

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): February 3, 2021

UGI Corporation
(Exact Name of Registrant as Specified in Its Charter)

Pennsylvania
(State or Other Jurisdiction
of Incorporation)

1-11071
(Commission
File Number)

23-2668356
(IRS Employer
Identification No.)

460 North Gulph Road, King of Prussia, PA 19406
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: 610 337-1000

Not Applicable
Former Name or Former Address, if Changed Since Last Report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, without par value	UGI	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On February 3, 2021, UGI Corporation (the “Company”) issued a press release announcing financial results for the Company for the fiscal quarter ended December 31, 2020. A copy of the press release is furnished as Exhibit 99.1 to this report and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On February 4, 2021, the Company will hold a live Internet Audio Webcast of its conference call to discuss its financial results for the fiscal quarter ended December 31, 2020.

Presentation materials containing certain historical and forward-looking information relating to the Company (the “Presentation Materials”) have been made available on the Company’s website. A copy of the Presentation Materials is furnished as Exhibit 99.2 to this report and is incorporated herein by reference in this Item 7.01. All information in Exhibit 99.2 is presented as of the particular dates referenced therein, and the Company does not undertake any obligation to, and disclaims any duty to, update any of the information provided.

In accordance with General Instruction B.2 of Form 8-K, the information in this report, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and will not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in that filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are being furnished herewith:

99.1	Press Release of UGI Corporation dated February 3, 2021.
99.2	Presentation of UGI Corporation dated February 4, 2021.
101.INS	XBRL Instance - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UGI Corporation

February 4, 2021

By: /s/ Ted J. Jastrzebski
Name: *Ted J. Jastrzebski*
Title: *Chief Financial Officer*



UGI Reports Strong First Quarter Results

February 3, 2021

VALLEY FORGE, PA - UGI Corporation (NYSE: UGI) today reported financial results for the fiscal quarter ended December 31, 2020.

HEADLINES

- GAAP diluted earnings per share ("EPS") of \$1.44 and adjusted diluted EPS of \$1.18 compared to GAAP diluted EPS of \$1.00 and adjusted diluted EPS of \$1.17 in the prior-year period.
- Reportable segments earnings before interest expense and income taxes¹ ("EBIT") of \$414 million compared to \$419 million in the prior-year period.
- Margins stronger than prior year at UGI International, continued progress on the LPG business transformation initiatives, and disciplined expense management largely offset warmer than prior-year weather at our domestic businesses and the impact of the COVID-19 pandemic.
- Through its subsidiary, UGI Energy Services, LLC ("Energy Services") entered into definitive agreements to invest in New Energy One HoldCo LLC, which is part of the team developing a utility-scale renewable natural gas ("RNG") project in Idaho.
- On December 30, 2020, UGI announced that it had signed a definitive agreement to acquire Mountaineer Gas Company.

ESG HIGHLIGHTS

- UGI Utilities, Inc. ("UGI Utilities") has executed a RNG interconnect agreement with a landfill gas developer in northeast Pennsylvania.
- UGI Utilities has also commenced construction on a project to deliver natural gas to UPS Fuel Services Inc., a subsidiary of United Parcel Services, Inc. ("UPS"), for a large regional fleet of compressed natural gas ("CNG") delivery vehicles.
- On February 2, 2021, UGI International announced a new supply and development partnership with Ekobenz, a Polish technology specialist in catalytic conversion of bioethanol to bio-gasoline and bioLPG, for exclusive rights to its supply of bioLPG.
- On December 14, 2020, UGI Utilities and Energy Services joined the coalition Our Nation's Energy Future (ONE Future) to further progress their commitment toward achieving UGI's ambitious greenhouse gas emission reduction targets.
- Created a dedicated ESG function to continue advancing UGI's commitment to sustainability.
- Through its subsidiary, UGI Utilities, UGI supported programs promoting Belonging, Inclusion, Diversity & Equity (BIDE) and STEM advancement through a gift of \$300,000 to Penn State Harrisburg.

"UGI delivered a strong first quarter with GAAP diluted EPS of \$1.44 and adjusted diluted EPS of \$1.18, despite weather that was warmer than normal in all of our service territories and the ongoing impact of COVID-19 on our operations," said John L. Walsh, President and Chief Executive Officer of UGI Corporation. "The solid results highlight the benefits of both geographic and operational diversification as the strong performance was driven by higher margins at UGI International, higher volumes from AmeriGas' cylinder exchange program, favorable capacity management margin at our Midstream & Marketing business, continued contribution from our growth drivers and transformation initiatives,

and disciplined expense management. These factors largely offset generally warmer weather in our domestic businesses and the negative impact of COVID-19 during the quarter; demonstrating the resiliency of our business.

"The LPG businesses continue to make good progress on the business transformation initiatives. Fiscal 2021 is an important year for both businesses as we begin to execute on critical aspects of the projects and continue to build a culture of continuous improvement. AmeriGas and UGI International continue to enhance operational efficiency, improve the customer experience, and remain on pace to deliver total ongoing annual benefits of more than \$140 million and €30 million, respectively.

"On December 30, 2020 we announced an agreement to acquire Mountaineer Gas Company. The transaction accelerates the goal of rebalancing our portfolio and provides us with an opportunity to support our customers in West Virginia through investments that will ensure safe, reliable, affordable, and environmentally responsible natural gas services. We expect to see rate base grow by a compound annual growth rate of approximately 10% to 12% over the long term. The transaction is expected to be immediately accretive to adjusted diluted EPS and is expected to close in the second half of calendar year 2021.

"Lastly, we continue to make progress on our goal to be a leader in delivering renewable energy solutions for our customers. Recently, UGI Utilities executed a RNG interconnect agreement with a large landfill gas developer in northeast Pennsylvania and commenced construction on a project to deliver natural gas to UPS Fuel Services Inc. We also recently announced that UGI International entered into a supply and development partnership with Ekobenz and secured exclusive rights to Ekobenz' supply of bioLPG, a renewable form of propane-butane produced from advanced bioethanol.

