



November 16-17, 2011



# 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. You 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, but not limited to those set forth under "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in the CVR Partners, LP Prospectus dated April 7, 2011 and any other filings CVR Partners, LP makes 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.*

CVR Partners, LP

# Company Overview



# CVP Partners Offering



CVR Partners is a growth oriented partnership formed by CVR Energy, Inc. in June 2007. CVR Partners' nitrogen fertilizer manufacturing facility produces ammonia and Urea Ammonium Nitrate (UAN). The facility is located in Coffeyville, Kansas and produces 5% of the total UAN demand in the United States.

*IPO Closed on April 13, 2011*

<b>NYSE Ticker:</b>	<b>UAN</b>
Total units with over-allotment:	22.1m common units (30.2%)
Pricing:	\$16 per LP unit (\$3 higher than original mid-point)
March 31, 2012 LTM estimated distribution/yield:	\$1.92 per unit / 12%
Use of proceeds:	Buy the GP and extinguish IDR's, distribution to Coffeyville Resources, general growth projects including UAN expansion



As of November 11, 2011, CVR Partners market cap was \$1.7 billion, of which \$1.2 billion is controlled by CVR Energy.

# Company Overview

## Key Strategic Factors



- Experienced management team
- Fully utilized capacity
- High run time rates
- Strategically located plant
- Favorable rail logistics
- Stable & economic feedstock

# Company Overview

## Experienced Management Team



**Byron Kelley**  
CEO

Years Experience: 41



**Stan Riemann**  
COO

Years Experience: 37



**Edward A. Morgan**  
CFO and Treasurer

Years Experience: 20



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

Years Experience: 31



**Randal T. Maffett**  
EVP Business Development

Years Experience: 33



**Kevan Vick**  
EVP & GM Nitrogen Manufacturing

Years Experience: 36



**Christopher G. Swanberg**  
VP Environmental, Health & Safety

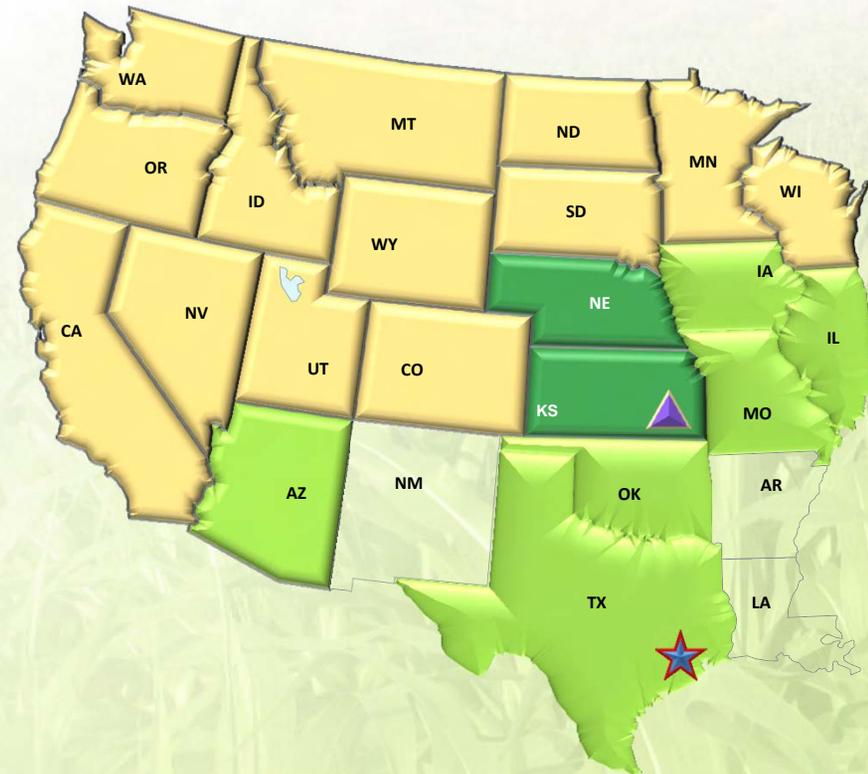
Years Experience: 31

# Company Overview

Fully utilized capacity / high utilization rates



- Capacity: 1,225 tons-per-day ammonia unit, 2,025 tons-per-day UAN unit
- LTM Q3 2011 on-stream efficiency<sup>(1)</sup>
  - Gasifier: 98.9%
  - Ammonia: 97.6%
  - UAN: 97.3%



▲ Fertilizer Plant      ★ Corporate Headquarters

### LTM Q3 2011 Tons Sold by State

■ 100,000+    ■ 10,000 to 100,000    ■ Up to 10,000

LTM Q3 2011 Total Tons Sold ~ 731,350

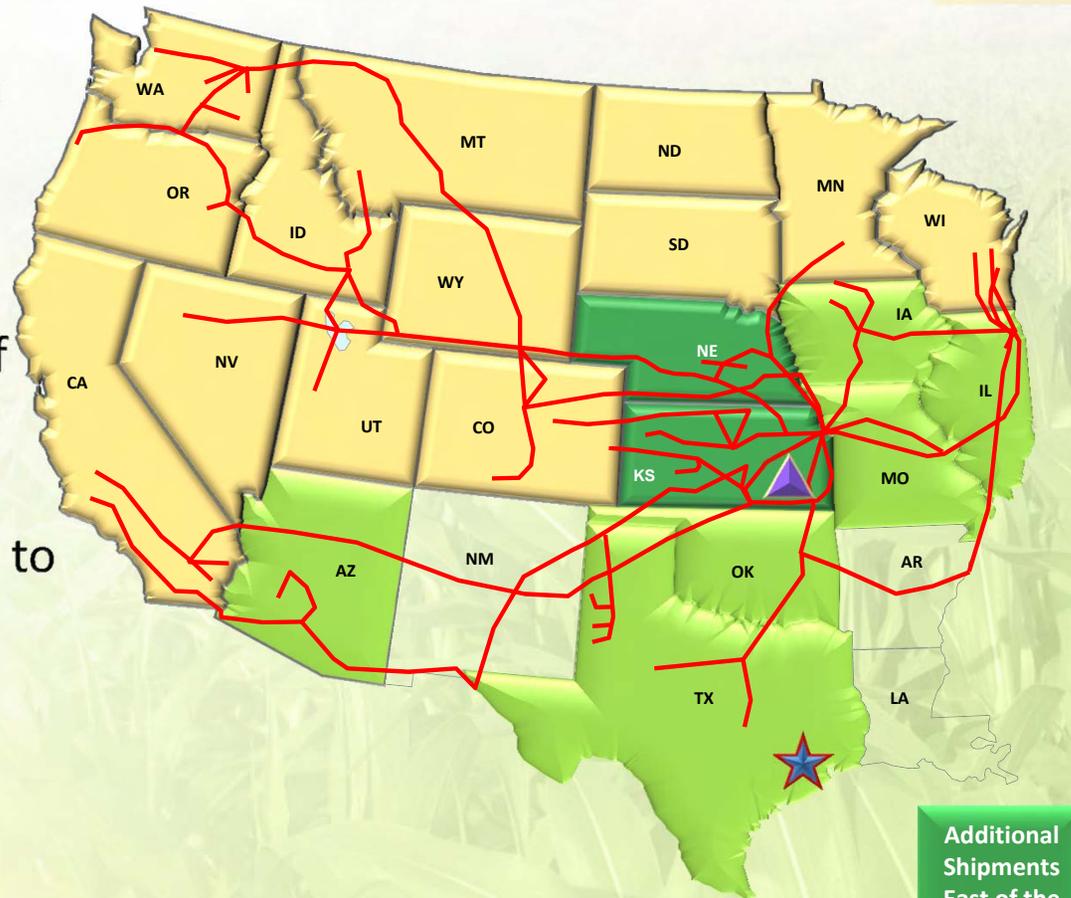
1) Adjusted for major scheduled turnaround, third-party outage on air separation unit and UAN vessel rupture.

