



Second Quarter 2015:

Earnings Call

August 11, 2015

Rose Sparks – Chief Financial Officer

Paul Flynn – Exec. VP of Business & Marketing

FUTUREFUEL[®]
CORP.



Forward-looking Statements

This earnings presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements deal with FutureFuel's current plans, intentions, beliefs, and expectations, and statements of future economic performance. Statements containing such terms as "believe," "do not believe," "plan," "expect," "intend," "estimate," "anticipate," and other phrases of similar meaning are considered to contain uncertainty and are forward-looking statements. In addition, from time to time FutureFuel or its representatives have made or will make forward-looking statements orally or in writing. Furthermore, such forward-looking statements may be included in various filings that the company makes with United States Securities and Exchange Commission (the "SEC"), in press releases, or in oral statements made by or with the approval of one of FutureFuel's authorized executive officers.

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All subsequent written and oral forward-looking statements attributable to FutureFuel or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements contained in this presentation.

Highlights

Second Quarter 2015

- Revenues of \$104.6M, a 54% increase from Q2 2014
- Chemicals sales revenue flat at \$32.7M
- Adjusted EBIDTA of \$9.3M, a 39% increase from Q2 2014
- Net Income for the quarter decreased to \$3.8M, from \$5.3M or \$0.12 per diluted share in Q2 2014
- Continue to develop the refined glycerin market
- NOBS sales anticipated in 2016

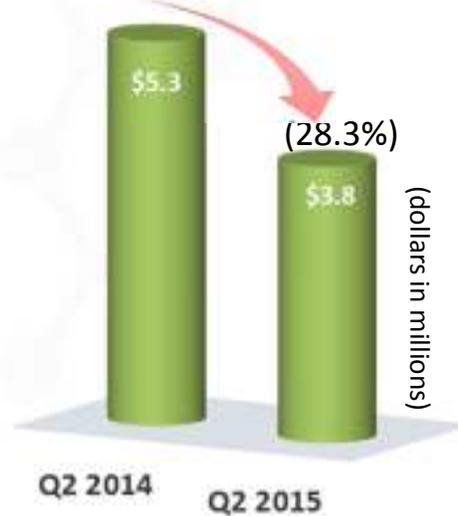
Financial Results

Consolidated – Second Quarter

Sales Revenue



Net Income



Earnings per share



- \$36.6M gain in sales revenue driven by increase in biofuels sales
- Net Income decreased \$1.6M
 - Losses on derivative instruments and increased RIN inventory in biofuels
 - Offset in part by improved margins in custom chemicals and gains on marketable securities

Financial Results

Chemicals – Second Quarter

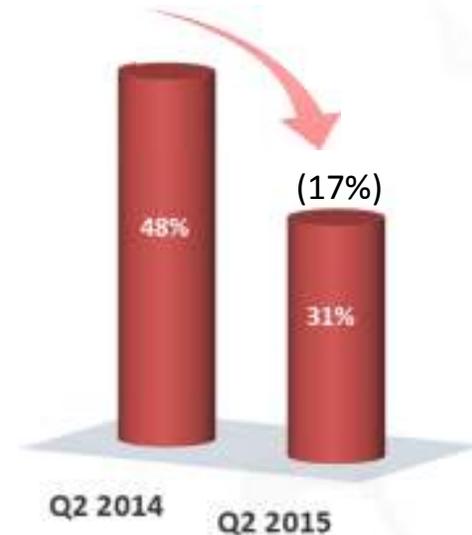
Sales Revenue



Gross Profit



% of Revenue



- Revenue was flat – decline of legacy products offset by growth in other custom chemicals:
 - Proprietary herbicide and intermediates increased 75%
 - Industrial intermediate and other custom chemicals increased 25%
- Margins improved over prior quarter with a 11% decline in cost of goods sold:
 - Improved yields, including new proprietary herbicide plant
 - Product mix

