Phillips 66 Partners

First Quarter 2021 Earnings Call and Webcast

April 30, 2021



Sweeny Fractionator
OLD OCEAN, TX

Cautionary Statement

This presentation contains certain forward-looking statements as defined under the federal securities laws. 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: the continued ability of Phillips 66 to satisfy its obligations under our commercial and other agreements; the volume of crude oil, refined petroleum products and NGL we or our equity affiliates transport, fractionate, terminal and store; the tariff rates with respect to volumes transported through our regulated assets, which are subject to review and possible adjustment by federal and state regulators; fluctuations in the prices for crude oil, refined petroleum products and NGL; the continuing effects of the COVID-19 pandemic and its negative impact on the demand for refined products; changes in governmental policies relating to crude oil, refined petroleum products or NGL pricing, regulation, taxation, or exports; liabilities associated with the risks and operational hazards inherent in transporting, fractionating, terminaling and storing crude oil, refined petroleum products and NGL; curtailment of operations due to accidents, severe weather (including as a result of climate change) or natural disasters, riots, strikes or lockouts; the inability to obtain or maintain permits, in a timely manner or at all, and the possible revocation or modification of permits; our ability to successfully execute growth strategies; the operation, financing and distribution decisions of our equity affiliates; costs to comply with environmental laws and safety regulations; failure of information technology due to various causes, including unauthorized access or attacks; changes to the costs to deliver and transport crude oil, refined petroleum products and NGL; potential liability from litigation or for remedial actions, including removal and reclamation obligations under environmental regulations; the failure to complete construction of capital projects on time and within budget; general domestic and international economic and political developments including armed hostilities, expropriation of assets, and other political, economic or diplomatic developments, including those caused by public health issues; our ability to comply with our debt covenants and to incur additional indebtedness on favorable terms; changes in tax, environmental and other laws and regulations; and other economic, business, competitive and/or regulatory factors affecting Phillips 66 Partners' businesses generally as set forth in our filings with the Securities and Exchange Commission. Phillips 66 Partners 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.

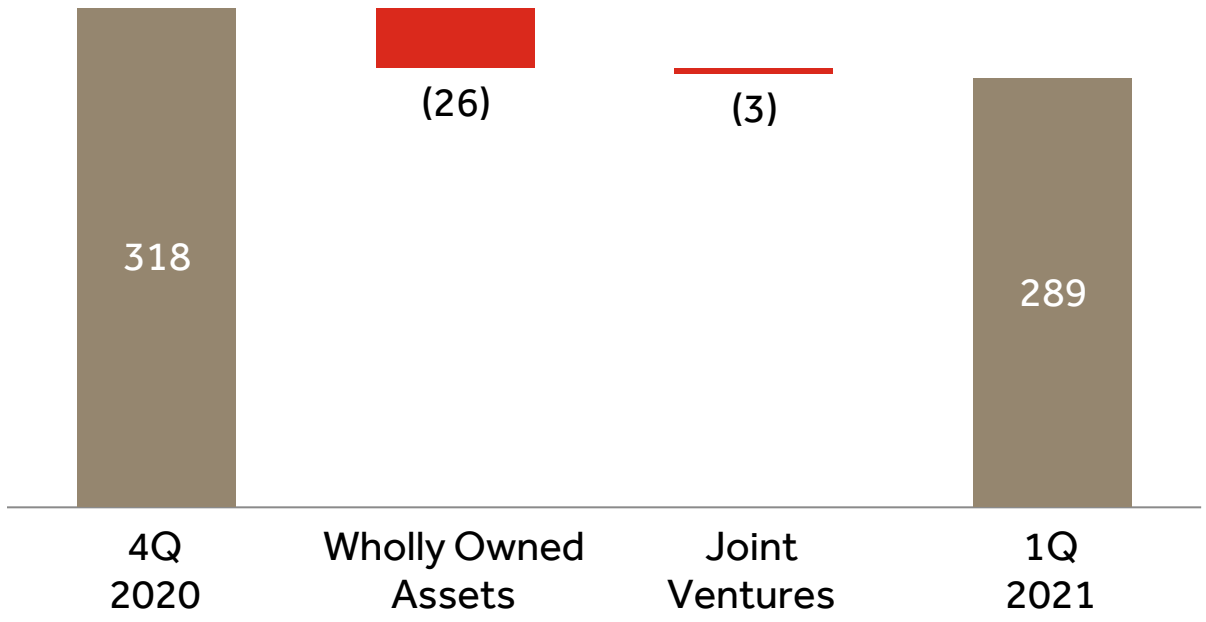
Use of Non-GAAP Financial Measures. Today's presentation includes non-GAAP financial measures. You can find the reconciliations to comparable GAAP financial measures at the end of the presentation materials or in the "Financial Information" section of our website.

