



PROVIDING ENERGY. IMPROVING LIVES.



FIRST QUARTER 2020 CONFERENCE CALL

May 1, 2020



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This presentation contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. 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 fluctuations in NGL, crude oil, and natural gas prices, and petrochemical and refining margins; unexpected changes in costs for constructing, modifying or operating our facilities; unexpected difficulties in manufacturing, refining or transporting our products; lack of, or disruptions in, adequate and reliable transportation for our NGL, crude oil, natural gas, and refined products; potential liability from litigation or for remedial actions, including removal and reclamation obligations under environmental regulations; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; potential disruption of our operations due to accidents, weather events, including as a result of climate change, terrorism or cyberattacks; general economic and political developments including: armed hostilities; expropriation of assets; changes in governmental policies relating to NGL, crude oil, natural gas or refined petroleum products pricing, regulation or taxation; and other political, economic and diplomatic developments, including those caused by public health issues and outbreaks; the impact of adverse market conditions or other similar risks to those identified herein affecting PSXP, as well as the ability of PSXP to successfully execute its growth plans; and other economic, business, competitive and/or regulatory factors affecting Phillips 66’s businesses generally as set forth in our filings with the Securities and Exchange Commission. Phillips 66 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.

This 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 “Investors” section of our website.

Executing the Strategy



Freeport Terminal LPG Facility FREEPORT, TX

1Q 2020 Overview

\$MM (UNLESS OTHERWISE NOTED)

Adjusted earnings	\$ 450
Adjusted EPS ¹	1.02
Operating cash flow excluding working capital ²	736
Adjusted capital spending ³	900
Shareholder distributions ⁴	839
Common shares outstanding at March 31	437 MM

1) Dollars per share

2) Excludes working capital impacts of \$519 million

3) Capital expenditures and investments excluding \$23 million of capital spending funded by Gray Oak joint venture partners

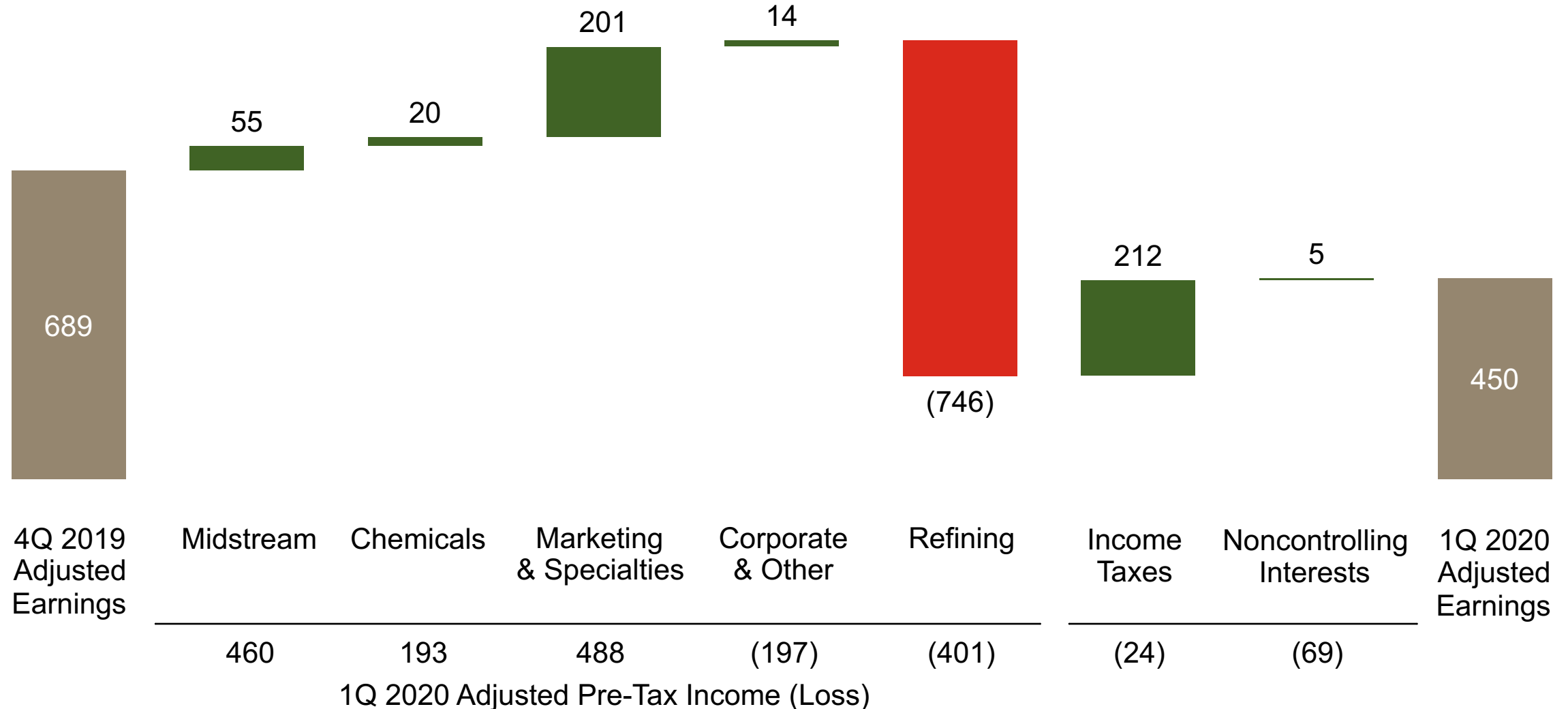
4) Shareholder distributions include dividends and share repurchases

Lake Charles Isomerization Unit WESTLAKE, LA



1Q 2020 Adjusted Earnings

1Q 2020 VS. 4Q 2019 (\$MM)



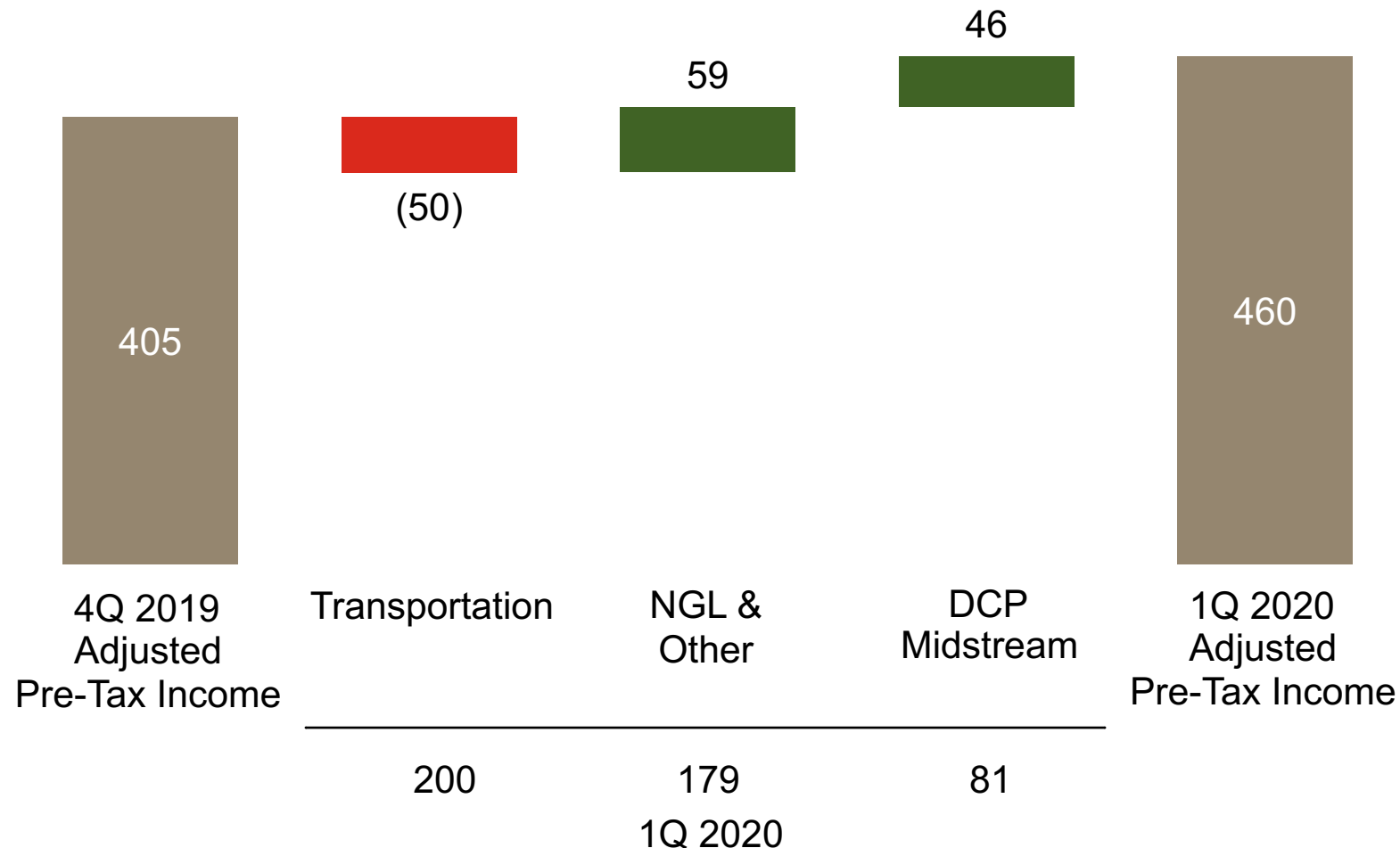
1Q 2020 Midstream Adjusted Pre-Tax Income

