

Presentation to the Board of Directors

Project Almanack | April 1, 2019

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Summary of proposed transaction

Summary considerations

\$mm, except per share data	
APU unit price	\$30.87
UGI share price	\$55.42
Transaction exchange ratio	0.500x
Implied stock consideration	\$27.71
Plus: cash consideration	\$7.63
Implied offer price	\$35.34
Implied premium to current price	14.5%
Number of public units	69.4
Implied equity value of public units	\$2,452
Implied transaction value ¹	\$4,682
UGI current DSO (mm)	177.6
New UGI shares for APU	34.7
Pro forma UGI DSO (mm)	212.3
UGI PF ownership	83.7%
APU PF ownership	16.3%

UGI & APU overview

\$mm, except per share data	UGI standalone		APU standalone		APU @ transaction
Price per share / unit	\$55.42		\$30.87		\$35.34
Implied premium to current					14.5%
Equity value (UGI) / LP Equity value (APU)	\$9,845		\$2,875		\$3,291
Plus: Debt	\$4,847		\$2,970		\$2,970
Plus: NCI	\$2,142		\$32		\$32
Less: Cash	(\$478)		(\$8)		(\$8)
Plus: Net debt & NCI	\$6,511		\$2,994		\$2,994
Plus: GP value			\$375		\$375
Firm value	\$16,356		\$6,244		\$6,660
Memo: implied equity value of public units					\$2,452
Memo: implied transaction value ¹					\$4,682
	Metric ²		Metric ²		
Firm value / '19E EBITDA	\$1,483	11.0x	\$610	10.2x	10.9x
Firm value / '20E EBITDA	1,668	9.8x	635	9.8x	10.5x
P / '19E EPS (UGI) - P / '19E LP DCF/unit (APU)	\$2.49	22.3x	\$3.65	8.5x	9.7x
P / '20E EPS (UGI) - P / '20E LP DCF/unit (APU)	3.12	17.8x	3.78	8.2x	9.3x
'19E Yield	\$1.10	2.0%	\$3.16	10.2%	8.9%
'20E Yield	1.20	2.2%	3.32	10.8%	9.4%

Source: FactSet as of 03/29/19; Company filings

Note: Projections based on 09/30 fiscal year end; APU GP value based on intrinsic valuation analysis and approved by UGI management; NCI based on market value of publicly held APU units

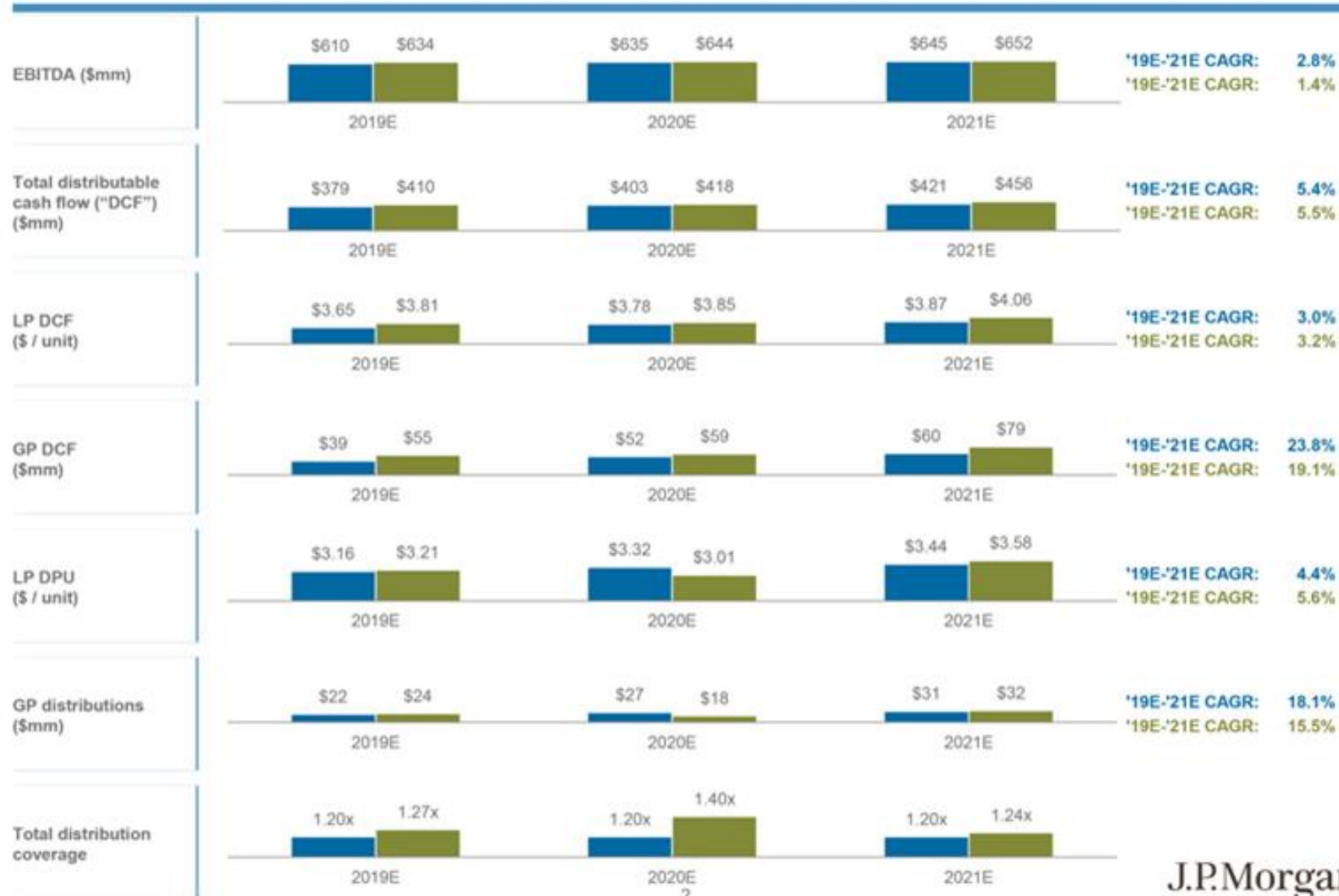
¹ Includes ~74.5% of APU net debt and APU NCI

² APU and UGI projections as provided and approved by UGI management and included for reference only

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■ Management
■ Broker research¹

Comparison of APU management versus broker projections



Source: FactSet as of 03/29/19; APU management projections as provided and approved by UGI management; Note: Projections based on 09/30 fiscal year end

