



Annual Meeting of Shareholders  
January 30, 2019





# About This Presentation

This presentation contains certain forward-looking statements that management believes to be reasonable as of today's date only. Actual results may differ significantly because of risks and uncertainties that are difficult to predict and many of which are beyond management's control. You should read UGI's Annual Report on Form 10-K for a more extensive list of factors that could affect results. Among them are adverse weather conditions, cost volatility and availability of all energy products, including propane, natural gas, electricity and fuel oil, increased customer conservation measures, the impact of pending and future legal proceedings, continued analysis of recent tax legislation, liability for uninsured claims and for claims in excess of insurance coverage, domestic and international political, regulatory and economic conditions in the United States, Europe, and in other foreign countries, including the current conflicts in the Middle East, and foreign currency exchange rate fluctuations (particularly the euro), changes in Marcellus Shale gas production, the availability, timing and success of our acquisitions, commercial initiatives and investments to grow our business, our ability to successfully integrate acquired businesses and achieve anticipated synergies, and the interruption, disruption, failure, malfunction or breach of our information technology systems, including due to cyber-attack. UGI undertakes no obligation to release revisions to its forward-looking statements to reflect events or circumstances occurring after today.

# 2018: A Year of Achievement

- 3<sup>rd</sup> consecutive year of record earnings
- Continued build out of our Marcellus asset network
- Expanded the geographic footprint and increased gas and power marketing activities in Europe
- Deployed record levels of capital at our Utilities business
- Grew our ACE and National Accounts programs at AmeriGas
- Established two new executive roles, VP-Natural Gas and VP-Global LPG, to better align the Company's four business segments and to foster best practice sharing
- Ted Jastrzebski joined our senior leadership team as CFO

# Widespread Recognition



- Ranked among Fortune 500 for 14<sup>th</sup> consecutive year

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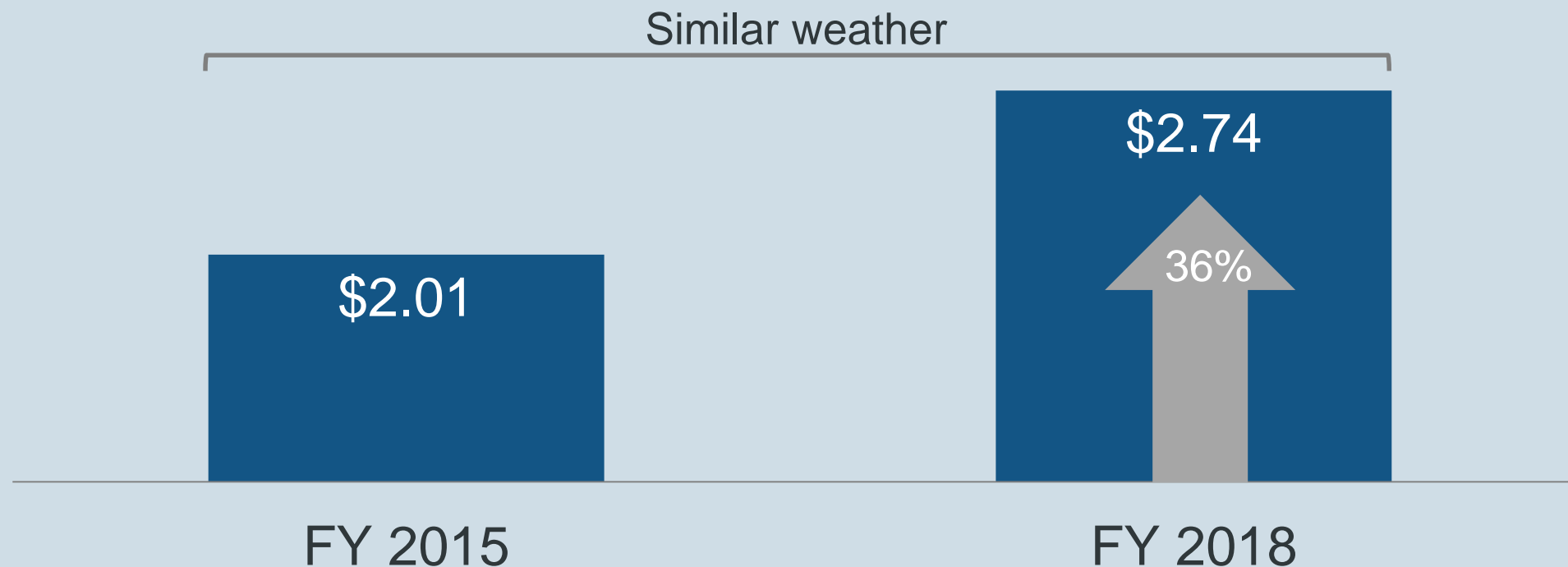
- Listed among Barron's top 500 performing companies