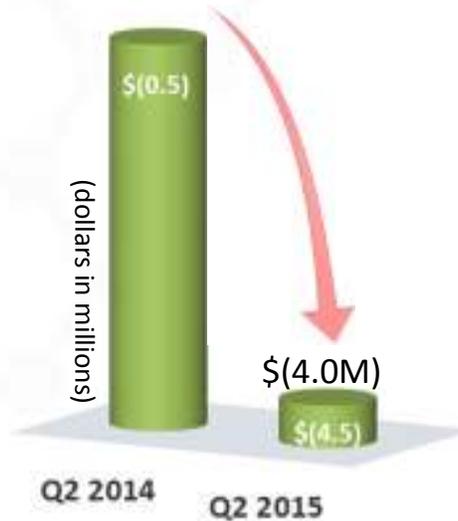
Financial Results

Biofuels – Second Quarter

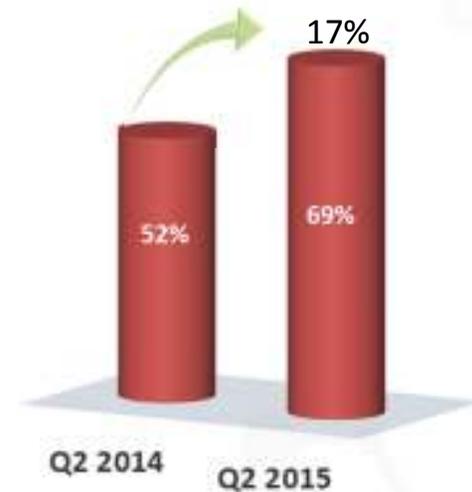
Sales Revenue



Gross Profit



% of Revenue



- Revenue increased by \$27M from petroleum products sold on a common carrier pipeline and a 75% increase in the sales volume of biodiesel and diesel on a globally depressed average sales price
- Gross profit declined on higher losses on derivative instruments and the increase in RIN inventory

