



Discussion materials

January 2019

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Private and confidential – illustrative and for discussion purposes only
Analysis subject to change based on revised financials and conclusions of UGI and PWC tax analysis

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Situation overview

- The MLP space in general is going through a structural change, as the traditional MLP structure with Incentive Distribution Rights becomes increasingly untenable
- As discussed at the August meeting, UGI management, with the assistance of J.P. Morgan, considered and analyzed various alternatives relating to APU
- With the approval of the UGI Board, management delivered an offer to eliminate its GP / IDRs in APU to the APU Board and commenced negotiations with the Conflicts Committee
 - The total consideration proposed for the elimination of the GP / IDRs was \$675 million, which consisted of \$325 million of APU common units and \$350 million of Class B PIK units
 - UGI's proposal to the APU Conflicts Committee was met with opposition and a disparate view of the GP / IDR value
 - Major driver was disagreement around go-forward business profile and ability to maintain distributions
 - Equity research analysts have also begun to speculate about the potential for a distribution cut
- However, recent developments with regard to APU and the broader market have altered the landscape and merits of such a transaction and caused a re-evaluation of the best path forward
 - As part of the UGI / APU Investor Day on December 4, 2018, management announced a strategic review of alternatives for APU, which is expected to last up to 120 days
 - Recent price movements have resulted in a reduced relative valuation for APU versus UGI
 - This has increased the viability of a potential APU buy-in as such a deal could be immediately accretive to UGI's EPS and CFPS based on today's prices
 - Conversely, the decline in the APU unit price would make a potential GP / IDR repurchase more challenging absent a change in valuation and/or structure
 - An acquisition of APU would result in increased UGI earnings volatility based on weather
 - However, current assumptions reflect a refined analysis of the proportion of historical shortfall / excess attributable to weather; while still meaningful, the impact is dampened using the current case
 - The trend of MLP buy-ins driven by lack of market access / investor appetite for MLP securities has accelerated
- In light of these developments, UGI management recommends pursuing a full MLP buy-in of APU

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MLP buy-in: potential benefits and considerations

Transaction description

- UGI acquires all outstanding third party LP units in APU for UGI shares / cash
- APU becomes private entity 100% owned by UGI

Potential benefits to UGI

- ✓ Likely earnings accretive to UGI given current exchange ratio
- ✓ Likely operating cash flow per share accretive to UGI
- ✓ Material increase in discretionary cash flow to UGI
- ✓ Potential tax benefits to UGI through basis step-up
- ✓ Eliminates MLP that serves a less strategic role today
- ✓ Reduces structural complexity / administrative burdens

Potential considerations for UGI

- ✗ Size of acquisition will require a relatively material equity issuance to APU unitholders
- ✗ Eliminates APU as an acquisition currency / source of capital

Potential investor relations considerations for UGI

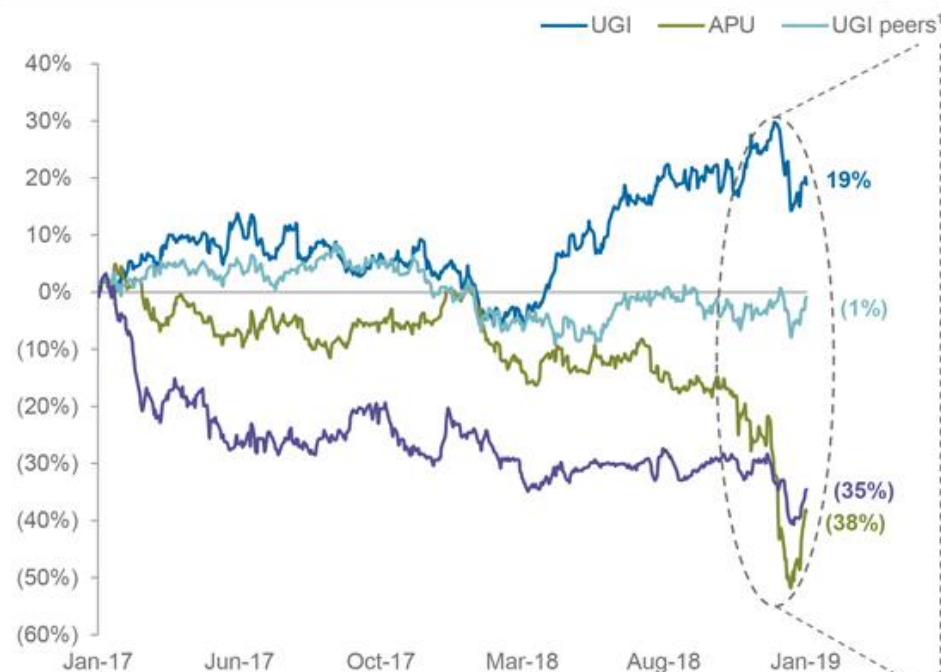
- ✗ Weather-sensitive APU earnings replace relatively fixed IDR income driven by distribution
- ✗ Pro forma UGI would have significant propane concentration
- ✗ Unclear how the market will value APU business as a wholly-owned segment of UGI
- ✗ Very limited shareholder overlap with APU and potential for shareholder turnover given new business composition

■ Buy-in of APU

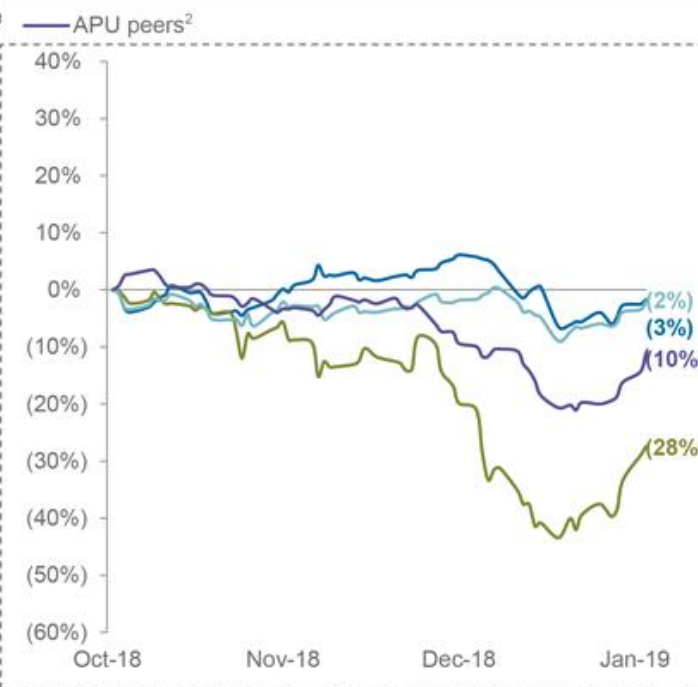
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UGI / APU relative price performance

