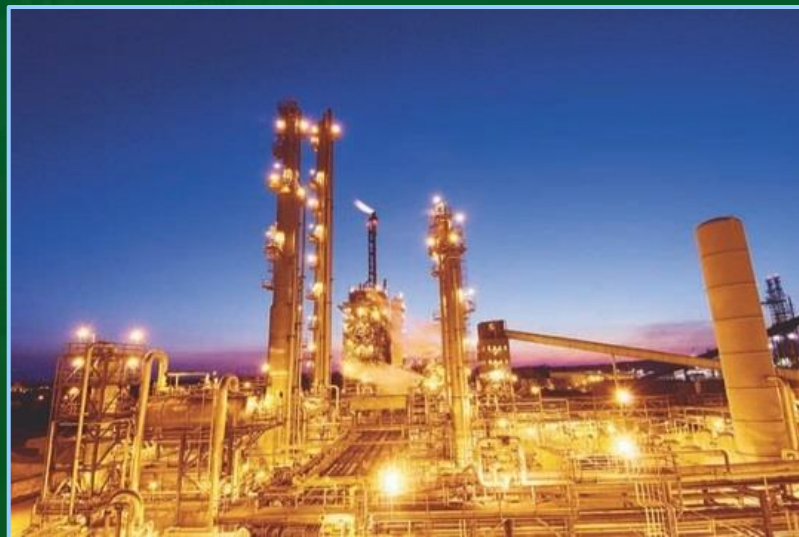
# Blueprint for Success



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## Supported by Positive Industry Backdrop

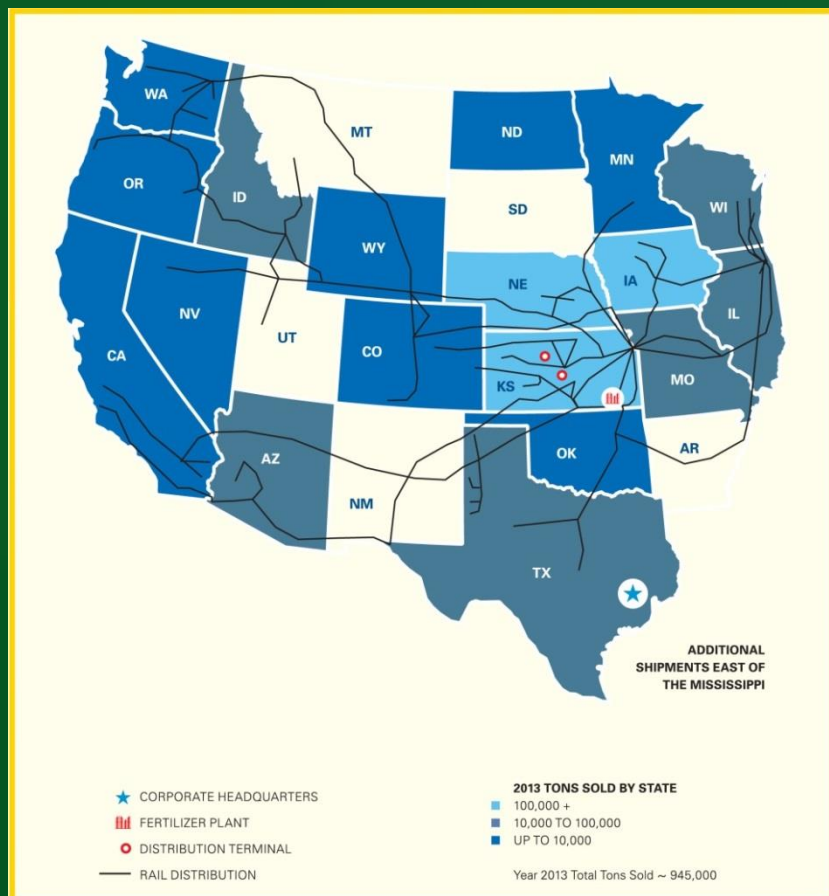
- Leverage strategically located assets in key markets
- Incrementally expand plant production and distribution capabilities
- Selectively evaluate longer term opportunities
- Focused on growing distributions
  - Investments to be accretive with an acceptable level of return



# Strategically Located Assets



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- Located in Farm Belt
- 53% of corn planted in 2013 was within ~\$45/UAN ton freight rate of plant
- ~\$15/UAN ton transportation advantage to Corn Belt vs. U.S. Gulf Coast



# Fully Utilized Capacity



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- Capacity: 1,225 tons/day ammonia unit & 3,000 tons/day UAN unit <sup>(1)</sup>
- 2013 on-stream efficiency <sup>(2)</sup>
  - Gasifier: 99.5%
  - Ammonia: 98.9%
  - UAN: 98.0%



(1) 1.0 ton of ammonia converts to approximately 2.44 tons of UAN.