# Company Overview

## Strategically Located Assets & Logistics



- Located in the corn belt (on Union Pacific mainline)
- 45% of corn planted in 2010 was within \$35/UAN ton freight rate of our plant
- \$25/ton transportation advantage to corn belt vs. U.S. Gulf Coast
- No intermediate transfer, storage, barge freight or pipeline freight charges



— Rail Distribution    
 ▲ Fertilizer Plant    
 ★ Corporate Headquarters

### LTM Q3 2011 Tons Sold by State

■ 100,000+    
 ■ 10,000 to 100,000    
 ■ Up to 10,000

LTM Q3 2011 Total Tons Sold ~ 731,350

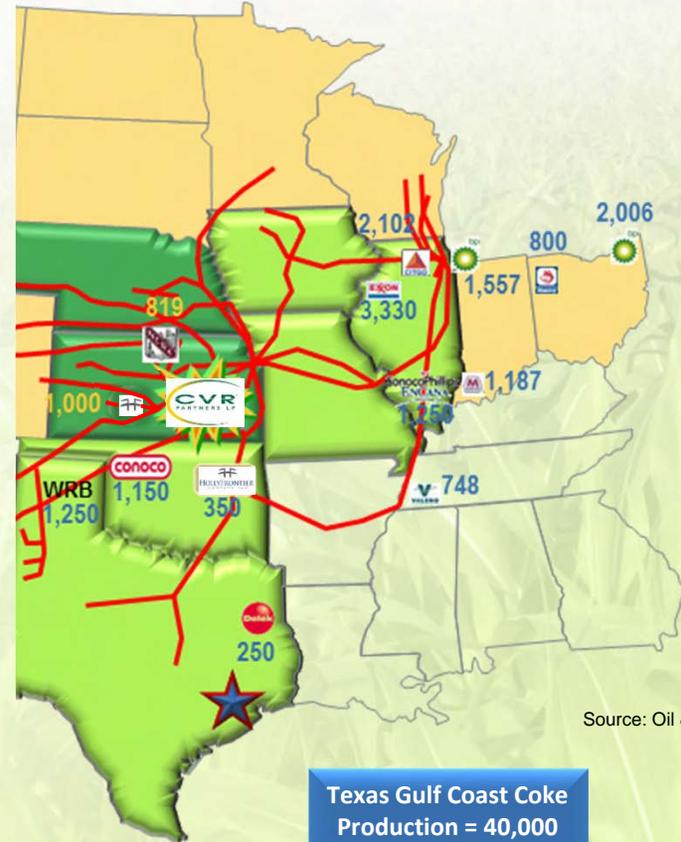
# Company Overview

## Stable & Economic Feedstock

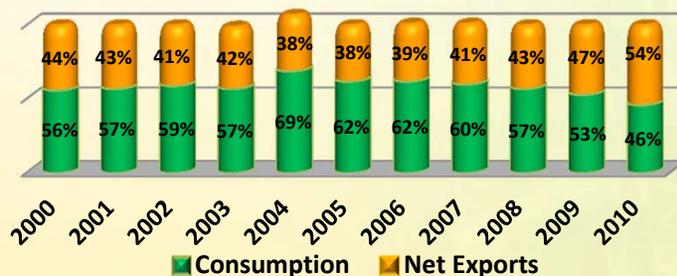


### Abundant Supply of Third-Party Pet Coke in the Region

- CVR Partners LP 2008 – 2010 average daily coke demand ~ 1,378 tons/day
- Coke gasification technology uses petroleum coke as a feedstock
  - Pet coke costs lower than natural gas costs per ton of ammonia produced, and pet coke prices are significantly more stable than natural gas prices
  - Over 70% of pet coke supplied by refinery through long-term contract
- Dual train gasifier configuration ensures reliability
- Ammonia synthesis loop and UAN synthesis use same processes as natural gas based producers



### U.S. Pet Coke Exports and Consumption



Source: EIA.

- Rail Distribution
- ▲ Fertilizer Plant
- ★ Corporate Headquarters

# Market Fundamentals



# Market Fundamentals

## Key Growth Factors



### ■ Fertilizer consumption is driven by:

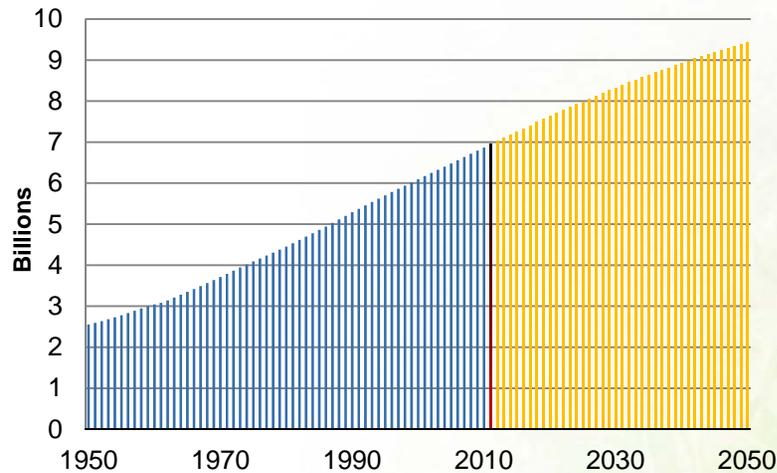
- Population growth
- Decline in farmland per capita
- Income growth in emerging markets, preference for proteins
- Ethanol production

