



PROVIDING ENERGY. IMPROVING LIVES.



Investor Update

MAY 2020

Freeport Terminal LPG Facility, FREEPORT, TX

Cautionary Statement

This presentation contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Words and phrases such as “is anticipated,” “is estimated,” “is expected,” “is planned,” “is scheduled,” “is targeted,” “believes,” “continues,” “intends,” “will,” “would,” “objectives,” “goals,” “projects,” “efforts,” “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 included in this presentation are based on management’s expectations, estimates and projections as of the date they are made. These statements are not guarantees of future performance and you should not unduly rely on them as they 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 include fluctuations in NGL, crude oil, and natural gas prices, and petrochemical and refining margins; unexpected changes in costs for constructing, modifying or operating our facilities; unexpected difficulties in manufacturing, refining or transporting our products; lack of, or disruptions in, adequate and reliable transportation for our NGL, crude oil, natural gas, and refined products; potential liability from litigation or for remedial actions, including removal and reclamation obligations under environmental regulations; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; potential disruption of our operations due to accidents, weather events, including as a result of climate change, terrorism or cyberattacks; general economic and political developments including: armed hostilities; expropriation of assets; changes in governmental policies relating to NGL, crude oil, natural gas or refined petroleum products pricing, regulation or taxation; and other political, economic or diplomatic developments, including those caused by public health issues and outbreaks; the impact of adverse market conditions or other similar risks to those identified herein affecting PSXP, as well as the ability of PSXP to successfully execute its growth plans; and other economic, business, competitive and / or regulatory factors affecting Phillips 66’s businesses generally as set forth in our filings with the Securities and Exchange Commission. Phillips 66 is under no obligation (and expressly disclaims any such obligation) to update or alter its 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 our website.

Executing the Strategy

GROWTH

Pipelines to Gulf Coast
Crude export capability
NGL value chain
CPChem ethylene and
derivative capacity

RETURNS

Refinery yield projects
Clean product export
capability
Brand reimaging

DISTRIBUTIONS

Secure, competitive and
growing dividend
Share repurchases

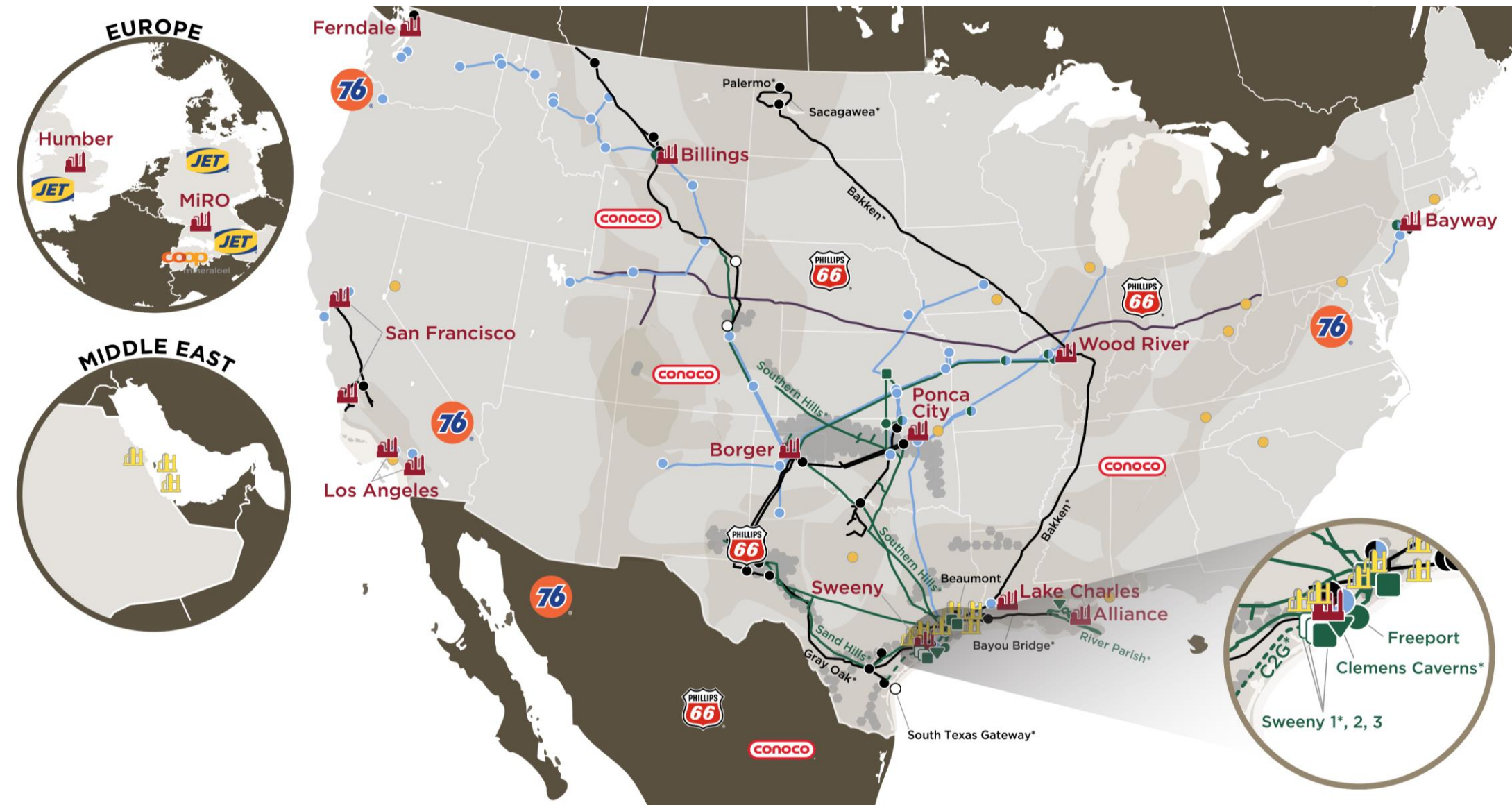
OPERATING EXCELLENCE

Safe and reliable operations
Technology-enabled risk reduction

HIGH-PERFORMING ORGANIZATION

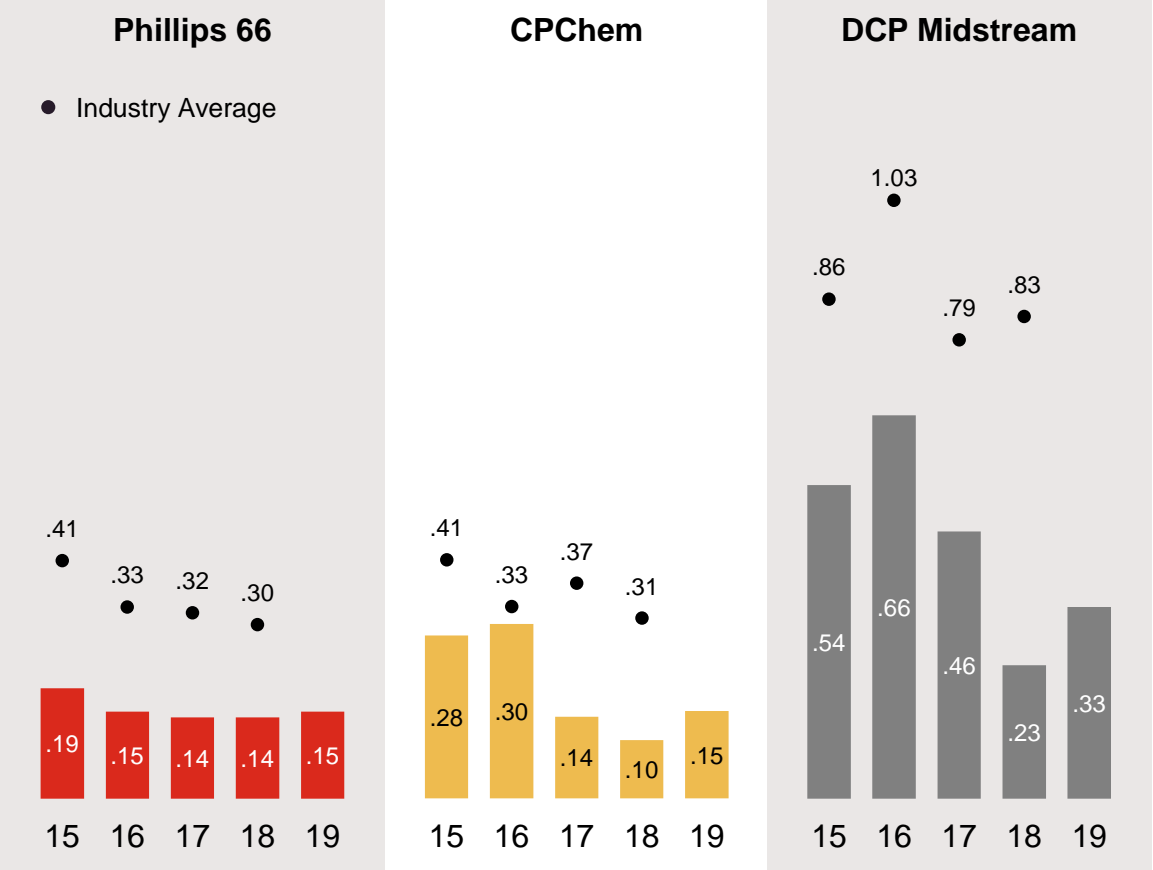
Culture. Capability. Performance.

Integrated Portfolio

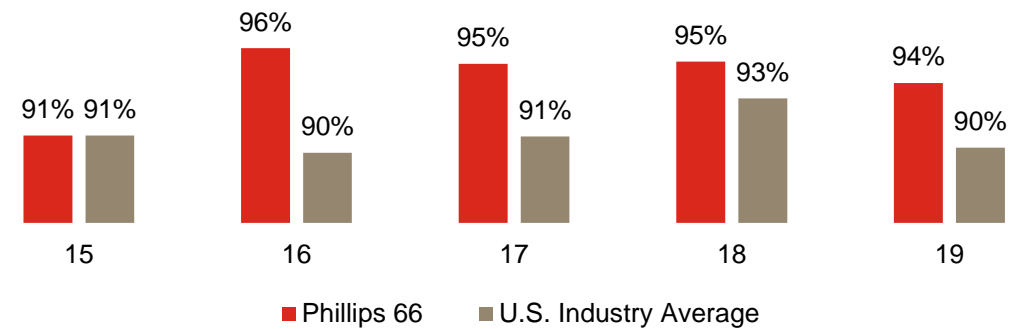


Operating Excellence

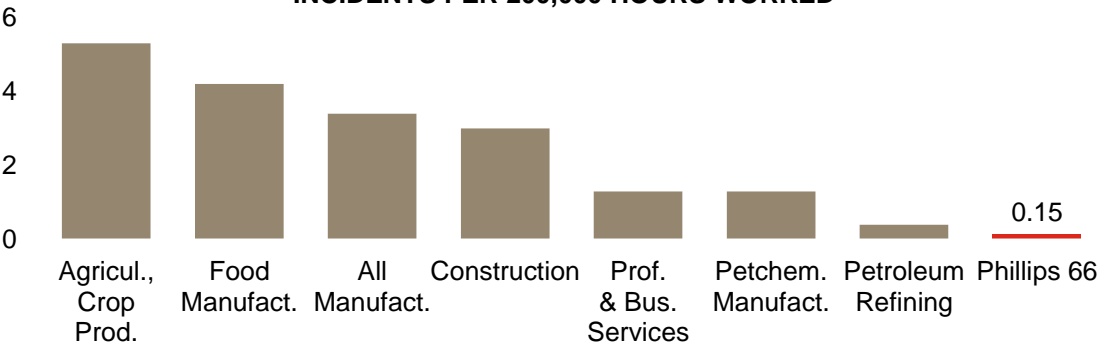
Total Recordable Rates
INCIDENTS PER 200,000 HOURS WORKED



Refining Crude Capacity Utilization
%



Industry Safety Metrics
INCIDENTS PER 200,000 HOURS WORKED



Long-Term Capital Allocation Framework

\$6-7 B mid-cycle CFO

Sustaining capital for asset integrity, safety and environmental projects

Secure, competitive and growing dividend

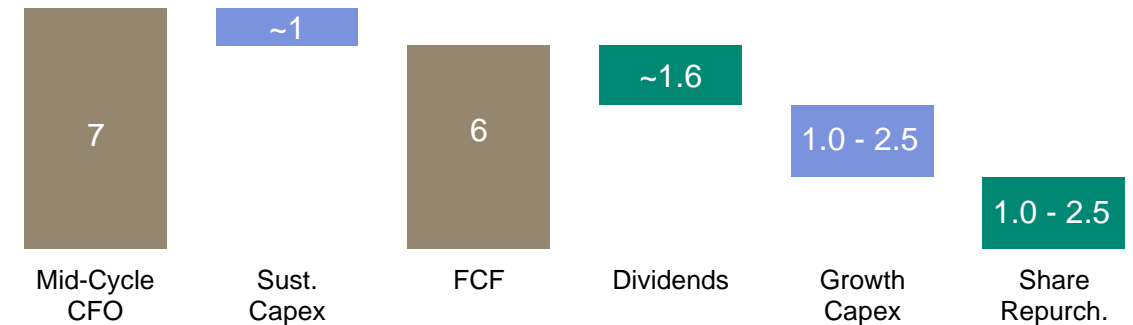
Strong balance sheet and investment grade credit rating

Growth investments with attractive returns

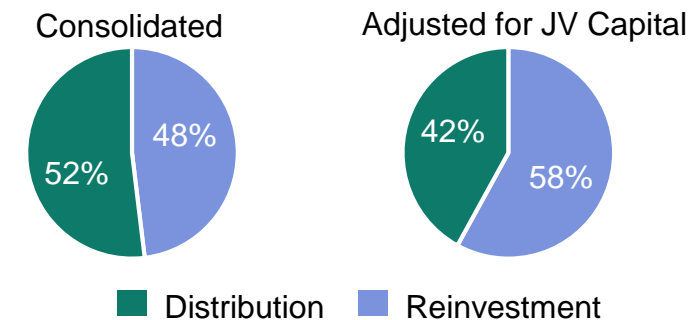
Intrinsic value approach to share repurchases

60% reinvestment and 40% shareholder distributions

Sources and Uses of Cash
\$B



2012 – 2019 Adjusted Capital Allocation
%



Responses to Challenging Business Environment

Contributed \$3 MM in April to COVID-19 relief efforts

Reducing 2020 consolidated capital spending by \$700 MM

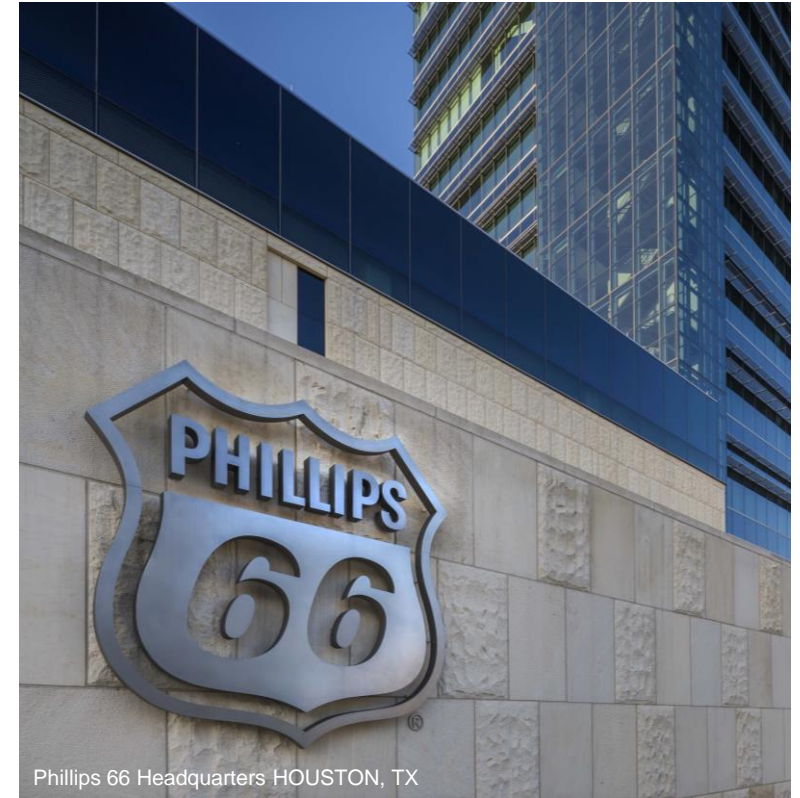
Reducing costs by \$500 MM

Leveraging AdvantEdge66 initiatives

Suspended share repurchases

Secured a new \$1 B, 364-day term loan facility in 1Q20 and increased the size of the facility to \$2 B in April

Issued \$500 MM 3-year and \$500 MM 5-year bonds in April



AdvantEdge66

UNLOCKING VALUE THROUGH BUSINESS TRANSFORMATION

\$1.2 B total enhancements by 2022

50% - 70% value captured as mid-cycle EBITDA uplift

End to end value chain optimization

Technology-enabled risk reduction

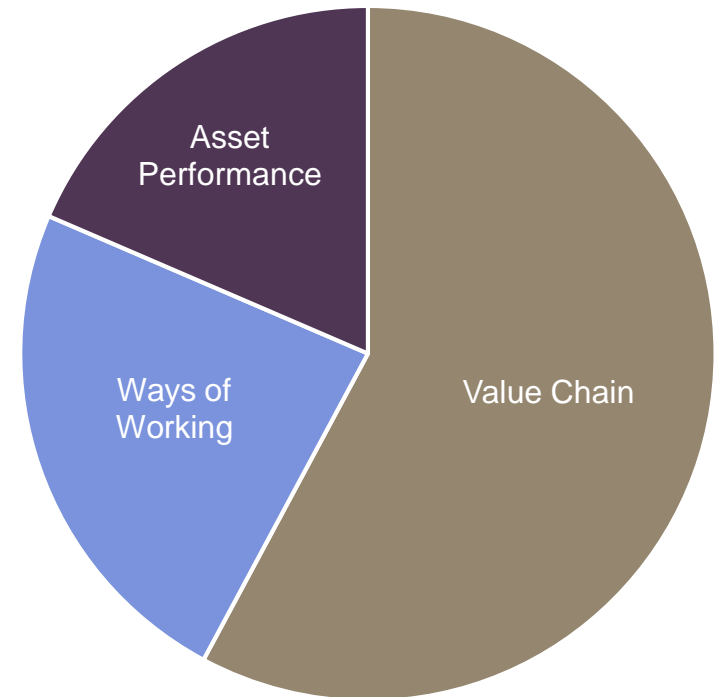
Advanced analytics, Artificial Intelligence and machine learning driving predictive and prescriptive outcomes

Robotic process automation

Digitally connected enterprise

Agile, efficient and smart business resulting in margin improvement, cost savings and capital efficiency

Total Enhancements



Environmental, Social, Governance

\$8+ B invested in safety, environmental and reliability from 2012 to 2019

27% decline in SOx, NOx and PM emissions intensity from 2012 to 2019

25x lower total recordable rate in 2019 vs. U.S. manufacturing average

60% lower lost workday case rate in 2019 vs. U.S. refining average

1,045 gross tonnes recycled from 2014 to 2019

340 MM gallons per year of potential renewable diesel projects



Energy Transition

POSITIONING PHILLIPS 66 TO BE COMPETITIVE LONG-TERM

What we are doing

- Producing renewable diesel at Humber Refinery
- Supplying components for lithium ion batteries
- Marketing low carbon fuels on U.S. West Coast
- Improving fuel economy through next generation lubricants
- Installed hydrogen fueling station in Switzerland

Projects in development

- Supply / offtake for renewable facilities in Nevada
- Renewable diesel at San Francisco Refinery
- Solar energy to power our pipelines and refineries
- Renewable hydrogen at Humber Refinery
- 2 to 3 new hydrogen fueling stations per year



Excel Paralubes Laboratory WESTLAKE, LA

High-Performing Organization

VISION

Providing Energy. Improving Lives.