Last two years



Last three months



Price performance

	UGI CORPORATION	AmeriGas
YTD	1%	16%
1 month	(8%)	(10%)
3 months	(3%)	(28%)
6 months	3%	(30%)
1 year	13%	(38%)

Source: FactSet as of 1/9/19; ¹ UGI peers include CNP, MDU, MIC, and NFG; ² APU peers include FGP and SPH

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■ Buy-in of APU

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APU / UGI two year exchange ratio analysis

APU acquired by UGI exchange ratio analysis



Source: FactSet as of 1/9/19

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■ Buy-in of APU

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Illustrative APU analysis at various purchase prices

Based on consensus estimates

Offer premium		Current	5%	10%	15%	20%
Implied exchange ratio		0.541x	0.569x	0.596x	0.623x	0.650x
UGI share price		\$54.02	\$54.02	\$54.02	\$54.02	\$54.02
Implied APU unit purchase price		\$29.25	\$30.71	\$32.18	\$33.64	\$35.10
Implied LP equity value		\$2,720	\$2,856	\$2,992	\$3,128	\$3,263
Memo: Purchase price based on public ownership ¹		\$2,024	\$2,126	\$2,227	\$2,328	\$2,429
(+) Net debt, pref. stock, and NCI and assumed illustrative GP / IDR value		3,328	3,328	3,328	3,328	3,328
Implied transaction value		\$6,047	\$6,183	\$6,319	\$6,455	\$6,591
Implied transaction value / EBITDA	EBITDA metric					
2018A EBITDA	\$606	10.0x	10.2x	10.4x	10.7x	10.9x
2019E EBITDA	635	9.5x	9.7x	10.0x	10.2x	10.4x
2020E EBITDA	642	9.4x	9.6x	9.9x	10.1x	10.3x
Implied APU unit price / LP DCF / unit	DCF / unit metric					
2018A LP DCF / unit	\$3.71	7.9x	8.3x	8.7x	9.1x	9.5x
2019E LP DCF / unit	3.82	7.7x	8.0x	8.4x	8.8x	9.2x
2020E LP DCF / unit	3.83	7.6x	8.0x	8.4x	8.8x	9.2x
Implied APU unit price / EPS	EPS metric					
2018A EPS	\$2.35 ²	12.4x	13.1x	13.7x	14.3x	14.9x
2019E EPS	2.40	12.2x	12.8x	13.4x	14.0x	14.6x
2020E EPS	2.45	11.9x	12.5x	13.1x	13.7x	14.3x
Premium / (discount) to:						
30-day VWAP	\$27.44	7%	12%	17%	23%	28%
60-day VWAP	29.78	(2%)	3%	8%	13%	18%

Source: Equity research consensus projections as of 1/9/19; company filings; Note: Financials based on 9/30 FYE

¹ Public ownership of approximately 74%; ² Excludes \$75mm impairment charge; including impairment results in EPS of \$1.54

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UGI summary status quo financial projections

Commentary

- Estimates based on FYE 9/30
- EBITDA, D&A, capital expenditures and dividends per share projections based on equity research consensus projections as of 1/9/19
 - Implied EPS in-line with company guidance (FY 2019E of \$2.75 - \$2.95) and equity research consensus projections
- Tax assumptions per management guidance

EBITDA (\$mm)



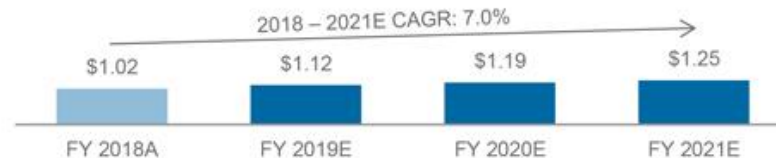
Cash flow from operations (\$mm)¹



EPS (\$ / share)



Dividend per share (\$ / share)



Source: Company filings; Equity research consensus projections as of 1/9/19

¹ Cash flow presented on a fully consolidated basis

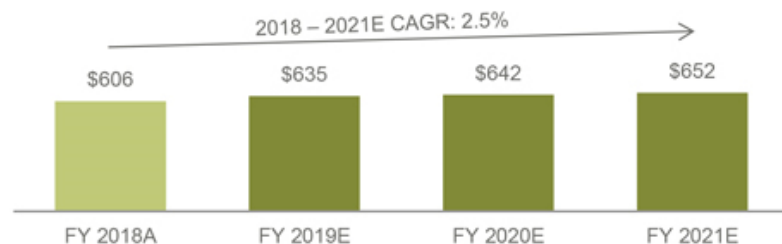
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APU summary status quo financial projections

Commentary

- Estimates based on FYE 9/30
- EBITDA, D&A, capital expenditures and tax projections based on equity research consensus projections as of 1/9/19
- LP distribution per unit is held flat at \$3.80 per management guidance

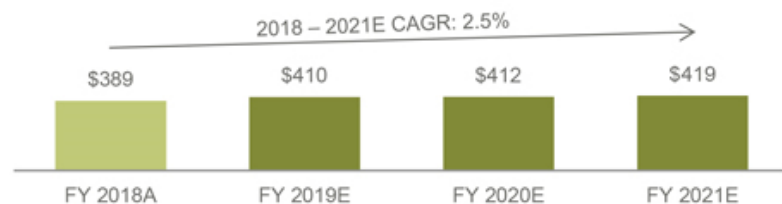
EBITDA (\$mm)



Maintenance capex (\$mm)



Distributable cash flow (\$mm)



LP distribution per unit (\$ / unit)



Total coverage	0.97x	1.01x	1.01x	1.03x
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Source: Company filings; Equity research consensus projections as of 1/9/19
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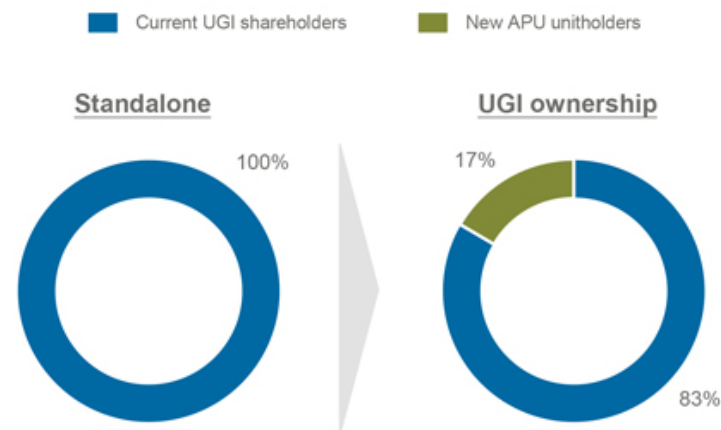
Illustrative buy-in of APU by UGI transaction assumptions and sources and uses

Assumes illustrative 10% premium to APU public unitholders, 85% equity and 15% debt consideration

