

SECOND QUARTER 2015
EARNINGS CALL AND WEBCAST

July 31, 2015

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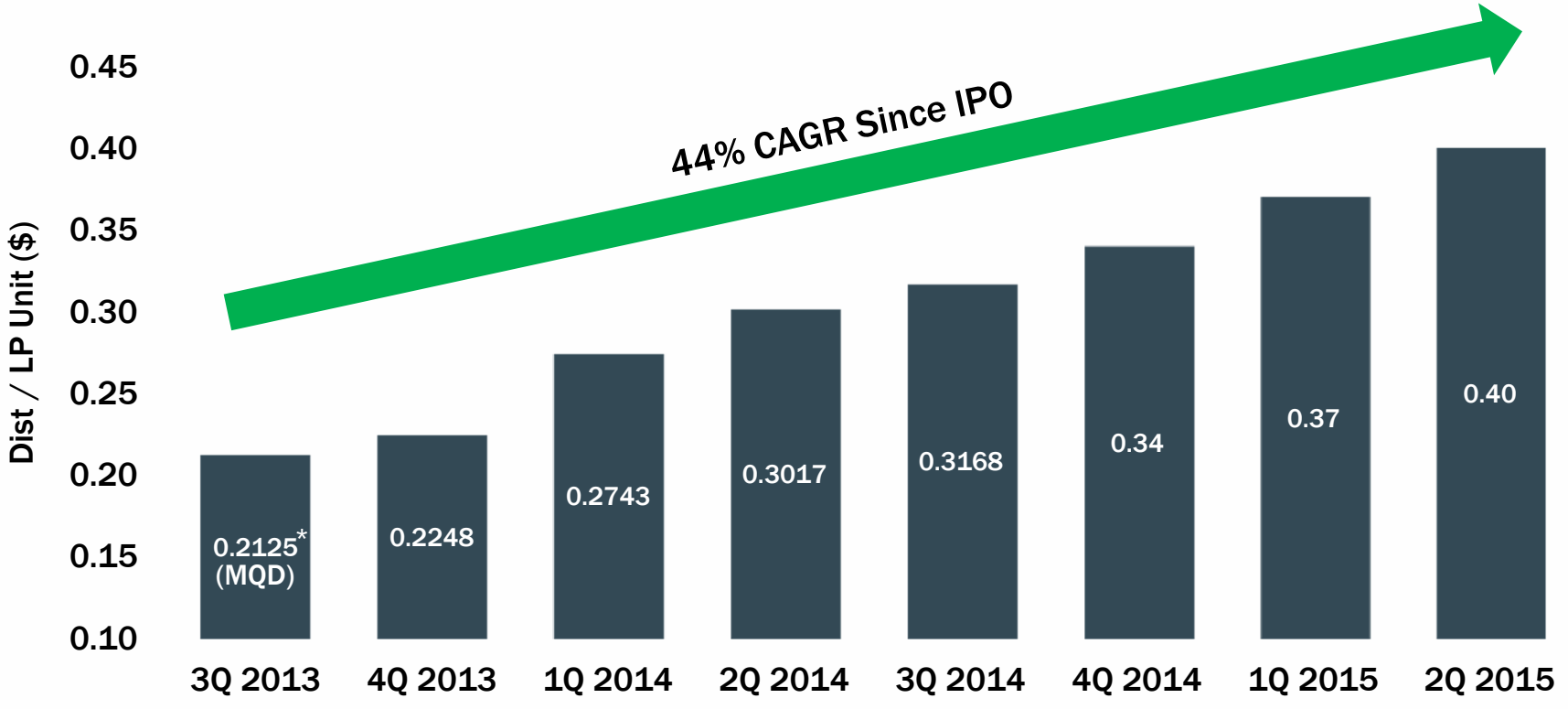
This presentation contains certain forward-looking statements within the meaning of the federal securities laws. Words and phrases such as “is anticipated,” “is estimated,” “is expected,” “is planned,” “is scheduled,” “is targeted,” “believes,” “intends,” “objectives,” “projects,” “strategies” and similar 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 operations of Phillips 66 Partners LP (“Phillips 66 Partners” or “PSXP”) and Phillips 66 (including joint venture operations) are based on management’s expectations, estimates and projections about Phillips 66 Partners, its 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 include the continued ability of Phillips 66 to satisfy its obligations under our commercial agreements; the volume of crude oil, refined petroleum products, and NGLs we or our joint ventures transport; the tariff rates for volumes we transport through our regulated assets; changes in revenue we realize under the loss allowance provisions of our regulated tariffs; fluctuations in the prices for crude oil, refined products and NGLs; liabilities associated with the risks and operational hazards inherent in transporting, terminaling and storing crude oil, refined petroleum products and NGLs; curtailment of operations due to various causes; liabilities associated with laws and regulations relating to environmental protection and safety; and other economic, business, competitive and/or regulatory factors affecting our businesses generally as set forth under our filings with the Securities and Exchange Commission. We are under no obligation (and expressly disclaim any such obligation) to update or alter our 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 Reports” section of our website.

