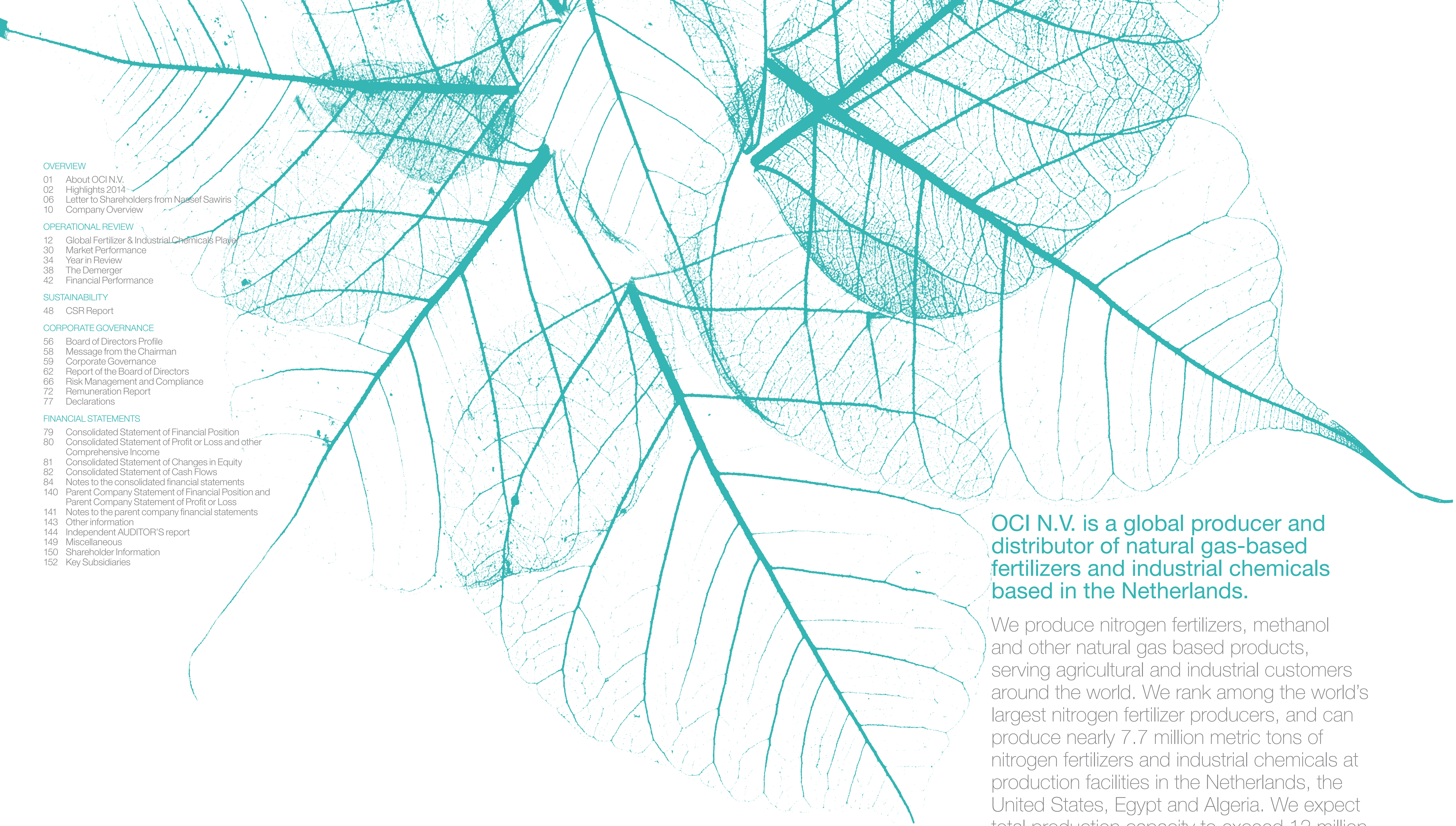
OCI

OCI N.V.
2014 ANNUAL REPORT

GLOBAL ENTREPRENEURIAL GROWTH
WERELDWIJD ONDERNEMENDE GROEI



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OCI N.V. is a global producer and distributor of natural gas-based fertilizers and industrial chemicals based in the Netherlands.

We produce nitrogen fertilizers, methanol and other natural gas based products, serving agricultural and industrial customers around the world. We rank among the world's largest nitrogen fertilizer producers, and can produce nearly 7.7 million metric tons of nitrogen fertilizers and industrial chemicals at production facilities in the Netherlands, the United States, Egypt and Algeria. We expect total production capacity to exceed 12 million metric tons in 2017.

OCI N.V. is listed on the NYSE Euronext in Amsterdam.

2014 HIGHLIGHTS

Revenue

$2.7BN

+8.4% over 2013

EBITDA

$833.4M

+23.2% over 2013

Net Income

$444.1M

+41.7% over 2013

FINANCIAL HIGHLIGHTS

$ million	2014	2013[1]
Revenue	2,685.8	2,477.5
Adjusted EBITDA	833.4	676.3
Net income attributable to shareholders (continuing operations)	444.1	313.3
Net income attributable to shareholders (including discontinued operations)	328.7	295.2
Earnings per share (continuing operations) ($)	2.17	1.54
Total Assets[2]	10,577.3	10,487.8
Total Assets (continuing operations)	8,038.8	7,863.8
Total Equity	2,537.8	2,087.6
Gross Interest-Bearing Debt	5,040.7	5,118.3
Net Debt	4,194.1	3,548.1
Capital expenditures	1,211.0	687.0

1 2013 information included in the balance sheet is proforma/unaudited information. 2013 and 2014 results represent continuing operations (the Fertilizer & Chemicals business).
In addition, certain joint ventures (JVs) that were previously proportionately consolidated in the 2013 accounts, are now accounted for under the equity method (IFRS 11)

2 Including $ 2,538.5 million "Assets held for demerger"

OPERATIONAL HIGHLIGHTS

Total nitrogen fertilizers and industrial chemicals volume sold reached

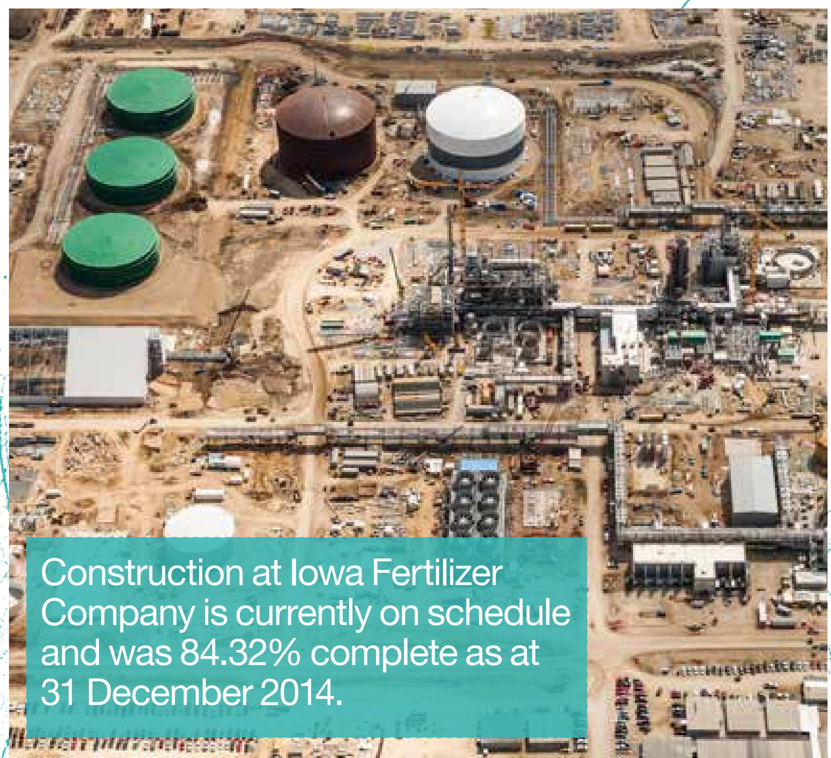
7.4

million metric tons

an **11.7%** improvement over 2013

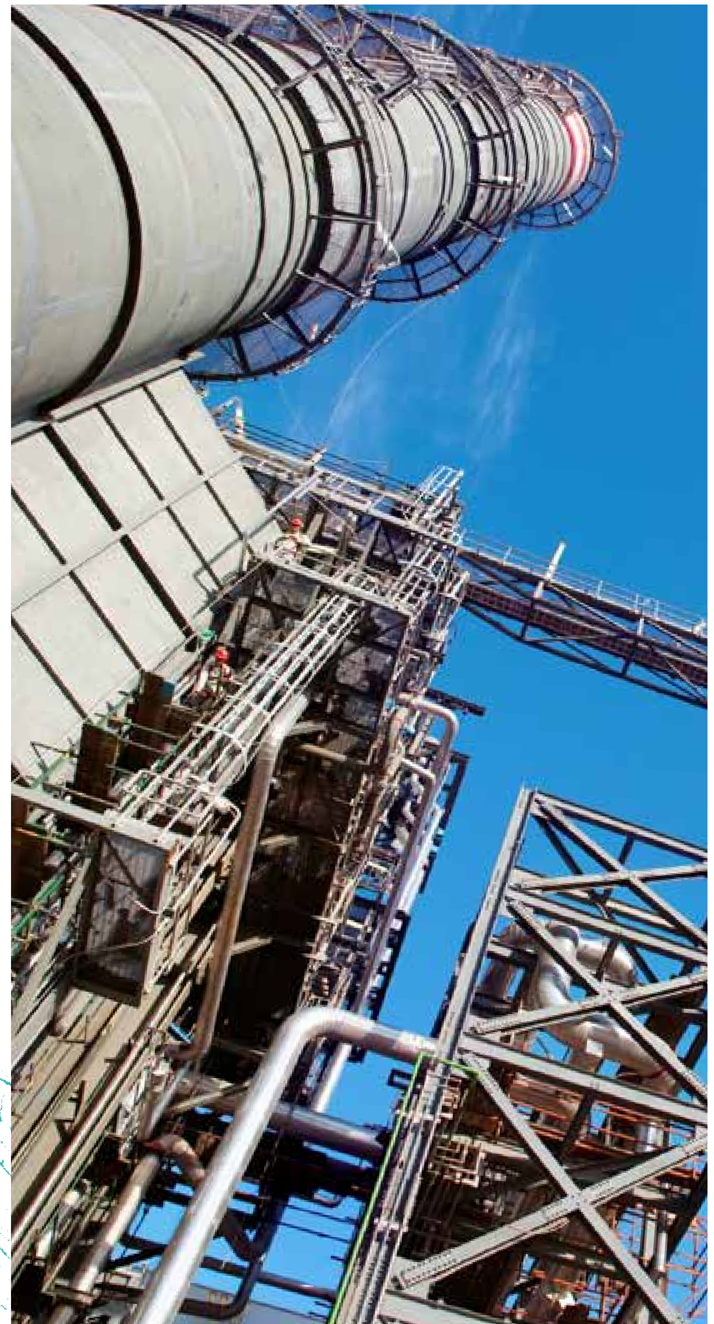
First full year of operations at Sorfert Algérie, the largest nitrogen fertilizer producer in Algeria, achieving 1.4 million tons of sales.

Began construction of Natgasoline LLC, a 1.75 million metric ton per year methanol production facility in the United States, after receiving the EPA permit on 29 September 2014.



Construction at Iowa Fertilizer Company is currently on schedule and was 84.32% complete as at 31 December 2014.

CORPORATE HIGHLIGHTS



OCI N.V.'s subsidiary, Orascom Construction Industries (OCI S.A.E.), was fully exonerated of the tax evasion claim to bring an end to the two year tax dispute in Egypt

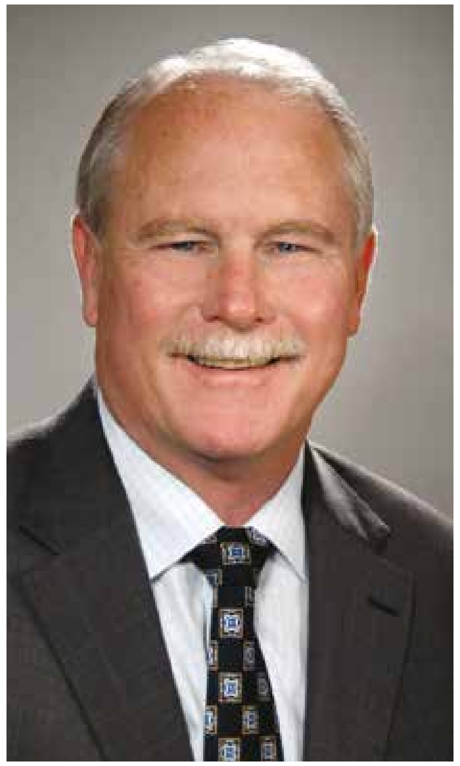
Expanded our Board composition with the appointment of two non-executive directors at the Annual General Meeting of Shareholders on 26 June 2014

Included in the AEX Index, the flagship index for Netherlands-listed companies, in March 2014

Successfully demerged the Engineering & Construction Group to form Orascom Construction Limited in March 2015. The Engineering & Construction Group is treated as discontinued operations in the 2014 Annual Report.

LETTER TO SHAREHOLDERS

WITH THE DEMERGER OF OUR ENGINEERING & CONSTRUCTION GROUP COMPLETE, WE ARE NOW WELL POSITIONED TO FOCUS ON MAXIMIZING OUR GROWTH AS A GLOBAL FERTILIZER AND INDUSTRIAL CHEMICALS COMPANY.



Michael Bennett

Chairman

Nassef Sawiris

Chief Executive Officer

Dear Shareholders,

OCI N.V. delivered strong results in 2014, with revenue growing 8.4% year-on-year to $ 2.7 billion, underlying EBITDA growing 23.2% year-on-year to $ 833.4 million, and net income growing 41.7% to $ 444.1 million.

We announced exciting strategic structural developments during the year, which will completely transform our business and allow us to streamline our focus to best deliver exceptional value to our shareholders.

Spin-off of the Construction Group

In August 2014, we announced our intention to spin-off our engineering and construction activities to form Orascom Construction Limited ("Orascom Construction" or "OC"). The method of separation as approved by shareholders at the OCI N.V. Extraordinary General Meeting (EGM) held on 12 November 2014 was a spin-off by means of a repayment of capital in kind consisting of the shares in Orascom Construction. The demerger was formally effected on 7 March 2015, with OCI N.V. shareholders receiving one Orascom Construction share for every two OCI N.V. shares held as at 18:00 CET on 6 March 2015.

Orascom Construction was admitted to the official list of securities of the Dubai Financial Services Authority (DFSA) and began trading on the NASDAQ Dubai 9 March 2015, signalling the successful culmination of the demerger from OCI N.V. It subsequently began trading on the Egyptian Exchange on 11 March 2015 in conjunction with an offering of 11% of its share capital raising approximately $ 185 million.

Rationale

OCI N.V.'s Board of Directors and management believe that the construction and fertilizers businesses offer distinct value propositions to investors and that a spin-off effectively allows each business to pursue its independent development strategy, enhance investor understanding and transparency of each business, and best serves our shareholders to unlock value as independent businesses.

Orascom Construction Limited

The spun-off entity, Orascom Construction Limited, holds all of the former Engineering & Construction Group's assets and subsidiaries. Orascom Construction continues to operate under three distinct and separate brands: Orascom, Contrack, and The Weitz Company. These core brands are supported by a network of subsidiaries and affiliates in complementary industries to construction as well as a 50% stake in The BESIX Group.

From the date of Orascom Construction's listing OCI N.V.'s the Board of Directors and executive management no longer supervise or are responsible for the engineering and construction activities' management or operational and financial performance. Orascom Construction is an independent company with its own management and Board of Directors. Accordingly, the engineering and construction activities are treated as discontinued operations in OCI N.V.'s 2014 financial statements.

Further information on the demerger can be found in the Demerger section beginning page 38 and at www.oci.nl/demerger

OCI N.V. post spin-off

OCI N.V. continues to trade on the NYSE Euronext in Amsterdam under the symbol 'OCI' and holds the fertilizer and chemicals assets that comprised the OCI Fertilizer & Chemicals Group.

OCI N.V. is a leading global producer and distributor of nitrogen fertilizers and natural gas-based industrial chemicals, with production facilities in the Netherlands, the United States, Egypt, and Algeria. OCI N.V. serves agricultural and industrial customers from around the world. OCI N.V. ranks among the world's largest nitrogen fertilizer producers, with current nitrogen fertilizer and industrial chemicals production capacity of nearly 7.7 million metric tons, growing to more than 12 million metric tons by 2017.

Going forward, our strategy will focus on three key goals:

1. Leading Nitrogen Fertilizer Producer and Distributor

We are uniquely positioned as a sustainably low cost producer of nitrogen based fertilizers on a global scale, with production assets in both developed and emerging markets. We are on-track to be a top three global nitrogen fertilizer producer with 8.9 million tons of annual sellable nitrogen fertilizer capacity by 2016 once Iowa Fertilizer Company (IFCo), a wholly owned greenfield nitrogen fertilizer production facility, starts production.

We continuously look for avenues to streamline and incrementally increase our production capacity through debottlenecking projects and intercompany tie-ins, and expect to add approximately 22% to OCI Beaumont's total production capacity through a debottlenecking and turnaround that was completed in April 2015.

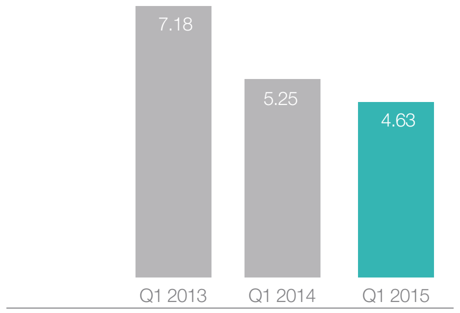
In addition to our global production capacity, we are a global 'one-stop-shop' for nitrogen fertilizers through our trading arm, OCI Fertilizer Trading (OFT). OFT is capable of trading in-house and third party products with a distribution presence around the world.

2. Growing Industrial Chemicals Platform through Gas Monetization Opportunities

We are growing our industrial chemicals production capacity by capitalizing on natural gas monetization opportunities in the United States where we have taken a view on the long-term sustainability of low natural gas prices. This is evidenced by the Chicago Mercentile Board's (CME) February 2025 Henry Hub Natural Gas Futures consistently dropping to an average of $ 4.63 / mmbtu during the first quarter of 2015 as compared to $ 5.35 / mmbtu during the first quarter of 2014 and $ 7.18 / mmbtu during the first quarter of 2013.

Henry Hub Natural Gas Futures

$ / mmbtu



CME Feb 2025

LETTER TO SHAREHOLDERS
CONTINUED

To that end, we have increased OCI Beaumont's methanol production capacity by 25% through the debottlenecking project and have broken ground on Natgasoline LLC, a wholly owned greenfield methanol production facility with available infrastructure for further expansions in the future. As a result of these projects, we expect to become a top five global methanol producer by 2017 when Natgasoline LLC comes online.

Natgasoline will have a production capacity of 1.75 million metric ton per year and is located in Beaumont, Texas. It will be one of the largest methanol production facilities in the world based on nameplate capacity. The United States Environmental Protection Agency (EPA) issued a final greenhouse gas (GHG) Prevention of Significant Deterioration (PSD) construction permit for Natgasoline on 29 September 2014.

In addition to its industrial uses, we believe methanol has further potential as a clean direct fuel substitute for vehicles as is already the case in China. We are also diversifying into other environmentally friendly emissions control chemicals such as Diesel Exhaust Fluid (DEF), which will be produced at IFCo. We are also the world's largest producer of melamine with plants in the Netherlands and China.

We are continually evaluating opportunities where we can benefit from the US's global natural gas price advantage and from our position as a first mover.

3. Operational Excellence:

As a global leader, we are committed to maintaining international product stewardship and health, safety, quality and environment standards. We aim to be an environmental steward by implementing the best technology available to minimize our environmental footprint and promote sustainable business best practices. We train our employees to operate our plants meeting the highest international health, safety, environmental, and quality standards.

Direct equity placement

In January 2015, we successfully raised EUR 151 million through a private placement of 4.2 million new shares at EUR 36 per share. OCI N.V.'s shares outstanding now total 210,113,854 ordinary shares following the placement. The proceeds of this capital raise are being utilized in our on-going greenfield initiatives in the United States.

Resolution of tax dispute in Egypt

In November 2014, our Egyptian subsidiary, Orascom Construction Industries S.A.E. (OCI S.A.E.), received a favourable final decision in relation to its tax dispute with the Egyptian Tax Authority (ETA). The tax dispute was initiated in 2012 and was related to the sale of OCI S.A.E.'s cement assets in 2007. The claim was settled for approximately $ 1 billion in 2013, and was appealed in 2013. The decision resulted in a net positive reversal of $ 336.9 million (50% of the total release) in the 2014 financial statements. The remaining 50% has been allocated to discontinued operations. The Board unanimously approved the transfer of the rights to amounts paid to the ETA in April 2013 (EGP2.5 billion or approximately $360 million) to the Tahya Misr ("Long Live Egypt") Fund.

We remain fully committed to Egypt as a core country for OCI N.V. as approximately 30% of our total 2014 production capacity is located in Egypt at Egyptian Fertilizers Company (EFC) and Egypt Basic Industries Corporation (EBIC).

Further information is found in the Report of the Board of Directors on pages 62 and 65 and note 12 of our financial statements.

Commitment to generating shareholder value

I would like to thank our Board of Directors for their guidance and commitment in executing the demerger and in implementing sound corporate governance processes at OCI N.V. to reinforce our success. I would also like to thank our employees for their unwavering loyalty to the OCI family and for the excellence they strive for in every aspect of our business.

As a pure-play nitrogen fertilizer and industrial chemicals player, we are now in a position to fully dedicate our time and resources to pursuing our growth strategies and investment mandate and enhancing investor understanding of our operations through our continued commitment to business transparency. I am confident that we will achieve our 2015 targets and continue to deliver outstanding returns to our shareholders.

As a pure-play nitrogen fertilizer and industrial chemicals player, we are now in a position to fully dedicate our time and resources to pursuing our growth strategies and investment mandate and enhancing investor understanding of our operations through our continued commitment to business transparency. We are confident that we will achieve our 2015 targets and continue to deliver outstanding returns to our shareholders.

Michael Bennett
Chairman

Nassef Sawiris
Chief Executive Officer

COMPANY OVERVIEW

We aspire to be a leading global producer and distributor of high quality nitrogen fertilizer products that provide essential nutrients to feed the world, and high quality industrial chemicals that provide clean, environmentally sound solutions to our customers. We aim to create a safe and encouraging workplace for our employees, and are committed to delivering exceptional value to our shareholders

OUR STRATEGY

Be a leading global nitrogen fertilizer producer and distributor uniquely positioned as a sustainably low cost producer on a global scale, with production assets in both developed and emerging markets.

Grow our industrial chemicals platform by capitalizing on natural gas monetization opportunities in the United States where we have taken a view on the sustainability of competitive natural gas prices to become a leader in downstream natural gas based chemicals.

Commit to being a good corporate citizen wherever we operate by investing in the best people and technologies and maintaining the highest international standards of quality and safety.

Continue to deliver exceptional value to our shareholders.

OUR VALUES

Excellence in every aspect through our expertise, efficiency, attention to detail and passion.

Creating exceptional value based on the depth of our financial resources, our local knowledge and our technical expertise.

Safety focused in every aspect of our operations.

Ensuring our people and operations to match global standards and maintaining a commitment to develop our host communities.

OUR CORE STRENGTHS

Our people – their expertise, hunger for knowledge and passion to excel. Above all, their loyalty and commitment to OCI N.V.

Our resources – capital resources that enable us to respond faster than our competitors.

Our experience – a tradition of excellence and achievement.

Our entrepreneurial attitude – a strong appetite for investment and diversification to grow our business and increase revenue streams.

GLOBAL FERTILIZER & INDUSTRIAL CHEMICALS PLAYER

OCI N.V. is a leading global producer and distributor of nitrogen fertilizers and natural gas-based chemicals, with plants in the Netherlands, the United States, Egypt, and Algeria.

We produce a diversified portfolio of nitrogen fertilizers and industrial chemicals, including anhydrous ammonia, granular urea, urea ammonium nitrate (UAN), calcium ammonium nitrate (CAN), methanol, and melamine. We are the world's largest melamine producer, Europe's second largest CAN producer, and are on track to be a top five global methanol producer by 2017.

In addition to our production capacity, we are the world's largest distributor of ammonium sulphate (AS), with up to 1.75 million metric tons worth of capacity available for distribution from two off-take agreements with Lanxess and DFI, a Royal DSM subsidiary.

With the completion of the OCI Beaumont debottlenecking, we have the capacity to produce nearly 8 million metric tons of nitrogen-based fertilizers and industrial chemicals, and growth initiatives will take our global capacity to more than 12 million metric tons in 2017.

Design capacities[1]

		Ammonia									
Plant	Country	Gross	Net[6]	Urea	UAN[7]	CAN	Total Fertilizer for sale*	Methanol	Melamine[8]	DEF	Total product for sale*
Egyptian Fertilizers Company[2]	Egypt	800	-	1,550	-	-	1,550	-	-	-	1,550
Egypt Basic Industries Corporation	Egypt	730	730	-	-	-	730	-	-	-	730
OCI Nitrogen[3]	Netherlands	1,150	350	-	350	1,450	2,150	-	200	-	2,350
Sorfert Algérie	Algeria	1,600	800	1,260	-	-	2,060	-	-	-	2,060
OCI Beaumont	USA	265	265	-	-	-	265	730	-	-	995
Year end 2014		**4,545**	**2,145**	**2,810**	**350**	**1,450**	**6,755**	**730**	**200**	**-**	**7,685**
OCI Beaumont (after Expansion[4])	USA	305	305	-	-	-	305	913	-	-	1,218
Iowa Fertilizer Company[5]	USA	770	185	420	1,505	-	2,110	-	-	315	2,425
Year end 2015		**5,355**	**2,370**	**3,230**	**1,855**	**1,450**	**8,905**	**913**	**200**	**315**	**10,333**
Natgasoline LLC	USA	-	-	-	-	-	-	1,750	-	-	1,750
Year end 2016		**5,355**	**2,370**	**3,230**	**1,855**	**1,450**	**8,905**	**2,663**	**200**	**315**	**12,083**

Note: all tonnage is in thousand metric tons per year and refers to total design capacity, Iowa Fertilizer Company and Natgasoline LLC volumes are estimates. Design capacities at OCI Nitrogen and IFCo cannot all be achieved at the same time

[1] Table not adjusted for OCI N.V.'s stake in considered plant; [2] Also has a 325 thousand metric ton per year (ktpa) UAN line to capitalize on seasonal UAN price premiums over urea (swing capacity); [3] Also has 500 ktpa of captive urea liquor capacity used to produce downstream products; [4] OCI Beaumont Expansion is expected design capacity once the debottlenecking initiative is completed; [5] IFCo design capacities apart from net ammonia are maximum expected capacities and cannot all be achieved at the same time; [6] Net ammonia is remaining capacity after downstream products are produced; [7] Excludes EFC UAN swing capacity; OCI Nitrogen max. UAN capacity cannot be achieved when producing max. CAN capacity; [8] split as 150 ktpa in Geleen and 50 ktpa in China (Chinese capacity does not account for 49% stake and exclusive right to offtake 90%).

OCI NITROGEN

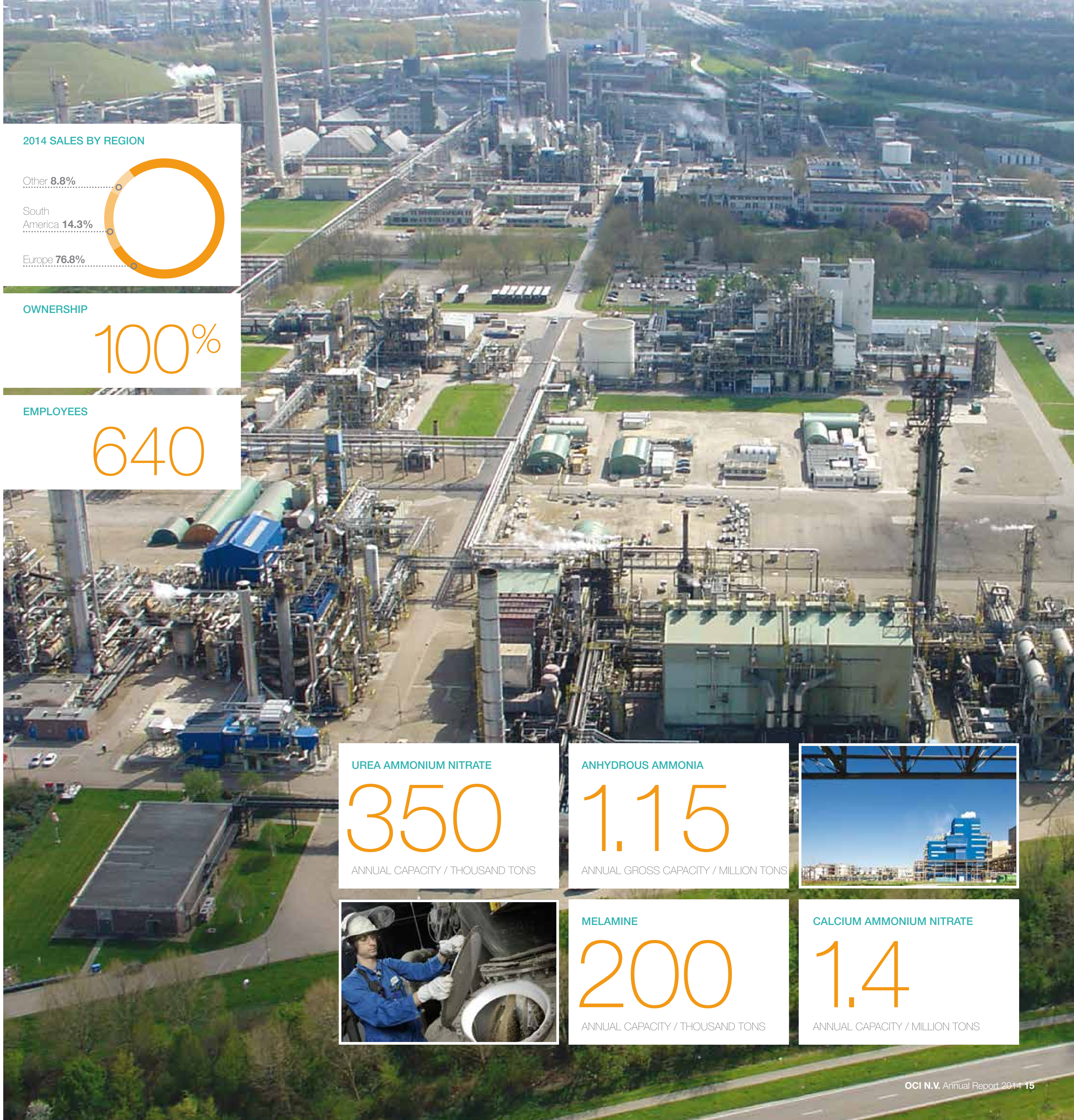
OCI Nitrogen is Europe's second largest integrated nitrates fertilizer producer and the world's largest melamine producer.

It is capable of producing over 2 million metric tons of sellable fertilizer products annually through eight interconnected plants located on a fully integrated management site in Geleen, the Netherlands.

OCI Nitrogen's melamine production capacity in Geleen is complemented by a melamine production facility in China.

OCI Nitrogen was fully acquired in 2010.

www.ocinitrogen.com



2014 SALES BY REGION

Other **8.8%**

South America **14.3%**

Europe **76.8%**

OWNERSHIP

100%

EMPLOYEES

640

UREA AMMONIUM NITRATE

350

ANNUAL CAPACITY / THOUSAND TONS

ANHYDROUS AMMONIA

1.15

ANNUAL GROSS CAPACITY / MILLION TONS

MELAMINE

200

ANNUAL CAPACITY / THOUSAND TONS

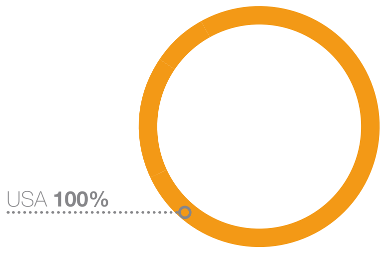
CALCIUM AMMONIUM NITRATE

1.4

ANNUAL CAPACITY / MILLION TONS

OCI PARTNERS LP
(OCI BEAUMONT)

2014 SALES BY REGION



OWNERSHIP

79.88%

EMPLOYEES

121

METHANOL

913

ANNUAL CAPACITY / THOUSAND TONS

ANHYDROUS AMMONIA

305

ANNUAL CAPACITY / THOUSAND TONS

OCI Partners LP is a master limited partnership that owns and operates OCI Beaumont, an integrated methanol and ammonia production facility that is strategically located on the Texas Gulf Coast near Beaumont. The Partnership is headquartered in Nederland, Texas.

The plant also has an ammonia tank with a capacity of 18,000 tons and two methanol storage tanks with a capacity of 22,000 tons each. The plant has pipeline connections to adjacent customers and port access with dedicated methanol and ammonia import/export jetties to ship both products along the Gulf Coast.

The integrated methanol-ammonia facility uses Lurgi GmbH's Low Pressure Methanol technology and Haldor Topsøe technology.

OCI Partners LP is listed on the NYSE in New York under the symbol "OCIP". OCI N.V. owns 79.88% of OCI Partners LP.

www.ocipartnerslp.com

OWNERSHIP

100%

UREA AMMONIUM NITRATE

1.5

MAXIMUM ANNUAL CAPACITY / MILLION TONS

ANHYDROUS AMMONIA

0.8

MAXIMUM ANNUAL GROSS CAPACITY / MILLION TONS

GRANULAR UREA

420

MAXIMUM ANNUAL CAPACITY / THOUSAND TONS

DIESEL EXHAUST FLUID

315

MAXIMUM ANNUAL CAPACITY / THOUSAND TONS

IOWA FERTILIZER COMPANY (IFCo)

IFCo is a wholly owned greenfield nitrogen fertilizer complex currently under construction in Wever County, Iowa. Once operational in 2016, the plant is expected to produce north of 1.5 million tons of nitrogen fertilizers and diesel exhaust fluid per year.

IFCo was first envisioned in November 2011 as part of the Company's strategic expansion into the United States. The plant is the first world scale natural gas-based fertilizer plant built in the United States in nearly 25 years.

IFCo will utilize proven state-of-the-art production process technologies from world leaders. Kellogg Brown & Root LLC (KBR), Maire Tecnimont Stamicarbon (Tecnimont), and Uhde are supplying the process technologies for the plant.

IFCo will have 100 thousand metric tons of ammonia storage, 120 thousand metric tons of UAN storage and 40 thousand metric tons of urea storage.

Construction work on the plant broke ground on 19 November 2012. The project is funded by a combination of equity and a non-recourse project finance tax-exempt municipal bond issuance. IFCo's peak construction activity created approximately 2,500 jobs and the plant is expected to create approximately 200 permanent jobs once it is operational.

www.iowafertilizer.com

NATGASOLINE LLC

Natgasoline LLC is a new wholly owned greenfield world-scale methanol production complex being developed in Beaumont, Texas.

The plant is expected to have a capacity of up to approximately 1.75 million metric tons per year, and is expected to start commissioning in 2017. It will be one of the world's largest methanol production facilities based on nameplate capacity.

The project will use state-of-the-art Lurgi MegaMethanol® technology and will incorporate best available environmental control technology. The plant will take up a portion of a 514 acre plot of land recently acquired by OCI N.V., adjacent to OCI Beaumont.

The project has been awarded a grant of $ 2.1 million from the Texas Enterprise Fund, as well as incentive commitments from local entities, including the city of Beaumont, Jefferson County, the Beaumont Independent School District, the Port of Beaumont and the Sabine-Neches Navigation District. The United States Environmental Protection Agency (EPA) issued a final greenhouse gas (GHG) Prevention of Significant Deterioration (PSD) construction permit for Natgasoline on 29 September 2014, and construction at the site has begun.

Natgasoline LLC is estimated to create approximately 3,000 construction jobs and 240 permanent jobs.

OWNERSHIP

100%

METHANOL

1.75

EXPECTED ANNUAL CAPACITY / MILLION TONS

SORFERT ALGÉRIE

Sorfert Algérie is the largest nitrogen fertilizer producer in Algeria, capable of producing 1.26 million metric tons of urea and 1.6 million metric tons of gross anhydrous ammonia per year.

Formed in 2006, Sorfert is a 51% OCI N.V. owned joint venture with Algeria's state-owned oil and gas authority, Sonatrach. The plant is located in the Arzew industrial complex in northwest Algeria 35 kilometers east of Oran, near three Algerian ports.

Sorfert began commercial production in August 2013 and exports primarily to Europe. Sorfert's first full year of operations was 2014.

OCI constructed the plant in partnership with Uhde, which supplied the process technology. As a local Algerian company, Sorfert provided significant employment opportunities during its construction and continues to do so as an operational plant.

2014 SALES BY REGION

North Africa **10.8%**

Europe **89.2%**

OWNERSHIP

51%

EMPLOYEES

761

GRANULAR UREA

1.26

ANNUAL CAPACITY / MILLION TONS

ANHYDROUS AMMONIA

1.6

ANNUAL NET CAPACITY / MILLION TONS

EGYPTIAN FERTILIZERS COMPANY (EFC)

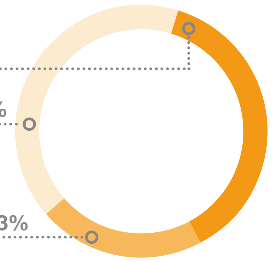
OWNERSHIP

100%

EMPLOYEES

847

2014 SALES BY REGION



GRANULAR UREA

1.55

ANNUAL CAPACITY / MILLION TONS

EFC is the largest private sector granular urea producer in Egypt.

The plant is capable of producing 1.55 million metric tons per year through two identical production lines. The production lines were constructed by OCI in 2000 and 2006 in collaboration with Uhde. The facility also includes a 325 thousand metric ton per year urea ammonium nitrate blending unit, which was added on-site in 2010. EFC was fully acquired in 2008.

EGYPT BASIC INDUSTRIES CORPORATION (EBIC)

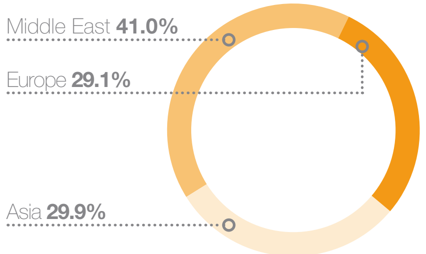
EBIC is a state-of-the-art 0.73 million metric ton per year ammonia plant.

It is the only merchant ammonia producer in the Middle East and utilizes KBR's latest and commercially proven KBR Advanced Ammonia Process (KAAP) technology.

The plant also owns and is connected by pipeline to two 40 thousand metric ton refrigerated ammonia storage tanks next to the loading jetty at Sokhna Port.

The plant was established in 2005 in partnership with KBR, government-owned EGAS, and a number of private investors. OCI completed construction of the plant in 2009 and increased its stake to 60% from 30% by buying out several minority investors.

2014 SALES BY REGION



OWNERSHIP

60%

EMPLOYEES

324

ANHYDROUS AMMONIA

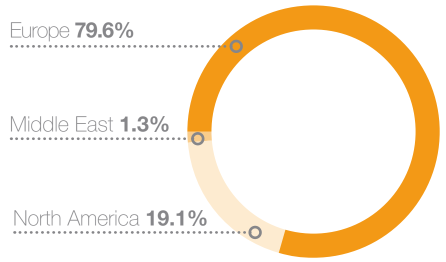
730

ANNUAL CAPACITY / THOUSAND TONS

OWNERSHIP

100%

2014 TRADING BY REGION



AS DISTRIBUTION

1.75

ANNUAL CAPACITY / MILLION TONS

OCI FERTILIZER TRADING (OFT)

OFT is our in-house global trading and distribution arm operating through offices in Dubai, U.A.E. and Geleen, the Netherlands. OFT has strategically focused on developing a global trading and distribution network that positions us as a fully accessible nitrogen fertilizer company.

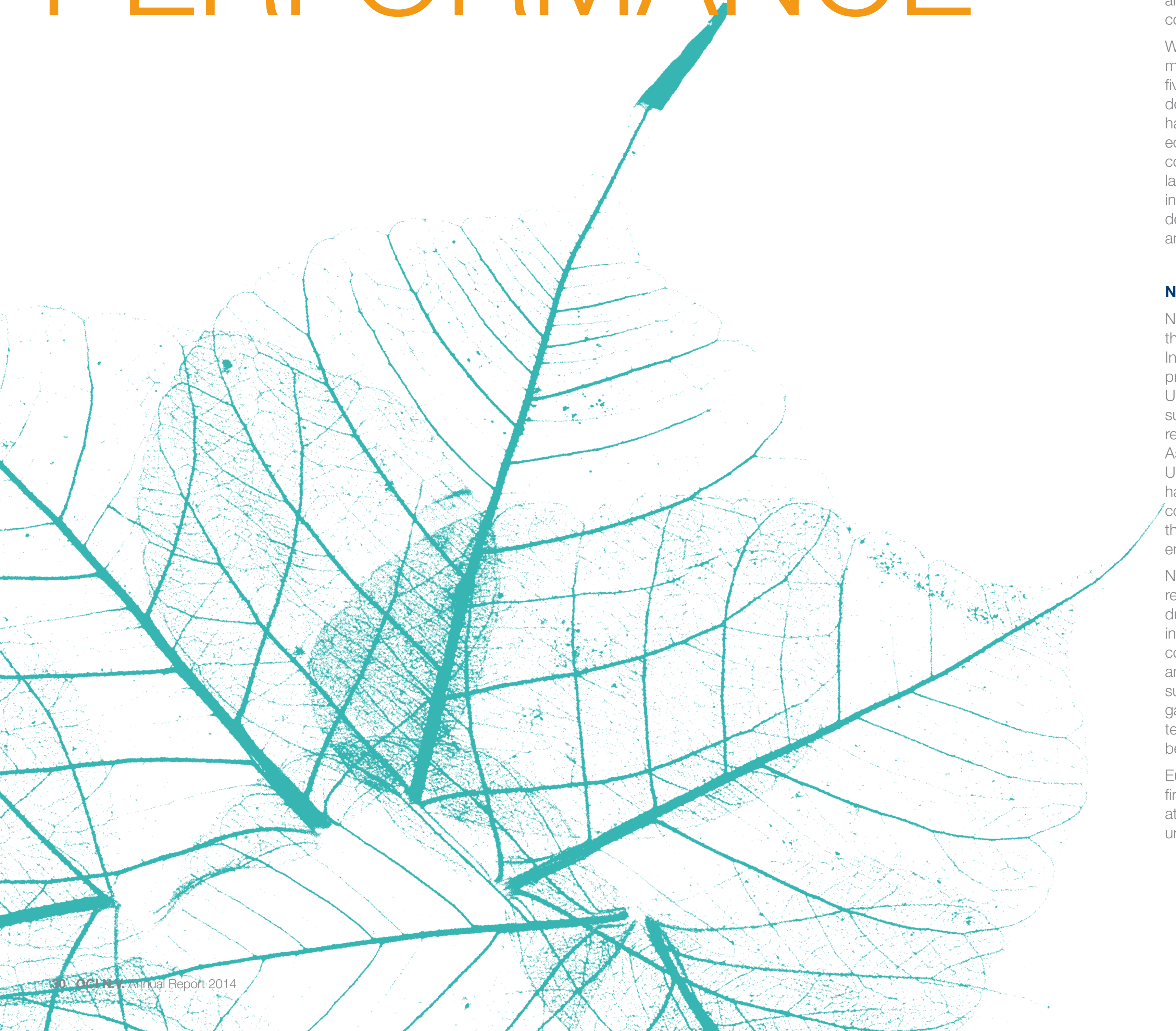
OCI maintains good relations with major international fertilizer traders, but mainly sells directly to customers through a strong distribution presence in Europe and the Americas.

OFT benefits from strategic access to ports in Europe, North Africa, and the Gulf Coast. OCI Terminal Europoort, our wholly owned ammonia terminal, is located at the port of Rotterdam in the Netherlands; OCI Beaumont has access to jetties on the Gulf Coast; EFC and EBIC are located directly at Sokhna Port on the Red Sea in Egypt, and Sorfert has direct access to two ports in Algeria on the Mediterranean.

In addition, OFT is the a key importer of nitrogen-based fertilizers into Brazil through FITCO, a 50/50 joint venture with Fertipar, the country's largest fertilizer compounder and distributor. OFT has also captured a significant share of the Brazilian AS market through the joint venture.

With branches in Europe, North Africa, the Americas and the Middle East and sales in over 20 countries, our global presence with centralized management allows us to mitigate the effects of regional demand seasonality and maximize freight advantages across locations and product mix.

MARKET PERFORMANCE



Agricultural and industrial chemicals are our two main end markets. Nitrogen fertilizers play an essential role in improving agricultural yields, which is essential to meet the increasing global demand for food. Population growth, changing diets and future agricultural plantings are some of the main drivers of longer term global fertilizer demand. In the short-term, demand can be affected by factors such as fluctuations in crop prices and farm income, as well as adverse weather conditions.

We are also the world's largest producer of melamine and are on track to becoming a top five global producer of methanol. Historically, demand for methanol in chemical derivatives has been closely correlated to levels of global economic activity, industrial production, consumer spending and energy prices, the latter due to the growing use of methanol in energy applications. Global melamine demand is primarily driven by GDP growth and sentiment in the construction sector.

Natural Gas

Natural gas is the primary feedstock for the production of fertilizers and methanol. In recent years, increased natural gas production from shale formations in the United States has increased domestic supplies of natural gas, resulting in a relatively low natural gas price environment. As a result, the competitive position of U.S. methanol and ammonia producers has been positively impacted relative to the competitive position of producers outside of the United States where the natural gas price environment is generally higher.

Natural gas prices in the United States were relatively stable and at favourable levels during 2014, despite some upward spikes in the first quarter of 2014 due to extreme cold winter conditions which resulted in an increase in demand and a reduction in supply reserves. Towards the end of the year gas prices started falling and approached ten-year lows of below $ 3.0 / mmbtu at the beginning of 2015.

European gas prices fell steadily during the first half of 2014, from around $ 10.7 / mmbtu at the beginning of the year to reach a low of under $ 6 / mmbtu at the beginning of July, mainly caused by price pressure from high gas inventories resulting from low demand for natural gas during the very mild winter of 2013/14. Even the threat of gas supply disruptions due to the unrest in Ukraine did not cause any serious upward pressure on gas prices. In the summer months, gas prices reached the UK coal floor, leading to stronger demand for natural gas by the power sector in the UK. During the autumn gas prices increased mainly due to seasonal higher demand. This trend was reversed at the end of the year, when natural gas spot prices started following the downward trend of oil prices, combined with low demand due to relatively high winter temperatures.

