Acquisition of Columbia Midstream Group, LLC

July 3, 2019

UGI CORPORATION

UGI Energy Services

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These forward-looking statements are also affected by the risk factors, forward-looking statements and challenges and uncertainties described in each of UGI's and AmeriGas' Annual Reports on Form 10-K for the fiscal year ended September 30, 2018, and those set forth from time to time in each entity's filings with the SEC, which are available at www.ugicorp.com and www.amerigas.com, respectively. Except as required by law, UGI and AmeriGas expressly disclaim any intention or obligation to revise or update any forward-looking statements whether as a result of new information, future events or otherwise.

Transaction Summary

Transaction Structure	▪ **UGI Energy Services, LLC (“UGIES”), a wholly-owned subsidiary of UGI Corporation (NYSE: UGI), will acquire Columbia Midstream Group (“CMG”), a wholly-owned subsidiary of TC Energy, for $1.275 billion in cash, subject to customary adjustments at closing** ▪ UGIES and TC Energy have agreed to treat the transaction as an asset purchase for tax purposes
CMG Assets	▪ A network consisting of five newly built natural gas gathering systems and one processing plant in southwestern PA, eastern OH, and the panhandle of WV ▪ One of the systems, Pennant, is co-owned (47%) with Hilcorp and Williams Corp. ▪ Underpinned by long-term take-or-pay contracts with high quality producers ▪ Enhances, and builds upon, our existing business and establishes a full scale midstream platform
Accretive Transaction	▪ Neutral to EPS in fiscal year 2020, accretive beginning in 2021, excluding transaction-related and integration expenses ▪ Significant, identified projects to grow EBITDA over the next 5 years
Financing	▪ Transaction will be funded by a combination of new debt issued at UGIES, UGI Corporation, and available liquidity at UGI Corporation ▪ In connection with this transaction, UGIES has obtained a commitment with Credit Suisse to provide a $700 million bridge facility ▪ Consolidated UGI pro forma leverage expected to be between 4.3x and 4.4x at closing and approximately 3.5x by end of 2021
Closing	▪ Expected to close in UGI’s 2019 fiscal fourth quarter, subject to regulatory approvals and customary closing conditions

UGI Corporation's Strategy

This transaction is in-line with our overall strategy

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Be the preferred provider in all markets

- ✓ **Build businesses of scale**
- ✓ **Leverage our position as the last link in energy distribution**
- ✓ **Protect and enhance our brands**

Capitalize on synergies and leverage strengths

- ✓ **Leverage successful programs and services across the corporation**
- ✓ **Gain efficiencies**
- ✓ **Expand further into midstream**
- ▪ Seek new international markets

Grow earnings through acquisitions, capital projects, and organic growth

- ✓ **Organic growth sets the foundation**
- ✓ **Invest in adjacent geographies, leveraging our experience and products**
- ✓ **Manage risk when investing in new areas or products**
- ✓ **Focus on cash flow, limit commodity exposure, and execute**

Grow and Deliver Value

✓ Aspects of the strategy directly impacted by this transaction

Grow and Deliver Value

Establishes scaled platform for midstream growth

- Adds significant scale and scope of operations to UGI's existing natural gas midstream business in the Appalachian Basin
- Expands base of quality business partners and customers
- Provides UGI with a full suite of midstream services, including in-basin transportation, dry and wet gas gathering, and natural gas processing

Cash flows supported by take-or-pay contracts and acreage dedication

- Weighted average contract life of ~9 years; ~65% take-or-pay
- Existing contracts with 10 producers backed by strong credit ratings and high quality acreage
- Situated in one of the most prolific natural gas basins with attractive well economics

Additional growth opportunities

- Opportunity to invest an additional $300 - $500 million (to be funded from cash from operations) over the next 5 years at attractive returns in low-risk, organic projects including:
  - Pipeline extensions to interstate pipelines
  - Pipeline extensions upstream to the wellhead (in-field gathering)
  - Compression expansion

Synergies with UGI's downstream business

- Supply and Logistics: Creates wholesale opportunities to assist producers in optimizing their access to the highest value market
- Retail Gas Marketing: Facilitates access to local supply sourced from producers shipping on the CMG gathering assets

