FEBURARY 3, 2025

INDUSTRY: ENERGY

RESEARCH UPDATE

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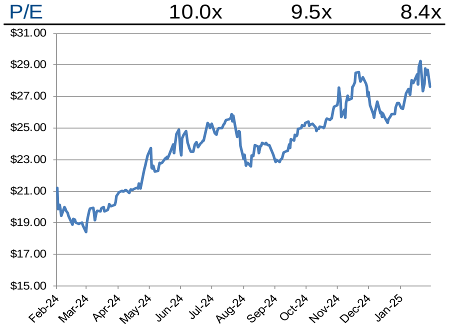
MARKET STATISTICS

Price	$27.60
52-Week Range	$18.32 - $30.56
Daily Vol. (3 Month Avg.)	381,746
Market Cap ($M)	$3,534.5
Enterprise Value ($M)	$3,905.1
Shares Outstanding (M)	128.1
Float (M)	89.8

FINANCIAL SUMMARY

Equity (M)	$1,853.5
BV/S	$ 14.47
Cash (M)	$ 137.0
Debt (M)	$ 516.2
Debt/Cap	22.0%

FYE: Dec	2024	2025E	2026E
(in $M)			
Rev	$2,448.7	$2,367.8	$2,448.6
Chng%	-5%	-3%	3%
EBITDA	$ 690.2	$ 733.1	$ 790.1
EPS	$ 2.76	$ 2.91	$ 3.30
EV/R	1.6x	1.6x	1.6x
EV/EBITDA	5.7x	5.3x	4.9x
P/E	10.0x	9.5x	8.4x



COMPANY DESCRIPTION

Alliance Resource Partners, L.P., a diversified natural resource company, produces and markets coal primarily to utilities and industrial users in the United States. The company operates through four segments: Illinois Basin Coal Operations, Appalachia Coal Operations, Oil & Gas Royalties, and Coal Royalties. The company was founded in 1971 and is headquartered in Tulsa, Oklahoma.

Alliance Resource Partners, L.P. (NASDAQ: ARLP)

ARLP Releases 4Q24 Earnings

ARLP reported a challenging 4Q24, impacted by lower coal sales pricing and higher operating expenses. Total revenues for the quarter decreased by 5.6% year-over-year to $590.1M, primarily due to a 2.3% decline in coal sales volumes. Net income for the quarter was down to $16.3M compared to $115.4M in 4Q23, reflecting higher operating costs and non-cash impairment charges of $31.1M related to the MC Mining operation. Adj. EBITDA came in at $124.0M, a 27.2% decline sequentially. Despite these headwinds, ARLP remains committed to its FY25 guidance, expecting improvements driven by efficiency realizations in its operations, a strengthening order book, and declining domestic inventories.

Quarterly Results – ARLP reported revenue, adj EBITDA, and adj EPS of $590.1M, $170.4M, and $0.66, respectively. This compares to our/consensus estimates of $618.9M/$635.6M, $187.4M/$182.8M, and $0.76/$0.67, respectively. Pricing remained relatively stable due to ARLP's well-contracted order book, which continues to expand, heading into FY25. G&A expenses remained relatively unchanged y/y at $17.7M. Outside coal purchases were significantly lower y/y, down 61.4% to $7.9M. OPM declined to 7.4% due to increased cost pressures, particularly in the Appalachia segment, which experienced challenging mining conditions.

Coal Operations – In 4Q24, ARLP reported coal sales revenue of $504.6M, a 3.3% y/y decline. Coal sales volumes totaled 8.4 million tons, down 2.3% y/y, while pricing decreased by 1.0% to $59.97 per ton. The Illinois Basin segment saw sales volumes rise 2.8% y/y to 6.6 million tons, while Appalachia's volumes fell 17.1% y/y to 1.8 million tons due to lower production at Tunnel Ridge. Pricing in the Illinois Basin declined 1.2% y/y to $54.38 per ton, while Appalachian pricing increased 4.4% y/y to $80.23 per ton, benefiting from stronger domestic contract realizations. Lastly, we note that Management reached its inventory goal for FY24, reaching 0.6 million tons. This is down from 1.4 million tons at the end of FY23. We expect the Company to continue reducing its inventory through FY25.

Royalty Business – Total royalty revenues decreased 8.6% y/y to $48.5M. Oil & Gas royalty volumes increased slightly by 1.7% y/y to 0.82M BOE, though pricing per BOE dropped 17.2% y/y to $36.94. Coal royalty tons sold rose 9.4% y/y, but coal royalty revenue per ton declined 3.0% y/y to $3.23. The Partnership continued to expand its O&G royalties' business, completing $9.6M in mineral interest acquisitions during the quarter.

Strong Liquidity and Cash Flow Position – ARLP ended 4Q24 with a solid liquidity position of $593.9M, consisting of $137.0M in cash and $456.9M in available credit. FCF for the quarter was $75.2M, bringing YTD FCF to $383.5M. The Company also maintained its quarterly cash distribution at $0.70 per unit, or $2.80 per unit annualized, consistent with prior quarters. Overall, ARLP faces near-term headwinds, but management's cost initiatives and a growing order book position the company well for FY25.

Valuation – We are using an EV/EBITDA framework to inform our ARLP valuation. We are using our F25 expected EBITDA, and an EV/EBITDA range of 5.0x to 5.5x with a midpoint of 5.25x. This arrives at a valuation range of $27.89 to $30.97 with a mid-point of $29.43.

INVESTMENT FACTORS

Alliance Resource Partners, L.P. is a diversified natural resource company operating as an MLP. The Partnership is the second largest coal producer in the Eastern U.S. and has an oil and gas minerals platform where it owns mineral and royalty interests. Its coal operations span seven underground mines located in the Illinois Basin and the Appalachia Basin where it produces a range of thermal and metallurgical coal with varying sulfur and heat contents. It markets its coal primarily to utilities and industrial users in the U.S. The Partnership's O&G minerals platform operates primarily in the Permian, Anadarko, and Williston Basins.

The Partnership is engaged in a transformation to be an energy company for today and the future. This reflects the fact that while green energy is a significant long-term trend, fossil fuels, such as coal, remain an important part of electricity generation today and in the near-term. By redeploying its strong cash flows and leveraging its decades of operational experience, Alliance is positing itself to create long-term value for its unitholders.

Investment Positives

Diversified energy company with deep operational experience is undergoing a transformation

Alliance owns and operates coal mining assets along with a portfolio of oil and gas mineral interests located in strategic producing regions in the US. The Partnership has been in existence since the early 70's and its management team has nearly three decades of operational expertise in the natural resources industry. With a focus on maximizing shareholder value, the Partnership is looking to maximize current assets while also expanding its operations into green energy opportunities.

Proven track record bodes well for transformation

Alliance is going to leverage its existing operational capabilities and redeploy its solid cash flows into its next generation energy platforms. The Partnership first accomplished this "shift" in 2014, when it started engaging in its oil and gas minerals platform as a passive investor. As time progressed and management concluded it had the requisite expertise, it acquired these assets and became directly responsible for managing and expanding these assets. The Partnership intends to use this same playbook to create its new energy platform that is positioned in green energy.

Strong history of genearting cash flow to support strategic objectives

Over the past 16 years, the Partnership has generated positive FCF in each year. FY24 FCF was $383.5M, and $421.6M in FY23. This favorable cash flow profile, coupled with the Partnership's focus on maintaining a conservative balance sheet, should help drive its growth initiatives within its oil and natural gas royalty business, along with its diversification efforts into green energy. The Partnership intends to return 30% of its annual FCF before growth investments in the form of cash distributions and in FY24 maintained its quarterly cash distribution for unitholders to $0.70 per unit or an annualized $2.80 per unit.

Green energy transformation starts with two new investments

In April 2022, Alliance announced its first two strategic investments for its new energy platform. Francis Energy is an owner operator of a network of EV fast charging infrastructure in Oklahoma with plans to expand across the Midwest and Eastern U.S. Infinitum Electric is a Texas-based developer and manufacturer of electric motors, which potentially offers a more efficient and environmentally friendly alternative to conventional electric motors. Following the two investments made in 1Q22, ARLP announced an additional $25.0M commitment to a private equity fund, NGP Energy Capital. NGP's focuses on investments in green energy. Fitting nicely into its announced strategy, ARLP hopes to gain additional exposure to green energy investments, but more importantly, to leverage NGP's expertise to learn and find additional attractive areas for investment.