"We continued to make progress on key initiatives during the first quarter and remain on track to deliver on our long-term financial commitments to shareholders."

KEY DRIVERS OF FIRST QUARTER RESULTS

- *AmeriGas*: Retail volume decreased 9% on weather that was 8.2% warmer than the prior-year period; Cylinder Exchange volumes increased 25%; 8% lower operating and administrative expenses due to progress on the LPG business transformation initiatives and disciplined expense management
- *UGI International*: Higher EBIT primarily driven by higher average LPG unit margins due to the effects of margin management efforts, lower LPG product costs, and lower costs associated with energy conservation certificates; increase in bulk volumes; and sound expense management
- *Midstream & Marketing*: Lower EBIT largely attributable to weather that was 11.4% warmer than the prior year period
- *UGI Utilities*: Core market volumes decreased 12% primarily due to weather that was 10.1% warmer than the prior-year period

EARNINGS CALL AND WEBCAST

UGI Corporation will hold a live Internet Audio Webcast of its conference call to discuss the quarterly earnings and other current activities at 9:00 AM ET on Thursday, February 4, 2021. Interested parties may listen to the audio webcast both live and in replay on the Internet at <https://edge.media-server.com/mmc/p/znb3po4k> or by visiting the company website <https://www.ugicorp.com> and clicking on Investors and then Presentations. A telephonic replay will be available from 12:00 PM ET on February 4 through 11:59 PM ET February 11. The replay may be accessed toll free at 855-859-2056 and internationally at +1 404-537-3406, conference ID 8949575.

CONTACT INVESTOR RELATIONS

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Tameka Morris, ext. 6297
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Shelly Oates, ext. 3202

ABOUT UGI

UGI Corporation is a distributor and marketer of energy products and services. Through subsidiaries, UGI operates natural gas and electric utilities in Pennsylvania, distributes LPG both domestically (through AmeriGas) and internationally (through UGI International), manages midstream energy assets in Pennsylvania, Ohio, and West Virginia and electric generation assets in

Pennsylvania, and engages in energy marketing, including renewable natural gas, in twelve states and the District of Columbia and internationally in France, Belgium, the Netherlands and the UK.

Comprehensive information about UGI Corporation is available on the Internet at <https://www.ugicorp.com>.

USE OF NON-GAAP MEASURES

Management uses "adjusted diluted earnings per share," a non-GAAP financial measure, when evaluating UGI's overall performance. Management believes that this non-GAAP measure provides meaningful information to investors about UGI's performance because it eliminates 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. 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.

Tables on the last page reconcile net income attributable to UGI Corporation, the most directly comparable GAAP measure, to adjusted net income attributable to UGI Corporation, and diluted earnings per share, the most comparable GAAP measure, to adjusted diluted earnings per share, to reflect the adjustments referred to above.

¹ Reportable segments earnings before interest expense and income taxes represents an aggregate of our segment level EBIT as determined in accordance with GAAP.

USE OF FORWARD-LOOKING STATEMENTS

This press release contains statements, estimates and projections that are forward-looking statements (as defined in Section 21E of the Securities Exchange Act of 1934, as amended). Management believes that these are 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 (including increasingly uncertain weather patterns due to climate change) and the seasonal nature of our business; cost volatility and availability of all energy products, including propane, natural gas, electricity and fuel oil as well as the availability of LPG cylinders; increased customer conservation measures; the impact of pending and future legal or regulatory proceedings, inquiries or investigations, liability for uninsured claims and for claims in excess of insurance coverage; domestic and international political, regulatory and economic conditions in the United States and in foreign countries, including the current conflicts in the Middle East and the withdrawal of the United Kingdom from the European Union, and foreign currency exchange rate fluctuations (particularly the euro); the timing of development of 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; the interruption, disruption, failure, malfunction, or breach of our information technology systems, including due to cyber-attack; the inability to complete pending or future energy infrastructure projects; our ability to achieve the operational benefits and cost efficiencies expected from the completion of pending and future transformation initiatives including the impact of customer disruptions resulting in potential customer loss due to the transformation activities; uncertainties related to the global pandemics, including the duration and/or impact of the COVID-19 pandemic; and the extent to which we are able to utilize certain tax benefits currently available under the CARES Act and similar tax legislation and whether such benefits will remain available in the future.

SEGMENT RESULTS (\$ in millions, except where otherwise indicated)

AmeriGas Propane

For the fiscal quarter ended December 31,	2020	2019	Decrease	
Revenues	\$ 666	\$ 730	\$ (64)	(9)%
Total margin (a)	\$ 394	\$ 441	\$ (47)	(11)%
Operating and administrative expenses	\$ 221	\$ 240	\$ (19)	(8)%
Operating income/earnings before interest expense and income taxes	\$ 141	\$ 165	\$ (24)	(15)%
Retail gallons sold (millions)	276	304	(28)	(9)%
Heating degree days - % (warmer) colder than normal (b)	(4.6)%	4.0 %		
Capital expenditures	\$ 27	\$ 39	\$ (12)	(31)%

- Retail gallons sold decreased 9%, principally due to weather that was 8.2% warmer than the prior-year period, the negative effects of COVID-19 on commercial and motor fuel volumes, structural conservation and other residual volume loss, partially offset by increased cylinder exchange volumes.
- Total margin decreased \$47 million primarily attributable to lower retail propane volumes (\$36 million) and lower average retail unit margins (\$7 million) compared to the prior-year period.
- Operating and administrative expenses decreased \$19 million reflecting progress on the LPG business transformation initiatives and \$3 million of lower general insurance costs. LPG transformation savings primarily reflect lower employee compensation and benefits-related costs (\$11 million) and decreased vehicle and equipment operating and maintenance expenses (\$6 million).
- Operating income and earnings before interest expense and income taxes each decreased \$24 million reflecting the lower total margin, partially offset by lower operating and administrative expenses.

