Lake Charles Refinery

Providing Energy. Improving Lives.®

FEBRUARY 2019

INVESTOR UPDATE

CAUTIONARY STATEMENT

This presentation contains certain forward-looking statements. Words and phrases such as “is anticipated,” “is estimated,” “is expected,” “is planned,” “is scheduled,” “is targeted,” “believes,” “intends,” “objectives,” “projects,” “strategies” and similar expressions are used to identify such forward-looking statements. However, the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements relating to the operations of Phillips 66 and Phillips 66 Partners LP (including their respective joint venture operations) are based on management’s expectations, estimates and projections about these entities, their interests and the energy industry in general on the date this presentation was prepared. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. Factors that could cause actual results or events to differ materially from those described in the forward-looking statements can be found in filings that Phillips 66 and Phillips 66 Partners LP make with the Securities and Exchange Commission. Phillips 66 and Phillips 66 Partners LP are under no obligation (and expressly disclaim any such obligation) to update or alter these forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation includes non-GAAP financial measures. You can find the reconciliations to comparable GAAP financial measures at the end of the presentation materials or in the “Investors” section of the websites of Phillips 66 and Phillips 66 Partners LP.

DIVERSIFIED DOWNSTREAM COMPANY

MIDSTREAM

Integrated Midstream Network

Pursue Organic and M&A Opportunities

PSXP as a Growth Vehicle

CHEMICALS

50% Interest in CPChem

Location Advantaged Chemicals Portfolio

New USGC Petchem Facilities

REFINING

Complex Integrated Refining System

Investing in Quick Payout Projects

Footprint Offers Opportunities for Midstream Growth

MARKETING AND SPECIALTIES

Stable, High-Return Businesses

Enhancing U.S. Fuels Brands

Adding New Sites in Europe

CORPORATE STRATEGY

OPERATING EXCELLENCE

Committed to safety, reliability and environmental stewardship while protecting shareholder value

GROWTH

Reshaping our portfolio by capturing growth opportunities in Midstream and Chemicals

RETURNS

Enhancing returns by maximizing earnings from existing assets and investing capital efficiently

DISTRIBUTIONS

Committed to financial strength, dividend growth, and share repurchases

HIGH-PERFORMING ORGANIZATION

Building capability, pursuing excellence and doing the right thing

DEMONSTRATED STRATEGY EXECUTION; 2017 – 2018 HIGHLIGHTS

OPERATING EXCELLENCE
- Industry leading safety
- Top-tier refining utilization

GROWTH
- $1.5+ B adjusted mid-cycle EBITDA from growth projects
- 31% increase in CPChem ethylene and polyethylene capacity
- 450 MBD growth in crude oil and NGL net pipeline capacity
- 8 MMB increase in net storage capacity at Beaumont Terminal and Clemens Caverns
- 45% expansion of export capability
- 30% five-year distribution CAGR achieved at PSXP

RETURNS
- Increased crude flexibility
- 25 MBD of additional clean product production
- ~2,600 reimaged U.S. branded sites since 2015

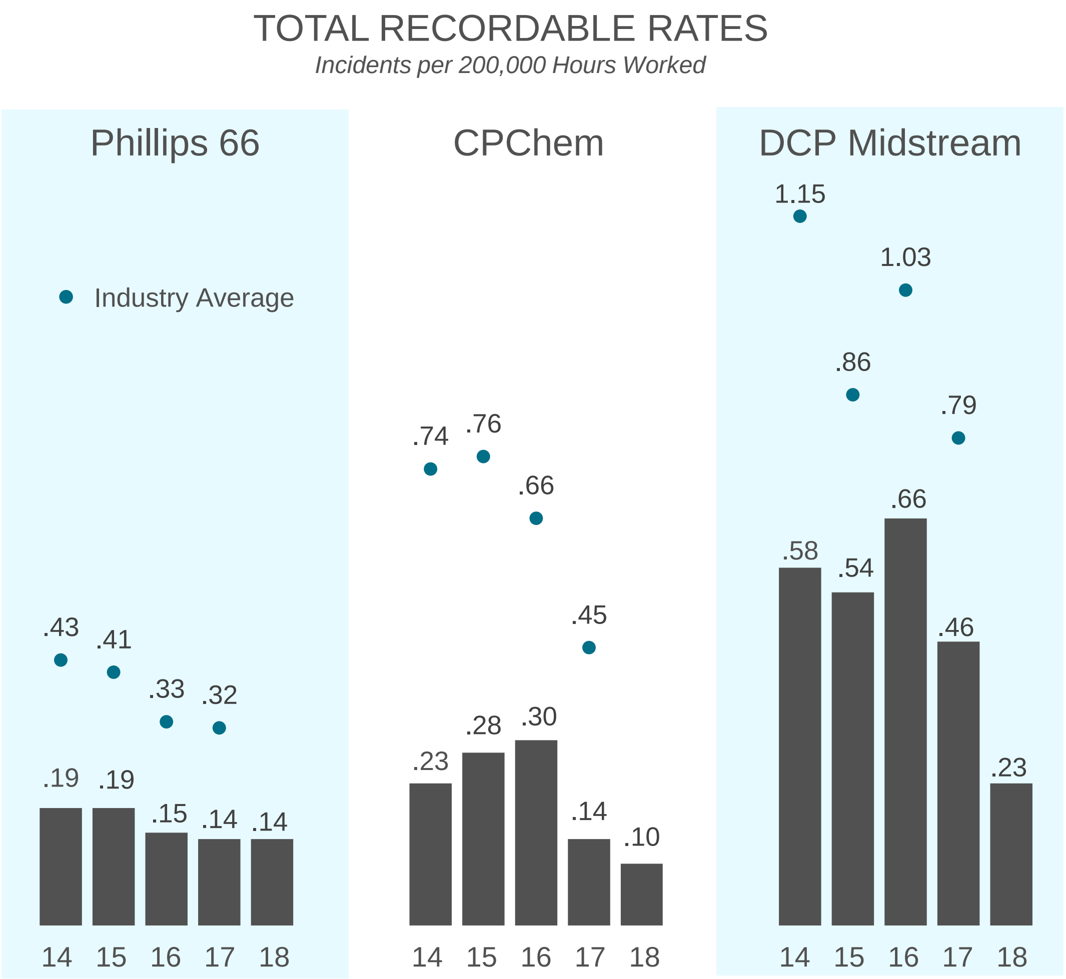
DISTRIBUTIONS
- $22.5 B total shareholder distributions since inception
- 30% initial shares outstanding repurchased or exchanged
- 27% dividend CAGR from September 2012

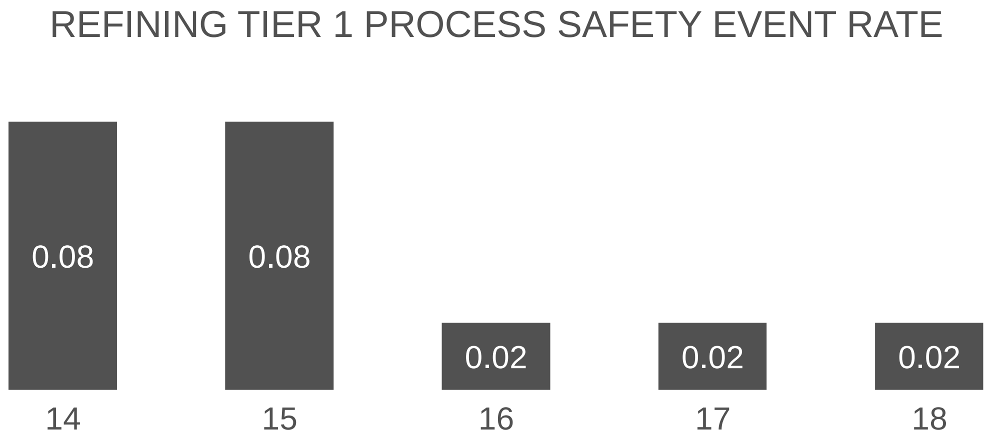
HIGH-PERFORMING ORGANIZATION
- Inclusive environment and diverse workforce
- Alignment with core values and company strategy

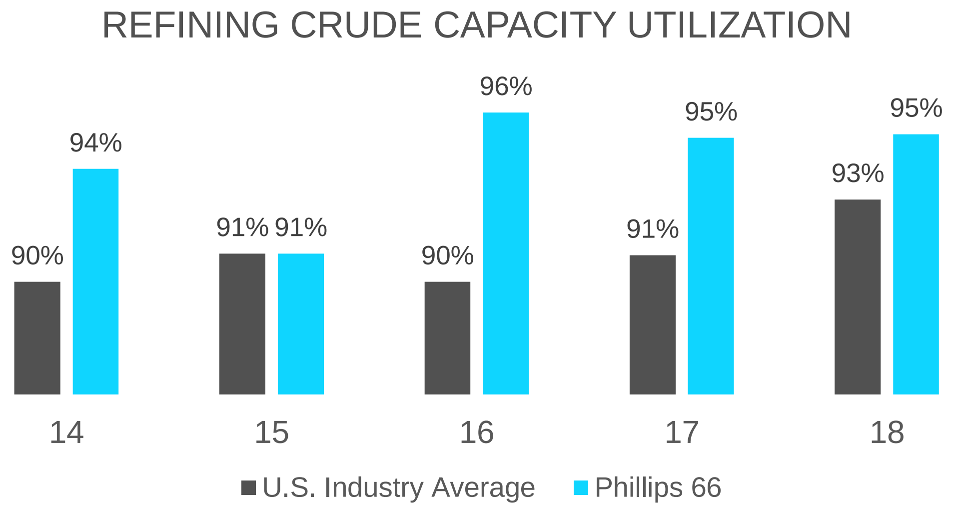
Vacuum Tower, Billings Refinery, Billings, MT

See appendix for footnotes

OPERATING EXCELLENCE







See appendix for footnotes

Board engaged in setting company ESG strategy

Independent lead director

Extensive ESG engagement

Industry leading safety performance

Low reportable environmental events

22% decline in emissions since 2012

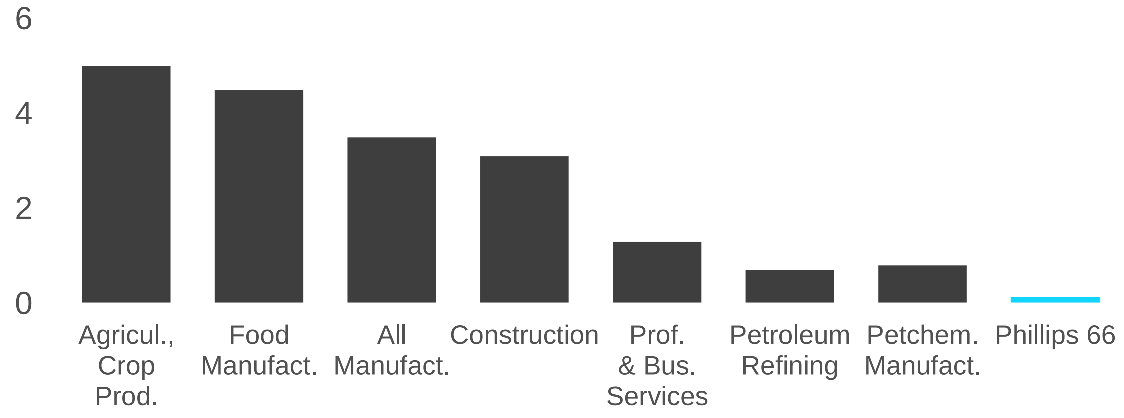
Investing in forward-looking research and development technology

Promoting inclusive and diverse workforce

Committed to corporate and local philanthropy

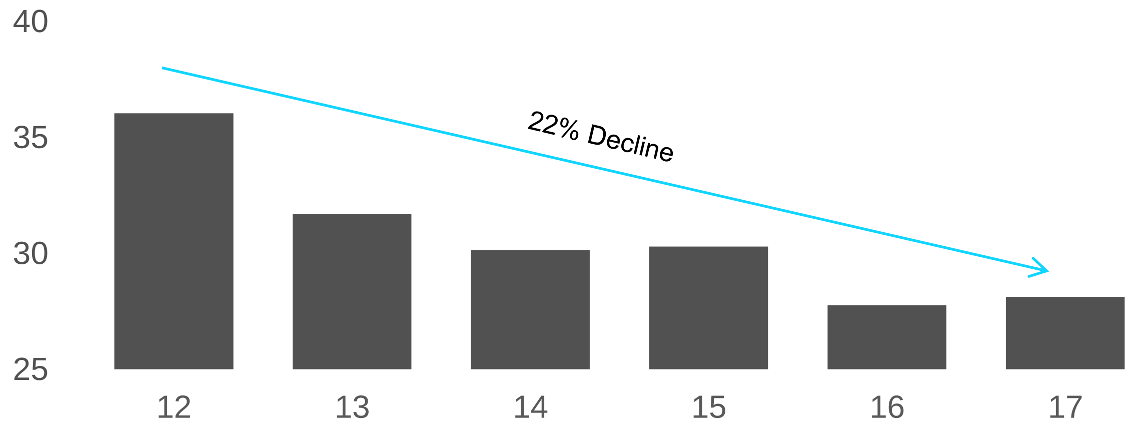
INDUSTRY SAFETY METRICS

Incidents per 200,000 hours worked



PHILLIPS 66 SOx, NOx, PM EMISSIONS / PROCESSED INPUTS

Tonnes per processed inputs (MB/year)

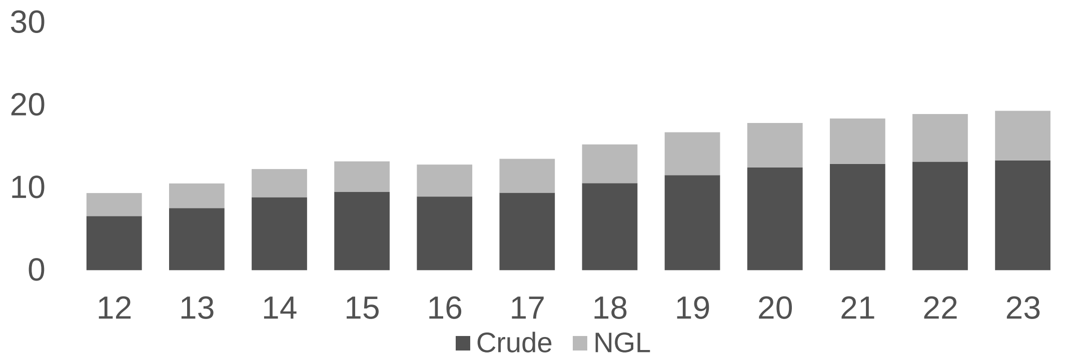


See appendix for footnotes

ENERGY LANDSCAPE

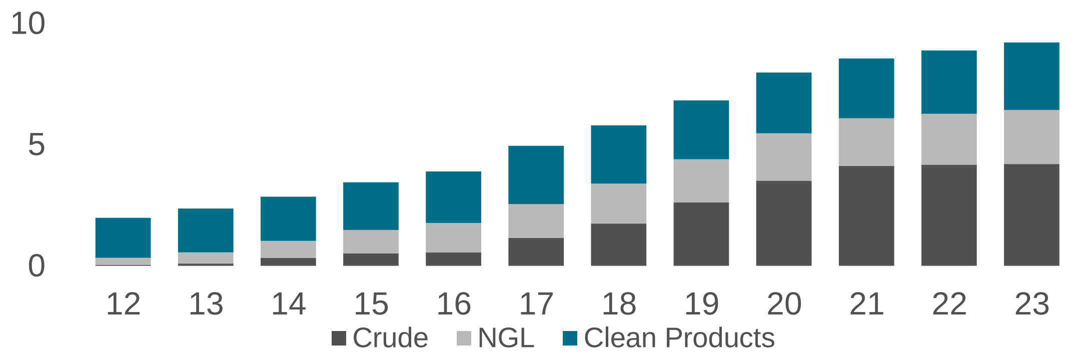
US OIL AND NGL PRODUCTION

MMBD



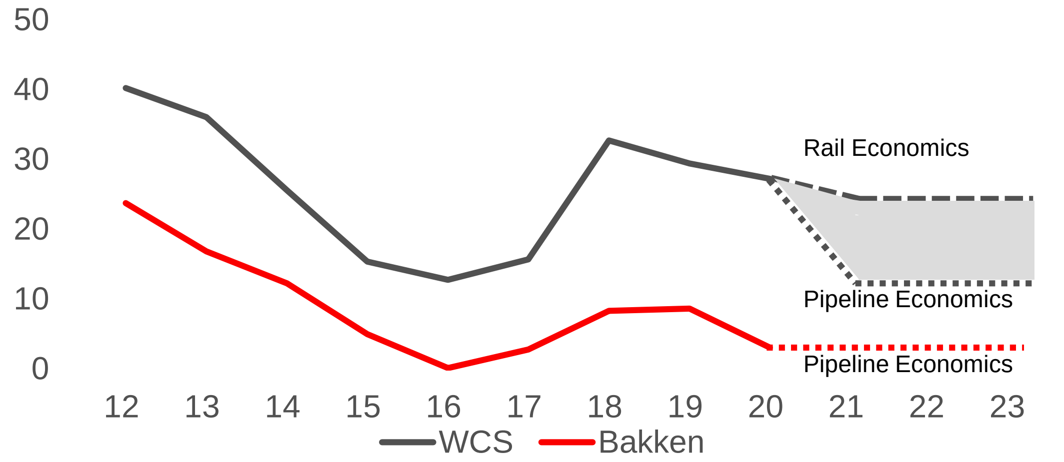
US OIL, NGL, CLEAN PRODUCT EXPORTS

MMBD



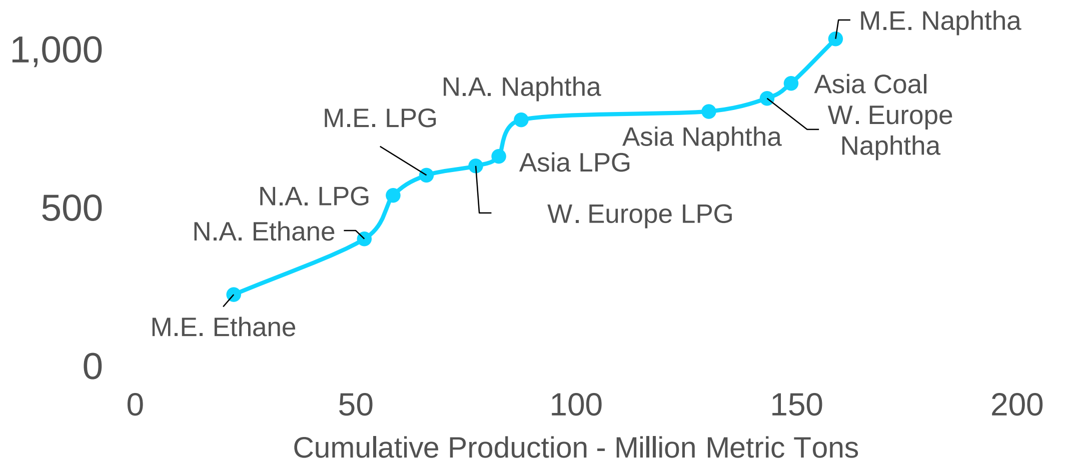
CRUDE DIFFERENTIALS TO WTI

$/bbl



2018E Average Ethylene Production Cost Curve

$/Tonnes

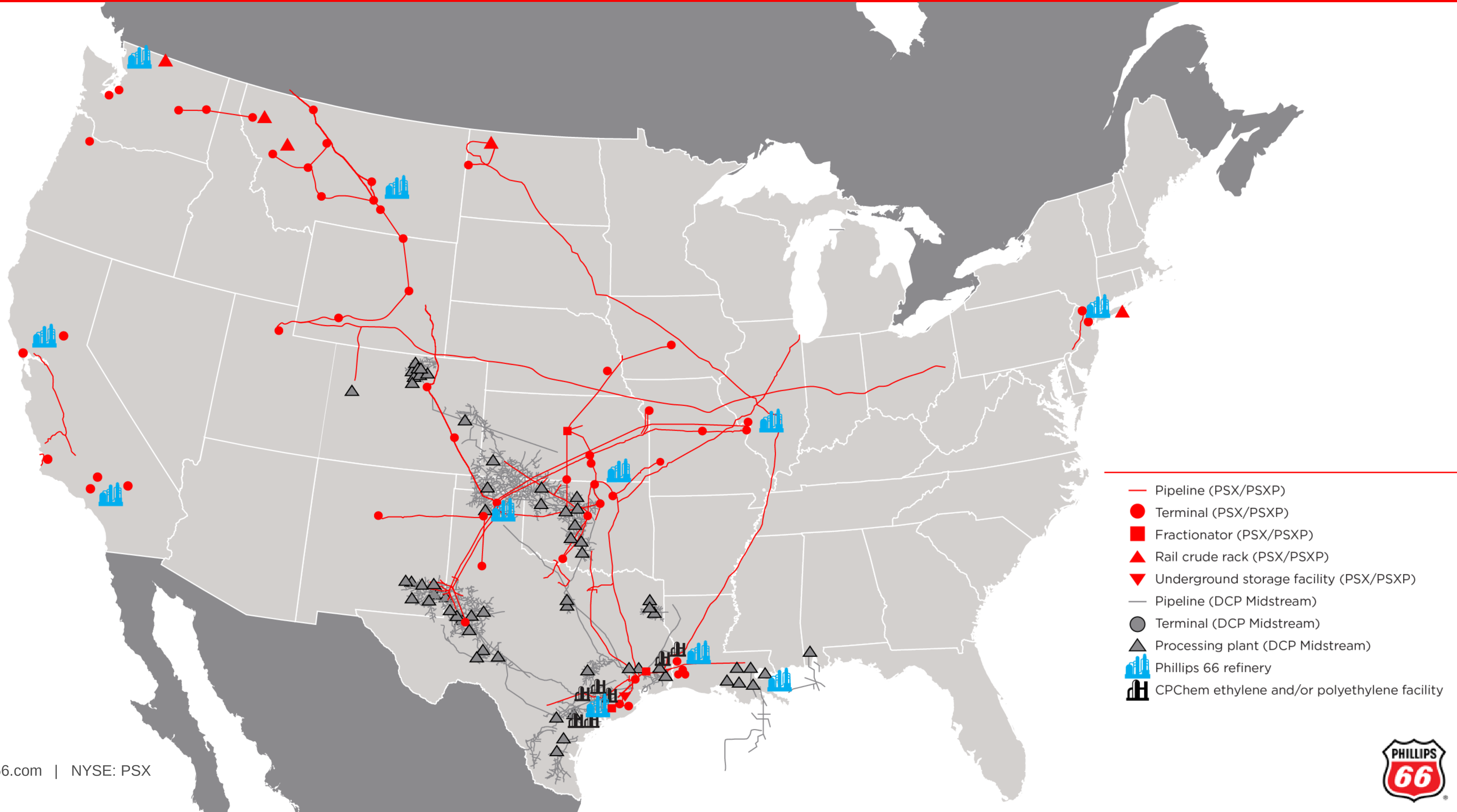


Source: I.H.S.