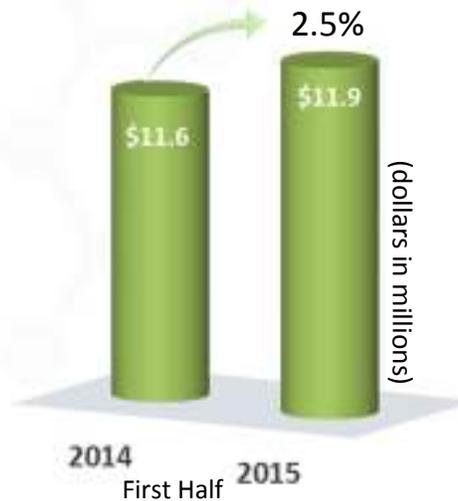
Financial Results

6-month Consolidated

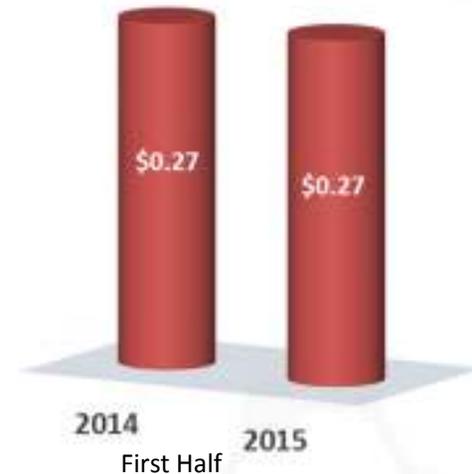
Sales Revenue



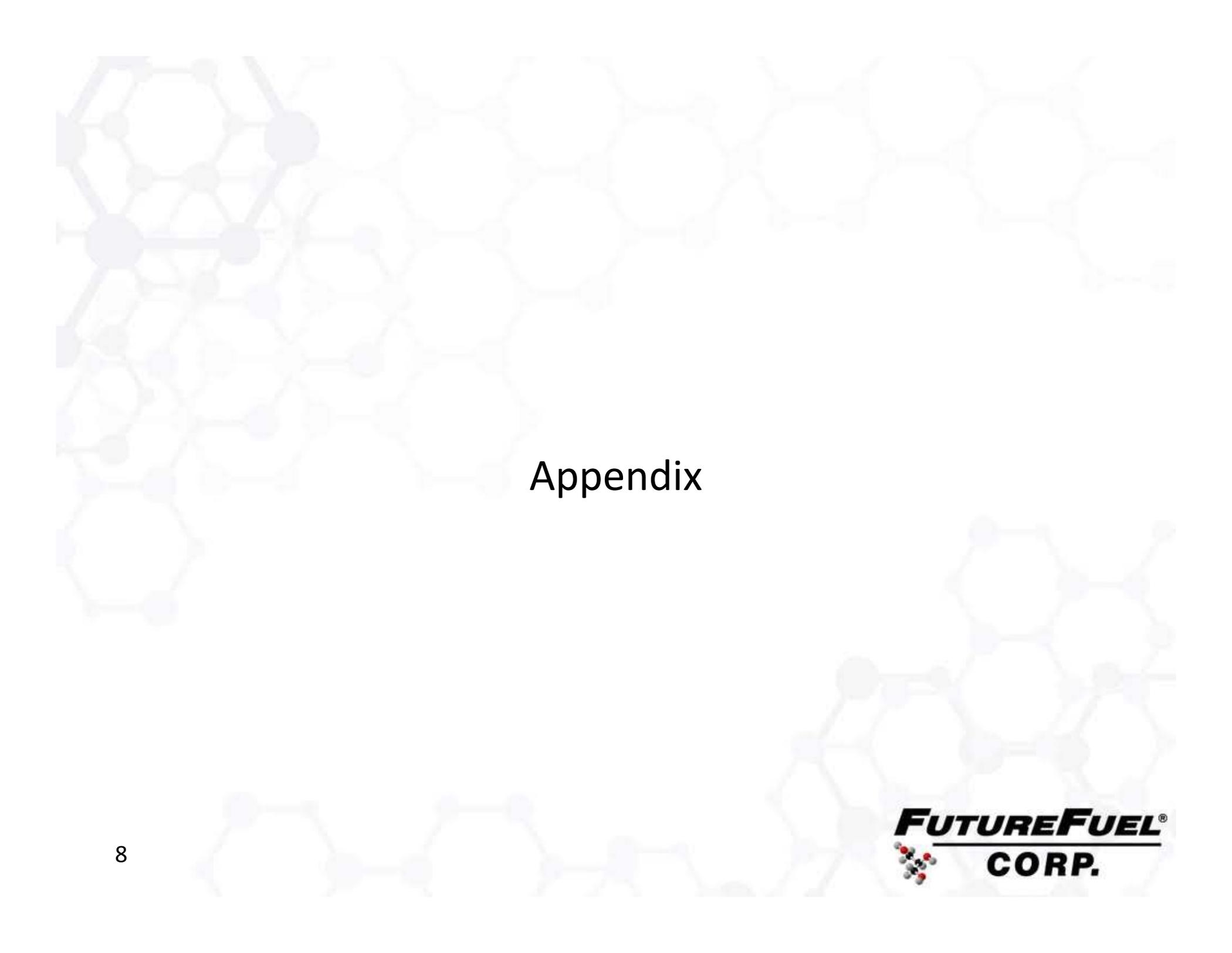
Net Income



Earnings per share



- Revenue increased 6% - proprietary herbicide and intermediates and other custom chemical growth helped offset the decline of legacy customers
- Net income increased 3%:
 - improved profit from chemicals and the benefit of the change in cost determined from LIFO method of inventory from Q1
 - Impacted by higher losses on derivative instruments, significant RIN inventory in biofuels, reduced gains on marketable securities, and interest income

The background of the slide features a repeating pattern of light gray molecular structures, specifically hexagonal rings connected in a honeycomb-like lattice. Some of these structures are rendered in a slightly darker shade of gray, creating a subtle depth and texture.