Nitrogen Fertilizers

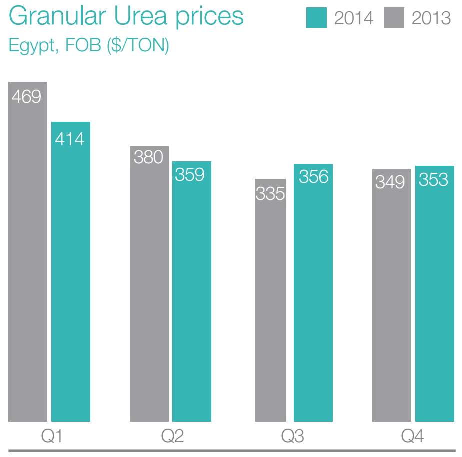
Ammonia

Ammonia prices increased throughout the year to reach near-record levels in the fourth quarter. Following lower application levels in the United States in the autumn of 2013 due to adverse weather conditions, 2014 benefited from a strong spring application driving global demand and prices up. This coincided with a reduction in global supply, resulting from major shutdowns in the Ukraine and Egypt in particular. Production units in eastern Ukraine were shut down due to socio-political unrest. In addition, plants suffered natural gas supply shortages due to natural gas pricing disputes between Russia's Gazprom and the Ukraine. Egypt continued to face natural gas supply issues resulting in a drop in ammonia exports.

Global demand for ammonia was supported by good Diammonium Phosphate (DAP) sales and high Liquefied Natural Gas (LNG) prices in India, which resulted in an increase in ammonia imports against lower LNG imports. The autumn dip in prices was primarily due to a seasonal lull in demand coinciding with falling prices and a weakening of the Euro against the US Dollar.

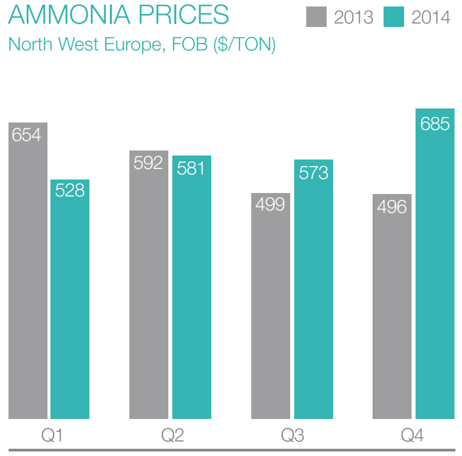
Granular Urea prices

Egypt, FOB ($/TON)



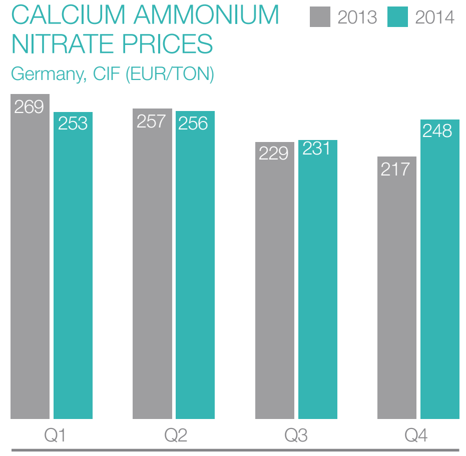
AMMONIA PRICES

North West Europe, FOB ($/TON)



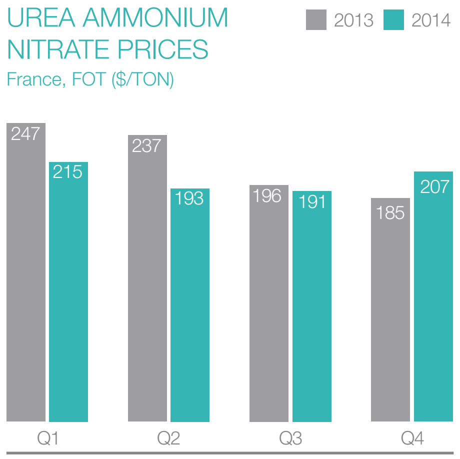
CALCIUM AMMONIUM NITRATE PRICES

Germany, CIF (EUR/TON)

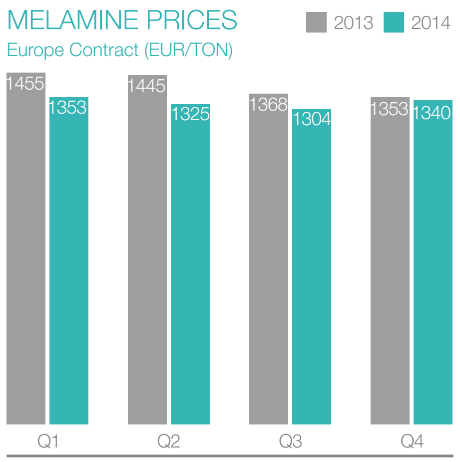


MARKET PERFORMANCE
CONTINUED

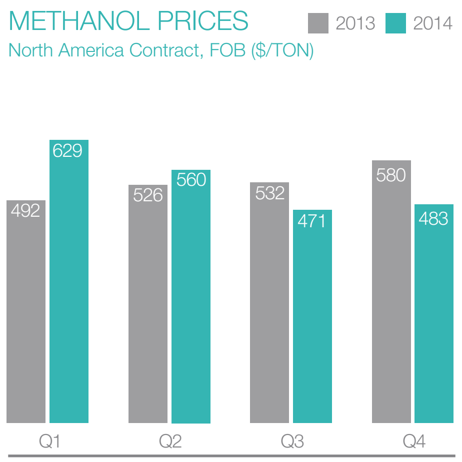
UREA AMMONIUM NITRATE PRICES
France, FOT ($/TON)



MELAMINE PRICES
Europe Contract (EUR/TON)



METHANOL PRICES
North America Contract, FOB ($/TON)



Urea

Urea prices were on average relatively stable during 2014, despite a record level of Chinese exports, which reached 13.6 million tons in 2014, an increase of nearly 5 million tons as compared to 2013. This resulted in prices moving towards the coal-based Chinese urea price floor of slightly below $ 300 per metric ton during the second half of the year.

The increase in supply from China was partially mitigated by delays in the execution of expansion projects, and overall favourable urea demand that is seeing continuous growth. A combination of low domestic inventories, lower urea prices and a corn-to-soybean price ratio favouring corn planting over soybeans, resulted in record imports into the United States of an estimated 8.0 million metric tons. Urea demand in Europe was strong and imports into Brazil surged by about 30% in 2014. In addition, restricted availability of granular urea from Egypt kept the premium of granular over prilled urea at healthy levels.

Nitrates

The European nitrates market enjoyed a relatively tight supply-demand balance during 2014 due to production shortfalls at several plants coupled with good overall demand. Prices increased towards the spring season and favourable conditions during the summer resulted in relatively small price decreases supporting the traditional summer pre-storage activities. During the summer, the nitrate premium over urea stayed at relatively high levels, and was maintained at these levels despite a falling exchange rate as a result of seasonal CAN price increases. UAN prices tracked the CAN price development, also benefitting from the relative tightness of the nitrate market.

Industrial Chemicals

Methanol

The primary use of methanol is to make other chemicals, with approximately 60-65% of global methanol demand being used to produce formaldehyde, acetic acid and a variety of other GDP-cyclical products. These derivatives are used to produce a wide range of products, including adhesives for the lumber industry, plywood, particle board and laminates, resins to treat paper and plastic products, paint and varnish removers, solvents for the textile industry and polyester fibers for clothing and carpeting.

Energy-related applications consume the remaining 35-40% of global methanol demand. In recent years, there has been a strong demand for methanol in energy applications such as gasoline blending, biodiesel and as a feedstock in the production of dimethyl ether ("DME") and Methyl tertiary-butyl ether ("MTBE"), particularly in China. Methanol blending in gasoline is currently not permitted in the United States, but outside of the United States, methanol is used as a direct fuel for automobile engines, as a fuel blended with gasoline and as an octane booster in reformulated gasoline. MTO (methanol to olefins), a feedstock for the production of polyethylene and propylene for packaging, automotive, furniture and fiber segments, is a relatively new segment.

Methanol demand continued to be healthy in 2014. Main growth drivers included use of methanol as a fuel (MTBE and fuel blending industries), and MTO segments (especially in China). Improving consumer confidence on the back of GDP developments led to a healthy demand for formaldehyde in wood based panels for housing and coating resins, and for automotive applications.

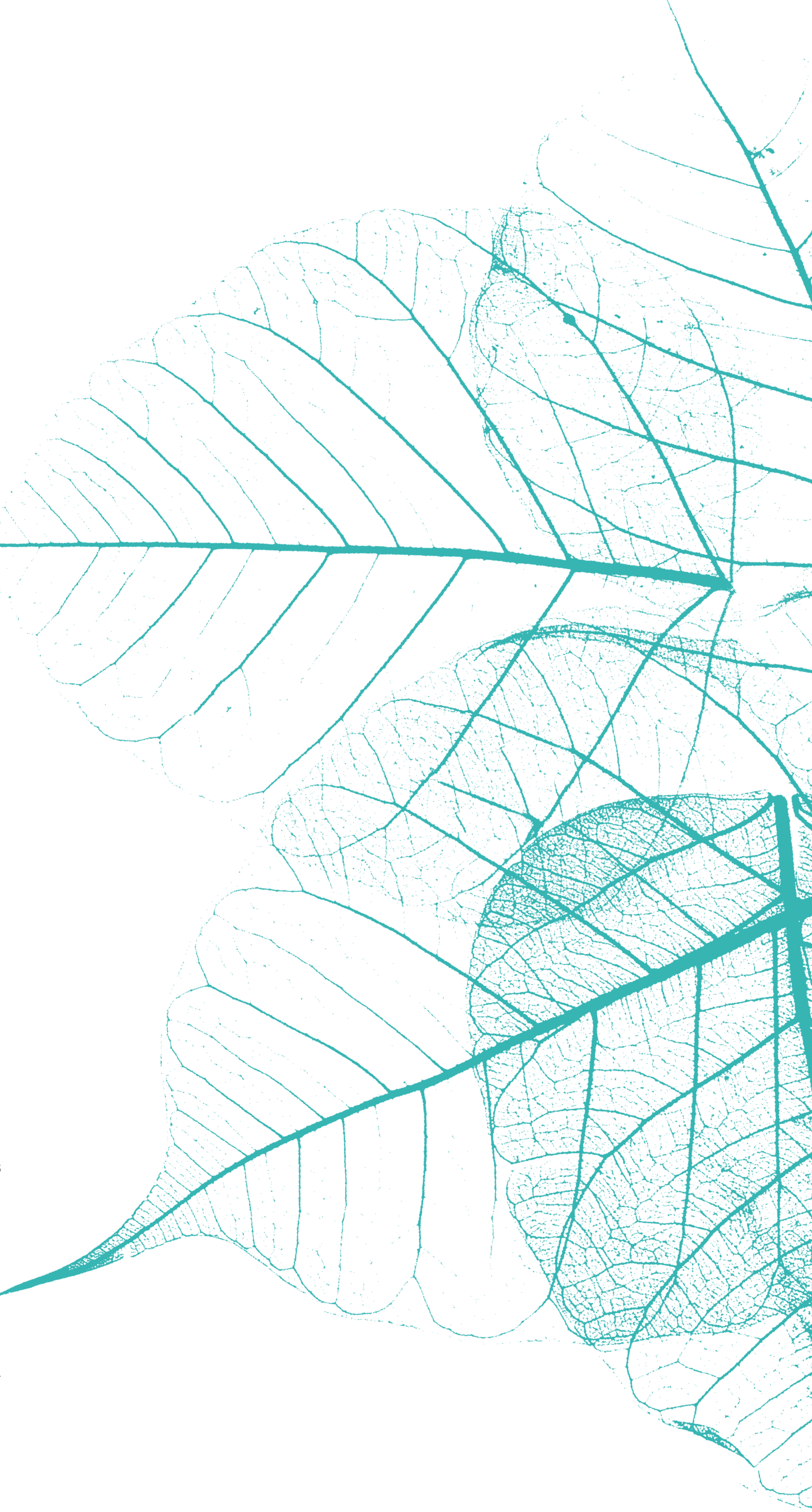
On the supply side, capacity developments in China, the US and improved operations of existing plants in the Middle East and Asia outpaced the demand growth. This was the main cause for the price drops observed in global markets in 2014. Despite the crude oil values drop in Q4 of 2014, methanol prices especially in the US did not show any further weakening in Q4, due to global supply disruptions caused by production issues and natural gas supply restrictions.

Melamine

Melamine is a white powder made from urea and is mainly used to make amino-formaldehyde resins for the creation of safe, hard, durable glossy surfaces, resistant to heat, chemicals and moisture. Products include surface laminates, laminate flooring, wood-based panels coating resins, moulding compounds, flame retardants, paper and textile resins and superplasticizers for concrete.

In 2014, global melamine demand growth was in line with GDP developments. Demand growth in Europe, our main market for melamine, was limited in line with European macroeconomic developments. In the Americas, growth was somewhat subdued as higher demand in North America was offset by a decline in South America. In the Asia-Pacific region, growth was healthy in all our end markets including China, India, Japan and South Korea.

Starting at the end of 2013 and into 2014, supply turned from tight to more balanced, as melamine plants came back on stream. Melamine prices were stable throughout 2014 on the back of healthy demand.



YEAR IN REVIEW

During 2014, we focused on achieving our full run-rate at Sorfert and on the development and construction of our greenfield projects in the United States. We are on track to increase our total sellable capacity by nearly 60% to exceed 12 million metric tons by 2017.

000 metric tons	2014	2013	% change
Granular urea			
OCI Product Sold	1,470.0	834.0	76.3%
Third Party Traded	56.2	594.1	nm
Total Granular Urea	**1,526.2**	**1,428.1**	**6.9%**
Ammonia			
OCI Product Sold	1,333.4	1,029.9	29.5%
Third Party Traded	528.8	179.6	194.4%
Total Ammonia	**1,862.2**	**1,209.5**	**54.0%**
Calcium Ammonium Nitrate (CAN)			
OCI Product Sold	1,158.7	1,131.0	2.4%
Total CAN	**1,158.7**	**1,131.0**	**2.4%**
Urea Ammonium Nitrate (UAN)			
OCI Product Sold	321.1	358.1	(10.3%)
Third Party Traded	76.0	105.9	(28.2%)
Total UAN	**397.1**	**464.0**	**(14.4%)**
Ammonium Sulphate (AS)			
Third Party Traded	1,694.6	1,648.5	2.8%
Total AS	**1,694.6**	**1,648.5**	**2.8%**
Total Fertilizers			
OCI Product Sold	4,283.2	3,353.0	27.7%
Third Party Traded	2,355.6	2,528.1	(6.8%)
Total Fertilizers	**6,638.8**	**5,881.1**	**12.9%**
Industrial Chemicals			
Melamine	165.5	146.5	13.0%
Methanol	613.7	610.9	0.5%
Total Industrial Chemicals	**779.2**	**757.4**	**2.9%**
Total			
OCI Product Sold	5,062.4	4,110.4	23.2%
Third Party Traded	2,355.6	2,528.1	(6.8%)
Total Product Volumes	**7,418.0**	**6,638.5**	**11.7%**

Despite volatile natural gas supply to our Egyptian plants throughout the year, our revenue grew 8.4% year-on-year to $ 2.7 billion, driven by the first full year of operations at Sorfert. We achieved a 12.9% improvement in total produced and traded nitrogen fertilizer volumes sold over 2013 reaching more than 6.6 million metric tons during the year. We also sold 779 thousand metric tons of industrial chemicals, a 2.9% improvement over 2013.

In total, OCI N.V. sold 7.4 million tons of nitrogen-based fertilizer and industrial chemical products in 2014 to customers in more than 20 countries across Europe, the Americas, Asia and Africa. Total OCI-produced sales reached 5.1 million metric tons during 2014, a 23.2% increase over 2013, primarily driven by a strong contribution from Sorfert.

YEAR IN REVIEW
CONTINUED

Operational Excellence

Our underlying EBITDA margin stood at 31.0% for the year, a strong improvement over the 27.3% margin achieved during 2013. Our performance was positively impacted by solid operations at Sorfert and OCI Nitrogen, coupled with a downward trend in natural gas prices benefitting the cost position of OCI Nitrogen and OCI Beaumont.

Sorfert in its first full year of operations sold nearly 1.4 million tons. The complex achieved good capacity utilization with increasing utilization rates throughout the year, at times reaching above design capacity during the second half of the year. Sorfert benefits from a competitive long-term natural gas price contract and was a significant contributor to EBITDA during the year.

OCI Nitrogen performed smoothly throughout the year, maintaining its leadership position in Europe. CAN, OCI Nitrogen's most important product, benefited from a tight supply-demand balance, resulting in a favourable pricing environment. OCI Nitrogen further benefited from a sustained drop in natural gas prices in Europe in 2014, with TTF prices averaging $ 8.1 / mmbtu versus $ 10.5 / mmbtu in 2013, a 22.7% reduction year-on-year in dollar terms. The nitrate premium remained at a high level during 2014 and was above the premium achieved during 2013.

OCI Beaumont also performed well, and benefited in the fourth quarter from management's decision to delay the planned debottlenecking and turnaround from the fourth quarter of 2014 to the first quarter of 2015.

Both EFC and EBIC suffered from limited availability of natural gas during the second half of 2014 resulting in low utilization rates during the year, due to the government prioritizing the supply of natural gas to the electricity sector to reduce power blackouts in the country.

The Egyptian government has taken several short and longer term measures to address the country's gas supply issue and has organized substantial LNG imports from April 2015, which are expected to improve gas supplies to the fertilizer industry from the second quarter of 2015 onwards.

Distribution Reach

Our centralized distribution capabilities allow us to act as a 'one-stop-shop' for customers around the world. Our vast distribution network stretches across the Americas, Europe, Africa and parts of Asia, cultivated both organically through OFT and through strategic investments and partnerships in distribution companies to support our global presence.

Our ability to trade third party products, both on a spot basis and through long-term distribution contracts, supports our own product portfolio and gives us supply flexibility to mitigate against potential production disruptions at our plants.

We worked to enhance our sales and distribution presence in North America during 2014 in preparation for Iowa Fertilizer Company and Natgasoline coming on-stream in the next two years.

Greenfields and Expansions

During 2014, we focused on executing our greenfield projects in the United States, which will add an estimated 4.4 million tons of nitrogen fertilizer and industrial chemical capacity to our product portfolio by 2017.

Early Mover Advantage

We have benefited from a strong first mover advantage in the United States, where the barriers to entry have increased significantly since we broke ground on our greenfield projects. Today, there is limited new announced nitrogen fertilizer capacity expected in the United States, as new capacity has become increasingly time consuming and capital intensive to as compared to when we began work in 2012. Factors affecting this include limited availability of skilled labour, few EPC contractors with industrial greenfield experience, and difficulty in attaining project financing, while the timeline for the development of a nitrogen fertilizer plant can take as long as seven years to complete. Accordingly, we believe the United States will remain a net importer of nitrogen fertilizer for the medium term.

Iowa Fertilizer Company

Iowa Fertilizer Company, our nitrogen fertilizer plant located in Wever County, Iowa, is the first world scale natural gas-based greenfield fertilizer plant built in the United States in nearly 25 years. Construction at IFCo was 84.32% complete as at 31 December 2014. IFCo will sell its products domestically and, as a first mover, will be a key player in the effort to reduce the United States' dependence on imported fertilizers.

IFCo is primarily financed through a $ 1.194 billion non-recourse project finance municipal bond issuance through the Iowa Finance Authority's private activity tax-exempt Midwestern Disaster Area bond program. The bonds were rated BB- by both ratings agencies Standard & Poor's (S&P) and Fitch. The issuance represents the largest nonrecourse project finance transaction ever sold in the US tax-exempt market. In November 2014, we announced that the current estimate of the cost to complete the project has increased by about $ 100 million to a total expenditure of approximately $ 1.9 billion. The increase will be funded by Additional Senior Obligations worth approximately $ 60 million and additional equity of approximately $ 40 million as permitted by the Bond Financing Agreement.

Natgasoline LLC

On 21 November, 2013, OCI N.V. announced the establishment of Natgasoline LLC, a wholly owned subsidiary that will construct a new world-scale greenfield methanol plant in Beaumont, Texas. OCI N.V. signed Basic Engineering and License agreements with Air Liquide in February 2014 and an Engineering and Procurement contract with Air Liquide in March 2014. On 20 March 2014, OCI N.V. held a ground-breaking ceremony to mark the start of site preparation works and has since then signed an agreement with Air Liquide for the supply of 2,400 metric tons of oxygen per day in addition to the supply of other industrial gases.

On 29 September 2014, Natgasoline LLC received a final greenhouse gas (GHG) Prevention of Significant Deterioration (PSD) permit from the United States Environmental Protection Agency (EPA). Natgasoline is expected to have a production capacity of approximately 1.75 million metric tons per annum and is scheduled to commission in 2017. Engineering and procurement by Air Liquide at Natgasoline was approximately 33.4% complete as at 31 December 2014.

OCI Beaumont Debottlenecking

OCI Beaumont has undertaken a debottlenecking project that is expected to increase the facility's methanol and ammonia production lines by 25% to approximately 913 thousand metric tons and 15% to approximately 305 thousand metric tons, respectively. During the summer of 2014, the debottlenecking project received all necessary permits, including the Texas Commission for Environmental Quality (TCEQ) permit and the EPA permit.

The plant upgrade and turnaround was completed in April 2015.

To fund the debottlenecking project cost increases, OCI N.V. injected two capital contributions of $60 million each in 2014 and 2015, in exchange for a total of 6,497,590 common units. This increased OCI N.V.'s total unit ownership to 69,497,590 common units resulting in an ownership 79.88% of the total common units outstanding.

Divestments

It is part of our business model to develop and nurture businesses relevant to our core businesses. However, we have a policy of evaluating the performance of minority investments in which we have no management control as financial investment assets. If a business becomes non-core or has reached a certain level of maturity, we actively pursue monetizing the business through divestment.

Notore Chemical Industries

We expect to divest our minority stake in Notore Chemical Industries, a granular urea and bulk blended NPK producer and exporter in Nigeria, in 2015. OCI's stake in Notore was inherited during our acquisition of EFC in 2008. OCI reduced its stake in 2010 posting a capital gain of $ 19.1 million or 2.5x book value.

THE DEMERGER

On 16 February 2015, OCI N.V. announced the formal commencement of proceedings to effect a demerger of the engineering and construction business from the fertilizer and chemicals business (the Demerger).

OCI N.V.'s shareholders approved the proposal to reduce the share capital of OCI N.V. by $ 1.4 billion to facilitate the Demerger at an extraordinary general meeting of shareholders held on 12 November 2014. On 16 January 2015, the creditor objection period in relation to the resolutions passed on 12 November 2014 expired without any objections being made.

Return of Capital to OCI N.V. Shareholders

The Demerger was effected on 7 March 2015 whereby OCI N.V. shareholders received one Orascom Construction share for every two OCI N.V. shares they owned as at 18:00 CET on 6 March 2015. Accordingly, the shareholding structure of Orascom Construction was identical to that of OCI N.V. upon demerger.

Admission to Listing and Egyptian Offer

Orascom Construction Limited, demerged construction business, was admitted to the Official List of Securities of the Dubai Financial Services Authority (DFSA) and began trading on the NASDAQ Dubai on 9 March 2015. Orascom Construction completed its dual listing on the Egyptian Exchange on 11 March 2015.

Concurrently with the implementation of the Demerger, Orascom Construction offered new ordinary shares representing 11% of its ordinary shares (the New Shares) to persons reasonably believed to be Egyptian Qualified Institutional Buyers (QIBs) or Professional High Net Worth Investors, and through a private placement to qualified institutional investors and high net worth individuals (the Egyptian Offer). The Egyptian Offer successfully raised approximately $ 185.4 million for Orascom Construction, to be used for general corporate purposes including debt settlement.

THE DEMERGER
CONTINUED

Rationale

The Board of Directors announced the following benefits of the spin-off:

- Streamline shareholder base: Creates two separately listed pure-play companies offering distinct investment propositions, each with clear market valuations. This should serve to attract a wider investor base in each company's shares and benefit liquidity.
- Business transparency: Allows for a better understanding of each company's business, prospects and impact of sector-focused events on its performance.
- Flexibility: Provides greater flexibility for each business to manage its own resources and pursue strategic options appropriate to their respective markets.
- Growth opportunities: Allows each business to actively participate in consolidation opportunities and value-accretive partnerships and joint ventures in their respective markets.
- Efficient capital structure: Enables each business to adopt a capital structure, balance sheet and financing strategy which more efficiently meet its individual requirements.
- Enhanced credit profile: Improves lenders' ability to evaluate each independent business, thereby increasing balance sheet effectiveness.
- Improved management focus: Sharpens management focus, helping the two businesses to maximize their performance and make full use of their available resources.
- Alignment of incentives: Aligns management's and employees' rewards more directly with business and stock market performance, helping to attract, retain and motivate the best people.

OCI N.V. following the Demerger

The Demerger resulted in OCI N.V. continuing to be listed on the Euronext Amsterdam as a global producer of nitrogen fertilizers, methanol and other industrial chemical products.

Following the demerger, OCI N.V.'s operating production complexes comprise:

- OCI Nitrogen (100% owned): one of Europe's largest integrated nitrogen fertilizer and melamine production sites. It is capable of producing over 2 million metric tons of sellable fertilizer and chemicals products annually through eight interconnected plants located on a fully integrated production site in Geleen, the Netherlands, complemented by additional melamine production capacity in China. OCI Nitrogen's product portfolio primarily includes calcium ammonium nitrate, ammonia, urea ammonium nitrate, and melamine.
- OCI Partners LP (LP (79.88% owned) (NYSE: OCIP): a master limited partnership (MLP) that owns and operates OCI Beaumont, an integrated methanol and ammonia production facility that is strategically located on the Texas Gulf Coast near Beaumont. The MLP is headquartered in Nederland, Texas. The facility started a debottlenecking program in 2014 to increase methanol and ammonia production capacities by 25% and 15% to 0.91 million metric tons and 0.31 million metric tons respectively. The debottlenecking program was completed in April 2015.
- Sorfert Algérie (51% owned): the largest integrated nitrogen fertilizer producer in Algeria, capable of producing 1.26 million metric tons of urea and 1.6 million metric tons of gross anhydrous ammonia per year. The greenfield plant was constructed by Orascom Construction.
- Egyptian Fertilizers Company (100% owned):): a 1.55 million metric ton per year granular urea plant located in Ain Sokhna, Egypt. The facility also includes a 325 thousand metric ton per year urea ammonium nitrate blending unit, which was added on-site in 2010. The greenfield plant was constructed by Orascom Construction.
- Egypt Basic Industries Corporation (60% owned): a 0.73 million metric ton per year anhydrous ammonia plant located in Ain Sokhna, Egypt. The plant also owns and is connected by pipeline to two 40 thousand metric ton refrigerated ammonia storage tanks next to the loading jetty at Sokhna Port. The greenfield plant was constructed by Orascom Construction.

OCI N.V. is also constructing two greenfield production complexes in the United States:

- Iowa Fertilizer Company (100% owned): nitrogen fertilizer complex currently under construction by Orascom Construction in Wever County, Iowa. The plant is expected to produce north of 1.5 million tons of nitrogen fertilizers and diesel exhaust fluid per year. The plant is the first world scale natural gas-based fertilizer plant built in the United States in nearly 25 years. As at 31 December 2014, the plant was 84.32% complete.
- Natgasoline LLC (100% owned): methanol production complex under construction by Orascom Construction in Beaumont, Texas. The world-class plant is expected to have a capacity of up to approximately 1.75 million metric tons per year, and is expected to start commissioning in 2017. It will be one of the world's largest methanol production facilities based on nameplate capacity.

OCI N.V. is also a global distributor of nitrogen fertilizers primarily through its wholly owned trading arm OCI Fertilizer Trading (OFT), benifitting from strategic access to ports in Europe, North Africa, and the US Gulf Coast, allowing it to trade both OCI N.V.'s and third party products. OCI N.V. is also the world's largest distributor of crystalline and granular ammonium sulphate (AS), with up to 1.75 million metric tons from existing off-take agreements.

Strategy Post Demerger

OCI N.V. will focus on pursuing its growth strategy as a pure-play nitrogen fertilizer and industrial chemicals producer, focusing on three key goals:

1. Leading Nitrogen Fertilizer Producer:

- Uniquely positioned as a sustainably low cost producer of nitrogen based fertilizers on a global scale, with production assets in both developed and emerging markets.
- Top 3 global nitrogen fertilizer producer with 8.9 million tons of annual capacity by 2016.
- Production capacity ramp-up through timely completion of greenfields.
- Streamlined production through debottlenecking and intercompany tie-ins.
- Global 'one-stop-shop' for nitrogen fertilizers capable of trading in-house and third party products.
- Leading global distributor of AS with 1.75 million tons of capacity.
- Second largest distributor in Brazil through JV with Fertipar.

2. Growing Industrial Chemicals Platform:

- Grow industrial chemicals production capacity by capitalizing on opportunities in the United States where we have taken a view on the long-term sustainability of low natural gas prices.
- Methanol production capacity ramp-up to top five globally by 2017 through timely completion of Natgasoline LLC and debottlenecking at OCI Beaumont.
- Largest global producer of melamine.
- Diversification into Diesel Exhaust Fluid through Iowa Fertilizer Company, and other downstream industrial chemicals where we can benefit from a first mover advantage.

3. Operational Excellence:

- Maintain international product stewardship and health, safety, quality and environment standards.
- Be an environmental steward by implementing the best technology available to minimize our environmental footprint and promote sustainable business best practices.
- Train all employees to operate our plants meeting the highest international safety standards.

FINANCIAL PERFORMANCE

Financial Highlights[1]

$ millions unless otherwise stated	2014	2013 restated
Revenue	**2,685.8**	**2,477.5**
Cost of Sales	(1,949.4)	(1,864.6)
Gross Profit	736.4	612.9
Gross Profit Margin	27.4%	24.7%
EBITDA before one-off items	**833.4**	**676.3**
EBITDA Margin	31.0%	27.3%
Operating profit before one-off items	**525.0**	**458.0**
One-off items	**(309.4)**	**71.9**
Operating profit - reported	**215.6**	**529.9**
Income tax	565.0	(71.1)
Minorities	(121.2)	36.0
Net Income from continuing operations attributable to shareholders	**444.1**	**313.3**
Net Income Margin	16.5%	12.6%
Discontinued operations	(115.4)	(18.1)
Net income after discontinued operations attributable to shareholders	**328.7**	**295.2**
Earnings/(loss) per share for continuing operations ($)		
Basic earnings per share	2.168	1.538
Diluted earnings per share	2.161	1.493
Total Assets	10,577.3	10,487.8
Total Assets (continuing operations)	8,038.8	7,863.8
Total Equity	2,537.8	2,087.6
Gross Interest-Bearing Debt	5,040.7	5,118.3
Net Debt	4,194.1	3,548.1
Capital expenditure	1,211.0	687.0

[1] 2013 and 2014 results represent continuing operations (the Fertilizer & Chemicals business), unless otherwise stated. In addition, certain joint ventures (JVs) that were previously proportionately consolidated in the 2013 accounts, are now accounted for under the equity method (IFRS 11). The 2013 restated figures are pro forma and unaudited.

[2] After non-controlling interest.

As a result of the demerger of the Engineering & Construction Group, only the Fertilizer & Chemicals financials are reported as continuing operations. The demerged Construction & Engineering Group has been classified as Discontinued Operations. OCI N.V.'s EBITDA from continuing operations includes corporate costs (amounting to $ 25.5 million in 2013), which were previously not included in segmental profits.

In addition, the adoption of IFRS 11 has resulted in a change of accounting for certain joint ventures, which has lowered 2013 revenue by $ 155.8 million and 2013 EBITDA by $ 6.4 million, compared to the figures previously reported for the Fertilizer & Chemicals Group.

Revenue

OCI N.V.'s 2014 revenue from continuing operations reached $ 2,685.8 million, an 8.4% increase compared to 2013. Revenue increased primarily due to an increase of 11.7% in product volumes sold.

In total, OCI N.V. sold 7.4 million metric tons of nitrogen-based fertilizer and industrial chemical products in 2014 to customers in more than 20 countries across Europe, the Americas, Asia and Africa. Product prices were on average relatively stable and at a comparable level as 2013.

EBITDA

EBITDA from continuing operations, excluding one-off items, reached $ 833.4 million in 2014, a 23.2% increase from $ 676.3 million in 2013. Our performance was positively impacted by solid operations at Sorfert and OCI Nitrogen in particular, coupled with a downward trend in natural gas prices benefiting our spot-based plants and despite a lower result at both EFC and EBIC due to lower utilization rates.

Sorfert, in its first full year of operations, was a significant contributor to EBITDA in 2014. The plant has been operating at high capacity utilization rates as of April 2014, at times at or even above design capacity. Sorfert benefits from a competitive low price long-term gas contract.

OCI Nitrogen performed smoothly throughout the year, resulting in a higher operating result compared to 2013. OCI Nitrogen's most important product, CAN, benefited from a tight supply-demand balance, resulting in a favourable pricing environment. The nitrate premium remained at a high level during 2014 and was above the premium achieved in 2013. OCI Nitrogen also benefited from a sustained drop in natural gas prices in Europe in 2014, with TTF prices averaging $ 8.1 / mmbtu versus $ 10.5 / mmbtu in 2013, a 22.7% reduction year-on-year in dollar terms.

The EBITDA margin from continuing operations, excluding one-off items, reached 31.0% for the year, compared to 27.3% achieved over 2013.

FINANCIAL PERFORMANCE
CONTINUED

One-off items

One-off items have had a material impact on the operating profit and net income results in 2014:

- A negative $ 309.4 million on EBITDA / operating profit
- A positive impact of $ 236.0 million on net income

In November 2014, our Egyptian subsidiary, Orascom Construction Industries S.A.E. (OCI S.A.E.), received a favourable final decision in relation to its tax dispute with the Egyptian Tax Authority (ETA).

The tax dispute was initiated in 2012 when OCI S.A.E. received an unsubstantiated tax evasion claim from the ETA related to the sale of its cement assets in 2007. The company was forced to settle for approximately $ 1 billion, payable in instalments over a four-year period. The first instalment of approximately $ 360 million (equivalent to EGP 2.5 billion) was paid on 10 May 2013.

Following the change in government in Egypt in 2013, the company appealed the settlement. The ETA's Independent Appeals Committee issued a ruling in favour of the Company in November 2014. Despite the fact that the Egyptian Prosecutor started an appeal on 30 November 2014, the Company's management, supported by its legal experts concluded that the tax liability of $ 673.7 million as at 31 December 2013 should be released through the 2014 income statement. The reversal is allocated evenly to continuing and discontinuing operations. As a result OCI N.V. reported a net positive reversal of $ 336.9 million in the 2014 Statement of Profit or Loss, which contains the following elements:

- A net positive reversal of $ 36.6 million interest and a net foreign exchange rate gain of $ 9.5 million in the net finance income line
- A positive reversal of $ 290.8 million in the tax expense line

In November 2014, the Board of Directors of OCI N.V. unanimously approved the transfer of the rights from the first instalment already paid to the ETA in 2013 to the Tahya Misr ("Long Live Egypt") Fund.

In March 2015, OCI S.A.E received an amount of EGP 1.9 billion (equivalent to $ 266.2 million) from the ETA, as a refund of the first instalment paid net of taxes considered to be valid. In the 2014 Statement of Profit or Loss, this amount is recognized as a donation cost in the Operating Profit line and as a gain in the Income Tax line.

Other one-off items had a net negative impact of $ 43.2 million on EBITDA. Selling, General and Administrative (SG&A) included expenses of $ 37.4 million related to our development projects in the United States and $ 10.0 million expenses associated with the appeal in the tax liability dispute case in Egypt. This was partially offset by a positive of $ 9.0 million related to the partial release of the escrow account created during the sales transaction of Gavilon in 2013.

One-off items' impact on EBITDA

$ millions unless otherwise stated	2014	2013 restated	One-off item in Income Statement
Operating profit as reported	**215.6**	**529.9**	
Depreciation & amortization	308.4	218.3	
Donation cost	266.2	-	Donation Costs
Transaction cost	-	89.3	Transaction Costs
Gain on sale of Gavilon	(9.0)	(262.1)	Other income
Change in fair value of natural gas hedge	4.8	31.0	Other expenses
Reported EBITDA	**786.0**	**606.4**	
Expenses related to expansion projects	37.4	-	SG&A
Expenses related to tax dispute	10.0	-	SG&A
Sorfert idled capacity expenses	-	54.3	Other expenses
Prepayment of long-term contract	-	15.6	SG&A
Total one-off items	**(309.4)**	**71.9**	
Operating profit excluding one-off items	**525.0**	**458.0**	
EBITDA excluding one-off items	**833.4**	**676.3**	

One-off items at the net income level comprise one-off items at the EBITDA level net of tax, the positive impact of the tax dispute liability and net foreign exchange losses of $ 72.9 million on intercompany balances. The foreign exchange losses are related to intercompany financing of our activities in the United States through Euro-denominated funding. The loss has no impact on our external financial position.

One-off items impact on net income from continuing operations

$ millions	2014	2013	One-off item in P&L
Net income from continuing operations	**444.1**	**313.3**	
One-off items in EBITDA	309.4	(71.9)	
Tax dispute settlement reversal	(557.0)		Income tax
Interest on tax settlement (non-cash)	(36.6)	36.6	Finance expenses
Forex gain on tax settlement	(9.5)	(44.1)	Finance income
Forex loss on intercompany loans	72.9		Finance expenses
Tax relief one-off items	(15.2)	(22.3)	Income tax
Sorfert idled capacity expenses - adjustment for minorities		(26.6)	Non-controlling interest
Total one-off items in net income	**(236.0)**	**(128.3)**	
Net income from continuing operations excl. one-offs	**208.1**	**185.0**	

Gross profit and cost of sales

Cost of sales from continuing operations of $ 1,949.4 million in 2014 increased 4.5% from $ 1,864.6 in 2013, solely the result of higher depreciation & amortization charges. Excluding depreciation & amortization cost of sales was at the same level in 2014 as in 2013 despite higher revenue. Cost of sales as a percentage of revenue decreased to 72.6% as compared to 75.3% in 2013,

The gross profit margin increased from 24.7% in 2013 to 27.4% in 2014, resulting in an increase in gross profit of 20.2%.

Selling, General and Administrative Expenses

SG&A expenses as a percentage of revenue were 9.9% in 2014 compared to 8.2% in 2013, and amounted to $ 265.1 million in 2014. The increase was due to the first-year of operations of Sorfert, low utilization rates at our Egyptian plants, and the one-off expenses explained above. Excluding one-off costs, SG&A as a percentage of revenue would have been approximately in line with the 2013 level (8.1% and 8.2% respectively).

Operating Profit

Depreciation and amortization expenses are a significant component of the cost of our operations. Depreciation and amortization expenses stood at $ 308.4 million, a 41.3% increase as compared to 2013, solely the result of the first-time inclusion of Sorfert.

One-off items, in particular $ 266.2 million donation expenses recorded in operating profits had a material impact on reported operating profits. Accordingly, operating profit from continuing operations amounted to $ 215.6 million compared to $ 529.9 million in 2013. Excluding one-off items, operating profit increased 14.6% from $ 458.0 million in 2013 to $525.0 million in 2014.

Net financing cost

Net finance costs consist of interest income, gain or loss on foreign exchange, and interest expense on interest-bearing liabilities.

Net finance costs include interest of $ 36.6 million related to the tax dispute liability mentioned above in 2013 and the subsequent reversal in 2014. A foreign exchange gain related to tax dispute liability stood at $ 44.1 million in 2013 and $ 9.5 million in 2014. In 2014, non-recurring foreign exchange losses related to intercompany balances were $ 72.9 million.

Including those one-off items net finance costs were $ 250.4 million, an increase from $ 203.2 million in 2013.

Net income attributable to shareholders and earnings per share (EPS)

Net income from continuing operations improved 41.7% from $ 313.3 million in 2013 to $ 444.1 million in 2014. Total one-off items had a positive impact of $ 236.0 million on net income in 2014, mostly related to the reversal of the tax liabilities discussed above. Net income excluding one-off items stood at $ 208.1 million compared to $ 185.0 million in 2013.

Following the successful demerger of the Engineering & Construction Group, all demerged entities have been treated as discontinued operations. Discontinued operations reported a net loss after non-controlling interest of $ 115.4 million and $ 18.1 million in 2014 and 2013 respectively.

As a result, net income including discontinued operations and including the impact of non-controlling interests amounted to $ 328.7 million, an 11.3% improvement on the $ 295.2 million reported in 2013.

Basic EPS for continuing operations stood at $ 2.168 per share in 2014, compared to $ 1.538 during 2013. Diluted EPS for continuing operations stood at $ 2.161 per share in 2014, compared to $ 1.493 during 2013.

Dividends

OCI has a flexible dividend policy designed to balance the availability of funds for dividend distribution with pursuing growth opportunities that generate attractive returns. We currently have two large greenfield projects under construction in the United States. Accordingly, the Board of Directors has decided to focus cash flows on completing these significant growth initiatives in a timely manner and therefore has not announced a dividend for FY2014.

Number of employees

During the financial year ended 31 December 2014, the average number of staff employed in the Group converted into full-time equivalents (FTE) amounted to 33,282 employees compared to 72,418 in 2013, where the latter figure included employees employed by associates and joint ventures. Of these employees 2,911 were employed in the continuing Fertilizer & Chemicals segment, an increase of 5.2% from 2,768 employees in 2013.

Cash flow

Condensed Consolidated Statement of Cash Flows for the years ended 31 December

$ millions	2014	2013 restated
Profit for the year	**449.9**	**259.2**
Adjustments:		
Net profit / (loss) from discontinued operations	96.1	3.8
Depreciation of PPE and amortization	308.4	218.3
Gain on sale of Gavilon	(9.0)	(262.1)
Adjustments related to tax dispute liability in Egypt	(565.0)	71.1
Changes in working capital	236.9	(83.4)
Changes in provisions	262.3	15.3
Other cash flows from operating activities	(59.6)	(476.4)
Cash flows from operating activities (continuing operations)	**720.0**	**(254.2)**
Investments in property, plant and equipment	(1,211.0)	(687.0)
Proceeds from sale of other investments	9.0	1,829.9
Dividends from equity accounted investees	33.0	33.0
Cash flow from investing activities (continuing operations)	**(1,169.0)**	**1,175.9**
Proceeds from share issuance	-	355.6
Proceeds from sale of treasury share	37.7	91.2
Proceeds from borrowings	550.0	2,573.3
Repayment of borrowings	(433.2)	(2,098.9)
Other cash flows from financing activities	(119.2)	(150.2)
Financing related to discontinued operations	(390.0)	(459.0)
Cash flows from financing activities (continuing operations)	**(354.7)**	**312.0**
Net cash flows from / (used in) continuing operations	**(803.7)**	**1,233.7**
Net cash flows from / (used in) discontinued operations	**(51.1)**	**(7.8)**
Net increase (decrease) in cash and cash equivalents	**(854.8)**	**1,225.9**
Cash and cash equivalents at 1 January	1,990.2	762.5
Currency translation adjustments	(20.2)	1.8
Cash and cash equivalents at 31 December	**1,115.2**	**1,990.2**
Presentation in the statement of financial position		
Cash and cash equivalents	846.6	1990.2
Bank overdraft	(100.3)	-
Cash and cash equivalents (as held for demerger)	368.9	-
Cash and cash equivalents at 31 December	**1,115.2**	**1,990.2**

FINANCIAL PERFORMANCE
CONTINUED

Cash Flows from Operating Activities

Cash inflows from continuing activities in 2014 totaled $ 720.0 million, compared to a negative of $ 254.2 million in 2013. This was principally generated from cash flow generated by our operating companies and changes in working capital items, most notably payables of $ 140.8 million and receivables of $ 88.6 million.

Cash Flows from Investing Activities

Cash used in investing activities (continuing operations) reached $ 1,169.0 million. Total capital expenditures in 2014 increased to $ 1,211.0 million compared to $ 687.0 million in 2013, principally used for the construction of the Iowa Fertilizer Company, the debottlenecking and turnaround program at OCI Beaumont and the start of construction at Natgasoline LLC.

Cash Flows from Financing Activities

Cash outflows used in financing continuing activities in 2014 totaled $ 354.7 million, compared to $ 312.0 million inflows in 2013.

This consisted principally of the issuance of a $ 550 million revolving credit facility in the third quarter of 2014 at the OCI N.V. level, offset by repayment of borrowings ($ 433.2 million). Financing related to Discontinued Operations amounted to outflows of $ 390.0 million, mainly to deleverage the construction business.

The revolving credit facility was earmarked towards general corporate purposes including retirement of some debt with short-term maturities and partial financing of capital expenditure for Natgasoline LLC.

Net debt

Net Debt as at 31 December

$ millions	2014	2013[1] restated
Long-term interest-bearing debt	4,638.5	4,441.1
Short-term interest-bearing debt	402.2	677.2
Gross interest-bearing debt	**5,040.7**	**5,118.3**
Cash and cash equivalents	846.6	1,570.2
Net debt	**4,194.1**	**3,548.1**

[1] 2013 restated figures are pro forma and unaudited.

Total gross debt outstanding was slightly down from $ 5,118.3 million as at 31 December 2013 to $ 5,040.7 million as at 31 December 2014, with no major debt maturing over the next twelve months. Our total interest-bearing debt decreased by $ 77.6 million during the year primarily due to the issuance of the revolving credit facility at the OCI N.V. level, offset by repayments of $ 433.2 million and currency fluctuations, in particular the Algerian Dinar and the Euro.

Cash and cash equivalents stood at $ 846.6 million as of 31 December 2014, down from Pro Forma $ 1,570.2 million as of 31 December 2013. The decrease in cash held at year-end is principally attributable to cash inflows from operations totaling $ 720.0 million, offset by capital expenditure of $ 1,211.0 million.

OCI N.V.'s net debt of $ 4,194.1 million as at 31 December 2014 is an 18.1% increase over 31 December 2013, driven by cash outflows related to our development projects in the United States.

Balance Sheet

Condensed Consolidated Statement of Financial Position as at 31 December

$ millions	2014	2013[1] Pro forma and unaudited	2013 restated
Total non-current assets	6,365.9	5,663.2	6,470.2
Total current assets	4,211.4	4,824.6	4,017.6
Including assets held for demerger	*2,538.5*	*2,624.0*	-
Total Assets	**10,577.3**	**10,487.8**	**10,487.8**
Shareholders' Equity	2,118.9	1,721.3	1,721.3
Non-controlling interest	418.9	366.3	366.3
Total Equity	**2,537.8**	**2,087.6**	**2,087.6**
Total non-current liabilities	5,032.2	5,055.8	5,382.6
Total current liabilities	3,007.3	3,344.4	3,017.6
Including liabilities held for demerger	*1,812.6*	*2,146.4*	-
Total Liabilities	**8,039.5**	**8,400.2**	**8,400.2**

[1] In the 2013 pro forma column, Construction & Engineering segment has been presented as if it qualified as assets held for demerger as of year-end 2013.

