



J.P. Morgan Energy Equity Conference
June 27, 2016

John L. Walsh, President & CEO

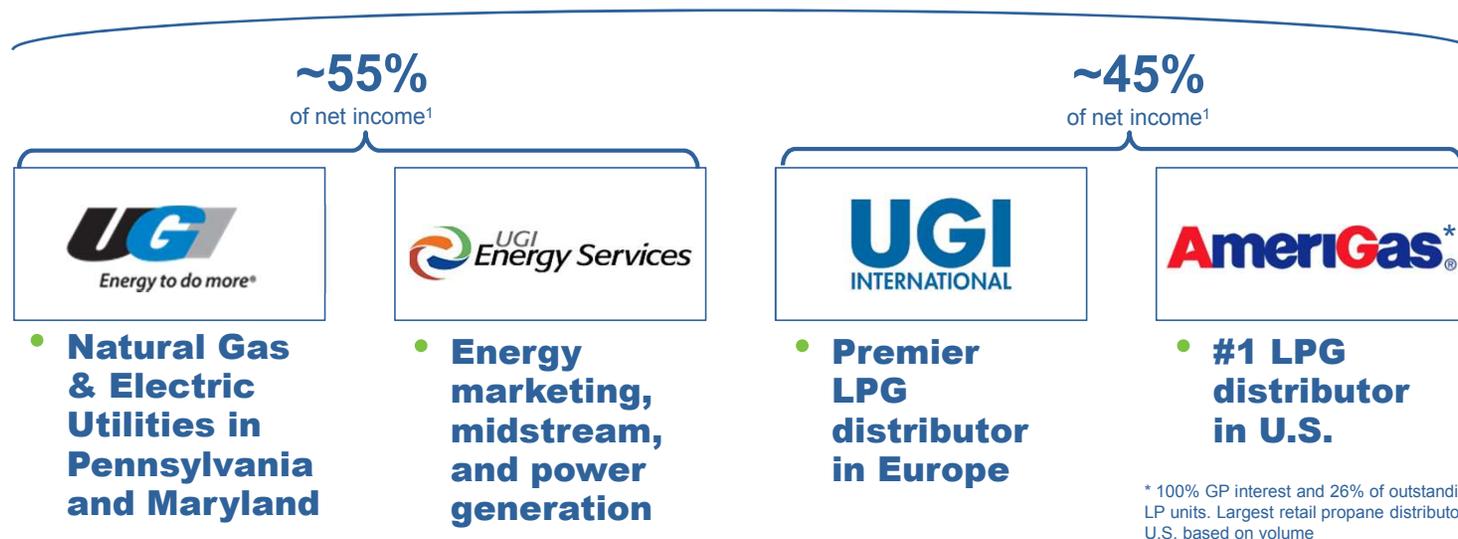


About This Presentation

This presentation contains certain forward-looking statements that management believes to be 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 and quarterly reports on Form 10-Q for a more extensive list of factors that could affect results. Among them are adverse weather conditions, cost volatility and availability of all energy products, including propane, natural gas, electricity and fuel oil, increased customer conservation measures, the impact of pending and future legal proceedings, domestic and international political, regulatory and economic conditions in the United States and in foreign countries, including the conflicts in the Middle East, currency exchange rate fluctuations (particularly the euro), the timing of development of Marcellus Shale gas production, the timing and success of our acquisitions, commercial initiatives and investments to grow our business, and our ability to successfully integrate acquired businesses and achieve anticipated synergies. UGI undertakes no obligation to release revisions to its forward-looking statements to reflect events or circumstances occurring after today.

Company Overview

UGI Corporation is a distributor and marketer of energy products and services including natural gas, propane, butane, and electricity.