(2) Excludes planned downtime for replacement of damaged catalyst, unplanned Linde air separation unit outages, impact of UAN expansion coming on-line, and unplanned downtime associated with weather issues. Including these impacts, on-stream efficiency was 95.6% for gasifier, 94.4% for ammonia, and 91.9% for UAN.

# Feed Stock Benefits



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- Utilize pet coke as feed stock versus natural gas
- Anticipated lower production cost compared to competition when Henry Hub natural gas price is higher than approximately \$4 per MMBtu
  - ~70% of pet coke requirement contracted through 2027
    - Abundant supply from 3<sup>rd</sup> parties available by truck and rail at attractive prices for remaining 30%
- Dual train gasifier improves reliability
- Capacity to sequester 100% of CO<sub>2</sub> emissions



# ***Skilled Management Team***

**Average More Than 30 Years of Experience**



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**Mark A. Pytosh: CEO & President**

*28 years*

**William White: EVP Marketing & Operations**

*37 years*

**Susan M. Ball: CFO & Treasurer**

*30 years*

**Edmund S. Gross: SVP, General Counsel & Secretary**

*34 years*

# Multiple Growth Opportunities



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	Current	12-36 Months	4-5 Years
• Operational efficiency	✓	✓	✓
• Plant expand/enhance	✓	✓	—
• Specialty products	✓	✓	—
• Distribution/offsite storage	✓	✓	✓
• Mergers and acquisitions	✓	✓	✓

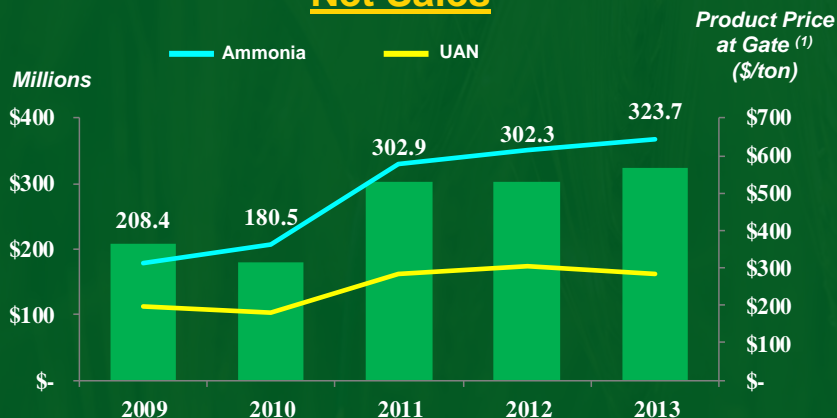


# History of Financial Success



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## Net Sales

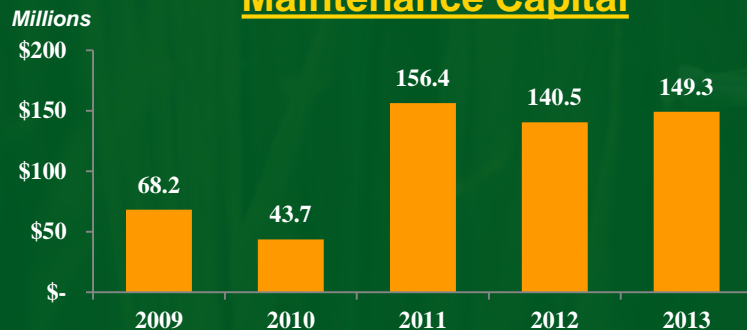


## EBITDA



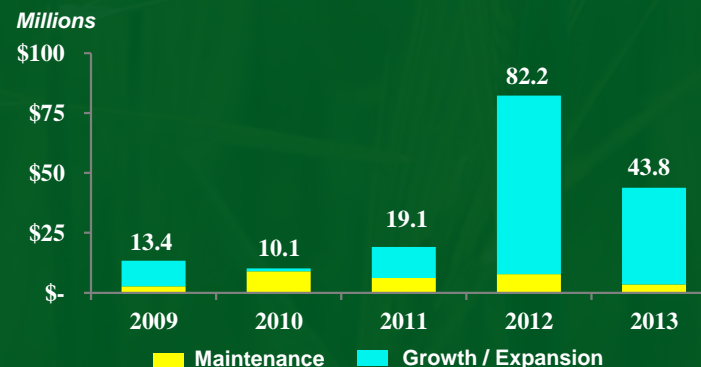
See page 24 for a reconciliation of Net Income to EBITDA.