Transaction assumptions

- Assumes transaction is effective in the beginning of FY 2019E (10/1/18)
- Assumes an illustrative 10% premium to APU's unit price of \$29.25 as of 1/9/19 for a total equity purchase price of \$2,227mm
 - Assumes UGI purchases 69.2mm APU units that it does not currently own
 - Assumes ~35mm UGI shares are issued at \$54.02 (price as of 1/9/19)
- Assumes no synergies
- Assumes net income attributable to NCI associated with APU and tax savings associated with basis step-up are taxed at 27.6%
- Assumes 6% interest rate on newly issued transaction debt per management guidance
- Assumes APU long-term debt remains outstanding at close
- Tax basis step-up per management guidance
- The pre-tax unlevered return to UGI from the incremental cash saved on distributions to APU third party unitholders is ~13%

UGI ownership



Sources and uses (\$mm)

Sources

Equity issued to APU	\$1,893
Incremental debt issued	334
UGI balance sheet cash	15
Total sources	\$2,242

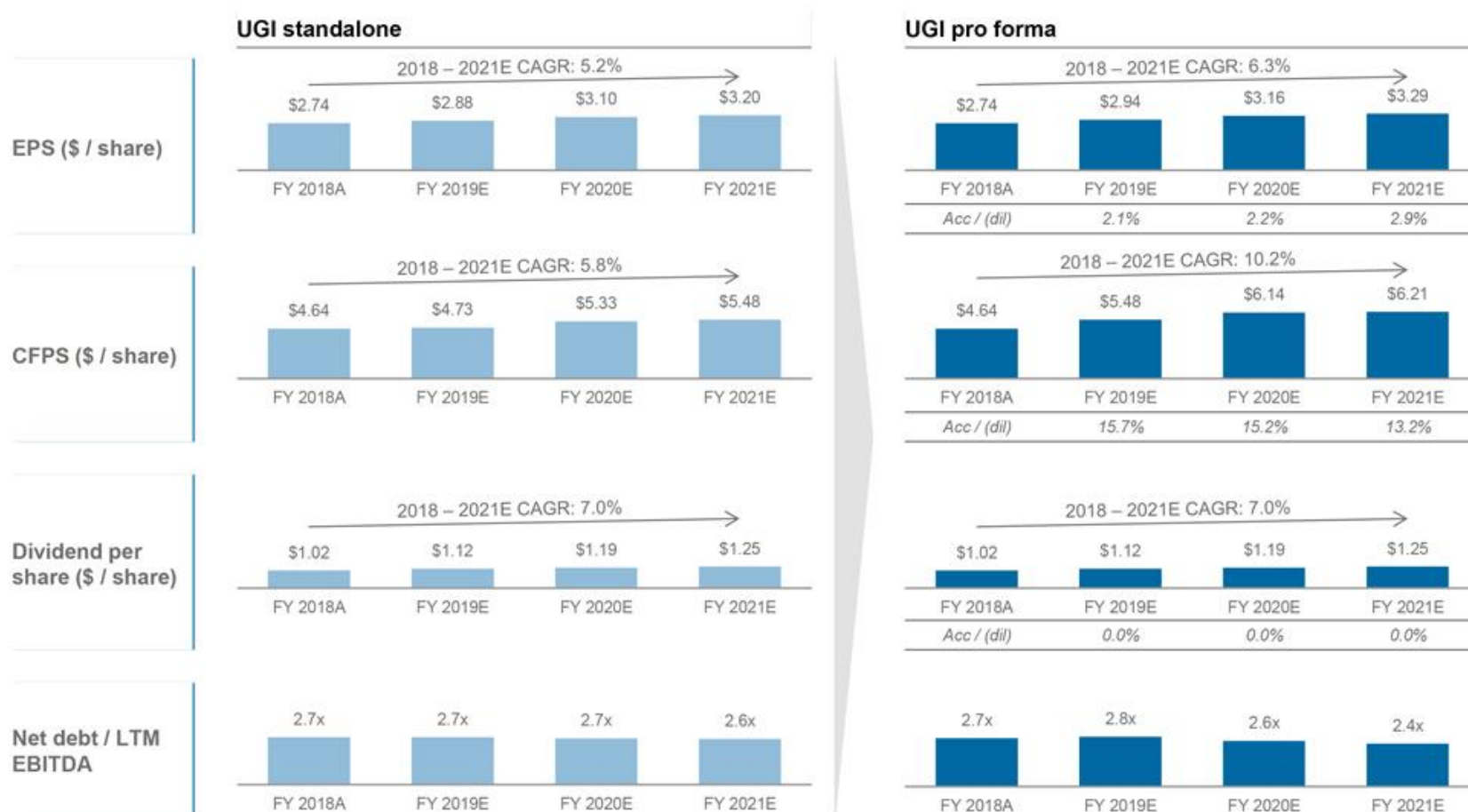
Uses

Purchase price	\$2,227
Fees / expenses	15
Total uses	\$2,242

Source: Company filings; Equity research consensus projections as of 1/9/19
UGI

Illustrative financial impact to UGI

Assumes illustrative 10% premium to APU public unitholders, 85% equity and 15% debt consideration; **assumes excess cash sits on balance sheet after repaying APU revolver**



Source: Company filings; Equity research consensus projections as of 1/9/19
 Note: CFPS based on deconsolidated cash flow from operations plus APU distributions paid to UGI

Incremental cash flow to UGI

Assumes illustrative 10% premium to APU public unitholders, 85% equity and 15% debt consideration

Cash effect of transaction (\$mm)

	FY 2019E	FY 2020E	FY 2021E
Current third party APU payout			
APU third party LP units outstanding	69.2	69.2	69.2
Distribution per LP unit	\$3.80	\$3.80	\$3.80
Distributions saved	\$263	\$263	\$263
(-) Taxes on incremental APU ownership	(\$79)	(\$79)	(\$81)
(-) Incremental taxes resulting from 163(J) interest limitations	0	0	0
(+) Annual tax savings from basis step-up ¹	96	119	94
Incremental tax saved / (paid)	\$17	\$40	\$14
Dividends on pro forma equity consideration			
UGI shares issued to APU third party LP unit holders	35.0	35.0	35.0
Dividend per share	\$1.12	\$1.19	\$1.25
Incremental dividends paid	(\$39)	(\$42)	(\$44)
<i>Memo: pro forma common share count</i>	<i>208.9</i>	<i>208.9</i>	<i>208.9</i>
Incremental interest expense on new debt			
Interest expense on incremental debt	\$20	\$20	\$20
Marginal tax rate	27.6%	27.6%	27.6%
After-tax interest expense	(\$15)	(\$15)	(\$15)
Cash effect of transaction	\$226	\$246	\$218
Cumulative cash balance effect of transaction	\$226	\$472	\$691

