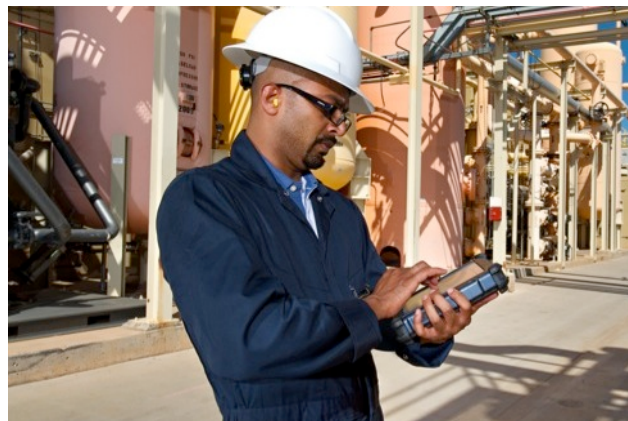




March 2019 | AdvanSix Investor Presentation

ADVANSIX



Forward Looking Statements

This presentation contains certain statements that may be deemed "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, that address activities, events or developments that our management intends, expects, projects, believes or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements may be identified by words like "expect," "anticipate," "estimate," "outlook", "project," "strategy," "intend," "plan," "target," "goal," "may," "will," "should" and "believe" or other variations or similar terminology. Although we believe forward-looking statements are based upon reasonable assumptions, such statements involve known and unknown risks, uncertainties and other factors, many of which are beyond our control and difficult to predict, which may cause the actual results or performance of the company to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to: general economic and financial conditions in the U.S. and globally; growth rates and cyclicalities of the industries we serve; the impact of scheduled turnarounds and significant unplanned downtime and interruptions of production or logistics operations as a result of mechanical issues or other unanticipated events such as fires, severe weather conditions, and natural disasters; price fluctuations and supply of raw materials; our operations requiring substantial capital; risks associated with our indebtedness including with respect to restrictive covenants; failure to develop and commercialize new products or technologies; loss of significant customer relationships; adverse trade and tax policies; extensive environmental, health and safety laws that apply to our operations; hazards associated with chemical manufacturing, storage and transportation; litigation associated with chemical manufacturing and our business operations generally; inability to acquire and integrate businesses, assets, products or technologies; protection of our intellectual property and proprietary information; prolonged work stoppages as a result of labor difficulties; cybersecurity and data privacy incidents; failure to maintain effective internal controls; disruptions in transportation and logistics; our inability to achieve some or all of the anticipated benefits of the spin-off from Honeywell including uncertainty regarding qualification for expected tax treatment; fluctuations in our stock price; and changes in laws or regulations applicable to our business. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. Such forward-looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by such forward-looking statements. We identify the principal risks and uncertainties that affect our performance in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2018.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures intended to supplement, not to act as substitutes for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided in the appendix of the presentation. Investors are urged to consider carefully the comparable GAAP measures and the reconciliations to those measures provided. Non-GAAP measures in this presentation may be calculated in a way that is not comparable to similarly-titled measures reported by other companies.

**Certain slides reflect 4Q 2018 earnings presentation dated February 22, 2019*

AdvanSix At A Glance

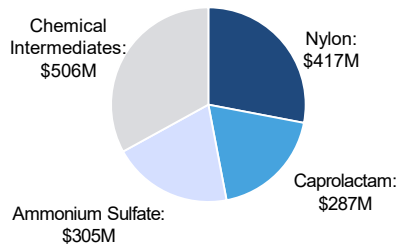
AdvanSix is a Leading Producer of Nylon 6 and Intermediate Chemicals

Profile

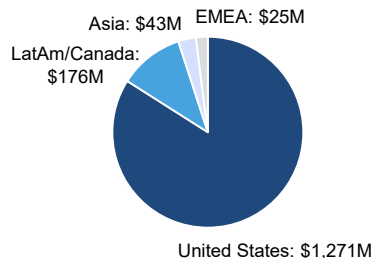
- NYSE: ASIX
- Spin-off from Honeywell: October 1, 2016
- Market Cap: ~\$1B (1)
- 2018 Revenue: ~\$1.5B
- Employees: ~1,485
- Four U.S. Manufacturing Sites

