



# Q3 2015 Earnings Conference Call

## November 3, 2015

# Speakers

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**Daniel J. Oh**  
President & Chief Executive Officer



**Chad Stone**  
Chief Financial Officer



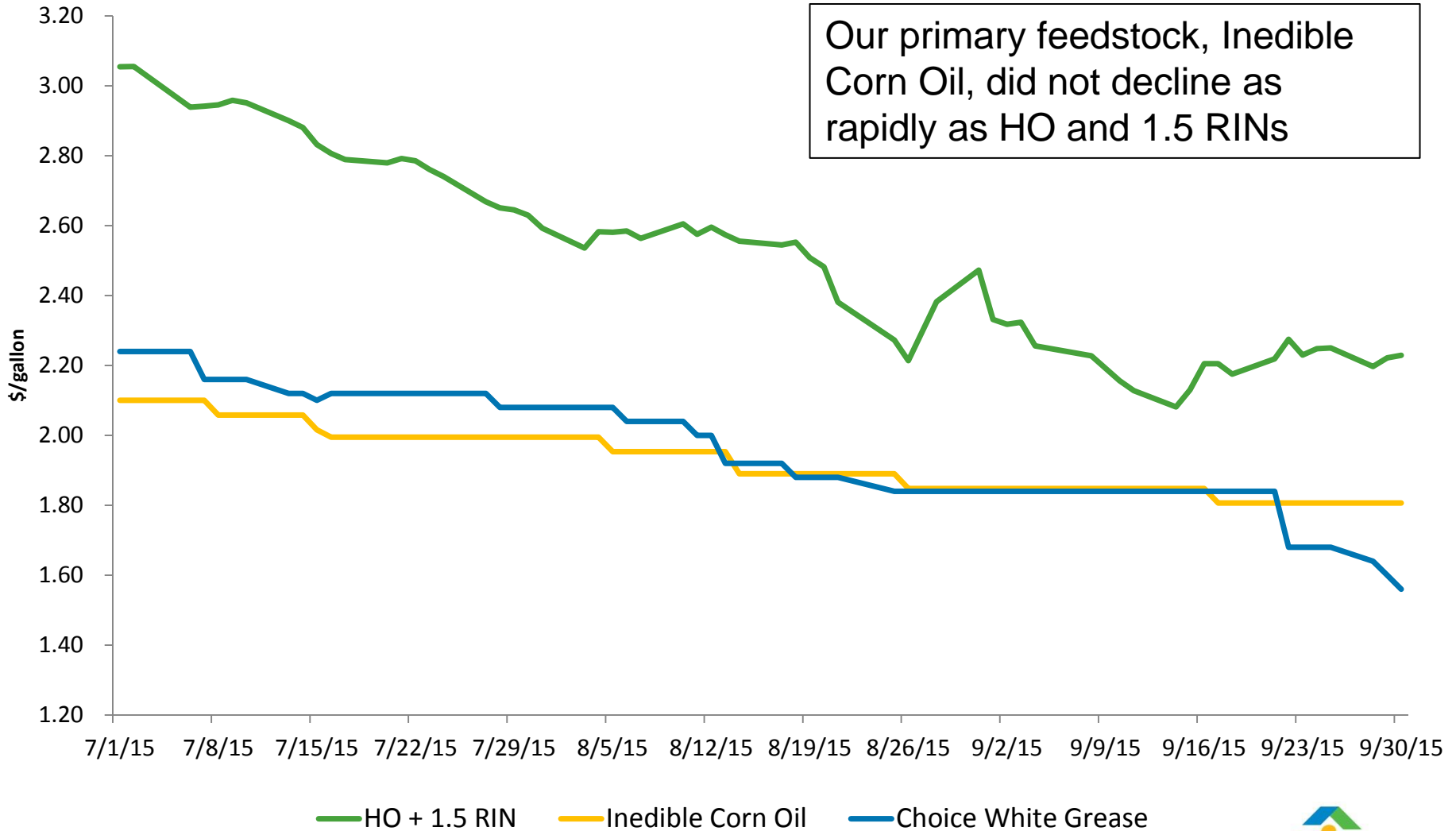
**Todd Robinson**  
Director, Investor Relations