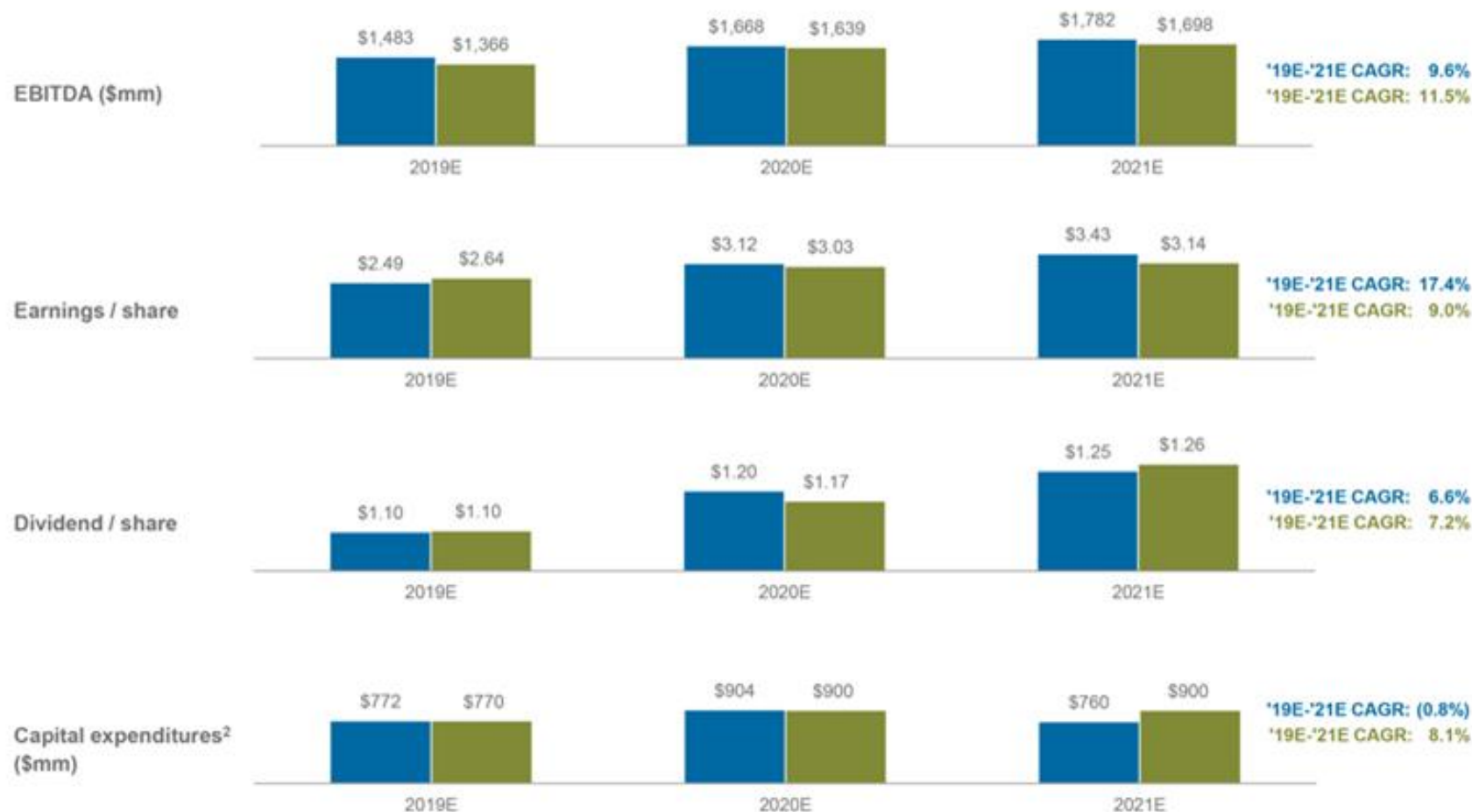
¹ Broker research included for reference only

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Comparison of UGI management versus broker projections

■ Management
■ Broker research¹



Source: FactSet as of 03/29/19; UGI management projections as provided and approved by UGI management

Note: Projections based on 09/30 fiscal year end

¹ Broker research included for reference only

² Excludes acquisition capex

Overview of valuation methodologies

Financial projections

- All projections for both UGI and APU and synergy assumptions have been provided and approved by UGI management
- Valuation date of 12/31/18
- Fiscal year end as of 9/30

Trading multiples

- To assess APU from a trading multiples perspective, J.P. Morgan has provided multiples related to publicly traded propane companies with similar functions and geographies
 - To value these companies, J.P. Morgan employed Firm value / EBITDA multiples, Price / LP DCF multiples and LP distribution yields
- To assess UGI from a trading multiples perspective, J.P. Morgan has utilized publicly traded diversified utilities
 - To value these companies, J.P. Morgan employed Firm value / EBITDA multiples, and Price / EPS multiples

Sum-of-the-parts *For reference only*

- UGI is comprised of four segments: UGI Utilities, Midstream and Marketing ("M&M"), International and APU
- To assess UGI from a sum-of-the-parts approach, J.P. Morgan has employed a Price / EPS multiple for the utilities business and Firm value / EBITDA multiples for the M&M and International segments, APU and corporate EBITDAs

Transaction multiples

- To assess APU from a transaction multiples perspective, J.P. Morgan has employed selected buy-in precedent transactions evaluated on a NTM LP DCF basis

Intrinsic valuation

- J.P. Morgan has employed an unlevered (after-tax) discounted cash flow approach for both UGI and APU
- UGI deconsolidated assumes a discount rate of 7.00% to 8.00% while APU assumes a discount rate of 7.25% to 8.25%
 - UGI assumes terminal growth (ex-APU) ranging from 2.50% to 3.50% while APU assumes terminal growth ranging from 0.00% to 2.50%
- Also, for reference only, J.P. Morgan employed a discounted distributions approach for APU assuming terminal growth range of 0.00% to 2.00% on distributions per unit
- All analyses assume mid-period discounting