UGI International

For the fiscal quarter ended December 31,	2020	2019	Increase (Decrease)	
Revenues	\$ 700	\$ 651	\$ 49	8 %
Total margin (a)	\$ 317	\$ 276	\$ 41	15 %
Operating and administrative expenses (a)	\$ 157	\$ 151	\$ 6	4 %
Operating income	\$ 135	\$ 96	\$ 39	41 %
Earnings before interest expense and income taxes	\$ 136	\$ 100	\$ 36	36 %
LPG retail gallons sold (millions)	236	246	(10)	(4)%
Heating degree days - % (warmer) than normal (b)	(2.0)%	(6.6)%		
Capital expenditures	\$ 29	\$ 20	\$ 9	45 %

UGI International base-currency results are translated into U.S. dollars based upon exchange rates experienced during the reporting periods. Differences in these translation rates affect the comparison of line item amounts presented in the table above. The functional currency of a significant portion of our UGI International results is the euro and, to a much lesser extent, the British pound sterling. During the 2020 and 2019 three-month periods, the average unweighted euro-to-dollar translation rates were approximately \$1.19 and \$1.11, respectively, and the average unweighted British pound sterling-to-dollar translation rates were approximately \$1.32 and \$1.29, respectively.

- Retail volume decreased 4% principally due to termination of a high-volume low-margin autogas contract in Italy during Fiscal 2020, partially offset by increased crop drying and heating-related bulk volumes, on weather that was 4.9% colder than the prior-year period.
- Average propane wholesale prices in northwest Europe were approximately 8% lower than the prior-year period.
- Total margin increased \$41 million compared to the prior-year period reflecting higher average LPG unit margins attributable to margin management efforts, lower LPG product costs and lower costs associated with energy conservation certificates, including adjustments related to the current compliance period. Total margin also increased due to higher bulk volumes, the translation effects of the stronger euro (approximately \$21 million), and higher margins from energy marketing, slightly offset by the termination of the high-volume low-margin autogas contract and the effects of COVID-19.

- The increase in operating and administrative expenses largely reflects the translation effects of the stronger euro (approximately \$10 million), partially offset by lower expenses due to the LPG business transformation initiatives and expense management.
- Operating income increased \$39 million compared to the prior-year period primarily due to the increase in total margin, partially offset by higher operating and administrative expenses.
- Earnings before interest expense and income taxes increased \$36 million compared to the prior-year period due to the higher operating income, partially offset by lower pre-tax realized gains on foreign currency exchange contracts used to reduce volatility in UGI International's net income resulting from changes in foreign currency exchange rates (\$4 million).

Midstream & Marketing

For the fiscal quarter ended December 31,

	2020	2019	Decrease	
Revenues	\$ 341	\$ 373	\$ (32)	(9)%
Total margin (a)	\$ 104	\$ 109	\$ (5)	(5)%
Operating and administrative expenses	\$ 32	\$ 35	\$ (3)	(9)%
Operating income	\$ 52	\$ 55	\$ (3)	(5)%
Earnings before interest expense and income taxes	\$ 59	\$ 62	\$ (3)	(5)%
Heating degree days - % (warmer) colder than normal	(9.1)%	2.6 %		
Capital expenditures	\$ 17	\$ 23	\$ (6)	(26)%

- Temperatures were 9.1% warmer than normal and 11.4% warmer than the prior-year period.
- Total margin decreased \$5 million primarily reflecting the absence of margins attributable to HVAC and Conemaugh that were divested in Fiscal 2020 (\$7 million) and lower peaking margin (\$5 million) compared to the prior-year period. The effect of these decreases was partially offset by higher capacity management margin (\$8 million) compared to the prior-year period.
- Operating and administrative expenses decreased \$3 million largely due to lower expenses attributable to the divested assets, partially offset by higher expenses for new assets placed into service and acquisitions.
- Operating income decreased due to lower total margin partially offset by lower operating and administrative expenses.

UGI Utilities

For the fiscal quarter ended December 31,

	2020	2019	Increase (Decrease)	
Revenues	\$ 300	\$ 329	\$ (29)	(9)%
Total margin (a)	\$ 167	\$ 177	\$ (10)	(6)%
Operating and administrative expenses	\$ 60	\$ 58	\$ 2	3 %
Operating income	\$ 77	\$ 92	\$ (15)	(16)%
Earnings before interest expense and income taxes	\$ 78	\$ 92	\$ (14)	(15)%
Gas Utility system throughput - billions of cubic feet				
Core market	23	26	(3)	(12)%
Total	83	85	(2)	(2)%
Gas Utility heating degree days - % (warmer) colder than normal (b)	(9.8)%	0.3 %		
Capital expenditures	\$ 79	\$ 71	\$ 8	11 %

- Gas Utility service territory experienced temperatures that was 10.1% warmer than the prior-year period.
- Core market volumes decreased due to the warmer weather and volume reductions attributable to COVID-19, partially offset by customer growth.
- Total Gas Utility distribution throughput decreased 2 bcf reflecting lower core market volumes, partially offset by higher large firm delivery service volumes.
- Total margin decreased \$10 million primarily due to lower total margin (\$8 million) from Gas Utility core market customers.
- Operating and administrative expenses increased \$2 million reflecting increases in employee compensation and benefits-related expenses and higher allocated corporate expenses compared to the prior-year period.

