

# Fourth-Quarter 2014 Earnings

Bob Patel, Chief Executive Officer

Karyn Ovelmen, Chief Financial Officer

Sergey Vasnetsov, SVP – Strategic Planning and Transactions

Doug Pike, VP – Investor Relations

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# Cautionary Statement



The statements in this presentation relating to matters that are not historical facts are forward-looking statements. These forward-looking statements are based upon assumptions of management which are believed to be reasonable at the time made and are subject to significant risks and uncertainties. Actual results could differ materially based on factors including, but not limited to, the business cyclical nature of the chemical, polymers and refining industries; the availability, cost and price volatility of raw materials and utilities, particularly the cost of oil, natural gas, and associated natural gas liquids; competitive product and pricing pressures; labor conditions; our ability to attract and retain key personnel; operating interruptions (including leaks, explosions, fires, weather-related incidents, mechanical failure, unscheduled downtime, supplier disruptions, labor shortages, strikes, work stoppages or other labor difficulties, transportation interruptions, spills and releases and other environmental risks); the supply/demand balances for our and our joint ventures' products, and the related effects of industry production capacities and operating rates; our ability to achieve expected cost savings and other synergies; our ability to successfully execute projects and growth strategies; legal and environmental proceedings; tax rulings and changes in laws, regulations or treaties, consequences or proceedings; technological developments, and our ability to develop new products and process technologies; potential governmental regulatory actions; political unrest and terrorist acts; risks and uncertainties posed by international operations, including foreign currency fluctuations; and our ability to comply with debt covenants and service our debt. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in the "Risk Factors" section of our Form 10-K for the year ended December 31, 2013, which can be found at [www.lyondellbasell.com](http://www.lyondellbasell.com) on the Investor Relations page and on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov).

The illustrative results or returns of growth projects are not in any way intended to be, nor should they be taken as, indicators or guarantees of performance. The assumptions on which they are based are not projections and do not necessarily represent the Company's expectations and future performance. You should not rely on illustrated results or returns or these assumptions as being indicative of our future results or returns.

This presentation contains time sensitive information that is accurate only as of the date hereof. Information contained in this presentation is unaudited and is subject to change. We undertake no obligation to update the information presented herein except as required by law.



## Information Related to Financial Measures



This presentation makes reference to certain “non-GAAP” financial measures as defined in Regulation G of the U.S. Securities Exchange Act of 1934, as amended. The non-GAAP measures we have presented include income from continuing operations excluding LCM, diluted earnings per share excluding LCM, EBITDA and EBITDA excluding LCM. LCM stands for “lower of cost or market,” which is an accounting rule consistent with GAAP related to the valuation of inventory. Our inventories are stated at the lower of cost or market. Cost is determined using last-in, first-out (“LIFO”) inventory valuation methodology, which means that the most recently incurred costs are charged to cost of sales and inventories are valued at the earliest acquisition costs. Market is determined based on an assessment of the current estimated replacement cost and selling price of the inventory. In periods where the market price of our inventory declines substantially, cost values of inventory may be higher than the market value, which results in us writing down the value of inventory to market value in accordance the LCM rule, consistent with GAAP. We report our financial results in accordance with U.S. generally accepted accounting principles, but believe that certain non-GAAP financial measures, such as EBITDA and earnings and EBITDA excluding LCM, provide useful supplemental information to investors regarding the underlying business trends and performance of the company's ongoing operations and are useful for period-over-period comparisons of such operations. Non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, or superior to, the financial measures prepared in accordance with GAAP.

EBITDA, as presented herein, may not be comparable to a similarly titled measure reported by other companies due to differences in the way the measure is calculated. We calculate EBITDA as income from continuing operations plus interest expense (net), provision for (benefit from) income taxes, and depreciation & amortization. EBITDA should not be considered an alternative to profit or operating profit for any period as an indicator of our performance, or as alternative to operating cash flows as a measure of our liquidity. We have also presented financial information herein exclusive of adjustments for LCM.

While we also believe that free cash flow (FCF) and book capital are measures commonly used by investors, free cash flow and book capital, as presented herein, may not be comparable to similarly titled measures reported by other companies due to differences in the way the measures are calculated. For purposes of this presentation, free cash flow means net cash provided by operating activities minus capital expenditures and book capital means total debt plus stockholders’ equity plus minority interests.

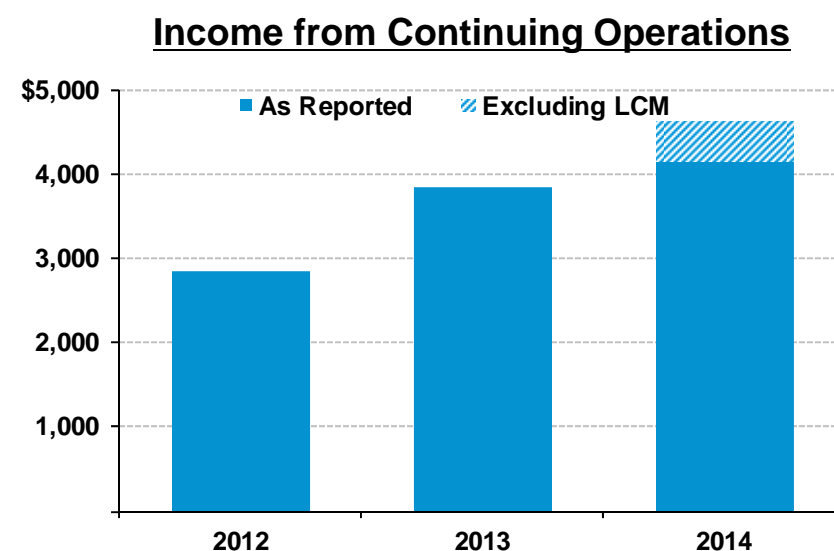
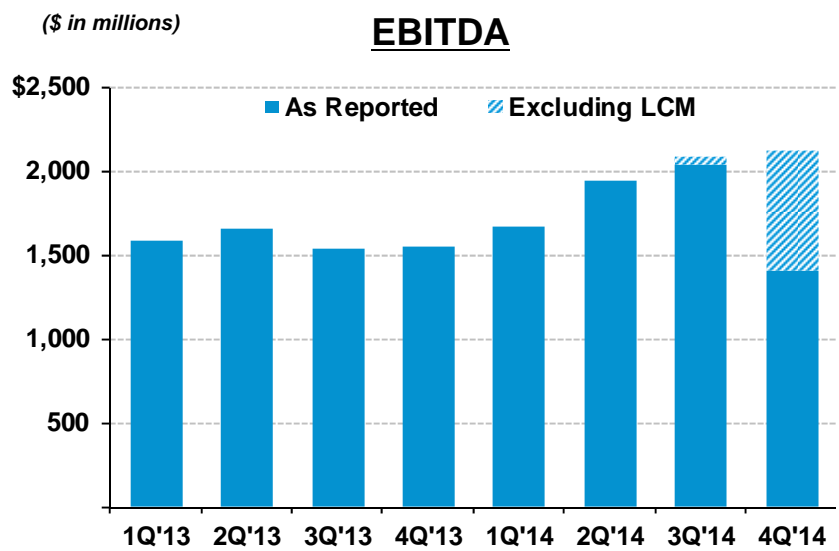
Reconciliations for our non-GAAP measures can be found on our website at [www.lyb.com/investorrelations](http://www.lyb.com/investorrelations)