But coal remains an important fossil fuel

The demand for coal should continue as it remains an important component in electricity generation today and in the near term. According to the EIA, coal accounted for 16.2% of the U.S.' electricity generation in 2023. On a global scale, according to the World Coal Association, electricity production from coal represents ~37% of total electricity production with the IEA projecting coal should still generate ~ 22% of the world's electricity in 2040. Alliance should stand to benefit as it is the second largest coal producer in the Eastern U.S.

Investment Challenges / Risks

Changes in global economic conditions

Weakness in global economic conditions or economic conditions in customer's industries could adversely affect the Partnership's operating results and financial condition.

Volatility in raw material prices

Coal and oil and gas prices are volatile and based on numerous demand/supply, economic and geopolitical reasons, which are beyond the Partnership's control. Additionally, the Partnership may face an unexpected rise in raw material costs and transportation charges or supply chain disruptions, adversely impacting its margins and profitability.

Loss of key customers

In 2022, the Partnership's most significant customers included American Electric Power and Tennessee Valley Authority. Each of these companies accounted for more than 10% of revenue. Furthermore, the Partnership undertakes indirect sales through exports to international clients in Europe, Africa, and Asia in brokered transactions. These sales constituted approximately 15.7%, 12.5%, and 12.5% of tons sold on December 31, 2023, 2022, and 2021. If the Partnership loses any of its key customers, it will likely have an adverse impact on its operations and financial condition.

Access to capital

Alliance Resources business is capital intensive and has outlined a growth strategy that requires funding sources. While the Partnership intends to fund its operations and growth initiatives via existing cash balances, future cash flows, and its current debt facilities, there are periods of weakness in the energy sector. Weakness in the industry may negatively impact the Partnership's ability to meet financial covenants, refinance existing debt obligation, obtain additional financing, and/or financing on acceptable terms, which may negatively impact growth initiatives and the Partnership's financial condition.

Inability to carry out cash distribution

Cash distribution to unitholders is dependent on the cash generated from the Partnership's operations, an amount that fluctuates based on numerous factors such as coal and oil & gas production, demand and supply of coal, price of coal, operating costs, capital expenditure, debt obligations, and broader economic conditions among others.

MLP tax treatment

MLP's tax treatment depends on its status as a partnership for US Federal income taxes. As such, ARLP is not subject to a material amount of entity-level taxation. If the IRS were to change its tax position of MLPs and tax them as a corporation, operating results may be negatively impacted. Additionally, the market price of the equity may be negatively impacted by the change in tax laws.

VALUATION SUMMARY

We are using a comparative analysis to frame valuation. We are using coal producers for our comps.

Comparative Analysis
Alliance Resource Partners, L.P. (NASDAQ: ARLP)
(all figures in $M expect per share information)

						EV/S (2)			EV/EBITDA (2)			P/E (2)			P/TBV
Name	Ticker	Price (1)	Sh	Mrkt Cap	EV	TTM	2025 E	2026 E	TTM	2025 E	2026 E	TTM	2025 E	2026 E	MRQ
Alpha Metallurgical Resources, Inc.	AMR	$ 180.28	13.0	$ 2,346.5	$ 1,868.6	0.6x	0.6x	0.7x	3.0x	3.0x	3.5x	6.5x	5.5x	7.2x	1.5x
Peabody Energy Corporation	BTU	$ 17.50	121.5	$ 1,183.8	$ 1,184.8	0.4x	0.4x	0.3x	2.0x	2.2x	1.6x	4.6x	8.5x	7.2x	0.6x
Archer Limited	ARCH	$ 2.40	65.0	$ 173.2	$ 647.3	0.5x	0.0x	0.0x	4.5x	0.3x	0.3x	129.7x	0.5x	0.4x	6.6x
Warrior Met Coal, Inc.	HCC	$ 51.68	52.3	$ 3,006.2	$ 2,536.8	1.4x	1.4x	1.3x	4.2x	4.7x	3.8x	7.1x	9.6x	7.6x	1.3x
Natural Resource Partners L.P.	NRP	$ 103.77	13.0	$ 1,505.8	$ 1,704.7	6.0x	nm	nm	7.6x	nm	nm	8.2x	nm	nm	2.7x
					Average	**1.8x**	**0.6x**	**0.6x**	**4.3x**	**2.5x**	**2.3x**	**31.2x**	**6.0x**	**5.6x**	**2.5x**
					Median	**0.6x**	**0.5x**	**0.5x**	**4.2x**	**2.6x**	**2.5x**	**7.1x**	**7.0x**	**7.2x**	**1.5x**
Alliance Resource Partners, L.P.	**ARLP**	**$ 27.60**	**128.1**	**$ 3,534.5**	**$ 3,905.1**	**1.6x**	**1.6x**	**1.6x**	**5.5x**	**5.3x**	**4.9x**	**10.0x**	**9.5x**	**8.4x**	**1.9x**

(1) Previous day's closing price
(2) Estimates are from Capital IQ except those for ARLP, which are Stonegate estimates
Source: Company Reports; CapitalIQ; Stonegate Capital Markets

Based on our FY25 estimates, ARLP is trading at a 4.9x EV/EBITDA multiple compared to average comps at 2.3x.

We are using an EV/EBITDA range of 5.0x to 5.5x with a midpoint of 5.25x. We believe this range is reasonable given current comp multiples, historical forward valuation multiples, and recent premiums to current comps.

Ratios & Historical Trading Multiples
Alliance Resource Partners, L.P. (NASDAQ: ARLP)

						5YR Frwd AVG Multiples			7YR Frwd AVG Multiples			10YR Frwd AVG Multiples		
Name	Ticker	D/C (%)	D/E (%)	Debt / EBITDA	EBITDA Margin 7yr Avg (%)	EV/S	EV/EBITDA	P/E	EV/S	EV/EBITDA	P/E	EV/S	EV/EBITDA	P/E
Alpha Metallurgical Resources, Inc.	AMR	0.4	0.4	0.0x	20.9	0.7x	3.4x	6.0x	0.7x	3.2x	6.0x	0.6x	3.1x	6.4x
Peabody Energy Corporation	BTU	10.5	11.7	0.4x	21.8	0.6x	2.7x	6.0x	0.6x	3.0x	8.7x	0.7x	3.3x	8.7x
Archer Limited	ARCH	70.2	235.5	2.2x	11.3	0.6x	5.9x	11.2x	0.6x	6.3x	21.4x	0.7x	7.3x	20.6x
Warrior Met Coal, Inc.	HCC	7.5	8.2	0.3x	39.0	1.3x	4.1x	8.7x	1.3x	4.0x	7.7x	1.3x	3.9x	7.5x
Natural Resource Partners L.P.	NRP	28.0	38.8	1.0x	77.4	3.8x	5.1x	4.3x	3.8x	5.6x	6.3x	3.9x	6.2x	5.6x
	Average	**27.0**	**82.5**	**0.9x**	**18.0**	**0.6x**	**4.0x**	**7.7x**	**0.6x**	**4.1x**	**12.0x**	**0.7x**	**4.6x**	**11.9x**
	Median	**10.5**	**11.7**	**0.4x**	**20.9**	**0.6x**	**3.4x**	**6.0x**	**0.6x**	**3.2x**	**8.7x**	**0.7x**	**3.3x**	**8.7x**
Alliance Resource Partners, L.P.	**ARLP**	**27.1**	**37.1**	**0.7x**	**31.9**	**1.1x**	**3.3x**	**7.4x**	**1.2x**	**3.6x**	**7.6x**	**1.2x**	**3.6x**	**7.9x**

Source: Capital IQ

Applying our FY25 expected EBITDA to the EV/EBITDA range of 5.0x to 5.5x with a midpoint of 5.25x, we arrive at a valuation range of $27.89 to $30.97 with a mid-point of $29.43.