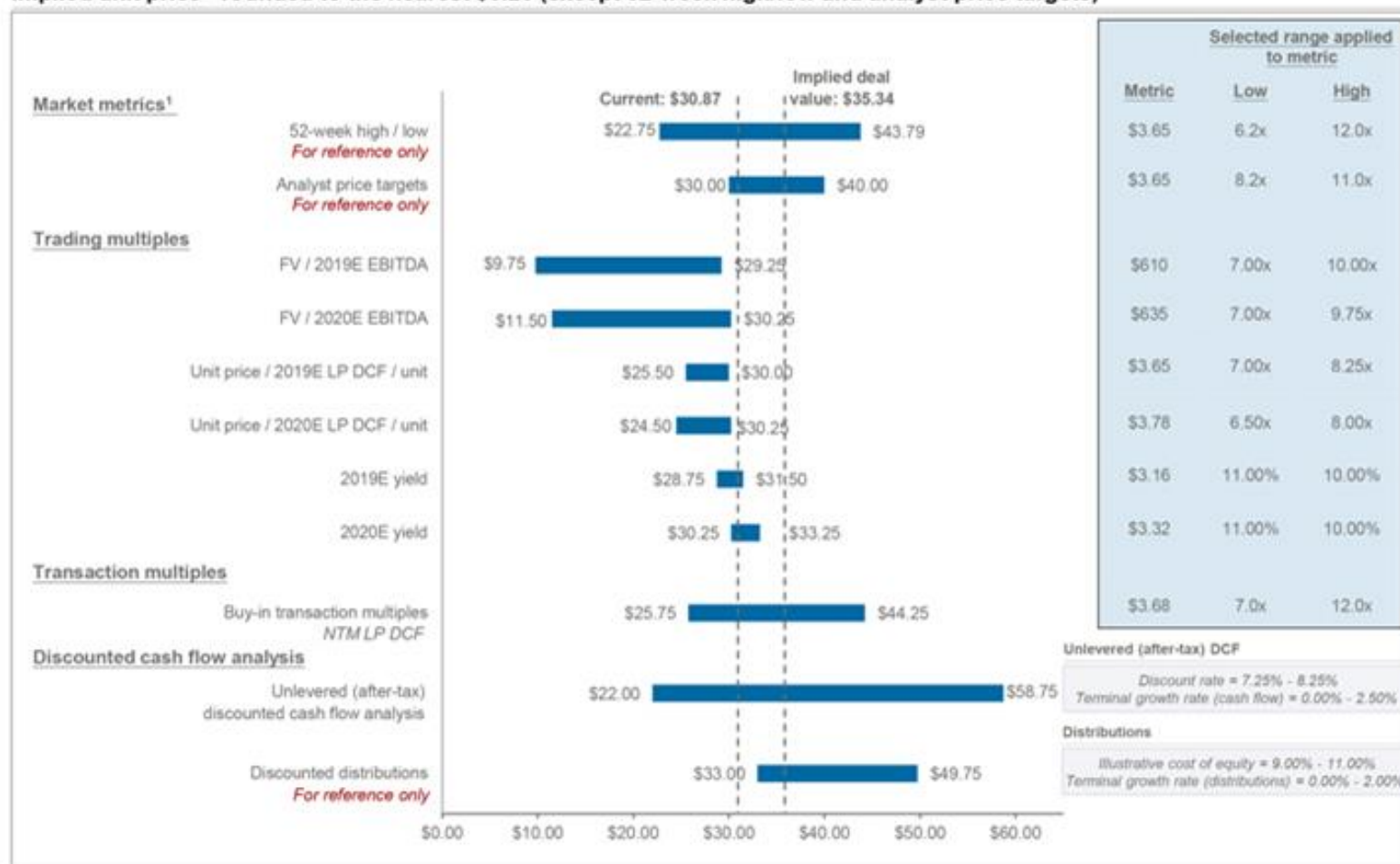
Synergy analysis

- Management provided J.P. Morgan with guidance on potential synergies as part of the transaction. These synergies include:
 - Implied public company cost savings
 - Corporate G&A savings; and
 - Incremental cash flow generated by reinvestment of excess cash at a 7.5x EBITDA multiple
- Synergies account for \$5mm p.a. run-rate with no cost to achieve and no phase-in
- Synergies discounted at UGI deconsolidated at an assumed discount rate of 7.00% to 8.00%

Source: UGI and APU projections and synergy assumptions as provided and approved by UGI management.
Note: Projections based on 09/30 fiscal year end

Summary of preliminary analysis for APU LP units

Implied unit price - rounded to the nearest \$0.25 (except 52-week high/low and analyst price targets)



Source: FactSet as of 03/29/19; APU projections and terminal year as provided and approved by UGI management

Note: Projections based on 09/30 fiscal year end; Assumes valuation date of 12/31/18; Assumes non-controlling interest of \$32mm, GP value of \$375mm, and net debt of \$2,962mm; GP value based on intrinsic valuation analysis and approved by UGI management; Assumes 93.1mm diluted LP units outstanding based on treasury stock method

¹ Multiples implied by calculating unit price / 2019E LP DCF / unit

Trading multiples and operating metrics – APU

(\$mm, except for per unit data)	Select propane companies					Other select public companies		
	AmeriGas	Superior Plus	Suburban	Ferrellgas ¹		Parkland Fuel	Global Partners	Sprague
Unit price as of 03/29/19	\$30.87	\$8.57	\$22.41	\$1.31		\$30.56	\$19.66	\$18.48
% of 52-week high ¹	70%	84%	91%	33%		86%	93%	66%
Diluted shares outstanding	93.1	176.9	62.6	97.2		148.4	34.0	22.7
LP equity value	\$2,875	\$1,516	\$1,404	\$127		\$4,536	\$668	\$420
(+) Implied GP value	375	—	—	—		—	17	122
(+) Net debt and preferreds	2,962	1,244	1,313	2,042		2,462	954	357
(+) NCI	32	—	—	(7)		—	2	—
Firm value	\$6,244	\$2,760	\$2,717	\$2,163		\$6,998	\$1,641	\$900
Trading multiples:	Management²	Consensus						
Firm value / 2019E EBITDA	10.2x	9.9x	8.2x	9.5x	9.1x	9.8x	6.8x	7.8x
Firm value / 2020E EBITDA	9.8x	9.7x	7.5x	9.4x	8.7x	9.1x	7.4x	7.0x
Unit price / 2019E LP DCF / unit	8.5x	8.1x	7.5x	6.8x	4.9x	12.4x	7.7x	7.0x
Unit price / 2020E LP DCF / unit	8.2x	8.0x	6.7x	6.5x	NA	11.1x	8.0x	6.5x
2019E yield	10.2%	10.4%	6.3%	10.7%	—	2.9%	10.1%	14.4%
2020E yield	10.8%	9.8%	6.3%	10.7%	—	2.9%	10.2%	14.4%
Growth rates / coverage:								
2019 - 2020 LP DCF per unit / growth	3.6%	1.0%	11.6%	5.5%	—	11.2%	(4.5%)	7.0%
2019 - 2020 DPU growth	5.2%	(6.2%)	0.1%	0.0%	—	1.2%	1.1%	0.1%
2019 total coverage	1.25x	1.27x	2.12x	1.37x	—	2.79x	1.39x	1.00x
2020 total coverage	1.20x	1.40x	2.36x	1.30x	—	3.07x	1.27x	1.11x
Credit statistics:								
Rating (Moody's / S&P)	Ba2 / -	Ba2 / -	NR / BB	Ba3 / BB-	Caa2 / CCC	Ba3 / BB	B1 / B+	- / -
Debt / LTM EBITDA	4.8x	4.8x	4.6x	4.7x	9.1x	3.0x	2.9x	3.3x
Total gross debt	\$2,970	\$2,970	\$1,261	\$1,320	\$2,083	\$2,492	\$895	\$376

Source: FactSet as of 03/29/19; Company filings; APU GP value based on intrinsic valuation analysis and approved by UGI management

Note: Projections and other public companies based on 09/30 fiscal year end

¹ For reference only: % of 52-week high metrics, select companies including Ferrellgas

² APU projections as provided and approved by UGI management and included for reference only