2018 Revenue Breakdown

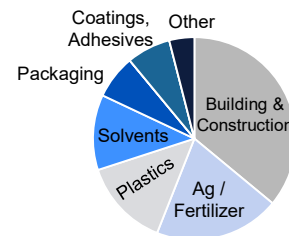
By Product



By Region



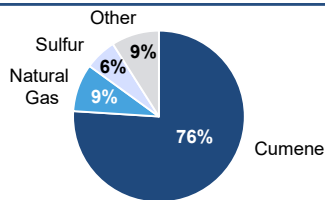
By End Market



Key Inputs

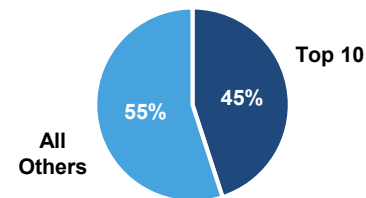
- Security of direct materials through multiple supplier contracts
- Pricing tracks key commodity inputs

Direct Raw Material Spend



Customers

- Top 10 customers span all product categories
- Most sales contracts have 1-2 year terms with standard renewal / notice provisions
- Customer relationships strong – average 20 year relationships across top 10 customers
- Primarily mitigate commodity price risk through formula price agreements



(1) As of February 25, 2019

Investment Highlights



Sustainable Low Cost Position

- Vertical integration and scale
- Advantaged location – raw materials, access to high value end markets
- Co-product net back optimization



Diverse Revenue Sources And Strong Customer Relationships With Global Reach

- Three product lines serving multiple end markets with attractive long-term growth rates
- ~500 customers in 40+ countries; Average 20 year relationships across top 10 customers



Continuous Investment In Operations, R&D, And Technology

- Operational excellence key to driving safe, stable operations and higher returns
- Focus on growth-oriented R&D while maintaining manufacturing technology excellence

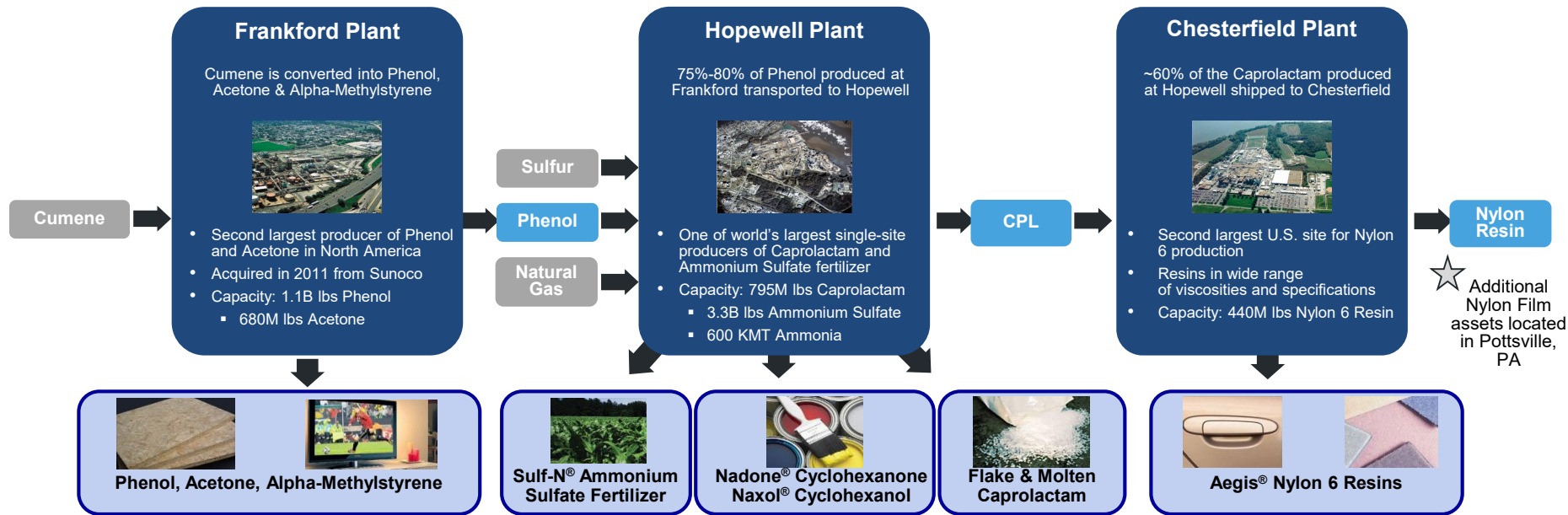


Improving Cash Flow Generation; Maturing Capital Deployment Strategies

- Base Capex focused on safe and stable operations
- Executing against multi-year \$150-\$200M pipeline of high-return growth and cost savings projects
- Authorization of additional \$75M share repurchase program