CORE VALUES

Safety. Honor. Commitment.

HIGH-PERFORMING ORGANIZATION

Culture. Capability. Performance.

Building capability, pursuing excellence and doing the right thing

14,600 employees live our values, every day

94% retention of all employees, **96%** retention of high performers

21% women and **26%** U.S. minority

44% employees participate in employee resource groups

43% of workforce are Millennial / Generation Z

900 thousand training hours for employees annually

100% of Board meetings include talent management discussion

478,000 hours volunteered by employees since 2012



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Midstream



Midstream Portfolio

Transportation

22,000 miles of U.S. pipeline systems

39 product terminals

20 crude oil terminals

4 NGL terminals and 1 petroleum coke exporting facility

NGL and Other

200,000+ BPD fractionation capacity

200,000 BPD LPG export capacity

150,000 BPD processing capacity

DCP Midstream

45 natural gas processing facilities

6.5 BCFD net natural gas processing capacity

58,000 miles of natural gas pipeline systems

11 NGL fractionation plants



Beaumont Terminal NEDERLAND, TX

Building a Premier Midstream Business

Top-quartile safety performance

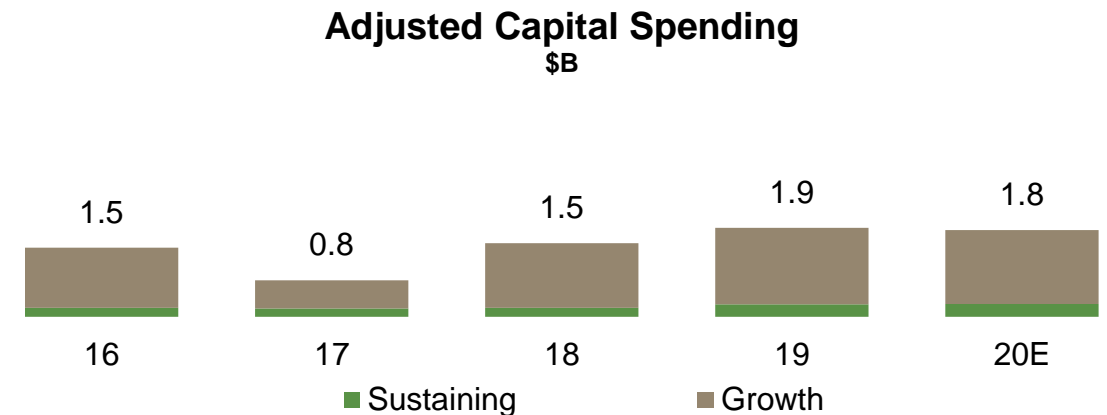
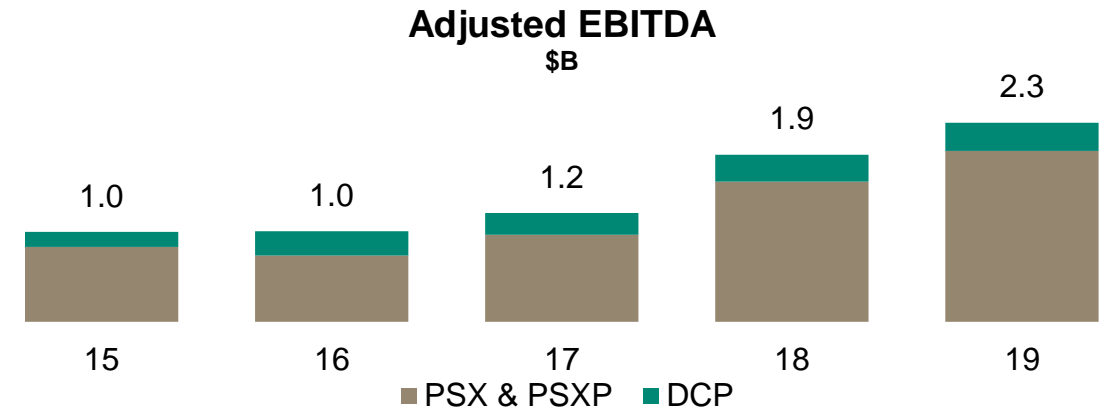
Diversified portfolio integrated with Refining and Marketing

Integrated crude system with optionality for producers, refiners and exporters

Advantaged USGC storage and export solutions

Full NGL value chain through DCP and CPChem

Disciplined growth underpinned by long-term, fee-based, third-party contracts



Crude Oil System



Operational

- Gray Oak Pipeline
- Beaumont Terminal
- Bakken Pipeline
- Bayou Bridge Pipeline

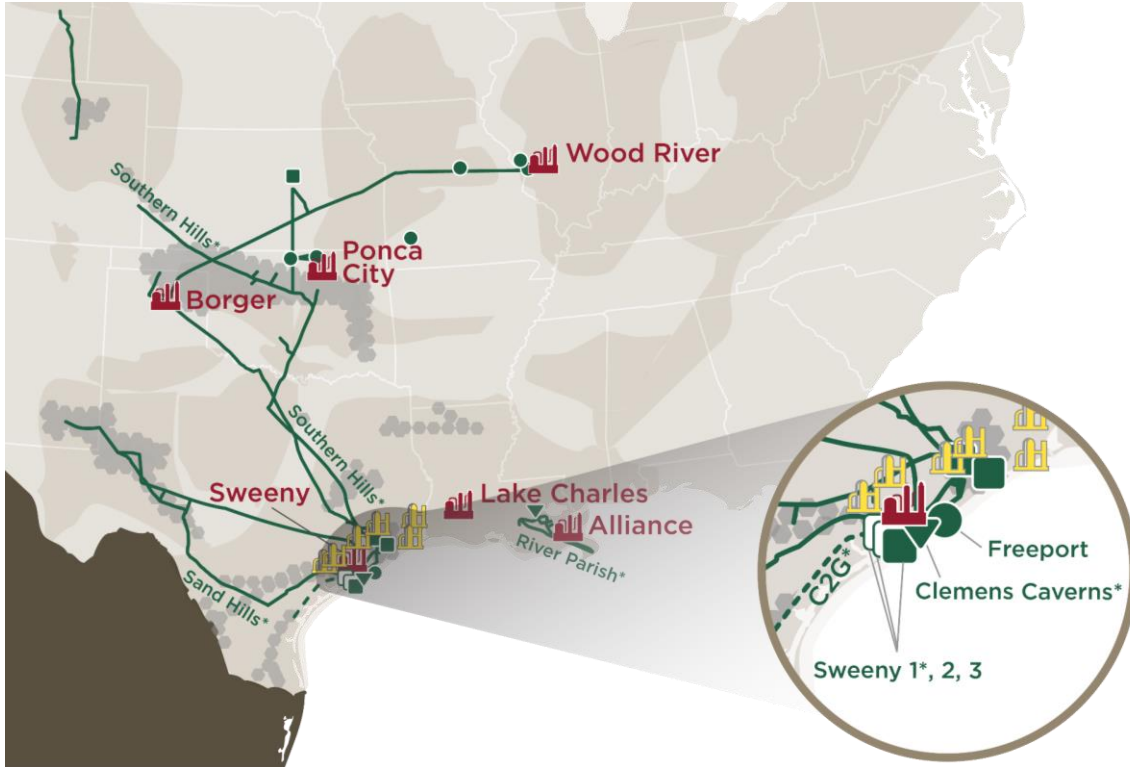
Executing

- South Texas Gateway Terminal
- Beaumont dock expansion

Evaluating

- Red Oak and Liberty pipelines
- Bluewater Project
- ACE Pipeline

NGL System



Operational

- Sweeny Frac 1
- LPG Export Terminal
- Clemens Caverns
- Sand and Southern Hills pipelines

Executing

- Sweeny Fracs 2 and 3
- Clemens Caverns expansion
- C2G Pipeline

Evaluating

- Sweeny Frac 4

Phillips 66 Partners

Primarily fee-based midstream
assets backed by minimum
volume commitments

Assets highly integrated with
Phillips 66 system

Continued sponsor support with
backlog of available projects



Lake Charles Isomerization Unit WESTLAKE, LA

DCP Midstream

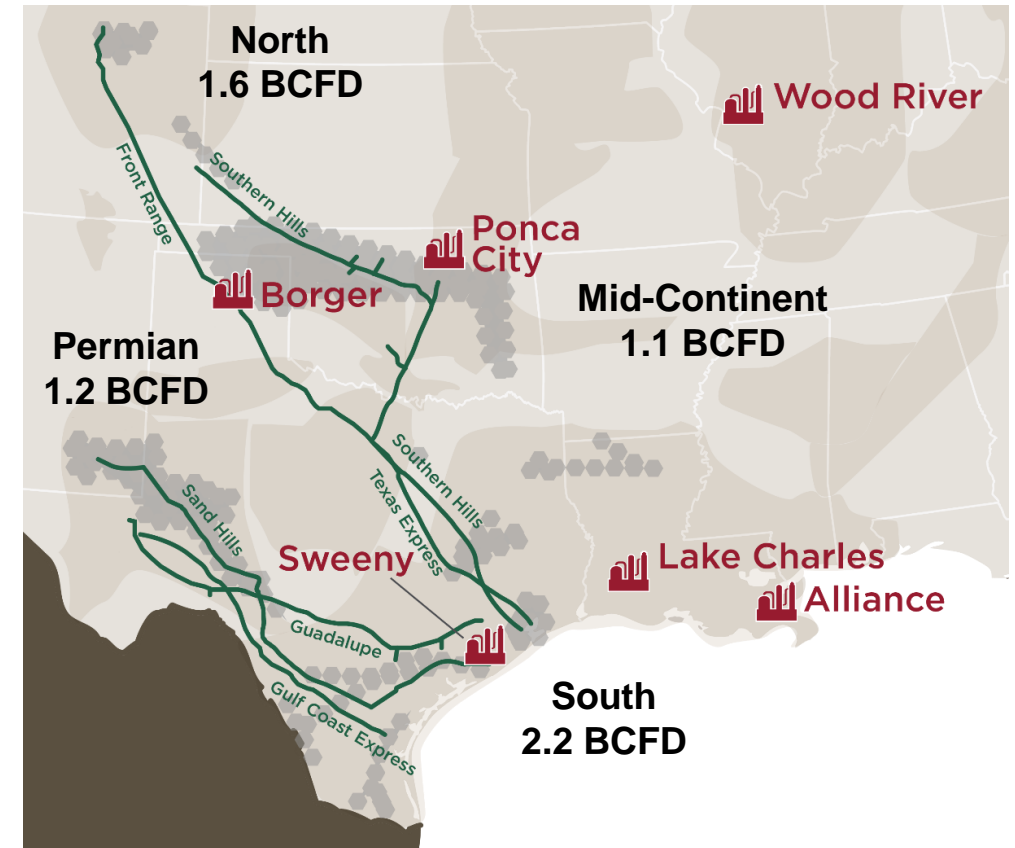
Logistics & Marketing and Gathering & Processing

Diversified portfolio in premier basins

Large-scale U.S. NGL producer and gas processor

Integrated NGL supply for Phillips 66 Sweeny Hub

DCP 2.0 transformation



Sweeny Hub

Sweeny Hub Expansion¹

- Adding 300 MBD fractionation capacity by end of 2020

- Secured y-grade feedstock supply agreements with firm volume commitments

- Reduces cost of supply for 200 MBD Freeport LPG Export Terminal

- Provides ethane supply for growing U.S. Gulf Coast petrochemical processing

Phillips 66 Partners Projects

- Sweeny to Pasadena capacity expansion

- Clemens Caverns expansion

- Clemens to Gregory (C2G) Pipeline



1) Fracs 1,2, and 3 will have 400 MBD total capacity.

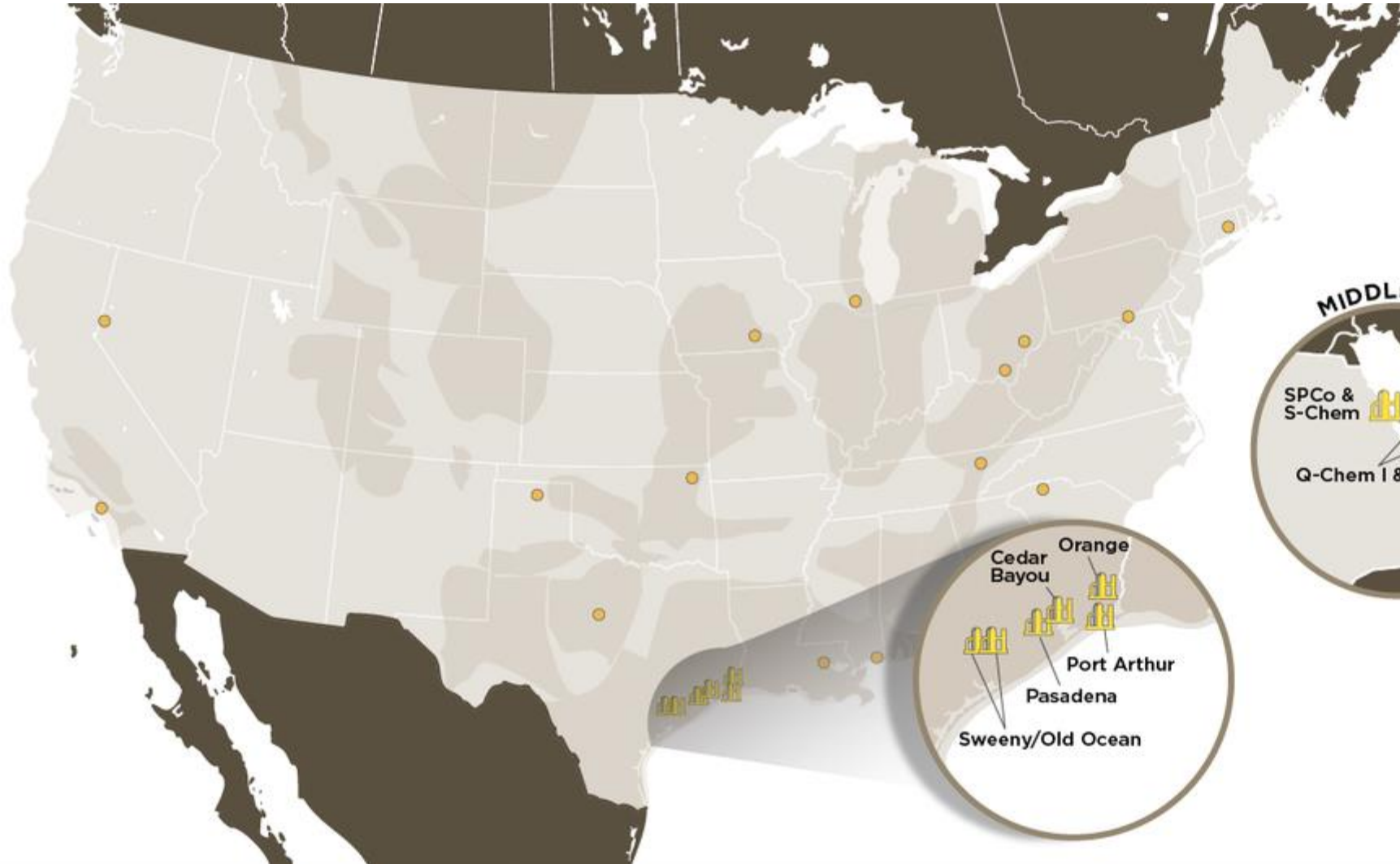


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Chemicals



Feedstock Advantaged Chemicals Portfolio



#1 HDPE
producer worldwide

#2 NAO
producer worldwide

#2 Propylene
merchant producer
In North America

Chemicals Value Chain

**Upgrade
low-cost
ethane
feedstock**



**Serve growing
global
middle class**



**Produce
in-demand
products**



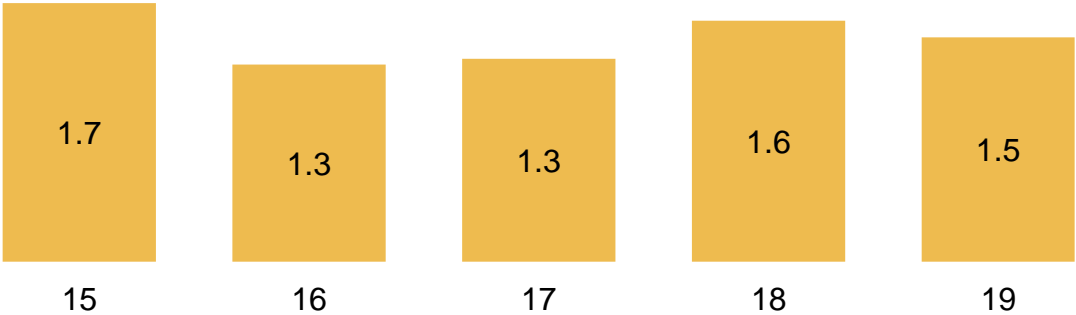
**World-scale
manufacturing
facilities and
proprietary technology**

70,000+ end-user products

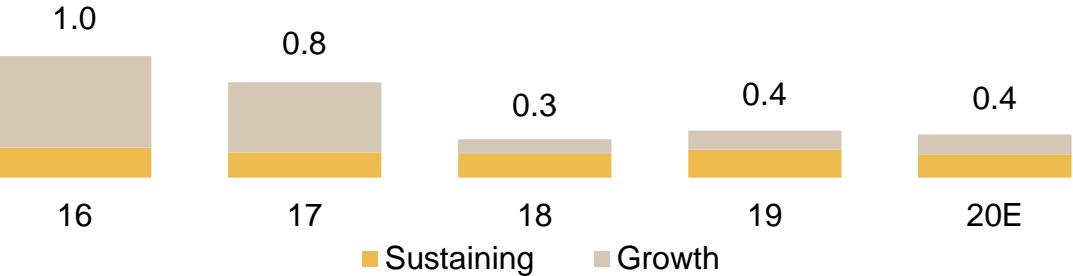
Chevron Phillips Chemical Company

- Industry-leading safety performance with focus on operating excellence
- Proprietary technology
- Advantaged feedstock portfolio
- Global marketing network
- Debottleneck opportunities

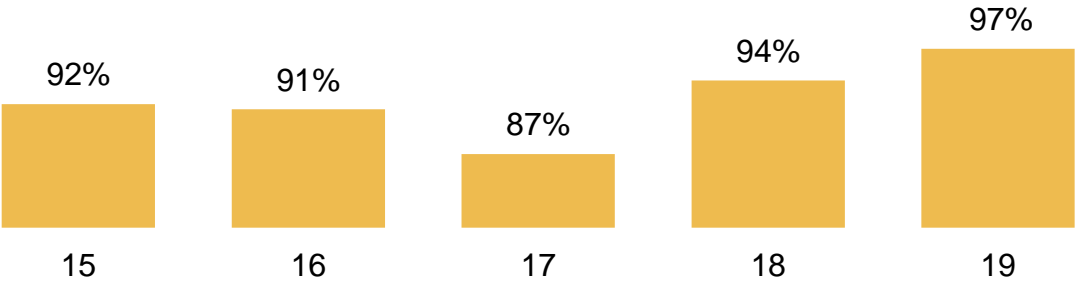
Adjusted EBITDA¹
\$B



Capital Expenditures and Investments¹
\$B



Olefins and Polyolefins Capacity Utilization
%



1) 50% proportional share to Phillips 66.