## Adjusted EBITDA Less Maintenance Capital



See page 24 for a reconciliation of Net Income to Adjusted EBITDA Less Maintenance Capital.

## Capital Expenditures



(1) Product price at gate (netback) price per ton represents net sales less freight revenue divided by product sales volume in tons in the reporting period. Netback price per ton is shown in order to provide a pricing measure that is comparable across the fertilizer industry.

# 2014 Results to Date



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*\$U.S. millions, except product price at gate per ton and per unit data*

	YTD 6/30/13	YTD 6/30/14	Decrease
<b>UAN Product Price at Gate Per Ton <sup>(1)</sup></b>	\$314	\$267	15%
<b>Ammonia Product Price at Gate Per Ton <sup>(1)</sup></b>	\$668	\$493	26%
<b>Net Sales</b>	\$170.2	\$157.5	7%
<b>EBITDA <sup>(2)</sup></b>	\$85.9	\$55.4	36%
<b>Adjusted EBITDA <sup>(3)</sup></b>	\$87.9	\$55.7	37%
<b>Operating Income</b>	\$73.9	\$41.9	43%
<b>Available Cash for Distribution</b>	\$87.2	\$51.8	41%
<b>Available Cash for Distribution Per Unit</b>	\$1.193	\$0.71	41%

(1) Product price at gate (netback) price per ton represents net sales less freight revenue divided by product sales volume in tons in the reporting period. Netback price per ton is shown in order to provide a pricing measure that is comparable across the fertilizer industry.

(2) See page 24 for a reconciliation of Net Income to EBITDA.

(3) See page 24 for reconciliation of EBITDA to Adjusted EBITDA.



# Strong Financial Profile



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(\$U.S. millions, unless otherwise noted)

## Capitalization

As of 6/30/14

<b>Cash &amp; Equivalents</b>	<b>\$78.5</b>
Credit Facility due April 2016:	
Term Loan	\$125.0
\$25 million Revolver	--
<b>Total Debt</b>	<b>\$125.0</b>
Total Partners' Equity	419.9
<b>Total Capitalization (Book)</b>	<b>\$544.9</b>
Last Twelve Months (LTM) EBITDA*	\$120.1
LTM Interest Expense, net*	\$6.7

## Key Credit Statistics

As of 6/30/14

Total Debt / LTM EBITDA	1.0x
LTM EBITDA / Interest Expense	17.9x
Total Debt / Capitalization (Book)	22.9%

## Liquidity

As of 6/30/14

<b>Cash &amp; Equivalents</b>	<b>\$78.5</b>
\$25 million Revolver	25.0
Less: Drawn Amount	--
Less: Letters of Credit	--
<b>Total Liquidity</b>	<b>\$103.5</b>

**Financial Flexibility to  
Support Growth Initiatives**



\* See page 24 for a reconciliation of LTM 6/30/14 EBITDA and Interest Expense, net.

# A Bright Outlook



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- Solid industry fundamentals
- High-quality & strategically located assets
- Premium product focus
- Opportunities for growth
- Experienced management team
- Pay out 100% of available cash each quarter
- General Partner has non-economic interest (no IDRs)