- Platts named UGI as one of the "Top 250 Global Energy Companies"

# Record Adjusted EPS Results

- Adjusted EPS<sup>1</sup> up 20% versus FY 2017
- ~36% increase in FY 2018 Adjusted EPS<sup>1</sup> versus FY 2015 which was the last year of near-normal weather



<sup>1</sup>Adjusted EPS is a non-GAAP measure. See appendix for reconciliation

# How Have We Executed On Our Strategy?

## Be the preferred provider in all markets

- ✓ AmeriGas – largest domestic LPG distribution business
- ✓ Largest LPG distributor in France, Austria, Belgium, Denmark, Luxembourg, and Hungary
- ✓ Utilities – 2<sup>nd</sup> largest gas utility in PA
- ✓ Energy Services – building a strong midstream network

## Capitalize on synergies and leverage strengths

- ✓ Expanded our LNG capabilities – Manning, Steelton, portable peak shaving facilities
- ✓ Expanded LPG distribution business to Italy
- ✓ Enhancing technology platform across all businesses
- ✓ Extended gas and power marketing business internationally

## Grow earnings through acquisitions, capital projects, and organic growth

- ✓ Successfully invested \$10.3 billion over the last 20 years to build our current business
- ✓ 20-year Adjusted EPS<sup>1</sup> CAGR – 12.1%

<sup>1</sup>Adjusted EPS is a non-GAAP measure. See appendix for reconciliation

# Utilities 2018 Achievements

- Deployed \$340MM of capital
- Added 14,000 new residential and commercial heating customers
- Installed pipeline to 1,400MW power plant customer
- Exceeded five-year LTIIP requirements for cast iron and bare steel replacement
- Merged the three Gas Utilities into one entity
- Successfully concluded the first rate case filing for our Electric Utility in over 20 years



# Marketing & Midstream 2018 Achievements

- Completed Steelton, PA LNG storage facility and announced another new LNG storage facility for Bethlehem, PA
- Acquired Texas Creek gathering system
- Announced further expansion of Auburn gathering system
- The PennEast pipeline project received the FERC certificate, submitted environmental permits in PA, and has been granted survey access in NJ
- Continued portable LNG expansion





# UGI International 2018 Achievements

- Integrated the Preem and UniverGas acquisitions in Sweden and Italy
- Successful first year at DVEP, the newly acquired natural gas and power marketing business in the Netherlands
- Concluded three year integration program for the Finagaz acquisition
- Refinanced its existing capital structure