Rich History of Successful Acquisitions and Integrations

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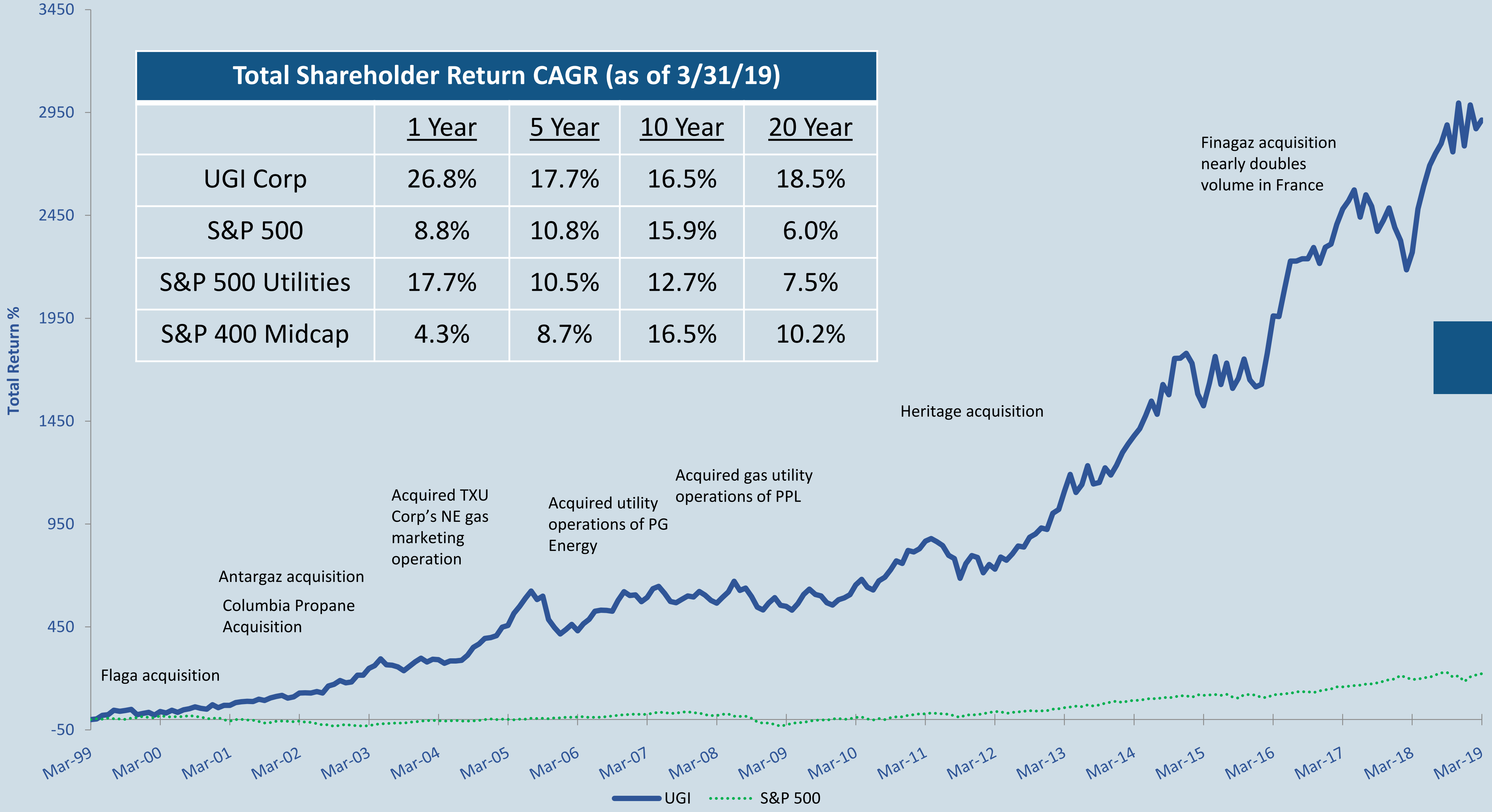
Total Shareholder Return CAGR (as of 3/31/19)				
	1 Year	5 Year	10 Year	20 Year
UGI Corp	26.8%	17.7%	16.5%	18.5%
S&P 500	8.8%	10.8%	15.9%	6.0%
S&P 500 Utilities	17.7%	10.5%	12.7%	7.5%
S&P 400 Midcap	4.3%	8.7%	16.5%	10.2%



