

TURNING THE CORNER



2017
ANNUAL REPORT


CALUMET
SPECIALTY PRODUCTS PARTNERS, L.P.

Financial Highlights

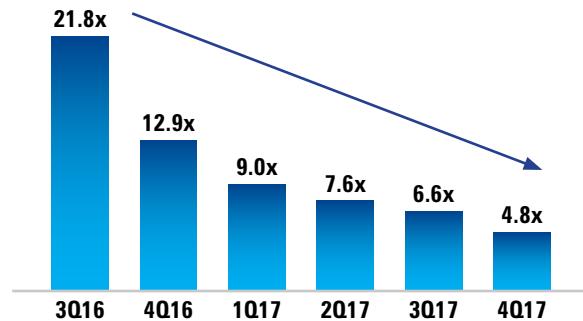
Financial Highlights	2017	2016	2015
Revenue (\$mm)*	\$3,763.8	\$3,474.3	\$3,930.3
Gross Profit (\$mm)*	\$498.2	\$386.3	\$536.4
Gross Margin*	13.2%	11.1%	13.6%
Adjusted EBITDA (\$mm)	\$317.2	\$158.2	\$257.7
Net Loss (\$mm)	(\$103.8)	(\$328.6)	(\$139.4)
Net Loss per unit (\$)	(\$1.31)	(\$4.18)	(\$2.05)
Production Volume (kbpd)	131.6	134.9	122.8
Capital Expenditures (\$mm)	\$79.9	\$122.3	\$425.4

*From continuing operations.

Strategy Triangle



Net Debt to LTM Adjusted EBITDA (Leverage) Ratio



Liquidity Availability (\$MM)



[1] Excludes \$350 million of restricted cash

Our Company

Calumet Specialty Products Partners, L.P. (NASDAQ: CLMT) is a master limited partnership and a leading independent producer of high-quality, specialty hydrocarbon products in North America. Calumet processes crude oil and other feedstocks into customized lubricating oils, white oils solvents, waxes and branded products used in consumer, industrial and automotive products. Additionally, the partnership produces fuel products including gasoline, diesel, jet fuel and asphalt for customers throughout the United States.

Calumet produces nearly 3,700 unique specialty products used in the development of the world's most trusted brands and products. Calumet is vertically integrated and holds a comprehensive portfolio of branded products for use in commercial, industrial and consumer applications. Headquartered in Indianapolis, Indiana, the company employs approximately 1,600 people and operates 11 facilities across North America, including 9 specialty products manufacturing and production facilities. Calumet products and services are available in more than 50 countries across the world and serves approximately 4,000 customers globally.