Vertically Integrated Manufacturing Sites

Competitive Advantage Derived from Significant Scale, Integration and Diverse Revenue Streams

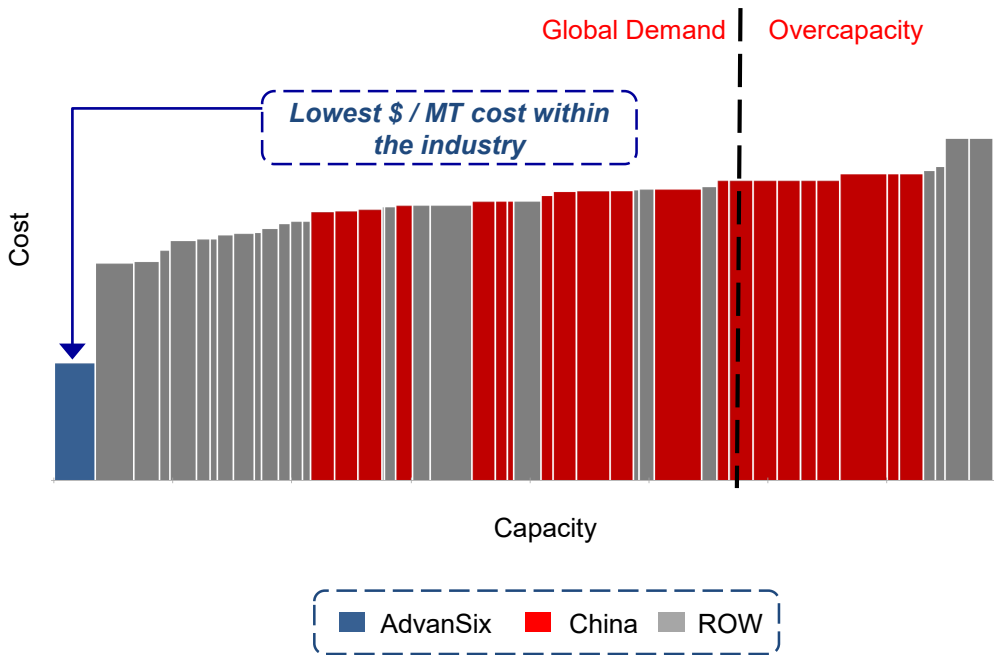


Raw Materials ASIX Product

Sustainable Lowest Cost Position

- Vertical Integration**
 - Fully backward integrated into several key feedstock materials
- Industry-Leading Scale**
 - One of world's largest single-site producers of Caprolactam
 - Significant operating leverage
 - Scale purchasing leverage
- Net Back Optimization**
 - Ammonium Sulfate and Acetone optimize cost position
 - Go to market strategy / mix management to optimize netback
- Advantaged Location**
 - U.S. footprint provides access to world's lowest cost natural gas
 - Access to high value end markets
- High Utilization**
 - Long-term contracts provide significant base load
 - Demand for high quality intermediates further maximizes utilization

Global Caprolactam Supply / Cost Landscape



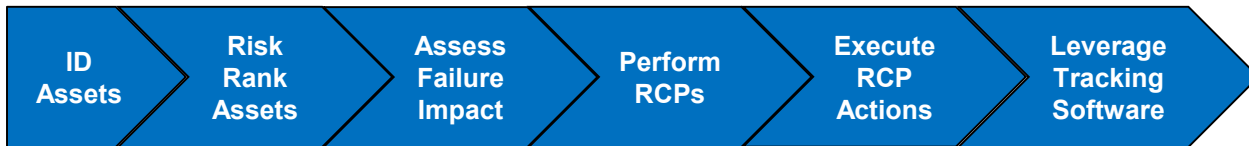
Source: Wood Mackenzie, Tecnon OrbiChem, AdvanSix Management

Safe And Stable Operations Roadmap

Multi-year Focus to Drive Stability and Higher Returns

Asset Risk Matrix (ARM)

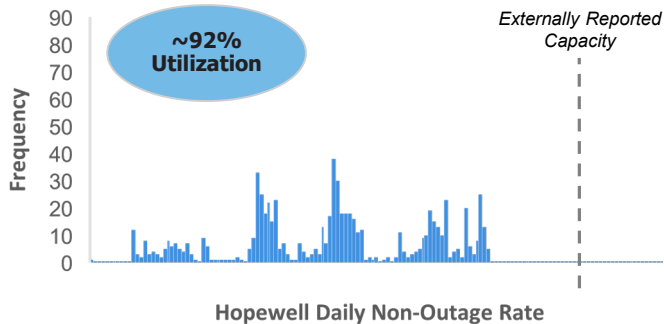
Reliability Control Plans (RCP)



