



# Green Plains

## **Green Plains Inc. and Green Plains Partners LP**

First Quarter 2017 Business Update

May 2, 2017

# Forward-Looking Statements



This presentation includes forward-looking statements that reflect management's current views of company performance, industry conditions and future economic environment.

These statements are based on assumptions and various factors that are subject to risks and uncertainties. Green Plains has provided additional information about such risks and uncertainties that could cause actual results to differ materially from those expressed or implied in its reports filed with the Securities and Exchange Commission.

Green Plains is not obligated nor intends to update its forward-looking statements at any time unless it is required by applicable securities laws. Unpredictable or unknown factors not discussed in this presentation could also have material adverse effects on forward-looking statements.

# First Quarter 2017 Highlights



- Financial performance
  - Net loss of \$3.6 million, or \$(0.09) cents per diluted share
  - EBITDA of \$43.8 million, up \$49.6 million over last year
  - Consolidated ethanol crush margin was \$37.7 million, or \$0.12 cents per gallon
- Produced 326.4 million gallons of ethanol; 877,000 tons of distillers grains and 75.4 million pounds of corn oil; yield was 2.88 gallons of ethanol per bushel of corn
- Partnership maintained strong distribution coverage ratio of 1.19x for the last twelve months
- Export sales accounted for 20% of the company's ethanol production; 8% of distillers grains and 87% of corn oil
- Announced plans to acquire cattle-feeding operations in Kansas and Colorado from Cargill for \$36.7 million, supported by a multiyear offtake agreement with Cargill Meat Solutions. Upon expected completion in May, the company will be the fourth largest cattle feeder with 255,000 head capacity.

# Cattle Feedlot Transaction



## Transaction summary

- Announced plans to acquire two Cargill feed yards located in Leoti, Kansas and Yuma, Colorado with combined capacity of 155,000 head
- Purchase price of \$36.7 million, excluding working capital, funded by equity contributions
- Transaction includes long-term supply agreement with Cargill Meat Solutions
- Positions Green Plains Cattle as fourth largest feeding operation with ~255,000 head upon completion, expected May 2017
- Green Plains Cattle expected to generate annual operating income before depreciation of \$30 - \$45 million

## Strategic rationale

- Supports ability to meet growing global protein demand
- Adds geographical diversity: basis, weather, cattle procurement and future customers
- Attractive partner to packers with additional outlet opportunities and buyer of feed ingredients
- Leverages knowledge of feed supply cost and ration dynamics
- Strategically advantaged locations

# Consolidated Crush Margin

## Green Plains Inc.



For the three months ended Mar. 31,	2017	2016	2017	2016
	(in millions)		(per gallon produced)	
Ethanol production:				
Operating loss	\$(6.6)	\$(29.5)	\$(0.02)	\$(0.12)
Depreciation and amortization	20.3	15.8	0.07	0.07
Total ethanol production	13.7	(13.7)	0.05	(0.05)
Intercompany fees, net:				
Storage and logistics (partnership)	16.9	13.1	0.05	0.05
Marketing and agribusiness fees	7.1	4.7	0.02	0.02
Consolidated crush margin	\$37.7	\$4.1	\$0.12	\$0.02

# Condensed Consolidated Balance Sheet

## Green Plains Inc.



(in millions)

<b>Assets</b>	<b>Mar. 31, 2017</b>	<b>Dec. 31, 2016</b>
Current assets	\$919.9	\$1,000.6
Property and equipment, net	1,171.7	1,178.7
Other assets	329.5	327.2
<b>Total assets</b>	<b>\$2,421.1</b>	<b>\$2,506.5</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities	\$524.2	\$594.9
Long-term debt	783.0	782.6
Other liabilities	145.3	149.8
<b>Total liabilities</b>	<b>1,452.5</b>	<b>1,527.3</b>
Total Green Plains stockholders' equity	851.6	862.5
Noncontrolling interests	117.0	116.7
<b>Total liabilities and stockholders' equity</b>	<b>\$2,421.1</b>	<b>\$2,506.5</b>

# Consolidated Income Statement

## Green Plains Inc.



*(in millions, except per share amounts)*

<b>For the three months ended</b>	<b>Mar. 31, 2017</b>	<b>Mar. 31, 2016</b>
Revenues	\$887.7	\$749.2
Costs and expenses	870.3	771.8
Operating income (loss)	17.4	(22.6)
Other expense	(18.1)	(12.1)
Income tax benefit	2.3	14.9
Net income (loss)	1.6	(19.8)
Net income attributable to noncontrolling interests	5.2	4.3
Net loss attributable to Green Plains	\$(3.6)	\$(24.1)
Net loss attributable to Green Plains per share – diluted	\$(0.09)	\$(0.63)

