ENERGY TRANSFER

Third Quarter 2019

November 7, 2019

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Forward-Looking Statements

This presentation includes “forward-looking” statements. Forward-looking statements are identified as any statement that does not relate strictly to historical or current facts. Statements using words such as “anticipate,” “believe,” “intend,” “project,” “plan,” “expect,” “continue,” “estimate,” “goal,” “forecast,” “may” or similar expressions help identify forward-looking statements. Energy Transfer LP (“Energy Transfer” or “ET”) and SemGroup Corporation (“SemGroup” or “SEMG”) cannot give any assurance that expectations and projections about future events will prove to be correct. Forward-looking statements are subject to a variety of risks, uncertainties and assumptions. These risks and uncertainties include the risks that the proposed transaction may not be consummated or the benefits contemplated therefrom may not be realized. Additional risks include: the ability to obtain requisite regulatory and stockholder approval and the satisfaction of the other conditions to the consummation of the proposed transaction, the ability of Energy Transfer to successfully integrate SemGroup’s operations and employees and realize anticipated synergies and cost savings, the potential impact of the announcement or consummation of the proposed transaction on relationships, including with employees, suppliers, customers, competitors and credit rating agencies, the ability to achieve revenue, DCF and EBITDA growth, and volatility in the price of oil, natural gas, and natural gas liquids. Actual results and outcomes may differ materially from those expressed in such forward-looking statements. These and other risks and uncertainties are discussed in more detail in filings made by Energy Transfer and SemGroup with the Securities and Exchange Commission (the “SEC”), which are available to the public. Energy Transfer and SemGroup undertake no obligation to update publicly or to revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional Information and Where to Find It

SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT AND PROXY STATEMENT/PROSPECTUS REGARDING THE TRANSACTION CAREFULLY WHEN IT BECOMES AVAILABLE. These documents (when they become available), and any other documents filed by Energy Transfer and SemGroup with the SEC, may be obtained free of charge at the SEC’s website, at www.sec.gov. In addition, investors and security holders will be able to obtain free copies of the registration statement and the proxy statement/prospectus by phone, e-mail or written request by contacting the investor relations department of Energy Transfer or SemGroup.

Participants in the Solicitation

Energy Transfer, SemGroup, and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in connection with the proposed merger. Information regarding the directors and executive officers of Energy Transfer is contained in Energy Transfer’s Form 10-K for the year ended December 31, 2018, which was filed with the SEC on February 22, 2019. Information regarding the directors and executive officers of SemGroup is contained in SemGroup’s proxy statement relating to its 2019 Annual Meeting of Stockholders, which was filed with the SEC on April 12, 2019. Additional information regarding the interests of participants in the solicitation of proxies in connection with the proposed merger will be included in the proxy statement/prospectus.

No Offer or Solicitation

This presentation is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, in any jurisdiction, pursuant to the proposed merger or otherwise, nor shall there be any sale, issuance, exchange or transfer of the securities referred to in this document in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

DELIVERING ON ALL FRONTS

Operational

- All segments delivered strong results
- Reported record NGL transportation throughput, NGL fractionation volumes, midstream gathered volumes, crude volumes
- Arrowhead III Processing Plant came online in July 2019
- Red Bluff Express Phase II completed in August 2019
- J.C. Nolan Pipeline went into service in August 2019
- Permian Express 4 went into full service October 1, 2019

Q3 2019 Financials

- Adjusted EBITDA - $2.8 billion
  - Up 8% from Q3’18
- DCF - $1.5 billion
  - Up 10% from Q3’18
- YTD Growth Capital - $3.1 billion, with incremental value from organic growth projects
- Distribution coverage ratio – 1.9x

Strategic

- SEMG transaction adds strategic growth platform in deep-water port on the Houston Ship Channel
- Transaction immediately accretive and balance sheet friendly
- Expands connectivity and increases reach into currently underserved regions