# Highlights



<i>(\$ in millions, except per share data)</i>	FY 2012	FY 2013	FY 2014 (As Reported)	FY 2014 (ex. LCM) <sup>(1)</sup>
EBITDA	\$5,808	\$6,311	\$7,050	\$7,810
Income from Continuing Operations	\$2,858	\$3,860	\$4,172	\$4,655
Diluted Earnings (\$ / share) from Continuing Operations	\$4.96	\$6.76	\$8.00	\$8.92

**FY 2014 EPS Growth ~32% vs. 2013 and 80% vs. 2012<sup>(2)</sup>**



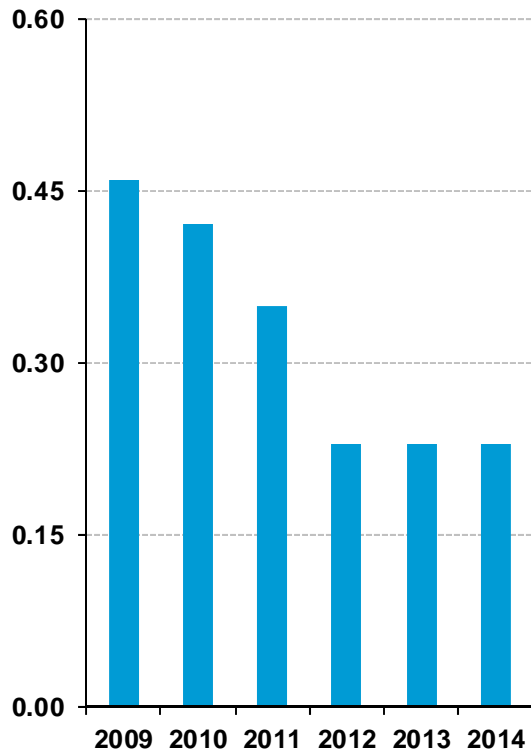
(1) LCM stands for "lower of cost or market." An explanation of LCM and why we have excluded it from our financial information in this presentation can be found on the third page of this presentation under "Information Related to Financial Measures."

(2) Calculated using EBITDA results excluding the impact of the LCM adjustments

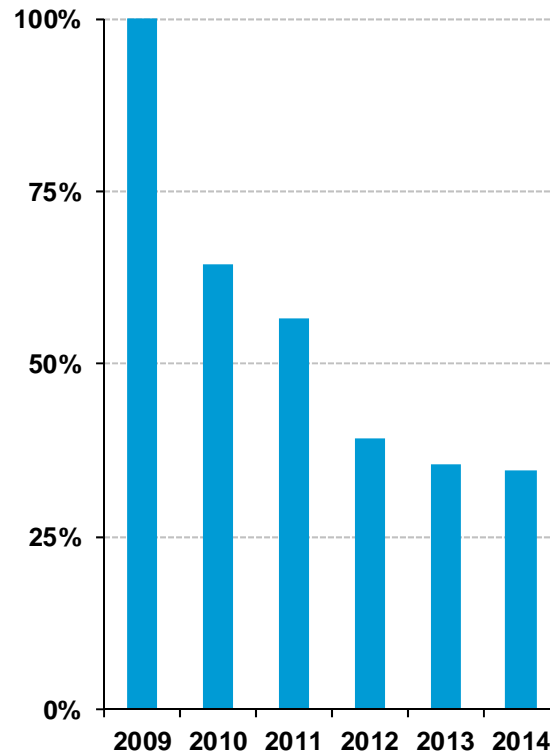
# LyondellBasell Safety Performance



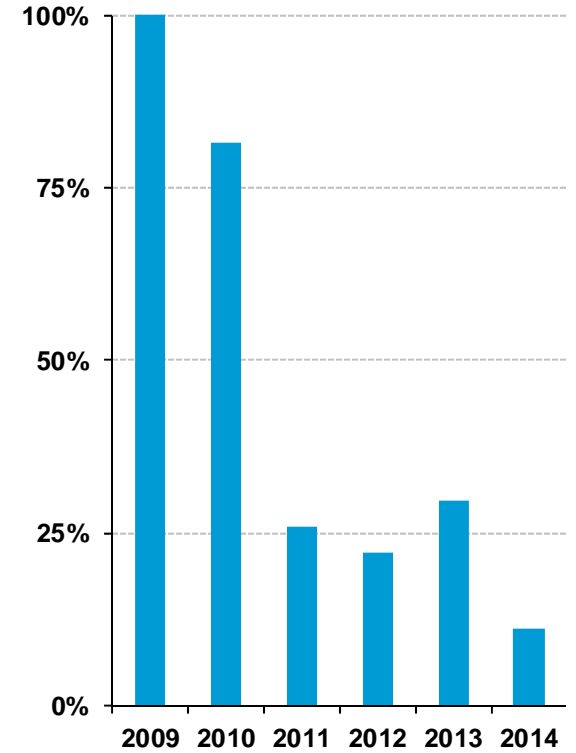
**Safety - Injuries per 200,000 Hours Worked<sup>(1)</sup>**



**Indexed Environmental Incidents**



**Indexed Process Incidents**



**Continued Top Decile Safety Performance**

1) Includes employees and contractors.

# 2014 Accomplishments



## Financial Accomplishments

- Record earnings and cash flow
- Generated \$6.0 billion cash from operations
- Repurchased more than 63 million shares for \$5.8 billion and paid \$1.4 billion in dividends
- Increased quarterly dividend from \$0.60 per share to \$0.70 per share
- Issued \$1 billion 30 year bond at 4.875% coupon
- Initiated commercial paper program

## Operating Accomplishments

- Key Operating Rates:
  - U.S. Ethylene: 95% excluding La Porte turnaround
  - EU Ethylene: 95%
  - PO: 90%
  - Refinery: 97%
- 53% of European ethylene produced from advantaged feed
- Canadian crude sourcing was 10 - 15% of processed crude
- Fixed costs managed flat since 2009
- Completed 200 million pound per year PE expansion and 800 million pound per year ethylene expansion
- First full year of Channelview methanol plant operations
- Developing new propylene oxide and ethylene projects

**Record financial results • Continued to return cash to shareholders • Advanced growth projects**

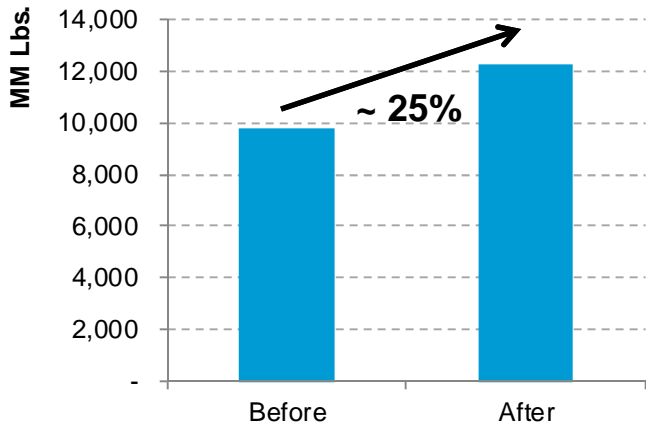
(\$ in millions)