Strong linkage between ARM, RCPs, and maintenance Capex

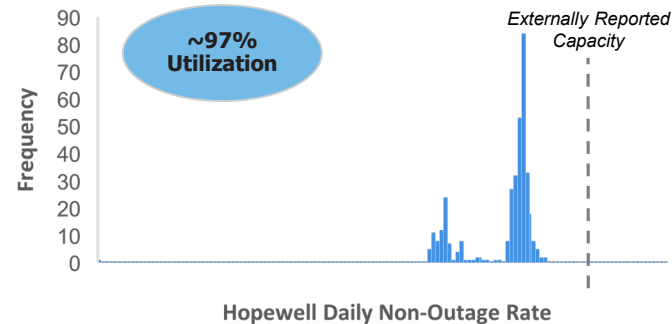
- Maturing mechanical integrity program
- Increased focus on Reliability Control Plans
- Generating and prioritizing RCP actions to mitigate risks

2011-2012



Less variability in utilization rates drives higher returns

2017



High-Return Capex Projects Initiated In 2018

Improving Output, Quality and Energy Efficiency at Hopewell

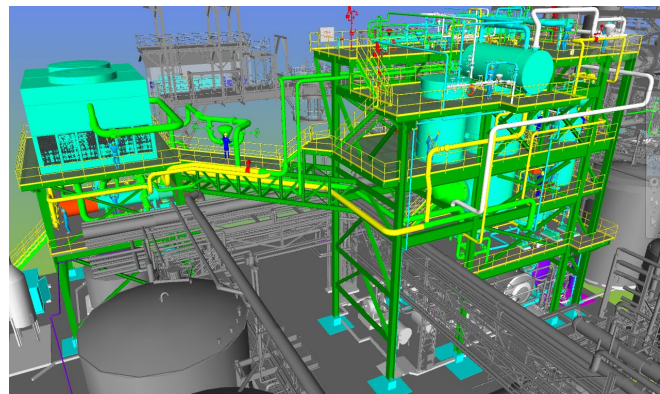
Project Overviews and Benefits

Project #1

- Making Hopewell facility more energy efficient – replacing coal-fired steam supply with natural gas-fired boilers
- Supporting increased output at Hopewell in future periods
- Improving consumption and yields; Ongoing cost reduction

Project #2

- Adding additional equipment to Hopewell to support reliability and debottleneck specific unit operations
- Increasing caprolactam output at Hopewell (~2% increase in capacity)
- Improving resin yields at Chesterfield; Upgrading mix optionality



TOTAL CAPEX

\$55-\$60M

IRR

~20%

TIMING

**3Q / 4Q
2019**

Differentiated Product Growth

Innovation Key to Future Growth and Profit Margin Lift

Differentiated Product Sales

High-Purity Applications

High-Value Intermediates

Differentiated Nylon

8% – 10%
of Total ASIX Sales

Differentiated Products Characteristics

- ✓ Driving value and growth above base offerings
- ✓ 1.5x – 2x gross margin vs. company average
- ✓ Penetrating high-value end-use applications
- ✓ Exposure to favorable macro trends
- ✓ Supplementing core foundation with value-based offerings

EZ-Blox™ Example



- Anti-skinning agent used to optimize performance of alkyd-based paints
- Becoming more widely adopted in paints and coatings
- Safe and cost effective drop-in replacement to meet future environmental regulations

4Q 2018 Earnings Recap

4Q 2018 Financial Summary

Strong Cash Flow Generation Funding High-Return Capex

(\$ Millions, Except Per Share Amounts)

	<u>4Q 2017</u>	<u>4Q 2018</u>	<i>Comments</i>
Sales	\$370.4	\$386.6	<ul style="list-style-type: none"> Sales Up 4%: Volume +5%, Price (1%) <ul style="list-style-type: none"> Raw Material Pass Through (4%), Market Pricing +3%
EBITDA Margin %	10.5%	11.1%	<ul style="list-style-type: none"> Higher Market Pricing; Increased Manufacturing Costs Quarterly Considerations
Net Income	\$72.4	\$20.8	<ul style="list-style-type: none"> 4Q17 Includes ~\$53M One-Time Net Tax Benefit
EPS (Diluted)	\$2.31	\$0.68	<ul style="list-style-type: none"> 4Q18 Share Count 30.4 Million
Free Cash Flow	\$16.9	\$9.1	<ul style="list-style-type: none"> Cash Flow From Operations \$46M, Up \$10M vs. Prior Year Capex \$37M, Up \$17M vs. Prior Year