The majority of OCI N.V's total debt outstanding is held at the operating company level and is financed through operating cash flows. OCI N.V.'s debt profile is detailed in the table below:

OCI N.V. Consolidated Debt Breakdown as at 31 December 2014

$ millions	Description	Companies	Gross Debt	Cash	Net Debt
Joint venture debt	• Debt at entities where OCI's stake is less than 100% • Debt is non-recourse to OCI N.V., although consolidated on the group's balance sheet	• Sorfert • EBIC • OCI Beaumont	1,764.5	167.7	1,596.8
Operating company debt	• 100% owned operating companies' debt is organized against operating company cash flow and is non-recourse to HoldCo • Corporate support is available from OCI N.V. with Board approvals	• OCI Nitrogen • EFC • OFT	1,119.5	107.4	1,012.1
Project finance debt	• Project finance debt which can remain with companies after completion of construction • All project finance debt is ring-fenced and non-recourse to OCI N.V. • Debt is raised through banks or capital markets • Long tenures financed by operating cash flow	• IFCo	1,172.3	426.4	745.9
Holding Company debt	• Full responsibility of OCI N.V. • Supported by investment asset values and dividends received from subsidiaries	• OCI N.V. • Other	984.4	145.1	839.3
Total debt			**5,040.7**	**846.6**	**4,194.1**

Outlook

For the full year 2015, we expect improvements in EBITDA and net income driven by:

- Compared with 2014, we expect to sell additional product volumes, in particular from Sorfert, which was still in ramp-up phase in early 2014.
- A strong United States Dollar and lower gas prices in both Europe and the United States have been favourable in Q1 2015, in particular for OCI Nitrogen.
- Both ammonia and methanol lines at OCI Beaumont were offline from the end of January 2015 and restarted production in April 2015. The plants will be able to produce at the increased capacity levels from April onwards.
- The Egyptian government has taken several short and longer term measures to address the country's gas supply issue and we expect these efforts to improve supply of natural gas from the second quarter of 2015 onwards.

2015 Guidance for Capital Expenditures

We expect total capital expenditure of approximately $ 1.1 - 1.2 billion in 2015, with the majority earmarked for our growth initiatives in the United States. OCI N.V.'s production plants are relatively new, minimizing required maintenance capital expenditures.

Apart from Natgasoline LLC, all capital expenditure requirements for OCI N.V.'s announced greenfield and growth-related debottlenecking projects already under construction are fully funded as at 31 December 2014.

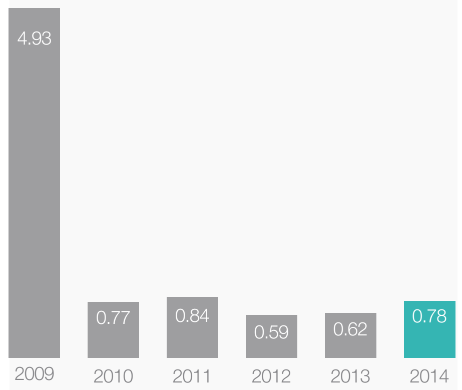
SUSTAINABILITY

By promoting environmental stewardship and fostering growth in our communities, we seek to create a sustainable environment to continue to grow our business.

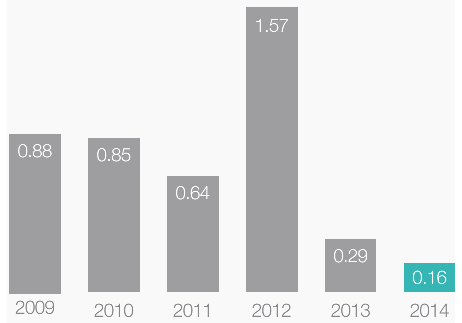
3,000

NUMBER OF EMPLOYEES
AS AT 31 DECEMBER 2014

GHG EMISSIONS
Million tons of CO_2 equivalent



LOST TIME INJURY RATE (LTIR)
Number of lost time injuries per 200 thousand hours worked



CSR REPORT CONTINUED

As a result of the demerger, we now employ approximately 3,000 people and reach thousands of customers around the world. We have a commitment to maximize the use of local resources whenever possible by drawing local people into our company and developing their skills, and by choosing local partners where possible to supply materials and other services.

Investing in our people

Our people are fundamental to the success of our business; we have invested and are committed to continuing to invest in the best people and the best technologies.

A trusted corporate citizen

Our products are sold across Europe, the Americas, Asia and Africa. Our fertilizers optimize yields, strengthen crops and accelerate growth and maturity on a global level and in our local communities. Our industrial chemicals are used in many industries to produce sustainable and environmentally sound manufacturing and energy solutions.

As a leading corporate citizen in the countries in which we operate our production facilities, we have a vested interest in developing our host communities through our time and resources. We have focused our efforts on education, which we believe is key improving the economic and social well-being of our communities.

HIGHLIGHTING OUR PEOPLE'S SUCCESS

Frans Scheeren
Dutch Chemical Industry Plant Manager of the Year 2014

Frans Scheeren, Plant Manager at OCI Nitrogen, won the award for Plant Manager of the Year 2014 during the Deltavisie congress in Rotterdam.

The Plant Manager of the Year award was founded in 2008 by the Petrochem Platform and the Dutch Chemical Industry Association (VNCI), in cooperation with Deltalinqs and the Port of Rotterdam Authority. The award rewards plant managers' efforts and achievements, especially in the areas of safety, health, productivity and sustainability.

Frans was nominated by the OCI Nitrogen team, and was given the award by his industry peers, because over the past ten years he has delivered outstanding results in terms of efficiency, safety and health.

"Frans is not only a great person but also a skilled professional," said Gert-Jan de Geus, Chief Executive Officer of OCI Nitrogen. "He enjoys every facet of his work as plant manager. He always analyses what the best, safest and most sensible choice is for the plants, and he is thorough and effective about implementation. He's also a genuine team player. That has won him the appreciation of his team, who are able to work on their personal and professional development."

MAKING SCIENCE FUN

Ralf Krewinkel, Mayor of Beek, presenting award

Launching Chemelot2Discover

In September 2014, the seven companies based in the industrial site of Chemelot on which OCI Nitrogen is located launched a new educational program for children called Chemelot2Discover. The program introduces children to the activities at Chemelot in combination with talent development in the fields of science, chemistry and technology.

Chemelot2Discover is a follow-up to the 20-year legacy program Youth & Chemistry, which encouraged an increase in students pursuing technical education in the region.

Chemelot2Discover aims to encourage interest in science, chemistry and technology through a playful and interactive multi-component program meant for primary school pupils in the Sittard/Geleen region. Participation in the program is a fixed part of the curriculum for many schools in the region, and each year some 1,300 pupils from 50 schools participate.

CSR REPORT CONTINUED

Product & health, safety & environment stewardship

We are committed to meeting or exceeding international product stewardship and health, safety, quality and environment standards. We train all employees to implement the best sustainable practices. We believe that the health and safety of our employees is essential to the successful conduct and future growth of our business and are in the best interest of our shareholders.

We are committed to being an environmental steward by implementing the best technology available to minimize our environmental footprint and promote sustainable business best practices.

As part of these commitments, our Board of Directors established a Health, Safety and Environment (HSE) Committee to assess and review our HSE policies, programs, performance and compliance with international standards. The Committee has worked to standardize our HSE reporting systems at the subsidiary level, and has established new corporate HSE standards that will be implemented in 2015. We believe the Committee's establishment and initiatives underscore our continued commitment to operating at the best possible standards and efficiencies, as well as promoting excellence in every aspect of our business.

Product Stewardship

Product stewardship ensures that fertilizers and their raw materials, additives and intermediate products are processed and manufactured, handled, stored, distributed and used in a way which safeguards health, occupational and public safety, the environment, and ensures security. We comply with international standards as members of the International Fertilizer Association, Fertilizers Europe (formerly EFMA), The Fertilizer Institute (TFI), and the International Methanol Producers & Consumers Association (IMPCA), among others.

Certifications

EFC, EBIC, and OCI Nitrogen are ISO 9001 certified. EBIC and EFC also hold ISO 14001 and OHSAS 18001 certifications, certifying each plant's commitment to excellence in product quality and management controls and procedures as per global standards. OCI Nitrogen also has a Product Stewardship certificate.

In addition, all of our North African and European plants hold REACH registration certificates from the European Chemicals Agency, ensuring a high level of protection of human health and the environment from the risks that can be posed by chemicals.

Health & Safety First

We are committed to providing a safe and healthy workplace for all employees by implementing the highest international safety standards. This commitment is underscored by several safety development initiatives undertaken at our plants, with several achievements during the year aiming to standardize health and safety monitoring, prevention and reporting across our plants. Highlights include:

- OCI Nitrogen achieved the lowest overall frequency index in the plant's history at 0.25, with the nitrates lines achieving zero recordable incidents
- OCI Beaumont submitted its Occupational Safety and Health Administration (OSHA) Voluntary Protection Program applications to achieve 'star' qualification, designed for exemplary worksites with comprehensive, successful safety and health management systems
- IFCo developed its HSE policies, programs and industry best practices to meet legal and all other applicable requirements for the safe operation of a nitrogen fertilizer facility. This includes acquiring proper environmental and operating permits along with assets necessary to administer an emergency response plan and general safety policies
- All plants now have a Process Safety Management program and conduct monthly safety management and departments safety meetings, and have also made strong enhancements to their safety cultures with the implementation of effective safety training for all employees

Our Lost Time Injury Rates (LTIR) at our plants as outlined below are excellent as compared to the International Fertilizer Association's (IFA) 2012 industry average of 0.4, and are at their lowest levels since we began operations as a fertilizer producer in 2008. The health and safety of our employees is a core focus and we are constantly looking for areas to improve.

LTIR	2010	2011	2012	2013	2014
OCI Nitrogen	1.00	0.86	0.77	0.14	0.14
OCI Beaumont	-	-	0.13	0.00	0.41
IFCo	-	-	-	-	-
EFC	0.97	0.50	1.17	0.00	0.00
EBIC	0.57	0.57	4.19	0.00	0.19
Sorfert	-	-	-	1.30	0.00
OCI Average	**0.85**	**0.64**	**1.57**	**0.29**	**0.16**

Occupational health is part of our overall HSE management to ensure that everyone working with OCI N.V. remains healthy at all times. A Fitness for Duty Process is set up to ensure all employees are able to safely perform essential physical and mental requirements of the job without creating risk to themselves, others or the environment. A Health Risk Assessment Process is in place to estimate the nature and probability of adverse health effects to people by identifying the adverse health effects that can be caused by any exposure to any hazardous agent or the work environment.

Environmental Excellence

We are committed to being an environmental steward by implementing the best technology available where applicable to minimize our environmental footprint and promote sustainable business best practices. Our resolve to reduce our environmental impact as nitrogen-based chemicals producer is proven by our 84% reduction in carbon dioxide (CO2) emissions since 2009, despite the addition of four more production facilities.

As a testament to EFC's commitment to producing urea at the lowest possible impact on the environment, EFC is the only plant in Egypt that has implemented a novel solution to the large quantity of water produced as a by-product of the urea manufacturing process. In 2010, the plant invested $ 1.2 million for the construction of two irrigation ponds capable of holding up to 10,000 cubic meters of water. The water is used to irrigate 50 acres of forestry near the plant in an environmentally friendly manner. EFC was impacted by the natural gas supply disruptions throughout 2014, which resulted in reduced emissions efficiency during the year.

At EBIC, the plant supplies EFC with the excess CO_2 produced in the manufacture of ammonia. Through this shared pipeline, EFC is able to produce additional urea and EBIC is able to decrease its pollutant CO_2 emissions. During 2014, EBIC provided approximately 110 thousand metric tons of CO_2 emissions to EFC, equivalent to CO_2 emissions from the annual electricity use of 15,158 homes. In addition, both plants have been tuned to share some utilities, primarily electricity and waste water. This not only generates savings in capital expenditure, but also allows each plant to depend on the other for backup in case of a malfunction, making our operations at both plants even more reliable.

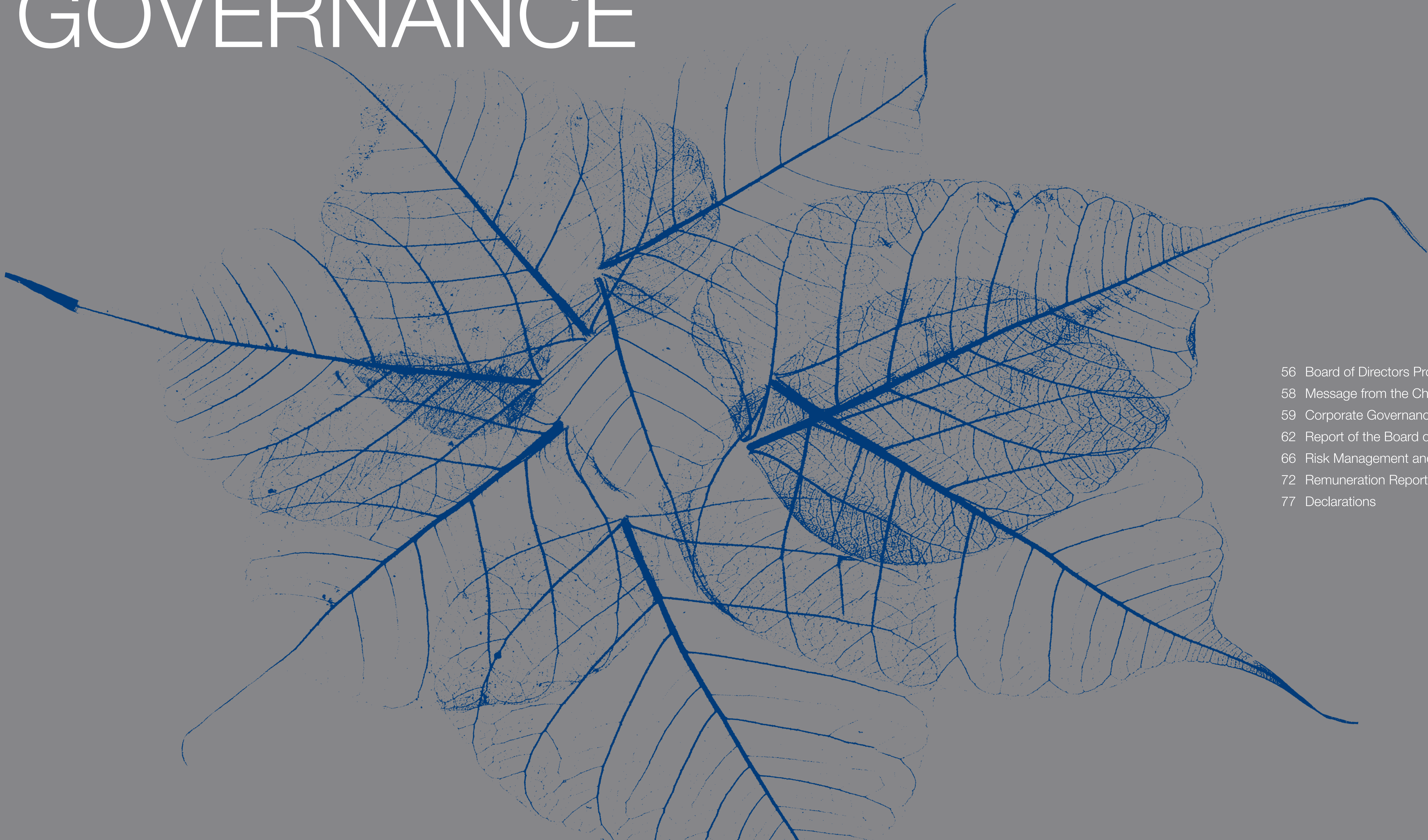
OCI Beaumont is implementing Best Available Control Technology (BACT), a pollution control standard mandated by the United States Clean Air Act, during its next plant turnaround to reduce its environmental impact. The plant installed a Selective Catalytic Reduction Unit, a Saturator and a Prereformer in conjunction with its debottlenecking and turnaround.

OCI Nitrogen's plants all operate at excellent energy efficiency rates, with energy consumption and CO_2 emissions at levels close to the chemical and physical minimum, thereby leading to a positive CO_2 balance under the current European Trading Scheme for CO_2 emission trading. OCI Nitrogen has successfully maintained its low CO_2 emissions despite adding more than 300 thousand metric tons of annual production capacity since 2010.

OCI Nitrogen's award winning "COOL!" indirect cooling technology has allowed OCI Nitrogen to reduce its annual fine particle emissions from 174 metric tons to zero, the first nitrogen fertilizer plant in the world to achieve this. COOL! has also allowed OCI Nitrogen to reduce energy consumption by 75% while increasing production by 20%. The innovative cooling system was awarded the Dutch Chemical Industry Association's (VNCI) Responsible Care prize in 2013, and placed in the top three for the European Business Awards for the Environment's (EBAE) 'sustainable process' prize in 2014. The European Business Awards for the Environment are awarded to eco-innovation companies that successfully combine innovation, competitiveness and outstanding environmental performance.

GHG emissions (Million tons of CO_2 equivalent)	2010	2011	2012	2013	2014
OCI Nitrogen	1.10	1.30	1.20	1.30	1.23
OCI Beaumont	-	-	0.26	0.49	0.46
IFCo	-	-	-	-	-
EFC	0.45	0.43	0.43	0.36	0.55
EBIC	0.76	0.78	0.68	0.39	0.10
Sorfert	-	-	0.40	0.55	1.57
OCI Average	**0.77**	**0.84**	**0.59**	**0.62**	**0.78**

CORPORATE GOVERNANCE



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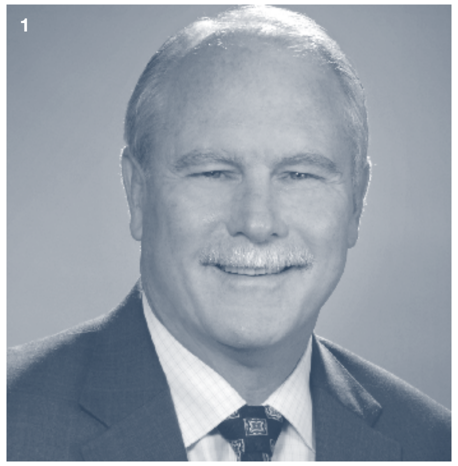
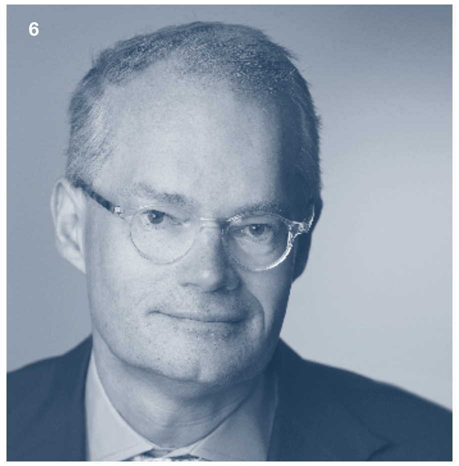
BOARD OF DIRECTORS PROFILE

OCI N.V. (the Company) has a one-tier Board of Directors (the Board), which is responsible for the management, general affairs, strategy, and long-term success of the business as a whole. The Board comprises a majority of Non-Executive Directors and a minority of Executive Directors whose responsibility is collective, taking into account their respective roles as Executive Directors and Non-Executive Directors.





1 **Michael Bennett**
Chairman

Nationality American

Age 61

Appointed Chairman January 2013

Current term of office expires 2016

Committee memberships
Health Safety & Environment, Nomination & Governance, Remuneration

Current external appointments
- Director, Alliant Energy Corporation
- Director, Arclin, Inc.

Previous relevant experience
- CEO and Director, Terra Industries Inc.
- Chairman and President, Terra Nitrogen Company L.P.
- Chairman, The Fertilizer Institute and The Methanol Institute in the United States

2 **Nassef Sawiris**
Chief Executive Officer

Nationality Egyptian

Age 54

Appointed CEO January 2013

Current term of office expires 2017

Current external appointments
- Non-Executive Director:
  - Orascom Construction Ltd.
  - Lafarge S.A.
  - BESIX Group

Previous relevant experience
Chairman and CEO,
Orascom Construction Industries S.A.E.

3 **Salman Butt**
Chief Financial Officer

Nationality Pakistani

Age 55

Appointed CFO January 2013

Current term of office expires 2017

Current external appointments
- Non-Executive Director, Orascom Construction Ltd.

Previous relevant experience
- Head of Investment Banking, Samba Financial Group in Saudi Arabia
- Various positions at Citibank in Pakistan, Hong Kong, United Kingdom, Egypt and Saudi Arabia

4 **Jan Ter Wisch**
Vice-Chairman

Nationality Dutch

Age 62

Appointed January 2013

Current term of office expires 2016

Committee memberships
Nomination & Governance (Chairman), Audit, Health Safety & Environment

Current external appointments
- Chairman, Stichting De Westberg
- Director, Stichting Administratiekantoor Grass
- Chairman of Investment Committee, 5square MKB Fund III Coöperatieve U.A.
- Director, Stichting OB N.V.

Previous relevant experience
- Partner
  - Deloitte
  - Loeff Claeys Verbeke
  - Allen & Overy
- Member European Tax Board, Deloitte
- Director, Loeff Claeys Verbeke
- Chairman of Global Tax Board, Allen & Overy

5 **Kees van der Graaf**
Senior Independent Director

Nationality Dutch

Age 64

Appointed December 2013

Current term of office expires 2017

Committee memberships
Health Safety & Environment (Chairman), Nomination & Governance

Current external appointments
- Member of the Supervisory Board
  - Carlsberg
  - EnPro Industries LLC
  - Ben&Jerry's
  - GrandVision N.V. (Chairman)
  - MyLaps B.V.
  - University of Twente (Chairman)
  - FSHD Foundation (Founder and Chairman)

Previous relevant experience
- Member Board of Directors and Executive Committee, Unilever
- Executive-in-Residence, Business school IMD Lausanne

6 **Sipko Schat**
Non-Executive Director

Nationality Dutch

Age 54

Appointed December 2013

Current term of office expires 2017

Committee memberships
Remuneration (Chairman), Audit

Current external appointments
- Member of the Supervisory Board
  - Paris Orléans S.A.
  - Vion N.V. (Chairman)

Previous relevant experience
Member of the Executive Board, Rabobank Group

7 **Robert Jan van de Kraats**
Non-Executive Director

Nationality Dutch

Age 54

Appointed June 2014

Current term of office expires 2018

Committee memberships
Audit (Chairman), Remuneration

Current external appointments
- CFO and Vice-Chairman of the Executive Board, Randstad Holding N.V.
- Member of the Supervisory Board of Schiphol Group

Previous relevant experience
- Qualified Chartered Accountant
- Various finance and operational executive and non-executive positions in the technology, financial services and credit insurance sectors

8 **Jérôme Guiraud**
Non-Executive Director

Nationality French

Age 54

Appointed June 2014

Current term of office expires 2018

Committee memberships
Audit, Nomination & Governance Committee

Current external appointments
- Chief Executive Officer and Director, NNS Capital Ltd.
- Member of the Board and Audit Committee, Lafarge S.A.
- Director
  - NNS Holding Sàrl
  - NNS Luxembourg
  - OS Luxembourg

Previous relevant experience
- 30 years of professional experience in banking and financial markets
- 15 years as a director in listed and non-listed companies

9 **Arif Naqvi**
Non-Executive Director

Nationality Pakistani

Age 54

Appointed January 2013

Current term of office expired
15 February 2015

Committee memberships
Audit, Nomination & Governance

Current external appointments
- Founder, CEO and Board Member, The Abraaj Group
- Director, Orascom Construction Ltd.
- Trustee, Interpol Foundation
- Board Member, United Nations Global Compact
- Chairman Middle East Centre Advisory Board, London School of Economics and Political Science
- Council Member Belfer Center International at the Kennedy School of Government, Harvard University

Previous relevant experience
- 30 years of experience of investing in public and private companies
- Established The Abraaj Group in 2002 and has served as its CEO since inception

MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

During 2014, the Board of Directors oversaw several landmark projects that we believe will add substantial value to the Company.

We returned $ 1.4 billion in capital to shareholders through the separation of the Engineering & Construction Group. This and other financing initiatives have resulted in a leaner and stronger balance sheet that has well positioned OCI N.V. to pursue exciting growth and investment opportunities in the medium term.

We are proud of the strides made throughout 2014 to expand and improve OCI N.V.'s corporate governance. We welcomed two new non-executive Board members and a new Corporate Secretary, all of whom bring a wealth of experience to OCI N.V., and established a Health, Safety and Environment Committee.

Our new Board members, Mr. Robert Jan van de Kraats and Mr. Jérôme Guiraud, were voted in by our shareholders at the 2014 Annual General Meeting. Mr. Arif Naqvi's term ended on 15 February 2015. We would like to thank Mr. Naqvi for his valuable contribution.

Our Board now comprises eight members from five countries with a collective expertise that we believe is curated to serve OCI N.V. well. Our new Corporate Secretary, Ms. Maud de Vries, brings 17 years of legal experience to our Board and has been integral to developing our governance processes.

For the year ended 31 December 2014, the Board reports the following:

- The Board has reviewed and discussed the audited financial statements for the year 2014.
- The Board discussed with the external auditor the outcome of their performed audits in accordance with International Standards on Auditing.
- The Board has received written confirmation of the external auditor's independence.
- Based on the review and discussions referred to above, the Board has approved that the audited consolidated and Company financial statements be included in the 2014 Annual Report.

The Board of Directors recommends that the General Meeting of Shareholders adopts the 2014 financial statements included in this Annual Report.

The Board is energized to continue to develop and adopt corporate governance guidelines that adhere to applicable standards, laws and regulations. We are proud of our role as a global producer of essential nutrients and environmentally sound industrial chemicals, and aim to maintain the highest international health, safety, quality and environmental standards at all of our operations.

With our new, more streamlined focus in place, we look forward to pursuing growth and investment opportunities that will deliver outstanding returns to our shareholders.

Michael Bennett
Chairman

CORPORATE GOVERNANCE

OCI N.V. (the Company) is committed to the principles of good corporate governance. The Board believes that good corporate governance practices align the interests of all stakeholders by putting structures in place that ensure the business is managed with integrity and efficiency, thereby maximizing the profitability and long-term value of the Company. The Board is committed to continuously monitor and strengthen the Company's corporate governance.

OCI N.V. is a public limited liability Company under Dutch law, with its official seat in Amsterdam, the Netherlands. The authorized capital of the Company amounts to EUR 300 million. The authorized capital is divided into 300 million shares, having a nominal value of EUR 1 each. All shares are registered shares. No share certificates are issued. OCI N.V.'s shares are listed and quoted in Euros on NYSE Euronext's Amsterdam market. The Company reports its financial statements in US Dollars.

This section contains an overview of the corporate governance structure and how it was applied in 2014. It includes the information required by the Dutch Corporate Governance Code. Additional information on our corporate governance can be found on the corporate website www.oci.nl/corporate-governance.

Corporate Governance structure

The Board of Directors

OCI N.V.'s Board is a one-tier Board, which in 2014 comprised two Executive Directors and, in a majority, seven Non-Executive Directors. The Board has ultimate responsibility for the management, general affairs, direction, performance and success of the business as a whole. The responsibility of the Directors is collective, taking into account the respective roles of the Executive-and Non-Executive Directors.

The Board is responsible for monitoring and assessing its own performance.

Non-Executive Directors

The role of the Non-Executive Directors is essentially supervisory in nature. Their primary responsibilities are:

- The supervision of the Executive Directors;
- Assessing the performance of the business;
- Assessing risks and controls;
- Assessing the Internal Control function;
- Developing strategy with the Chief Executive Officer (CEO);
- Remuneration and succession planning;
- Selection and nomination for appointment of Executive and Non-Executive Directors;
- Governance and Compliance.

Chairman

OCI has a Chairman and a CEO. There is a clear division of responsibilities between their roles. The Chairman is primarily responsible for the functioning of the Board and its Committees. The Chairman sets the Board's agenda and promotes effective relationships and open communication between the Executives and Non-Executive Directors. With the Group Company Secretary, the Chairman will take the lead in providing an induction programme for new Directors that is tailored to the respective Director.

Senior Independent Director

The Senior Independent Director acts as a trusted intermediary for the individual Directors.

Executive Directors

OCI's Executive Directors are the CEO and the Chief Financial Officer (CFO) who are full time employees of the Company.

Chief Executive Officer

The CEO has the authority to determine which duties regarding the strategic and operational Management will be carried out under his responsibility. The Board has delegated the operational Management of the business to the CEO, who can take day-to-day decisions within the boundary conditions as being defined in the Articles of Association and By-laws, without the need to revert to the Board for approval. Matters reserved for the Board include structure, Risk Management & Internal Control Systems, corporate governance, approval of dividends, approval of overall strategy, approval of significant transactions, financial reporting and compliance. The CEO is responsible to the Board and is able to delegate his authorities and powers.

Corporate Secretary

The Corporate Secretary advises the Board on matters relating to governance of the Group and compliance with Board procedures.

Appointment of Directors

The General Meeting of Shareholders can appoint, suspend or dismiss a Director by an absolute majority of the votes cast upon a proposal of the Board. In addition, the General Meeting of Shareholders is able to nominate Directors. To do so they must put a resolution to the General Meeting of Shareholders in line with the requirements as described in the Articles of Association. A Director is appointed for a four year term and is eligible for reappointment. However, a Non-Executive Director may not serve for more than 12 years.

The Non-Executive Directors are selected individually for their broad and relevant experience and international profile as well as for their independence. The Board profile for Non-Executive Directors (which can be found on OCI N.V.'s website) provides guiding principles for the composition of the Board.

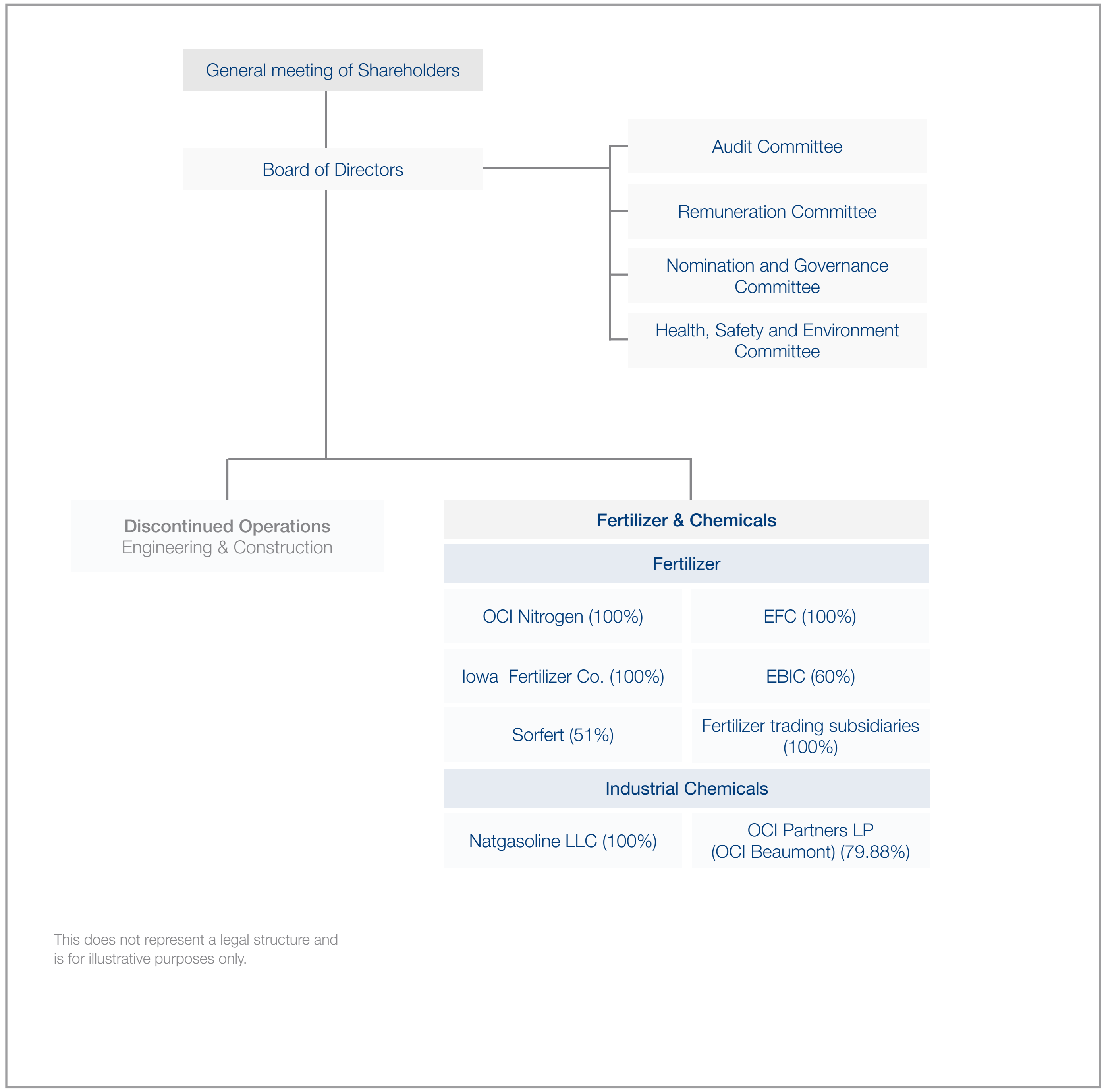
Organizational structure

Prior to the demerger, OCI N.V.'s organizational structure was split between its two main segments: the Engineering & Construction Group and the Fertilizer & Chemicals Group. Each Group was empowered to manage its day-to-day operations under the supervision of its respective Chief Operating Officer (COO). Going forward, the day-to-day operational structure will continue to be supervised by the Fertilizer & Chemicals Group COO. Each subsidiary is led by a General Manager and Chief Financial Officer who report to the COO.

For 2014 the Board set the strategic mandate for the Company with operational and financial goals. The Executive Directors supervised the achievement of these goals through regular reporting from the COO's and each subsidiary's management team and reported progress to the Executive Directors.

CORPORATE GOVERNANCE
CONTINUED

The below simplified corporate structure illustrates the governance and each business segment's grouping in 2014 with the engineering and construction activities marked as discontinued operations:



Shareholders' rights

OCI N.V.'s shareholders exercise their rights through the Annual General Meeting of Shareholders in the Netherlands each year, no later than six months after the end of the Company's financial year. Additional Extraordinary General Shareholders meetings may be convened at any time by the Board of Directors or by one or more shareholders representing more than 10% of the issued share capital.

A notice convening a General Meeting of Shareholders shall be issued on behalf of the Board by no later than the 42nd day prior to the day of the meeting. Parties who have the right to vote and attend the meeting and who are registered as such in a designated (sub)register on the 28th day prior to the day of the meeting ("registratiedatum") will be entitled to attend the meeting and vote, irrespective of the identity of the entitled party with respect to those shares at the time of the meeting.

Votes representing shares can be cast at the General Meeting of Shareholders either personally or by proxy. No restrictions are imposed on these proxies, which can be granted electronically or in writing to the Company, or to independent third parties. OCI N.V.'s shareholders may cast one vote for each share, be it in the form of ordinary shares or American Depository Receipts. All resolutions adopted by the General Meeting of Shareholders are passed by an absolute majority of the votes cast, unless the law or the Articles of Association prescribe a larger majority. The Shareholders possess the rights conferred by the Articles of Association and By-laws.

Information pertaining to the structure of, admission to, and Shareholders' voting rights at the General Meeting of Shareholders can be found on the corporate website.

Important matters that require the approval of the (Annual) General Meeting of Shareholders are:

- Adoption of the financial statements;
- Declaration of dividends;
- Significant changes to the Company's corporate governance;
- Remuneration policy;
- Remuneration of the Non-Executive Directors;
- Discharge from liability of the Board of Directors;
- Appointment of the external auditor;
- Appointment, suspension or dismissal of the members of Board of Directors;
- Issuance of shares or rights to shares, restriction or exclusion of pre-emptive rights of Shareholders and repurchase or cancellation of shares;
- Amendments to the Articles of Association.

The Company's Articles of Association detail the proposals that the Board may submit to the meeting, and the procedure according to which Shareholders may submit matters for consideration by the meeting. Within three months of the meeting, the draft minutes of the meeting are made available for three months for comments. The final minutes are published on the corporate website.

External Auditor

The General Meeting of Shareholders appoints the external auditor. The Audit Committee recommends to the Board the external auditor to be proposed for (re)appointment by the General Meeting of Shareholders. In addition the Audit Committee evaluates the functioning of the external auditor. On 26 June 2014, the General Meeting appointed KPMG Accountants N.V. as external auditor for OCI N.V. for the financial year 2014.

Decree Article 10 EU Takeover Directive

OCI N.V. has an authorised capital of EUR 300 million which is divided into 300 million shares, each with a nominal value of EUR 1. One vote can be cast for each share.

According to the Dutch Financial Supervision Act, any person or legal entity who, directly or indirectly, acquires or disposes of an interest in the Company's capital or voting rights must immediately give written notice to the Netherlands Authority for the Financial Markets (AFM) if the acquisition or disposal of the percentage of the outstanding capital interest or voting rights exceeds or falls below certain thresholds (3 %, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%).

OCI N.V. is aware, on the basis of the information in the registers of the Netherlands Authority for the Financial Markets (AFM), that the following shareholders possessed an interest of more than 3% on 31 December 2014:

Shareholder	Total Shareholding (Real)	Voting Rights	Date of report
Mr. Nassef Sawiris	61,836,983	61,643,399	17-Oct-14
Mr. Onsi Sawiris	36,045,159	36,045,159	31-Jul-13
Mr. Samih Sawiris	15,527,516	15,527,516	19-Feb-13
Southeastern Asset Management, Inc.	14,037,719	14,037,719	09-Jun-14
IGCF General Partner Limited	12,532,310	12,532,310	30-Jan-13
Mr. W.H. Gates III	12,725,704	12,725,704	31-Jul-13
Genesis Asset Managers, LLP	7,621,449	7,621,449	30-Aug-13
Davis Selected Advisers, LP	8,754,054	8,754,054	31-Jul-13
Total	**169,080,894**	**168,887,310**	

The above information is extracted from the AFM notifications and registers website as at 31 December 2014: http://www.afm.nl/en/professionals/registers/alle-huidige-registers.aspx?type={1331D46F-3FB6-4A36-B903-9584972675AF}

As at 31 December 2014, 45.02% of the total shares outstanding were free-float. For details on the number of outstanding shares, see note 17 of the Consolidated Financial Statements. For details on capital structure, listings, share performance and dividend policy see 'Shareholder Information'.

The Company confirms that it has no anti-takeover constructions, in the sense of constructions that are primarily intended to block future hostile public offers for it shares. Although the members of the Sawiris family have not entered into any formal shareholders agreement, they have historically coordinated their voting on the OCI N.V. shares and should therefore be regarded as parties acting in concert ("personen die in onderling overleg handelen") as defined in section 1:1 of the Dutch Financial Supervision Act. Their collective voting rights of 54.98% as at 31 December 2014 acts as an implicit anti-takeover element.

REPORT OF THE BOARD OF DIRECTORS

Composition and independence

The composition of the Board strives to arm the Company with leadership that is diverse in skills, experience, and background, thereby maximizing the Board's ability to independently and critically act without emphasis on particular interests. The Board maintains independence by ensuring the majority of Non-Executive Directors including the Chairman are independent Non-Executives. The Board's composition, independence, competencies, and qualifications are detailed in the Board Profile adopted on 13 May 2013 and available on the corporate website. In 2014 Robert Jan van de Kraats and Jérôme Guiraud were appointed by the General Meeting of Shareholders on 26 June 2014 as Non-Executive Directors. Arif Naqvi's term ended as per 15 February 2015 and his term was not renewed. The Board thanks Mr. Naqvi for his contribution to the Company.

In 2014 the Board has discussed and assessed its composition and concluded that amongst others more construction- and energy related expertise was required. The general conclusion was that the board is diverse in terms of nationality, experience and age. Finally, the Board seeks to further diversify its composition, particularly by nominating female Directors as well as US Directors. Though major efforts were made in 2014 to find female nominees who fit the profile this regrettably has not yet been successful. The search for female Directors is continued in 2015.

Assessment and evaluation of the Board

Every year, the Board evaluates its performance based on a questionnaire that is completed by the Directors. This evaluation was carried out in November 2014 and included separate self-evaluations of the Committees. Given the diverse profile, the evaluation shows that the diversity leads to a constructive and multi-facetted dialogue. The Board concluded that the composition, the processes and the scope of its activities and the personal contribution of each Member are satisfactory. The evaluation is performed every three years with the aid of an external consultant. This will be done in 2015 for the first time.

Board rotation schedule

The Board adopted its rotation schedule on 13 May 2013. Directors shall retire periodically in accordance with the Rotation Plan, outlined in the table below, in order to avoid, as far as possible, a situation in which many Directors retire at the same time. Each Non-Executive Director is in principle appointed for a maximum term of four years and can be reappointed for not more than two other terms. There is no maximum term for Executive Directors.

Name	Date of first appointment	Reappointment	Final retirement Max. 3x4 yrs
Nassef Sawiris	16 January 2013	2017 (4 yrs)	None
Salman Butt	25 January 2013	2017 (4 yrs)	None
Michael Bennett	25 January 2013	2016 (3 yrs)	2024
Jan Ter Wisch	25 January 2013	2016 (3 yrs)	2024
Sipko Schat	9 December 2013	2017 (4 yrs)	2025
Kees van der Graaf	9 December 2013	2017 (4 yrs)	2025
Jérôme Guiraud	26 June 2014	2018 (4 yrs)	2026
Robert Jan van de Kraats	26 June 2014	2018 (4 yrs)	2026

Induction

An Induction Programme for the Board was set up in 2014. It provides an excellent governance tool to introduce new Directors with the key people, the business and the internal governance and risk framework. Upon nomination, Non-Executive Directors receive a comprehensive Directors' Information Pack and are briefed on their responsibilities and the business with a tailored Induction Programme. The Chairman ensures that ongoing training is provided for Directors by way of presentations and updates. Training was provided to the Board on the Dutch regulatory requirements on Insider Trading. Throughout the year all members of the Board visit one of more of OCI N.V.'s businesses, operations and other parts of the Company to gain greater familiarity with senior Management and to develop deeper knowledge of local operations, opportunities and challenges. In May 2014 the Board visited the Iowa Fertilizer Company, currently under construction.

Board meetings

The Board met six times during 2014. In addition several conference calls were held. The issues on which the Board focused during the year comprised:

- Spin-off of the Engineering & Construction Group;
- Discuss the performance of the business;
- Private placement of EUR 151 million;
- Further implementation of the Company's structure and governance charters;
- Review Risks and Controls;
- Convening of AGM on 26 June 2014 and EGM on 12 November 2014;
- The gas supply situation in EBIC and EFC;
- Assess the Remuneration Policy in light of the upcoming spin-off of the Engineering & Construction Group;
- Further implementation on topics including internal audit, internal controls, risk and legal & compliance;
- Discussion of the audit approach and risk assessment for the year 2014 with the external auditor and approval the Charter of the Internal Audit function;
- Approval by the General Meeting of Shareholders of the Remuneration Policy;
- Appointment of Corporate Governance and Compliance Officer;
- In May 2014 the Board met in New York and Iowa to discuss strategy and make a site visit; and
- Approval of key financing, operational, investment activities and other business developments as described below:

Greenfield Developments and Expansions in the United States

The Company's expansions and greenfield projects currently include Iowa Fertilizer Company, debottlenecking at OCI Beaumont, and Natgasoline LLC. The Board closely monitored the development of the Company's United States growth strategy, including the progression of capital expenditures and construction milestones.

Sidra Medical Centre Project in Qatar - Notice of Termination

In July 2014, a consortium consisting of Obrascón Huarte Lain (OHL) and OCI N.V. subsidiary Contrack received a Notice of Termination from the Qatar Foundation for Education, Science & Community Development for the contract for the design and build of the Sidra Medical and Research Centre in Doha, Qatar. The contract was awarded to the JV between OHL (55%) and Contrack (45%) in February 2008, for a total budget of approximately $ 2.4 billion. The project is more than 95% complete and represents a negligible amount in the Engineering & Construction Group's backlog. The consortium believes that the reasons given by the client lack any legitimate grounds and the matter has been referred to the court of arbitration in the United Kingdom. This will not be part of the Company's business going forward.

Approval of $ 550 million OCI N.V. Revolving Credit Facility

On 30 July 2014, the Company signed a $ 550 million Revolving Credit Facility with a maturity of 36 months from signing. The loan is earmarked towards general corporate purposes including retirement of some debt with short-term maturities and partial financing of capital expenditure for Natgasoline LLC. The lending syndication comprises of Bank of America Merrill Lynch, Barclays, Rabobank, Credit Agricole, HSBC, and ING.

Spin-off of Engineering & Construction Group

In August 2014, the intention was announced to spin-off the engineering and construction activities to form Orascom Construction Limited.

After careful consideration and advice by Rothschild, the Board approved the spin-off on 10 December 2014 and its implementation on 6 February 2015. The spun-off entity, Orascom Construction Limited, holds all of the Construction Group's assets and subsidiaries, including BESIX. The Board and management believe that this spin-off will effectively position each business to pursue its independent development strategy, enhance investor understanding and transparency of each business as each business offers a distinct value proposition to investors, and best serve our Shareholders as it will unlock value that is currently being lost in a conglomerate discount. The separation will allow each business to outperform separately and is in the best interests of Shareholders, partners, and employees.

Decision of Tax Dispute between OCI S.A.E. and the Egyptian Tax Authority

In November 2014, the Egyptian Tax Authority's (ETA) Independent Appeals Committee, the responsible body overseeing the tax dispute between the Company's subsidiary, Orascom Construction Industries S.A.E. (OCI S.A.E.), and the ETA, ruled in favor of the Company.

The tax dispute was related to the sale of its cement assets to Lafarge SA in 2007.

As a result of the positive ruling, the balance of the tax liability is released through the 2014 income statement. The Board also unanimously approved the transfer of the rights to amounts paid to the ETA in April 2013 to the Tahya Misr ("Long Live Egypt") Fund. No formal agreement with the Tahya Misr social fund has been drafted yet.

In January 2015 the ETA appealed the ruling of the Independent Appeals Committee. The appeal did not include new facts or documents but was rather filed as a legal formality by the ETA, which is customary for Egyptian government entities. The proceedings usually take between two to three years before the court issues its judgment. The Company believes the likelihood of a judgment issued in favour of the ETA is weak. Please refer to note 12 of the financial statements for further information.

