UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 001-33492

CVR ENERGY, INC.

(Exact name of registrant as specified in its charter)

Delaware	**61-1512186**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2277 Plaza Drive, Suite 500, Sugar Land, Texas 77479
(Address of principal executive offices) (Zip Code)
(281) 207-3200
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value per share	CVI	The New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

There were 100,530,599 shares of the registrant's common stock outstanding at July 30, 2021.

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CVR Energy, Inc. - Quarterly Report on Form 10-Q
June 30, 2021

This Quarterly Report on Form 10-Q (including documents incorporated by reference herein) contains statements with respect to our expectations or beliefs as to future events. These types of statements are "forward-looking" and subject to uncertainties. See "Important Information Regarding Forward-Looking Statements" section of this filing.

Important Information Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q (this "Report") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including, but not limited to, those under Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control. All statements other than statements of historical fact, including without limitation, statements regarding future operations, financial position, estimated revenues and losses, growth, capital projects, stock or unit repurchases, impacts of legal proceedings, projected costs, prospects, plans and objectives of management are forward-looking statements. The words "could," "believe," "anticipate," "intend," "estimate," "expect," "may," "continue," "predict," "potential," "project," and similar terms and phrases are intended to identify forward-looking statements.

Although we believe our assumptions concerning future events are reasonable, a number of risks, uncertainties, and other factors could cause actual results and trends to differ materially from those projected or forward-looking. Forward-looking statements, as well as certain risks, contingencies or uncertainties that may impact our forward-looking statements, include but are not limited to the following:

- volatile margins in the refining industry and exposure to the risks associated with volatile crude oil, refined product and feedstock prices;
- the availability of adequate cash and other sources of liquidity for the capital needs of our businesses;
- the severity, magnitude, duration, and impact of the novel coronavirus 2019 and any variant thereof (collectively, "COVID-19") pandemic and of businesses' and governments' responses to such pandemic on our operations, personnel, commercial activity, and supply and demand across our and our customers' and suppliers' business;
- changes in market conditions and market volatility arising from the COVID-19 pandemic, including crude oil and other commodity prices, demand for those commodities, storage and transportation capacities, and the impact of such changes on our operating results and financial position;
- expectations regarding our business and the economic recovery generally as the COVID-19 pandemic subsides and vaccination rates increase, including beliefs regarding future customer activity and the timing of the recovery;
- the ability to forecast our future financial condition, results of operations, revenues and expenses;
- the effects of transactions involving forward and derivative instruments;
- changes in laws, regulations and policies with respect to the export of crude oil, refined products or other hydrocarbons including, without limitation, the actions of the Biden Administration that impact oil and gas operations in the U.S.;
- interruption in pipelines supplying feedstocks or distributing the petroleum business' products;
- competition in the petroleum and nitrogen fertilizer businesses including potential impacts of domestic and global supply and demand and/or domestic or international duties, tariffs, or similar costs;
- capital expenditures;
- changes in our or our segments' credit profiles;
- the cyclical and seasonal nature of the petroleum and nitrogen fertilizer businesses;
- the supply, availability and price levels of essential raw materials and feedstocks;
- our production levels, including the risk of a material decline in those levels;
- accidents or other unscheduled shutdowns or interruptions affecting our facilities, machinery, or equipment, or those of our suppliers or customers;
- existing and future laws, regulations or rulings, including but not limited to those relating to the environment, climate change, safety, security and/or the transportation of production of hazardous chemicals like ammonia, including potential liabilities or capital requirements arising from such laws, regulations or rulings;
- potential operating hazards from accidents, fire, severe weather, tornadoes, floods, or other natural disasters;
- the impact of weather on commodity supply and/or pricing and on the nitrogen fertilizer business including our ability to produce, market or sell fertilizer products profitability or at all;
- rulings, judgments or settlements in litigation, tax or other legal or regulatory matters;
- the dependence of the nitrogen fertilizer business on customers and distributors including to transport goods and equipment;
- the reliance on, or the ability to procure economically or at all, petroleum coke ("pet coke") our nitrogen fertilizer business purchases from CVR Refining, LP and third-party suppliers or the natural gas, electricity, oxygen, nitrogen, sulfur processing and compressed dry air and other products purchased from third parties by the nitrogen fertilizer and petroleum businesses;
- risks associated with third party operation of or control over important facilities necessary for operation of our refineries and nitrogen fertilizer facilities;

- risks of terrorism, cybersecurity attacks, and the security of chemical manufacturing facilities and other matters beyond our control;
- our lack of diversification of assets or operating and supply areas;
- the petroleum business' and nitrogen fertilizer business' dependence on significant customers and the creditworthiness and performance by counterparties;
- the potential loss of the nitrogen fertilizer business' transportation cost advantage over its competitors;
- the potential inability to successfully implement our business strategies, including the completion of significant capital programs or projects, including but not limited to the renewable diesel project at our Wynnewood Refinery;
- our ability to continue to license the technology used for our operations;
- our petroleum business' purchase of, or ability to purchase, renewable identification numbers ("RINs") on a timely and cost effective basis or at all;
- the impact of refined product demand, declining inventories, and Winter Storm Uri on refined product prices and crack spreads;
- Organization of Petroleum Exporting Countries' ("OPEC") achievement of production levels and pricing;
- the impact of Renewable Identification Number ("RINs") pricing and our blending and purchasing activities on our open RINs positions, small refinery exemptions, and our cost to comply with our Renewable Fuel Standard ("RFS") obligations;
- our businesses' ability to obtain, retain or renew environmental and other governmental permits, licenses or authorizations necessary for the operation of its business;
- existing and proposed laws, regulations or rulings, including but not limited to those relating to climate change, alternative energy or fuel sources, and existing and future regulations related to the end-use of our products or the application of fertilizers;
- refinery and nitrogen fertilizer facilities' operating hazards and interruptions, including unscheduled maintenance or downtime and the availability of adequate insurance coverage;
- risks related to services provided by or competition among our subsidiaries, including conflicts of interests and control of CVR Partners, LP's general partner;
- instability and volatility in the capital and credit markets;
- restrictions in our debt agreements;
- asset impairments and impacts thereof;
- the variable nature of CVR Partners' distributions, including the ability of its general partner to modify or revoke its distribution policy, or to cease making cash distributions on its common units;
- changes in tax and other laws, regulations and policies, including, without limitation, actions of the Biden Administration that impact conventional fuel operations or favor renewable energy projects in the U.S.;
- changes in CVR Partners' treatment as a partnership for U.S. federal income or state tax purposes;
- our ability to recover under our insurance policies for damages or losses in full or at all; and
- the factors described in greater detail under "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2020 and our other filings with the Securities and Exchange Commission (the "SEC").

All forward-looking statements contained in this Report only speak as of the date of this Report. We undertake no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that occur after the date of this Report, or to reflect the occurrence of unanticipated events, except to the extent required by law.

Information About Us

Investors should note that we make available, free of charge on our website at cvrenergy.com, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. We also post announcements, updates, events, investor information and presentations on our website in addition to copies of all recent news releases. We may use the Investor Relations section of our website to communicate with investors. It is possible that the financial and other information posted there could be deemed to be material information. Documents and information on our website are not incorporated by reference herein.

The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding issuers, including us, that file electronically with the SEC.

PART I. FINANCIAL INFORMATION

Item 1. ***Financial Statements***

CVR ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

(in millions)	June 30, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents (including $43 and $31, respectively, of consolidated variable interest entities ("VIEs"))	**$ 519**	$ 667
Accounts receivable (including $35 and $37, respectively, of VIEs)	**234**	178
Inventories (including $50 and $42, respectively, of VIEs)	**404**	298
Prepaid expenses and other current assets (including $7 and $8, respectively, of VIEs)	**43**	259
Total current assets	**1,200**	1,402
Property, plant and equipment, net (including $868 and $898, respectively, of VIEs)	**2,304**	2,240
Other long-term assets (including $16 and $17, respectively, of VIEs)	**294**	336
Total assets	**$ 3,798**	$ 3,978
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable (including $30 and $25, respectively, of VIEs)	**$ 432**	$ 282
Other current liabilities (including $40 and $51, respectively, of VIEs)	**680**	377
Total current liabilities	**1,112**	659
Long-term debt and finance lease obligations, net of current portion (including $640 and $634, respectively, of VIEs)	**1,687**	1,683
Deferred income taxes	**265**	368
Other long-term liabilities (including $14 and $8, respectively, of VIEs)	**64**	49
Total long-term liabilities	**2,016**	2,100
Commitments and contingencies (See Note 12)		
Equity:		
CVR Energy stockholders' equity:		
Common stock, $0.01 par value per share; 350,000,000 shares authorized; 100,629,209 and 100,629,209 shares issued as of June 30, 2021 and December 31, 2020, respectively	**1**	1
Additional paid-in-capital	**1,510**	1,510
Accumulated deficit	**(1,026)**	(490)
Treasury stock, 98,610 shares at cost	**(2)**	(2)
Total CVR stockholders' equity	**483**	1,019
Noncontrolling interest	**187**	200
Total equity	**670**	1,219
Total liabilities and equity	**$ 3,798**	$ 3,978

The accompanying notes are an integral part of these condensed consolidated financial statements.

CVR ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

(in millions, except per share data)	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Net sales	**$ 1,783**	$ 675	**$ 3,246**	$ 1,806
Operating costs and expenses:				
Cost of materials and other	**1,539**	444	**2,908**	1,501
Direct operating expenses (exclusive of depreciation and amortization)	**136**	119	**272**	237
Depreciation and amortization	**70**	71	**134**	134
Cost of sales	**1,745**	634	**3,314**	1,872
Selling, general and administrative expenses (exclusive of depreciation and amortization)	**28**	22	**55**	47
Depreciation and amortization	**2**	3	**4**	4
Loss on asset disposal	**2**	1	**2**	2
Goodwill impairment	**—**	41	**—**	41
Operating income (loss)	**6**	(26)	**(129)**	(160)
Other (expense) income:				
Interest expense, net	**(38)**	(31)	**(69)**	(67)
Investment income on marketable securities	**21**	21	**83**	52
Other income, net	**3**	(1)	**10**	—
Loss before income tax benefit	**(8)**	(37)	**(105)**	(175)
Income tax benefit	**(6)**	(5)	**(48)**	(42)
Net loss	**(2)**	(32)	**(57)**	(133)
Less: Net income (loss) attributable to noncontrolling interest	**4**	(27)	**(12)**	(41)
Net loss attributable to CVR Energy stockholders	**$ (6)**	$ (5)	**$ (45)**	$ (92)
Basic and diluted loss per share	**$ (0.06)**	$ (0.05)	**$ (0.45)**	$ (0.92)
Dividends declared per share	**$ 4.89**	$ 0.40	**$ 4.89**	$ 1.20
Weighted-average common shares outstanding:				
Basic and diluted	**100.5**	100.5	**100.5**	100.5

The accompanying notes are an integral part of these condensed consolidated financial statements.

CVR ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(unaudited)

(in millions, except share data)	Common Stockholders: Shares Issued	Common Stockholders: $0.01 Par Value Common Stock	Common Stockholders: Additional Paid-In Capital	Common Stockholders: Accumulated Deficit	Common Stockholders: Treasury Stock	Common Stockholders: Total CVR Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance at December 31, 2020	100,629,209	$ 1	$ 1,510	$ (490)	$ (2)	$ 1,019	$ 200	$ 1,219
Changes in equity due to CVR Partners' common unit repurchases	—	—	—	—	—	—	(1)	(1)
Other	—	—	—	1	—	1	—	1
Net loss	—	—	—	(39)	—	(39)	(16)	(55)
Balance at March 31, 2021	100,629,209	$ 1	$ 1,510	$ (528)	$ (2)	$ 981	$ 183	$ 1,164
Dividends paid to CVR Energy stockholders	**—**	**—**	**—**	**(492)**	**—**	**(492)**	**—**	**(492)**
Net (loss) income	**—**	**—**	**—**	**(6)**	**—**	**(6)**	**4**	**(2)**
Balance at June 30, 2021	**100,629,209**	**1**	**$ 1,510**	**$ (1,026)**	**$ (2)**	**$ 483**	**$ 187**	**$ 670**

(in millions, except share data)	Common Stockholders: Shares Issued	Common Stockholders: $0.01 Par Value Common Stock	Common Stockholders: Additional Paid-In Capital	Common Stockholders: Accumulated Deficit	Common Stockholders: Treasury Stock	Common Stockholders: Total CVR Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance at December 31, 2019	100,629,209	$ 1	$ 1,507	$ (113)	$ (2)	$ 1,393	$ 275	$ 1,668
Dividends paid to CVR Energy stockholders	—	—	—	(80)	—	(80)	—	(80)
Other	—	—	—	(1)	—	(1)	—	(1)
Net loss	—	—	—	(87)	—	(87)	(14)	(101)
Balance at March 31, 2020	100,629,209	$ 1	$ 1,507	$ (281)	$ (2)	$ 1,225	$ 261	$ 1,486
Dividends paid to CVR Energy stockholders	—	—	—	(41)	—	(41)	—	(41)
Changes in equity due to CVR Partners' common unit repurchases	—	—	1	—	—	1	(1)	—
Net loss	—	—	—	(5)	—	(5)	(27)	(32)
Balance at June 30, 2020	100,629,209	$ 1	$ 1,508	$ (327)	$ (2)	$ 1,180	$ 233	$ 1,413

The accompanying notes are an integral part of these condensed consolidated financial statements.

CVR ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Six Months Ended June 30,	
(in millions)	**2021**	**2020**
Cash flows from operating activities:		
Net loss	**$ (57)**	$ (133)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	**138**	138
Loss on lower of cost or net realizable value adjustment	**—**	58
Goodwill impairment	**—**	41
Gain on marketable securities	**(83)**	(48)
Deferred income taxes	**(102)**	11
Loss on asset disposal	**2**	2
Loss on extinguishment of debt	**8**	3
Share-based compensation	**20**	1
Other items	**4**	5
Changes in assets and liabilities:		
Current assets and liabilities	**308**	(130)
Non-current assets and liabilities	**5**	3
Net cash provided by (used in) operating activities	**243**	(49)
Cash flows from investing activities:		
Capital expenditures	**(126)**	(77)
Turnaround expenditures	**(2)**	(147)
Acquisition of pipeline assets	**(20)**	—
Proceeds from sale of assets	**6**	1
Investment in marketable securities	**—**	(140)
Other investing activities	**1**	2
Net cash used in investing activities	**(141)**	(361)
Cash flows from financing activities:		
Proceeds from issuance of senior secured notes	**550**	1,000
Principal payments on senior secured notes	**(552)**	(500)
Call premium on extinguishment of debt	**—**	(5)
Repurchase of common units by CVR Partners	**(1)**	(1)
Dividends to CVR Energy’s stockholders	**(241)**	(121)
Other financing activities	**(6)**	(9)
Net cash (used in) provided by financing activities	**(250)**	364
Net decrease in cash and cash equivalents and restricted cash	**(148)**	(46)
Cash, cash equivalents and restricted cash, beginning of period	**674**	652
Cash, cash equivalents and restricted cash, end of period	**$ 526**	$ 606

The accompanying notes are an integral part of these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

(1) Organization and Nature of Business

Organization

CVR Energy, Inc. ("CVR Energy," "CVR," "we," "us," "our," or the "Company") is a diversified holding company primarily engaged in the petroleum refining and nitrogen fertilizer manufacturing industries through its holdings in CVR Refining, LP (the "Petroleum Segment" or "CVR Refining") and CVR Partners, LP (the "Nitrogen Fertilizer Segment" or "CVR Partners"). CVR Refining is an independent petroleum refiner and marketer of high value transportation fuels. CVR Partners produces and markets nitrogen fertilizers in the form of urea ammonium nitrate ("UAN") and ammonia. CVR's common stock is listed on the New York Stock Exchange (the "NYSE") under the symbol "CVI." Icahn Enterprises L.P. and its affiliates ("IEP") owned approximately 71% of the Company's outstanding common stock as of June 30, 2021.

CVR Partners, LP

Interest Holders - As of June 30, 2021, public common unitholders held approximately 64% of CVR Partners' outstanding common units and CVR Services, LLC ("CVR Services") (formerly Coffeyville Resources, LLC), a wholly-owned subsidiary of CVR Energy, held approximately 36% of CVR Partners' outstanding common units. In addition, CVR Services held 100% of CVR Partners' general partner, CVR GP, LLC ("CVR GP"), which held a non-economic general partner interest in CVR Partners as of June 30, 2021. The noncontrolling interest reflected on the condensed consolidated balance sheets of CVR is only impacted by the net income of, and distributions from, CVR Partners.

Unit Repurchase Program - On May 6, 2020, CVR Partners announced that the board of directors of its general partner (the "UAN GP Board"), on behalf of CVR Partners, authorized a unit repurchase program (the "Unit Repurchase Program"). The Unit Repurchase Program enables CVR Partners to repurchase up to $10 million of its common units. On February 22, 2021, the UAN GP Board authorized an additional $10 million for the Unit Repurchase Program. During the three months ended June 30, 2021, CVR Partners did not repurchase any common units. During the six months ended June 30, 2021, CVR Partners repurchased 24,378 common units on the open market in accordance with a repurchase agreement under Rules 10b5-1 and 10b-18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") at a cost of $0.5 million, inclusive of transaction costs, or an average price of $21.70 per common unit. During the three and six months ended June 30, 2020, as adjusted to reflect the impact of the 1-for-10 reverse unit split of the CVR Partners' common units that was effective as of November 23, 2020, CVR Partners repurchased 89,022 common units at a cost of $1.0 million, inclusive of transaction costs, or an average price of $10.72 per common unit. As of June 30, 2021, CVR Partners had $12.4 million in authority remaining under the Unit Repurchase Program. This Unit Repurchase Program does not obligate CVR Partners to acquire any common units and may be cancelled or terminated by the UAN GP Board at any time.

As a result of these repurchases, and the resulting change in CVR Energy's ownership of CVR Partners while maintaining control, CVR Energy recognized a nominal increase to additional paid-in capital from the reduction of non-controlling interests totaling $0.1 million and the recognition of a deferred tax liability totaling $0.1 million from changes in its book versus tax basis in CVR Partners as of June 30, 2021. CVR Energy recognized an increase of $3 million to additional paid-in capital from the non-cash reduction of non-controlling interests totaling $4 million and the recognition of a deferred tax liability totaling $1 million from changes in its book versus tax basis in CVR Partners as of December 31, 2020.

(2) Basis of Presentation

The accompanying condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). These condensed consolidated financial statements should be read in conjunction with the December 31, 2020 audited consolidated financial statements and notes thereto included in CVR Energy's Annual Report on Form 10-K for the year ended December 31, 2020 (the "2020 Form 10-K").

Our condensed consolidated financial statements include the consolidated results of CVR Partners, which is defined as a variable interest entity.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(unaudited)

In the opinion of the Company’s management, the accompanying condensed consolidated financial statements reflect all adjustments that are necessary for fair presentation of the financial position and results of operations of the Company for the periods presented. Such adjustments are of a normal recurring nature, unless otherwise disclosed.

The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates. Results of operations and cash flows for the interim periods presented are not necessarily indicative of the results that will be realized for the year ending December 31, 2021 or any other interim or annual period.

(3) Recent Accounting Pronouncements and Accounting Changes

Recent Accounting Pronouncements - Adoption of Income Tax Standard

In December 2019, the Financial Accounting Standards Board (“FASB”) issued Accounting Standard Update (“ASU”) 2019-12, Income Taxes (Topic 740). The ASU simplifies the accounting for income taxes by removing certain exceptions to the general principles in Topic 740 and modifies other areas of the topic to clarify the application of GAAP. Certain amendments within the standard are required to be applied on a retrospective basis and others on a prospective basis. Effective January 1, 2021, we adopted this ASU with no material impact on the Company’s consolidated financial position or results of operations.