Integrated franchise provides advantages through energy market cycles

SEMG ACQUISITION HIGHLIGHTS

Immediately Accretive Transaction With No Material Credit Impact

Generates an Aggregate $500MM of DCF Coverage 2020-2022

Premier U.S. Gulf Coast Terminal With Stable, Take-or-Pay Cash Flows

18.2 MMBbl Crude Storage Capacity & Export Capabilities

ENERGY TRANSFER

Complementary Assets That Drive Commercial, Operational, Financial and Cost Synergies

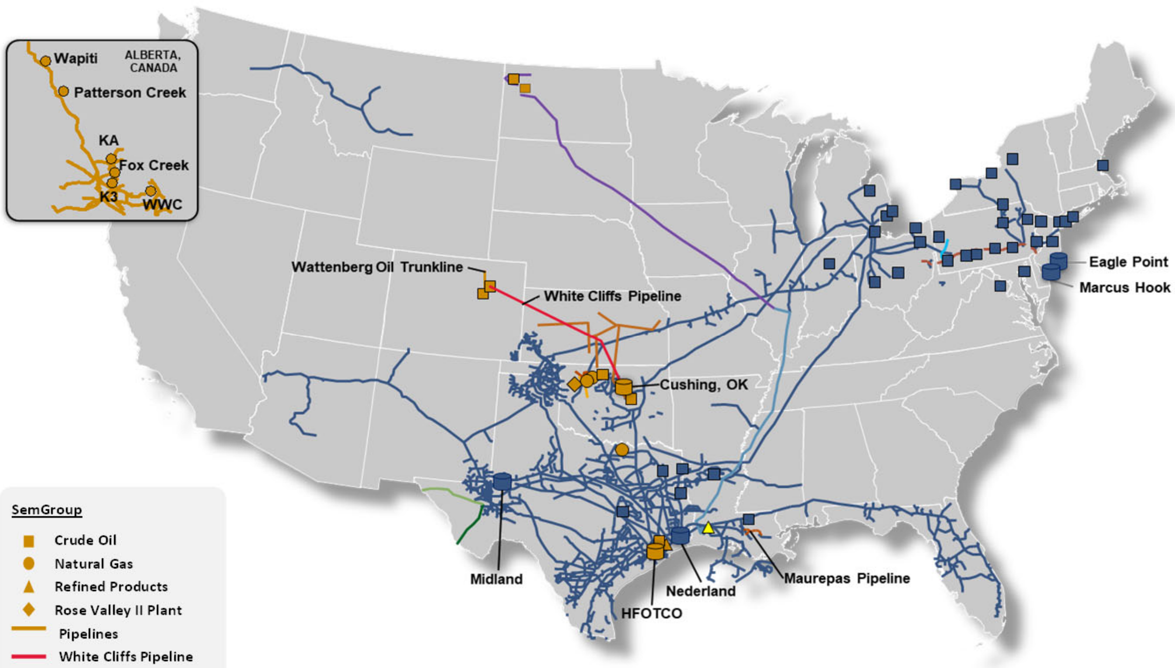
$170MM+ Annual Run-rate

Liquids-Focused Infrastructure With No Direct Commodity Price Exposure

Primary Assets are Terminals & Long-Haul Pipelines

Acquisition is consistent with plans to improve financial position

ET & SEMG COMPLEMENTARY ASSETS



SemGroup
- Crude Oil
- Natural Gas
- Refined Products
- Rose Valley II Plant
- Pipelines
- White Cliffs Pipeline
- Maurepas Pipeline

Energy Transfer
- Terminals
- Pipelines
- Lake Charles LNG
- Mariner East 2X
- Revolution
- ETCO Pipeline
- Dakota Access Pipeline
- Trans Pecos Pipeline
- Comanche Trail Pipeline

Note: Includes growth projects under construction.