1Q 2020 VS. 4Q 2019 (\$MM)

Transportation volumes
impacted by lower refinery
utilization

Record NGL & Other results

DCP Midstream capital and
cost reductions



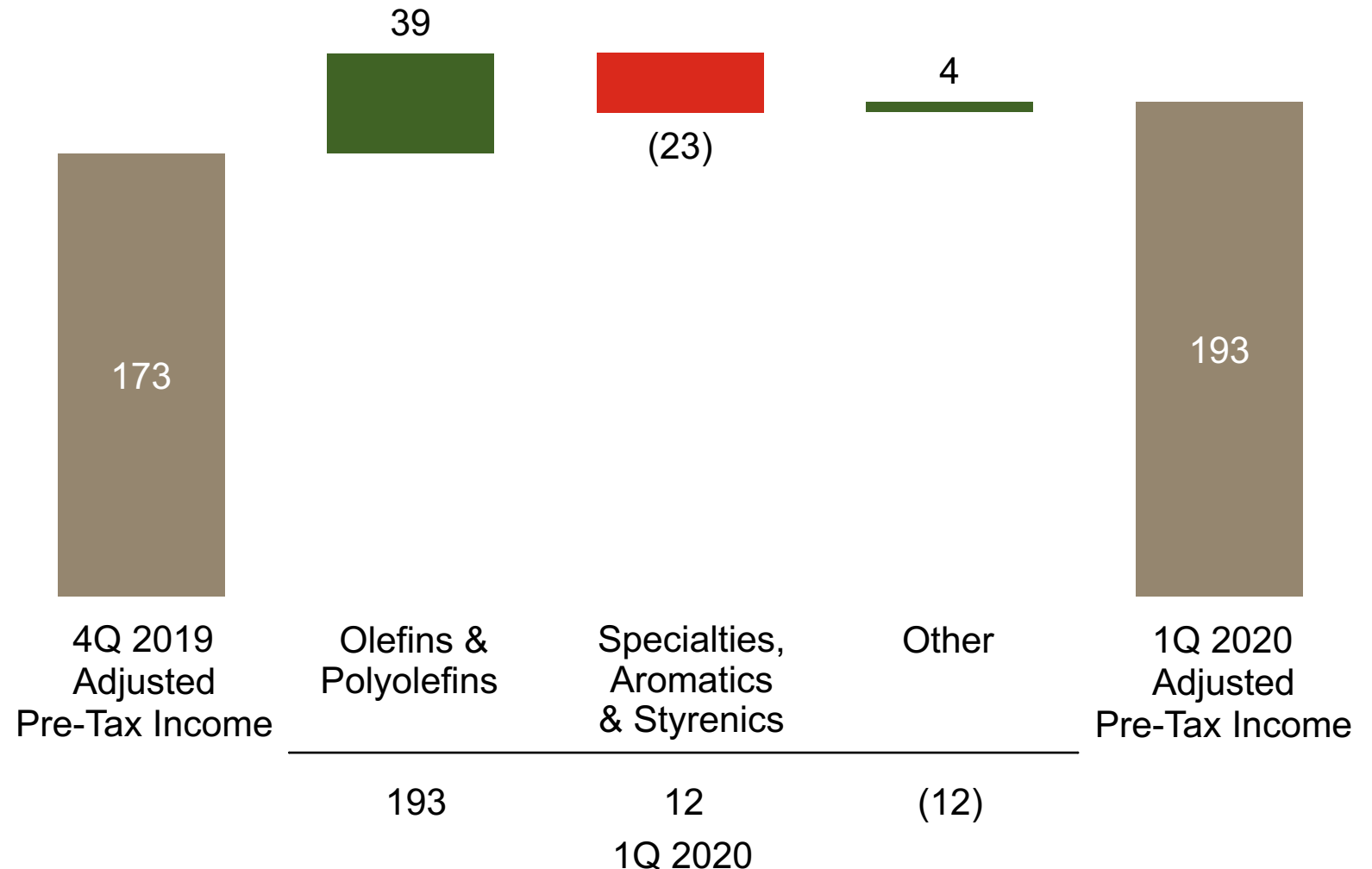
1Q 2020 Chemicals Adjusted Pre-Tax Income

1Q 2020 VS. 4Q 2019 (\$MM)

98% O&P utilization

Record domestic ethylene and polyethylene production

Planned capital and cost reductions



1Q 2020 Refining Adjusted Pre-Tax Loss

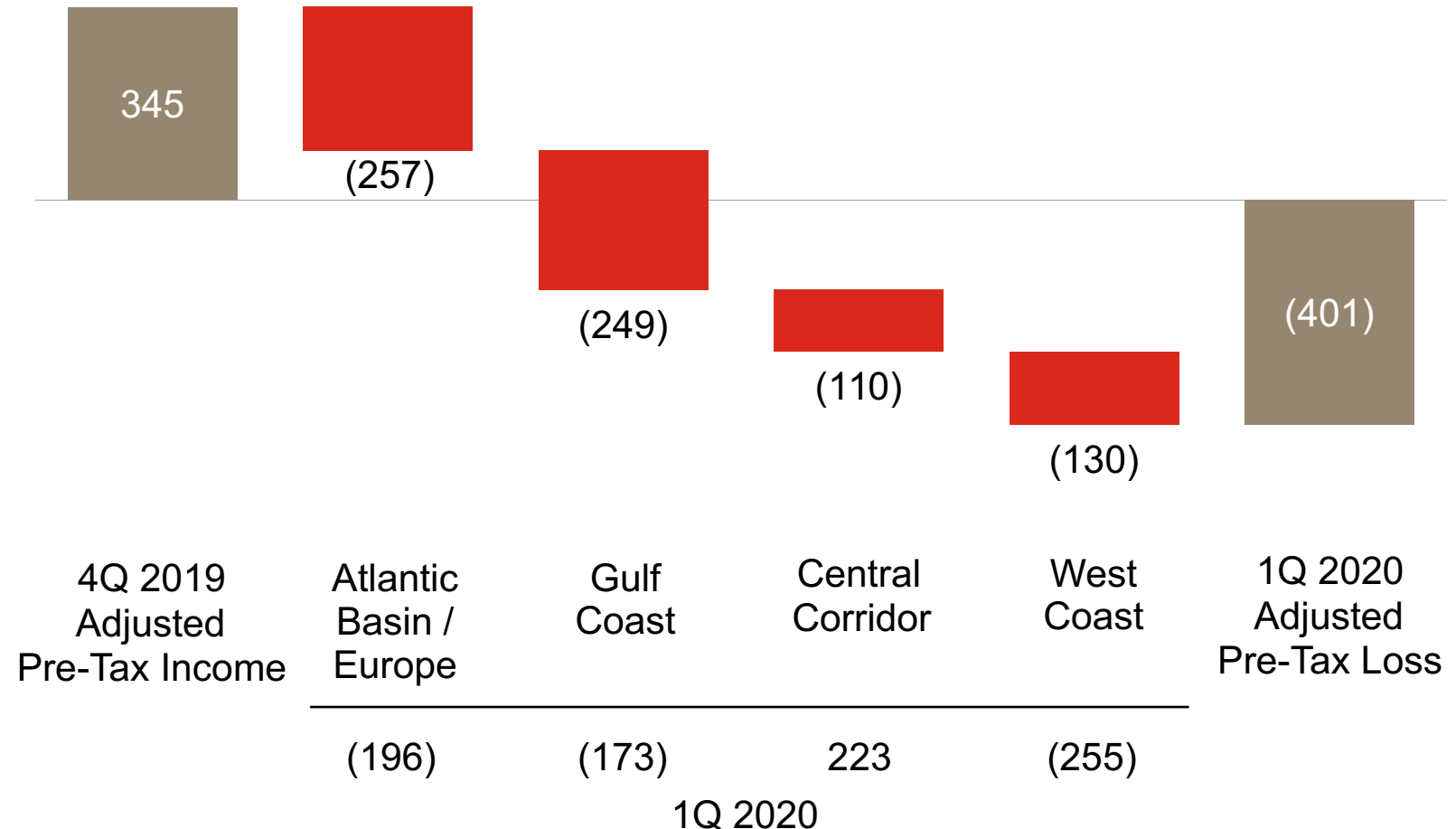
1Q 2020 VS. 4Q 2019 (\$MM)

