



FIRST QUARTER 2016
EARNINGS CALL AND WEBCAST

April 29, 2016

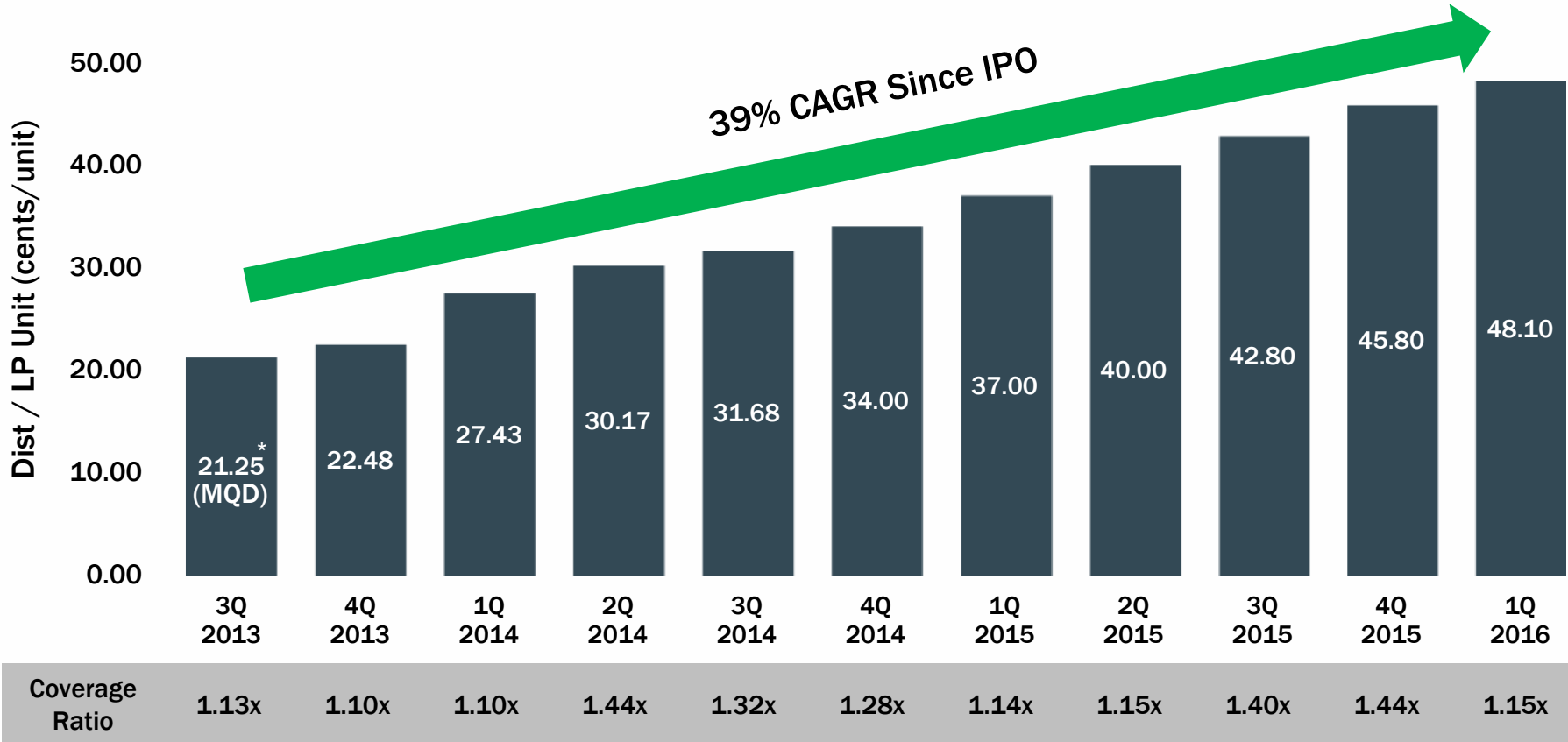
CAUTIONARY STATEMENT



This news release includes 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 Phillips 66 Partners (including our joint venture operations) are based on management’s expectations, estimates and projections about the Partnership, its interests and the energy industry in general on the date this news release 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 and other agreements; the volume of crude oil, refined petroleum products and NGL we or our joint ventures transport, fractionate, terminal and store; the tariff rates with respect to volumes that we transport through our regulated assets, which rates are subject to review and possible adjustment by federal and state regulators; fluctuations in the prices for crude oil, refined petroleum products and NGL; liabilities associated with the risks and operational hazards inherent in transporting, fractionating, terminaling and storing crude oil, refined petroleum products and NGL; potential liability from litigation or for remedial actions, including removal and reclamation obligations under environmental 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 Reports” section of our website.