DISTRIBUTION GROWTH



	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015
Coverage Ratio	1.13x	1.10x	1.10x	1.44x	1.32x	1.28x	1.14x	1.15x

*Represents the minimum quarterly distribution for 3Q 2013, actual distribution $0.1548 equal to MQD prorated

ORGANIC GROWTH OUTLOOK

- Eagle Ford gathering system second phase to be completed in 3Q 2015
- Cross-Channel Connector expected completion 4Q 2015
- Hartford Dock Project to begin in 3Q 2015
- Palermo Rail Terminal is on schedule for completion by year-end 2015
- Sacagawea Pipeline permitting delays will postpone the startup date into 2016

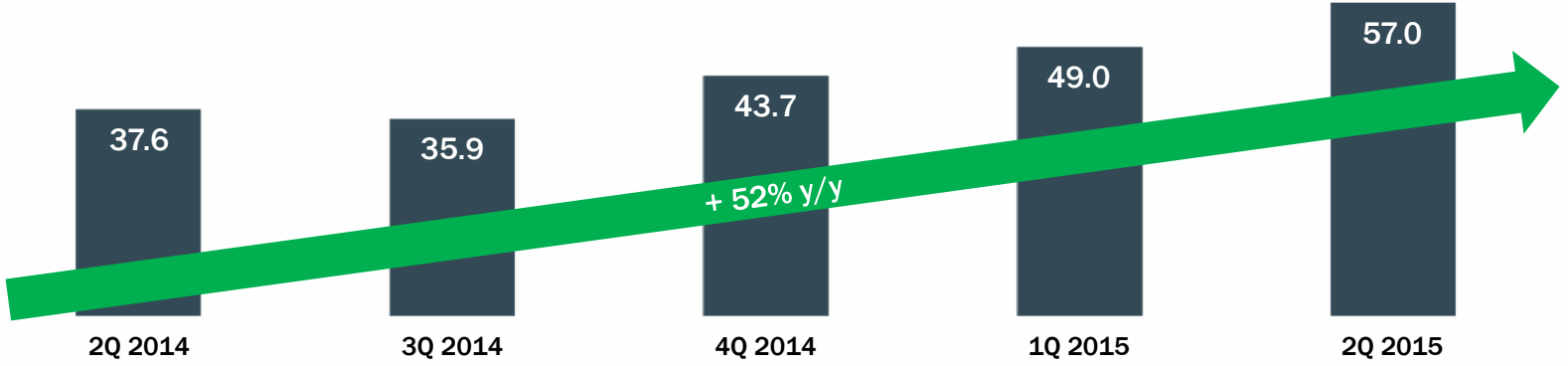
FINANCIAL RESULTS

$ MM	2Q 2015	1Q 2015
Revenues and other income	$ 83.8	$ 70.1
Costs and expenses	41.9	34.5
Income before income taxes	41.9	35.6
Net income	42.0	35.4
Adjusted EBITDA	57.0	49.0
Distributable cash flow	47.8	41.9
Quarterly distribution ($/unit)	0.40	0.37