# Market Fundamentals

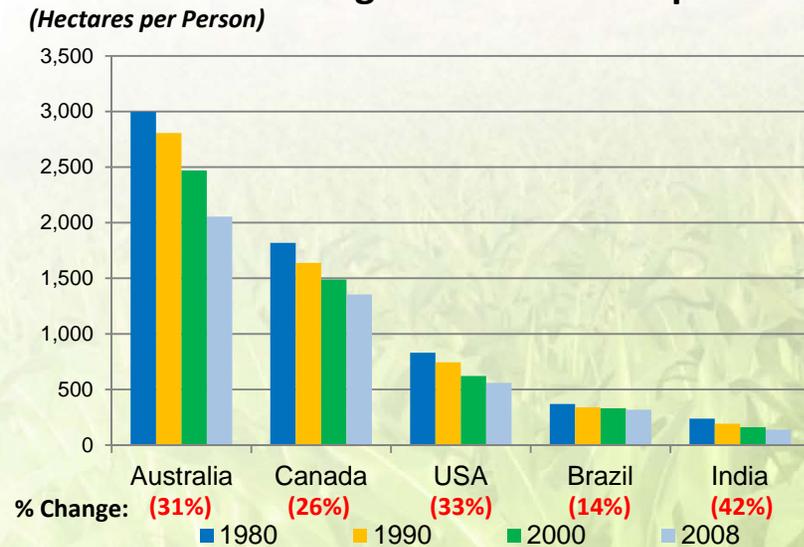
## Key Growth Factors



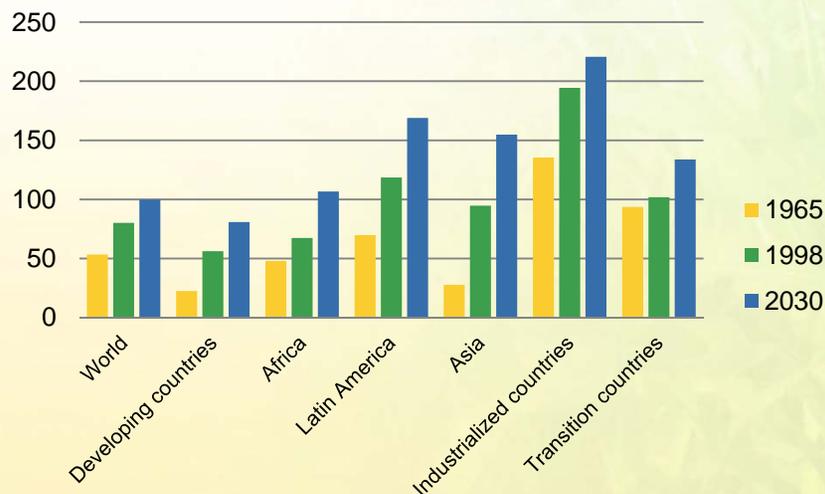
### World Population: 1950-2050



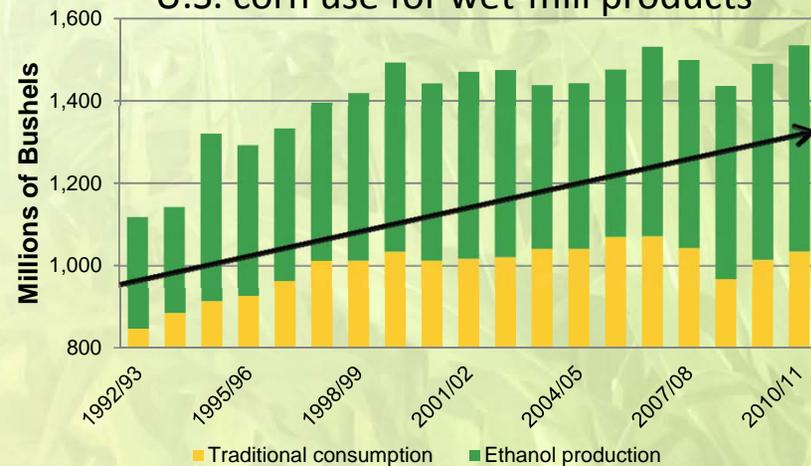
### Declining Farmland Per Capita



### Per Capita Consumption of Meat (lbs per year)



### U.S. corn use for wet-mill products



Source: USDA, Census Bureau, World Bank, <http://data.worldbank.org/indicator/AG.LND.ARBL.HA.PC>

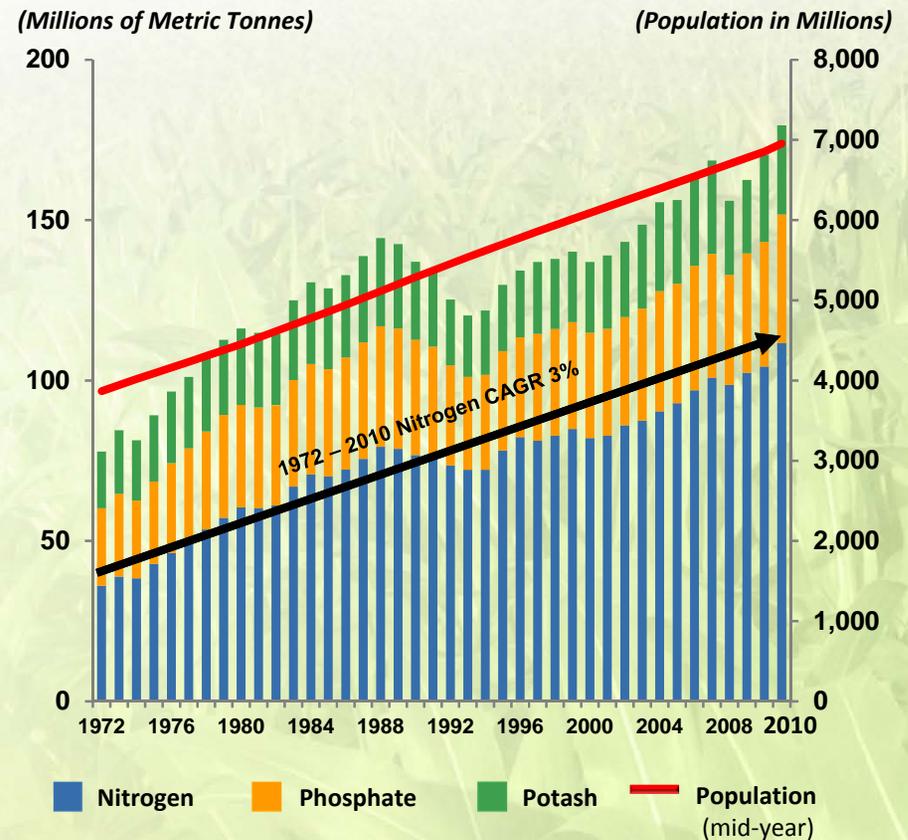
# Market Fundamentals

## Consistent Fertilizer Demand Growth



- Nitrogen represents ~63% of fertilizer consumption<sup>(1)</sup>
- Nitrogen based fertilizers have the most stable demand because they all must be applied annually
- Primary determinant of crop yield

### Global Fertilizer Consumption Over Time



Note: Nutrient Tonnes; Fertilizer Years.

