

## Income and Cash Flows from Operating Activities

(US\$ millions)

For the year ended December 31 <sup>1</sup>	2013 <sup>2</sup>	2012 <sup>2</sup>	2011	2010	2009	2008	2007	2006	2005	2004
Revenue	3,024	2,543	2,608	1,967	1,198	2,314	2,266	2,108	1,658	1,719
Cost of sales and operating expenses	(2,378)	(2,091)	(2,107)	(1,695)	(1,056)	(1,984)	(1,614)	(1,308)	(1,206)	(1,285)
Depreciation and amortization	(123)	(149)	(157)	(137)	(118)	(107)	(112)	(107)	(91)	(79)
Finance costs	(57)	(61)	(62)	(31)	(27)	(38)	(44)	(45)	(41)	(31)
Finance income and other expenses	5	1	2	2	-	11	27	10	10	7
Earnings (loss) of associate <sup>2</sup>	31	-	-	-	-	-	-	-	-	-
Non-operational items <sup>3</sup>	(59)	(362)	-	22	-	-	-	26	(58)	-
Income tax recovery (expense)	(66)	85	(56)	(34)	4	(27)	(147)	(201)	(106)	(95)
<b>Net income (loss)</b>	<b>377</b>	<b>(34)</b>	<b>228</b>	<b>94</b>	<b>1</b>	<b>169</b>	<b>376</b>	<b>483</b>	<b>166</b>	<b>236</b>
<b>Net income (loss) attributable to non-controlling interests</b>	<b>48</b>	<b>34</b>	<b>27</b>	<b>(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income (loss) attributable to Methanex shareholders</b>	<b>329</b>	<b>(68)</b>	<b>201</b>	<b>96</b>	<b>1</b>	<b>169</b>	<b>376</b>	<b>483</b>	<b>166</b>	<b>236</b>
<b>Net income (loss)</b>	<b>377</b>	<b>(34)</b>	<b>228</b>	<b>94</b>	<b>1</b>	<b>169</b>	<b>376</b>	<b>483</b>	<b>166</b>	<b>236</b>
Add (deduct):										
Earnings (loss) of associate <sup>2</sup>	(31)	-	-	-	-	-	-	-	-	-
Depreciation and amortization	123	149	157	137	118	107	112	107	91	79
Non-operational items <sup>3</sup>	59	362	-	(22)	-	-	-	(26)	58	-
Income tax expense (recovery)	66	(85)	56	34	1	(39)	(13)	21	66	47
Income taxes paid	(43)	(28)	(46)	(9)	-	-	-	-	-	-
Finance costs	57	61	62	31	-	-	-	-	-	-
Other, net <sup>4</sup>	(22)	(9)	23	(82)	(10)	76	53	(116)	(18)	(29)
<b>Cash flows from operating activities</b>	<b>586</b>	<b>416</b>	<b>480</b>	<b>183</b>	<b>110</b>	<b>313</b>	<b>527</b>	<b>469</b>	<b>363</b>	<b>333</b>
<b>Adjusted EBITDA attributable to Methanex shareholders<sup>5</sup></b>	<b>736</b>	<b>429</b>	<b>427</b>	<b>291</b>	<b>143</b>	<b>313</b>	<b>653</b>	<b>811</b>	<b>454</b>	<b>441</b>
<b>Adjusted net income attributable to Methanex shareholders<sup>5</sup></b>	<b>471</b>	<b>180</b>	<b>182</b>	<b>91</b>	<b>2</b>	<b>153</b>	<b>379</b>	<b>468</b>	<b>227</b>	<b>243</b>

<sup>1</sup> The Company's date of transition from Canadian GAAP to IFRS was January 1, 2010. All figures prior to 2010 have not been restated in accordance with IFRS and are reported in accordance with Canadian GAAP.

<sup>2</sup> Effective January 1, 2013, the Company adopted new IASB accounting standards related to consolidation and joint arrangements resulting in the use of the equity method to account for the 63.1% interest in the Atlas entity. 2012 figures have been restated accordingly.

<sup>3</sup> Non-operational items include Geismar project relocation charges and expenses (2013 and 2012), asset impairment and restructuring charges (2013, 2012, 2005, and 2003), gain on sale of Kitimat assets (2010), adjustment to future income tax related to change in Trinidad tax legislation (2006 and 2005) and Kitimat closure costs (2005).

