



FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March 31, 2019

ISLA PERTTULA CORPORATION

(Exact name of registrant as specified in its charter)

Delaware | 1 Channel Plaza, Perttula, Texas 77436

Class A Common Stock, par value \$0.01 per share, listed on the New York Stock Exchange under the symbol IPC.

As of the close of the quarter, 158,900,000 shares of Class A Common Stock and 12,700,000 shares of Class B Common Stock were outstanding.

Part I — Financial Information

Item 1. Condensed Consolidated Statements of Operations (unaudited)

(in millions, except per share)	Q1 2019	Q1 2018
Advanced Materials	245	223
Chemicals	422	435
Energy & Storage	189	178
Logistics	428	393
Corporate & Community	25	25
Total revenue	1,309	1,254
Adjusted EBITDA	245	230
Net income (loss)	68	64
Diluted earnings (loss) per share	\$0.40	\$0.38

Item 2. Management's Discussion and Analysis

Revenue for the quarter was 1,309 million, compared with 1,254 million in the same quarter of 2018.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to commodity price risk on natural gas and power, and to interest rate risk on borrowings under its revolving credit facility. There has been no material change in the Company's market risk exposures since the most recent Annual Report on Form 10-K.

Item 4. Controls and Procedures

Management, with the participation of the principal executive officer and principal financial officer, evaluated the effectiveness of the Company's disclosure controls and procedures and concluded that they were effective as of the end of the period covered by this report.

Part II — Other Information

Item 1. Legal Proceedings

The Company is party to various legal proceedings arising in the ordinary course of business.

Forward-Looking Statements

This report contains forward-looking statements. Actual results may differ materially from those expressed or implied, including as a result of commodity prices, weather events on the Texas Gulf Coast, regulatory developments in the jurisdictions in which the Company operates, and the outcome of strategic reviews.