

## SUNOCO LP

### RECONCILIATION OF NON-GAAP MEASURES

The following table presents a reconciliation of Adjusted EBITDA to net income (loss), and Adjusted EBITDA to Distributable Cash Flow, as adjusted:

	<u>Three Months Ended September 30,</u>		<u>Change</u>
	<u>2019</u>	<u>2018</u>	
	<i>(in millions)</i>		
<b>Adjusted EBITDA</b>			
Fuel distribution and marketing	\$ 161	\$ 183	\$ (22)
All other	31	25	6
Total Adjusted EBITDA	192	208	(16)
Depreciation, amortization and accretion	(45)	(42)	(3)
Interest expense, net	(45)	(35)	(10)
Non-cash compensation expense	(4)	(4)	—
Gain on disposal of assets and impairment charges	4	8	(4)
Unrealized gain on commodity derivatives	1	—	1
Inventory adjustments	(26)	(7)	(19)
Equity in earnings of unconsolidated affiliate	—	—	—
Adjusted EBITDA related to unconsolidated affiliate	(1)	—	(1)
Other non-cash adjustments	(4)	(4)	—
Income tax expense (1)	(6)	(12)	6
<b>Net income and comprehensive income</b>	<b>\$ 66</b>	<b>\$ 112</b>	<b>\$ (46)</b>
<b>Adjusted EBITDA</b>	<b>\$ 192</b>	<b>\$ 208</b>	<b>\$ (16)</b>
Adjusted EBITDA related to unconsolidated affiliate	1	—	1
Distributable cash flow from unconsolidated affiliate	(1)	—	(1)
Cash interest expense	43	34	9
Current income tax expense (1)	3	16	(13)
Maintenance capital expenditures	13	11	2
<b>Distributable Cash Flow</b>	<b>133</b>	<b>147</b>	<b>(14)</b>
Transaction-related expenses	—	2	(2)
<b>Distributable Cash Flow, as adjusted</b>	<b>\$ 133</b>	<b>\$ 149</b>	<b>\$ (16)</b>
<b>Distributions to Partners:</b>			
Limited Partners	\$ 68	\$ 68	
General Partner	18	18	
Total distributions to be paid to partners	\$ 86	\$ 86	
Common Units outstanding – end of period	82.8	82.5	
Distribution coverage ratio (2)	1.55x	1.73x	

(1) Includes amounts from discontinued operations for the three months ended September 30, 2018.

(2) The distribution coverage ratio for a period is calculated as Distributable Cash Flow attributable to partners, as adjusted, divided by distributions expected to be paid to partners of Sunoco LP in respect of such a period.