



# Green Plains

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

Third Quarter 2015 Business Update

November 3, 2015

## **Green Plains Inc. Forward-Looking Statements**

*This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Such statements are identified by the use of words such as “anticipates,” “believes,” “estimates,” “expects,” “goal,” “intends,” “plans,” “potential,” “predicts,” “should,” “will,” and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. Such statements are based on management’s current expectations and are subject to various factors, risks and uncertainties that may cause actual results, outcome of events, timing and performance to differ materially from those expressed or implied by such forward-looking statements. Green Plains may experience significant fluctuations in future operating results due to a number of economic conditions, including, but not limited to, competition in the ethanol and other industries in which Green Plains operates, commodity market risks including those that may result from current weather conditions, financial market risks, counterparty risks, risks associated with changes to federal policy or regulation, risks related to closing and achieving anticipated results from acquisitions, risks associated with the joint venture to commercialize algae production and the growth potential of the algal biomass industry, and other risks detailed in Green Plains’ reports filed with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2014, and in Green Plains’ subsequent filings with the SEC, as well as the risks disclosed in Green Plains Partners LP’s SEC filings and the impact of the recent initial public offering of Green Plains Partners LP and its operations as a separate, publicly traded entity. In addition, Green Plains is not obligated, and does not intend, to update any of its forward-looking statements at any time unless an update is required by applicable securities laws. Unpredictable or unknown factors not discussed in this release also could have material adverse effects on forward-looking statements.*

## **Green Plains Partners LP Forward-Looking Statements**

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**Green Plains Inc.**



Green Plains

# Third Quarter 2015 Highlights

## *Green Plains Inc.*



### **Third Quarter 2015 Results**

- Revenue of \$742.8 million
- Net income of \$6.2 million, or \$0.16 per diluted share
- Produced 215.6 mmg of ethanol, 577 thousand tons of DDGS and 55.9 million pounds of corn oil

### **Business Highlights and Recent Developments**

- Declared quarterly cash dividend in August of \$0.12 per share, representing a 50% increase from previous dividend
- Repurchased approximately 192 thousand shares of common stock for \$4.0 million in September
- Added 35 mmgy of production capacity for \$19.6 million
- Acquired a 60-mmgy ethanol production facility in Hopewell, Va. on Oct. 26, 2015
- Signed an agreement with Murphy USA to purchase a 100-mmgy ethanol production facility located in Hereford, Texas for approximately \$93.8 million, subject to customary closing adjustments, in a transaction valued at \$78.5 million for the ethanol production facility with the balance for working capital. The transaction is expected to close this month subject to customary closing conditions and regulatory approvals.

# Consolidated Crush

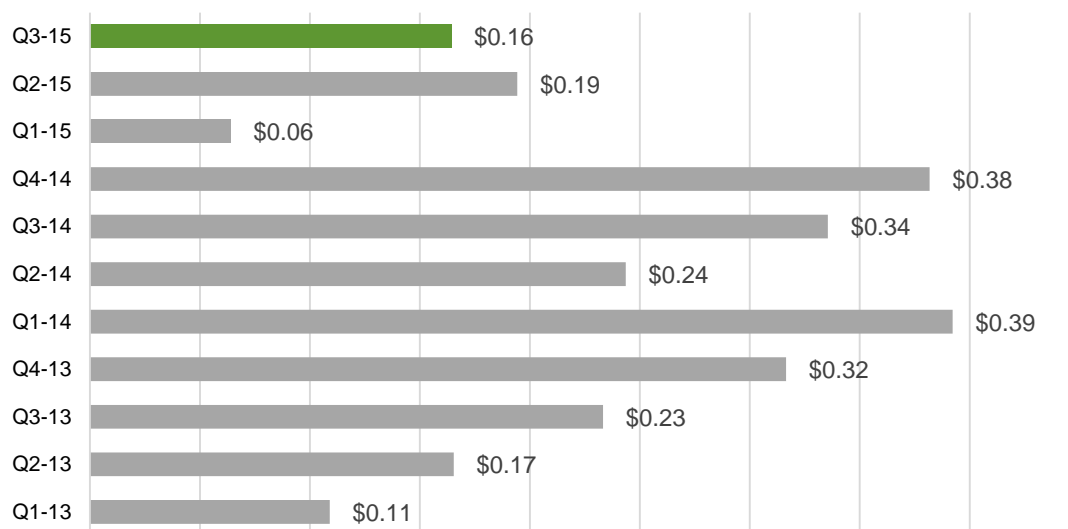
## Green Plains Inc.



