



# Q3-15 Financial Results

October 28, 2015



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Information contained in these materials or presented orally on the earnings conference call, either in prepared remarks or in response to questions, contains forward-looking statements. Actual results could differ materially from those contemplated by the forward-looking statements. For more information, we direct you to our 2014 annual MD&A and third quarter 2015 MD&A, as well as the last slide of this presentation.

This presentation also contains certain non-GAAP financial measures that do not have any standardized meaning and therefore are unlikely to be comparable to similar measures presented by other companies. For more information regarding these non-GAAP measures, please see our 2014 annual MD&A and our third quarter 2015 MD&A.

# Q3-15 Industry Highlights

- Demand growth slowed in Q3; methanol prices declined
  - Traditional chemical demand growth was up slightly, and energy demand grew modestly.
  - Methanol-to-Olefins (“MTO”) demand continued to lead growth with new demand from recently completed MTO plants. However, certain facilities reportedly reduced their operating rates due to planned maintenance turnarounds and challenging economics. Two additional start-ups anticipated in Q4 with methanol demand potential of 3.6 MMT.
  - Lower oil prices led to lower olefin pricing. Increased Asia propylene supply from propane dehydration units put additional weight on propylene pricing, keeping the Methanol-to-propylene operating rate low.
  - China spot pricing has been relatively stable in Q4. The Methanex November Asia contract price is unchanged versus October, while the North America November contract price was lowered to \$349/tonne.
- Stable supply in Q3; new US supply to start in Q4
  - Industry operating rates were stable in Q3.
  - Expect new Q4 US supply from Fairway Methanol (1.3 MMT) and Geismar 2 (1.0 MMT).

# Q3-15 Company Highlights



- Geismar 2 expected to produce first methanol by end of 2015.
- Gas price for 40% of Geismar 2 gas requirements hedged through 10-year financial instruments.
  - Combined Geismar 1&2 feedstock is sufficient to allow the two Geismar plants to operate at 70% rates for 10 years.
- Chile I plant restarted late Q3 2015.
  - Agreement with ENAP reached in Q3 to provide Chile 1 with sufficient gas, when combined with other sources, to operate the plant at approximately 40% rates
- Returned over \$50 million in cash to shareholders in dividends and share buybacks.
  - 4.6 million share normal course issuer bid approximately 30% complete at Sept 30, 2015.

# Q3-15 Methanol Price

Methanex Average Realized Price (US\$/tonne)



Methanex Non-Discounted Regional Posted Prices<sup>1</sup>

(US\$ per tonne)	Nov 2015	Oct 2015	Sep 2015	Aug 2015	Jul 2015
North America	349	366	366	416	442
Europe <sup>2</sup>	330	330	410	410	410
Asia	305	305	315	360	375

<sup>1</sup> Discounts from our posted prices are offered to customers based on various factors

<sup>2</sup> €365 for Q3 '15; €295 for Q4 '15; converted to USD

- Lower average realized price of \$323/tonne in Q3 '15 vs. \$350/tonne in Q2 '15.

# Q3-15 Financial & Operational Results



Sales Volume (000's of tonnes)	Q3-15	Q2-15
Methanex Produced Methanol <sup>1</sup>	1,238	1,203
Purchased Methanol	679	813
Commission Sales	169	109
Total	2,086	2,125
Average realized price (\$/tonne)	323	350
Adjusted EBITDA <sup>2</sup> (\$millions)	95	129
Adjusted net income per common share <sup>2</sup>	\$0.26	\$0.56
Diluted net income per common share	\$0.54	\$1.15

<sup>1</sup> Methanex Produced Methanol sales volume includes volume produced under tolling arrangement

<sup>2</sup> Non-GAAP measure attributable to Methanex shareholders reflecting Methanex's proportionate interest in its Egypt and Atlas joint ventures. Please refer to our Q3-15 MD&A for further information.

- Lower Adjusted EBITDA reflects lower average realized price versus Q2 2015.

# Q3-15 Production

<i>(000's of tonnes)</i>	Q3-15	Q2-15	Q3-14
New Zealand	476	487	595
Trinidad (Atlas, 63.1% interest)	226	236	234
Trinidad (Titan)	172	183	185
Geismar 1	259	276	-
Egypt (50%)	-	8	50
Medicine Hat	123	51	130
Chile <sup>1</sup>	3	40	10
<b>Total</b>	<b>1,259</b>	<b>1,281</b>	<b>1,204</b>

<sup>1</sup>Chile production includes volumes produced under tolling arrangement

- Lower production in Q3 2015 versus Q2 2015 reflects primarily:
  - Downtime for Motunui facilities due to mechanical issues, and ongoing gas restrictions in Egypt, Chile and Trinidad
  - Strong output from Medicine Hat following the recent refurbishment of that facility.

# Q3-15 Production

- Motunui site lost 80,000 tonnes of production due to previously identified mechanical issues. Issues expected to be fixed by the end of the year.
- Gas restrictions in Trinidad persisted in Q3.
- Geismar 1 operated at full rates in Q3 2015, producing 259,000 tonnes
  - A brief outage resulted from tie-in activities related to Geismar 2
- Egypt remained idle in Q3 due to insufficient gas.
  - Restart expected in the coming days.
  - Future operating rates at this facility are difficult to predict.
- Medicine Hat operated at an average rate of 1750 tonnes per day post refurbishment (over 600,000 tonnes per annum annualized)
- Chile I plant restarted late Q3 producing 3,000 tonnes in quarter.
  - Agreement reached with ENAP to supply gas until April 2016.