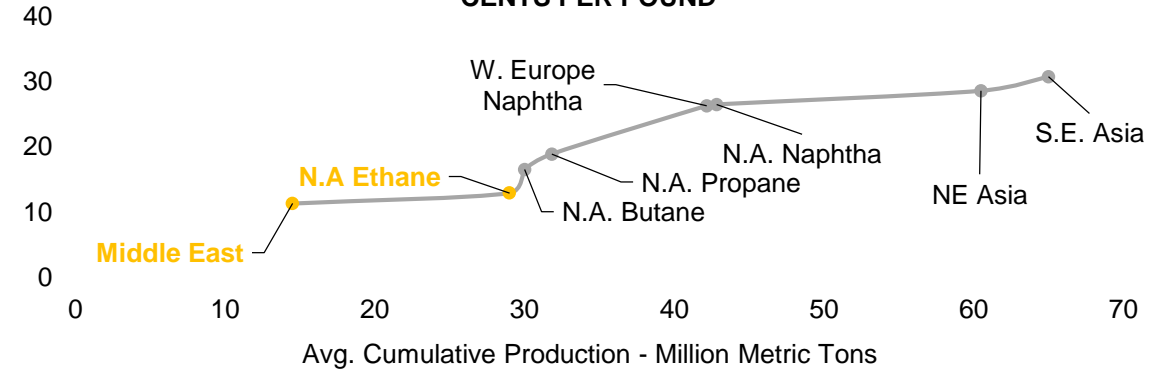
Macro Chemicals Outlook

Well-positioned in North America and Middle East

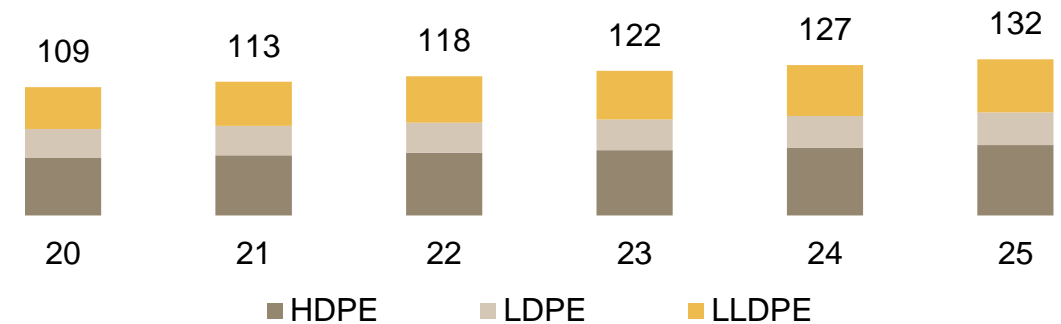
Expanding global middle class is increasing demand

CPCChem received tariff waiver from China

2017–2019 Ethylene Production Cost Curve
CENTS PER POUND



Polyethylene Global Demand
MILLION METRIC TONS



Sustainability

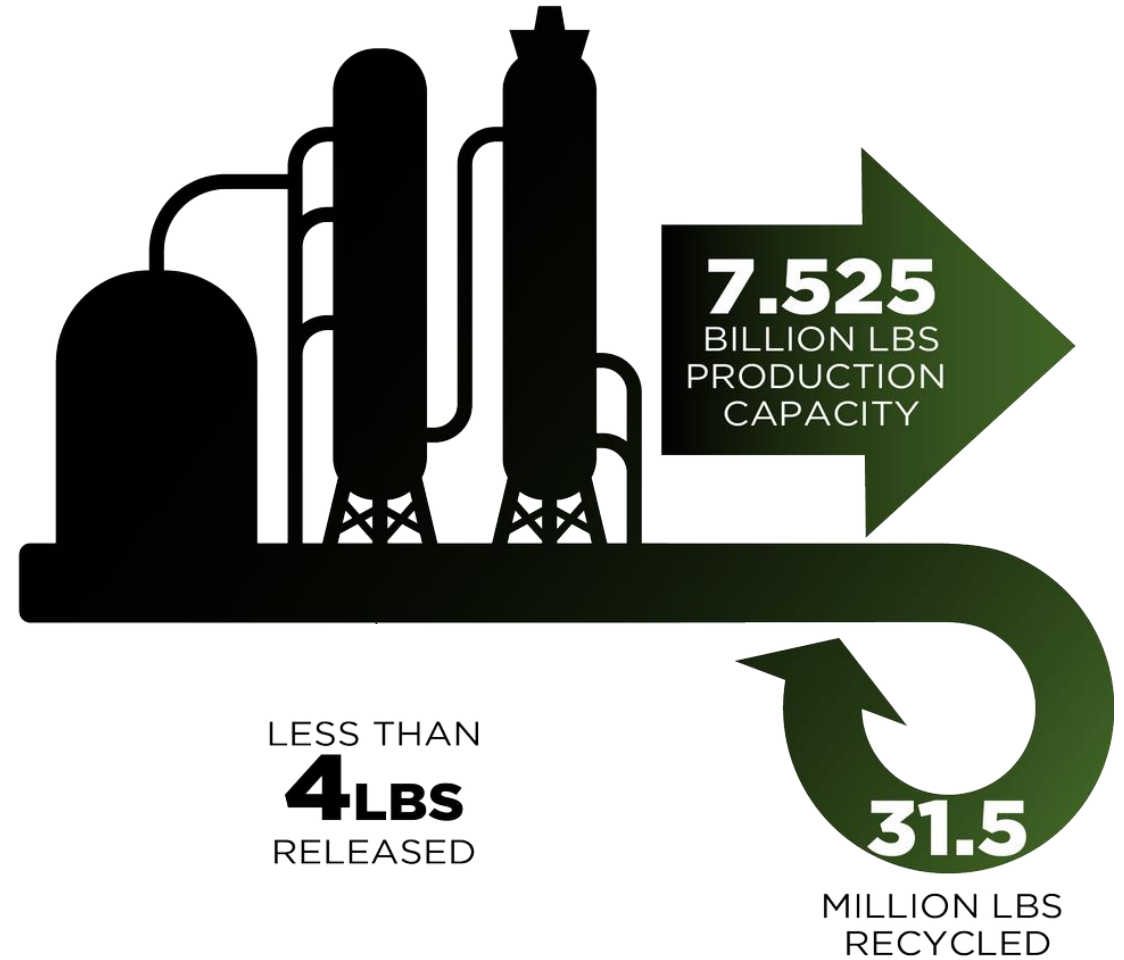
Enhancing efforts to eliminate plastic pellet spills by joining Operation Clean Sweep Blue and investing in Circulate Capital Ocean Fund

Continue to combat plastic waste and communicate value of plastics

Founding member of Alliance to End Plastic Waste



CPCHEM PLASTIC PELLET STATISTICS 2018



CPChem Growth Projects

Jointly pursuing development with Qatar Petroleum on

U.S. Gulf Coast II

- CPChem 51% equity interest

- 2,000 kMTA ethylene cracker

- Two 1,000 kMTA polyethylene units

Ras Laffan Petrochemicals Project

- CPChem 30% equity interest

- 1,900 kMTA ethylene cracker

- Two polyethylene units with 1,680 kMTA combined capacity





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Refining



Enhancing Returns

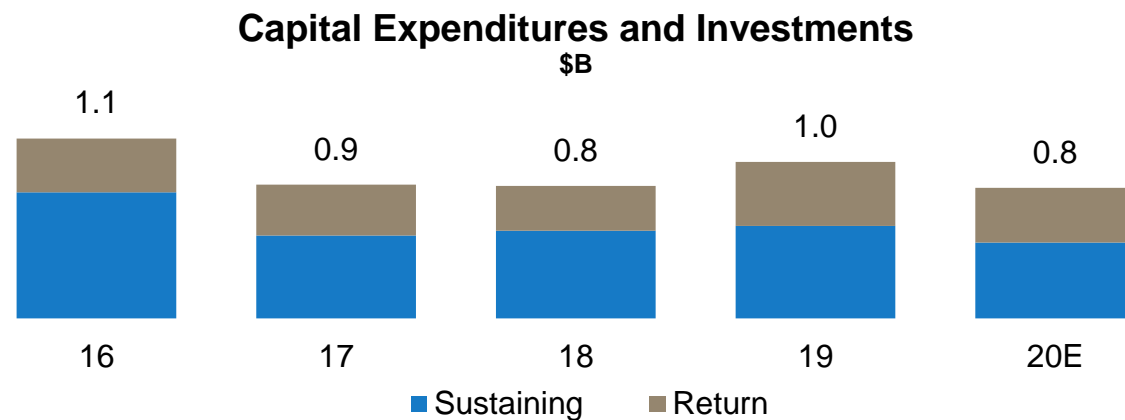
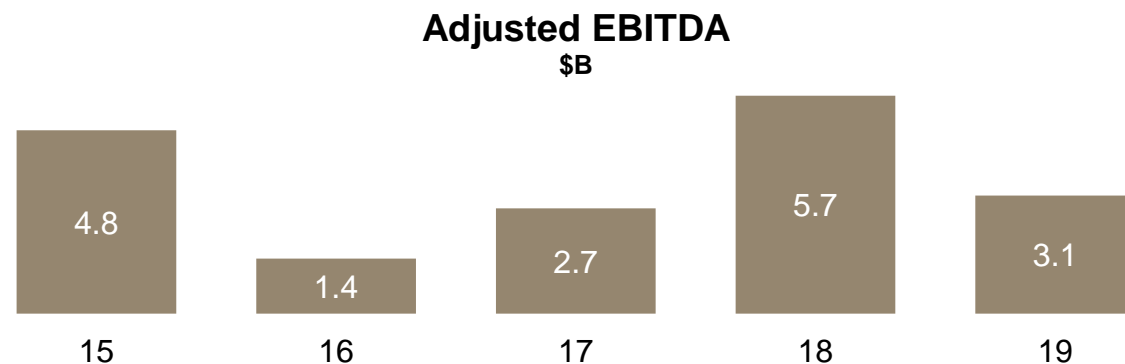
Top-quartile HSE performance

Strong cash generation

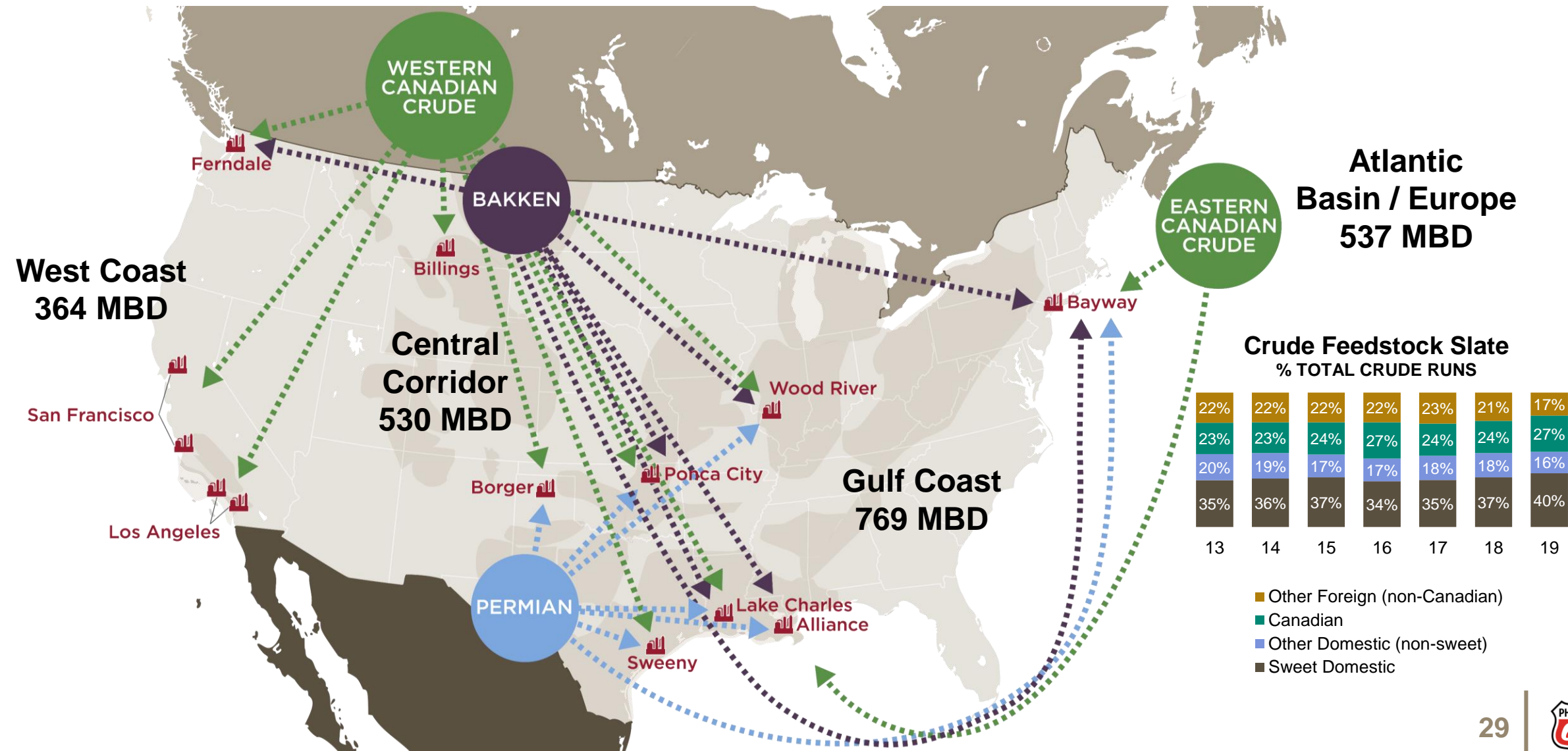
Capital and cost discipline

High-return capital projects

Advantaged feedstocks



North America Crude Feedstock Flexibility



Capacities as of January 1, 2020.