We see the following essential catalysts for the stock in F2024 and beyond:

- Higher and steady coal prices ……...……………………...………………………...……………… F25+
- Strong profitability and free cash flows ……………………...……………...………………… F25+
- New green-energy investments announced …………..…………...…………………………… F25+
- Increased global demand……...……………………...……………………...………...…………..F25+

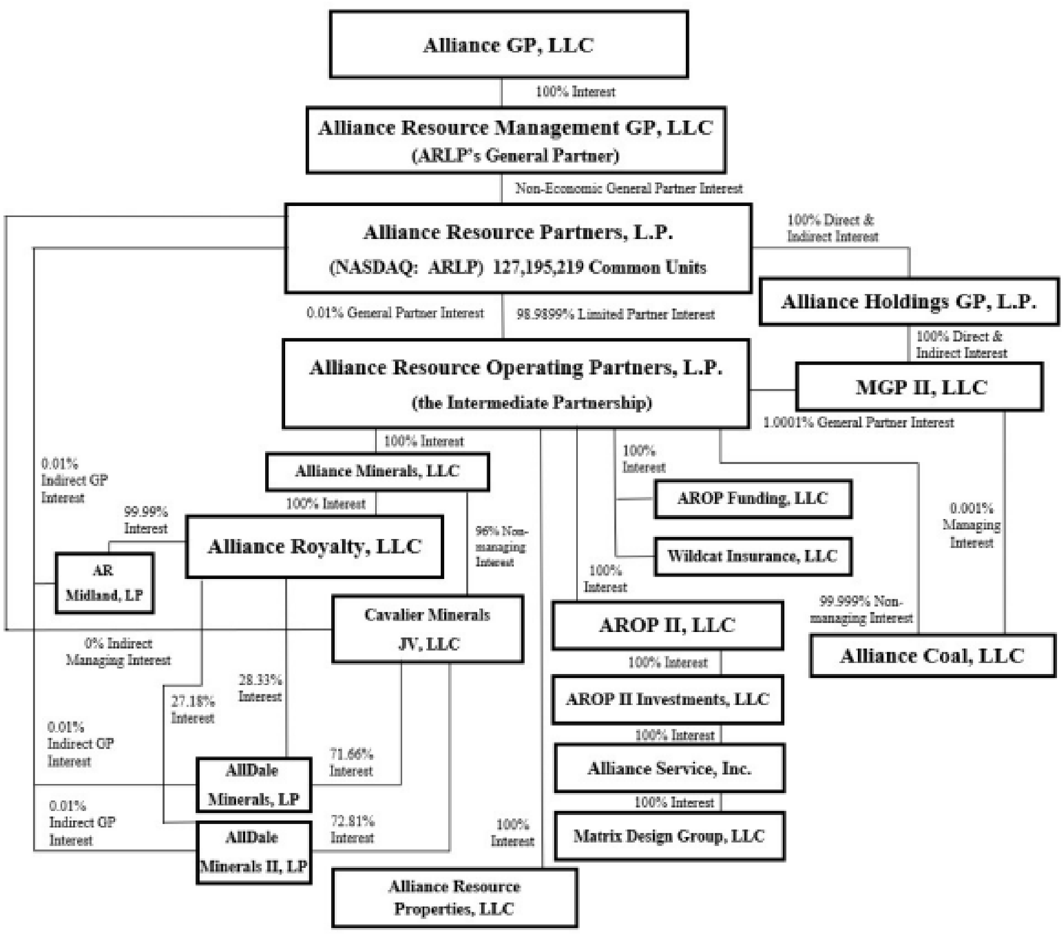
COMPANY OVERVIEW

Company Background

Alliance Resource Partners, L.P. is a diversified natural resource company that began operations in 1971 and is a publicly traded MLP on the NASDAQ under the ticker symbol ARLP. The Partnership is the second largest coal producer in the Eastern U.S. and owns an oil and gas minerals platform where it owns mineral and royalty interests in approximately 1.5 million gross acres. Its coal operations include seven underground mines that are in the Illinois Basin and the Appalachia Basin where it produces a range of thermal and metallurgical coal with varying sulfur and heat contents. It markets its coal primarily to utilities and industrial users in the U.S.

The Partnership's oil and gas minerals platform has invested over $500 million and over 61,000 net royalty acres. These operations are primarily in the Permian, Anadarko, and Williston Basins. ARLP markets its mineral interests for lease to operators in those regions and generates royalty income from the leasing and development of those mineral interests.

Exhibit 1: Alliance Resource Partners, L.P. Organization and Ownership Structure



Source: Company Reports

The Partnership is engaged in a transformation to be an energy company for today and the future. This reflects the fact that while green energy is a significant long-term trend, fossil fuels, such as coal, remain an important part of electricity generation today and in the near-term.

Strategy and Growth Objectives

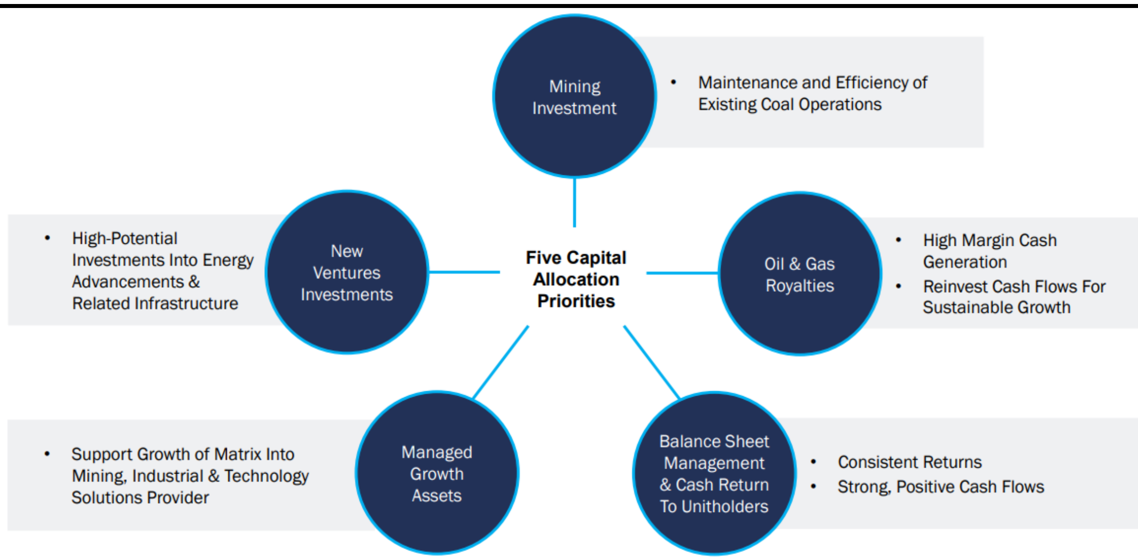
ARLP generates strong cash flows through its operations, which will help drive its growth initiatives within its oil and natural gas royalty business, along with its diversification efforts into green energy.

Exhibit 2: Building an Energy Company for Today and The Future

Source: Company Reports

ARLP is going to leverage its existing operational capabilities and redeploy its solid cash flows into its next generation energy platforms. The Partnership first accomplished this “shift” in 2014, when it started engaging in its oil and gas minerals platform as a passive investor. As time progressed and management concluded it had the requisite expertise, it acquired these assets and became directly responsible for managing and expanding these assets. The Partnership intends to use this same playbook to create its new energy platform that is positioned in green energy.

Exhibit 3: Capital Allocation at a Glance



Source: Company Reports

ARLP is actively evaluating actionable strategic investments across a range of new energy sectors. Green energy opportunities involve exploring strategic minerals and metals, alternate energy sources like wind, solar, and battery and charging infrastructure for electric vehicles to name a few. The Partnership's strategy will seek to identify and execute opportunistic investments where the Partnership's expertise is most relevant given its (1) extensive track record of investments success and financial disciple, (2) decades of operational experience scaling capital-intensive energy businesses, (3) understanding of and relationships across the energy value chain, and (4) experience with energy and environmental governing bodies and regulators. Exhibit 4 illustrates some of the new energy themes ARLP is evaluating.

Exhibit 4: Examples of the New Energy Platform Investment Opportunities

Source: Company Reports

Importantly, in April 2022, ARLP announced its first two strategic investments for the New Energy Platform via its investments in Francis Energy and Infinitum Electric. Francis Energy is an owner operator of a network of EV fast charging infrastructure in Oklahoma. Francis Energy has plans to service states across the Midwest and the Eastern part of the U.S. Infinitum Electric is a start-up developer and manufacturer of electric motors featuring printed circuit boards stators. The product has the potential to result in motors that are smaller, lighter, quieter, more efficient, and capable of operating at a fraction of the carbon footprint of conventional electric motors. Following these two investments, ARLP announced an additional $25.0M commitment to a private equity fund, NGP Energy Capital. NGP's focuses on investments in green energy. Fitting nicely into its announced strategy, ARLP hopes to gain additional exposure to green energy investments, but more importantly, to leverage NGP's expertise to learn and find additional attractive areas for investment.