CMG Assets

System	Asset Type	Initial In-service	Length (miles)	Diameter (in)	Capacity ('000 MMBtu/d)
Big Pine	Dry gas gathering	2013	67	20, 24	~425
East Washington	Infield gathering	2015	21	8, 12, 16	~300
Gibraltar	Dry gas gathering	2017	25	36	~1,000
Majorsville	Wet gas gathering	2010	46	16, 20	~350
Pennant [1]	Gas gathering and processing	2014	82	16, 20, 24	~600 (gathering)[2] ~240 (processing) [2]
Total					~2,675 (gathering) ~240 (processing)

- Opportunity to invest an additional $300 - $500 million over the next 5 years at attractive returns
  - Identified growth projects expected to increase CMG EBITDA over the next 5 years
  - Several projects are already in commercial discussions
  - Identified growth projects have a weighted CapEx multiple of 5-7x

[1] CMG has a 47% interest in the Pennant system.
[2] Reflects 100% of the capacity on the system.

Significant footprint in the Appalachian Basin

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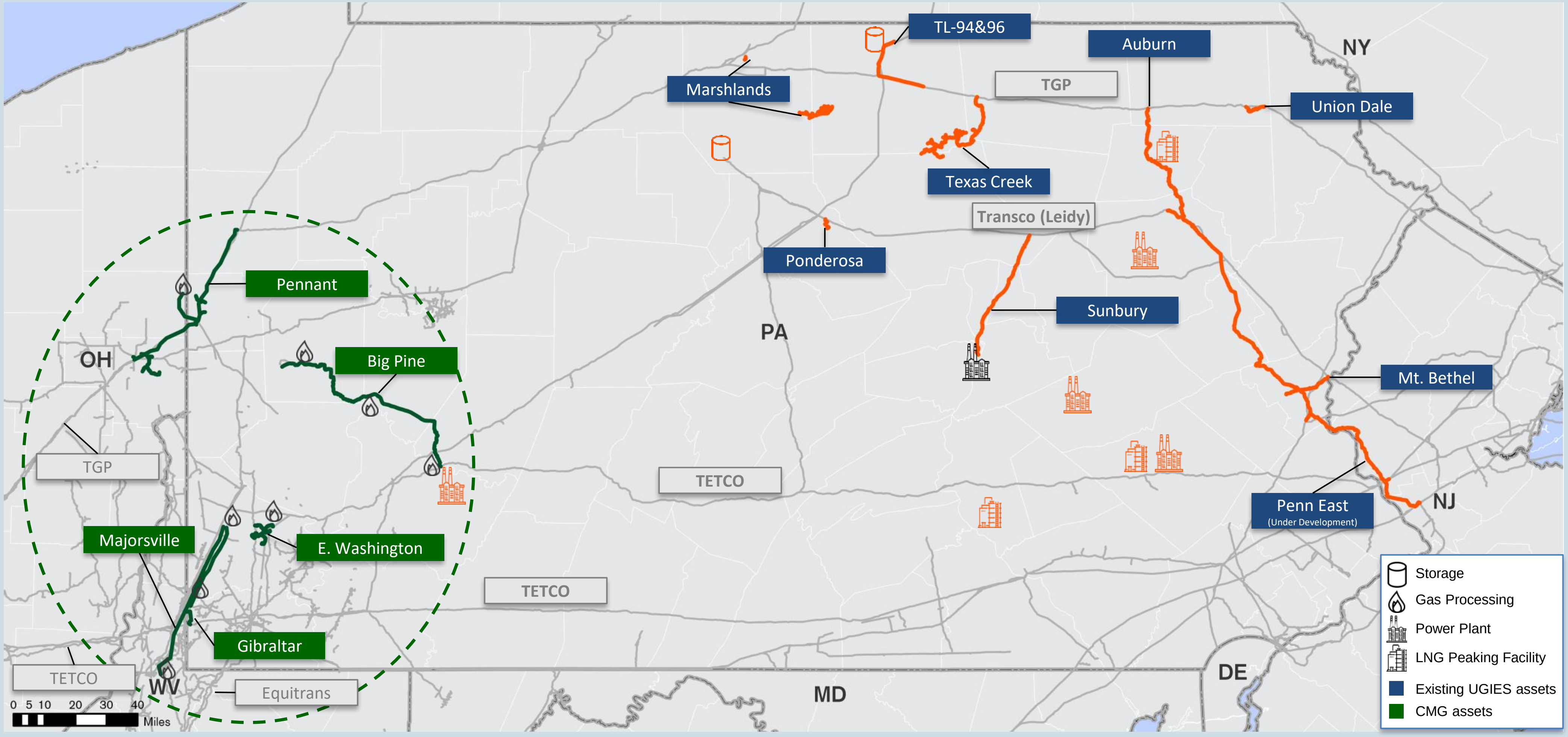