- Operating income decreased reflecting the lower total margin, higher depreciation expense (\$3 million) and higher operating and administrative expenses (\$2 million). The increased depreciation expense is attributable to continued IT and distribution system capital expenditure activity.
- (a) Total margin represents total revenue less total cost of sales. In the case of UGI Utilities, total margin is reduced by revenue-related tax expenses. In the case of UGI International, total margin represents revenues less cost of sales and, in the 2019 three-month period, LPG cylinder filling costs of \$7 million. For financial statement purposes, LPG cylinder filling costs in the 2019 three-month period are included in "Operating and administrative expenses" on the Condensed Consolidated Statements of Income (but excluded from operating and administrative expenses presented above). For financial statement purposes, LPG cylinder filling costs in the 2020 three-month period are included in "Cost of Sales".
- (b) Beginning in Fiscal 2021, deviation from average heating degree days is determined on a rolling 10-year period utilizing volume-weighted weather data. Prior-period amounts have been restated to conform to the current-period presentation.

REPORT OF EARNINGS – UGI CORPORATION
(Millions of dollars, except per share)
(Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2020	2019	2020	2019
Revenues:				
AmeriGas Propane	\$ 666	\$ 730	\$ 2,317	\$ 2,592
UGI International	700	651	2,176	2,313
Midstream & Marketing	341	373	1,215	1,429
UGI Utilities	300	329	1,001	1,055
Corporate & Other (a)	(75)	(76)	(225)	(262)
Total revenues	<u>\$ 1,932</u>	<u>\$ 2,007</u>	<u>\$ 6,484</u>	<u>\$ 7,127</u>
Earnings (loss) before interest expense and income taxes:				
AmeriGas Propane	\$ 141	\$ 165	\$ 349	\$ 403
UGI International	136	100	295	276
Midstream & Marketing	59	62	165	133
UGI Utilities	78	92	215	240
Total reportable segments	414	419	1,024	1,052
Corporate & Other (a)	76	(47)	83	(193)
Total earnings before interest expense and income taxes	<u>490</u>	<u>372</u>	<u>1,107</u>	<u>859</u>
Interest expense:				
AmeriGas Propane	(40)	(42)	(162)	(168)
UGI International	(7)	(7)	(31)	(27)
Midstream & Marketing	(10)	(12)	(40)	(20)
UGI Utilities	(14)	(14)	(54)	(52)
Corporate & Other, net (a)	(7)	(9)	(29)	(16)
Total interest expense	<u>(78)</u>	<u>(84)</u>	<u>(316)</u>	<u>(283)</u>
Income before income taxes	412	288	791	576
Income tax expense	<u>(109)</u>	<u>(76)</u>	<u>(168)</u>	<u>(145)</u>
Net income including noncontrolling interests	303	212	623	431
Deduct net income attributable to noncontrolling interests, principally in AmeriGas Partners, L.P.	—	—	—	(27)
Net income attributable to UGI Corporation	<u>\$ 303</u>	<u>\$ 212</u>	<u>\$ 623</u>	<u>\$ 404</u>
Earnings per share attributable to UGI shareholders:				
Basic	\$ 1.45	\$ 1.01	\$ 2.98	\$ 2.16
Diluted	<u>\$ 1.44</u>	<u>\$ 1.00</u>	<u>\$ 2.97</u>	<u>\$ 2.13</u>
Weighted Average common shares outstanding (thousands) (b):				
Basic	208,774	209,439	208,896	187,248
Diluted	<u>209,640</u>	<u>211,258</u>	<u>209,599</u>	<u>189,608</u>
Supplemental information:				
Net income (loss) attributable to UGI Corporation:				
AmeriGas Propane	\$ 74	\$ 91	\$ 139	\$ 129
UGI International	92	73	192	181
Midstream & Marketing	35	36	91	83
UGI Utilities	49	61	124	144
Total reportable segments	250	261	546	537
Corporate & Other (a)	53	(49)	77	(133)
Total net income attributable to UGI Corporation	<u>\$ 303</u>	<u>\$ 212</u>	<u>\$ 623</u>	<u>\$ 404</u>

(a) Corporate & Other includes specific items attributable to our reportable segments that are not included in profit measures used by our chief operating decision maker in assessing our reportable segments' performance or allocating resources. These specific items are shown in the section titled "Non-GAAP Financial Measures - Adjusted Net Income Attributable to UGI".

and Adjusted Diluted Earnings Per Share" below. Corporate & Other also includes the elimination of certain intercompany transactions.
(b) Earnings per share for the twelve months ended December 31, 2019 reflect 34.6 million incremental shares of UGI Common Stock issued in connection with UGI's buy-in of the outstanding common units of AmeriGas Partners, L.P. ("AmeriGas Merger").

Non-GAAP Financial Measures - Adjusted Net Income Attributable to UGI and Adjusted Diluted Earnings Per Share

The following tables reconcile net income attributable to UGI Corporation, the most directly comparable GAAP measure, to adjusted net income attributable to UGI Corporation, and reconcile diluted earnings per share, the most comparable GAAP measure, to adjusted diluted earnings per share, to reflect the adjustments referred to previously:

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2020	2019	2020	2019
Adjusted net income attributable to UGI Corporation (millions):				
Net income attributable to UGI Corporation	\$ 303	\$ 212	\$ 623	\$ 404
Net (gains) losses on commodity derivative instruments not associated with current-period transactions (net of tax of \$31, \$(2), \$68 and \$(25), respectively)	(85)	10	(177)	76
Unrealized losses (gains) on foreign currency derivative instruments (net of tax of \$(5), \$(4), \$(11) and \$3, respectively)	15	11	30	(6)
Acquisition and integration expenses associated with the CMG Acquisition (net of tax of \$0, \$0, \$(1) and \$(5), respectively)	—	1	—	12
Acquisition expenses associated with the pending Mountaineer Acquisition (net of tax of \$(1), \$0, \$(1) and \$0, respectively)	1	—	1	—
Business transformation expenses (net of tax of \$(4), \$(5), \$(16) and \$(10), respectively)	13	12	46	28
AmeriGas Merger expenses (net of tax of \$0, \$0, \$0 and \$0, respectively)	—	—	—	1
Loss on disposals of Conemaugh and HVAC (net of tax of \$0, \$0, \$(15) and \$0, respectively)	—	—	39	—
Total adjustments (1) (2)	(56)	34	(61)	111
Adjusted net income attributable to UGI Corporation	\$ 247	\$ 246	\$ 562	\$ 515
Adjusted diluted earnings per share:				
UGI Corporation earnings per share — diluted (3)	\$ 1.44	\$ 1.00	\$ 2.97	\$ 2.13
Net (gains) losses on commodity derivative instruments not associated with current-period transactions	(0.40)	0.05	(0.85)	0.40
Unrealized losses (gains) on foreign currency derivative instruments	0.07	0.06	0.14	(0.03)
Acquisition and integration expenses associated with the CMG Acquisition	—	—	0.01	0.06
Acquisition expenses associated with the pending Mountaineer Acquisition	0.01	—	0.01	—
Business transformation expenses	0.06	0.06	0.22	0.15
AmeriGas Merger expenses	—	—	—	0.01
Loss on disposals of Conemaugh and HVAC	—	—	0.18	—
Total adjustments (1) (3)	(0.26)	0.17	(0.29)	0.59
Adjusted diluted earnings per share (3)	\$ 1.18	\$ 1.17	\$ 2.68	\$ 2.72