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

1) Based on International Fertilizer Industry Association

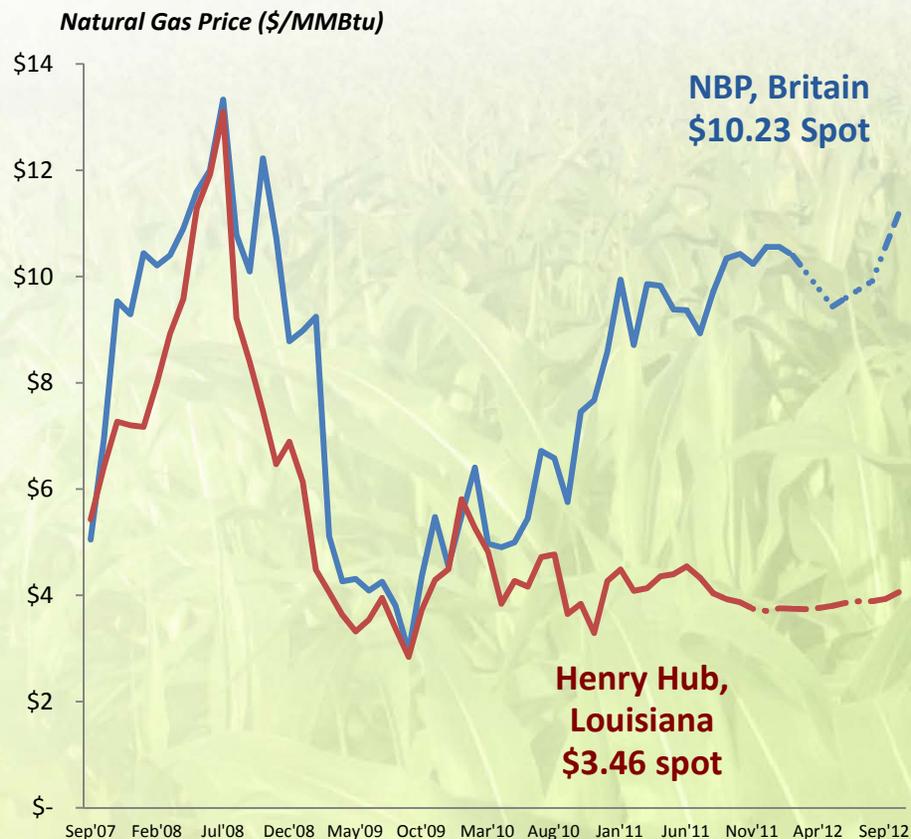
# Market Fundamentals

## Global Shift in Cost of Production



- North America has shifted from being a high cost region globally to a lower cost region
  - Shale gas has increased natural gas supply
  - Natural gas costs in North America have declined
  - Russian gas to Ukraine increasingly priced on market basis
- U.S. imports nitrogen from Eastern Europe, represents price floor for domestic product
- Change in dynamics has served to strengthen economic position of all North American producers

### Natural Gas Prices – United States vs. Western Europe



**Source:** European prices converted from GBP/Therm to \$/MMBtu, based on daily exchange rate  
Historical Sources: Capital IQ NBP Monthly Spot Rate, Henry Hub Monthly Spot Rate  
Forecast Sources: Capital IQ NBP Forward Rate 11/11/11, Henry Hub Futures Nymex Exchange 11/11/11  
Spot price as of 11/11/11

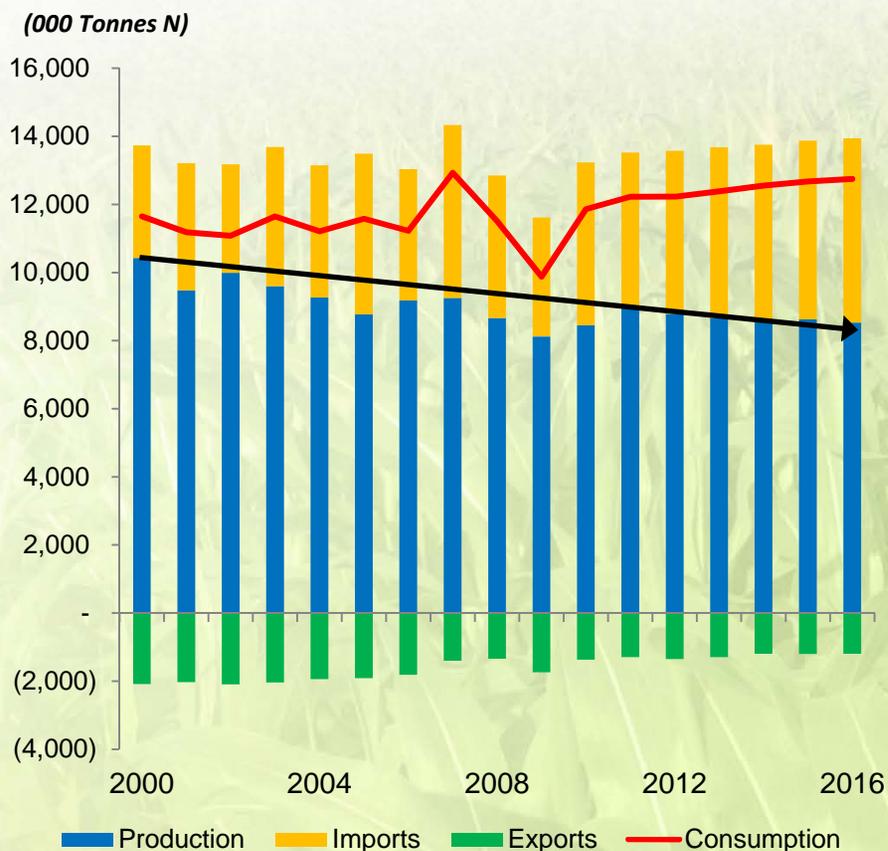
# Market Fundamentals

## Supply Rationalization and Consolidation



- Between 1999 to 2010, U.S. nitrogen fertilizer capacity was reduced by 34% as producers shut down less attractive plants
- Industry has also consolidated significantly through mergers and acquisitions
  - Top 5 producers market share:
    - Today: 78%
    - 2000: 56%
- U.S. will continue to increase its net imports of Nitrogen fertilizer

### Historical U.S. Nitrogen Production and Consumption



Source: Fertecon

# Market Fundamentals

## Farmer Profitability Supports Fertilizer Pricing



- Corn consumes the largest amount of nitrogen fertilizer
- Farmers are expected to generate substantial proceeds at currently forecasted corn prices
- Farmer still incentivized to lay nitrogen at a corn price much lower than current spot
- Nitrogen fertilizer represents small percent of farmer's input costs

### Corn Spot Prices



\*As of Nov. 11, 2011  
Source: CIQ

### Breakdown of U.S. Farmer Total Input Costs

Input Costs and Prices per Bushel (\$)



\*As of Nov. 11, 2011  
Source: CIQ, USDA  
Note: Fixed Costs include labor, machinery, land, taxes, insurance, and other.