Transaction multiples

Relevant transactions

							For reference only	
Announced							Premium to last close ¹	Premium to 30-day VWAP ¹
Date	Acquiror	Target	Type	Total LP equity value (\$mm)	% equity consideration	LP price / NTM LP DCF		
11/26/18	ArcLight Capital Partners	TransMontaigne Partners	Intra-company	\$537	100%	10.3x	14%	9%
10/22/18	EnLink Midstream LLC	Enlink Midstream Partners	Intra-company	6,511	100%	10.9x	1%	(1%)
5/17/18	Enbridge Inc.	Enbridge Energy Partners	Intra-company	2,139	100%	7.6x	0%	2%
3/26/18	Tallgrass Energy GP	Tallgrass Energy Partners, LP	Intra-company	2,628	100%	7.6x	1%	10%
1/2/18	ArchRock Inc.	ArchRock Partners LP	Intra-company	1,032	100%	7.2x	23%	28%
6/2/17	World Point Terminals, Inc.	World Point Terminals, LP	Intra-company	608	0%	10.7x	1%	2%
5/18/17	Energy Transfer Partners	PennTex Midstream Partners	Intra-company	280	0%	12.3x	20%	20%
5/8/17	VTI B.V.	VTI Energy Partners	Intra-company	899	0%	13.0x	4%	3%
1/27/17	Enbridge Inc.	Midcoast Energy Partners, L.P.	Intra-company	362	0%	11.0x	(9%)	5%
5/31/16	Semgroup Corporation	Rose Rock Midstream, L.P.	Intra-company	888	100%	10.1x	0%	27%
11/3/15	Targa Resources Corp.	Targa Resources Partners LP	Intra-company	6,710	100%	11.0x	18%	16%
5/6/15	Crestwood Equity Partners LP	Crestwood Midstream Partners LP	Intra-company	3,878	100%	11.2x	17%	21%
For reference only								
11/8/18	Western Gas Equity Partners	Western Gas Partners	Intra-company	7,432	100%	9.6x	9%	2%
10/18/18	Valero Energy	Valero Energy Partners	Intra-company	2,926	0%	14.7x	8%	12%
10/9/18	Antero Midstream GP LP	Antero Midstream	Intra-company	5,811	90%	13.8x	5%	4%
9/19/18	Dominion Energy	Dominion Energy Midstream Partners	Intra-company	1,742	100%	13.7x	(3%)	6%
8/24/18	Enbridge Inc.	Spectra Energy Partners	Intra-company	3,300	100%	11.6x	10%	9%
8/1/18	Energy Transfer Equity	Energy Transfer Partners	Intra-company	27,516	100%	9.3x	11%	19%
5/17/18	Cheniere Energy	Cheniere Energy Partners LP	Intra-company	559	100%	13.0x	7%	8%
5/17/18	The Williams Companies, Inc.	Williams Partners LP	Intra-company	10,468	100%	12.5x	6%	13%
2/16/17	TransCanada Corporation	Columbia Pipeline Partners LP	Intra-company	1,721	0%	18.9x	12%	18%
2/1/17	ONEOK, Inc.	ONEOK Partners, L.P.	Intra-company	15,516	100%	16.0x	26%	22%
5/13/15	The Williams Companies, Inc.	Williams Partners LP	Intra-company	33,626	100%	15.1x	18%	13%

Source: Press releases, company filings; Note: Premia based on unaffected target price at time of initial public offer, prior to announcement of definitive agreement

¹ Premium to last close and premium to 30-day VWAP included for reference only

APU LP unlevered discounted cash flow

	Management projections				TY
	2019E	2020E	2021E	2022E	
EBITDA	\$610	\$635	\$645	\$655	\$665
% growth		4.1%	1.6%	1.6%	1.5%
Less: Tax D&A	(116)	(156)	(140)	(120)	(118)
% capex	99.1%	125.1%	119.8%	101.3%	99.0%
EBIT	\$494	\$479	\$505	\$535	\$547
Less: Taxes	(125)	(121)	(127)	(135)	(138)
% Marginal tax rate	25.2%	25.2%	25.2%	25.2%	25.2%
EBIAT	\$369	\$358	\$377	\$400	\$409
Plus: D&A	116	156	140	120	118
Less: Capital expenditures	(117)	(125)	(117)	(118)	(120)
% EBITDA	19.2%	19.7%	18.1%	18.0%	18.0%
Maintenance capex	(61)	(60)	(53)	(54)	(55)
% EBITDA	10.0%	9.5%	8.3%	8.2%	8.2%
Growth capex	(56)	(55)	(49)	(49)	(50)
% EBITDA	9.2%	8.6%	7.5%	7.5%	7.5%
Acquisition capex	-	(10)	(15)	(15)	(15)
% EBITDA	-	1.6%	2.3%	2.3%	2.3%
Plus: Proceeds from asset sales	17	15	13	13	13
+/- Change in NWC	13	20	29	17	17
Unlevered free cash flow	\$399	\$424	\$442	\$432	\$438
Less: Stub	(100)	-	-	-	-
Unlevered free cash flow for discounting	\$299	\$424	\$442	\$432	\$438

PV of FCF (\$mm)			PV of terminal value (\$mm)			Firm value (\$mm)			Implied terminal value / 2022E EBITDA		
Discount rate	Terminal growth rate		Discount rate	Terminal growth rate		Discount rate	Terminal growth rate		Discount rate	Terminal growth rate	
	0.00%	1.25%		0.00%	1.25%		0.00%	1.25%		0.00%	1.25%
7.25%	\$1,401		7.25%	\$4,734	\$5,809	7.25%	\$6,135	\$7,210	7.25%	9.4x	11.5x
7.75%	1,389		7.75%	4,362	5,282	7.75%	5,751	6,671	7.75%	8.8x	10.7x
8.25%	1,378		8.25%	4,036	4,831	8.25%	5,414	6,209	8.25%	8.3x	9.9x

Net debt ¹			GP value			LP equity value (\$mm)			Implied value per unit (\$) ²			Implied price / 2019E DCF multiple		
Discount rate	Terminal growth rate		Discount rate	Terminal growth rate		Discount rate	Terminal growth rate		Discount rate	Terminal growth rate		Discount rate	Terminal growth rate	
	0.00%	1.25%		0.00%	1.25%		0.00%	1.25%		0.00%	1.25%		0.00%	1.25%
7.25%	\$2,994		7.25%	\$2,766	\$3,841	7.25%	\$29.69	\$41.24	7.25%	8.1x	11.3x	7.25%	8.1x	11.3x
7.75%	2,994		7.75%	2,382	3,302	7.75%	25.58	35.46	7.75%	7.0x	9.7x	7.75%	7.0x	9.7x
8.25%	2,994		8.25%	2,045	2,840	8.25%	21.05	30.49	8.25%	6.0x	8.4x	8.25%	6.0x	8.4x