REPORT OF THE BOARD OF DIRECTORS CONTINUED

Coal-Fired Power Plant with IPIC

In November 2014, the Engineering & Construction Group and the International Petroleum Investment Company (IPIC), signed a Memorandum of Understanding with the Egyptian government formalizing the parties' cooperation in the development, construction and operation of a 2,000 – 3,000 Megawatt (MW) coal-fired power plant in Egypt. The plant will utilize advanced clean-coal technology that complies with EU standards for emission control. The MoU gives the Orascom Construction - IPIC consortium exclusivity on a site location in the vicinity of El Hamarawein port on the Red Sea coast for a period of 18 months and allows the consortium to conduct and finalize all relevant project studies, an important step in executing the project. This will not be part of the Company's business going forward.

Attendance

The following table shows the attendance of Directors at Board meetings for the year 2014. If Directors are unable to attend they have the opportunity to discuss any agenda items with the Chairman.

Board Attendance	Date of appointment during the year	Number of meetings held	Number of meetings attended
Michael Bennett	25 January 2013	6	6
Nassef Sawiris	16 January 2013	6	6
Salman Butt	16 January 2013	6	6
Jan Ter Wisch	25 January 2013	6	6
Kees van der Graaf	9 December 2013	6	6
Sipko Schat	9 December 2013	6	6
Jérôme Guiraud	26 June 2014	3	3
Robert Jan van de Kraats*	26 June 2014	3	2

* Mr Van de Kraats attended two meetings before his appointment.

Board Committees

At the end of 2013, three committees were installed: the Audit Committee, the Nomination and Governance Committee and the Remuneration Committee. The Health, Safety and Environment Committee was established in 2014. Terms of Reference were drafted, approved and implemented for all Committees and the Committee meetings were conducted in line with those Terms of Reference. All committees are made up of Non-Executive members who meet the independence and experience requirements to the extent required under applicable securities laws, stock exchange regulations and By-Laws, The Committees reported on a regular basis to the Board. The duties of each committee are described in their respective charters, which can be found on the corporate website. The full reports of each committee are set out below.

Annual General Meeting & Extraordinary General Meeting of Shareholders

On 26 June 2014 the Annual General Meeting was held, which amongst other comprised the following resolutions:

- Appointment of Robert Jan van de Kraats as an Independent Non-Executive member of the Board;
- Appointment of Jérôme Guiraud as Non-Executive member of the Board;
- Approval of the Remuneration Policy; and
- Cancelation of 45,000 ordinary shares.

All resolutions were adopted and the minutes of the Annual General Meeting are published on the corporate website.

On 12 November 2014, an Extraordinary General Meeting was held which comprised the following resolutions in regard of the spin-off of the Engineering & Construction Group:

- Increase of the issued share capital by $ 1.4 billion; and
- Decrease of the issued share capital by $ 1.4 billion.

All resolutions were adopted and the draft minutes of the Extraordinary General Meeting are published on the corporate website.

Compliance with the Dutch Corporate Governance Code

The Board subscribes the Dutch Code's principles and best practice provisions. In accordance with the Corporate Governance Code's 'apply or explain' principle, OCI N.V. has outlined below departures from the Dutch Code to ensure full transparency.

- Provision IV.3.1: The General Meetings of Shareholders are not webcasted for cost efficiency reasons.
- Provision II.3.2: The CEO is Non-Executive Chairman of the Board of Directors of Orascom Construction Limited. He is appointed to the Orascom Construction Limited Board as he has significant understanding and experience in managing the Engineering & Construction Group. In order to give Orascom Construction Limited a strong start as an independent company it was required that the CEO take the Chairman position. Reference is made to the paragraph on Conflicts of Interests on page 65. The CEO is a Non-Executive Director of BESIX, a subsidiary of Orascom Construction as well as a Non-Executive Board member of Lafarge S.A.

The Board confirms that throughout the year, the Company has complied with the Dutch Code, and any departures from the Dutch Code are explained in accordance with the Dutch Code's "comply or explain" principle. Any substantial changes to the Corporate Governance structure undertaken by the Board will be presented to the General Meeting of Shareholders

Remuneration

The annual remuneration for Non-Executive Board Members was determined by the General Meeting of Shareholders on 26 June, 2014. More information can be found on page 76.

The Audit Committee Report

The Audit Committee consists of five (Non-Executive) members who are mandated with monitoring and supervising activities related to the Company's financial, internal audit, compliance and tax performance.

Six Audit Committee meetings and one conference call were held in 2014. On 22 April 2014 the 2013 full year financial results and statements were discussed. As these were the first financial statements issued for the Company, the Audit Committee extensively discussed and reviewed significant accounting topics for 2013.

In accordance with its Charter, the Audit Committee reviewed the annual report including the financial statements 2014 and non-financial information, the annual report including non-financial information prior to its publication. The Audit Committee also reviewed and advised on:

- The functioning of the Company's internal control processes and recommended improvements for the internal audit function and the progress of the 2014 internal audit plan and the 2015 internal audit plan;
- Financing Strategy;
- Trading updates;
- Litigation and major legal cases such as Sidra and the GPP cases;
- Financial aspects of the spin-off of the Engineering & Construction Group;
- Risk Management;
- The Corporate governance framework in place;
- The Compliance function and Compliance programme to be implemented in 2015;
- Discussed Related Party Transactions;
- Tax review and Policy; and
- Accounting systems were discussed and advise was provided on the new accounting system that was developed and introduced in 2015

Financial Reporting and External Auditor

The Company's external auditor is KPMG Accountants N.V. The external auditor attended all Audit Committee meetings in 2014 and 2015, before sign-off on the financial statements in full. The Board prepared and approved an Independence policy for the external auditor on 6 March 2015 which will be applied in 2015. The Chairman met with the internal and external auditor in advance of every Audit Committee meeting in order to secure all relevant issues to be addressed with sufficient time allocation.

The Nomination and Governance Committee Report

The Nomination and Governance Committee consists of four (Non-Executive) members. Three meetings and one conference call were held in 2014. The Nomination and Governance Committee:

- Discussed and approved the selection and appointment criteria and approved a procedure in this regard;
- Assessed the size and composition of the Board;
- Searched for a female board member;
- Assessed the individual functioning of Directors;
- Discussed succession and emergency planning;
- Discussed ancillary positions held by Directors, the acceptance thereof and approved a policy in this regard;
- Evaluated the status of the corporate governance framework and compliance with the Dutch Corporate Governance Code.

The Remuneration Committee Report

The Remuneration Committee consists of three Independent (Non-Executive) members. Four meetings and three conference calls were held this year. The Remuneration Committee:

- Prepared the remuneration policy for approval by the General Meeting of Shareholders on 26 June 2014;
- Discussed and decided on the short term and long term incentives;
- Started preparations on an adjusted remuneration policy post spin-off of the Engineering and Construction group.

More information on the remuneration policy and the 2014 remuneration of the Board can be found in the Remuneration Report on page 72.

The Health, Safety and Environment Committee Report

The Health, Safety and Environment (HSE) Committee consists of three (Non-Executive) members. Three meetings were held in 2014. The HSE Committee:

- Set HSE targets for 2014;
- Discussed a reporting system on incidents to the HSE Committee;
- Defined HSE Key Performance Indicators (KPI) for both the Fertilizers & Chemicals Group and the Engineering & Construction Group;
- Established a KPI reporting format to the HSE Committee;
- Discussed a HSE remuneration/bonus system for employees.

More information on HSE can be found in the HSE section in this report on pages 52-53.

Conflicts of interest

The Board members are bound by the Company's Code of Business Principles and Conduct, and Code of Ethics. Potential or actual conflicts of interest are governed by the Company's Articles of Association and By-Laws. A Director shall immediately report any conflict of interest or potential conflict of interest that is of material significance and may not take part in any discussion or decision-making that involves a subject or transaction in relation to which he has a conflict of interest with the Company. In 2014 no such situation occurred. Due to the spin-off of the Engineering & Construction Group a conflict of interest may occur in 2015 since the CEO and the CFO have been elected as Non-Executive directors on the Board of Orascom Construction Limited following the spin-off due to their experience, while retaining their Executive and Board positions at OCI N.V. It has been decided that, in case a conflict of interest arises between the Company and Orascom Construction, the CEO will not participate in the discussions and decision-making that involves a transaction with Orascom Construction within the Company. In addition, the CFO will not participate in the decision-making process in Orascom Construction in respect of such transaction.

Indemnifications

The Company grants an indemnity to all of its Directors to the extent permitted by law. These indemnity amounts are uncapped in relation to losses and liabilities which Directors may incur to third parties in the course of acting as a Director of the Company, or in any office where such duties are performed at the request of the Board, or as a result of their appointment as Directors.

RISK MANAGEMENT AND COMPLIANCE

Introduction

Our businesses inherently involve risks. Our management is cognizant of these risks and takes a measured mitigation approach to maximize our ability to successfully pursue sustained growth. Our Board and management foster a transparent company-wide approach to risk management and internal controls as outlined in our corporate governance section, which allows our businesses to operate effectively. We are working diligently to further enhance our Risk Management within the Company; as part of this process Non-Financial Letters of Representation have been issued by key operating units.

Our risk appetite is flexible to account for our diversified market presence and product portfolio, and is tailored to four main categories:

- Strategic: As a leading player in our markets, we are able to take certain calculated strategic risks that create opportunities to maximize our ability to deliver outstanding value to our shareholders. Our ability to adapt our risk management to meet the requirements of our global positioning and diversified exposure to emerging and developed markets is key to maintaining our success.
- Operational: We aim to minimize operational risks while maximizing our ability to capitalize on our leadership positions in our markets. We strive to maximize operational efficiency while fostering a safe and entrepreneurial environment for our employees.
- Financial: We implement a prudent financial and reporting strategy to maintain a strong financial position. Our key financial policies are described in the notes to the financial statements.
- Compliance: All employees are bound by our Code of Business Principles & Conduct and Code of Ethics, which we are in the process of embedding throughout the Company. It is in the values of the Company and its employees to act with honesty, integrity and fairness to foster a business climate that maintains such standards. We strive to comply with applicable laws and regulations everywhere we do business.

Key Risk Factors

Our key risks as perceived by management are outlined below, accompanied by an overview of how these risks are mitigated and the opportunities that can arise from these actions. The sequence in which these risks are presented in no way reflects any order of importance, chance or materiality. If any of the following risks actually occurs, the Company's business, prospects, financial condition or results of operations may be materially affected.

Although management believes that the risks and uncertainties described below are the most material risks, they are not the only ones OCI N.V. may face. All of these factors are contingencies which may or may not occur. Additional risks and uncertainties not presently known to management or are currently deemed immaterial may also have a material adverse effect on the Company, results of operations or financial condition.

Risk	Mitigating Actions
Strategic	
Economic and political conditions in the markets in which we operate	
OCI N.V. does business in both developed and emerging markets, which means that we are exposed to some countries where there is a risk of adverse sovereign action. Accordingly, developments in any of the countries in which we operate can create an uncertain environment for investment and business activity and may adversely impact our business.	We mitigate the impact of any single market by diversifying our presence with operating facilities in both emerging and developed markets. We actively monitor economic, political and legal developments and strive to be a 'local' player in each of our markets.
Inability to realize all of the anticipated benefits of the demerger of the Construction Group	
There can be no assurance that the Company will realise some or all of the potential benefits that we expect from the demerger in the time we expect. In addition, we will require a period of transition to implement our strategy and streamline our operations without the construction business.	We anticipated the impact a demerger would have on the operation and management of both the engineering & construction and fertilizer & chemicals businesses and took several steps to ensure that each business operated as an independent group. This has facilitated our ability to demerge the construction group and we expect a short transition period that is covered by a Shared Service Agreement. For more information please refer to note 2.2.4 of the financial statements and to the Demerger section on page 38.
Tax Verdict Appeal	
In November 2014, the Egyptian Tax Authority's (ETA) Independent Appeals Committee, the responsible body overseeing the tax dispute between OCI N.V.'s subsidiary, Orascom Construction Industries S.A.E. (OCI S.A.E.), and the ETA, ruled in favor of the Company. The tax dispute related to the sale of OCI S.A.E.'s cement assets to Lafarge SA in 2007. Although the management and advisors of OCI S.A.E. believed that the aforementioned transaction was exempted of tax, management entered into a settlement to resolve the tax dispute whereby approximately $ 1 billion would be paid over a five-year period. The agreement was followed by payment of a first installment amounting to approximately $ 360 million in 2013. Following the change in government, the Egyptian Public Prosecutor thoroughly investigated the entire tax file over a six months period and fully exonerated OCI S.A.E. of any tax evasion in a final written opinion published on 18 February 2014. Subsequently, OCI S.A.E. relaunched its legal right to appeal the tax settlement and the case was referred to the Independent Appeals Committee. On 4 November 2014, the Independent Appeals Committee ruled in favor of the Company. As a result of the positive ruling, the balance of the tax liability is released through the 2014 income statement. The Board also unanimously approved the transfer of the rights to amounts paid to the ETA in April 2013 to the Tahya Misr ("Long Live Egypt") Fund. No formal agreement with the Tahya Misr social fund has been drafted yet. On 11 December 2014, OCI S.A.E. received a notification that the ETA lodged an appeal before the first instance court. On 6 January 2015, the court decided to postpone the first hearing to 27 March 2015 and again to 25 May 2015.	As this dispute does not relate to either business exclusively, any liabilities and any recoveries are shared under the Tax Claim Agreement on a 50% basis between OCI N.V. and Orascom Construction Limited (excluding the EGP 2.5 billion to be paid to Tahya Misr social fund in Egypt). The appeal did not include new facts or documents but was rather filed as a legal formality by the ETA which is customary for Egyptian government entities. The proceedings usually take between two to three years before the court issues its judgment. The Company believes the likelihood of a judgment issued in favour of the ETA is weak. Although, it is very rare to see judgments issued by Appeals Committees overturned by courts there can be no assurance that the appeal will not be accepted by the first instance court, and an adverse decision could impact the Company's financial performance. Please also refer to note 12 of the financial statements.

RISK MANAGEMENT CONTINUED

Risk	Mitigating Actions
Strategic	
Risk of adverse sovereign action	
We do business in locations where we are exposed to a greater than average risk of adverse sovereign action, including overt or effective expropriation or nationalisation of property, the renegotiation of contract terms, the implementation of export controls on commodities regarded by them as strategic, the placement on foreign ownership restrictions, or changes in tax structures or free zone designations.	We work closely with the governments in the countries in which we do business to maintain positive working relationships. Although there is no guarantee that the government of a location in which we operate will not adopt adverse policies going forward, we have worked to minimize this risk through water-tight contracts for our assets and government agreements. Our legal team also works diligently to monitor and review our practices and any changes in laws or regulations in the countries in which we operate to provide reasonable assurances that we remain in line with all relevant laws. Management has also drafted contingency plans for various unforeseen events and adverse scenarios.
Global economic conditions	
Economic changes may result in business interruption, inflation, deflation or decreased demand for our products. Our success will depend in part on our ability to manage continued global economic uncertainty, especially in our markets.	We aim to maintain a strong financial position that would cushion any global economic or cyclical downturns. As a fertilizer producer, our long-term natural gas supply contracts and natural gas hedge in the United States provide us with competitive feedstock prices, allowing us to withstand a decline in global economic conditions.
Ability to execute large greenfield projects on time	
OCI N.V. is developing two large-scale greenfield production facilities in the United States: Iowa Fertilizer Company (IFCo) and Natgasoline LLC. Our ability to achieve our growth targets is in part dependent on our ability to complete these projects on time and in line with our expected cost of construction and development.	Both greenfield projects are being executed by Orascom Construction Limited under an arm's length agreement. Orascom Construction has more than 15 years of fertilizer plant construction experience and more than 20 years' experience in the construction of large-scale, complex industrial projects. In addition, the existing supportive regulatory and physical infrastructure in the United States is conducive to new investments, as demonstrated by the early assistance received for both projects on the state and federal levels.

Risk	Mitigating Actions
Operational	
Cost of Production	
Our cost of production is primarily dependent on the availability and cost of natural gas, the primary feedstock in manufacturing our products. Our production facilities can be adversely impacted by supply interruptions, as seen in Egypt, where our plants have experienced volatility since 2012 due to the government prioritizing the supply of natural gas to the electricity sector to reduce power blackouts in the country. Our costs are also subject to fluctuations in the cost of labour, other raw materials, and foreign exchange rates. We must implement, achieve and sustain cost improvement plans, including our outsourcing projects and those related to general overhead and workforce rationalization.	Our success is dependent, in part, on our continued ability to manage cost fluctuations through pricing actions and cost savings. We have hedged our global exposure to natural gas price fluctuations through a mix of long-term contracts in Egypt, the United States and Algeria, and spot prices in the United States and The Netherlands. With regard to supply issues in Egypt, the Egyptian government has taken several steps to address the country's gas supply issues. We expect these efforts to improve supply of natural gas in 2015.
Business continuity and competition risk	
We rely on continued demand for and distribution of our products at favourable prices. Our continued success is dependent on the quality and pricing of our products, and on our continued positive reputation. This means we must be able to obtain and manage our resources at competitive cost. Our success is also dependent on effective marketing programs in the competitive environments in which we operate.	To address these challenges, we have policies in place to respond to competitive factors and maintain mutually beneficial relationships with our key customers, in order to effectively compete and achieve our business plans. Since our goals include a growth component tied to acquisitions, we manage and integrate key acquisitions, including achieving the cost and growth synergies in accordance with stated goals.
Commodity pricing and over-supply risk	
A change in market dynamics in our fertilizer and industrial chemicals production portfolio, such as over-supply, may result in lower product prices, which would adversely impact our margins.	We have a diversified production portfolio comprising fertilizers, downstream products, and industrial chemicals, which mitigates the risk of potential downturns in any natural gas linked sector. We are also geographically diversified in emerging and developed markets to reduce market-related risks.
Risks associated with our joint ventures	
We participate in joint ventures and other partnerships including Sorfert Algérie and Egypt Basic Industries Corporation. Our investments in joint ventures involve risks that are different from the risks involved in owning facilities and operations independently.	The Shareholders Agreements for our joint ventures include clauses that protect OCI N.V.'s economic and operating interests as applicable. We maintain close working relationships with our partners and monitor the operating and financial results of the joint ventures in which we hold minority stakes or do not have management control. In our larger joint ventures, such as EBIC and Sorfert, we retain management control and seats on each joint venture's Board of Directors. In addition, we have a policy of constantly reviewing all businesses to determine whether they continue to be core businesses worth retaining on a long term basis. This is particularly applicable to businesses in which we do not have control. If a business becomes non-core or has reached a certain level of maturity, we actively pursue monetizing the business through divestment.
Human Capital	
Our ability to employ, develop, and retain talented employees is essential to maintain our high quality operations and management.	We have been able to attract, motivate and retain knowledgeable and experienced employees due to our reputation and market position, our in-house training programs, our Employee Incentive Plans (as described in note 23 of the financial statements), as well as our strategic partnerships with industry leaders, which offer employees exposure to high profile projects and advanced technologies.

RISK MANAGEMENT CONTINUED

Risk	Mitigating Actions
Financial	
Ability to raise debt or meet financing requirements	
Our ability to complete strategic acquisitions and greenfields or refinancing existing debt is contingent on our access to new funding. Although we strive to ensure that adequate levels of working capital and liquidity are maintained, unfavorable financial market conditions may adversely affect our financing costs, hinder our ability to achieve additional financing, hinder our ability to refinancing existing debt, and/or postpone new projects. This could therefore have an adverse effect on business prospects, earnings and/or our financial position.	We maintain a strong financial position and strive to maintain our creditworthiness with our creditors. Our treasury department closely monitors our cash position and credit lines to ensure our financial flexibility. We have also diversified our funding sources to avoid dependence on a single market, and have staggered our debt maturity profile to reduce repayment burdens.
Currency fluctuations	
A substantial portion of the company's consolidated revenue, operating expenses and long-term debt is denominated in foreign currencies Significant changes in the exchanges rates of operational currencies, which include the US Dollar, the Euro, the Egyptian Pound, and the Algerian Dinar, can have a material effect on the reported and actual financial performance of the company.	We hedge our foreign exchange cash flow risk on a consolidated basis by matching our foreign currency-denominated liabilities with continuing sources of foreign currencies through a centralized treasury.
Compliance	
Regulatory conditions in the markets in which we operate	
Changes in laws, regulations and the related interpretations may alter the environment in which we do business. This includes changes in environmental, competition and product-related laws, as well as changes in accounting standards and taxation requirements. In addition, this includes regions where corrupt behaviour exists that could impair our ability to do business in the future or result in significant fines or penalties. Our ability to manage regulatory, tax and legal matters and to resolve pending matters within current estimates may impact our results.	We closely monitor the legal developments in each of our markets. Our Code of Business Principles and Conduct, and Code of Ethics set out our commitment to comply with the laws and regulations of the countries in which we operate. It is in the values of the Company and its employees to act with honesty, integrity and fairness to foster a business climate that maintains such standards. We strive to comply with applicable laws and regulations everywhere we do business.
Health, Safety and Environment	
Ability to maintain our health, safety and environment (HSE) standards	
HSE is a vital aspect at OCI N.V. We have a deep commitment to maintaining our strong HSE track record. Despite the nature of our businesses, we aim to prevent every accident through stringent HSE rules, standards and training programs.	We implement strict HSE training and operating discipline at every plant in order to minimize HSE risks, and closely monitor our plants through regular audits. Our safety and emissions records meet or exceed international standards, underscoring our commitment to providing our employees with a safe, secure and environmentally conscious workplace. In addition, the Board of Directors established an HSE Committee during the year and has worked diligently on OCI N.V.'s HSE monitoring and reporting processes.

Risk management approach

Our risk management framework is being developed to align with the Dutch Corporate Governance Code. Our risk management framework is devised to provide reasonable assurances that the risks we face are properly evaluated and mitigated, and that management is provided with information necessary to make informed decisions in a timely manner.

The key elements of our internal risk management, compliance and control systems in 2014 were:

Code of Conduct

OCI N.V. is committed to conducting all business activities responsibly, efficiently, transparently, and with integrity and respect towards all stakeholders. Our values underpin everything we do and form the essence of the Company's Code of Business Principles & Conduct, which should be read in conjunction with our Code of Ethics (together forming the Code of Conduct). The Code of Conduct contains the policies and principles that govern how each director, executive officer and employee of OCI N.V. is expected to conduct his or her self while carrying out his or her duties and responsibilities on behalf of the Company.

Whistleblower Policy

The Whistleblower Policy applies to all employees, officers and directors of OCI N.V. internal reporting of suspected criminal or unethical conduct by or within the Company is vital for maintaining our success. If received, all reports are treated with the utmost confidentiality and are promptly investigated without the risk of recourse for the reporting employee so long as their report is made in good faith.

Insider Trading Policy

The Insider Trading Policy applies to all employees, officers and directors of OCI N.V. and prohibits every employee from using insider information to a transaction in OCI N.V. securities, or executing a transaction in OCI N.V. securities if that transaction may reasonably appear to have been executed while the employee was in possession or had access to inside information.

Internal Financial Reporting & Audits

Subsidiaries are required to provide management with weekly activity reports, with a detailed monthly review of performance, financials and operating issues held for each subsidiary and led by the Chief Executive Officer, Chief Financial Officer, and the Chief Operating Officer.

A detailed budget for each subsidiary is prepared and presented to management in the fourth quarter of each preceding year, and includes a one year forecast. The subsidiary budgets are updated monthly to account for actuals, and the forecasts are updated at a mid-year review. These budgets and forecasts are consolidated into an OCI N.V. budget and forecast, which is used by management as a tool to evaluate the Company's investment strategy, performance indicators, and operations.

Periodic Internal Audits are conducted to review any specific issues at the subsidiary level, and management is consulted on performance developments and variations.

The Board of Directors is given a full financial, operational, and strategic update by the Executive directors at each Board meeting.

The Group Controller provides guidance on internal and financial controls that must exist for each process and monitors the implementation of these controls in collaboration with the internal audit and controls department.

Strategic and Operational Risk Management

Each subsidiary reports on the top risks it faces at its monthly review either in writing or verbally, including the nature of the risk, the likelihood of it materialising, and the financial and operational impact it may have on the subsidiary. Management monitors these risks and provides guidance where necessary.

Operationally, health, safety, environmental, and quality systems are in place at each subsidiary. All our subsidiaries have been awarded relevant certifications, including ISO and REACH, among others. In addition, insurance policies have been taken out for operating entities to provide full coverage.

REMUNERATION REPORT

This report gives an overview of the remuneration of the Board and explains how the remuneration policy was applied in 2014.

Introduction

The Remuneration Committee ("the Committee") oversees the remuneration policy, plans and practices of OCI N.V. and recommends changes when appropriate. The Committee is comprised solely of Non-Executive Directors from the Company's Board of Directors.

In 2014, the Committee, with assistance from Mercer, prepared a new Remuneration Policy for the Executive and Non-Executive Directors which was presented to Shareholders for approval in the Annual Meeting of Shareholders on 26 June 2014. The approved Remuneration Policy was introduced with effect from financial year 2014. Shareholders' approval was also received for the long-term incentive plan of the Executive Directors and for the extension of the long-term incentive plan of the employees.

The 2014 Remuneration Report is comprised of two sections:

1. Detail on the current Executive and Non-Executive Board remuneration policy
2. Details of actual remuneration paid to the Executive and Non-Executive Directors in 2014

A new Policy will be presented to the 2015 Annual General Meeting of shareholders. The changes to the Policy are in response to the demerger of our Engineering & Construction group in early 2015. The new Policy does not involve substantive changes to compensation levels or incentive plan opportunities.

Part 1: Current Remuneration Policy

Remuneration policy: objective and scope

The objective of OCI N.V.'s remuneration policy is to attract, motivate and retain the qualified individuals that it needs in order to achieve its strategic and operational objectives. The policy is designed in the context of international competitive market trends, the relevant provisions of statutory requirements, corporate governance best practices, the societal context around remuneration and the interests of OCI N.V.'s shareholders and other stakeholders. The policy is simple and transparent, promotes the interests of the Company in the medium and long term, and encourages a "pay for performance" culture.

Term of Employment and severance arrangements

The Executive Directors referred to in this Remuneration Report are the Chief Executive Officer (CEO) and Chief Financial Officer (CFO). The details of their appointment terms are provided below:

Name	Title	Date of appointment	Notice period
Nassef Sawiris	Chief Executive Officer (CEO)	16 January 2013	3 months
Salman Butt	Chief Financial Officer (CFO)	25 January 2013	3 months

If the Company terminates a service agreement with an Executive Director other than due to an urgent cause or serious culpability, the Executive Director is entitled to a severance payment of an amount equal to 100% of base salary.

Peer groups

The Remuneration Committee consults multiple points of data when setting the remuneration policy, as well as the structure and quantum of remuneration. To ensure the competitiveness of OCI N.V.'s remuneration levels, benchmark remuneration data from a peer group of international companies similar in size and scope to OCI N.V. is used for decision making. In addition, the Committee also refers to remuneration levels at Dutch listed companies of a similar size to OCI N.V.

International labour market peer group

- Agrium
- Akzo Nobel
- CF Industries
- Chicago Bridge & Iron (CB&I)
- DSM
- Fluor
- Leighton Holdings
- Petrofac

The peer group used for the assessment of Total Shareholder Return (described in the LTI section below) is different to the one detailed above as it is used for a different purpose. The Total Shareholder Return peer group is intended to reflect the market in which OCI N.V. competes for investment rather than for executive talent.

The Committee has reviewed the appropriateness of both peer groups following the spin-off of the Engineering & Construction Group and will propose revisions for approval as part of a new Policy at the Annual General Meeting of Shareholders in 2015.

Elements of remuneration

The remuneration policy consists of five main elements:

- Base salaries: fixed cash compensation set in line with individual performance and contribution to Company goals with reference to external market data;
- Short-term incentives (annual bonus): performance-based annual bonus to encourage and reward the achievement of annual financial performance measures and other specified corporate objectives;
- Matching rights over OCI N.V. shares where Executive Directors elect to defer part of their bonus into OCI N.V. shares for at least three years;
- Long-term incentives: share-based compensation focusing on enterprise value creation and retention; and
- Other benefits: simple benefit plans focusing on key needs.

Base salaries

The current base salaries reflect the size and international scope of the Executive Director roles and the calibre and experience of the individuals. The base salaries include a fixed cash allowance (amounting to 25% of the total base salary) which is designed to compensate the Executive Directors for their personal provision of key benefits such as pension, car, and life and disability insurance.

Short term incentives

The annual bonus is a key element of a "pay for performance" culture and is linked to pre-determined, measurable targets set and assessed by the Committee. Short-term incentives provide context for Management decisions, ensure focus on primary corporate financial, operational or strategic goals, and reward decisions that drive short-term results and support long-term strategy. For the CEO, the STI is capped at maximum of 150% of base salary. On-target performance will result in a pay-out of 75% of base salary and threshold performance 30% of salary. For the CFO, the STI is capped at 120% of base salary, on-target performance will result in a pay-out of 60% of base salary and threshold performance 24% of salary.

At the beginning of each year, the Remuneration Committee establishes the performance measures and targets based on OCI N.V.'s business priorities for the year. Specific targets will not be disclosed as they are commercially sensitive. At the end of the year the Committee will review performance against the targets and approve STI awards based on the performance achieved. The strategic measures will be determined and assessed by the Committee based on key priorities for the year.

Payment of the STI to the CEO and CFO will be at least 50% in cash (net of taxes) with the option to invest 50% (net of taxes) in the shares of the Company for a period of three years. Any deferral of STI into shares will result in the award of matching share rights on a 1:1 basis to incentivise Executive Directors to increase their long-term interest in the Company. Matching rights will be based on the pre-tax value of the amount elected for deferral such that the matching shares are, after tax, equivalent to the number of deferred shares. Aligned to international best practice, the matching rights will be adjusted to reflect any dividends paid during the vesting period. Vesting of the matching rights at the end of the holding period will normally be conditional upon the incumbent still being employed by OCI N.V. After vesting, shares arising from the matching rights (net of tax) will be held for a further two years in line with the Dutch Corporate Governance Code.

Other executives and senior managers will also be invited to participate in a similar deferred bonus and matching plan.

Payments under the STI may be reduced by up to one quarter in the event that health, safety and environment ("HSE") performance is judged unsatisfactory by the Remuneration Committee, taking account of feedback from the HSE Committee.

Long term incentives

The Performance Share Plan aims to:

- Incentivise the creation of shareholder value in excess of that achieved by comparator organisations.
- Align the interests of executives with those of shareholders.
- Comply with the Dutch Corporate Governance Code Best Practice.
- Increase retention of key executive.

Executive Directors will be granted performance share awards which will vest after three years only if pre-specified performance targets are met. Vested shares for Executive Directors (net of tax) will then be held for a further 2 years after vesting in line with the requirements of the Dutch Corporate Governance Code.

The number of performance shares will be calculated based on the face value method which calculates the number of shares granted based on the share price at date of grant and a fixed percentage of base salary. The maximum award size for all Executive Directors is 100% of total salary.

Performance targets will be based on relative Total Shareholder Return (TSR) and the following peer group of international construction and fertilizer/chemicals/gases was approved as part of the Remuneration Policy.

Share awards under the plan will be made annually.

TSR peer group

- Agrium
- Air Products
- Akzo Nobel
- Balfour Beatty
- Boskalis Westminster
- Celenese
- CF Industries
- Chicago Bridge & Iron
- Colas
- Koninklijke DSM
- Fluor
- Lanxess
- Leighton Holdings
- Methanex
- Petrofac
- Solvay
- Westlake Chemicals
- Yara International

REMUNERATION REPORT CONTINUED

The design of the plan ensures that no pay-out will be made for below-threshold performance. Threshold vesting will begin with performance at the 40th percentile of the peer group. At threshold performance (40th percentile) 25% of the award will vest, for target performance (67th percentile) performance 100% of the award will vest and at maximum performance (90th percentile) vesting will be equivalent to 150% of the original award. Straight line vesting will occur between these points.

TSR calculations will be externally verified. Appropriate adjustments will be made to deal with mergers and acquisitions, demergers, rights issues and other material changes.

As a result of the demerger of the Engineering & Construction group, the above peer group was reviewed by the Committee with the assistance of Mercer. As a result, a new TSR peer group has been agreed which is focused on fertilizer and chemicals companies.

Given that the demerger was agreed by the Board less than one year into the three year TSR performance period, the new TSR peer group will be applied for the full three year period.

The new peer group is as follows.

Revised TSR peer group

- Agrium
- Air Products (2014 cycle only)
- Akzo Nobel
- Celenese
- CF Industries
- Intrepid Potash
- Koninklijke DSM
- Lanxess
- Methanex
- Mosaic
- Potash Corp
- Solvay
- Westlake Chemicals
- Yara International

Other benefits

As mentioned, the base salaries provided to the Executive Directors include a fixed cash allowance, which is 25% of the total, in lieu of pension, car and other key benefits. No material pension benefits in excess of statutory requirements are offered and the Executive Directors are not eligible for a car benefit. The Committee believes that this is a transparent approach.

The Executive Directors receive medical insurance, use of a mobile phone, and reimbursement of business expenses. They also benefit from directors' and officers' liability insurance coverage. In addition, the CEO is able to expense the use of a private aircraft for business travel.

Loans and guarantees

No personal loans or guarantees, including mortgage loans, are offered to members of the Board.

Claw back

A "claw-back" clause is included in the service agreements of the Executive Directors, applicable in the situation that the financial or other information on which the pay-out of variable remuneration was based is determined to be incorrect. This will be applied if needed with the discretion of the Remuneration Committee.

Non-Executive Directors

The remuneration of the Non-Executive Directors consists of fixed fee payments for Board membership and for service on the committees. The fees are not linked to the financial results of the Company. Non-Executive Directors do not receive any performance or equity-related compensation and do not accrue any pension rights with the Company. Non-Executive Directors benefit from directors' and officers' liability insurance coverage, and are not entitled to any benefits upon the termination of their appointment.

Part 2: Actual Remuneration

Executive Directors

The details of the individual remuneration of the Executive and Non-Executive Directors and its costs to the Company are presented in the table below:

Remu-nera-tion	Name	Currency	Base salary	Short term incentive pay[1]	Share-based compen sation	Benefits	Pension
2014	Nassef Sawiris	$	2,000,000	1,000,000	1,320,482	0	0
	Salman Butt	$	1,680,000	840,000	83,545	0	0
2013	Nassef Sawiris	$	2,000,000	1,000,000	1,498,872	0	0
	Salman Butt	$	1,689,180	800,000	0	0	0

1 For 2014 remuneration the short term incentive pay relates to performance in 2014 which was paid in early 2015. For 2013 remuneration the short term variable pay relates to performance in 2013 and was paid in 2014. Both CEO and CFO have chosen to invest 50% of the 2014 bonus in OCI N.V. shares (investment shares).

Base salary

The base salary of the Chief Executive Officer was $ 2,000,000 which remained unchanged from 2013. The base salary of the Chief Financial Officer was $ 1,680,000 and remained unchanged from 2013. For the avoidance of doubt, the Executive Directors do not receive housing allowances or other expatriate-style benefits. The base salaries of the Executive Directors include their fees for their positions on the OCI N.V. Board of Directors. As mentioned previously, the Executive Director base salaries disclosed above include a fixed cash allowance of 25% of the total base salary in lieu of pension, car and other key benefits.

No changes to salaries for the Executive Directors are proposed for 2015.

Short term incentives 2013 and 2014

The company granted bonuses to the CEO and CFO during 2014 relating to the performance of 2013. The expenses relating to this bonus awards were recorded in the financial year 2014. We have included the bonus relating to the performance of 2013 in the overview of actual remuneration paid for the year 2013.

With effect from the 2014 financial year, bonus payments will be made shortly after the end of the financial year and disclosed in the year in which they were earned.

For 2013 performance, bonuses were discretionary in line with the previous Policy. Therefore the Remuneration Committee reviewed the overall performance of the business in that year and the specific contributions of the CEO and CFO in the context of a year during which substantial change occurred. It concluded that it would be appropriate to pay a below-target bonus of 50% of salary to both CEO and CFO. This results in a short term incentive for the CEO of $ 1,000,000 and for the CFO of $ 800,000 which were both paid in 2014.

In making this determination, the Committee took the following factors and achievements into account (further details can be found in the 2013 Annual Report).

- 2013 EBITDA targets were partially achieved.
- OCI N.V. was successfully re-domiciled and re-listed in the Netherlands.
- Sorfert Algérie was successfully commissioned.
- OCI Partners LP was listed onto the NYSE in New York.
- OCI N.V.'s 18.1% stake in the Gavilon Group was divested.
- A $ 1.2 billion bond issuance for Iowa Fertilizer Company was closed.

For 2014, performance targets included a mix of corporate financial (80%) and strategic (20%) objectives. The financial measures are profit (measured as Group EBITDA) and cash flow, each weighted at 40%.

REMUNERATION REPORT CONTINUED

In making a decision about the appropriate short term incentive award for 2014, the Committee took the following factors and achievements into account:

- underlying EBITDA for continuing operations growing 23.2% year-on-year to $ 833.4 million;
- net income for continuing operations improving 41.7% to $ 444.1 million;
- successfully raising EUR 151 Million through a private placement of 4.2 million new shares at EUR 36 per share; and
- obtaining regulatory approval and meeting other key milestones towards the demerger of the Engineering & Construction group.

Payment was calculated at 50% of salary for both the CEO and CFO. This equates to 33% of the maximum for the CEO and 42% of the maximum for the CFO. In both cases the payment is below target.

The HSE Committee judged the HSE performance as satisfactory, so no reduction on that basis was applied.

Long term incentives 2014

As at 31 December 2014, the Executive Directors held 400,000 stock options (2013: 590,000) at a weighted average exercise price of EUR 25.94.

Name	Outstanding as at 31/12/2014	Exercise Price in EUR	Value at grant date in $[1]	Vesting date	Value at vesting date in $[2]
Nassef Sawiris	190,000 200,000 200,000	26.71 26.43 25.45	2,988,652 2,685,993 1,937,400	04-01-2014 31-03-2015 02-01-2016	846,751
Salman Butt	-	-	-	-	-

[1] Fair value calculated at grant date.

[2] Value of the shares at exercise date minus the exercise price to be paid.

As at 31 December 2014, the Executive Directors were granted 92,378 conditional performance shares.

Name	Outstanding year-end 2013	Granted conditional	Outstanding year-end 2014	Value at grant date in $ [1]	vesting date	End of lock-up period
Nassef Sawiris	-	51,321	51,321	553,809	01-07-2017	01-07-2019
Salman Butt	-	41,057	41,057	443,050	01-07-2017	01-07-2019

[1] Fair value calculated at grant date.

As at 31 December 2014, the Executive Directors were granted 16,409 matching rights to bonus shares.

Name	Outstanding year-end 2013	Granted	Outstanding year-end 2014	Value at grant date in $ [1]	vesting date	End of lock-up period
Nassef Sawiris	-	9,116	9,116	319,821	17-11-2017	17-11-2019
Salman Butt	-	7,293	7,293	255,864	17-11-2017	17-11-2019

[1] Fair value calculated at grant date.

Remuneration scenarios

The Remuneration Committee conducts pay scenario analysis modelling on an annual basis which investigates pay-out quantum for Executive Directors under different performance scenarios. This modelling is undertaken in order to ensure that the remuneration policy links directly with the performance of OCI N.V. and therefore, is in the interests of shareholders. If specific short term and long term threshold performance targets are not hit, then pay in that year for Executive Directors will not include any variable element.

Future outlook

As noted above the Committee is reviewing, with the assistance of Mercer, the remuneration policy in the context of the demerger of the Engineering & Construction group and expects to propose an adjusted remuneration policy for approval of the Annual General Meeting of Shareholders in 2015.

Non-Executive Directors

The Non-Executive Director fee rates for 2014 were as follows. There is no intention to change the fee rates in 2015. Jérôme Guiraud, who was appointed by the General Meeting of Shareholders on 26 June received a pro rata remuneration over 2014.

	Main Board	Audit Remuneration	Remuneration	Nomination	HSE
Chairman	260,000	25,000	10,000	10,000	10,000
Member	130,000	20,000	7,500	7,500	7,500

Non-Executive Directors are reimbursed for all reasonable costs of travel, accommodation and representation in the performance of their duties. The Chairman received an additional fixed fee of $ 150,000 for service on the board of a publicly-traded subsidiary of the Company in the United States.

On behalf of the Remuneration Committee

Sipko Schat, Chairman

DECLARATIONS

Introduction

This 2014 Annual Report dated 29 April 2015 (the Annual Report) comprises regulated information within the meaning of sections 1:1 and 5:25c of the Dutch Act on Financial Supervision (“wet op het financieel toezicht”).

For the consolidated and the parent Company’s 2014 financial statements “jaarrekening” within the meaning of section 2:361 of the Dutch Civil Code, please refer to the financial statements. The Members of the Board of Directors have signed the 2014 financial statements pursuant to their obligation under section 2:101, paragraph 2 of the Dutch Civil Code.

The following sections of the Annual Report together constitute the Management Report (“jaarverslag”) within the meaning of section 2:391 Civil Code: the Operational Review, the Corporate Governance Section, the Financial Statements and the Additional Information.

For other information “overige gegevens” within the meaning of section 2:392 of the Dutch Civil Code, please refer to the financial statements and to the section Shareholders information.

Corporate governance statement

As referred to in article 2a of the Decree laying down additional requirements for annual reports ‘Vaststellingsbesluit nadere voorschriften inhoud jaarverslag’ effective 1 January 2010 (the ‘Decree’), OCI N.V. is required to make a statement on corporate governance.

The information required to be included in this corporate governance statement as described in articles 3, 3a and 3b of the Decree can be found in the following sections of this Annual Report and Accounts:

- The information concerning compliance with the Dutch Code, as required by article 3 of the Decree, can be found in the section Compliance with the Dutch Corporate Governance Code;
- The information concerning OCI N.V.’s Risk Management and control frameworks relating to the financial reporting process, as required by article 3a(a) of the Decree, can be found in the section ‘Risk Management’;
- The information regarding the functioning of OCI N.V.’s General Meeting of Shareholders, and the authority and rights of OCI N.V.’s shareholders and holders of depositary receipts, as required by article 3a(b) of the Decree, can be found within the relevant sections under ‘Corporate Governance’;
- The information regarding the composition and functioning of OCI N.V.’s Board and its Committees, as required by article 3a(c) of the Decree, can be found within the relevant sections under ‘Corporate Governance’; and
- The information concerning the inclusion of the information required by the decree Article 10 European Takeover Directive, as required by article 3b of the Decree, can be found in the section Decree Article 10 EU Takeover Directive.

The Dutch Corporate Governance Code was last amended on 10 December 2008 and is available at www.commissiecorporategovernance.nl.

In control statement

The Board believes that, to the best of its knowledge and in accordance with best practice provisions of section II.1.4 and II.1.5 of the Dutch Corporate Governance Code, OCI N.V. is in control of its business processes through its internal Risk Management and control structures, which were assessed and found to have functioned properly during the year. In its assessment, the Board identified certain improvement areas in the accounting and reporting cycle, which will be addressed in 2015. This provides reasonable assurance that OCI N.V.’s financial reporting for the financial year 2014 does not contain any material misstatements.

Directors’ statement pursuant to article 5:25c of the Dutch Financial Supervision Act (Wft)

In accordance with Article 5:25C of the Dutch Financial Supervision Act (Wft), OCI N.V.’s Board declares that to the best of its knowledge, (i) the 2014 financial statements provide a true and fair view of the assets, liabilities, financial position and results of the Company and its subsidiaries included in the consolidated statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU); and (ii) the annual report provides a true and fair view of the situation as at 31 December, 2014, and of the Company’s state of affairs for the financial year 2014, as well as the principal risks faced by OCI N.V. (iii) the Management report includes a description of the principal risks and uncertainties that the Company faces.

