

Income and Cash Flows from Operating Activities

(US\$ millions)

For the year ended December 31 ¹	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Revenue	2,673	2,608	1,967	1,198	2,314	2,266	2,108	1,658	1,719	1,420
Cost of sales and operating expenses	(2,187)	(2,107)	(1,695)	(1,056)	(1,984)	(1,614)	(1,308)	(1,206)	(1,285)	(1,034)
Depreciation and amortization	(172)	(157)	(137)	(118)	(107)	(112)	(107)	(91)	(79)	(96)
Finance costs	(71)	(62)	(31)	(27)	(38)	(44)	(45)	(41)	(31)	(39)
Finance income and other expenses	1	2	2	-	11	27	10	10	7	14
Non-operational items ²	(362)	-	22	-	-	-	26	(58)	-	(179)
Income tax recovery (expense)	84	(56)	(34)	4	(27)	(147)	(201)	(106)	(95)	(85)
Net income (loss)	(34)	228	94	1	169	376	483	166	236	1
Net income (loss) attributable to non-controlling interests	34	27	(2)	-	-	-	-	-	-	-
Net income (loss) attributable to Methanex shareholders	(68)	201	96	1	169	376	483	166	236	1
Add (deduct):										
Depreciation and amortization	172	157	137	118	107	112	107	91	79	96
Non-operational items ²	362	-	(22)	-	-	-	(26)	58	-	179
Income tax expense (recovery)	(84)	56	34	1	(39)	(13)	47	49	47	45
Income taxes paid	(30)	(46)	(9)	-	-	-	-	-	-	-
Finance costs	71	62	31	-	-	-	-	-	-	-
Other, net ³	(20)	(37)	37	9	(2)	19	12	7	13	18
Adjusted cash flows from operating activities attributable to Methanex shareholders⁴	403	392	303	129	235	494	623	371	375	339
Adjusted EBITDA attributable to Methanex shareholders⁴	429	427	291	143	313	653	811	454	441	387
Adjusted net income attributable to Methanex shareholders⁴	180	182	91	2	153	379	468	227	243	182

¹ 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.

² Non-operational items include Louisiana project relocation charges and expenses (2012), asset impairment and restructuring charges (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).

³ Other, net includes share-based compensation, other non-cash items, other cash payments and non-cash items related to non-controlling interests in accordance with IFRS for the 2012, 2011 and 2010 figures. All figures prior to 2010 include share-based compensation, other non-cash items and other cash payments related to operating activities in accordance with Canadian GAAP.

⁴ Adjusted Cash Flows from Operating Activities, Adjusted net income and Adjusted EBITDA are non-GAAP measures. Refer to page 34 of our 2012 Annual Report for a reconciliation to the most comparable GAAP measure.

Consolidated Statements of Financial Position

(US\$ millions)

As at December 31 ¹	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
ASSETS										
Cash and cash equivalents	746	351	194	170	328	488	355	159	210	288
Trade and other receivables	429	378	320	257	213	402	366	296	293	221
Inventories	253	281	230	172	178	312	245	140	142	127
Prepaid expenses	28	25	26	24	17	21	24	14	17	15
Current assets	1,456	1,035	770	623	736	1,223	990	609	662	651
Property, plant and equipment	2,015	2,233	2,259	2,183	1,899	1,523	1,362	1,395	1,367	1,320
Other assets	74	126	112	117	164	116	101	101	96	111
TOTAL ASSETS	3,545	3,394	3,141	2,923	2,799	2,862	2,453	2,105	2,125	2,082
LIABILITIES AND SHAREHOLDERS' EQUITY										
Trade, other payables and accrued liabilities	354	327	259	233	235	466	310	235	231	178
Current maturities on long-term debt	53	251	50	29	15	15	14	14	258	21
Current maturities on finance leases	7	7	11	-	-	-	-	-	-	-
Current maturities on other long-term liabilities	27	18	10	9	8	17	17	10	10	12
Current liabilities	441	603	330	271	258	498	341	259	499	211
Long-term debt	1,192	652	897	885	767	582	473	487	351	756
Finance leases	49	56	68	-	-	-	-	-	-	-
Other long-term liabilities	194	178	141	97	97	74	69	80	60	69
Deferred income tax liabilities	191	303	296	301	299	339	352	331	266	261
Total liabilities	2,067	1,792	1,732	1,554	1,421	1,493	1,235	1,157	1,176	1,297
Shareholders' equity	1,290	1,405	1,253	1,236	1,289	1,333	1,209	948	949	785
Non-controlling interests	188	197	156	133	89	36	9	-	-	-
	3,545	3,394	3,141	2,923	2,799	2,862	2,453	2,105	2,125	2,082

¹ 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 Price History

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Methanex average non-discounted posted price (\$/tonne)	443	440	356	252	526	451	396	301	266	251
Methanex average realized price (\$/tonne)	382	374	306	225	424	375	328	254	237	224
Methanex average realized price (\$/gallon)	1.15	1.12	0.92	0.68	1.27	1.13	0.99	0.76	0.71	0.67