Beaumont Terminal
PHILLIPS 66
PROVIDING ENERGY.
IMPROVING LIVES.

MIDSTREAM

INTEGRATED MIDSTREAM NETWORK



MIDSTREAM PORTFOLIO

TRANSPORTATION

21,000 miles of U.S. pipeline systems

39 product terminals

20 crude oil terminals

4 LPG terminals and 1 petroleum coke exporting facility

NGL AND OTHER

200,000+ BD fractionation capacity

200,000 BD LPG export capacity

125,000 BD processing capacity

DCP MIDSTREAM

49 natural gas processing facilities

6.7 BCFD net natural gas processing capacity

62,000 miles of natural gas pipeline systems

12 NGL fractionation plants

Beaumont Terminal
Nederland, TX

MIDSTREAM

Integrated with Refining, Marketing and Chemicals

Capital projects delivering EBITDA growth

PSXP integral to Midstream strategy

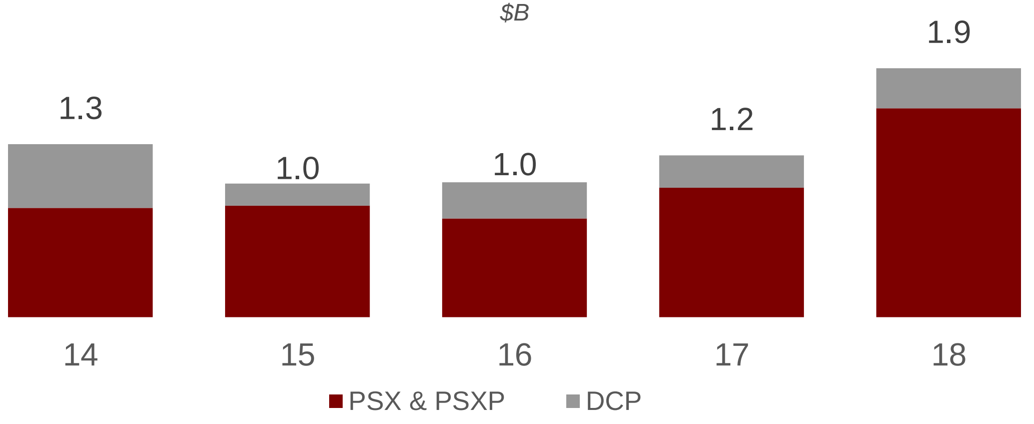
Crude and NGL pipelines from key shale basins to the Gulf Coast

Export capability from strategic Gulf Coast terminals

NGL value chain; integration with DCP Midstream and CPChem

ADJUSTED EBITDA

$B



CAPITAL EXPENDITURES AND INVESTMENTS

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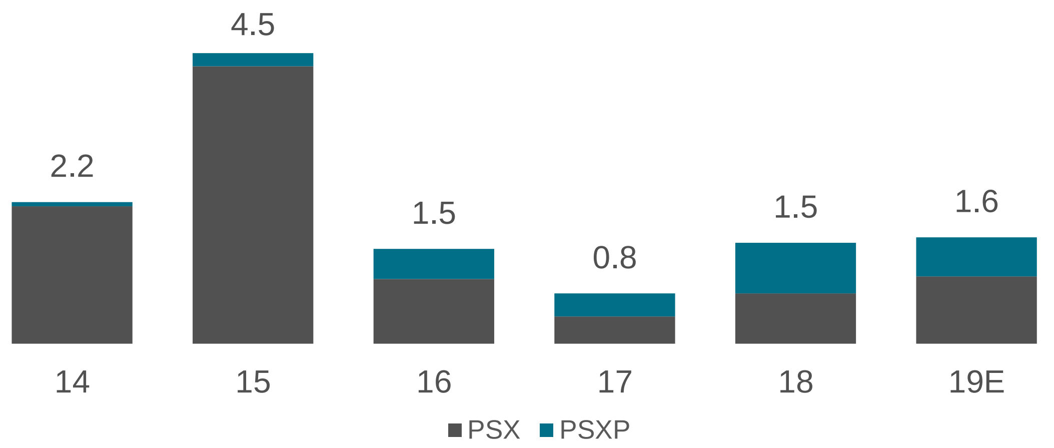


PHILLIPS 66 EXPORT CAPACITY[1]

MMBD

See appendix for footnotes

1) Export capacity as of December 31, 2018

MIDSTREAM GROWTH PROJECTS

Gray Oak Pipeline

Sweeny fractionators

Clemens Caverns

Beaumont Terminal

South Texas Gateway Terminal

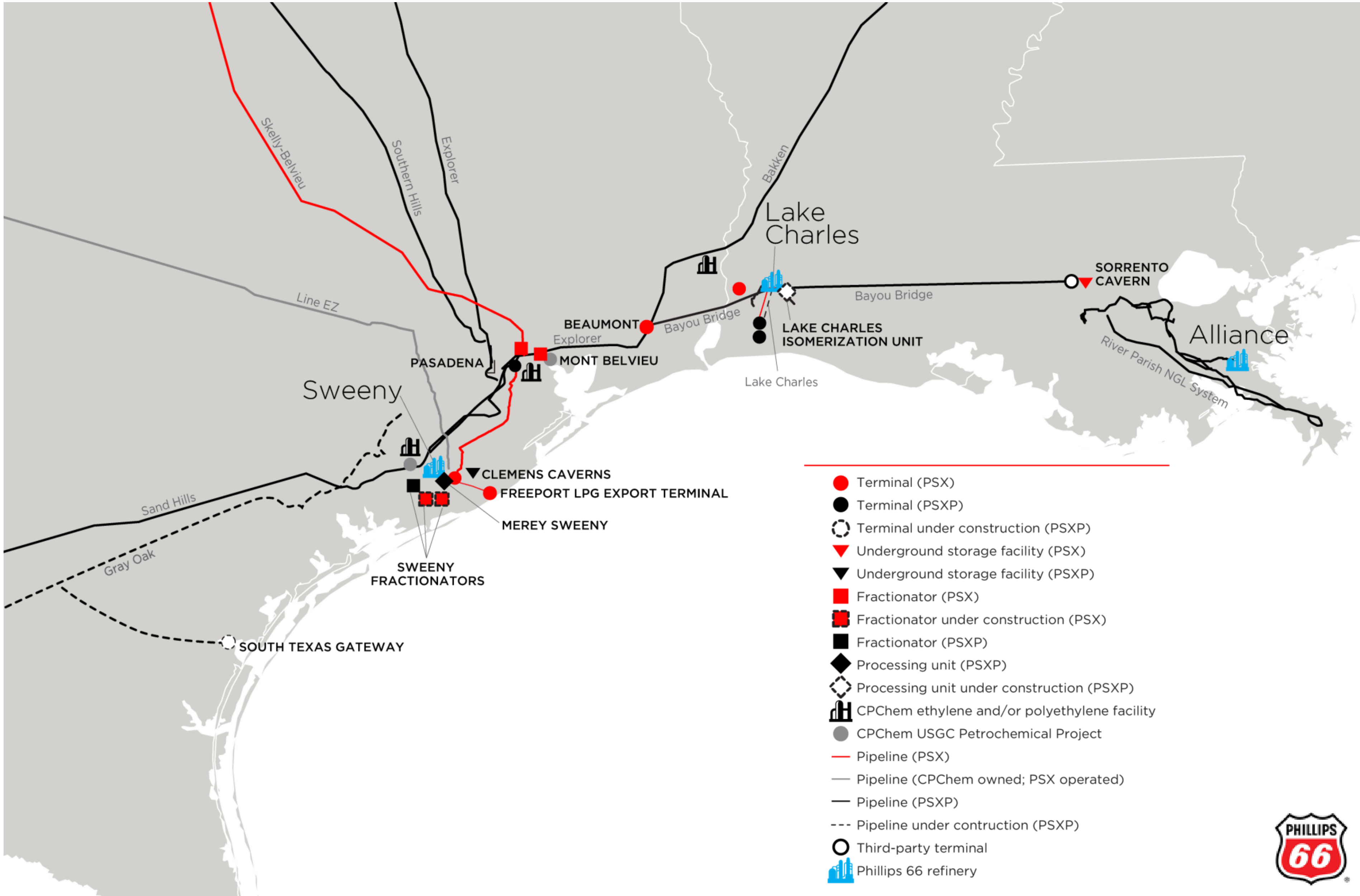
Bakken Pipeline

Sand Hills Pipeline

Bayou Bridge Pipeline

Lake Charles products pipeline

Lake Charles isom unit



MIDSTREAM ORGANIC GROWTH

PSX PROJECT	COMPLETION DATE	CAPACITY	GROSS CAPITAL ($MM)	OWNERSHIP (%)
Beaumont Terminal expansion phase III	4Q 2018	1.3 MMB	40	100
Beaumont Terminal expansion phase IV	1Q 2020	2.2 MMB	80	100
Sweeny fractionators 2 and 3	4Q 2020	2 x 150 MBD	1,320	100

PSXP PROJECT	COMPLETION DATE	CAPACITY	GROSS CAPITAL ($MM)	OWNERSHIP (%)
Sand Hills Pipeline expansion	4Q 2018	68 MBD[1]	450	33.3
Bayou Bridge Pipeline (segments I and II)	1Q 2019	480 MBD	750	40
Lake Charles products pipeline	2Q 2019	50 MBD	25	100
Lake Charles isomerization unit	3Q 2019	25 MBD	200	99
Gray Oak Pipeline	4Q 2019	900 MBD	2,200	42.25
Sweeny to Pasadena expansion[2]	2Q 2020	80 MBD	70	100
South Texas Gateway Terminal[3]	Mid 2020	800 MBD	450-500	25
Clemens Caverns expansion	4Q 2020	6 MMB[4]	150	100

Projects expected to have typical Midstream EBITDA build multiples (6x – 8x)

1) Expanded from 417 MBD to 485 MBD; 2) 300 MB storage and 80 MBD pipeline capacity expansion; 3) 6.5-7.0 MMB storage and 800 MBD export capacity, includes two deepwater docks; 4) Expanding from 9 MMB to 15 MMB

SWEENY HUB EXPANSION

$1.5 B capital expansion

- 2 x 150 MBD NGL fractionators
- 6 MM bbls expansion of PSXP's NGL storage capacity

Y-grade NGL feedstock supply agreements with firm volume commitments secured

LPGs marketed via Freeport LPG Terminal

New assets leverage and enhance existing infrastructure

400 MBD total fractionation capacity and 15 MMB storage following completion

Fractionators 2 and 3 under construction
Sweeny, TX

Pipelines in open season

Gray Oak Pipeline (PSXP)

West Texas to Texas Gulf Coast
Open season for new capacity beyond 900,000 BD

Liberty Pipeline (PSX)

Rockies and Bakken production areas to Corpus Christi
~ 350,000 BD

Red Oak Pipeline (PSX)

Cushing to Corpus Christi, Houston, and Beaumont
~400,000 BD

Ace Pipeline (PSXP)

St. James to Clovelly and connect to CAM Pipeline
~400,000 BD

Sweeny Fractionator 4

Beaumont Terminal expansion

Gray Oak Pipeline construction

PHILLIPS 66 PARTNERS

Premier MLP with strong portfolio of organic growth projects

Strong alignment with Phillips 66

Highly integrated assets

Stable and predictable cash flows

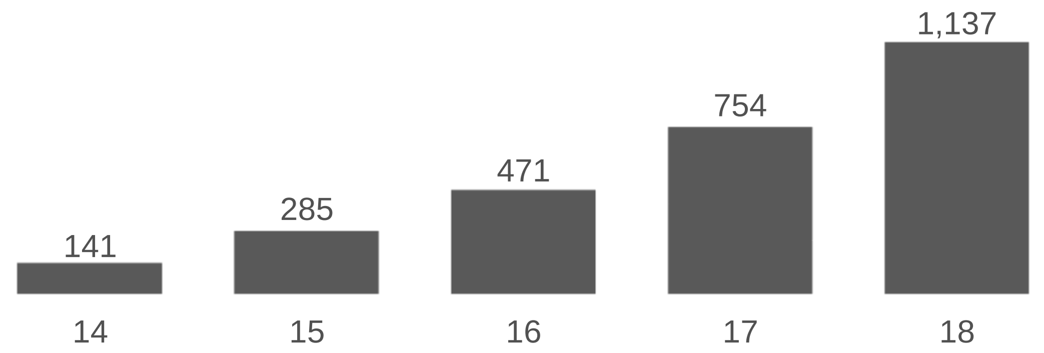
Delivered highest distribution growth in industry since IPO

Strong ROCE

Scale and financial strength enable further organic growth

ADJUSTED EBITDA

$MM

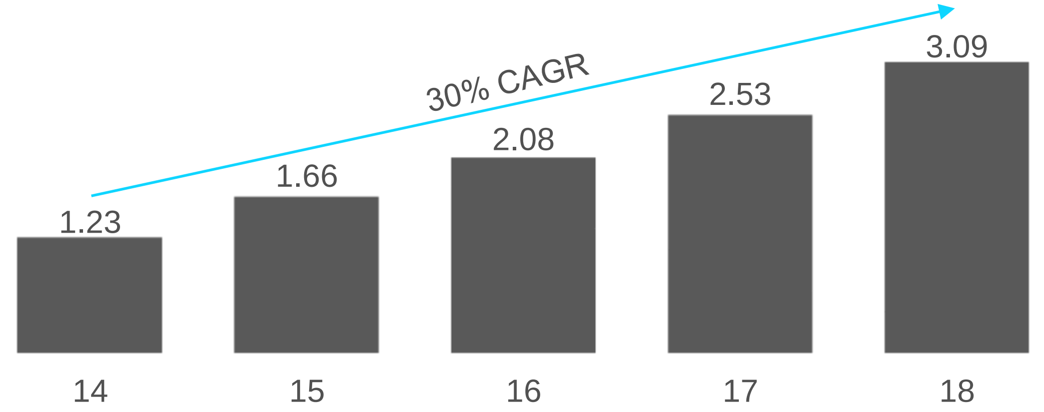


CAPITAL EXPENDITURES AND INVESTMENTS

$B

DISTRIBUTION PER COMMON LP UNIT

$/UNIT



1) Reflects expected JV-level financing to fund a portion of the Gray Oak Pipeline construction. See appendix for additional footnotes.

DCP MIDSTREAM

Integrated midstream business with competitive footprint and geographic diversity

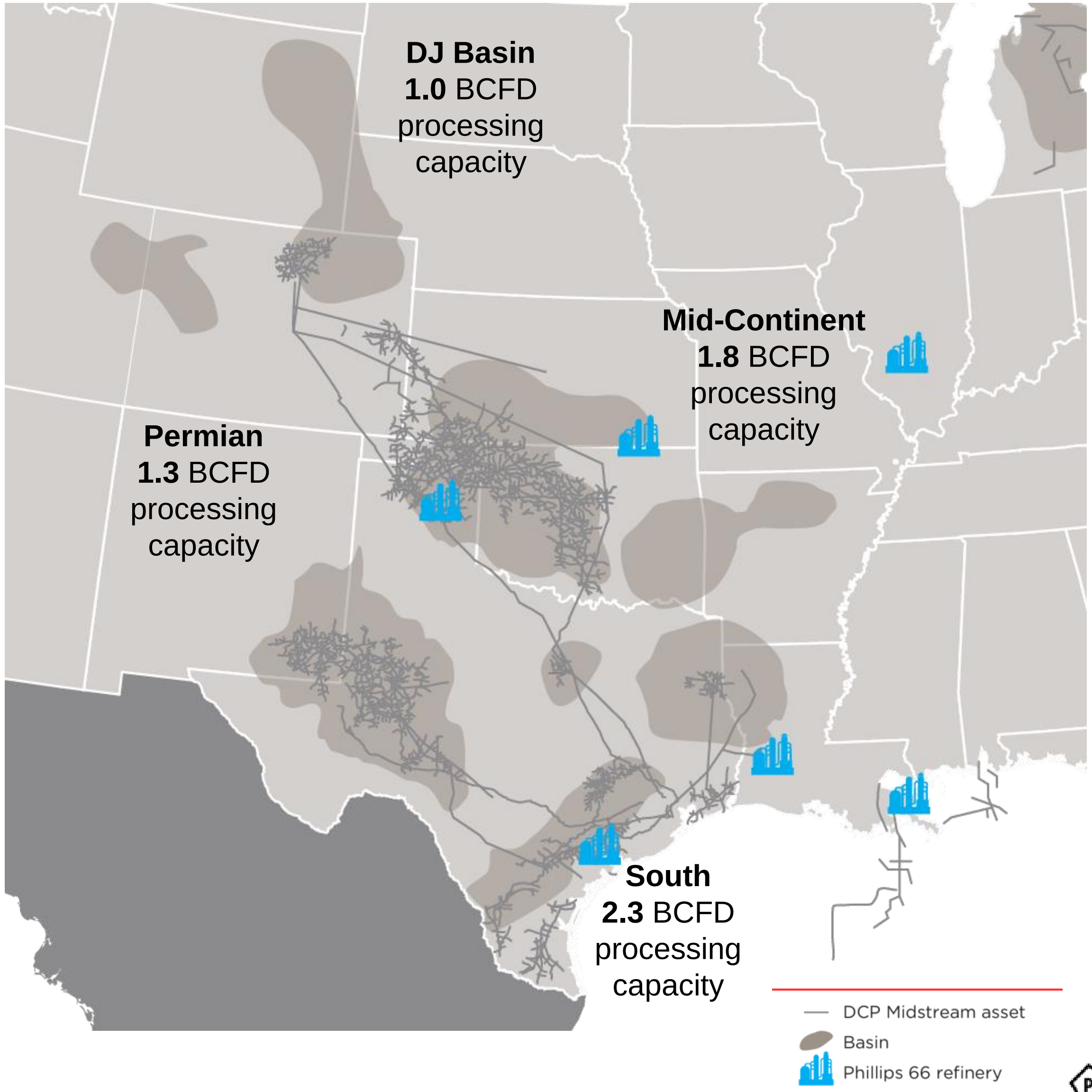
One of the largest U.S. gas processors and NGL producers

Balanced portfolio comprised of 50% Logistics & Marketing and 50% Gathering & Processing

Strong growth projects in key basins

- Gas processing plants in the DJ Basin
- Sand Hills Pipeline
- Southern Hills / White Cliffs extension
- Gulf Coast Express Pipeline