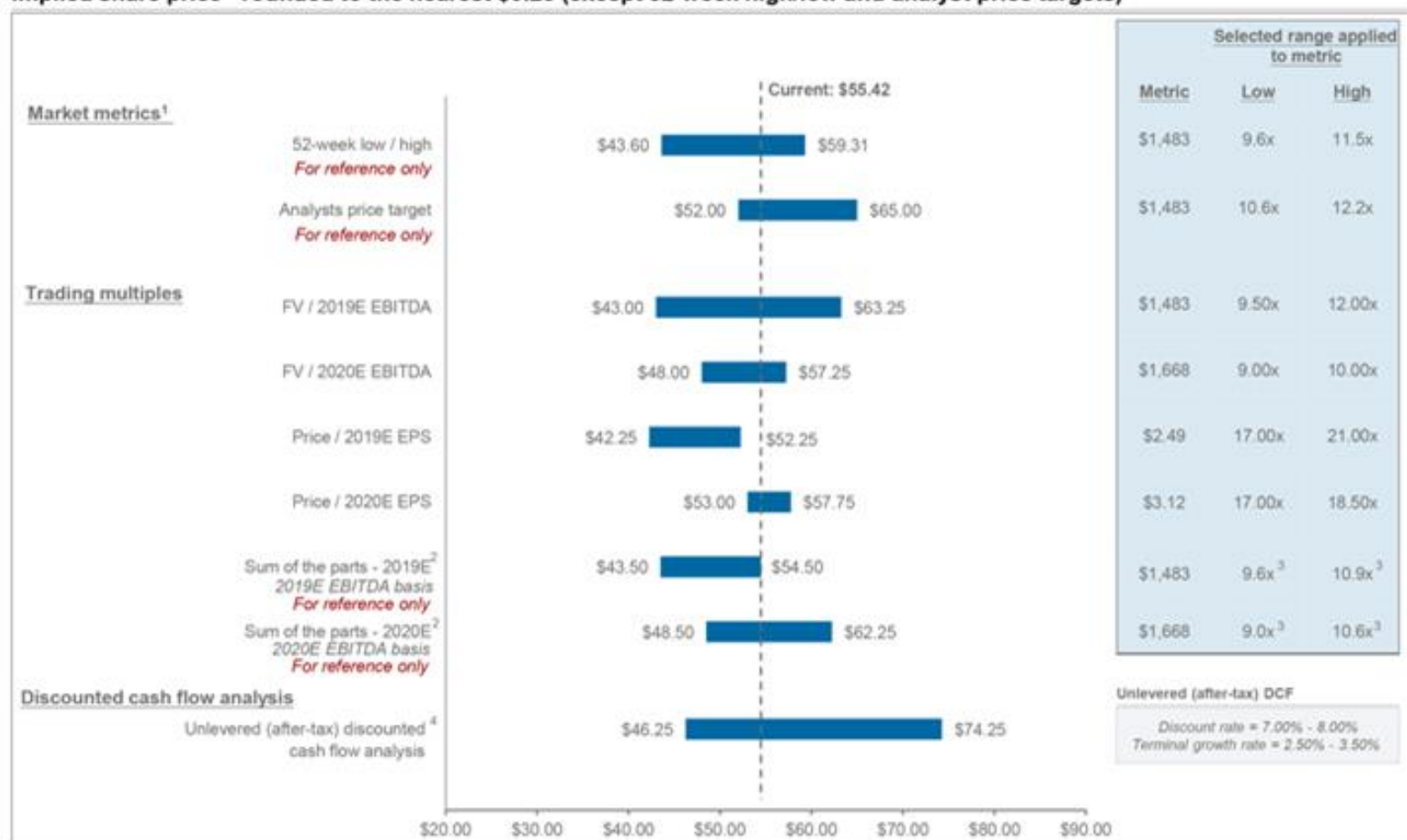
Source: APU projections and terminal year as provided and approved by UGI management; Company filings

Note: Projections based on 09/30 fiscal year end; Valuation date as of 12/31/18; Terminal year assumes flat margins as % of EBITDA and D&A as 99% of capex; Current APU share price of \$30.87; GP value based on intrinsic valuation analysis and approved by UGI management

¹ Includes non-controlling interest of \$32mm and net debt of \$2,962mm² 93.1mm diluted LP units outstanding based on treasury stock method

Summary of preliminary analysis for standalone UGI

Implied share price - rounded to the nearest \$0.25 (except 52-week high/low and analyst price targets)



Source: UGI projections and terminal year as provided and approved by UGI management

Note: Projections based on 09/30 fiscal year end; FactSet as of 03/29/19; Valuation date as of 12/31/18; Assumes consolidated net debt of \$4,369mm; Assumes NCI for trading multiples of \$2,142mm based on market value (69.4mm units at \$30.87); Assumes ~178mm diluted shares outstanding based on treasury stock method; Market multiples implied based on 2019E EBITDA and sum of the parts multiples implied based on 2019E and 2020E EBITDA respectively

¹ Implied multiples based on market metrics calculated using 2019E EBITDA

² See illustrative sum-of-the-parts analysis on pages 12 and 13 for more information

³ Implied multiples based on sum of the parts calculated using 2019E and 2020E EBITDA; SOTP firm value used for implied multiple calculated as equity value from SOTP plus consolidated net debt of \$4,369mm plus NCI of \$2,142mm

⁴ Deconsolidated free cash flows based on UGI (ex. APU) and deconsolidated net debt of \$1,407mm

Public trading metrics – UGI Diversified

\$mm, except per share data				UGI	Centerpoint Energy	National Fuel	Chesapeake ¹
Share price as of 03/29/19				\$55.42	\$30.70	\$60.96	\$91.21
% of 52-week high ¹				93%	98%	99%	96%
Diluted shares outstanding				177.6	506.1	86.8	16.5
Equity value				\$9,845	\$15,537	\$5,289	\$1,506
(+) Net debt and preferreds				4,369	13,608	2,022	616
(+) NCI				2,142	0	0	0
Firm value				\$16,356	\$29,145	\$7,311	\$2,124
% Utility operating income (2018A)				23%	68%	17%	82%
Trading multiples:		Management ²		Consensus			
Firm value / 2019E EBITDA	\$1,483	11.0x	\$1,366	12.0x	10.4x	9.3x	14.7x
Firm value / 2020E EBITDA	1,668	9.8x	1,639	10.0x	9.3x	8.9x	13.6x
P / 2019E EPS	\$2.49	22.3x	\$2.64	21.0x	18.6x	17.2x	25.3x
P / 2020E EPS	3.12	17.8x	3.03	18.3x	17.2x	17.1x	23.6x
Growth rates / coverage:							
2019E - 2021E EBITDA CAGR		9.6%		11.5%	7.4%	3.6%	7.3%
2019E - 2021E EPS CAGR		17.4%		9.0%	7.4%	(3.1%)	5.9%
Credit statistics:							
Rating (Moody's / S&P)		NR / NR		NR / NR	BBB+ / Baa2	BBB / Baa2	NR / NR
Debt / LTM EBITDA		3.5x		3.5x	4.5x	2.9x	4.2x
Total gross debt		\$4,847		\$4,847	\$12,228	\$2,132	\$622

Source: FactSet as of 03/29/19; UGI projections as provided and approved by UGI management; Company filings