Dear Fellow Unitholders,

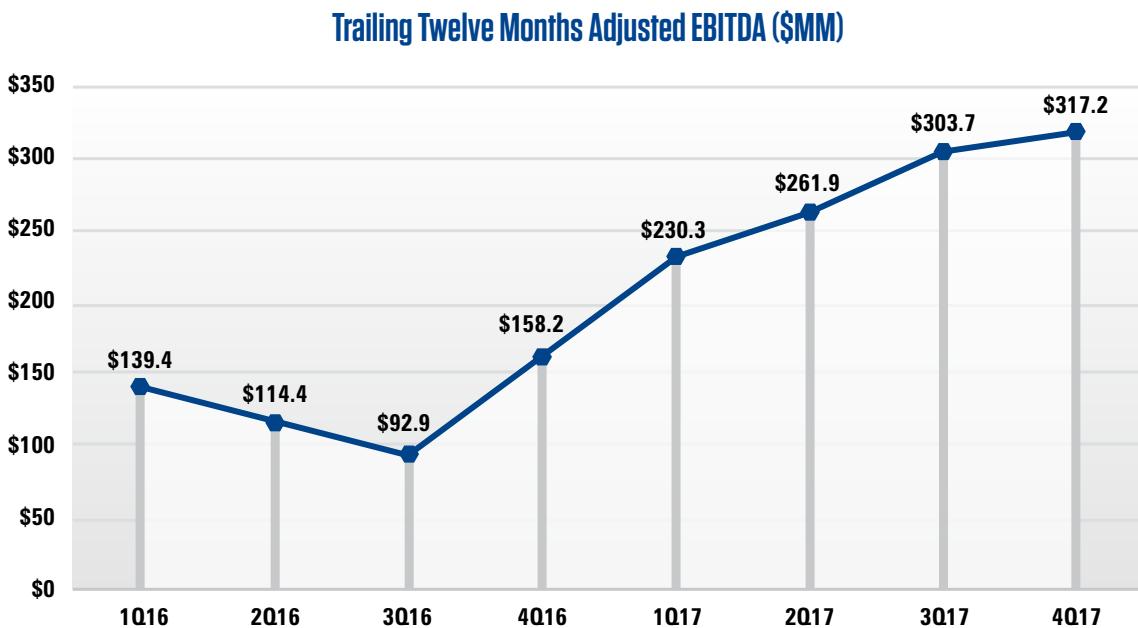
Over the last two years, the Calumet organization has undergone substantial transformation and in 2017 I am proud to say that we have successfully turned the corner, both in terms of our financial performance and our go forward path. In 2016 we reset our vision, solidified the Partnership's foundation, and began to transform our culture. That hard work put us in a strong position to execute in 2017, which was readily apparent in our strong financial performance.

As of the end of the year, we have delivered five consecutive quarters of trailing-twelve-month Adjusted EBITDA growth. In fact, in 2017 our total Adjusted EBITDA came in at \$317.2 million, which more than doubled relative to the previous year, showing the benefit from the significant operational improvements and improved market conditions. Besides our much-improved financial performance, many of our most meaningful successes occurred on the strategic front. Reducing our leverage profile was and is a strategic imperative for the Partnership, and last year we were able to reduce our leverage, as measured by debt-to-trailing-twelve-month Adjusted EBITDA by 63% year-over-year. Additionally, operational and



Tim Go, CEO

performance improvements across a number of our assets allowed for us to act opportunistically in further rationalizing our asset portfolio. Specifically, we completed two major divestitures of non-core assets, which not only netted over \$600 million in total consideration, but also allowed us to further delever our balance sheet and meaningfully improve the stability of our cash flows by removing a significant degree of volatility to the overall business. I can say with conviction that our improved financial results and the momentum we have generated on our strategic initiatives is a testament to our employees' commitment to our corporate vision, to be the premiere specialty petroleum products company in the world.





2017: A Year of Execution

At the beginning of the year, I said 2017 was going to be the year Calumet executes our plan, and I can say confidently that we did exactly that. Over the last year, Calumet got back to doing what it does best, and that is delivering high-quality, premium specialty products.

This emphasis on specialty products, as well as continuous improvement across our fuels segment, allowed us to grow our gross margins to 13.2% in fiscal 2017, from 11.1% in 2016. When I first stepped into my role as CEO, I knew that if we refocused our business around our best assets and concentrated our efforts in areas where we have strong competitive advantages, we could be a truly high-performance organization. It's been wonderful to see our expanded and enhanced management team, as well as our whole organization attack these opportunities, which continues to drive record performance in some of our most profitable specialty product lines, including:

- Records for sales volume and earnings contribution from our high-value Branded Products division for the second consecutive year;
- And record annual throughput at our Cotton Valley facility where we produce specialty solvents.

Our Branded Products division of finished lubricants and specialty chemicals has been growing substantially and we are growing our production to meet the ongoing strength in market demand for these high-quality products. Branded Product sales contributions increased nearly 7% year-over-year, and in response to continued growth in demand, Calumet grew production volumes by over 24% across the full year 2017. I have confidence that we will continue to grow this

important aspect of our specialty product offerings through 2018 as well. As our Branded Products volumes continue to grow, the improvement to our overall sales mix will drive further uplift to our specialty segment Adjusted EBITDA and overall performance results. Again, our ability to meet rising demand can only come with the emphasis on system-wide execution that allows us to grow production, as evidenced by the nearly 20% increase in production volumes from our solvents refinery at Cotton Valley. A significant component of our transformation strategy is enhancing our position in markets like Branded Products and specialty solvents where we believe we have distinct competitive advantages, and the execution we exhibited throughout the year in these key areas has me encouraged that we can adapt and grow alongside our core markets.