83% crude utilization

82% clean product yield

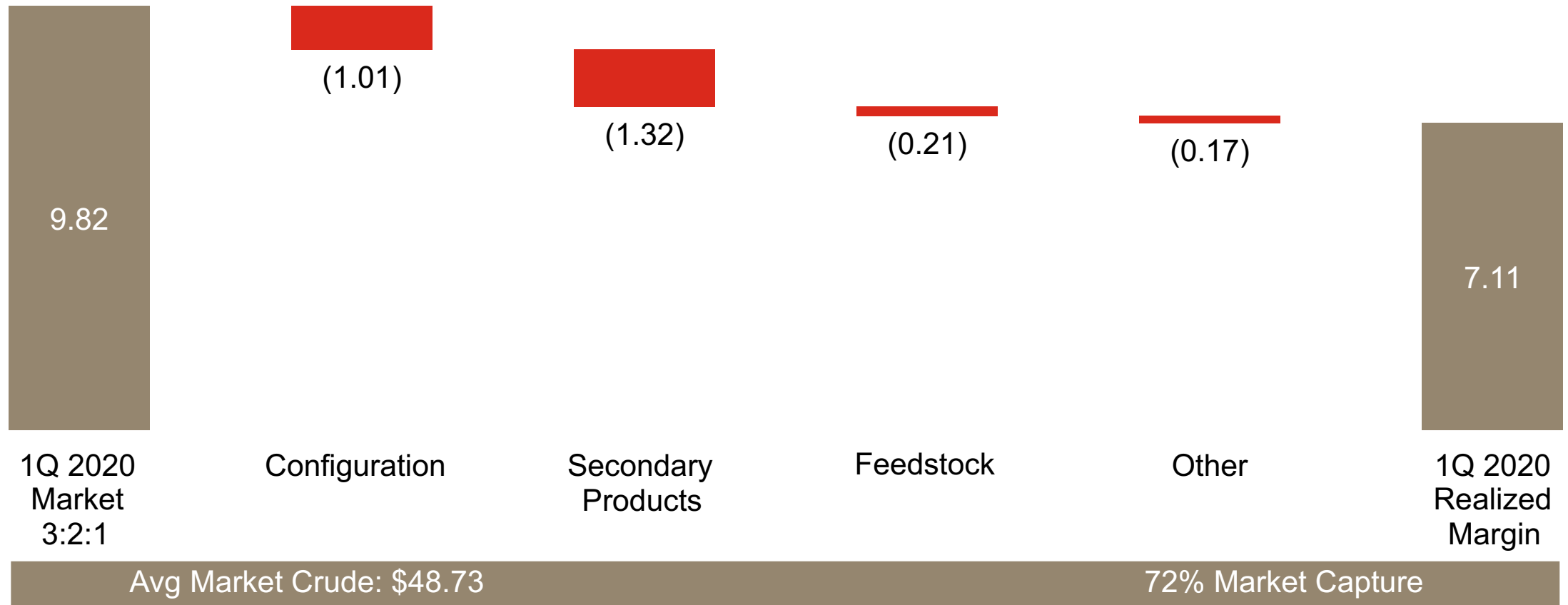
\$7.11/BBL realized margin

\$329 MM turnaround costs



1Q 2020 Refining Margins – Market vs. Realized

WORLDWIDE REFINING (\$/BBL, UNLESS OTHERWISE NOTED)



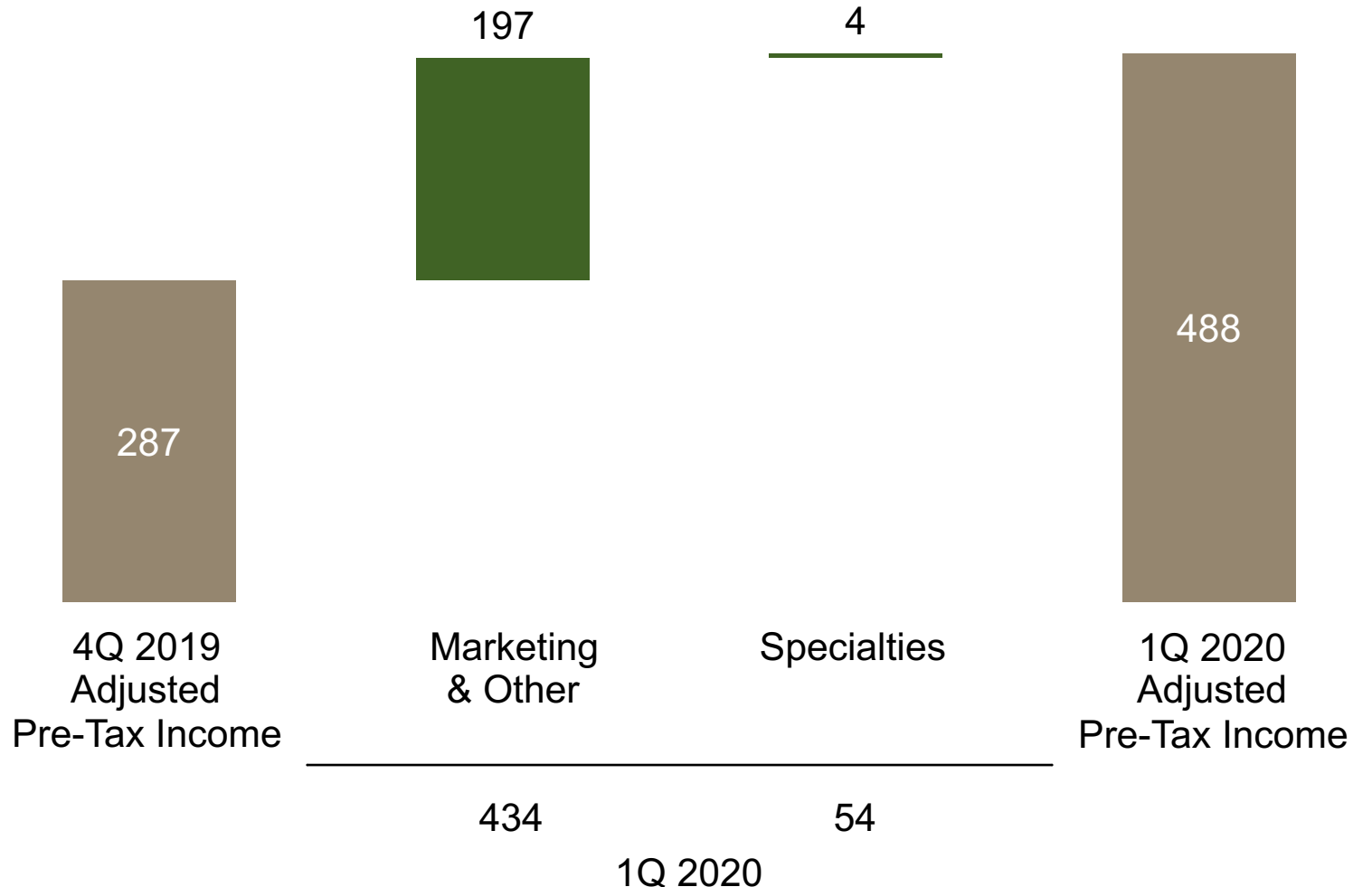
1Q 2020 Marketing & Specialties Adjusted Pre-Tax Income

1Q 2020 VS. 4Q 2019 (\$MM)

Higher global marketing margins

Reimaged 269 branded sites worldwide

Refined product exports of 160 MBPD



1Q 2020 Corporate & Other Adjusted Pre-Tax Loss

1Q 2020 VS. 4Q 2019 (\$MM)

4Q 2019
Adjusted
Pre-Tax Loss



Net Interest
Expense

1

Corporate
Overhead
& Other

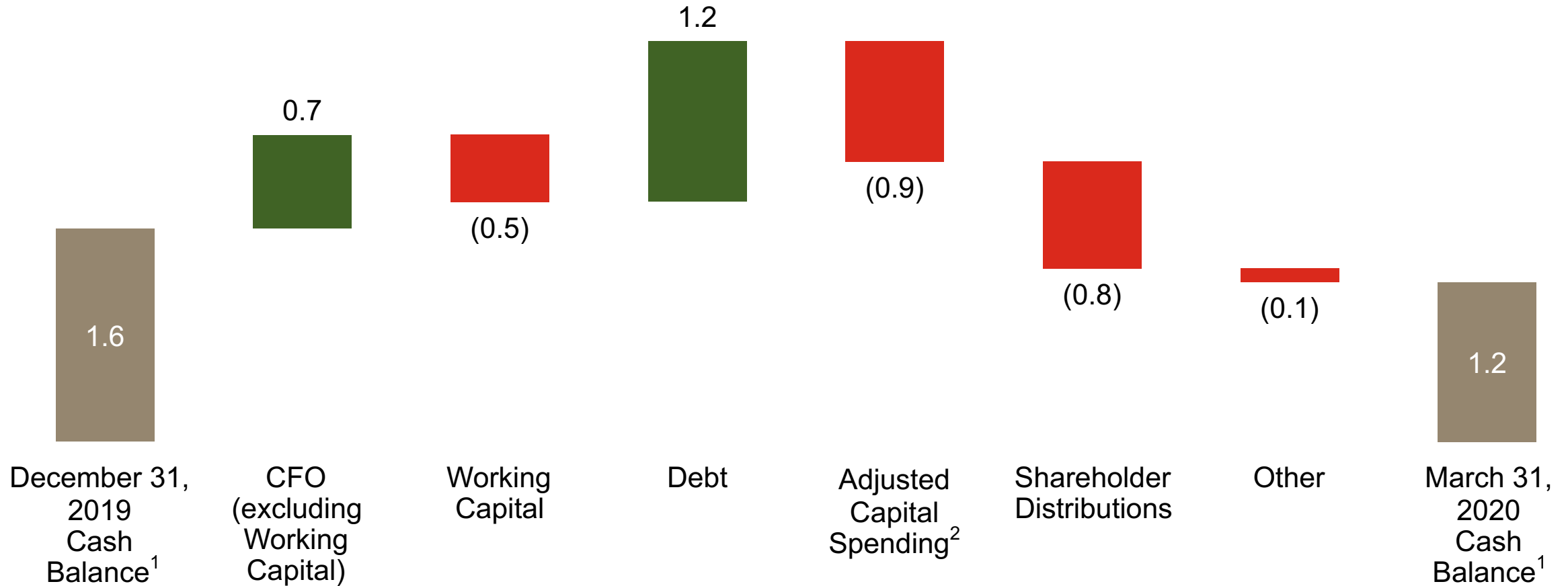
13

1Q 2020
Adjusted
Pre-Tax Loss



1Q 2020 Cash Flow

\$B



1) Includes cash and cash equivalents

2) Capital expenditures and investments excluding \$23 million of capital spending funded by Gray Oak joint venture partners