<sup>4</sup> Other, net includes share-based compensation, other non-cash items, other cash payments and changes in non-cash working capital.

<sup>5</sup> Adjusted net income and Adjusted EBITDA are non-GAAP measures. Refer to page 33 of our 2013 Annual Report for a reconciliation to the most comparable GAAP measure.

## Consolidated Statements of Financial Position

(US\$ millions)

As at December 31 <sup>1</sup>	2013 <sup>2</sup>	2012 <sup>2</sup>	2011	2010	2009	2008	2007	2006	2005	2004
<b>ASSETS</b>										
Cash and cash equivalents	733	727	351	194	170	328	488	355	159	210
Trade and other receivables	534	417	378	320	257	213	402	366	296	293
Inventories	314	256	281	230	172	178	312	245	140	142
Prepaid expenses	20	26	25	26	24	17	21	24	14	17
Current assets	1,601	1,426	1,035	770	623	736	1,223	990	609	662
Property, plant and equipment	2,231	1,763	2,233	2,259	2,183	1,899	1,523	1,362	1,395	1,367
Investment in associate <sup>2</sup>	216	185								
Other assets	65	69	126	112	117	164	116	101	101	96
<b>TOTAL ASSETS</b>	<b>4,113</b>	<b>3,443</b>	<b>3,394</b>	<b>3,141</b>	<b>2,923</b>	<b>2,799</b>	<b>2,862</b>	<b>2,453</b>	<b>2,105</b>	<b>2,125</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>										
Trade, other payables and accrued liabilities	618	378	327	259	233	235	466	310	235	231
Current maturities on long-term debt	42	38	251	50	29	15	15	14	14	258
Current maturities on other long-term liabilities	85	30	25	21	9	8	17	17	10	10
Current liabilities	745	446	603	330	271	258	498	341	259	499
Long-term debt	1,127	1,156	652	897	885	767	582	473	487	351
Other long-term liabilities	188	200	234	208	97	97	74	69	80	60
Deferred income tax liabilities	148	163	303	296	301	299	339	352	331	266
Total liabilities	2,208	1,965	1,792	1,732	1,554	1,421	1,493	1,235	1,157	1,176
Shareholders' equity	1,658	1,290	1,405	1,253	1,236	1,289	1,333	1,209	948	949
Non-controlling interests	247	188	197	156	133	89	36	9	-	-
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>4,113</b>	<b>3,443</b>	<b>3,394</b>	<b>3,141</b>	<b>2,923</b>	<b>2,799</b>	<b>2,862</b>	<b>2,453</b>	<b>2,105</b>	<b>2,125</b>

<sup>1</sup> The Company's date of transition from Canadian GAAP to IFRS was January 1, 2010. All figures prior to 2010 have not been restated in accordance with IFRS and are reported in accordance with Canadian GAAP.

<sup>2</sup> Effective January 1, 2013, the Company adopted new IASB accounting standards related to consolidation and joint arrangements resulting in the use of the equity method to account for the 63.1% interest in the Atlas entity. 2012 figures have been restated accordingly

## Methanol Price History

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Methanex average non-discounted posted price (\$/tonne)	507	443	440	356	252	526	451	396	301	266
Methanex average realized price (\$/tonne)	441	382	374	306	225	424	375	328	254	237
Methanex average realized price (\$/gallon)	1.33	1.15	1.12	0.92	0.68	1.27	1.13	0.99	0.76	0.71

## Financial Metrics

(all financial metrics are quoted in US\$, unless otherwise noted)