Expands Crude Oil Asset Footprint

- Strategic franchise-quality position on the Houston Ship Channel
- Enhanced connectivity along the U.S. Gulf Coast and throughout ET's system
- Increases reach into the DJ basin where ET does not have a presence

Expands Logistical Optionality

- Provides additional outlets for Permian, Rockies and Mid-Continent producers
- Offers deep-water marine access
- DJ Basin infrastructure optionality

Generates Synergies

- Increases utilization rates on existing assets (i.e. Houston Fuel Oil Terminal ("HFOTCO") docks closer to full capacity)
- Expanded presence in new markets generates opportunities for other aspects of portfolio (i.e. Houston Ship Channel, DJ Basin)
- Integrates assets with ET's Nederland terminal and U.S. Gulf Coast assets
- Cost efficiencies with combined operations
- $170MM+ annual run-rate synergies including commercial, operational, financial and cost synergies

Fully-integrated midstream platform enhances ability to offer wide range of services to both domestic and international markets

CAPEX OUTLOOK – QUICKER CASH GENERATION CYCLE

2019E Growth Capital: ~$4 billion

- Reduced guidance from previous estimate by $600-800 million
- 2019E Adjusted EBITDA increased to $11.0 billion to $11.1 billion
- Excess cash flow, as well as the Series E preferred units issued in April 2019, allowed year-to-date growth capital to be funded without issuance of common equity or debt

2020E Growth Capital: ~$4 billion

NGL & Refined Products	• Lone Star Express Pipeline • Mariner East system completion (ME2, ME2X) • Nederland LPG facilities • Fractionation plants (VII, VIII) • Orbit export facilities (Nederland and Mt. Belvieu) • 25+ projects < $50mm
Midstream	• Gathering projects (West TX and Northeast) • Compression facilities (West TX) • ~25 projects < $50mm
Crude Oil	• Bakken pipeline optimization • Ted Collins Pipeline • ~15 projects < $50mm

2021E+ Backlog of Approved Growth Capital Projects: ~$1.5 billion

NON-GAAP RECONCILIATION

	Pro Forma for Mergers Full Year 2017	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2018 YTD	2019 Q1	2019 Q2	2019 Q3	2019 YTD
Net income	$ 2,366	$ 489	$ 633	$ 1,391	$ 852	$ 3,365	$ 1,180	$ 1,208	$ 1,161	$ 3,549
(Income) loss from discontinued operations	177	237	26	2	-	265	-	-	-	-
Interest expense, net	1,922	466	510	535	544	2,055	590	578	579	1,747
Impairment losses	1,039	-	-	-	431	431	50	-	12	62
Income tax expense (benefit) from continuing operations	(1,833)	(10)	68	(52)	(2)	4	126	34	54	214
Depreciation, depletion and amortization	2,554	665	694	750	750	2,859	774	785	784	2,343
Non-cash compensation expense	99	23	32	27	23	105	29	29	27	85
(Gains) losses on interest rate derivatives	37	(52)	(20)	(45)	70	(47)	74	122	175	371
Unrealized (gains) losses on commodity risk management activities	(59)	87	265	(97)	(244)	11	(49)	23	(65)	(91)
Losses on extinguishments of debt	89	106	-	-	6	112	18	-	-	18
Inventory valuation adjustments	(24)	(25)	(32)	7	135	85	(93)	(4)	26	(71)
Impairment of investment in unconsolidated affiliates	313	-	-	-	-	-	-	-	-	-
Equity in (earnings) losses of unconsolidated affiliates	(144)	(79)	(92)	(87)	(86)	(344)	(65)	(77)	(82)	(224)
Adjusted EBITDA related to unconsolidated affiliates	716	156	168	179	152	655	146	163	161	470
Adjusted EBITDA from discontinued operations	223	(20)	(5)	-	-	(25)	-	-	-	-
Other, net	(155)	(41)	15	(33)	38	(21)	17	(37)	(46)	(66)
Adjusted EBITDA (consolidated)	7,320	2,002	2,262	2,577	2,669	9,510	2,797	2,824	2,786	8,407
Adjusted EBITDA related to unconsolidated affiliates	(716)	(156)	(168)	(179)	(152)	(655)	(146)	(163)	(161)	(470)
Distributable Cash Flow from unconsolidated affiliates	431	104	99	109	95	407	93	107	107	307
Interest expense, net	(1,958)	(468)	(510)	(535)	(544)	(2,057)	(590)	(578)	(579)	(1,747)
Preferred unitholders' distributions	(12)	(24)	(41)	(51)	(54)	(170)	(53)	(64)	(68)	(185)
Current income tax (expense) benefit	(39)	(468)	27	(24)	(7)	(472)	(28)	7	(2)	(23)
Transaction-related income taxes	-	480	(10)	-	-	470	-	-	-	-
Maintenance capital expenditures	(479)	(91)	(126)	(156)	(137)	(510)	(92)	(170)	(178)	(440)
Other, net	67	7	7	16	19	49	18	19	19	56
Distributable Cash Flow (consolidated)	4,614	1,386	1,540	1,757	1,889	6,572	1,999	1,982	1,924	5,905
Distributable Cash Flow attributable to Sunoco LP (100%)	(449)	(84)	(99)	(147)	(115)	(445)	(97)	(101)	(133)	(331)
Distributions from Sunoco LP	259	41	41	41	43	166	41	41	41	123
Distributable Cash Flow attributable to USAC (100%)	-	-	(46)	(47)	(55)	(148)	(55)	(54)	(55)	(164)
Distributions from USAC	-	-	31	21	21	73	21	21	24	66
Distributable Cash Flow attributable to PennTex Midstream Partners, LP (100%)	(19)	-	-	-	-	-	-	-	-	-
Distributions from PennTex Midstream Partners, LP	8	-	-	-	-	-	-	-	-	-
Distributable Cash Flow attributable to noncontrolling interests in other non-wholly-owned subsidiaries	(350)	(147)	(181)	(253)	(294)	(875)	(251)	(293)	(283)	(827)
Distributable Cash Flow attributable to the partners of ET - pro forma for ETO and Sunoco Logistics mergers	4,063	1,196	1,286	1,372	1,489	5,343	1,658	1,596	1,518	4,772
Transaction-related adjustments	57	(1)	14	12	27	52	(2)	5	3	6
Distributable Cash Flow attributable to the partners of ET, as adjusted - pro forma for ETO and Sunoco Logistics mergers	$ 4,120	$ 1,195	$ 1,300	$ 1,384	$ 1,516	$ 5,395	$ 1,656	$ 1,601	$ 1,521	$ 4,778