Maintain Cost Discipline

Top quartile non-energy operating cost

Maintenance and personnel costs trending to top quartile in industry

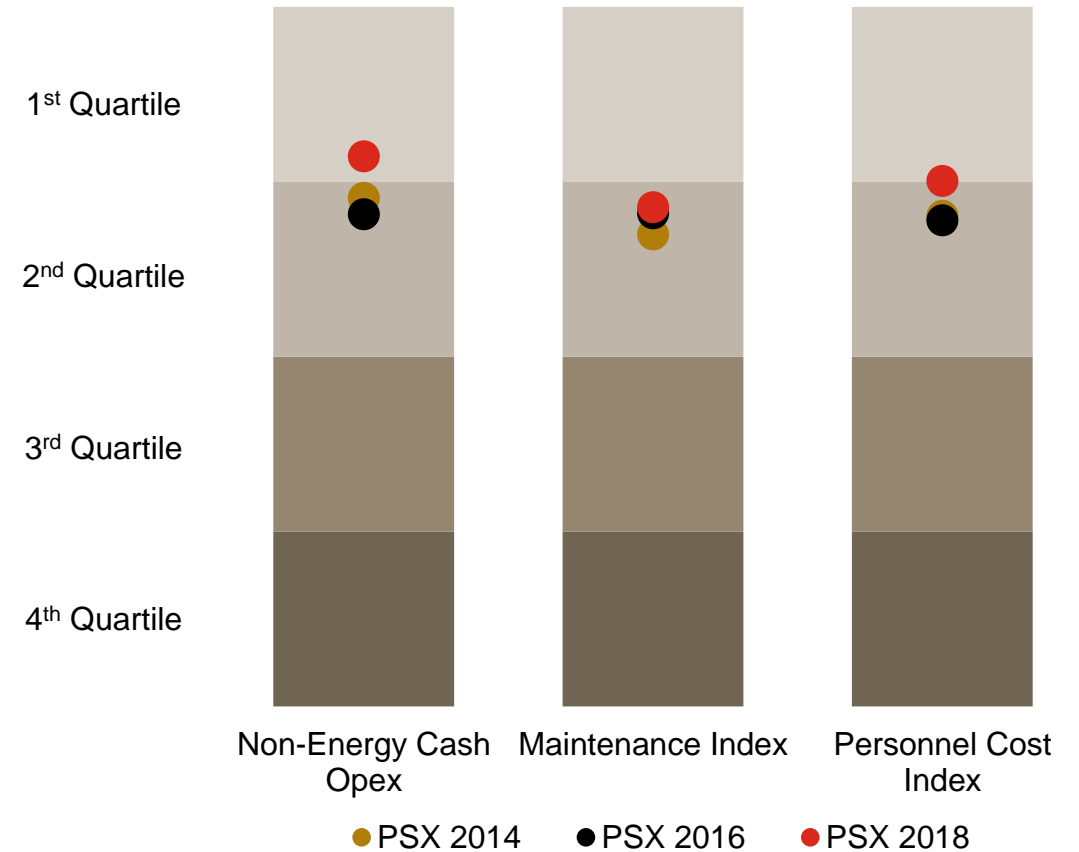
Cost efficiencies and improved productivity via AdvantEdge66

Artificial Intelligence machine learning

Advanced analytics

Digital optimization

U.S. Industry Benchmarking Performance¹
EFFICIENCY POSITION



1) Based on Solomon Associates Report

AdvantEdge66

BUSINESS TRANSFORMATION

End-to-end value chain optimization

Deploying digital technology to provide real-time information

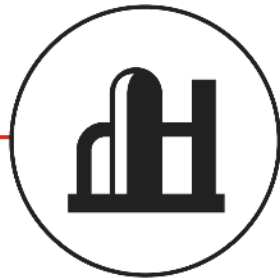
Leveraging advanced analytics to enable agile decision making

Empowering our people to improve value generation

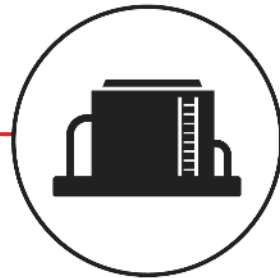
Optimizing long-term value capture across the entire value chain



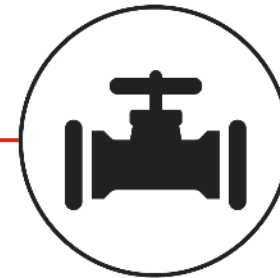
Crude Acquisition



Refining



Supply



Midstream



Marketing

Enhancing Returns

THROUGH CAPITAL INVESTMENTS

High-return, quick payout projects

Returns > 30%

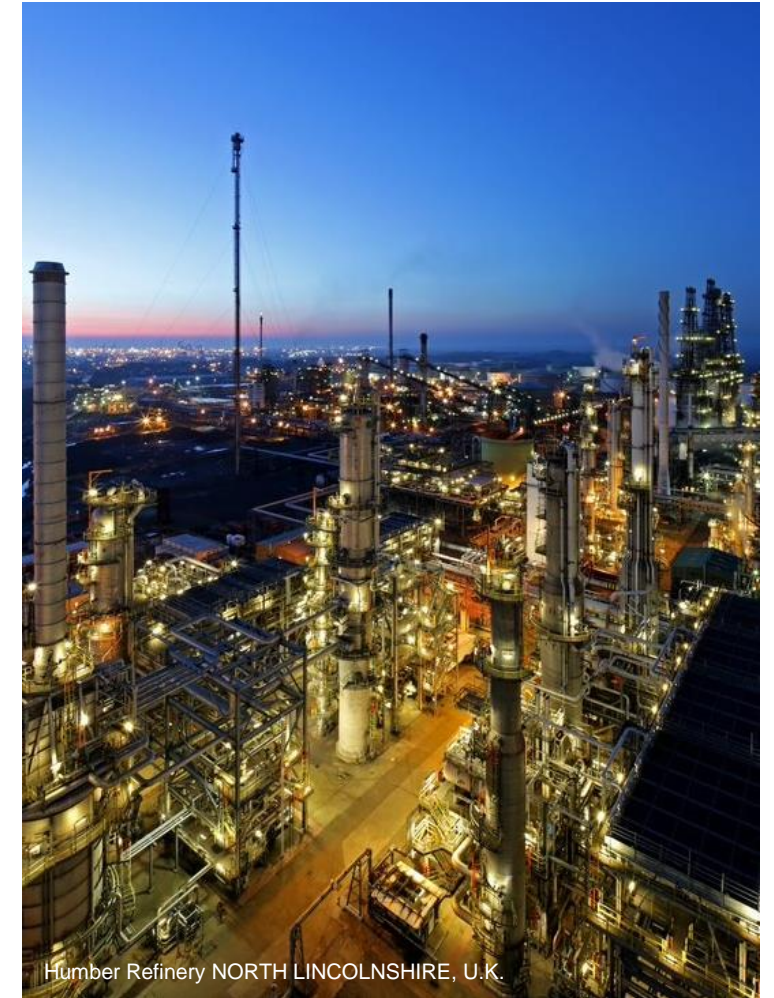
Yield enhancing and crude flexibility projects

Completed 2019-2020 YTD

- Lake Charles isomerization unit
- Borger diesel recovery
- Wood River LSFO hydrotreater
- Bayway LSFO hydrotreater
- Sweeny FCC modernization

Executing/Developing

- Humber UCO renewable diesel
- San Francisco renewable diesel
- Ponca City FCC yield improvement
- Lake Charles coker feed flexibility
- Wood River distillate maximization



Humber Refinery NORTH LINCOLNSHIRE, U.K.



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Marketing & Specialties



Enhancing Returns

High-return, low-capital business

Refining product placement

Fuel brands reimagining

Integration through equity partnerships

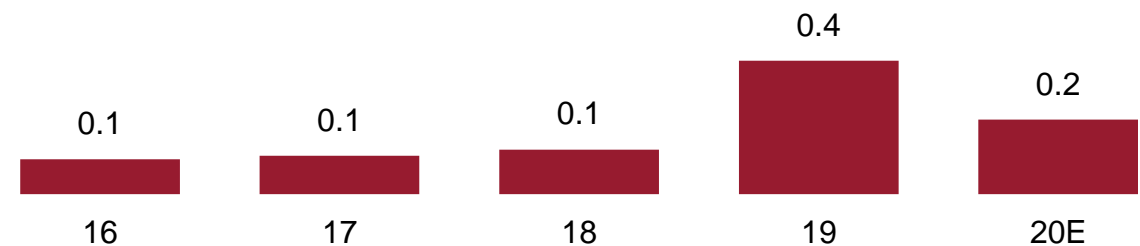
Renewable diesel

Integrated digital platform

Adjusted EBITDA
\$B



Capital Expenditures and Investments
\$B



Secure Product Placements

United States

~4,440 sites reimaged since program inception

All eligible sites are mobile enabled

Direct consumer engagement

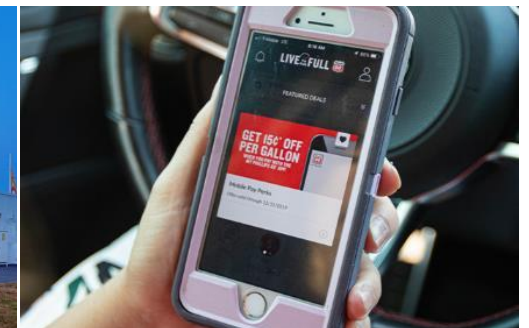
Expanding partnerships with private labels

Europe

Proven low-cost, high-volume model

Reimaging and high-grading the JET brand

Adding 20 - 30 new JET sites per year



U.S. West Coast Retail Marketing Joint Venture

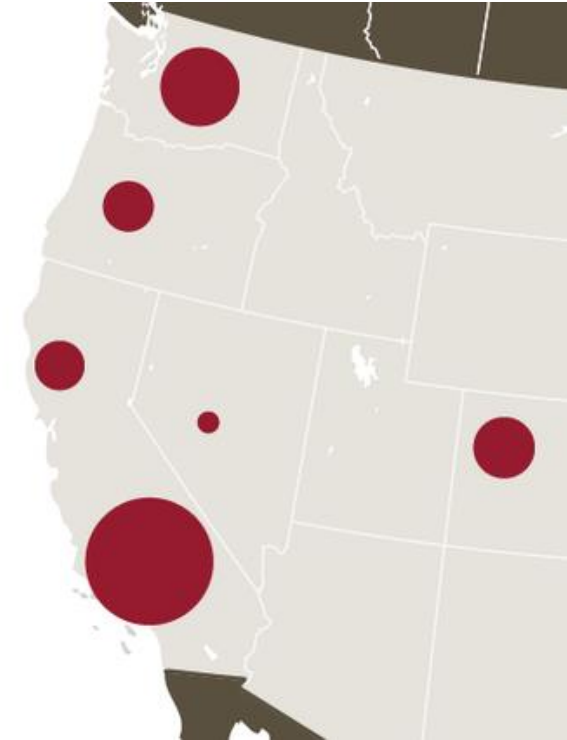
Formed joint venture with large wholesale / retail operator

Proven retail operational expertise

Increases long-term placement of Phillips 66 refinery production

Participates in retail fuel margins and store sales

\$50 - \$60 MM incremental adjusted EBITDA per year



● Site concentration

Total Site Count	680
Total Volume	74 MBD

Renewable Diesel

Portfolio approach for renewable diesel production

- Humber UCO renewable diesel project

- San Francisco renewable diesel production

- Offtake agreement with Ryze Renewables

- Pursuing opportunities to leverage existing infrastructure

Leverage Marketing position to capture full value chain margin



AdvantEdge66

BUSINESS TRANSFORMATION



Go-to-Market

Enhanced Mobile Pay platform

Improved digital customer experience



Value Enablers

Develop Artificial Intelligence machine learning

Optimized payment systems



Efficiency

Enhance optimization tools

Automate the back-office



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Financial Strategy



Financial Strategy

Disciplined capital allocation

Strong investment grade credit rating

Financial flexibility

Secure and competitive dividend

Reduce debt as cash flow recovers

Share repurchases at appropriate time



Financial Strength

Flexibility to execute strategy through the cycle

Investment grade credit ratings

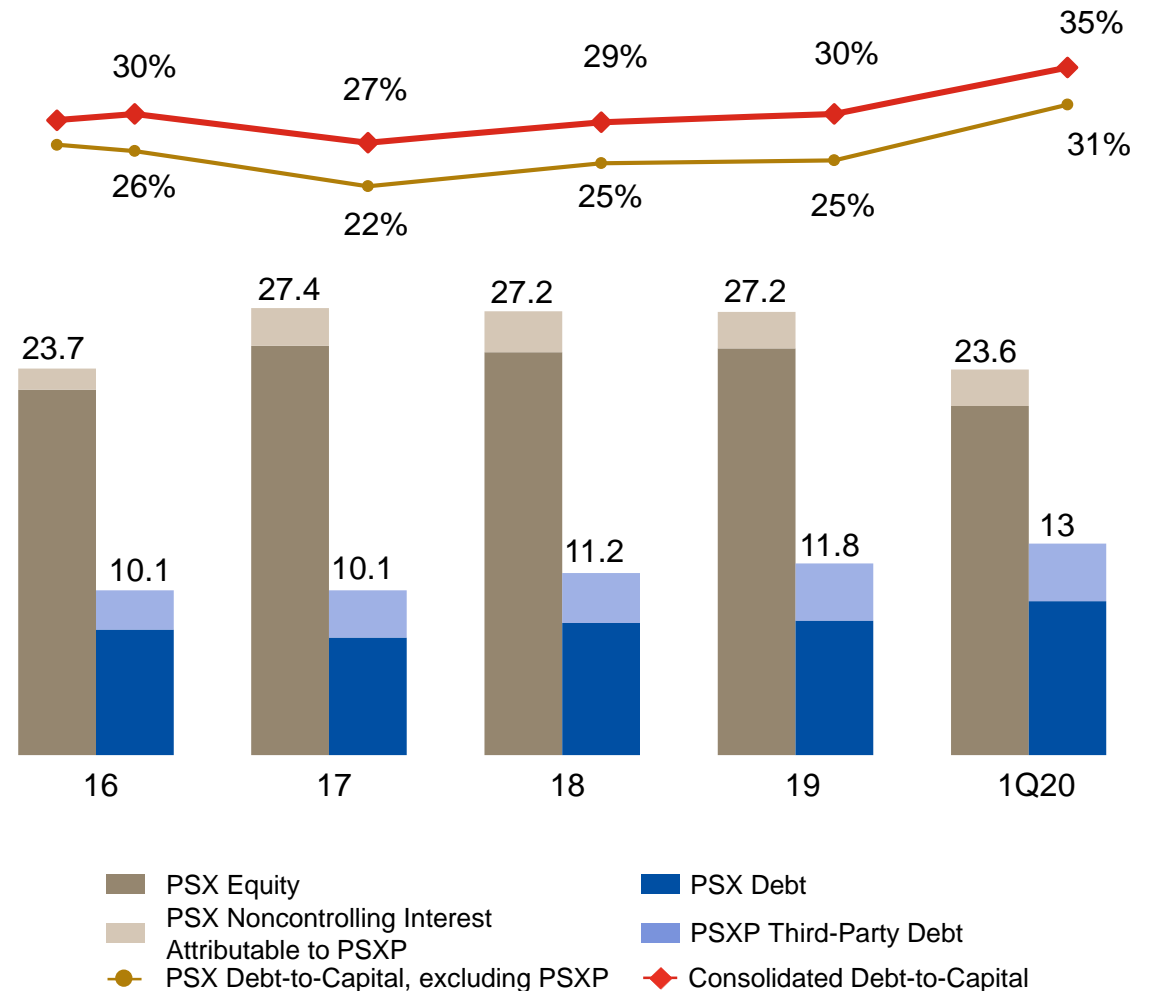
PSX: A3 (Moody's), BBB+ (S&P)

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

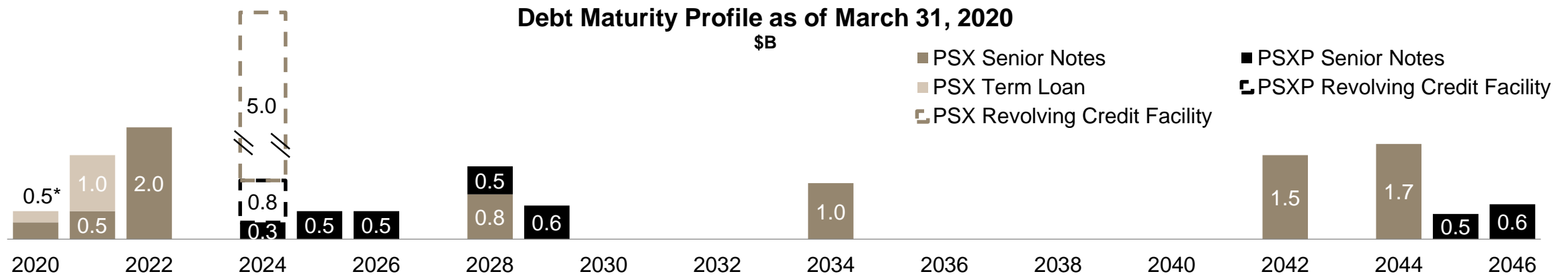
Well-laddered debt maturities

~\$7 B total liquidity as of March 31, 2020

Liquidity bolstered in April by issuing additional \$1 B of senior notes and increasing current term loan facility by \$1 B



Consolidated Debt and Liquidity



Phillips 66, excluding PSXP

\$9.5 B Total Debt as of March 31, 2020

\$6.2 B Total liquidity (\$5.0 B RCF + \$1.2 B Cash)

BBB+ / A3 Credit Rating

Phillips 66 Partners (PSXP)

\$3.5 B Total Debt as of March 31, 2020

\$0.8 B Total liquidity (\$0.7 B RCF + \$0.1 B Cash)

BBB / Baa3 Credit Rating

Total debt includes capital leases, commercial paper and is net of unamortized discounts and debt issuance costs

On April 6, 2020 Phillips 66 exercised its option to increase the capacity available under the 2021 Term Loan from \$1 B to \$2 B, with \$1 B of capacity remaining undrawn

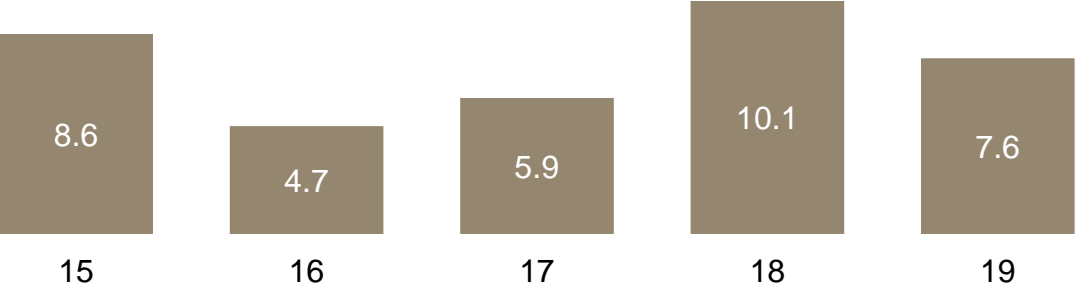
On April 9, 2020 Phillips 66 closed on a public offering of \$500 MM Senior Notes due 2023 and \$500 MM Senior Notes due 2025

* In April 2020, Phillips 66 repaid the \$300 MM outstanding principal balance of its notes due April 2020 and the \$200 MM outstanding principal balance of its term loan facility due April 2020