DISTRIBUTION GROWTH



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

OPERATIONAL HIGHLIGHTS

	1Q 2016	4Q 2015
Pipeline Volumes (mbd)		
Crude Oil	281	283
Refined Products	520	522
Total	801	805
Terminaling and Storage Volumes (mbd)		
Crude Oil	502	464
Refined Products	427	443
Total	929	907
Average Pipeline Revenue (\$/bbl)	\$ 0.46	\$ 0.51
Average Terminaling and Storage Revenue (\$/bbl)	\$ 0.40	\$ 0.42

- **Acquired 25% controlling interest in Sweeny Fractionator One and Clemens Caverns**
- **First segment of Bayou Bridge Pipeline started commercial operations**
- **Sacagawea Pipeline startup expected in 3Q 2016**
- **Sand Hills Pipeline capacity expansion continues**

FINANCIAL RESULTS

\$ MM	1Q 2016*	4Q 2015*
Revenues and other income	\$ 103.3	\$ 102.8
Costs and expenses	47.8	38.2
Income before income taxes	55.5	64.6
Net Income	55.3	64.5
Less: Noncontrolling interests	3.0	-
Net income attributable to PSXP	52.3	64.5
Adjusted EBITDA	73.8	87.0
Distributable Cash Flow	64.1	74.0
Quarterly Distribution (cents/unit)	48.10	45.80

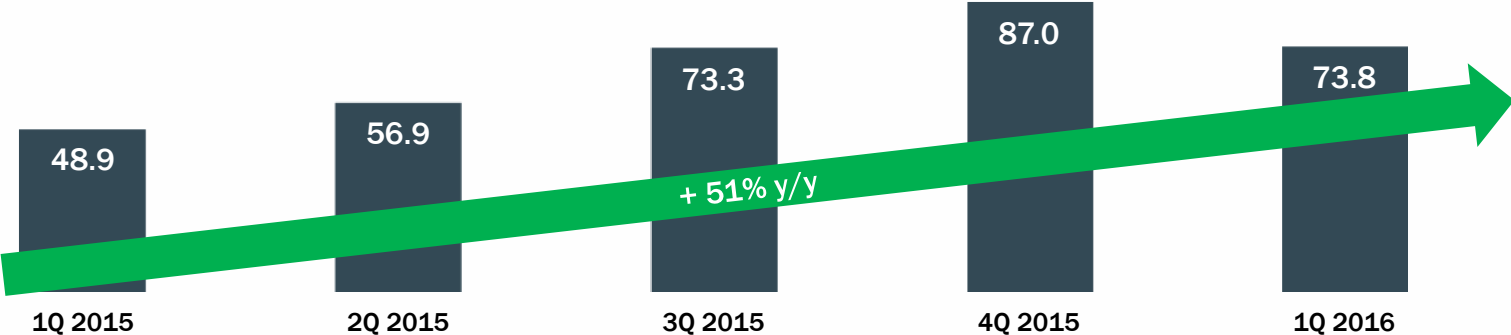
*Excludes predecessor results



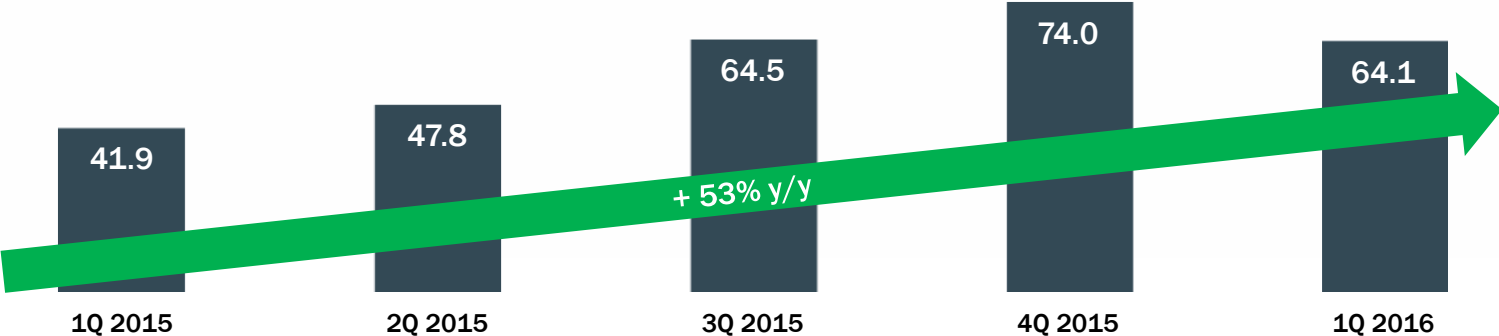
FINANCIAL PERFORMANCE



Adjusted EBITDA



Distributable Cash Flow



Values in \$MM, attributable to PSXP

1Q 2016 ADJUSTED EBITDA AND DISTRIBUTABLE CASH FLOW

	\$ MM
Adjusted EBITDA	73.8
Plus:	
Deferred revenue impacts	1.4
Less:	
Net interest	9.9
Maintenance capital expenditures	1.2
Distributable Cash Flow	\$ 64.1
Total Cash Distribution Declared	\$ 55.5
Coverage Ratio	1.15x

STRONG FINANCIAL FLEXIBILITY AND LIQUIDITY

\$ MM	1Q 2016
Cash and cash equivalents	20
Total assets	2,682
Debt	1,303
Revolving credit facility availability	500
Debt to EBITDA ratio*	3.8x

*Leverage ratio estimated on credit facility covenant basis.