In 3Q23, ARLP announced that it has partaken in the Infinitum Electric Series E funding round, further backing its commitment to the Partnership noting the significant potential for Infinitum technology to be synergistic with Alliance's operations. In addition to this investment, the Partnership also made an initial investment in Ascend Elements worth $25.0M. Ascend is a US based manufacturer and recycler located in Hopkinsville, KY that is constructing North Americas first commercial scale manufacturing facility for the production of EV battery cathode materials.

Business Overview

The Partnership operates in four business segments: Illinois Basin Coal Operations, Appalachia Coal Operation, Oil and Gas Royalties, and Coal Royalties.

Coal Mines and Facilities

ARLP is the second-largest coal producer in the eastern U.S and produces a wide variety of coal that cater to the specific needs of a diverse set of customers. ARLP's coal properties are in the Illinois Basin and the Appalachia Basin. Mining operations on these properties consist of underground mines that produce bituminous coal intended primarily for use in electric power generation (thermal) and steel production (metallurgical). In addition, to mining, the Partnership also holds and leases/subleases coal mineral interests. In 2023, the Partnership had substantial coal reserves as seen in Exhibit 5 and Exhibit 6.

Exhibit 5: ARLP Coal Operations - Mineral Resources as of December 31, 2023

	Heat	Pounds SO2 per MMBtu			Resource Classification				Ownership		
Resources (tons in millions)	Content (Btus per pound)	<1.2	1.2-2.5	>2.5	Measured	Indicated	Combined (1)	Inferred	Owned	Leased	Total
Illinois Basin											
Dotiki (KY)	12,100	—	2.3	73.7	51.2	24.8	76.0	—	27.6	48.4	76.0
Henderson/Union (KY)	11,450	—	3.0	409.7	127.3	227.9	355.2	57.5	74.0	338.7	412.7
River View (KY)	11,450	—	—	0.3	—	—	—	0.3	—	0.3	0.3
Sebree South (KY)	11,750	—	—	43.5	22.1	16.8	38.9	4.6	0.3	43.2	43.5
Hamilton County (IL)	11,650	5.1	33.8	405.8	191.2	242.3	433.5	11.2	32.8	411.9	444.7
Region Total		5.1	39.1	933.0	391.8	511.8	903.6	73.6	134.7	842.5	977.2
Appalachian Basin											
Mountain View (WV)	13,200	—	0.4	8.3	4.1	4.4	8.5	0.2	1.8	6.9	8.7
Tunnel Ridge (WV)	12,600	—	—	0.9	—	0.2	0.2	0.7	0.7	0.2	0.9
Penn Ridge (PA)	12,500	—	—	78.0	21.9	53.2	75.1	2.9	78.0	—	78.0
Region Total		—	0.4	87.2	26.0	57.8	83.8	3.8	80.5	7.1	87.6
Total		5.1	39.5	1,020.2	417.8	569.6	987.4	77.4	215.2	849.6	1,064.8
% of Total		0.5%	3.7%	95.8%	39.2%	53.5%	92.7%	7.3%	20.2%	79.8%	100.0%

(1) Combined resources are defined as measured plus indicated resources.

Source: Company Reports

Exhibit 6: ARLP Coal Operation - Mineral Reserves as of December 31, 2023

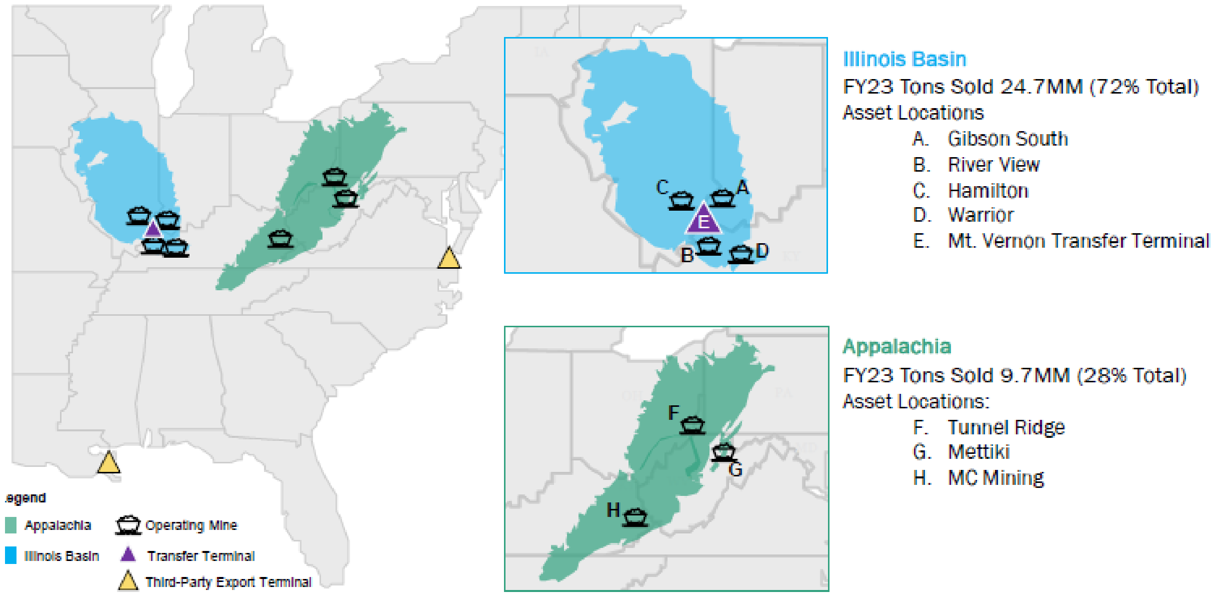
	Heat	Pounds SO2 per MMBtu			Classification		Ownership		
Reserves (tons in millions)	Content (Btus per pound)	<1.2	1.2-2.5	>2.5	Proven	Probable	Owned	Leased	Total
Illinois Basin Operations									
Warrior (KY)	12,300	—	—	50.0	39.5	10.5	13.0	37.0	50.0
River View (KY)	11,450	—	—	310.4	169.1	141.3	58.0	252.4	310.4
Hamilton County (IL)	11,650	—	—	119.8	54.5	65.3	20.3	99.5	119.8
Gibson South (IN)	11,500	0.9	9.5	34.8	35.6	9.6	15.3	29.9	45.2
Region Total		0.9	9.5	515.0	298.7	226.7	106.6	418.8	525.4
Appalachian Basin Operations									
MC Mining (KY)	12,800	9.6	0.5	—	7.8	2.3	—	10.1	10.1
Mountain View (WV)	13,200	—	4.4	5.1	9.1	0.4	—	9.5	9.5
Tunnel Ridge (WV)	12,600	—	—	118.2	64.5	53.7	11.7	106.5	118.2
Region Total		9.6	4.9	123.3	81.4	56.4	11.7	126.1	137.8
Total		10.5	14.4	638.3	380.1	283.1	118.3	544.9	663.2
% of Total		1.6%	2.2%	96.2%	57.3%	42.7%	17.8%	82.2%	100.0%

Source: Company Reports

Total coal sold in 2023 consisted of 3.6% low-sulfur coal, 33.4% medium-sulfur coal, and 63.0% high-sulfur coal. In 2023, nearly 80.9% (2022: 82.4%) of tons sold were to United States electric utilities, while international buyers purchased 15.7% (2022: 12.5%) through brokered transactions.

The Partnership produces a wide range of thermal and metallurgical coal that has varied sulfur and heat contents to cater to the specifications laid down by customers. In 2023, approximately 80.9% of the tons sold were to domestic electric utilities, while 15.7% were purchased by international markets through brokered transactions. The rest went to third-party resellers and industrial consumers.

Exhibit 7: Location of Coal Mining Operations



Source: Company Reports

Illinois Basin

The Illinois basin properties are in western Kentucky, southern Illinois, and southern Indiana. The basin has four active mining complexes.

Gibson Complex is in Gibson County, Indiana. It is an underground mine and uses continuous mining units that use groom-and-pillar mining techniques to generate low/medium-sulfur coal. The preparation plant has a capacity of 1,800 tons of raw coal per hour, and the production is shipped directly to customers or the Mt. Vernon Transfer Terminal trans-loading facility for barge delivery.

Hamilton Complex is in Hamilton County, Illinois. The mine is an underground long wall mine that produces medium/high-sulfur coal. The preparation plant has a throughput capacity of 2,000 tons of raw coal per hour. The Partnership acquired complete control and ownership of the mine in 2015. Production is shipped directly to customers or the Mt. Vernon Transfer Terminal trans-loading facility for barge delivery.