Supplier to new PSX Sweeny Hub fractionators with ownership option

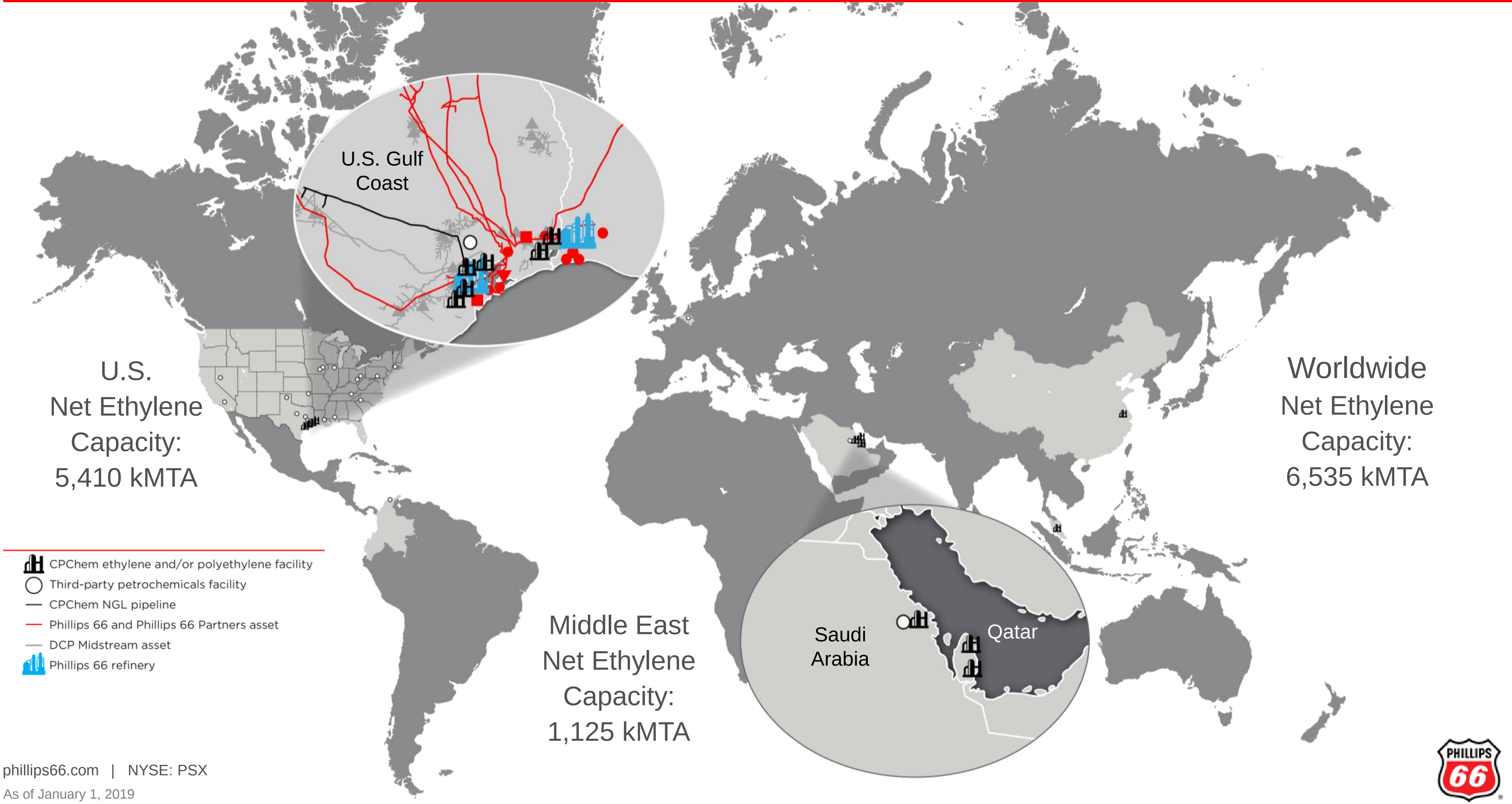


See appendix for footnotes


Cedar Bayou Ethane Cracker

CHEMICALS

FEEDSTOCK ADVANTAGED CHEMICALS PORTFOLIO



As of January 1, 2019

Olefins and Polyolefins

- 11,370 kMTA North America capacity
- 2,510 kMTA Middle East capacity

Specialties, Aromatics and Styrenics

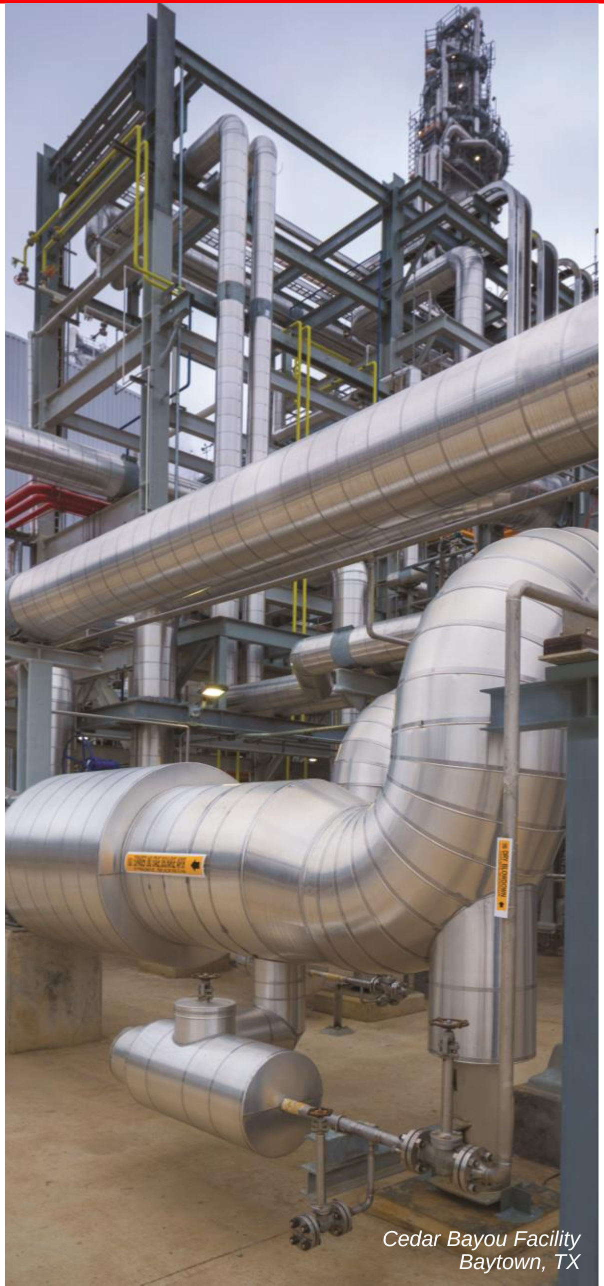
- 2,255 kMTA North America capacity
- 1,050 kMTA Middle East capacity

16 North American and 5 Middle East facilities

#1 global high-density polyethylene producer

Proprietary technology; advanced R&D

Global market reach



Cedar Bayou Facility
Baytown, TX

CPChem net capacity as of January 1, 2019

CHEMICALS

CPChem has a leading position in olefins and polyolefins with a feedstock advantaged portfolio

Operating excellence focus

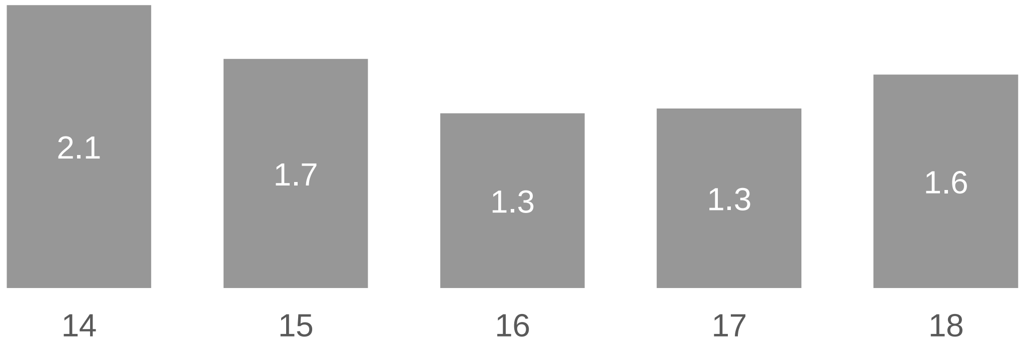
Strong free cash flow generation

USGC petrochemical assets operating above design capacity

Developing second USGC project for increased ethylene and derivative capacity; debottleneck opportunities

ADJUSTED EBITDA

$B



CAPITAL EXPENDITURES AND INVESTMENTS[1]

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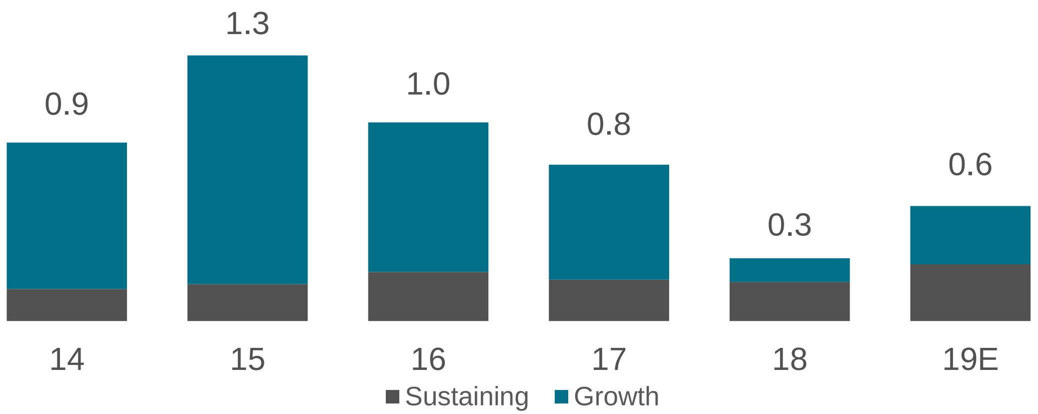
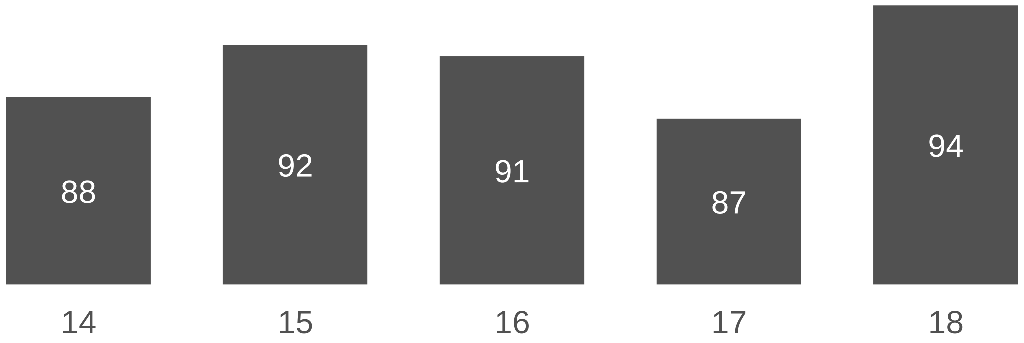


CPCHEM O&P CAPACITY UTILIZATION

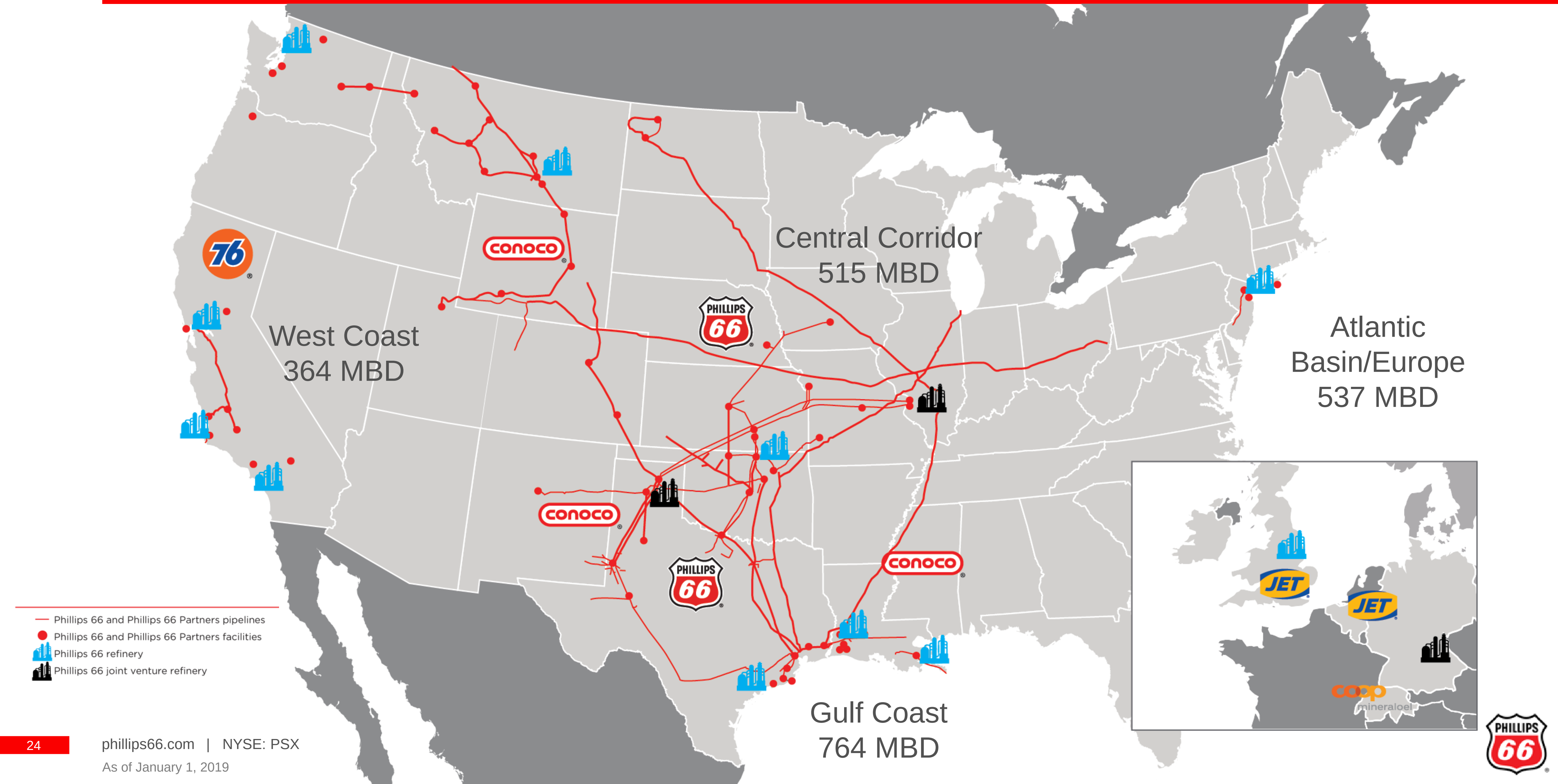
%



1) Represents Phillips 66's proportional share of CPChem's capital expenditures and investments


Bayway Refinery

REFINING AND MARKETING



As of January 1, 2019

REFINING AND MARKETING PORTFOLIO

Refining

- 13 refineries in U.S. and Europe
- In all 5 U.S. PADDs
- 2,180 MBD crude capacity
- 35% heavy, 35% medium, 30% light crude

Marketing

- 9,000+ global sites, including 5,600 wholesale outlets
- ~2,600 reimaged sites

Wood River Refinery
Roxana, IL

REFINING

Complex, integrated refining system focused on safe and reliable operations

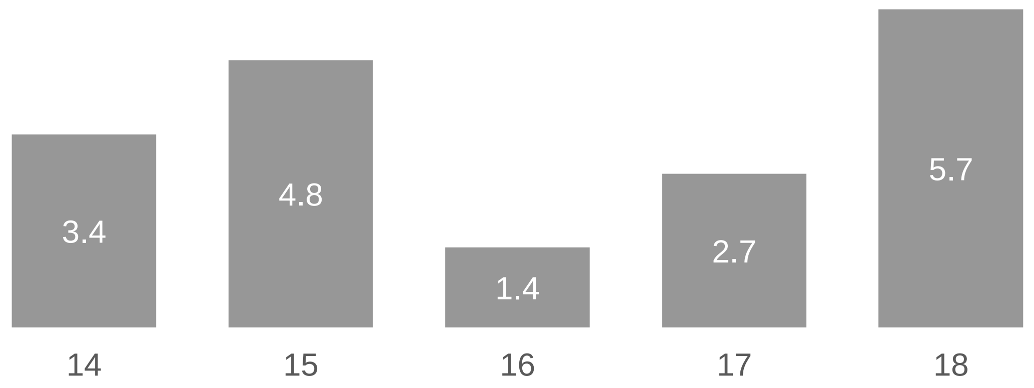
Infrastructure network enables strong market capture; access to advantaged inland crude feedstocks

Cost and capital discipline; robust free cash flow

Investing in high-return capital projects to improve clean product yield and run advantaged crude feedstock

ADJUSTED EBITDA

$B



CAPITAL EXPENDITURES AND INVESTMENTS

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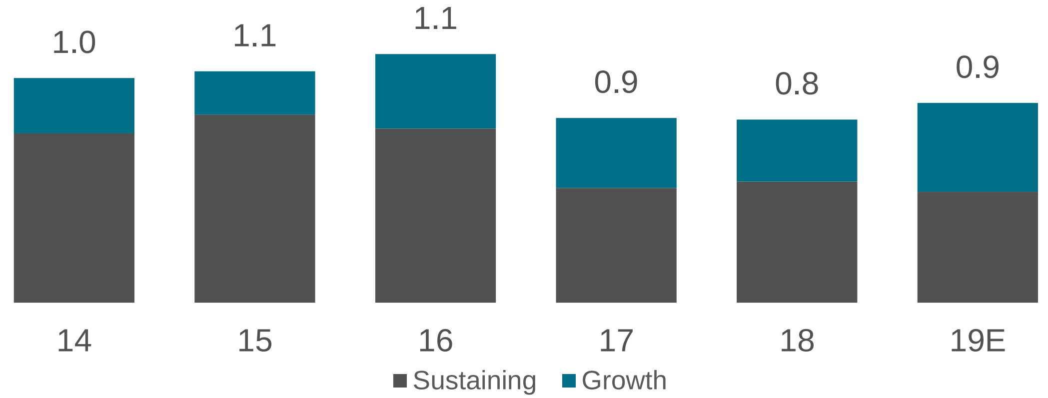
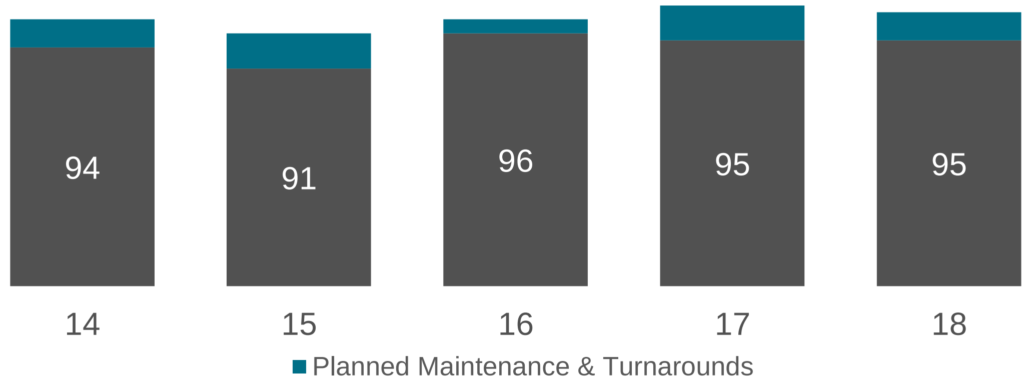


REFINING CRUDE CAPACITY UTILIZATION

%



REFINING PORTFOLIO COMPETITIVENESS

Industry leading coking capacity and heavy crude processing capability

Largest purchaser of advantaged Canadian crude oils

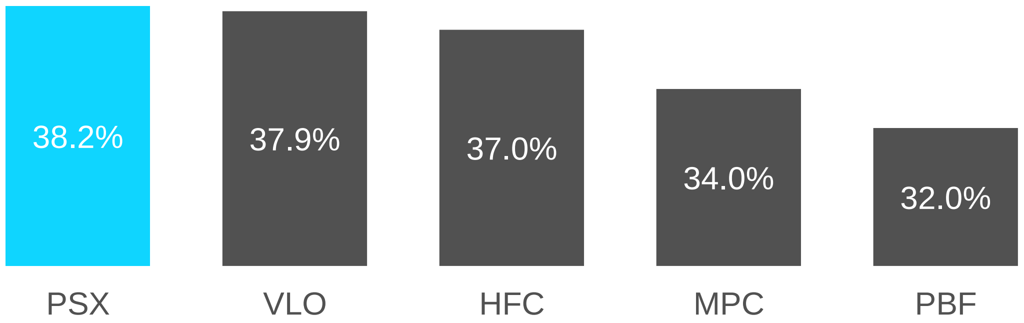
High distillate yield

Low yield of high sulfur fuel oil

Well positioned for IMO 2020 regulation

DISTILLATE PRODUCTION

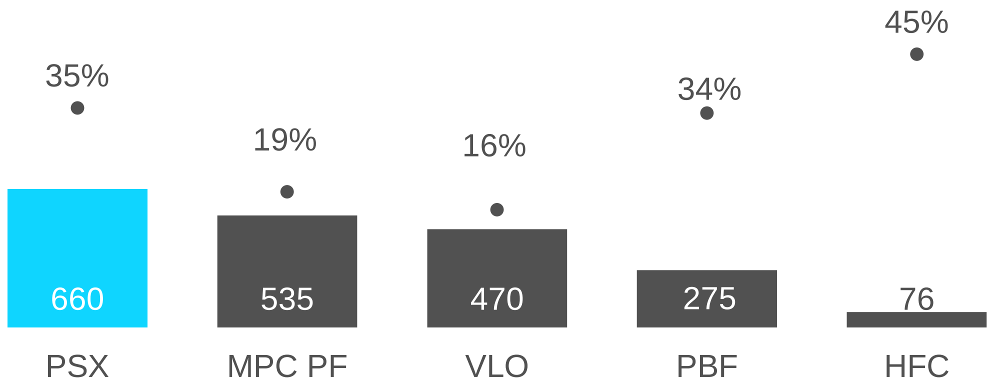
% TOTAL THROUGHPUT



Source: company disclosures. Calculated using distillate yield and total throughput for FY 2018.