2Q 2020 Outlook

Global Olefins & Polyolefins utilization

Mid-90%

Refining crude utilization

Market Conditions

Refining turnaround expenses (pre-tax)

\$45 MM – \$70 MM

Corporate & Other costs (pre-tax)

\$200 MM – \$220 MM



Bayway Refinery LINDEN, NJ



Questions and Answers



Beaumont Terminal NEDERLAND, TX



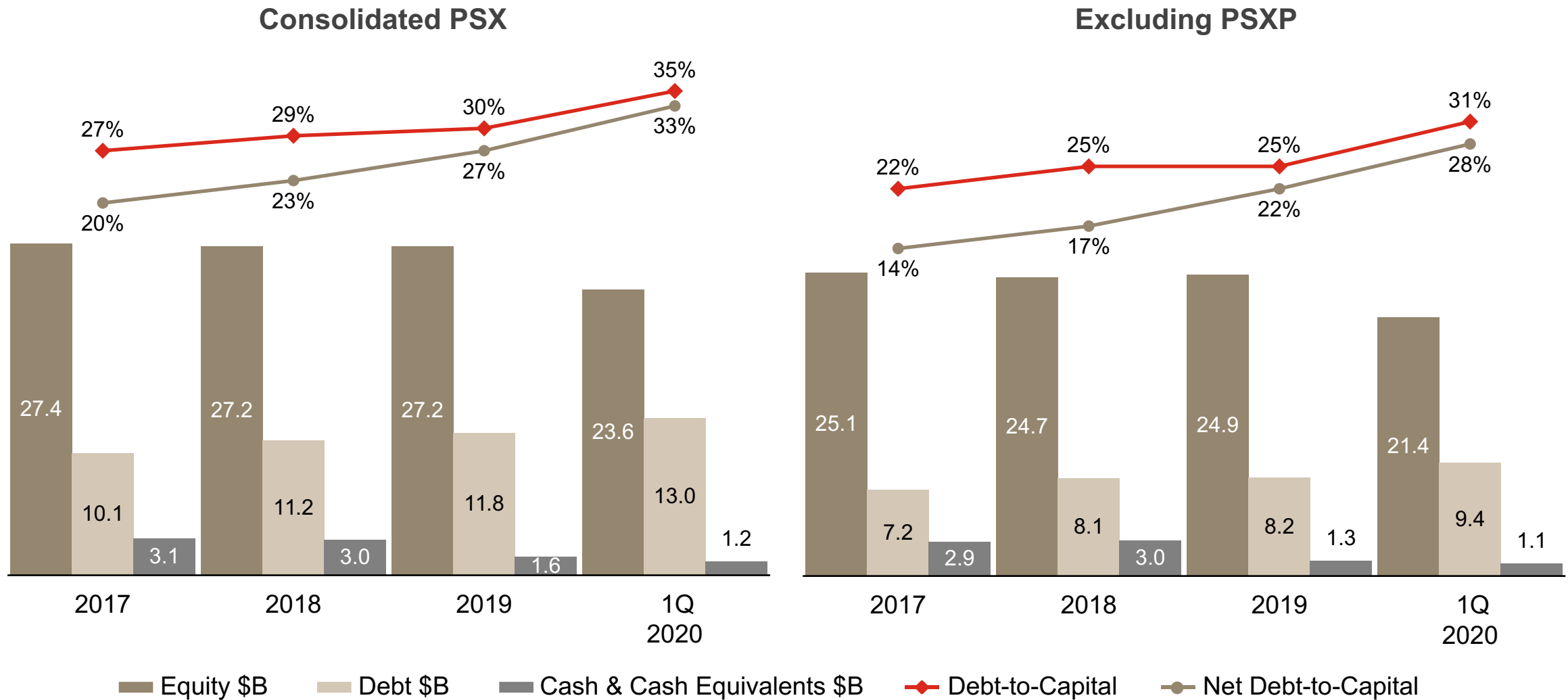
Appendix



2020 Estimated Sensitivities

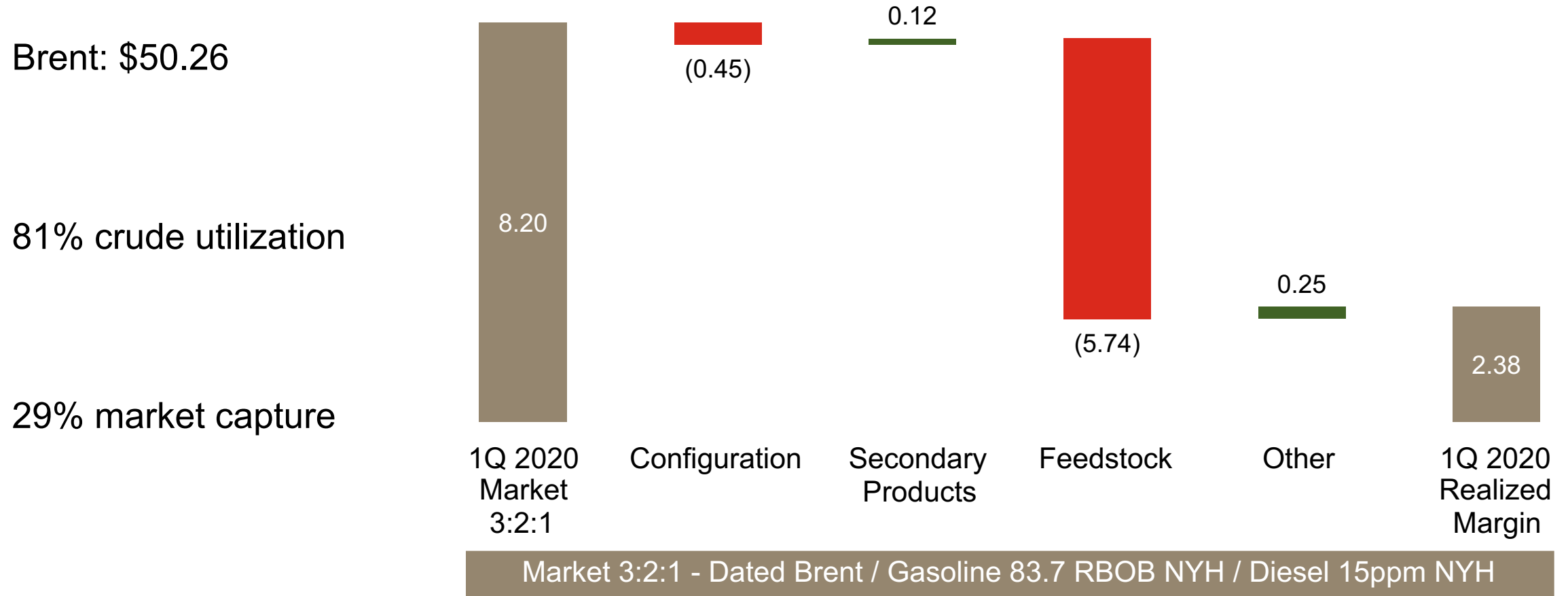
	Annual EBITDA \$MM
Midstream - DCP (net to Phillips 66)	
10¢/Gal Increase in NGL price	9
10¢/MMBtu Increase in Natural Gas price	2
\$1/BBL Increase in WTI price	1
Chemicals - CPChem (net to Phillips 66)	
1¢/Lb Increase in Chain Margin (Ethylene, Polyethylene, NAO)	65
Worldwide Refining	
\$1/BBL Increase in Gasoline Margin	350
\$1/BBL Increase in Distillate Margin	300
Impacts due to Actual Crude Feedstock Differing from Feedstock Assumed in Market Indicators:	
\$1/BBL Widening WTI / WCS Differential (WTI less WCS)	100
\$1/BBL Widening LLS / Maya Differential (LLS less Maya)	75
\$1/BBL Widening LLS / WTI Differential (LLS less WTI)	35
\$1/BBL Widening WTI / WTS Differential (WTI less WTS)	30
10¢/MMBtu Increase in Natural Gas price	(15)