# Safe Harbor Statement

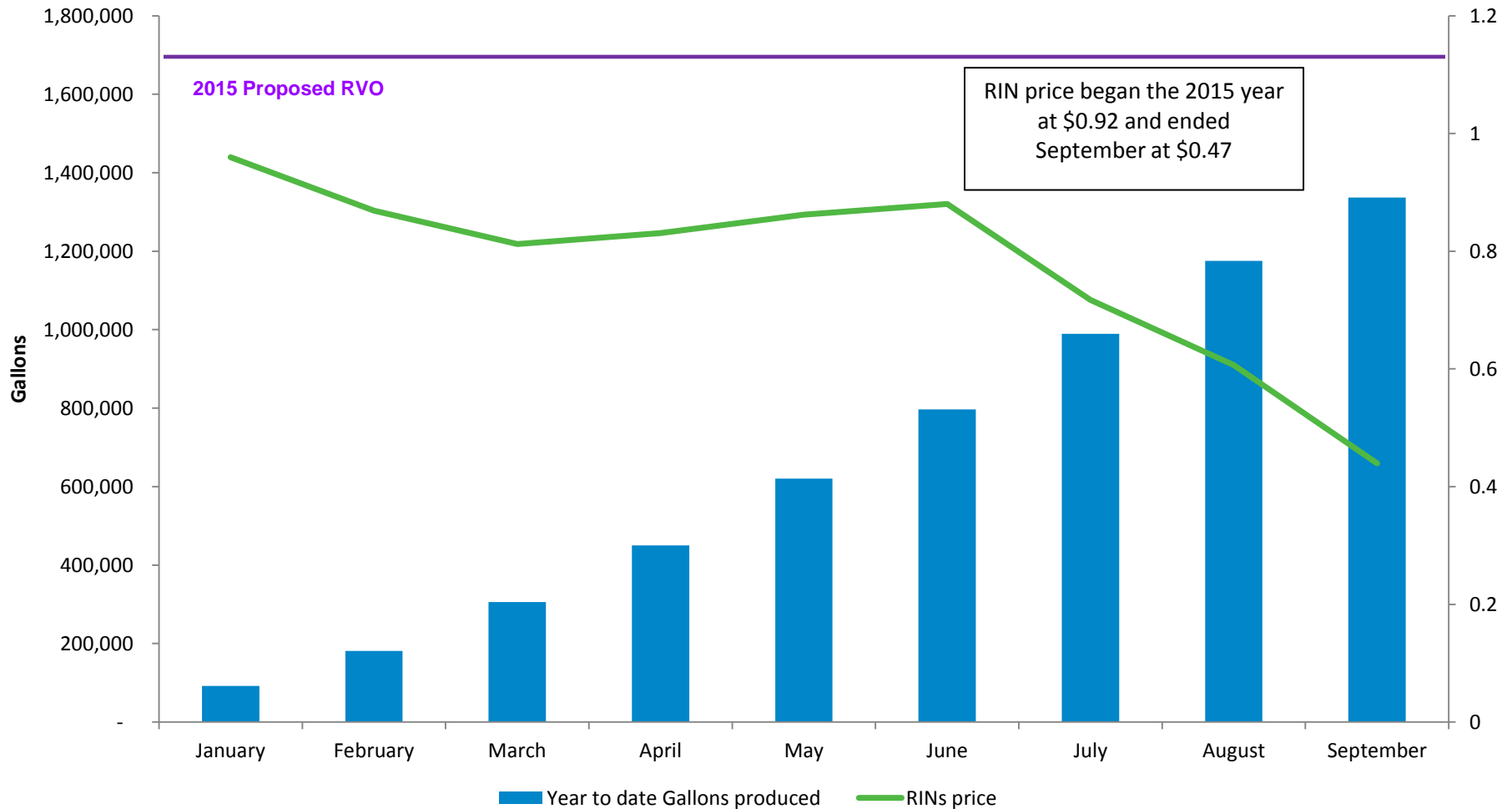
This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 as amended, including the Company's outlook for gallons sold and Adjusted EBITDA in the fourth quarter of 2015, our expectations regarding reinstatement of the biodiesel mixture excise tax credit and trends in our market. These forward-looking statements are based on current expectations, estimates, assumptions and projections that are subject to change, and actual results may differ materially from the forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, no retroactive reinstatement of the BTC for 2015, potential changes in governmental programs and policies requiring or encouraging the use of biofuels, including RFS2; changes in the spread between biomass-based diesel prices and feedstock costs; the future price and volatility of feedstocks; the future price and volatility of petroleum and products derived from petroleum; availability of federal and state governmental tax credits and incentives for biomass-based diesel production; risks associated with fire or explosion at our facilities, including potential losses associated with the fires at our Geismar facility; the effect of excess capacity in the biomass-based diesel industry; unanticipated changes in the biomass-based diesel market from which we generate almost all of our revenues; seasonal fluctuations in our operating results; competition in the markets in which we operate; our dependence on sales to a single customer; technological advances or new methods of biomass-based diesel production or the development of energy alternatives to biomass-based diesel; our ability to successfully implement our acquisition strategy; our ability to use the technology acquired from LS9 to produce renewable chemicals, fuels and other products on a commercial scale and at a competitive cost, and customer acceptance of the products produced; our ability to successfully integrate Syntroleum and Dynamic Fuels and their employees into our existing business; whether REG Geismar will be able to produce renewable hydrocarbon diesel consistently or profitably; and other risks and uncertainties described from time to time in REG's annual report on Form 10-K for the year ended December 31, 2014, quarterly report on Form 10-Q for the quarter ended June 30, 2015 and other periodic filings with the Securities and Exchange Commission.