Notes

The closing of the ETO Merger has impacted the Partnership's calculation of Distributable Cash Flow attributable to partners, as well as the number of ET Common Units outstanding and the amount of distributions to be paid to partners. In order to provide information on a comparable basis for pre-ETO Merger and post-ETO Merger periods, the Partnership has included certain pro forma information. Pro forma Distributable Cash Flow attributable to partners reflects the following ETO Merger related impacts:

- ETO is reflected as a wholly-owned subsidiary and pro forma Distributable Cash Flow attributable to partners reflects ETO's consolidated Distributable Cash Flow (less certain other adjustments, as follows).
- Distributions from Sunoco LP and USAC include distributions to both ET and ETO.
- Distributions from PennTex are separately included in Distributable Cash Flow attributable to partners.
- Distributable Cash Flow attributable to noncontrolling interest in our other non-wholly-owned subsidiaries is subtracted from consolidated Distributable Cash Flow to calculate Distributable Cash Flow attributable to partners.

Pro forma distributions to partners include actual distributions to legacy ET partners, as well as pro forma distributions to legacy ETO partners. Pro forma distributions to ETO partners are calculated assuming (i) historical ETO common units converted under the terms of the ETO Merger and (ii) distributions on such converted common units were paid at the historical rate paid on ET Common Units. Pro forma Common Units outstanding include actual Common Units outstanding, in addition to Common Units assumed to be issued in the ETO Merger, which are based on historical ETO common units converted under the terms of the ETO Merger. For the year ended December 31, 2017, the calculation of Distributable Cash Flow and the amounts reflected for distributions to partners and common units outstanding also reflect the pro forma impacts of the Sunoco Logistics Merger as though the merger had occurred on January 1, 2017.