River View Complex is in Union County, Kentucky. The mine is the largest room-and-pillar coal mine in the U.S. The mine began production in 2009 and uses continuous mining units to produce medium/high-sulfur coal. The preparation plant has a throughput capacity of 2,700 tons of raw coal per hour. Coal is transported by overland belt to a barge loading facility on the Ohio River.

Warrior Complex operates an underground mining complex located near Madisonville in Hopkins County, Kentucky. The complex opened in 1985 and was acquired by ARLP in February 2023. The mine uses continuous mining units employing a room-and-pillar mining technique to produce medium/high sulfur coal. The preparation plant has a throughput capacity of 1,200 tons of raw coal per hour. production is shipped directly to customers or the Mt. Vernon Transfer Terminal trans-loading facility for barge delivery.

Mt. Vernon Transfer Terminal is a coal-loading terminal on the Ohio River at Mt. Vernon, Indiana, operated by the Partnership's subsidiary Mt. Vernon which leases land and operates the facility. The coal is delivered to the location by both rail and truck. It has a capacity of 8.0 million tons per year, with a storage capacity of nearly 200,000 tons. In 2021, the terminal loaded approximately 1.4 million tons for Gibson County Coal and Hamilton customers.

Appalachian Basin

The Appalachian properties are in northern west Virginia, Maryland, western Pennsylvania and eastern Kentucky. The Partnership operates three mining complexes in the region.

Tunnel Ridge Complex is an underground longwall mine located in West Virginia. Operations at the mine began in May 2012. The preparation plant has a capacity of 2,000 tons of raw coal per hour. The coal produced is a medium/high-sulfur coal that is transported directly through a conveyor belt to a barge loading facility on the Ohio River.

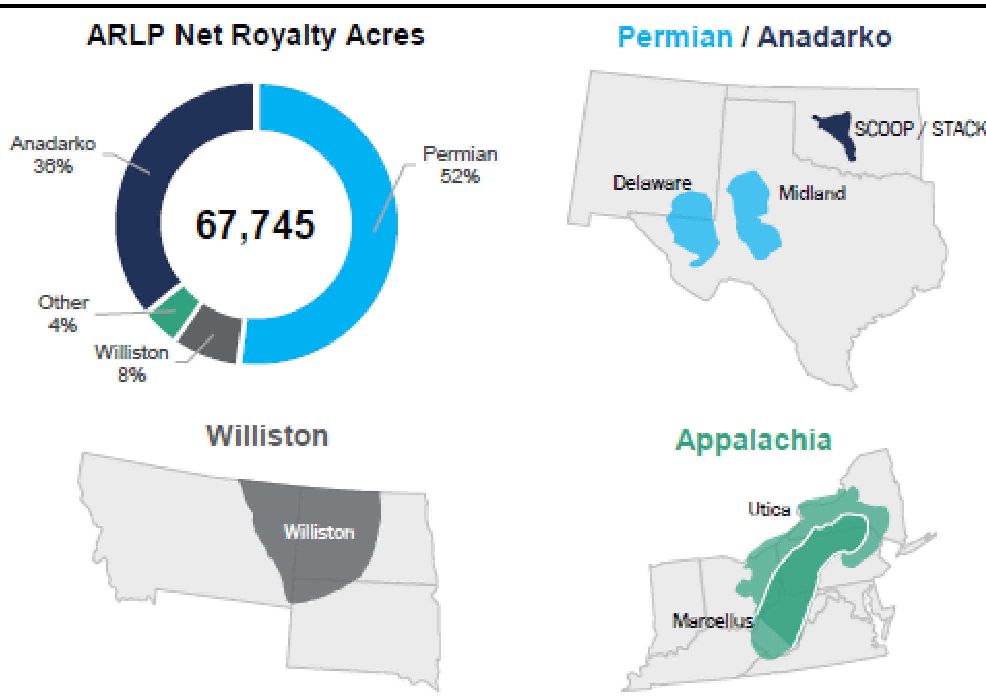
Mettiki Complex consists of two properties: the Mountain View mine located in Tucker County, West Virginia, and a preparation plant located in Garrett County, Maryland. The Mountain View mine produces medium-sulfur coal and is shipped to the Mettiki (MD) preparation plant for processing for the metallurgical coal market or to the coal blending facility at the Virginia Electric and Power Company Mt. Storm Power Station. The preparation plant has a throughput capacity of 1,350 tons of raw coal per hour.

MC Mining Complex, located in Pike County, Kentucky, was acquired by ARLP in 1989. The development of mine five was completed in July 2020. The mine uses continuous mining units using room-and-pillar mining techniques to produce low-sulfur coal and has a throughput capacity of 1,000 tons of raw coal per hour. The coal produced at MC Mining in 2021 met or exceeded the compliance requirements of Phase II of the Federal Clean Air Act.

Oil and Gas Mineral Interests

ARLP's oil & gas mineral interests are primarily located on private islands in three basins, including Permian (Delaware and Midland), Anadarko (SCOOP/STACK), and Williston (Bakken) Basins.

Exhibit 8: ARLP's Oil & Gas Mineral Interests



Source: Company Reports

The Partnership's developed and undeveloped net acres are standardized to a 1/8th royalty, equate to nearly 61,400 oil & gas net royalty acres, which also includes 3,968 oil & gas net royalty acres owned through equity interest in AllDale III.

Exhibit 9: ARLP Net Proved Oil & Gas Reserves

	As of December 31, 2023			
	Crude Oil (MBbl)	Natural Gas (MMcf)	Natural Gas Liquids (MBbl)	Total (MBOE) (2)
Estimated proved developed reserves	7,754	45,684	5,485	20,854
Estimated proved undeveloped reserves	1,599	5,839	868	3,440
Total estimated proved reserves (1)	9,353	51,523	6,353	24,294

(1) Proved reserves of approximately 1,780 MBOE were attributable to noncontrolling interests as of December 31, 2023.
(2) Natural gas reserve volumes are converted to BOE based on a 6:1 ratio: 6 Mcf of natural gas converts to one BOE.

Source: Company Reports

Furthermore, when the Partnership leases its interests, it receives a lease bonus (upfront cash payment) and a mineral royalty that entitles it to receive a fixed percentage of the revenue or production from the oil & gas produced from the acreage underlying its interests, free of lease operating expenses and capital costs. The Partnership is actively investing in oil & gas mineral interests in premier oil-rich basins. The primary Oil and Gas interests of the Partnership are:

Permian Basin—Delaware and Midland Basins ranges from West Texas into southeastern New Mexico and is the most active area for horizontal drilling in the U.S. The basin is further divided into the Delaware Basin in the west and the Midland Basin in the east. The Partnership has multiple producing zones of horizontal economic development including Wolfcamp, Spraberry, and Bone Spring formations. ARLP recently purchased acreage in the Permian Basin through Boulders Acquisition, reiterating its commitment to acquiring strategic properties in the highest growth oil & gas plays.

Anadarko Basin—SCOOP and STACK Plays – The South-Central Oklahoma Oil Province is located in central Oklahoma in Grady, Garvin, Stephens, and McClain Counties that contains multiple producing zones of horizontal economic development including numerous Woodford benches and the Springer Shale. Other formations in the area attract operator interest, including the Sycamore, Caney, and Osage, also known as SCORE (Sycamore Caney Osage Resource Expansion). On the other hand, the STACK play (Sooner Trend, Anadarko Basin, Canadian, and Kingfisher Counties) is located in central Oklahoma in Kingfisher, Canadian, Caddo, and Blaine Counties that include multiple producing zones of horizontal economic development including but not limited to the Meramec and Woodford formations.

Williston Basin—Bakken extends from western North Dakota into eastern Montana and includes multiple producing zones of horizontal economic development including the Bakken and Three Forks formations.

Exhibit 10: ARLP Oil & Gas Mineral Interests – Acreage Concentration

	Developed Acreage			Undeveloped Acreage		
Basin	Gross	Net Mineral	Net Royalty	Gross	Net Mineral	Net Royalty
Permian Basin	378,510	11,114	14,894	517,804	15,204	20,350
Anadarko Basin	179,993	6,489	9,199	295,884	10,667	15,112
Williston Basin	153,772	2,541	3,363	84,118	1,390	1,849
Other	28,174	1,027	1,296	37,363	1,362	1,682
Total	740,449	21,171	28,752	935,169	28,623	38,993

Source: Company Reports

Other interests include mineral interests owned in the Appalachia Basin comprising Ohio, West Virginia, and Pennsylvania. In the Appalachia Basin, the most prominent plays include the Marcellus Shale, and Utica plays, covering most of Pennsylvania, northern West Virginia, and eastern Ohio. The Partnership also holds interests in the Tuscaloosa Marine Shale play in Mississippi and Haynesville Shale formation located in northwest Louisiana.