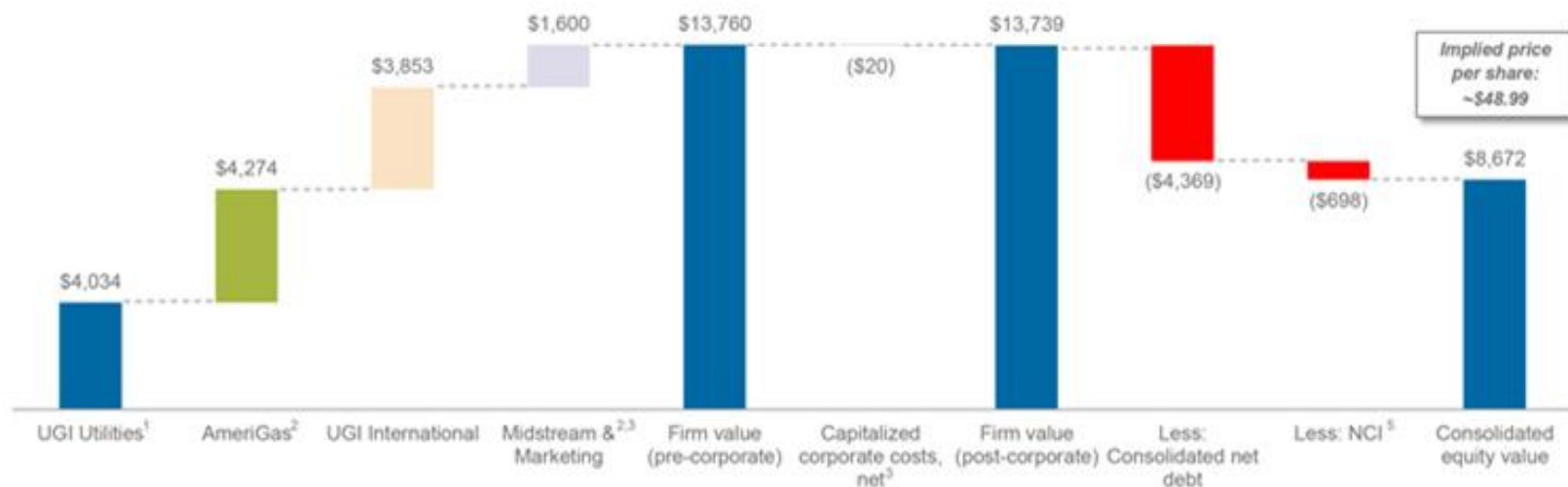
Note: Projections and other public companies based on 09/30 fiscal year end; NCI of UGI based on market value (69.4mm units at \$30.87)

¹ For reference only: % of 52-week high metrics, select companies including Chesapeake

² UGI projections as provided and approved by UGI management and included for reference only

Illustrative 2019E sum-of-the-parts analysis for UGI – *For reference only*

(\$mm, except per share data)



	Metric	2019E	Multiple range		Firm value range	
		\$mm	Low	High	Low	High
UGI Utilities ¹	Net income	\$118	21.50x	28.00x	\$3,650	\$4,418
AmeriGas ²	EBITDA	\$503	7.00x	10.00x	\$3,519	\$5,028
UGI International	EBITDA	\$358	9.75x	11.75x	\$3,494	\$4,211
Midstream & Marketing ^{2,3}	EBITDA	\$152	10.00x	11.00x	\$1,524	\$1,676
Capitalized corporate costs, net ⁴	EBITDA	(\$2)	9.50x	12.00x	(\$19)	(\$24)

Source: UGI projections as provided and approved by UGI management

Note: Projections based on 09/30 fiscal year end; FactSet as of 03/29/19; Assumes net debt of \$4,369mm; Assumes ~178mm diluted shares outstanding based on treasury stock method

¹ UGI Utilities implied firm value calculated by taking implied equity value (estimated net income multiplied by

12

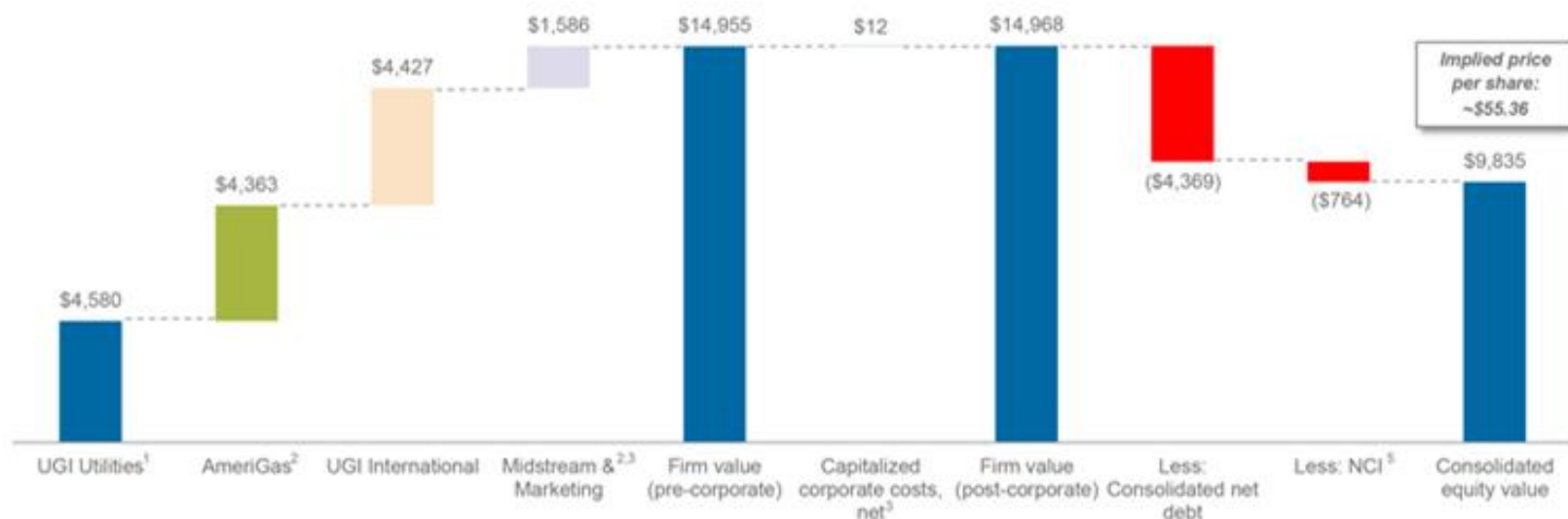
selected P/E multiple range) and adding net debt (\$1,110mm) as per latest public UGI Utilities filings; ² AmeriGas and Midstream & Marketing EBITDA adjusted by implied taxes of 25.2% and 28.9% of budget EBIT, respectively

³ Midstream & Marketing includes UGI Enterprises; ⁴ Comprised of costs associated with UGI Holding and UGI Properties; ⁵ NCI calculated based on 74.5% of the resulting LP equity value utilizing the sum-of-the-parts APU firm value less APU net debt of \$2,962mm less APU GP value of \$375mm

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Illustrative 2020E sum-of-the-parts analysis for UGI – *For reference only*

(\$mm, except per share data)



	Metric	2020E	Multiple range		Firm value range	
		\$mm	Low	High	Low	High
UGI Utilities ¹	Net income	\$149	20.00x	26.50x	\$4,095	\$5,065
AmeriGas ²	EBITDA	\$521	7.00x	9.75x	\$3,647	\$5,079
UGI International	EBITDA	\$437	9.00x	11.25x	\$3,935	\$4,919
Midstream & Marketing ^{2,3}	EBITDA	\$187	8.00x	9.00x	\$1,493	\$1,679
Capitalized corporate costs, net ⁴	EBITDA	\$1	9.00x	10.00x	\$12	\$13