# Market Fundamentals

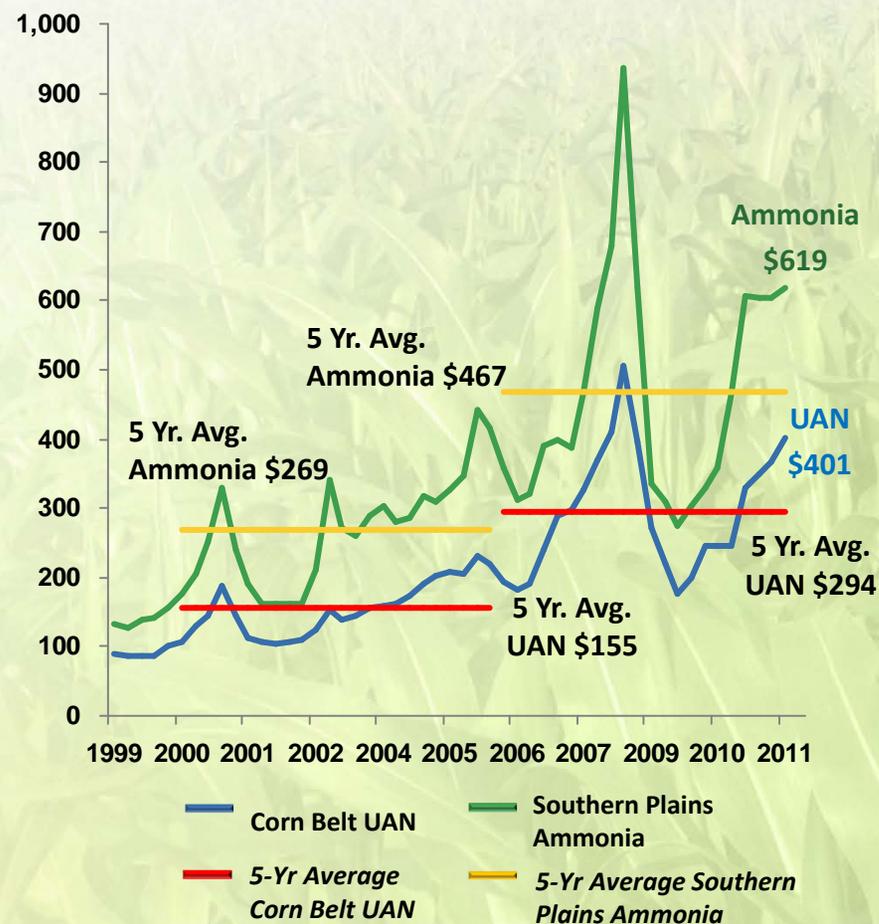
## Strong Pricing Environment



- Robust global grain demand coupled with capacity reductions has led to significant nitrogen fertilizer price increases
- 5 year average UAN price has increased 84% over previous 5 year average
- UAN commands a premium over ammonia and urea on a nutrient basis

### Historical U.S. Nitrogen Fertilizer Prices

(\$ per Ton)



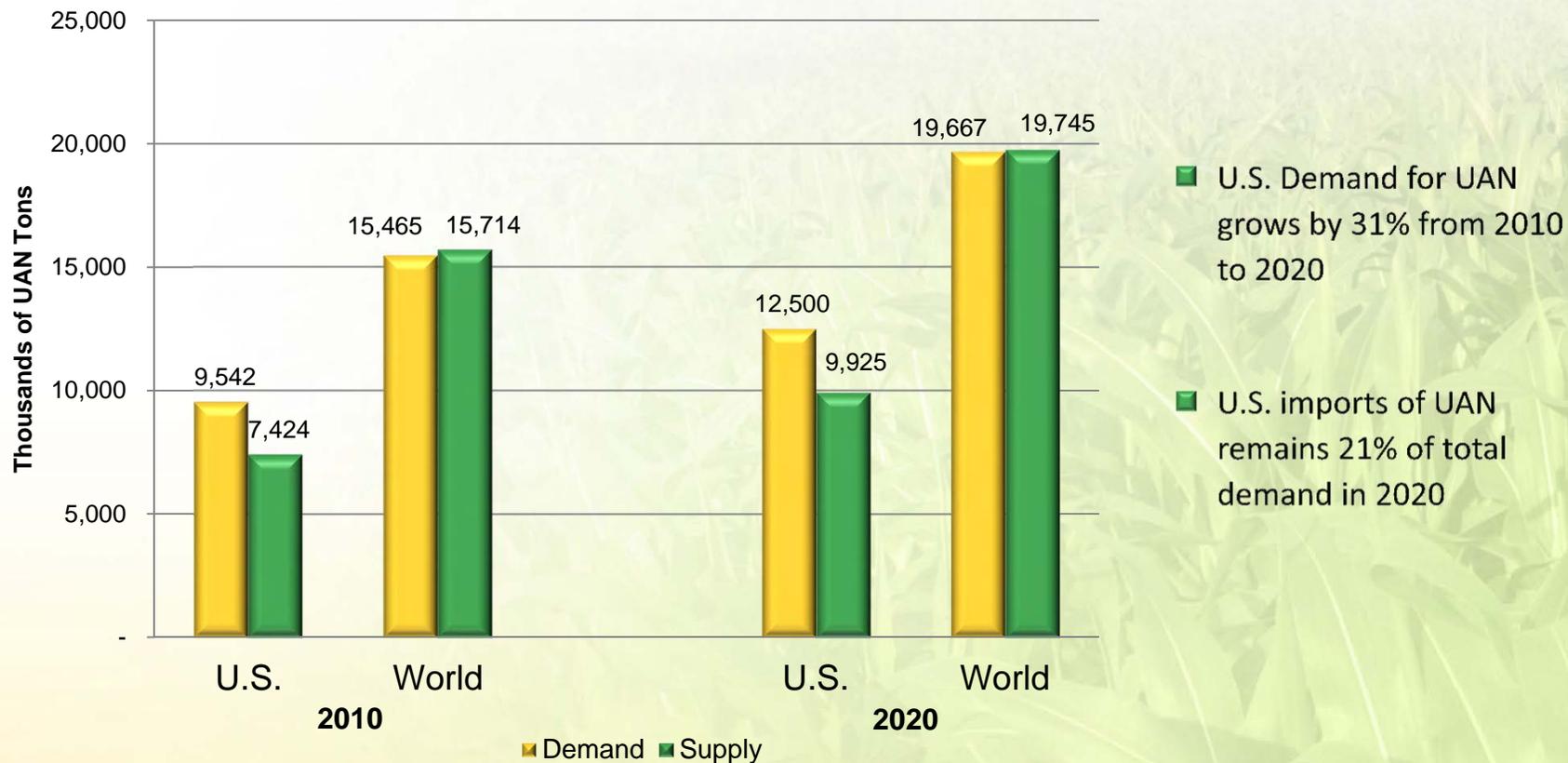
Source: Green Markets Data, Fertecon

# Market Fundamentals

## UAN Demand Growth



### Demand Growth



Source: Integer Focus Report 2011: Global Outlook for UAN

# Growth Opportunities



# Growth Opportunities



	Current	12-24 Months	3-5 years
■ Operational Efficiency	✓	✓	✓
■ Plant Expansion	-	✓	-
■ Specialty Products	✓	✓	-
■ Distribution	-	✓	✓
■ Mergers and Acquisitions	✓	✓	✓
■ International Expansion	-	-	✓

# Growth Opportunities

## UAN Expansion Capability



### ■ UAN Expansion Project

- Increase exposure to strong UAN market dynamics
- Expand UAN capacity by 400,000 tons per year or by ~50%
- Provides flexibility to upgrade 100% of ammonia to UAN
- On-line in Q1 2013