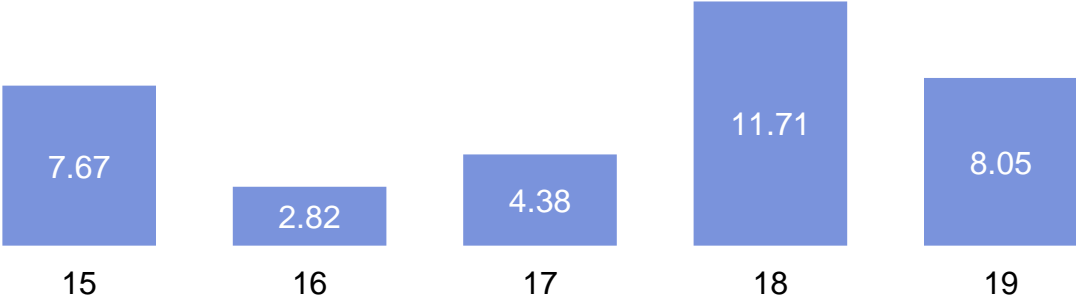


Adjusted EBITDA and Returns

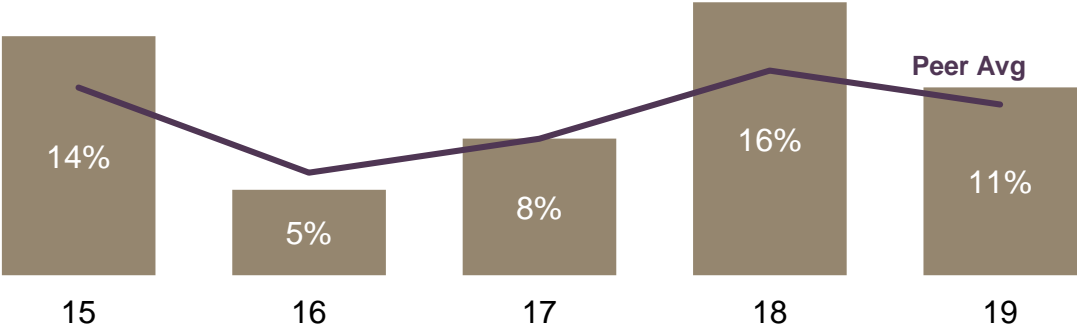
Adjusted EBITDA
\$B



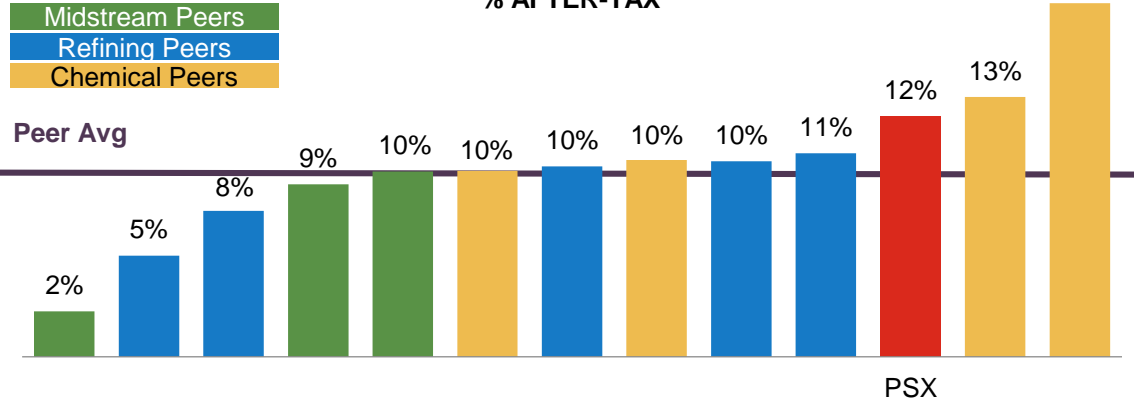
Adjusted Earnings
\$ PER SHARE



Adjusted ROCE
% AFTER-TAX



Peer ROCE 2017-2019 Average
% AFTER-TAX



Long-Term Capital Allocation Framework

\$6-7 B mid-cycle CFO

Sustaining capital for asset integrity, safety and environmental projects

Secure, competitive and growing dividend

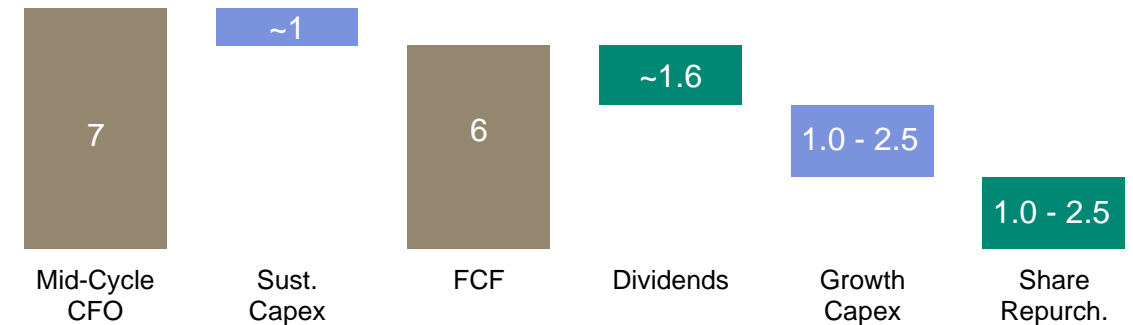
Strong balance sheet and investment grade credit rating

Growth investments with attractive returns

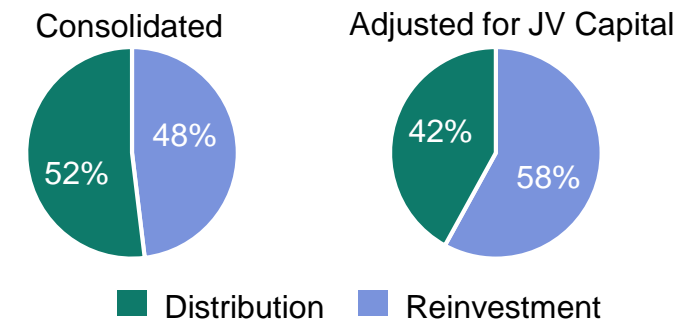
Intrinsic value approach to share repurchases

60% reinvestment and 40% shareholder distributions

Sources and Uses of Cash
\$B



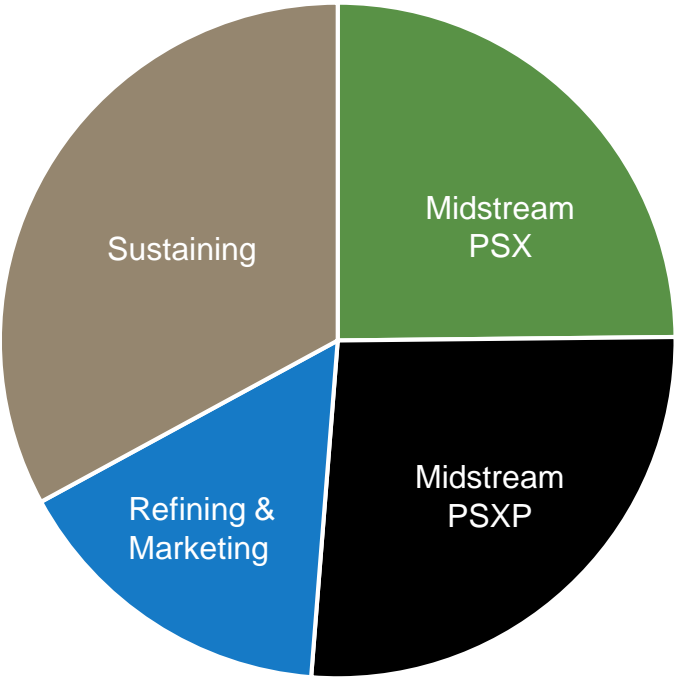
2012 – 2019 Adjusted Capital Allocation
%



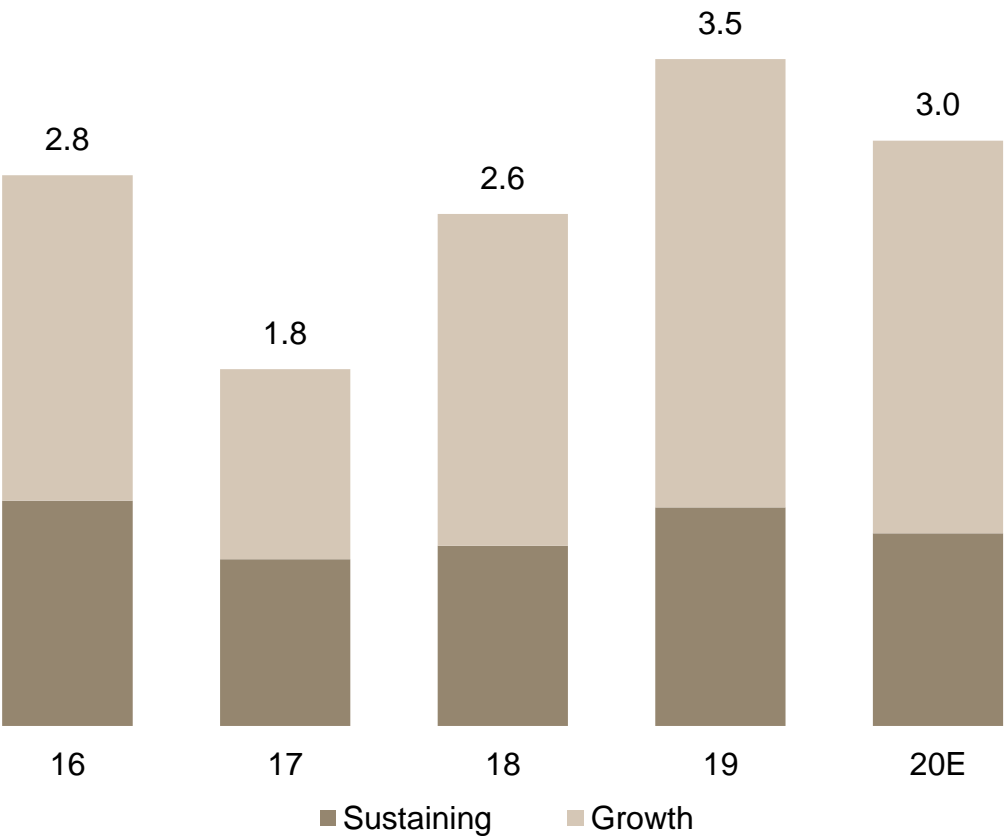


Adjusted Capital Spending

2020E Adjusted Capital Spending¹



Adjusted Capital Spending
\$B



1) Segments represent growth capital spend.

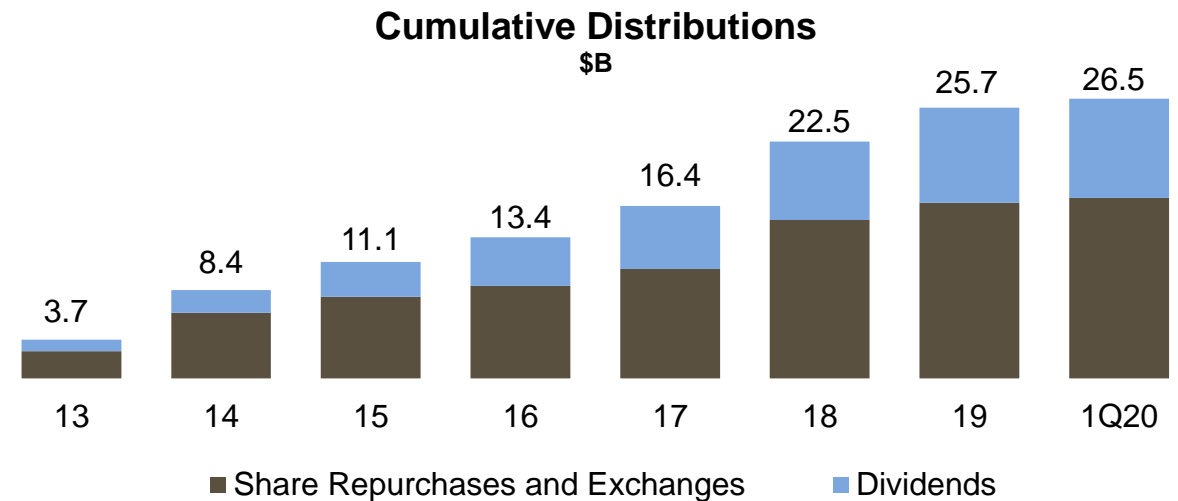
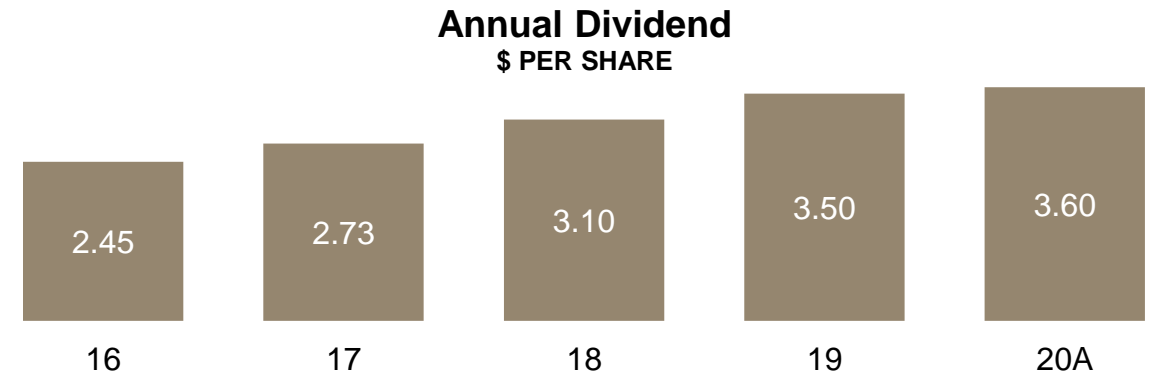
Distributions