Source: UGI projections as provided and approved by UGI management

Note: Projections based on 09/30 fiscal year end. FactSet as of 03/29/19; Assumes net debt of \$4,369mm; Assumes ~178mm diluted shares outstanding based on treasury stock method;

¹ UGI Utilities implied firm value calculated by taking implied equity value (estimated net income multiplied by

13

selected P/E multiple range) and adding net debt (\$1,110mm) as per latest public UGI Utilities filings; ² AmeriGas and Midstream & Marketing EBITDA adjusted by implied taxes of 25.2% and 28.9% of budget EBIT, respectively; ³ Midstream & Marketing includes UGI Enterprises; ⁴ Comprised of costs associated with UGI Holding and UGI Properties; ⁵ NCI calculated based on 74.5% of the resulting LP equity value utilizing the sum-of-the-parts APU firm value less APU net debt of \$2,962mm less APU GP value of \$375mm

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UGI deconsolidated discounted cash flow analysis

	Management projections				
	2019E	2020E	2021E	2022E	TY
UGI ex-APU EBITDA	\$873	\$1,033	\$1,137	\$1,223	\$1,260
% growth		18.3%	10.0%	7.6%	3.0%
Less: Tax D&A	(251)	(283)	(394)	(389)	(510)
% capex	38.3%	35.9%	59.8%	53.6%	99.0%
EBIT	\$623	\$750	\$743	\$834	\$749
Less: Taxes	(197)	(222)	(212)	(234)	(210)
% marginal tax rate	31.7%	29.6%	28.6%	28.0%	28.0%
EBIAT	\$425	\$528	\$531	\$601	\$539
Plus: D&A	251	283	394	389	510
Less: Capital expenditures	(655)	(789)	(658)	(726)	(515)
% EBITDA	75.0%	76.4%	57.9%	59.3%	40.9%
Maintenance capex	(325)	(392)	(327)	(361)	(371)
% EBITDA	37.2%	38.0%	28.8%	29.5%	29.5%
Growth capex	(330)	(397)	(332)	(365)	(144)
% EBITDA	37.8%	38.5%	29.2%	29.9%	11.4%
+/- Other ¹	19	17	15	16	17
+/- Change in NWC	(52)	18	(11)	0	0
Plus: Tax-affected GP / IDR distributions	17	20	23	25	26
Plus: Tax-affected UGI attributable LP distributions	56	59	61	62	63
Unlevered free cash flow	\$60	\$136	\$354	\$367	\$641
Less: Stub	(15)	-	-	-	-
Unlevered free cash flow for discounting	\$45	\$136	\$354	\$367	\$641

PV of FCF (\$mm)			PV of terminal value (\$mm) ²				Firm value (\$mm)				Implied terminal value / 2022E EBITDA			
Discount rate	Terminal growth rate		Discount rate	Terminal growth rate			Discount rate	Terminal growth rate			Discount rate	Terminal growth rate		
	7.00%	3.50%		2.50%	3.00%	3.50%		2.50%	3.00%	3.50%		2.50%	3.00%	3.50%
7.00%	\$768		7.00%	\$11,080	\$12,307	\$13,957	7.00%	\$11,848	\$13,075	\$14,724	7.00%	11.7x	13.0x	14.7x
7.50%	759		7.50%	9,855	10,814	12,069	7.50%	10,614	11,573	12,828	7.50%	10.6x	11.6x	12.9x
8.00%	751		8.00%	8,850	9,615	10,596	8.00%	9,601	10,366	11,347	8.00%	9.7x	10.5x	11.6x
Net debt			Equity value (\$mm)				Implied value per share (\$) ³				Implied TV P/E multiple ⁴			
Discount rate	Terminal growth rate		Discount rate	Terminal growth rate			Discount rate	Terminal growth rate			Discount rate	Terminal growth rate		
	7.00%	3.50%		2.50%	3.00%	3.50%		2.50%	3.00%	3.50%		2.50%	3.00%	3.50%
7.00%	\$1,407		7.00%	\$10,440	\$11,668	\$13,317	7.00%	\$58.67	\$65.36	\$74.35	7.00%	24.0x	26.9x	30.9x
7.50%	1,407		7.50%	9,207	10,165	11,421	7.50%	51.92	57.17	64.01	7.50%	21.4x	23.8x	26.9x
8.00%	1,407		8.00%	8,194	8,959	9,940	8.00%	46.36	50.57	55.94	8.00%	19.3x	21.2x	23.7x

Source: UGI projections and terminal year as provided and approved by UGI management; Company filings

Note: Projections based on 09/30 fiscal year end; Valuation date as of 12/31/18; Terminal year assumes flat % of EBITDA margins and D&A as 99% of capex

¹ Includes other investing activity cash flow and other operating activity cash flow per UGI projections

² Terminal value calculation assumes perpetuity growth rate of 0.0% to 2.5% for related APU distributions

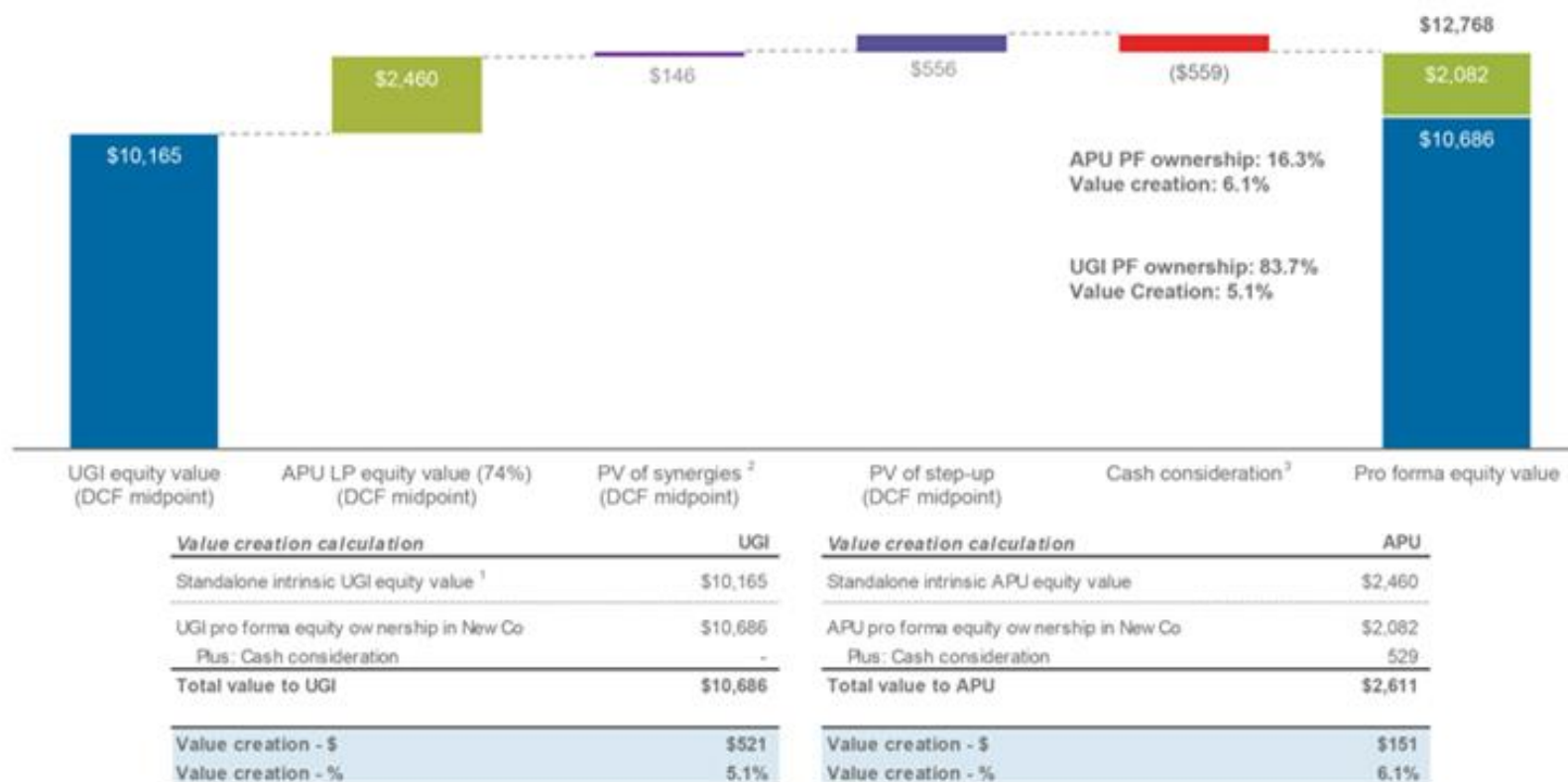
³ Assumes ~178mm diluted shares outstanding calculated through the treasury stock method