Capital Structure



1Q 2020 Refining Margins – Market vs. Realized

ATLANTIC BASIN / EUROPE (\$/BBL, UNLESS OTHERWISE NOTED)



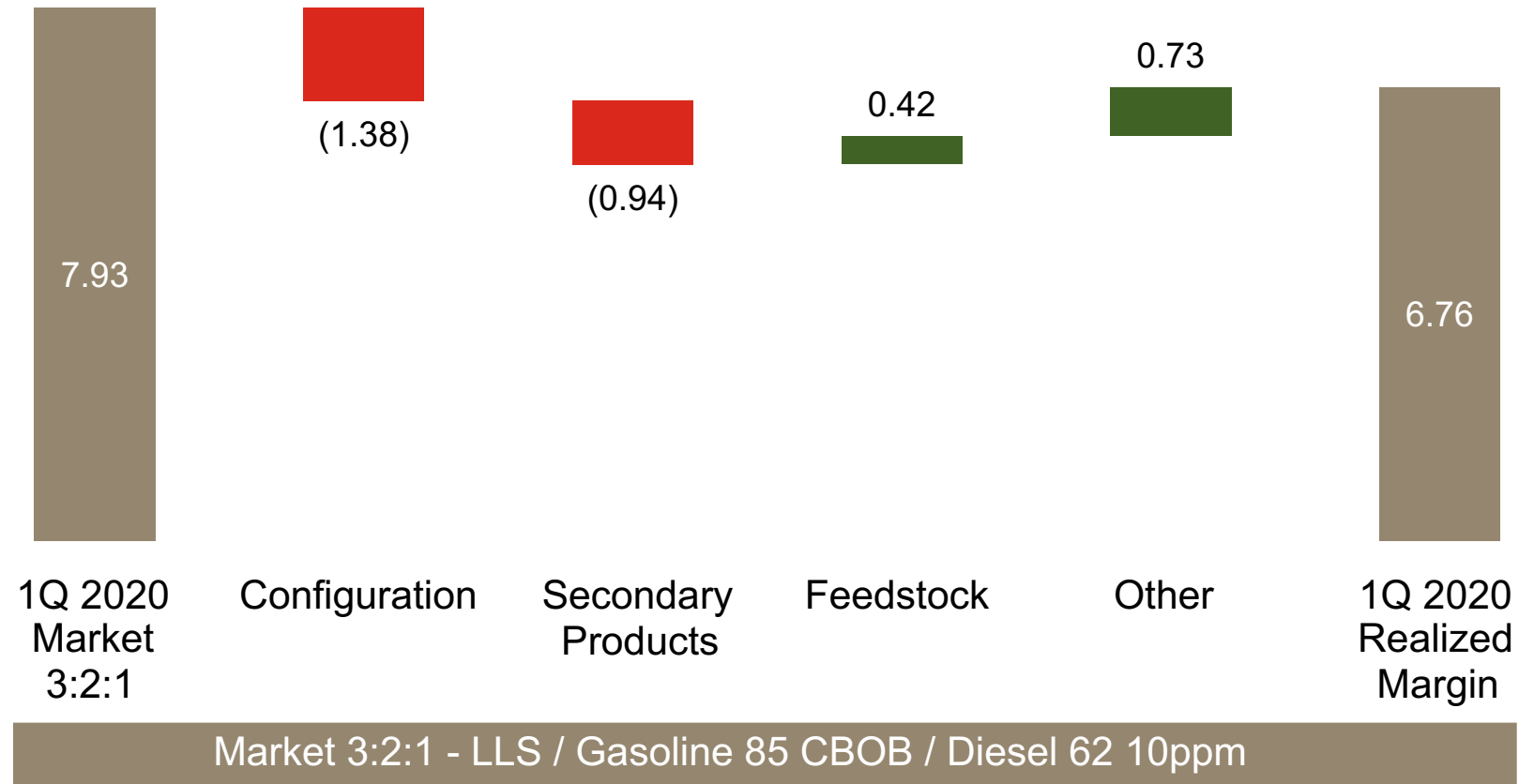
1Q 2020 Refining Margins – Market vs. Realized

GULF COAST (\$/BBL, UNLESS OTHERWISE NOTED)

LLS: \$48.30

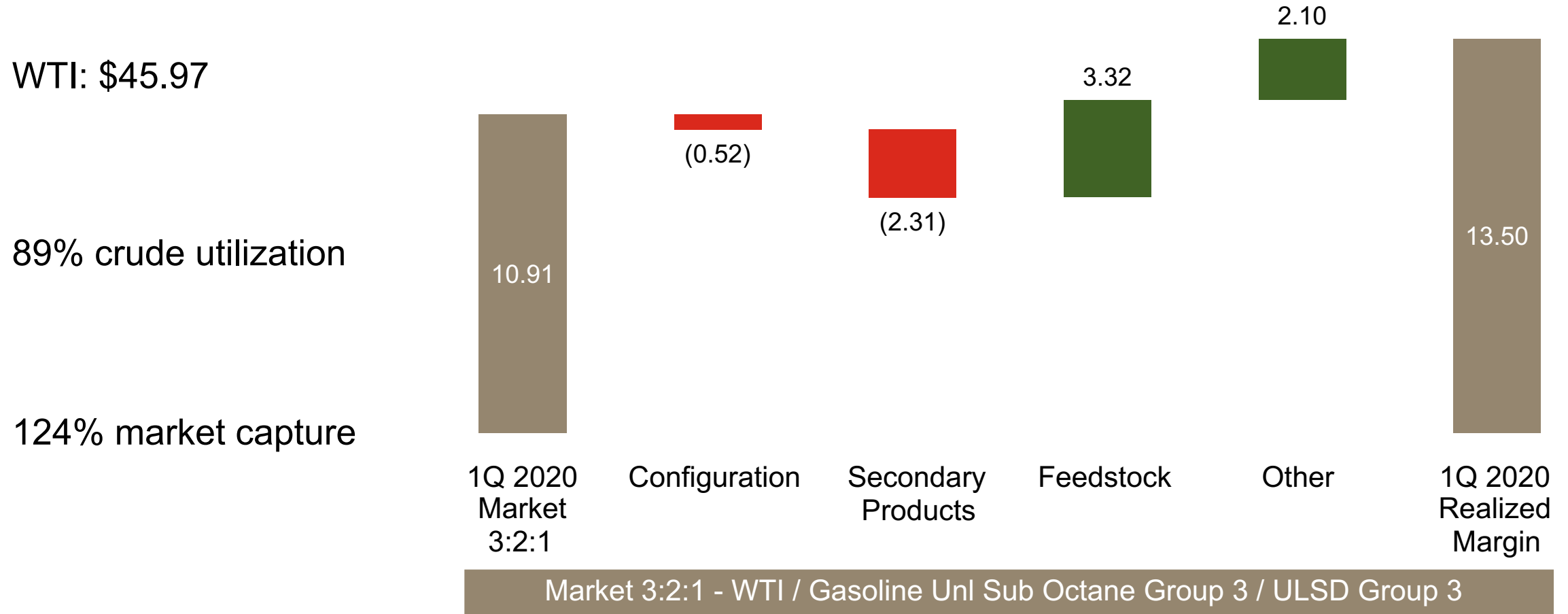
84% crude utilization

85% market capture



1Q 2020 Refining Margins – Market vs. Realized

CENTRAL CORRIDOR (\$/BBL, UNLESS OTHERWISE NOTED)