Recent Accounting Pronouncements - Adoption of Codification Improvements Standard

In October 2020, the FASB issued ASU 2020-10, Codification Improvements. The ASU amends various sections of the codification in the FASB’s ongoing efforts to simplify and improve guidance. Effective January 1, 2021, we adopted this ASU with no material impact on the Company’s consolidated financial position or results of operations.

Recent Accounting Pronouncements - New Accounting Standards Issued But Not Yet Implemented

In March 2020, the FASB issued ASU 2020-04, Reference Rate Reform (Topic 848). This ASU was issued because, by the end of 2021, banks will no longer be required to report information that is used to determine London Interbank Offered Rate (“LIBOR”), which is used globally by all types of entities. As a result, LIBOR could be discontinued, as well as other interest rates used globally. ASU 2020-04 provides companies with optional expedients for contract modifications under Topics 310, 470, 842, and 815-15, excluded components of certain hedging relationships, fair value hedges, and cash flow hedges, as well as certain exceptions, which are intended to help ease the potential accounting burden associated with transitioning away from these reference rates. ASU 2021-01 clarifies certain optional expedients and exceptions for contract modifications and hedge accounting. Companies can apply the ASU immediately. However, the guidance will only be available for a limited time (generally through December 31, 2022). The Company is currently evaluating the impact that adopting this new accounting standard will have on its consolidated financial statements and related disclosures.

(4) Inventories

Inventories consisted of the following:

(in millions)	June 30, 2021	December 31, 2020
Finished goods	**$ 175**	$ 133
Raw materials	**131**	83
In-process inventories	**27**	16
Parts, supplies and other	**71**	66
Total inventories	**$ 404**	$ 298

(5) Property, Plant and Equipment

Property, plant and equipment consisted of the following:

(in millions)	June 30, 2021	December 31, 2020
Machinery and equipment	**$ 3,916**	$ 3,881
Buildings and improvements	**87**	88
ROU finance leases	**81**	80
Land and improvements	**48**	47
Furniture and fixtures	**37**	38
Construction in progress	**222**	100
Other	**14**	15
	4,405	4,249
Less: Accumulated depreciation and amortization	**2,101**	2,009
Total property, plant and equipment, net	**$ 2,304**	$ 2,240

On February 1, 2021, the Company completed a pipeline acquisition for total consideration of $23 million, which is accounted for as a business combination under ASC 805. An intangible asset of $3 million was recognized in Other long-term assets related to acquired contracts that will be amortized in less than three years. The accounting for the business combination is preliminary, as the Company is finalizing working capital adjustments, and is expected to be finalized within 12 months of the acquisition date.

As of June 30, 2021, the Company had not identified the existence of an impairment indicator for our long-lived asset groups as outlined under ASC 360.

(6) Leases

Lease Overview

We lease certain pipelines, storage tanks, railcars, office space, land, and equipment across our refining, fertilizer, and corporate operations. Most leases include one or more options to renew, with renewal terms that can extend the lease term from one to 20 years or more. The exercise of lease renewal options is at our sole discretion. Certain leases also include options to purchase the leased property. Certain of our lease agreements include rental payments which are adjusted periodically for factors such as inflation. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants. Additionally, we do not have any material lessor or sub-leasing arrangements.

Balance Sheet Summary as of June 30, 2021 and December 31, 2020

The following tables summarize the right-of-use ("ROU") asset and lease liability balances for the Company's operating and finance leases at June 30, 2021 and December 31, 2020:

	June 30, 2021		December 31, 2020	
(in millions)	Operating Leases	Finance Leases	Operating Leases	Finance Leases
ROU assets, net				
Pipeline and storage	**$ 19**	**$ 25**	$ 15	$ 26
Railcars	**7**	**—**	8	—
Real estate and other	**14**	**19**	14	21
Lease liability				
Pipelines and storage	**$ 19**	**$ 37**	$ 16	$ 38
Railcars	**7**	**—**	8	—
Real estate and other	**14**	**21**	14	22

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(unaudited)

Lease Expense Summary for the Three and Six Months Ended June 30, 2021 and 2020

We recognize lease expense on a straight-line basis over the lease term and short-term lease expense within Direct operating expenses (exclusive of depreciation and amortization). For the three and six months ended June 30, 2021 and 2020, we recognized lease expense comprised of the following components:

(in millions)	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Operating lease expense	**$ 4**	$ 5	**$ 8**	$ 9
Finance lease expense:				
Amortization of ROU asset	**$ 1**	$ 1	**$ 3**	$ 3
Interest expense on lease liability	**2**	2	**3**	3
Short-term lease expense	**$ 2**	$ 2	**$ 3**	$ 4

Lease Terms and Discount Rates

The following outlines the remaining lease terms and discount rates used in the measurement of the Company's ROU assets and liabilities:

	June 30, 2021 Operating Leases	June 30, 2021 Finance Leases	December 31, 2020 Operating Leases	December 31, 2020 Finance Leases
Weighted-average remaining lease term	**4.4 years**	**7.7 years**	3.1 years	8.1 years
Weighted-average discount rate	**5.5 %**	**9.0 %**	5.5 %	9.0 %

Maturities of Lease Liabilities

The following summarizes the remaining minimum lease payments through maturity of the Company's lease liabilities at June 30, 2021:

(in millions)	Operating Leases	Finance Leases
Remainder of 2021	**$ 7**	**$ 6**
2022	**13**	**11**
2023	**11**	**10**
2024	**7**	**10**
2025	**2**	**10**
Thereafter	**5**	**33**
Total lease payments	**45**	**80**
Less: imputed interest	**(5)**	**(22)**
Total lease liability	**$ 40**	**$ 58**

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(7) Other Current Liabilities

Other current liabilities were as follows:

(in millions)	June 30, 2021	December 31, 2020
Accrued Renewable Fuel Standards ("RFS") obligation	**$ 485**	$ 214
Accrued taxes other than income taxes	**41**	32
Personnel accruals	**31**	23
Accrued derivatives	**26**	17
Accrued interest	**23**	25
Share-based compensation	**16**	4
Deferred revenue	**15**	31
Operating lease liabilities	**12**	14
Accrued income taxes	**10**	—
Current portion of long-term debt and finance lease obligations	**6**	8
Other accrued expenses and liabilities	**15**	9
Total other current liabilities	**$ 680**	$ 377

(8) Long-Term Debt and Finance Lease Obligations

Long-term debt and finance lease obligations consist of the following:

(in millions)	June 30, 2021	December 31, 2020
CVR Partners:		
9.25% Senior Secured Notes, due June 2023 (1)	**$ 95**	$ 645
6.125% Senior Secured Notes, due June 2028	**550**	—
Unamortized discount and debt issuance costs	**(5)**	(11)
Total CVR Partners debt, net of current portion	**$ 640**	$ 634
CVR Refining:		
Finance lease obligations, net of current portion (2)	**52**	55
Total CVR Refining debt, net of current portion	**$ 52**	$ 55
CVR Energy:		
5.25% Senior Notes, due February 2025	**$ 600**	$ 600
5.75% Senior Notes, due February 2028	**400**	400
Unamortized debt issuance costs	**(5)**	(6)
Total CVR Energy debt	**995**	994
Total long-term debt and finance lease obligations, net of current portion	**$ 1,687**	$ 1,683
Current portion of long-term debt and finance lease obligations (2)(3)	**6**	8
Total long-term debt and finance lease obligations, including current portion	**$ 1,693**	$ 1,691

(1) The call price of the 9.25% Senior Secured Notes, due June 2023 (the "2023 UAN Notes") decreased to par on June 15, 2021. On June 23, 2021, CVR Partners redeemed $550 million of the 2023 UAN Notes, at par, plus accrued and unpaid interest. The remaining balance of $95 million is outstanding as of June 30, 2021.
(2) Current portion of finance lease obligations recognized was approximately $6 million as of June 30, 2021 and December 31, 2020. The current amounts are reported in Other current liabilities.
(3) The $2 million outstanding balance of the 6.50% Notes, due April 2021, was paid in full on April 15, 2021.

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Credit Agreements

(in millions)	Total Available Borrowing Capacity	Amount Borrowed as of June 30, 2021	Outstanding Letters of Credit	Available Capacity as of June 30, 2021	Maturity Date
CVR Partners:					
Asset Based ("Nitrogen Fertilizer ABL") Credit Agreement (1)	**$ 32**	**$ —**	**$ —**	**$ 32**	September 30, 2022
CVR Refining:					
Amended and Restated Asset Based ("Petroleum ABL") Credit Agreement (2)	**$ 400**	**$ —**	**$ 36**	**$ 364**	November 14, 2022

(1) Beginning January 1, 2021, loans under the Nitrogen Fertilizer ABL bear interest at an annual rate equal to (i) (a) 2.00% plus LIBOR, to the extent available, or (b) 1.00% plus a base rate, if our quarterly excess availability is greater than 50%, and (ii) (a) 2.50% plus LIBOR, to the extent available, or (b) 1.50% plus a base rate, otherwise.
(2) Loans under the Petroleum ABL bear interest at an annual rate equal to (i) (a) 1.50% plus LIBOR, to the extent available, or (b) 0.50% plus a base rate, if our quarterly excess availability is greater than 50%, and (ii) (a) 1.75% plus LIBOR, to the extent available, or (b) 0.75% plus a base rate, otherwise.

2028 UAN Notes - On June 23, 2021, CVR Partners and its subsidiary, CVR Nitrogen Finance Corporation ("Finance Co." and, together with CVR Partners, the "Issuers"), completed a private offering of $550 million aggregate principal amount of 6.125% Senior Secured Notes due 2028 (the "2028 UAN Notes"). Interest on the 2028 UAN Notes is payable semi-annually in arrears on June 15 and December 15 each year, commencing on December 15, 2021. The 2028 UAN Notes mature on June 15, 2028, unless earlier redeemed or repurchased by the Issuers. The 2028 UAN Notes are jointly and severally guaranteed on a senior secured basis by all the existing domestic subsidiaries of CVR Partners, excluding Finance Co.

In relation to the issuance of the 2028 UAN Notes, CVR Partners received $547 million of net cash proceeds, net of underwriting fees and other third-party fees and expenses associated with the offering. The debt issuance costs of the 2028 UAN Notes totaled approximately $3 million and are being amortized over the term of the 2028 UAN Notes as interest expense using the effective-interest amortization method.

The Issuers may, at their option, at any time and from time to time prior to June 15, 2024, on any one or more occasions, redeem all or part of the 2028 UAN Notes, at a price equal to 100% of the principal amount plus a "make whole" premium, plus accrued and unpaid interest. On or after June 15, 2024, the Issuers may, on any one or more occasions, redeem all or part of the 2028 UAN Notes at the redemption prices set forth below, expressed as a percentage of the principal amount of the respective notes, plus accrued and unpaid interest to the applicable redemption date.

12-month period beginning June 15,	Percentage
2024	103.063%
2025	101.531%
2026 and thereafter	100.000%

The indenture governing the 2028 UAN Notes contains covenants that are substantially the same as the indenture governing the 2023 UAN Notes. However, the 2028 Notes contain a permitted investment activity carveout that allows for the transfer of certain carbon capture assets to a joint venture for the purpose of monetizing potential tax credits.

2023 UAN Notes - On June 23, 2021, CVR Partners redeemed $550 million aggregate principal amount of the outstanding 2023 UAN Notes at par and settled accrued interest of approximately $1 million through the date of redemption. As a result of the redemption, CVR Partners recognized in Interest expense, net an $8 million loss on extinguishment of debt in the second quarter of 2021, which includes the write-off of unamortized deferred financing costs and discount of $3 million and $5 million, respectively.

Covenant Compliance

The Company and its subsidiaries were in compliance with all covenants under their respective debt instruments as of June 30, 2021.

(9) Revenue

The following tables present the Company's revenue, disaggregated by major product. The following tables also include a reconciliation of the disaggregated revenue with the Company's reportable segments.

	Three Months Ended June 30, 2021				Six Months Ended June 30, 2021			
(in millions)	Petroleum	Nitrogen Fertilizer	Other / Elimination	Consolidated	Petroleum	Nitrogen Fertilizer	Other / Elimination	Consolidated
Major Product								
Gasoline	$ 908	$ —	$ —	$ 908	$ 1,657	$ —	$ —	$ 1,657
Distillates (1)	685	—	—	685	1,273	—	—	1,273
Ammonia	—	32	—	32	—	42	—	42
UAN	—	87	—	87	—	126	—	126
Other urea products	—	7	—	7	—	11	—	11
Freight revenue	5	9	—	14	11	15	—	26
Other (2)	41	3	(3)	41	73	5	(5)	73
Revenue from product sales	1,639	138	(3)	1,774	3,014	199	(5)	3,208
Crude oil sales	8	—	—	8	37	—	—	37
Other revenue (2)	1	—	—	1	1	—	—	1
Net sales	$ 1,648	$ 138	$ (3)	$ 1,783	$ 3,052	$ 199	$ (5)	$ 3,246

	Three Months Ended June 30, 2020				Six Months Ended June 30, 2020			
(in millions)	Petroleum	Nitrogen Fertilizer	Other / Elimination	Consolidated	Petroleum	Nitrogen Fertilizer	Other / Elimination	Consolidated
Major Product								
Gasoline	$ 300	$ —	$ —	$ 300	$ 816	$ —	$ —	$ 816
Distillates (1)	246	—	—	246	720	—	—	720
Ammonia	—	37	—	37	—	51	—	51
UAN	—	55	—	55	—	102	—	102
Other urea products	—	4	—	4	—	7	—	7
Freight revenue	4	7	—	11	9	15	—	24
Other (2)	12	2	(2)	12	35	5	(3)	37
Revenue from product sales	562	105	(2)	665	1,580	180	(3)	1,757
Crude oil sales	10	—	—	10	48	—	—	48
Other revenue (2)	—	—	—	—	1	—	—	1
Net sales	$ 572	$ 105	$ (2)	$ 675	$ 1,629	$ 180	$ (3)	$ 1,806

(1) Distillates consist primarily of diesel fuel, kerosene, and jet fuel.
(2) Other revenue consists primarily of feedstock, asphalt sales, and pipeline and processing fees.

Transaction Price Allocated to Remaining Performance Obligations

As of June 30, 2021, the Nitrogen Fertilizer Segment had approximately $6 million of remaining performance obligations for contracts with an original expected duration of more than one year. The Nitrogen Fertilizer Segment expects to recognize approximately $3 million of these performance obligations as revenue by the end of 2021, an additional $2 million in 2022, and the remaining balance thereafter.

Contract Balances

The Nitrogen Fertilizer Segment's deferred revenue is a contract liability that primarily relates to nitrogen fertilizer sales contracts requiring customer prepayment prior to product delivery to guarantee a price and supply of nitrogen fertilizer. A summary of the Nitrogen Fertilizer Segment's deferred revenue activity during the six months ended June 30, 2021 is presented below:

(in millions)		
Balance at December 31, 2020	**$**	**31**
Add:		
New prepay contracts entered into during the period (1)		**30**
Less:		
Revenue recognized that was included in the contract liability balance at the beginning of the period		**(30)**
Revenue recognized related to contracts entered into during the period		**(15)**
Balance at June 30, 2021	**$**	**16**

(1) Includes $16 million where payment associated with prepaid contracts was collected as of June 30, 2021.

(10) Derivative Financial Instruments, Investments and Fair Value Measurements

Derivative Financial Instruments

The Petroleum Segment from time to time enters into various commodity derivative transactions to manage price risk on crude oil and other inventories and to fix margins on certain future production. On a regular basis, the Company enters into commodity contracts with counterparties for the purchases or sale of crude oil, blendstocks, various finished products, and RINs. The contracts usually qualify for the normal purchase normal sale exception and follow the accrual method of accounting. All other derivative instruments are recorded at fair value using mark-to-market accounting on a periodic basis utilizing third-party pricing.

The Petroleum Segment holds derivative instruments, such as exchange-traded crude oil futures and over-the-counter forward swap agreements, which it believes provide an economic hedge on future transactions, but such instruments are not designated as hedges under GAAP. There are no premiums paid or received at inception of the derivative contracts or upon settlement. The Petroleum Segment may enter into forward purchase or sale contracts associated with RINs. As of June 30, 2021, the Petroleum Segment had open fixed-price commitments to purchase 21 million RINs.

Commodity derivatives include commodity swaps and forward purchase and sale commitments. There were 6 million outstanding commodity swap positions as of June 30, 2021. There were approximately 1 million forward purchase commitments and 1 million forward sale commitments as of June 30, 2021.

The following outlines the gains (losses) recognized on the Company's derivative activities, all of which are recorded in Cost of materials and other on the condensed consolidated statements of operations:

Gain (loss) on Derivatives

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2021**	**2020**	**2021**	**2020**
Forward purchases and sales contracts, net	**$ 4**	$ 15	**$ 22**	$ 51
Commodity swap instruments	**(5)**	4	**(55)**	4
Futures contracts	**(1)**	1	**(1)**	10
Total (loss) gain on derivatives, net	**$ (2)**	$ 20	**$ (34)**	$ 65

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Offsetting Assets and Liabilities

The Company elected to offset the fair value amounts recognized for multiple derivative contracts executed with the same counterparty. These amounts are recognized as current assets and current liabilities within the Prepaid expenses and other current assets and Other current liabilities financial statement line items, respectively, in the condensed consolidated balance sheets as follows:

	Derivative Assets		Derivative Liabilities	
(in millions)	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Commodity derivatives	**$ 2**	$ 1	**$ (1)**	$ (5)
Less: Counterparty netting	**(1)**	(1)	**1**	1
Total net fair value of derivatives	**$ 1**	$ —	**$ —**	$ (4)

Investments

Investments consist of equity securities, which are reported at fair value in our condensed consolidated balance sheets. These investments are considered trading securities. Investment income on marketable securities consists of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2021	2020	2021	2020
Dividend income	**$ —**	$ 3	**$ —**	$ 4
Gain on marketable securities	**21**	18	**83**	48
Investment income on marketable securities	**$ 21**	$ 21	**$ 83**	$ 52

On June 10, 2021, the Company distributed its investment of 10,539,880 shares of common stock of Delek US Holdings, Inc. (“Delek”) in the form of a special dividend to its stockholders (the “Stock Distribution”). Following the Stock Distribution, the Company continues to hold $6 million in other marketable securities of Delek. See further discussion of the distribution in Note 15 (“Related Party Transactions”).

Fair Value Measurements

In accordance with FASB ASC Topic 820 — *Fair Value Measurements and Disclosures* (“ASC 820”), the Company utilizes the market approach to measure fair value for its financial assets and liabilities. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities or a group of assets or liabilities, such as a business.

ASC 820 utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

- Level 1 — Quoted prices in active markets for identical assets or liabilities
- Level 2 — Other significant observable inputs (including quoted prices in active markets for similar assets or liabilities)
- Level 3 — Significant unobservable inputs (including the Company’s own assumptions in determining the fair value)

As of June 30, 2021 and December 31, 2020, the only financial assets and liabilities that are measured at fair value on a recurring basis are the Company’s investments, derivative instruments, long-term debt, and the RFS obligation. The estimated fair value of cash equivalents, including amounts invested in short-term money market funds, and restricted cash approximate their carrying amounts. The Petroleum Segment’s commodity derivative contracts and RFS obligation, which use fair value measurements and are valued using broker quoted market prices of similar instruments, are considered Level 2 inputs. The Company had no transfers of assets or liabilities between any of the above levels during the six months ended June 30, 2021.