Appendix

Non-GAAP Financial Statements

In this presentation, FutureFuel uses adjusted EBITDA as a key operating metric to measure both performance and liquidity. Adjusted EBITDA is a non-GAAP financial measure. Adjusted EBITDA is not a substitute for operating income, net income, or cash flow from operating activities (each as determined in accordance with GAAP), as a measure of performance or liquidity. Adjusted EBITDA has limitations as an analytical tool, and should not be considered in isolation or as a substitute for analysis of results as reported under GAAP. FutureFuel defines adjusted EBITDA as net income before interest, income taxes, depreciation, and amortization expenses, excluding, when applicable, non-cash share-based compensation expense, public offering expenses, acquisition-related transaction costs, purchase accounting adjustments, loss on disposal of property and equipment, gains or losses on derivative instruments, other non-operating income or expense. Information relating to adjusted EBITDA is provided so that investors have the same data that management employs in assessing the overall operation and liquidity of FutureFuel's business. FutureFuel's calculation of adjusted EBITDA may be different from similarly titled measures used by other companies; therefore, the results of its calculation are not necessarily comparable to the results of other companies.

Adjusted EBITDA allows FutureFuel's chief operating decision makers to assess the performance and liquidity of FutureFuel's business on a consolidated basis to assess the ability of its operating segments to produce operating cash flow to fund working capital needs, to fund capital expenditures, and to pay dividends. In particular, FutureFuel management believes that adjusted EBITDA permits a comparative assessment of FutureFuel's operating performance and liquidity, relative to a performance and liquidity based on GAAP results, while isolating the effects of depreciation and amortization, which may vary among its operating segments without any correlation to their underlying operating performance, and of non-cash stock-based compensation expense, which is a non-cash expense that varies widely among similar companies, and gains and losses on derivative instruments, whose immediate recognition can cause net income to be volatile from quarter to quarter due to the timing of the valuation change in the derivative instruments relative to the sale of biofuel.

A table included in this presentation reconciles adjusted EBITDA with net income, the most directly comparable GAAP performance financial measure.

Reconciliation of Adjusted EBITDA to Net Income

(Dollars in thousands)

(Unaudited)

	Three months ended June 30:	
	2015	2014
Adjusted EBITDA	\$ 9,317	\$ 6,709
Depreciation and amortization	(2,607)	(2,167)
Non-cash stock-based compensation	(477)	(204)
Interest and dividend income	1,405	1,567
Interest expense	(43)	(7)
Gains (losses) on disposal of property and equipment	(78)	1
Loss on derivative instruments	(3,056)	(232)
Gains on marketable securities	451	2,949
Income tax expense	(1,119)	(3,269)
Net income	\$ 3,793	\$ 5,347

Reconciliation of Adjusted EBITDA to Net Income

(Dollars in thousands)

(Unaudited)

	Six months ended June 30:	
	2015	2014
Adjusted EBITDA	\$ 22,153	\$ 16,817
Depreciation and amortization	(4,908)	(4,527)
Non-cash stock-based compensation	(954)	(204)
Interest and dividend income	2,672	3,937
Interest expense	(49)	(13)
Loss on disposal of property and equipment	(122)	(4)
Losses on derivative instruments	(2,337)	(294)
Gains on marketable securities	1,471	2,900
Income tax expense	(6,002)	(6,991)
Net income	\$ 11,924	\$ 11,621

Segment Financials

(Dollars in thousands)

(Unaudited)

	Three months ended June 30:		Six months ended June 30:	
	2015	2014	2015	2014
Revenues				
Chemicals	\$ 32,688	\$ 32,609	\$ 66,894	\$ 62,885
Biofuels	71,910	35,430	91,791	87,351
Revenues	\$ 104,598	\$ 68,039	\$ 158,685	\$ 150,236
Segment gross profit				
Chemicals	\$ 10,012	\$ 7,131	\$ 20,865	\$ 16,165
Biofuels	(4,468)	(553)	(2,007)	15
Segment gross margins	5,544	6,578	18,858	16,180
Corporate expenses	(2,367)	(2,407)	(4,904)	(4,558)
Income before interest and taxes	3,177	4,171	13,954	11,622
Interest and other income	1,856	4,516	4,143	7,003
Interest and other expense	(121)	(71)	(171)	(13)
Provision for income taxes	(1,119)	(3,269)	(6,002)	(6,991)
Net income	\$ 3,793	\$ 5,347	\$ 11,924	\$ 11,621