Coal Royalties

ARLP leases its reserves and resources to its mining complexes under long-term leases. Nearly two-thirds of the royalty-based leases have initial terms of five to 40 years, with the option to extend the lease for additional terms. ARLP grants lessees the right to mine and sell in exchange for royalty payments based on a percentage of the sale price or a fixed royalty per ton of coal mined and sold. The lessee is also responsible for providing information about the tons of coal mined and sold, the sales price of extracted coal, and calculating royalty payments.

End Markets & Customer Base

The Partnership has an established customer base that it acquired through existing business relationships or participation in a bidding process. The Partnership enters into long-term supply agreements with many of its customers, which allow the Partnership to predict its sales volume and prices. In 2023, approximately 93.4% and 92.0% of ARLP's sales tonnage and total coal sales, respectively were sold under long-term agreements with committed term expirations ranging from 2024 to 2030.

In 2023, the Partnership's most significant customers were American Electric Power and Tennessee Valley Authority. Each of these companies accounted for more than 10% of revenue. Furthermore, ARLP sells indirectly (through brokered transactions) to the international market, including end-users in Europe, Africa, Asia, North America, and South America. During the years December 31, 2023, 2022, and 2021, export tons represented approximately 15.7%, 12.5%, and 12.5% of tons sold, respectively.

In 2014, the Partnership began investing in oil & gas mineral interests in some of the most important oil-rich basins. However, in 2019 ARLP turned into an active and material participant from a passive investor in oil and gas minerals. The Partnership is adding acreage to its existing interests and aims to become a significant participant in the nation's highest growth oil & gas plays.

BALANCE SHEET

Alliance Resource Partners, L.P. (NASDAQ: ARLP)
Consolidated Balance Sheets (in millions $)
Fiscal Year: December

ASSETS	FY 2020	FY 2021	Q1 Mar-22	Q2 Jun-22	Q3 Sep-22	Q4 Dec-22	FY 2022	Q1 Mar-23	Q2 Jun-23	Q3 Sep-23	Q4 Dec-23	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024
Current Assets																	
Cash & cash equivalents	55.6	122.4	128.2	106.1	278.5	296.0	296.0	271.3	284.9	197.2	59.8	59.8	134.0	203.7	195.4	137.0	137.0
Trade receivables, net	104.6	129.5	156.7	230.6	190.4	238.6	238.6	266.3	213.8	220.1	282.6	282.6	272.2	226.4	198.6	166.8	166.8
Other receivables	3.5	0.7	0.4	0.4	6.9	8.6	8.6	9.9	11.7	13.9	9.7	9.7	9.2	9.7	10.0	10.2	10.2
Inventories, net	56.4	60.3	95.7	109.7	98.8	77.3	77.3	108.6	128.9	135.9	127.6	127.6	162.2	196.2	177.5	120.7	120.7
Advance royalties	4.2	5.0	4.4	3.5	3.5	7.6	7.6	5.8	5.8	5.8	7.8	7.8	6.2	6.2	6.2	11.4	11.4
Prepaid expenses & other assets	21.6	21.4	19.2	15.9	14.7	26.7	26.7	19.3	18.8	15.0	28.7	28.7	47.2	42.8	38.7	67.2	67.2
Total Current Assets	**245.8**	**339.2**	**404.7**	**466.1**	**592.7**	**654.8**	**654.8**	**681.3**	**663.9**	**587.9**	**516.1**	**516.1**	**630.9**	**685.0**	**626.5**	**513.2**	**513.2**
Property, plant and equipment, net	1,800.2	1,698.7	1,691.6	1,685.9	1,731.1	1,816.9	1,816.9	1,909.3	1,928.2	1,981.5	2,022.7	2,022.7	2,079.7	2,110.1	2,161.6	2,166.3	2,166.3
Advance royalties	56.8	63.5	71.4	70.8	70.2	67.7	67.7	75.3	74.5	73.8	71.1	71.1	78.9	77.5	76.3	70.3	70.3
Equity method investments	27.3	26.3	26.2	46.4	46.2	49.4	49.4	48.9	46.8	45.0	46.5	46.5	45.7	45.1	36.9	35.5	35.5
Goodwill	4.4	4.4	4.4	4.4	4.4	42.0	42.0	42.0	42.0	92.5	92.5	92.5	92.5	92.5	92.5	92.5	92.5
Operating lease rights of use assets	15.0	14.2	15.2	14.7	15.4	15.0	15.0	15.9	17.6	17.2	16.6	16.6	16.4	16.7	16.1	15.9	15.9
Other long-term assets	16.6	13.1	12.1	44.9	44.5	15.7	15.7	15.0	14.9	16.1	22.9	22.9	21.7	26.0	22.2	22.0	22.0
Total Assets	**2,166.0**	**2,159.4**	**2,225.5**	**2,333.2**	**2,504.4**	**2,661.5**	**2,661.5**	**2,787.7**	**2,787.9**	**2,814.0**	**2,788.4**	**2,788.4**	**2,965.8**	**3,052.9**	**3,032.2**	**2,915.7**	**2,915.7**
LIABILITIES AND STOCKHOLDERS' EQUITY																	
Current Liabilities																	
Accounts payable	47.5	69.6	92.9	90.4	97.0	95.1	95.1	115.1	109.1	116.8	108.3	108.3	107.6	131.5	115.7	98.2	98.2
Accrued taxes other than income taxes	25.1	17.8	15.2	14.0	25.1	23.0	23.0	23.6	22.9	22.5	21.0	21.0	21.4	22.3	21.3	21.1	21.1