Amsterdam, the Netherlands, April 2015

The OCI N.V. Board of Directors

Michael Bennett, Chairman
Nassef Sawiris
Salman Butt
Jan Ter Wisch
Sipko Schat
Jérôme Guiraud
Robert Jan van de Kraats
Kees van der Graaf
Arif Naqvi

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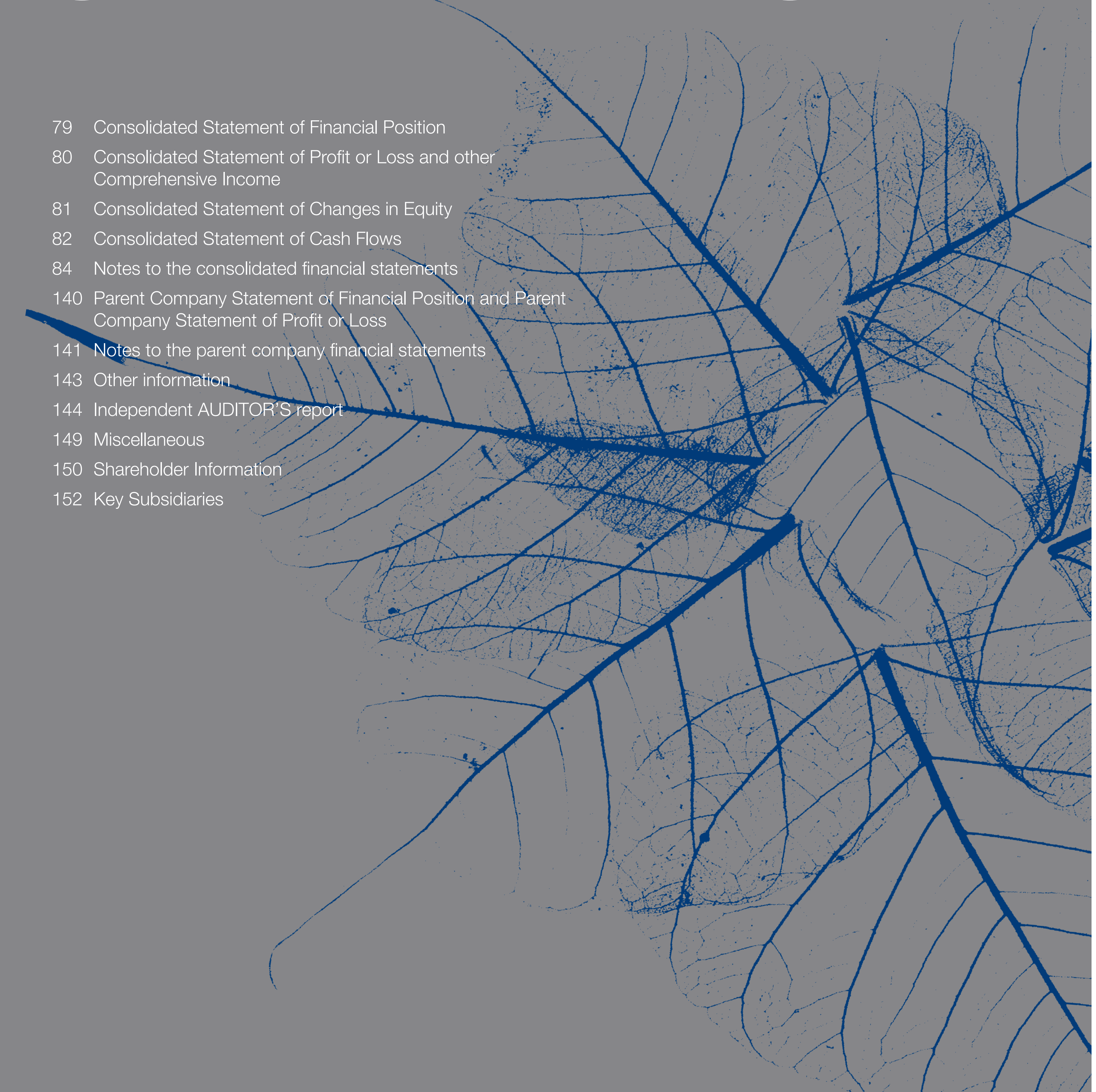

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT

$ millions	Note	31 December 2014	31 December 2013[2] Proforma / unaudited	31 December 2013[1] restated	1 January 2013[1] restated
Assets					
Non-current assets					
Property, plant and equipment	(7)	5,272.4	4,509.3	4,773.4	4,302.0
Goodwill and other intangible assets	(8)	932.9	964.1	984.3	996.2
Trade and other receivables	(9)	49.7	43.1	76.8	107.7
Equity accounted investees	(10)	37.9	36.1	517.1	458.4
Other investments	(11)	22.9	50.0	51.0	54.0
Deferred tax assets	(12)	50.1	60.6	67.6	4.4
Total non-current assets		**6,365.9**	**5,663.2**	**6,470.2**	**5,922.7**
Current assets					
Inventories	(13)	178.5	186.0	367.5	302.3
Trade and other receivables	(9)	344.0	444.4	1,282.1	1,215.1
Contracts receivables	(14)	-	-	375.4	406.6
Other investments	(11)	31.2	-	-	1,213.4
Current income tax receivables	(12)	272.6	-	-	-
Cash and cash equivalents	(15)	846.6	1,570.2	1,990.2	762.5
Assets held for sale	(16)	-	-	2.4	371.8
Assets held for demerger	(29)	2,538.5	2,624.0	-	-
Total current assets		**4,211.4**	**4,824.6**	**4,017.6**	**4,271.7**
Total assets		**10,577.3**	**10,487.8**	**10,487.8**	**10,194.4**
Equity					
Share capital	(17)	273.3	272.1	272.1	191.6
Share premium		1,447.6	1,441.8	1,441.8	725.7
Reserves	(18)	196.5	109.6	109.6	(14.4)
Retained earnings		201.5	(102.2)	(102.2)	378.8
Equity attributable to owners of the Company		**2,118.9**	**1,721.3**	**1,721.3**	**1,281.7**
Non-controlling interest	(19)	418.9	366.3	366.3	418.9
Total equity		**2,537.8**	**2,087.6**	**2,087.6**	**1,700.6**
Liabilities					
Non-current liabilities					
Loans and borrowings	(20)	4,638.5	4,441.1	4,497.2	2,610.5
Trade and other payables	(21)	30.9	16.7	75.8	69.0
Provisions	(22)	19.4	19.2	19.2	1.2
Deferred tax liabilities	(12)	343.4	371.4	375.7	309.1
Income tax payables	(12)	-	207.4	414.7	514.6
Total non-current liabilities		**5,032.2**	**5,055.8**	**5,382.6**	**3,504.4**
Current liabilities					
Loans and borrowings	(20)	402.2	677.2	1,428.0	2,864.6
Trade and other payables	(21)	432.7	283.0	1,002.3	1,243.4
Billing in excess of construction contracts	(14)	-	-	140.9	113.9
Provisions	(22)	301.1	35.1	108.2	89.3
Income tax payables	(12)	58.7	202.7	338.2	678.2
Liabilities held for demerger	(29)	1,812.6	2,146.4	-	-
Total current liabilities		**3,007.3**	**3,344.4**	**3,017.6**	**4,989.4**
Total liabilities		**8,039.5**	**8,400.2**	**8,400.2**	**8,493.8**
Total equity and liabilities		**10,577.3**	**10,487.8**	**10,487.8**	**10,194.4**

[1] For the restatement reference is made to note 2.3.

[2] In the 2013 proforma column, Engineering & Construction segment has been presented as if it qualified as assets held for demerger as of year-end 2013 (reference is made to note 2.2)

The notes on pages 84 to 139 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEARS ENDED 31 DECEMBER

$ millions	Note	2014	2013[1] restated
Revenue	(28)	2,685.8	2,477.5
Cost of sales	(23)	(1,949.4)	(1,864.6)
Gross profit		**736.4**	**612.9**
Other income	(24)	15.2	294.5
Selling, general and administrative expenses	(23)	(265.1)	(202.9)
Other expenses	(25)	(4.7)	(85.3)
Transaction cost	(23)	-	(89.3)
Donation cost	(12)	(266.2)	-
Operating profit / (loss)		**215.6**	**529.9**
Finance income	(26)	21.8	76.8
Finance cost	(26)	(272.2)	(280.0)
Net finance cost	(26)	**(250.4)**	**(203.2)**
Income from equity accounted investees (net of tax)	(10)	15.8	7.4
Profit / (loss) before income tax		**(19.0)**	**334.1**
Income tax	(12)	565.0	(71.1)
Net profit / (loss) from continuing operations		**546.0**	**263.0**
Net profit / (loss) from discontinued operations (net of tax)	(29)	**(96.1)**	**(3.8)**
Total net profit / (loss)		**449.9**	**259.2**
Other comprehensive income:			
Items that are or may be reclassified to profit or loss			
Net change in fair value of available-for-sale financial assets		(1.2)	(1.9)
Changes in fair value of cash flow hedges		(6.1)	10.6
Foreign currency translation differences		70.2	(104.0)
Other comprehensive income, net of tax		**62.9**	**(95.3)**
Total comprehensive income		**512.8**	**163.9**
Profit / (loss) attributable to:			
Owners of the Company		328.7	295.2
Non-controlling interest		121.2	(36.0)
Net profit / (loss)		**449.9**	**259.2**
Total comprehensive income attributable to:			
Owners of the Company		415.6	199.9
Non-controlling interest		97.2	(36.0)
Total comprehensive income		**512.8**	**163.9**
Earnings / (loss) per share from total operations (in USD)			
Basic earnings / (loss) per share	(27)	1.604	1.449
Diluted earnings / (loss) per share	(27)	1.603	1.408
Earnings / (loss) per share from continuing operations (in USD)			
Basic earnings / (loss) per share	(27)	2.168	1,538
Diluted earnings / (loss) per share	(27)	2.161	1,493

[1] For the restatement reference is made to note 2.3.

The notes on pages 84 to 139 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

$ millions	Note	Share capital (17)	Share premium (17)	Reserves (18)	Retained earnings	Equity attributable to owners of the Company	Non-controlling interest (19)	Total equity
Balance at 1 January 2013 before and after restatement		**191.6**	**725.7**	**(14.4)**	**378.8**	**1,281.7**	**418.9**	**1,700.6**
Net profit / (loss)		-	-	-	295.2	295.2	(36.0)	259.2
Other comprehensive income		-	-	(95.3)	-	(95.3)	-	(95.3)
Total comprehensive income		-	-	**(95.3)**	**295.2**	**199.9**	**(36.0)**	**163.9**
Corporate restructuring	(17)	78.1	653.8	105.6	(1,044.2)	(206.7)	-	(206.7)
OCI Partnership IPO		-	-	-	268.0	268.0	23.0	291.0
Treasury shares sold	(18)	-	-	91.2	-	91.2	-	91.2
Treasury shares acquired	(18)	-	-	(20.5)	-	(20.5)	-	(20.5)
Dividends		-	-	-	-	-	(39.6)	(39.6)
Share issuance	(17)	2.4	62.3	-	-	64.7	-	64.7
Share-based payments	(23)	-	-	11.6	-	11.6	-	11.6
Convertible bond issuance (net of taxes)	(20)	-	-	31.4	-	31.4	-	31.4
Balance at 31 December 2013 restated		**272.1**	**1,441.8**	**109.6**	**(102.2)**	**1,721.3**	**366.3**	**2,087.6**
Net profit / (loss)		-	-	-	328.7	328.7	121.2	449.9
Other comprehensive income		-	-	86.9	-	86.9	(24.0)	62.9
Total comprehensive income		-	-	**86.9**	**328.7**	**415.6**	**97.2**	**512.8**
Dividends		-	-	-	-	-	(57.1)	(57.1)
Change in ownership of OCI Partners LP		-	-	-	(12.5)	(12.5)	12.5	-
Treasury shares sold	(18)	-	-	50.2	(12.5)	37.7	-	37.7
Treasury shares acquired	(18)	-	-	(62.1)	-	(62.1)	-	(62.1)
Change in capital	(17)	1.2	5.8	-	-	7.0	-	7.0
Share-based payments	(23)	-	-	11.9	-	11.9	-	11.9
Balance at 31 December 2014		**273.3**	**1,447.6**	**196.5**	**201.5**	**2,118.9**	**418.9**	**2,537.8**

The notes on pages 84 to 139 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER

$ millions	Note	2014	2013[1] restated
Net profit / (loss)		449.9	259.2
Adjustments for:			
Net profit / (loss) from discontinued operations	(29)	96.1	3.8
Depreciation and amortization	(7),(8)	308.4	218.3
Interest income	(26)	(9.0)	(6.0)
Interest expense	(26)	199.2	278.5
Foreign exchange gain / (loss) and others		60.2	(69.3)
Share in income of equity accounted investees	(10)	(15.8)	(7.4)
Gain from assets held for sale		(9.0)	(262.1)
Share-based payment transactions	(23)	11.9	11.6
Income tax expense	(12)	(565.0)	71.1
Transaction cost		-	89.3
Changes in:			
Inventories	(13)	7.5	(25.8)
Trade and other receivables	(9)	88.6	11.5
Trade and other payables	(21)	140.8	(69.1)
Provisions	(22)	262.3	15.3
Cash flows:			
Interest paid	(26)	(284.5)	(308.1)
Interest received from equity accounted investees	(10)	9.0	6.0
Income taxes paid	(12)	(30.6)	(48.8)
Income tax litigation payment	(12)	-	(180.2)
Transaction cost paid		-	(242.0)
Cash flow from / (used in) operating activities (continuing operations)		**720.0**	**(254.2)**
Investments in property, plant and equipment		(1,211.0)	(687.0)
Proceeds from sale of investments		9.0	1,829.9
Dividends from equity accounted investees		33.0	33.0
Cash flow from / (used in) investing activities (continuing operations)		**(1,169.0)**	**1,175.9**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER (CONTINUED)

$ millions	Note	2014	2013[1] restated
Proceeds from share issuance	(17)	-	355.6
Proceeds from sale of treasury shares	(18)	37.7	91.2
Purchase of treasury shares	(18)	(62.1)	(20.5)
Proceeds from borrowings	(20)	550.0	2,573.3
Repayment of borrowings	(20)	(433.2)	(2,098.9)
Orascom Construction Industries S.A.E. shares acquired		-	(90.0)
Dividends paid to non-controlling interest		(57.1)	(39.7)
Financing related to discontinued operations		(390.0)	(459.0)
Cash flows from / (used in) financing activities (continuing operations)		**(354.7)**	**312.0**
Net cash flows from / (used in) continuing operations		**(803.7)**	**1,233.7**
Cash flows from / (used in) operating activities		**(27.4)**	**(423.4)**
Cash flows from / (used in) investing activities		**(69.6)**	**5.0**
Cash flows from / (used in) financing activities		**45.9**	**410.6**
Net cash flows from / (used in) discontinued operations	(29)	**(51.1)**	**(7.8)**
Net increase (decrease) in cash and cash equivalents		**(854.8)**	**1,225.9**
Cash and cash equivalents at 1 January		1,990.2	762.5
Currency translation adjustments		(20.2)	1.8
Cash and cash equivalents at 31 December		**1,115.2**	**1,990.2**
Presentation in the statement of financial position			
Cash and cash equivalents	(15)	846.6	1,990.2
Bank overdrafts	(20)	(100.3)	-
Cash and cash equivalents (as held for demerger)	(29)	368.9	-
Cash and cash equivalents at 31 December		**1,115.2**	**1,990.2**

[1] For the restatement reference is made to note 2.3.

The notes on pages 84 to 139 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER

1. General

OCI N.V. ('OCI', 'the Group' or 'the Company') was established on 2 January 2013 as a public limited liability company incorporated under Dutch law, with its head office located at Honthorststraat 19, Amsterdam, the Netherlands. OCI is registered in the Dutch commercial register under No. 56821166 dated 2 January 2013. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and joint operations (together referred to as the 'Group') and the Group's interests in associates and joint ventures.

The Group is primarily involved in the production of nitrogen based fertilizers and industrial chemicals; engineering and construction activities have been discontinued.

2. Basis of preparation

2.1 General

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Union (IFRS-EU).

The consolidated financial statements have been prepared on the historical cost basis, except when otherwise indicated.

The financial year of the Group commences on 1 January and ends on 31 December.

The parent company statement of profit or loss is presented in abbreviated format in accordance with article 2:402 of Part 9 of the Dutch Civil Code.

These consolidated financial statements are presented in US dollars ('USD'), which is the Group's presentation currency. The euro ('EUR') is the functional currency of OCI N.V. All values are rounded to the nearest tenth million (in millions of USD), except when stated otherwise.

The financial statements have been authorised for issue by the Company's Board of Directors on 28 April 2015. The financial statements are subject to adoption of the Annual General Meeting of Shareholders on 10 June 2015.

2.2 Demerger of Construction and Engineering business

2.2.1 General

On 6 November 2014, the Board of Directors of OCI N.V. announced its intention to seek a dual listing for the Engineering & Construction business of OCI N.V., through the separation of OCI's Engineering & Construction business from OCI's Fertilizer & Chemicals business ("the Demerger"). The Board of Directors of OCI N.V. confirmed its intention to implement the Demerger at its meeting on 10 December 2014.

The Demerger was completed successfully in March 2015, with the listing of shares on Nasdaq Dubai as of 9 March 2015 and a secondary listing on the Egyptian Exchange as of 11 March 2015. The Demerger has resulted in the Engineering & Construction and Fertilizer & Chemicals businesses being owned by two, separately-listed companies. OCI N.V. remains listed on Euronext Amsterdam and owns the Fertilizer & Chemicals business and Orascom Construction Limited, is dual-listed on the Nasdaq Dubai and the Egyptian Exchange and owns the Engineering & Construction business.

The Demerger was achieved by OCI N.V. carrying out a reduction of its share capital. At an Extraordinary General Meeting of Shareholders of OCI N.V. held on 12 November 2014, shareholders approved the proposal to reduce the share capital of OCI N.V. to facilitate the Demerger. On 16 January 2015, the mandatory creditor objection period related to the resolutions passed on 12 November 2014, expired without any objections being made. Accordingly, the Board of Directors of OCI N.V. have passed a resolution to execute the Demerger.

2.2.2 Accounting for the Demerger

In order to ensure that sufficient share capital will be available to account for such reduction, OCI N.V. will apply IFRS 1 'First time adoption of IFRS' in 2015 to its Company financial statements and will apply a deemed cost approach for the initial valuation of its subsidiaries using fair value (market capitalization as a substitute for cost). The resulting revaluation reserve was partially converted to capital. Subsequently, OCI N.V.'s capital was reduced by the same amount, representing the fair value of the shares of Orascom Construction Limited (the ultimate parent company of the Engineering & Construction business) which were distributed to OCI N.V.'s shareholders on 7 March 2015.

Following the guidance under IFRS 5, the Engineering & Construction business is accounted for as "Assets held for demerger / discontinued operations" (further reference is made to note 29 of the notes to the consolidated financial statements). OCI has chosen to add an additional column to its consolidated statement of financial position to show the effect of the Demerger on the 31 December 2013 consolidated statement of financial position as if the Engineering & Construction business was already discontinued at 31 December 2013. This financial information is "Proforma", and is unaudited.

2.2.2 Accounting for the Demerger (continued)

The consolidated net results of the discontinued operations (Engineering & Construction business) are presented under discontinued operations in the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows. The comparative information in the consolidated statements of profit or loss and other comprehensive income and the consolidated statement of cash flows are reclassified as if the operation had been discontinued from the start of the comparative period in accordance with the requirements IFRS 5. In the statement of financial position, the comparative numbers are not reclassified. The demerger is considered a non-adjusting event after the balance sheet date, an estimate of the financial effect of the demerger cannot yet be made reliably.

2.2.3 Ongoing relationship between OCI N.V. and Orascom Construction Limited

After the Demerger, OCI N.V. and Orascom Construction Limited each operate as separately listed companies. There are no cross-directorships, other than Nassef Sawiris who is Chief Executive Officer of OCI N.V. and chairman of Orascom Construction Limited, and Salman Butt, who is Chief Financial Officer of OCI N.V. and non-executive director of Orascom Construction Limited. The senior management teams of OCI N.V. and Orascom Construction Limited are different and all agreements between the two companies are entered into on an arms' length basis.

Orascom Construction Limited's objective is to increase self-generated opportunities in the future to replace the work awarded by OCI N.V. However, Orascom Construction Limited and OCI N.V. will remain party to continuing commercial arrangements, in particular, in relation to the construction of certain fertilizer plants. The existing commercial arrangements were entered into on an arms' length basis and are not materially different from the terms on which Orascom Construction Limited has contracted with other customers and future commercial arrangements.

2.2.4 Shared services agreement

On 5 February 2015, OCI N.V. and Orascom Construction Limited entered into a shared services agreement whereby each of the parties has agreed to supply certain transitional services to the other. These services include: the provision by OCI N.V. to Orascom Construction Limited of accounting and consolidation, and any general corporate support services as required and the provision by Orascom Construction Limited to OCI N.V. of accounting, treasury, information technology, administration, corporate human resources, and office space services. It is expected that the services will be provided for a transitional period of up to 12 months, following which each of the parties will make their own arrangements for the provision of these services. The consideration payable for the services will be on a cost-plus basis.

2.2.5 Conditional sale agreement

On 5 February 2015, OC IHC 4 B.V. (a subsidiary of Orascom Construction Limited) and OCI MENA B.V. (a subsidiary of OCI N.V.) entered into an Agreement for the Conditional Sale and Purchase of the Share Capital of Construction Egypt. Under the Conditional Sale Agreement, OCI MENA B.V. has agreed to sell to OC IHC 4 B.V. all of the shares it will receive as a result of the Egypt Demerger. These shares (the Construction Egypt Shares) will be shares in an Egyptian joint stock company (Construction Egypt) which, as a result of the Egypt Demerger, will hold the construction projects and construction business of Orascom Construction Industries S.A.E in the Middle East and North Africa which, in order to comply with local law and regulation, cannot be transferred to the Group prior to completion of the Demerger. The transfer of the Construction Egypt Shares will be conditional on the completion of the Egypt Demerger, the approval of EFSA regarding the issue of the Construction Egypt shares to OCI MENA B.V. and incorporation of Construction Egypt. In addition, OCI MENA B.V. commits to appoint management personnel in the construction operations, such personnel to be nominated by OC IHC 4 B.V.; to appoint accounting personnel responsible for the preparation of the carve out financials of the construction operations, such personnel to be nominated by OC IHC 4 B.V., and to vote on the board of directors of Orascom Construction Industries S.A.E. in matters related to the construction operations based on the recommendation of OC IHC 4 B.V. The Conditional Sale Agreement also provides for the economic benefits/liabilities of the Construction Egypt Shares including the underlying Relevant Construction Projects (together with the right to any dividends) to pass from OCI MENA B.V. to OC IHC 4 B.V. with effect from the date of the Conditional Sale Agreement as if such shares had been in existence since 30 September 2014. This transfer of economic benefit will remain in force until the earlier of completion of the Egypt Demerger and transfer of the Construction Egypt Shares to the Company and completion of all of the Relevant Construction Projects, while any new awards will be sought through wholly-owned subsidiaries of Orascom Construction Limited.

2.2.6 Tax indemnity agreement

On 6 February 2015, Orascom Construction Limited and Orascom Construction Industries S.A.E. entered into a tax indemnity agreement which sets out the obligations of the parties in respect of the tax claim lodged by the tax authorities in Egypt relating to the sale of the Orascom Construction Industries S.A.E.'s cement business to Lafarge SA in 2007 (further reference is made to note 12). The parties have agreed that, to the extent that any liability is incurred by Orascom Construction Industries S.A.E. in relation to the Tax Claim (including the costs of dealing with the Tax Claim), this will be shared between the parties on a 50%/50% basis. In addition, to the extent that any recoveries are made in relation to the Tax Claim, these will be shared between the parties on a 50%/50% basis (excluding the amount of EGP 2.5 billion for which it was announced that the rights will be transferred to Tahya Misr social fund in Egypt). This agreement is in accordance with informal agreements as reached before year-end.

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2.2.7 Construction contracts

A commercial relationship between OCI N.V. and Orascom Construction Limited will remain on-going in respect of the construction of two projects for the fertilizer business on an arms' length basis. Orascom E&C USA (subsidiary of Orascom Construction Limited) is:

- party to an Engineering, Procurement and Construction (EPC) contract in respect of the Iowa Fertilizer Company (IFCo), a 2 million metric ton per annum (mmtpa) fertilizer and industrial chemicals greenfield plant under construction for OCI N.V. in Iowa, USA. Under the terms of the EPC contract, the new plant will utilize proven state-of-the-art production process technologies to produce between 1.5-2 million metric tons per year of ammonia, urea, urea ammonium nitrate (UAN) as well as diesel exhaust fluid (DEF), an environmentally friendly fuel additive; and
- in the process of finalizing the terms of an EPC contract for the construction of a methanol plant at Beaumont, Texas, USA for Natgasoline LLC. The plant is expected to have a capacity of up to 5,000 metric tons per day (tpd), equivalent to approximately 1.75 million metric tons per annum (mtpa).

2.2.8 Reimbursement agreement

As part of the Demerger of the Orascom Construction Group, OCI N.V. and Orascom Holding Cooperatief U.A., a company that is part of Orascom Construction Limited, entered into a letter agreement in relation to the construction contracts entered into between companies within the fertiliser business of OCI N.V. (Fertilizer Business) and companies within the construction business of OCI N.V. (Construction Business). The agreement provides that if the Construction Business incurs costs, expenses or liabilities under the Contracts or for other works and services performed or to be performed for the Fertilizer Business, which are not otherwise reimbursable to the Construction Business under the terms of the Contracts and which exceed the amounts that will, in aggregate, have been and will be payable to the Construction Business under all of the Contracts (the excess being referred to as the Aggregate Group Shortfall), OCI N.V. will pay an amount equal to the Aggregate Group Shortfall. The amount payable by OCI N.V. to the Construction Business under the agreement is capped at USD 150 million.

2.3 Changes in accounting policies

Except for the changes below, the Group has consistently applied the accounting policies set out in note 3 to all periods presented in these consolidated financial statements.

With reference to paragraph 4 "New accounting standards and policies", the Group has adopted new accounting standards, amendments and revisions to existing standards and interpretations for which IFRS 10 "Consolidated Financial Statements" and IFRS 11 "Joint Arrangements" have a significant impact on the Group's consolidated financial statements:

- **IFRS 10 'Consolidated Financial Statements'** IFRS 10 is effective for annual periods beginning on or after 1 January 2014. IFRS 10 establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. IFRS 10 replaces the consolidation requirements in SIC-12 'Consolidation-Special Purpose Entities' and IAS 27 'Consolidated and Separate Financial Statements'. IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.
- **IFRS 11 'Joint Arrangements'** IFRS 11 is applicable for annual periods beginning on or after 1 January 2014. IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as was the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities. IFRS 11 supersedes IAS 31 'Interests in Joint Ventures' and SIC-13 'Jointly Controlled Entities / Non-monetary Contributions by Ventures'. The application of this new standard impacts the financial position of the Group by eliminating proportionate consolidation of the joint ventures such as BESIX, Orasqualia for Development, Orasqualia for Construction, Alico, Fitco and some other entities. With the application of the new standard, the investment in these entities are accounted for using the equity method of accounting.

The tables in paragraph 4.3 summarise the impact of the above changes on the Group's consolidated financial statements. Both new accounting standards have been applied as from 1 January 2014 retrospectively. Consequently, the 2013 comparative financial statements have been adjusted for this change in accounting principles.

3. Summary of significant accounting policies

3.1 Consolidation

The consolidated financial statements include the financial statements of OCI N.V., its subsidiaries and the proportion of OCI's ownership of joint operations.

Subsidiaries

Subsidiaries are all companies to which OCI N.V. is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its control over the investee, generally accompanying a shareholding of more than half of the shares issued and related voting power. In assessing control, potential voting rights that are presently exercisable or convertible are taken into account. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. When the Group ceases to have control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss including related cumulative translation adjustments accumulated in other comprehensive income. If it becomes an associate, the interest retained is subsequently valued in accordance with the equity method. The principal subsidiaries are listed in the section 'Miscellaneous'.

Transactions eliminated in the consolidated financial statements

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investees. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3.2 Discontinued operations / assets held for demerger or sale

A discontinued operation is a component of the Group's business which:

- has operations and cash flows that can be clearly distinguished from the rest of the Group;
- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale or demerger. When an operation is classified as a discontinued operation, the comparative information in the statement of comprehensive income and the consolidated statement of cash flows are reclassified as if the operation had been discontinued from the start of the comparative period. In the statement of financial position, the comparative numbers are not reclassified.

3.3 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss. Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 'Financial Instruments: Recognition and Measurement', is measured at fair value with changes in fair value recognized either in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of IAS 39, it is measured in accordance with the appropriate IFRS. Contingent consideration classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Non-controlling interests

Non-controlling interests are presented as a separate component in equity. Changes in the Group's interest in a subsidiary or joint operation that do not result in a loss of control are accounted for as an equity transaction.

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3.4 Associates

Associates are those companies in which the Group exercises significant influence, but does not have control over the financial and operating policies, which is presumed to exist when the Group holds 20 percent to 50 percent of the shareholding and related voting rights of the other entity. Associates are accounted for by applying the 'equity method'. The Group's share of profit or loss of an investee is recognized in profit or loss from the date when significant influence begins up to the date when that influence ceases. Investments in associates with negative shareholder's equity are impaired and a provision for its losses is recognized only if the Group has a legal or constructive obligation to cover the losses. Equity changes in investees accounted for using the equity method that do not result from profit or loss are recognized directly in other comprehensive income. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Unrealized gains on transactions between two associates are not eliminated.

3.5 Joint arrangements

Under IFRS 11 investments in joint arrangements are classified as either joint ventures or joint operations depending on the contractual rights and obligations of each investor. Those joint arrangements that are assessed as joint ventures are accounted for using the equity method. Joint operations are accounted for using the line-by-line accounting.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted subsequently for the group's share in the post-acquisition profit or losses and movements in comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, forms part of the Group's net investment in joint ventures), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

A joint operation is proportionately consolidated until the date on which the Group ceases to have joint control over the joint operation. Upon loss of joint control, the Group reassesses the joint operation.

3.6 Foreign currency translation

Foreign currency transactions

The financial statements of subsidiaries and joint operations are prepared in the currencies which are determined based on the primary economic environment in which they operate ('the functional currency'). Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the transaction dates. At each balance sheet date, monetary items denominated in foreign currencies are translated into the entity's functional currency at the then prevailing closing-rates. Exchange differences arising on the settlement and translation of monetary items are included in profit or loss for the period except when deferred to other comprehensive income for available-for-sale assets and the effective part of qualifying cash flow hedges.

Foreign currency operations

Upon consolidation, the assets and liabilities of subsidiaries with a functional currency other than the US dollar are translated into US dollars using the exchange rates prevailing at the balance sheet date. Income and expense items are translated using exchange rates prevailing at the date of the transactions. Investments in joint ventures and associates with a functional currency other than the US dollar are translated into US dollar using exchange rates prevailing on the balance sheet date. Exchange rate differences arising during consolidation and on the translation of investments in subsidiaries, joint arrangements and associates are included in other comprehensive income, as 'currency translation adjustments'. When a foreign operation is (partly) disposed of or sold, (the proportionate share of) the related currency translation differences that were recorded in other comprehensive income are recycled to profit or loss as part of the gain and loss on disposal or sale. Goodwill and fair value adjustments arising on the acquisition of a foreign subsidiary are considered as assets and liabilities denominated in the functional currency of the foreign subsidiary.

3.7 Financial instruments

The Group classifies financial instruments into the following categories: (i) financial instruments at fair value through profit or loss, (ii) derivatives designated in a hedge relationship, (iii) loans and receivables and (iv) available-for-sale financial assets. Financial instruments are classified as current liabilities unless the remaining term of the financial instruments or the remaining term of the facility, under which the financial instruments are drawn, is 12 months or more. The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Group is recognized as a separate asset or liability. The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire. Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously. Compound financial instruments are bifurcated and the components are presented separately as financial liabilities, financial assets or equity instruments.

3.7 Financial instruments (continued)

Financial instruments at fair value through profit or loss

A financial instrument is classified at fair value through profit or loss if it is classified as held-for-trading or designated into this category. Directly attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognized in profit or loss. Financial instruments classified as 'at fair value through profit or loss' are initially recognized on the trade date and changes in fair value are accounted for under finance income and cost.

Embedded derivatives
Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not clearly and closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss. Changes in the fair value of separated embedded derivatives are recognized immediately in profit or loss.

Other non-trading derivatives
When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognized immediately in profit or loss.

Derivatives designated in a hedge relationship

In order to mitigate risk, the Group applies hedging in case by case situations. The Group holds derivative financial instruments to hedge its foreign currency risk, interest rate risk, and fluctuating natural gas price exposures. On initial designation of the derivative as a hedging instrument, the Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk on a prospective and retrospective basis.

For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that ultimately could affect reported profit or loss. Derivatives are recognized initially at fair value. Attributable transaction costs are recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are accounted for as described below:

Cash flow hedges
When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognized asset or liability, or a highly probable forecast transaction that could ultimately affect profit or loss, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income as 'hedging reserve', net of related tax. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss. When the hedged item is a non-financial asset, the amount otherwise accumulated in equity is included in the carrying amount of the asset. In other cases, the amounts recognized as other comprehensive income are reclassified to profit or loss when the hedged transaction affects profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. In these cases, the cumulative gain or loss on the hedging instrument that has been recognized in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs. If the forecast transaction is no longer expected to occur, the balance in equity is reclassified to profit or loss.

Loans and receivables

Loans and receivables are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost, using the effective interest method less any impairment losses.

The Group recognizes a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from, or at the direction of the grantor for the construction, or upgrade services provided. Such financial assets are measured at fair value on initial recognition and classified as loans and receivables. Subsequent to initial recognition, the financial assets are measured at amortized cost. If the Group has paid for the construction services partly by a financial asset and partly by an intangible asset, then each component of the consideration is accounted for separately and is initially recognized at the fair value of the consideration.

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3.7 Financial instruments (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative instruments that are either designated in this category or not classified in any of the other categories of financial instruments under IAS 39. Available-for-sale financial assets include debt and equity securities. For available-for-sale debt securities interest income is recognized using the effective interest method. Available-for-sale financial assets are accounted for using trade date accounting and are carried at fair value. The change in fair value is recognized in other comprehensive income net of taxes. When securities classified as available-for-sale are sold or impaired, the accumulated gains and losses are reclassified to profit or loss. Available-for-sale financial assets are included in non-current assets unless the Group intends to dispose of the available-for-sale financial assets within 12 months after the balance sheet date. The dividend income from equity instruments is recognized in profit or loss as 'Other income' when the Group's right to receive payment is established.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date (original maturity) that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments. Restricted cash comprises cash balances where specific restrictions exist on the Company's ability to use this cash. Restricted cash includes cash deposited as collateral for letters of credit issued by the Company.

3.8 Share capital

Ordinary shares are classified as equity. Share premium is the excess amount received over the par value of the shares. Incremental costs directly attributable to the issue of new shares are recognized in equity as a deduction, net of tax, from the proceeds. When ordinary shares are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognized as a deduction from 'Reserves'. Repurchased shares are classified as treasury shares and are presented in 'Reserves'. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in 'Reserves', and the resulting surplus or deficit on the transaction is presented in share premium.

3.9 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any impairment. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes cost of material, direct labour, other directly attributable cost incurred to bring the asset ready to its intended use, cost of asset retirement obligations and any capitalized borrowing cost.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. When parts of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. Subsequent expenditures are capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance costs are expensed as incurred. Spare parts of property, plant and equipment are recognized under property, plant and equipment if the average turn-over exceeds 12 months or more, otherwise they are recognized within inventories.

Finance leases

Leased assets in which the Group bears substantially all the risks and rewards incidental to ownership are classified as finance leases and recognized under property, plant and equipment. Upon initial recognition, the leased asset is measured at the lower of its fair value and the present value of minimum lease payments. Minimum lease payments made under finance leases are apportioned between the interest expenses and the reduction of the outstanding liability. The interest expenses are recognized as other financing cost over the lease term. The finance cost is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Property, plant and equipment under construction

Expenditures incurred for purchasing and constructing property, plant and equipment are initially recorded as 'under construction' until the asset is completed and becomes ready for use. Upon the completion of the assets, the recognized costs are reclassified from 'under construction' to its final category of property, plant and equipment. Assets under construction are not depreciated and measured at cost less any impairment losses.

3.9 Property, plant and equipment (continued)

Depreciation

Items of property, plant and equipment are depreciated on a straight line basis through profit or loss over the estimated useful lives of each component, taking into account any residual values. Finance lease assets are depreciated over the shorter of the lease term and their useful lives. If it is reasonably certain that the Group will obtain ownership by the end of the lease term, the finance lease assets are depreciated over their useful lives. Land is not depreciated. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for items of property, plant and equipment are as follows:	Years
Buildings	10 - 50
Plant and equipment	5 - 25
Fixtures and fittings	3 - 10

Depreciation methods, useful lives and residual values are reviewed at each reporting date by the Group.

Borrowing costs

Borrowing costs attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use or sale, are recognized as part of the cost of those assets. All other borrowing costs are recognized as 'Finance cost' in the period in which they are incurred.

3.10 Goodwill and other intangible assets

Goodwill

Goodwill represents the excess of the cost, being the excess of the aggregate of the consideration transferred including the amount recognized for non-controlling interest, of an acquisition over the fair value of the Group's share in the net identifiable assets and liabilities assumed of the acquired subsidiary at the date of acquisition.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognized in profit or loss.

Goodwill on acquisition of entities that qualify as subsidiaries is presented under 'Intangible assets'. Goodwill on acquisitions of entities that qualify as associates or joint ventures is included in 'Associates'. Goodwill on acquisition of subsidiaries is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or group of units that are expected to benefit from the business combination through which the goodwill arose, based on past experience.

Goodwill is initially measured at cost. After initial recognition, goodwill is measured at cost less any impairment losses. Goodwill is tested annually for impairment; an impairment loss is recognized for the amount by which the cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of the cash-generating unit is determined by the higher of its fair value less cost to sell and its value in use. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold. All other expenditures on internally generated goodwill and other intangible assets is recognized in profit or loss as incurred.

Other intangible assets

Other intangible assets with a finite useful life (licenses, customer relations, brand names and other rights that are acquired separately or through business combinations) are amortized on a straight-line basis in profit or loss over their estimated useful lives taking into account any residual value, from the date that they are available for use.

The estimated useful lives of intangible assets are as follows:	Years
Licenses and trade names	3 - 10
Purchased rights and other	4 - 10

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if necessary.

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3.11 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories of raw materials, spare parts and supplies cost are based on weighted average principle or the first-in-first-out method, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.12 Impairment of assets

Non-derivative financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a non-derivative financial asset or a group of non-derivative financial assets is impaired. An impairment loss is recognized for the amount by which the carrying amount of a non-derivative financial asset exceeds its estimated discounted future cash flows using the original interest rate. Impaired non-derivative financial assets are tested periodically to determine whether the estimated future cash flows have increased and the impairment has to be reversed. Reversal of impairments is only permitted if in a subsequent period after an impairment loss has been recognized, the amount of the impairment loss decreases and the decrease can be related objectively to an event after the impairment loss was recognized. In the case of a financial asset classified as available-for-sale, a significant or prolonged decline in the fair value of the available-for-sale financial asset below its acquisition cost is considered as an indicator that the available-for-sale financial asset is impaired. If any such evidence exists for an available-for-sale financial asset, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from other comprehensive income and recognized in profit or loss. Impairment losses recognized in profit or loss on equity instruments classified as available-for-sale are not reversed through profit or loss.

Derivative financial assets

Derivative financial assets are measured at fair value and the Group investigates whether the counterparty creditworthiness gives rise to an impairment.

Non-financial assets

Non-financial assets that have an indefinite useful life, for example goodwill, are not subject to amortization but are tested annually for impairment or more frequently when indicators arise. Assets with a finite useful life are subject to depreciation or amortization and are reviewed (at least at the balance sheet date) for impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. An impairment loss is recognized for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purposes of assessing impairment, assets are grouped based on the lowest level for which there are separately identifiable cash flows (cash-generating units). Impairment is recognized as an expense in profit or loss. Non-financial assets, which are impaired, are tested periodically to determine whether the recoverable amount has increased and the impairment has to be (partially) reversed. Impairment losses on goodwill are not reversed. Reversal of impairments is only permitted if in a subsequent period after an impairment loss has been recognized, the amount of the impairment loss decreases and the decrease can be related objectively to an event after the impairment loss was recognized.

3.13 Provisions

Provisions are recognized when a present legal or constructive obligation as a result of a past event exists, and it is probable that an outflow of economic benefits is required to settle the obligation. The non-current part of provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Warranties

A provision for warranties is recognized with respect to services performed and goods sold.

Restructuring

A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced, the Group has committed itself by public announcement or is expected to commit itself to a restructuring plan.

Asset retirement obligations

The Group recognizes a provision if the Group has an obligation to restore a leased asset in its original condition at the end of its lease term and in case of legal requirements with respect to clean-up of contamination of land.

3.13 Provisions (continued)

Onerous contracts

A provision for onerous contracts is recognized if the Group expects that the unavoidable costs of meeting the obligations under a contract exceed the economic benefits expected to be received under it. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

Legal

The Group is subject to legal and regulatory proceedings in various jurisdictions. Such proceedings may result in criminal or civil sanctions, penalties or disgorgements against the Company. If it is probable that an obligation to the Group exists, which will result in an outflow of resources and the amount of the outflow can be reliably estimated, a provision is recognized.

3.14 Revenue recognition

Revenues comprise the fair value of the considerations received or receivable from the sale of goods and services to third parties in the ordinary course of the Group's activities, excluding the taxes levied and taking into account any discounts granted. OCI recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to OCI and specific criteria have been met as described below.

Construction contracts

Construction contracts are stated at cost incurred and allocated result in line with the progress of the construction, less total expected losses and invoiced instalments. The cost price consists of all costs which are directly related to the project and directly attributable indirect cost based on the normal production capacity. If the outcome of a contract can be estimated reliably, project revenue and cost are recognized in profit or loss based on the progress of work performed. If the outcome of a contract cannot be estimated reliably, revenue is recognized only to the extent of the contract costs incurred that are likely to be recoverable. Onerous sales contracts are identified by monitoring the progress of the project and updating the estimate of total contract costs, which also requires significant judgment relating to achieving certain performance standards as well as estimates involving warranty costs and estimates regarding project delays, including the assessment of responsibility splits between the contract partners for these delays. If it is probable that the total contract cost exceeds the total contract revenue, the total expected loss is recognized as an expense. The Group uses the 'percentage of completion method' to determine the appropriate amount of revenue (and cost) to be recognized in a given period. The stage of completion is measured by reference to the contract cost incurred as a percentage of total actual, compared to the estimated project cost. In case of fixed price contracts, revenue is recognized when the total contract revenue can be measured reliably, it is probable that future economic benefits will flow to the entity, both the contract cost and the stage of completion can be measured reliably at the end of the period and the contract cost attributable to the contract can be clearly identified so that actual cost incurred can be compared with prior periods. For cost plus contract revenue is recognized when it is probable that future economic benefits associated with the contract will flow to the entity and the contract cost attributable to the contract, whether or not specifically reimbursable, can be clearly identified and measured reliably. Projects are presented in the statement of financial position as 'Contract receivables' or 'Billing in excess of construction contracts'. If the costs incurred (including the result recognized) exceed the invoiced instalments, the net contract position is presented as a receivable. If the invoiced instalments exceed the costs incurred (including the result recognized) the net contract position is presented as a liability.

Contracts comprising the construction of a project and the possibility of subsequent long-term maintenance of that project as separate components, or for which these components could be negotiated individually in the market, are accounted for as two separate contracts. Revenue and results are recognized accordingly in the consolidated statement of comprehensive income as construction contract revenue or the rendering of services, respectively.

Service concession arrangements

Revenue related to construction or upgrade services under a service concession arrangement is recognized based on the stage of completion of the work performed, consistent with the Group's accounting policy on recognizing revenue on construction contracts. Operation or service revenue is recognized in the period in which the services are provided by the Group. If the Group provides more than one service in a service concession arrangement, then the consideration received is allocated with reference to the relative fair values of the services delivered if the amounts are separately identifiable.

Goods sold

Revenue on goods sold is recognized, in addition to abovementioned criteria, when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership of the goods have transferred to the customer, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognized as a reduction of revenue as the sales are recognized. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement, whereby usually the transfer occurs when the product is received at the customer's warehouse or the products leave the Company's warehouse; however, for some international shipments transfer occurs on loading the goods onto the relevant carrier at the port. Generally for such products the customer has no right of return.

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3.15 Government grants

An unconditional government grant related to an asset is recognized in profit or loss as 'Other income' when the grant becomes receivable. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset. Grants that compensate the Group for expenses incurred are recognized in profit or loss as 'Other income' on a systematic basis in the periods in which the expenses are recognized. Other government grants are recognized initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant, and are then recognized in profit or loss as 'Other income' on a systematic basis over the useful life of the asset.

3.16 Operating leases

Leases in which a significant portion of the risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Payments made by OCI under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of profit or loss and other comprehensive income on a 'straight-line' basis over the period of the lease.

3.17 Finance income and cost

Finance income comprises:

- interest income on funds invested (including available-for-sale financial assets);
- gains on the disposal of available-for-sale financial assets;
- fair value gains on financial assets at fair value through profit or loss;
- gains on the re-measurement to fair value of any pre-existing interest in an acquired business combination;
- gains on hedging instruments that are recognized in profit or loss and reclassifications of amounts previously recognized in other comprehensive income; and
- interest income is recognized as it accrues in profit or loss, using the effective interest method.

Dividend income is recognized in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

Finance cost comprise:

- interest expense on borrowings;
- unwinding of the discount on provisions and contingent consideration;
- losses on disposal of available-for-sale financial assets;
- fair value losses on financial assets at fair value through profit or loss; and
- impairment losses recognized on financial assets (other than trade receivables).

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss are expensed as incurred.

Foreign currency gains and losses are recognized on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3.18 Employee benefits

Defined contribution plan

Certain Group subsidiaries provide 'pension plans', 'end of service remuneration plans' and 'long-term service benefits'. These pension plans qualify as defined contribution plans. Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.18 Employee benefits (continued)

Long-term employee benefits

The Group long-term employee benefits are recognized if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably to determine its present value. The discount rate is the yield at the balance sheet date on triple-A ('AAA') credit rated bonds that have maturity dates approximating to the terms of the Group's obligations. Re-measurements are recognized in profit or loss in the period in which they arise.

Termination benefits

Employee termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. OCI recognizes termination benefits when OCI is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or when OCI is providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled share-based payments arrangements). The grant date fair value of share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period (the vesting period) that the employees render service and becomes unconditionally entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

3.19 Income tax

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends. Current income tax assets and liabilities are offset when there is a legally enforceable right to offset and when the current income tax relates to the same fiscal authority.

Deferred tax

Deferred income tax liabilities are recognized for all taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements ('liability' method). Deferred income tax assets are recognized for all deductible temporary differences, unused carry forward losses and unused carry forward tax credits, to the extent that it is probable that future taxable profit will be available against which the deferred income tax assets can be utilized.

Deferred income tax is not recognized if it arises from initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. Also, no deferred income tax is recognized regarding the initial recognition of goodwill.

Deferred income tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax relates to the same fiscal authority.

3.20 Segment reporting

An operating segment is a component of an entity that engages in business activities for which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to make decisions about resource allocation to the segment and to assess its performance and for which discrete financial information is available. The Group determines and presents operating segments on the basis of information that internally is provided to the CODM during the period.

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3.21 Consolidated statement of cash flows

The consolidated statement of cash flows has been prepared using the 'indirect' method. Cash flows in foreign currencies have been translated applying average exchange rates. Currency translation differences are shown separately in the consolidated statement of cash flows. Cash flows from investing activities consist mostly of investments and divestments in property, plant and equipment, intangible assets, and acquisitions insofar as these are paid for in cash. Acquisitions or disposals of subsidiaries are presented as aquisition of subsidiary, net of cash, aquired. Cash flows relating to capitalized borrowing cost are presented as cash flows from investment activities similar as other cash flows to acquire the qualifying asset.

3.22 Earnings per share

Earnings per ordinary share are calculated by dividing the profit or loss (net) attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the year. In making this calculation the (ordinary) treasury shares are deducted from the number of ordinary shares outstanding. The calculation of the diluted earnings per share is based on the weighted average number of ordinary shares outstanding plus the potential increase as a result of the conversion of convertible bonds and the settlement of share-based compensation plans (share option plans). Anti-dilutive effects are not included in the calculation. With regard to the convertible notes it is assumed that these are converted in full. An adjustment is made to profit or loss (net) to eliminate interest charges, whilst allowing for effect of taxation. Regarding equity-settled share option plans it is assumed that all outstanding plans will vest. The potential increase arising from share option plans is based on a calculation of the value of the options outstanding. This is the number of options multiplied by the exercise price, divided by the average share price during the financial year. This potential increase is only applied if the option has intrinsic value.

4. New accounting standards and policies

On a regular basis, the IASB issues new accounting standards, amendments and revisions to existing standards and interpretations. These new accounting standards, amendments and revisions to existing standards and interpretations are subject to endorsement by the European Union. In 2014, the following new accounting standards, amendments and revisions to existing standards and interpretations were issued by the IASB, which will become or became effective to OCI.

4.1 Standards, amendments, revisions and interpretations effective to OCI in 2014

IAS 27 (as revised in 2011) 'Separate Financial Statements' IAS 27 is applicable for annual periods beginning on or after 1 January 2013. As a consequence of the new IFRS 10 and IFRS 12, what remains of IAS 27 is limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. The revision had no impact on the consolidated financial statements.