Quarterly EBITDA Considerations		
	<u>4Q17</u>	<u>4Q18</u>
Planned Turnaround	(\$20M)	
LIFO Benefit	\$4.4M	
Bad Debt Expense		(\$6M)
Insurance Recovery		\$2.9M

See "Non-GAAP Reconciliations" in this presentation for a reconciliation of EBITDA, EBITDA Margin, and Free Cash Flow, which are non-GAAP measures; Free cash flow = net cash provided by operating activities less capital expenditures

*Slide as of 4Q 2018 earnings presentation dated February 22, 2019

Nylon Industry Outlook

Industry Pricing Adjusting to Lower Input Environment

Nylon

What We're Seeing

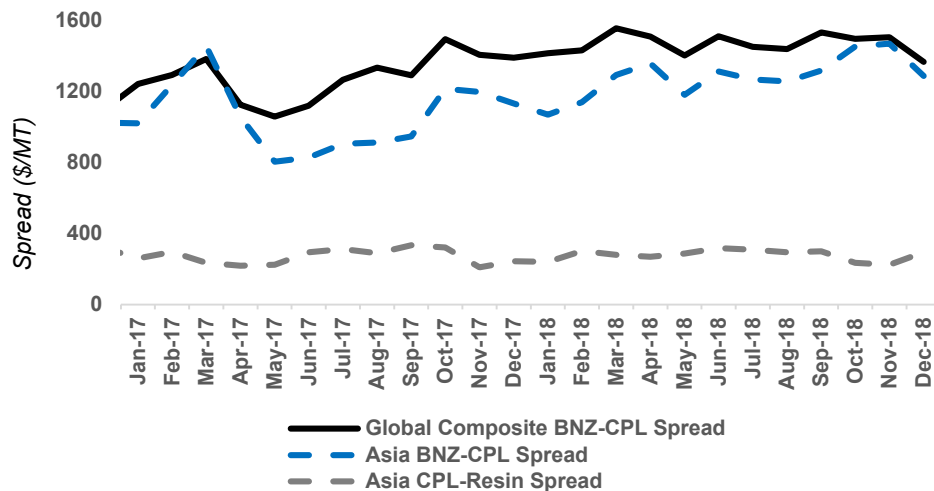
- North America supply/demand generally in balance
- Macro uncertainty for auto and building/construction end markets
- Declining benzene input costs

What We're Expecting

- Continued dynamic China supply and demand environment
- Asia caprolactam prices to move with falling raw material input costs

Key Industry Spreads ⁽¹⁾

	<u>4Q18 YoY</u>	<u>4Q18 vs. 3Q18</u>
Global Composite BNZ-CPL	2%	(1%)
Asia BNZ-CPL	19%	10%
Asia CPL-Resin	(3%)	(17%)



(1) Sources: Tecnon OrbiChem and Wood Mackenzie
 Asia = Caprolactam Asia Import Contract (Taiwan & S. Korea)
 Global Composite = Weighted Avg Spreads From U.S., Europe, China, Other Asia

Ammonium Sulfate (AS) Industry Outlook

Expect Improved Nitrogen Fertilizer Environment Through Spring Planting Season

Ammonium Sulfate

What We're Seeing

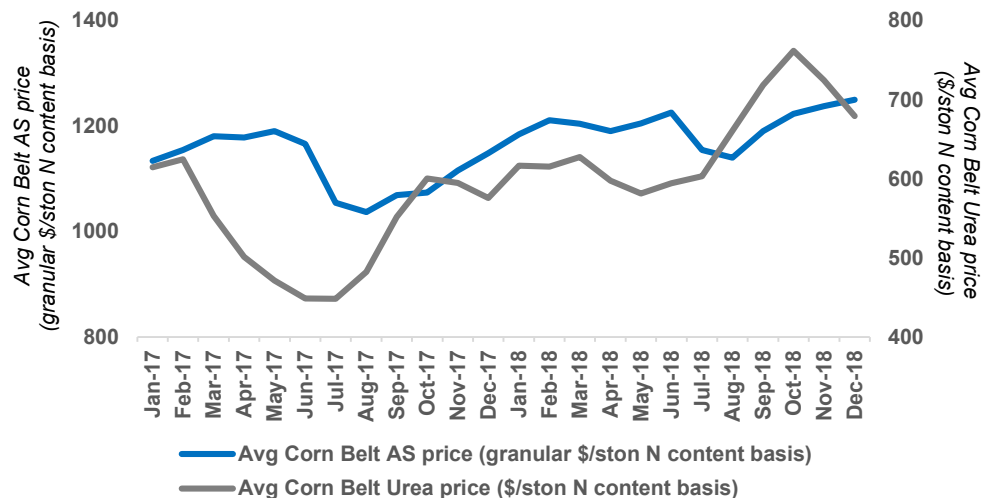
- AS price movement modest relative to recent nitrogen pricing
- Nitrogen markets seasonally slow following weaker Fall application
- Sulfur input costs decline at start of 2019