Source: Company filings; Equity research consensus projections as of 1/9/19

¹ Basis step-up based on ~74% UGI does not own; 90% of basis step-up assumed to be depreciable; Depreciation schedule based on 2015 PWC analysis; Subject to change per ongoing UGI and PWC internal analysis

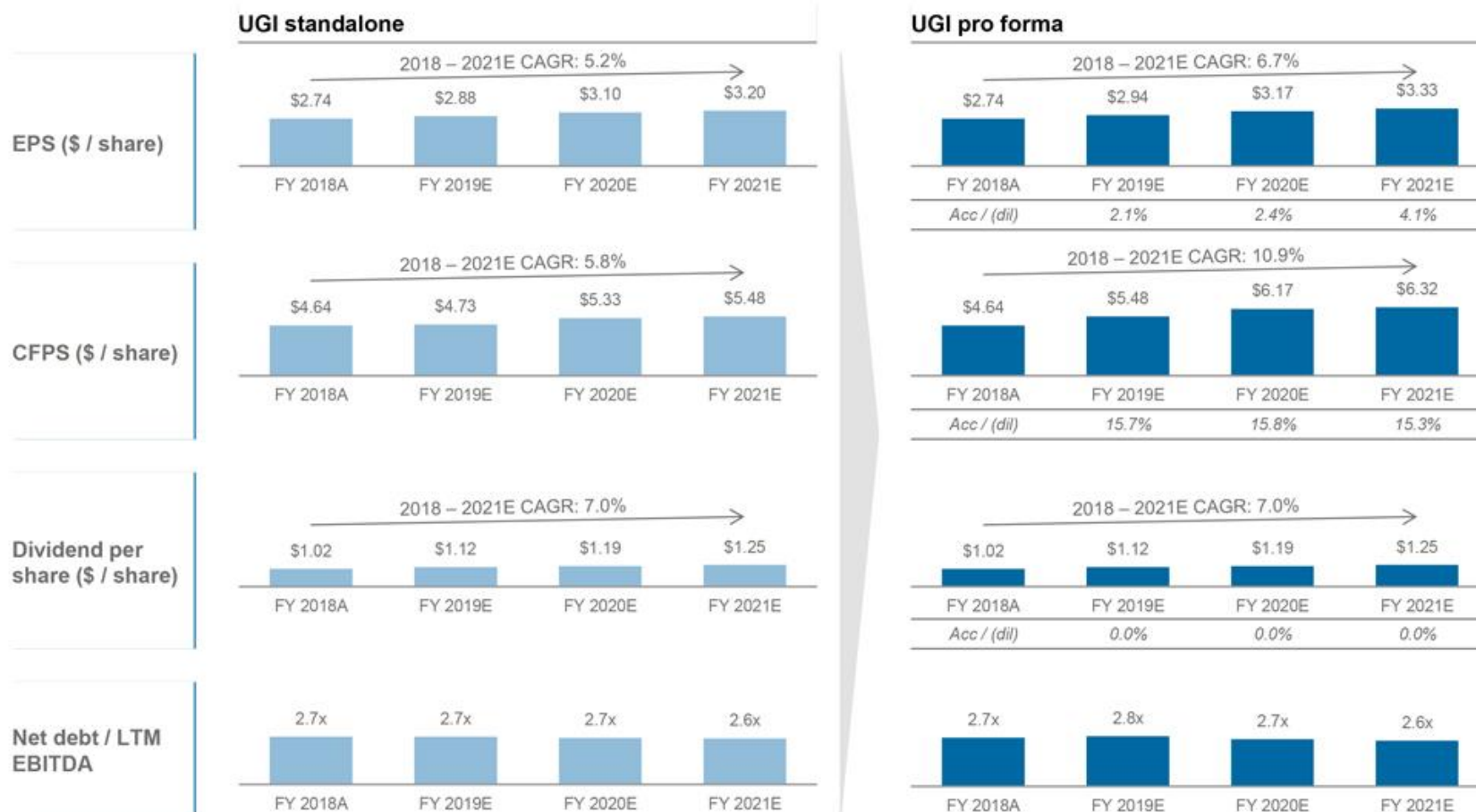
■ Buy-in of APU

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Illustrative financial impact to UGI

“Balanced allocation” scenario

Assumes illustrative 10% premium to APU public unitholders, 85% equity and 15% debt consideration; assumes 50% excess cash from transaction is reinvested in growth capex at a 7.5x multiple and 50% is used to repurchase shares after repaying APU revolver



Source: Company filings; Equity research consensus projections as of 1/9/19

Note: CFPS based on deconsolidated cash flow from operations plus APU distributions paid to UGI; Assumes only 50% of reinvestment EBITDA in year one UGI

Financial impact to UGI based on various premiums and consideration mix

“Balanced allocation” scenario

EPS

FY 2019E	Illustrative premium		% of buy-in financed with equity		
			65%	75%	85%
		0%	4.7%	4.3%	3.9%
		5%	3.8%	3.4%	3.0%
		10%	2.9%	2.5%	2.1%
		15%	2.0%	1.6%	1.2%
		20%	1.1%	0.7%	0.4%

FY 2020E	Illustrative premium		% of buy-in financed with equity		
			65%	75%	85%
		0%	5.1%	4.7%	4.2%
		5%	4.3%	3.8%	3.3%
		10%	3.4%	2.9%	2.4%
		15%	2.5%	2.0%	1.6%
		20%	1.7%	1.2%	0.7%

FY 2021E	Illustrative premium		% of buy-in financed with equity		
			65%	75%	85%
		0%	6.8%	6.3%	5.9%
		5%	5.9%	5.4%	5.0%
		10%	5.0%	4.5%	4.1%
		15%	4.2%	3.7%	3.2%
		20%	3.3%	2.8%	2.3%

CFPS

	Illustrative premium		% of buy-in financed with equity		
			65%	75%	85%
		0%	19.0%	18.1%	17.2%
		5%	18.3%	17.4%	16.5%
		10%	17.6%	16.6%	15.7%
		15%	16.9%	15.9%	15.0%
		20%	16.2%	15.2%	14.2%

	Illustrative premium		% of buy-in financed with equity		
			65%	75%	85%
		0%	19.2%	18.2%	17.3%
		5%	18.5%	17.5%	16.5%
		10%	17.9%	16.8%	15.8%
		15%	17.2%	16.1%	15.1%
		20%	16.6%	15.5%	14.4%

	Illustrative premium		% of buy-in financed with equity		
			65%	75%	85%
		0%	18.6%	17.7%	16.8%
		5%	17.9%	16.9%	16.0%
		10%	17.2%	16.2%	15.3%
		15%	16.4%	15.5%	14.5%
		20%	15.7%	14.7%	13.8%