Secure, competitive and growing dividend

22% CAGR with nine increases since May 2012

Committed to shareholder distributions

Repurchased / exchanged 34% of shares initially outstanding



Compelling Investment

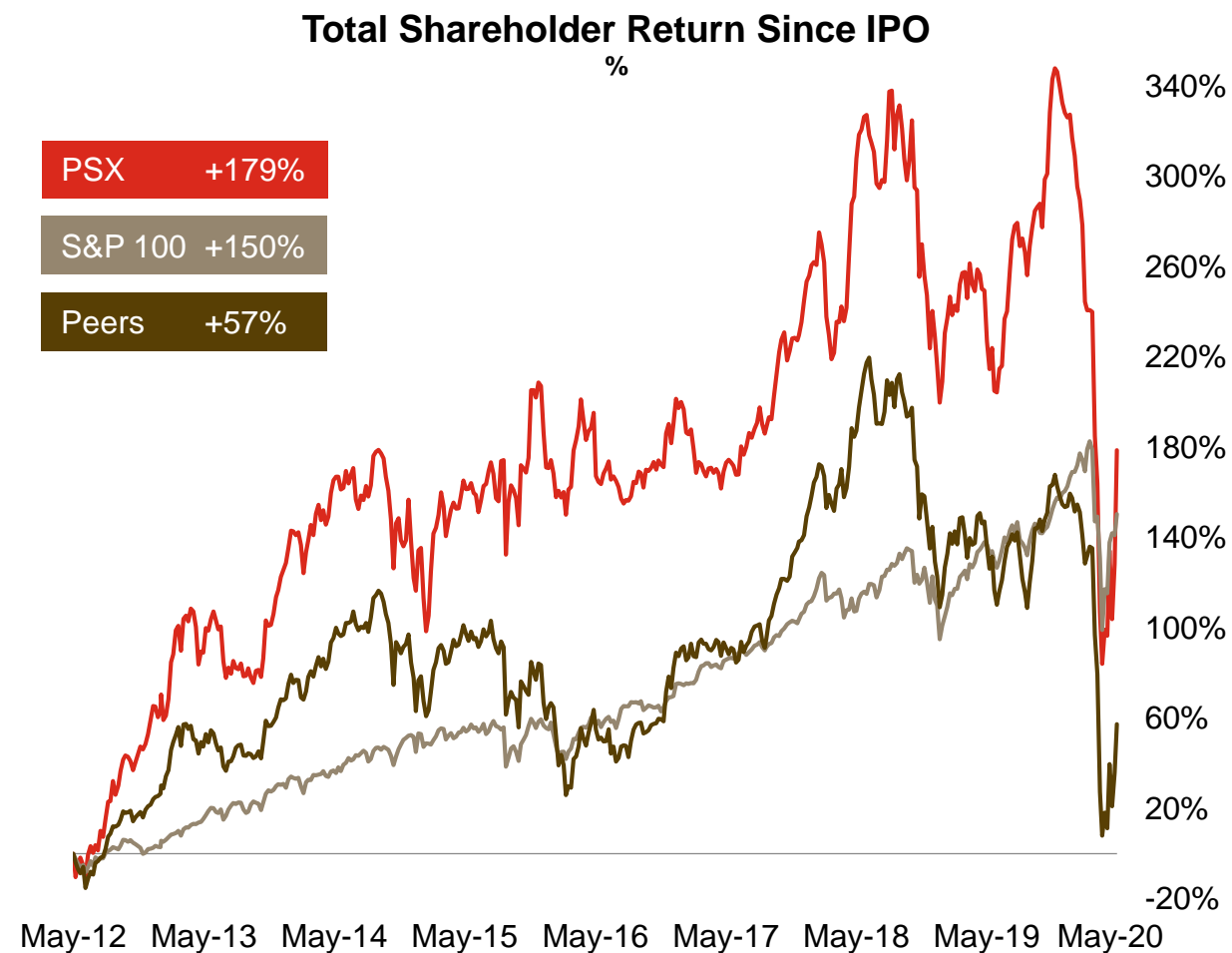
OPERATING EXCELLENCE

GROWTH

RETURNS

DISTRIBUTIONS

HIGH-PERFORMING ORGANIZATION



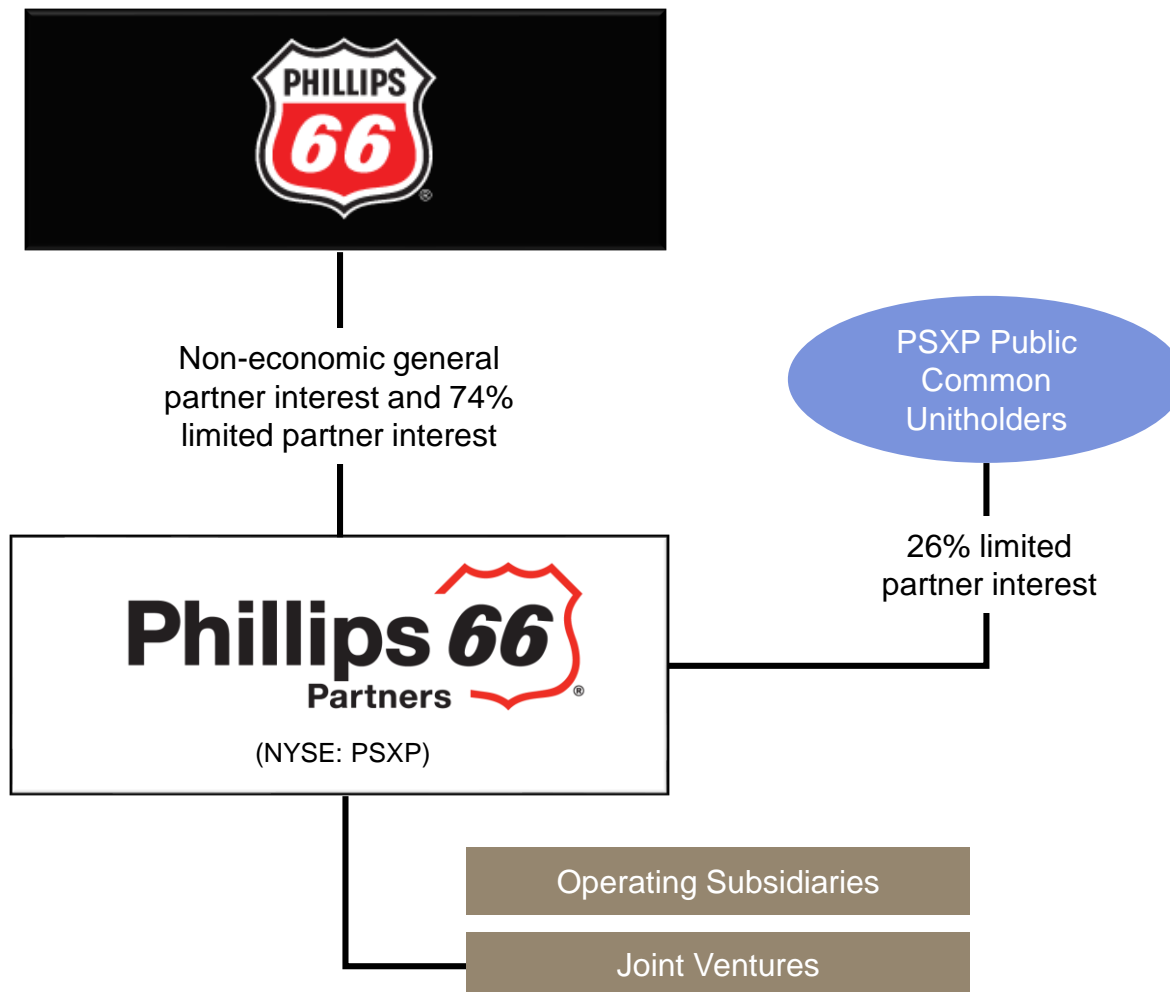


Phillips 66 Partners



Phillips 66 Partners

OWNERSHIP STRUCTURE



Phillips 66 Partners

STRATEGIC FIT

Competitive cost of capital

Strong partnership fundamentals

- High distribution coverage

- Solid financial position

Midstream segment valuation transparency

Phillips 66 owns 74% of LP common units



Phillips 66 Partners



Refineries owned by Phillips 66

Phillips 66 Partners

FINANCIAL STRENGTH AND FLEXIBILITY

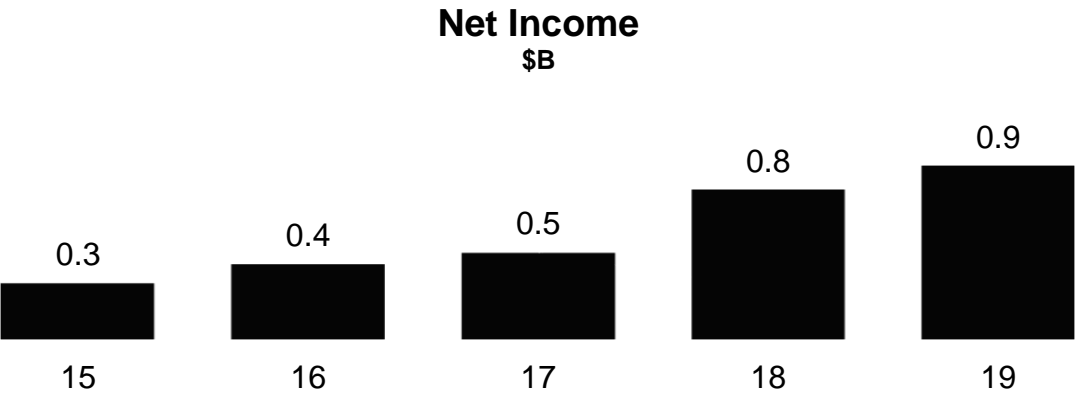
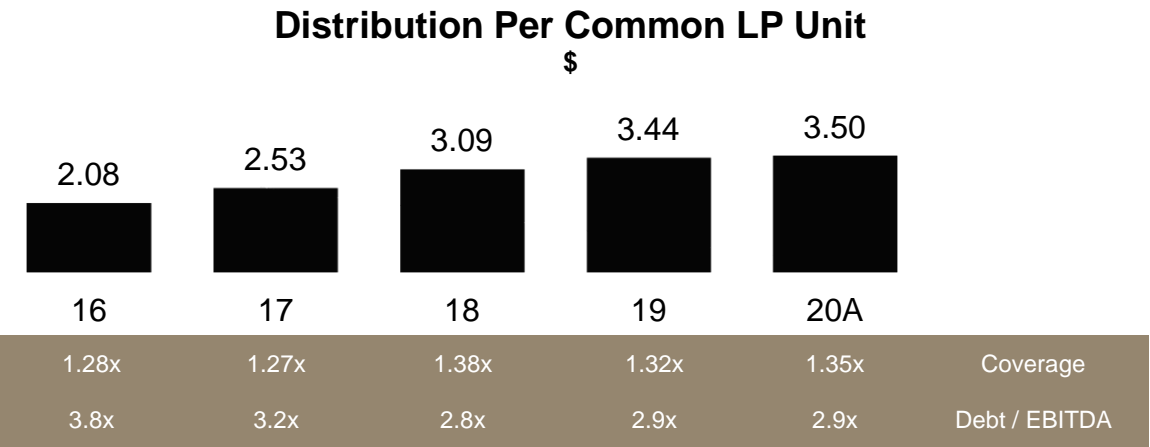
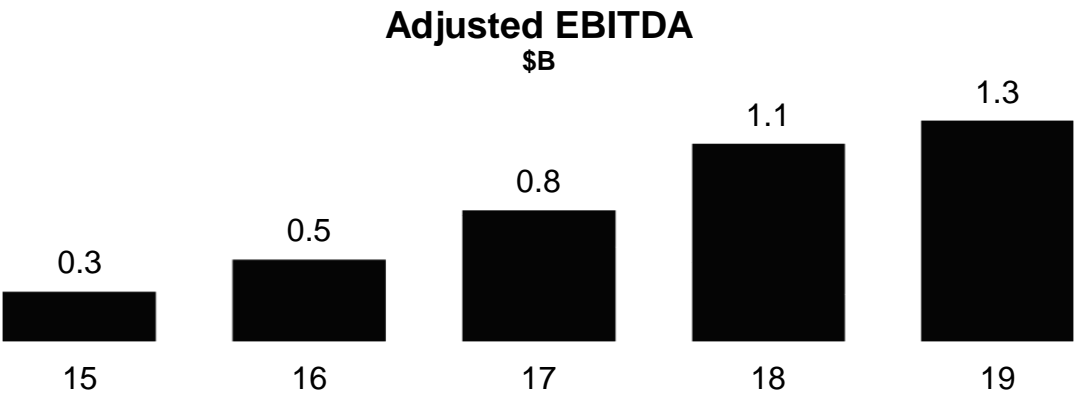
Maintain strong leverage and coverage ratios,
with long-term targets:

- Up to 3.5x Debt / EBITDA
- Greater than 1.2x coverage ratio

Investment grade credit rating

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

\$750 MM revolving credit facility



Adjusted EBITDA as shown is attributable to PSXP. Debt-to-EBITDA ratio is calculated on a credit facility covenant basis, which requires certain adjustments to total debt and EBITDA. Coverage ratio estimated on credit facility covenant basis. 2020 coverage ratio guidance of 1.1-1.2x. 20A coverage and Debt-to-EBITDA ratios are as of 1Q20 (not annualized).

Phillips 66 Partners

Organic Projects

Gray Oak Pipeline

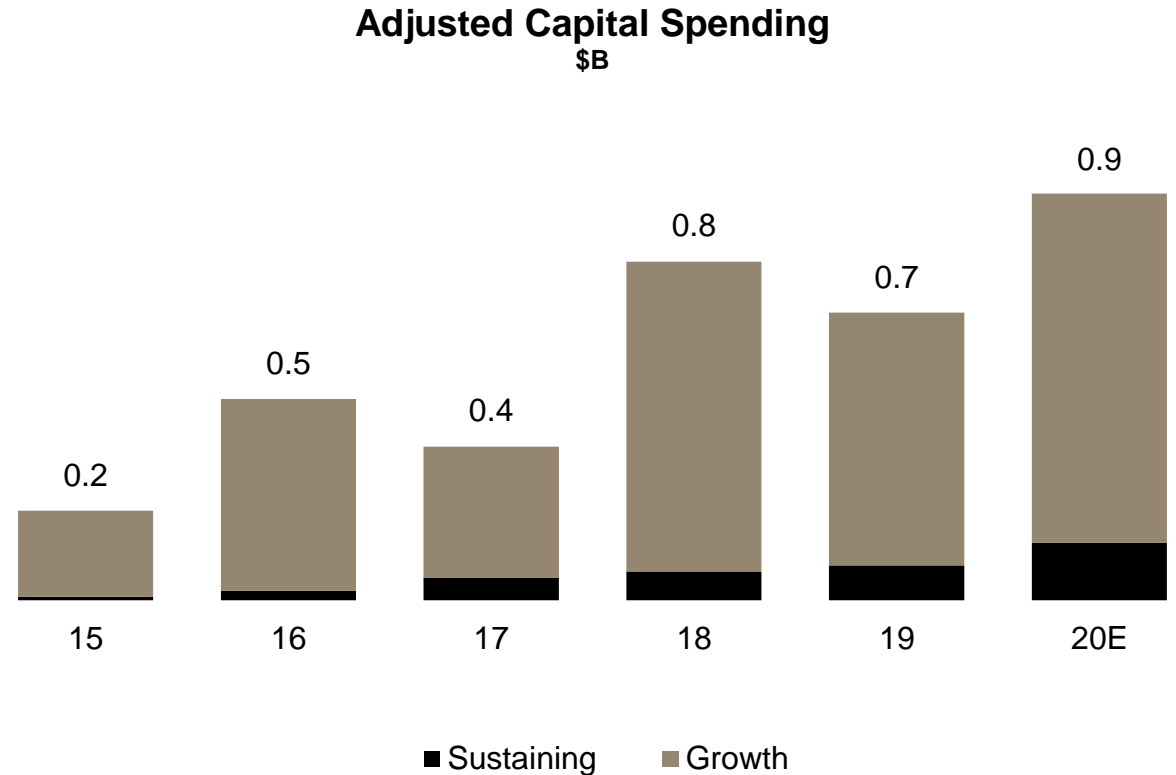
South Texas Gateway Terminal

C2G Pipeline

Clemens Caverns expansion

Sweeny to Pasadena capacity expansion

Continued sponsor support with backlog of opportunities



Phillips 66 Partners

PIPELINE AND TERMINAL PROJECTS

Gray Oak Pipeline – 42.25% PSXP effective ownership

Crude oil pipeline from Permian and Eagle Ford to Texas Gulf Coast

Project completed in 2Q 2020

900 MBD West Texas crude capacity

South Texas Gateway Terminal – 25% PSXP ownership

Two deep water docks with up to 800 MBD throughput capacity

Expected startup 3Q 2020

8.5 MMB storage capacity



Gray Oak Pipeline Conan Station Commencing Line Fill
LOVING COUNTY, TX

Phillips 66 Partners

SWEENY HUB INFRASTRUCTURE GROWTH

C2G Pipeline

New 16 inch ethane pipeline to Gregory, Texas, near Corpus Christi, Texas

Expected start up in mid-2021

Supplies Corpus Christi area petrochemical facilities

Clemens Caverns Expansion

Increasing Clemens Storage from 9 MMB to 16.5 MMB by 4Q 2020 in connection with Phillips 66 NGL fractionation capacity increase

Sweeny to Pasadena capacity expansion

Adding 80 MBD of pipeline capacity, providing additional naphtha offtake from the Sweeny fractionators

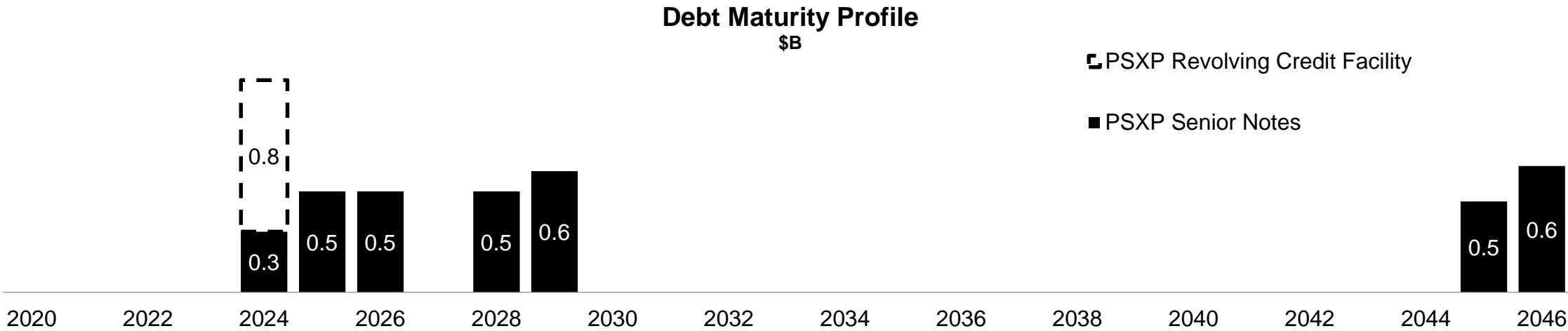
Expected start up in 3Q 2020



Sweeny Complex OLD OCEAN, TX

Phillips 66 Partners

DEBT PROFILE



\$3.5 B Total Debt as of March 31, 2020

\$3.5 B Senior Notes, weighted-average cost of 3.81%

\$75 MM Merey Sweeny Tax-exempt Bonds

\$0 MM borrowing on \$750 MM revolving credit facility

Senior Notes		
\$MM		
Year Due	Principal	Coupon
PSXP 2024	\$300	2.450%
PSXP 2025	500	3.605%
PSXP 2026	500	3.550%
PSXP 2028	500	3.750%
PSXP 2029	600	3.150%
PSXP 2045	450	4.680%
PSXP 2046	625	4.900%
Total	\$3,475	3.812%

Weighted average cost excludes revolving credit facility. Total debt is net of \$34 MM unamortized discounts and debt issuance costs. At March 31, 2020, no amount had been directly drawn under our \$750 MM revolving credit facility; however, \$3 MM in letters of credit had been issued under this facility at March 31, 2020.

Phillips 66 Partners

VALUE PROPOSITION

Supports Phillips 66 Midstream growth

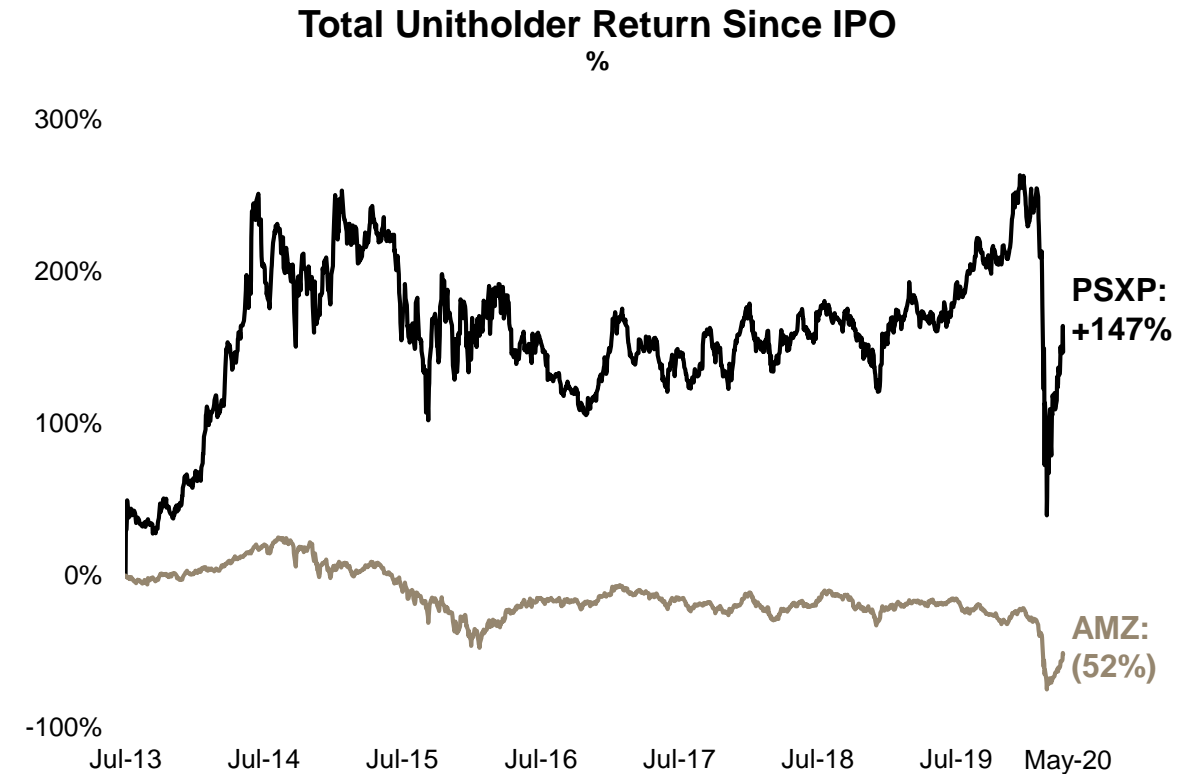
Premier MLP with competitive cost of capital