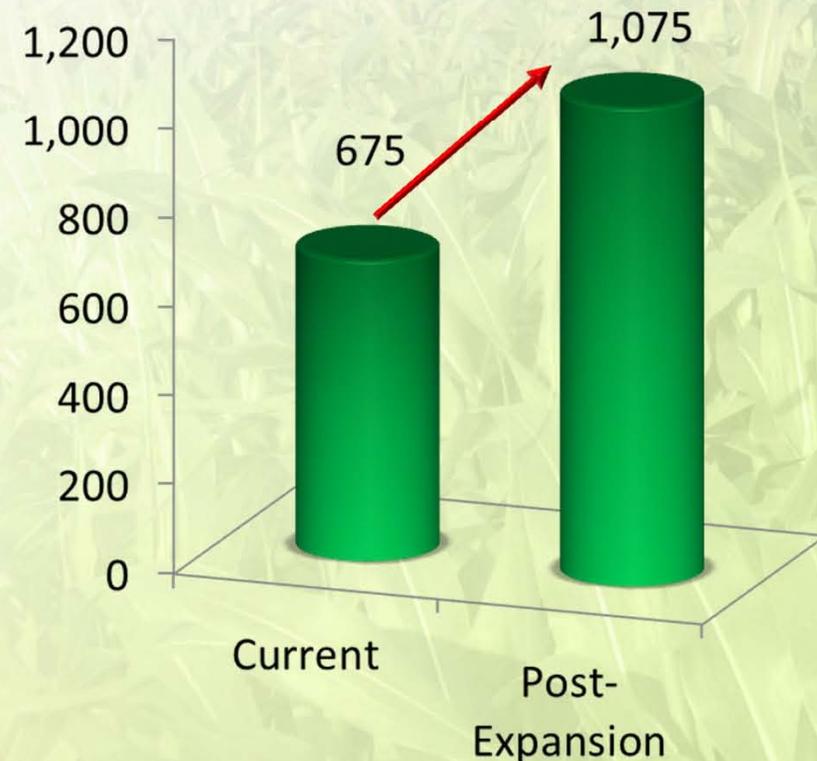
■ Approximately \$100MM cost to complete<sup>(1)</sup>

■ At current pricing, ROI exceeds 24%

■ Intend to selectively pursue value creating acquisition opportunities within nitrogen fertilizer industry

### UAN Upgrading Capacity

(000's Tons of UAN)



1) Excludes \$5MM of capitalized interest

# Growth Opportunities

## Diesel Emission Fluid (DEF)



- DEF is the most widely accepted technology for reducing NOX and particulate matter from diesel vehicle exhaust emissions
- Solution of 32.5% Urea and 67.5% water injected at approximately 2% of fuel consumption
- North America Forecasted DEF consumption:
  - 2011\*: 58 – 63 million gallons
  - 2016\*: 469 – 574 million gallons
  - 2019\*: 725 – 927 million gallons

\* Integer Focus Report 2011: The Emerging DEF Market

# Growth Opportunities

## Distribution



- Logistic assets are key to enhancing annual margin during the shift between application and fill season
- Target 60,000 – 70,000 tons per year of sales through off premise storage facilities by 2013
- Net margin increased by \$15 per ton