It was the emphasis on execution that has allowed Calumet to turn the corner on our transformation efforts and move into the second stage of our longer-term strategy, a phase that focuses on acting opportunistically to initiate our own growth. Elements of this growth phase began to emerge

last year, as we announced a number of important growth and innovation projects as well as the introduction and launch of multiple high-value specialty products. In May of last year, we announced the introduction of our new Group-III synthetic base oil, making Calumet the only producer of this grade of base oil in the United States. Additionally, in the second quarter we introduced our new naphthenic Uninhibited Transformer Oil for use primarily in European markets. Both of these products were developed and produced internally using proprietary technology. Additionally, Calumet successfully completed expansion projects for both our Royal Purple and TruFuel facilities, effectively expanding the capacity in order to meet the growing demand for our highest-margin specialty products.

“In May of last year, we announced the introduction of our new Group-III synthetic base oil, making Calumet the only producer of this grade of base oil in the United States.”

As Chief Executive Officer, I am responsible for this organization from top to bottom, and I would be remiss if I did not address some of the hiccups we have experienced along the way through our transformation effort. As you know, we put in place an enterprise resource planning system in late 2017 which has been a significant undertaking, and many of the technological changes have presented challenges to the timeliness of some of our quarterly reporting. We have worked diligently to remediate this issue and we know how issues like these can at times overshadow the larger strategic successes we have been able to achieve throughout the year. I want to reiterate that although it has caused some recent delays regarding the timeliness of our financial reporting, we firmly believe that the data-driven insights and further cost reduction opportunities provided by the system will enhance our ability to capture significant value for Calumet unitholders.

2018: Our Priorities

As we position Calumet for the future, I'd like to further explain our strategic vision, and our priorities for 2018 and beyond. One of the primary cornerstones of our turnaround has been our organizational commitment to our Self-Help program, which is rooted in reducing costs and waste, enhancing our margins and identifying and executing on opportunistic growth projects.

Self-Help will continue to be the lowest cost, highest return tool in our company's toolkit to drive further growth and enhance our cash flows. The Self-Help program has been a tremendous value-creator in the first two years of the initiative. Originally, we set a three-year target of achieving an additional \$150 to \$200 million in Adjusted EBITDA, and through only the first eight quarters of the program, our cumulative results put us just below the bottom of the range for that three-year goal. As I noted last year, operating with efficiency, cost discipline, and driving enhancements to our margins is not an initiative that ends with our three-year target, but instead has come to define our culture and how we intend on operating our business as we move forward in our transformation.

A key element of the Self-Help has been opportunistic growth projects, ones defined by low capital investments with quick paybacks. We have a number of those projects in development currently and planned for in 2018, including:

- A new isomerate unit at our San Antonio refinery, a project that when complete will increase our high-octane gasoline sales, and
- A naphtha project at our Great Falls refinery, aimed at upgrading the quality and market price for our naphtha products





The Product innovation Center - Indianapolis, IN

On our fourth quarter earnings call, we announced the opening of our local Product Innovation Center – where Calumet employees are actively conducting advanced research and product development in a state of the art R&D facility. The work being done at the Innovation Center is the same kind of research and product development that created the proprietary technology associated with our Group-III synthetic base oil and Uninhibited Transformer Oil. At the Innovation Lab, our staff is creating highly engineered solutions to satisfy the ever-evolving needs of our customers. Our customers require highly customized formulations for their own niche product offerings, often in small batch format. These customers are willing to pay a premium for our superior quality and for our ability to adapt and meet their complex needs. We call the new facility the Innovation Center for specifically that reason; it is through a continued emphasis and focus on innovation that we can increase our ability to be proactive in addressing the growing needs of our valued customers. Ultimately, the Innovation Center will allow Calumet to further enhance its position as a significant value-added element to our customer base and catalyze growth in our core business. Since its grand opening in October, the response from the customer community has been great and we expect to announce additional new product introductions and expansions as the year unfolds.