Definitions

Adjusted EBITDA, Distributable Cash Flow and distribution coverage ratio are non-GAAP financial measures used by industry analysts, investors, lenders and rating agencies to assess the financial performance and the operating results of ET's fundamental business activities and should not be considered in isolation or as a substitute for net income, income from operations, cash flows from operating activities, or other GAAP measures. There are material limitations to using measures such as Adjusted EBITDA, Distributable Cash Flow and distribution coverage ratio, including the difficulty associated with using either as the sole measure to compare the results of one company to another, and the inability to analyze certain significant items that directly affect a company's net income or loss or cash flows. In addition, our calculations of Adjusted EBITDA, Distributable Cash Flow and distribution coverage ratio may not be consistent with similarly titled measures of other companies and should be viewed in conjunction with measurements that are computed in accordance with GAAP, such as segment margin, operating income, net income and cash flow from operating activities.

We define Adjusted EBITDA as total partnership earnings before interest, taxes, depreciation, depletion, amortization and other non-cash items, such as non-cash compensation expense, gains and losses on disposals of assets, the allowance for equity funds used during construction, unrealized gains and losses on commodity risk management activities, inventory valuation adjustments, non-cash impairment charges, losses on extinguishments of debt and other non-operating income or expense items. Adjusted EBITDA reflects amounts for less than wholly-owned subsidiaries based on 100% of the subsidiaries' results of operations. Adjusted EBITDA reflects amounts for unconsolidated affiliates based on the same recognition and measurement methods used to record equity in earnings of unconsolidated affiliates. Adjusted EBITDA related to unconsolidated affiliates excludes the same items with respect to the unconsolidated affiliate as those excluded from the calculation of Adjusted EBITDA, such as interest, taxes, depreciation, depletion, amortization and other non-cash items. Although these amounts are excluded from Adjusted EBITDA related to unconsolidated affiliates, such exclusion should not be understood to imply that we have control over the operations and resulting revenues and expenses of such affiliates. We do not control our unconsolidated affiliates; therefore, we do not control the earnings or cash flows of such affiliates.

Distributable Cash Flow is used by management to evaluate our overall performance. Our partnership agreement requires us to distribute all available cash, and Distributable Cash Flow is calculated to evaluate our ability to fund distributions through cash generated by our operations. We define Distributable Cash Flow as net income, adjusted for certain non-cash items, less distributions to preferred unitholders and maintenance capital expenditures. Non-cash items include depreciation, depletion and amortization, non-cash compensation expense, amortization included in interest expense, gains and losses on disposals of assets, the allowance for equity funds used during construction, unrealized gains and losses on commodity risk management activities, inventory valuation adjustments, non-cash impairment charges, losses on extinguishments of debt and deferred income taxes. For unconsolidated affiliates, Distributable Cash Flow reflects the Partnership's proportionate share of the investee's distributable cash flow.

On a consolidated basis, Distributable Cash Flow includes 100% of the Distributable Cash Flow of ET's consolidated subsidiaries. However, to the extent that noncontrolling interests exist among the Partnership's subsidiaries, the Distributable Cash Flow generated by our subsidiaries may not be available to be distributed to our partners. In order to reflect the cash flows available for distributions to the partners of ET, the Partnership has reported Distributable Cash Flow attributable to the partners of ET, which is calculated by adjusting Distributable Cash Flow (consolidated), as follows:

- For subsidiaries with publicly traded equity interests, other than ETO, Distributable Cash Flow (consolidated) includes 100% of Distributable Cash Flow attributable to such subsidiary, and Distributable Cash Flow attributable to the our partners includes distributions to be received by the parent company with respect to the periods presented.
- For consolidated joint ventures or similar entities, where the noncontrolling interest is not publicly traded, Distributable Cash Flow (consolidated) includes 100% of Distributable Cash Flow attributable to such subsidiaries, but Distributable Cash Flow attributable to the partners reflects only the amount of Distributable Cash Flow of such subsidiaries that is attributable to our ownership interest.

For Distributable Cash Flow attributable to partners, as adjusted, certain transaction-related and non-recurring expenses that are included in net income are excluded.

Distribution coverage ratio for the three months ended September 30, 2019 is calculated as Distributable Cash Flow attributable to partners, as adjusted, divided by distributions expected to be paid to the partners of ET in respect of the third quarter of 2019, which expected distributions total $809 million.