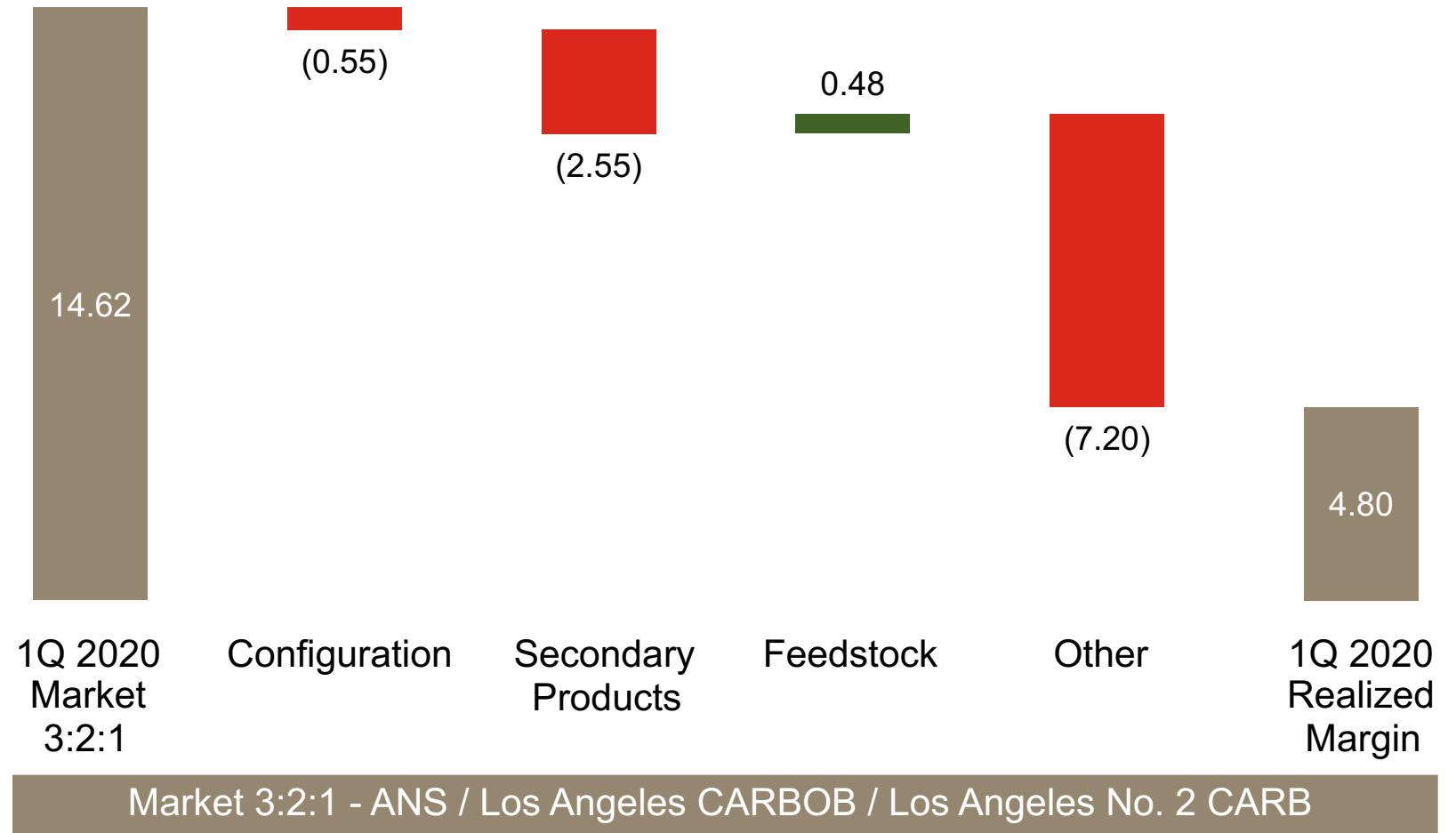
1Q 2020 Refining Margins – Market vs. Realized

WEST COAST (\$/BBL, UNLESS OTHERWISE NOTED)

ANS: \$51.40

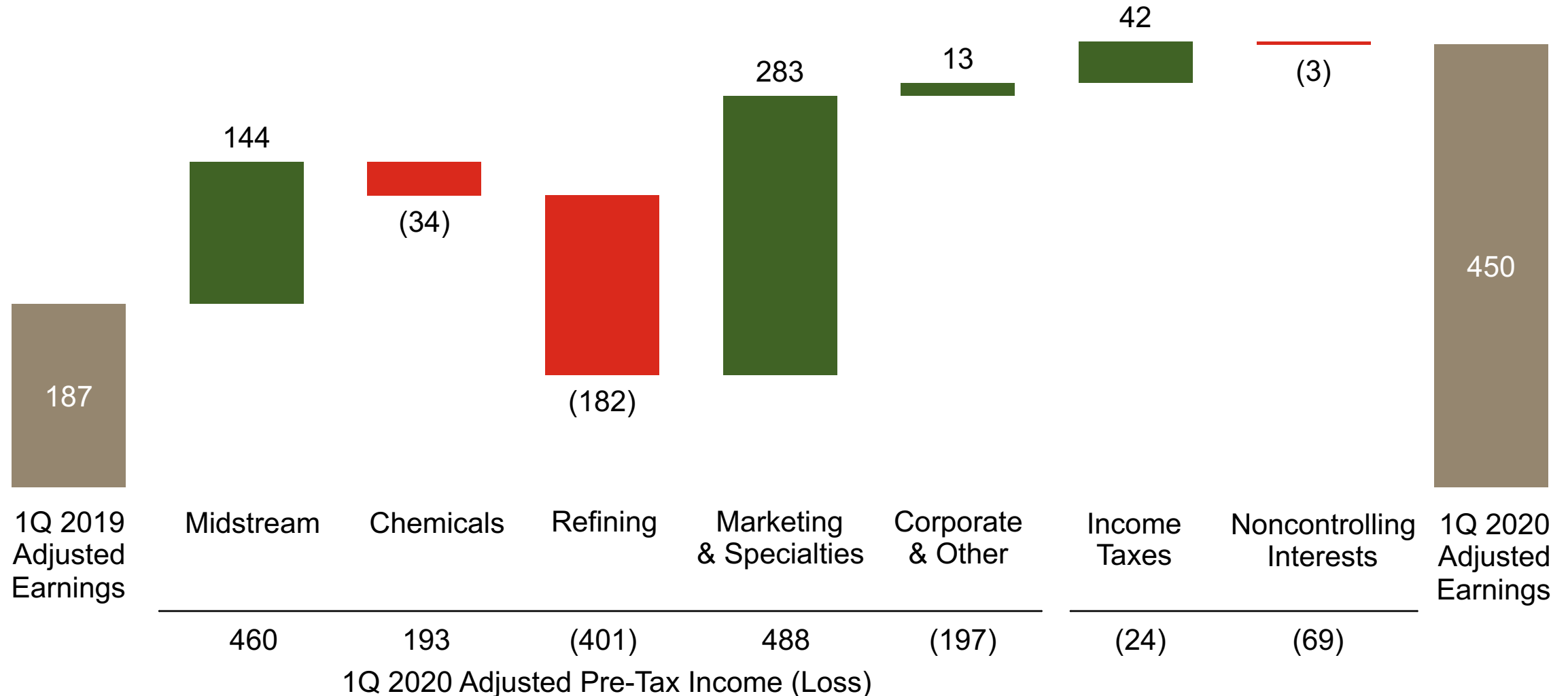
77% crude utilization

33% market capture



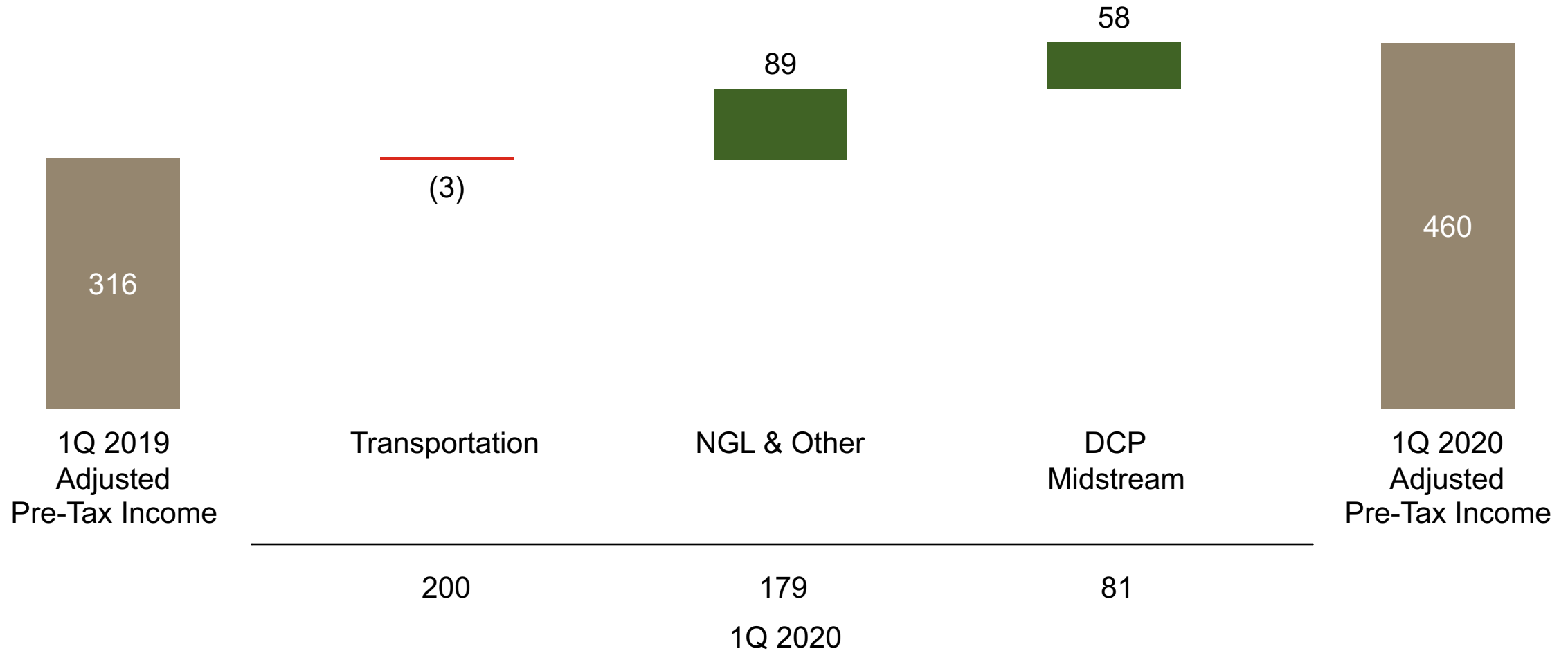
1Q 2020 Adjusted Earnings

1Q 2020 VS. 1Q 2019 (\$MM)