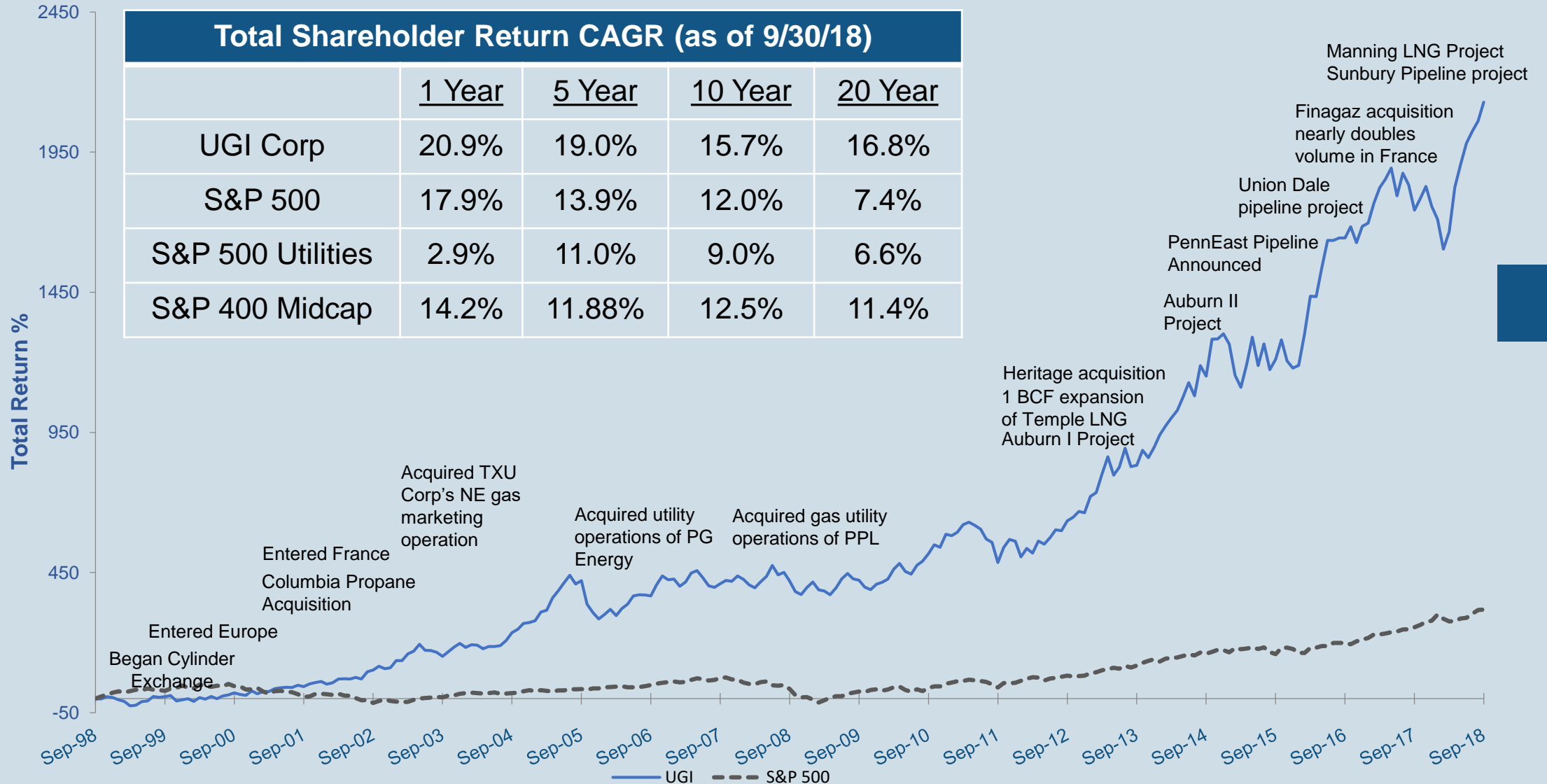
# AmeriGas 2018 Achievements

- National accounts volume increased 11% over FY 2017
- ACE volumes increased by ~4% over FY 2017
- Continued investments in technology to drive efficiency and improve the customer experience
- Deployed next generation vending units at major retailers



# Outperformance Driven by Cadence of Disciplined Investments

| Total Shareholder Return CAGR (as of 9/30/18) |        |        |         |         |
|---|--------|--------|---------|---------|
|   | 1 Year | 5 Year | 10 Year | 20 Year |
| UGI Corp                                      | 20.9%  | 19.0%  | 15.7%   | 16.8%   |
| S&P 500                                       | 17.9%  | 13.9%  | 12.0%   | 7.4%    |
| S&P 500 Utilities                             | 2.9%   | 11.0%  | 9.0%    | 6.6%    |
| S&P 400 Midcap                                | 14.2%  | 11.88% | 12.5%   | 11.4%   |



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# Positioned for Continued Growth

- CAPEX expected to increase to ~\$900 million in FY20
- 70% of planned capex 2019 – 2022 will be in Marcellus-based infrastructure
- Balance Sheet strengthened with recent financings
  - Over \$1.6 billion of available liquidity
- Opportunities exist across all businesses
  - Utilities – record capital deployment and customer growth
  - Energy Services – well-positioned to enhance footprint in the Marcellus Shale
  - AmeriGas – ACE, National Accounts, and bolt-on acquisitions
  - UGI International – goal-based operational strategies, growing marketing business

# Appendix





# UGI Adjusted Earnings Per Share

(Millions of dollars, except per share amounts)