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The following tables set forth the assets and liabilities measured or disclosed at fair value on a recurring basis, by input level, as of June 30, 2021 and December 31, 2020:

(in millions)	June 30, 2021			
Location and Description	Level 1	Level 2	Level 3	Total
Prepaid expenses and other current assets (investments)	$ 6	$ —	$ —	$ 6
Prepaid expenses and other current assets (commodity derivatives)	—	4	—	4
Total Assets	$ 6	$ 4	$ —	$ 10
Other current liabilities (commodity swaps)	$ —	$ (26)	$ —	$ (26)
Other current liabilities (RFS position)	—	(485)	—	(485)
Long-term debt and finance lease obligations, net of current portion	—	(1,662)	—	(1,662)
Total Liabilities	$ —	$ (2,173)	$ —	$ (2,173)

(in millions)	December 31, 2020			
Location and Description	Level 1	Level 2	Level 3	Total
Prepaid expenses and other current assets (investments)	$ 173	$ —	$ —	$ 173
Total Assets	$ 173	$ —	$ —	$ 173
Current portion of long-term debt	$ —	$ (2)	$ —	$ (2)
Other current liabilities (commodity derivatives)	—	(17)	—	(17)
Other current liabilities (RFS position)	—	(214)	—	(214)
Long-term debt and finance lease obligations, net of current portion	—	(1,604)	—	(1,604)
Total Liabilities	$ —	$ (1,837)	$ —	$ (1,837)

(11) Share-Based Compensation

A summary of compensation expense during the three and six months ended June 30, 2021 and 2020 is presented below:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2021	2020	2021	2020
Performance Unit Awards	$ —	$ —	$ (3)	$ —
CVR Partners LTIP - Phantom Unit Awards	7	—	12	—
Incentive Unit Awards	5	2	11	1
Total Share-Based Compensation Expense	$ 12	$ 2	$ 20	$ 1

(12) Commitments and Contingencies

Except as described below, there have been no material changes in the Company's commitments and contingencies disclosed in the 2020 Form 10-K. In the ordinary course of business, the Company may become party to lawsuits, administrative proceedings, and governmental investigations, including environmental, regulatory, and other matters. The outcome of these matters cannot always be predicted accurately, but the Company accrues liabilities for these matters if the Company has determined that it is probable a loss has been incurred and the loss can be reasonably estimated. While it is not possible to predict the outcome of such proceedings, if one or more of them were decided against us, the Company believes there would be no material impact on its consolidated financial statements.

The Company continues to monitor its contractual arrangements and customer, vendor, and supplier relationships to determine whether and to what extent, if any, the impacts of the COVID-19 pandemic or ongoing crude oil or refined product price volatility will impair or excuse the performance of the Company or its subsidiaries or their customers, vendors, or suppliers under existing agreements. As of June 30, 2021, the Company had not experienced a material financial impact from any actual or threatened impairment of or excuse in its or others' performance under such agreements.

Crude Oil Supply Agreement

On August 31, 2012, an indirect, wholly-owned subsidiary of CVR Refining entered into an Amended and Restated Crude Oil Supply Agreement (as amended, the "Crude Oil Supply Agreement") with Vitol Inc. ("Vitol"). Under the Crude Oil Supply Agreement, Vitol supplies the Petroleum Segment with crude oil and intermediation logistics helping to reduce the amount of inventory held at certain locations and mitigate crude oil pricing risk. Volumes contracted under the Crude Oil Supply Agreement, as a percentage of the total crude oil purchases (in barrels), was approximately 42% and 38% for the three months ended June 30, 2021 and 2020, respectively, and 40% and 28% for the six months ended June 30, 2021 and 2020, respectively. The Crude Oil Supply Agreement, which currently extends through December 31, 2021, automatically renews for successive one-year terms (each such term, a "Renewal Term") unless either party provides the other with notice of non-renewal at least 180 days prior to expiration of any Renewal Term.

RFS

The Petroleum Segment is subject to the RFS, implemented by primarily the Environmental Protection Agency (the "EPA"), which requires refiners to either blend renewable fuels in with their transportation fuels or purchase renewable fuel credits, known as RINs, in lieu of blending. The Petroleum Segment is not able to blend the substantial majority of its transportation fuels and has to purchase RINs on the open market, and may have to obtain waiver credits for cellulosic biofuels or other exemptions from the EPA, in order to comply with the RFS.

For the three months ended June 30, 2021 and 2020, the Company recognized expense of approximately $173 million and $16 million, respectively, and for the six months ended June 30, 2021 and 2020, the Company recognized expense of approximately $351 million and $35 million, respectively, for the Petroleum Segment's compliance with the RFS. The recognized amounts are included within Cost of materials and other in the Condensed Consolidated Statements of Operations and represent costs to comply with the RFS obligation through purchasing of RINs not otherwise reduced by blending of ethanol or biodiesel. At each reporting period, to the extent RINs purchased or generated through blending are less than the RFS obligation (excluding the impact of exemptions or waivers to which the Petroleum Segment may be entitled), the remaining position is marked-to-market using RIN market prices at period end. As of June 30, 2021 and December 31, 2020, the Petroleum Segment's RFS position was approximately $485 million and $214 million, respectively, which is recorded in Other current liabilities in the Condensed Consolidated Balance Sheets.

Litigation

The U.S. Attorney's office for the Southern District of New York contacted CVR Energy in September 2017 seeking production of information pertaining to CVR Refining's, CVR Energy's and Mr. Carl C. Icahn's activities relating to the RFS and Mr. Icahn's former role as an advisor to the President of the United States. CVR Energy cooperated with the request and provided information in response to the subpoena. The U.S. Attorney's office has not made any claims or allegations against CVR Energy or Mr. Icahn. CVR Energy believes it maintains a strong compliance program and, while no assurances can be made, CVR Energy does not believe this inquiry will have a material impact on its business, financial condition, results of operations or cash flows.

On August 21, 2018, Coffeyville Resources Refining & Marketing, LLC ("CRRM") received a letter from the United States Department of Justice ("DOJ") on behalf of the EPA and KDHE alleging violations of the CAA and a 2012 Consent Decree (the "CD") between Coffeyville Resources Refining & Marketing, LLC ("CRRM"), the United States (on behalf of the EPA) and the Kansas Department of Health and Environment ("KDHE") at CRRM's Coffeyville refinery. In June 2020, a tolling agreement between the parties relating to such allegations expired, and the United States and KDHE sent demand letters relating to the allegations (the "Stipulated Claims") and seeking stipulated penalties. In February 2021, the DOJ and KDHE sent CRRM a statement of position under the CD regarding its demand for Stipulated Claims. As CRRM disputes most claims asserted by the government, in accordance with the CD, CRRM deposited funds into a commercial escrow account pending resolution of disputed claims. The escrowed funds are legally restricted for use and are included within Prepaid expenses and
other current assets on the condensed consolidated balance sheets. In December 2020, the DOJ and KDHE filed a supplement complaint in the United States District Court for the District of Kansas asserting nine counts for alleged violations of the Clean Air Act, the Kansas State Implementation Plan and Kansas law ("the Statutory Claims") and seeking civil penalties, injunctive and related relief. CRRM has responded to numerous information requests and negotiations relating to the Stipulated Claims and the Statutory Claims are ongoing. As a result, the Company cannot determine at this time the outcome of these matters, including whether such outcome, or any subsequent enforcement or litigation relating thereto would have a material impact on the Company's financial position, results of operations, or cash flows.

On June 25, 2021, the Supreme Court of the United States (the "Supreme Court") issued an opinion reversing the January 2020 decision of the U.S. Court of Appeals for the 10th Circuit (the "10th Circuit") vacating three small refinery exemptions ("SREs") under the RFS, including one issued to Wynnewood Refining Company, LLC's ("WRC") Wynnewood refinery for 2017, to the extent such SREs were vacated based on failure to have continuously received an SRE in all applicable preceding years. The EPA has indicated it is reconsidering WRC's 2017 SRE. As it is not yet clear what action the EPA will take, we cannot currently estimate the outcome, impact, or timing of resolution of this matter.

On July 26, 2021, trial commenced in the consolidated lawsuits filed by purported former unitholders of CVR Refining on behalf of themselves and an alleged class of similarly situated unitholders against the Company, CVR Refining and its general partner, CVR Refining Holdings, IEP, and certain directors and affiliates in the Court of Chancery of the State of Delaware related to the Company's exercise of the call option under the CVR Refining Amended and Restated Agreement of Limited Partnership assigned to it by CVR Refining's general partner (the "Delaware Lawsuits"). The trial for the Delaware Lawsuits, which primarily alleged breach of contract, tortious interference, and breach of the implied covenant of good faith and fair dealing, concluded on July 29, 2021. The Company believes the Delaware Lawsuits are without merit and has vigorously defended against them. As no ruling in the case has yet been issued, the Company cannot determine at this time the outcome of the Delaware Lawsuits, including whether the outcome would have a material impact on the Company's financial position, results of operations, or cash flows. The lawsuit filed in the United States District Court for the Southern District of New York also related to the Company's exercise of the call option was voluntarily dismissed.

(13) Business Segments

CVR Energy's revenues are derived from two operating segments: the Petroleum Segment and the Nitrogen Fertilizer Segment. The Company evaluates the performance of its segments based primarily on segment operating income (loss) and Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA"). For the purposes of the operating segment disclosure, the Company presents operating income (loss) as it is the most comparable measure to the amounts presented on the condensed consolidated statements of operations. The other amounts reflect intercompany eliminations, corporate cash and cash equivalents, income tax activities, and other corporate activities that are not allocated to the operating segments.

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The following table summarizes certain operating results and capital expenditures information by segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2021	2020	2021	2020
Net sales				
Petroleum	$ 1,648	$ 572	$ 3,052	$ 1,629
Nitrogen Fertilizer	138	105	199	180
Other, including intersegment eliminations	(3)	(2)	(5)	(3)
Total	$ 1,783	$ 675	$ 3,246	$ 1,806
Operating (loss) income				
Petroleum	$ (20)	$ 5	$ (136)	$ (122)
Nitrogen Fertilizer	30	(26)	16	(31)
Other, including intersegment eliminations	(4)	(5)	(9)	(7)
Total	6	(26)	(129)	(160)
Interest expense, net	(38)	(31)	(69)	(67)
Investment income on marketable securities	21	21	83	52
Other income, net	3	(1)	10	—
Loss before income tax benefit	$ (8)	$ (37)	$ (105)	$ (175)
Depreciation and amortization				
Petroleum	$ 51	$ 50	$ 102	$ 99
Nitrogen Fertilizer	21	24	35	39
Other	—	—	1	—
Total	$ 72	$ 74	$ 138	$ 138
Capital expenditures (1)				
Petroleum	$ 9	$ 22	$ 19	$ 63
Nitrogen Fertilizer	4	3	7	8
Other (2)	70	1	125	2
Total	$ 83	$ 26	$ 151	$ 73

The following table summarizes total assets by segment:

(in millions)	June 30, 2021	December 31, 2020
Petroleum	$ 3,317	$ 2,991
Nitrogen Fertilizer	1,019	1,033
Other, including intersegment eliminations	(538)	(46)
Total Assets	$ 3,798	$ 3,978

(1) Capital expenditures are shown exclusive of capitalized turnaround expenditures and business combinations.
(2) Other includes amounts incurred for the Wynnewood renewable diesel unit project.

(14) Supplemental Cash Flow Information

Cash flows related to income taxes, interest, leases, and capital expenditures included in accounts payable were as follows:

	Six Months Ended June 30,	
(in millions)	2021	2020
Supplemental disclosures:		
Cash received for income taxes, net of payments	$ —	$ (4)
Cash paid for interest	65	49
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	8	8
Operating cash flows from finance leases	3	3
Financing cash flows from finance leases	3	3
Non-cash investing and financing activities:		
Change in capital expenditures included in accounts payable (1)	25	(4)
Non-cash dividends to CVR Energy stockholders	251	—

(1) Capital expenditures are shown exclusive of capitalized turnaround expenditures.

Cash, cash equivalents and restricted cash consisted of the following:

(in millions)	June 30, 2021	December 31, 2020
Cash and cash equivalents	$ 519	$ 667
Restricted cash (2)	7	7
Cash, cash equivalents and restricted cash	$ 526	$ 674

(2) The restricted cash balance is included within Prepaid expenses and other current assets on the condensed consolidated balance sheets.

(15) Related Party Transactions

Activity associated with the Company’s related party arrangements for the three and six months ended June 30, 2021 and 2020 is summarized below:

Expenses from Related Parties

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2021	2020	2021	2020
Cost of materials and other				
Joint Venture Transportation Agreement:				
Enable	$ 3	$ 3	$ 6	$ 6
Payments made				
Dividends (1)	$ 348	$ 28	348	85

(1) See below for a summary of the dividends paid to IEP for the six months ended June 30, 2021 and year ended December 31, 2020.

Dividends to CVR Energy Stockholders

Dividends, if any, including the payment, amount and timing thereof, are subject to change at the discretion of CVR Energy’s board of directors (the “Board”). IEP, through its ownership of the Company’s common stock, is entitled to receive dividends that are declared and paid by the Company based on the number of shares held at each record date. There were no dividends declared or paid by the Company during the six months ended June 30, 2021 related to the first quarter of 2021 and fourth quarter of 2020. No dividends were declared for the second quarter of 2021.

On May 26, 2021, the Company announced a special dividend of approximately $492 million, or equivalent to $4.89 per share of the Company's common stock, to be paid in a combination of cash (the "Cash Distribution") and the Stock Distribution. On June 10, 2021, the Company distributed an aggregate amount of approximately $241 million, or $2.40 per share of the Company's common stock, pursuant to the Cash Distribution, and approximately 10,539,880 shares of Delek common stock, which represented approximately 14.3% of the outstanding shares of Delek common stock, pursuant to the Stock Distribution. IEP received approximately 7,464,652 shares of common stock of Delek and $171 million in cash. The Stock Distribution was recorded as a reduction to equity through a derecognition of our investment in Delek, and the Company recognized a gain of $112 million from the initial investment in Delek through the date of the Stock Distribution.

The following table presents dividends paid to the Company's stockholders, including IEP, during 2020 (amounts presented in tables below may not add to totals presented due to rounding).

			Dividends Paid (in millions)		
Related Period	**Date Paid**	**Dividend Per Share**	**Stockholders**	**IEP**	**Total**
2019 - 4th Quarter	March 9, 2020	$ 0.80	$ 23	$ 57	$ 80
2020 - 1st Quarter	May 26, 2020	0.40	12	28	40
Total		$ 1.20	$ 35	$ 85	$ 121

Distributions to CVR Partners' Unitholders

Distributions, if any, including the payment, amount and timing thereof, are subject to change at the discretion of the UAN GP Board. There were no distributions declared or paid by CVR Partners during the six months ended June 30, 2021 related to the first quarter of 2021 and fourth quarter of 2020, and no distributions were declared or paid during 2020.

For the second quarter of 2021, CVR Partners, upon approval by the UAN GP Board on August 2, 2021, declared a distribution of $1.72 per common unit, or $18 million, which is payable August 23, 2021 to unitholders of record as of August 13, 2021. Of this amount, CVR Energy will receive approximately $7 million, with the remaining amount payable to public unitholders.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2020 filed with the SEC on February 23, 2021 (the "2020 Form 10-K"), and the unaudited condensed consolidated financial statements and related notes and with the statistical information and financial data appearing in this Report. Results of operations for the three and six ended June 30, 2021 and cash flows for the six months ended June 30, 2021 are not necessarily indicative of results to be attained for any other period. See "Important Information Regarding Forward-Looking Statements."

Reflected in this discussion and analysis is how management views the Company's current financial condition and results of operations, along with key external variables and management's actions that may impact the Company. Understanding significant external variables, such as market conditions, weather, and seasonal trends, among others, and management actions taken to manage the Company, address external variables, among others, will increase users' understanding of the Company, its financial condition and results of operations. This discussion may contain forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this Report.

Company Overview

CVR Energy, Inc. ("CVR Energy," "CVR," "we," "us," "our," or the "Company") is a diversified holding company primarily engaged in the petroleum refining and nitrogen fertilizer manufacturing industries through our holdings in CVR Refining and CVR Partners, respectively. CVR Refining is a refiner that does not have crude oil exploration or production operations (an "independent petroleum refiner") and is a marketer of high value transportation fuels. CVR Partners produces nitrogen fertilizers in the form of ammonia and urea ammonium nitrate ("UAN"). Ammonia is a direct application fertilizer and is primarily used as a building block for other nitrogen products for industrial applications and finished fertilizer products. UAN is an aqueous solution of urea and ammonium nitrate. At June 30, 2021, we owned the general partner and approximately 36% of the outstanding common units representing limited partner interests in CVR Partners. As of June 30, 2021, Icahn Enterprises L.P. and its affiliates ("IEP") owned approximately 71% of our outstanding common stock.

We operate under two business segments: petroleum and nitrogen fertilizer, which are referred to in this document as our "Petroleum Segment" and our "Nitrogen Fertilizer Segment," respectively.

Strategy and Goals

The Company has adopted Mission and Values, which articulate the Company's expectations for how it and its employees do business each and every day.

Mission and Core Values

Our Mission is to be a top tier North American petroleum refining and nitrogen-based fertilizer company as measured by safe and reliable operations, superior performance and profitable growth. The foundation of how we operate is built on five core Values:

- *Safety* - We always put safety first. The protection of our employees, contractors and communities is paramount. We have an unwavering commitment to safety above all else. If it's not safe, then we don't do it.

- *Environment* - We care for our environment. Complying with all regulations and minimizing any environmental impact from our operations is essential. We understand our obligation to the environment and that it's our duty to protect it.

- *Integrity* - We require high business ethics. We comply with the law and practice sound corporate governance. We only conduct business one way—the right way with integrity.

- *Corporate Citizenship* - We are proud members of the communities where we operate. We are good neighbors and know that it's a privilege we can't take for granted. We seek to make a positive economic and social impact through our financial donations and the contributions of time, knowledge and talent of our employees to the places where we live and work.

- *Continuous Improvement* - We believe in both individual and team success. We foster accountability under a performance-driven culture that supports creative thinking, teamwork, diversity and personal development so that employees can realize their maximum potential. We use defined work practices for consistency, efficiency and to create value across the organization.

Our core values are driven by our people, inform the way we do business each and every day and enhance our ability to accomplish our mission and related strategic objectives.

Strategic Objectives

We have outlined the following strategic objectives to drive the accomplishment of our mission:

Environmental Health & Safety ("EH&S") - We aim to achieve continuous improvement in all EH&S areas through ensuring our people's commitment to environmental, health and safety comes first, the refinement of existing policies, continuous training, and enhanced monitoring procedures.

Reliability - Our goal is to achieve industry-leading utilization rates at our facilities through safe and reliable operations. We are focusing on improvements in day-to-day plant operations, identifying alternative sources for plant inputs to reduce lost time due to third-party operational constraints, and optimizing our commercial and marketing functions to maintain plant operations at their highest level.

Market Capture - We continuously evaluate opportunities to improve the facilities' realized pricing at the gate and reduce variable costs incurred in production to maximize our capture of market opportunities.

Financial Discipline - We strive to be as efficient as possible by maintaining low operating costs and disciplined deployment of capital.