IAS 28 Amendment 'Investments in Associates and Joint Ventures' IAS 28 is applicable for annual periods beginning on or after 1 January 2013. As a consequence of the new IFRS 11 and IFRS 12, IAS 28 has been renamed 'Investments in associates and Joint Ventures', and describes the application of the equity method to investments in joint ventures in addition to associates. The revision had no impact on the consolidated financial statements.

IAS 36 Impairment of Assets: Recoverable Amounts Disclosures for Non-Financial Assets The amendments are to be applied retrospectively for annual periods beginning on or after 1 January 2014. Earlier application is permitted for periods when the entity has already applied IFRS 13. The amendments clarify the IASB's original intention: that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal. The amendments did not have an impact on the consolidated financial statements.

IFRS 10 'Consolidated Financial Statements' IFRS 10 is effective for annual periods beginning on or after 1 January 2014. IFRS 10 establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. IFRS 10 replaces the consolidation requirements in SIC-12 'Consolidation-Special Purpose Entities' and IAS 27 'Consolidated and Separate Financial Statements'. IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. For the impact of this standard and IFRS 11 on the consolidated financial statements, reference is made to note 4.3.

4.1 Standards, amendments, revisions and interpretations effective to OCI in 2014 (continued)

IFRS 11 'Joint Arrangements' IFRS 11 is applicable for annual periods beginning on or after 1 January 2014. IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as was the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities. IFRS 11 supersedes IAS 31 'Interests in Joint Ventures' and SIC-13 'Jointly Controlled Entities / Non-monetary Contributions by Ventures'. The application of this new standard impacts the financial position of the Group by eliminating proportionate consolidation of the joint ventures in, BESIX, Orasqualia for Development, Orasqualia for Construction, Alico and some other small entities. With the application of this new standard, the investment in these entities are accounted for using the equity method. For the impact of this standard on the consolidated financial statements, reference is made to note 4.3.

IFRS 12 'Disclosure of interest in other Entities' IFRS 12 is applicable for annual periods beginning on or after 1 January 2013, however the European Union provided an 1-year relief. IFRS 12 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. As a result of IFRS 12, the Group provides additional disclosures regarding interest in other entities.

Amendment to IAS 19 'Defined Benefit Plans: Employee Contributions' The amendment issued on 21 November 2013 are effective for annual periods beginning on or after 1 January 2014. The amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The amendments did not have a significant impact on the consolidated financial statements, because OCI does not have any significant defined benefit plans.

Amendments to IAS 32 'Offsetting Financial Assets and Financial Liabilities' The amendments are effective for annual periods beginning on or after 1 January 2014. The amendments to IAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and that some gross settlement systems may be considered equivalent to net settlement. The amendment did not have a significant impact on the consolidated financial statements upon adoption.

Amendment to IAS 39 'Novation of Derivatives and Continuation of Hedge Accounting' The amendment issued on 27 June 2013 is effective for annual periods beginning on or after 1 January 2014. The amendment allows hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met. The amendment did not have a significant impact on the consolidated financial statements.

IFRIC Interpretation 21 'Levies' The interpretation issued on 20 May 2013 is effective for annual periods beginning on or after 1 January 2014. IFRIC 21 is an interpretation of IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. IAS 37 sets out criteria for recognition of a liability, one of which is the requirement for an entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay levy is the activity described in the relevant legislation that trigger the payment of the levy. The amendments did not have an impact on the consolidated financial statements.

Amendment to IFRS 10, IFRS 12, and IAS 27 'Investment Entities' The amendments issued in October, 2012 are effective for annual periods beginning on or after 1 January 2013 and apply to particular classes of business that qualify as investment entities. The IASB uses the term investment entity to refer to an entity whose financial statements business purpose is to invest funds solely for returns from capital appreciation, investment income or both. The amendments are subject to endorsement by the European Union. The amendments did not have an impact on the consolidated financial statements, because OCI does not qualify as an investment entity.

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4.2 Standards, amendments, revisions and interpretations not yet effective to OCI:

IFRS 9 'Financial Instruments' IFRS 9 is effective for annual periods beginning on or after 1 January 2018 (tentative). IFRS 9 addresses the classification and measurement of financial assets. The publication of IFRS 9 represents the completion of the first part of a three-part project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 9 enhances the ability of investors and other users of financial information to understand the accounting of financial assets and reduces complexity. OCI is currently investigating the impact of IFRS 9 on the consolidated financial statements.

IFRS 14 'Regulatory Deferral Accounts'

The Standard was issued in January 2014 and is effective from 1 January 2016, with earlier application permitted. IFRS 14 permits an entity which is a first-time adopter of International Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements. Regulatory deferral account balances, and movements in them, are presented separately in the statement of financial position and statement of profit or loss and other comprehensive income, and specific disclosures are required. IFRS 14 will not have an impact on the consolidated financial statements, because OCI is not a first-time adopter.

IFRS 15 'Revenue from Contracts with Customers'

The Standard was issued in January 2014 and is effective from 1 January 2017. IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers. The group does not expect a significant impact from the application of this standard on its continuing operations.

Amendments to IAS 1 'Disclosure Initiative'

The amendments issued on 18 December 2014 are effective for annual periods beginning on or after 1 January 2016, with earlier application being permitted. The amendments aim at clarifying IAS 1 to address perceived impediments to preparers exercising their judgement in presenting their financial reports. OCI is currently investigating the impact of the amendments.

Amendments to IFRS 10 and IAS 28 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'

The amendments issued on 11 September 2014 are effective for annual periods beginning on or after 1 January 2016. When a parent losses control of a subsidiary in a transaction with an associate or joint venture, there is a conflict between the existing guidance on consolidation and equity accounting. In response to this conflict and the resulting diversity in practice, the amendments requires the recognition of the full gain when the assets transferred meet the definition of a business combination under IFRS 3. OCI is currently investigating the impact of the amendments.

Amendments to IAS 27 'Equity Method in Separate Financial Statements'

The amendment to IAS 27 issued on 12 August 2014 will be effective for reporting period starting on or after 1 January 2016, but is subject to EU endorsement. In some countries, local regulations require entities to apply the equity method for accounting for investments in subsidiaries in their separate financial statements. The amendment allows for the use of the equity method. OCI N.V. does not currently apply IFRS for its separate financial statements. In 2015 OCI N.V. will convert to IFRS, but will apply the cost method in accounting for subsidiaries.

Amendments to IAS 16 and IAS 38 'Clarification of Acceptable Methods of Depreciation and Amortization'

The amendments issued on 12 May 2014 are effective for annual periods beginning on or after 1 January 2016, with earlier application being permitted. These amendments clarify the principle in IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, the ratio of revenue generated to total revenue expected to be generated cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. OCI is currently investigating the impact of the amendments.

Amendments to IFRS 11 'Accounting for Acquisitions of Interests in Joint Operations'

The amendment was issued on 6 May 2014 and will be effective for reporting periods starting on or after 1 January 2016. The amendment states that, where a joint operator acquires an interest in a joint operation in which the activity of the joint operation constitutes a business, it must apply all of the principles on business combinations accounting as set out in IFRS 3 Business Combinations, and other standards. In addition, the joint operator must disclose the information required by IFRS 3 and other IFRSs for business combinations. The amendment will only affect OCI's consolidated financial statements if the entity would enter into a significant joint operation.

4.3. Restatement of comparative information as a result of the application of IFRS 10 and IFRS 11

4.3.1. Restatement of consolidated statement of financial position as at 31 December

$ millions	Note	2013 before restatement	Effect of IFRS 10 / 11	2013 restated
Assets				
Non-current assets				
Property, plant and equipment	(7)	4,918.4	(145.0)	4,773.4
Goodwill and other intangible assets	(8)	986.0	(1.7)	984.3
Trade and other receivables		198.7	(121.9)	76.8
Equity accounted investees	(10)	188.2	328.9	517.1
Other investments		51.9	(0.9)	51.0
Deferred tax assets		76.1	(8.5)	67.6
Total non-current assets		**6,419.3**	**50.9**	**6,470.2**
Current assets				
Inventories	(13)	479.7	(112.2)	367.5
Trade and other receivables		1,865.1	(583.0)	1,282.1
Contracts receivables		414.0	(38.6)	375.4
Cash and cash equivalents	(15)	2,266.1	(275.9)	1,990.2
Assets held for sale		2.4	-	2.4
Total current assets		**5,027.3**	**(1,009.7)**	**4,017.6**
Total assets		**11,446.6**	**(958.8)**	**10,487.8**
Equity				
Share capital		272.1	-	272.1
Share premium		1,441.8	-	1,441.8
Reserves		109.6	-	109.6
Retained earnings		(102.2)	-	(102.2)
Equity attributable to owners of the Company		**1,721.3**	**-**	**1,721.3**
Non-controlling interest		366.3	-	366.3
Total equity		**2,087.6**	**-**	**2,087.6**
Liabilities				
Non-current liabilities				
Loans and borrowings	(20)	4,591.9	(94.7)	4,497.2
Trade and other payables		118.9	(43.1)	75.8
Provisions		48.2	(29.0)	19.2
Deferred tax liabilities		393.3	(17.6)	375.7
Income tax payables		414.7	-	414.7
Total non-current liabilities		**5,567.0**	**(184.4)**	**5,382.6**
Current liabilities				
Loans and borrowings	(20)	1,474.2	(46.2)	1,428.0
Trade and other payables		1,616.3	(614.0)	1,002.3
Billing in excess of construction contracts		218.9	(78.0)	140.9
Provisions		130.5	(22.3)	108.2
Income tax payables		352.1	(13.9)	338.2
Total current liabilities		**3,792.0**	**(774.4)**	**3,017.6**
Total liabilities		**9,359.0**	**(958.8)**	**8,400.2**
Total equity and liabilities		**11,446.6**	**(958.8)**	**10,487.8**

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4.3.2. Restatement of consolidated statement of profit or loss (before effect of IFRS 5 'discontinued operations') for the year ended

$ millions	Note	2013 before restatement	Effect of IFRS 10 / 11	2013 restated
Revenue		6,131.8	(1,730.9)	4,400.9
Cost of sales		(5,270.4)	1,557.0	(3,713.4)
Gross profit		**861.4**	**(173.9)**	**687.5**
Other income	(24)	316.9	(6.1)	310.8
Selling, general and administrative expenses	(23)	(434.4)	93.8	(340.6)
Other expenses	(25)	(97.5)	12.2	(85.3)
Transaction cost		(89.3)	-	(89.3)
Operating profit / (loss)		**557.1**	**(74.0)**	**483.1**
Finance income	(26)	178.5	(22.7)	155.8
Finance cost	(26)	(412.1)	23.1	(389.0)
Net finance cost	(26)	**(233.6)**	**0.4**	**(233.2)**
Income from equity accounted investees (net of tax)	(10)	21.7	62.0	83.7
Profit / (loss) before income tax		**345.2**	**(11.6)**	**333.6**
Income tax	(12)	(86.0)	11.6	(74.4)
Net profit / (loss)		**259.2**	**-**	**259.2**
Attributable to owners of the Company		295.2	-	295.2
Non-controlling interest		(36.0)	-	(36.0)
Net profit / (loss)		**259.2**	**-**	**259.2**
Earnings / (loss) per share (in USD)				
Basic earnings (loss) per share	(27)	1.449		1.449
Diluted earnings (loss) per share	(27)	1.408		1.408

4.3.4 Restatement of consolidated statement of cash flows for the year ended

$ millions	Note	2013 before restatement	Effect of IFRS 10 / 11	2013 restated
Net profit / (loss)		**259.2**	-	259.2
Adjustments for non-cash profit or loss items / changes in items of financial position:		(971.9)	(20.7)	(992.6)
Cash flow from / (used in) operating activities		(712.7)	(20.7)	(733.4)
Cash flow from / (used in) investing activities		1,084.6	87.7	1,172.3
Cash flow from / (used in) financing activities		849.5	(62.5)	787.0
Net increase (decrease) in cash and cash equivalents		**1,221.4**	**4.5**	**1,225.9**
Cash and cash equivalents at 1 January	(15)	1,033.4	(270.9)	762.5
Currency translation differences		11.3	(9.5)	1.8
Cash and cash equivalents at 31 December	(15)	**2,266.1**	**(275.9)**	**1,990.2**

5. Critical accounting judgement, estimates and assumptions

The preparation of the financial statements in compliance with IFRS requires management to make judgements, estimates and assumptions that affect amounts reported in the consolidated financial statements. The estimates and assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised or in the revision period and future periods, if the changed estimates affect both current and future periods. The most critical accounting policies involving a higher degree of judgment and complexity in applying principles of valuation and for which changes in the assumptions and estimates could result in significantly different results than those recorded in the financial statements are the following:

Intangible assets

Intangible assets with finite useful lives are carried at cost less cumulative amortization and any impairment. Amortization is calculated using the 'straight-line' method based on the estimated useful lives. Management makes estimates regarding the useful lives and residual values and assumes that amortization takes place on a 'straight-line' basis. The assets' useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. For intangible assets with finite useful lives, OCI assesses annually or more frequently whether indicators exist that suggest the intangible asset might be impaired by comparing the recoverable amounts with their carrying amounts. In determining the recoverable amounts of intangible assets, OCI makes estimates and assumptions about future cash flows based on the value in use. In doing so, OCI also makes assumptions and estimates regarding the discount rates in order to calculate the net present value of the future cash flows.

OCI tests at least annually whether goodwill is impaired by comparing the recoverable amounts of cash-generating units with their carrying amounts. The recoverable amount is the higher of the fair value less cost to sell and the value in use. In determining the recoverable amount, OCI makes estimates and assumptions concerning future revenues, future costs, future working capital, future investments, Weighted Average Cost of Capital (WACC) and future inflation rates.

Property, plant and equipment

Depreciation is calculated using the 'straight-line' method based on the estimated useful lives, taking into account any residual values. Management makes estimates regarding the useful lives and residual values and assumes that depreciation takes place on a 'straight-line' basis. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. OCI assesses annually, or more frequently, whether indicators exist that suggest that an item of property, plant and equipment might be impaired by comparing the recoverable amounts with their carrying amounts. In determining the recoverable amounts of property, plant and equipment, OCI makes estimates and assumptions about future cash flows based on the value in use. In doing so OCI also makes assumptions and estimates regarding the discount rates to be used in order to calculate the net present value of the future cash flows.

Financial instruments

The fair value of financial instruments traded in active markets (financial instruments in the fair value hierarchy category 1) is based on quoted market prices at the balance sheet date. The fair value of financial instruments that are not traded in an active market (financial instruments in the fair value hierarchy category 2) is determined using generally accepted valuation techniques. These valuation techniques include estimates and assumptions about forward rates, discount rates based on a single interest rate, or on a yield-curve based on market conditions existing at the balance sheet date. The fair value of borrowings and interest rate swaps is calculated based on the present value of the estimated future cash flows based on the yield-curve applicable at the balance sheet date. If the financial instrument contains a floating interest rate, the future expected interest rates are determined based on the 'boot-strap' method. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date. The net carrying amount of trade receivables and trade payables is assumed to approximate the fair value due to the short term nature. The fair value of non-current financial liabilities is estimated by discounting the future cash flows using yield-curves. For unlisted equity securities in the available-for-sale category (financial instruments in the fair value hierarchy category 3) the equity-method is used as a proxy for fair value. In using the equity method, input is derived from the financial statements of the unlisted equity investments. Counterparty risk in connection with triggers for impairment is based on judgment of the financial position of the counterparty. A significant and prolonged decline in fair value of available-for-sale financial assets is depends on the average volatility of the instrument, if an instrument exceeds certain ranges in both time frame and negative volatility, a trigger for impairment is considered. This is considered on an item by item basis.

Impairment financial instruments (including trade receivables)

Objective evidence may exist in circumstances in which a counterparty has been placed in bankruptcy, or has failed on the repayments of principal and interest. In other circumstances OCI uses judgment in order to determine whether a financial assets may be impaired. OCI uses judgement in order to determine whether an impairment can be reversed, an assumption in doing so might be an improvement in the debtor's credit rating or receipt of payments due. For listed equity securities in the available-for-sale financial assets category, the Group uses the assumption that if the market value declined by more than 25 percent and more than 6 months, the asset is assumed to be impaired. For debt-securities, an impairment trigger exist when the counterpart fails to meet its contractual payment obligations or there is evidence that the counterpart has encountered financial difficulties. The impairment is determined based on the carrying amount and the recoverable amount. The recoverable amount is determined as the present value of estimated future cash flows using the original effective interest rate.

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5. Critical accounting judgement, estimates and assumptions (continued)

Inventories

In determining the net realisable value of inventories, OCI estimates the selling prices in the ordinary course of business, cost of completion and cost to sell. In doing so, OCI makes estimates and assumptions based on current market prices, historical usage of various product categories versus current inventory levels and specific identified obsolescence risks (e.g. end of life of specific goods and spare parts and the impact of new environmental legislation).

Provisions

Recognition of provisions include significant estimates, assumptions and judgements. IFRS requires only those provisions to be recognized if there is an expected outflow of resources in the near future and if the cost of these outflows can be estimated reliably. Accordingly, management exercises considerable judgment in determining whether there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated. These judgements are subject to change as new information becomes available. The required amount of a provision may change in the future due to new developments in the particular matter. Revisions to estimates may significantly impact future profit or loss. Upon resolution, the Group may incur charges in excess of the recorded provisions for such matters.

The group uses past experiences to estimate the likelihood and cost of future warranties with respect to services provided and goods sold.

OCI recognizes a provision for restructuring regarding cost-saving restructuring measures. Provisions for restructuring include, amongst other, estimates and assumptions about severance payments and termination fees.

Provisions for asset retirement obligations, represent estimated costs of decommissioning. Due to the long time frame over which future cash outflows are expected to occur including the respective interest accretion require assumptions. Amongst others, the estimated cash outflows could alter significantly if, and when, political developments affect future laws and regulation with respect to asset retirements.

In case of onerous contracts the Group estimates the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. In doing so, the Group has to estimate the future cash flows and the discount rates used. In addition to this the Group has to estimate any possible impairments.

With respect to legal cases, the Group has to estimate the outcome of the legal cases. Regulatory and legal proceedings as well as government investigations often involve complex legal issues and are subject to substantial uncertainties. The Company periodically reviews the status of these proceedings with both the internal and external legal counsels.

Revenue recognition on construction contracts

The Company conducts a significant portion of its business under construction contracts with customers. The Company generally accounts for construction projects using the percentage-of-completion method, recognizing revenue as performance on contract progresses. This method places considerable importance on accurate estimates of the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. Depending on the methodology to determine contract progress, the significant estimates include total contract costs, remaining costs to completion, total contract revenues, contract risks, including technical, political and regulatory risks, and other judgments. Management of the operating divisions continually review all estimates involved in such construction contracts, including commercial feasibility, and adjusts them as necessary. Under the percentage-of-completion method, such changes in estimates may lead to an increase or decrease of revenues in the respective reporting period.

Income taxes

OCI is subject to income taxes in numerous jurisdictions. Estimates are required in determining the worldwide provision for income taxes. There are some transactions and calculations for which the ultimate tax position is uncertain during the ordinary course of business. The Group recognizes provisions for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from amounts that were initially recorded, such differences will impact the current income tax and deferred tax provisions in the period in which such determination is made. OCI recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available for the deferred tax asset to be recovered. This is based on estimates of taxable future income by jurisdiction in which OCI operates and the period over which deferred tax assets are expected to be recoverable. In the event that actual results or new estimates differ from previous estimates and depending on the possible tax strategies that may be implemented, changes to the recognition of deferred tax assets could be required, which could impact the financial position and profit or loss.

Asset held sale for sale / demerger, discontinued operations

OCI used judgment in determining what a disposal group or a discontinued operation is and when it qualifies for reclassification according to IFRS 5 (management commitment, ready for sale / demerger, highly probable, completion within one year). In determining what is a disposal group or a discontinued operation, OCI judges whether the cash flows of the disposal group or a discontinued operation can be distinguished from the rest of the group, what determines a major line of operation and whether a single coordinated plan to dispose exists and at what date it was formally approved.

6. Financial risk and capital management

Overview

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

These risks arise from exposures that occur in the normal course of business and are managed on a consolidated company basis. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

Senior management has an overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by the Internal Audit Department. The Internal Audit Department undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

6.1 Exposure to credit risk

The Company mitigates the exposure to credit risk on outstanding cash balances by placing funds at multiple financial institutions with a sufficient credit rating. As of 31 December 2014, IFCo has a maximum concentration risk of USD 410.2 million in relation to its outstanding cash at UMB Bank (treasury bills). The Group's exposure to customer credit risk is monitored and mitigated by performing credit checks before selling any goods. The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. The carrying amount of financial assets represents the maximum credit exposure. With respect to transactions with financial institutions, the group sets limits to the credit worthiness rating of the counterparty. The maximum credit risk is the carrying amount of financial instruments, for an overview reference is made to the tables financial instruments by category.

The major exposure to credit risk at the reporting date was as follows:

$ millions	Note	2014	2013 restated
Trade and other receivables	(9)	393.7	1,358.9
Available-for-sale financial assets	(11)	54.1	51.0
Contract receivables	(14)	-	375.4
Cash and cash equivalents	(15)	846.6	1,990.2
Total		**1,294.4**	**3,775.5**

The major exposure to credit risk for trade and other receivables by geographic region was as follows:

$ millions	2014	2013 restated
Middle East and Africa	202.8	650.7
Asia and Oceania	7.4	225.2
Europe and United States	183.5	483.0
Total	**393.7**	**1,358.9**

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6.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. This is also safeguarded by using multiple financial institutions in order the mitigate any concentration of liquidity risk.

The following risk is monitored internally at Group level, on an ongoing basis the Group prepares liquidity forecasts to verify whether the Group is able to meet its future debt obligations.

The following are the contractual maturities of financial liabilities, including estimated interest payments and exclude the impact of netting agreements:

At 31 December 2014 $ millions	Note	Carrying amount	Contractual cash flow	6 months or less	6–12 months	1–5 years	More than 5 years
Financial liabilities							
Cash outflows:							
Loans and borrowings	(20)	5,040.7	6,466.2	336.8	249.3	4,013.7	1,866.4
Trade and other payables	(21)	463.6	515.0	454.1	-	60.9	-
Derivatives	(21)	-	26.4	26.4	-	-	-
Cash inflows:							
Derivatives	(21)	-	26.4	26.4	-	-	-
Total		**5,504.3**	**6,981.2**	**790.9**	**249.3**	**4,074.6**	**1,866.4**

The Group entered into construction agreements regarding the building of new plants, reference is made to note 31 'Capital commitments'. The building of these new plants is financed by cash held by the operating company, new loans or shares issued or dividends received.

At 31 December 2013 restated $ millions	Note	Carrying amount	Contractual cash flow	6 months or less	6–12 months	1–5 years	More than 5 years
Financial liabilities							
Loans and borrowings	(20)	5,925.2	7,730.4	284.1	410.4	4,522.0	2,513.9
Trade and other payables	(21)	1,078.1	1,078.1	1,002.3	-	75.8	-
Total		**7,003.3**	**8,808.5**	**1,286.4**	**410.4**	**4,597.8**	**2,513.9**

The interest on floating rate loans and borrowings is based on forward interest rates at period-end. This interest rate may change as the market interest rate changes.

6.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group is exposed to foreign currency risk arising in separate ways:

Foreign exchange translation exposure

Due to the Group's international presence, OCI's Financial Statements are exposed to foreign exchange fluctuations as these affect the translation of the subsidiaries' assets and liabilities presented in foreign currencies to the US dollar (the Group's presentation currency). The currencies concerned are mainly the Egyptian pound, the Algerian Dinar and the Euro. Foreign exchange translation exposure is considered a part of doing business on an international level; this risk is not actively managed, nor is it hedged.

Foreign exchange transaction exposure

The Group entities predominantly execute their activities in their respective functional currencies. Some Group subsidiaries are, however, exposed to foreign currency risks in connection with the scheduled payments in currencies that are not their functional currencies. In general this relates to foreign currency denominated supplier payables due to capital expenditures and receivables. The Group monitors the exposure to foreign currency risk arising from operating activities. The Group does not use foreign exchange contracts for hedge accounting purposes, therefore all changes in fair value adjustments are recognized in profit or loss.

The Group is exposed to foreign exchange transaction exposure to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The functional currencies of Group companies are primarily the Euro, US Dollar, Egyptian Pound and Algerian Dinar.

As of 31 December 2014, if the functional currencies had strengthened/weakened by 7 percent against the Euro, 1 percent against the Egyptian Pound with all other variables held constant, the translation of foreign currency receivables, payables and loans and borrowings that would have resulted in an increase/decrease of USD 40.1 million of the profit of the year.

The Group uses foreign exchange contracts to manage its foreign exchange transaction exposure.

The summary of quantitative data about the Group's exposure to foreign exchange transaction exposure provided to management of the Group based on its risk management policy for the main currencies was as follows:

At 31 December 2014 $ millions	USD	EUR	EGP
Trade and other receivables	42.7	7.0	21.3
Trade and other payables	(8.5)	(24.5)	(92.8)
Loans and borrowings	-	-	(1,015.0)

At 31 December 2013 restated $ millions	USD	EUR	EGP
Trade and other receivables	223.3	55.6	1,636.3
Trade and other payables	(49.8)	(92.2)	(2,428.8)
Loans and borrowings	(128.4)	(63.5)	(1,039.4)

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6.3 Market risk (continued)

Significant rates

The following significant exchange rates applied during the year:

	Average 2014	Average 2013	Closing 2014	Closing 2013
Euro	1.3282	1.3284	1.2155	1.3761
Egyptian pound	0.1412	0.1454	0.1398	0.1439
Algerian Dinar	0.0124	0.0124	0.0114	0.0127

The following tables demonstrate the sensitivity to a reasonably possible change in EUR and EGP exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities, including inter company positions. The Group's exposure to foreign currency changes for all other currencies is not material.

2014 $ millions	Change in FX rate*	Effect on profit before tax**	Effect on equity**
EUR - USD	7 percent	40.1	-
EGP - USD	1 percent	0.1	-

* Determined based on the volatility of last year for the respective currencies

** Effects are displayed in absolute amounts

Interest rate risk

The Group's cash flow interest rate risks arise from the exposure to variability in future cash flows of floating rate financial instruments. The Group reviews its exposure in light of global interest rate environment after consulting with a consortium of global banks.

The Group analyses its interest rate exposure on a dynamic basis. The Group calculates the impact on profit or loss of a defined interest rate shift. The same interest rate shift is used for all currencies. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

$ millions	in basis points	2014	2013 restated
Effect on profit before tax for the coming year	+10 bps	(1.5)	(5.1)
	- 10 bps	1.4	4.8

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly lower volatility than in prior years. As of 31 December 2014, the Group applied no cash flow hedge accounting; the hedge reserve recognized in other comprehensive income relates to the joint venture Besix.

Commodity price risk

The group is exposed to natural gas price commodity risk, as natural gas is one of the primary raw materials used in the fertilizer and chemicals production process. The Group enters into gas swaptions in order to hedge acceptable future gas price levels over a certain period of time. This commodity hedge policy is only applied in those regions (mainly the USA) in which natural gas commodity hedging is possible. In other areas, the Group enters into long-term gas supply contracts in order to manage its natural gas commodity risk.

6.3 Market risk (continued)

Categories of financial instruments

2014 $ millions	Note	Loans and receivables at amortized cost	Derivatives at fair value	Available-for-sale financial asset at fair value
Assets				
Trade and other receivables	(9)	388.9	4.8	-
Other investments	(11)	-	-	54.1
Cash and cash equivalents	(15)	846.6	-	-
Total		**1,235.5**	**4.8**	**54.1**
Liabilities				
Loans and borrowings	(20)	5,040.7	-	-
Trade and other payables	(21)	463.6	-	-
Total		**5,504.3**	-	-

2013 restated $ millions	Note	Loans and receivables at amortized cost	Derivatives at fair value	Available-for-sale financial asset at fair value
Assets				
Trade and other receivables	(9)	1,330.8	28.1	-
Other investments	(11)	-	-	51.0
Cash and cash equivalents	(15)	1,990.2	-	-
Total		**3,321.0**	**28.1**	**51.0**
Liabilities				
Loans and Borrowings	(20)	5,925.2	-	-
Trade and other payables	(21)	1,078.1	-	-
Total		**7,003.3**	-	-

Most financial instruments are in the fair value hierarchy category level 2, with the exception of financial assets in the available-for-sale category. An amount of USD 54.1 million (2013: 51.0 million) was recognized as level 3 and was measured using the equity-method, reference is made to note 11. In 2014, there were no transfers between the fair value hierarchy categories.

6.4 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares, retained earnings and non-controlling interest of the Group. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group's net debt to equity ratio at the reporting date was as follows:

$ millions	Notes	2014	2013 restated
Loans and borrowings	(20)	5,040.7	5,925.2
Less: cash and cash equivalents	(15)	846.6	1,990.2
Net debt		**4,194.1**	**3,935.0**
Total equity		2,537.8	2,087.6
Net debt to equity ratio at 31 December		**1.65**	**1.88**

The group is required by external financial institutions to maintain certain capital requirements compared to its debt. Reference is made to note 20 'Loans and borrowings' for a specification of financial covenants.

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7. Property plant and equipment

$ millions	Land and buildings	Plant and equipment	Fixtures and fittings	Under construction	Total
Cost	263.8	2,706.5	24.9	2,190.5	**5,185.7**
Accumulated depreciation	(52.1)	(815.6)	(16.0)	-	**(883.7)**
At 1 January 2013 restated	**211.7**	**1,890.9**	**8.9**	**2,190.5**	4,302.0
Movements in the carrying amount:					
Additions	169.2	47.7	5.2	512.5	**734.6**
Disposals	(2.6)	(27.2)	(1.1)	-	**(30.9)**
Depreciation	(12.4)	(255.6)	(4.7)	-	**(272.7)**
Transfers	(4.0)	2,056.1	0.8	(2,052.9)	**-**
Effect of movement in exchange rate	(4.5)	52.8	(0.7)	(7.2)	**40.4**
At 31 December 2013 restated	357.4	3,764.7	8.4	642.9	4,773.4
Cost	408.2	4,724.5	30.2	642.9	**5,805.8**
Accumulated depreciation	(50.8)	(959.8)	(21.8)	-	**(1,032.4)**
At 31 December 2013 restated	**357.4**	**3,764.7**	**8.4**	**642.9**	4,773.4
Movements in the carrying amount:					
Additions	19.3	155.4	7.1	1,227.4	**1,409.2**
Disposals	(17.0)	(8.4)	(1.3)	(0.7)	**(27.4)**
Depreciation	(15.3)	(323.3)	(8.9)	-	**(347.5)**
Transfers	(0.2)	64.9	16.5	(81.2)	**-**
Effect of movement in exchange rates	(16.0)	(229.2)	(10.2)	(7.7)	**(263.1)**
Assets reclassified as held for demerger	(122.8)	(137.2)	(5.3)	(6.9)	**(272.2)**
At 31 December 2014	205.4	3,286.9	6.3	1,773.8	**5,272.4**
Cost	234.5	4,140.3	17.2	1,773.8	**6,165.8**
Accumulated depreciation	(29.1)	(853.4)	(10.9)	-	**(893.4)**
At 31 December 2014	**205.4**	**3,286.9**	**6.3**	**1,773.8**	5,272.4

As at 31 December 2014, the group had land with a carrying amount of USD 62.4 million (2013: USD 78.1 million).

In 2013, primarily due to Sorfert's completion of the commissioning and testing period, USD 2,052.9 million of asset under construction were transferred to 'plant and equipment'. Additions to assets under construction in 2013 and 2014 are mainly related to the construction of Iowa Fertilizer Company (IFCo) and Natgasoline in Iowa and Texas respectively.

The capitalized borrowing costs during the year ended 31 December 2014 amounted to USD 67.3 million (2013: USD 40.7 million) and relate mainly to IFCo.

The amount of USD 263.1 million under effect of movement in exchange rates mainly relates to the Sorfert plant (Algeria), which has a different functional currency (Algerian Dinar), than the Group's presentation currency. The Algerian Dinar decreased by approximately 10% during 2014.

For capital commitments reference is made to note 31.

8. Goodwill and other intangible assets

$ millions	Goodwill	Licenses and trademarks	Purchase rights and other	Total
Cost	1,826.0	86.2	36.5	1,948.7
Accumulated amortization and impairment	(900.0)	(46.0)	(6.5)	(952.5)
At 1 January 2013 restated	**926.0**	**40.2**	**30.0**	**996.2**
Movements in the carrying amount:				
Additions	-	-	4.1	4.1
Purchase price adjustment on previously acquired subsidiary	4.6	-	-	4.6
Amortization	-	(15.1)	(7.2)	(22.3)
Effect of movement in exchange rates	0.4	1.3	-	1.7
At 31 December 2013 restated	931.0	26.4	26.9	984.3
Cost	1,831.0	87.5	40.6	1,959.1
Accumulated amortization and impairment	(900.0)	(61.1)	(13.7)	(974.8)
At 31 December 2013 restated	**931.0**	**26.4**	**26.9**	**984.3**
Movements in the carrying amount:				
Disposals	-	-	(0.6)	(0.6)
Amortization	-	(14.5)	(7.2)	(21.7)
Impairment loss	(7.0)	-	-	(7.0)
Other	-	-	(4.8)	(4.8)
Effect of movement in exchange rates	(3.0)	(1.9)	-	(4.9)
Assets reclassified as held for demerger	(12.4)	-	-	(12.4)
At 31 December 2014	908.6	10.0	14.3	932.9
Cost	1,808.6	85.6	35.2	1,929.4
Accumulated amortization and impairment	(900.0)	(75.6)	(20.9)	(996.5)
At 31 December 2014	**908.6**	**10.0**	**14.3**	**932.9**

Goodwill

Goodwill amounting to USD 0.9 billion is almost entirely related to the 2007 acquisition of EFC in Egypt which is part of the continuing operations. This goodwill did not change during 2014.

Certain measurement period adjustments relating to real estate for sale, an investment in a joint operation and a judgement on other contract receivables totalling USD 4.6 million have been adjusted through goodwill during the year ended 31 December 2013 as purchase price adjustments.

In 2014, OCI Egypt (discontinued operation) impaired goodwill for an amount of USD 7.0 million relating to the National Steel Fabrication company (NSF).

Licenses and trademarks

As at 31 December the 2014, the total licenses and trademarks have a carrying amount of USD 10.0 million as compared to an amount of USD 26.4 million as at 31 December 2013. The licenses and trademarks mainly relate to the customer relationships, trademarks and technology assets of OCI Nitrogen B.V. These intangible assets were identified during the acquisition of OCI Nitrogen B.V. in 2010. The useful life of the customer relationships, trademarks and technology assets are respectively 5 to 10 years, 3 years and 5 years except the brand name 'Nutramon' which has an indefinite useful life.

Purchase rights and other

As at 31 December 2014, the 'Purchase rights and other' have a carrying amount of USD 14.3 million (2013: USD 26.9 million). The purchase rights and other mostly relates to the Ammonium Sulphate supply agreement between Fertiva GmbH and Orascom Construction Industries S.A.E., where Orascom Construction Industries S.A.E. is entitled to all rights, benefits and obligations relating the supply of Ammonium Sulphate by LANXESS. The term of the contract is from 1 November 2012 through 31 December 2016.

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8. Goodwill and other intangible assets (continued)

Goodwill impairment testing Fertilizer & Chemicals Group

Goodwill amounting to USD 0.9 billion is almost entirely related to EFC. Historically, OCI allocated all goodwill from the EFC acquisition to the CGU EFC and was also monitored and tested for impairment on this level. In 2014 OCI reorganized its entire internal reporting structure by setting up a separate reporting structure for Fertilizer and Chemicals and Engineering and Construction. In addition to the change in internal reporting structure the legal structure was changed to align the legal structure with the revised managerial and internal reporting structure. The changes in the legal and internal reporting structure reflected changes in the goods flow within the Fertilizer and Chemicals operations and changes in management responsibilities within the Fertilizer and Chemicals operations. The goods flow within the Fertilizer and Chemicals Group changed in 2014 as several fertilizer plants started to sell their products to 2 centralized trading offices within the group. These trading offices subsequently sell finished products to the ultimate customers.

The Company appointed a COO for the entire Fertilizer and Chemicals business in 2014, as the changes in the setup of the Fertilizer and Chemicals operations warranted managing the business at a more aggregated level. Following the appointment of the COO and the aforementioned changes, the Fertilizer and Chemicals group is monitored as a group rather than on an individual production facility basis. Due to the aforementioned changes, goodwill is tested for impairment on the level of a group of CGU's, being the entire Fertilizer and Chemicals group.

Goodwill has been allocated to the cash generating units as follows:

Cash generating units $ millions	2014
Fertilizer & Chemicals Group	908.6
Weitz	12.4
Goodwill reclassified as held for demerger	(12.4)
Total	**908.6**

Cash generating units $ millions	2013 restated
EFC Co SAE (EFC) - Fertilizer & Chemicals segment	877.6
Other - Fertilizer & Chemicals segment	34.4
Other - Engineering & Construction segment	19.0
Total	**931.0**

For the Fertilizer and Chemicals Group, details of the goodwill impairment test are as follows:

Key assumptions and method of quantification

The Group recognizes its intangible assets in accordance with IAS 38 and IFRS 3. In accordance with IAS 36, the Group has performed an impairment test on the capitalized goodwill of the Fertilizer and Chemicals group. The test was carried out by discounting future cash flows to be generated from the continuing use of the cash-generating units to which the goodwill applies and on the assumption of an indefinite life. Key assumptions used in the calculation of recoverable amounts are the discount rate, the terminal value growth rate, selling price outlook per product, natural gas availability and the number of expected operating days per plant. Selling prices assumptions are based on a published independent price outlook prepared by global fertilizer experts. The other assumptions used are based on past experience and external sources, but that are unpredictable and inherently uncertain.

The impairment test is based on specific estimates for the cash flow projections for the years 2015 to 2019 which are approved by the COO and the Board of Directors. For the subsequent years the residual value was calculated on the basis of the results in the last year of relevant forecasts and whereby a perpetual growth rate of 2.0% was taken into account. The estimated pre-tax cash flows are discounted to their present value using a pre-tax weighted average cost of capital of 11.2%.

The determination of the recoverable amount for the cash generating unit requires significant judgments and estimates, including projections of future cash flows from the businesses.

Discount rate

In determining the pre-tax discount rate, first the post-tax average cost of capital was calculated for the Fertilizer and Chemicals group. The post-tax rate is based on a debt leveraging compared to the market value of equity of 10%.

8. Goodwill and other intangible assets (continued)

Percentage	2014	2013[1]
Discount rate (pre tax weighted average cost of capital)	11.2%	13.9%
Perpetual growth rate	2.0%	2.5%

[1] The 2013 percentage of the discount rate and perpetual rate relates to the CGU EFC. In 2013 this was monitored and tested for impairment on this level.

Result of the impairment test

For 2014, the result of the impairment test was that the recoverable amount exceeded the carrying value by USD 5.3 billion and no further impairment was identified.

Sensitivity analysis

When performing the annual impairment test, we performed sensitivity analyses. The effect on the recoverable amount of 100 bps modifications in the assumed WACC and the terminal growth rate can be summarized as follows:

$ billions	In basis points	2014
Change in discount rate (pre-tax WACC)	+ 100 bps	(1.6)
	- 100 bps	2.1
Change in assumed perpetual growth rate	+ 100 bps	1.7
	- 100 bps	(1.3)

9. Trade and other receivables

$ millions	2014	2013 restated
Trade receivables (gross)	256.4	1,080.2
Allowance for trade receivables	-	(37.4)
Trade receivables (net)	256.4	1,042.8
Trade receivables due from related parties (note 33)	24.1	6.9
Prepayments	14.9	28.9
Derivative financial instruments	4.8	28.1
Loans granted to personnel in relation to share-based payment arrangement	19.5	36.2
Other tax receivable	45.1	140.6
Other receivables due from related parties	22.4	-
Other receivables	6.5	75.4
Total	**393.7**	**1,358.9**
Non-current	49.7	76.8
Current	344.0	1,282.1
Total	**393.7**	**1,358.9**

The carrying amount of 'Trade and other receivables' as at 31 December 2014 approximates its fair value.

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9. Trade and other receivables (continued)

The aging of current gross trade receivables at the reporting date that were as follows:

$ millions	2014	2013 restated
Neither past due nor impaired	237.4	383.1
Past due 1 - 30 days	17.1	132.6
Past due 31 - 90 days	0.3	222.1
Past due 91 - 360 days	0.5	256.3
More than 360 days	1.1	86.1
Total	**256.4**	**1,080.2**

Management believes that the unimpaired amounts that are past due by more than 30 days are collectible in full, based on historic payment behavior and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available. For trade and other receivables pledged as securities, reference is made to note 20.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

$ millions	2014	2013 restated
At 1 January	**(37.4)**	**(49.2)**
Additions	(24.4)	(18.6)
Unused amounts reversed	-	26.6
Used amounts	10.2	-
Impairment losses recognized	-	2.2
Exchange rates differences	0.8	1.6
Reclassified as assets held for demerger	50.8	-
At 31 December	**-**	**(37.4)**

Derivative financial instruments include the following:

Gas price derivative
Although the IFCo plant is still under construction, the company has entered into a swaption (option to swap) to mitigate the potential impact of the increase in natural gas prices for a portion of the expected usage. The group does not apply hedge accounting therefore all fair value changes related to this financial instrument are recognized in profit or loss. The derivative has a quantity of 95,887,500 MMBTU against a strike price of USD 6.0/ MMBTU for years 2015-2018 and USD 6.5/ MMBTU for years 2019-2022. On 31 December 2014, the fair value of the derivative amounted to USD 4.8 million (2013 USD 9.5 million).

Foreign exchange contracts
On 23 March 2012, the Group entered into forward exchange contracts to hedge its currency risk exposure to the Japanese Yen that matures in October 2015. The contract has a notional amount of USD 320.7 million at the inception of the contract. The Group does not apply hedge accounting, therefore all fair value changes related to this financial instrument are recognized in profit or loss. As at December 2013, the foreign exchange hedge had a fair value of USD 18.1 million. These derivatives relate to construction operations of Besix, which are presented under 'Assets held for demerger' in 2014.

OCI Nitrogen B.V. interest rate swap
As of 27 April 2012, OCI Nitrogen B.V. entered into an interest rate swap for a notional amount of EUR 150 million (equivalent to USD 206.4 million) with Commerzbank by means of an amortizing plain vanilla interest rate swap. The swap matured during 2014.

10. Equity accounted investees

(i) The following table shows the movement in the carrying amount of the Groups' associates and joint ventures:

$ millions	2014	2013 restated
At 1 January	**517.1**	**458.4**
Share in income	(152.9)	81.1
Investment/divestment	96.9	1.4
Dividend	(42.0)	(35.8)
Movement in hedge reserve	(6.1)	-
Provisions on associates recognized under 'Trade and other payables'	21.4	-
Effect of movement in exchange rates	(25.3)	12.0
Associates reclassified as held for demerger	(371.2)	-
At 31 December	**37.9**	**517.1**
Joint ventures	11.0	378.5
Associates	26.9	138.6
Total	**37.9**	**517.1**

The share of income of associates of USD 152.9 million loss (2013: USD 81.1 million profit) is composed of a gain of USD 15.8 million relating to the continuing operations and a loss of USD 168.7 million (2013: USD 73.7 million profit) relating to discontinued operations (2013: USD 7.4 million profit). The 2014 loss in discontinued operations relates mainly to the associate Sidra Medical Center in the amount of USD 188.0 million (2013: USD 0.7 million loss) partly off-set by a profit of Besix of USD 31.2 million (2013: USD 77.9 million).

(ii) The Group has interests in a number of associates and joint ventures relating to continuing operations:

Name	Type	Participation via	Country	Participation %
Sitech Manufacturing Services C.V.	Associate	OCI Nitrogen B.V.	The Netherlands	35.0
Sitech Utility Holding Beheer B.V.	Associate	OCI Nitrogen B.V.	The Netherlands	40.0
Sitech Utility Holding C.V.	Associate	OCI Nitrogen B.V.	The Netherlands	39.9
Sitech Services B.V.	Associate	OCI Nitrogen B.V.	The Netherlands	23.0
Nitrogen Iberian Company SL.	Joint venture	OCI Nitrogen B.V.	Spain	50.0
Shanxi Fenghe Melamine Company Ltd.	Joint venture	OCI Nitrogen B.V.	China	50.0
Fitco OCI Agro S.A.	Joint venture	OCI Fertilizers B.V.	Uruguay	50.0
Fitco OCI Agronegocios do Brazil	Joint venture	OCI Fertilizers B.V.	Brazil	50.0

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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10. Equity accounted investees (continued)

(iii) The following table summarizes the financial information of OCI N.V.'s associates and joint ventures (on a 100% basis) of continuing operations:

$ millions	2014 Associates	2014 Joint venture	2014 Total	2013 Associates	2013 Joint ventures	2013 Total
Non-current assets	127.3	24.4	151.7	121.1	27.5	148.6
Current assets	75.4	72.0	147.4	180.7	72.2	252.9
Non-current liabilities	-	-	-	(9.9)	(3.1)	(13.0)
Current liabilities	(85.9)	(74.4)	(160.3)	(151.5)	(72.1)	(223.6)
Net assets	**116.8**	**22.0**	**138.8**	**140.4**	**24.5**	**164.9**
Income	382.4	417.7	800.1	390.8	413.3	804.1
Expenses	(363.4)	(412.4)	(775.8)	(372.7)	(407.4)	(780.1)
Net profit / (loss)	**19.0**	**5.3**	**24.3**	**18.1**	**5.9**	**24.0**

The associates include the Sitech entities, which are used to operate the Chemelot site in Geleen, the Netherlands for OCI Nitrogen B.V. The Chemelot site is used by several other companies. The Sitech entities generated USD 382.4 million revenues and USD 19.0 million net income in 2014. The net assets amounted to USD 116.8 million in 2014. Dividends were distributed to OCI NItrogen B.V. in 2014 for the amount of USD 6.1 million (2013: USD 3.1 million).

The joint ventures consist mainly of OCI's investment in Fitco OCI Agro S.A. (Uruguay), for which 2014 revenues amounted to USD 266.9 million with a net profit of USD 5.3 million.

(iv) The following chart summarizes the financial information of Fitco OCI Agro S.A.

$ millions	2014	2013
Non-current assets	-	-
Current assets (excluding cash and cash equivalents)	29.6	21.3
Cash and cash equivalents	3.2	0.4
Non-current liabilities	-	(3.1)
Current liabilities	(23.2)	(9.8)
Net assets	**9.6**	**8.8**
Group's share of net assets (50%)	4.8	4.4
Revenues	266.9	234.9
Depreciation	-	-
Interest income	-	-
Interest expense	(0.1)	(0.1)
Profit (loss) before taxes	5.3	4.3
Tax expense	-	-
Profit (loss) after taxes	5.3	4.3
Other comprehensive income	-	-
Total comprehensive income	**5.3**	**4.3**

11. Other investments

$ millions	2014	2013 restated
Available-for-sale / debt securities	-	0.9
Available-for-sale / equity securities	54.1	50.1
Total	**54.1**	**51.0**
Non-current	22.9	51.0
Current	31.2	-
Total	**54.1**	**51.0**

Available-for-sale debt securities

Available-for-sale debt securities in 2013 are primarily comprised of investments in hedge funds and corporate bonds held by the Weitz Group.