All forward-looking statements are made as of the date of this press release and REG does not undertake to update any forward-looking statements based on new developments or changes in our expectations.

# Market Conditions



# 2015 U.S. Biodiesel Production & RIN Prices



Source: EPA and OPIS

# Third Quarter Financial Highlights

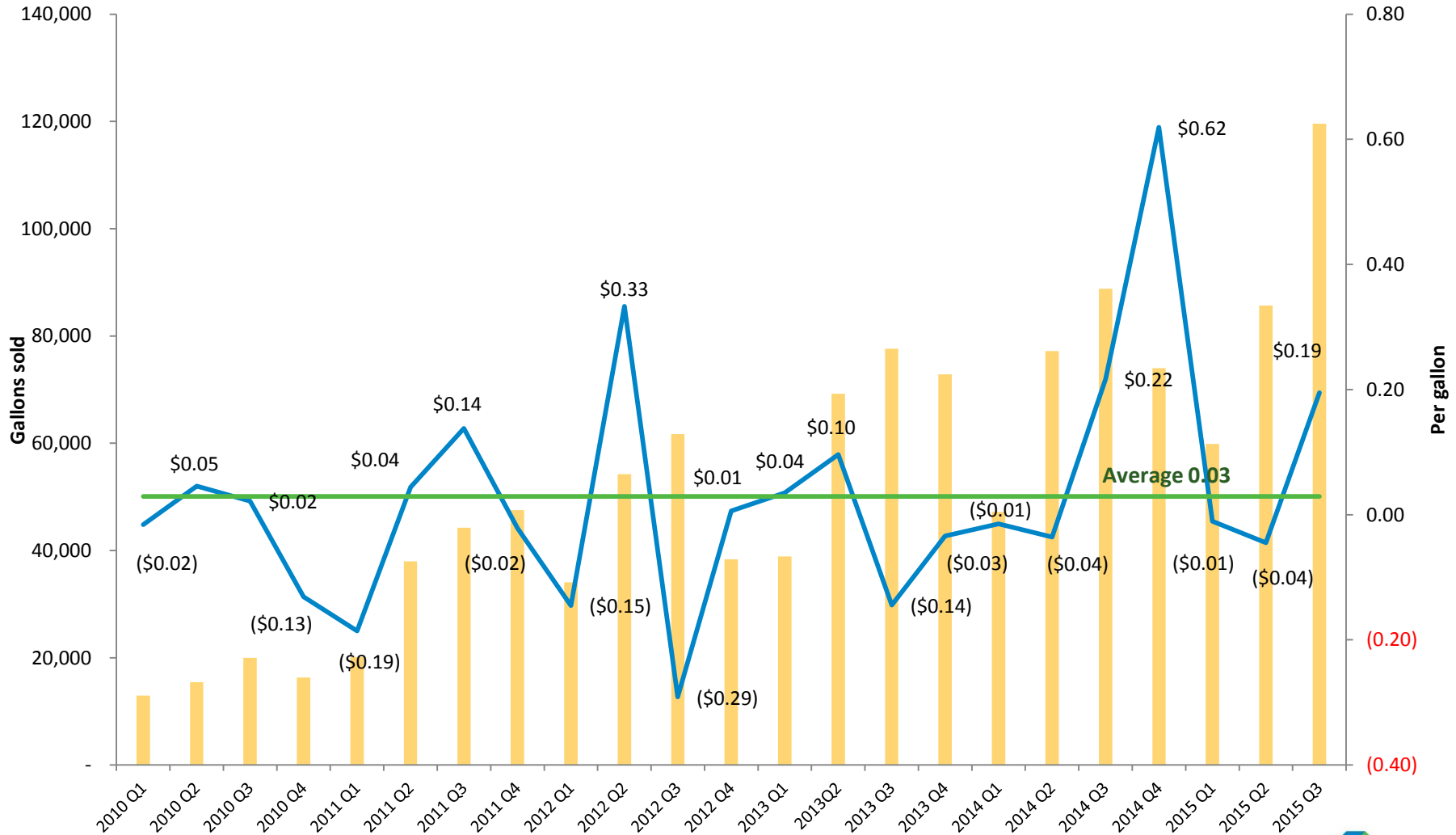
(in millions except for ASP)	Q3 2015	Q3 2014	Y/Y Change
Gallons Sold	120.0	88.8	35%
ASP	\$2.57	\$3.54	(27)%
Revenue	\$394.9	\$384.3	3%
Adj EBITDA <sup>1</sup> prior to BTC allocation	\$(10.4)	\$10.9	N/M
Adj EBITDA <sup>1</sup>	\$(10.4)	\$34.8	N/M