In Conclusion

Last year Calumet Specialty Products Partners took meaningful steps forward in our greater transformation. We successfully built on the foundation that we set in 2016 and did so with a continued focus on steady and consistent execution in every facet of what we do. We created opportunities to stabilize our business and restore health to our balance sheet. These actions will further allow us to concentrate our efforts on what Calumet does best and that is creating the best specialty products in the marketplace. I am proud of the significant steps forward we have taken as a company, both operationally and strategically, and I am equally proud of how every level of the organization has responded to the challenge. We still have a lot of work left to do, but I can say with conviction that Calumet is on its way to building the high-performance organization that delivers value to all of our stakeholders and unitholders. I look forward to building upon this year of success and continuing our transformation as we strive to make Calumet the premier specialty petroleum products company in the world.

The signature of Tim Go, Chief Executive Officer.

Tim Go

Chief Executive Officer

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Calumet Specialty Products Partners, L.P.
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INVESTOR INFORMATION

Common Unit Listing:

NASDAQ Global Select Market

Symbol: CLMT

Independent Registered Public Accounting Firm:

Ernst & Young LLP

Indianapolis, Indiana

Stock Transfer Agent:

Computershare

Investor Relations:

Unitholders, securities analysts or portfolio managers seeking information are welcome to contact:

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Certain statements and information in this press release may constitute "forward-looking statements." The words "believe," "expect," "anticipate," "plan," "intend," "foresee," "should," "would," "could" or other similar expressions are intended to identify forward-looking statements, which are generally not historical in nature. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effect on us. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting us will be those that we anticipate. All comments concerning our expectations for future sales and operating results are based on our forecasts for our existing operations and do not include the potential impact of any future acquisitions. Our forward-looking statements involve significant risks and uncertainties (some of which are beyond our control) and assumptions that could cause actual results to differ materially from our historical experience and our present expectations or projections. Important factors that could cause actual results to differ materially from those in the forward-looking statements include: the overall demand for specialty hydrocarbon products, fuels and other refined products; our ability to produce specialty products and fuels that meet our customers' unique and precise specifications; the impact of fluctuations and rapid increases or decreases in crude oil and crack spread prices, including the resulting impact on our liquidity; the results of our hedging and other risk management activities; the costs of complying with the U.S. Environmental Protection Agency's Renewable Fuel Standard, including the prices paid for Renewable Identification Numbers; the annual EBITDA contributions from our multi-year, self-help program; our ability to comply with financial covenants contained in our debt instruments; the availability of, and our ability to consummate, acquisition or combination opportunities and the impact of any completed acquisitions; labor relations; our access to capital to fund expansions, acquisitions and our working capital needs and our ability to obtain debt or equity financing on satisfactory terms; environmental liabilities or events that are not covered by an indemnity, insurance or existing reserves; maintenance of our credit ratings and ability to receive open credit lines from our suppliers; demand for various grades of crude oil and resulting changes in pricing conditions; fluctuations in refinery capacity; our ability to access sufficient crude oil supply through long-term or month-to-month evergreen contracts and on the spot market; the effects of competition; the impact of current and future laws, rulings and governmental regulations, including guidance related to the Dodd-Frank Wall Street Reform and Consumer Protection Act; shortages or cost increases of power supplies, natural gas, materials or labor; hurricane or other weather interference with business operations; accidents or other unscheduled shutdowns; and general economic, market or business conditions. For additional information regarding known material factors that could cause our actual results to differ from our projected results, please see our filings with Securities and Exchange Commission ("SEC"), including our latest Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made. We undertake no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise.



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