# Liquidity and Capital Structure

## Green Plains Inc.



(in millions, except per share and per gallon amounts)

For the three months ended	Mar. 31, 2017	Dec. 31, 2016	Mar. 31, 2016
Gross debt	\$1,124.8	\$1,108.9	\$765.9
Working capital financing	335.7	291.2	277.4
Term debt	789.1	817.7	488.5
Cash and equivalents	295.4	356.2	400.7
Net term debt	\$493.7	\$461.5	\$87.8
Total Green Plains stockholders' equity	\$851.6	\$862.5	\$769.1
Book value per share	\$22.02	\$22.48	\$20.30
Pro forma EBITDA <sup>(1)</sup>	\$295.0	\$284.6	\$209.2
Term debt / Total capitalization	49.7%	48.7%	39.4%
Term debt / Pro forma EBITDA	2.8x	2.9x	2.4x
Ethanol plant debt	\$285.7	\$315.1	\$325.2
Ethanol plant debt per gallon	\$0.19	\$0.21	\$0.28
Ethanol debt service FTM <sup>(2)</sup>	\$23.8	\$22.6	\$25.8
Ethanol debt service per gallon	\$0.02	\$0.02	\$0.02

(1) Pro forma EBITDA based on estimated mid-cycle crush margin of \$0.20 per gallon, average utilization of 92% and TTM Fleischmann's Vinegar EBITDA

(2) Forward twelve months, excluding sweeps



# Green Plains Partners LP



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# Selected Operating Data

## Green Plains Partners LP



*(in million gallons)*

<b>For the three months ended</b>	<b>Mar. 31, 2017</b>	<b>Mar. 31, 2016</b>
Product volumes		
Storage and throughput services	321.1	247.5
Terminal services	74.4	72.9
Railcar capacity billed (daily average)	89.2	72.9

# Condensed Consolidated Balance Sheet

## Green Plains Partners LP



(in millions)

<b>Assets</b>	<b>Mar. 31, 2017</b>	<b>Dec. 31, 2016</b>
Current assets	\$22.8	\$22.3
Property and equipment, net	50.2	51.0
Other assets	20.3	20.5
<b>Total assets</b>	<b>\$93.3</b>	<b>\$93.8</b>
<b>Liabilities and Partners' Capital</b>		
Current liabilities	\$18.6	\$17.3
Long-term debt	134.4	136.9
Other liabilities	3.4	3.7
<b>Total liabilities</b>	<b>156.4</b>	<b>157.9</b>
<b>Total partners' capital</b>	<b>(63.1)</b>	<b>(64.1)</b>
<b>Total liabilities and partners' capital</b>	<b>\$93.3</b>	<b>\$93.8</b>

# Consolidated Income Statement

## Green Plains Partners LP



*(in millions, except per unit amounts)*

<b>For the three months ended</b>	<b>Mar. 31, 2017</b>	<b>Mar. 31, 2016</b>
Revenues, including from affiliates	\$27.2	\$23.8
Operating expenses	11.0	11.1
Operating income	16.2	12.7
Other expense	(1.2)	(0.3)
Income tax expense	-	(0.2)
Net income	\$15.0	\$12.2
Earnings per limited partner unit – basic and diluted	\$0.46	\$0.38

# Adjusted EBITDA and DCF

## Green Plains Partners LP



(in millions)

	For the three months ended		LTM ended
	Mar. 31, 2017	Mar. 31, 2016	Mar. 31, 2017
Net income	\$15.0	\$12.2	\$59.6
Interest expense	1.2	0.4	3.4
Income tax expense	-	0.1	0.1
Depreciation and amortization	1.3	1.2	5.7
Other	0.1	-	0.5
Adjusted EBITDA	17.6	13.9	69.3
Less:			
Interest paid or payable	1.2	0.4	3.4
Income taxes paid or payable	0.1	0.2	0.1
Maintenance capital expenditures	0.1	-	0.3
Distributable cash flow	\$16.2	\$13.3	\$65.5
Distribution declared <sup>(1)</sup>	\$14.3	\$13.1	\$55.2
Coverage ratio	1.13x	1.02x	1.19x

(1) Represents distributions declared for the applicable quarter and paid in the subsequent quarter.