Source: Company filings; Equity research consensus projections as of 1/9/19
 UGI

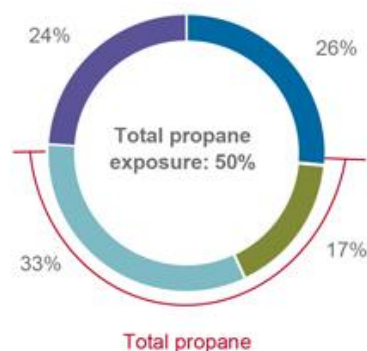
■ Buy-in of APU

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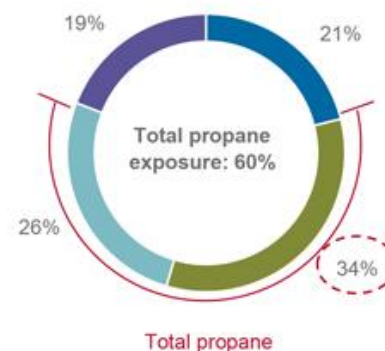
UGI's relative earnings mix Based on management projections

Utilities Domestic propane International propane Midstream

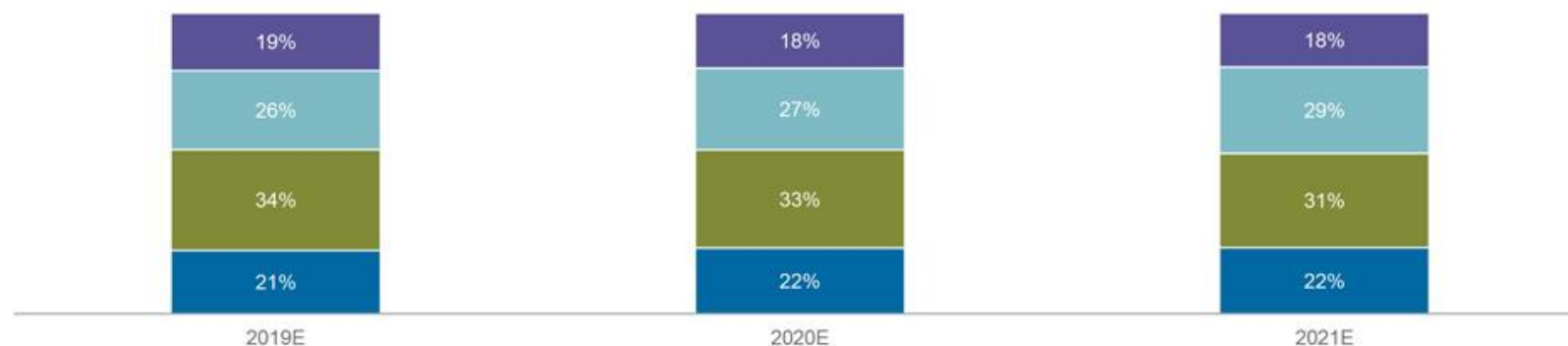
UGI standalone (based on FY 2019E earnings)



UGI + APU pro forma (based on FY 2019E earnings)



Pro forma earnings mix



Source: UGI projections through 2021 as provided by UGI management

Note: Based on net income estimates; Domestic propane adjusted for net income attributable to non-controlling interests; Pro forma exposure adjusts net income attributable to non-controlling interests by pro forma ownership and ignores effects of consideration mix for potential transaction

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Summary conclusions

- UGI's proposal to the APU Conflicts Committee on a GP / IDR elimination was met with opposition and a disparate view of GP / IDR value
- Recent price movements have resulted in a reduced relative valuation for APU versus UGI
 - This has increased the viability of a potential APU buy-in as such a deal could be immediately accretive to UGI's EPS and CFPS based on today's prices
- The trend of MLP buy-ins driven by lack of market access / investor appetite for MLP securities has accelerated
- Prior analysis likely overestimated proportion of historical shortfall / excess attributable to weather; while still meaningful, the impact is dampened using the current case
- In light of these developments, UGI management recommends pursuing a full MLP buy-in of APU

Agenda

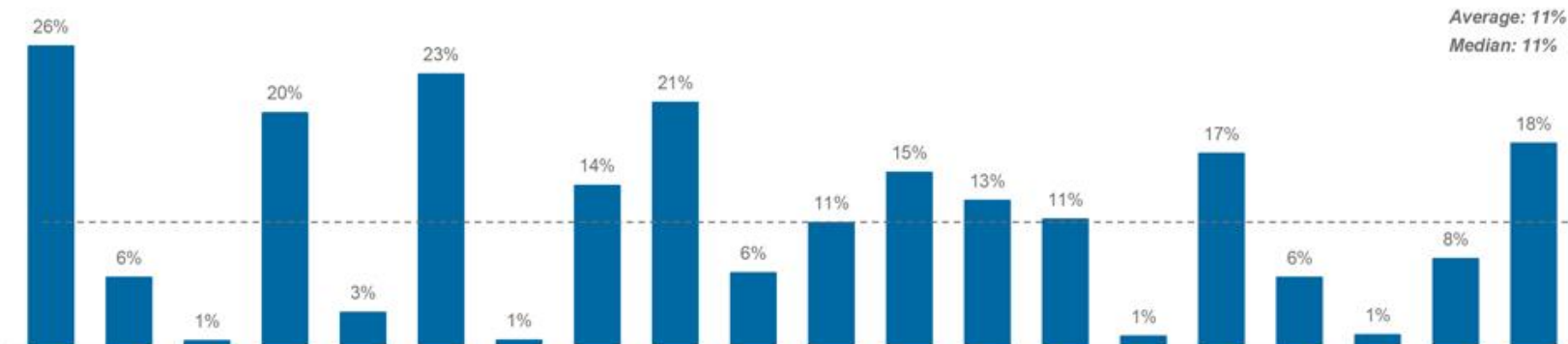
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Illustrative merger timeline

Date	Description	Duration
Proposal / Negotiation	<ul style="list-style-type: none"> ■ Upon authorization by the UGI Board, make merger proposal to Special Committee ■ Negotiate transaction with Special Committee, including merger agreement 	■ 60 days
Announcement	<ul style="list-style-type: none"> ■ Announce merger via press release / investor call 	
Regulatory Filings	<ul style="list-style-type: none"> ■ Prepare / file S-4 registration statement and NYSE listing agreement re UGI share issuance; proxy statement / prospectus re AmeriGas unitholder meeting; and related “going private” filings ■ Amend filings per SEC comments, as applicable 	■ 75 days
Proxy solicitation	<ul style="list-style-type: none"> ■ Execute on proxy solicitation / communication plan 	■ 30 days
AmeriGas unitholder meeting		
Closing		