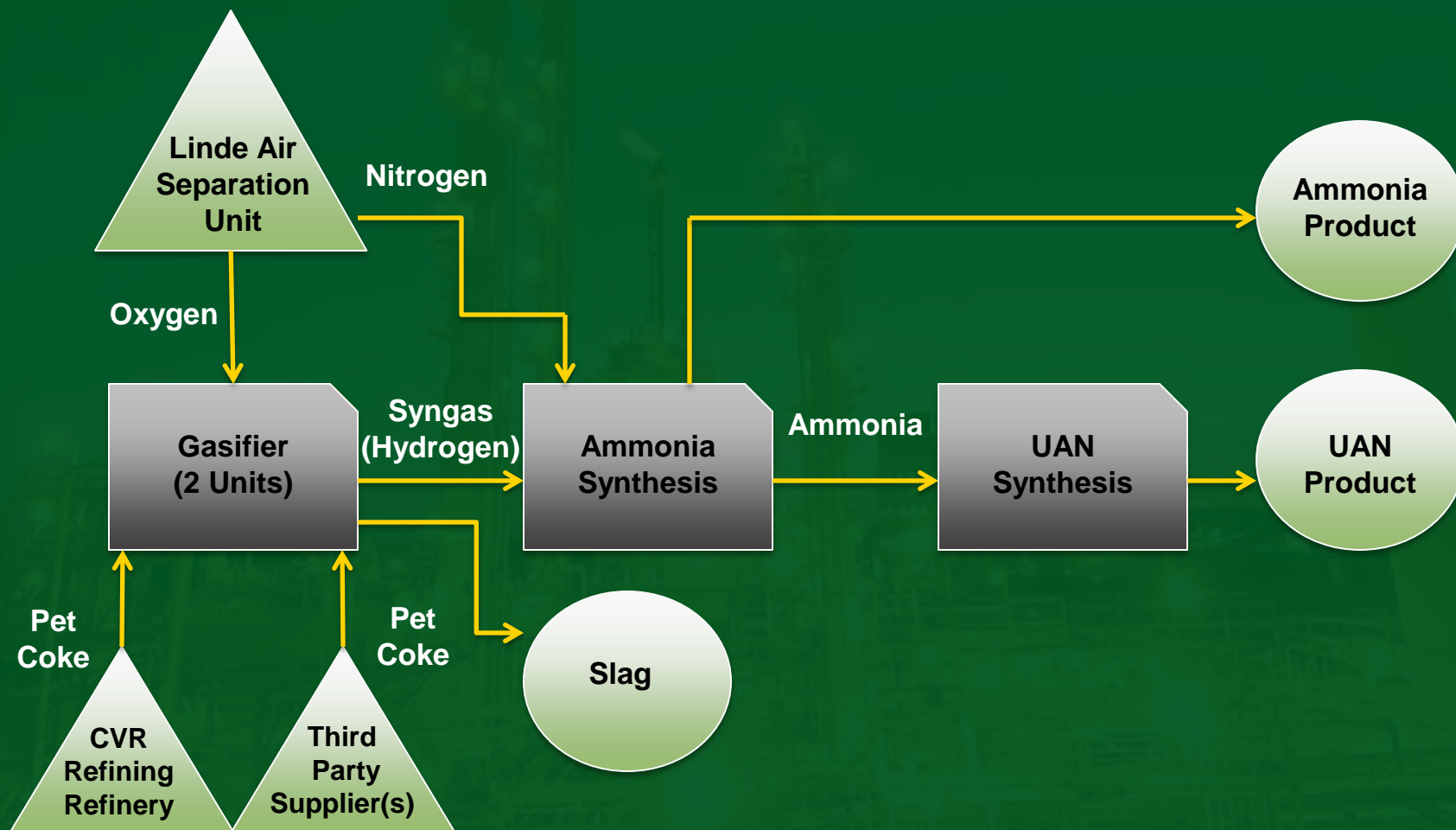


# Appendix

# Plant Process Flow Chart



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# Non-GAAP Financial Measures



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*To supplement the actual results in accordance with U.S. generally accepted accounting principles (GAAP), for the applicable periods, the Partnership also uses certain non-GAAP financial measures, which are derived from our GAAP-based results. The use of non-GAAP adjustments are not in accordance with or an alternative for GAAP. The adjustments are provided to enhance the overall understanding of the Partnership's financial performance for the applicable periods and are also indicators that management utilizes for planning and forecasting future periods. The non-GAAP measures utilized by the Partnership are not necessarily comparable to similarly titled measures of other companies.*

*The Partnership believes that the presentation of non-GAAP financial measures provides useful information to investors regarding the Partnership's financial condition and results of operations because these measures, when used in conjunction with related GAAP financial measures (i) together provide a more comprehensive view of the Partnership's core operations and ability to generate cash flow, (ii) provide investors with the financial analytical framework upon which management bases financial and operational planning decisions, and (iii) presents measurements that investors and rating agencies have indicated to management are useful to them in assessing the Partnership and its results of operations.*

# Non-GAAP Reconciliation



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**EBITDA:** Defined as net income before (i) net interest (income) expense; (ii) income tax expense; and (iii) depreciation and amortization expense, which are items management believes affect the comparability of operating results.