What We're Expecting

- Fertilizer pricing to strengthen seasonally into Spring
- Nitrogen acres expected to increase
- Continued demand growth for sulfur nutrition

Key Industry Prices ⁽¹⁾

	<u>4Q18 YoY</u>	<u>4Q18 vs. 3Q18</u>
Corn Belt Granular AS	11%	6%
Corn Belt Urea	22%	9%



(1) As reported in Green Markets

Chemical Intermediates Industry Outlook

Acetone Oversupply Pressuring Price/Raws Spread

Chemical Intermediates

What We're Seeing

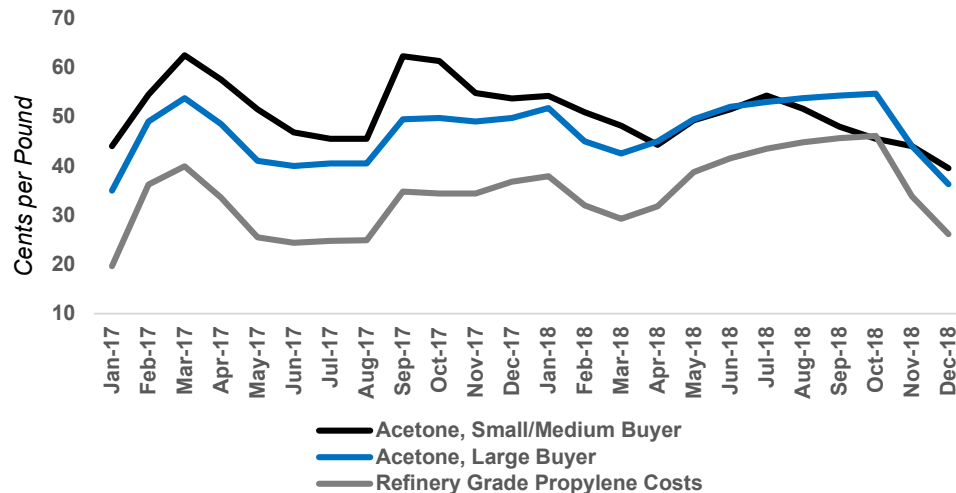
- Acetone imports in U.S. pressuring regional pricing – industry oversupply continues
- Declining refinery grade propylene (RGP) input costs
- Soft downstream demand for acetone due to MMA turnarounds

What We're Expecting

- Acetone supply to remain long globally
- Preliminary investigation on acetone antidumping duties
- Continued healthy demand for Phenol and other Intermediates