Achievements

During the first six months of 2021, we successfully executed a number of achievements in support of our strategic objectives shown below through the date of this filing despite the challenges experienced by the industry as a result of the COVID-19 pandemic:

	Safety	Reliability	Market Capture	Financial Discipline
Announced and paid a special dividend equivalent to $4.89 per share				ü
Exited our investment in Delek US Holdings, Inc. ("Delek") and recognized gains from the initial investment of over $100 million				ü
Environmental events declined 47% compared to the first half of 2020	ü			
Petroleum Segment:				
Completed the acquisition of Oklahoma crude oil pipeline			ü	ü
Operated our refineries safely and reliably and at high utilization rates, excluding downtime related to Winter Storm Uri	ü	ü	ü	
Received Board approval to complete process design for a Renewable Diesel project at Coffeyville and complete design and ordering of long-lead equipment for a pretreater at Wynnewood			ü	ü
Environmental events declined 33% compared to the first half of 2020	ü			
Nitrogen Fertilizer Segment:				
Achieved record truck shipments and total shipments from the Coffeyville Fertilizer Facility in March 2021		ü	ü	ü

	Safety	Reliability	Market Capture	Financial Discipline
Operated both facilities at high utilization rates, excluding downtime related to Winter Storm Uri		ü	ü	
Reduced CVR Partners' debt service costs by over 300 basis points through refinancing a substantial portion of its 2023 UAN Notes resulting in a $17 million savings in cash interest				ü
Environmental events and project safety management tier 1 incidents declined 67% and 65%, respectively, compared to the first half of 2020	ü			
Declared cash distribution of $1.72 per common unit for the second quarter of 2021				ü

Industry Factors and Market Indicators

General Business Environment

Throughout 2020, the COVID-19 pandemic and actions taken by governments and others in response thereto negatively impacted the worldwide economy, financial markets, and the energy and fertilizer industries. The COVID-19 pandemic also resulted in significant business and operational disruptions, including business closures, liquidity strains, destruction of non-essential demand, as well as supply chain challenges, travel restrictions, stay-at-home orders, and limitations on the availability of the workforce. However, actions taken by the U.S. government to provide stimulus to individuals and businesses have helped mitigate the impacts of the downturn caused by COVID-19. Vaccination efforts underway domestically and internationally also provide promise for a sustained, near-term economic recovery with approximately 56% of the total U.S. population receiving at least one dose of the vaccine and 49% considered fully vaccinated, as of July 22, 2021, according to the U.S. Centers for Disease Control and Prevention. As more businesses resume operations and governmental restrictions are being lifted, there is cautious optimism that the economy will continue to recover in 2021, but it is unknown if or when the economy will return to pre-COVID-19 levels. In addition, the spread of variants of COVID-19 could cause restrictions to continue or be reinstated, which could reverse any recent improvements.

Petroleum Segment

The earnings and cash flows of the Petroleum Segment are primarily affected by the relationship between refined product prices and the prices for crude oil and other feedstocks that are processed and blended into refined products together with the escalated cost of refinery compliance. The cost to acquire crude oil and other feedstocks, which is beyond our control, and the price for which refined products are ultimately sold depends on factors beyond the Petroleum Segment's control, including the supply of, and demand for crude oil, as well as gasoline and other refined products which, in turn, depend on, among other factors, changes in domestic and foreign economies, driving habits, weather conditions, domestic and foreign political affairs, production levels, the availability of imports, the marketing of competitive fuels, and the extent of government regulation. Because the Petroleum Segment applies first-in first-out accounting to value its inventory, crude oil price movements may impact net income because of changes in the value of its unhedged inventory. The effect of changes in crude oil prices on the Petroleum Segment results of operations is partially influenced by the rate at which the process of refined products adjust to reflect these changes.

The prices of crude oil and other feedstocks and refined products are also affected by other factors, such as product pipeline capacity, system inventory, local market conditions, and the operating levels of other refineries. Crude oil costs and the prices of refined products have historically been subject to wide fluctuations. Widespread expansion or upgrades of competitors' facilities, price volatility, international political and economic developments, and other factors are likely to continue to play an important role in refining industry economics. These factors can impact, among other things, the level of inventories in the market, resulting in price volatility and a reduction in product margins. Moreover, the refining industry typically experiences seasonal fluctuations in demand for refined products, such as increases in the demand for gasoline during the summer driving season and for volatile seasonal exports of diesel from the United States Gulf Coast markets.

As a result of government actions taken to curb the spread of COVID-19 and significant business interruptions, the demand for gasoline and diesel in the regions in which our Petroleum Segment operates declined substantially beginning at the end of the first quarter of 2020. However, building on recovery signs observed in late 2020, the U.S. market for refined products continued to show signs of recovery during the second quarter of 2021 through increased average monthly gasoline and diesel demand of approximately 19.0% and 14.7%, respectively, from December 2020 to June 2021. Gasoline demand increased due to easing travel restrictions and some companies returning their workforce to the office, which is the main driver for highway travel, while the increase in diesel demand is generally a result of the opening of coastal states such as California, New York, New Jersey, and Florida to global shipping and commerce. Further, Winter Storm Uri caused unprecedented disruptions to natural gas and electricity supply throughout the Midwest and Gulf Coast regions during February 2021, limiting refining operations, which further helped reduce excess inventories and began to balance supply and demand continuing into the second quarter of 2021 as seen by the decline in average monthly inventories of diesel of approximately 15.3 million barrels from December 2020 to June 2021. The combination of improving demand, declining inventories, and increasing COVID-19 vaccinations led to an increase in refined products prices and crack spreads during the second quarter of 2021. The U.S. Energy Information Administration (“EIA”) outlook for the remainder of 2021 anticipates that U.S. demand for and consumption of gasoline will be higher than the first half of 2021. Additionally, the U.S. demand for jet fuels has begun to recover, albeit at a slower pace than gasoline and diesel, as international and domestic business and leisure air travel increases. Demand is up 16.9% and 100.7% from the fourth quarter of 2020 and second quarter of 2020, respectively. From a global perspective, the EIA expects oil inventories to fall by approximately 0.2 million barrels per day (“bpd”) in the second half of 2021 and expects a rise of approximately 0.5 million bpd in 2022. However, these projections depend on the production decisions of OPEC, U.S. oil production, and the pace of oil demand growth. In the second half of 2021, the EIA expects global oil production, largely from OPEC and partner nonmember countries (“OPEC+”), will increase by more than global oil consumption. This rising production is expected to reduce the global inventory draws and keep prices similar to current levels, averaging $72 per barrel of Brent crude oil during the second half of 2021. In 2022, OPEC+ is expected to continue this production growth, which may contribute to declining oil prices. While the refining market is showing signs of recovery, refinery fleet utilization is still operating at lower rates and there remains uncertainty as to whether another wave of COVID-19 cases may spur additional governmental restrictions and lock-downs in the future which could decrease the recovery efforts seen thus far in 2021.

In addition to current market conditions discussed above, we continue to be impacted by significant volatility to date in 2021 related to compliance requirements under the Renewable Fuel Standard (“RFS”), proposed climate change laws, and regulations. The petroleum business is subject to the RFS, which, each year, requires blending “renewable fuels” with transportation fuels or purchasing renewable identification numbers (“RINs”), in lieu of blending, or otherwise be subject to penalties. Our cost to comply with the RFS is dependent upon a variety of factors, which include the availability of ethanol for blending at our refineries and downstream terminals or RINs for purchase, the price at which RINs can be purchased, transportation fuel production levels, and the mix of our products, all of which can vary significantly from period to period, as well as certain waivers or exceptions to which we may be entitled. Additionally, our costs to comply with the RFS depend on the consistent and timely application of the program by the Environmental Protection Agency (“EPA”), such as timely establishment of the annual renewable volume obligation (“RVO”). Due to recent delays in establishing the 2021 RVO, and the influence exerted and climate change initiatives announced by the new Biden administration, the price of RINs have increased significantly from the beginning of 2020. As a result, our costs to comply with RFS increased significantly throughout 2020 and remain significant for the first half of 2021. Additionally, the delays with the EPA’s ability to establish the 2021 RVO has made it difficult for regulators to forecast the demand for gasoline, diesel, and jet fuel consumption, which may drive a decrease in the availability and increase the cost of RINs. In June 2021, the Supreme Court of the United States (the “Supreme Court”) reversed the January 2020 decision of the U.S. Court of Appeals for the 10th Circuit (the “10th Circuit”) vacating three SREs, to the extent such SREs were vacated based on failure to have continuously received an SRE in all applicable preceding years. This ruling, as well as any action or inaction of EPA relating to such ruling, could materially impact the price of RINs and existing waiver applications. As a result, we continue to expect significant volatility in the price of RINs during 2021 and such volatility could have material impacts on the Company’s results of operations, financial condition and cash flows.

In December 2020, CVR Energy’s board of directors (the “Board”) approved the renewable diesel project at our Wynnewood Refinery, which would convert the Wynnewood Refinery’s hydrocracker to a renewable diesel unit expected to be capable of producing up to 100 million gallons of renewable diesel per year (the “RDU”) and approximately 170 to 180 million RINs annually. Currently, total estimated costs for the project are $150 million to $160 million. Mechanical completion and startup of the RDU is expected to occur in the fourth quarter of 2021. The production of renewable diesel is expected to significantly reduce our net exposure to the RFS. Further, the RDU enables us to capture additional benefits associated with the existing blenders’ tax credit currently set to expire at the end of 2022 and growing low carbon fuel standard programs across the country, with programs in place in California and Oregon and new programs anticipated to be implemented over the next few years. We are also considering adding pretreating capabilities for the RDU at Wynnewood and potential construction of a similar facility at our refinery in Coffeyville, Kansas (the “Coffeyville Refinery”), subject to Board and other approvals. These collective renewable diesel efforts could effectively mitigate a substantial majority, if not all, of our RFS exposure. However, impacts from recent climate change initiatives under the new Biden administration, actions taken by the Supreme Court, resulting administration actions under the RFS, and market conditions could significantly impact the amount by which our renewable diesel business mitigates our costs to comply with the RFS, if at all. Along with impacts from recent regulatory changes, and in response to escalation in renewable feedstock prices, the Company may choose to operate the Wynnewood Refinery in conventional hydrocracking mode instead of renewable diesel mode as to which is most favorable economically.

As of June 30, 2021, we have an estimated (based on the Company's 2020 RVO since the EPA (despite being nearly eight months late) has not yet set the 2021 RVO) open position (excluding the impacts of any exemptions or waivers to which we may be entitled) under the RFS for both 2020 and 2021 of approximately 291 million RINs, excluding approximately 21 million of open, fixed-price commitments to purchase RINs, resulting in a liability of $485 million. The Company's open RFS position, which does not consider open commitments expected to settle in future periods, is marked-to-market each period and thus significant market volatility, as experienced in late 2020 and in 2021 to date, results in significant volatility in our RFS expense from period to period. We recognized an expense of approximately $173 million and $16 million for the three months ended June 30, 2021 and 2020, respectively, and $351 million and $35 million for the six months ended June 30, 2021 and 2020, respectively, for the Petroleum Segment's compliance with the RFS. The increase in 2021 was driven by the significant increases in RINs pricing through the second quarter of 2021 and our open position with respect to both the 2020 and 2021 obligation (excluding the impacts of any exemptions or waivers to which we may be entitled). Of the expense recognized during the three and six months ended June 30, 2021, $58 million and $169 million relates to the revaluation of our net RVO position as of June 30, 2021, respectively. The revaluation represents the summation of the prior period obligation and current period commercial activities, marked at the period end market price. Based upon recent market prices of RINs in July 2021, current estimates related to other variable factors, including our anticipated blending and purchasing activities, and the impact of the open RFS positions and resolution thereof, our estimated consolidated cost to comply with the RFS is $510 to $515 million for 2021, net of the impact from estimated RINs credit generation from renewable diesel operations of $30 to $40 million.

Market Indicators

NYMEX WTI crude oil is an industry wide benchmark that is utilized in the market pricing of a barrel of crude oil. The pricing differences between other crudes and WTI, known as differentials, show how the market for other crude oils such as WCS, White Cliffs ("Condensate"), Brent Crude ("Brent"), and Midland WTI ("Midland") are trending. Due to the COVID-19 pandemic, actions taken by governments and others in response thereto, refined product prices have experienced extreme volatility. As a result of the current environment, refining margins have been and could continue to be significantly reduced.

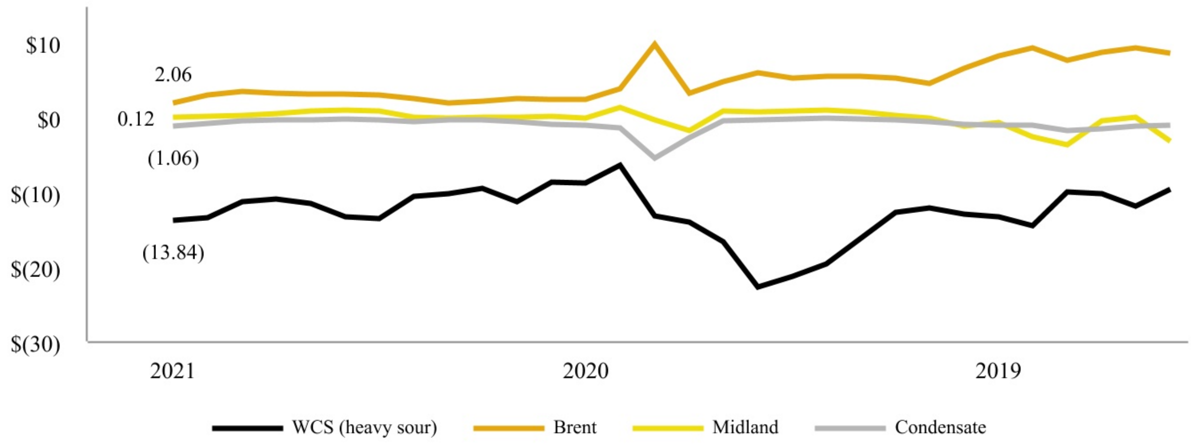
As a performance benchmark and a comparison with other industry participants, we utilize NYMEX and Group 3 crack spreads. These crack spreads are a measure of the difference between market prices for crude oil and refined products and are a commonly used proxy within the industry to estimate or identify trends in refining margins. Crack spreads can fluctuate significantly over time as a result of market conditions and supply and demand balances. The NYMEX 2-1-1 crack spread is calculated using two barrels of WTI producing one barrel of NYMEX RBOB Gasoline ("RBOB") and one barrel of NYMEX NY Harbor ULSD ("HO"). The Group 3 2-1-1 crack spread is calculated using two barrels of WTI crude oil producing one barrel of Group 3 sub-octane gasoline and one barrel of Group 3 ultra-low sulfur diesel.

Both NYMEX 2-1-1 and Group 3 2-2-1 crack spreads increased during the six months ended June 30, 2021 compared to the six months ended June 30, 2020. The NYMEX 2-1-1 crack spread averaged $18.10 per barrel during the six months ended June 30, 2021 compared to $13.47 per barrel in the six months ended June 30, 2020. The Group 3 2-1-1 crack spread averaged $17.76 per barrel during the six months ended June 30, 2021 compared to $10.47 per barrel during the six months ended June 30, 2020.

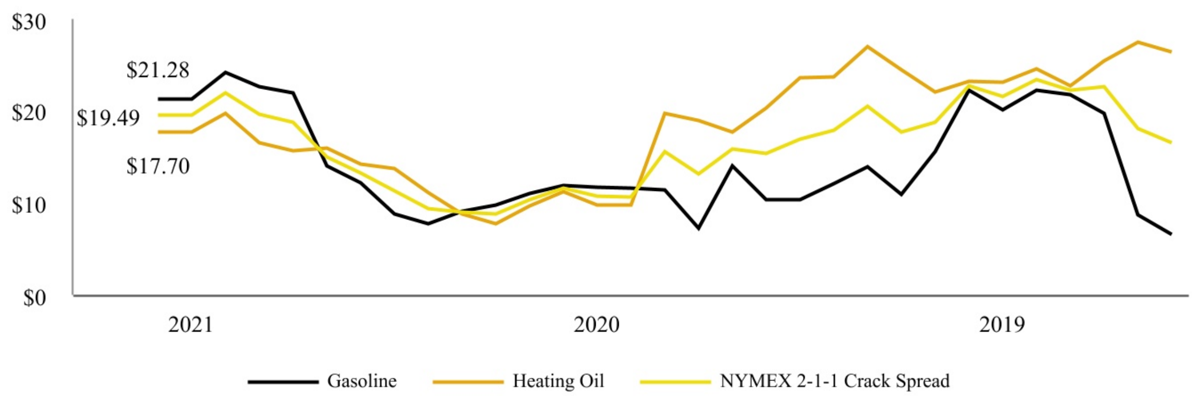
Average monthly prices for RINs increased 409.8% during the second quarter of 2021 compared to the same period of 2020. On a blended barrel basis (calculated using applicable RVO percentages), RINs approximated $8.15 per barrel during the second quarter of 2021 compared to $1.60 per barrel during the second quarter of 2020.

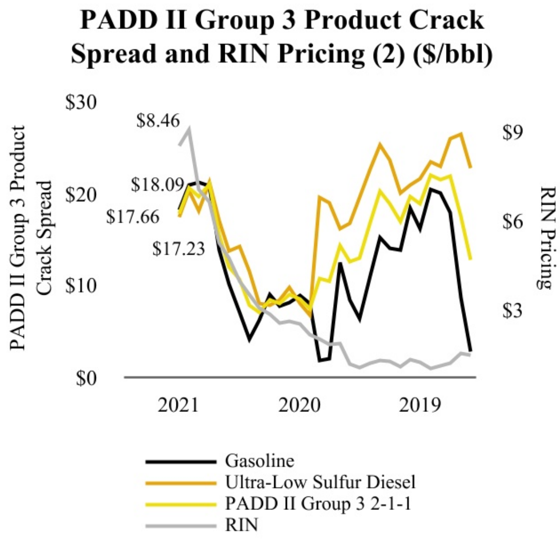
The tables below are presented, on a per barrel basis, by month through June 30, 2021:

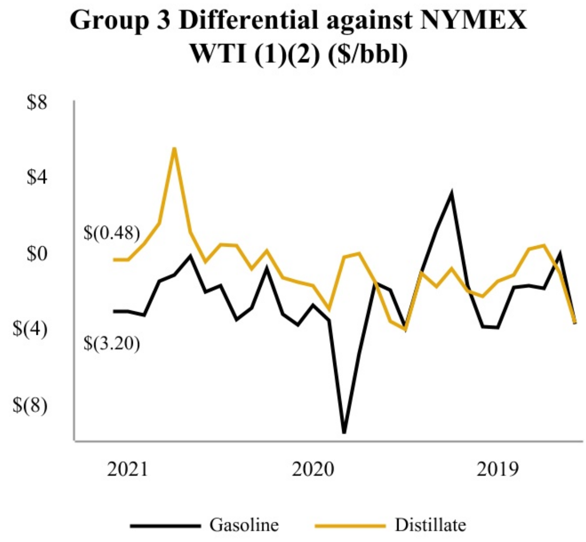
Crude Oil Differentials against WTI (1)(2)



NYMEX Crack Spreads (2)







(1) The table below shows the change over time in NYMEX - WTI, as reflected in the graph above.

(in $/bbl)	Average 2019	Average December 2019	Average 2020	Average December 2020	Average 2021	Average June 2021
WTI	$ 57.03	$ 61.06	$ 39.34	$ 47.07	**$ 62.22**	**$ 71.35**

(2) Information used within these charts was obtained from reputable market sources, including the New York Mercantile Exchange ("NYMEX"), Intercontinental Exchange, and Argus Media, among others.

Nitrogen Fertilizer Segment

Within the Nitrogen Fertilizer Segment, earnings and cash flows from operations are primarily affected by the relationship between nitrogen fertilizer product prices, utilization, and operating costs and expenses, including pet coke and natural gas feedstock costs.

The price at which nitrogen fertilizer products are ultimately sold depends on numerous factors, including the global supply and demand for nitrogen fertilizer products, world grain demand and production levels, changes in world population, the cost and availability of fertilizer transportation infrastructure, local market conditions, operating levels of competing facilities, weather conditions, the availability of imports, impacts of foreign imports and foreign subsidies thereof, and the extent of government intervention in agriculture markets. These factors can impact, among other things, the level of inventories in the market, resulting in price volatility and a reduction in product margins. Moreover, the industry typically experiences seasonal fluctuations in demand for nitrogen fertilizer products.

As a result of the overall decline in global demand for liquid transportation fuels driven by the broader impacts of the COVID-19 pandemic and actions taken by the government to mitigate its spread, ethanol production, which is a significant driver of demand for corn and therefore fertilizer, declined during 2020. However, as restrictions eased, demand for ethanol for fuels blending has largely recovered to pre-COVID-19 levels as of June 2021, although an increase in outbreaks of any variant of COVID-19 could reverse this recovery. Additionally, due to the shift by refineries to processing more light sweet crude oil, the Coffeyville Fertilizer Facility has become more reliant on third-party pet coke as compared to pet coke produced at our Coffeyville Refinery.