Available-for-sale equity securities

The amount of the equity securities in 2014 includes USD 24.3 million (2013: USD 26.0 million) representing the Group's 16.7 percent share in Notore Chemicals Industries (Mauritius), which is expected to be sold in 2015. The remaining USD 6.9 million represent the market value of 308,976 shares of a 0.4 percent shareholding in ABU KIR Fertilizer and Chemical Industries Co (bloomberg ticker: ABUK:EY), which are held by one of the subsidiaries and which are expected to be sold in 2015. USD 22.9 million (2013: USD 24.1 million) represents the Group's interest in the Infrastructure and Growth Capital Fund LP. The fund is managed by the Abraaj Group, which is a related party.

12. Income taxes

12.1 Income tax in the statement of profit or loss

The income tax on profit before income tax of continuing operations amounts to USD 565.0 million (2013: USD 71.1 million) and can be summarized as follows:

$ millions	2014	2013 restated
Current tax	518.5	(66.1)
Deferred tax	46.5	(5.0)
Total Income tax in profit or loss	**565.0**	**(71.1)**

The amount excludes the tax income from the discontinued operation of USD (263.0) million (2013: USD 3.6 million), which is included in 'profit (loss) from discontinued operation, net of tax' (see note 29).

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12.2 Reconciliation of effective tax rate

OCI's operations are subject to income taxes in various foreign jurisdictions. The statutory income tax rates vary from 0.0% to 36.5%, which results in a difference between the weighted average statutory income tax rate and the Netherlands' statutory income tax rate of 25.0% (2013: 25.0%).

Reconciliation of the statutory income tax rate in the Netherlands with the effective tax rate can be summarized as follows:

$ millions	2014	%	2013 restated	%
Profit / (loss) before income tax	(19.0)		334.1	
Enacted income tax rate in the Netherlands	25%		25%	
Tax calculated at statutory tax rate	**4.8**	**(25.0)**	**(83.5)**	**(25.0)**
Effect tax rates in foreign jurisdictions	4.4	(23.2)	34.0	10.2
Unrecognized tax losses	(72.2)	380.0	-	-
Recognition of previously unrecognized tax losses	26.3	(138.4)	(16.9)	(5.1)
Non-taxable income on sale of Gavilon	0.9	(4.7)	26.2	7.8
Expenses non-deductible	(38.0)	200.0	(43.3)	(13.0)
Income not subject to tax	69.3	(364.7)	10.0	3.0
Reversal of tax liability relating to the tax evasion claim	557.4	(2,933.7)	-	-
Other	12.1	(63.7)	2.4	0.7
Total Income tax in profit or loss	**565.0**	**(2,973.4)**	**(71.1)**	**(21.4)**

The effective income tax rate is higher than the weighted average statutory income tax rate in 2014, mainly due to the reversal of tax liability relating to the tax evasion claim. Furthermore, unrecognized tax losses include the tax impact of the donation cost.

Orascom Construction Industries S.A.E. Financial Tax liability

In April 2013, Orascom Construction Industries S.A.E. and the Egyptian Tax Authority ("ETA") reached agreement on the accusation of tax evasion following the sale of Orascom Building Materials Holding S.A.E. to Lafarge in 2007. Although the management of Orascom Construction Industries S.A.E. and their advisors believed that the aforementioned transaction was exempted of tax, management entered into an agreement to resolve the tax dispute. A modified tax filing was made and cheques were issued to the ETA for approximately USD 1.0 billion. The agreement was followed by payment of a first installment amounting to approximately USD 360 million in 2013.

On 18 February 2014, the Egyptian general prosecutor exonerated Orascom Construction Industries S.A.E. from tax evasion. Following this court ruling, Orascom Construction Industries S.A.E. started proceedings to have the tax settlement and cheques reversed. As the outcome of this litigation was uncertain at year-end 2013, management concluded that the full liability, amounting to USD 674 million including interest, had to be accrued. On 4 November 2014, the Egyptian Tax Authorities' Independent Appeals Committee ruled in favor of the Company. Despite the fact that the Egyptian Prosecutor started an appeal on 30 November 2014, the Company's management, supported by its legal experts concluded that the tax liability of USD 674 million should be released. The release has been accounted for in the 2014 Consolidated Statement of Profit and Loss and Comprehensive Income, under the lines Income taxes (USD 557.4 million) and Finance income and expenses (USD 46.1 million) and includes foreign currency translation gains amounting to USD 9.5 million.

In March 2015, the Company received a cheque for approximately USD 266.2 million from the ETA, which refunded part of the first installment paid in 2013. This amount has been recognized as a receivable in the 2014 Consolidated Statement of Financial Position and as a gain on the Income tax line in the Statement of Profit and Loss and Comprehensive Income.

Transfer of rights to the Tahya Misr Fund

On 13 November 2014, the Company announced that it had decided to transfer the rights to the amounts receivable from the first instalment already paid to the tax authorities in 2013 (USD 360 million) to the Tahya Misr ("Long Live Egypt") social fund. No formal agreement has been drafted with the Tahya Misr social fund yet and no payments have been made to the fund. The transfer of rights has been approved by OCI N.V.'s Board of Directors on 12 November 2014.

In the 2014 financial statements, and following the guidance under IAS 37 (constructive obligations) the Company has recognized operating expenses (donation costs) and a provision for the transfer of rights to the fund amounting to USD 266.2 million.

Tax indemnity agreement

With reference to note 2.2.6 "Tax indemnity agreement" it should be noted that OCI N.V. and Orascom Construction Limited have entered into a tax indemnity agreement in which it has been agreed that the outcome of the tax evasion case (both positive and negative) will be allocated to the "Fertilizer & Chemicals" segment and the "Engineering & Construction" segment on a 50%/50% basis.

12.3 Deferred income tax assets and liabilities

Changes in deferred tax asset and liabilities

$ millions	2014	2013 restated
At 1 January	**(308.1)**	**(304.7)**
Profit or loss from continuing opertions	46.5	(5.0)
Profit or loss from discontinued operations	(29.3)	-
Effect of movement in exchange rates	(23.8)	1.6
Assets reclassified as held for demerger	21.4	-
At 31 December	**(293.3)**	**(308.1)**

Recognized deferred tax assets and liabilities

	Assets		Liabilities		Net	
$ millions	2014	2013 restated	2014	2013 restated	2014	2013 restated
Property, plant and equipment	-	0.6	(215.8)	(179.0)	(215.8)	(178.4)
Inventories	-	-	-	(6.6)	-	(6.6)
Intangible assets	-	0.7	(50.5)	(47.9)	(50.5)	(47.2)
Subsidiaries	-	-	(58.8)	-	(58.8)	
Provisions	-	1.0	-	(11.1)	-	(10.1)
Trade and other receivables	0.7	-	(9.4)	-	(8.7)	
Loans and borrowings	14.8	-	-	-	14.8	-
Trade and other payables	-	7.9	(8.9)	(131.1)	(8.9)	(123.2)
Carry forward losses	34.6	57.4	-	-	34.6	57.4
Total	**50.1**	**67.6**	**(343.4)**	**(375.7)**	**(293.3)**	**(308.1)**

Deferred tax liabilities recognized in relation to property, plant and equipment will be realized over the amortization period of the related asset. Carry forward losses recognized in the balance sheet are expected to be realized in the period 2015-2018.

12.4 Current income tax

EBIC tax exemption arbitration

In 1997, Egypt Basic Industries Corp. (EBIC), a subsidiary of the OCI group, was established as a free zone company under the then prevailing investments laws. In 2008, the tax exemption for activities related to fertilizers, iron and steel, oil production and liquidation and transmission of natural gas in free zones has been canceled, and those activities became subject to taxes for the year 2008 onwards.

On 20 April 2013, the Administrative Court ruled in favor of EBIC and ordered for the revocation of the disputed Decision, and reinstating EBIC to its previous status as a free zone entity in Egypt. On 1 June 2013, the General Authority for Investment and Free Zones (GAFI) filed an appeal to stop the execution of the ruling. The appeal has been lodged, however, it has not been reviewed by the court nor has a hearing been scheduled ('first appeal').

GAFI filed a motion to remain the execution of the verdict before the Administrative Court as an interim measure while the appeal is ongoing ('second appeal').

On the hearing on 21 March 2015 the Administrative Court rejected the motion of GAFI ('second appeal') and ruled in favor of EBIC. The hearing on the 21 March 2015 did not suspend the first appeal of GAFI. This was a separate claim filed by GAFI to the Administrative Court to freeze the court decision of the first degree court till the appeal is decided on. No tax filings have been done by the company since the filing for the year 2011.

The Group, despite its strong position, awaits the final judgement and assessed that winning the case is not yet probable. Consequently, OCI concluded based on guidance in IAS 37 and IAS 12 not to release the (deferred) tax liabilities totaling USD 140 million at year-end 2014, of which USD 52.8 million is recognized in 'current tax liabilities'.

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13. Inventories

$ millions	2014	2013 restated
Finished goods	91.0	96.5
Raw materials and consumables	19.4	180.2
Spare parts, fuels and others	68.1	79.7
Real estate	-	11.1
Total	**178.5**	**367.5**

In 2014, the total write-downs amount to USD 1.5 million which all related to raw materials. In 2014 there were no reversals of write downs (2013: nil). For inventory pledged as securities, reference is made to note 20.

The real estate in 2013 relates to the land bank owned by Suez industrial Development Company in Egypt (discontinued operation), which owns and develops an industrial park.

14. Contract receivables / billing in excess of construction contracts

$ millions	2014	2013 restated
Costs incurred on incomplete contracts	-	**10.307.4**
Estimated earnings	-	1.072.8
	-	**11.380.2**
Less: billings to date	-	(11.145.7)
Total	**-**	**234.5**
Presented in the consolidated statements of financial position as follows:		
Construction contracts in progress - current assets	**-**	**375.4**
Billing in excess on construction contracts - current liabilities	-	(140.9)
Total	**-**	**234.5**

As a result of the Demerger of the Construction activities, the 'Contract receivables / billing in excess of construction contracts' are presented as assets and liabilities held for demerger as at 31 December 2014. Reference is made to note 29.

15. Cash and cash equivalents

$ millions	2014	2013 restated
Cash on hand	2.5	2.7
Bank balances	413.4	792.6
Restricted funds	427.7	1,194.2
Restricted cash	3.0	0.7
Total	**846.6**	**1,990.2**

Restricted funds

On May 2013, Iowa Fertilizer Company (IFCo) entered into a Bond Financing Agreement with Iowa Finance Authority for the construction of the plant. IFCo entered into a Collateral Agency and Account Agreement with Citibank, N.A. The cash was invested under an Investment Agreement with Natixis Funding Corporation and are restricted to the requisition procedures in the agreement. As at 31 December 2014, the invested funds had a carrying amount of USD 410.2 million (2013: USD 1,142.8 million).

Restricted cash

The restricted cash is an amount held as collateral. The reason for this collateral is letters of credit and letters of guarantees issued to foreign creditors by the subsidiary Sorfert.

16. Assets held for sale

As at 31 December 2014, the total current assets held for sale amounted to nil as compared to an amount of USD 2.4 million in 2013.

17. Share capital

The movements in the number of shares can be summarized as follows:

	2014	2013
Interest of less than 100% (and therefore another company has a non-controlling interest in group equity).	204,840,744	-
Establishment of Company	-	45,000
Number of issued shares in restructuring	1,070,826	203,067,159
Number of issued shares	-	1,773,585
Shares cancelled in AGM December 2013	-	(45,000)
On issue at 31 December - fully paid	**205,911,570**	**204,840,744**
At 31 December (in millions of USD)	**273.3**	**272.1**

On 2 January 2013, the Company was incorporated with an authorised share capital amounting to EUR 225 thousand. The issued capital, paid up in full amounted to EUR 45 thousand, owned by OCI Overseas Holding Limited (indirectly owned by Orascom Construction Industries S.A.E., Egypt, the former ultimate parent company of the Group). Soon after the establishment of OCI N.V. in January 2013, the Company launched exchange offers to acquire both all outstanding Regulation S global depositary receipts (GDRs) of Orascom Construction Industries S.A.E. in exchange for ordinary shares in OCI N.V. and to acquire all the outstanding ordinary shares of Orascom Construction Industries S.A.E. listed on the Egyptian Stock Exchange. The latter was structured by means of a Mandatory Tender Offer by which the shareholders of Orascom Construction Industries S.A.E. could exchange an ordinary share of Orascom Construction Industries S.A.E by an ordinary share of OCI N.V. at a ratio of 1:1 or to make use of the cash alternative. By the end of 2013, the exchanges were successfully completed and OCI N.V.'s share in Orascom Construction Industries S.A.E. was further increased to 99.44% at year-end 2013. Following the exchanges, the Company's authorized share capital was EUR 300 million and the issued capital, paid up in full, has increased to EUR 204,840,744, divided into 204,840,744 shares at the par value per share of EUR 1 per share at year-end 2013.

In March 2014, another 1,070,826 shares in Orascom Construction Industries S.A.E. were swapped for ordinary shares. This transaction resulted to an increase of share premium by approximately USD 5.8 million. Consequently, at year-end 2014, the issued and fully paid up share capital amounted to 205,911,570 shares of EUR 1 per share.

Transaction costs

For the Exchange Offer and the Tender Offer in 2013, the Company incurred total transaction costs of USD 242 million. Transaction costs totaling USD 89.0 million, including underwriter fees of USD 84 million to the Sawiris Family and Abraaj and professional advisory fees amounting to USD 5 million have been expensed through profit or loss. The remaining transaction costs (net of taxes) are considered an integral part of the equity transaction and were debited to both the share premium reserve and retained earnings in shareholders' equity in the statement of financial position as at 31 December 2013.

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18. Reserves

$ millions	Hedge reserve	Available-for-sale	Currency translation	Other reserve	Convertible note[1]	Treasury shares	Employees stock option	Total
At 31 December 2012	**(17.3)**	**-**	**(104.0)**	**119.1**	**-**	**(87.6)**	**75.4**	**(14.4)**
Changes in cash flow hedge reserve	10.6	-	-	-	-	-	-	10.6
Currency translation differences	-	-	(104.0)	-	-	-	-	(104.0)
Available-for-sale financial assets	-	(1.9)	-	-	-	-	-	(1.9)
Other comprehensive income	**10.6**	**(1.9)**	**(104.0)**	**-**	**-**	**-**	**-**	**(95.3)**
Corporate restructuring	-	-	-	105.6	-	-	-	105.6
Treasury shares acquired	-	-	-	-	-	(20.5)	-	(20.5)
Share-based payments transactions	-	-	-	-	-	-	11.6	11.6
Convertible note issue	-	-	-	-	31.4	-	-	31.4
Treasury shares sold	-	-	-	-	-	91.2	-	91.2
At 31 December 2013	**(6.7)**	**(1.9)**	**(208.0)**	**224.7**	**31.4**	**(16.9)**	**87.0**	**109.6**
Changes in cash flow hedge reserve	(6.1)	-	-	-	-	-	-	(6.1)
Currency translation differences	-	-	94.2	-	-	-	-	94.2
Available-for-sale financial assets	-	(1.2)	-	-	-	-	-	(1.2)
Other comprehensive income	**(6.1)**	**(1.2)**	**94.2**	**-**	**-**	**-**	**-**	**86.9**
Treasury shares acquired	-	-	-	-	-	(62.1)	-	(62.1)
Share-based payments transactions	-	-	-	-	-	-	11.9	11.9
Treasury shares sold	-	-	-	-	-	50.2	-	50.2
At 31 December 2014	**(12.8)**	**(3.1)**	**(113.8)**	**224.7**	**31.4**	**(28.8)**	**98.9**	**196.5**

[1] Relates to equity component convertible Euro-notes, net of taxes (note 20).

OCI N.V. is a company incorporated under Dutch law. In accordance with the Dutch Civil Code, legal reserves have to be established in certain circumstances. The hedging reserve, the available-for-sale reserve, the currency translation reserve and other legal reserves are legal reserves that limit distributions to shareholders to the extent that these reserves individually have a credit balance. 'Other reserves' include amongst other the reserve for non-distributed income of minority share holdings.

18. Reserves (continued)

Treasury shares

During the financial year ended 31 December 2014 the company sold 1,108,946 of its own shares and acquired 1,475,200 shares.

	2014	2013
Number of shares	757,574	391,320
Cost of acquiring the shares (In millions of USD)	**28.8**	**16.9**
Average cost per share (USD)	38.07	43.2

19. Non-controlling interest

2014 $ millions	OCI Partners LP	Egyptian Basic Industries Corporation	Sorfert Algeria Spa	Discontinued and other	Total
Non-controlling interest percentage	20.96%	40.00%	49.01%	-	-
Non-current assets	114.6	176.5	863.8	74.8	1,229.7
Current assets	24.6	30.2	49.7	142.2	246.7
Non-current liabilities	(79.4)	(59.6)	(557.9)	(32.0)	(728.9)
Current liabilities	(20.4)	(57.5)	(143.8)	(106.9)	(328.6)
Net assets	**39.4**	**89.6**	**211.8**	**78.1**	**418.9**
Revenues	84.4	33.6	268.2	170.1	556.3
Profit	25.0	(1.0)	80.0	17.2	121.2
Other comprensive income	-	(0.8)	(22.3)	(0.9)	(24.0)
Total comprehensive income	**25.0**	**(1.8)**	**57.7**	**16.3**	**97.2**
Dividend cash flows	**(30.9)**	**(17.0)**	**-**	**(9.2)**	**(57.1)**

2013 $ millions	OCI Partners LP	Egyptian Basic Industries Corporation	Sorfert Algeria Spa	Discontinued and other	Total
Non-controlling interest percentage	21.70%	40.00%	49.01%	-	-
Non-current assets	79.9	189.2	1,024.5	66.5	1,360.1
Current assets	51.3	37.9	37.6	104.5	231.3
Non-current liabilities	(85.0)	(65.5)	(645.3)	(39.9)	(835.7)
Current liabilities	(13.3)	(55.5)	(262.3)	(58.3)	(389.4)
Net assets	**32.9**	**106.1**	**154.5**	**72.8**	**366.3**
Revenues	92.9	60.0	20.8	117.0	290.7
Profit	33.5	19.1	(80.2)	(8.4)	(36.0)
Other comprensive income	-	-	2.1	(2.1)	-
Total comprehensive income	**33.5**	**19.1**	**(78.1)**	**(10.5)**	**(36.0)**
Dividend cash flows	**-**	**(32.2)**	**-**	**(7.5)**	**(39.7)**

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20. Loans and borrowings

Borrowing Company	Type of loan	Interest rate	Date of maturity	Carrying amount	Long term portion	Short term portion	Bank facility and overdraft	Collateral / Guarantee given (if applicable)
Sorfert Algeria SPA	Secured	Interest rate is fixed during the plant construction period to 5.95% per annum. After completion of the construction period it will be referred to Algerian bank interest rate plus rate of 1.95% per annum	April 2024	1,732.0	1,316.7	415.3	-	Debt service reserve account, ban for any disposal or decrease of the company share and assets.
Iowa Fertilizer Company (IFCo.)	Secured	Current Yields and pricing: 2019: 4.9% on 100,48 2022: 5.59% on 99,375 2025: 5.68% on 96,346	December 2025	1,168.7	1,168.7	-	-	All assets pledged.
EFC	Secured	LIBOR +3% margin and CEB Mid Corridor +2.25% margin for EGP denominated borrowings	October 2016	733.6	572.4	161.2	-	Pledge EFC shares 99.9% owned by 'Orascom Fertilizer plant maintenance'. Power of Attorney for perfection of commercial and real estate mortgages. OCI N.V. will pay for shortfalls.
OCI Nitrogen B.V.	Secured	Variable	December 2014	81.7	-	81.7	-	Pledge of OCI Fertilizer International shares in OCI Nitrogen, Pledge of moveable assets, trade receivables and company accounts, property mortgage.
	Secured	LIBOR /EURIBOR + a variable margin based on leverage ratio ranging 2.25%-3.5%	December 2016	498.4	498.4	-	-	
OCI N.V.	Unsecured	Fixed at 3.875%	September 2018	420.4	420.4	-	-	
OCI Partners LP	Secured	USD LIBOR + 4% margin, with USD LIBOR Floor of 1%	August 2019	397.7	391.1	6.6	-	All assets pledged.
Orascom Construction	Unsecured	Variable LIBOR + margin ranging: USD: 2.28 - 4% (including LIBOR) EUR: 2.21 - 5% (including LIBOR) EGP: 9.8-12.95%	Renewed annually	385.4	-	-	385.4	Corporate guarantee from Orascom Construction Industries S.A.E. and promissory notes from Orascom Construction.
Orascom Construction Industries	Unsecured	Variable LIBOR + margin ranging: USD: 2.28 - 4% (including LIBOR) EUR: 2.21 - 5% (including LIBOR) EGP: 9.8-12.95%	Renewed annually	221.2	-	-	221.2	Promissory notes.
Egypt Basic Industries Corporation (EBIC)	Unsecured	LIBOR +3.25%	December 2017	85.9	73.4	12.5	-	
Orascom Saudi	Secured	LIBOR +2.0%	2014	34.1	-	-	34.1	Guarantee letter with 710M signed by the client and guarantor, obligation letter for the client invoices to be paid in ANB Bank.
	Secured	LIBOR +2.75%	2014	42.6	21.3	21.3	-	
Orascom Construction Industries - Algeria	Secured	Variable 6.5%	2014	61.4	-	53.1	8.3	USD 62.4 mln cash cover at Citi Bank Dubai.
Contrack international	Unsecured	LIBOR +3.7%	2014	10.0	-	-	10.0	Corporate guarantee from Orascom Construction Industries S.A.E.
	Unsecured	LIBOR +2.5%	2014	13.5	-	-	13.5	
The Weitz Group, LLC	Unsecured	Multiple rates	March 2018	38.6	34.8	3.8	-	
Total as per 31 December 2013				**5,925.2**	**4.497.2**	**755.5**	**672.5**	

Borrowing Company	Type of loan	Interest rate	Date of maturity	Carrying amount	Long term portion	Short term portion	Bank facility and overdraft	Collateral / Guarantee given (if applicable)
Sorfert Algeria SPA	Secured	Algerian bank interest rate plus rate of 1.95% per annum	April 2024	1,306.7	1,138.4	168.3	-	Debt service reserve account, ban for any disposal or decrease of the company share and assets.
Iowa Fertilizer Company (IFCo.)	Secured	Current Yields and pricing: 2019: 2.80% on 109.63 2022: 3.79% on 105.91 2025: 3.83% on 110.43	December 2025	1,171.0	1,171.0	-	-	All assets pledged.
EFC	Secured	LIBOR + 5.00% margin and CEB Mid Corridor + 2.90% margin for EGP denominated borrowings	October 2019	663.9	607.1	56.8	-	Pledge EFC shares 99.9% owned by 'Orascom Fertilizer plant maintenance'. Power of Attorney for perfection of commercial and real estate mortgages. OCI N.V. will pay for shortfalls.
OCI Nitrogen B.V.	Secured	LIBOR /EURIBOR + a variable margin based on leverage ratio ranging 2.25%-3.5%	December 2016	450.2	392.5	57.7	-	Pledge of OCI Fertilizer International shares in OCI Nitrogen, Pledge of moveable assets, trade receivables and company accounts, property mortgage.
OCI N.V.	Unsecured	Fixed at 3.875%	September 2018	379.6	379.6	-	-	
OCI N.V.	Secured	EURIBOR + 2.75%	July 2017	511.2	511.2			OCI Fertilizers B.V.
OCI N.V.	Unsecured	-	-	94.8	-	-	94.8	
OCI Fertilizer Trading Ltd	Secured	LIBOR + 2.50%	-	5.5	-	-	5.5	OCI Fertilizers B.V. as guarantor and pledge over commodities and bank accounts.
OCI Partners LP	Secured	USD LIBOR + 4.00% margin, with USD LIBOR Floor of 1%	August 2019	384.0	377.4	6.6	-	All assets pledged.
Egypt Basic Industries Corporation (EBIC)	Unsecured	LIBOR + 3.25%	December 2017	73.8	61.3	12.5	-	
Total 31 December 2014				**5,040.7**	**4,638.5**	**301.9**	**100.3**	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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20. Loans and borrowings (continued)

$ millions	2014	2013 restated
Non-current liabilities:		
Secured bank loans	3,026.6	2,799.9
Unsecured bank loans	61.3	108.2
IFCo financing arrangement	1,171.0	1,168.7
Convertible notes	379.6	420.4
Sub-total	**4,638.5**	**4,497.2**
Current liabilities:		
Secured bank loans	289.4	739.2
Unsecured bank loans	12.5	16.3
Bank facilities and overdrafts	100.3	672.5
Sub-total	**402.2**	**1,428.0**
Total	**5,040.7**	**5,925.2**

Information about the Group's exposure to interest rate, foreign currency and liquidity risk is disclosed in the financial risk and capital management paragraph in note 6.

The fair value of loans and borrowings is USD 31.4 million lower than the carrying amount (2013: USD 31.3 million higher). The fair value of the convertible notes is USD 409.8 million as of 31 December 2014 (2013: USD 459.0 million).

New and amended Financing Arrangements in 2014:

EFC Finance Restructuring
In March 2014, EFC signed restructuring agreements to extend the maturity to October 2019. Instalments of 1.85 percent of original Facility amounts are payable quarterly, and with interest rate of USD: LIBOR plus margin of 5.0 percent and for EGP loan: CBE Mid Corridor plus margin of 2.9 percent. OCI N.V. will fund any payment shortfall that EFC has in relation to this loan.

OCI N.V.
In July 2014, OCI N.V. signed a credit facility agreement for a total amount of USD 550 million and with an interest rate of USD:LIBOR or EUR:EURIBOR plus margin of 2.75 percent. The maturity date of the agreement is July 2017.
In December 2014 the agreement has been amended and restated due to the Demerger of the Construction business.

OCI Fertilizer Trading
On 15 January 2014, OCI Fertilizer Trading signed an uncommitted trade finance facility for USD 75.0 million. The facility carries an interest rate of USD: LIBOR plus margin of 2.50 percent. In December 2014 the agreement was amended, the facility amount was increased to USD 115.0 million.

Covenants
Certain covenants apply to the aforementioned borrowings. Covenants include compliance with the following financial ratios: Debt to equity ratio, debt-service coverage ratio, leverage ratio, interest coverage ratio, cash flow coverage threshold, and tangible net worth threshold.

20. Loans and borrowings (continued)

Convertible note terms
In September, 2013, OCI N.V. issued convertible Euro notes with proceeds of USD 466.5 million. The notes have a 5 year maturity date and a coupon rate of 3.875 percent per annum, payable semi-annually in arrears. The issued convertible notes qualify as compound financial instruments, since each note contains both an equity and liability component. These notes contain an equity component which entitles the holder to convert into shares at a conversion fixed price of EUR 34.45 per share and so contain a liability component for the issuer's obligation to pay interest and potentially, to redeem the note in cash. In March 2015, post the Demerger of the Construction and Engineering segment, the conversion price was adjusted to EUR 28.4690. The conversion price was calculated based on the 5-day weighted average price (WAP) of OCI N.V. prior to the Demerger and the 5-day WAP of Orascom Limited post the Demerger.

Transaction costs that are directly attributable for the issuance of the shares and convertible notes totalled USD 11.7 million This includes fees and commissions paid to advisers, brokers, dealers and lawyers. These costs are allocated to the liability and equity component on a pro rate basis. The transaction costs related to the liability component will be recognized in accordance with the effective interest rate method over the term of the convertible bond and will be recognized under finance expenses in the profit or loss statement.

Management has measured the liability component by establishing the fair value of a similar note, with similar terms, credit status and containing similar non-equity derivative features, yet without the conversion option. This results in a fair value of the liability component of EUR 308.2 million (USD equivalent 420.2 million). The group did not recognize separately an embedded derivative as it is closely related to the host contract and therefore it is included as part of the liability component. Transaction costs allocated to the liability component represent 90 percent of the total transaction cost, totalling USD 10.5 million.

The equity component is calculated by deducting the fair value attributable to the bonds (USD 466.5 million) from the liability component (USD 424.1 million). The amount recognized, net of taxes, for the equity component is USD 31.4 million. Transaction costs allocated to the equity component represent 10 percent of the total transaction cost, totalling USD 1.2 million. As per 31 December 2014, the carrying amount of the debt element is USD 379.6 million (31 December 2013: 420.4 million).

21. Trade and other payables

$ millions	2014	2013 restated
Trade payables	215.7	684.6
Trade payable due to related party (note 33)	31.1	-
Other payables	97.1	133.8
Accrued expenses	103.8	198.3
Deferred revenues	-	10.0
Other tax payable	15.9	15.3
Retentions payable	-	35.1
Derivative financial instrument	-	1.0
Total	**463.6**	**1,078.1**
Non-current	30.9	75.8
Current	432.7	1,002.3
Total	**463.6**	**1,078.1**

Information about the Group's exposure to currency and liquidity risk is included in note 6. The carrying amount of 'Trade and other payables' approximated the fair value.

Retentions payable relate to amounts withheld from sub-contractors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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22. Provisions

$ millions	Warranties	Asset retirement obligation	Onerous contracts	Claims and other contingencies	Donation provision	Other	Total
At 1 January 2014	**72.4**	**10.5**	**14.1**	**11.7**	**-**	**18.7**	**127.4**
Provision made during the year	-	-	15.5	29.8	266.2	5.5	317.0
Provision used during the year	-	-	-	(4.2)	-	(5.7)	(9.9)
Provision reversed during the year	(5.5)	-	(7.6)	-	-	(1.2)	(14.3)
Unwinding of discount	-	0.6	-	-	-	-	0.6
Reclassifications	(51.7)	(0.3)	19.5	35.6	-	(3.1)	-
Effect of movement in exchange rates	(0.5)	(0.8)	(2.1)	(5.0)	-	(0.4)	(8.8)
Provisions reclassified as held for demerger	(14.7)	-	(39.4)	(34.5)	-	(2.9)	(91.5)
At 31 December 2014	**-**	**10.0**	**-**	**33.4**	**266.2**	**10.9**	**320.5**
Non-current	-	10.0	-	-	-	9.4	19.4
Current	-	-	-	33.4	266.2	1.5	301.1
Total	**-**	**10.0**	**-**	**33.4**	**266.2**	**10.9**	**320.5**

Warranties

The warranties are based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

Asset retirement obligation

The provision includes an asset retirement obligation of USD 10.0 million relating to the Group's Algerian plant (Sorfert). According to the agreement, the land must be restored to its original state at the end of the lease term.

Litigations and claims

The Group is involved in various litigations and arbitrations. In cases where it is probable that the outcome of the proceedings will be unfavorable, and the financial outcome can be measured reliably, a provision has been recognized. Reference is made to note 30 for detailed information with respect to major ongoing litigations and claims.

Donation provision

Includes the donation provision of Orascom Construction Industries S.A.E. for an amount of USD 266.2 million, reference is made to note 12 'Income taxes'.

23. Development of cost of sales and selling, general and administrative expenses

a. Expenses by nature

$ millions	2014	2013 restated
Changes in raw materials and consumables, finished goods and work in progress	1,456.7	1,572.3
Employee benefit expenses (c)	232.2	173.0
Depreciation, amortization	308.4	218.3
Transaction cost (b)	-	89.3
Consultancy expenses	16.6	62.6
Other	200.6	41.3
Total	**2,214.5**	**2,156.8**

The expenses by nature comprise 'cost of sales' and 'selling and general and administrative expenses'.

23. Development of cost of sales and selling, general and administrative expenses (continued)

b. Transaction cost

The transaction costs of USD 89.3 million in 2013 relate to the Group restructuring in 2013. For the Exchange Offer and the Tender Offer made in 2013, the Company incurred total transaction costs of USD 242 million. Transaction costs totalling USD 89.3 million, including underwriter fees of USD 84 million to the Sawiris Family and Abraaj and professional advisory fees amounting to USD 5 million have been expensed through profit or loss. The remaining transaction costs (net of taxes) are considered an integral part of the equity transaction and were debited to both the share premium reserve and retained earnings in shareholders' equity in the statement of financial position as at 31 December 2013.

Selling, general and administrative expenses include provisions for USD 2.7 million (2013: USD 12.0 million).

c. Employee benefit expenses

$ millions	2014	2013 restated
Wages and salaries	165.2	128.3
Social securities	5.7	1.2
Employee profit sharing	30.1	27.5
Pension cost	0.9	0.2
Share-based payment expense (d)	11.9	11.6
Other employee expenses	18.4	4.2
Total	**232.2**	**173.0**

During the financial year ended 31 December 2014, the number of key executives was 2 (2013: 2 key executives), which represents the Executive Board members; Nassef Sawiris (CEO), and Salman Butt (CFO). During the financial year ended 31 December 2014, the average number of staff employed in the Group converted into full-time equivalents amounted to 33,282 employees (2013: 72,418 employees*). Of these employees 2,911 (2013: 2,768 employees) were employed in the Fertilizer & Chemicals segment, 30,371 (2013: 69,460*) were employed in the Engineering & Construction segment.

* the numbers of employees in 2013 included employees employed by associates and joint ventures.

d. Share-based payment arrangements

OCI N.V. currently has four incentive plans which are intended to (i) attract and retain the best available personnel for positions of substantial responsibility, (ii) provide additional incentive to management and employees, (iii) promote the success of the Company's business, and (iv) align the economic interests of key personnel directly with those of shareholders. Under the first two plans, stock options have been granted to management and employees. The other plans comprise of share incentive plans. All plans are 'equity-settled share-based compensation plans'.

Share option plans

As a result of the reverse takeover and group restructuring that took place during 2013, OCI N.V. acquired the assets and liabilities of the Orascom Construction Industries S.A.E. Stock Incentive Plan (the first plan). Under the terms of the Orascom Construction Industries S.A.E. incentive plan, in the event of a change of control of Orascom Construction Industries S.A.E., each outstanding option or right shall be assumed or an equivalent option, or right substituted by the successor company or a subsidiary of the successor company. In the event that the successor company refuses to assume or substitute for the option or right, all outstanding options or rights shall fully vest and become immediately exercisable. OCI N.V. elected that holders of options or rights under the Orascom Construction Industries S.A.E. incentive plan exchange each of their existing options or rights for an option or right in respect of shares of OCI N.V. on the same terms and conditions as the existing options or rights. The options under the Orascom Construction Industries S.A.E. plan were generally granted at the fair market value on the date of grant, vested after four years (cliff vesting) and expired after five years. On 28 August 2013, following the commencement of OCI N.V. 's share trading in Euros, the options under the Orascom Construction Industries S.A.E. plan were replaced by the Company's options and accounted for as a modification of the original grant of options. Furthermore, under existing authority, 1,529,598 shares were repurchased from employees to facilitate the administration of the Orascom Construction Industries S.A.E. plan during the year.

Under the terms of the Orascom Construction Industries S.A.E. plan, certain employees were allowed to vest their options immediately and purchase the respective shares with a promissory note (as a payment method in order to be able to finance the exercise price) bearing interest at the "applicable federal rate prescribed under the United States Internal Revenue Code" at the time of purchase, secured by a pledge of the shares purchased by the note pursuant to a security agreement. The notes generally have a term of nine years, and may not be prepaid until four years after issuance which necessitates that the employee remain a shareholder for at least four years. As of 31 December 2013, 926,700 shares were pledged by employees as security against their notes valued at USD 36,096,988.75. As at 31 December 2014, 500,000 shares were pledged by employees as security against their notes valued at USD 19,383,350.14. Employees held 687,000 vested options which were exercisable as at 31 December 2014 for which payment of the purchase price could be made with a promissory note.

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23. Development of cost of sales and selling, general and administrative expenses (continued)

On 20 December 2013, the non-executive board members of OCI N.V. adopted an additional Employees Incentive Plan (the second plan). The second plan authorized the issuance of up to 1 million shares to employees and excludes the executive directors. The exercise price of the options granted to employees is equal to the fair market value of the shares on the date of grant. The options granted under this plan generally vest after three years (cliff vesting) and expire after seven years.

The company did not modify the plans as at 31 December 2014 due to the planned Demerger.

The following table summarizes information about the stock options outstanding at 31 December 2014

Grant date [1]	Number of options outstanding at 31 December 2014 Fertilizer	Number of options outstanding at 31 December 2014 Construction	Number of options outstanding at 31 December 2014 Total	Exercise price per share (EUR)	Remaining life as at 31 December 2014 (in years)	Number of options exercisable at 31 December 2014
1 June 2010	154,000	-	154,000	29.99	0.42	154,000
31 March 2011	642,500	615,000	1,257,500	26.43	1.25	-
31 March 2011	202,400	-	202,400	31.48	1.25	-
28 November 2012	804,800	667,500	1,472,300	25.45	2.91	-
28 November 2012	120,000	413,000	533,000	26.46	2.91	533,000
31 December 2013	472,140	456,349	928,489	32.74	6.00	-
Total	**2,395,840**	**2,151,849**	**4,547,689**	**-**	**-**	**687,000**

[1] In the table above, options granted between 2010 and 2012 are a part of the first plan described above replaced in August 2013. Options granted in December 2013 are a part of the second plan described above.

Measurement of fair values

The inputs used in the measurement of the fair values at grant date of plans were as follows:

Options granted in:	2013	2012	2011	2011
Fair value at grant date	EUR 9.75	USD 9.69	USD 17.69	EGP 79.74
Share price at grant date	EUR 32.74	EUR 25.45	EUR 31.48	EUR 26.43
Exercise price	EUR 32.74	EUR 25.45	EUR 31.48	EUR 26.43
Expected volatility (weighted average)	31.86%	39.80%	59.00%	48.00%
Expected life (weighted average in years)	5.0	3.5	4.1	4.3
Expected dividends	none	1.5%	3.0%	3.0%
Risk-free interest rate (based on government bonds)	1.07%	0.35%	1.90%	10.0%
Performance conditions	No	No	No	Yes

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behavior. The fair value for the 2010 options were completely expensed as at 31 December 2014. The fair value for the 2010 and 2011 options were calculated using Monte-Carlo simulations. The fair value calculation took into account the performance condition as a market condition. The fair value of the options granted at 28 November 2012 and 31 December 2013 were calculated using the Black-Scholes model.

23. Development of cost of sales and selling, general and administrative expenses (continued)

Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option plans and replacement awards were as follows:

Options	Number of options 2014	Weighted-average exercise price 2014 (EUR)	Number of options 2013 [1]	Weighted-average exercise price 2013 (EUR)
Outstanding at 1 January	5,805,440	27.52	7,091,011	26.77
Forfeited during the year	(209,251)	26.53	(502,100)	25.24
Granted during the year	-	-	940,740	32.74
Exercised during the year	(1,048,500)	26.71	(1,095,892)	18.15
Expired during the year	-	-	(628,319)	57.87
Outstanding at 31 December	**4,547,689**	**27.75**	**5,805,440**	**27.52**
Exercisable at 31 December	**687,000**	**27.25**	**548,000**	**26.46**

[1] In August 2013 options under the Orascom Construction Industries S.A.E. plan were replaced by the Company's options

The options outstanding at 31 December 2014 had an exercise price in the range of EUR 25.45 to EUR 32.74 (2013: EUR 25.45 to EUR 32.74) and a weighted-average contractual life of 2.54 years (2013: 3.36 years).

Performance share plans

In 2014 a new performance share plan was introduced for the Executive Board. The share plan comprises the conditional granting of shares in OCI N.V. Each year a plan with a 3-year vesting period starts in which the company's performance is measured on total shareholder return (TSR) against a peer group of companies. The fair value of these awards have been calculated using Monte-Carlo simulations. The number of conditional shares corresponds to a percentage (at most 150%) of the fixed reference salary divided by the price of the share on the stock market on the first day of the vesting period. The relative ranking that OCI achieves in the peer group determines the definitive number of shares that are granted at the end of the vesting period. The remaining shares vested must be retained by the members of the Executive Board for a period of 2 years. In 2014, in total 127,652 conditional shares have been granted with a fair value of EUR 1 million (fair value at grant date EUR 7.90 per share, using a volatility of 49%, a risk-free rate of 0.10 percent).

Bonus matching plan

In 2014 a new bonus matching plan was introduced for the members of the Executive Board and Senior Management. In this plan members of the Executive Board and Senior Management are entitled to buy shares from their annual bonus. The shares will be withheld for a period of three years. After the 3-year period, the participants will receive a bonus share for each share of the plan. For the members of the Executive Board, the shares vested must be retained for a period of 2 years. In 2014 60.028 shares were granted in the bonus matching plan with a fair value of EUR 1.7 million (with a fair value of EUR 28.02 at grant date equal to the share price at grant date).

The total expense for share-based payments recognized in the statement of profit or loss for 2014 amounts to USD 11.9 million.

24. Other income

$ millions	2014	2013 restated
Net gain on sale of investment	-	1.0
Result on sale of non-controlling interest (Gavilon)	9.0	262.1
Other income	6.2	31.4
Total	**15.2**	**294.5**

Other income

The USD 9.0 million of 'Result of sale of non-controlling interest' in 2014 relates to the partial release of the escrow account created during the sales transaction of Gavilon in 2013. During 2013, OCI Fertilizer Holding Limited ('OCI FH') sold its full ownership in Gavilon Group for a total consideration of USD 666.7 million, resulting into a gain of USD 262.1 million.

The group's management believes there is great uncertainty surrounding the collection of these escrow amounts. Given that these amounts are held back by the sellers' representative to deal with any post-closing expenses and claims, management has not recorded these escrow amounts as an asset and therefore resulted in a reduction of consideration value.

Other income in 2013 includes USD 7.2 million insurance claims received.

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25. Other expenses

Other expenses in 2014 of USD 4.7 million are mainly related to IFCo's loss on the gas price derivative for USD 4.2 million. Other expenses in 2013 of USD 85.3 million relates for USD 31.0 million to IFCo's loss on the gas price hedge and for USD 54.3 million to the start-up cost and idle capacity of the plant in Algeria (Sorfert).

26. Net finance cost

$ millions	2014	2013 restated
Interest income on loans and receivables	9.0	6.0
Fair value gain on derivatives	0.5	-
Foreign exchange gain	12.3	70.8
Finance income	**21.8**	**76.8**
Interest expense on financial liabilities measured at amortized cost	(199.2)	(278.7)
Foreign exchange loss	(73.0)	-
Changes in fair values of cash flow hedges	-	(1.3)
Finance cost	**(272.2)**	**(280.0)**
Net finance cost recognized in profit or loss	**(250.4)**	**(203.2)**

Interest expense includes USD - 36.6 million (2013: USD 36.6 million) representing the reversal of interest on the tax dispute liability that was recognized in 2013. Foreign exchange gain in 2014, includes the foreign currency result from the tax dispute liability USD 9.5 million (2013: USD 44.2 million).

The above finance income and finance costs include the following interest income and expense in respect of assets (liabilities) not measured at fair value through profit or loss:

$ millions	2014	2013 restated
Total interest income on financial assets	9.0	6.0
Total interest expenses on financial liability	(199.2)	(278.7)

27. Earnings per share

27.1 Earnings per share from total operations

	2014	2013
i. Basic		
Net Profit / (Loss) attributable to shareholders	328.7	295.2
Weighted average number of ordinary share (Basic)	204,871,270	203,751,864
Basic earnings per ordinary share	**1.604**	**1.449**
ii. Diluted		
Net Profit / (Loss) attributable to holders of ordinary shareholders	328.7	295.2
Interest expense on convertible notes	anti-dilutive	6.1
Net Profit / (Loss) attributable to holders of ordinary shareholders based on full conversion	328.7	301.3
Weighted average number of ordinary shares (Basic)	204,871,270	203,751,864
Adjustment for assumed conversion of convertible notes	anti-dilutive	9,840,348
Adjustment for assumed equity - settled share-based compensation	236,648	365,315
Weighted average number of ordinary shares outstanding on the basis of full conversion	205,107,918	213,957,527
Diluted earnings per ordinary share	**1.603**	**1.408**

At 31 December 2014, the effect of conversion of convertible notes was excluded from the calculation of the diluted earnings per share for total operations because the effect would be anti-dilutive. Further reference on the details of the effect of conversion of convertible notes is made in note 27.2.

(i) Weighted average number of ordinary shares calculation

shares	2014	2013
Issued ordinary shares at 1 January	204,840,744	203,127,669
Effect of treasury shares held	(779,195)	127,677
Effect of shares issued during the year	809,721	496,518
Weighted average number of ordinary shares outstanding	**204,871,270**	**203,751,864**

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the year during which the options were outstanding.

In January 2015, new shares have been issued, reference is made to note 35 'Subsequent events'.

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27.2 Earnings per share from continued operations

	2014	2013
i. Basic		
Net Profit / (Loss) attributable to shareholders	444.1	313.3
Weighted average number of ordinary share (Basic)	204,871,270	203,751,864
Basic earnings per ordinary share	**2.168**	**1.538**
ii. Diluted		
Net Profit / (Loss) attributable to holders of ordinary shareholders	444.1	313.3
Interest expense on convertible notes	20.4	6.1
Net Profit / (Loss) attributable to holders of ordinary shareholders based on full conversion	464.5	319.4
Weighted average number of ordinary shares (Basic)	204,871,270	203,751,864
Adjustment for assumed conversion of convertible notes	9,840,348	9,840,348
Adjustment for assumed equity - settled share-based compensation	236,648	365,315
Weighted average number of ordinary shares outstanding on the basis of full conversion	214,948,266	213,957,527
Diluted earnings per ordinary share	**2.161**	**1.493**

(i) Weighted average number of ordinary shares calculation

shares	2014	2013
Issued ordinary shares at 1 January	204,840,744	203,127,669
Effect of treasury shares held	(779,195)	127,677
Effect of shares issued during the year	809,721	496,518
Weighted average number of ordinary shares outstanding	**204,871,270**	**203,751,864**

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the year during which the options were outstanding.

28. Segment reporting

The Group has identified 2 reportable segments, 'Fertilizer & Chemicals' and 'Engineering & Construction'. Both segments are managed separately because they require different operating strategies and use their own assets and employees. Prices for transactions between segments are determined on an arm's length basis. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can reasonably and consistently be allocated. Selected information on a country and regional basis is provided in addition to the information about operating segments. The 'Engineering & Construction' segment has been presented as asset held for demerger / discontinued operations as of 2014.

Geographical information of continuing operations

The geographic information below analyses the Group's revenue (by destination of the goods) and non-current assets (by the Company where the activities are being operated). OCI N.V. has no single customer that represents 10 percent or more of revenues and therefore information about major customers is not provided.