- Complementary assets from both a geographic and product perspective, creating new opportunities to leverage UGI's existing network
- Multiple downstream interconnections to interstate pipelines

Note: Orange color denotes UGIES owned assets, green denotes CMG assets, and black denotes 3rd party assets

Strategic Platform Underpinned by Long-Term Contracts

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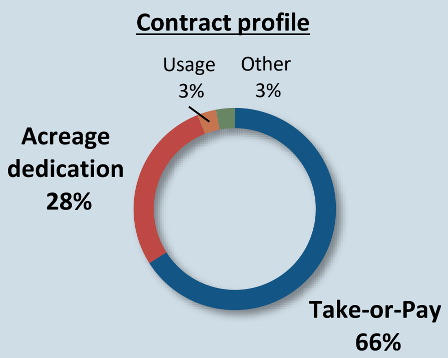
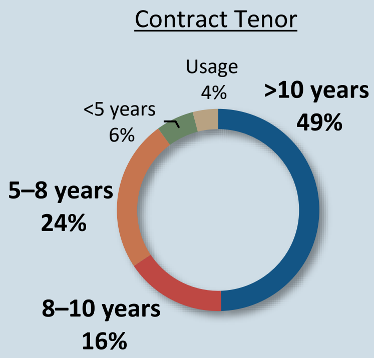
High quality assets with long-term fee-based contracts in one of North America's most prolific regions

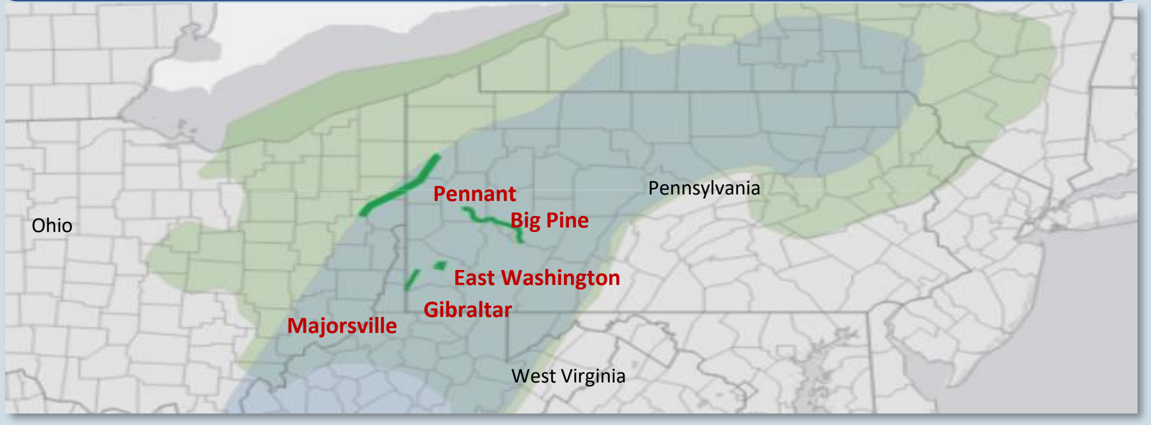
- Five recently constructed assets enhance our existing gathering business and bring UGI into processing, treating, and liquids handling services
- ~95% of CMG's 2019E revenue is from take-or-pay contracts and acreage dedication with active operators in the Appalachian Basin
- Diversified customer base; 90% of current contracts have tenor greater than 5 years
- Connectivity to key market hubs creates optimization opportunities
  - Each system provides multiple interconnection or processing hubs enhancing producer net backs
  - Allows customers to fill capacity commitments on interconnecting pipelines
- Strategically located assets adjacent to long-haul pipelines allows for future expansion