## Expenses impacting Q3 2015 Adj. EBITDA

Research and Development	\$ 3.5 million
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(1) Adjusted EBITDA is a non-GAAP measure. See Appendix for the definition of Adjusted EBITDA and reconciliation to Net Income determined in accordance with GAAP

# Risk Management G/(L) Chart



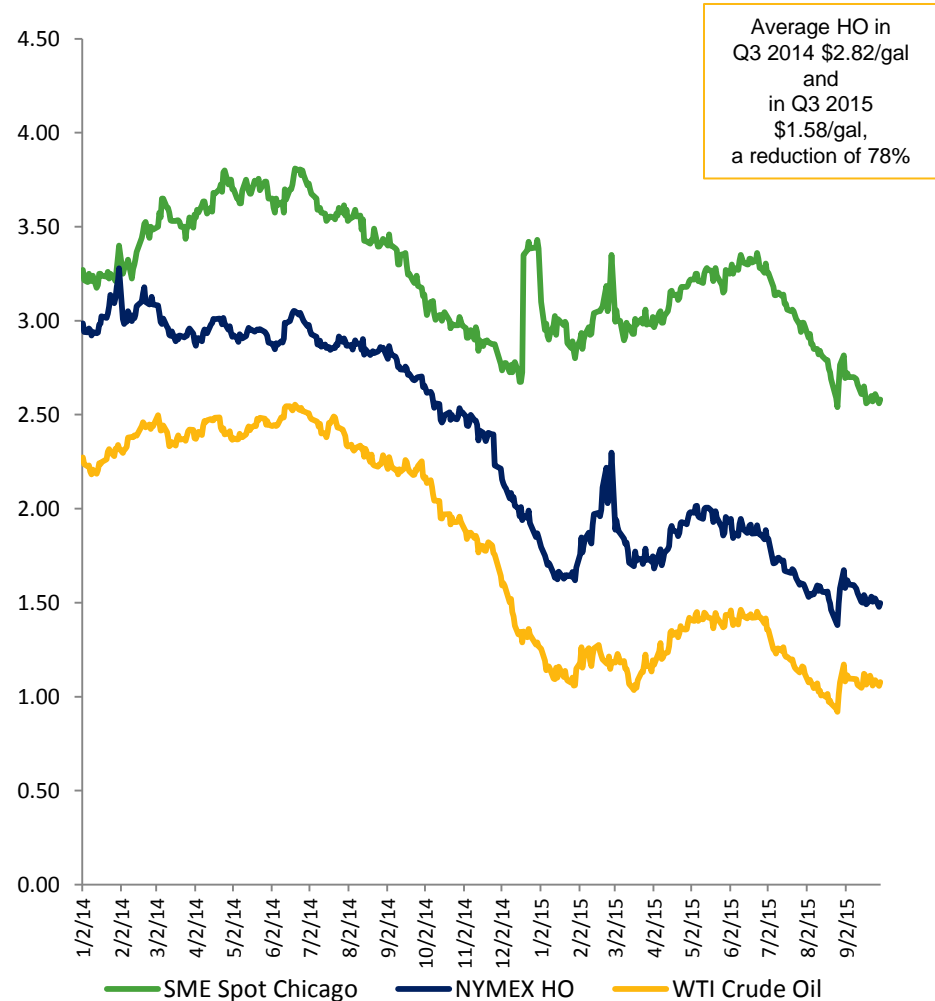
# Balance Sheet Strength

(in millions)	September 30, 2015	June 30, 2015
Cash and marketable securities	\$73.8	\$101.2
Receivables	\$52.0	\$59.8
Inventory	\$78.9	\$95.2
Restricted cash	\$104.3	\$106.8
Net working capital	\$120.4	\$176.6
Total Assets	\$1,172.2	\$1,153.4
Current Liabilities	\$134.7	\$121.6
Term Debt <sup>1</sup>	\$256.9	\$252.9
Total Liabilities	\$458.9	\$432.7

(1) Term debt includes \$100 million Gulf Opportunity Zone bonds. As of September 30, 2015, non-current restricted cash consisted of a \$101.3 million certificate of deposit supporting a letter of credit for the GO Zone bonds.