Financial Metrics

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

For the period ended December 31 ¹	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Year end share price (US\$, NASDAQ)	31.87	22.82	30.40	19.49	11.24	27.60	27.37	18.74	18.26	11.23
Diluted net income (loss) per share ²	(0.73)	2.06	1.03	0.01	1.78	3.65	4.40	1.39	1.92	0.01
Adjusted net income per share ²	1.90	1.93	0.98	0.02	1.61	3.71	4.28	1.92	1.97	1.44
Adjusted cash flows from operating activities per share ²	4.30	4.22	3.29	1.40	2.49	4.86	5.71	3.15	3.09	2.76
Adjusted EBITDA per share ²	4.58	4.59	3.16	1.55	3.31	6.42	7.43	3.85	3.63	3.15
Book value per share ²	13.68	15.06	13.53	13.42	14.01	13.56	11.43	8.35	7.91	6.54
Price to cash flow	7.41	5.41	9.24	13.93	4.52	5.68	4.79	5.95	5.92	4.07
Price to book value per share ²	2.33	1.51	2.25	1.45	0.80	2.04	2.40	2.25	2.31	1.72
Regular dividends per share	0.73	0.67	0.62	0.62	0.61	0.55	0.49	0.41	0.28	0.22
Dividend yield ³	2.4%	2.4%	2.6%	4.5%	2.7%	2.1%	2.2%	2.4%	2.1%	4.8%
Liquidity Ratios										
Quick ratio	2.73	1.25	1.64	1.66	2.16	1.83	2.18	1.81	1.04	2.48
Current ratio	3.30	1.72	2.34	2.30	2.85	2.46	2.90	2.35	1.33	3.09
Working capital (US\$ millions)	1,015	432	440	352	478	725	649	350	163	440
Profitability Ratios										
Modified return on capital employed (ROCE) ²	12.0%	13.8%	8.0%	1.2%	13.6%	25.4%	25.0%	14.0%	16.0%	14.0%
Return on equity (ROE) ²	13.4%	14.2%	7.3%	0.2%	13.3%	33.3%	46.2%	24.9%	27.4%	20.9%
Debt Ratios										
Asset coverage	2.85	3.76	3.32	3.20	3.58	4.79	5.04	4.20	3.49	2.68
Adjusted EBITDA interest coverage ²	5.89	7.68	6.69	5.18	8.68	14.84	18.02	11.07	14.23	9.92
Debt to capitalization	46%	36%	40%	40%	36%	30%	29%	35%	39%	50%
Net debt to capitalization	25%	26%	35%	35%	25%	7%	10%	26%	30%	38%

Definitions

Adjusted net income per share	=	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.
Adjusted EBITDA	=	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 40% non-controlling interest in the methanol facility in Egypt.
Quick Ratio	=	(Current Assets - Inventories) ÷ Current Liabilities
Current Ratio	=	Current Assets ÷ Current Liabilities
ROCE	=	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 60% share of income, assets and liabilities in the Egypt methanol facility.
ROE	=	Adjusted net income attributable to Methanex shareholders ÷ Average Shareholders' Equity
Asset Coverage	=	Total Assets ÷ Long-Term Debt (including current portion)
Adjusted EBITDA Interest Coverage	=	Adjusted EBITDA ÷ Finance Costs (including capitalized interest)
Debt to Capitalization	=	Long-Term Debt (including current portion) ÷ Total Capitalization
Net Debt to Capitalization	=	(Long-Term Debt (including current portion) - Cash and Cash Equivalents) ÷ (Total Capitalization - Cash and Cash Equivalents)
Net Debt	=	Long-Term Debt (including current portion) - Cash and Cash Equivalents

¹ 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.

² Figures represent amounts attributable to Methanex shareholders.

³ 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)

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Sales of produced methanol	4,039	3,853	3,540	3,764	3,363	4,569	5,310	5,341	5,298	4,933
Sales of purchased methanol	2,565	2,815	2,880	1,546	2,074	1,453	1,101	1,174	1,960	1,392
Commission sales ¹	855	846	509	638	617	590	584	537	169	254
Total Methanex sales	7,459	7,514	6,929	5,948	6,054	6,612	6,995	7,052	7,427	6,579
Total world production ²	51,470	49,100	45,049	38,825	39,650	39,512	37,392	35,280	33,497	32,094

¹ Commission sales volumes represent volumes marketed on a commission basis related to the 36.9% of the Atlas methanol facility and 40% of the Egypt methanol facility that we do not own.

² Excluding demand from integrated methanol-to-olefins facilities.