HEAVY CRUDE PROCESSED

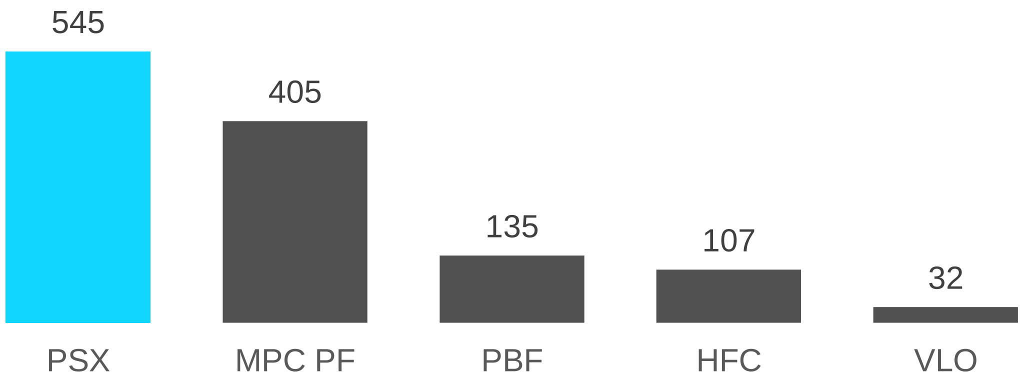
MBD AND AS % CDU



Source: 2018 Oil and Gas Journal and company disclosures. MPC PF reflects pro forma capacity with Andeavor acquisition

2018 AVERAGE CANADIAN IMPORTS

MBD



Source: E.I.A, through November 2018. MPC PF reflects pro forma capacity and production with Andeavor acquisition, including Western Refining.

Project at Humber Refinery to process used cooking oil in the FCC unit

- 6 MBD; start-up in 2020

Long-term supply and offtake agreement with Ryze Renewables for two renewable diesel production facilities

- PSX will supply agriculture oils and animal fat feedstocks and market 11 MBD renewable diesel in West Coast markets

Proposed renewable diesel plant at Ferndale Refinery with Renewable Energy Group

- Feedstocks include waste fats, cooking oils and greases
- Expect FID in 2019; start-up in 2022

MARKETING AND SPECIALTIES

High-return, low capital intensity business; optimize placement of Refining production

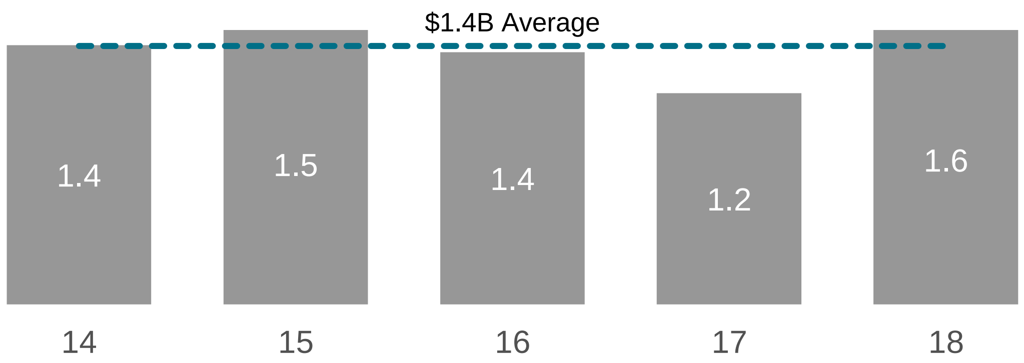
Enhancing US fuels brands; growing and reimage European sites

Pursuing renewable fuels opportunities

Lubricants increasing value through integration, optimization and product innovation

ADJUSTED EBITDA

$B



CAPITAL EXPENDITURES AND INVESTMENTS

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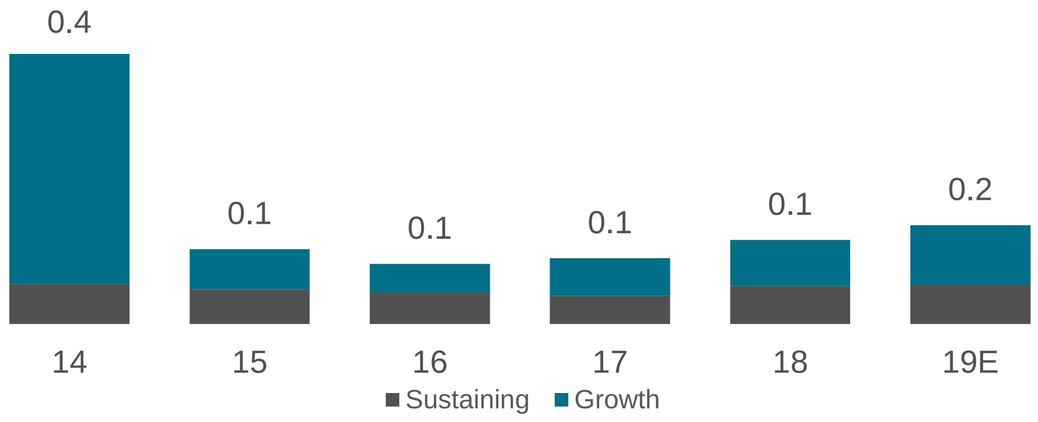
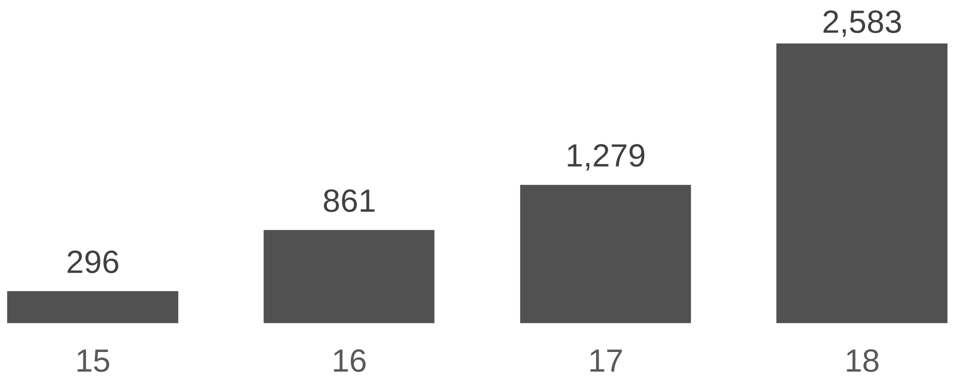


CUMULATIVE U.S. SITES REIMAGED



U.S.

Reimaged ~2,600 sites since program inception in 2015 and plan to reimage 1,800 sites in 2019

Industry leading technology; 5,000+ sites implementing mobile pay

Europe

Proven low-cost high-volume model built on brand image, reputation, and customer focus

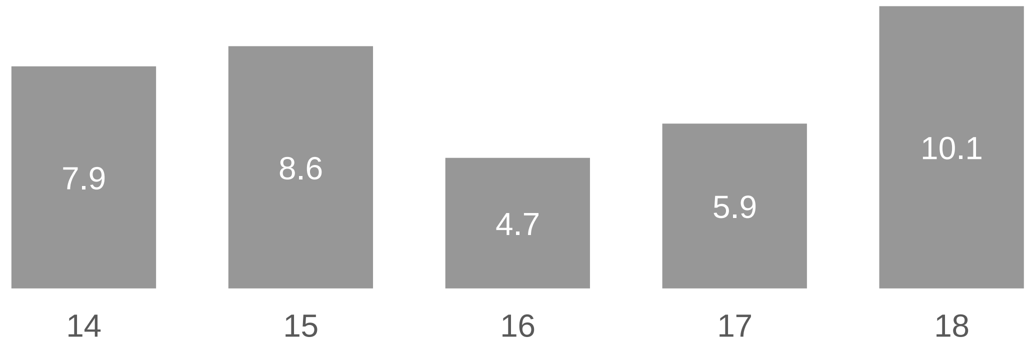
Re-imaging and adding 25-30 new JET sites per year to leverage industry leading brand recognition



EARNINGS AND CAPITAL STRUCTURE

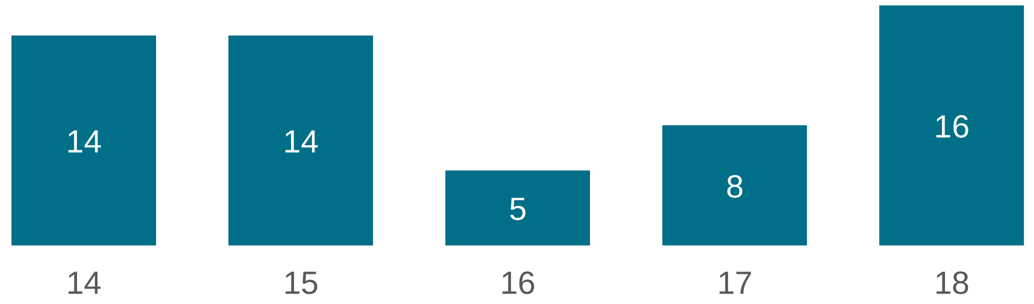
ADJUSTED EBITDA

$B

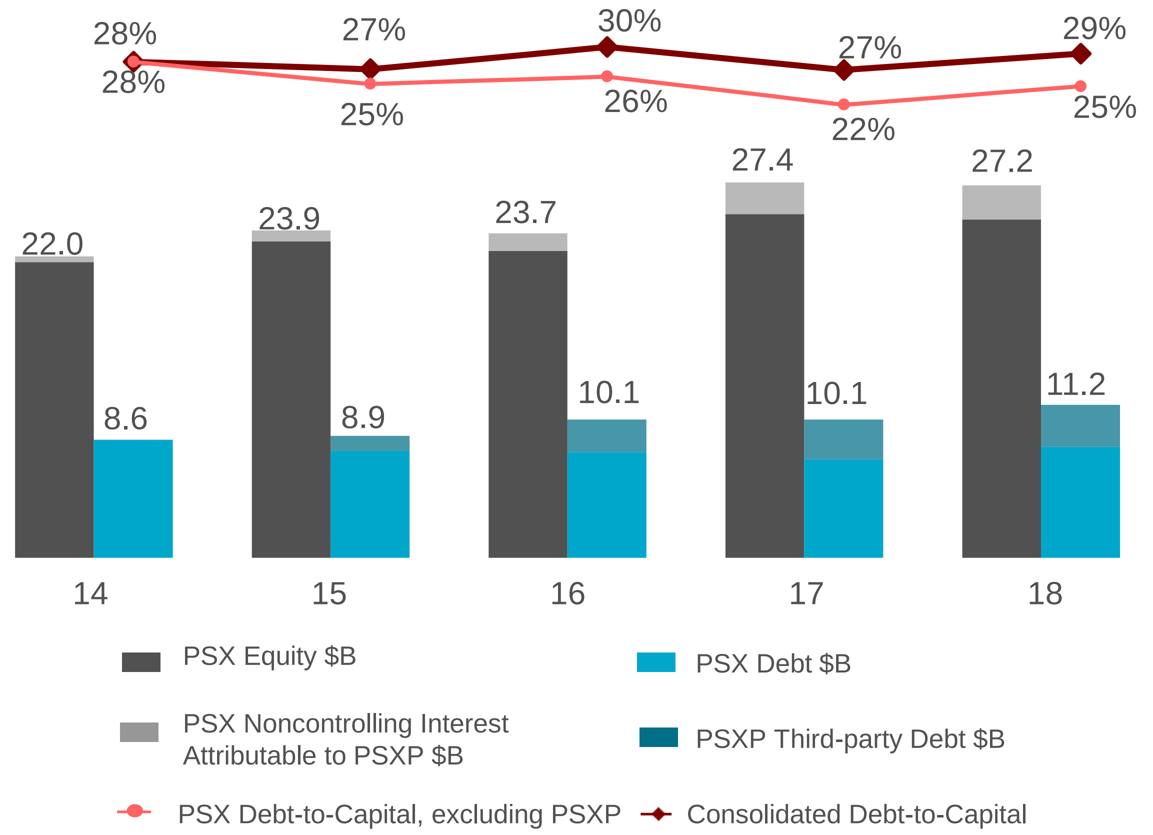


ADJUSTED RETURN ON CAPITAL EMPLOYED

% AFTER-TAX



EQUITY AND DEBT



CAPITAL ALLOCATION

Disciplined capital allocation

Fund sustaining capital to maintain asset integrity

Committed to a secure, competitive and growing dividend

Investing in growth projects with attractive returns

Intrinsic value approach to share repurchases

Long-term: 60% reinvestment and 40% shareholder distributions

SOURCES AND USES OF CASH

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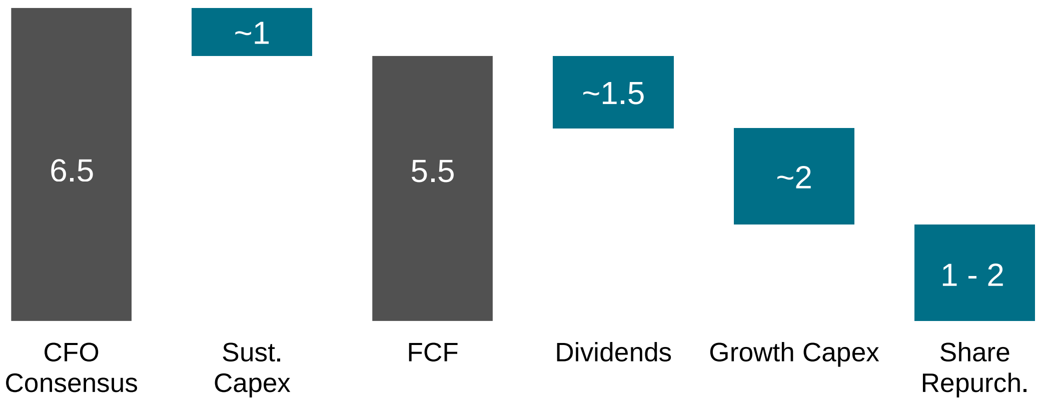
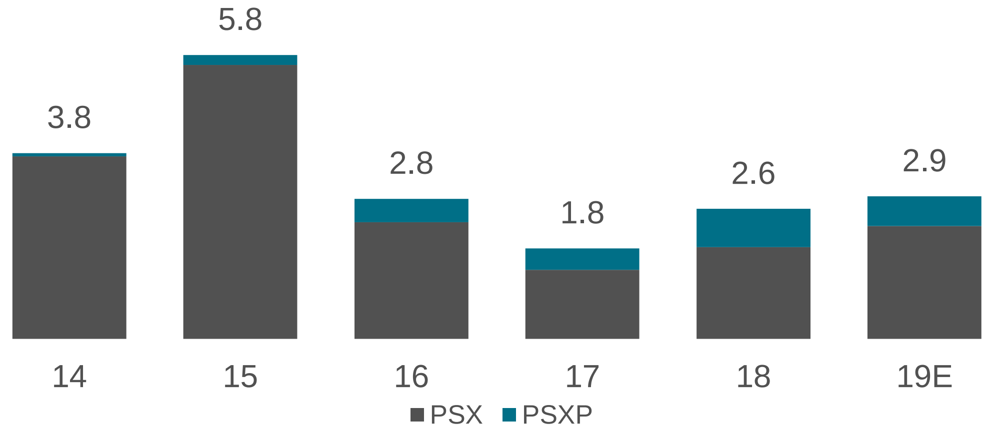


CAPITAL EXPENDITURES AND INVESTMENTS

$B



CUMULATIVE DISTRIBUTIONS

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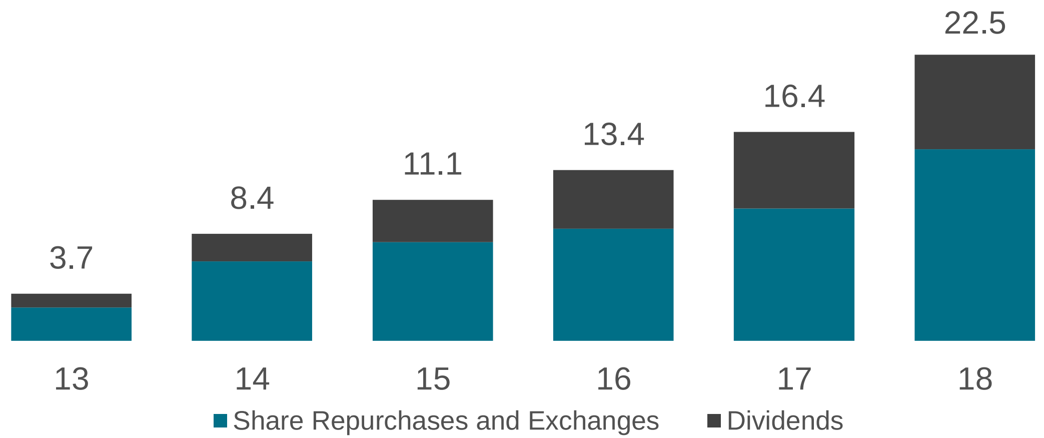


2015 consolidated capital expenditures includes $1.5 B investment in DCP Midstream. See appendix for additional footnotes.