# Green Plains

**Green Plains Inc. | NASDAQ: GPRE | [www.gpreinc.com](http://www.gpreinc.com)**

**Green Plains Partners LP | NASDAQ: GPP | [www.greenplainspartners.com](http://www.greenplainspartners.com)**

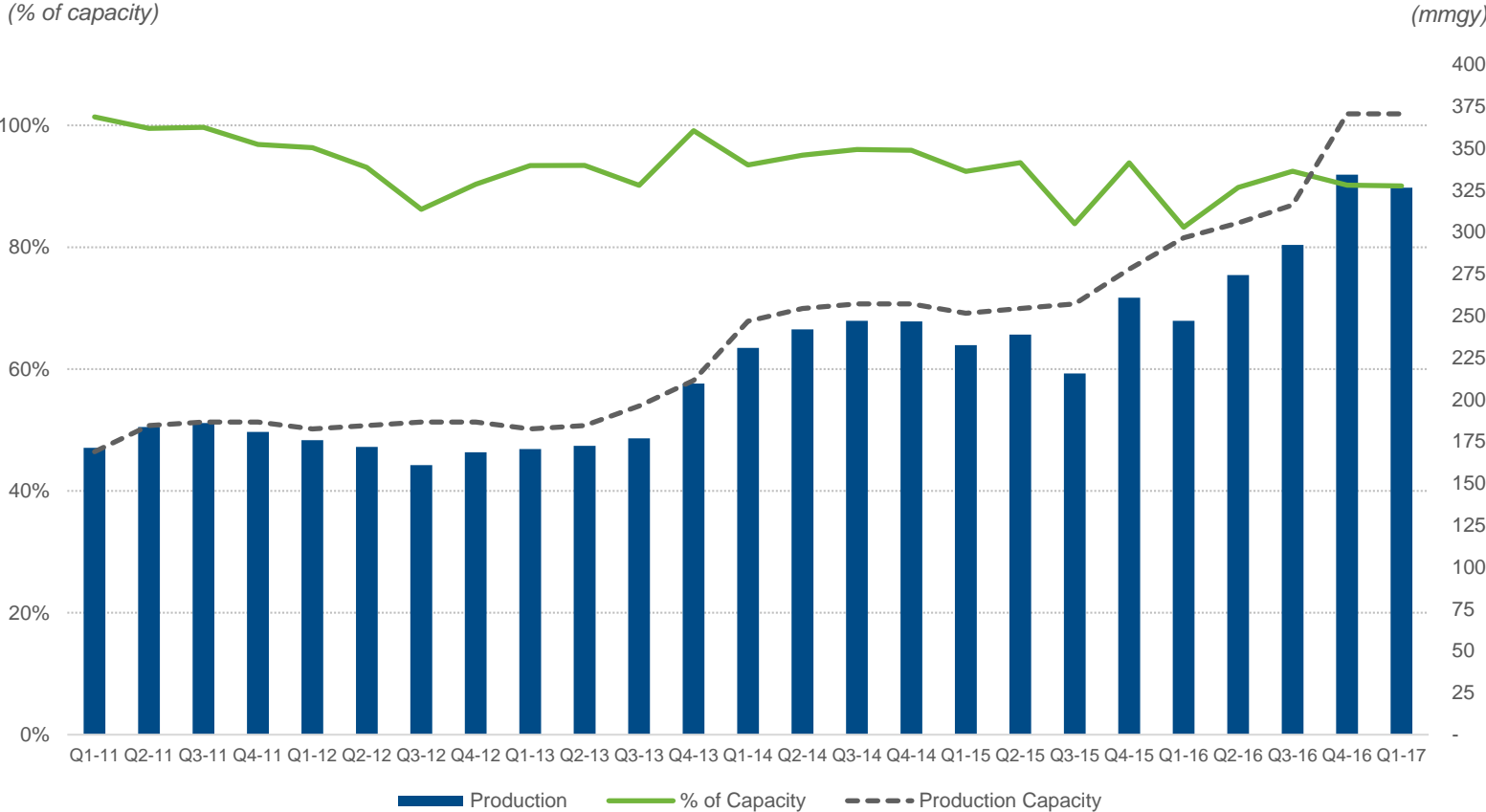
# Appendix



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# Production and Utilization

## Green Plains Inc.





# Non-GAAP Reconciliation

## Green Plains Inc.



*(in millions)*

<b>For the three months ended</b>	<b>Mar. 31, 2017</b>	<b>Mar. 31, 2016</b>
Net income (loss)	\$1.6	\$(19.8)
Interest expense	18.5	10.8
Income tax benefit	(2.4)	(14.9)
Depreciation and amortization	26.1	18.1
<b>EBITDA</b>	<b>\$43.8</b>	<b>\$(5.8)</b>