2019 Revenue Breakdown by contract profile and tenor





Systems located in the core regions of the Appalachian Basin



UGIES: Increasing Fee-Based Income

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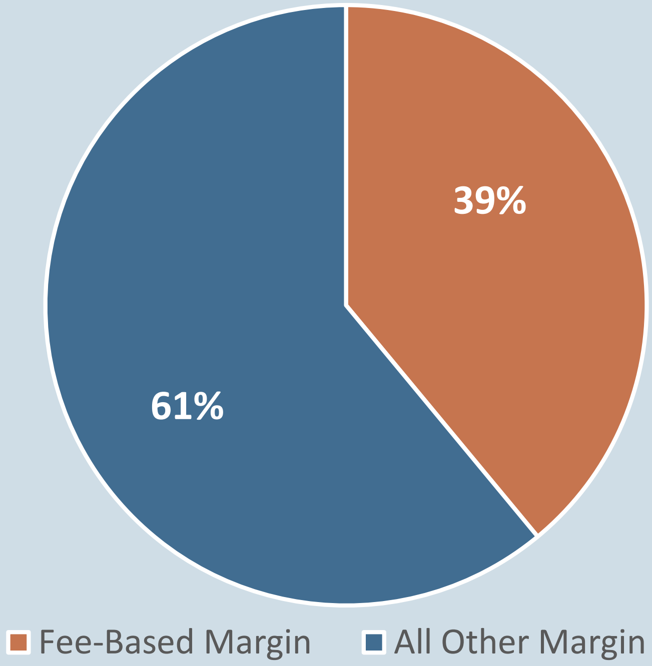
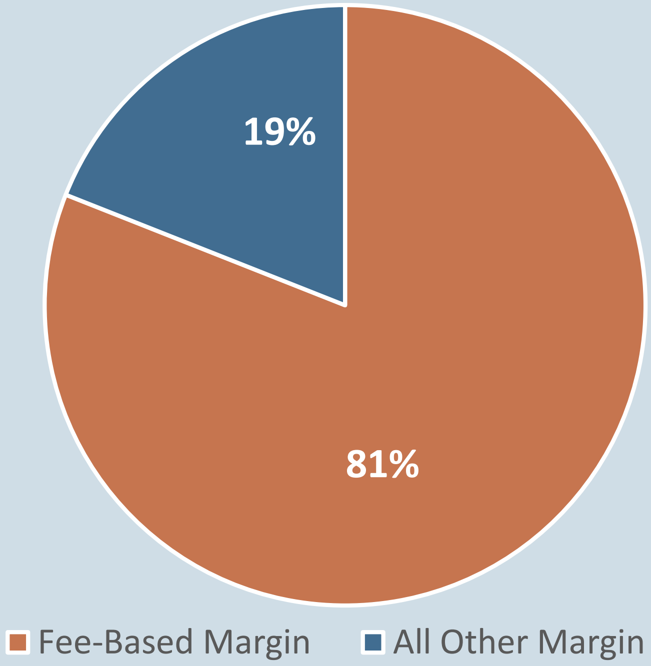
2013 Margin[1]



Anticipated pro forma 2023 Margin



[1]Margin is a non-GAAP measure. Please see appendix for reconciliation.

Rebalancing Portfolio Mix

- Natural Gas expected to be a larger part of earnings composition in future years as 70% of planned Capex is for the Natural Gas businesses
- Based on current outlook, LPG and Natural Gas will contribute equally to earnings by 2024

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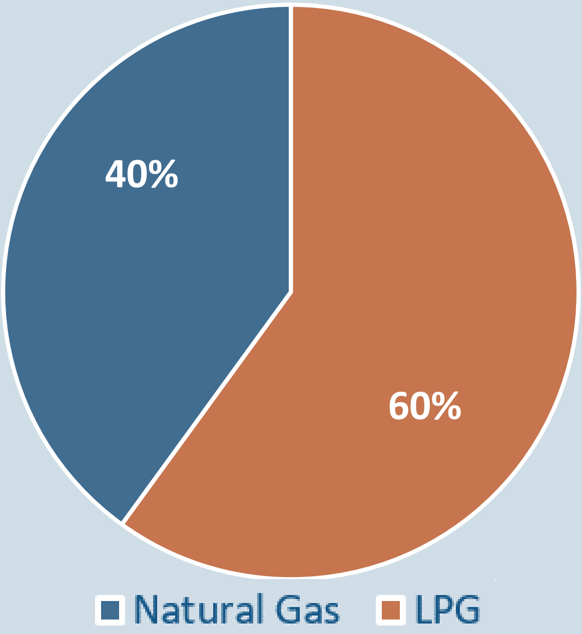
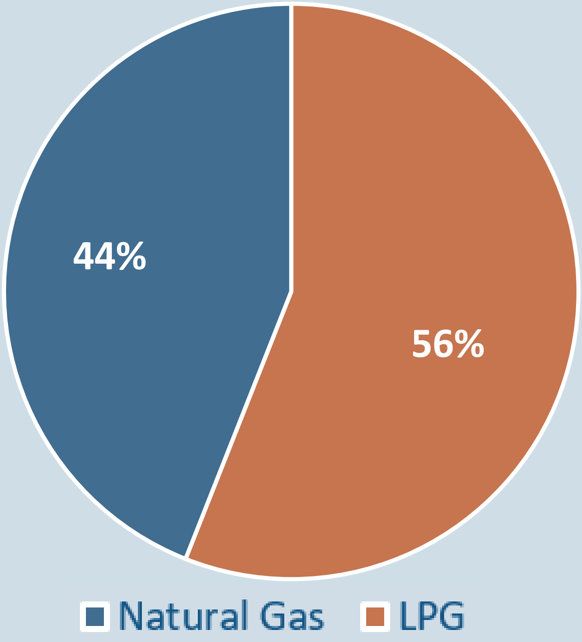
2020 Pro Forma Adjusted EPS [1]
AmeriGas and CMG