DISTRIBUTIONS

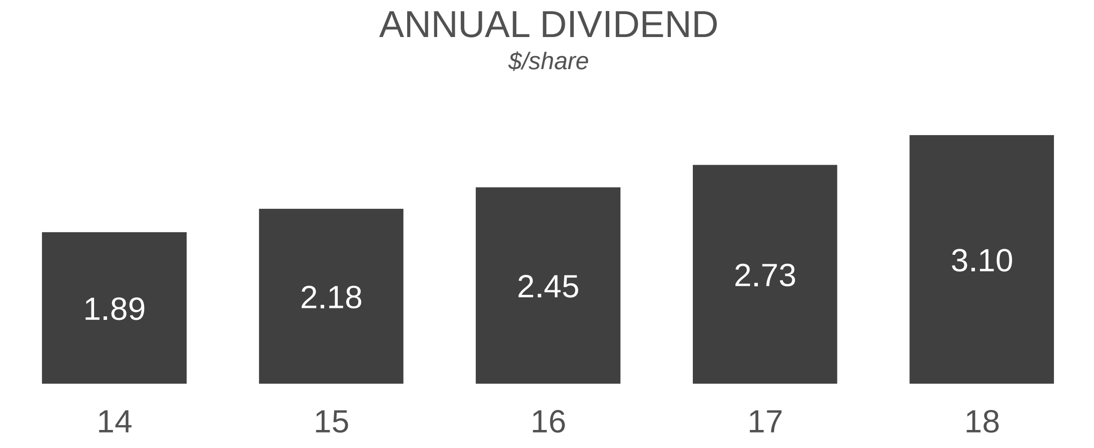
Creates shareholder value

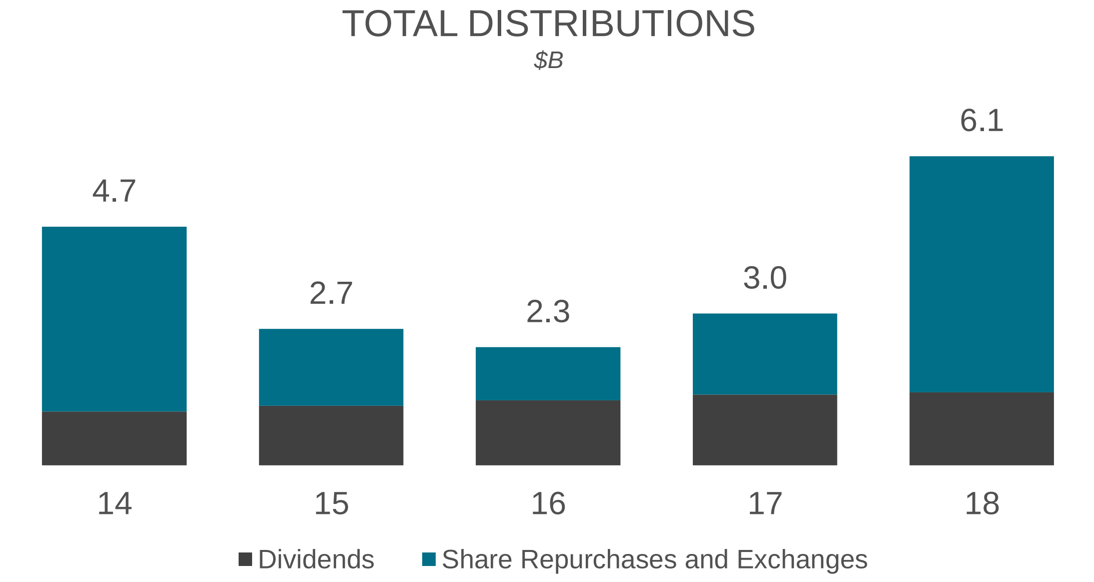
Secure, competitive, and growing dividend

- 14% increase in 2Q18 to $0.80 per quarter
- 27% CAGR with eight increases since May 2012

Committed to share repurchases

- Repurchased/exchanged 190 MM shares, 30% of shares initially outstanding





See appendix for footnotes

CAPITAL EXPENDITURES

2019E Consolidated - $2.9 B

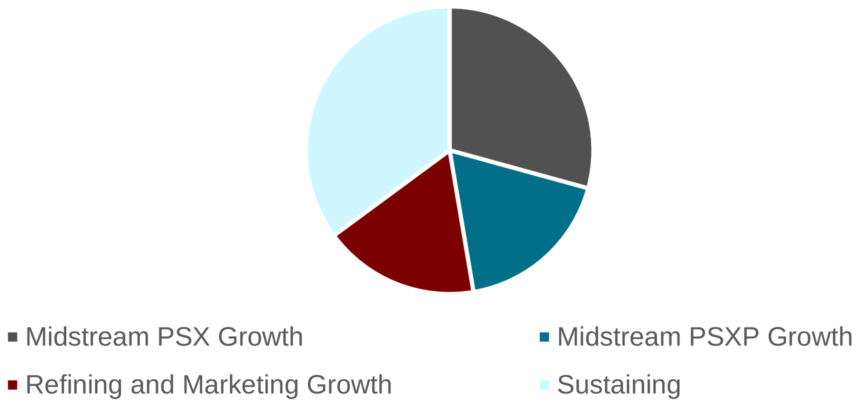
Phillips 66 2019E - $2.3 B

- $1.4 B Growth
- $0.9 B Sustaining

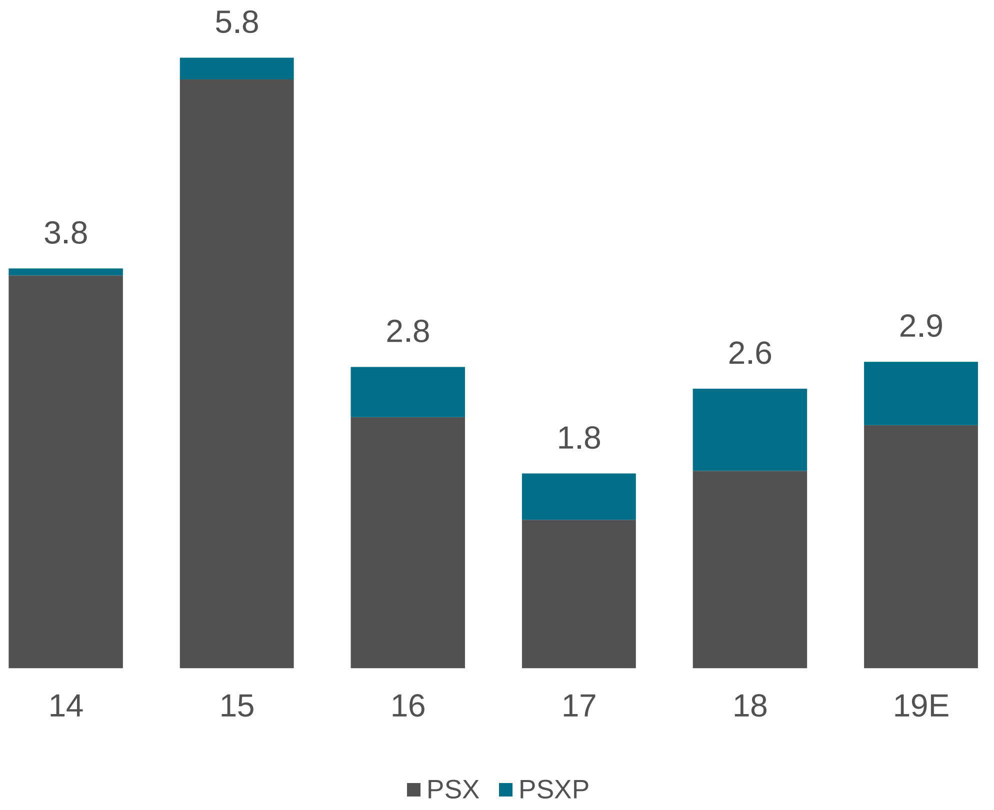
Phillips 66 Partners 2019E - $0.6 B

Major JV’s (CPChem, DCP and WRB) are self-funded

2019E CONSOLIDATED CAPITAL PROGRAM
$B



CAPITAL EXPENDITURES AND INVESTMENTS
$B



2015 consolidated capital expenditures includes $1.5 B investment in DCP Midstream. See appendix for additional footnotes.

FINANCIAL FLEXIBILITY

Maintain financial strength, strong investment-grade credit rating

Pay secure, competitive, and growing dividend

60% reinvestment and 40% shareholder distributions long-term target

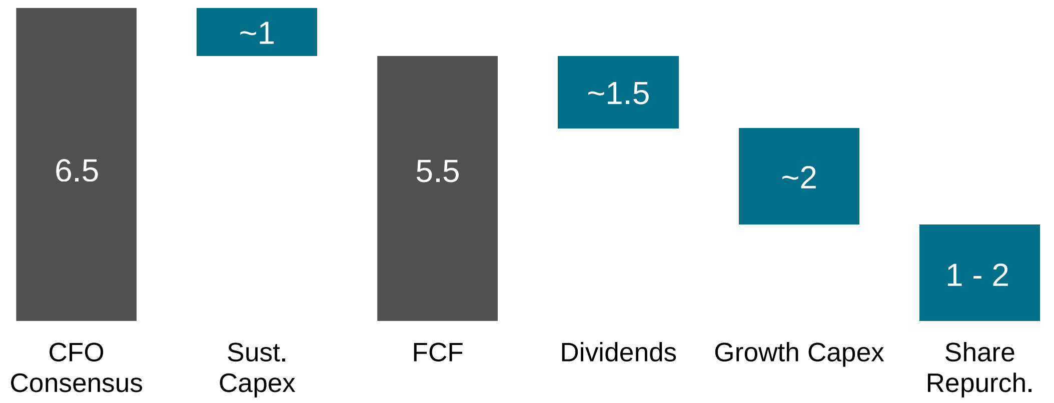
Investment Grade Credit Ratings

PSX A3 (Moody's), BBB+ (S&P)

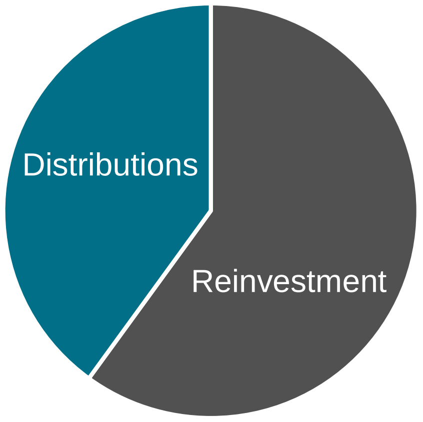
PSXP Baa3 (Moody's), BBB (S&P)

SOURCES AND USES OF CASH

$B



2015 – 2018 CAPITAL ALLOCATION



See appendix for footnotes

OPERATING EXCELLENCE

Safe and reliable operations

Technology driven cost efficiencies

GROWTH

Pipelines from key shale basins to Gulf Coast

Crude export capability

NGL value chain – transportation, fractionation and exports

CPChem USGC ethylene and derivative capacity

CPChem debottleneck projects

RETURNS

Refinery yield projects and clean product export capability

Reimaging branded sites and growing European footprint

DISTRIBUTIONS

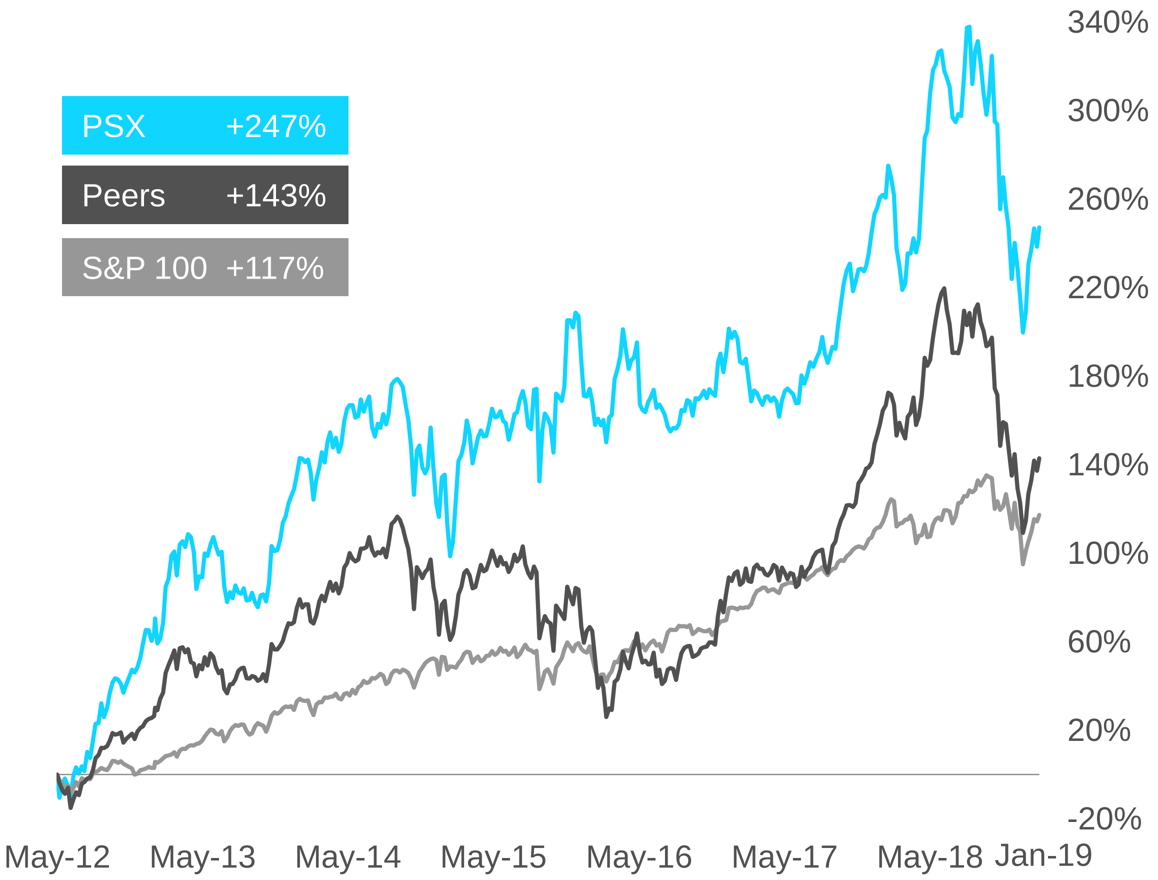
Secure, competitive and growing dividend

Commitment to share repurchases

HIGH-PERFORMING ORGANIZATION

Culture. Capability. Performance.

TOTAL SHAREHOLDER RETURN

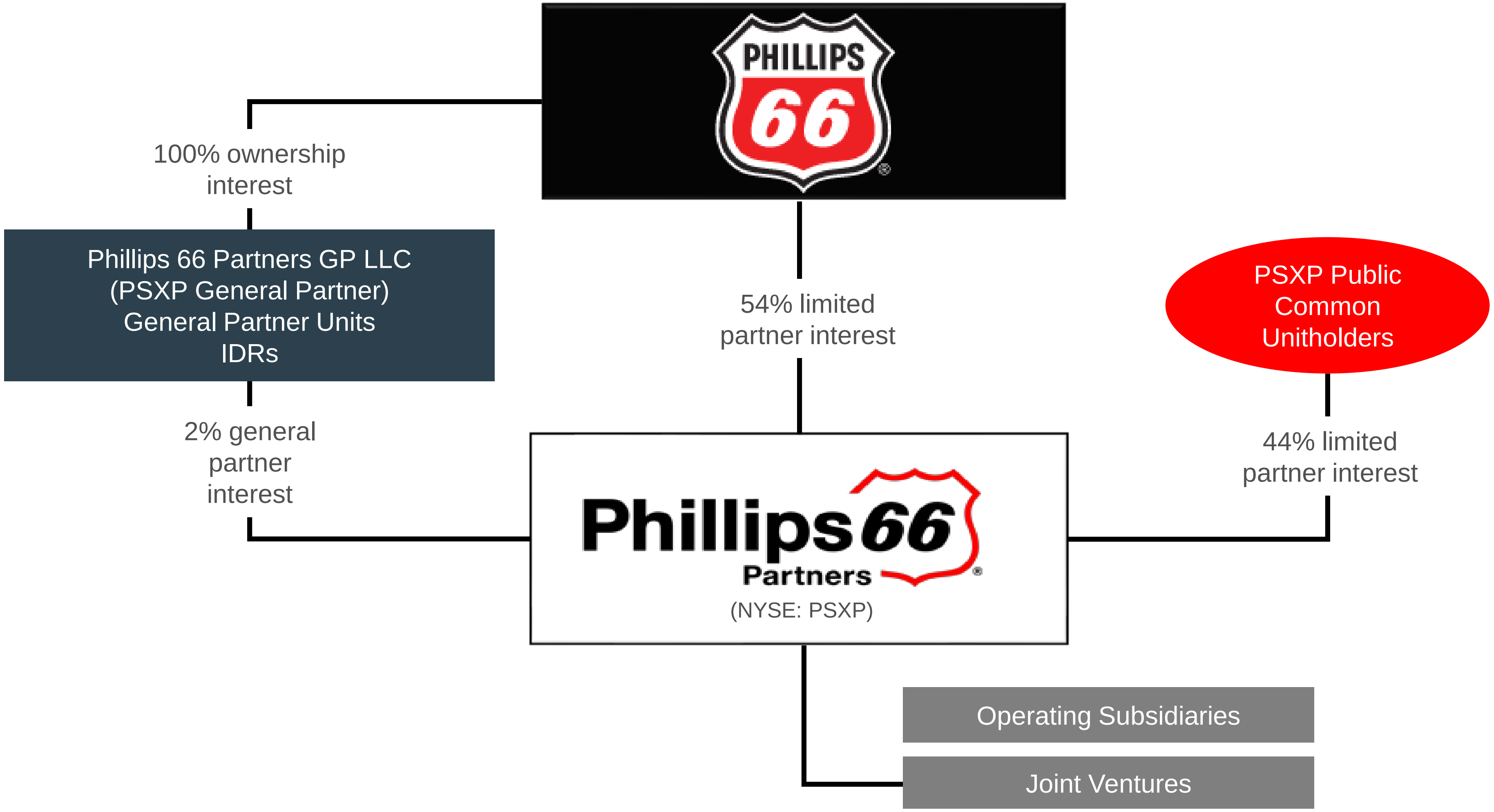


See appendix for footnotes

FEBRUARY 2019

INVESTOR UPDATE

PHILLIPS 66 PARTNERS OWNERSHIP STRUCTURE



As of December 31, 2018. Public also owns 13.8 MM convertible preferred units.

Premier MLP with strong portfolio of organic growth projects

Strong alignment with Phillips 66

Highly integrated assets

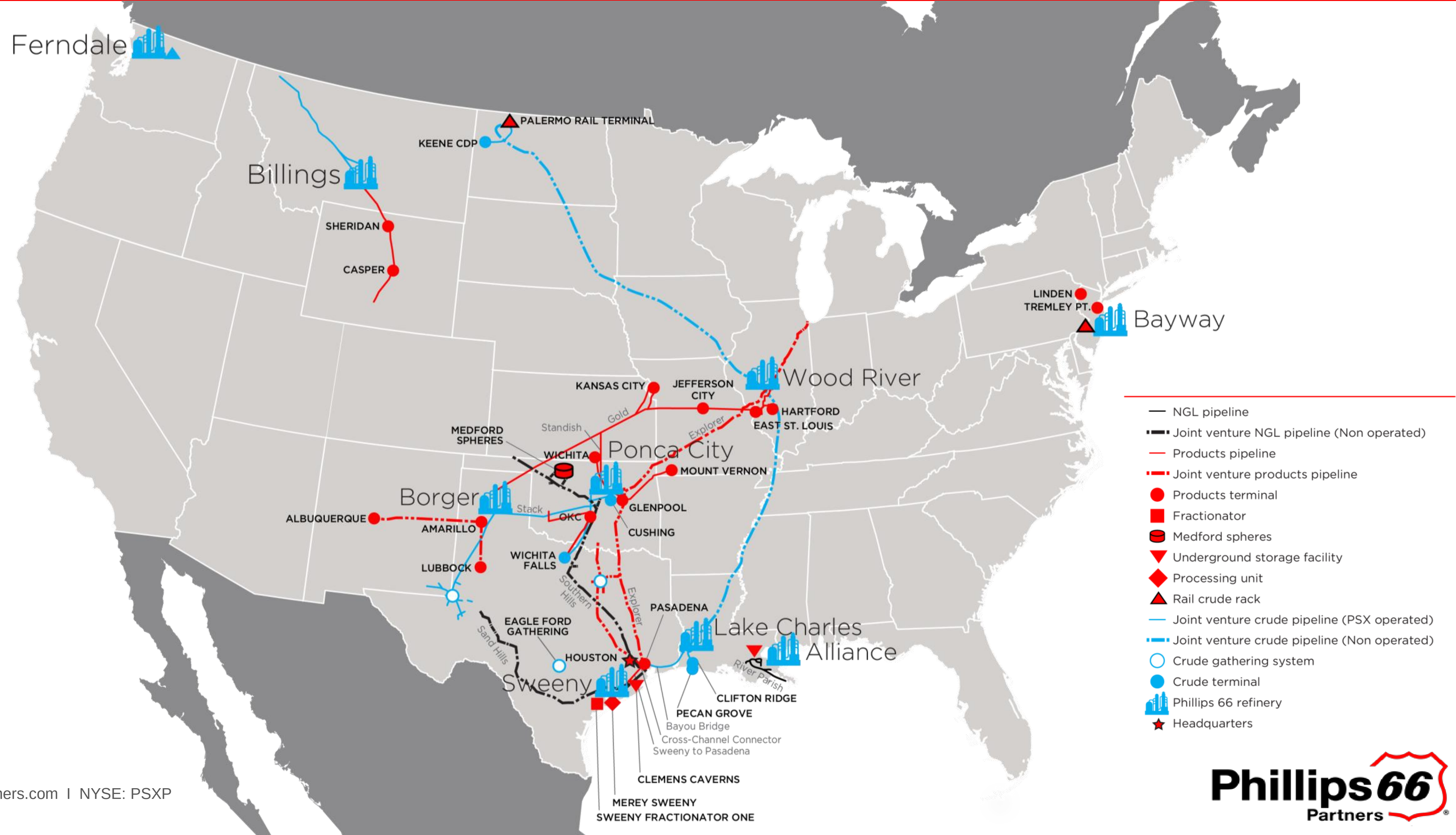
Maintaining stable and predictable cash flows