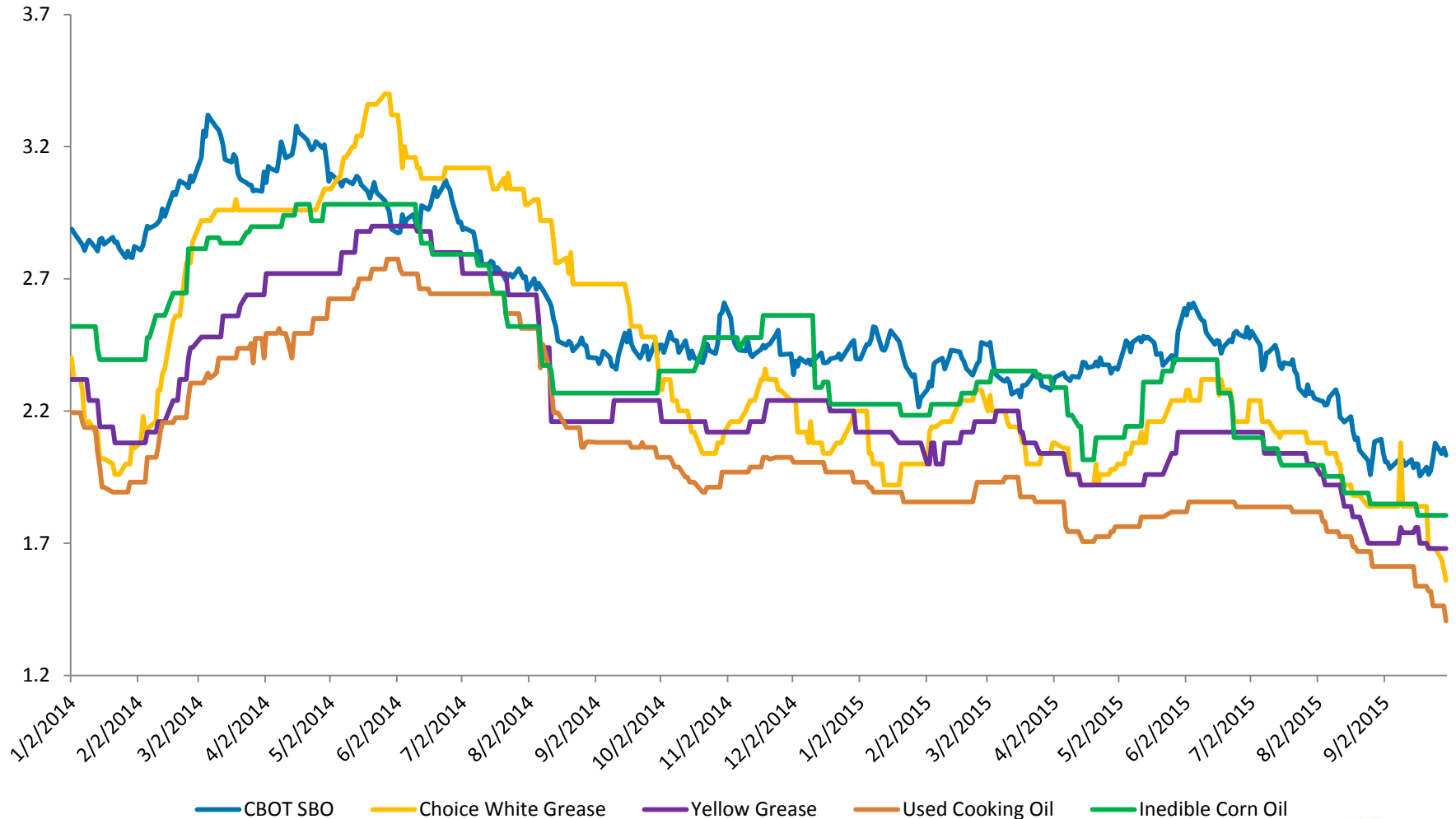


# Energy Market Prices



Source: REG and OPIS  
Note: Yields adjusted based on industry standards

# Feedstock Prices



Source: REG and OPIS  
 Note: Yields adjusted based on industry standards



# Liquidity and Capital Structure

(in millions except for Book value per share)	September 30, 2015	June 30, 2015
Term Debt <sup>1</sup>	\$256.9	\$252.9
Term Debt <sup>1</sup> /Total Capitalization	26.5%	26.0%
Term Debt net of fully collateralized GOZone Bonds	\$155.6	\$151.6
Term Debt net of fully collateralized GOZone Bonds/Total Capitalization	18.0%	17.4%
Net Book Value	\$713.3	\$720.7
Book value per share <sup>2</sup>	\$16.11	\$16.59

(1) Term debt includes \$100 million Gulf Opportunity Zone bonds. As of September 30, 2015, non-current restricted cash consisted of a \$101.3 million certificate of deposit supporting a letter of credit for the GO Zone bonds.

(2) Based on common shares outstanding at the end of each period

# Outlook

## Assumptions:

- No change to proposed RVO volumes
- Market participants continue to trade as if the Federal Biodiesel Tax Credit will be retroactively reinstated for 2015
- Estimate based on the forward curve between feedstock prices and biodiesel prices

<b>(in millions)</b>	<b>Estimated Q4 2015</b>
Gallons sold	95 – 105
Adjusted EBITDA without BTC	\$(20) – \$(10)
Net Benefit if BTC reinstated <sup>1</sup>	\$25 – \$35

(1) Only for Q4 results

# Upcoming Conferences Appearances

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**3rd Annual ROTH New Industrials Corporate Access Day**  