- (1) Corporate & Other includes certain adjustments made to our reporting segments in arriving at net income attributable to UGI Corporation, including the impact of the tax benefits resulting from tax law changes during Fiscal 2020. These adjustments have been excluded from the segment results to align with the measure used by our chief operating decision maker in assessing segment performance and allocating resources.
(2) Income taxes associated with pre-tax adjustments determined using statutory business unit tax rates.
(3) Earnings per share for the twelve months ended December 31, 2019 reflect 34.6 million in incremental shares of UGI Common Stock issued in connection with the AmeriGas Merger.



Fiscal 2021
First Quarter Results

John L. Walsh

President & CEO, UGI Corporation

Ted J. Jastrzebski

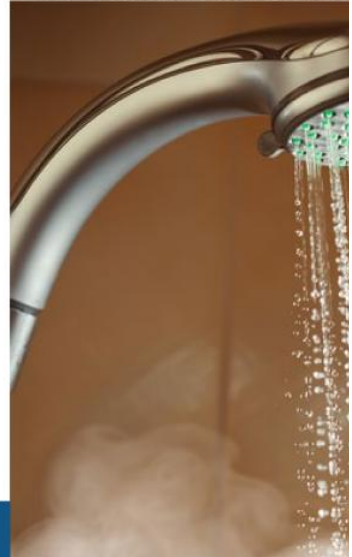
Chief Financial Officer, UGI Corporation

Robert F. Beard

Executive Vice President Natural Gas, UGI Corporation

Roger Perreault

Executive Vice President Global LPG, UGI Corporation



About This Presentation



This press release contains statements, estimates and projections that are forward-looking statements (as defined in Section 21E of the Securities Exchange Act of 1934, as amended). Management believes that these are 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 (including increasingly uncertain weather patterns due to climate change) and the seasonal nature of our business; cost volatility and availability of all energy products, including propane, natural gas, electricity and fuel oil as well as the availability of LPG cylinders; increased customer conservation measures; the impact of pending and future legal and regulatory proceedings, inquiries or investigations, liability for uninsured claims and for claims in excess of insurance coverage; domestic and international political, regulatory and economic conditions in the United States and in foreign countries, including the current conflicts in the Middle East and the withdrawal of the United Kingdom from the European Union, and foreign currency exchange rate fluctuations (particularly the euro); the timing of development of 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; the interruption, disruption, failure, malfunction or breach of our information technology systems, including due to cyber-attack; the inability to complete pending or future energy infrastructure projects; our ability to achieve the operational benefits and cost efficiencies expected from the completion of pending and future transformation initiatives including the impact of customer disruptions resulting in potential customer loss due to the transformation activities; uncertainties related to the global pandemic, including the duration and/or impact of the COVID-19 pandemic; and the extent to which we are able to utilize certain tax benefits currently available under the CARES Act and similar tax legislation and whether such benefits will remain available in the future.

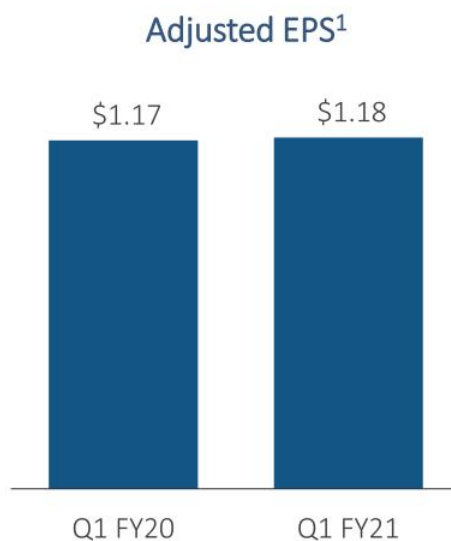


First Quart Recap

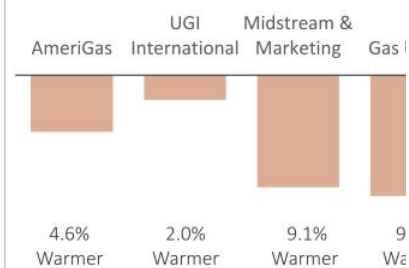
John L. Walsh
President & CEO, UC

First Quarter Earnings Recap

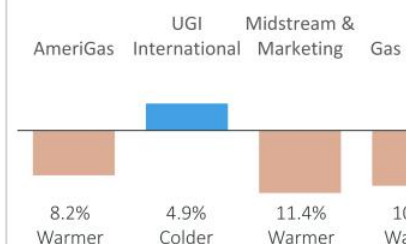
- GAAP EPS of \$1.44 and Adjusted EPS¹ of \$1.18 in Q1 FY21
- Benefits of both geographic and operational diversification
- Stronger performance at UGI International largely offset warmer than prior year weather at our domestic businesses and the negative impact of the COVID-19 pandemic



Q1 2021 Weather Versus: Normal



Q1 2021 Weather Versus: Prior Year



¹Adjusted EPS is a non-GAAP measure. See Slide 7 for reconciliation.