The consolidated ethanol crush margin is operating income before depreciation and amortization from the ethanol production segment, including corn oil production, plus the Green Plains Partners' intercompany storage and transportation activities and other internal fees.

	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15	Q2-15	Q3-15
Gallons Sold (in millions)	170.8	172.5	177.8	213.3	230.8	241.9	246.9	246.6	232.5	238.7	215.6
Operating Income (in millions)	\$ 7.2	\$ 17.1	\$ 29.8	\$ 55.5	\$ 77.2	\$ 45.6	\$ 69.3	\$ 80.1	\$ 0.9	\$ 32.4	\$ 21.1
Depreciation & Amortization (in millions)	11.4	11.4	11.6	12.0	13.3	13.3	13.5	14.1	14.0	14.0	13.8
Total	\$ 18.6	\$ 28.5	\$ 41.6	\$ 67.4	\$ 90.5	\$ 58.9	\$ 82.8	\$ 94.2	\$ 14.9	\$ 46.4	\$ 34.9
Per Gallon	\$ 0.11	\$ 0.17	\$ 0.23	\$ 0.32	\$ 0.39	\$ 0.24	\$ 0.34	\$ 0.38	\$ 0.06	\$ 0.19	\$ 0.16

### Quarterly Cents Per Gallon



# Consolidated Income Statement

*Green Plains Inc.*



*(in millions, except per share amounts)*

	Q3-2015	Q3-2014
Revenues	\$742.8	\$833.9
Cost and expenses	\$723.0	\$758.8
Operating income	\$19.8	\$75.1
Other income (expense)	(\$10.4)	(\$9.1)
Income before taxes	\$9.4	\$66.0
Net income	\$10.0	\$41.7
Net income attributable to Green Plains	\$6.2	\$41.7
Earnings per share – diluted	\$0.16	\$1.03

# Condensed Balance Sheet

*Green Plains Inc.*



(in millions)

<b>Assets</b>	<b>Sept. 30, 2015</b>	<b>Dec. 31, 2014</b>
Current assets	\$967.8	\$910.9
Property and equipment, net	820.6	825.2
Other assets	92.5	92.4
<b>Total assets</b>	<b>\$1,880.9</b>	<b>\$1,828.5</b>

<b>Liabilities and Stockholders' Equity</b>		
Current liabilities	\$390.1	\$511.5
Long-term debt	443.4	399.5
Other liabilities	76.2	120.1
<b>Total liabilities</b>	<b>\$909.7</b>	<b>\$1,031.1</b>
<b>Total stockholders' equity</b>	<b>809.9</b>	<b>797.4</b>
Noncontrolling interest	161.3	—
<b>Total liabilities and stockholders' equity</b>	<b>\$1,880.9</b>	<b>\$1,828.5</b>

# Liquidity and Capital Structure

## Green Plains Inc.



	Q3-2015	Q2-2015	Q3-2014
Gross debt	\$647.6	\$652.4	\$615.6
Working capital financing	199.7	199.6	120.4
Term debt	\$447.9	\$452.8	\$495.1
Cash and equivalents	512.5	417.0	414.3
Net term debt	(\$64.6)	\$35.8	\$80.8
Stockholders' equity	\$809.9	\$807.2	\$773.3
Book value per share	\$21.28	\$21.20	\$20.59
EBITDA <sup>(1)</sup> TTM	\$181.4	\$240.4	\$324.0
Term debt / Total capitalization	35.6%	35.9%	39.0%
Term debt / EBITDA	2.5X	1.9X	1.5X
Ethanol plant debt	\$334.4	\$340.4	\$383.9
Ethanol plant debt per gallon	\$0.32	\$0.33	\$0.38
Ethanol debt service FTM <sup>(2)</sup>	\$25.9	\$26.3	\$53.3
Ethanol debt service / gallon	\$0.03	\$0.03	\$0.05

(1) Non-GAAP measure, see notes in appendix

(2) FTM = Forward twelve months, not including sweeps



# Industry and Business Outlook

## Green Plains Inc.



- Net exports Jan - Aug 2015 were approximately 529 million gallons
- Domestic ethanol blending averaging 13.8 billion gallon run rate for the third quarter of 2015
- E15 now in 157 stations in 21 states

### Ethanol Discount to Gasoline

	15-Dec	15-Jan	15-Feb	15-Mar	16-Apr	16-May
RBOB	\$1.37	\$1.37	\$1.38	\$1.41	\$1.63	\$1.64
Ethanol	\$1.54	\$1.51	\$1.54	\$1.55	\$1.57	\$1.56
<b>Ethanol Price vs. RBOB</b>	<b>\$0.17</b>	<b>\$0.14</b>	<b>\$0.16</b>	<b>\$0.14</b>	<b>(\$0.06)</b>	<b>(\$0.08)</b>