⁴ Assumes terminal net income of \$534mm

Illustrative value creation analysis

\$27.71 / unit in equity and \$7.63 / unit in cash, \$5.0mm in run-rate synergies

(\$ in millions)



Source: UGI and APU projections and terminal year as provided and approved by UGI management, Company filings
 Note: Values represent midpoint of respective discounted cash flow values; Assumes \$5.0mm of synergies and \$529mm cash to APU

¹ Calculated as UGI deconsolidated DCF midpoint firm value of \$11,573 less net debt of \$1,407mm

² PV of synergies includes PV of excess cash

³ Includes transaction costs of \$30mm (financing and advisory fees)

Agenda

	Page
1 Appendix	16

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Cost synergies valuation

\$mm, except per share data	Management projections				TY
	2019E	2020E	2021E	2022E	
Run-rate cost synergies	\$5	\$5	\$5	\$5	\$5
% growth		0.0%	0.0%	0.0%	0.0%
Phase-in cost synergies	\$5	\$5	\$5	\$5	\$5
% phased in		100.0%	100.0%	100.0%	100.0%
Less: Costs to achieve	-	-	-	-	-
% of run-rate synergies	0.0%	0.0%	0.0%	0.0%	0.0%
Pre-tax net cost synergies	\$5	\$5	\$5	\$5	\$5
Less: Taxes	(2)	(1)	(1)	(1)	(1)
% tax rate	30.3%	28.9%	28.1%	27.6%	27.6%
After-tax net cost synergies	\$3	\$4	\$4	\$4	\$4
Less: Stub	(1)	-	-	-	-
After-tax net cost synergies for discounting	\$3	\$4	\$4	\$4	\$4

PV of FCF (\$mm)			PV of synergies TV (\$mm)			Total PV of synergies (\$mm)				
Discount rate	7.00%	\$12	+	Discount rate	7.00%	\$41	=	Discount rate	7.00%	\$53
	7.50%	12			7.50%	38			7.50%	50
	8.00%	12			8.00%	35			8.00%	47

Source: UGI projections and terminal year as provided and approved by UGI management
 Note: Projections based on 09/30 fiscal year end; Assumes transaction date of 12/31/18; Assumes run-rate synergies of \$5.0mm

Excess cash reinvestment valuation

\$mm	Management projections				TY
	2019E	2020E	2021E	2022E	
APU distributions saved	\$219	\$230	\$239	\$243	
Less: Incremental tax on APU ownership	(41)	(54)	(58)	(63)	
Less: Incremental tax affected interest	(23)	(23)	(23)	(23)	
Less: Incremental UGI dividends paid	(38)	(42)	(43)	(45)	
Plus: Interest savings on APU revolver	4	9	8	6	
Less: APU revolver payment	(247)	(45)	-	-	
Excess cash (post APU revolver paydown)	-	\$76	\$122	\$119	
Reinvested excess cash ¹	-	38	61	59	
Assumed EBITDA multiple	7.5x	7.5x	7.5x	7.5x	
EBITDA	-	\$5	\$13	\$21	\$22
Less: D&A	-	(2)	(7)	(12)	(5)
EBIT	-	\$3	\$6	\$9	\$17
Less: Taxes	-	(1)	(2)	(2)	(5)
% marginal tax rate	30.3%	28.9%	28.1%	27.6%	27.6%
EBIAT	-	\$2	\$5	\$6	\$12
Plus: D&A ²	-	2	7	12	5
Less: Maintenance capex ³	-	(1)	(3)	(5)	(5)
Less: Growth capex	-	(38)	(61)	(59)	
Unlevered free cash flow	-	(\$35)	(\$53)	(\$46)	\$12
Less: Stub	-	-	-	-	-
Unlevered free cash flow for discounting	-	(\$35)	(\$53)	(\$46)	\$12

PV of FCF (\$mm)			PV of TV (\$mm)				Total PV (\$mm)			
Discount rate			Discount rate	Terminal growth rate			Discount rate	Terminal growth rate		
	7.00%			2.50%	3.00%	3.50%		2.50%	3.00%	3.50%
7.00%		(\$114)	7.00%	\$211	\$239	\$274	7.00%	\$97	\$125	\$160
7.50%		(113)	7.50%	187	209	237	7.50%	74	96	124
8.00%		(112)	8.00%	168	185	207	8.00%	56	74	95

Source: UGI and APU projections and terminal year as provided and approved by UGI management; Company filings

Note: Projections based on 09/30 fiscal year end; Valuation date as of 12/31/18

¹ Assumes 50% of the total excess cash is reinvested

² Assumes 15-year MACRS depreciation

³ Assumes maintenance capex as 24% of EBITDA

Step-up valuation

<i>\$mm</i>	<i>Management projections</i>				
	2019E	2020E	2021E	2022E	2023E - 2042E
Step-up depreciation	\$172	\$222	\$297	\$296	\$1,953
Total Depreciation	\$172	\$222	\$297	\$296	\$1,953
<i>Tax rate</i>	30.3%	28.9%	28.1%	27.6%	27.6%
Tax impact of step-up depreciation	\$52	\$64	\$83	\$82	\$539
Total gross depreciation					\$2,940

Step-up valuation

Discount rate	7.00%	\$569
	7.50%	556
	8.00%	543

Source: UGI projections as provided and approved by UGI management, PricewaterhouseCoopers analysis
 Note: Projections based on 09/30 fiscal year end; Assumes transaction date of 12/31/18