For the period ended December 31 <sup>1</sup>	2013 <sup>2</sup>	2012 <sup>2</sup>	2011	2010	2009	2008	2007	2006	2005	2004
Year end share price (US\$, NASDAQ)	59.24	31.87	22.82	30.40	19.49	11.24	27.60	27.37	18.74	18.26
Diluted net income (loss) per share <sup>3</sup>	3.41	(0.73)	2.06	1.03	0.01	1.78	3.65	4.40	1.39	1.92
Adjusted net income per share <sup>3</sup>	4.88	1.90	1.93	0.98	0.02	1.61	3.71	4.28	1.92	1.97
Cash flows from operating activities per share	6.15	4.43	5.16	1.99	1.19	3.31	5.18	4.30	3.08	2.74
Adjusted EBITDA per share <sup>3</sup>	7.73	4.58	4.59	3.16	1.55	3.31	6.42	7.43	3.85	3.63
Book value per share <sup>3</sup>	17.25	13.68	15.06	13.53	13.42	14.01	13.56	11.43	8.35	7.91
Price to cash flow	9.63	7.19	4.42	15.31	16.34	3.40	5.33	6.37	6.08	6.65
Price to book value per share <sup>3</sup>	3.43	2.33	1.51	2.25	1.45	0.80	2.04	2.40	2.25	2.31
Regular dividends per share	0.79	0.73	0.67	0.62	0.62	0.61	0.55	0.49	0.41	0.28
Dividend yield <sup>4</sup>	1.7%	2.4%	2.4%	2.6%	4.5%	2.7%	2.1%	2.2%	2.4%	2.1%
<b>Liquidity Ratios</b>										
Quick ratio	1.73	2.62	1.25	1.64	1.66	2.16	1.83	2.18	1.81	1.04
Current ratio	2.15	3.20	1.72	2.34	2.30	2.85	2.46	2.90	2.35	1.33
Working capital (US\$ millions)	856	980	432	440	352	478	725	649	350	163
<b>Profitability Ratios</b>										
Modified return on capital employed (ROCE) <sup>3</sup>	23.0%	12.0%	13.8%	8.0%	1.2%	13.6%	25.4%	25.0%	14.0%	16.0%
Return on equity (ROE) <sup>3</sup>	32.0%	13.4%	14.2%	7.3%	0.2%	13.3%	33.3%	46.2%	24.9%	27.4%
<b>Debt Ratios</b>										
Asset coverage	3.52	2.88	3.76	3.32	3.20	3.58	4.79	5.04	4.20	3.49
Adjusted EBITDA interest coverage <sup>3</sup>	11.27	6.85	7.68	6.69	5.18	8.68	14.84	18.02	11.07	14.23
Debt to capitalization	38%	45%	36%	40%	40%	36%	30%	29%	35%	39%
Net debt to capitalization	19%	24%	26%	35%	35%	25%	7%	10%	26%	30%

## Definitions

<b>Adjusted net income per share</b>	=	Adjusted net income per common share is a non-GAAP measure because it excludes the mark-to-market impact of share-based compensation and items that are considered by management to be non-operational.
<b>Adjusted EBITDA</b>	=	Net income before finance costs, finance income and other expenses, income tax expense (recovery), depreciation and amortization, share-based compensation mark-to-market impact, items considered non-operational by management, and Adjusted EBITDA associated with the non-controlling interest in the methanol facility in Egypt.
<b>Quick Ratio</b>	=	(Current Assets - Inventories) ÷ Current Liabilities
<b>Current Ratio</b>	=	Current Assets ÷ Current Liabilities
<b>ROCE</b>	=	Adjusted net income before finance costs (after-tax) divided by average productive capital employed. Average productive capital employed is the sum of average total assets (excluding plants under production) less the average of current non-interest-bearing liabilities. Average total assets exclude cash held in excess of \$50 million. We use an estimated mid-life depreciated cost base for calculating our average assets in use during the period. The calculation of Modified ROCE includes our 50% share of income, assets and liabilities in the Egypt methanol facility.
<b>ROE</b>	=	Adjusted net income attributable to Methanex shareholders ÷ Average Shareholders' Equity
<b>Asset Coverage</b>	=	Total Assets ÷ Long-Term Debt (including current portion)
<b>Adjusted EBITDA Interest Coverage</b>	=	Adjusted EBITDA ÷ Finance Costs (including capitalized interest)
<b>Debt to Capitalization</b>	=	Long-Term Debt (including current portion) ÷ Total Capitalization
<b>Net Debt to Capitalization</b>	=	(Long-Term Debt (including current portion) - Cash and Cash Equivalents) ÷ (Total Capitalization - Cash and Cash Equivalents)
<b>Net Debt</b>	=	Long-Term Debt (including current portion) - Cash and Cash Equivalents

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<sup>2</sup> Effective January 1, 2013, the Company adopted new IASB accounting standards related to consolidation and joint arrangements resulting in the use of the equity method to account for the 63.1% interest in the Atlas entity. 2012 figures have been restated accordingly.