- Operations
  - North American facilities running well; Geismar 2 on schedule.
  - Motunui repairs to be completed by year end.
  - Chile I successfully restarted.
  - Gas restrictions continued to impact production in Egypt and Trinidad.
- Demand growth continues with near-term expected MTO plant start-ups.
- Strong balance sheet and liquidity with limited near-term financial commitments.
- Continued to deliver on commitment to return excess cash to shareholders.

# Forward-looking Statements



## FORWARD-LOOKING INFORMATION WARNING

This Presentation, our Third Quarter 2015 Management's Discussion and Analysis ("MD&A") and comments made during the Third Quarter 2015 investor conference call contain forward-looking statements with respect to us and our industry. These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. Statements that include the words "believes," "expects," "may," "will," "should," "potential," "estimates," "anticipates," "aim," "goal" or other comparable terminology and similar statements of a future or forward-looking nature identify forward-looking statements. More particularly and without limitation, any statements regarding the following are forward-looking statements: expected demand for methanol and its derivatives; expected new methanol supply or restart of idled capacity and timing for start-up of the same; expected shutdowns (either temporary or permanent) or restarts of existing methanol supply (including our own facilities), including, without limitation, the timing and length of planned maintenance outages; expected methanol and energy prices; expected levels of methanol purchases from traders or other third parties; expected levels, timing and availability of economically priced natural gas supply to each of our plants; capital committed by third parties towards future natural gas exploration and development in the vicinity of our plants; our expected capital expenditures, anticipated operating rates of our plants, expected operating costs, including natural gas feedstock costs and logistics costs; expected tax rates or resolutions to tax disputes; expected cash flows, earnings capability and share price; availability of committed credit facilities and other financing; our ability to meet covenants or obtain or continue to obtain waivers associated with our long-term debt obligations, including, without limitation, the Egypt limited recourse debt facilities that have conditions associated with the payment of cash or other distributions and the finalization of certain land title registrations and related mortgages which require actions by Egyptian governmental entities; expected impact on our results of operations in Egypt or our financial condition as a consequence of civil unrest or actions taken or inaction by the Government of Egypt and its agencies; our shareholder distribution strategy and anticipated distributions to shareholders; commercial viability and timing of, or our ability to execute, future projects, plant restarts, capacity expansions, plant relocations, or other business initiatives or opportunities, including the completion of the Geismar project; our financial strength and ability to meet future financial commitments; expected global or regional economic activity (including industrial production levels); expected outcomes of litigation or other disputes, claims and assessments; and expected actions of governments, government agencies, gas suppliers, courts, tribunals or other third parties.

We believe that we have a reasonable basis for making such forward-looking statements. The forward-looking statements in this document are based on our experience, our perception of trends, current conditions and expected future developments as well as other factors. Certain material factors or assumptions were applied in drawing the conclusions or making the forecasts or projections that are included in these forward-looking statements, including, without limitation, future expectations and assumptions concerning the following: the supply of, demand for and price of methanol, methanol derivatives, natural gas, coal, oil and oil derivatives; our ability to procure natural gas feedstock on commercially acceptable terms; operating rates of our facilities; operating costs, including natural gas feedstock and logistics costs, capital costs, tax rates, cash flows, foreign exchange rates and interest rates; the availability of committed credit facilities and other financing; timing of completion and cost of our Geismar project; global and regional economic activity (including industrial production levels); receipt or issuance of third-party consents or approvals, including, without limitation, governmental registrations of land title and related mortgages in Egypt and governmental approvals related to rights to purchase natural gas; the establishment of new fuel standards; absence of a material negative impact from major natural disasters; absence of a material negative impact from changes in laws or regulations; absence of a material negative impact from political instability in the countries in which we operate; and enforcement of contractual arrangements and ability to perform contractual obligations by customers, natural gas and other suppliers and other third parties.

However, forward-looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. The risks and uncertainties primarily include those attendant with producing and marketing methanol and successfully carrying out major capital expenditure projects in various jurisdictions, including, without limitation: conditions in the methanol and other industries including fluctuations in the supply, demand and price for methanol and its derivatives, including demand for methanol for energy uses, the price of natural gas, coal, oil and oil derivatives; our ability to obtain natural gas feedstock on commercially acceptable terms to underpin current operations and future production growth opportunities; the ability to carry out corporate initiatives and strategies; actions of competitors, suppliers and financial institutions; conditions within the natural gas delivery systems that may prevent delivery of our natural gas supply requirements; our ability to meet timeline and budget targets for our Geismar project, including cost pressures arising from labour costs; competing demand for natural gas, especially with respect to domestic needs for gas and electricity in Chile and Egypt; actions of governments and governmental authorities, including, without limitation, the implementation of policies or other measures that could impact the supply of or demand for methanol or its derivatives; changes in laws or regulations, import or export restrictions, anti-dumping measures, increases in duties, taxes and government royalties, and other actions by governments that may adversely affect our operations or existing contractual arrangements; worldwide economic conditions; and other risks described in our 2014 Management's Discussion and Analysis and our Third Quarter 2015 Management's Discussion and Analysis.

Having in mind these and other factors, investors and other readers are cautioned not to place undue reliance on forward-looking statements. They are not a substitute for the exercise of one's own due diligence and judgment. The outcomes implied by forward-looking statements may not occur and we do not undertake to update forward-looking statements except as required by applicable securities laws.