Key Industry Prices ⁽¹⁾

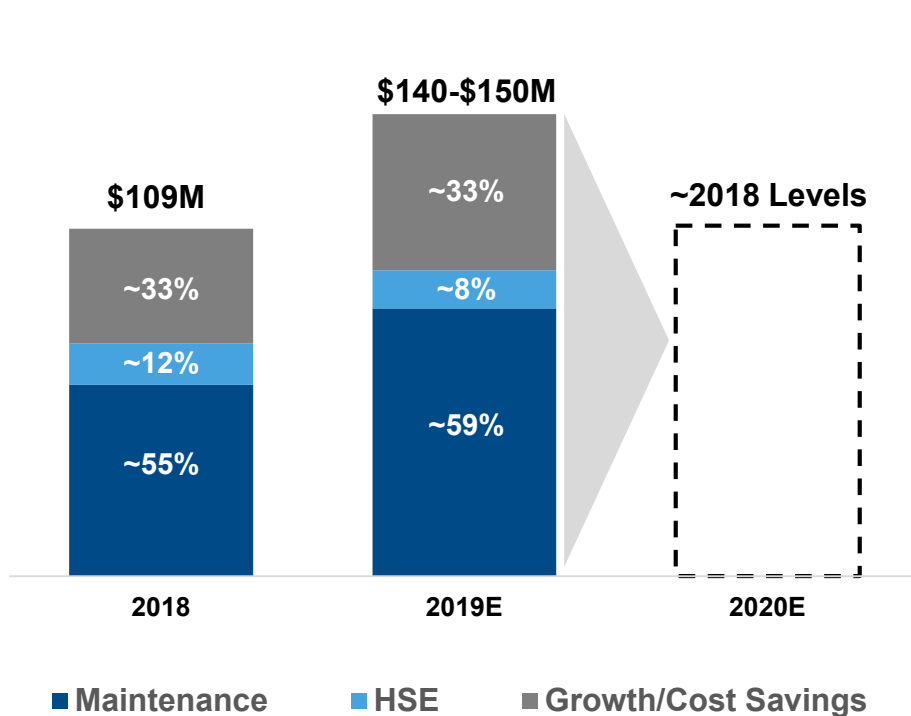
	<u>4Q18 YoY</u>	<u>4Q18 vs. 3Q18</u>
Acetone, Small/Medium Buyer	(24%)	(16%)
Acetone, Large Buyer	(9%)	(16%)
Refinery Grade Propylene Costs	0%	(21%)



(1) As reported in IHS Markit

Capital Expenditures

Execution of High-Return Growth and Cost Saving Projects in 2019



Growth/Cost Savings

- Executing against multi-year \$150-\$200M pipeline of high-return projects; 20%+ IRR target
- Relocation of R&D lab to Chesterfield from Colonial Heights adds ~\$15M incremental capex in 2019

HSE

- Continued focus on risk reduction and improved security

Maintenance

- Maintenance capex up ~\$20M in 2019 due to scope and timing of planned plant turnarounds
- Timing of Spring 2020 turnaround accelerates capex to 2019

*Slide as of 4Q 2018 earnings presentation dated February 22, 2019

Full Year 2019 Outlook

Expect Improved Performance in 2019

Commercial

- Nylon: expect strong nylon plant utilization rates to continue while navigating through more uncertain near-term auto and building/construction macro environment
- Ammonium Sulfate: expect improved nitrogen fertilizer environment to continue through Spring planting season
- Chemical Intermediates: expect continued global acetone oversupply to pressure industry spreads; preliminary investigation on acetone antidumping duties

Operational

- Pre-tax income impact of planned plant turnarounds expected to be \$35-\$40M
 - 2Q19 ~\$5M, 3Q19 ~\$5M, 4Q19 \$25-\$30M
- Continued proactive maintenance to support high utilization rates

Cash / Other

- Quarterly linearity: 2H19 underlying results (excluding planned turnaround impacts) expected to be stronger than 1H19
- Capex expected to be \$140-\$150M, including execution of high-return growth/cost saving projects
- Tax rate expected to be ~25%, cash tax rate expected to be ~15%

Appendix

Full Year 2018 Financial Summary

Strong Cash Flow Generation, Improved Market-Based Pricing

(\$ Millions, Except Per Share Amounts)	<u>FY 2017</u>	<u>FY 2018</u>	<i>Comments</i>
Sales	\$1,475.2	\$1,515.0	<ul style="list-style-type: none"> Sales Up 3%: Volume (2%), Price +5% <ul style="list-style-type: none"> Raw Material Pass Through +3%, Market Pricing +2%
EBITDA Margin %	\$200.8 13.6%	\$146.5 9.7%	<ul style="list-style-type: none"> FY18 Includes ~\$30M Impact From 1Q18 Weather Event
Net Income	\$146.7	\$66.2	<ul style="list-style-type: none"> FY17 Includes ~\$53M One-Time Net Tax Benefit
EPS (Diluted)	\$4.72	\$2.14	<ul style="list-style-type: none"> FY18 Share Count 31.0 Million
Free Cash Flow	\$48.2	\$64.2	<ul style="list-style-type: none"> Cash Flow From Operations \$173M, Up \$39M vs. Prior Year Capex \$109M, Up \$23M vs. Prior Year

See "Non-GAAP Reconciliations" in this presentation for a reconciliation of EBITDA, EBITDA Margin, and Free Cash Flow, which are non-GAAP measures;
Free cash flow = net cash provided by operating activities less capital expenditures