Delivered highest distribution growth in industry since IPO

Scale and financial strength enable further organic growth

Gray Oak Pipeline construction site
Big Lake, TX

PHILLIPS 66 PARTNERS



Phillips 66 Partners

2018 HIGHLIGHTS

Operated safely and reliably

Reached $1.1 B run-rate EBITDA target ahead of schedule

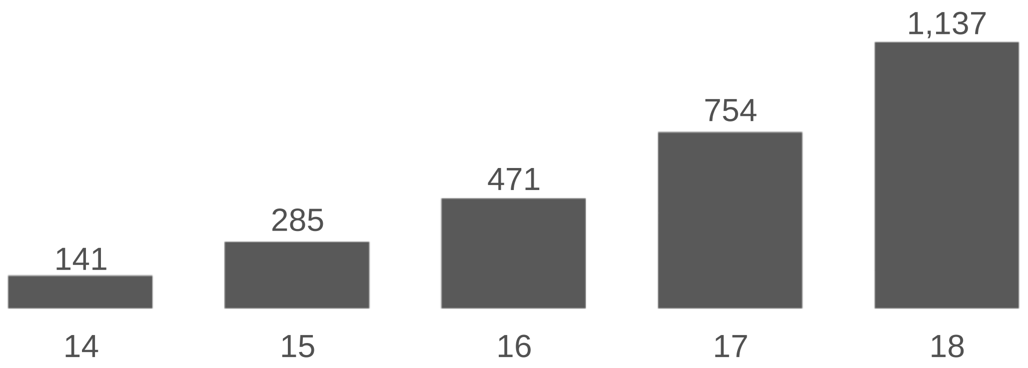
Achieved 30% LP distribution CAGR goal

Focused on organic growth

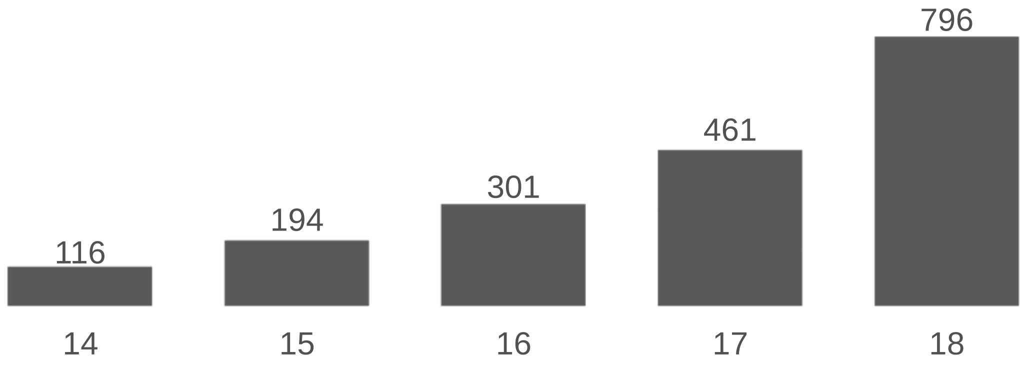
Sanctioned Gray Oak Pipeline project

Completed Sand Hills Pipeline expansion

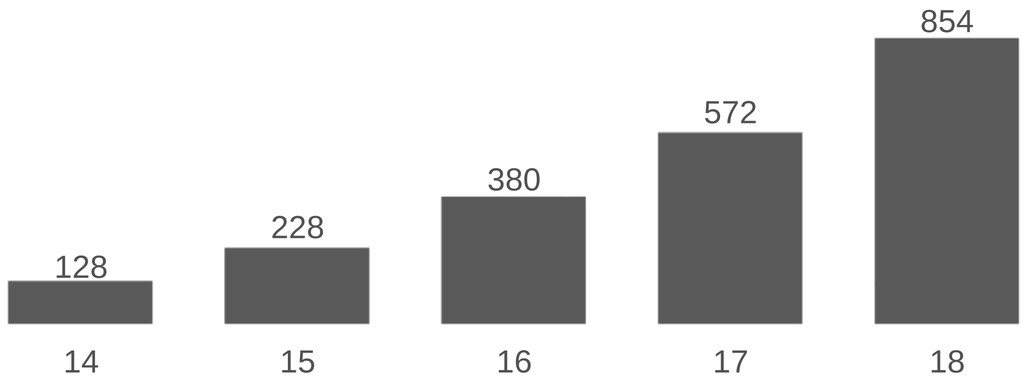
ADJUSTED EBITDA
($MM)



EARNINGS
($MM)

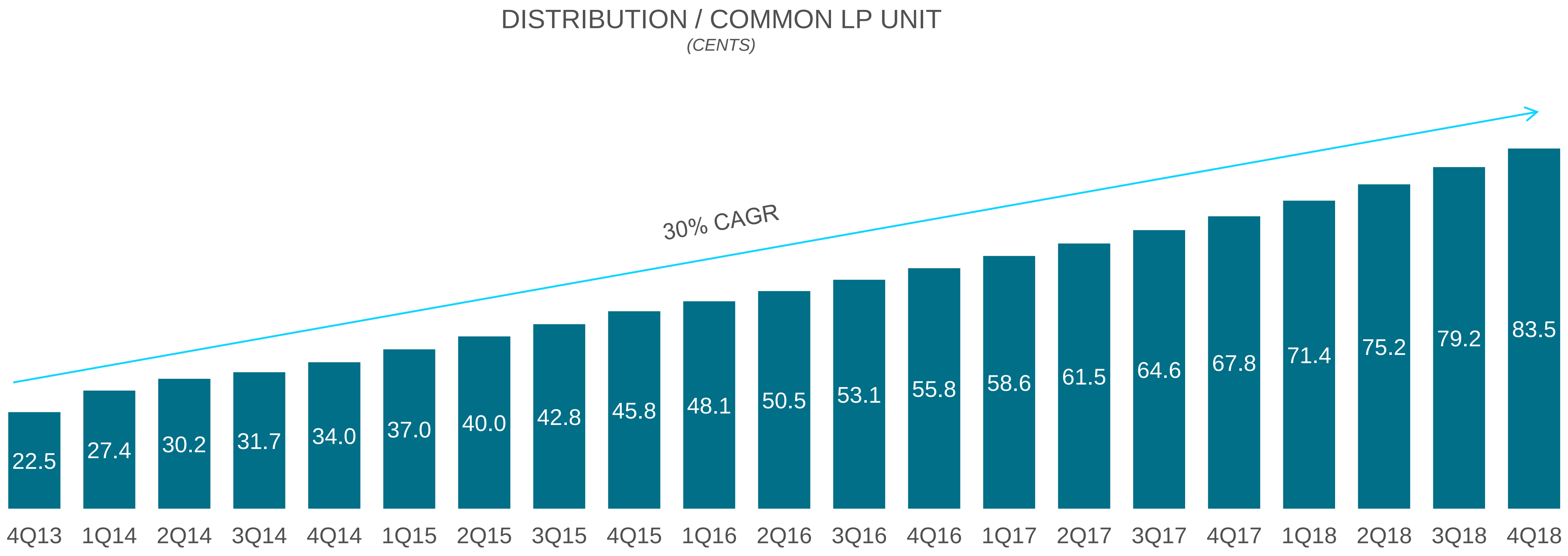


DISTRIBUTABLE CASH FLOW
($MM)



Adjusted EBITDA and Distributable Cash Flow shown are attributable to PSXP.

DISTRIBUTION GROWTH



Coverage Ratio	1.10	1.10	1.44	1.32	1.28	1.14	1.17	1.39	1.45	1.14	1.20	1.24	1.48	1.31	1.35	1.12	1.33	1.40	1.38	1.36	1.39

PSXP ORGANIC GROWTH

PSXP PROJECT	COMPLETION DATE	CAPACITY	GROSS CAPITAL ($MM)	OWNERSHIP (%)
Sand Hills Pipeline expansion	4Q 2018	68 MBD[1]	450	33.3
Bayou Bridge Pipeline (segments I and II)	1Q 2019	480 MBD	750	40
Lake Charles products pipeline	2Q 2019	50 MBD	25	100
Lake Charles isomerization unit	3Q 2019	25 MBD	200	99
Gray Oak Pipeline	4Q 2019	900 MBD	2,200	42.25
Sweeny to Pasadena expansion[2]	2Q 2020	80 MBD	70	100
South Texas Gateway Terminal[3]	Mid 2020	800 MBD	450-500	25
Clemens Caverns expansion	4Q 2020	6 MMB[4]	150	100

Projects expected to have typical Midstream EBITDA build multiples (6x – 8x)

1) Expanded from 417 MBD to 485 MBD; 2) 300 MB storage and 80 MBD pipeline capacity expansion; 3) 6.5-7.0 MMB storage and 800 MBD export capacity, includes two deepwater docks; 4) Expanding from 9 MMB to 15 MMB

GRAY OAK PIPELINE

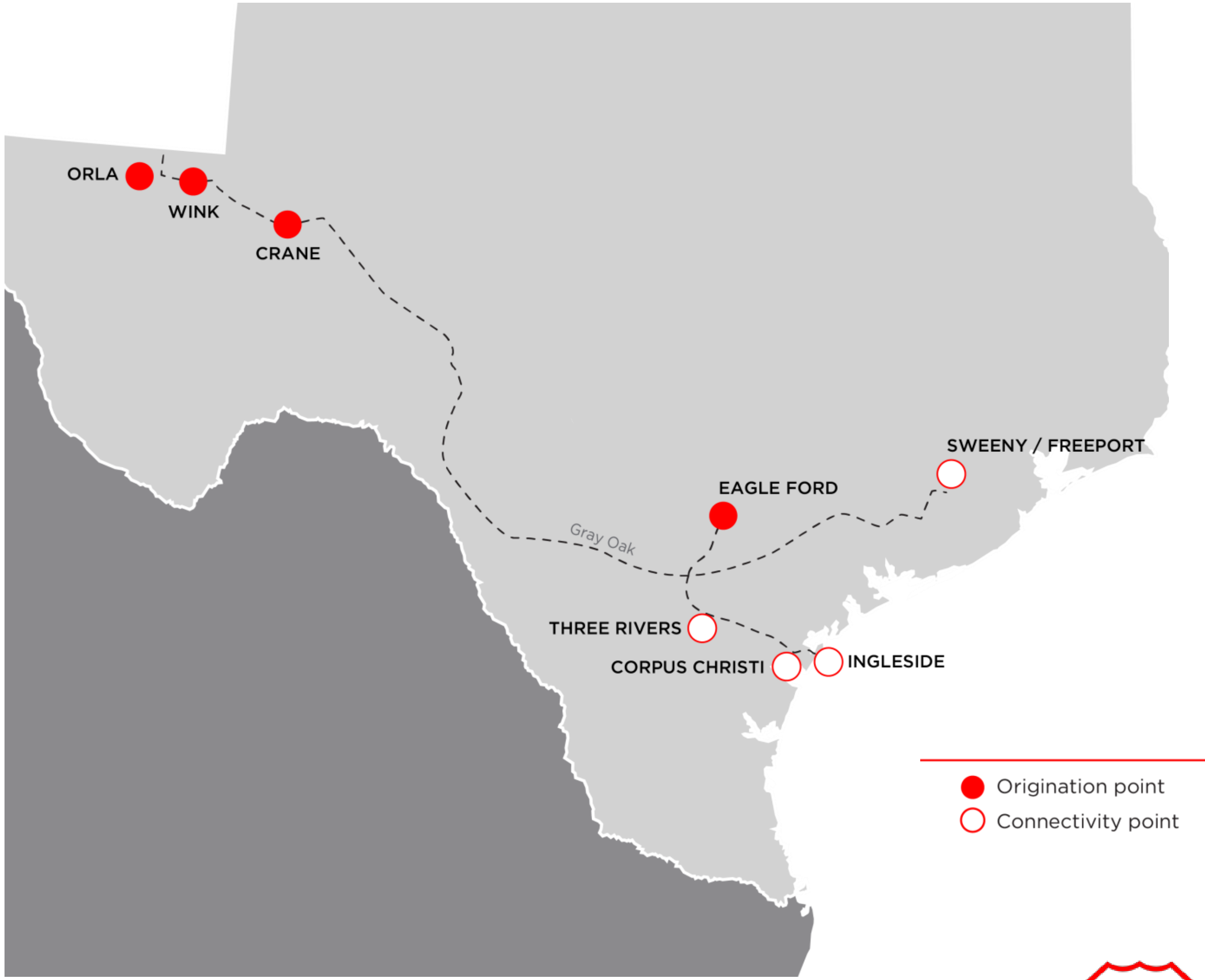
Crude oil pipeline from West Texas to Corpus Christi and Sweeny/Freeport markets

Expected in service by end of 2019

900 MBD capacity

42.25% PSXP ownership

Operated by Phillips 66



Phillips 66 Partners

FINANCIAL FLEXIBILITY

Investment-grade credit rating

- BBB (S&P), Baa3 (Moody's)

Fund 2019 capital program with cash, debt, and selective use of ATM

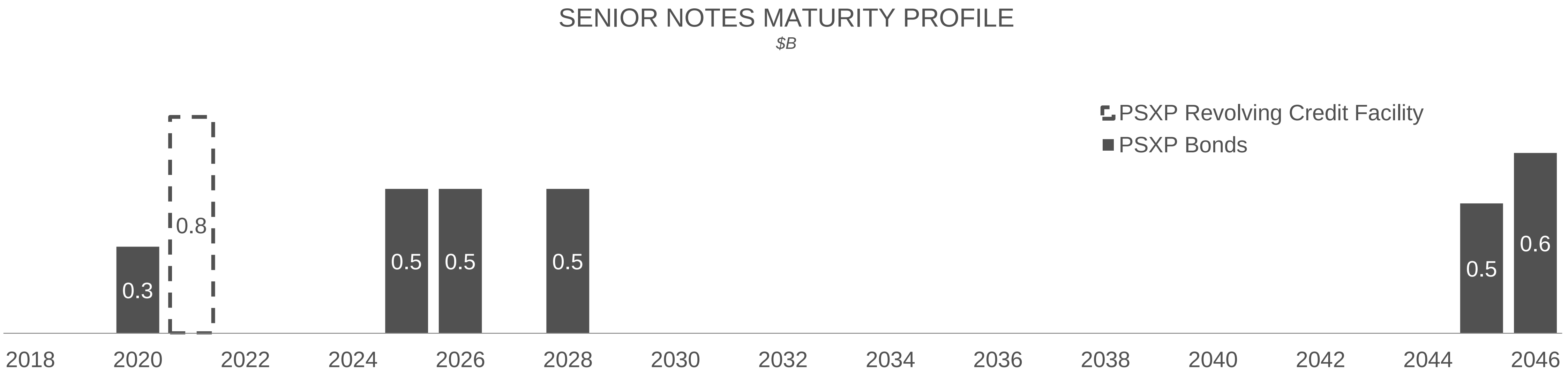
3.5x debt / EBITDA long term target

$750 MM revolving credit facility

$826 MM 2018 free cash flow[1]

1) $892 MM cash from operations less $66 MM maintenance capital expenditures

PSXP DEBT PROFILE



$3 B Total Debt as of December 31, 2018

- $2.9 B Senior Notes, weighted-average cost of 3.97%
- $75 MM Merey Sweeny Tax-exempt Bonds
- $125 MM revolving credit facility borrowing

SENIOR NOTES
$MM

YEAR DUE	PRINCIPAL	COUPON
PSXP 2020	$300	2.646%
PSXP 2025	$500	3.605%
PSXP 2026	$500	3.550%
PSXP 2028	$500	3.750%
PSXP 2045	$450	4.680%
PSXP 2046	$625	4.900%
Total	$2,875	3.970%

Weighted average cost excludes revolving credit facility. Total debt is net of $27 MM new issuance premiums and discounts.

TOTAL RETURN SINCE IPO

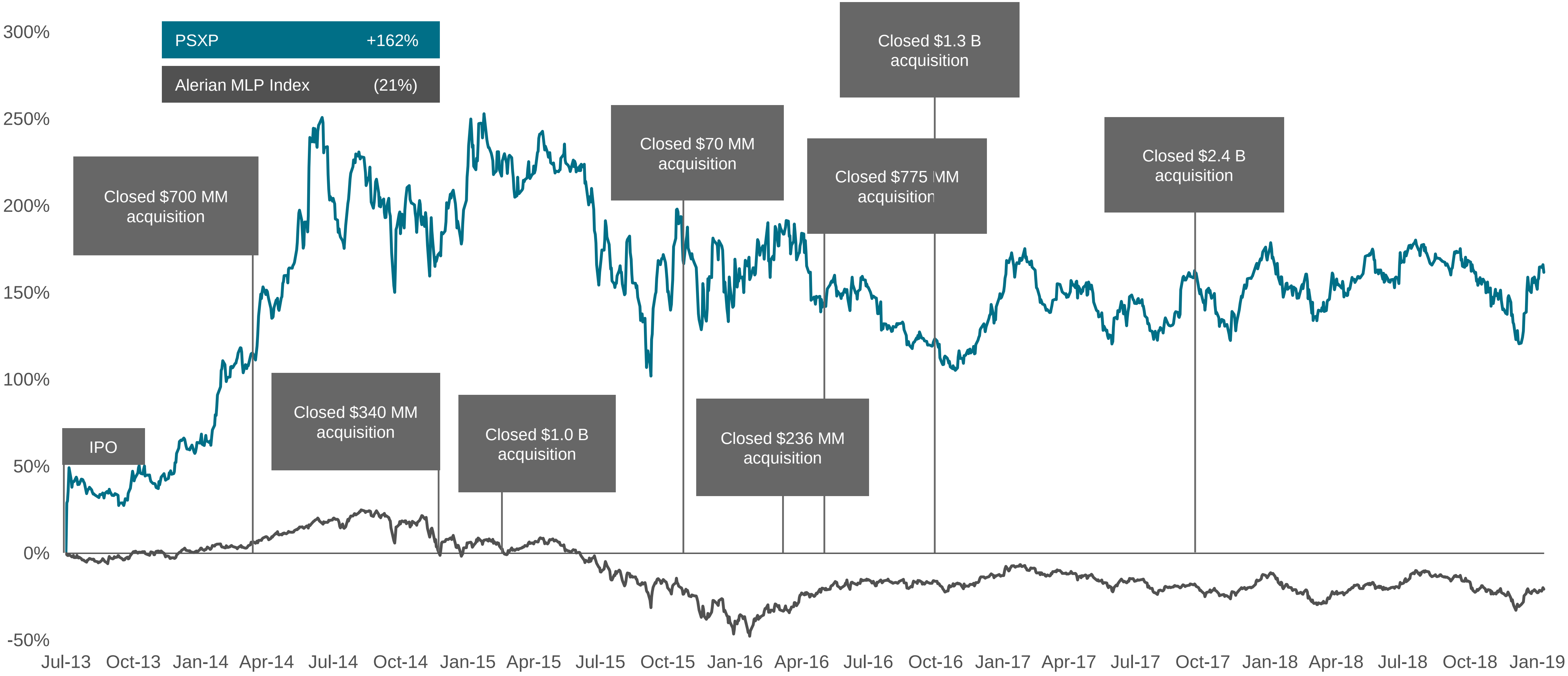


Chart reflects total unitholder return July 22, 2013 to January 31, 2019. Distributions assumed to be reinvested in units. Source: Bloomberg. See appendix for further footnotes.