## NON-GAAP RECONCILIATION:

### Adjusted net income attributable to UGI Corporation:

|  | Year Ended September 30, |          |          |          |
|--|--------------------------|----------|----------|----------|
|  | 2015                     | 2016     | 2017     | 2018     |
| Net income attributable to UGI Corporation   | \$ 281.0                 | \$ 364.7 | \$ 436.6 | \$ 718.7 |
| Net losses (gains) on commodity derivative instruments not associated with current-period transactions (net of tax of \$(5.8), \$11.5, \$6.3, \$3.1, \$(4.5), \$(30.9), \$13.5, \$31.9, and \$26.7 respectively) (a) (b)   | 53.3                     | (29.9)   | (51.2)   | (68.1)   |
| Integration and acquisition expenses associated with Finagaz acquired on May 29, 2015 (net of tax of \$0, \$0, \$0, \$0, \$(2.2), \$(7.7), \$(10.6), \$(13.7), and \$(13.7) respectively) (a)  | 14.9                     | 17.3     | 26.2     | 18.5     |
| Unrealized losses (gains) on foreign current derivative instruments (net of tax of \$(9.9) and \$9.3 in 2017 and 2018, respectively) (a)   | -                        | -        | 13.9     | (19.6)   |
| Loss on extinguishments of debt (net of tax of \$0, \$0, \$(1.4), \$0, \$0, \$0, \$(5.0), \$(6.1), and \$0 respectively) (a)   | -                        | 7.9      | 9.6      | -        |
| Costs associated with extinguishment of debt (net of tax of \$0, \$(6.6), \$0, \$0, \$0, \$(5.7), \$0, \$0, and \$0 respectively) (a) (c)  | 4.6                      | -        | -        | -        |
| Impact of retroactive change in French tax law   | -                        | -        | -        | -        |
| Integration and acquisition expenses associated with the retail propane businesses of Energy Transfer Partners, L.P. ("Heritage Propane") acquired by the Partnership on January 12, 2012 (net of tax of \$0, \$0, \$(5.6), \$(2.8), \$0, \$0, \$0, \$0, and \$0 respectively) (a) | -                        | -        | -        | -        |
| Impairment of Partnership tradenames and trademarks (net of tax of \$(5.8) in 2018)  | -                        | -        | -        | 14.5     |
| Impact from change in French tax rate  | -                        | -        | (29.0)   | (12.1)   |
| Reameasurement impact from TCJA  | -                        | -        | -        | (166.3)  |
| Gain on sale of Atlantic Energy (net of tax of \$19.3 in 2010)   | -                        | -        | -        | -        |
| Adjusted net income attributable to UGI Corporation (d)  | \$ 353.8                 | \$ 360.0 | \$ 406.1 | \$ 485.6 |

### Adjusted diluted earnings per common share attributable to UGI stockholders:

|   |         |         |         |         |
|---|---------|---------|---------|---------|
| UGI Corporation earnings per share - diluted  | \$ 1.60 | \$ 2.08 | \$ 2.46 | \$ 4.06 |
| Net losses (gains) on commodity derivative instruments not associated with current-period transactions (b)  | 0.30    | (0.17)  | (0.29)  | (0.39)  |
| Integration and acquisition expenses associated with Finagaz acquired on May 29, 2015   | 0.08    | 0.10    | 0.15    | 0.10    |
| Unrealized losses (gains) on foreign current derivative instruments   | -       | -       | 0.08    | (0.11)  |
| Loss on extinguishments of debt   | -       | 0.04    | 0.05    | -       |
| Costs associated with extinguishment of debt  | 0.03    | -       | -       | -       |
| Impact of retroactive change in French tax law  | -       | -       | -       | -       |
| Integration and acquisition expenses associated with the retail propane businesses of Energy Transfer Partners, L.P. ("Heritage Propane") acquired by the Partnership on January 12, 2012 | -       | -       | -       | -       |
| Impairment of Partnership tradenames and trademarks   | -       | -       | -       | 0.08    |
| Impact from change in French tax rate   | -       | -       | (0.16)  | (0.07)  |
| Reameasurement impact from TCJA   | -       | -       | -       | (0.93)  |
| Gain on sale of Atlantic Energy   | -       | -       | -       | -       |
| Adjusted diluted earnings per share (d)   | \$ 2.01 | \$ 2.05 | \$ 2.29 | \$ 2.74 |