**Adjusted EBITDA:** Defined as EBITDA further adjusted for the impact of share-based compensation, non-cash and, where applicable, major scheduled turnaround expense and loss on disposition of assets. We present Adjusted EBITDA because it is a key measure used in material covenants in our credit facility and because it is the starting point for our available cash for distribution. EBITDA and Adjusted EBITDA are not recognized terms under GAAP and should not be substituted for net income or cash flows from operations. Management believes that EBITDA and Adjusted EBITDA enable investors and analysts to better understand our ability to make distributions to our common unitholders and our compliance with the covenants contained in our credit facility. EBITDA and Adjusted EBITDA presented by other companies may not be comparable to our presentation, since each company may define these terms differently.

See below for reconciliation of Net Income to Adjusted EBITDA, and Adjusted EBITDA to Adjusted EBITDA Less Maintenance Capital

(in \$US millions)	For the Fiscal Years				
	2009	2010	2011	2012	2013
Net income	\$ 57.9	\$ 33.3	\$ 132.4	\$ 112.2	\$ 118.6
Interest expense, net	(9.0)	(13.1)	4.0	3.6	6.3
Depreciation and amortization	18.7	18.5	18.9	20.7	25.6
Income tax expense	-	-	-	0.1	0.1
EBITDA	<u>\$ 67.6</u>	<u>\$ 38.7</u>	<u>\$ 155.3</u>	<u>\$ 136.6</u>	<u>\$ 150.6</u>
Loss on disposition of assets	-	1.4	-	-	-
Major scheduled turnaround expenses	-	3.5	-	4.8	-
Share-based compensation, non-cash	3.2	9.0	7.3	6.8	2.2
Adjusted EBITDA	<u>\$ 70.8</u>	<u>\$ 52.6</u>	<u>\$ 162.6</u>	<u>\$ 148.2</u>	<u>\$ 152.8</u>
Adjusted EBITDA	\$ 70.8	\$ 52.6	\$ 162.6	\$ 148.2	\$ 152.8
Maintenance capital	2.6	8.9	6.2	7.7	3.5
Adjusted EBITDA less maintenance capital	<u>\$ 68.2</u>	<u>\$ 43.7</u>	<u>\$ 156.4</u>	<u>\$ 140.5</u>	<u>\$ 149.3</u>

See below for reconciliation of Net Income to EBITDA, and EBITDA to Adjusted EBITDA

(in \$US millions)	Six Months Ended June 30,	
	2013	2014
Net income	\$ 71.0	\$ 38.6
Interest expense, net	2.9	3.3
Depreciation and amortization	12.0	13.5
Income tax expense	-	-
EBITDA	<u>\$ 85.9</u>	<u>\$ 55.4</u>
Major scheduled turnaround expense	-	-
Share-based compensation, non-cash	2.0	0.3
Adjusted EBITDA	<u>\$ 87.9</u>	<u>\$ 55.7</u>

See below for reconciliation of LTM 6/30/14 EBITDA & Interest Expense, net

(in \$US millions)	Interest Expense, net	
	EBITDA	net
6 months ended 6/30/14	\$ 55.4	\$ 3.3
12 months ended 12/31/13	150.6	6.3
Less: 6 months ended 6/30/13	85.9	2.9
LTM 6/30/14	<u>\$ 120.1</u>	<u>\$ 6.7</u>



# Activities & Transactions



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	<i>January-March</i>	<i>April-June</i>	<i>July-September</i>	<i>October-December</i>
<b>Season</b>	Dealer/Distributor Fill Orders & Wheat Topdress	Spring Planting	Dealer/Distributor Fill Orders	Dealer/Distributor Fill Orders & Fall Planting
<b>Crop</b>	No Planting	Corn Planting	Wheat Planting (Southern Territories)	Wheat Planting
<b>Nitrogen Need</b>	Fill Orders & Topdress	Topdress & Sidedress	Fill Orders	Fill Orders & Topdress
<b>Pricing &amp; Shipments</b>	Prompt Pricing & Shipments			Prompt Pricing & Shipments
	Forward Pricing for Prepay Orders Q2 Delivery	Prompt Pricing & Shipments	Prompt Pricing & Shipments	Forward Pricing for Prepay Orders for Q1 & Q2 Next Year Delivery
	Delivery of Prior Year Prepay Orders	Delivery of Prior Year & Q1 Prepay Orders	Forward Pricing for Fill Orders for Q4 Delivery	Delivery of Q3 Fill Orders