Accrued payroll and related expenses	28.5	36.8	31.2	38.8	43.0	39.6	39.6	33.8	35.2	40.8	29.9	29.9	27.3	31.6	32.7	26.9	26.9
Accrued interest	5.1	5.0	12.5	5.0	12.5	5.0	5.0	13.0	4.3	10.6	3.6	3.6	9.1	1.8	10.6	1.8	1.8
Workers' compensation and pneumoconiosis benefits	10.6	12.3	12.3	12.3	12.3	14.1	14.1	14.1	14.1	14.1	15.9	15.9	15.9	15.9	15.8	14.8	14.8
Current finance lease obligations	0.8	0.8	0.7	0.5	0.3	-	-	-	-	-	-	-	-	-	-	-	-
Current operating lease obligations	1.9	1.8	2.1	2.2	2.8	-	-	-	-	-	-	-	-	-	-	-	-
Other current liabilities	21.9	17.4	19.8	18.5	45.4	53.8	53.8	51.7	24.4	30.7	28.5	28.5	46.3	46.1	46.7	48.0	48.0
Current maturities, long-term debt, net	73.2	16.1	15.4	14.9	15.1	25.0	25.0	22.2	37.8	38.6	20.3	20.3	76.4	22.0	22.3	22.3	22.3
Total Current Liabilities	**214.6**	**177.6**	**202.1**	**196.5**	**253.5**	**255.6**	**255.6**	**273.5**	**247.8**	**274.1**	**227.5**	**227.5**	**304.0**	**271.2**	**265.2**	**233.1**	**233.1**
Long-Term Liabilities																	
Long-term debt, excluding current maturities, net	519.4	418.9	416.0	413.0	409.9	397.2	397.2	436.7	379.4	321.2	316.8	316.8	354.6	462.0	456.3	450.9	450.9
Pneumoconiosis benefits	105.1	107.6	108.5	108.8	109.7	100.1	100.1	100.8	101.6	102.2	127.2	127.2	128.8	130.2	131.7	120.2	120.2
Accrued pension benefit	47.0	25.6	24.9	24.1	23.4	12.6	12.6	12.3	12.0	11.8	8.6	8.6	8.1	7.6	7.0	-	-
Workers' compensation	47.5	44.9	44.7	38.7	39.0	39.6	39.6	40.1	41.2	41.3	37.3	37.3	36.8	36.5	37.0	37.2	37.2
Asset retirement obligations	121.5	123.5	124.0	124.2	124.6	142.3	142.3	143.0	143.6	143.7	146.9	146.9	147.8	148.3	148.8	155.2	155.2
Long-term finance lease obligations	1.5	0.6	0.6	0.6	0.5	-	-	13.4	14.6	14.4	13.7	13.7	13.7	14.1	13.8	13.6	13.6
Long-term operating lease obligations	13.1	12.4	13.0	12.7	12.8	12.1	12.1	35.6	35.4	34.3	33.5	33.5	33.1	32.8	32.0	29.4	29.4
Other long-term liabilities	24.1	22.3	58.5	62.4	63.1	60.6	60.6	25.3	25.6	18.1	18.4	18.4	17.5	16.2	15.2	22.7	22.7
Total Long-Term Liabilities	**879.1**	**755.8**	**790.1**	**784.5**	**783.1**	**764.4**	**764.4**	**807.1**	**753.4**	**687.0**	**702.4**	**702.4**	**740.4**	**847.7**	**841.9**	**829.1**	**829.1**
Partners' Capital:																	
ARLP Partners' Capital:																	
Limited Partners - Common Unitholders	1,148.6	1,279.2	1,285.7	1,403.7	1,518.7	1,656.0	1,656.0	1,721.9	1,801.7	1,867.7	1,896.0	1,896.0	1,958.4	1,970.8	1,962.0	1,867.9	1,867.9
Accumulated other comprehensive loss	(87.7)	(64.2)	(63.4)	(62.6)	(61.8)	(41.1)	(41.1)	(40.5)	(39.9)	(39.4)	(61.5)	(61.5)	(60.6)	(59.6)	(58.6)	(35.1)	(35.1)
Total ARLP Partners' Capital	**1,060.9**	**1,215.0**	**1,222.3**	**1,341.1**	**1,456.8**	**1,615.0**	**1,615.0**	**1,681.4**	**1,761.8**	**1,828.4**	**1,834.5**	**1,834.5**	**1,897.8**	**1,911.1**	**1,903.4**	**1,832.7**	**1,832.7**
Non-controlling interest	11.4	11.1	11.1	11.1	11.0	26.5	26.5	25.7	25.0	24.6	24.1	24.1	23.6	23.0	21.8	20.8	20.8
Total Partners' Capital	**1,072.3**	**1,226.1**	**1,233.4**	**1,352.2**	**1,467.8**	**1,641.5**	**1,641.5**	**1,707.2**	**1,786.8**	**1,852.9**	**1,858.6**	**1,858.6**	**1,921.4**	**1,934.1**	**1,925.1**	**1,853.5**	**1,853.5**
Total Liabilities and Partners' Capital	**2,166.0**	**2,159.4**	**2,225.5**	**2,333.2**	**2,504.4**	**2,661.5**	**2,661.5**	**2,787.7**	**2,787.9**	**2,814.0**	**2,788.4**	**2,788.4**	**2,965.8**	**3,052.9**	**3,032.2**	**2,915.7**	**2,915.7**
Ratios																	
Liquidity																	
Current Ratio	1.1x	1.9x	2.0x	2.4x	2.3x	2.6x	2.6x	2.5x	2.7x	2.1x	2.3x	2.3x	2.1x	2.5x	2.4x	2.2x	2.2x
Quick Ratio	0.7x	1.4x	1.4x	1.7x	1.8x	2.1x	2.1x	2.0x	2.0x	1.5x	1.5x	1.5x	1.3x	1.6x	1.5x	1.3x	1.3x
Working Capital	31.2	161.7	202.6	269.5	339.2	399.2	399.2	407.8	416.2	313.8	288.7	288.7	327.0	413.9	361.4	280.1	280.1
Leverage																	
Debt To Equity	57.5%	37.1%	36.6%	33.1%	30.3%	26.9%	26.9%	30.2%	26.5%	22.3%	20.9%	20.9%	25.2%	27.8%	27.6%	28.2%	28.2%
Debt To Capital	36.5%	27.1%	26.8%	24.9%	23.3%	21.2%	21.2%	23.2%	21.0%	18.3%	17.3%	17.3%	20.1%	21.7%	21.6%	22.0%	22.0%
Capital Usage - Annualized																	
A/R Turns	10.0x	13.4x	12.9x	12.7x	11.9x	13.1x	13.1x	10.5x	10.7x	11.7x	10.0x	9.8x	9.4x	9.5x	11.5x	12.9x	10.9x
Inv Turns	11.2x	17.5x	14.9x	13.7x	13.8x	18.1x	20.4x	15.9x	12.4x	11.6x	12.9x	15.1x	11.1x	8.7x	8.9x	12.0x	13.3x
A/P Turns	13.8x	17.4x	14.3x	15.4x	15.3x	16.6x	17.0x	14.0x	13.2x	13.7x	15.1x	15.2x	15.0x	13.0x	13.5x	16.7x	16.0x