Phillips 66 Partners

APPENDIX

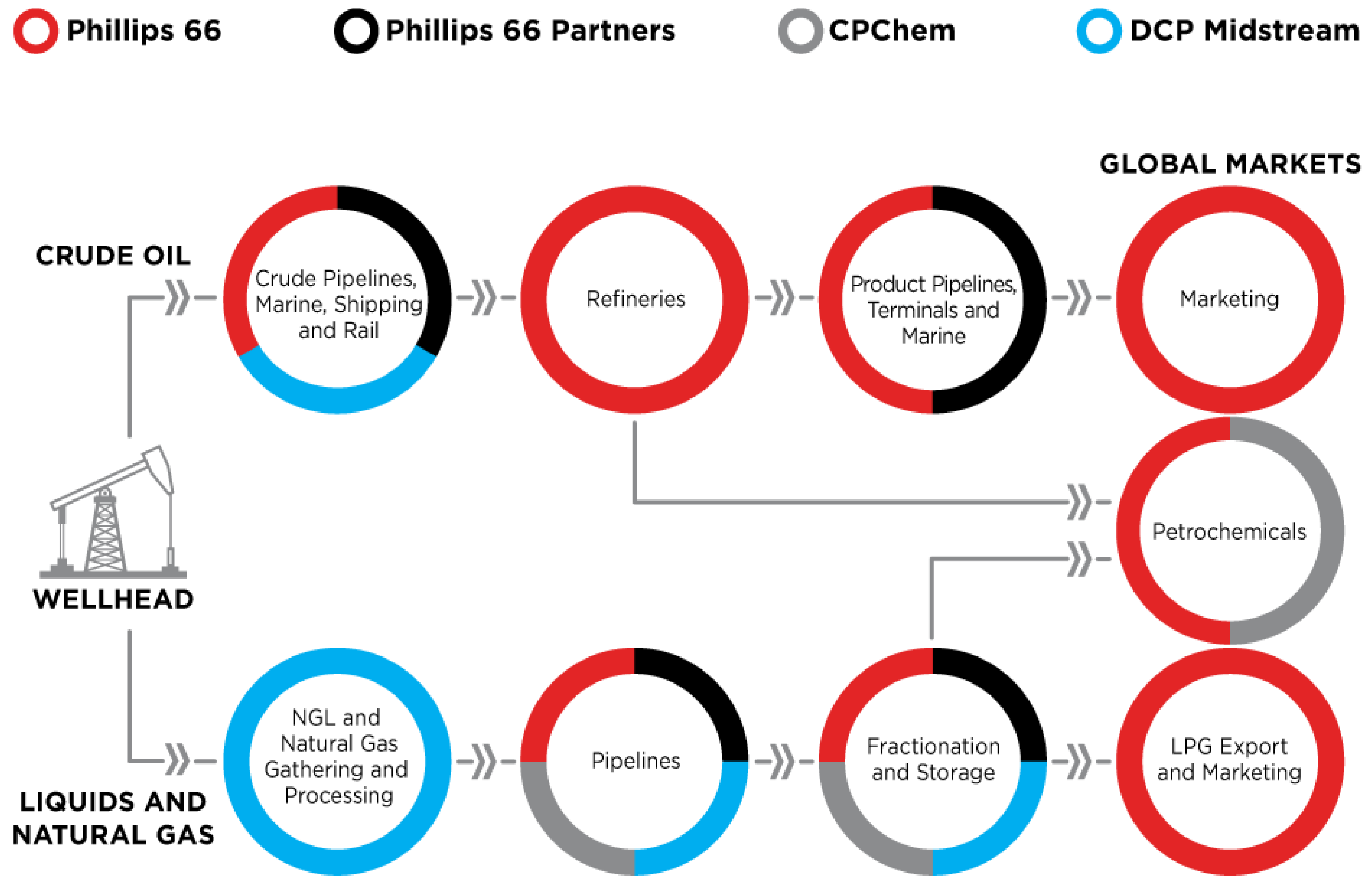
Freeport Clipper

2019 SENSITIVITIES

	Annual EBITDA ($MM)
Midstream - DCP (net to Phillips 66)	
10 ¢/Gal Increase in NGL price	6
10 ¢/MMBtu Increase in Natural Gas price	1
$1/BBL Increase in WTI price	1
Chemicals - CPChem (net to Phillips 66)	
1 ¢/Lb Increase in Chain Margin (Ethylene, Polyethylene, NAO)	65
Worldwide Refining	
$1/BBL Increase in Gasoline Margin	350
$1/BBL Increase in Distillate Margin	300
Impacts due to Actual Crude Feedstock Differing from Feedstock Assumed in Market Indicators:	
$1/BBL Widening WTI / WCS Differential (WTI less WCS)	100
$1/BBL Widening LLS / WTI Differential (LLS less WTI)	70
$1/BBL Widening LLS / Maya Differential (LLS less Maya)	60
$1/BBL Widening WTI / WTS Differential (WTI less WTS)	30
$1/BBL Widening ANS / WTI Differential (ANS less WTI)	25
10 ¢/MMBtu Increase in Natural Gas price	(15)

Sensitivities are independent and are only valid within a limited price range

VALUE CHAIN

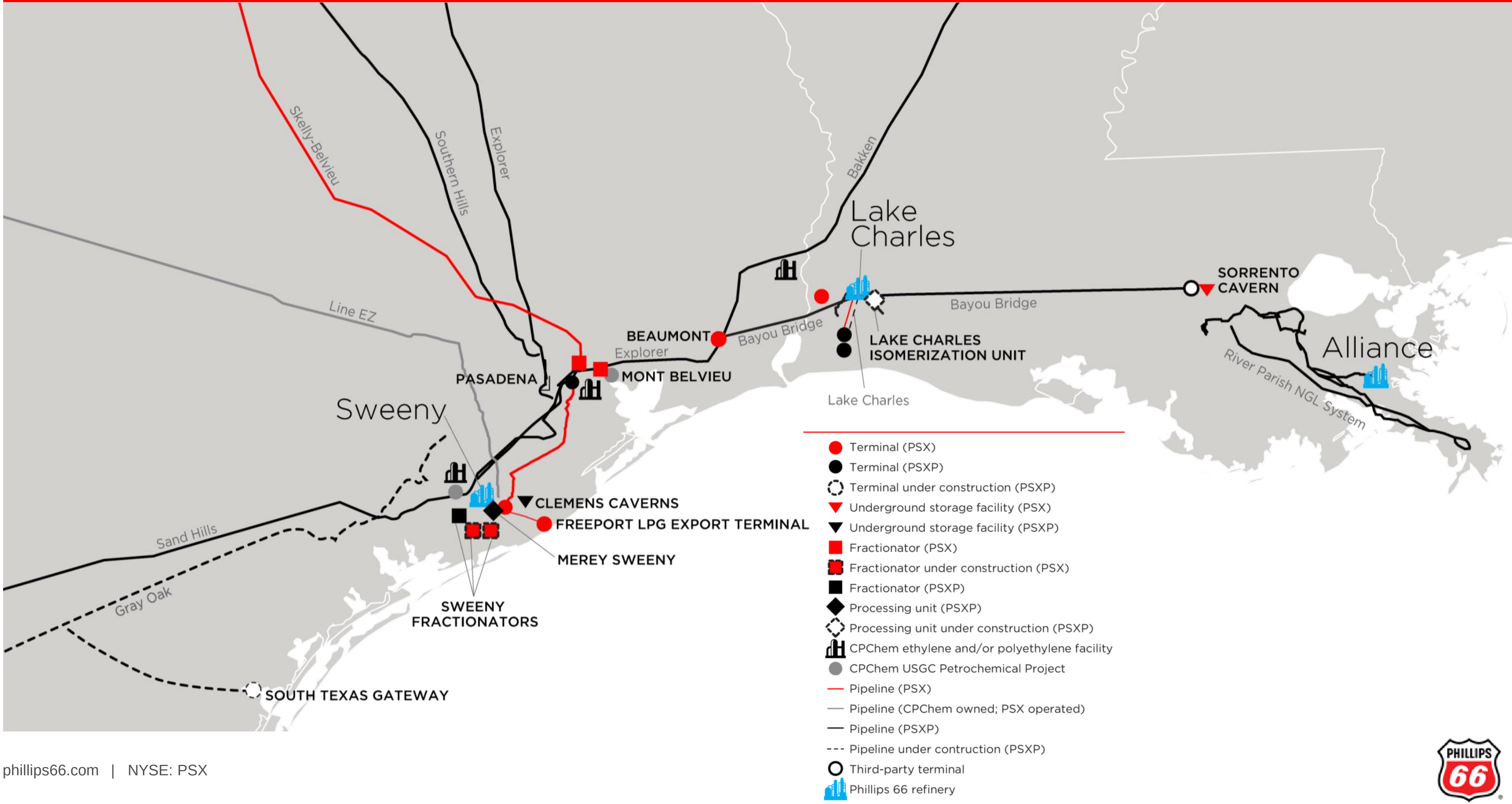


Phillips 66
Phillips 66 Partners
CPChem
DCP Midstream
GLOBAL MARKETS
CRUDE OIL
Crude Pipelines, Marine, Shipping and Rail
Refineries
Product Pipelines, Terminals and Marine
Marketing
Petrochemicals
WELLHEAD
NGL and Natural Gas Gathering and Processing
Pipelines
Fractionation and Storage
LPG Export and Marketing
LIQUIDS AND NATURAL GAS

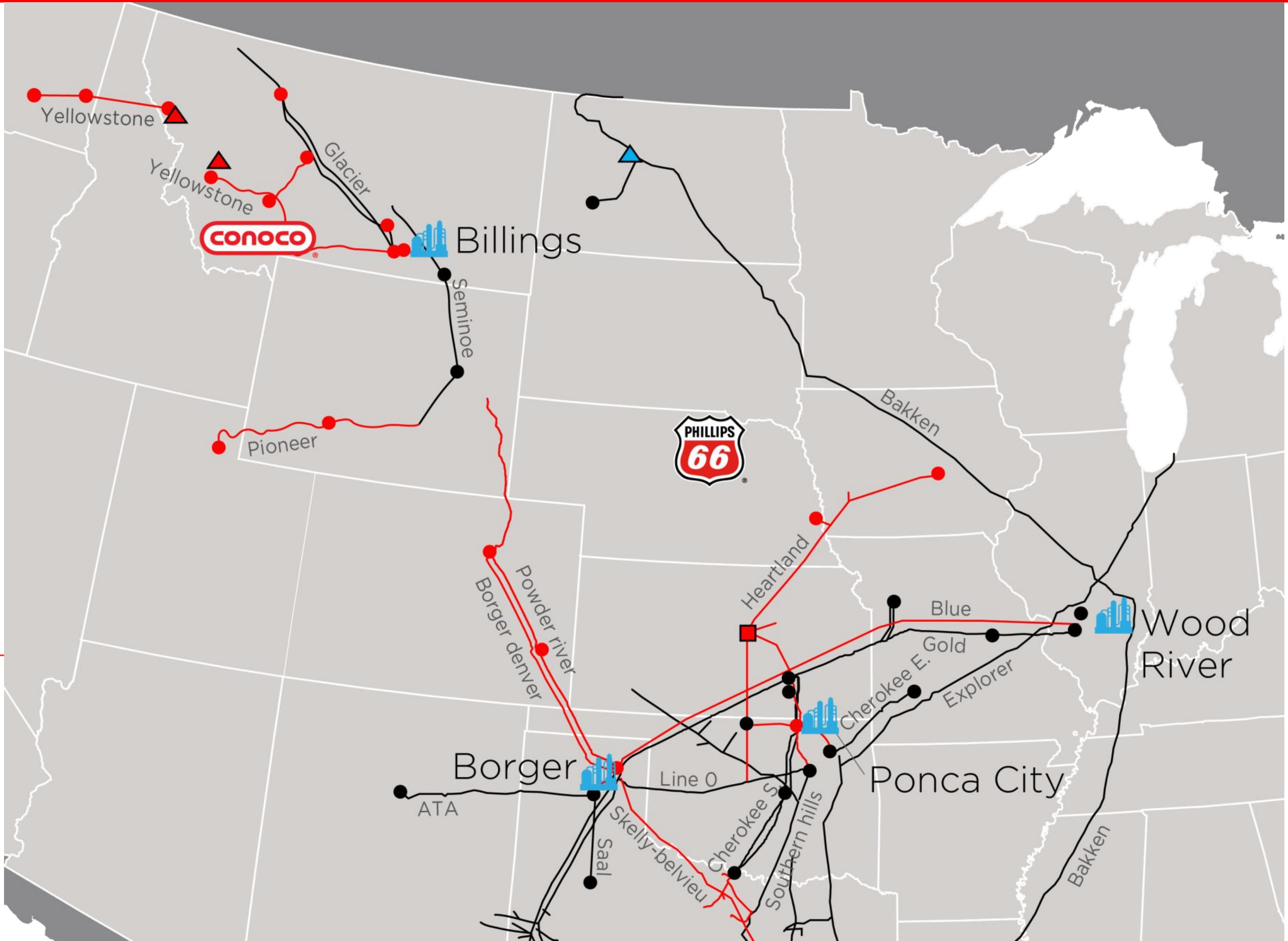
WEST COAST

Ferndale
Yellowstone
Yellowstone
Glacier
Billings
SHERIDAN
Seminoe
CASPER
Pioneer
San Francisco Refinery
Line 200
Line 400
Line 100
Line 300
Los Angeles Refinery
Pipeline (PSX)
Pipeline (PSXP)
Terminal (PSX)
Terminal (PSXP)
Rail rack (PSX)
Rail rack (PSXP)
Phillips 66 refinery

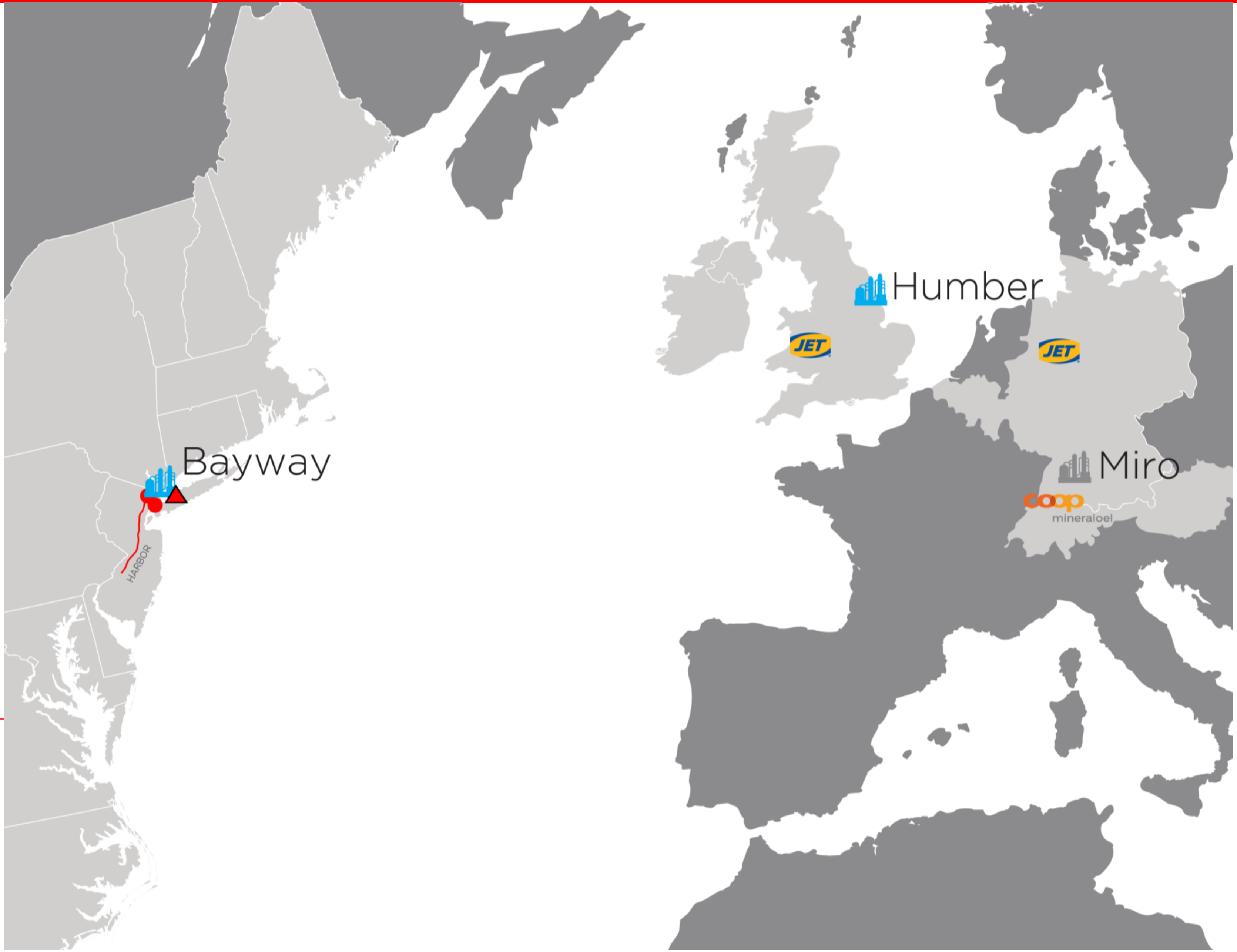
GULF COAST



Skelly-Belvieu
Southern Hills
Explorer
Bakken
Line EZ
Lake Charles
SORRENTO CAVERN
Bayou Bridge
BEAUMONT
Bayou Bridge
Explorer
LAKE CHARLES ISOMERIZATION UNIT
Alliance
River Parish NGL System
PASADENA
MONT BELVIEU
Lake Charles
Sweeny
CLEMENS CAVERNS
FREEPORT LPG EXPORT TERMINAL
MEREY SWEENY
Sand Hills
Gray Oak
SWEENY FRACTIONATORS
SOUTH TEXAS GATEWAY
Terminal (PSX)
Terminal (PSXP)
Terminal under construction (PSXP)
Underground storage facility (PSX)
Underground storage facility (PSXP)
Fractionator (PSX)
Fractionator under construction (PSX)
Fractionator (PSXP)
Processing unit (PSXP)
Processing unit under construction (PSXP)
CPChem ethylene and/or polyethylene facility
CPChem USGC Petrochemical Project
Pipeline (PSX)
Pipeline (CPChem owned; PSX operated)
Pipeline (PSXP)
Pipeline under contruction (PSXP)
Third-party terminal
Phillips 66 refinery

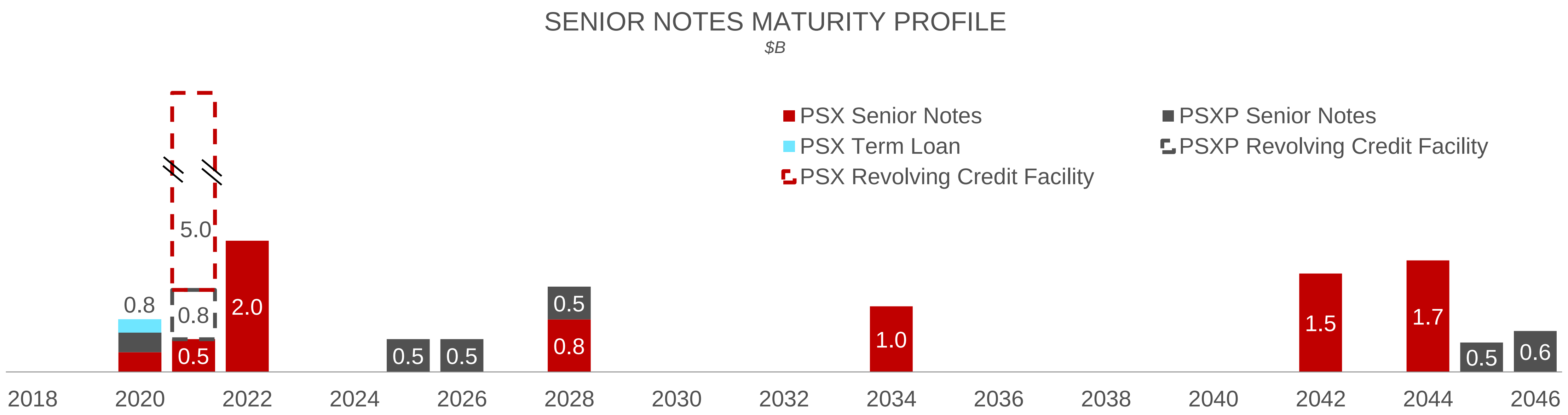


- Pipeline (PSX)
- Pipeline (PSXP)
- Fractionator (PSX)
- Terminal (PSX)
- Terminal (PSXP)
- Rail rack (PSX)
- Rail rack (PSXP)
- Phillips 66 refinery



- Pipeline (PSX/PSXP)
- Terminal (PSX)
- Rail crude rack (PSX)
- Phillips 66 refinery
- Phillips 66 refinery interest

CONSOLIDATED DEBT AND LIQUIDITY



PHILLIPS 66, EXCLUDING PSXP

$8.1 B Total Debt as of December 31, 2018

- $7.8 B Senior Notes
- $8.0 B Total liquidity ($5.0 B RCF)

BBB+ / A3 Credit Rating

PHILLIPS 66 PARTNERS

$3.0 B Total Debt as of December 31, 2018

- $2.9 B Senior Notes
- $0.6 B Total liquidity ($0.6 B available on RCF)

BBB / Baa3 Credit Rating

Total debt includes capital leases and is net of new issuance premiums and discounts. Phillips 66 Partners total liquidity is net of $125 MM Revolving Credit Facility utilization.