Premiums paid in precedent affiliate MLP buy-in deals

% premium to last close



Date	Feb. 2017	Mar. 2017	Apr. 2017	May 2017	Nov. 2017	Jan. 2018	Mar. 2018	May 2018	May 2018	May 2018	Jun. 2018	Jul. 2018	Aug. 2018	Sept. 2018	Oct. 2018	Oct. 2018	Nov. 2018	Nov. 2018		
Acquirer	ONEOK	VTTI BV	World Point Terminals	Energy Transfer Partners	Delek	Archrock	Tallgrass Energy GP	Enbridge	Enbridge	Williams Companies	Cheniere Energy Partners	OCI N.V.	ArcLight Capital Partners	Energy Transfer Equity	Dominion Energy	Antero Midstream GP	Valero Energy	EnLink Midstream	Western Gas Equity Partners	Equitrans Midstream Corp
Target	ONEOK Partners	VTTI	World Point Terminals	PennTex Midstream Partners	Alon US Partners	Archrock Partners	Tallgrass Energy Partners	Enbridge Energy Partners	Spectra Energy Partners	Williams Partners	Cheniere Energy Holdings	OCI Partners LP	Trans-Montaigne Partners	Energy Transfer Partners	Dominion Midstream Partners	Antero Midstream Partners	Valero Energy Partners	EnLink Midstream Partners	Western Gas Partners	EQGP Holdings
% equity	100%	0%	0%	0%	100%	100%	100%	100%	100%	100%	100%	0%	0%	100%	100%	90%	0%	100%	100%	0%
% acq.	61%	51%	26%	34%	18%	57%	65%	63%	17%	26%	8%	12%	80%	34%	39%	100%	34%	78%	69%	9%
Acquirer absolute price performance																				
1-day	(2%)	n/a	n/a	0%	(0%)	(5%)	3%	1%	1%	2%	(1%)	(0%)	n/a	3%	(0%)	9%	(10%)	(2%)	(6%)	(3%)
30-day	(5%)	n/a	n/a	(12%)	13%	(15%)	14%	(3%)	(3%)	(1%)	8%	(4%)	n/a	(4%)	1%	(13%)	(23%)	(29%)	(10%)	(13%)
Acquirer relative price performance to AMZ																				
1-day	(3%)	n/a	n/a	(1%)	1%	(7%)	5%	1%	1%	1%	(2%)	1%	n/a	0%	(1%)	8%	(10%)	(1%)	(6%)	(2%)
30-day	(1%)	n/a	n/a	(9%)	14%	(13%)	8%	(1%)	(1%)	0%	9%	(1%)	n/a	(5%)	11%	(3%)	(15%)	(19%)	0%	(4%)

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Source: Company filings

Disclaimer: The MLP buy-in metrics above are presented merely for reference purposes only. The transactions included above represent selected master limited partnership buy-in transactions. J.P. Morgan did not attempt to identify all master limited partnership buy-in transactions that may be relevant for this analysis, and none of the selected transactions is identical to any transaction that the board may be considering.

Illustrative impact to UGI share price based on various pro forma EPS multiples (“balanced allocation” scenario) – *for reference only*

Assumes illustrative 10% premium to APU public unitholders; based on current UGI share price of \$54.02

2019E

Pro forma UGI share price at various P / E multiples

Current P / 2019E EPS multiple		% of buy-in financed with equity		
		65%	75%	85%
Pro forma P / 2019E EPS multiple	20.0x	\$59.23	\$59.00	\$58.78
	18.8x	\$55.58	\$55.36	\$55.15
	18.0x	\$53.30	\$53.10	\$52.90
	17.0x	\$50.34	\$50.15	\$49.96

2020E

Current P / 2020E EPS multiple		% of buy-in financed with equity		
		65%	75%	85%
Pro forma P / 2020E EPS multiple	18.0x	\$57.60	\$57.33	\$57.07
	17.5x	\$55.85	\$55.59	\$55.33
	16.0x	\$51.20	\$50.96	\$50.73
	15.0x	\$48.00	\$47.77	\$47.56

Share price accretion / (dilution) to UGI's current price

		% of buy-in financed with equity		
		65%	75%	85%
Pro forma P / 2019E EPS multiple	20.0x	10%	9%	9%
	18.8x	3%	2%	2%
	18.0x	(1%)	(2%)	(2%)
	17.0x	(7%)	(7%)	(8%)

		% of buy-in financed with equity		
		65%	75%	85%
Pro forma P / 2020E EPS multiple	18.0x	7%	6%	6%
	17.5x	3%	3%	2%
	16.0x	(5%)	(6%)	(6%)
	15.0x	(11%)	(12%)	(12%)

Source: Company filings; Equity research consensus projections as of 1/9/19

Note: New debt issued for transaction assumes 6% interest rate per company guidance

Disclaimer: This analysis is merely illustrative of the impact of hypothetical trading at assumed multiples and should not be interpreted as a stock price prediction by J.P. Morgan UGI

Agenda

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Situation update on the elimination of the GP / IDRs

- After receiving the Conflicts Committee's feedback to management's on its GP / IDR repurchase proposal, management and its advisors discussed and analyzed potential structural solutions
 - Focus on limiting dilution and protecting against potential downside in APU business from weather volatility, while ensuring reasonable valuation for IDRs
- One potential structure that was discussed was partial consideration in an additional class of units ("Class C") that only pay partial or full distributions if APU meets a certain financial threshold
 - For illustrative purposes, this was assumed to be a certain EBITDA level entitling the holders to receive either 50% or 100% of equivalent distributions to an LP unitholder
 - These units could eventually convert to common LP units after a determined period of time – timing and / or conditions for conversion would need to be negotiated
 - For example, conversion could be automatic after a certain period or may require meeting a certain financial threshold for a number of consecutive periods before they convert
- Management and its advisors have provided the following illustrative financial impact analysis for a GP / IDR repurchase that uses Class C units as partial consideration for discussion purposes only
 - This transaction structure has not been discussed with, presented to or offered to the Conflicts Committee
 - The consideration for the GP / IDRs and assumed APU distribution profile are illustrative assumptions from management

Elimination of GP / IDRs: potential benefits and considerations

Transaction description

- APU issues LP units and / or Class C units to UGI in exchange for the elimination of UGI's GP / IDR interest
- Class C units allow APU to issue equity without paying a cash distribution if APU encounters a warm winter
 - Results in greater financial flexibility for APU
- Results in greater ownership of APU LP units by UGI

Potential benefits to UGI

- ✓ Increases UGI's LP ownership in APU
- ✓ UGI retains some upside from further growth of distributions
- ✓ UGI demonstrates continued support of APU through retained ownership
- ✓ IDR elimination highlights value of the IDRs and is potentially accretive to cash flow

Potential benefits to APU

- ✓ Lower marginal cash cost of capital
- ✓ Increases competitiveness for APU to pursue transformational acquisitions with equity
- ✓ Plays to meaningful MLP simplification trend
- ✓ Structure appeals to broader investor base

Potential considerations for UGI

- ✗ Requires UGI and APU conflicts committee to agree on value of IDRs
- ✗ Potentially increases earnings volatility attributed to domestic propane in UGI
- ✗ UGI potentially forgoes future upside from the IDRs from equity-financed acquisitions at APU
- ✗ Increases UGI's exposure to weather volatility