2022 Pro Forma Adjusted EPS[1]
AmeriGas and CMG



[1]Adjusted EPS is a non-GAAP measure. Excludes Corporate & Other.

Summary

- Transaction adds stable, visible cash flows underpinned by long-term take-or-pay contracts and acreage dedications with well-capitalized producers who hold some of the best acreage in the Appalachian Basin
- CMG complements UGI's existing footprint in north-central and eastern PA and creates a full scale midstream platform with scale that can provide producers with a full suite of midstream services
- Identified opportunities to invest an additional $300 - $500 million over the next 5 years
- Synergy opportunities for UGI's downstream businesses created by CMG's multiple downstream interconnections to interstate pipelines
- EPS neutral in fiscal year 2020, accretive beginning in fiscal year 2021, excluding transaction-related and integration expenses
- Transaction will be funded by a combination of new debt at UGIES and UGI Corporation, as well as available liquidity at UGI Corp
- Expected to close in the fourth quarter of fiscal year 2019, subject to customary regulatory and other closing conditions

Q&A

Appendix

UGI Supplemental Footnotes

- Management uses “Adjusted Earnings per Share” which is a non-GAAP financial measure, when evaluating UGI’s overall performance. For the periods presented, Adjusted Earnings per Share is earnings per share after excluding net after-tax gains and losses on commodity and certain foreign currency derivative instruments not associated with current period transactions (principally comprising changes in unrealized gains and losses on derivative instruments), Finagaz integration expenses, losses associated with extinguishments of debt and the remeasurement impact on net deferred tax liabilities from a change in French corporate income tax rate and U.S. tax reform legislation, and impairment of AmeriGas tradenames and trademarks. Volatility in net income at UGI can occur as a result of gains and losses on commodity and certain foreign currency derivative instruments not associated with current period transactions but included in earnings in accordance with U.S. generally accepted accounting principles ("GAAP").
- Non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures. Management believes that these non-GAAP measures provide meaningful information to investors about UGI’s performance because they eliminate the impact of (1) gains and losses on commodity and certain foreign currency derivative instruments not associated with current-period transactions and (2) other significant discrete items that can affect the comparison of period-over-period results.

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Midstream & Marketing Total Margin

($ in millions)

	Year Ended September 30,					
	2013	2014	2015	2016	2017	2018
Total Revenues	$ 1,122.8	$ 1,473.7	$ 1,181.4	$ 876.6	$ 1,121.2	$ 1,421.7
Total Cost of Sales	(927.3)	(1,149.8)	(872.4)	(612.2)	(856.7)	(1,090.8)
Net Margin	$ 195.5	$ 323.9	$ 309.0	$ 264.4	$ 264.5	$ 330.9
Margin Breakdown:						
Commodity Marketing	$ 57.6	$ 61.9	$ 60.6	$ 45.7	$ 48.8	$ 49.8
Natural Gas Marketing	*46.2*	*59.4*	*52.2*	*39.8*		
Retail Power Marketing	*11.4*	*2.5*	*8.4*	*5.9*		
Midstream	74.9	184.9	180.4	161.1	168.0	225.0
Power Generation	31.5	45.5	43.6	34.2	27.9	34.9
HVAC	31.5	31.7	24.4	23.3	19.8	21.2
Net Margin	$ 195.6	$ 323.9	$ 309.0	$ 264.4	$ 264.5	$ 330.9

Margin excludes commodity derivative mark-to-market adjustments

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