PHILLIPS 66 OUTLOOK

1Q 2019

Global Olefins & Polyolefins utilization	Mid-90%
Refining crude utilization	Mid-80%
Refining turnaround expenses (pre-tax)	$140 MM - $170 MM
Corporate & other costs (pre-tax)	$210 MM - $240 MM

2019

Refining turnaround expenses (pre-tax)	$550 MM - $600 MM
Corporate & Other costs (pre-tax)	$850 MM - $900 MM
Depreciation and amortization	$1.4 B
Effective income tax rate	Low-20%


Beaumont Terminal
Nederland, TX

2019 CAPITAL BUDGET

		Millions of Dollars	
	Sustaining Capital	Growth Capital	Capital Program
Adjusted Capital Program			
Midstream*	$ 185	847	1,032
Chemicals	-	-	-
Refining	512	411	923
Marketing and Specialties	64	97	161
Corporate and Other	177	-	177
Phillips 66*	**938**	**1,355**	**2,293**
Phillips 66 Partners**	78	523	601
Phillips 66 Consolidated	**1,016**	**1,878**	**2,894**
DCP Midstream	55	450	505
CPChem	282	290	572
WRB	78	87	165
Selected Equity Affiliates	**415**	**827**	**1,242**
Total Capital Program	**$ 1,431**	**$ 2,705**	**$ 4,136**

**Excludes adjusted capital budget associated with Phillips 66 Partners.*

***Excludes $303 million of growth capital expected to be cash funded by noncontrolling interests.*

		Millions of Dollars	
	Sustaining Capital	Growth Capital	Capital Program
Midstream Adjusted Capital Budget			
Phillips 66*	$ 185	847	1,032
Phillips 66 Partners**	78	523	601
Consolidated Midstream Adjusted Capital Budget	**$ 263**	**$ 1,370**	**$ 1,633**

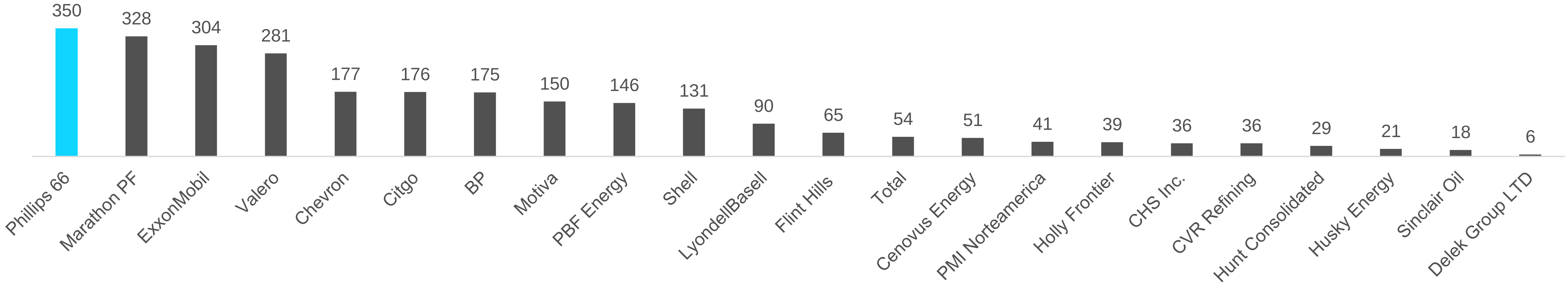
**Excludes adjusted capital budget associated with Phillips 66 Partners.*

***Excludes $303 million of growth capital expected to be cash funded by noncontrolling interests.*

Coking Capacity

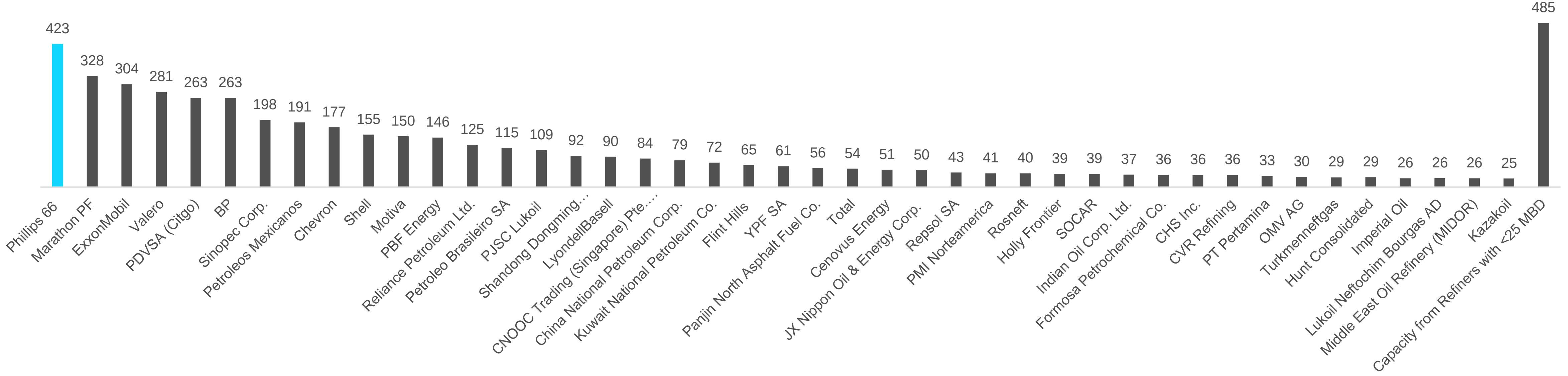
2,701 TOTAL U.S. COKING CAPACITY

MBD



5,034 TOTAL GLOBAL COKING CAPACITY

MBD



Source: 2018 Oil and Gas Journal. Phillips 66 includes 50% WRB. Marathon PF reflects pro forma capacity with Andeavor acquisition, including Western Refining.

FOOTNOTES

Slide 5

Total share repurchases and exchanges include the PSPI share exchange in 2014. Dividend CAGR calculated from initial dividend of $0.20 per share in 3Q 2012 to last increase of $0.80 per share in 2Q 2018. $1.5 B reflects estimated mid-cycle run-rate adjusted EBITDA contributions from projects that came online in 2017 and 2018.

Slide 6

Industry averages are from: Phillips 66 – American Fuel & Petrochemical Manufacturers (AFPM) refining data, Chevron Phillips Chemical Company LLC (CPChem) – American Chemistry Council (ACC), DCP Midstream, LLC (DCP Midstream) – Gas Processors Association (GPA).

Industry capacity utilization through November 2018. Source: EIA.

Slide 7

Industry safety metrics as of 2017. Source: Bureau of Labor Statistics. Sulfur oxides (SOx), nitrous oxides (NOx) and particulate matter (PM).

Slide 12

PSXP 2019 Adjusted Capital Budget excludes $303 MM of growth capital expected to be cash funded by noncontrolling interests and reflects JV-level financing to fund a portion of the Gray Oak Pipeline construction. Capital expenditures are attributable to the Partnership and exclude predecessor capital spending.

Slide 17

3Q 2013 distribution represents the minimum quarterly distribution (MQD); actual distribution of 15.48 cents equal to MQD prorated. 30% CAGR since 4Q13.

PSXP 2019 Adjusted Capital Budget excludes $303 MM of growth capital expected to be cash funded by noncontrolling interests and reflects JV-level financing to fund a portion of the Gray Oak Pipeline construction. Capital expenditures are attributable to the Partnership and exclude predecessor capital spending.

Slide 18

Volumes exclude potential by-pass volumes

FOOTNOTES

Slide 32

Consensus cash from operations based on average of 2019 and 2020 consensus as of 1/23/2019.

PSXP 2019 Adjusted Capital Budget excludes $303 MM of growth capital expected to be cash funded by noncontrolling interests and reflects JV-level financing to fund a portion of the Gray Oak Pipeline construction. Capital expenditures are attributable to the Partnership and exclude predecessor capital spending.

2014 share repurchases/exchanges include the PSPI share exchange.

Slide 33

Annual dividend reflects sum of declared quarterly dividends. 2018 reflects one quarterly dividend of $0.70 and three quarterly dividends of $0.80. Dividend CAGR calculated from initial dividend of $0.20 per share in 3Q 2012 to last increase of $0.80 per share in 2Q 2018.

2014 share repurchases/exchanges include the PSPI share exchange.

Slide 34

PSXP 2019 Adjusted Capital Budget excludes $303 MM of growth capital expected to be cash funded by noncontrolling interests and reflects JV-level financing to fund a portion of the Gray Oak Pipeline construction. Capital expenditures are attributable to the Partnership and exclude predecessor capital spending.

Slide 35

Consensus cash from operations based on average of 2019 and 2020 consensus as of 1/23/2019.

Reinvestment includes Phillips 66's portion of self-funded capital spending by DCP, CPChem and WRB and $1.5 B equity contribution to DCP in 2015.

Slide 36

Chart reflects total shareholder return May 1, 2012 to January 31, 2019. Dividends assumed to be reinvested in stock. Source: Bloomberg.

Peer average includes Delek US Holdings, Inc., HollyFrontier Corporation, Marathon Petroleum Corporation, PBF Energy Inc., Valero Energy Corporation, Enterprise Products Partners L.P., ONEOK, Inc., Targa Resources Corp., Celanese Corporation, Eastman Chemical Company, Huntsman Corporation, LyondellBasell Industries, and Westlake Chemical Corporation.

Slide 47

$2.4 B transaction closed as of October 6, 2017, includes $625 MM non-recourse Bakken JV debt and $100 MM of Merey Sweeny, L.P. (MSLP) debt.

FOOTNOTES

18

18 is as of December 31, 2018, or the twelve-month period ended December 31, 2018, as applicable; except as otherwise noted.

Forecasted and Estimated EBITDA and Maps

We are unable to present reconciliations of various forecasted and estimated EBITDA included in this presentation, because certain elements of net income, including interest, depreciation and income taxes, are not reasonably available. Together, these items generally result in EBITDA being significantly greater than net income.

Maps, images, and drawings are for informational purposes only and may not be to scale.

General

Information disclosed is as of December 31, 2018 unless otherwise noted.

NON-GAAP RECONCILIATION (SLIDE 12)

		Millions of Dollars				
		2014	2015	2016	2017	2018
Reconciliation of Midstream Pre-Tax Income to Adjusted EBITDA						
Midstream pre-tax income	$	851	147	402	638	1,181
Plus:						
Interest revenue		—	—	—	(1)	—
Depreciation and amortization		91	127	215	299	320
Midstream EBITDA		**942**	**274**	**617**	**936**	**1,501**
Special Item Adjustments (pre-tax):						
Pending claims and settlements		—	—	(45)	(37)	21
Impairments by equity affiliates		—	366	6	—	28
Hurricane-related costs		—	—	—	10	—
Lower-of-cost-or-market inventory adjustments		2	—	—	—	—
Asset disposition		—	(30)	—	—	—
Equity affiliate ownership restructuring		—	—	33	—	—
Pension settlement expense		—	9	—	12	9
Midstream EBITDA, Adjusted for Special Items		**944**	**619**	**611**	**921**	**1,559**
Other Adjustments (pre-tax):						
Proportional share of selected equity affiliates income taxes		3	(2)	2	1	1
Proportional share of selected equity affiliates net interest		165	176	170	121	131
Proportional share of selected equity affiliates depreciation and amortization		207	225	244	191	207
Midstream Adjusted EBITDA	**$**	**1,319**	**1,018**	**1,027**	**1,234**	**1,898**

NON-GAAP RECONCILIATION (SLIDES 17 and 41)

	Millions of Dollars				
	2014	2015	2016	2017	2018
Reconciliation to Net Income Attributable to the Partnership					
Net income attributable to the Partnership	$ 116	194	301	461	796
Plus:					
Net income attributable to Predecessors	129	112	107	63	—
Net Income	**245**	**306**	**408**	**524**	**796**
Plus:					
Depreciation	46	61	96	116	117
Net interest expense	5	34	52	99	114
Income tax expense	1	—	2	4	4
EBITDA	**297**	**401**	**558**	**743**	**1,031**
Proportional share of equity affiliates' net interest, taxes and depreciation	—	31	45	66	101
Expenses indemnified or prefunded by Phillips 66	2	2	6	8	1
Transaction costs associated with acquisitions	3	2	4	4	4
EBITDA attributable to Predecessors	(161)	(151)	(142)	(67)	—
Adjusted EBITDA	**141**	**285**	**471**	**754**	**1,137**
Plus:					
Deferred revenue impacts*†	2	4	11	6	(6)
Less:					
Equity affiliate distributions less than proportional EBITDA	—	19	28	29	64
Maintenance capital expenditures†	12	8	22	50	62
Net interest expense	3	34	52	100	114
Preferred unit distributions	—	—	—	9	37
Distributable cash flow	**$ 128**	**228**	**380**	**572**	**854**

Adjusted EBITDA for all prior periods has been retrospectively adjusted to present our proportional share of equity affiliates' EBITDA, rather than cash distributions received.

*Difference between cash receipts and revenue recognition.

†Excludes Merey Sweeny capital reimbursements and turnaround impacts.

NON-GAAP RECONCILIATION (SLIDES 17 and 41)

		Millions of Dollars				
		2014	2015	2016	2017	2018
Reconciliation to Net Cash Provided by Operating Activities						
Net Cash Provided by Operating Activities	$	296	392	492	724	892
Plus:						
Net interest expense		5	34	52	99	114
Income tax expense		1	—	2	4	4
Changes in working capital		(3)	(12)	28	(30)	(20)
Undistributed equity earnings		—	—	(1)	1	5
Deferred revenues and other liabilities		(2)	(11)	(9)	(43)	42
Other		—	(2)	(6)	(12)	(6)
EBITDA		**297**	**401**	**558**	**743**	**1,031**
Proportional share of equity affiliates' net interest, taxes and depreciation		—	31	45	66	101
Expenses indemnified or prefunded by Phillips 66		2	2	6	8	1
Transaction costs associated with acquisitions		3	2	4	4	4
EBITDA attributable to Predecessors		(161)	(151)	(142)	(67)	—
Adjusted EBITDA		**141**	**285**	**471**	**754**	**1,137**
Plus:						
Deferred revenue impacts*†		2	4	11	6	(6)
Less:						
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Net interest expense		3	34	52	100	114
Preferred unit distributions		—	—	—	9	37
Distributable cash flow	**$**	**128**	**228**	**380**	**572**	**854**

Adjusted EBITDA for all prior periods has been retrospectively adjusted to present our proportional share of equity affiliates' EBITDA, rather than cash distributions received.

*Difference between cash receipts and revenue recognition.

†Excludes Merey Sweeny capital reimbursements and turnaround impacts.

NON-GAAP RECONCILIATION (SLIDE 22)

	Millions of Dollars				
	2014	2015	2016	2017	2018
Reconciliation of Chemicals Pre-Tax Income to Adjusted EBITDA					
Chemicals pre-tax income	$ 1,632	1,315	839	716	1,025
Plus:					
None	—	—	—	—	—
Chemicals EBITDA	**1,632**	**1,315**	**839**	**716**	**1,025**
Special Item Adjustments (pre-tax):					
Impairments by equity affiliates	88	24	89	64	—
Hurricane-related costs	—	—	—	175	—
Lower-of-cost-or-market inventory adjustments	3	—	—	—	—
Chemicals EBITDA, Adjusted for Special Items	**1,723**	**1,339**	**928**	**955**	**1,025**
Other Adjustments (pre-tax):					
Proportional share of selected equity affiliates income taxes	111	91	77	68	100
Proportional share of selected equity affiliates net interest	9	7	8	4	38
Proportional share of selected equity affiliates depreciation and amortization	258	264	285	307	422
Chemicals Adjusted EBITDA	**$ 2,101**	**1,701**	**1,298**	**1,334**	**1,585**

NON-GAAP RECONCILIATION (SLIDE 26)

	Millions of Dollars				
	2014	2015	2016	2017	2018
Reconciliation of Refining Pre-Tax Income to Adjusted EBITDA					
Refining pre-tax income	$ 2,467	3,659	436	2,076	4,535
Plus:					
Depreciation and amortization	704	738	769	821	840
Refining EBITDA	**3,171**	**4,397**	**1,205**	**2,897**	**5,375**
Special Item Adjustments (pre-tax):					
Pending claims and settlements	23	30	(70)	(51)	—
Certain tax impacts	—	—	(32)	(23)	(6)
Hurricane-related costs	—	—	—	24	—
Gain on consolidation of business	—	—	—	(423)	—
Recognition of deferred logistics commitments	—	—	30	—	—
Railcar lease residual value deficiencies and related costs	—	—	40	—	—
Asset dispositions	(145)	(8)	—	—	—
Impairments	131	—	—	—	—
Lower-of-cost-or-market inventory adjustments	40	53	—	—	—
Pension settlement expense	—	53	—	53	43
Refining EBITDA, Adjusted for Special Items	**3,220**	**4,525**	**1,173**	**2,477**	**5,412**
Other Adjustments (pre-tax):					
Proportional share of selected equity affiliates income taxes	3	(3)	—	1	1
Proportional share of selected equity affiliates net interest	(19)	—	—	(3)	(6)
Proportional share of selected equity affiliates depreciation and amortization	245	252	257	268	272
Refining Adjusted EBITDA	**$ 3,449**	**4,774**	**1,430**	**2,743**	**5,679**

NON-GAAP RECONCILIATION (SLIDE 29)

		Millions of Dollars				
		2014	2015	2016	2017	2018
Reconciliation of Marketing and Specialties Pre-Tax Income to Adjusted EBITDA						
Marketing and Specialties pre-tax income	$	1,475	1,652	1,261	1,020	1,557
Plus:						
Interest revenue		—	(2)	—	—	—
Depreciation and amortization		95	97	107	112	114
Marketing and Specialties EBITDA		**1,570**	**1,747**	**1,368**	**1,132**	**1,671**
Special Item Adjustments (pre-tax):						
Asset dispositions		(125)	(242)	—	—	—
Pending claims and settlements		(44)	—	—	—	—
Exit of a business line		—	—	—	—	—
Certain tax impacts		—	—	—	—	(113)
Hurricane-related costs		—	—	—	1	—
Pension settlement expense		—	11	—	11	9
Marketing and Specialties EBITDA, Adjusted for Special Items		**1,401**	**1,516**	**1,368**	**1,144**	**1,567**
Other Adjustments (pre-tax):						
Proportional share of selected equity affiliates income taxes		—	—	—	—	—
Proportional share of selected equity affiliates net interest		6	6	—	1	4
Proportional share of selected equity affiliates depreciation and amortization		11	11	12	11	11
Marketing and Specialties Adjusted EBITDA	**$**	**1,418**	**1,533**	**1,380**	**1,156**	**1,582**

NON-GAAP RECONCILIATION (SLIDE 31)

		Millions of Dollars				
		2014	2015	2016	2017	2018
Reconciliation of Phillips 66 Pre-Tax Income to Adjusted EBITDA						
Phillips 66 pre-tax income	$	5,745	6,044	2,191	3,555	7,445
Plus:						
Net interest expense		246	283	321	407	459
Depreciation and amortization		995	1,078	1,168	1,318	1,356
Phillips 66 EBITDA		**6,986**	**7,405**	**3,680**	**5,280**	**9,260**
Special Item Adjustments (pre-tax):						
Impairments by equity affiliates		88	390	95	64	28
Pending claims and settlements		(21)	30	(115)	(57)	21
Certain tax impacts		—	—	(32)	(23)	(119)
Gain on consolidation of business		—	—	—	(423)	—
Equity affiliate ownership restructuring		—	—	33	—	—
Recognition of deferred logistics commitments		—	—	30	—	—
Railcar lease residual value deficiencies and related costs		—	—	40	—	—
Asset dispositions		(270)	(280)	—	—	—
Impairments		131	—	—	—	—
Lower-of-cost-or-market inventory adjustments		45	53	—	—	—
Pension settlement expense		—	80	—	83	67
Hurricane-related costs		—	—	—	210	—
U.S. tax reform		—	—	—	—	(16)
Phillips 66 EBITDA, Adjusted for Special Items		**6,959**	**7,678**	**3,731**	**5,134**	**9,241**
Other Adjustments (pre-tax):						
Proportional share of selected equity affiliates income taxes		117	86	79	70	102
Proportional share of selected equity affiliates net interest		161	189	178	123	167
Proportional share of selected equity affiliates depreciation and amortization		721	752	798	777	912
EBITDA attributable to Phillips 66 noncontrolling interests		(45)	(73)	(132)	(229)	(361)
Phillips 66 Adjusted EBITDA	**$**	**7,913**	**8,632**	**4,654**	**5,875**	**10,061**

NON-GAAP RECONCILIATION (SLIDE 31)

	Millions of Dollars				
	2014	2015	2016	2017	2018
Phillips 66 ROCE					
Numerator					
Net income	$ 4,797	4,280	1,644	5,248	5,873
After-tax interest expense	173	201	220	285	398
GAAP ROCE earnings	4,970	4,481	1,864	5,533	6,271
Special items	(980)	(34)	(57)	(2,837)	(51)
Adjusted ROCE earnings	$ 3,990	4,447	1,807	2,696	6,220
Denominator					
GAAP average capital employed*	$ 29,595	31,749	33,344	35,700	37,925
Discontinued operations	(96)	—	—	—	—
Adjusted average capital employed*	$ 29,499	31,749	33,344	35,700	37,925

*Total equity plus debt.

	2014	2015	2016	2017	2018
GAAP ROCE (percent)	17%	14%	6%	15%	17%
Adjusted ROCE (percent)	14%	14%	5%	8%	16%