Key Accomplishments

- Entered into a definitive agreement to purchase Mountaineer Gas Company
- Growth drivers continue to deliver for AmeriGas as National Accounts and Cylinder Exchange total margins increased compared to the prior-year period
- Utilities added approximately 3,900 new residential heating and commercial customers in Q1 FY21 and remains on pace for the second year of record levels of replacement and betterment
- UGI Utilities commenced construction on a project to deliver natural gas to UPS Fuel Services¹, for a large regional fleet of CNG² delivery vehicles
- Midstream & Marketing expanded capabilities with Bethlehem LNG plant placed in service in December adding 70,000Dth/day of peaking capacity
- Further enhanced our ESG efforts through new agreements in both the Natural Gas and LPG businesses, continued investments related to Belonging, Inclusion, Diversity & Equity (BIDE)



1. A subsidiary of United Parcel Services, Inc. 2. Compressed natural gas.



First Quart Financial Review

Ted J. Jastrzebs
Chief Financial Officer,

First Quarter Adjusted Diluted Earnings per Share

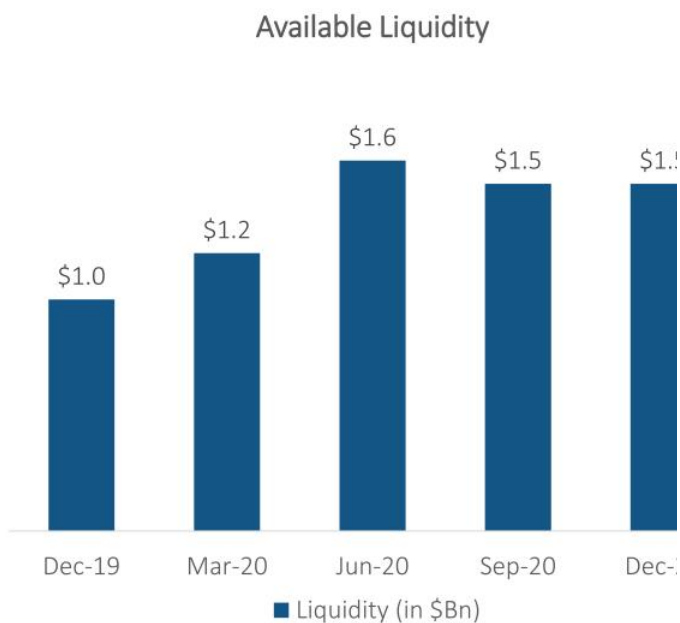


	Q1 FY21	Q1 FY20
AmeriGas Propane	\$0.35	
UGI International	0.44	
Midstream & Marketing	0.17	
UGI Utilities	0.23	
Corporate & Other (a)	0.25	
Earnings per share – diluted	1.44	
Net (gains) losses on commodity derivative instruments not associated with current-period transactions	(0.40)	
Unrealized losses on foreign currency derivative instruments	0.07	
Acquisition and integration expenses associated with the CMG Acquisition	-	
Acquisition expenses associated with the pending Mountaineer Acquisition	0.01	
Business transformation expenses	0.06	
Total Adjustments (a)	(0.26)	
Adjusted earnings per share – diluted	\$1.18	

(a) Corporate & Other includes certain adjustments made to our reporting segments in arriving at net income attributable to UGI Corporation. These adjustments have been excluded from the segment results to align with the measure used by our Chief Operating Decision Maker in assessing segment performance and allocating resources.

Liquidity Update

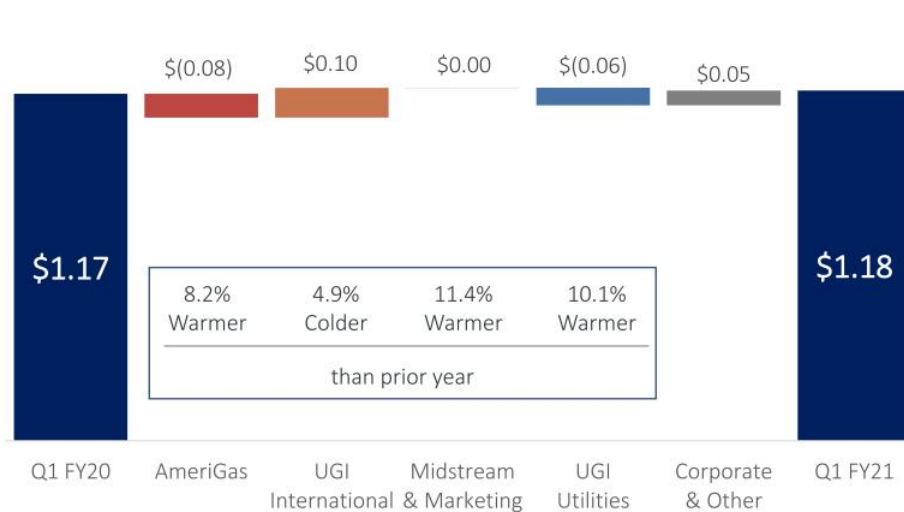
- Cash flows remain strong - Cash from Operating Activities grew by 28% in Q1 FY21 compared to the prior-year period
- Strong balance sheet position - total available liquidity as of 12/31/20: \$1.5 billion
- Well within debt covenant levels
- Strong policy of managing debt at the entity level and capacity at the Corp level
- UGI's Board of Directors declared a quarterly dividend of \$0.33 per share on Feb 3rd



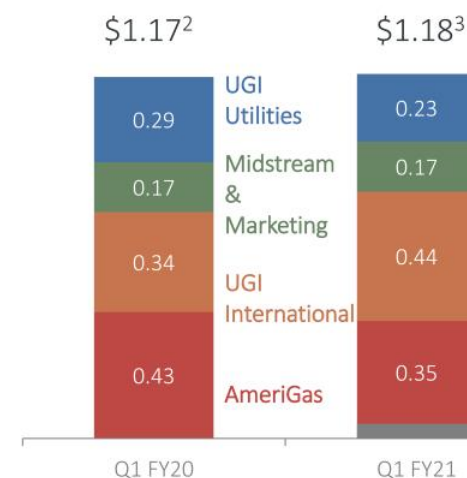
First Quarter Results Recap



Adjusted EPS¹ – Comparison with Q1 FY20



Adjusted EPS¹ – Segment Split



Q1 FY21 GAAP diluted EPS of \$1.44 compared to GAAP diluted EPS of \$1.00 in Q1 FY20.