Market Indicators

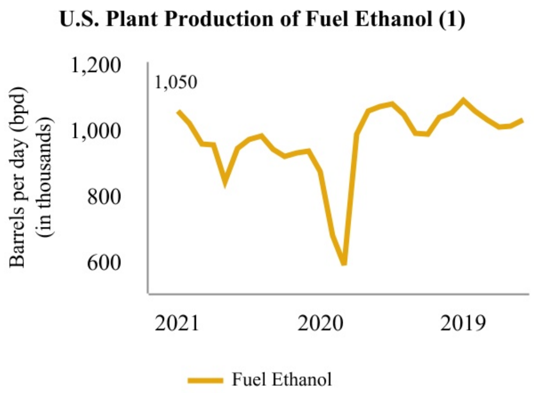
While there is risk of shorter-term volatility given the inherent nature of the commodity cycle, the Company believes the long-term fundamentals for the U.S. nitrogen fertilizer industry remain intact. The Nitrogen Fertilizer Segment views the anticipated combination of (i) increasing global population, (ii) decreasing arable land per capita, (iii) continued evolution to more protein-based diets in developing countries, (iv) sustained use of corn as feedstock for the domestic production of ethanol, and (v) positioning at the lower end of the global cost curve should provide a solid foundation for nitrogen fertilizer producers in the U.S. over the longer term.

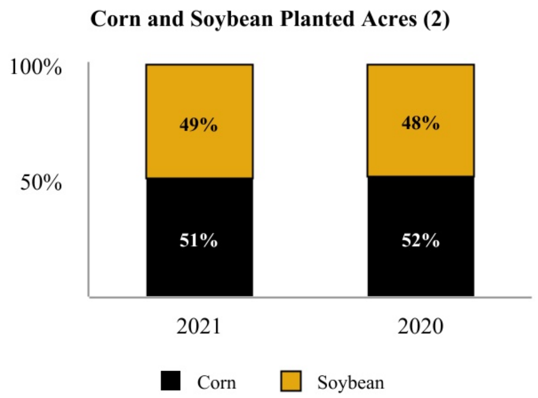
Corn and soybean are two major crops planted by farmers in North America. Corn crops result in the depletion of the amount of nitrogen and ammonia within the soil in which it is grown, which in turn, results in the need for these nutrients to be replenished after each growing cycle. Unlike corn, soybeans are able to obtain their own nitrogen through a process known as "N fixation." As such, upon harvesting of soybeans, the soil retains a certain amount of nitrogen which results in lower demand for nitrogen fertilizer for the following corn planting cycle. Due to these factors, nitrogen fertilizer consumers generally operate a balanced corn-soybean rotational planting cycle as evident through the chart presented below for 2021 and 2020.

The relationship between the total acres planted for both corn and soybean has a direct impact on the overall demand for nitrogen products, as the market and demand for nitrogen increases with increased corn acres and decreases with increased soybean acres. Additionally, an estimated 8 billion pounds of soybean oil is expected to be used in producing cleaner biodiesel in 2020 and 2021. Multiple refiners have announced biodiesel expansion projects for 2021 and beyond, which will only increase the demand and capacity for soybeans. Due to the uncertainty of how these factors will truly affect the soybean market, it is not yet known how the nitrogen business will be impacted.

The preliminary 2021 United States Department of Agriculture ("USDA") reports on corn and soybean acres planted indicated farmers' intentions to plant 92.7 million acres of corn, representing a slight increase of 1.9% in corn acres planted as compared to 91.0 million corn acres in 2020. Planted soybean acres are estimated to be 87.6 million acres, representing a 5.4% increase in soybean acres planted as compared to 83.1 million soybean acres in 2020. The combined corn and soybean planted acres of 180.2 million is the highest in history, and based on expected yields and crop prices, farm economics are expected to be very attractive in 2021. Further, while natural gas prices, the primary input for nitrogen fertilizer production, were at historical lows across the world in 2020, they have recovered significantly since the summer of 2020, reducing the incentive to maximize production at nitrogen fertilizer production facilities.

Ethanol is blended with gasoline to meet renewable fuel standard requirements and for its octane value. Ethanol production has historically consumed approximately 35% of the U.S. corn crop, so demand for corn generally rises and falls with ethanol demand. There has been a decline in the ethanol market due to decreased demand for transportation fuels as a result of the COVID-19 pandemic. However, the lower ethanol demand did not alter the spring 2021 or 2020 planting decisions by farmers, as evidenced through the charts below.





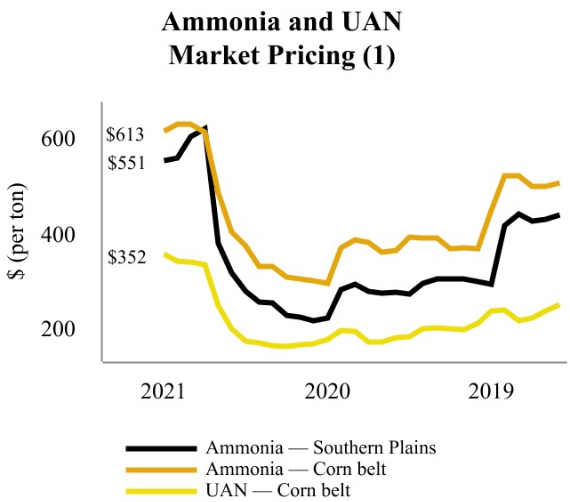
(1) Information used within this chart was obtained from the EIA.
(2) Information used within this chart was obtained from the USDA, National Agricultural Statistics Services. Planted acres for 2021 are preliminary USDA estimated amounts and will be updated for actual amounts as the information becomes available, which is expected to be during the third quarter of 2021.

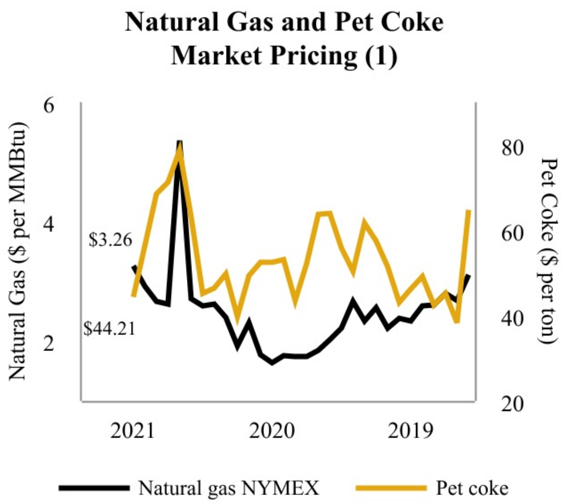
Weather continues to be a critical variable for crop production. The unusual derecho storm in the Midwest in August 2020 damaged a significant number of corn acres, lowering harvested corn yields. Coupled with higher demand for corn and soybean starting in the second half of 2020, grain prices increased leading into 2021. These higher prices have increased expected planted corn and soybean acres for the spring of 2021 and led to higher demand for nitrogen fertilizer, as well as other crop inputs.

Fertilizer prices have risen significantly since January 1, 2021 due to strong grain prices, the strong spring 2021 planting season, lower fertilizer supply due nitrogen fertilizer production outages during Winter Storm Uri, and other factors discussed above.

On June 30, 2021, CF Industries Nitrogen, L.L.C., Terra Nitrogen, Limited Partnership, and Terra International (Oklahoma) LLC filed petitions with the U.S. Department of Commerce and the U.S. International Trade Commission (the "ITC") requesting the initiation of antidumping and countervailing duty investigations on imports of urea ammonium nitrate solutions ("UAN") from Russia and Trinidad and Tobago ("Trinidad"). In August 2021, the U.S. Department of Commerce is expected to decide whether to pursue an investigation to determine the extent of dumping and unfair subsidies associated with imports from Russia and Trinidad, and the ITC will initiate a concurrent investigation to determine whether such imports materially injure the U.S. industry. We believe it is too early to determine if the investigations will proceed and, if so, how it might affect CVR Partners and the nitrogen fertilizer industry in the U.S. in general.

The tables below show relevant market indicators for the Nitrogen Fertilizer Segment by month through June 30, 2021:





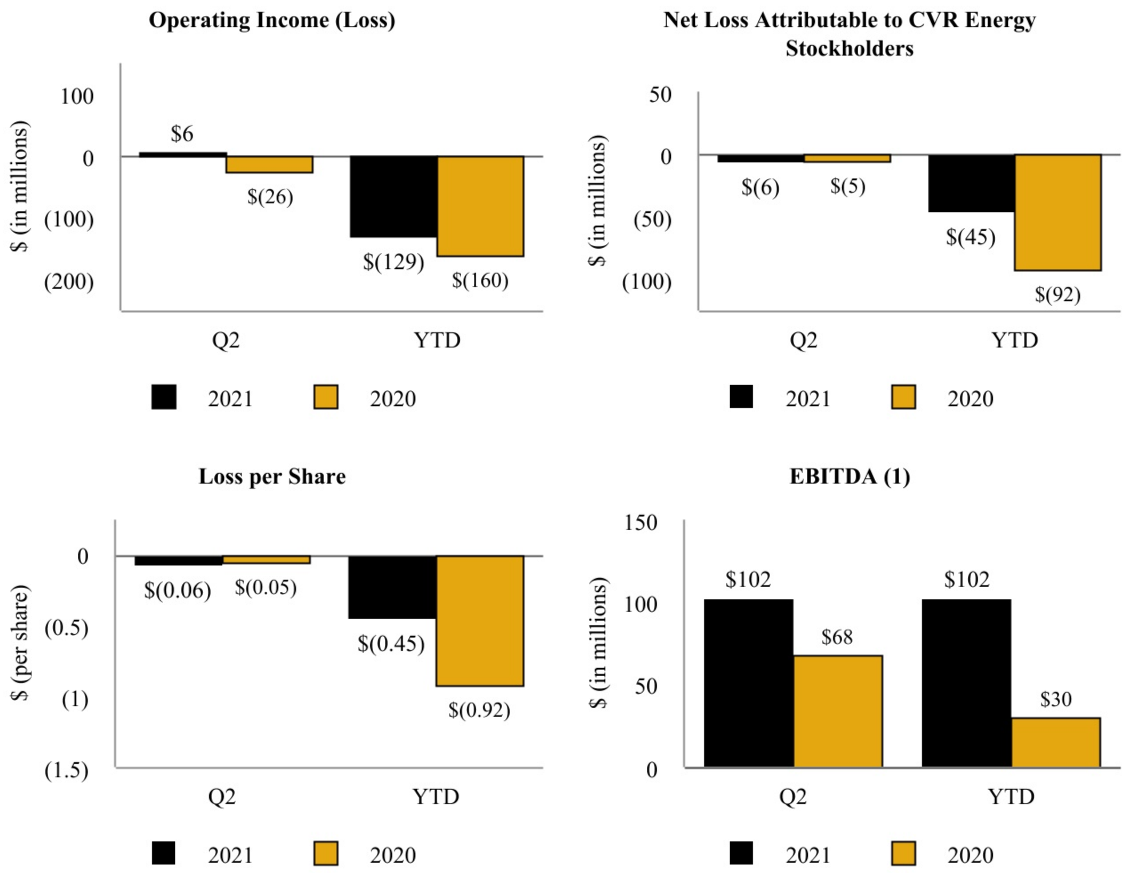
(1) Information used within these charts was obtained from various third-party sources, including Green Markets (a Bloomberg Company), Pace Petroleum Coke Quarterly, and the EIA, amongst others.

Results of Operations

Consolidated

Our consolidated results of operations include certain other unallocated corporate activities and the elimination of intercompany transactions and, therefore, do not equal the sum of the operating results of the Petroleum Segment and Nitrogen Fertilizer Segment.

Consolidated Financial Highlights (Three and Six Months Ended June 30, 2021 versus June 30, 2020)



(1) See "Non-GAAP Reconciliations" section below for reconciliations of the non-GAAP measures shown above.

Three and Six Months Ended June 30, 2021 versus June 30, 2020 (Consolidated)

Overview - For the three months ended June 30, 2021, the Company's operating income increased $32 million to $6 million, as compared to the three months ended June 30, 2020. For the six months ended June 30, 2021, the Company's operating loss increased $31 million to $129 million, as compared to the six months ended June 30, 2020. Refer to our discussion of each segment's results of operations below for further information.

Investment Income from Marketable Securities - On June 10, 2021, the Company distributed its holdings in Delek US Holdings, Inc. ("Delek"), of which the Company was the largest stockholder holding approximately 14.3% of Delek's outstanding common stock, as part of a special dividend totaling $492 million. Prior to the special dividend, we received no dividend income for three and six months ended June 30, 2021, compared to $3 million and $4 million received for the three and six months ended June 30, 2020, respectively. The Company recognized a gain for the three and six months ended June 30, 2021 of $21 million and $83 million, respectively, and for the three and six months ended June 30, 2020, the Company recognized an unrealized gain based on market pricing of $18 million and $48 million, respectively.

Income Tax Benefit - Income tax benefit for the three and six months ended June 30, 2021 was $6 million and $48 million, or 78.4% and 46.0% of loss before income tax, respectively, as compared to an income tax benefit for the three and six months ended June 30, 2020 of $5 million and $42 million, or 13.9% and 23.9% of loss before income taxes, respectively. The fluctuations in income tax benefit were due primarily to changes in pretax earnings, earnings attributable to noncontrolling interest, and an increase in the effective income tax rate from the three and six months ended June 30, 2020 to the three and six months ended June 30, 2021. The increase in effective income tax rate was due primarily to the relationship between pretax results, earnings attributable to noncontrolling interest, and state income tax credits generated, as well as a discrete tax benefit recorded during the three months ended June 30, 2021 for decreases in state income tax rates.

Petroleum Segment

The Petroleum Segment utilizes certain inputs within its refining operations. These inputs include crude oil, butanes, natural gasoline, ethanol, and bio-diesel (these are also known as "throughputs").

Refining Throughput and Production Data by Refinery

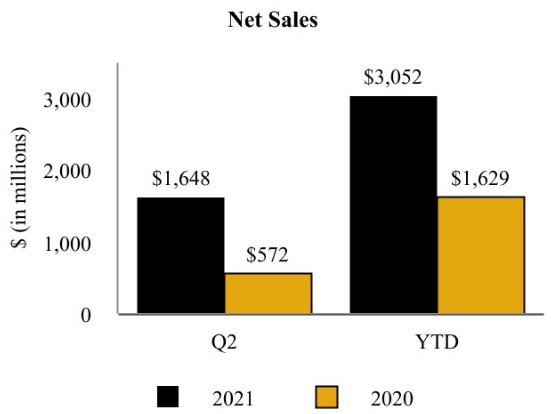
Throughput Data	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
(in bpd)	**2021**	**2020**	**2021**	**2020**
Coffeyville				
Regional crude	**27,126**	34,193	**28,173**	36,534
WTI	**70,329**	40,002	**61,681**	34,731
Condensate	**13,412**	6,873	**10,249**	5,780
Heavy Canadian	**3,703**	1,531	**1,862**	2,040
Other crude oil	**13,522**	—	**15,119**	—
Other feedstocks and blendstocks	**9,987**	5,085	**9,359**	6,393
Wynnewood				
Regional crude	**60,636**	49,377	**57,913**	50,600
WTL	**7,422**	6,335	**5,489**	6,153
Midland WTI	**—**	2,719	**—**	2,369
Condensate	**7,559**	6,784	**8,544**	8,107
Other feedstocks and blendstocks	**2,930**	3,469	**3,055**	3,737
Total throughput	**216,626**	156,369	**201,444**	156,443

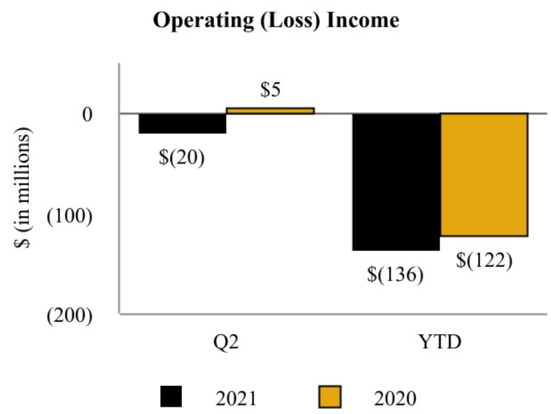
Production Data	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
(in bpd)	**2021**	**2020**	**2021**	**2020**
Coffeyville				
Gasoline	**72,440**	46,464	**67,081**	45,492
Distillate	**56,123**	34,144	**51,359**	33,703
Other liquid products	**5,752**	4,011	**4,934**	3,864
Solids	**4,650**	2,401	**4,027**	2,560
Wynnewood				
Gasoline	**40,830**	35,381	**39,152**	37,442
Distillate	**31,471**	28,293	**30,324**	28,524
Other liquid products	**3,010**	2,428	**2,979**	2,441
Solids	**20**	26	**21**	26
Total production	**214,296**	153,148	**199,877**	154,052
Light product yield (as % of crude throughput) (1)	**98.6 %**	97.6 %	**99.4 %**	99.2 %
Liquid volume yield (as % of total throughput) (2)	**96.8 %**	96.4 %	**97.2 %**	96.8 %
Distillate yield (as % of crude throughput) (3)	**43.0 %**	42.2 %	**43.2 %**	42.5 %

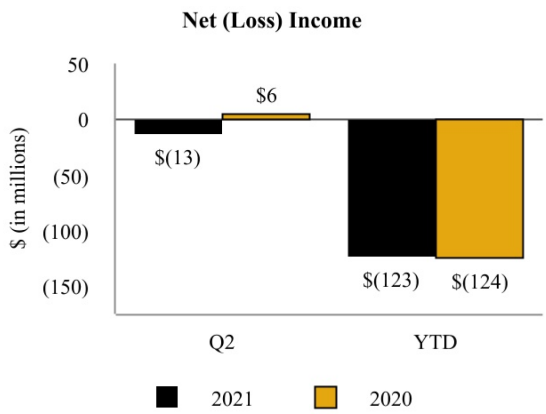
(1) Total Gasoline and Distillate divided by total Regional crude, WTI, WTL, Midland WTI, Condensate, and Heavy Canadian throughput.
(2) Total Gasoline, Distillate, and Other liquid products divided by total throughput.
(3) Total Distillate divided by total Regional crude, WTI, WTL, Midland WTI, Condensate, and Heavy Canadian throughput.

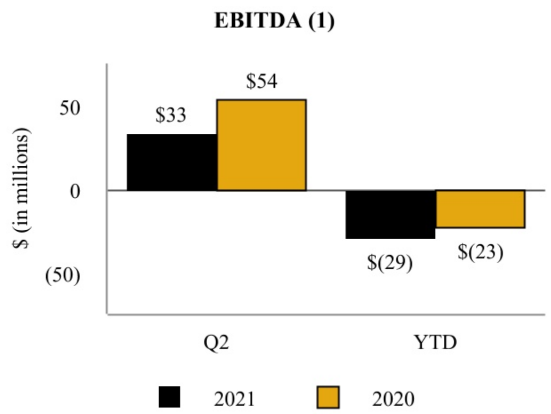
Petroleum Segment Financial Highlights (Three and Six Months Ended June 30, 2021 versus June 30, 2020)

Overview - For the three months ended June 30, 2021, the Petroleum Segment's operating loss and net loss were $20 million and $13 million, respectively, compared to operating income and net income of $5 million and $6 million, respectively, for the three months ended June 30, 2020. For the six months ended June 30, 2021, the Petroleum Segment's operating loss and net loss were $136 million and $123 million, respectively, compared to operating loss and net loss of $122 million and $124 million, respectively, for the six months ended June 30, 2020. The increases in operating loss and net loss during the three months ended June 30, 2021 and the operating loss for the six months ended June 30, 2021 were primarily due to an increase in RFS compliance costs coupled with derivative losses. This is partially offset by improved sales volumes and pricing, improved crack spreads and changes in inventory valuation impacts compared to the 2020 period. The net loss for the six months ended June 30, 2021 remained in-line with the prior period.