Portfolio of highly integrated assets

Stable and predictable cash flows

Competitive and growing distribution

Scale and financial strength





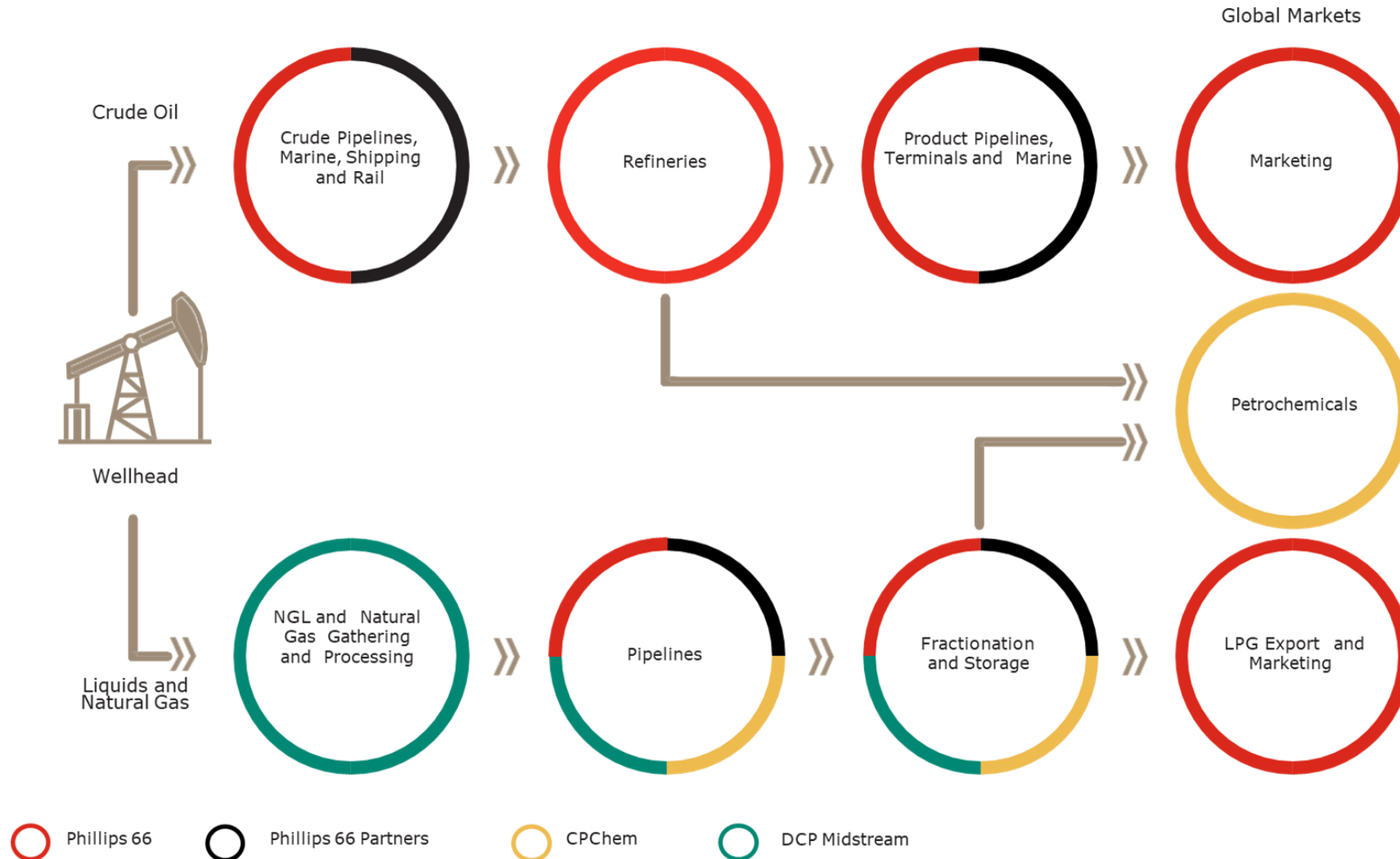
2020 Sensitivities

	Annual EBITDA \$MM
Midstream - DCP (net to Phillips 66)	
10¢/Gal Increase in NGL price	9
10¢/MMBtu Increase in Natural Gas price	2
\$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 / Maya Differential (LLS less Maya)	75
\$1/BBL Widening LLS / WTI Differential (LLS less WTI)	35
\$1/BBL Widening WTI / WTS Differential (WTI less WTS)	30
10¢/MMBtu Increase in Natural Gas price	(15)

Midstream Organic Growth

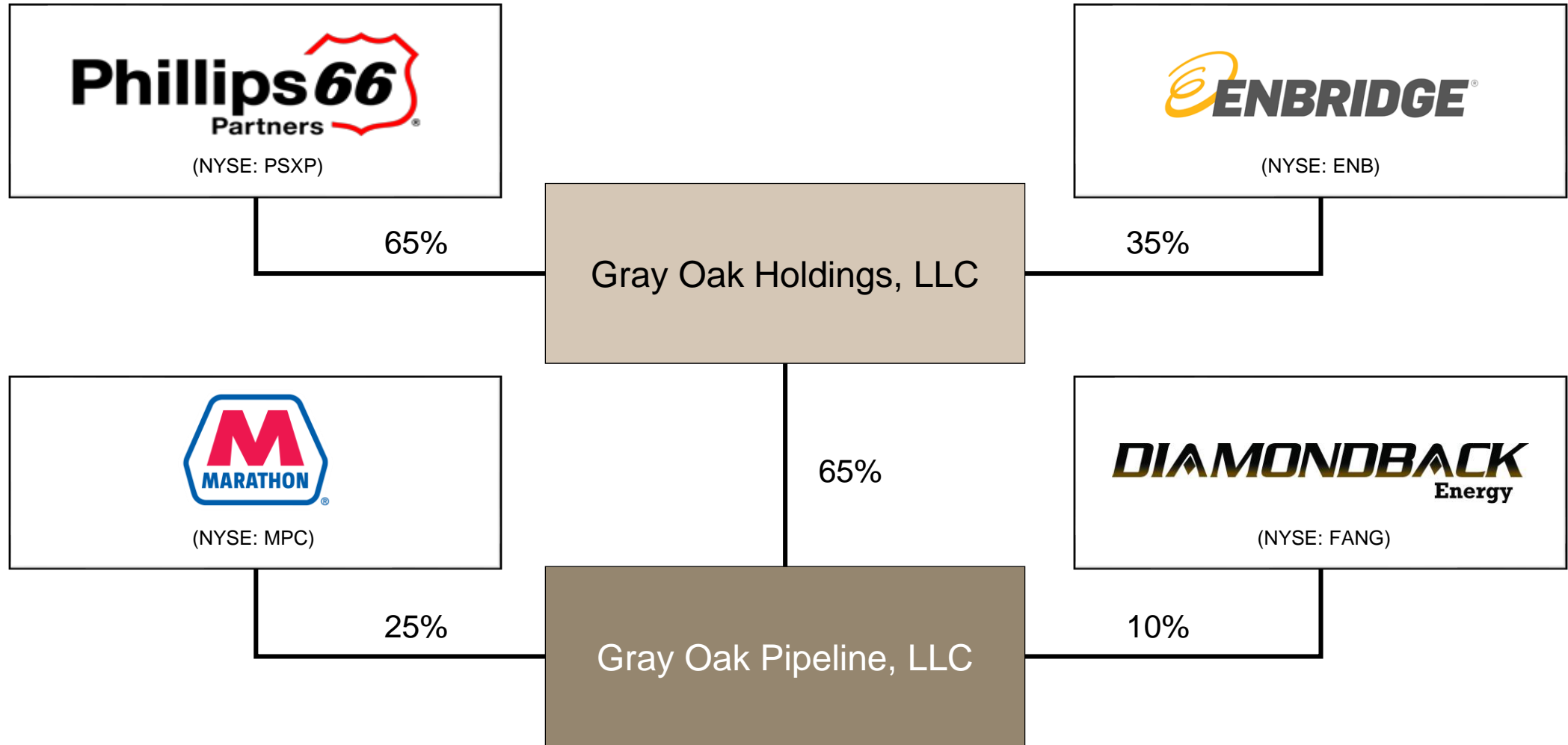
PSX PROJECT	START-UP	CAPACITY	GROSS CAPITAL (\$MM)	OWNERSHIP (%)
Beaumont Terminal expansion phase IV	1Q 2020	2.2 MMB	80	100
Beaumont Terminal Dock IV ¹	3Q 2020	200 MBD	70	100
Sweeny Fractionators 2 and 3	4Q 2020	2 x 150 MBD	1,300	100
Red Oak Pipeline	Deferred	1,000 MBD	2,500	50
Sweeny Fractionator 4	Deferred	1 x 150 MBD	500	100
PSXP PROJECT	START-UP	CAPACITY	GROSS CAPITAL (\$MM)	OWNERSHIP (%)
Sweeny to Pasadena capacity expansion ²	3Q 2020	80 MBD	95	100
South Texas Gateway Terminal ³	3Q 2020	8.5 MMB	625	25
Clemens Caverns expansion ⁴	4Q 2020	7.5 MMB	150	100
C2G Pipeline	Mid 2021	240 MBD	335	100
Liberty Pipeline	Deferred	400 MBD	1,600	50

Value Chain



Gray Oak Pipeline Ownership Structure

PSXP HAS A 42.25% EFFECTIVE OWNERSHIP IN THE GRAY OAK PIPELINE



2Q 2020 Outlook

Global Olefins & Polyolefins utilization

Refining crude utilization

Refining turnaround expenses (pre-tax)

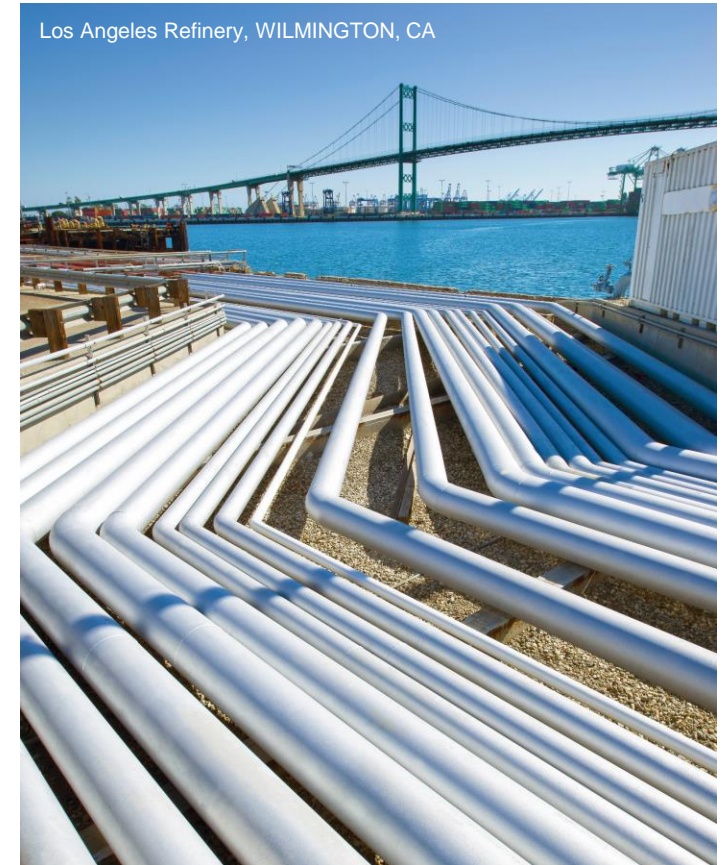
Corporate & Other costs (pre-tax)

Mid-90%

Market Conditions

\$45 MM - \$70 MM

\$200 MM - \$220 MM



Footnotes

General

Information disclosed is as of March 31, 2020, unless noted otherwise.

Numbers may not appear to tie due to rounding.

AdvantEdge66 may be abbreviated as AE66.

Chevron Phillips Chemical Company may be abbreviated as CPChem.

Date Conventions

19 is as of December 31, 2019; or the twelve-month period ended December 31, 2019, as applicable; except as otherwise noted.

1Q20 is as of March 31, 2020, or the three-month period ended March 31, 2020 as applicable; except as otherwise noted.

















20A represents 1Q20 annualized.

20E represents previously announced Guidance as of March 24, 2020.

Footnotes

Maps

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

	
LEGEND	
	CPCChem (O&P)
	CPCChem Facility
	Crude Terminal/Pipeline
	Crude in Progress/Under Development
	DCP Gathering
	Fractionator
	Fractionator in Progress/Under Development
	Natural Gas Terminal/Pipeline
	NGL/LPG Terminal/Pipeline
	NGL/LPG Terminal/Pipeline in Progress/Under Development
	NGL/LPG Underground Storage Facility
	Products Terminal/Pipeline
	PSXP Asset (asterisk on labels)
	Refinery
	Shale Basin

Footnotes

Slide 5

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

2019 TRR for Phillips 66, CPCChem, and DCP Midstream through December 31, 2019.

Phillips 66 safety metrics as of 2019. Industry safety metrics as of 2018. Source: Bureau of Labor Statistics.

Phillips 66 Refining crude capacity utilization through December 31, 2019. Industry refining crude capacity utilization through December 2019. Source: EIA.

Slides 6, 44

Mid-cycle CFO calculated using the following methodology: average adjusted EBITDA from 2012 to 2019 for Refining; Marketing and Specialties, and Corporate;

2019 exit run-rate excluding market impacts plus estimated completed growth projects for Midstream; average adjusted EBITDA from 2012-2019 plus 50% proportional share of estimated EBITDA from U.S. Gulf Coast I project for Chemicals.

Midstream growth EBITDA calculated using project timeline, capital expenditures, and 6-8x build multiples.

Marketing and Specialties EBITDA calculated using West Coast Marketing joint venture incremental EBITDA and assuming 30% returns.

Mid-cycle CFO calculated using mid-cycle adjusted EBITDA for the respective year and adjusted for estimated interest, taxes and noncontrolling interest for growth projects.

These forecasted annual EBITDA contributions cannot be reconciled to net income, the nearest GAAP measure, because certain elements of net income, such as interest, depreciation and taxes, were not used in developing the forecasts and therefore are not readily available. Together, these items generally result in EBITDA being significantly greater than net income.

Total Distributions include 2014 PSPI share exchange and are through December 31, 2019.

JV Capital includes Phillips 66 share of DCP Midstream's, CPCChem's and WRB's self-funded capital spending.

Footnotes

Slide 8

The “Total Enhancements” amount represents estimated EBITDA uplift versus a baseline year of 2017. The “Mid-Cycle EBITDA Uplift” amount represents estimated actual mid-cycle EBITDA uplift after consideration for inflation and market movements in a mid-cycle environment.

Slides 43

Adjusted ROCE is defined as (Adjusted NI + after-tax interest expense + minority interest) / (Average total debt + average equity). Peer ROCE calculations are based on the simple average of 2017 ROCE, 2018 ROCE, and 2019 ROCE. Source: Company filings adjusted to facilitate comparisons of operating performance.

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 and Westlake Chemical Corporation.

Slide 47

Chart reflects total shareholder return May 1, 2012, to April 30, 2020. 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.

Non-GAAP Reconciliation

	Millions of Dollars Except as Indicated				
	2015	2016	2017	2018	2019
Reconciliation of Consolidated Earnings to Adjusted Earnings					
Consolidated Earnings	\$ 4,227	1,555	5,106	5,595	3,076
Pre-tax adjustments:					
Pending claims and settlements	30	(117)	(60)	21	(21)
Pension settlement expense	80	—	83	67	—
Equity affiliate ownership restructuring	—	33	—	—	—
Impairments	—	—	—	—	853
Impairments by equity affiliates	390	95	64	28	47
Lower-of-cost-or-market inventory adjustments	53	—	—	—	65
Certain tax impacts	(9)	(32)	(23)	(119)	(90)
Recognition of deferred logistics commitments	—	30	—	—	—
Gain on consolidation of business	—	—	(423)	—	—
Railcar lease residual value deficiencies and related costs	—	40	—	—	—
Asset dispositions	(280)	—	—	—	(17)
Hurricane-related costs	—	—	210	—	—
Tax impact of adjustments*	(181)	4	47	(1)	(214)
U.S. tax reform	—	—	(2,735)	23	—
Other tax impacts	(117)	(110)	—	(70)	(42)
Noncontrolling interests	—	—	—	6	—
Adjusted earnings	\$ 4,193	1,498	2,269	5,550	3,657
Earnings per share of common stock (dollars)	\$ 7.73	2.92	9.85	11.80	6.77
Adjusted earnings per share of common stock (dollars)†	\$ 7.67	2.82	4.38	11.71	8.05

* We generally tax effect taxable U.S.-based special items using a combined federal and state annual statutory income tax rate of approximately 25% beginning in 2018, and approximately 38% for periods prior to 2018. Taxable special items attributable to foreign locations likewise use a local statutory income tax rate. Nontaxable events reflect zero income tax. These events include, but are not limited to, most goodwill impairments, transactions legislatively exempt from income tax, transactions related to entities for which we have made an assertion that the undistributed earnings are permanently reinvested, or transactions occurring in jurisdictions with a valuation allowance.

† Weighted-average diluted shares outstanding and income allocated to participating securities, if applicable, in the adjusted earnings per share calculation are the same as those used in the GAAP diluted earnings per share calculation.