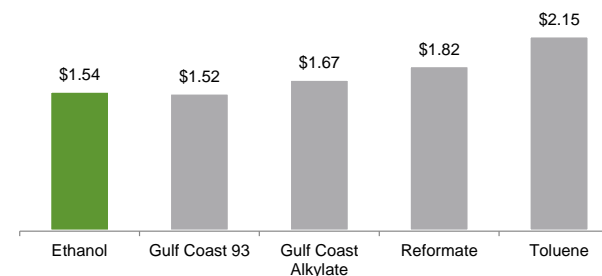
  

	16-Jun	16-Jul	16-Aug	16-Sep	16-Oct	16-Nov
RBOB	\$1.64	\$1.63	\$1.62	\$1.60	\$1.46	\$1.45
Ethanol	\$1.55	\$1.54	\$1.53	\$1.52	\$1.50	\$1.50
<b>Ethanol Price vs. RBOB</b>	<b>(\$0.09)</b>	<b>(\$0.09)</b>	<b>(\$0.09)</b>	<b>(\$0.08)</b>	<b>\$0.04</b>	<b>\$0.05</b>

Spread as of Nov. 2, 2015

Source: CBOT

### Ethanol Versus Other Octanes<sup>(1)</sup>



(1) December 2015 futures prices as of Nov. 2, 2015

Substitute pricing reflects current low demand and is not representative of pricing in high demand substitution scenario.

Source: Bloomberg and Wall Street Research

# Green Plains Partners LP



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# Consolidated Income Statement

## Green Plains Partners LP



*(in millions, except per share amounts)*

	Q3-2015
Revenues	\$21.4
Operating expenses	\$10.4
Operating income (loss)	\$11.0
Other income (expense)	(\$0.2)
Income before taxes	\$10.9
Net income (loss)	\$10.9
Earnings per limited partner unit – basic and diluted	\$0.34