Segment EBITDA	As Reported				Excluding LCM	
	2012	2013	2014	'13 - '14 Change	2014	'13 - '14 Change
O&P Americas	2,968	3,573	3,911	338	4,190	617
O&P EAI	548	839	1,366	527	1,410	571
I&D	1,621	1,492	1,459	(33)	1,552	60
Refining	481	182	65	(117)	409	227
Technology	197	232	232	0	232	0
<b>Total EBITDA</b>	<b>5,808</b>	<b>6,311</b>	<b>7,050</b>	<b>739</b>	<b>7,810</b>	<b>1,499</b>

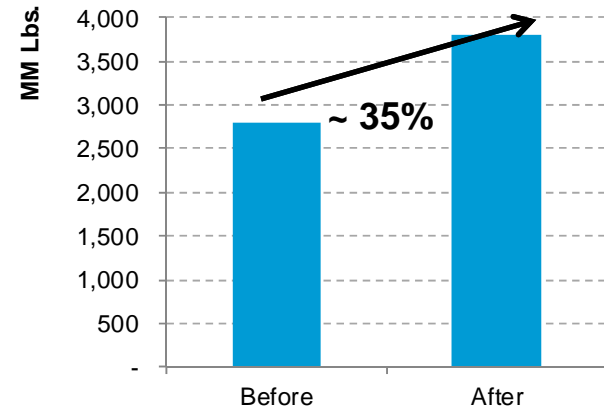
We are expanding our advantaged positions significantly