**December 15, 2015**  
**Chicago, IL**



**Analyst Day**  
**January 14, 2016**  
**New York, NY**



# Appendix Adjusted EBITDA Reconciliation

# Adjusted EBITDA Reconciliation

(in millions)	3Q'15	2Q'15	1Q'15	2014	2013
Net Income (Loss)	(15.67)	(2.16)	(38.30)	82.54	186.36
Income Tax (Benefit) Expense	(1.05)	(0.71)	(0.90)	3.57	4.94
Interest Expense	2.92	2.93	2.74	6.70	2.39
Bargain purchase gain from acquisition	(5.36)	-	-	-	-
Other (income) expense, net	0.46	(1.78)	(0.56)	(0.66)	(0.38)
Change in fair value of contingent liability	1.11	(2.12)	0.29	(6.63)	-
Straight-line lease expense	(0.02)	(0.14)	(0.16)	(0.64)	(0.65)
Depreciation	6.26	6.13	5.61	15.25	9.70
Amortization	(0.20)	(0.21)	(0.22)	(0.22)	(0.75)
Other	-	0.16	0.20	0.07	(0.86)
Lease cancellation	-	-	-	1.90	-
Non-cash Stock Compensation	1.19	1.16	1.08	5.88	5.42
Retroactive BTC	-	-	-	-	(57.75) <sup>(1)</sup>
Adjusted EBITDA	<b>(10.36)</b>	<b>3.26</b>	<b>(30.22)</b>	<b>107.77</b>	<b>148.42</b>

- (1) On January 2, 2013, the American Taxpayer Relief Act of 2012 was signed into law, which reinstated a set of tax extender items including the reinstatement of the federal biodiesel blenders tax credit for 2013 and retroactively reinstated the credit for 2012. The retroactive credit for 2012 resulted in a net benefit to us that was recognized in first quarter 2013, but because this credit relates to the operating performance and results of 2012 it is excluded from 2013 adjusted EBITDA and allocated to the 2012 periods based upon gallons sold.