# Selected Operating Data

## Green Plains Partners LP

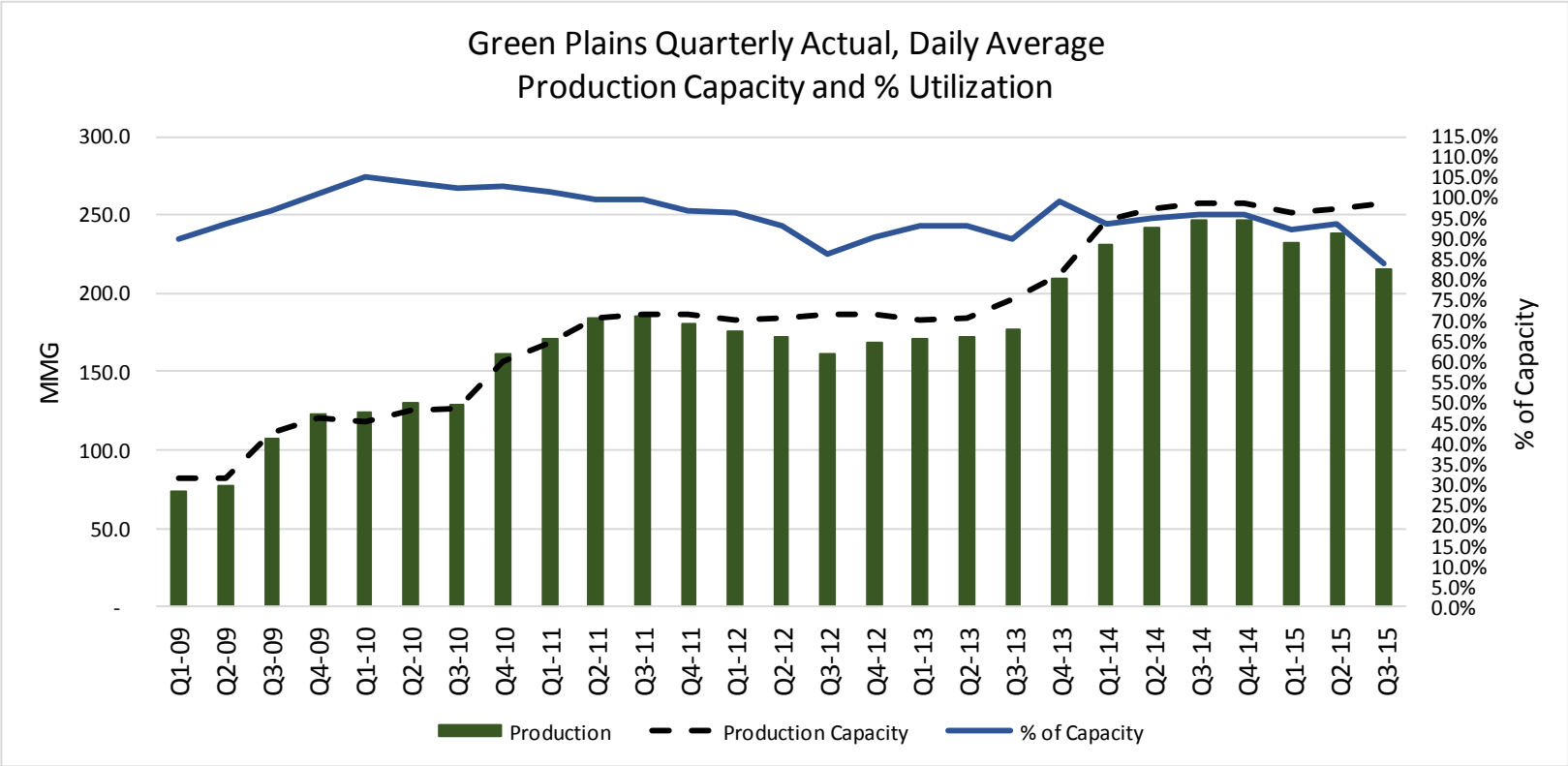


(in million gallons, unless noted otherwise)

	Q3-2015	Q3-2014
Storage and throughput <sup>(1)</sup>	215.6	–
Terminal services:		
Affiliate	25.2	31.9
Non-affiliate	54.8	55.3
	<u>80.0</u>	<u>87.2</u>
Rail capacity billed (avg. daily million gallons) <sup>(1)</sup>	64.3	–
Trucking	17.8	11.5

*(1) Volumetric data before July 1, 2015, for storage and throughput and railcar capacity billed are not considered meaningful as the related commercial agreements were not in effect prior to that date.*

# Green Plains Production Capacity



# Condensed Balance Sheet

## Green Plains Partners LP



(in millions)

<b>Assets</b>	<b>Sept. 30, 2015</b>	<b>Dec. 31, 2014</b>
Current assets	\$37.0	\$12.0
Property and equipment, net	35.9	37.9
Other assets	20.4	30.7
<b>Total assets</b>	<b>\$93.3</b>	<b>\$80.6</b>

<b>Liabilities and Partners' Capital</b>		
Current liabilities	\$16.0	\$2.2
Long-term debt	8.1	8.1
Other liabilities	2.9	3.0
<b>Total liabilities</b>	<b>\$27.0</b>	<b>\$13.3</b>
<b>Total partners' capital</b>	<b>66.3</b>	<b>67.3</b>
<b>Total liabilities and partners' capital</b>	<b>\$93.3</b>	<b>\$80.6</b>

# Non-GAAP Reconciliation

## Green Plains Partners LP



(in millions)

For the three months ended	Sept. 30, 2015	Sept. 30, 2014
Net income (loss)	\$10.9	(\$3.3)
Interest expense	0.2	–
Income tax benefit	–	(2.0)
Depreciation and amortization	1.6	1.5
Transaction costs	0.4	–
Adjusted EBITDA	\$13.1	(\$3.8)
Less:		
Interest paid and payable	0.1	
Maintenance capital expenditures	0.1	
Distributable cash flow <sup>(1)</sup>	\$12.9	n/m
Distribution declared	\$13.0	
Coverage ratio	0.99x	

(1) Distributable cash flow computations for periods before the partnership's IPO are not considered meaningful.



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# Appendix



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# Non-GAAP Reconciliation

*Green Plains Inc.*



*(in millions)*

For the three months ended	Sept. 30, 2015	Sept. 30, 2014
Net income	\$10.0	\$41.7
Interest expense	10.2	10.3
Income tax expense (benefit)	(0.6)	24.3
Depreciation and amortization	16.6	15.6
EBITDA	\$36.2	\$91.9

For the twelve months ended	Sept. 30, 2015	June 30, 2015	March 31, 2015
Net income	\$53.2	\$88.7	\$113.0
Interest expense	40.1	40.2	39.3
Income tax expense	24.5	49.4	62.0
Depreciation and amortization	63.6	62.1	61.1
EBITDA	\$181.4	\$240.4	\$275.4