Potential considerations for APU

- ✗ Potentially dilutive to short- and medium-term coverage

APU summary status quo financial projections

Commentary

- Estimates based on FYE 9/30
- EBITDA, D&A, capital expenditures and tax projections based on equity research consensus projections as of 1/9/19
- Assumes distribution cut of (20%) in 2019E with 0% year-over-year growth thereafter per management guidance
- Results in a distribution per unit of \$3.04 and total coverage of 1.37x in the 2019E

EBITDA (\$mm)



Maintenance capex (\$mm)



Distributable cash flow (\$mm)



LP distribution per unit (\$ / unit)



Total coverage	0.97x	1.37x	1.39x	1.43x
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Source: Company filings; Equity research consensus projections as of 1/9/19; UGI management

Transaction assumptions and sources and uses

Assumes \$125mm LP units / \$375mm Class C units for elimination of GP / IDRs

Transaction assumptions

- Complete elimination of IDRs based on illustrative GP / IDR value of \$500mm
- Assumes transaction date of 10/1/18
- Assumes no synergies
- Assumes elimination of all economics of the GP in the MLP and the OLP
- Assumes \$125mm of consideration is in APU LP units and \$375mm in Class C units
 - Assumes APU issues 4.3mm LP units and 12.8mm Class C units at \$29.25 (current price as of 1/9/19)
- Projections subject to modification based on conclusions of ongoing tax analysis / modeling exercise

Unit / payout assumptions

- Assumes initial distribution cut to reach 1.37x coverage
 - Distributions held flat year-over-year thereafter
 - 2019E distribution per unit of \$3.04 represents a (20%) cut to 2018 distribution per unit of \$3.80
 - Distribution profile held constant in pro forma scenario
- Class C unit assumptions
 - Assumes units pay cash distributions dependent on respective EBITDA thresholds
 - Each Class C unit pays 50% of LP unit equivalent distribution if APU EBITDA surpasses \$630mm
 - Each Class C unit pays 100% of LP unit equivalent distribution if APU EBITDA surpasses \$650mm
 - Class C units receive no distributions if EBITDA is below \$630mm
 - Assumes Class C units convert to LP units 5 years after issuance

Sources and uses (\$mm)

Sources		Uses	
Incremental debt issued	\$0	GP / IDR elimination	\$500
LP equity issued to GP	125		
Class C equity issued to GP	375		
Total sources	\$500	Total uses	\$500

Source: Company filings; Equity research consensus projections as of 1/9/19; UGI management

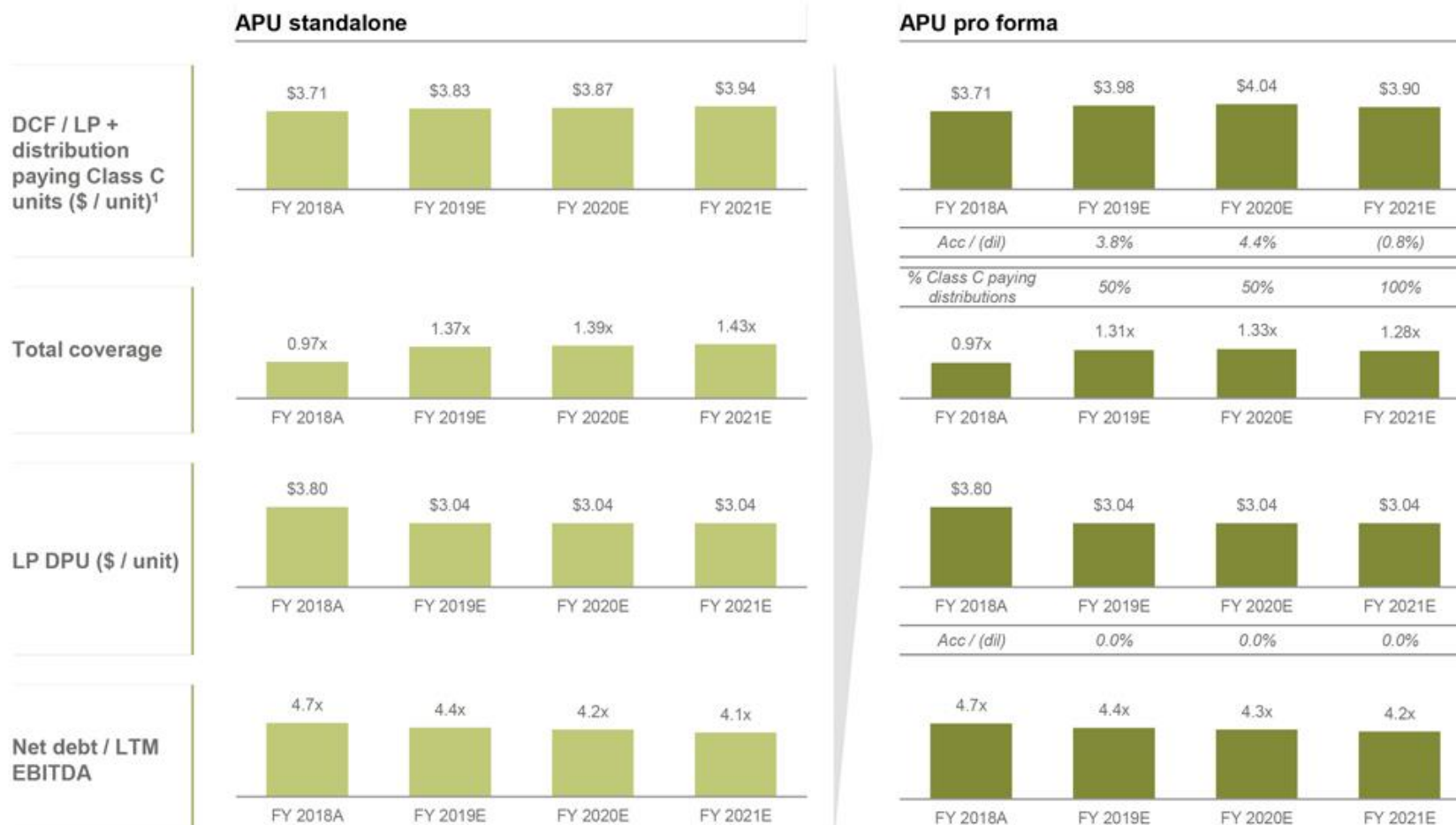
UGI

Illustrative cash flow impact to APU

Consensus case financials

UGI
APU

Assumes \$125mm LP units / \$375mm Class C units for elimination of GP / IDRs



Source: Company filings; Equity research consensus projections as of 1/9/19; UGI management; Note: Total coverage in pro forma case defined as total DCF divided by total distributions paid to LP and Class C units