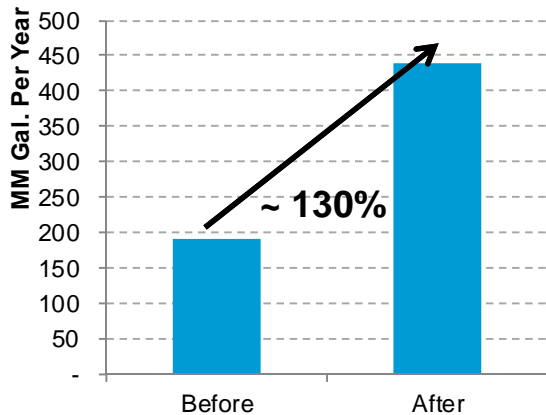
### U.S. Ethylene



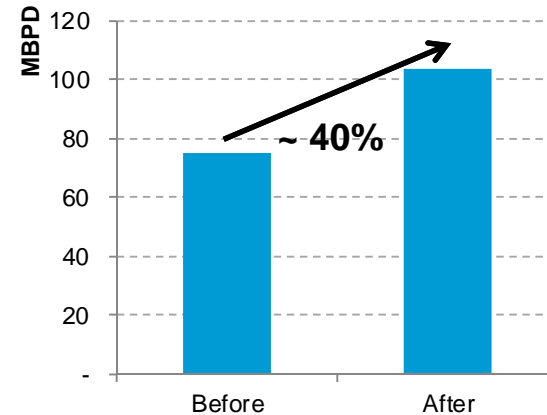
### Propylene Oxide



### Methanol



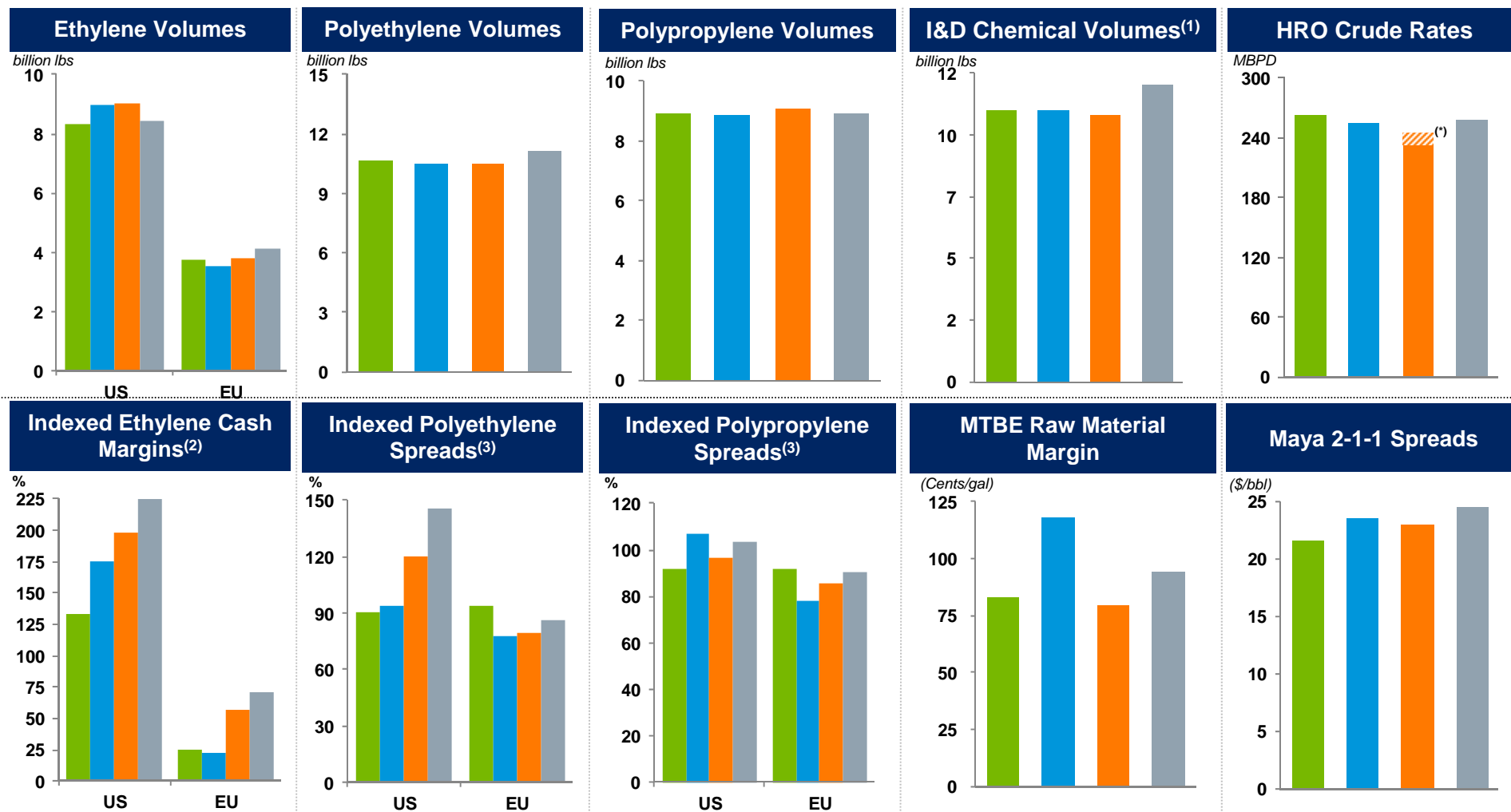
### MTBE Equivalent



# Key Volumes and Margins: 2011 - 2014



2011 2012 2013 2014



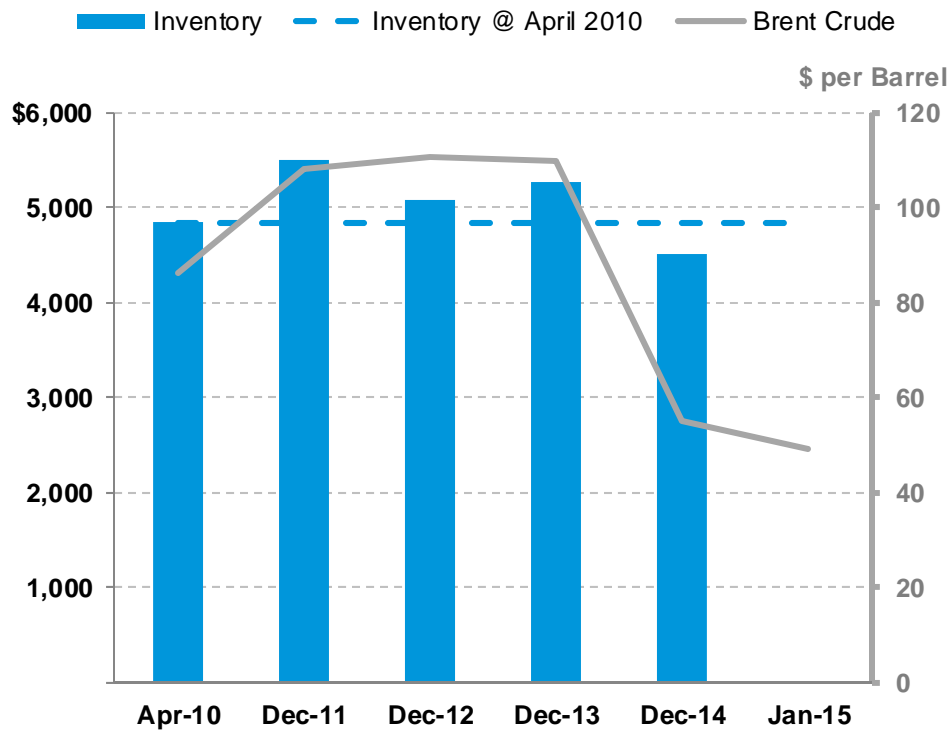
1) I&D volumes exclude oxyfuels; 2) EU ethylene cash margins normalized to 2010 US margins. 2010 indexed margin is equal to 100%; 3) Polyethylene and Polypropylene spreads indexed to 2010; 2010 indexed margins are equal to 100%; \* 2013 average crude processing rate excluding the impact from Q1'13 turnaround



# LCM Inventory Adjustment



## LYB Inventory and Brent Crude Oil History



## Key Raw Material and Product Pricing

	Apr-10	Dec-14	Jan-15
Brent (\$/bbl.)	86	55	49
Gasoline (¢/gal.)	240	144	135
MTBE (¢/gal.)	242	204	174
Polyethylene (¢/lb.)			
US	70	73	68
EU	65	60	53
Polypropylene (¢/lb.)			
US	89	78	68
EU	71	66	59

Source: Industry pricing data from third party consultants. January data as of January 29, 2015

Note: Brent and Gasoline represent the values of the last day of the month. All others are monthly figures.