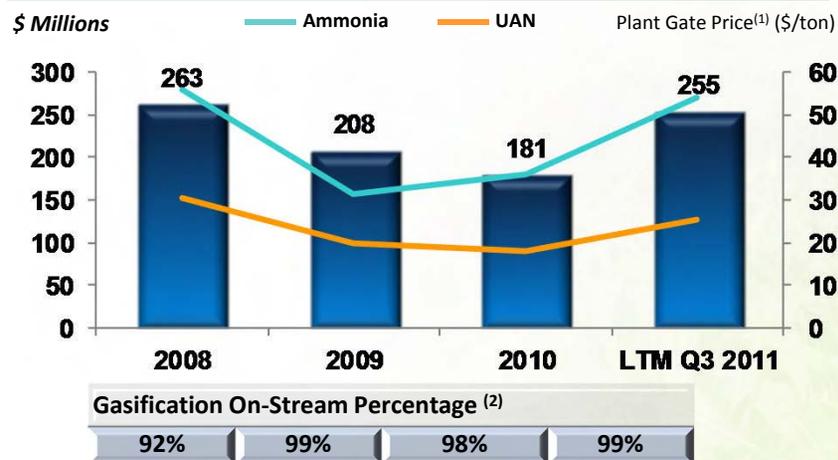
# Financial Statistics



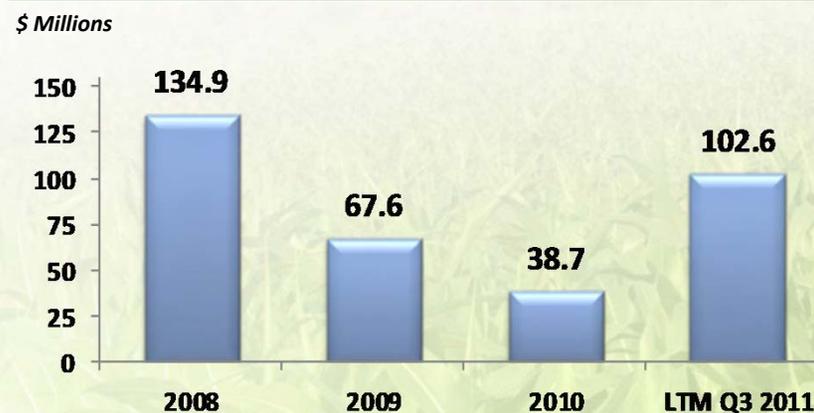
# Financial Statistics



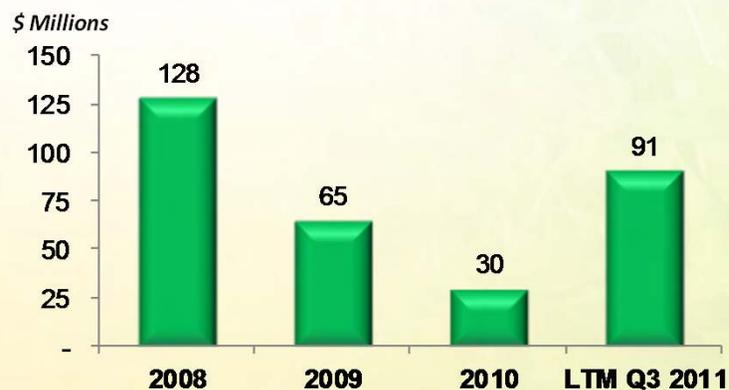
## Net Sales



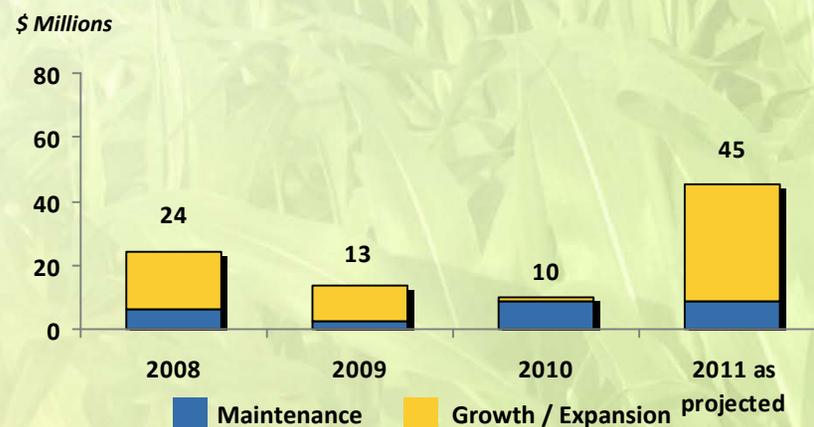
## EBITDA



## EBITDA - Maint. CapEx (No Debt)<sup>3</sup>



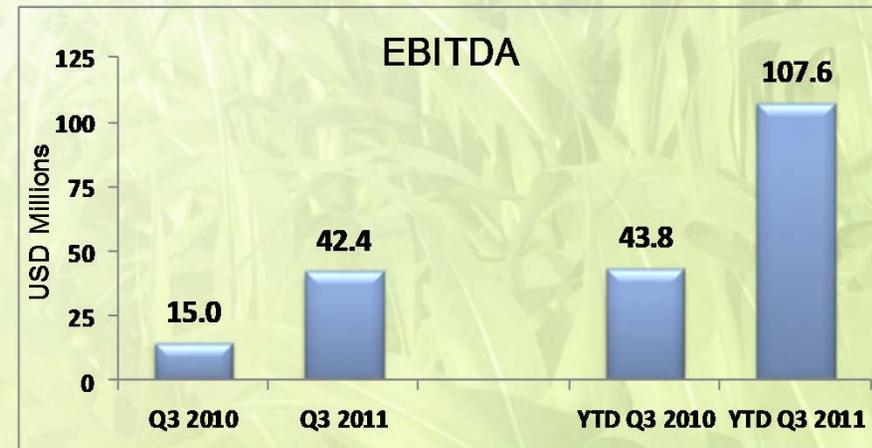
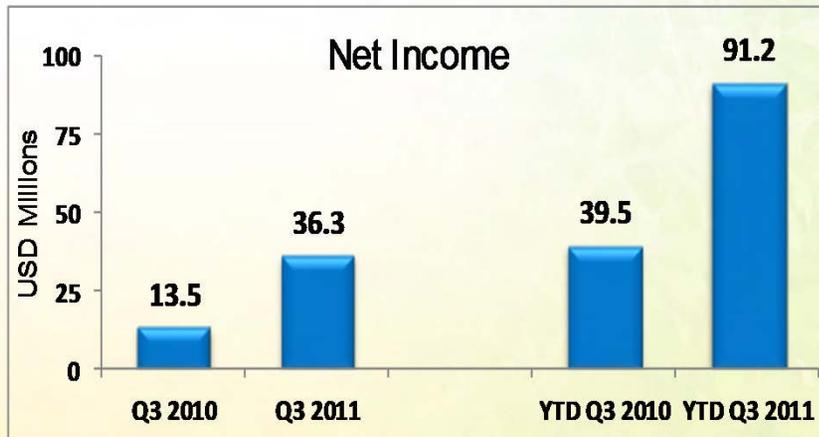
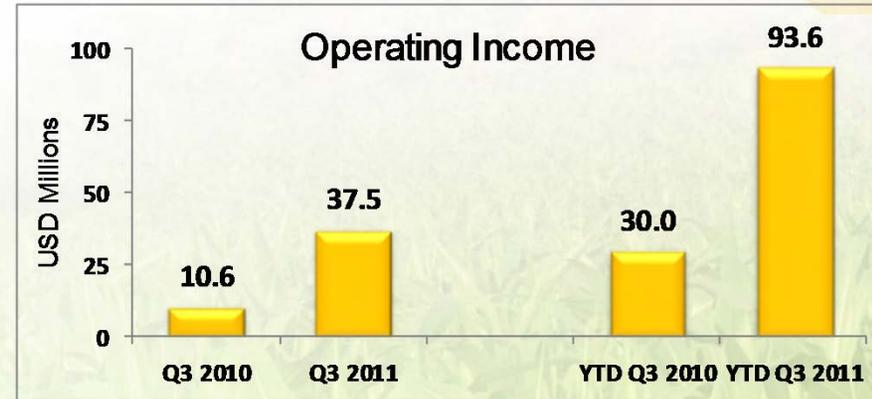
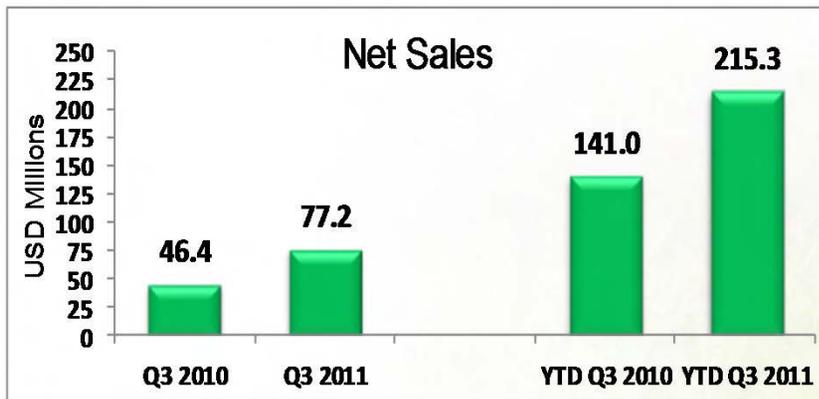
## Capital Expenditures



- 1) Plant gate price per ton represents net sales less freight costs and hydrogen revenue (from hydrogen sales to CVR Energy's refinery) divided by product sales volume in tons in the reporting period. Plant gate price per ton is shown in order to provide a pricing measure that is comparable across the fertilizer industry.
- 2) Adjusted for major scheduled turnaround, third-party outage on air separation unit and UAN vessel rupture.
- 3) Not Pro Forma for \$125MM Term Loan

# Financial Statistics

## Strong YTD Financial Performance



■ Our expected distribution for the 12 months ending March 31, 2012 will be \$1.92 per common unit yielding 8.3% as of November 11, 2011.