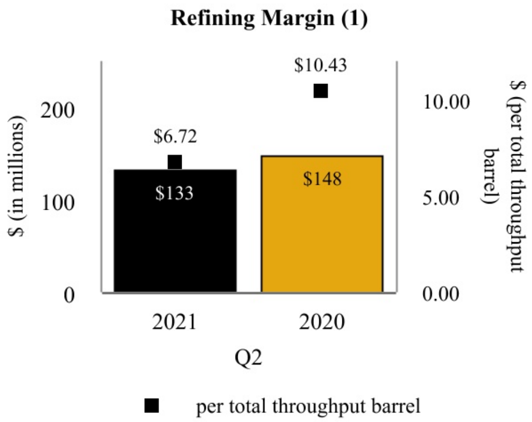


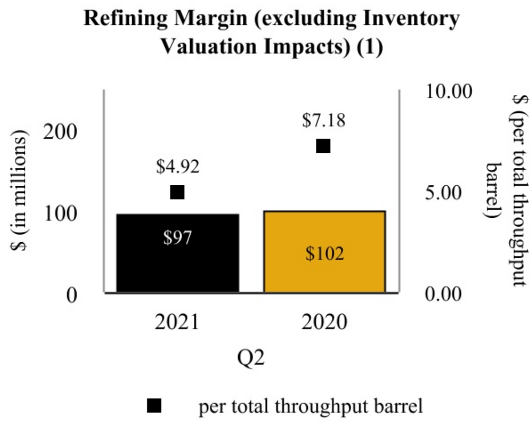


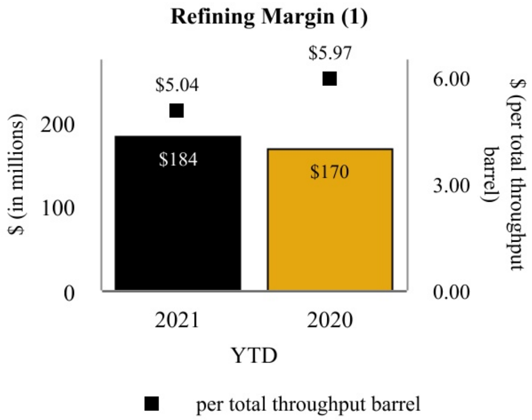


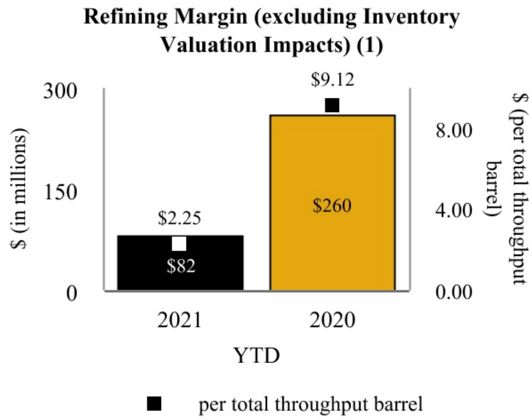
(1) See "Non-GAAP Reconciliations" section below for reconciliations of the non-GAAP measures shown above.

Net Sales - For the three and six months ended June 30, 2021, net sales for the Petroleum Segment increased by $1.1 billion and $1.4 billion, respectively, compared to the three and six months ended June 30, 2020. The increase in sales was due to regional inventory draws which are driven by increased demand and, as a result, increased market pricing, as Group 3 2-1-1 crack spreads improved $10.40 and $7.29 per barrel compared to the three and six months ended June 30, 2020, respectively. Further, the prior year was impacted by a full planned turnaround at the Coffeyville Refinery which began in February 2020, as well as reduced utilization of the Wynnewood Refinery during the same quarter given the significant gasoline demand reductions experienced late in the quarter as a result of the COVID-19 pandemic.





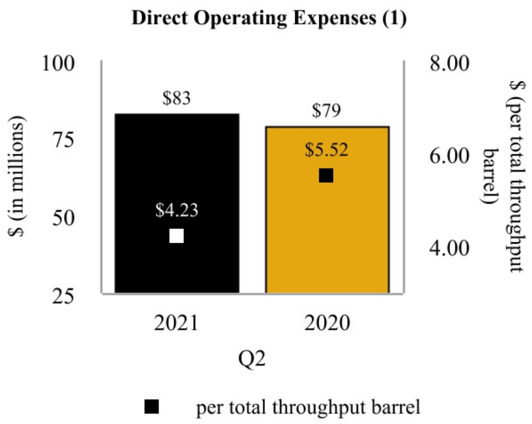


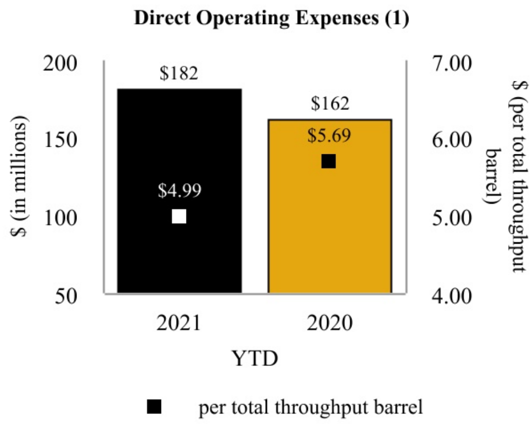


(1) See "Non-GAAP Reconciliations" section below for reconciliations of the non-GAAP measures shown below.

Refining Margin - For the three months ended June 30, 2021, refining margin was $133 million, or $6.72 per throughput barrel, as compared to $148 million, or $10.43 per throughput barrel, for the three months ended June 30, 2020. The decrease in refining margin of $15 million was in part due to a favorable inventory valuation impact of $36 million, or $1.81 per total throughput barrel, from the crude oil price change during the three months ended June 30, 2021, compared to a $46 million, or $3.25 per total throughput barrel, favorable impact for the three months ended June 30, 2020. There was an improvement in throughput volumes of 60,257 bpd and higher crack spreads resulting from market improvements in 2021 after the declines experienced in the second quarter of 2020 in market pricing for crude oil, reduction in selling prices for refined products, and demand destruction caused by the COVID-19 pandemic. Offsetting these impacts, the Company recognized costs to comply with RFS of $173 million, or $8.77 per throughput barrel, and $16 million, or $1.12 per throughput barrel, for the three months ended June 30, 2021 and 2020, respectively. The significant increase in 2021 was primarily related to significantly higher RINs prices during the three months ended June 30, 2021 caused by price volatility for RINs. We also recognized a net loss on derivatives of $2 million during the three months ended June 30, 2021 compared to a gain of $20 million during the three months ended June 30, 2020. Our derivative losses are primarily a result of crack spread swaps.

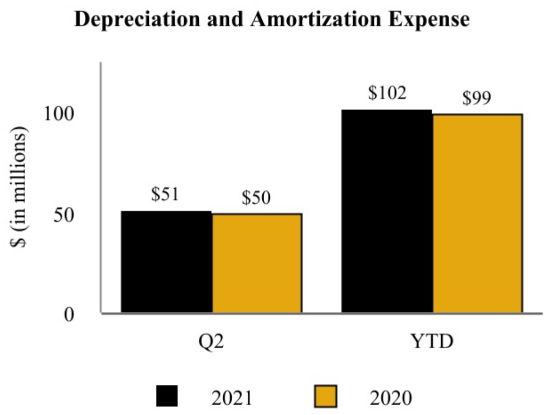
For the six months ended June 30, 2021, refining margin was $184 million, or $5.04 per throughput barrel, as compared $170 million, or $5.97 per throughput barrel, for the six months ended June 30, 2020. The increase in refining margin of $14 million was in part due to a favorable inventory valuation impact of $102 million, or $2.78 per total throughput barrel, from the crude oil price change during the six months ended June 30, 2021, compared to a $90 million, or $3.15 per total throughput barrel, unfavorable impact for the six months ended June 30, 2020, which includes an unfavorable lower of cost or net realizable value adjustment of $58 million, based on the difference between the carrying value of inventories accounted for using the first-in-first-out method and selling prices for our refined products experienced subsequent to March 2020. There was an improvement in throughput volumes of 45,001 bpd and higher crack spreads resulting from market improvements in 2021 after the declines experienced in the first half of 2020 in market pricing for crude oil, reduction in selling prices for refined products, and demand destruction caused by the COVID-19 pandemic. Offsetting these impacts, the Company recognized costs to comply with RFS of $351 million, or $9.62 per throughput barrel, and $35 million, or $1.23 per throughput barrel, for the six months ended June 30, 2021 and 2020, respectively. The substantial increase in 2021 is primarily related to significantly higher RINs prices during the six months ended June 30, 2021 caused by price volatility for RINs, including significant increases in market prices during the first quarter of 2021, and our open mark-to-market position for both the 2020 and 2021 compliance years of approximately 291 million RINs as of June 30, 2021. We also recognized a net loss on derivatives of $34 million during the six months ended June 30, 2021 compared to a gain of $65 million during the six months ended June 30, 2020. Our derivative losses were primarily a result of crack spread swaps.

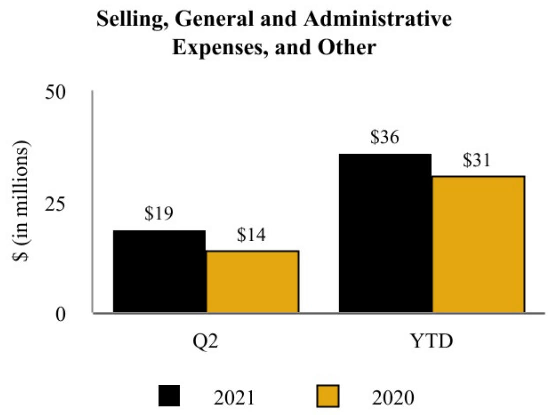




(1) Exclusive of depreciation and amortization expense.

Direct Operating Expenses (Exclusive of Depreciation and Amortization) - For the three and six months ended June 30, 2021, direct operating expenses (exclusive of depreciation and amortization) were $83 million and $182 million, respectively, as compared to $79 million and $162 million for the three and six months ended June 30, 2020, respectively. The increases were primarily due to increased natural gas costs in February 2021 related to Winter Storm Uri, coupled with increased labor spend related to increased repairs and maintenance at the Wynnewood Refinery. On a total throughput barrel basis, direct operating expenses decreased to $4.99 per barrel from $5.69 per barrel for the six months ended June 30, 2021 as a function of the increased expense in 2021 offset by the increase in total throughput in 2021 compared to 2020. The Coffeyville Refinery's full, planned turnaround began the last week of February 2020 and extended into mid-April 2020 and impacts of COVID-19 related factors significantly decreased throughput in the 2020 period.





Selling, General, and Administrative Expenses, and Other - For the three and six months ended June 30, 2021, selling, general and administrative expenses and other was $19 million and $36 million, respectively, compared to $14 million and $31 million for the three and six months ended June 30, 2020, respectively. The increases were primarily a result of increased personnel costs driven primarily by higher share-based compensation in the 2021 periods as compared to the 2020 periods.

Nitrogen Fertilizer Segment

Utilization and Production Volumes - The following tables summarize the ammonia utilization at the Nitrogen Fertilizer Segment's facility in Coffeyville, Kansas (the "Coffeyville Fertilizer Facility") and East Dubuque, Illinois facility (the "East Dubuque Fertilizer Facility"). Utilization is an important measure used by management to assess operational output at each of the Nitrogen Fertilizer Segment's facilities. Utilization is calculated as actual tons of ammonia produced divided by capacity adjusted for planned maintenance and turnarounds.

Utilization is presented solely on ammonia production, rather than each nitrogen product, as it provides a comparative baseline against industry peers and eliminates the disparity of facility configurations for upgrade of ammonia into other nitrogen products. With efforts primarily focused on ammonia upgrade capabilities, we believe this measure provides a meaningful view of how well we operate.

Gross tons produced for ammonia represent the total ammonia produced, including ammonia produced that was upgraded into other fertilizer products. Net tons available for sale represent the ammonia available for sale that was not upgraded into other fertilizer products. The tables below present all of these Nitrogen Fertilizer Segment metrics for the three and six months ended June 30, 2021 and 2020:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	**2020**	**2021**	**2020**
Consolidated Ammonia Utilization	**98 %**	100 %	**93 %**	96 %
Production Volumes (in thousands of tons)				
Ammonia (gross produced)	**217**	216	**404**	417
Ammonia (net available for sale)	**70**	79	**140**	157
UAN	**334**	321	**606**	638

On a consolidated basis for the three and six months ended June 30, 2021 and 2020, utilization decreased slightly to 98% and 93%, respectively. The decreases during the three and six months ended June 30, 2021 were primarily due to downtime associated with the Messer air separation plant experienced in both January and June of 2021, compared to the same periods of 2020.

Sales and Pricing per Ton - Two of the Nitrogen Fertilizer Segment's key operating metrics are total sales for ammonia and UAN, along with the product pricing per ton realized at the gate. Total product sales were favorable, driven by a strong Spring 2021 planting season. Ammonia and UAN sales prices were favorable primarily due to higher crop pricing coupled with lower fertilizer supply caused by nitrogen fertilizer production outages during Winter Storm Uri. Product pricing at the gate represents net sales less freight revenue divided by product sales volume in tons and is shown in order to provide a pricing measure comparable across the fertilizer industry.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	**2020**	**2021**	**2020**
Consolidated sales (thousand tons)				
Ammonia	**80**	111	**112**	164
UAN	**370**	337	**609**	621
Consolidated product pricing at gate (dollars per ton)				
Ammonia	**$ 403**	$ 332	**$ 373**	$ 310
UAN	**237**	165	**206**	166

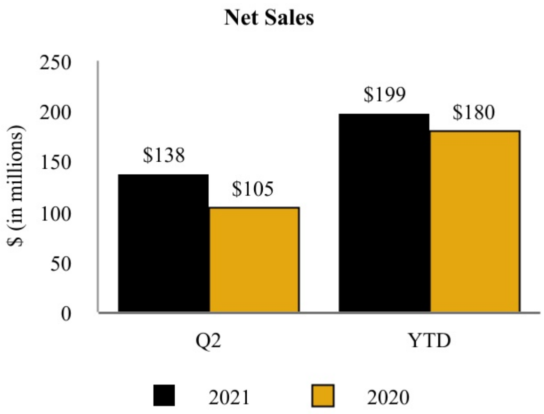
Feedstock - The Coffeyville Fertilizer Facility utilizes a pet coke gasification process to produce nitrogen fertilizer, while the East Dubuque Fertilizer Facility uses natural gas in its production of ammonia. The table below presents these feedstocks for both facilities within the Nitrogen Fertilizer Segment for the three and six months ended June 30, 2021 and 2020:

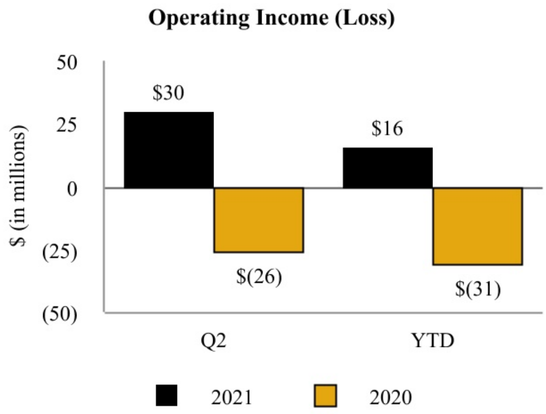
	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	**2020**	**2021**	**2020**
Petroleum coke used in production (thousand tons)	**134**	138	**262**	263
Petroleum coke (dollars per ton)	**$ 36.69**	$ 31.13	**$ 39.73**	$ 37.59
Natural gas used in production (thousands of MMBtu) (1)	**2,154**	2,131	**4,036**	4,272
Natural gas used in production (dollars per MMBtu) (1)	**$ 3.04**	$ 1.94	**$ 3.07**	$ 2.18
Natural gas cost of materials and other (thousands of MMBtu) (1)	**2,711**	3,216	**3,650**	4,633
Natural gas cost of materials and other (dollars per MMBtu) (1)	**$ 3.06**	$ 2.17	**$ 3.03**	$ 2.36

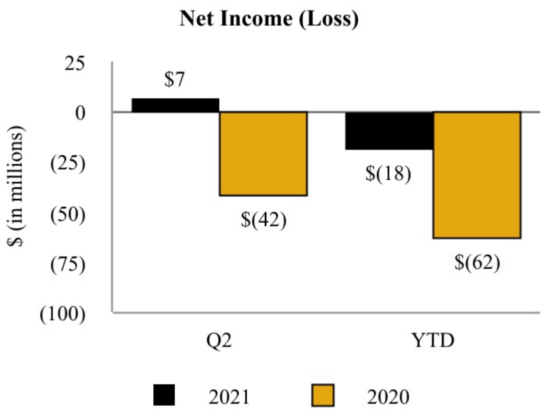
(1) The feedstock natural gas shown above does not include natural gas used for fuel. The cost of fuel natural gas is included in Direct operating expenses (exclusive of depreciation and amortization).

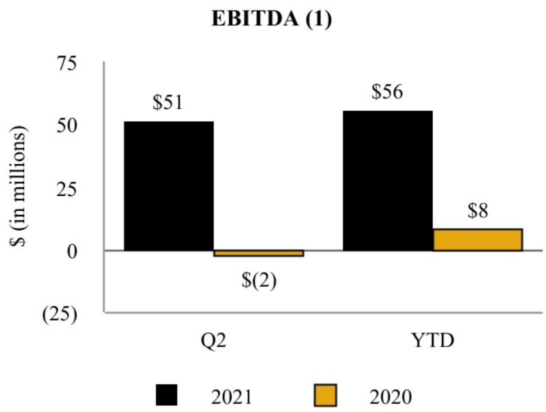
Nitrogen Fertilizer Segment Financial Highlights (Three and six Months Ended June 30, 2021 versus June 30, 2020)

Overview - For the three months ended June 30, 2021, the Nitrogen Fertilizer Segment's operating income and net income were $30 million and $7 million, respectively, representing improvements of $56 million and $49 million, respectively, compared to the three months ended June 30, 2020. Beyond the goodwill impairment of $41 million negatively impacting the 2020 period, these increases were driven by the significantly higher pricing environment for ammonia and UAN products in 2021. For the six months ended June 30, 2021, the Nitrogen Fertilizer Segment's operating income and net loss were $16 million and $18 million, respectively, representing a $47 million improvement in operating income and a $44 million improvement in net loss, respectively, compared to the six months ended June 30, 2020. Beyond the goodwill impairment of $41 million negatively impacting the 2020 period, these improvements were driven primarily by higher ammonia and UAN sales prices in 2021 due to higher crop pricing coupled with lower fertilizer supply caused by nitrogen fertilizer production outages during Winter Storm Uri in 2021.









(1) See "Non-GAAP Reconciliations" section below for reconciliations of the non-GAAP measures shown above.

Net Sales - For the three months ended June 30, 2021, the Nitrogen Fertilizer Segment's net sales increased by $33 million to $138 million compared to the three months ended June 30, 2020. This increase was primarily due to favorable pricing conditions which contributed $33 million in higher revenues, partially offset by decreased sales volumes contributing $5 million in lower revenues, as compared to the three months ended June 30, 2020.

The following table demonstrates the impact of changes in sales volumes and pricing for the primary components of net sales, excluding urea products, freight, and other revenue, for the three months ended June 30, 2021, as compared to the three months ended June 30, 2020:

(in millions)	Price Variance	Volume Variance
UAN	$ 27	$ 5
Ammonia	6	(10)

The increase in ammonia sales pricing for the three months ended June 30, 2021, as compared to the three months ended June 30, 2020, was primarily attributable to favorable market conditions in the second quarter of 2021 compared to difficult market conditions in the second quarter of 2020. Ammonia and UAN sales prices in the current period were favorable primarily due to higher crop pricing coupled with lower fertilizer supply initially caused by nitrogen fertilizer production outages during Winter Storm Uri. The decrease in ammonia sales volumes for the three months ended June 30, 2021 compared to the three months ended June 30, 2020 was primarily attributable to a higher conversion of ammonia to UAN. The increase in

UAN sales volumes for the three months ended June 30, 2021 compared to the three months ended June 30, 2020 was primarily driven by higher fertilizer demand due to increasing crop prices.