<sup>3</sup> Figures represent amounts attributable to Methanex shareholders.

<sup>4</sup> Dividend yield is calculated using the average annual share price.

Note: Book value per share is based on period ended shares outstanding; all other per share amounts are based on weighted average shares outstanding.

## Global Market Position

(thousands of tonnes)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Sales of produced methanol	4,304	4,039	3,853	3,540	3,764	3,363	4,569	5,310	5,341	5,298
Sales of purchased methanol	2,715	2,565	2,815	2,880	1,546	2,074	1,453	1,101	1,174	1,960
Commission sales <sup>1</sup>	972	855	846	509	638	617	590	584	537	169
Total Methanex sales	7,991	7,459	7,514	6,929	5,948	6,054	6,612	6,995	7,052	7,427
Total world production <sup>2</sup>	55,283	51,470	49,100	45,049	38,825	39,650	39,512	37,392	35,280	33,497

<sup>1</sup> Commission sales volumes represent volumes marketed on a commission basis related to the 36.9% of the Atlas methanol facility and 50% of the Egypt methanol facility that we do not own.

<sup>2</sup> Excluding demand from integrated methanol-to-olefins facilities.

## Methanex Production &amp; Supply Statistics

(thousands of tonnes)

PLANT DATA	ANNUAL PRODUCTION CAPACITY <sup>1</sup>		2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Chile</b>												
Chile I	880	113	-	-	-	-	-	-	613	712	844	809
Chile II <sup>2</sup>	-	-	-	-	-	159	275	162	286	850	893	931
Chile III <sup>2</sup>	-	91	313	554	776	667	926	619	970	919	952	
Chile IV	840	-	-	-	-	-	-	-	323	654	373	-
	1,720	204		313	554	935	942	1,088	1,841	3,186	3,029	2,692
<b>Trinidad</b>												
Titan	875	651	786	711	891	764	871	861	864	715	740	
Atlas <sup>3</sup> ( 63.1% interest)	1,125	971	826	891	884	1,015	1,134	982	1,057	895	421	
	2,000	1,622		1,612	1,602	1,775	1,779	2,005	1,843	1,921	1,610	1,161
<b>New Zealand<sup>4</sup></b>												
Waitara Valley	530	111	-	-	-	-	390	435	404	343	498	
Motunui I	950	818	377	-	-	-	-	-	-	-	-	
Motunui II	950	490	731	830	830	822	180	-	-	-	590	
	2,430	1,419		1,108	830	830	822	570	435	404	343	1,088
<b>North America</b>												
Kitimat, BC <sup>5</sup>	-	-	-	-	-	-	-	-	-	-	376	486
Medicine Hat <sup>6</sup>	560	476	481	329	-	-	-	-	-	-	-	-
Geismar 1 and 2 <sup>2</sup>	-	-	-	-	-	-	-	-	-	-	-	-
	560	476		481	329	-	-	-	-	-	376	486
<b>Egypt</b>												
Egypt <sup>7</sup> (50% interest)	630	623	557	532	-	-	-	-	-	-	-	-
	630	623		557	532	-	-	-	-	-	-	-
Total production	4,344		4,071	3,847	3,540	3,543	3,663	4,119	5,511	5,358	5,427	
Capacity	7,340		9,460	9,310	7,930	6,750	6,750	6,293	6,293	6,293	5,924	
Number of employees	1,105		1,051	1,042	1,017	895	878	829	816	824	888	

<sup>1</sup> The annual production capacity of our production facilities may be higher than original nameplate capacity as, over time, these figures have been adjusted to reflect ongoing operating efficiencies at these facilities. Actual production for a facility in any given year may be higher or lower than annual production capacity due to a number of factors, including natural gas composition or the age of the facility's catalyst.

<sup>2</sup> We are relocating the Chile II and Chile III plants to Geismar, Louisiana and are targeting to be producing methanol from Geismar 1 in late 2014 and Geismar 2 in early 2016.

<sup>3</sup> The 1.8 million tonne Atlas methanol facility is a joint venture between Methanex and BP. Capacity stated represents the 63.1% owned by Methanex.