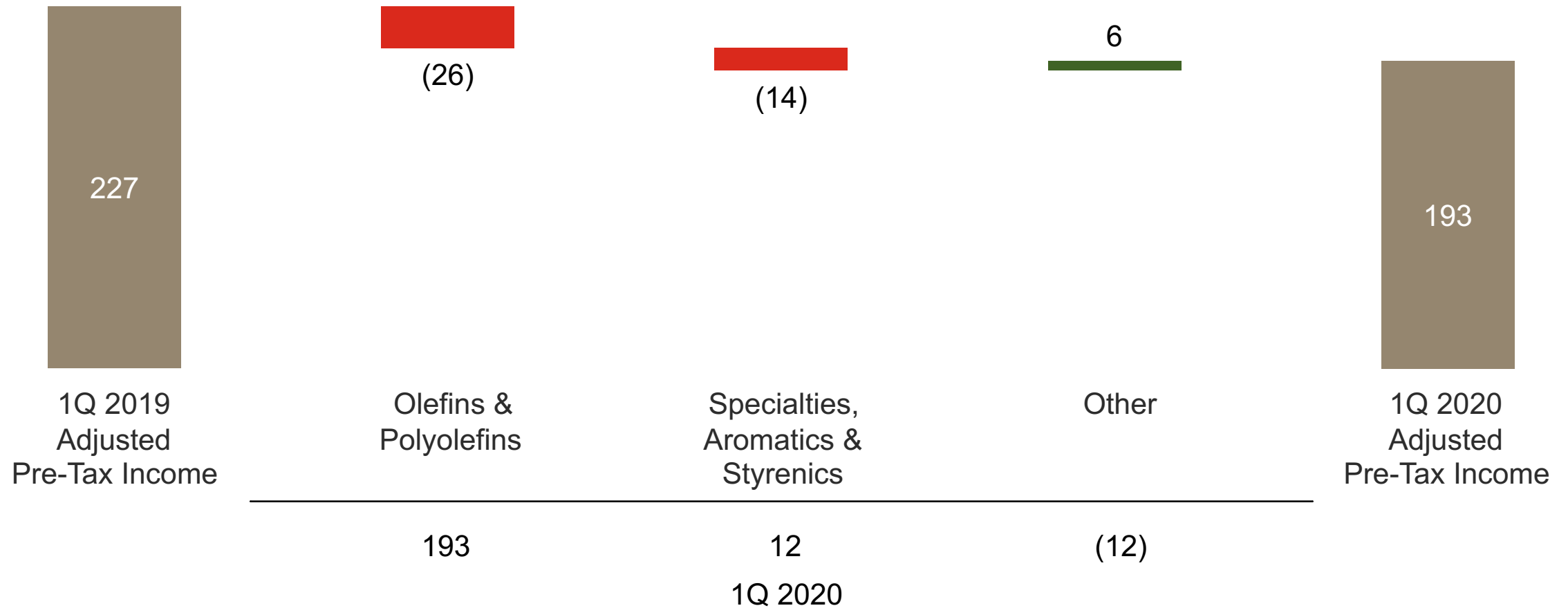
1Q 2020 Midstream Adjusted Pre-Tax Income

1Q 2020 VS. 1Q 2019 (\$MM)



1Q 2020 Chemicals Adjusted Pre-Tax Income

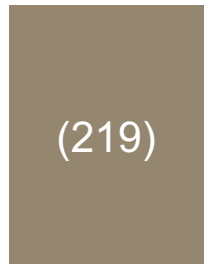
1Q 2020 VS. 1Q 2019 (\$MM)



1Q 2020 Refining Adjusted Pre-Tax Loss

1Q 2020 VS. 1Q 2019 (\$MM)

1Q 2019
Adjusted
Pre-Tax Loss



Atlantic
Basin /
Europe



(189)

(196)

Gulf
Coast



(55)

(173)

Central
Corridor



167

223

West Coast



(105)

(255)

1Q 2020
Adjusted
Pre-Tax Loss

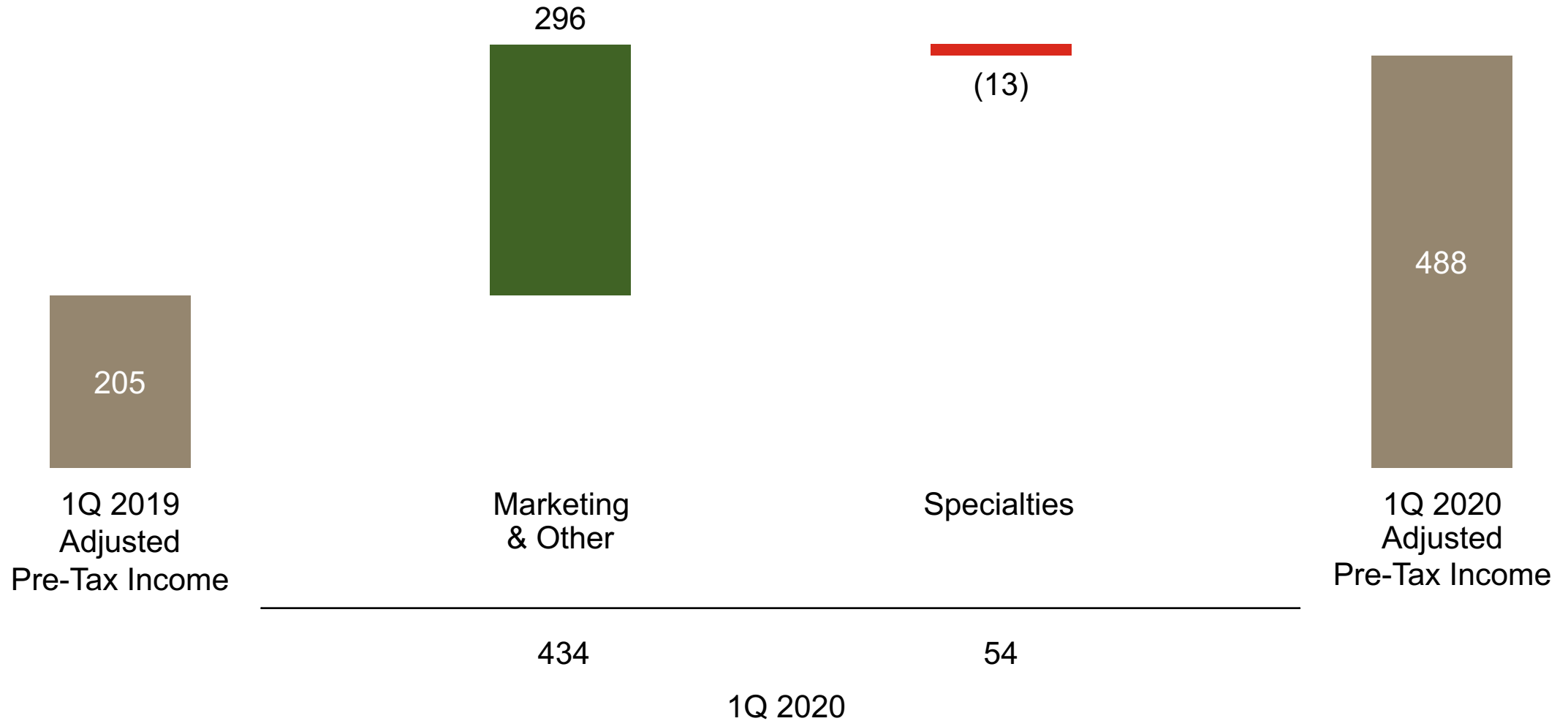


(401)

1Q 2020

1Q 2020 Marketing & Specialties Adjusted Pre-Tax Income

1Q 2020 VS. 1Q 2019 (\$MM)



1Q 2020 Corporate & Other Adjusted Pre-Tax Loss

1Q 2020 VS. 1Q 2019 (\$MM)

1Q 2019
Adjusted
Pre-Tax Loss



Net Interest
Expense



Corporate
Overhead
& Other



1Q 2020
Adjusted
Pre-Tax Loss



Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated		
	2020	2019	
	1Q	4Q	1Q
Phillips 66			
Consolidated Earnings (Loss)	\$ (2,496)	736	204
Pre-Tax Adjustments:			
Pending claims and settlements	(37)	—	(21)
Impairments	3,006	—	—
Certain tax impacts	—	(90)	—
Lower-of-cost-or-market inventory adjustments	52	23	—
Tax impact of adjustments ¹	(75)	17	4
Other tax impacts	—	3	—
Adjusted Earnings	\$ 450	689	187
 Earnings (Loss) Per Share of Common Stock (dollars)	 \$ (5.66)	 1.64	 0.44
 Adjusted Earnings Per Share of Common Stock (dollars) ²	 \$ 1.02	 1.54	 0.40

1) We generally tax effect taxable U.S.-based special items using a combined federal and state annual statutory income tax rate of approximately 25%. Taxable special items attributable to foreign locations likewise use a local statutory income tax rate. Nontaxable events reflect zero income tax. These events include, but are not limited to, most goodwill impairments, transactions legislatively exempt from income tax, transactions related to entities for which we have made an assertion that the undistributed earnings are permanently reinvested, or transactions occurring in jurisdictions with a valuation allowance.