For the six months ended June 30, 2021, the Nitrogen Fertilizer Segment's net sales increased by $19 million to $199 million compared to the six months ended June 30, 2020. This increase was primarily due to favorable sales pricing contributing $32 million in higher revenue, offset by decreased sales volumes which contributed $18 million in lower revenues, as compared to the six months ended June 30, 2020.

The following table demonstrates the impact of changes in sales volumes and pricing for the primary components of net sales, excluding urea products, freight, and other revenue, for the six months ended June 30, 2021 as compared to the six months ended June 30, 2020:

(in millions)	Price Variance	Volume Variance
UAN	$ 25	$ (2)
Ammonia	7	(16)

The increase in ammonia sales pricing for the six months ended June 30, 2021 as compared to the six months ended June 30, 2020 was primarily attributable to favorable market conditions in the second quarter of 2021 compared to difficult market conditions in the second quarter of 2020. Ammonia and UAN sales prices in the current period were favorable primarily due to higher crop pricing coupled with lower fertilizer supply initially caused by nitrogen fertilizer production outages during Winter Storm Uri. The decrease in ammonia and UAN sales volumes for the six months ended June 30, 2021 compared to the six months ended June 30, 2020 was primarily attributable to lower production due to downtime associated with the Messer air separation plant and production and shipping impacts from Winter Storm Uri.

Cost of Materials and Other - For the three months ended June 30, 2021, cost of materials and other was $26 million from $22 million for the three months ended June 30, 2020. The increase was primarily due to higher feedstock costs for coke, natural gas, and hydrogen of $4 million, as compared to the three months ended June 30, 2020. For the six months ended June 30, 2021, cost of materials and other was $44 million from $46 million for the six months ended June 30, 2020. The decrease was a result of lower purchases of third-party ammonia and distribution costs of $3 million and $3 million, respectively, as compared to the six months ended June 30, 2020. These decreases were partially offset by increases to refinery coke, natural gas, and hydrogen feedstock purchases of $4 million, as compared to the six months ended June 30, 2020.

Non-GAAP Measures

Our management uses certain non-GAAP performance measures, and reconciliations to those measures, to evaluate current and past performance and prospects for the future to supplement our GAAP financial information presented in accordance with U.S. GAAP. These non-GAAP financial measures are important factors in assessing our operating results and profitability and include the performance and liquidity measures defined below.

As a result of volatile market conditions related to the Renewable Fuel Standard ("RFS") during the first half of 2021 and the impacts certain significant non-cash items have on the evaluation of our operations, the Company began disclosing Adjusted EBITDA, as defined below, in the second quarter of 2021. We believe the presentation of this non-GAAP measure is meaningful to compare our operating results between periods and peer companies. All prior periods presented have been conformed to the definition below. The following are non-GAAP measures we present for the period ended June 30, 2021:

EBITDA - Consolidated net income (loss) before (i) interest expense, net, (ii) income tax expense (benefit) and (iii) depreciation and amortization expense.

Petroleum EBITDA and Nitrogen Fertilizer EBITDA - Segment net income (loss) before segment (i) interest expense, net, (ii) income tax expense (benefit), and (iii) depreciation and amortization.

Refining Margin - The difference between our Petroleum Segment net sales and cost of materials and other.

Refining Margin, adjusted for Inventory Valuation Impacts - Refining Margin adjusted to exclude the impact of current period market price and volume fluctuations on crude oil and refined product inventories purchased in prior periods and lower of cost or net realizable value adjustments, if applicable. We record our commodity inventories on the first-in-first-out basis. As a result, significant current period fluctuations in market prices and the volumes we hold in inventory can have favorable or unfavorable impacts on our refining margins as compared to similar metrics used by other publicly-traded companies in the refining industry.

Refining Margin and Refining Margin adjusted for Inventory Valuation Impacts, per Throughput Barrel - Refining Margin and Refining Margin adjusted for Inventory Valuation Impacts divided by the total throughput barrels during the period, which is calculated as total throughput barrels per day times the number of days in the period.

Direct Operating Expenses per Throughput Barrel - Direct operating expenses for our Petroleum Segment divided by total throughput barrels for the period, which is calculated as total throughput barrels per day times the number of days in the period.

Adjusted EBITDA, Adjusted Petroleum EBITDA and Adjusted Nitrogen Fertilizer EBITDA - EBITDA, Petroleum EBITDA and Nitrogen Fertilizer EBITDA adjusted for certain significant non-cash items and items that management believes are not attributable to or indicative of our on-going operations or that may obscure our underlying results and trends.

Adjusted Earnings (Loss) per Share - Earnings (loss) per share adjusted for certain significant non-cash items and items that management believes are not attributable to or indicative of our on-going operations or that may obscure our underlying results and trends.

Free Cash Flow - Net cash provided by (used in) operating activities less capital expenditures and capitalized turnaround expenditures.

Net Debt and Finance Lease Obligations - Net debt and finance lease obligations is total debt and finance lease obligations reduced for cash and cash equivalents.

Total Debt and Net Debt and Finance Lease Obligations to EBITDA Exclusive of Nitrogen Fertilizer - Total debt and net debt and finance lease obligations is calculated as the consolidated debt and net debt and finance lease obligations less the Nitrogen Fertilizer Segment's debt and net debt and finance lease obligations as of the most recent period ended divided by EBITDA exclusive of the Nitrogen Fertilizer Segment for the most recent twelve-month period.

We present these measures because we believe they may help investors, analysts, lenders and ratings agencies analyze our results of operations and liquidity in conjunction with our U.S. GAAP results, including but not limited to our operating performance as compared to other publicly-traded companies in the refining and fertilizer industries, without regard to historical cost basis or financing methods and our ability to incur and service debt and fund capital expenditures. Non-GAAP measures have important limitations as analytical tools, because they exclude some, but not all, items that affect net earnings and operating income. These measures should not be considered substitutes for their most directly comparable U.S. GAAP financial measures. See "*Non-GAAP Reconciliations*" included herein for reconciliation of these amounts. Due to rounding, numbers presented within this section may not add or equal to numbers or totals presented elsewhere within this document.

Factors Affecting Comparability of Our Financial Results

Our historical results of operations for the periods presented may not be comparable with prior periods or to our results of operations in the future for the reasons discussed below.

Petroleum Segment

Coffeyville Refinery - During the three and six months ended June 30, 2020, we capitalized costs of $27 million and $149 million, respectively, related to the planned turnaround which began in February 2020 and was completed in April 2020.

Wynnewood Refinery - The Petroleum Segment's next planned turnaround is at the Wynnewood Refinery, where pre-planning expenditures are currently underway. During the three and six months ended June 30, 2021, we capitalized a nominal amount and $1 million, respectively, related to these pre-planning activities.

Nitrogen Fertilizer Segment

Goodwill Impairment

As a result of lower expectations for market conditions in the fertilizer industry during 2020, the market performance of CVR Partners' common units, a qualitative analysis, and additional risks associated with the business, the Company performed an interim quantitative impairment assessment of goodwill for the Coffeyville Fertilizer Facility's reporting unit as of June 30, 2020. The results of the impairment test indicated the carrying amount of this reporting unit exceeded the estimated fair value, and a full, non-cash impairment charge of $41 million was required. Refer to Part II, Item 8 of our 2020 Form 10-K for further discussion.

Non-GAAP Reconciliations

Reconciliation of Net Loss to EBITDA and Adjusted EBITDA

(in millions)	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Net loss	**$ (2)**	$ (32)	**$ (57)**	$ (133)
Interest expense, net	**38**	31	**69**	67
Income tax benefit	**(6)**	(5)	**(48)**	(42)
Depreciation and amortization	**72**	74	**138**	138
EBITDA	**$ 102**	$ 68	**$ 102**	$ 30
Adjustments:				
Revaluation of RFS liability	**58**	(9)	**169**	(8)
Gain on marketable securities	**(21)**	(18)	**(83)**	(48)
Unrealized (gain) loss on derivatives	**(37)**	—	**7**	(12)
Inventory valuation impacts, (favorable) unfavorable	**(36)**	(46)	**(102)**	90
Goodwill impairment	**—**	41	**—**	41
Adjusted EBITDA	**$ 66**	$ 36	**$ 93**	$ 93

Reconciliation of Basic and Diluted Loss per Share to Adjusted Loss per Share

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Basic and diluted loss per share	**$ (0.06)**	$ (0.05)	**$ (0.45)**	$ (0.92)
Adjustments (1):				
Revaluation of RFS liability	**0.42**	(0.06)	**1.25**	(0.06)
Gain on marketable securities	**(0.15)**	(0.13)	**(0.61)**	(0.35)
Unrealized (gain) loss on derivatives	**(0.27)**	—	**0.05**	(0.09)
Inventory valuation impacts, (favorable) unfavorable	**(0.26)**	(0.34)	**(0.75)**	0.66
Goodwill impairment (2)	**—**	0.07	**—**	0.07
Adjusted loss per share	**$ (0.32)**	$ (0.51)	**$ (0.51)**	$ (0.69)

(1) Amounts are shown after-tax, using the Company's marginal tax rate, and are presented on a per share basis using the weighted average shares outstanding for each period.
(2) Amount is shown exclusive of noncontrolling interests.

Reconciliation of Net Cash Provided By (Used In) Operating Activities to Free Cash Flow

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	**2020**	**2021**	**2020**
Net cash provided by (used in) operating activities	**$ 147**	$ 9	**$ 243**	$ (49)
Less:				
Capital expenditures	**(92)**	(42)	**(126)**	(77)
Capitalized turnaround expenditures	**(1)**	(125)	**(2)**	(147)
Free cash flow	**$ 54**	$ (158)	**$ 115**	$ (273)

Reconciliation of Petroleum Segment Net (Loss) Income to EBITDA and Adjusted EBITDA

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2021**	**2020**	**2021**	**2020**
Petroleum net (loss) income	**$ (13)**	$ 6	**$ (123)**	$ (124)
Interest (income) expense, net	**(5)**	(2)	**(8)**	2
Depreciation and amortization	**51**	50	**102**	99
Petroleum EBITDA	**33**	54	**(29)**	(23)
Adjustments:				
Revaluation of RFS liability	**58**	(9)	**169**	(8)
Unrealized (gain) loss on derivatives	**(37)**	—	**7**	(12)
Inventory valuation impacts, (favorable) unfavorable (1) (2)	**(36)**	(46)	**(102)**	90
Petroleum Adjusted EBITDA	**$ 18**	$ (1)	**$ 45**	$ 47

Reconciliation of Petroleum Segment Gross Profit (Loss) to Refining Margin and Refining Margin Adjusted for Inventory Valuation Impact

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2021**	**2020**	**2021**	**2020**
Net sales	**$ 1,648**	$ 572	**$ 3,052**	$ 1,629
Cost of materials and other	**1,515**	424	**2,868**	1,459
Direct operating expenses (exclusive of depreciation and amortization)	**83**	79	**182**	162
Depreciation and amortization	**51**	50	**102**	99
Gross (loss) profit	**(1)**	19	**(100)**	(91)
Add:				
Direct operating expenses (exclusive of depreciation and amortization)	**83**	79	**182**	162
Depreciation and amortization	**51**	50	**102**	99
Refining margin	**133**	148	**184**	170
Inventory valuation impacts, (favorable) unfavorable (1) (2)	**(36)**	(46)	**(102)**	90
Refining margin adjusted for inventory valuation impact	**$ 97**	$ 102	**$ 82**	$ 260

(1) The Petroleum Segment's basis for determining inventory value under GAAP is First-In, First-Out ("FIFO"). Changes in crude oil prices can cause fluctuations in the inventory valuation of crude oil, work in process and finished goods, thereby resulting in a favorable inventory valuation impact when crude oil prices increase and an unfavorable inventory valuation impact when crude oil prices decrease. The inventory valuation impact is calculated based upon inventory values at the beginning of the accounting period and at the end of the accounting period. In order to derive the inventory valuation impact per total throughput barrel, we utilize the total dollar figures for the inventory valuation impact and divide by the number of total throughput barrels for the period.

(2) Includes an inventory valuation charge of $58 million recorded in the first quarter of 2020, as inventories were reflected at the lower of cost or net realizable value. No adjustment was necessary for the second quarter of 2020 or 2021 periods.

Reconciliation of Petroleum Segment Total Throughput Barrels

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Total throughput barrels per day	**216,626**	156,369	**201,444**	156,443
Days in the period	**91**	91	**181**	182
Total throughput barrels	**19,712,929**	14,229,541	**36,461,311**	28,472,702

Reconciliation of Petroleum Segment Refining Margin per Total Throughput Barrel

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions, except per total throughput barrel)	2021	2020	2021	2020
Refining margin	**$ 133**	$ 148	**$ 184**	$ 170
Divided by: total throughput barrels	**20**	14	**36**	28
Refining margin per total throughput barrel	**$ 6.72**	$ 10.43	**$ 5.04**	$ 5.97

Reconciliation of Petroleum Segment Refining Margin Adjusted for Inventory Valuation Impact per Total Throughput Barrel

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions, except per total throughput barrel)	2021	2020	2021	2020
Refining margin adjusted for inventory valuation impact	**$ 97**	$ 102	**$ 82**	$ 260
Divided by: total throughput barrels	**20**	14	**36**	28
Refining margin adjusted for inventory valuation impact per total throughput barrel	**$ 4.92**	$ 7.18	**$ 2.25**	$ 9.12

Reconciliation of Petroleum Segment Direct Operating Expenses per Total Throughput Barrel

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions, except per total throughput barrel)	2021	2020	2021	2020
Direct operating expenses (exclusive of depreciation and amortization)	**$ 83**	$ 79	**$ 182**	$ 162
Divided by: total throughput barrels	**20**	14	**36**	28
Direct operating expenses per total throughput barrel	**$ 4.23**	$ 5.52	**$ 4.99**	$ 5.69

Reconciliation of Nitrogen Fertilizer Segment Net Income (Loss) to EBITDA and Adjusted EBITDA

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2021	2020	2021	2020
Nitrogen Fertilizer net income (loss)	**$ 7**	$ (42)	**$ (18)**	$ (62)
Interest expense, net	**23**	16	**39**	31
Depreciation and amortization	**21**	24	**35**	39
Nitrogen Fertilizer EBITDA	**$ 51**	$ (2)	**$ 56**	$ 8
Adjustments:				
Goodwill impairment	**—**	41	**—**	41
Adjusted Nitrogen Fertilizer EBITDA	**$ 51**	$ 39	**$ 56**	$ 49

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Reconciliation of Total Debt and Net Debt and Finance Lease Obligations to EBITDA Exclusive of Nitrogen Fertilizer

	Twelve Months Ended June 30, 2021
Total debt and finance lease obligations (1)	**$ 1,693**
Less:	
Nitrogen Fertilizer debt and finance lease obligations (1)	**$ 640**
Total debt and finance lease obligations exclusive of Nitrogen Fertilizer	**1,053**
EBITDA exclusive of Nitrogen Fertilizer	**$ (25)**
Total debt and finance lease obligations to EBITDA exclusive of Nitrogen Fertilizer	**(42.12)**
Consolidated cash and cash equivalents	**$ 519**
Less:	
Nitrogen Fertilizer cash and cash equivalents	**43**
Cash and cash equivalents exclusive of Nitrogen Fertilizer	**476**
Net debt and finance lease obligations exclusive of Nitrogen Fertilizer (2)	**$ 577**
Net debt and finance lease obligations to EBITDA exclusive of Nitrogen Fertilizer (2)	**(23.08)**

(1) Amounts are shown inclusive of the current portion of long-term debt and finance lease obligations.
(2) Net debt represents total debt and finance lease obligations exclusive of cash and cash equivalents.

	Three Months Ended				
	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021	Twelve Months Ended June 30, 2021
Consolidated					
Net loss	$ (108)	$ (78)	$ (55)	**$ (2)**	**$ (243)**
Add:					
Interest expense, net	31	32	31	**38**	**132**
Income tax benefit	(31)	(23)	(42)	**(6)**	**(102)**
Depreciation and amortization	69	70	66	**72**	**277**
EBITDA	$ (39)	$ 1	$ —	**$ 102**	**$ 64**
Nitrogen Fertilizer					
Net (loss) income	$ (19)	$ (17)	$ (25)	**$ 7**	**(54)**
Add:					
Interest expense, net	16	16	16	**23**	**71**
Depreciation and amortization	18	19	14	**21**	**72**
EBITDA	$ 15	$ 18	$ 5	**$ 51**	**$ 89**
EBITDA exclusive of Nitrogen Fertilizer	$ (54)	$ (17)	$ (5)	**$ 51**	**$ (25)**

Liquidity and Capital Resources

Our principal source of liquidity has historically been cash from operations. Our principal uses of cash are for working capital, capital expenditures, funding our debt service obligations, and paying dividends to our stockholders, as further discussed below.

The effects of the COVID-19 pandemic resulted in a reduction in U.S. economic activity and, for our industry, resulted in significant changes in crude oil supply and a decline in prices, as well as decreases in refined product pricing due to reductions in demand for crude oil and our refined products, primarily gasoline and jet fuel. In February 2021, Winter Storm Uri caused unprecedented disruptions to natural gas and electricity supply throughout the Midwest and Gulf Coast regions, limiting refining operations which further helped reduce excess inventories and start to balance supply and demand. This period of extreme economic disruption and volatile commodity pricing and demand has impacted our business and results of operations, reducing our primary source of liquidity.

While we believe demand for crude oil and refined products has begun to stabilize, and commodity prices, in particular crude oil prices, have started to recover, there is still uncertainty on the horizon as the COVID-19 vaccines are distributed and countries and states continue to monitor their efforts against the virus and virus variants. We continue to maintain our focus on safe and reliable operations, maintaining an appropriate level of cash to fund ongoing operations, and protecting the balance sheet. As a result of these factors, and in light of management's decision to cease evaluating petroleum refinery acquisitions given the uncertainty of the current environment and other potential future cash requirements of the Company, the Board elected to declare a special dividend equal to $492 million during the second quarter of 2021 comprised of cash and its investment in Delek common stock, and no dividend was declared for the fourth quarter of 2020 or first quarter of 2021. These decisions support the Company's continued focus on financial discipline through a balanced approach of evaluation of strategic investment opportunities and stockholder distributions while maintaining adequate capital requirements for ongoing operations throughout the uncertain environment. The Board will continue to evaluate the economic environment, the Company's cash needs, optimal uses of cash, and other applicable factors, and may elect to make additional changes to the Company's dividend in future periods. Additionally, in executing financial discipline, we have successfully implemented and are maintaining the following measures:

- Deferring the majority of our growth capital spending, with the exception of the RDU Project at the Wynnewood Refinery;
- Reducing the amount of refining maintenance capital expenditures to only include those projects which are a priority to support continuing safe and reliable operations, or which we consider are required to support future activities;
- Focusing future capital allocation to high-return assets and opportunities that advance participation in the energy industry transformation;
- Continuing to focus on discipled management of operational and general and administrative cost reductions;
- For the Petroleum Segment, deferring the Wynnewood Refinery turnaround from the spring of 2021 to the spring of 2022, resulting in the delay of long-lead expenditures into 2021; and
- For the Nitrogen Fertilizer Segment, taking advantage of downtime to perform maintenance activities which enabled us to defer the East Dubuque Fertilizer Facility turnaround from 2021 to 2022.

When paired with the actions outlined above, we believe that our cash from operations and existing cash and cash equivalents, along with borrowings, as necessary, will be sufficient to satisfy anticipated cash requirements associated with our existing operations for at least the next 12 months. However, our future capital expenditures and other cash requirements could be higher than we currently expect as a result of various factors including, but not limited to, rising material and labor costs and the costs associated with complying with the Renewable Fuel Standard. Additionally, our ability to generate sufficient cash from our operating activities and secure additional financing depends on our future operational performance, which is subject to general economic, political, financial, competitive, and other factors, some of which may be beyond our control.