Base inventory was established in 2010 as LYB entered the public market

# Fourth Quarter 2014 and FY 2014 Segment EBITDA



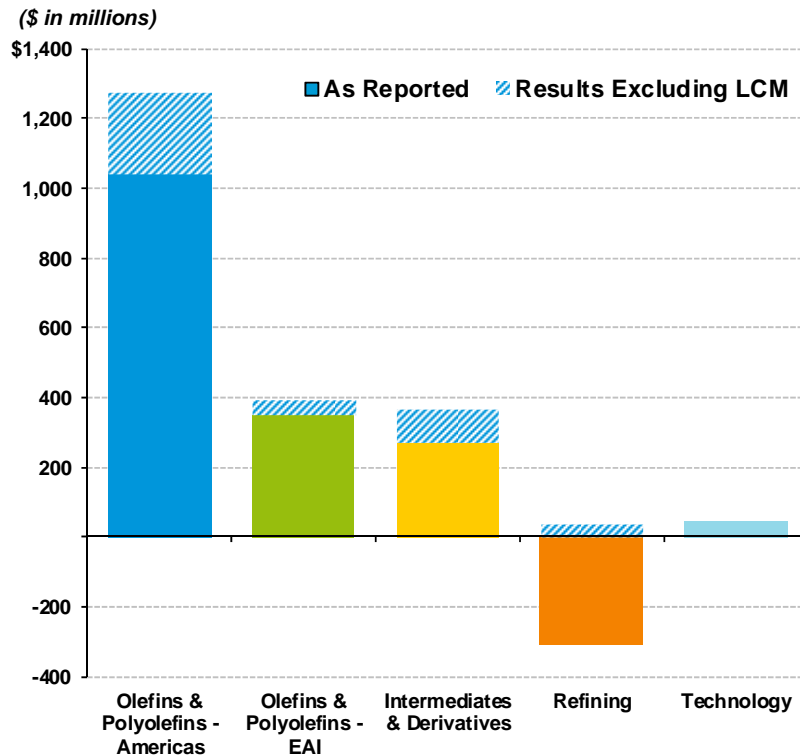
## Fourth Quarter

	EBITDA	Op. Income
As Reported	\$1,406	\$1,077
Excluding LCM	\$2,121	\$1,792

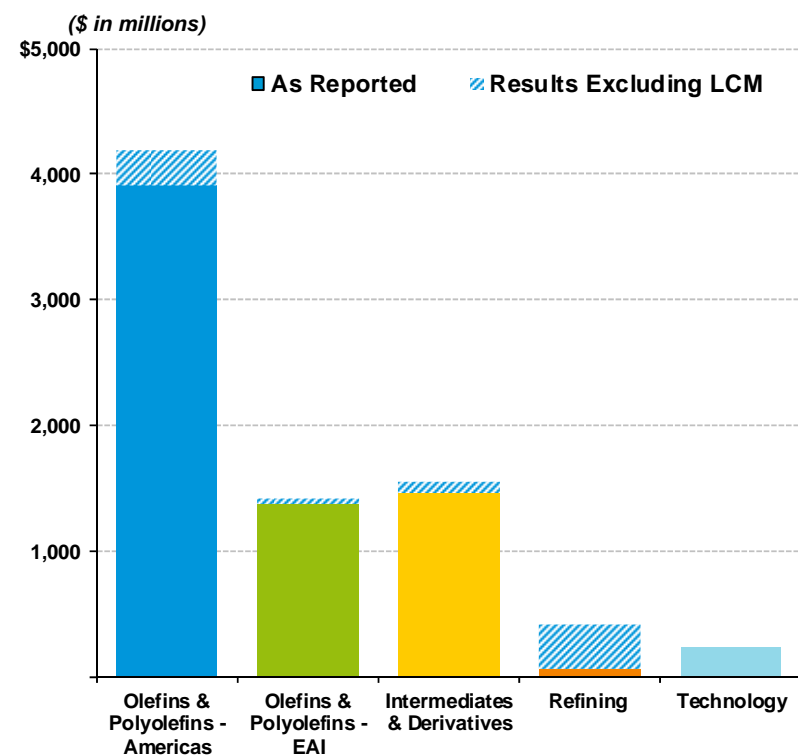
## Full Year 2014

	EBITDA	Op. Income
As Reported	\$7,050	\$5,736
Excluding LCM	\$7,810	\$6,496

### Fourth Quarter 2014 EBITDA



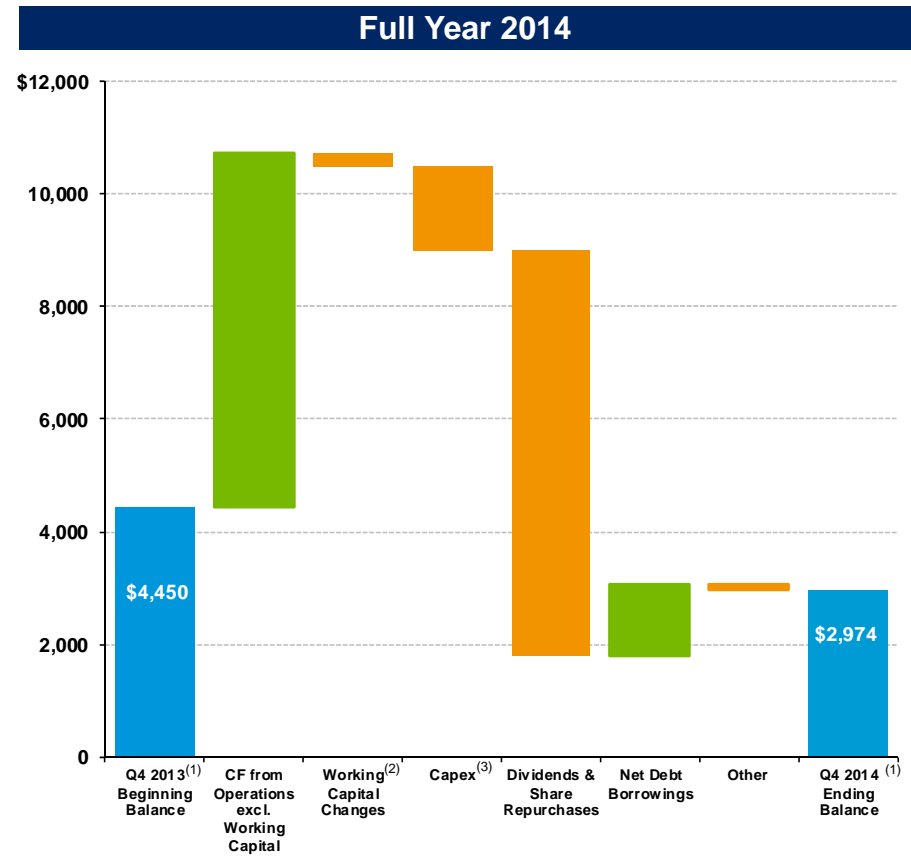
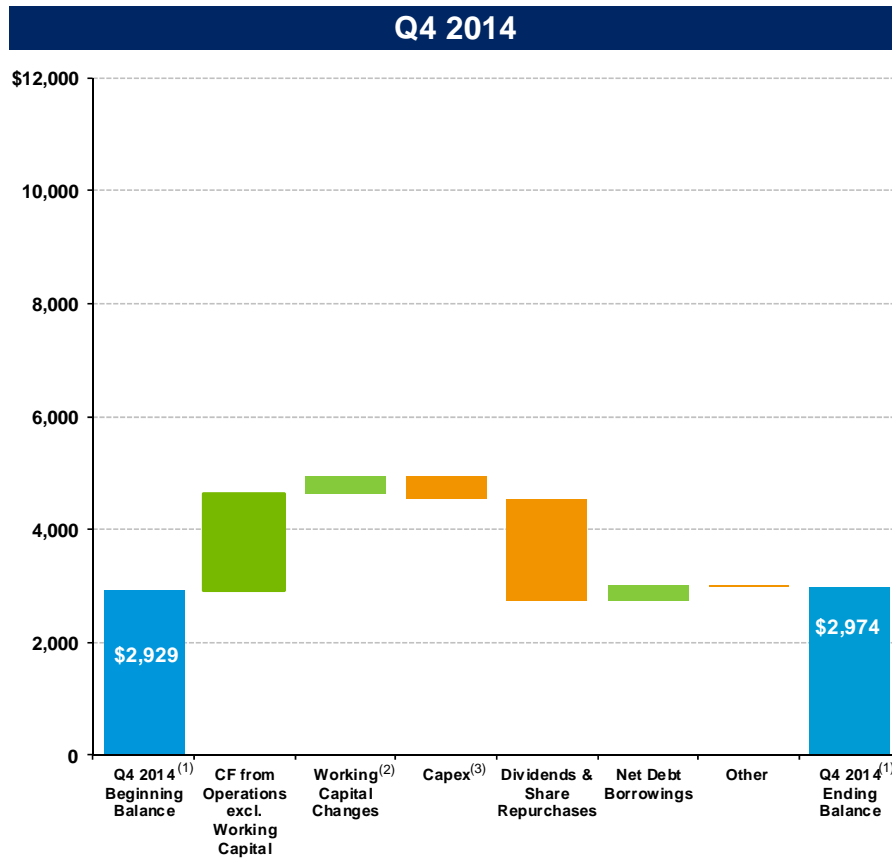
### Full Year 2014 EBITDA



# Cash Flow



(\$ in millions)



**~ \$7.2 billion in dividends and share repurchases during 2014**

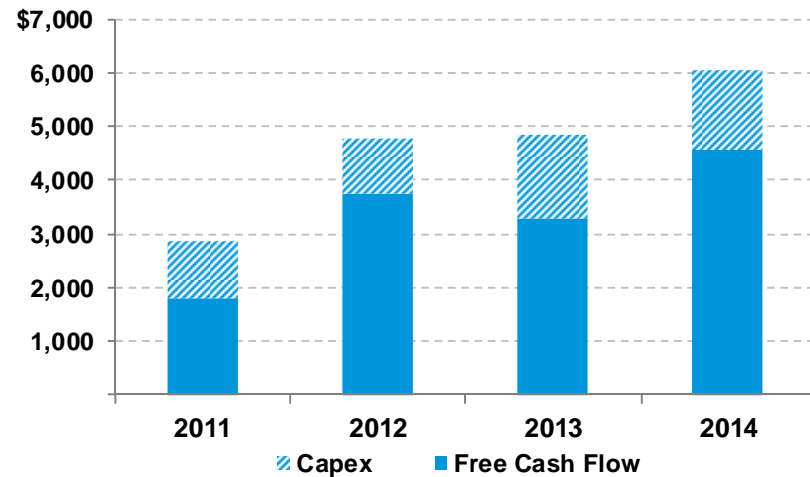
1) Beginning and ending cash balances include cash and short-term securities; 2) Includes accounts receivable, inventories and accounts payable; 3) Includes capital and maintenance turnaround spending.