Non-GAAP Reconciliation

	Millions of Dollars							
	2012	2013	2014	2015	2016	2017	2018	2019
Reconciliation of Phillips 66 Net Income to Adjusted EBITDA								
Phillips 66 net income	\$ 4,131	3,743	4,797	4,280	1,644	5,248	5,873	3,377
Less:								
Income from discontinued operations	48	61	706	—	—	—	—	—
Plus:								
Income tax expense (benefit)	2,473	1,844	1,654	1,764	547	(1,693)	1,572	801
Net interest expense	231	258	246	283	321	407	459	415
Depreciation and amortization	906	947	995	1,078	1,168	1,318	1,356	1,341
Phillips 66 EBITDA	7,693	6,731	6,986	7,405	3,680	5,280	9,260	5,934
Special Item Adjustments (pre-tax):								
Impairments by equity affiliates	—	—	88	390	95	64	28	47
Premium on early retirement of debt	144	—	—	—	—	—	—	—
Pending claims and settlements	56	(25)	(21)	30	(115)	(57)	21	(21)
Repositioning costs	85	—	—	—	—	—	—	—
Tax law impacts	—	(28)	—	—	—	—	—	—
Certain tax impacts	—	—	—	—	(32)	(23)	(119)	(90)
Gain on consolidation of business	—	—	—	—	—	(423)	—	—
Gain on asset sales	(189)	(40)	—	—	—	—	—	—
Exit of a business line	—	54	—	—	—	—	—	—
Equity affiliate ownership restructuring	—	—	—	—	33	—	—	—
Recognition of deferred logistics commitments	—	—	—	—	30	—	—	—
Railcar lease residual value deficiencies and related costs	—	—	—	—	40	—	—	—
Asset dispositions	—	—	(270)	(280)	—	—	—	(17)
Impairments	1,197	—	131	—	—	—	—	853
Lower-of-cost-or-market inventory adjustments	—	—	45	53	—	—	—	65
Pension settlement expense	—	—	—	80	—	83	67	—
Hurricane-related costs	56	—	—	—	—	210	—	—
U.S. tax reform	—	—	—	—	—	—	(16)	—
Phillips 66 EBITDA, Adjusted for Special Items	9,042	6,692	6,959	7,678	3,731	5,134	9,241	6,771
Other Adjustments (pre-tax):								
Proportional share of selected equity affiliates income taxes	84	93	117	86	79	70	102	79
Proportional share of selected equity affiliates net interest	38	80	161	189	178	123	167	178
Proportional share of selected equity affiliates depreciation and amortization	641	689	721	752	798	777	912	945
EBITDA attributable to Phillips 66 noncontrolling interests	(13)	(24)	(45)	(73)	(132)	(229)	(361)	(391)
Phillips 66 Adjusted EBITDA	\$ 9,792	7,530	7,913	8,632	4,654	5,875	10,061	7,582

Non-GAAP Reconciliation

	Millions of Dollars							
	2012	2013	2014	2015	2016	2017	2018	2019
Reconciliation of Midstream Pre-Tax Income to Adjusted EBITDA								
Midstream pre-tax income	\$ 88	750	851	147	402	638	1,181	684
Plus:								
Interest revenue	—	—	—	—	—	(1)	—	—
Depreciation and amortization	83	88	91	127	215	299	320	304
Midstream EBITDA	171	838	942	274	617	936	1,501	988
Special Item Adjustments (pre-tax):								
Pending claims and settlements	(37)	—	—	—	(45)	(37)	21	—
Impairments	523	—	—	—	—	—	—	853
Impairments by equity affiliates	—	—	—	366	6	—	28	47
Hurricane-related costs	2	—	—	—	—	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	659	838	944	619	611	921	1,559	1,888
Other Adjustments (pre-tax):								
Proportional share of selected equity affiliates income taxes	—	4	3	(2)	2	1	1	—
Proportional share of selected equity affiliates net interest	132	156	165	176	170	121	131	135
Proportional share of selected equity affiliates depreciation and amortization	181	194	207	225	244	191	207	238
Midstream Adjusted EBITDA	\$ 972	1,192	1,319	1,018	1,027	1,234	1,898	2,261

Non-GAAP Reconciliation

	Millions of Dollars							
	2012	2013	2014	2015	2016	2017	2018	2019
Reconciliation of Chemicals Pre-Tax Income to Adjusted EBITDA								
Chemicals pre-tax income	\$ 1,189	1,361	1,632	1,315	839	716	1,025	879
Plus:								
None	—	—	—	—	—	—	—	—
Chemicals EBITDA	1,189	1,361	1,632	1,315	839	716	1,025	879
Special Item Adjustments (pre-tax):								
Impairments by equity affiliates	—	—	88	24	89	64	—	—
Impairments	43	—	—	—	—	—	—	—
Premium on early retirement of debt	144	—	—	—	—	—	—	—
Hurricane-related costs	—	—	—	—	—	175	—	—
Lower-of-cost-or-market inventory adjustments	—	—	3	—	—	—	—	65
Chemicals EBITDA, Adjusted for Special Items	1,376	1,361	1,723	1,339	928	955	1,025	944
Other Adjustments (pre-tax):								
Proportional share of selected equity affiliates income taxes	79	93	111	91	77	68	100	79
Proportional share of selected equity affiliates net interest	13	10	9	7	8	4	38	40
Proportional share of selected equity affiliates depreciation and amortization	213	246	258	264	285	307	422	415
Chemicals Adjusted EBITDA	\$ 1,681	1,710	2,101	1,701	1,298	1,334	1,585	1,478

Non-GAAP Reconciliation

	Millions of Dollars							
	2012	2013	2014	2015	2016	2017	2018	2019
Reconciliation of Refining Pre-Tax Income to Adjusted EBITDA								
Refining pre-tax income	\$ 5,089	2,782	2,467	3,659	436	2,076	4,535	1,986
Plus:								
Depreciation and amortization	655	685	704	738	769	821	840	854
Refining EBITDA	5,744	3,467	3,171	4,397	1,205	2,897	5,375	2,840
Special Item Adjustments (pre-tax):								
Pending claims and settlements	31	—	23	30	(70)	(51)	—	(21)
Tax law impacts	—	(22)	—	—	—	—	—	—
Certain tax impacts	—	—	—	—	(32)	(23)	(6)	—
Hurricane-related costs	54	—	—	—	—	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)	—	—	—	(17)
Gain on asset sales	(185)	—	—	—	—	—	—	—
Impairments	606	—	131	—	—	—	—	—
Lower-of-cost-or-market inventory adjustments	—	—	40	53	—	—	—	—
Pension settlement expense	—	—	—	53	—	53	43	—
Refining EBITDA, Adjusted for Special Items	6,250	3,445	3,220	4,525	1,173	2,477	5,412	2,802
Other Adjustments (pre-tax):								
Proportional share of selected equity affiliates income taxes	5	(4)	3	(3)	—	1	1	—
Proportional share of selected equity affiliates net interest	(118)	(95)	(19)	—	—	(3)	(6)	(3)
Proportional share of selected equity affiliates depreciation and amortization	236	237	245	252	257	268	272	281
Refining Adjusted EBITDA	\$ 6,373	3,583	3,449	4,774	1,430	2,743	5,679	3,080

Non-GAAP Reconciliation

	Millions of Dollars							
	2012	2013	2014	2015	2016	2017	2018	2019
Reconciliation of Marketing & Specialties Pre-Tax Income to Adjusted EBITDA								
Marketing and Specialties pre-tax income	\$ 863	1,327	1,475	1,652	1,261	1,020	1,557	1,433
Plus:								
Interest revenue	—	—	—	(2)	—	—	—	—
Depreciation and amortization	147	103	95	97	107	112	114	103
Marketing & Specialties EBITDA	1,010	1,430	1,570	1,747	1,368	1,132	1,671	1,536
Special Item Adjustments (pre-tax):								
Asset dispositions	—	—	(125)	(242)	—	—	—	—
Gain on asset sales	(4)	(40)	—	—	—	—	—	—
Pending claims and settlements	62	(25)	(44)	—	—	—	—	—
Exit of a business line	—	54	—	—	—	—	—	—
Tax law impacts	—	(6)	—	—	—	—	—	—
Certain tax impacts	—	—	—	—	—	—	(113)	(90)
Hurricane-related costs	—	—	—	—	—	1	—	—
Pension settlement expense	—	—	—	11	—	11	9	—
Marketing & Specialties EBITDA, Adjusted for Special Items	1,068	1,413	1,401	1,516	1,368	1,144	1,567	1,446
Other Adjustments (pre-tax):								
Proportional share of selected equity affiliates income taxes	—	—	—	—	—	—	—	—
Proportional share of selected equity affiliates net interest	11	9	6	6	—	1	4	6
Proportional share of selected equity affiliates depreciation and amortization	11	12	11	11	12	11	11	11
Marketing & Specialties Adjusted EBITDA	\$ 1,090	1,434	1,418	1,533	1,380	1,156	1,582	1,463

Non-GAAP Reconciliation

	Millions of Dollars							
	2012	2013	2014	2015	2016	2017	2018	2019
Reconciliation of Corporate & Other Pre-Tax Loss to Adjusted EBITDA								
Corporate and Other pre-tax loss	\$ (673)	(694)	(680)	(729)	(747)	(895)	(853)	(804)
Plus:								
Net interest expense	231	258	246	285	321	408	459	415
Depreciation and amortization	21	71	105	116	77	86	82	80
Corporate & Other EBITDA	(421)	(365)	(329)	(328)	(349)	(401)	(312)	(309)
Special Item Adjustments (pre-tax):								
Impairments	25	—	—	—	—	—	—	—
Repositioning costs	85	—	—	—	—	—	—	—
Pending claims and settlements	—	—	—	—	—	31	—	—
U.S. tax reform	—	—	—	—	—	—	(16)	—
Pension settlement expense	—	—	—	7	—	7	6	—
Corporate & Other EBITDA, Adjusted for Special Items	(311)	(365)	(329)	(321)	(349)	(363)	(322)	(309)
Other Adjustments (pre-tax):								
None	—	—	—	—	—	—	—	—
Corporate & Other Adjusted EBITDA	\$ (311)	(365)	(329)	(321)	(349)	(363)	(322)	(309)

Non-GAAP Reconciliation

	Millions of Dollars				
	2015	2016	2017	2018	2019
Reconciliation of DCP Midstream Pre-Tax Income (Loss) to Adjusted EBITDA					
DCP Midstream pre-tax income (loss)	\$ (463)	(34)	76	106	(784)
Plus:					
None	—	—	—	—	—
DCP Midstream EBITDA	(463)	(34)	76	106	(784)
Special Item Adjustments (pre-tax):					
Pending claims and settlements	—	(45)	—	—	—
Impairments	—	—	—	—	853
Impairments by equity affiliates	366	6	—	28	47
Equity affiliate ownership restructuring	—	33	—	—	—
Asset disposition	(30)	—	—	—	—
DCP Midstream EBITDA, Adjusted for Special Items	(127)	(40)	76	134	116
Other Adjustments (pre-tax):					
Proportional share of selected equity affiliates income taxes	(2)	2	—	—	—
Proportional share of selected equity affiliates net interest	133	129	65	62	77
Proportional share of selected equity affiliates depreciation and amortization	166	183	107	111	130
DCP Midstream Adjusted EBITDA	\$ 170	274	248	307	323

Non-GAAP Reconciliation

	Millions of Dollars				
	2015	2016	2017	2018	2019
Phillips 66 Partners Reconciliation of Adjusted EBITDA and Distributable Cash Flow to Net Income					
Net income attributable to Phillips 66 Partners	\$ 194	301	461	796	923
Plus:					
Net income attributable to Predecessors	112	107	63	—	—
Net income	306	408	524	796	923
Plus:					
Depreciation	61	96	116	117	120
Net interest expense	34	52	99	114	105
Income tax expense	—	2	4	4	3
EBITDA	401	558	743	1,031	1,151
Proportional share of equity affiliates' net interest, taxes and depreciation and amortization	31	45	66	101	116
Expenses indemnified or prefunded by Phillips 66	2	6	8	1	1
Transaction costs associated with acquisitions	2	4	4	4	—
EBITDA attributable to Predecessors	(151)	(142)	(67)	—	—
Adjusted EBITDA	285	471	754	1,137	1,268
Plus:					
Deferred revenue impacts*†	4	11	6	(6)	(6)
Less:					
Equity affiliate distributions less than proportional EBITDA	19	28	29	64	56
Maintenance capital expenditures†	8	22	50	62	74
Net interest expense	34	52	100	114	105
Preferred unit distributions	—	—	9	37	37
Income taxes paid	—	—	—	—	1
Distributable cash flow	\$ 228	380	572	854	989

* Difference between cash receipts and revenue recognition

† Excludes Merrey Sweeny capital reimbursements and turnaround impacts

Non-GAAP Reconciliation

	Millions of Dollars				
	2015	2016	2017	2018	2019
Phillips 66 Partners Reconciliation of Adjusted EBITDA and Distributable Cash Flow to Net Cash Provided by Operating Activities					
Net cash provided by operating activities*	\$ 392	492	724	892	1,016
Plus:					
Net interest expense	34	52	99	114	105
Income tax expense	—	2	4	4	3
Changes in working capital	(12)	28	(30)	(20)	34
Undistributed equity earnings	—	(1)	1	5	3
Deferred revenues and other liabilities	(11)	(9)	(43)	42	(5)
Other	(2)	(6)	(12)	(6)	(5)
EBITDA	401	558	743	1,031	1,151
Proportional share of equity affiliates' net interest, taxes and depreciation and amortization	31	45	66	101	116
Expenses indemnified or prefunded by Phillips 66	2	6	8	1	1
Transaction costs associated with acquisitions	2	4	4	4	—
EBITDA attributable to Predecessors	(151)	(142)	(67)	—	—
Adjusted EBITDA	285	471	754	1,137	1,268
Plus:					
Deferred revenue impacts***†	4	11	6	(6)	(6)
Less:					
Equity affiliate distributions less than proportional EBITDA	19	28	29	64	56
Maintenance capital expenditures†	8	22	50	62	74
Net interest expense	34	52	100	114	105
Preferred unit distributions	—	—	9	37	37
Income taxes paid	—	—	—	—	1
Distributable cash flow	\$ 228	380	572	854	989

* Phillips 66 Partners' coverage ratio is calculated as distributable cash flow divided by total cash distributions and is used to indicate Phillips 66 Partners' ability to pay cash distributions from current earnings. Net cash provided by operating activities divided by total cash distributions was 2.24x, 1.66x, 1.61x, 1.44x and 1.36x at 2015, 2016, 2017, 2018 and 2019, respectively.

** Difference between cash receipts and revenue recognition

† Excludes Mersey Sweeny capital reimbursements and turnaround impacts

Non-GAAP Reconciliation

		Millions of Dollars							
		2012	2013	2014	2015	2016	2017	2018	2019
Phillips 66 Capital Expenditures and Investments									
Midstream									
Growth	\$	548	429	2,021	2,801	1,267	597	1,360	1,605
Sustaining		159	168	152	1,656	186	174	188	264
Total		707	597	2,173	4,457	1,453	771	1,548	1,869
Refining									
Growth		85	164	255	201	344	323	267	409
Sustaining		650	656	783	868	805	530	559	592
Total		735	820	1,038	1,069	1,149	853	826	1,001
Marketing & Specialties									
Growth		47	139	375	66	47	62	71	299
Sustaining		72	87	64	56	51	46	54	75
Total		119	226	439	122	98	108	125	374
Corporate & Other									
Growth		—	11	13	10	3	—	6	7
Sustaining		140	125	110	106	141	100	134	199
Total		140	136	123	116	144	100	140	206
Total Consolidated									
Growth		680	743	2,664	3,078	1,661	982	1,704	2,320
Sustaining		1,021	1,036	1,109	2,686	1,183	850	935	1,130
Adjusted Capital Spending		1,701	1,779	3,773	5,764	2,844	1,832	2,639	3,450
Capital Spending Funded by Certain Joint Venture Partners		—	—	—	—	—	—	—	423
Total	\$	1,701	1,779	3,773	5,764	2,844	1,832	2,639	3,873

Non-GAAP Reconciliation

	Millions of Dollars							
	2012	2013	2014	2015	2016	2017	2018	2019
Proportional Share of Select Equity Affiliates Capital Expenditures and Investments*								
DCP Midstream (Midstream)	\$ 1,324	971	776	438	99	268	484	472
CPCChem (Chemicals)								
Growth	239	403	726	1,136	743	571	131	155
Sustaining	132	210	160	183	244	205	208	227
Total	371	613	886	1,319	987	776	339	382
WRB (Refining)	136	109	140	175	164	126	156	175
Select Equity Affiliates	\$ 1,831	1,693	1,802	1,932	1,250	1,170	979	1,029

	Millions of Dollars				
	2015	2016	2017	2018	2019
Phillips 66 Partners Capital Expenditures and Investments					
Capital Expenditures and Investments	\$ 895	557	434	776	1,082
Capital Expenditures Attributable to Predecessors	(690)	(96)	(82)	—	—
Capital Spending Funded by Certain Joint Venture Partners	—	—	—	—	(423)
Adjusted Capital Spending	\$ 205	461	352	776	659
Expansion	\$ 197	439	300	710	579
Maintenance	8	22	52	66	80

* Represents Phillips 66's portion of self-funded capital spending by DCP Midstream, LLC (DCP Midstream), Chevron Phillips Chemical Company LLC (CPCChem) and WRB Refining LP (WRB).

Non-GAAP Reconciliation

	Millions of Dollars			
	2020 Guidance ¹			2020 Budget ²
	Sustaining	Growth	Total	Total
Capital Spending				
Midstream				
Phillips 66 ³	\$ 137	821	958	1,428
Phillips 66 Partners ⁴	132	800	932	962
	269	1,621	1,890	2,390
Chemicals	—	—	—	—
Refining	485	350	835	1,035
Marketing & Specialties	80	129	209	161
Corporate & Other	163	—	163	204
Phillips 66 Consolidated	997	2,100	3,097	3,790
Less: capital expenditures funded by joint venture partners ⁵	—	69	69	469
Adjusted Capital Spending	\$ 997	2,031	3,028	3,321
CPChem (Chemicals) ⁶	\$ 218	135	353	656

1) As previously announced on March 24, 2020.

2) As previously announced in December 2019.

3) Excludes capital budget associated with Phillips 66 Partners.

4) Phillips 66 Partners capital spending net of \$69 million in growth capital to be cash funded by joint venture partners is expected to be \$863 million in 2020. The previously announced Phillips 66 Partners 2020 capital budget net of \$95 million in cash funded by joint venture partners was \$867 million. Phillips 66 Partners capital spending excludes amounts associated with acquisition of assets from Phillips 664

5) Included in the Midstream segment.

6) Represents Phillips 66's portion of self-funded capital spending by Chevron Phillips Chemical Company LLC (CPChem).

Non-GAAP Reconciliation

	Millions of Dollars Except as Indicated			
Debt-to-Capital Ratio		Total Debt	Total Equity	Debt-to-Capital Ratio
March 31, 2020				
Phillips 66 Consolidated	\$	12,963	23,639	35%
PSXP*		3,516	2,233	
Phillips 66 Excluding PSXP	\$	9,447	21,406	31%
December 31, 2019				
Phillips 66 Consolidated	\$	11,763	27,169	30%
PSXP*		3,516	2,229	
Phillips 66 Excluding PSXP	\$	8,247	24,940	25%
December 31, 2018				
Phillips 66 Consolidated	\$	11,160	27,153	29%
PSXP*		3,048	2,469	
Phillips 66 Excluding PSXP	\$	8,112	24,684	25%
December 31, 2017				
Phillips 66 Consolidated	\$	10,110	27,428	27%
PSXP*		2,945	2,314	
Phillips 66 Excluding PSXP	\$	7,165	25,114	22%
December 31, 2016				
Phillips 66 Consolidated	\$	10,138	23,725	30%
PSXP*		2,411	1,306	
Phillips 66 Excluding PSXP	\$	7,727	22,419	26%

* PSXP's third-party debt and Phillips 66's noncontrolling interests attributable to PSXP.

Non-GAAP Reconciliation

	Millions of Dollars (Except as Indicated)				
	2015	2016	2017	2018	2019
Phillips 66 ROCE					
Numerator					
Net income	\$ 4,280	1,644	5,248	5,873	3,377
After-tax interest expense	201	220	285	398	362
GAAP ROCE earnings	4,481	1,864	5,533	6,271	3,739
Special items	(34)	(57)	(2,837)	(51)	581
Adjusted ROCE earnings	\$ 4,447	1,807	2,696	6,220	4,320
Denominator					
GAAP average capital employed*	\$ 31,749	33,344	35,700	37,925	38,622
*Total equity plus debt.					
GAAP ROCE (percent)	14%	6%	15%	17%	10%
Adjusted ROCE (percent)	14%	5%	8%	16%	11%