Executing the Strategy

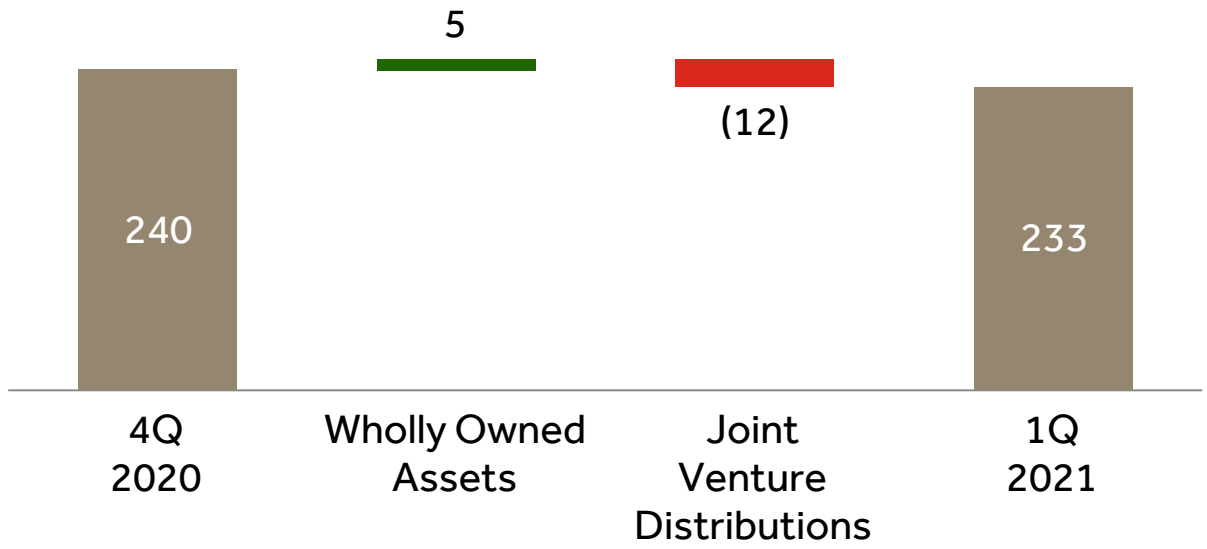

South Texas Gateway Terminal
INGLESIDE, TX

1Q 2021 Financial Highlights

Adjusted EBITDA
$MM



Distributable Cash Flow
$MM



1Q 2021 Overview

$MM (UNLESS OTHERWISE NOTED)

Cash and cash equivalents	$	3
Total debt		3,944
Revolving credit facility availability		299
Debt-to-EBITDA ratio[1]		3.2
Coverage ratio		1.17



Pasadena Terminal
PASADENA, TX

1) Leverage ratio estimated on credit facility covenant basis.

Projects Update



C2G Pipeline
BRAZORIA COUNTY, TX

Appendix



Non-GAAP Reconciliations

	Millions of Dollars	
	Q1 2021	Q4 2020
Net income (loss) attributable to the Partnership	(18)	104
Plus:		
Net income attributable to noncontrolling interest	7	7
Net income (loss)	(11)	111
Plus:		
Depreciation	34	39
Net interest expense	33	32
Income tax expense	—	1
EBITDA	56	183
Plus:		
Proportional share of equity affiliates' net interest, taxes, depreciation and amortization, and impairments	49	54
Expenses indemnified or prefunded by Phillips 66	—	1
Impairments	198	96
Less:		
Adjusted EBITDA attributable to noncontrolling interest	14	16
Adjusted EBITDA	289	318
Plus:		
Deferred revenue impacts*†	9	4
Less:		
Equity affiliate distributions less than proportional adjusted EBITDA	14	5
Maintenance capital expenditures†	6	33
Net interest expense	33	32
Preferred unit distributions	12	12
Distributable cash flow	233	240

* Difference between cash receipts and revenue recognition

† Excludes Merey Sweeny capital reimbursements and turnaround impacts

Non-GAAP Reconciliations

	Millions of Dollars	
	Q1 2021	Q4 2020
Net cash provided by operating activities	227	170
Plus:		
Net interest expense	33	32
Income tax expense	—	1
Changes in working capital	(11)	75
Undistributed equity earnings	5	2
Impairments	(198)	(96)
Deferred revenues and other liabilities	—	1
Other	—	(2)
EBITDA	56	183
Plus:		
Proportional share of equity affiliates' net interest, taxes, depreciation and amortization, and impairments	49	54
Expenses indemnified or prefunded by Phillips 66	—	1
Impairments	198	96
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Non-GAAP Reconciliations

	Millions of Dollars
	Q1 2021
Capital Expenditures and Investments	
Expansion/Growth	52
Maintenance	6
Adjusted Capital Spending	58
Growth Capital Cash Funded by Joint Venture Partners	—
Capital Expenditures and Investments	58