

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:

	Three Months Ended March 31,	
	2020	2019
	<i>(in millions)</i>	
Adjusted EBITDA:		
Fuel distribution and marketing	\$ 160	\$ 118
All other	49	35
Total Adjusted EBITDA	209	153
Depreciation, amortization and accretion	(45)	(45)
Interest expense, net	(44)	(42)
Non-cash unit-based compensation expense	(4)	(3)
Loss on disposal of assets and impairment charges	(2)	(48)
Unrealized gain (loss) on commodity derivatives	(6)	6
Inventory adjustments	(227)	93
Equity in earnings of unconsolidated affiliate	1	—
Adjusted EBITDA related to unconsolidated affiliate	(2)	—
Other non-cash adjustments	(5)	(7)
Income tax (expense) benefit	(3)	2
Net income (loss) and comprehensive income (loss)	\$ (128)	\$ 109
Adjusted EBITDA		
	\$ 209	\$ 153
Adjusted EBITDA related to unconsolidated affiliate	2	—
Distributable cash flow from unconsolidated affiliate	(2)	—
Cash interest expense	43	40
Current income tax expense	2	12
Maintenance capital expenditures	5	4
Distributable Cash Flow	159	97
Transaction-related expenses	—	2
Distributable Cash Flow, as adjusted	\$ 159	\$ 99
Distributions to Partners:		
Limited Partners	\$ 69	\$ 68
General Partners	18	18
Total distributions to be paid to partners	\$ 87	\$ 86
Common Units outstanding - end of period	83.0	82.7
Distribution coverage ratio (1)	1.84x	1.15x

- (1) 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.