1. Adjusted EPS is a non-GAAP measure. See Slide 7 for reconciliation. 2. Includes \$(0.06) Corporate & Other. 3. Includes \$(0.01) Corporate & Other.

Financial Results - AmeriGas

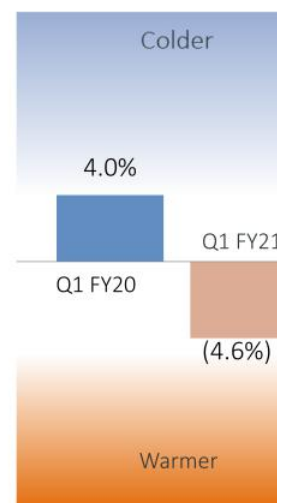


(Millions of dollars)

	Q1 FY20	Q1 FY21
Earnings Before Interest Expense & Income Taxes	\$165	
Total Margin	(47)	
Operating and Administrative Expenses	19	
Depreciation and Amortization	1	
Other Income and Expense, net	3	
Earnings Before Interest Expense & Income Taxes		\$141

Item	Primary Drivers
Total Margin ↓	Total margin reflects lower retail volumes due to the warmer weather, residual volume losses and COVID impacts on commercial volumes partially offset by increased cylinder exchange volumes
Operating and Admin Expenses ↓	Progress on LPG business transformation initiatives and lower general insurance costs

Weather versus norm



8.2% warmer than previous year

Financial Results – UGI International

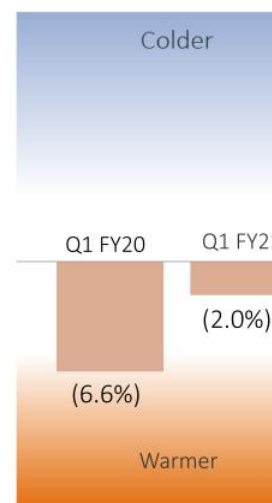


(Millions of dollars)

	Q1 FY20	Q1 FY21
Earnings Before Interest Expense & Income Taxes	\$100	
Total Margin	41	
Operating and Administrative Expenses	(6)	
Depreciation and Amortization	(2)	
Other Income and Expense, net	3	
Earnings Before Interest Expense & Income Taxes		\$136

Item	Primary Drivers
Volume ↓	Termination of a high-volume low-margin autogas contract in Italy during Fiscal 2020, partially offset by higher crop drying and heating-related bulk volume
Total Margin ↑	Higher average LPG unit margins, increase in bulk volumes, the translation effects of the stronger euro, and higher margins from energy marketing
Operating and Admin Expenses ↑	Translation effects of the stronger euro (\$10M) partially offset by lower expenses due to the LPG business transformation initiatives and expense management
Other Income and Expense ↑	Lower pre-tax realized gains on foreign currency exchange contracts

Weather versus norm



4.9% colder than prior year

Financial Results – Midstream & Marketing



(Millions of dollars)

Q1 FY20

Q1 FY21

Earnings Before Interest Expense & Income Taxes

\$62

Total Margin

(5)

Operating and Administrative Expenses

3

Other Income and Expense, net

(1)

Earnings Before Interest Expense & Income Taxes

\$59

Weather versus norm

Colder

2.6%

Q1 FY20

Q1 FY21

(9.1%)

Warmer

11.4% warmer than p
year

Item	Primary Drivers
Total Margin ↓	Loss of margins on HVAC and Conemaugh divested in FY20 and lower peaking margin, partially offset by higher capacity management margin
Operating and Admin Expenses ↓	Lower expenses largely attributable to the divested assets partially offset by increases related to new assets placed into service and acquisitions

Financial Results – Utilities



(Millions of dollars)

	Q1 FY20	Q1 FY21
Earnings Before Interest Expense & Income Taxes	\$92	
Total Margin	(10)	
Operating and Administrative Expenses	(2)	
Depreciation	(3)	
Other Income and Expense, net	1	
Earnings Before Interest Expense & Income Taxes		\$78

Item	Primary Drivers
Core Market Volume ↓	Warmer weather and volume reductions attributable to COVID-19, partially offset by customer growth
Total Margin ↓	Primarily due to lower total margin from Gas Utility core market customers
Operating and Admin Expenses ↑	Increases in employee compensation and benefits-related expenses and allocated corporate expenses
Depreciation ↑	Increased IT and distribution system capital expenditure activity

Weather versus norm



10.1% warmer than previous year



Natural Gas Business

Robert F. Bear
Executive Vice President I
Gas, UGI

Natural Gas Business Update

- Pending acquisition of Mountaineer, the largest natural gas distribution company in West Virginia ("WV") for an enterprise value of \$540M, which includes assumption of ~\$140M of debt
 - Mountaineer serves ~215,000 customers across 50 of WV's 55 counties
 - Joint petition to acquire Mountaineer submitted to the WV PSC on January 27th
- 3,900+ heating customers added at UGI Utilities
- Plan to invest ~\$425M in FY21 at UGI Utilities
- Earlier triggering of DSIC revenue that will result in additional margin
- On Feb 3rd U.S. Supreme Court issues order granting PennEast's petition for writ of certiorari
 - Case will be set for argument in the April 2021 argument session
- Improving our environment through focused investments
 - UGI Utilities executed a RNG interconnect agreement with a landfill gas developer in northeast Pennsylvania
 - Commenced construction on a project to deliver natural gas to UPS Fuel Services, for a large regional fleet of CNG delivery vehicles