	Revenue		Non-current assets[1]	
$ millions	2014	2013 restated	2014	2013 restated
Europe & America	2,446.8	2,266.7	2,415.2	2,149.9
Africa & Middle East	181.2	145.9	3,886.6	4,234.5
Asia & Oceania	57.8	64.9	9.3	-
Total	**2,685.8**	**2,477.5**	**6,311.1**	**6,384.4**

[1] The non-current assets exclude deferred taxes and derivative financial instruments based on the disclosure requirements of IFRS 8.

29. Assets classified for demerger / discontinued operations

On 6 November 2014, the Board of Directors of OCI N.V. announced its intention to seek a dual listing for the Engineering & Construction business of OCI N.V., through the separation of OCI's Engineering & Construction and OCI's Fertilizer & Chemicals business ("the Demerger"). The Board of Directors of OCI N.V. decided to continue the implementation of the Demerger at its meeting on 10 December 2014.

The Demerger was completed successfully in March 2015, with the listing of shares on Nasdaq Dubai as of 9 March 2015 and a secondary listing on the Egyptian Exchange on 11 March 2015. The Demerger has resulted in the Engineering & Construction and Fertilizer & Chemical businesses being owned by two, separately-listed companies as of March 2015. OCI N.V. remains listed on Euronext Amsterdam and holds the Fertilizer & Chemicals business and Orascom Construction Limited, is dual-listed on the Nasdaq Dubai in Dubai and the Egyptian Exchange and holds the Engineering & Construction business.

Following the Demerger and following the guidance under IFRS 5, the Engineering & Construction business are accounted for as "Assets held for demerger / discontinued operations". Consequently, the net assets and net liabilities of the Engineering & Construction are presented as "Assets held for demerger" and "Liabilities held for demerger" in the consolidated statement of financial position as at 31 December 2014, while the 2014 consolidated net results of the discontinued operations (Engineering & Construction business) are presented under discontinued operations in the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows. The 2013 comparative information in the consolidated statements of profit or loss and other comprehensive income and the consolidated statement of cash flows are reclassified as if the operation had been discontinued from the start of the comparative period. In the statement of financial position, the comparative numbers are not reclassified.

Statement of profit or loss for 'discontinued operations' for the year ended 31 December:

$ millions	2014	2013
Total revenue	3,067.9	2,350.4
Inter-segment revenue from Fertilizer & Chemicals group	(1,020.7)	(427.0)
Revenue	2,047.2	1,923.4
Expense	(2,237.7)	(1,999.7)
Income of associates (net of tax)	(168.6)	76.3
Profit / (loss) before income tax	(359.1)	(0.2)
Income tax	263.0	(3.6)
Net profit / (loss)	**(96.1)**	**(3.8)**

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29. Assets classified for demerger / discontinued operations (continued)

Statement of financial position for 'assets held for demerger' as at 31 December:

$ millions	2014
Non-current assets	777.4
Current assets (excluding cash and cash equivalents)	1,392.2
Cash and cash equivalents	368.9
Non-current liabilities	(67.6)
Current liabilities	(1,745.0)
Net assets / equity	**725.9**

Inter-segment revenues

Orascom E&C and Iowa Fertilizer Corporation and OCI Beaumont

Orascom E&C is engaged in the construction of the Iowa Fertilizer Company plant and the debottlenecking of the OCI Beaumont plant (owned by OCI Partners LP) during 2013 and 2014. Both the Iowa Fertilizer Company and OCI Partners LP are part of OCI N.V. Fertilizer Group. The total amount of revenues of Orascom E&C in 2014 amount to USD 1,020.7 million (2013: USD 427.0 million) including revenues from Weitz for an amount of USD 275.5 million as a sub-contractor. The construction / debottlenecking of these plants will continue in 2015. These inter-segment revenues have been fully eliminated and are therefore not included in of above disclosed revenues.

Equity accounted investees included in assets held for demerger

'Equity accounted investees' that are significant to the Group are Sidra Medical Center (associate) and BESIX (joint venture). Established in 1909 in Belgium, BESIX is a global multi-service group offering engineering, procurement and construction (EPC) services. BESIX operates in the construction, real estate and concession sectors in 15 countries covering Europe, Africa, the Middle East and Australia. Their core construction competencies include buildings, infrastructure and environmental projects, industrial civil engineering, maritime and port works and real estate development. In addition to EPC services, BESIX is active in real estate development and holds concessions in several Public Private Partnerships (PPP) and design, build, finance, and maintain/operate (DBFM) contracts, through which it develops, operates and maintains projects. In 2004, OCI acquired 50% of BESIX in a joint leverage buyout in partnership with BESIX management.

30. Contingencies

Contingent liabilities

Letters of guarantee / letters of credit (Continuing operations)

Letters of guarantee issued by banks for continuing operations in favor of others as at 31 December 2014 amounted to USD 0.2 million (2013: USD 1.0 million). Outstanding letters of credit as at 31 December 2014 (uncovered portion) amounted to nil (2013: USD 14.6 million).

Letters of guarantee / letters of credit (Discontinued operations)

Letters of guarantee issued by banks for discontinued operations in favor of others as at 31 December 2014 amounted to USD 1.0 billion (2013: USD 0.7 billion). Outstanding letters of credit as at 31 December 2014 (uncovered portion) amounted to USD 72.5 million (2013: USD 37.6 million).

Litigations and claims

In the normal course of business, the Group entities and joint ventures are involved in some arbitration or court cases as defendants or claimants. These litigations are carefully monitored by the entities' management and legal counsels, and are regularly assessed with due consideration for possible insurance coverage and recourse rights on third parties. OCI does not expect these proceedings to result in liabilities that have a material effect on the company's financial position. In cases where it is probable that the outcome of the proceedings will be unfavorable, and the financial outcome can be measured reliably, a provision has been recognized in the financial statements which is disclosed in note 22 'Provisions'. It should be understood that, in light of possible future developments, such as (a) potential additional lawsuits, (b) possible future settlements, and (c) rulings or judgments in pending lawsuits, certain cases may result in additional liabilities and related costs. At this point in time, OCI cannot estimate any additional amount of loss or range of loss in excess of the recorded amounts with sufficient certainty to allow such amount or range of amounts to be meaningful. Moreover, if and to the extent that the contingent liabilities materialize, they are typically paid over a number of years and the timing of such payments cannot be predicted with confidence. While the outcome of said cases, claims and disputes cannot be predicted with certainty, we believe, based upon legal advice and information received, that the final outcome will not materially affect our consolidated financial position but could be material to our results of operations or cash flows in any one accounting period.

30. Contingencies (continued)

Administrative court against Suez Industrial Development Company (Discontinued operations)

A decision was issued against Suez Industrial Development Company, which operates in the field of land development in the North West of the Gulf of Suez in Egypt, for the cessation of dealings on any of its allocated plots of land as of mid-November 2011 until the investigations, conducted by the Public Fund Prosecution and Military Prosecution and relating to the allocation and sale of lands located in the North West of the Gulf of Suez, are concluded. On 28 May 2012, the company has submitted a request to the Dispute Settlement Committee at the General Authority of Investment and Free Zones to cancel the said decision. On 25 July 2012, the decision issued by the Prime Minister to withdraw the plot of land allocated to the company was challenged before the Administrative Court and the hearing was postponed to 2 November 2013. On the hearing of November 2, 2013, the hearing was referred to a different court on the grounds of jurisdiction and accordingly the case was referred to the 8th District Contracts and during the hearing of 4 March 2014 the case was referred to the commissioners to prepare their report. OCI is waiting for the commissioners report.

For the Suez case a reliably outcome of the financial impact cannot be estimated.

Administrative court against Egyptian Gypsum Company S.A.E (Discontinued operations)

A lawsuit was filed before the Administrative Court against Egyptian Gypsum Company S.A.E. which operates in the field of gypsum manufacturing, to nullify the sale contract of the company on the grounds that it is one of the companies sold under the privatization scheme. Currently, the report of the commissioners is being prepared. The hearing initially scheduled for 20 April 2015 was postponed until the commissioners submit their report to the court. If the final award is against the company, the ownership of the plant will be transferred to its original owner and the company will get the sales price back. The company's management, supported by its legal expert, believes it is likely that the award will be issued in favor of Egyptian Gypsum Company.

Court against former owner of Weitz (Discontinued operations)

The previous owner of The Weitz Company ('Weitz') filed a variety of claims against Weitz arising out of alleged breaches of the Separation Agreement and Buy-Sell Agreements executed upon his departure from Weitz. He also filed a claim for tortious interference with contract against Orascom Construction Industries S.A.E., arising out of the same alleged breaches of the Separation Agreement and Buy-Sell Agreements. Weitz filed a motion for summary judgment on the ground that the proper purchase price had been paid for his stock pursuant to the Separation Agreement and Buy-Sell Agreements.

On 6 February 2015, the court dismissed all claims filed by the previous owner against both Weitz and Orascom Construction Industries S.A.E.

On 11 February 2015, the previous owner filed a notice of appeal to the Supreme Court of Iowa from the final order entered following the trial and from all adverse rulings and orders against the previous owner and in favor of OCI and the Weitz defendants. The alleged legal and factual basis for the appeal have not yet been set out by the claimant. Currently, the Company's management cannot make a reliable estimate of the outcome of the appeal and in accordance with IAS 37 has disclosed the litigation as a contingent liability.

Sidra Medical Center (Discontinued operations)

The contract for the design and build of the Sidra Medical and Research Centre in Doha, Qatar was awarded by the Qatar Foundation for Education, Science & Community Development in February 2008 to the associate owned by Obrascón Huarte Lain (55%) and Contrack (45%), for a total contract value of approximately USD 2.4 billion. The project is more than 95% complete and is not part of the Construction Group's backlog as the project is accounted for under the equity method.

In July 2014, the consortium received a Notice of Termination from the Qatar Foundation for Education, Science & Community Development ("the Foundation). In relation to this termination, the Foundation claims damages for material amounts from the associates. The claim and asserted damages have not yet been substantiated by the Foundation. At this stage, the Company believes there is no merit to the claim and intends to vigorously oppose the claim. The Company issued a counter claim for asserted damages and claimable costs. The matter has been referred to the UK court of arbitration. Although the Company and their lawyers expect a favorable outcome, there is, given the fact that the arbitration is in its initial phase, uncertainty associated with these matters, and an unfavorable outcome of the proceedings could have a materially adverse effect on the demerged entity's consolidated financial position, results of operations and cash flows.

At year-end 2014, OCI has valued its interest in the associate at nil and, additionally, recorded a USD 20 million liability for expected costs including legal fees. This resulted in a cost charge of USD 188 million for the year, mainly stemming from the guarantee / performance bond executed by the Foundation (USD 94 million) and the write off of the equity investment in the joint venture (USD 66 million), reflecting the uncertainties related to the arbitration. When concluding on the accounting for the interest in the associate, OCI management considered the views of their external lawyer who stated that even if the associate would be successful in arbitration, enforcing rights against the Foundation will be a time consuming and complex process.

EBIC tax free zone (Continuing operations)

Reference is made to note 12 to the consolidated financial statements.

Tax evasion claim

We refer to note 12 to the consolidated financial statements.

Reimbursement agreement

The amount payable by OCI N.V. to the Construction Business under the agreement is capped at USD 150 million.

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30. Contingencies (continued)

Contingent assets

Arbitration against the Golden Pyramids Plaza (Discontinued operations)
Orascom Construction Industries S.A.E. and Consolidated Contractors International Co. SAL filed an arbitration claim against Golden Pyramids Plaza regarding the performance of its obligations relating to the City Stars Project. The claim related to the value of additional work performed, extension of time for all delays, return of the improperly liquidated bonds and payment for outstanding re-measurement items.

On 17 December 2014, the Court dismissed all objections to jurisdiction and admissibility of claims against Golden Pyramids Plaza. Orascom Construction Industries S.A.E. and Consolidated Contractors International Co. SAL were awarded compensation for damages resulting from the delayed and disrupted completion of the work and the cost of the arbitration. The total award, of which Orascom Constructions Industries S.A.E.'s share is 50%, amounts to approximately USD 80.0 million at the prevailing exchange rate on the date of the award.

Following the guidance under IAS 37, OCI management assessed the award as not being "virtually certain" at year-end 2014. Consequently, the award is disclosed as a contingent asset in the Group's consolidated financial statements.

31. Capital commitments

As at 31 December 2014, the Group entered into contracts to buy property, plant and equipment for USD 443.1 million (2013: USD 1.39 billion), of which USD 251.6 million represents capital commitments pertaining to OCI Partners and USD 180.5 million relating to the Iowa Fertilizer Company (IFCo) (2013: USD 1.09 billion).

32. Operating lease commitments

The Group leases a number of office space, computers, machinery and cars under operating leases. The leases typically run for a period of 10 years, with an option to renew the lease after that date. Lease payments are renegotiated every five years to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices.

(i) Future minimum lease payments

$ millions	2014	2013
Less than one year	9.3	28.8
Between one and five years	22.2	14.0
More than five years	35.3	0.9
Total	**66.8**	**43.7**

(ii) Amount recognized in profit or loss

$ millions	2014	2013
Lease expense	2.7	9.3
Contingent rent expense	-	2.2
Total	**2.7**	11.5

33. Related party transactions

Transactions with related parties – Normal course of business

Transactions with related parties occur when a relationship exists between the company, its participating interest and their directors and key management personnel. In the normal course of business, the company buys and sells goods and services from and to various related parties (including associates) within the Group. The CEO is able to expense the use of a private aircraft for business travel. These transactions are conducted on a commercial basis under comparable conditions that apply to transactions with third parties.

The following is a list of significant related party transactions and outstanding amounts as at 31 December 2014:

Related party	Relation	Revenue transactions during the year	AR outstanding at year end	Purchases transactions during the year	AP outstanding at year end	Loans outstanding to associates
Continuing operations:						
Fitco Agro S.A.	Associate	157.7	21.4	-	-	-
Sitech Manufactoring Services C.V.	Associate	-	-	-	29.1	-
Sitech Utility Holding Beheer B.V.	Associate	33.2	2.4	-	1.5	16.9
Sitech Services B.V.	Associate	-	-	185.9	0.1	-
OCI Nitrogen Iberian Company	Joint venture	65.7	-	-	0.4	-
Shanxi Fenghe Melamine Co Ltd.	Joint venture	0.4	0.3	-	-	5.5
Total		**257.0**	**24.1**	**185.9**	**31.1**	**22.4**
Discontuning operations:						
Orascom Trading	Associate	-	2.1	3.2	0.3	-
Alico	Associate	0.4	29.6	-	-	-
Medrail	Associate	-	11.2	-	-	-
Orasqualia	Associate	-	3.3	-	-	-
Obrascon Huarte Lain SA / Contrack Cyprus Limited JV	Associate	15.7	-	-	-	-
OPTD	Related by member of key management personnel	-	0.6	-	1.3	-
United Yamama Orascom	Associate	-	1.2	-	-	-
Watts Webcor Obayashi	Joint venture	16.0	1.0	22.7	5.0	-
URS Contrack Pacer Forge IV	Joint venture	6.1	-	5.2	0.2	-
Lafarge S.A.	Related by member of key management personnel	-	-	19.2	12.9	-
Other		1.5	1.8	0.8	0.7	-
Total		**39.7**	**50.8**	**51.1**	**20.4**	**-**

In addition to the related party transactions in the table above, the company incurs certain operating expenses for immaterial amounts in relation to services provided by related parties.

OCI Foundation and Sawiris Foundation (Discontinued operations)

The OCI Foundation invests company resources in educational programs that improve the communities in which the company operates. OCI has cultivated strong ties with several leading universities, including the University of Chicago (Onsi Sawiris Scholars Exchange Program), Stanford (The American Middle Eastern Network Dialogue) and Yale (Master of Advanced Management program and Global Network for Advanced Management program).

In 2013, through the Onsi Sawiris Scholarship Program, the Group provided scholarships to five students who are attending Yale, Stanford, Wharton, and Northwestern for graduate studies.

Furthermore, the Sawiris Foundation for Social Development also provides grants to fund projects implemented by charitable organizations, educational institutions, local government and private business. These related charitable organizations have a total transaction amount during 2014 of USD 1.0 million (2013: USD 1.3 million).

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34. Remuneration of the Board of Directors (Key management personnel)

During 2014, we considered the members of the Board of Directors (Executive and Non-executive) and the Chief Operating Officer for the Fertilizer and Chemicals Group to be the key management personnel as defined in IAS 24 'Related parties'. The key management personnel have not entered into any related party transactions. No other benefits or remuneration were provided to or have been entered into with above mentioned key management personnel except as disclosed below. The total remuneration of the key-management personnel amounts in 2014 to USD 8.9 million.

Remuneration of the Directors

In 2014, the total remuneration relating to the Executive Directors amounted to USD 6.9 million (2013: USD 7.0 million) consisting of the elements in the table below:

2014	Age	Base salary	Annual bonus	Share-based compensation	Total remuneration
N. Sawiris	53	2,000,000	1,000,000	1,320,482	4,320,482
S. Butt	55	1,680,000	840,000	83,545	2,603,545
Total		**3,680,000**	**1,840,000**	**1,404,027**	**6,924,027**

2013	Base salary	Annual bonus[1]	Share-based compensation	Total remuneration
N. Sawiris	2,000,000	1,000,000	1,498,872	4,498,872
S. Butt	1,689,180	800,000	-	2,489,180
Total	**3,689,180**	**1,800,000**	**1,498,872**	**6,988,052**

[1] In 2014, OCI granted a bonus to Mr. Sawiris of USD 1.0 million and to Mr. Butt of USD 0.8 million relating to the performance of 2013, which was expensed to the statement of profit or loss in 2014.

As at 31 December 2014, the Executive Directors held 400,000 stock options (2013: 590,000) at a weighted average exercise price of EUR 25.94.

	Outstanding Year end '13	Granted	Exercised	Expired	Outstanding Year End '14	Exercise Price	Expiration
N. Sawiris	190,000	-	190,000	-	-	EUR 26.71	
	200,000	-	-	-	200,000	EUR 26.43	31-03-2016
	200,000	-	-	-	200,000	EUR 25.45	02-01-2017
S. Butt	-	-	-	-	-	-	-
Total	**590,000**	**-**	**190,000**	**-**	**400,000**	**-**	**-**

At 31 December 2014, the Executive Directors were granted 92,378 conditional performance shares.

	Outstanding Year end '13	Granted conditional	Outstanding Year End '14	Vesting date
N. Sawiris	-	51,321	51,321	01-07-2017
S. Butt	-	41,057	41,057	01-07-2017
Total	**-**	**92,378**	**92,378**	**-**

As at 31 December 2014, the Executive Directors held 16,409 bonus matching shares

	Outstanding Year end '13	Granted	Outstanding Year End '14	Vesting date
N. Sawiris	-	9,116	9,116	17-11-2017
S. Butt	-	7,293	7,293	17-11-2017
Total	**-**	**16,409**	**16,409**	**-**

34. Remuneration of the Board of Directors (Key management personnel) (continued)

In 2014, the total remuneration costs relating to the Non-Executive Directors amounted to USD 1,343,149 (2013: USD 710,000) consisting of the elements in the table below:

2014	Annual fixed fee	Audit Committee membership	Additional fee	Nomination governance committee	Remuneration committee	Health safety environment committee	Total
M. Bennett	260,000	-	150,000	3,750	7,500	7,500	428,750
J.A. Ter Wisch	130,000	20,000	-	10,000	-	1,875	161,875
A. Naqvi	130,000	20,000	-	7,500	-	7,500	165,000
S. N. Schat	130,000	20,000	9,041	-	10,000	-	169,041
K. van der Graaf	130,000	-	-	7,500	-	10,000	147,500
R.J. van de Kraats	130,000	25,000	10,045	-	7,500	-	172,545
J. Guiraud	81,250	12,500	-	4,688	-	-	98,438
Total	**991,250**	**97,500**	**169,086**	**33,438**	**25,000**	**26,875**	**1,343,149**

The additional fee for Mr. Bennett is for service on the Board of the publicly traded company OCI Partners in the US. The additional fee for Mr. Schat and Mr. van de Kraats relates to 2013 fees which were paid in 2014.

2013	Annual fixed fee	Audit Committee membership	Additional fee	Nomination governance committee	Remuneration committee	Health safety environment committee	Total
M. Bennett	260,000	-	150,000	-	-	-	410,000
J.A. Ter Wisch	130,000	20,000	-	-	-	-	150,000
A. Naqvi	130,000	20,000	-	-	-	-	150,000
S. N. Schat	-	-	-	-	-	-	-
K. van der Graaf	-	-	-	-	-	-	-
Total	**520,000**	**40,000**	**150,000**	**-**	**-**	**-**	**710,000**

The additional fee for Mr. Bennett is for service on the Board of the publicly traded company OCI Partners in the US.

36. External auditors' fee

The service fees recognized in the financial statements 2014 for the service of KPMG amounted to USD 9.1 million (2013: USD 7.7 million).

The amounts per service category are shown in the following table:

	Total service fee		of which KPMG Accountants N.V. (the Netherlands)	
$ millions	2014	2013	2014	2013
Audit of Group Financial Statements	6.2	4.6	1.5	1.6
Other assurance services	1.8	1.9	0.9	0.3
Total assurance services	**8.0**	**6.5**	**2.4**	**1.9**
Tax services	0.8	0.8	-	-
Sundry services	0.3	0.4	-	-
Total	**9.1**	**7.7**	**2.4**	**1.9**

PARENT COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER (BEFORE NET INCOME APPROPRIATION)

$ millions	Note	2014	2013
Assets			
Non-current assets			
Tangible fixed assets		0.9	-
Financial fixed assets	(38)	2,813.9	2,002.2
Deferred tax assets		1.7	47.6
Total non-current assets		**2,816.5**	**2,049.8**
Current assets			
Receivables	(39)	233.7	679.2
Cash and cash equivalents		111.3	5.4
Total current assets		**345.0**	**684.6**
Total assets		**3,161.5**	**2,734.4**
Equity			
Share capital	(40)	273.3	272.1
Share premium		1,447.6	1,441.8
Other reserves		69.3	(287.8)
Net profit/ (loss) for the year		328.7	295.2
Total equity		**2,118.9**	**1,721.3**
Liabilities			
Non-current liabilities			
Loans and borrowings	(41)	896.6	969.8
Deferred tax liabilities		-	-
Total non-current liabilities		**896.6**	**969.8**
Current liabilities			
Trade payables and other liabilities	(42)	46.4	43.3
Loans and borrowings		94.8	-
Income tax payable		4.8	-
Total current liabilities		**146.0**	**43.3**
Total liabilities		**1,042.6**	**1,013.1**
Total equity and liabilities		**3,161.5**	**2,734.4**

PARENT COMPANY STATEMENT OF PROFIT OR LOSS
FOR THE YEARS ENDED 31 DECEMBER

$ millions	Note	2014	2013
Net profit / (loss) from subsidiaries, joint arrangements and associates		414.8	393.9
Other net income / (loss)		(86.1)	(98.7)
Net profit / (loss) for the year		**328.7**	**295.2**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

37. General

The Parent Company financial statements of OCI N.V. have been prepared in accordance with provisions of Part 9, Book 2 of the Dutch Civil Code. OCI N.V. has applied the option in article 2:362 paragraph 8 of Part 9, of the Dutch Civil Code to use the same accounting principles for the recognition and measurement of assets and liabilities and determination of results for the corporate financial statements as the consolidated financial statements. Investments in subsidiaries are carried at net asset value. The net asset value is established by valuing assets, provisions and liabilities and calculating the result in accordance with the accounting policies applied in the consolidated financial statements. For a list of principal subsidiaries reference is made to the section 'Miscellaneous' in this report. Investments in Group companies are included at the pro rata value of OCI's share in their net assets value. For principles of recognition and measurement of assets, liabilities and results, reference is made to the notes to the consolidated financial statements. OCI N.V. has the Euro as its functional currency, to align with the consolidated financial statements, the parent company financial statements are also presented in US dollars.

38. Financial assets

	Subsidiaries			
$ millions	Share in capital	Loans	Other loans	Total
Balance at 1 January 2013	-	-	-	-
Acquisitions/ capital contributions	1,674.7	-	-	1,674.7
Share in profit	393.9	-	-	393.9
Exchange rate differences	(104.0)	-	-	(104.0)
Loans	-	1.5	36.1	37.6
Balance at 31 December 2013	**1,964.6**	**1.5**	**36.1**	**2,002.2**
Share in profit	414.8	-	-	414.8
Change in ownership OCI Partners	(12.5)	-	-	(12.5)
Settlement loans	-	-	(16.6)	(16.6)
Change in cash flow hedge	(6.1)	-	-	(6.1)
Change in available-for-sale financial assets	(1.2)	-	-	(1.2)
Dividend from associates	(30.4)	-	-	(30.4)
Capital contributions in subsidiaries	777.8	-	-	777.8
Dividends form subsidiaries	(408.3)	-	-	(408.3)
Exchange rate differences	94.2	-	-	94.2
Balance at 31 December 2014	**2,792.9**	**1.5**	**19.5**	**2,813.9**

The loans included under 'Other loans' fully consist of loans granted to employees as part of a share incentive plan. For details see note 23(d) in the consolidated financial statements.

39. Receivables

$ millions	2014	2013
Receivables from subsidiaries	227.1	649.9
Other receivables	6.6	29.3
Total	**233.7**	**679.2**

No receivables have a maturity longer than one year.

40. Shareholders' equity

For details on the statement of changes in equity of the Parent Company see the consolidated statement of changes in equity.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

CONTINUED

41. Loans and borrowings

$ millions	2014	2013
Convertible bond	379.6	420.4
Revolving credit facility	511.2	-
Loans from subsidiaries	5.8	549.4
Total	**896.6**	**969.8**

Reference is made to note 20 'Loans and borrowings' of the consolidated financial statements for detailed information on the convertible bond and the revolving credit facility.

The maturity dates of loans and borrowings is as follows:

$ millions	2014	2013
2015	-	48.3
2017	511.2	-
2018	379.6	420.4
2019	5.8	501.1
Total	**896.6**	**969.8**

42. Trade payables and other current liabilities

$ millions	2014	2013
Owing to subsidiaries	30.8	36.9
Other current liabilities	15.6	6.4
Total	**46.4**	**43.3**

43. Contingent liabilities

OCI N.V. has provided financial guarantees to certain subsidiaries including EFC related to its International Finance Corporation ('IFC') bank loan, and OCI Construction B.V. regarding its bank loan with Credit Agricole. For OCI Fertilizers B.V. and OCI Nitrogen B.V. comfort letters were provided by OCI N.V.

44. Employees

The total number of employees in 2014 was 26 (2013: 7 employees).

45. Fiscal unity

OCI N.V. forms a fiscal unity with several Dutch entities for corporation tax purposes. The full list of Dutch entities which are part of the fiscal unity is included in the list containing the information referred to in article 2:379 and article 2:1 of the Dutch Civil Code, which is filed at the office of the Chamber of Commerce. In accordance with the standard conditions, a company and its subsidiaries that form the fiscal unity are jointly and severally liable for taxation payable by the fiscal unity.

OTHER INFORMATION

PROPOSED APPROPRIATION OF NET PROFIT / (LOSS)

$ millions	2014	2013
Cash dividend interim	-	-
Cash dividend final	-	-
Added to retained earnings	**328.7**	295.2
Total net profit / (loss) attributable to shareholders	**328.7**	**295.2**

Upon adoption of this proposed Net Profit / (Loss) appropriation, the dividend for the 2014 financial year will be nil. This proposed Net Profit / (Loss) appropriation is in conformity with article 26 of the Company's Articles of Association.

Extract from the Articles of Association relating to Net Profit / (Loss) appropriation

Article 26. 'Profits and Distributions'.

26.1 The Board may decide that the profits realized during a financial year will fully or partially be appropriated to increase and/or from reserves.

26.2 The profits remaining after application of Article 26.1 shall be put at the disposal of the General Meeting. The Board shall make a proposal for that purpose. A proposal to pay a dividend shall be dealt with as a separate agenda item at the General Meeting of Shareholders.

26.3 Distributions from the Company's distributable reserves are made pursuant to a resolution of the General Meeting at the proposal of the Board.

26.4 Provided it appears from an interim statement of assets signed by the Board that the requirement mentioned in Article 26.8 concerning the position of the Company's assets has been fulfilled, the Board may make one or more interim distributions to the holders of Shares.

26.5 The Board may decide that a distribution on Shares shall not take place as a cash payment but as a payment in Shares, or decide that holders of Shares shall have the option to receive a distribution as a cash payment and/or as a payment in Shares, out of the profit and/or at the expense of reserves, provided that the Board is designated by the General Meeting pursuant to Articles 6.2. The Board shall determine the conditions applicable to the aforementioned choices.

26.6 The Company's policy on reserves and dividends shall be determined and can be amended by the Board. The adoption and thereafter each amendment of the policy on reserves and dividends shall be discussed and accounted for at the General Meeting of Shareholders under a separate agenda item.

26.7 The Company may further have a policy with respect to profit participation for employees which policy will be established by the Board.

26.8 Distributions may be made only insofar as the Company's equity exceeds the amount of the paid in and called up part of the issued capital, increased by the reserves which must be kept by virtue of the law or these Articles of Association.

Amsterdam, the Netherlands, 28 April 2015

The OCI N.V. Board of Directors

Michael Bennett, Chairman

Nassef Sawiris

Salman Butt

Jan Ter Wisch

Arif Naqvi

Kees van der Graaf

Sipko Schat

Jérôme Guiraud

Robert Jan van de Kraats

INDEPENDENT AUDITOR'S REPORT

To: the Annual General Meeting of Shareholders of OCI N.V.

Report on the audit of the Financial Statements 2014

Opinion

We have audited the financial statements 2014 of OCI N.V. (OCI N.V. or the Company), based in Amsterdam. The financial statements include the consolidated financial statements and the Company financial statements.

In our opinion:

- the consolidated financial statements give a true and fair view of the financial position of OCI N.V. as at 31 December 2014, and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Netherlands Civil Code, and
- the Company financial statements give a true and fair view of the financial position of OCI N.V. as at 31 December 2014, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2014;
- the following consolidated statements for 2014: the statement of profit or loss and comprehensive income, changes in equity and cash flows; and
- the notes, comprising a summary of the accounting policies and other explanatory information.

The Company financial statements comprise:

- the Company statement of financial position as at 31 December 2014;
- the Company statement of profit or loss for 2014; and
- the notes, comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

We are independent of OCI N.V. in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO) and other relevant independence requirements in the Netherlands. Furthermore we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

Misstatements can arise from fraud or errors and will be considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

Based on our professional judgment we determined the materiality for the financial statements as a whole at USD 30 million, with reference to a benchmark of normalized profit before tax from continuing operations (approximately 10%) and total revenues from discontinued operations (approximately 1.7%). Normalized profit before tax has been determined as the Result before income tax from continuing operations adjusted for the one-off items at the operating profit level as included on page 44 of the report of the Board of Directors. Considering the differences in nature and characteristics of the continuing and discontinued operations, we deem these benchmarks most relevant. The continuing operations represent high volume production and sales of fertilizer and chemicals, for which oftentimes global market prices are available. The discontinued operations are characterized by significant construction contracts, with contract specific terms and conditions and often relatively low margins. We have also taken into account misstatements and possible misstatements that are in our opinion material for qualitative reasons to the users of the financial statements.

Audits of group entities (components) were performed using materiality levels determined by the judgment of the group audit team, having regard to the materiality for the consolidated financial statements as a whole. Component materiality for components within the Fertilizer & Chemicals Group did not exceed USD 11.5 million, whereas for components within the Engineering & Construction Group materiality did not exceed USD 7.5 million.

The difference in component materiality for components within the Fertilizer & Chemical Group and components within the Engineering & Construction Group has been based on both quantitative and qualitative factors.

We agreed with the Board of Directors that misstatements in excess of USD 1.25 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

OCI N.V. is head of a group of entities. The financial information of this group is included in the financial statements of OCI N.V.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for components. Decisive were the size and / or the risk profile of the components or operations. On this basis, we selected components for which an audit had to be performed on the complete set of financial information or on specific items.

Based on these scoping criteria, we selected 18 components from 7 countries for a full scope audit. This resulted in a coverage of approximately 99% and 84% of revenues for continued and discontinued operations respectively, and approximately 93% and 94% of total assets for continued and discontinued operations respectively. The remaining revenues and assets result from a number of components, none of which individually represented more than 2.6% of total revenues or 1.4% of total assets. For these remaining components we performed analytical procedures to corroborate our assessment that there are no significant risks of material misstatement and performed additional verification procedures whenever deemed necessary.

The group audit team provided detailed instructions to all component auditors, covering the significant audit areas, including the relevant risks of material misstatement identified by us, and set out the information required to be reported back to the group audit team. The group audit team visited component auditors and performed file reviews for components in the Netherlands, Belgium, Egypt and Algeria. Conference calls were held with all the component auditors. During these visits and calls, the planning, risk assessment, procedures performed, findings and observations reported were discussed and reviewed in more detail by us, where considered necessary. Any further work deemed necessary was subsequently performed by the component auditors and reviewed by us.

By performing the procedures mentioned above at components, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence to provide an opinion on the financial statements.

Our key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Board of Directors. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Assets and liabilities classified as held for demerger and discontinued operations

In November 2014, the Company announced its intention to pursue a dual listing of its Engineering & Construction Group in both United Arab Emirates and Egypt. Meanwhile, listings have been obtained in the United Arab Emirates on 7 March 2015 and in Egypt on 9 March 2015. In preparing the Company's consolidated financial statements, the Company applied IFRS 5. The Company presented the assets and liabilities of the Engineering & Construction Group as "Assets held for demerger" and "Liabilities held for demerger" and the operations have been presented net as "Net profit/(loss) from discontinued operations". The assessment process whether this presentation is in accordance with IFRS 5, is complex and judgmental, especially in determining if and when the demerger is highly probable.

As part of our audit we challenged the appropriateness of management's judgments with documentation available within the Company and external documentation, amongst others from legal advisors and other third parties. We also assessed the adequacy of the Company's disclosure notes 2.2 and 29 in the financial statements in respect of assets and liabilities classified as held for demerger and discontinued operations.

Accounting for income tax positions – in particular the tax evasion claim in Egypt

The Company has extensive international operations and makes judgments and estimates in relation to tax issues and exposures resulting in the recognition of tax liabilities. Income tax was significant to our audit because the assessment process is complex and the amounts involved are material to the financial statements as a whole, especially with respect to tax positions in Egypt following changes in interpretations of tax laws and regulations.

In 2012, a tax claim was initiated in Egypt, accusing Orascom Construction Industries S.A.E., the former Egyptian parent company of the group, of tax evasion in relation to a divestment of part of the group in 2007. In 2013, Orascom Construction Industries S.A.E. entered into an agreement with the Egyptian Tax Authority ("ETA") to pay approximately USD 1 billion of tax in several installments to resolve the tax dispute. The first installment was paid in 2013 and for the remaining installments a liability was recorded in the 2013 financial statements. During 2014, the ETA independent appeal committee overseeing the tax dispute ruled in favor of Orascom Construction Industries S.A.E. and OCI N.V. released the liability. The Board of Directors of the Company decided to transfer the rights to the installment paid in 2013 to the "Long Live Egypt Fund".

We have tested the completeness and accuracy of the amounts reported in the financial statements for current and deferred tax, including the assessment of disputes with tax authorities. In this area our audit procedures included, amongst others, assessment of correspondence with the relevant tax authorities, obtaining and reviewing letters from (tax) lawyers and testing the recording and re-assessment of tax positions. We

INDEPENDENT AUDITOR'S REPORT
CONTINUED

engaged and visited component audit teams, which included local tax specialists, to assist us in analyzing and challenging the assumptions used to determine tax positions and we corroborated the assumptions with (external) evidence.

We also assessed the adequacy of the Company's disclosure note 12 in the financial statements in respect of income tax and the accounting for the tax evasion claim as well as the accounting for and the disclosure of the intended donation to the "Long Live Egypt Fund".

Valuation of work in progress and related revenue

OCI N.V. is involved in construction projects for which the Company applies the percentage of completion method. The amount of revenue and profit recognized in a year is dependent, inter alia, on the assessment of the percentage of completion of long-term contracts, the forecasted cost of each project, the accounting for variation orders and claims as well as the recoverability of retention receivables. The nature of these estimates implies that continual re-assessments can have a significant effect on profits for the year. This re-assessment process is complex and judgmental due to the size of the construction projects and uncertainties related to future performance and disputes.

For our audit we evaluated the processes of the accounting for construction contracts. Specific procedures have been performed by component auditors to determine that variation orders and claims have been properly taken into account. Furthermore, component auditors evaluated that the valuation of work in progress, other project related receivables and liabilities were timely recognized and properly measured, and the resulting estimated cumulative result on contracts is appropriately accounted for. They challenged the appropriateness of these estimates for significant projects and assessed whether or not the estimates showed any evidence of management bias, amongst others by vouching changes in estimates to underlying documentation.

We specifically focused on the valuation of the Company's share in the partnership with OHL to construct the Sidra Medical Center in Doha, which investment is accounted for as an associate by OCI N.V. Management of the partnership was unable to conclude on the financial information for the year 2014 as a result of substantial differences in views on the value of the working capital. OCI N.V. has completely written off its share in the equity accounted associate, and has also written off the performance bond that was called by the customer in the year 2014. We discussed the matter with the component auditor, obtained external legal confirmation letters on the matter and received further confirmation on relevant facts and circumstances from the component auditor and in-house counsel. We tested amounts paid under the executed performance bond with supporting documentation such as contracts and bank statements. We also evaluated the adequacy of the related disclosure in disclosure note 30.

Long term debt and covenants requirements

In order to finance the construction of its Fertilizer & Chemicals property, plant & equipment, OCI N.V. has entered into various loan agreements, which often contain specific covenant requirements. Most of the loan agreements have been concluded at the component level. The covenants, if applicable, relate to the financial information of these components. If covenants are not met, and no waivers are received, long term debt may need to be classified as a short term liability.

As part of our audit procedures we assessed compliance with financial ratios included in the covenants, if applicable, as at the balance sheet date. These procedures included obtaining and reading the loan agreements, challenging the Company's understanding of the financial ratios by reviewing underlying contracts and correspondence and by verifying the mathematical accuracy of the financial ratios. For covenants with limited headroom, we evaluated the assumptions applied by management when making estimates for potential management bias. For loans with covenants for which waiver letters were received from financial institutions, we obtained and inspected these waiver letters. We further evaluated the adequacy of the Company's disclosures about the loans, borrowings and covenants in disclosure note 20.

Changes in accounting policies (IFRS 11)

Especially within the Engineering & Construction Group, the Company has entered into joint arrangements with third party companies for construction projects. As of 1 January 2014, the Company has applied the new accounting standard IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint ventures or joint operations, depending on the contractual rights and obligations of each investor. The new guidance requires the company to assess and interpret the substance of a substantial number of contractual agreements. Some of these assessments required significant management judgment. The most notable consequence is the accounting for the company's 50% share in Besix Group S.A., which was proportionally consolidated in the financial statements 2013 and is accounted for as an associate in the financial statements 2014, including the comparative 2013 financial information.

We obtained and assessed management's analysis of the contracts for significant joint arrangements, read the relevant parts of the contracts obtained, confirmed management's assessment of facts and circumstances were in line with the contracts and challenged management's interpretations and conclusions. We evaluated whether the effects of the new accounting standards were adequately disclosed in note 4.3.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for:

- the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the report of the Board of Directors in accordance with Part 9 of Book 2 of the Netherlands Civil Code;
- such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.
- overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows sufficient and appropriate audit evidence to be obtained for our final opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may have not uncovered all errors and fraud.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

We provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

INDEPENDENT AUDITOR'S REPORT
CONTINUED

Report on other legal and regulatory requirements

Report on the report of the Board of Directors and the other information

Pursuant to legal requirements of Part 9 of Book 2 of the Netherlands Civil Code (concerning our obligation to report about the report of the Board of Directors and other information):

- we have no deficiencies to report as a result of our examination whether the report of the Board of Directors, as set out on pages 1 to 77, to the extent we can assess has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required by Part 9 of Book 2 of the Netherlands Civil Code has been annexed;
- we report that the report of the Board of Directors, to the extent we can assess, is consistent with the financial statements.

Appointment

Our first appointment as auditor of OCI N.V. was in 2013. On 26 June 2014, we have been re-appointed by the Annual General Meeting of Shareholders as auditor of OCI N.V. for 2014.

Amstelveen, 28 April 2015

KPMG Accountants N.V.

P.J.G. ter Steeg RA

MISCELLANEOUS

List of principal subsidiaries, associates and joint ventures

Companies	Country	Percentage of interest	Consolidation Method
Fertilizer entities (continuing operations):			
OCI N.V.	the Netherlands	100.00	Full
Sorfert Algérie Spa	Algeria	50.99	Full
Orascom Construction Industries	Egypt	99.84	Full
OCI Fertilizer Trading Limited	Cyprus	100.00	Full
Egypt Basic Industries Corporation	Egypt	60.00	Full
Egyptian Fertilizers Company	Egypt	99.90	Full
OCI Nitrogen B.V.	the Netherlands	100.00	Full
Iowa Fertilizer Company LLC	USA	100.00	Full
OCI Partners LP	USA	79.04	Full
Natgasoline LLC	USA	100.00	Full
Construction entities (discontinued operations):			
Cementech	BVI	100.00	Full
Orascom Construction Industries Algeria Spa	Algeria	99.90	Full
BESIX Group SA	Belgium	50.00	Equity
OCI Construction Limited	Cyprus	100.00	Full
Orascom Construction	Egypt	100.00	Full
Orascom Road Construction	Egypt	99.98	Full
Orasqualia for the Development of the Wastewater Treatment Plant	Egypt	50.00	Equity
National Steel Fabrication	Egypt	99.90	Full
Alico Egypt	Egypt	50.00	Equity
Suez Industrial Development Company	Egypt	60.50	Full
Orascom Saudi Company	Kingdom of Saudi Arabia	60.00	Full
Contrack International Inc	USA	100.00	Full
Orascom E&C USA Inc	USA	100.00	Full
The Weitz Group LLC	USA	100.00	Full

A full list of affiliated companies will be available for public inspection at the Commercial Registry in conformity with the provisions of Article 2:379 of the Dutch Civil Code.

SHAREHOLDER INFORMATION

Share Listing

OCI N.V.'s shares have been listed on the NYSE Euronext in Amsterdam as of 25 January 2013. In March 2014, OCI N.V. became a constituent of the AEX-Index, the NYSE Euronext Amsterdam's largest index.

The OCI N.V. Share in 2014[1]

Number of outstanding ordinary shares as at 31 December 2014	205,911,570
Average share price	€ 24.22
Lowest share price	€ 19.11
Highest share price	€ 30.54
Share price at year end	€ 23.70
Market capitalization at year end[2]	€ 5.95 billion

1 Adjusted for Orascom Construction demerger

2 Including demerged Orascom Construction

Demerger of the Engineering & Construction Business

At an OCI N.V. extraordinary general meeting held on 12 November 2014, shareholders approved the proposal to facilitate the demerger of the company's engineering and construction business from its fertilizer and chemicals business (the "Spin-Off"). The demerged engineering and construction business formed Orascom Construction Limited ("OC"). The Spin-Off was effected after the close of trading on 6 March 2015 (the "Record Date") through a $ 1.4 billion repayment of capital in kind to OCI N.V. shareholders as registered on the Record Date in the form of OC shares. An OCI N.V. shareholder received one OC share for every two OCI N.V. shares held. OC shares commenced trading on 9 March 2015 on NASDAQ Dubai and on 11 March 2015 on the Egyptian Exchange.

After close of trading on the Record Date, Euronext announced a reference price of $ 13.33 per OC share and a EUR:USD exchange rate of 1.087 (https://www.euronext.com/en/products/equities/NL0010558797-XAMS), to calculate an adjustment of EUR 6.13 per OCI N.V. share. The $ 13.33 reference price is based on the $ 1.4 billion capital repayment divided by the number of OC shares available for transfer to the OCI N.V. shareholders. Based on a closing price of EUR 34.095, Euronext adjusted the OCI N.V. shares to EUR 27.965 as at 18:00 CET on 6 March 2015.

Share capital

All of the Company's issued shares are ordinary shares with authorized par value of 1 Euro. The number of paid-up ordinary shares outstanding is disclosed in note 17 of the financial statements.

Dividend Policy

OCI N.V. has a flexible dividend policy designed to balance the availability of funds for dividend distribution with pursuing growth opportunities that generate attractive returns. We currently have two large greenfield projects under construction in the US. Accordingly, the Board has decided to focus cash flows on completing these significant growth initiatives in a timely manner and therefore has not announced a dividend for FY2014.

Financial Calendar

20 May 2015	Publication of trading update Q1
10 June 2015	General Meeting of Shareholders
26 August 2015	Publication of Interim Financial Statements
12 November 2015	Publication of trading update Q3
17 March 2016	Q4 & FY 2015 Results

Investor Relations

OCI N.V. places great importance on maintaining active dialogue with existing and potential shareholders, banks, and analysts. OCI N.V. is committed to providing relevant, high-quality and timely information to all stakeholders, and to giving current and potential shareholders, analysts and financial press broader insight into the Company and the industries in which we operate. To this end, OCI N.V. strives to ensure that relevant information is provided equally and simultaneously to all interested parties.

As per the Company's by-laws, OCI N.V. observes a 'black-out' period during which analysts' meetings and presentations to and/or direct discussions with current or potential shareholders do not take place shortly before the publication of the regular financial information.

Investor Relations contacts

Corporate website: www.oci.nl

Hans Zayed
Investor Relations Director

E-mail: hans.zayed@oci.nl

Tel: (+31) 06 18 25 13 67

Erika Wakid

E-mail: erika.wakid@oci.nl

investor.relations@oci.nl

KEY SUBSIDIARIES

OCI NITROGEN (100%)

Nitrates and melamine manufacturer, the Netherlands

IOWA FERTILIZER COMPANY (100%)

Nitrates and diesel exhaust fluid manufacturer, USA

OCI PARTNERS LP (79.88%)

Owner and operator of OCI Beaumont, ammonia and methanol manufacturer, USA

NATGASOLINE LLC (100%)

Methanol manufacturer, USA

SORFERT ALGÉRIE (51%)

Ammonia and granular urea manufacturer, Algeria

EGYPTIAN FERTILIZERS COMPANY (100%)

Granular urea manufacturer, Egypt

EGYPT BASIC INDUSTRIES CORPORATION (60%)

Ammonia manufacturer, Egypt

OCI FERTILIZER TRADING (100%)

Fertilizer trading and distribution arm

OCI TERMINAL EUROPOORT B.V. (100%)

Ammonia tank owner and operator, Netherlands

CONTACT US

This annual report is available online at www.oci.nl

OCI N.V.
Honthorststraat 19
1071 DC Amsterdam
The Netherlands

T: (+31) 20 723 45 00

investor.relations@oci.nl

OCI N.V. stock symbols: OCI / OCI.NA / OCI.AS / OCINY

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