2) Q1 2020 is based on adjusted weighted-average diluted shares outstanding of 442,302 thousand, and other periods are based on the same weighted-average diluted shares outstanding as that used in the GAAP diluted earnings per share calculation. Income allocated to participating securities, if applicable, in the adjusted earnings per share calculation is the same as that used in the GAAP diluted earnings per share calculation.

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated		
	2020	2019	
	1Q	4Q	1Q
Midstream			
Pre-Tax Income (Loss)	\$ (702)	405	316
Pre-Tax Adjustments:			
Lower-of-cost-or-market inventory adjustments	1	—	—
Impairments	1,161	—	—
Adjusted Pre-Tax Income	\$ 460	405	316
Chemicals			
Pre-Tax Income	\$ 169	150	227
Pre-Tax Adjustments:			
Lower-of-cost-or-market inventory adjustments	24	23	—
Adjusted Pre-Tax Income	\$ 193	173	227

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated		
	2020	2019	
	1Q	4Q	1Q
Refining			
Pre-Tax Income (Loss)	\$ (2,261)	345	(198)
Pre-Tax Adjustments:			
Pending claims and settlements	—	—	(21)
Impairments	1,845	—	—
Lower-of-cost-or-market inventory adjustments	15	—	—
Adjusted Pre-Tax Income (Loss)	\$ (401)	345	(219)
Marketing & Specialties			
Pre-Tax Income	\$ 513	377	205
Pre-Tax Adjustments:			
Lower-of-cost-or-market inventory adjustments	12	—	—
Pending claims and settlements	(37)	—	—
Certain tax impacts	—	(90)	—
Adjusted Pre-Tax Income	\$ 488	287	205
Corporate & Other			
Pre-Tax Loss	\$ (197)	(211)	(210)
Pre-Tax Adjustments:			
None	—	—	—
Adjusted Pre-Tax Loss	\$ (197)	(211)	(210)

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated		
	2020	2019	
	1Q	4Q	1Q
Midstream - Transportation			
Pre-Tax Income	\$ 200	250	203
Pre-Tax Adjustments:			
None	—	—	—
Adjusted Pre-Tax Income	\$ 200	250	203
Midstream - NGL & Other			
Pre-Tax Income	\$ 179	120	90
Pre-Tax Adjustments:			
None	—	—	—
Adjusted Pre-Tax Income	\$ 179	120	90
Midstream - DCP Midstream			
Pre-Tax Income (Loss)	\$ (1,081)	35	23
Pre-Tax Adjustments:			
Impairments	1,161	—	—
Lower-of-cost-or-market inventory adjustments	1	—	—
Adjusted Pre-Tax Income	\$ 81	35	23

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated		
	2020	2019	
	1Q	4Q	1Q
Chemicals - Olefins & Polyolefins			
Pre-Tax Income	\$ 177	131	219
Pre-Tax Adjustments:			
Lower-of-cost-or-market inventory adjustments	16	23	—
Adjusted Pre-Tax Income	\$ 193	154	219
Chemicals - Specialties, Aromatics & Styrenics			
Pre-Tax Income	\$ 4	35	26
Pre-Tax Adjustments:			
Lower-of-cost-or-market inventory adjustments	8	—	—
Adjusted Pre-Tax Income	\$ 12	35	26
Chemicals - Other			
Pre-Tax Loss	\$ (12)	(16)	(18)
Pre-Tax Adjustments:			
None	—	—	—
Adjusted Pre-Tax Loss	\$ (12)	(16)	(18)

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated		
	2020	2019	
	1Q	4Q	1Q
Refining - Atlantic Basin / Europe			
Pre-Tax Income (Loss)	\$ (637)	61	(7)
Pre-Tax Adjustments:			
Impairments	441	—	—
Adjusted Pre-Tax Income (Loss)	\$ (196)	61	(7)
Refining - Gulf Coast			
Pre-Tax Income (Loss)	\$ (843)	76	(118)
Pre-Tax Adjustments:			
Impairments	670	—	—
Adjusted Pre-Tax Income (Loss)	\$ (173)	76	(118)

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated		
	2020	2019	
	1Q	4Q	1Q
Refining - Central Corridor			
Pre-Tax Income (Loss)	\$ (227)	333	77
Pre-Tax Adjustments:			
Pending claims and settlements	—	—	(21)
Lower-of-cost-or-market inventory adjustments	15	—	—
Impairments	435	—	—
Adjusted Pre-Tax Income	<u>\$ 223</u>	<u>333</u>	<u>56</u>
Refining - West Coast			
Pre-Tax Loss	\$ (554)	(125)	(150)
Pre-Tax Adjustments:			
Impairments	299	—	—
Adjusted Pre-Tax Loss	<u>\$ (255)</u>	<u>(125)</u>	<u>(150)</u>

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated		
	2020	2019	
	1Q	4Q	1Q
Marketing & Specialties - Marketing & Other			
Pre-Tax Income	\$ 471	327	138
Pre-Tax Adjustments:			
Certain tax impacts	—	(90)	—
Pending claims and settlements	(37)	—	—
Adjusted Pre-Tax Income	\$ 434	237	138
Marketing & Specialties - Specialties			
Pre-Tax Income	\$ 42	50	67
Pre-Tax Adjustments:			
Lower-of-cost-or-market inventory adjustments	12	—	—
Adjusted Pre-Tax Income	\$ 54	50	67

Non-GAAP Reconciliations

	Millions of Dollars (Except as Indicated)				
	1Q 2020				
	Atlantic Basin/ Europe	Gulf Coast	Central Corridor	West Coast	Worldwide
Realized Refining Margins					
Loss before income taxes	\$ (637)	(843)	(227)	(554)	(2,261)
Plus:					
Taxes other than income taxes	19	37	17	31	104
Depreciation, amortization and impairments	492	741	469	364	2,066
Selling, general and administrative expenses	13	7	6	10	36
Operating expenses	194	492	136	283	1,105
Equity in (earnings) losses of affiliates	2	(1)	51	—	52
Other segment (income) expense, net	(2)	1	(3)	1	(3)
Proportional share of refining gross margins contributed by equity affiliates	16	—	113	—	129
Special items:					
Lower-of-cost-or-market inventory adjustments	—	—	35	—	35
Realized refining margins	\$ 97	434	597	135	1,263
 Total processed inputs (thousands of barrels)	 41,335	 64,066	 23,345	 27,877	 156,623
Adjusted total processed inputs (thousands of barrels) ¹	41,335	64,066	44,291	27,877	177,569
 Loss before income taxes (dollars per barrel) ²	 \$ (15.41)	 (13.16)	 (9.72)	 (19.87)	 (14.44)
Realized refining margins (dollars per barrel) ³	\$ 2.38	6.76	13.50	4.80	7.11

1) Adjusted total processed inputs include our proportional share of processed inputs of an equity affiliate.

2) Loss before income taxes divided by total processed inputs.

3) Realized refining margins per barrel, as presented, are calculated using the underlying realized refining margin amounts, in dollars, divided by adjusted total processed inputs, in barrels. As such, recalculated per barrel amounts using the rounded margins and barrels presented may differ from the presented per barrel amounts.

Non-GAAP Reconciliations

	1Q 2020
Numerator (\$MM)	
Net Loss	\$ (2,427)
After-tax interest expense	88
GAAP ROCE loss	(2,339)
After-tax special items	2,946
Adjusted ROCE earnings	\$ 607
Denominator (\$MM)	
GAAP average capital employed ¹	\$ 37,767
2020 Annualized GAAP ROCE	(25)%
2020 Annualized Adjusted ROCE	6 %

1) Capital employed is total equity plus total debt

Non-GAAP Reconciliations

Millions of Dollars (Except as Indicated)			
March 31, 2020			
	Phillips 66 Consolidated	Phillips 66 Partners ¹	Phillips 66 Excluding Phillips 66 Partners
Total Debt	\$ 12,963	3,516	9,447
Total Equity	23,639	2,233	21,406
Debt-to-Capital Ratio	35%		31%
Total Cash & Cash Equivalents	\$ 1,221	92	1,129
Net Debt-to-Capital Ratio	33%		28%

1) Phillips 66 Partners' third-party debt and Phillips 66's noncontrolling interest attributable to Phillips 66 Partners



Non-GAAP Reconciliations

	Millions of Dollars		
	1Q 2020		
	Growth	Sustaining	Total
Capital Expenditures and Investments			
Midstream	\$ 529	51	580
Refining	98	147	245
Marketing & Specialties	16	9	25
Corporate & Other	1	49	50
Adjusted Capital Spending	644	256	900
Capital Spending Funded by Certain Joint Venture Partners (Midstream)	23	—	23
Total	\$ 667	256	923

Non-GAAP Reconciliations

	Millions of Dollars Except as Indicated	
	1Q 2020	
Effective Tax Rates		
Loss before income taxes	\$	(2,478)
Special items		3,021
Adjusted income before income taxes	\$	543
Income tax benefit	\$	(51)
Special items		75
Adjusted income tax expense	\$	24
GAAP effective tax rate		2.1%
Adjusted effective tax rate		4.4%