<sup>4</sup> During 2013, we restarted the Waitara Valley facility and completed a debottlenecking project at the Motunui facilities. Since completing a major refurbishment of the Motunui 2 facility in December 2013, the New Zealand site is able to produce at its annual capacity, depending on natural gas composition.

<sup>5</sup> The Kitimat facility was permanently closed on November 1, 2005.

<sup>6</sup> During 2013, we completed a debottlenecking project at the Medicine Hat facility that increased its annual capacity by 0.1 million tonnes.

<sup>7</sup> On December 9, 2013, we completed the sale of a 10% equity interest in the Egypt facility. Production figures prior to December 9, 2013 reflect a 60% interest.

**Common Share Data**

(millions of shares except where noted)

For the year ended December 31 <sup>1</sup>	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Diluted net income (loss) per share attributable to Methanex shareholders	3.41	(0.73)	2.06	1.03	0.01	1.78	3.65	4.40	1.39	1.92
Adjusted net income per share attributable to Methanex shareholders	4.88	1.90	1.93	0.98	0.02	1.61	3.71	4.28	1.92	1.97
Weighted average shares outstanding	95.3	93.8	93.0	92.2	92.1	94.5	101.7	109.1	117.8	121.5
Period end shares outstanding	96.1	94.3	93.2	92.6	92.1	92.0	98.3	105.8	113.6	120.0
Canadian Trading Volume	110.8	97.0	97.8	127.0	139.9	113.6	116.9	90.1	136.9	134.5
US Trading Volume	126.1	83.3	79.5	88.9	126.9	165.9	144.2	88.1	96.1	68.8
Closing Share Price (C\$), end of period	62.82	31.68	23.32	30.25	20.53	13.70	27.56	31.90	21.86	21.91
Closing Share Price (US\$), end of period	59.24	31.87	22.82	30.40	19.49	11.24	27.60	27.37	18.74	18.26
Market Capitalization (000's C\$), end of period	6,037	2,988	2,175	2,802	1,891	1,261	2,709	3,375	2,483	2,629
Market Capitalization (000's US\$), end of period	5,693	3,006	2,128	2,816	1,795	1,034	2,713	2,896	2,129	2,191

<sup>1</sup> The Company's date of transition from Canadian GAAP to IFRS was January 1, 2010. All figures prior to 2010 have not been restated in accordance with IFRS and are reported in accordance with Canadian GAAP.

**Methanol - General Information**

**Simplified Process Flowchart**



**Conversion Formulas**

**Production Conversion** (unit of methanol consumed per unit of product by weight; Source: CMAI)

Acetic Acid	0.55	Diethylene Glycol MME	0.30	Methyl Methacrylate	0.39	Triethylene Glycol MME	0.22
Carbon Tetrachloride	0.22	Dimethyl Ether (DME)	1.40	Methylene Chloride	0.41	Single Cell Protein	1.8 - 2.6
Chloroform	0.29	Formaldehyde (37%)	0.45	MTBE	0.36		
Methyl Chloride	0.68	Methyl Acetate	0.43	Polyacetal	1.50		
DMT (non-retained)	0.38	Methylamines	1.45	Synthetic Gasoline	2.80		
Biodiesel	0.13						

**Volume and Mass Conversions**

**Energy Conversions/Definitions**

1 Tonne methanol = 332.6 US Gallons = 7.92 Barrels  
 1 Barrel = 42 US Gallons  
 1 Gallon = 1 US Gallon or 3.785 Litres  
 1 Tonne = 1.1025 Short Ton  
 1 Short Ton = 0.907 Tonne  
 1 Kilogram = 2.205 Pounds  
 1 MSCF = 26.8Nm<sup>3</sup>  
 \$100 per tonne methanol = \$0.30 per gallon methanol

1 MMBTU = 1.055 GJ  
 1 GJ = 0.948 MMBTU  
 (assuming approximate caloric value of pipelines gas =  
 1000 BTU/SCF or 0.039 GJ/Nm<sup>3</sup>)  
 BTU = British Thermal Unit  
 GJ = Gigajoule = 10<sup>9</sup> joules  
 MSCF = Thousand Standard Cubic Feet  
 Nm<sup>3</sup> = Normal Cubic Meter