Depending on the needs of our business, contractual limitations and market conditions, we may from time to time seek to issue equity securities, incur additional debt, issue debt securities, or otherwise refinance our existing debt. There can be no assurance that we will seek to do any of the foregoing or that we will be able to do any of the foregoing on terms acceptable to us or at all.

CVR Partners' debt offering which included $550 million in aggregate principal amount of 6.125% Senior Unsecured Notes due 2028 (the "2028 UAN Notes"), which mature on June 15, 2028, along with the associated partial repayment of the CVR Partners' 9.25% Senior Notes due 2023 (the "2023 UAN Notes") of $550 million, collectively represent a significant and favorable change in the Company's cash flow and liquidity position, with an annual savings of approximately $17 million in future interest expense, as compared to our 2020 Form 10-K. The Company, and its subsidiaries, were in compliance with all covenants under their respective debt instruments as of June 30, 2021, as applicable.

We do not have any "off-balance sheet arrangements" as such term is defined within the rules and regulations of the SEC.

Cash Balances and Other Liquidity

As of June 30, 2021, we had total liquidity of approximately $915 million which consisted of consolidated cash and cash equivalents of $519 million, $364 million available under the Petroleum ABL, and $32 million available under the Nitrogen Fertilizer ABL. As of December 31, 2020, we had $667 million in cash and cash equivalents.

(in millions)	June 30, 2021	December 31, 2020
CVR Partners:		
9.25% Senior Secured Notes, due June 2023 (1)	**$ 95**	$ 645
6.125% Senior Secured Notes, due June 2028	**550**	—
Unamortized discount and debt issuance costs	**(5)**	(11)
Total CVR Partners debt	**$ 640**	$ 634
CVR Energy:		
5.25% Senior Notes, due February 2025	**$ 600**	$ 600
5.75% Senior Notes, due February 2028	**400**	400
Unamortized debt issuance costs	**(5)**	(6)
Total CVR Energy debt	**$ 995**	$ 994
Total long-term debt	**$ 1,635**	$ 1,628
Current portion of long-term debt (2)	**—**	2
Total long-term debt, including current portion	**$ 1,635**	$ 1,630

(1) The call price of the 2023 UAN Notes decreased to par on June 15, 2021. On June 23, 2021, CVR Partners redeemed $550 million of the 2023 UAN Notes at par, plus accrued and unpaid interest. The remaining balance is $95 million is outstanding as of June 30, 2021.
(2) The $2 million outstanding balance of the 6.50% Notes, due April 2021, was paid in full on April 15, 2021.

CVR Partners

On June 23, 2021, CVR Partners and its subsidiary, CVR Nitrogen Finance Corporation ("Finance Co.") completed a private offering of $550 million aggregate principal amount of 6.125% Senior Secured Notes due 2028. The net proceeds from the 2028 UAN Notes, plus cash on hand, were used to redeem a portion of the 2023 UAN Notes. The Nitrogen Fertilizer Segment has the remaining portion of the 2023 UAN Notes, the 2028 UAN Notes, and the Nitrogen Fertilizer ABL, the proceeds of which may be used to fund working capital, capital expenditures, and for other general corporate purposes. Refer to Note 8 ("Long-Term Debt and Finance Lease Obligations") and Part II, Item 8 of our 2020 Form 10-K for further discussion.

CVR Refining

The Petroleum Segment has the Petroleum ABL, the proceeds of which may be used to fund working capital, capital expenditures, and for other general corporate purposes. Refer to Part II, Item 8 of our 2020 Form 10-K for further discussion.

CVR Energy

CVR Energy has the 5.25% Senior Notes due 2025 and 5.75% Senior Notes due 2028, the net proceeds of which may be used for general corporate purposes, which may include funding acquisitions, capital projects, and/or share repurchases or other distributions to our stockholders. Refer to Part II, Item 8 of our 2020 Form 10-K for further discussion.

Capital Spending

We divide capital spending needs into two categories: maintenance and growth. Maintenance capital spending includes non-discretionary maintenance projects and projects required to comply with environmental, health, and safety regulations. Growth capital projects generally involve an expansion of existing capacity and/or a reduction in direct operating expenses. We undertake growth capital spending based on the expected return on incremental capital employed.

In December 2020, our Board approved the renewable diesel project at our Wynnewood Refinery, which will convert the refinery's hydrocracker to a renewable diesel unit capable of producing 100 million gallons of renewable diesel per year (the "RDU"). Currently, total estimated costs for the project are $150 million to $160 million. Mechanical completion and startup of the RDU is expected to occur in the third quarter of 2021.

Our total capital expenditures for the six months ended June 30, 2021, along with our estimated expenditures for 2021, by segment, are as follows:

	Six Months Ended June 30, 2021 Actual			**2021 Estimate (1)**					
				Maintenance		Growth		Total	
(in millions)	Maintenance	Growth	Total	Low	High	Low	High	Low	High
Petroleum	**$ 18**	**$ 1**	**$ 19**	$ 60	$ 65	$ 1	$ 2	$ 61	$ 67
Renewables (2)	**—**	**124**	**124**	—	—	135	140	135	140
Nitrogen Fertilizer	**5**	**2**	**7**	20	22	7	9	27	31
Other	**1**	**—**	**1**	3	4	—	—	3	4
Total	**$ 24**	**$ 127**	**$ 151**	$ 83	$ 91	$ 143	$ 151	$ 226	$ 242

(1) Total 2021 estimated capital expenditures includes up to approximately $1 million of growth related projects that will require additional approvals before commencement.
(2) Renewables reflects spending on the Wynnewood RDU project. Amounts spent in 2020 were previously reported under Other. Upon completion and meeting of certain criteria under accounting rules, Renewables is expected to be a new reportable segment. As of June 30, 2021, Renewables does not the meet the definition of an operating segment as defined under ASC 280.

Our estimated capital expenditures are subject to change due to unanticipated changes in the cost, scope, and completion time for capital projects. For example, we may experience unexpected changes in labor or equipment costs necessary to comply with government regulations or to complete projects that sustain or improve the profitability of the refineries or nitrogen fertilizer facilities. We may also accelerate or defer some capital expenditures from time to time. Capital spending for CVR Partners is determined by the board of directors of its general partner (the "UAN GP Board").

The Petroleum Segment began a major scheduled turnaround at the Coffeyville Refinery in February 2020, which was completed in April 2020. Total capitalized expenditures in 2020, primarily relating to the Coffeyville Refinery turnaround, were $153 million, of which $127 million was capitalized in the first quarter of 2020 and $26 million was capitalized in the second quarter of 2020. The Petroleum Segment's next planned turnaround is at the Wynnewood Refinery in the fall of 2022, where pre-planning expenditures are currently underway. During the three and six months ended June 30, 2021, a nominal amount and $1 million, respectively, has been capitalized of a total estimate of $6 million for the pre-planning phase. The Coffeyville Refinery's next planned turnaround is expected to start in the spring of 2023, with pre-planning expenditures of $1 million expected to be incurred in the second half of 2021. As for the Nitrogen Fertilizer Segment, the next planned turnaround is at the Coffeyville Fertilizer Facility which is expected to commence in the fall of 2021, with a total estimated cost of $8 to $10 million. We will continue to monitor market conditions and make adjustments, if needed, to our current capital spending or turnaround plans.

Dividends to CVR Energy Stockholders

Dividends, if any, including the payment, amount and timing thereof, are subject to change at the discretion of CVR Energy's board of directors (the "Board"). IEP, through its ownership of the Company's common stock, is entitled to receive dividends that are declared and paid by the Company based on the number of shares held at each record date. There were no dividends declared or paid by the Company during the six months ended June 30, 2021 related to the first quarter of 2021 and fourth quarter of 2020. No dividends were declared for the second quarter of 2021.

On May 26, 2021, the Company announced a special dividend of approximately $492 million, or equivalent to $4.89 per share of the Company's common stock, to be paid in a combination of cash (the "Cash Distribution") and the common stock of Delek US Holdings, Inc. ("Delek") held by the Company (the "Stock Distribution"). On June 10, 2021, the Company distributed an aggregate amount of approximately $241 million, or $2.40 per share of the Company's common stock, pursuant to the Cash Distribution, and approximately 10,539,880 shares of Delek common stock, which represented approximately 14.3% of the outstanding shares of Delek common stock, pursuant to the Stock Distribution. IEP received approximately 7,464,652 shares of common stock of Delek and $171 million in cash.

The following table presents dividends paid to the Company's stockholders, including IEP, during 2020 (amounts presented in tables below may not add to totals presented due to rounding).

			Dividends Paid (in millions)		
Related Period	**Date Paid**	**Dividend Per Share**	**Stockholders**	**IEP**	**Total**
2019 - 4th Quarter	March 9, 2020	$ 0.80	$ 23	$ 57	$ 80
2020 - 1st Quarter	May 26, 2020	0.40	12	28	40
Total		$ 1.20	$ 35	$ 85	$ 121

Distributions to CVR Partners' Unitholders

Distributions, if any, including the payment, amount and timing thereof, are subject to change at the discretion of the UAN GP Board. There were no distributions declared or paid by CVR Partners during the six months ended June 30, 2021 related to the first quarter of 2021 and fourth quarter of 2020, and no distributions were declared or paid during 2020.

For the second quarter of 2021, CVR Partners, upon approval by the UAN GP Board on August 2, 2021, declared a distribution of $1.72 per common unit, or $18 million, which is payable August 23, 2021 to unitholders of record as of August 13, 2021. Of this amount, CVR Energy will receive approximately $7 million, with the remaining amount payable to public unitholders.

Capital Structure

On October 23, 2019, the Board authorized a stock repurchase program (the "Stock Repurchase Program"). The Stock Repurchase Program would enable the Company to repurchase up to $300 million of the Company's common stock. Repurchases under the Stock Repurchase Program may be made from time-to-time through open market transactions, block trades, privately negotiated transactions or otherwise in accordance with applicable securities laws. The timing, price and amount of repurchases (if any) will be made at the discretion of management and are subject to market conditions as well as corporate, regulatory and other considerations. While the Stock Repurchase Program currently has a duration of four years, it does not obligate the Company to acquire any stock and may be terminated by the Board at any time. As of June 30, 2021, the Company has not repurchased any of the Company's common stock under the Stock Repurchase Program.

On May 6, 2020, CVR Partners announced that the UAN GP Board, on behalf of CVR Partners, authorized a unit repurchase program (the "Unit Repurchase Program"). The Unit Repurchase Program enables CVR Partners to repurchase up to $10 million of its common units. On February 22, 2021, the UAN GP Board authorized an additional $10 million for the Unit Repurchase Program. During the three months ended June 30, 2021, CVR Partners did not repurchase any common units. During the six months ended June 30, 2021, CVR Partners repurchased 24,378 common units on the open market in accordance with a repurchase agreement under Rules 10b5-1 and 10b-18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") at a cost of $0.5 million, inclusive of transaction costs, or an average price of $21.70 per common unit. During the three and six months ended June 30, 2020, as adjusted to reflect the impact of the 1-for-10 reverse unit split of the CVR Partners' common units that was effective as of November 23, 2020, CVR Partners repurchased 89,022 common units at a cost of $1.0 million, inclusive of transaction costs, or an average price of $10.72 per common unit. As of June 30, 2021, CVR Partners had $12.4 million in authority remaining under the Unit Repurchase Program. This Unit Repurchase Program does not obligate CVR Partners to acquire any common units and may be cancelled or terminated by the UAN GP Board at any time.

Cash Flows

The following table sets forth our consolidated cash flows for the periods indicated below:

	Six Months Ended June 30,		
(in millions)	2021	2020	Change
Net cash used in:			
Operating activities	**$ 243**	$ (49)	$ 292
Investing activities	**(141)**	(361)	220
Financing activities	**(250)**	364	(614)
Net decrease in cash and cash equivalents and restricted cash	**$ (148)**	$ (46)	$ (102)

Operating Activities

The change in operating activities for the six months ended June 30, 2021, as compared to the six months ended June 30, 2020, was primarily due to favorable changes in working capital of $438 million associated with the increase in crude oil prices, increases in our open RFS position, and a $72 million increase in EBITDA during 2021 which includes a $35 million increase in non-cash earnings on the Company's investment in Delek and a $19 million increase in non-cash share based compensation in 2021 compared to 2020. This is partially offset by an increase in net non-cash deferred tax expense of $113 million, as well as a 2020 lower of cost or market inventory charge of $58 million and a $41 million non-cash impairment of goodwill recognized in 2020. These non-cash impacts to earnings along with other immaterial changes results in a decrease of operating results, excluding non-cash items, of $148 million.

Investing Activities

The change in net cash used in investing activities for the six months ended June 30, 2021, as compared to the six months ended June 30, 2020 was primarily due to the purchase of Delek common stock for $140 million in the first quarter of 2020, lower turnaround expenditures of $145 million in 2021 due to spend occurring in 2020 for Coffeyville Refinery turnaround. These decreases are partially offset by an increase in capital expenditures of $49 million related to the RDU Project and the closing payment for the acquisition of pipeline assets of $20 million in 2021.

Financing Activities

The change in net cash used for financing activities for the six months ended June 30, 2021, as compared to the net cash provided in financing activities for the six months ended June 30, 2020 was due to the January 2020 private offering of the 5.25% Senior Notes due 2025 and 5.75% Senior Notes due 2028 totaling $1.0 billion, netted against the issuance are the redemption of the outstanding CVR Refining 2022 Notes in January 2020 of $500 million and call premium of $5 million. Additionally, during the second quarter of 2021, CVR Partners completed a private offering of the 2028 UAN Notes totaling $550 million and used the proceeds, plus cash on hand, to redeem a portion of the 2023 UAN Notes. The result of these debt offerings and the respective redemptions of outstanding senior notes is a net reduction in financing activities of approximately $497 million in 2021 as compared to 2020. Further, CVR Energy paid dividends of $241 million in 2021 compared to $121 million in 2020.

Critical Accounting Estimates

Our critical accounting estimates are disclosed in the "Critical Accounting Estimates" section of our 2020 Form 10-K. No modifications have been made during the three and six months ended June 30, 2021 to these estimates.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk*

There have been no material changes to our market risks as of and for the three and six months ended June 30, 2021, as compared to the risks discussed in Part II, Item 7A of our 2020 Form 10-K.

Item 4. *Controls and Procedures*

Evaluation of Disclosure Controls and Procedures

As of June 30, 2021, we have evaluated, under the direction of our Chief Executive Officer and Chief Financial Officer, the effectiveness of our disclosure controls and procedures, as defined in Exchange Act Rule 13a-15(e). Based upon and as of the date of that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Security and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal controls over financial reporting required by Rule 13a-15 of the Exchange Act that occurred during the fiscal quarter ended June 30, 2021 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. Despite many of our employees working in a remote environment due to the COVID-19 pandemic, we have not experienced any material impact to our internal controls over financial reporting. We are continually monitoring and assessing the COVID-19 pandemic to determine any potential impact on the design and operating effectiveness of our internal controls over financial reporting.

PART II. OTHER INFORMATION

Item 1. *Legal Proceedings*

See Note 12 ("Commitments and Contingencies") to Part I, Item 1 of this Report, which is incorporated by reference into this Part II, Item 1, for a description of certain litigation, legal, and administrative proceedings and environmental matters.

Item 1A. *Risk Factors*

There have been no material changes from the risk factors previously disclosed in the "Risk Factors" section in our 2020 Form 10-K

Item 5. *Other Information*

None.

Item 6. *Exhibits*

Exhibit Number	Exhibit Description
4.1**	Indenture, dated as of June 23, 2021, among CVR Partners, LP, CVR Nitrogen Finance Corporation, the Guarantors party thereto and Wilmington Trust, National Association, as trustee and collateral trustee (incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed on June 23, 2021).
4.2**	Form of 6.125% Senior Secured Note due 2028 (incorporated by reference to Exhibit 4.2 to the Company's Form 8-K filed on June 23, 2021).
10.1**	Collateral Trust Joinder, dated as of June 23, 2021, among CVR Partners, LP, CVR Nitrogen Finance Corporation, the Guarantors party thereto and Wilmington Trust, National Association, as trustee and collateral trustee (incorporated by reference to Exhibit 10.3 to the Company's Form 8-K filed on June 23, 2021).
10.2**	The Joinder Agreement (Other Parity Lien Obligations), dated as of June 23, 2021, among Wilmington Trust, National Association, as an other parity obligations representative, UBS AG, Stamford Branch, as collateral agent under the Existing ABL Facility, Wilmington Trust, National Association, as applicable parity lien representative, Wilmington Trust, National Association, as parity lien collateral trustee and CVR Partners, LP (incorporated by reference to Exhibit 10.4 to the Company's Form 8-K filed on June 23, 2021).
31.1*	Rule 13a-14(a)/15(d)-14(a) Certification of President and Chief Executive Officer.
31.2*	Rule 13a-14(a)/15(d)-14(a) Certification of Executive Vice President and Chief Financial Officer.
32.1†	Section 1350 Certification of President and Chief Executive Officer and Executive Vice President and Chief Financial Officer.
101*	The following financial information for CVR Energy, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 formatted Inline XBRL ("Extensible Business Reporting Language") includes: (i) Condensed Consolidated Balance Sheets (unaudited), (ii) Condensed Consolidated Statements of Operations (unaudited), (iii) Condensed Consolidated Statements of Comprehensive Income (unaudited), (iv) Condensed Consolidated Statement of Changes in Equity (unaudited), (v) Condensed Consolidated Statements of Cash Flows (unaudited) and (vi) the Notes to Condensed Consolidated Financial Statements (unaudited), tagged in detail.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.
** Previously filed.
† Furnished herewith.

PLEASE NOTE: Pursuant to the rules and regulations of the SEC, we may file or incorporate by reference agreements as exhibits to the reports that we file with or furnish to the SEC. The agreements are filed to provide investors with information regarding their respective terms. The agreements are not intended to provide any other factual information about the Company, its business or operations. In particular, the assertions embodied in any representations, warranties and covenants contained in the agreements may be subject to qualifications with respect to knowledge and materiality different from those applicable to investors and may be qualified by information in confidential disclosure schedules not included with the exhibits. These disclosure schedules may contain information that modifies, qualifies and creates exceptions to the representations, warranties and covenants set forth in the agreements. Moreover, certain representations, warranties and covenants in the agreements may have been used for the purpose of allocating risk between the parties, rather than establishing matters as facts. In addition, information concerning the subject matter of the representations, warranties and covenants may have changed after the date of the respective agreement, which subsequent information may or may not be fully reflected in the Company's public disclosures. Accordingly, investors should not rely on the representations, warranties and covenants in the agreements as characterizations of the actual state of facts about the Company, its business or operations on the date hereof.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CVR Energy, Inc.

August 3, 2021	By:	/s/ Tracy D. Jackson
		Executive Vice President and Chief Financial Officer
		(Principal Financial and Accounting Officer)

Exhibit 31.1

Certification of President and Chief Executive Officer Pursuant to
Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934,
As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, David L. Lamp, certify that:

1. I have reviewed this report on Form 10-Q of CVR Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ DAVID L. LAMP
David L. Lamp
President and Chief Executive Officer
(Principal Executive Officer)

Date: August 3, 2021

Exhibit 31.2

Certification of Executive Vice President and Chief Financial Officer Pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Tracy D. Jackson, certify that:

1. I have reviewed this report on Form 10-Q of CVR Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ TRACY D. JACKSON
Tracy D. Jackson
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Date: August 3, 2021

Exhibit 32.1

Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the filing of the Quarterly Report of CVR Energy, Inc., a Delaware corporation (the "Company"), on Form 10-Q for the fiscal quarter ended June 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certify, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of such officer's knowledge and belief:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

By: /s/ DAVID L. LAMP
David L. Lamp
President and Chief Executive Officer
(Principal Executive Officer)

By: /s/ TRACY D. JACKSON
Tracy D. Jackson
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Dated: August 3, 2021