Source: Company Reports, Stonegate Capital Markets

INCOME STATEMENT

Alliance Resource Partners, L.P. (NASDAQ: ARLP)
Consolidated Statements of Income (in $Ms, except per share amounts)
Fiscal Year: December

	FY 2020	FY 2021	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 E Mar-25	Q2 E Jun-25	Q3 E Sep-25	Q4 E Dec-25	FY 2025E	Q1 E Mar-26	Q2 E Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026E
Revenues																			
Revenues	$ 1,328.1	$ 1,570.0	$ 2,406.5	$ 2,566.7	$ 651.7	$ 593.3	$ 613.6	$ 590.1	$ 2,448.7	$ 579.8	$ 570.4	$ 600.4	$ 617.2	$ 2,367.8	$ 589.4	$ 584.2	$ 621.9	$ 652.0	$ 2,448.6
Total revenues	**1,328.1**	**1,570.0**	**2,406.5**	**2,566.7**	**651.7**	**593.3**	**613.6**	**590.1**	**2,448.7**	**579.8**	**570.4**	**600.4**	**617.2**	**2,367.8**	**589.4**	**584.2**	**621.9**	**652.0**	**2,448.6**
Expenses																			
Operating expenses (excl. DD&A)	859.7	943.3	1,286.6	1,368.8	363.9	351.6	384.8	407.1	1,507.4	359.8	344.2	360.7	358.2	1,423.0	344.2	341.9	369.9	386.1	1,442.1
Transportation expenses	21.1	69.6	113.9	142.3	30.8	26.7	24.6	30.5	112.6	26.4	26.1	27.5	28.2	108.2	26.9	26.8	28.6	30.0	112.2
Outside coal purchases	-	6.4	0.2	36.1	9.1	10.6	8.2	7.9	35.8	5.0	5.0	5.0	5.0	20.0	4.2	4.2	4.2	4.2	16.8
G&A expenses	59.8	70.2	80.3	79.1	22.1	20.6	21.9	17.7	82.2	19.7	19.8	21.4	18.5	79.3	20.0	20.2	22.2	19.5	81.9
DD&A	313.4	261.4	273.8	268.0	65.5	66.5	73.0	80.5	285.4	76.5	76.5	76.5	76.5	306.0	77.3	77.3	77.3	77.3	309.0
Asset impairments	25.0	-	-	-	-	-	-	31.1	-	-	-	-	-	-	-	-	-	-	-
Goodwill impairments	132.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating expenses	1,411.0	1,350.8	1,748.1	1,894.3	491.4	475.9	512.5	574.7	2,023.4	487.4	471.6	491.1	486.4	1,936.5	472.6	470.4	502.1	517.0	1,962.1
Income (loss) from operations	**(82.9)**	**219.2**	**658.4**	**672.4**	**160.3**	**117.4**	**101.1**	**15.3**	**425.3**	**92.4**	**98.8**	**109.3**	**130.8**	**431.3**	**116.8**	**113.8**	**119.8**	**135.0**	**486.5**
Inc (loss) from operations - adj(1)	**133.1**	**217.7**	**659.8**	**665.1**	**172.9**	**115.0**	**97.4**	**43.5**	**397.7**	**91.4**	**97.8**	**108.2**	**129.7**	**427.1**	**115.7**	**112.8**	**118.7**	**133.9**	**481.1**
Other income (expense):																			
Interest expense, net	(45.6)	(39.2)	(37.3)	(36.1)	(7.7)	(9.3)	(9.5)	(8.7)	(35.2)	(8.8)	(8.8)	(8.8)	(8.8)	(35.0)	(8.7)	(8.7)	(8.7)	(8.7)	(34.9)
Interest income	0.1	0.1	2.0	9.4	1.3	2.1	2.2	1.7	7.2	2.2	2.2	2.2	2.2	8.6	2.4	2.4	2.4	2.4	9.4
Equity method investment income	0.9	2.1	5.6	(1.5)	(0.6)	(0.2)	(2.3)	(1.9)	(5.0)	0.3	0.3	0.3	0.3	1.0	0.3	0.3	0.3	0.3	1.0
Change in Fair Value of Digital Assets	-	-	-	-	11.9	(3.7)	0.3	14.0	-	-	-	-	-	-	-	-	-	-	-
Other income/ (expense)	(1.6)	(3.0)	4.4	0.2	(0.6)	(1.0)	(0.7)	0.2	(2.1)	(0.3)	(0.3)	(0.3)	(0.3)	(1.2)	(0.3)	(0.3)	(0.3)	(0.3)	(1.2)
Total other income (expense):	(46.2)	(40.0)	(25.3)	(27.9)	16.1	(15.8)	(9.7)	19.2	(35.0)	(6.6)	(6.6)	(6.6)	(6.7)	(26.6)	(6.4)	(6.4)	(6.4)	(6.4)	(25.7)
Pre-tax income (loss)	**(129.0)**	**179.2**	**633.1**	**644.4**	**164.5**	**105.4**	**91.0**	**20.6**	**381.5**	**85.8**	**92.2**	**102.6**	**124.1**	**404.7**	**110.3**	**107.4**	**113.4**	**128.5**	**459.7**
Provision for taxes (benefit)	0.0	0.4	54.0	8.3	4.9	3.9	4.1	3.0	15.9	3.8	4.1	4.6	5.5	18.0	4.9	4.8	5.0	5.7	20.5
Net income (loss)	**(129.1)**	**178.8**	**579.1**	**636.2**	**159.6**	**101.5**	**86.9**	**17.6**	**365.6**	**82.0**	**88.1**	**98.0**	**118.6**	**386.7**	**105.4**	**102.6**	**108.3**	**122.8**	**439.2**
Less: NI due to non-controlling interest	0.2	0.6	2.0	6.1	1.5	1.3	0.6	1.2	4.7	1.0	1.0	1.0	1.0	4.0	1.0	1.0	1.0	1.0	4.0
Net income (loss) attributable to ARLP	**$ (129.2)**	**$ 178.2**	**$ 577.2**	**$ 630.1**	**$ 158.1**	**$ 100.2**	**$ 86.3**	**$ 16.3**	**$ 360.9**	**$ 81.0**	**$ 87.1**	**$ 97.0**	**$ 117.6**	**$ 382.7**	**$ 104.4**	**$ 101.6**	**$ 107.3**	**$ 121.8**	**$ 435.2**
Wtd EPU (loss)	**$ (1.02)**	**$ 1.36**	**$ 4.39**	**$ 4.81**	**$ 1.21**	**$ 0.77**	**$ 0.66**	**$ 0.12**	**$ 2.76**	**$ 0.62**	**$ 0.66**	**$ 0.74**	**$ 0.89**	**$ 2.91**	**$ 0.79**	**$ 0.77**	**$ 0.81**	**$ 0.92**	**$ 3.30**
Basic shares outstanding	127.2	127.2	127.2	127.2	127.7	128.1	128.1	128.1	128.0	127.7	128.1	128.1	128.1	128.0	127.7	128.1	128.1	128.1	128.0
Diluted shares outstanding	127.2	127.2	127.2	127.2	127.7	128.1	128.1	128.1	128.0	127.7	128.1	128.1	128.1	128.0	127.7	128.1	128.1	128.1	128.0
EBITDA (1) (2)	229.7	479.1	940.2	933.1	235.0	177.7	170.7	106.8	690.2	167.9	174.3	184.7	206.2	733.1	193.0	190.0	196.0	211.2	790.1
EBITDA - adjusted (1) (3)	446.5	479.1	933.6	933.1	238.4	181.4	170.4	124.0	683.1	167.9	174.3	184.7	206.2	733.1	193.0	190.0	196.0	211.2	790.1
Margin Analysis																			
Operating margin	-6.2%	14.0%	27.4%	26.2%	24.6%	19.8%	16.5%	2.6%	17.4%	15.9%	17.3%	18.2%	21.2%	18.2%	19.8%	19.5%	19.3%	20.7%	19.9%
Operatin margin - adjusted	10.0%	13.9%	27.4%	25.9%	26.5%	19.4%	15.9%	7.4%	16.2%	15.8%	17.1%	18.0%	21.0%	18.0%	19.6%	19.3%	19.1%	20.5%	19.6%
EBITDA margin	17.3%	30.5%	39.1%	36.4%	36.1%	29.9%	27.8%	18.1%	28.2%	29.0%	30.6%	30.8%	33.4%	31.0%	32.7%	32.5%	31.5%	32.4%	32.3%
EBITDA - adjusted margin	33.6%	30.5%	38.8%	36.4%	36.6%	30.6%	27.8%	21.0%	27.9%	29.0%	30.6%	30.8%	33.4%	31.0%	32.7%	32.5%	31.5%	32.4%	32.3%
Pre-tax margin	-9.7%	11.4%	26.3%	25.1%	25.2%	17.8%	14.8%	3.5%	15.6%	14.8%	16.2%	17.1%	20.1%	17.1%	18.7%	18.4%	18.2%	19.7%	18.8%
Net income margin	-9.7%	11.3%	24.0%	24.5%	24.3%	16.9%	14.1%	2.8%	14.7%	14.0%	15.3%	16.2%	19.1%	16.2%	17.7%	17.4%	17.3%	18.7%	17.8%
Adjusted net income margin	2.1%	11.3%	23.7%	24.5%	24.8%	17.5%	14.0%	5.7%	15.7%	14.0%	15.3%	16.2%	19.1%	16.2%	17.7%	17.4%	17.3%	18.7%	17.8%
Tax rate	0.0%	0.2%	8.5%	1.3%	3.0%	3.7%	4.5%	14.6%	4.2%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Growth Rate Analysis Y/Y																			
Total revenues	-32.3%	18.2%	53.3%	6.7%	-1.7%	-7.6%	-3.6%	-5.6%	-4.6%	-11.0%	-3.9%	-2.2%	4.6%	-3.3%	1.6%	2.4%	3.6%	5.6%	3.4%
Operating income	-131.9%	364.6%	200.4%	2.1%	-22.7%	-36.2%	-38.9%	-86.7%	-36.8%	-42.4%	-15.8%	8.1%	752.2%	1.4%	26.3%	15.2%	9.6%	3.2%	12.8%
Operating income - adjusted	-54.1%	63.6%	203.1%	0.8%	-15.8%	-36.3%	-39.9%	-62.8%	-40.2%	-47.1%	-15.0%	11.1%	198.3%	7.4%	26.6%	15.3%	9.7%	3.2%	12.6%
EBITDA	-69.5%	108.6%	96.3%	-0.8%	-13.2%	-28.7%	-25.0%	-42.4%	-26.0%	-28.6%	-1.9%	8.2%	93.1%	6.2%	14.9%	9.0%	6.1%	2.4%	7.8%
EBITDA - adjusted	-25.5%	7.3%	94.9%	-0.1%	-12.0%	-27.2%	-25.1%	-33.1%	-26.8%	-29.6%	-3.9%	8.4%	66.4%	7.3%	14.9%	9.0%	6.1%	2.4%	7.8%
Pre-tax income	-131.7%	238.9%	253.4%	1.8%	-16.5%	-39.9%	-42.7%	-81.9%	-40.8%	-47.9%	-12.5%	12.7%	503.5%	6.1%	28.7%	16.5%	10.5%	3.5%	13.6%
EPS	-133.1%	234.2%	221.8%	9.6%	-16.8%	-40.4%	-44.1%	-86.4%	-42.7%	-49.0%	-14.7%	11.9%	645.3%	5.4%	29.0%	16.7%	10.6%	3.6%	13.7%
EPS - adjusted	-88.5%	541.0%	220.2%	10.4%	-15.8%	-39.2%	-44.5%	-71.2%	-39.3%	-49.9%	-16.2%	12.9%	251.0%	-0.6%	29.0%	16.7%	10.6%	3.6%	13.7%

(1) Adjusted numbers exclude 1x items as defined by ARLP

(2) EBITDA defined as net income attributable to ARLP before net interest expense, income taxes and DD&A

(3) Adjusted EBITDA excludes 1x items as defined by ARLP

Source: Company Reports, Stonegate Capital Markets estimates

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