Planned Plant Turnarounds

Pre-Tax Income Impact by Quarter ⁽¹⁾

	1Q	2Q	3Q	4Q	FY
2017	--	~\$10M	~\$4M	~\$20M	~\$34M
2018	~\$2M	~\$10M	~\$30M	--	~\$42M
2019E	--	~\$5M	~\$5M	\$25-\$30M	\$35-\$40M
2020E	--	✓	--	✓	In-line with historical averages

- Timing driven by compliance, inspection and sustaining asset base
- Critical to supporting high utilization rates
- Dedicated teams to improve effectiveness
- Staggered across unit operations to maintain output

(1) Primarily reflects the impact of fixed cost absorption, maintenance expense, and the purchase of feedstocks which are normally manufactured by the Company

*Slide as of 4Q 2018 earnings presentation dated February 22, 2019

Non-GAAP Reconciliations

Reconciliation Of Net Cash Provided By Operating Activities To Free Cash Flow

(in \$ thousands)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2018	2017	2018	2017
Net cash provided by operating activities	\$ 45,650	\$ 36,136	\$ 173,385	\$ 134,607
Expenditures for property, plant and equipment	(36,565)	(19,232)	(109,215)	(86,438)
Free cash flow ⁽¹⁾	<u>\$ 9,085</u>	<u>\$ 16,904</u>	<u>\$ 64,170</u>	<u>\$ 48,169</u>

(1) Free cash flow is a non-GAAP measure defined as Net cash provided by operating activities less Expenditures for property, plant and equipment

The Company believes that this metric is useful to investors and management as a measure to evaluate our ability to generate cash flow from business operations and the impact that this cash flow has on our liquidity.

Reconciliation Of Net Income To EBITDA

(in \$ thousands)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2018	2017	2018	2017
Net income	\$ 20,761	\$ 72,366	\$ 66,244	\$ 146,699
Interest expense, net	1,534	2,343	7,492	7,716
Income tax expense (benefit)	6,139	(48,870)	19,524	(2,067)
Depreciation and amortization	14,328	12,931	53,233	48,455
EBITDA ⁽²⁾	<u>\$ 42,762</u>	<u>\$ 38,770</u>	<u>\$ 146,493</u>	<u>\$ 200,803</u>
Sales	<u>\$ 386,634</u>	<u>\$ 370,389</u>	<u>\$ 1,514,984</u>	<u>\$ 1,475,194</u>
EBITDA margin ⁽³⁾	<u>11.1%</u>	<u>10.5%</u>	<u>9.7%</u>	<u>13.6%</u>

(2) EBITDA is a non-GAAP measure defined as Net Income before Interest, Income Taxes, Depreciation and Amortization

(3) EBITDA margin is defined as EBITDA divided by Sales

The Company believes these non-GAAP financial measures provide meaningful supplemental information as they are used by the Company's management to evaluate the Company's operating performance, enhance a reader's understanding of the financial performance of the Company, and facilitate a better comparison among fiscal periods and performance relative to its competitors, as these non-GAAP measures exclude items that are not considered core to the Company's operations.

Reconciliation Of Net Income And Diluted EPS To Net Income and Diluted EPS Excluding One-Time Net Tax Benefit

(in \$ thousands)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2018	2017	2018	2017
Net income	\$ 20,761	\$ 72,366	\$ 66,244	\$ 146,699
One-time net tax benefit ⁽⁴⁾	—	(53,424)	(1,651)	(53,424)
Net income excluding one-time net tax benefit	<u>\$ 20,761</u>	<u>\$ 18,942</u>	<u>\$ 64,593</u>	<u>\$ 93,275</u>
Diluted EPS	\$ 0.68	\$ 2.31	\$ 2.14	\$ 4.72
One-time net tax benefit ⁽⁴⁾	—	(1.71)	(0.05)	(1.72)
Diluted EPS excluding one-time net tax benefit	<u>\$ 0.68</u>	<u>\$ 0.60</u>	<u>\$ 2.09</u>	<u>\$ 3.00</u>

(4) Reflects net tax benefits primarily related to re-measurement of net deferred tax liability at a lower corporate tax rate pursuant to 2017 Tax Act

The Company believes these non-GAAP financial measures provide meaningful supplemental information as they are used by the Company's management to evaluate the Company's operating performance, enhance a reader's understanding of the financial performance of the Company, and facilitate a better comparison among fiscal periods and performance relative to its competitors, as these non-GAAP measures exclude items that are not considered core to the Company's operations.