¹ Includes total LP units plus only the distribution paying Class C units

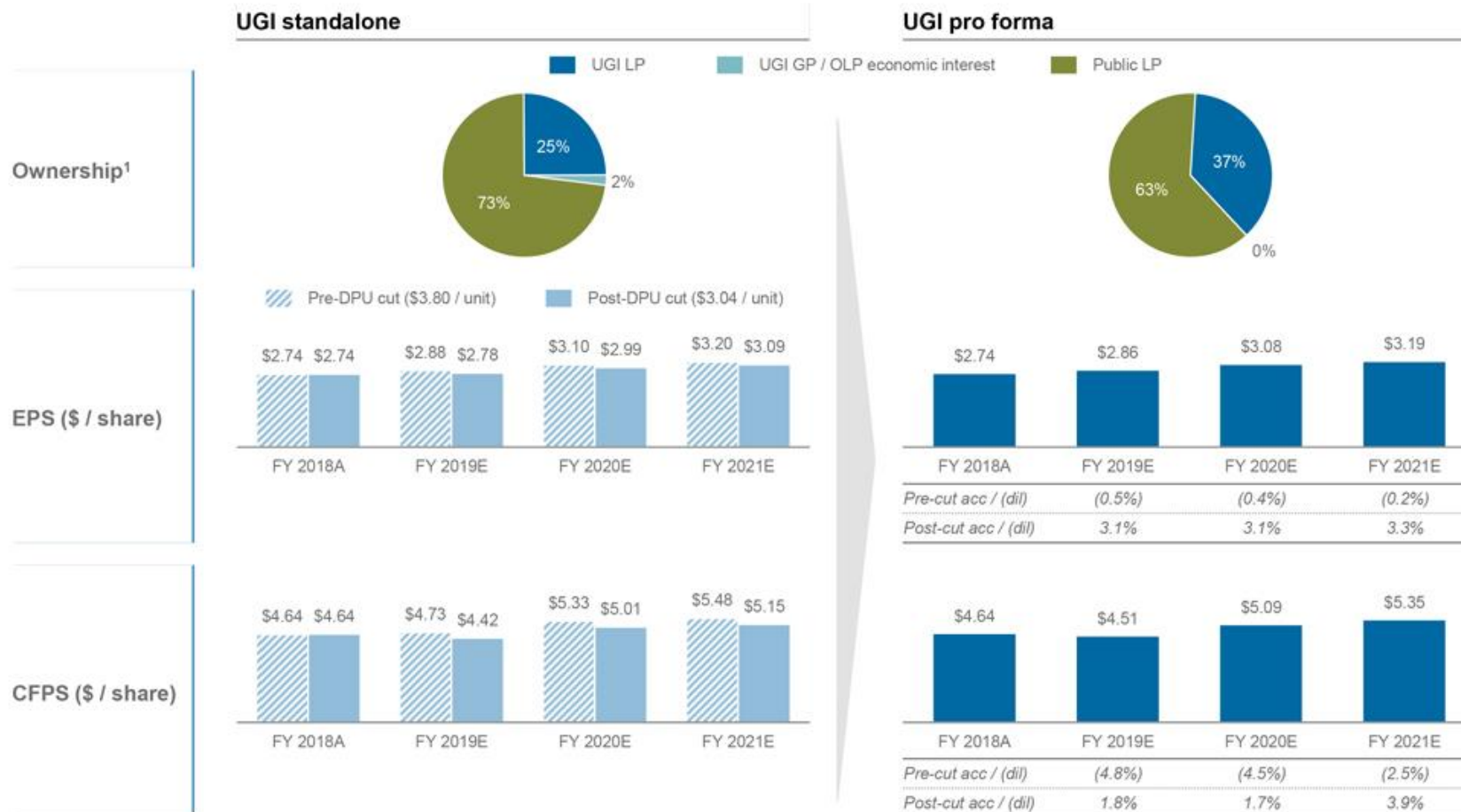
UGI

Illustrative financial impact to UGI

Consensus case financials

UGI
APU

Assumes \$125mm LP units / \$375mm Class C units for elimination of GP / IDRs



Source: Company filings; Equity research consensus projections as of 1/9/19; UGI management

Note: Pro forma EPS based on UGI's fully diluted ownership (LP + Class C units); CFPS based on deconsolidated cash flow from operations plus APU distributions paid to UGI

¹ UGI pro forma ownership based on fully diluted units at the time of transaction

UGI

GP / IDR elimination sensitivity analysis

Consensus case financials

Assumes fixed issuance of \$375mm of Class C units and remaining GP / IDR value in LP units

APU

DCF / LP + distribution paying Class C units (\$ / unit)¹

GP / IDR value (\$mm)		FYE		
		2019E	2020E	2021E
	\$400	7.4%	8.2%	2.7%
	\$450	5.6%	6.3%	0.9%
	\$500	3.8%	4.4%	(0.8%)
	\$550	2.1%	2.6%	(2.5%)
	\$600	0.4%	0.9%	(4.1%)

LP DPU

GP / IDR value (\$mm)		FYE		
		2019E	2020E	2021E
	\$400	0.0%	0.0%	0.0%
	\$450	0.0%	0.0%	0.0%
	\$500	0.0%	0.0%	0.0%
	\$550	0.0%	0.0%	0.0%
	\$600	0.0%	0.0%	0.0%

Total coverage

GP / IDR value (\$mm)		FYE		
		2019E	2020E	2021E
	\$400	1.35x	1.38x	1.33x
	\$450	1.33x	1.35x	1.31x
	\$500	1.31x	1.33x	1.28x
	\$550	1.29x	1.31x	1.26x
	\$600	1.26x	1.28x	1.24x
Status quo coverage		1.37x	1.39x	1.43x

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EPS²

GP / IDR value (\$mm)		FYE		
		2019E	2020E	2021E
	\$400	2.3%	2.3%	2.4%
	\$450	2.7%	2.7%	2.9%
	\$500	3.1%	3.1%	3.3%
	\$550	3.6%	3.5%	3.8%
	\$600	3.9%	3.9%	4.2%

CFPS

GP / IDR value (\$mm)		FYE		
		2019E	2020E	2021E
	\$400	0.5%	0.4%	2.6%
	\$450	1.1%	1.1%	3.3%
	\$500	1.8%	1.7%	3.9%
	\$550	2.5%	2.3%	4.5%
	\$600	3.2%	2.9%	5.2%

Source: Company filings; Equity research consensus projections as of 1/9/19; UGI management; Note: Pro forma EPS based on UGI's fully diluted ownership (LP + Class C units); CFPS based on deconsolidated cash flow from operations plus APU distributions paid to UGI; Total coverage in pro forma case defined as total DCF divided by total distributions paid to LP and Class C units

¹ Includes total LP units plus only the distribution paying Class C units; ² EPS acc / (dil) based on post-DPU cut EPS

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