# Strong Cash Generation, Share Repurchases & Dividends



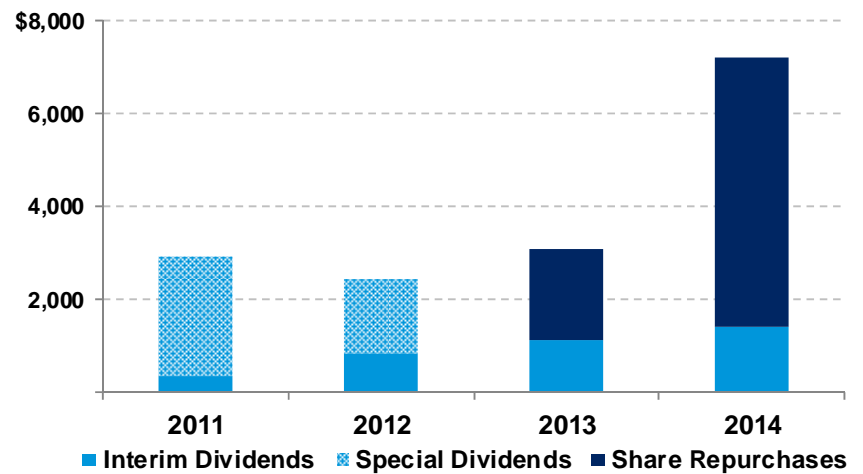
## Cash From Operations

(\$ in millions)



## Dividends & Share Repurchases

(\$ in millions)



## Key Statistics

### Snapshot at December 31, 2014

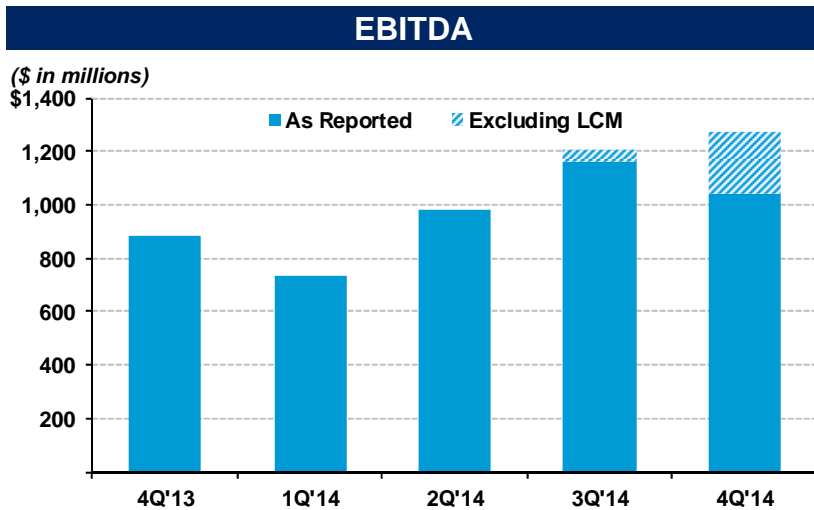
LTM FCF: \$4.5 billion  
 LTM Capex: \$1.5 billion  
 Cash<sup>(1)</sup>: \$3.0 billion  
 Total Debt/LTM EBITDA: 1.0x  
 Total Debt/Book Capital: 46%

- ~ 17 million shares repurchased during Q4'2014 and ~ 91 million shares repurchased as of Dec. 31, 2014
- \$15.6 billion of dividends and share repurchases over four years

1) Cash balances include cash and short-term securities.

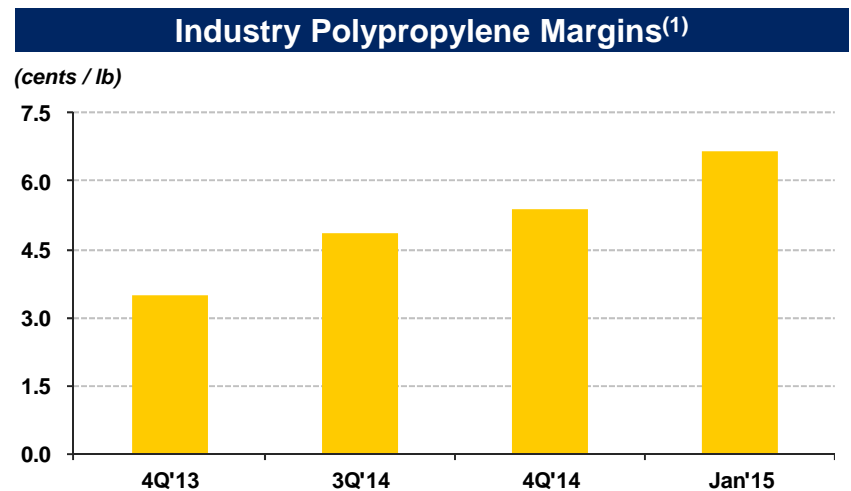
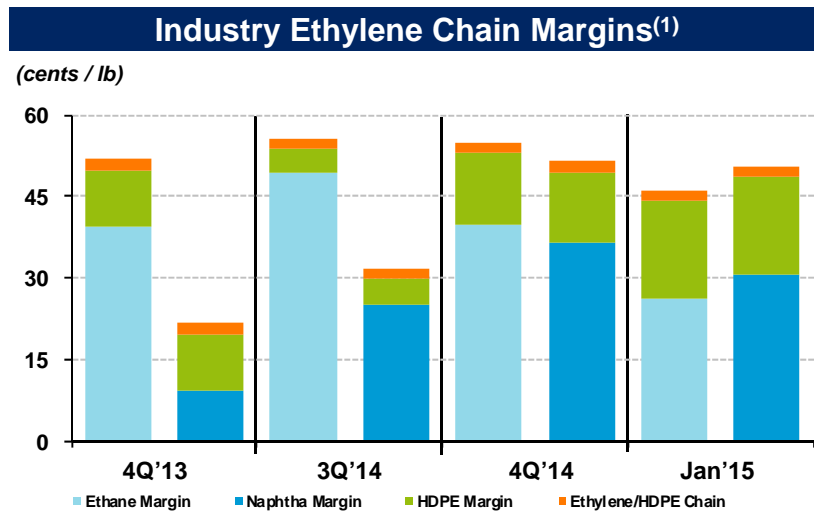
# Olefins & Polyolefins – Americas