Methanex Production & Supply Statistics

(thousands of tonnes)

PLANT DATA	ANNUAL PRODUCTION CAPACITY ¹		2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Chile												
Chile I	882	-	-	-	-	-	-	613	712	844	809	775
Chile II ²	-	-	-	-	159	275	162	286	850	893	931	983
Chile III	1,088	313	554	776	667	926	619	970	919	952	946	
Chile IV	840	-	-	-	-	-	-	323	654	373	-	-
	2,810	313		554	935	942	1,088	1,841	3,186	3,029	2,692	2,704
Trinidad												
Titan	875	786	711	891	764	871	861	864	715	740	577	
Atlas ³ (63.1% interest)	1,125	826	891	884	1,015	1,134	982	1,057	895	421	-	
	2,000	1,612		1,602	1,775	1,779	2,005	1,843	1,921	1,610	1,161	577
New Zealand⁴												
Waitara Valley	530	-	-	-	-	390	435	404	343	498	149	
Motunui I	950	377	-	-	-	-	-	-	-	-	-	
Motunui II	950	731	830	830	822	180	-	-	-	590	819	
	2,430	1,108		830	830	822	570	435	404	343	1,088	968
North America												
Kitimat, BC ⁵	-	-	-	-	-	-	-	-	-	376	486	449
Medicine Hat ⁶	470	481	329	-	-	-	-	-	-	-	-	-
Geismar ²	990	-	-	-	-	-	-	-	-	-	-	-
	1,460	481		329	-	-	-	-	-	376	486	449
Egypt												
Egypt ⁷ (60% interest)	760	557	532	-	-	-	-	-	-	-	-	-
	760	557		532	-	-	-	-	-	-	-	-
Total production	4,071	3,847	3,540	3,543	3,663	4,119	5,511	5,358	5,427	4,698		
Capacity	9,460	9,310	7,930	6,750	6,750	6,293	6,293	6,293	5,924	5,042		
Number of employees	1,051	1,042	1,017	895	878	829	816	824	888	703		

¹ 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.

² We are relocating the Chile II facility to Geismar, Louisiana. The plant is expected to be operational by the end of 2014.

³ 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.

⁴ The annual production capacity of New Zealand represents the two facilities at Motunui and the facility at Waitara Valley. The current operating capacity of the Motunui facilities is 1.5 million tonnes due to distillation capacity constraints.

⁵ The Kitimat facility was permanently closed on November 1, 2005.

⁶ The Egypt methanol facility commenced commercial production in March 2011 and the Medicine Hat facility was restarted in April 2011.

Common Share Data

(millions of shares except where noted)

For the year ended December 31 ¹	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Diluted net income (loss) per share attributable to Methanex shareholders	(0.73)	2.06	1.03	0.01	1.78	3.65	4.40	1.39	1.92	0.01
Adjusted net income per share attributable to Methanex shareholders	1.90	1.93	0.98	0.02	1.61	3.71	4.28	1.92	1.97	1.44
Weighted average shares outstanding	93.8	93.0	92.2	92.1	94.5	101.7	109.1	117.8	121.5	123.0
Period end shares outstanding	94.3	93.2	92.6	92.1	92.0	98.3	105.8	113.6	120.0	120.0
Canadian Trading Volume	97.0	97.8	127.0	139.9	113.6	116.9	90.1	136.9	134.5	143.7
US Trading Volume	83.3	79.5	88.9	126.9	165.9	144.2	88.1	96.1	68.8	54.0
Closing Share Price (C\$), end of period	31.68	23.32	30.25	20.53	13.70	27.56	31.90	21.86	21.91	14.53
Closing Share Price (US\$), end of period	31.87	22.82	30.40	19.49	11.24	27.60	27.37	18.74	18.26	11.23
Market Capitalization (000's C\$), end of period	2,988	2,175	2,802	1,891	1,261	2,709	3,375	2,483	2,629	1,744
Market Capitalization (000's US\$), end of period	3,006	2,128	2,816	1,795	1,034	2,713	2,896	2,129	2,191	1,348

¹ 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)	1.50	Methylene Chloride	0.41	Single Cell Protein	1.8 - 2.6
Chloroform	0.29	Formaldehyde (37%)	0.45	MTBE	0.36	Methanol-to-Olefins (MTO)	6.60 (Per Propylene)
Methyl Chloride	0.68	Methyl Acetate	0.43	Polyacetal	1.50	Methanol-to-Propylene (MTP)	3.19
DMT (non-retained)	0.38	Methylamines	1.45	Synthetic Gasoline	2.80		
Biodiesel	0.13						

Volume and Mass Conversions

- 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 = 26.8Nm³
- \$100 per tonne methanol = \$0.30 per gallon methanol

Energy Conversions/Definitions

- 1 MMBTU = 1.055 GJ
- 1 GJ = 0.948 MMBTU
- (assuming approximate caloric value of pipelines gas = 1000 BTU/SCF or 0.039 GJ/Nm³)
- BTU = British Thermal Unit
- GJ = Gigajoule = 10⁹ joules
- MSCF = Thousand Standard Cubic Feet
- Nm³ = Normal Cubic Meter