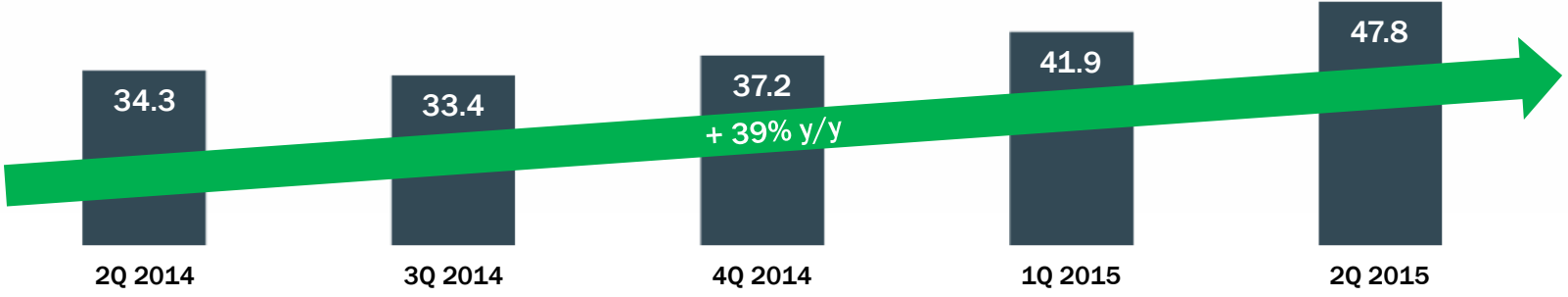


FINANCIAL PERFORMANCE

Adjusted EBITDA



Distributable Cash Flow



Values in $MM, attributable to PSXP

2Q 2015 ADJUSTED EBITDA AND DISTRIBUTABLE CASH FLOW

	$ MM
Adjusted EBITDA	$ 57.0
Plus:	
Adjustments related to minimum volume commitments	2.2
Less:	
Net interest	9.5
Income taxes paid	0.4
Maintenance capital expenditures	1.5
Distributable Cash Flow	$ 47.8
Total Cash Distribution Declared	$ 41.5
Coverage Ratio	1.15x

STRONG FINANCIAL FLEXIBILITY AND LIQUIDITY

$ MM	2Q 2015
Cash and cash equivalents	104
Total assets	1,469
Debt	1,100
Revolving credit facility availability	500
Debt to EBITDA ratio*	4.2x

*Leverage ratio estimated on credit facility covenant basis.





QUESTIONS AND ANSWERS
EARNINGS CALL AND WEBCAST

July 31, 2015



APPENDIX

NON-GAAP RECONCILIATIONS TO NET INCOME

	$ MM				
	2Q 2015	1Q 2015	4Q 2014	3Q 2014	2Q 2014
Net Income	$ 42.0	$ 35.4	$ 36.3	$ 30.0	$ 30.9
Plus:					
Depreciation	5.3	5.1	4.5	4.2	3.9
Net interest expense	9.5	5.8	2.1	1.4	1.3
Amortization of deferred rentals	0.1	0.1	0.1	0.1	0.1
Provision for (benefit from) income taxes	(0.1)	0.2	0.2	0.1	0.2
EBITDA	56.8	46.6	43.2	35.8	36.4
Distributions in excess of equity earnings	0.2	0.7	-	-	-
Expenses indemnified or prefunded by Phillips 66	-	0.3	0.1	0.7	-
Transaction costs associated with acquisitions	-	1.4	1.0	0.2	-
EBITDA attributable to predecessors	-	-	(0.6)	(0.8)	1.2
Adjusted EBITDA	57.0	49.0	43.7	35.9	37.6
Plus:					
Adjustments related to minimum volume commitments	2.2	1.1	(2.4)	1.4	(0.7)
Phillip 66 prefunded maintenance capital expenditures	-	-	0.1	-	1.1
Less:					
Net interest	9.5	6.5	1.4	1.7	0.1
Income taxes paid	0.4	-	-	-	0.2
Maintenance capital expenditures	1.5	1.7	2.8	2.2	3.4
Distributable Cash Flow	47.8	41.9	37.2	33.4	34.3

NON-GAAP RECONCILIATIONS TO CASH FROM OPERATIONS

	$ MM				
	2Q 2015	1Q 2015	4Q 2014	3Q 2014	2Q 2014
Net cash from operating activities	$ 65.4	$ 31.4	$ 47.7	$ 35.5	$ 34.6
Plus:					
Net interest expense	9.5	5.8	2.1	1.4	1.3
Provision for (benefit from) income taxes	(0.1)	0.2	0.2	0.1	0.2
Changes in working capital	(15.9)	4.1	(6.5)	(0.5)	0.3
Undistributed equity earnings	(2.2)	5.8	-	-	-
Accrued environmental costs	(0.1)	-	-	-	-
Other	0.2	(0.7)	(0.3)	(0.7)	-
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