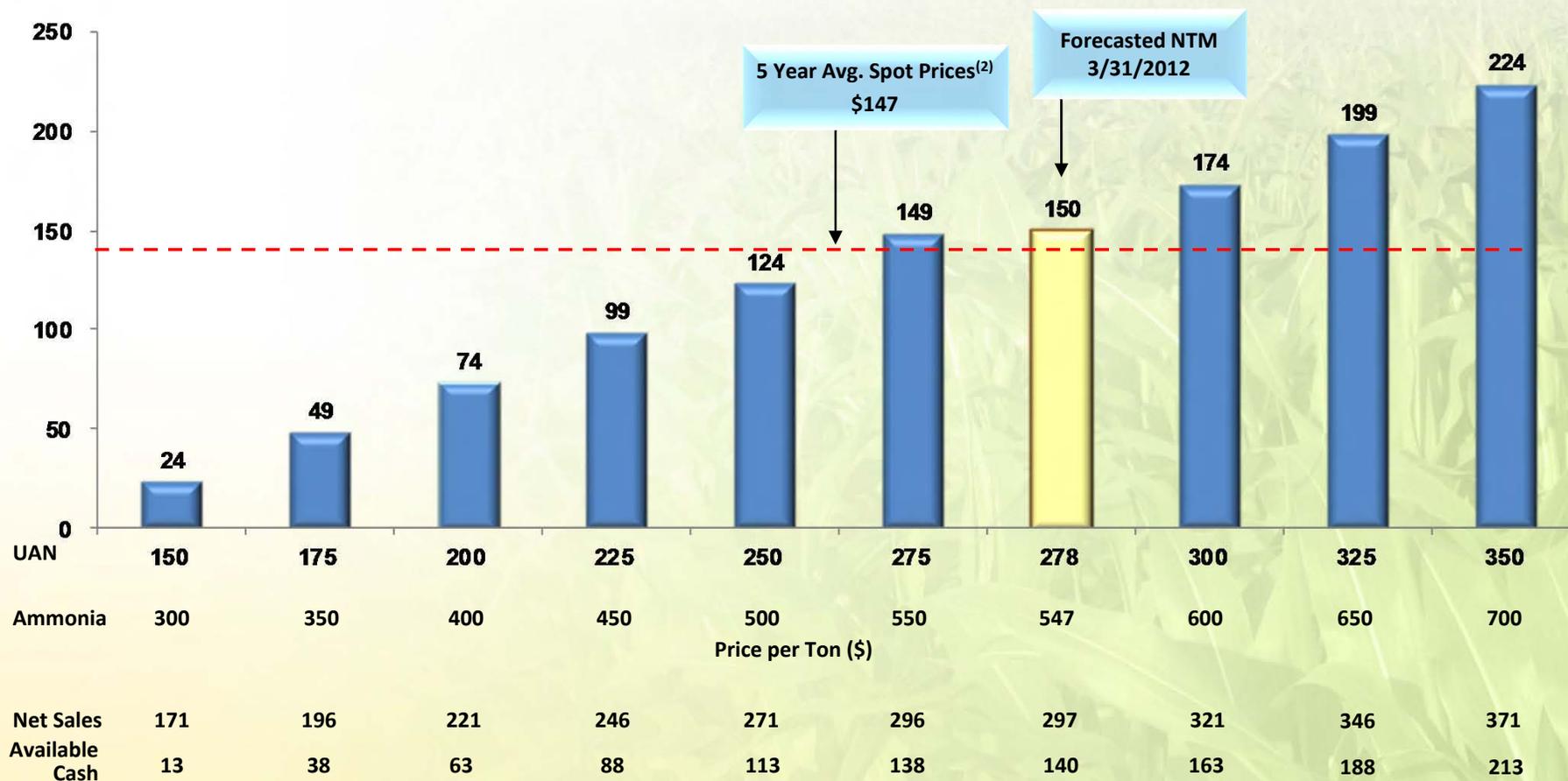
# Financial Statistics

## Forecasted Distributable Cash



### Illustrative EBITDA Sensitivity to UAN and Ammonia Prices<sup>(1)</sup>

EBITDA<sup>(1)</sup> (\$MM)



1) Based on projected cost structure as provided in our prospectus dated April 7, 2011.

2) Based on 5 year average Ammonia and UAN spot prices of \$467/ton and \$292/ton respectively and forecasted next twelve months cost structure.

# Summary



- Strong Industry Fundamentals
- High Quality, Strategically Located Assets
- Premium Product Focus
- Attractive Growth Opportunities
- Pay out 100% of Available Cash Each Quarter to Common Unitholders
- No IDR's
- Experienced Management Team

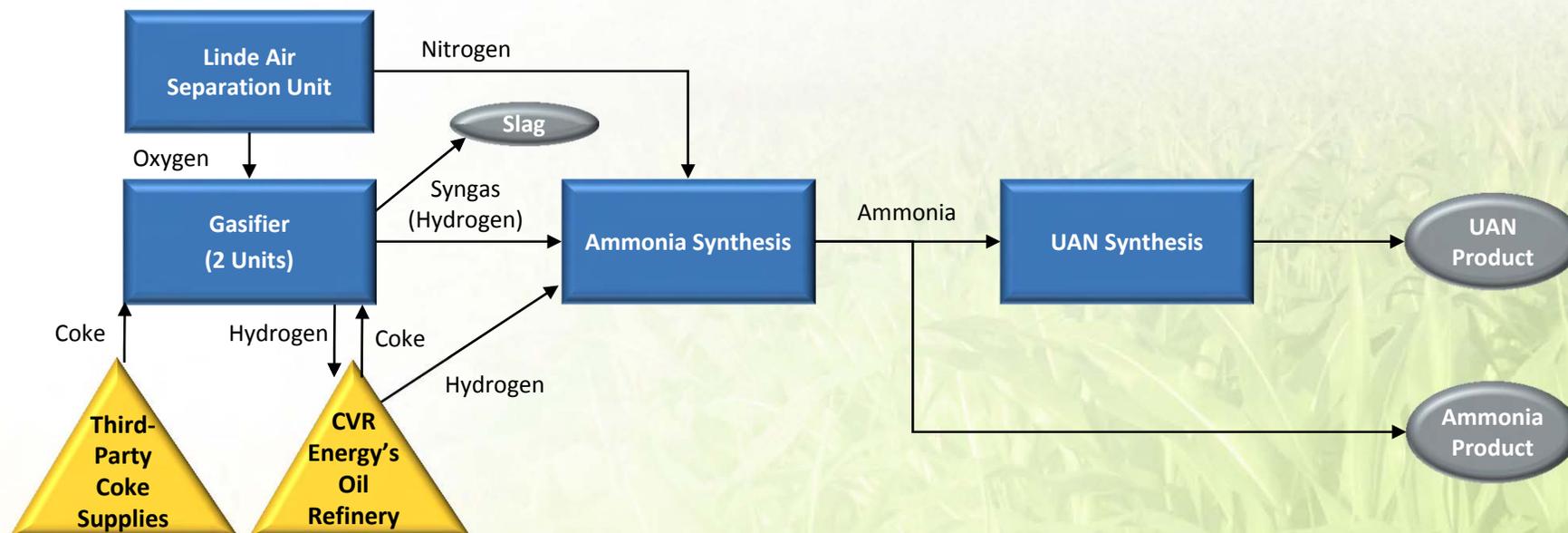


# Q & A

# Appendix



# Manufacturing Process



# Non-GAAP Financial Measures



*To supplement the actual results in accordance with U.S. generally accepted accounting principles (GAAP), for the applicable periods, the Company also uses certain non-GAAP financial measures as discussed below, which are adjusted for 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 Company'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 Company are not necessarily comparable to similarly titled measures of other companies.*

*The Company believes that the presentation of non-GAAP financial measures provides useful information to investors regarding the Company'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 Company'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 Company and its results of operations.*

# Non-GAAP Financial Measures



*EBITDA: EBITDA represents net income before the effect of interest expense, interest income, income tax expense (benefit) and depreciation and amortization. EBITDA is not a calculation based upon GAAP; however, the amounts included in EBITDA are derived from amounts included in the consolidated statement of operations of the Company.*

# Non-GAAP Financial Measures



Below is a reconciliation of Net Income to EBITDA

<i>(In USD Millions)</i>	2008	2009	2010	LTM Q3 2011
Net Income	\$118.9	\$57.9	\$33.3	\$85.0
Interest expense	-	-	-	2.7
Interest (income)	(2.0)	(9.0)	(13.1)	(3.6)
Depreciation and amortization	18.0	18.7	18.5	18.5
Income tax expense	-	-	-	-
EBITDA	<u>\$ 134.9</u>	<u>\$ 67.6</u>	<u>\$38.7</u>	<u>\$102.6</u>

# Non-GAAP Financial Measures



Below is a reconciliation of Net Income to EBITDA

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2011	2010	2011	2010
	(in millions) (unaudited)			
Net Income	\$ 36.3	\$ 13.5	\$ 91.2	\$ 39.5
Adjustments:				
Depreciation and amortization	4.7	4.5	13.9	13.9
Interest (income) expense	1.4	(3.0)	2.5	(9.6)
Tax provision	-	-	-	-
<b>EBITDA</b>	<b>\$ 42.4</b>	<b>\$ 15.0</b>	<b>\$ 107.6</b>	<b>\$ 43.8</b>