## Highlights and Business Drivers – 4Q'14



### Performance vs. 3Q'14<sup>(2)</sup>

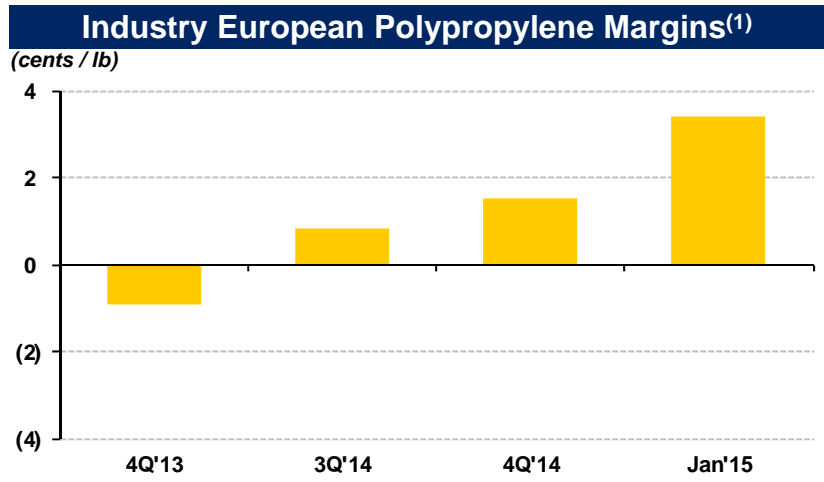
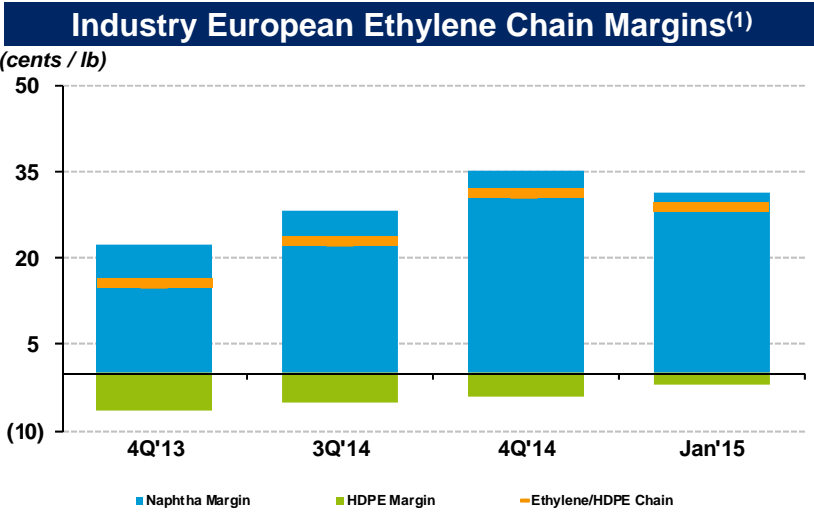
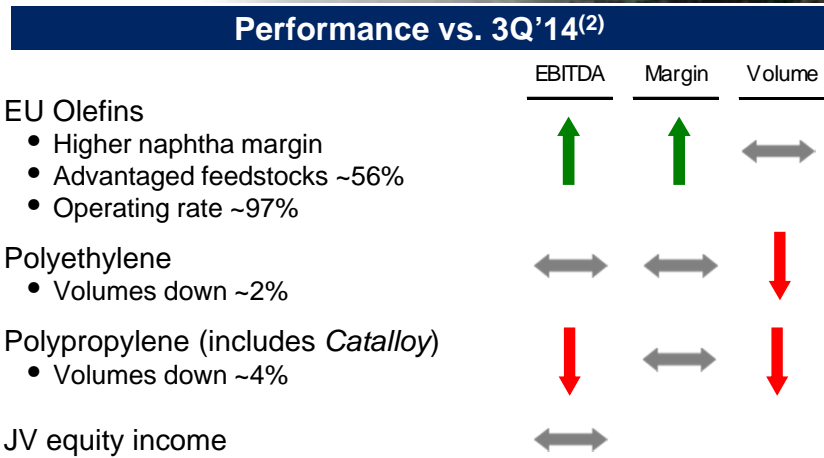
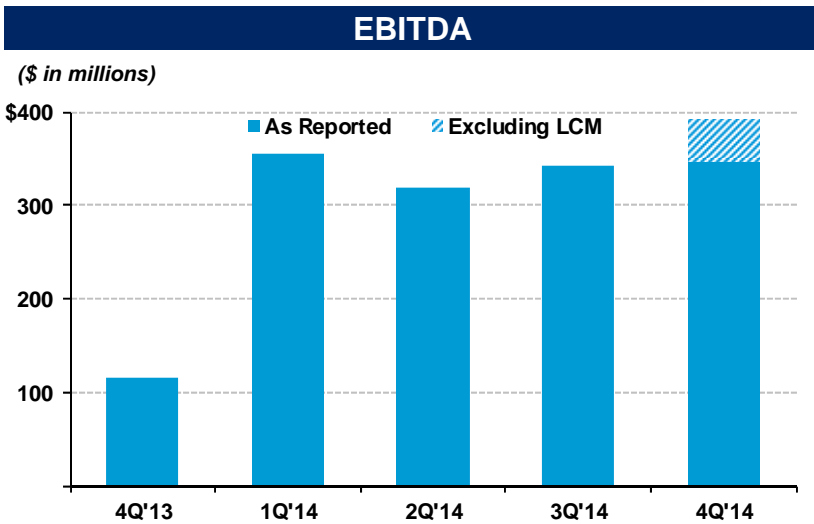
	EBITDA	Margin	Volume
<b>U.S. Olefins</b>	↑	↔	↑
• Net sales and internal consumption increased ~130 MM lbs			
• Ethylene price and COE lower by ~6¢/lb			
<b>Polyethylene</b>	↑	↑	↓
• Spread up ~4¢/lb			
• Volumes down ~6%			
<b>Polypropylene (includes <i>Catalloy</i>)</b>	↔	↑	↓
• Spread up ~1¢/lb			
• Volumes down ~14%			



1) Source: Quarterly average industry data from third party consultants; 2) The direction of the arrows reflects our underlying business metrics.



# Olefins & Polyolefins – Europe, Asia, International Highlights and Business Drivers – 4Q'14



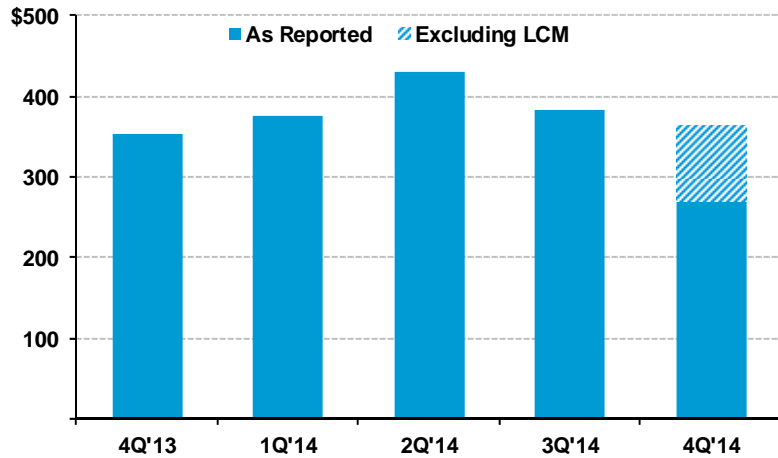
1) Source: Quarterly average data from third party consultants; 2) The direction of the arrows reflects our underlying business metrics.