QUESTIONS AND ANSWERS EARNINGS CALL AND WEBCAST

April 29, 2016

Phillips 66
Partners



APPENDIX

FINANCIAL RESULTS (CONSOLIDATED)

\$ MM	1Q 2016	4Q 2015
Revenues and other income	\$ 121.2	\$ 115.3
Costs and expenses	60.8	58.0
Income before income taxes	60.4	57.3
Net Income	60.2	57.1
Less: Predecessor	4.9	(7.4)
Less: Noncontrolling interests	3.0	-
Net income attributable to PSXP	52.3	64.5
Adjusted EBITDA	73.8	87.0
Distributable Cash Flow	64.1	74.0
Quarterly Distribution (\$/unit)	48.10	45.80



NON-GAAP RECONCILIATION TO NET INCOME

	\$ MM				
	1Q 2016	4Q 2015	3Q 2015	2Q 2015	1Q 2015
Net Income	\$ 60.2	\$ 57.1	\$ 46.5	\$ 38.7	\$ 32.8
Plus:					
Depreciation	13.8	9.3	5.8	5.3	5.1
Net interest expense	9.7	9.2	9.1	9.5	5.8
Provision for (benefit from) income taxes	0.2	0.2	0.1	(0.1)	0.2
EBITDA	83.9	75.8	61.5	53.4	43.9
Distributions in excess of equity earnings	4.1	6.6	4.6	0.2	0.7
Expenses indemnified or prefunded by Phillips 66	0.1	0.5	1.1	-	0.3
Transaction costs associated with acquisitions	1.0	0.4	0.4	-	1.4
EBITDA attributable to noncontrolling interests	(5.2)	-	-	-	-
EBITDA attributable to Predecessors	(10.1)	3.7	5.7	3.3	2.6
Adjusted EBITDA	73.8	87.0	73.3	56.9	48.9
Plus:					
Deferred revenue impacts	1.4	(1.6)	2.5	2.3	1.2
Less:					
Net interest	9.9	9.2	9.1	9.5	6.5
Income taxes paid (refunded)	-	(0.1)	-	0.4	-
Maintenance capital expenditures	1.2	2.3	2.2	1.5	1.7
Distributable Cash Flow	64.1	74.0	64.5	47.8	41.9

NON-GAAP RECONCILIATION TO CASH PROVIDED BY OPERATING ACTIVITIES



	\$ MM				
	1Q 2016	4Q 2015	3Q 2015	2Q 2015	1Q 2015
Net cash provided by operating activities	\$ 66.7	\$ 93.4	\$ 44.4	\$ 61.1	\$ 29.7
Plus:					
Net interest expense	9.7	9.2	9.1	9.5	5.8
Provision for (benefit from) income taxes	0.2	0.2	0.1	(0.1)	0.2
Changes in working capital	14.5	(16.4)	13.9	(14.9)	3.2
Undistributed equity earnings	(0.6)	(2.6)	(0.9)	(2.2)	5.8
Accrued environmental costs	-	(0.2)	(0.5)	(0.1)	-
Other	(6.6)	(7.8)	(4.6)	0.1	(0.8)
EBITDA	83.9	75.8	61.5	53.4	43.9
Distributions in excess of equity earnings	4.1	6.6	4.6	0.2	0.7
Expenses indemnified or prefunded by Phillips 66	0.1	0.5	1.1	-	0.3
Transaction costs associated with acquisitions	1.0	0.4	0.4	-	1.4
EBITDA attributable to noncontrolling interests	(5.2)	-	-	-	-
EBITDA attributable to Predecessors	(10.1)	3.7	5.7	3.3	2.6
Adjusted EBITDA	73.8	87.0	73.3	56.9	48.9
Plus:					
Deferred revenue impacts	1.4	(1.6)	2.5	2.3	1.2
Less:					
Net interest	9.9	9.2	9.1	9.5	6.5
Income taxes paid (refunded)	-	(0.1)	-	0.4	-
Maintenance capital expenditures	1.2	2.3	2.2	1.5	1.7
Distributable Cash Flow	64.1	74.0	64.5	47.8	41.9