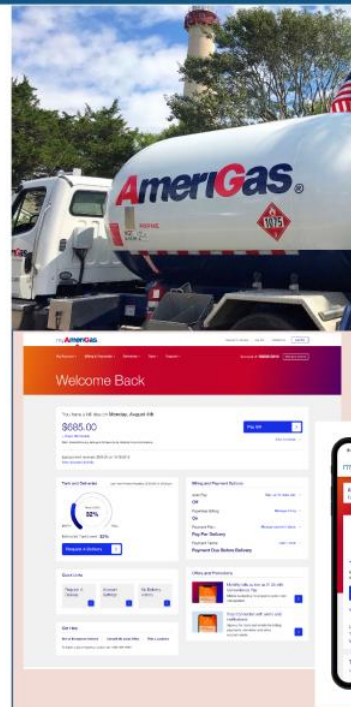
Global LP Business

Roger Perreau

Executive Vice President
LPG, UGI

Global LPG Business Update

- LPG Business Transformation Initiatives remain on track
 - AmeriGas: Investments of \$200M expected to provide annual benefits of \$140M+ by the end of FY22
 - UGI International: Investments of €55M to deliver €30M+ of annual benefits by the end of FY22
 - Centralized customer engagement services center, enhanced customer management tools, and new routing and logistics tool
- Strong demand drivers
 - Cynch rolled out in 20 cities across USA; on track to reach a total of 40 by FY22
 - Solid growth in National Accounts
- New supply and development partnership between UGI International and Ekobenz
 - Secured exclusive rights to Ekobenz' supply of bioLPG, a renewable form of propane-butane produced from advanced bioethanol





ESG, Conclu and Q&A

John L. Wals

President & CEO, U

- Reinforcing commitments to Belonging, Inclusion, Diversity & Equity (BIDE)
 - Launching new and strengthening existing partnerships
 - Continued to support programs promoting BIDE and STEM advancement through a gift of \$300,000 to Penn State Harrisburg
- UGI Utilities executed a RNG interconnect agreement with a landfill gas developer in northeast Pennsylvania
 - Interconnect will significantly reduce landfill emissions and provide shippers access to a renewable fuel source
 - Largest RNG supply point in the United States to-date, when fully operational
- New supply and development partnership with Ekobenz - Polish company with a proprietary process to convert bio-ethanol to Bio-LPG¹
- UGI Utilities and Energy Services joined Our Nation's Energy Future (ONE Future) coalition
- Created dedicated ESG function to continue advancing UGI's commitment to sustainability



1. A renewable form of propane-butane produced from advanced bioethanol.

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Appendix

- Management uses “adjusted net income attributable to UGI Corporation” and “adjusted diluted earnings per share,” both of which are non-GAAP financial measures, when evaluating UGI’s overall performance. Management believes that these non-GAAP measures provide meaningful information to investors about UGI performance because they eliminate gains and losses on commodity and certain foreign currency derivative instruments not associated with current-period transactions and other significant discrete items that can affect the comparison of period-over-period results.
 - Management does not designate its commodity and certain foreign currency derivative instruments as hedged under GAAP. Volatility in net income attributable to UGI Corporation as determined in accordance with GAAP occurs as a result of gains and losses on commodity and certain foreign currency derivative instruments not associated with current-period transactions. These gains and losses result principally from recording changes in unrealized gains and losses on unsettled commodity and certain foreign currency derivative instruments and, to a much lesser extent, certain realized gains and losses on settled commodity derivative instruments that are associated with current-period transactions. However, because these derivative instruments economically hedge anticipated future purchases or sales of energy commodities, or in the case of certain foreign currency derivatives reduce volatility in anticipated future earnings associated with our foreign operations, we expect such gains or losses will be largely offset by gains or losses on anticipated future energy commodity transactions or mitigate volatility in anticipated future earnings.
 - 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.
 - The table on slide 23 reconciles net income attributable to UGI Corporation, the most directly comparable GAAP measure, to adjusted net income attributable to UGI Corporation, and the table on slide 7 reconciles diluted earnings per share, the most comparable GAAP measure, to adjusted diluted earnings per share, to reflect the adjustments referred to above.
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UGI Adjusted Net Income



(Dollars in millions)	Q1 FY21	
AmeriGas Propane	\$74	
UGI International	92	
Midstream & Marketing	35	
UGI Utilities	49	
Corporate & Other (a)	53	
Net income attributable to UGI Corporation	303	
Net (gains) losses on commodity derivative instruments not associated with current-period transactions (net of tax of \$31 and \$(2), respectively)	(85)	
Unrealized losses on foreign currency derivative instruments (net of tax of \$(5) and \$(4), respectively)	15	
Acquisition and integration expenses associated with the CMG Acquisition (net of tax of \$0 and \$0, respectively)	-	
Acquisition expenses associated with the pending Mountaineer Acquisition (net of tax of \$(1) and \$0, respectively)	1	
Business transformation expenses (net of tax of \$(4) and \$(5), respectively)	13	
Total Adjustments (a) (b)	(56)	
Adjusted net income attributable to UGI Corporation	\$247	

- (a) Corporate & Other includes certain adjustments made to our reporting segments in arriving at net income attributable to UGI Corporation. These adjustments have been excluded from the segment results to align with the measure used by our Chief Operating Decision Maker in assessing segment performance and allocating resources.
- (b) Income taxes associated with pre-tax adjustments determined using statutory business unit tax rates.

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