# Intermediates & Derivatives Highlights and Business Drivers – 4Q'14



## EBITDA

(\$ in millions)

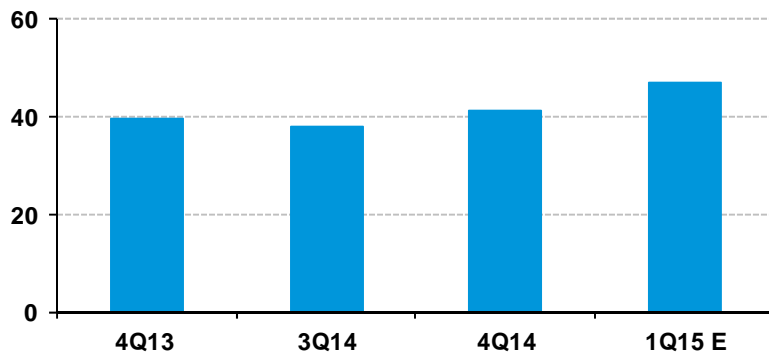


## Performance vs. 3Q'14<sup>(2)</sup>

	EBITDA	Margin	Volume
Propylene Oxide and Derivatives	↓	↓	↔
• Margins lower after strong Q3			
• Volume stable			
Intermediates	↑	↑	↓
• Styrene margins up ~4¢/lb			
• Volume lower on maintenance			
Oxyfuels	↓	↓	↓
• Sales volume lower			
• Lower margin from lower gasoline price			

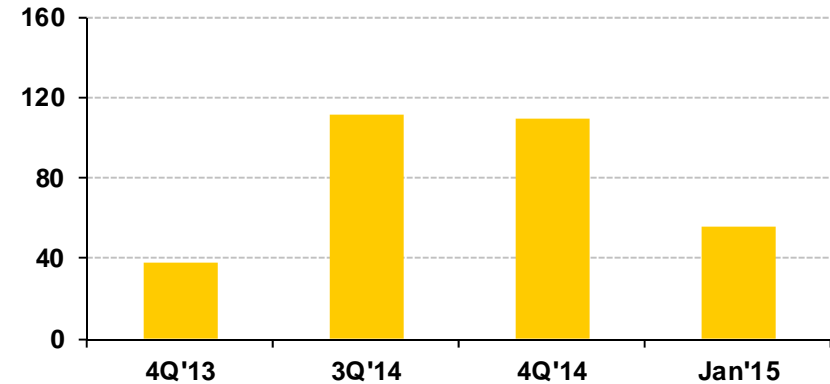
## P-Glycol Raw Material Margins (per Chemdata)<sup>(1)</sup>

(cents / lb)



## EU MTBE Raw Material Margins (per Platts)<sup>(1)</sup>

(cents / gallon)

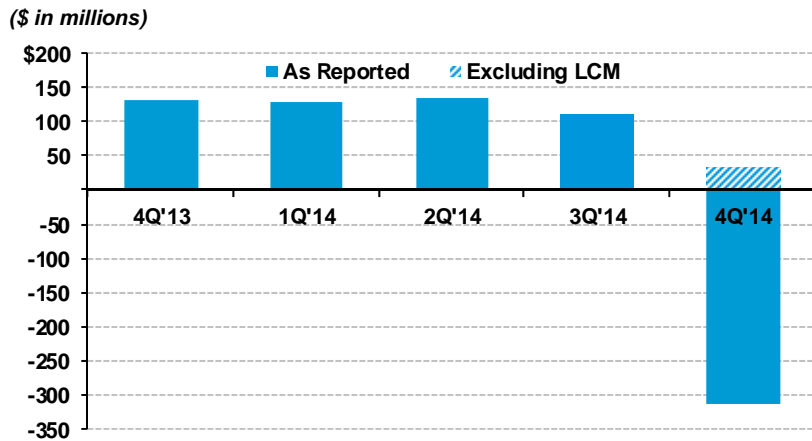


1) Data represents quarterly average; 2) The direction of the arrows reflects our underlying business metrics.

# Refining Highlights and Business Drivers – 4Q'14



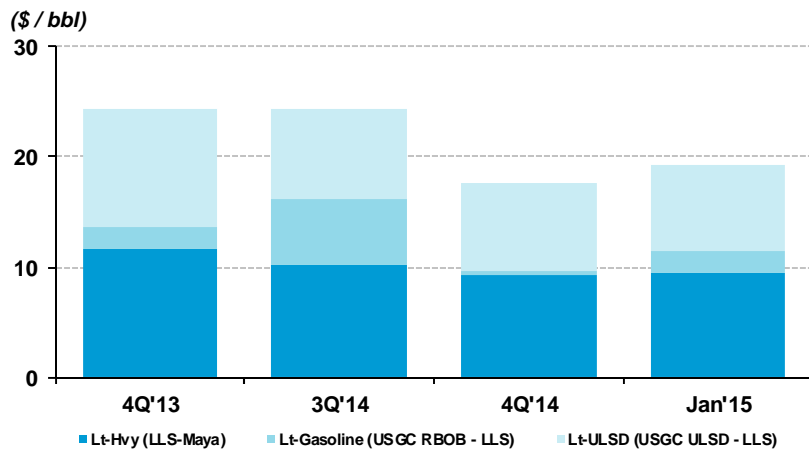
## EBITDA



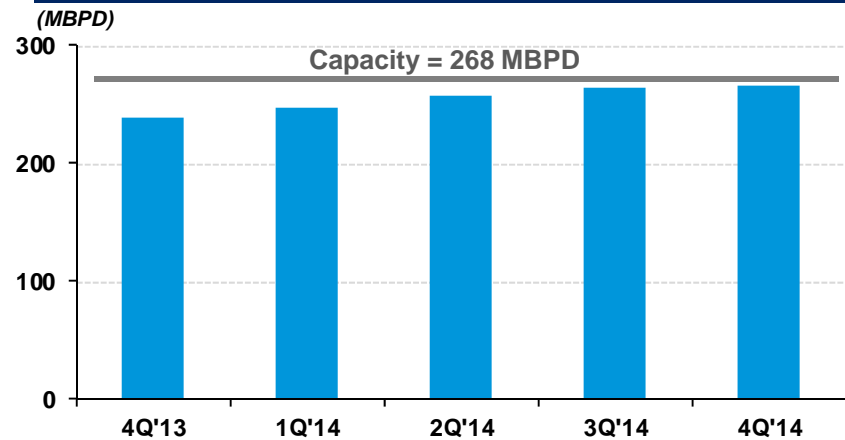
## Performance vs. 3Q'14<sup>(2)</sup>

	EBITDA	Margin	Volume
Houston Refinery	↓	↓	↔
• Maya 2-1-1: \$17.72 per bbl, down \$6.63 from 3Q'14			
• Crude throughput: 266 MBPD			
• Cost of RINs flat			

## Refining Spreads (per Platts)<sup>(1)</sup>



## Refining Throughput



1) Light Louisiana Sweet (LLS) is the referenced light crude. Data represents quarterly average; 2) The direction of the arrows reflects our underlying business metrics.

# Fourth Quarter Summary and Outlook



## Fourth Quarter Summary

- Record quarter excluding LCM charge
- Continued to return cash to shareholders:
  - Share repurchases and dividends totaled \$1.8 billion during the quarter
  - ~17.2 million shares were repurchased during the quarter, or 3.4%<sup>(1)</sup>

## Near-Term Outlook

- Volatility of crude oil and product pricing makes quantification difficult
- Crude oil price decline has continued into early Q1
- U.S. NGL cracking remains globally advantaged; U.S. ethylene chain margins remain good but not at record 2014 levels
- European olefin and polyolefin prices have continued to adjust to crude oil pricing with a time lag; margins are holding
- I&D impacted by scheduled Channelview methanol plant maintenance
- Refining receiving Canadian crude through Enbridge pipeline system

(1) As % of shares outstanding as of 09/30/14

# Investor Day 2015: Save the Date



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Investor Day

04•29•15

NEW YORK CITY

LyondellBasell is planning an Investor Day to be held on the morning of **April 29, 2015**, in New York City. At this half-day session, you will have an opportunity to interact with members of our leadership team and get an update on current results, near-term outlook and long-term plans for profitable growth.

Invitations and additional information to follow.