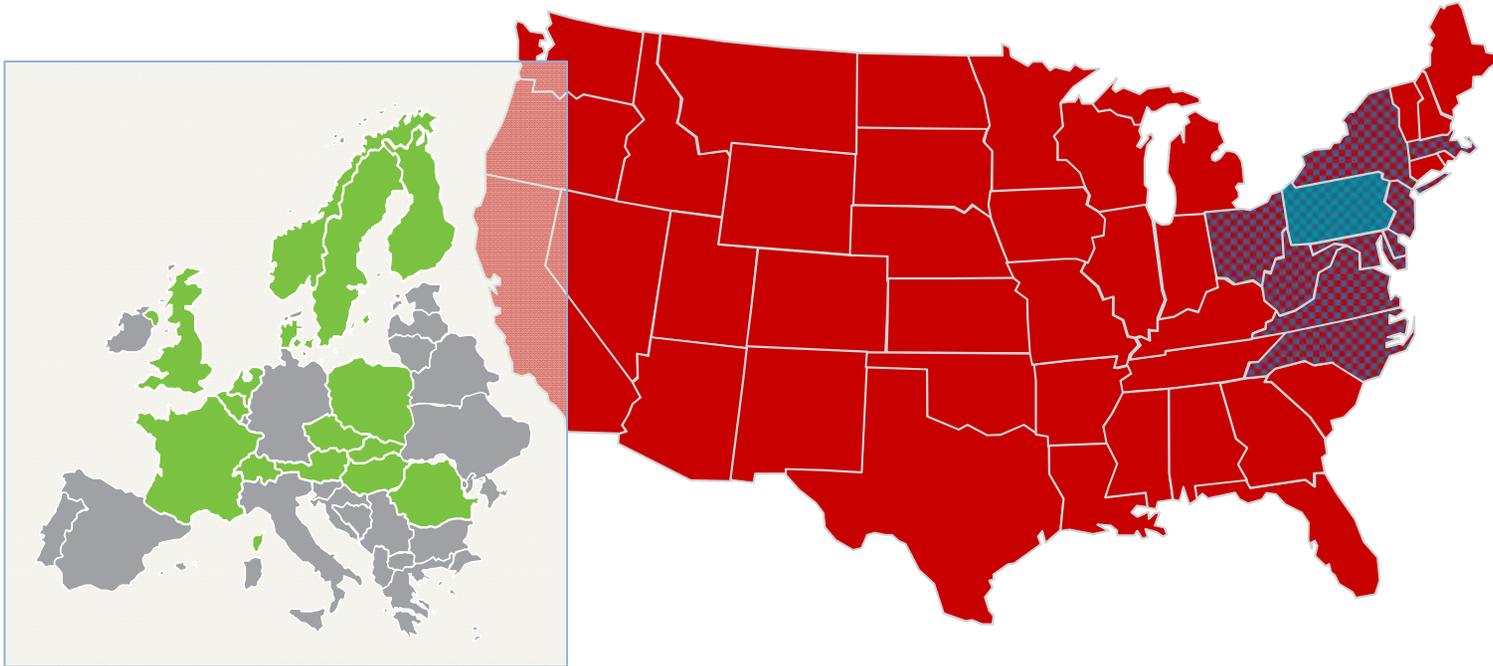


* 100% GP interest and 26% of outstanding LP units. Largest retail propane distributor in U.S. based on volume

¹ Trailing Twelve Months ended March 31, 2016. Excludes Corporate & Other.

Where We Are

UGI operates in 50 states and 16 European countries



UGI Utilities
(PA, MD)

Energy Services
(PA, NJ, DE, NY, MA, OH, MD, VA, NC, SC, DC)

UGI International
(16 European countries)

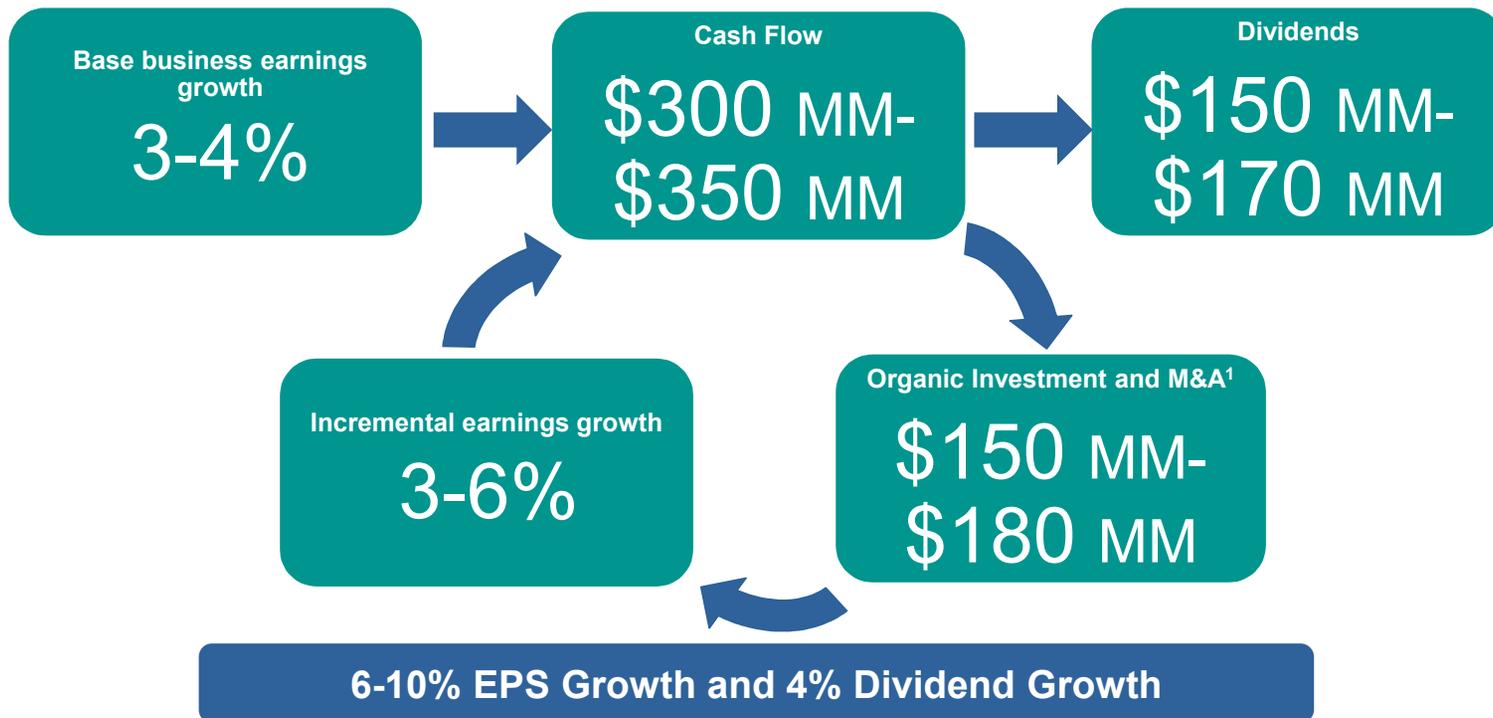
AmeriGas
(all 50 states)

Why Invest in UGI?

- ✓ **We are a balanced growth and income investment**
 - **6-10% EPS Growth**
 - **4% Dividend Growth**
- ✓ **Excellent cash generation**
- ✓ **Disciplined deployment of capital supported by track record**
- ✓ **Our portfolio of growth opportunities has never been stronger**

The UGI “Growth Engine”

Income-producing businesses generate cash for growth opportunities and dividends



Note: all figures represent multi-year average targets.
¹ after business unit CAPEX

Total Shareholder Return as of 5/30/16

UGI has consistently outperformed

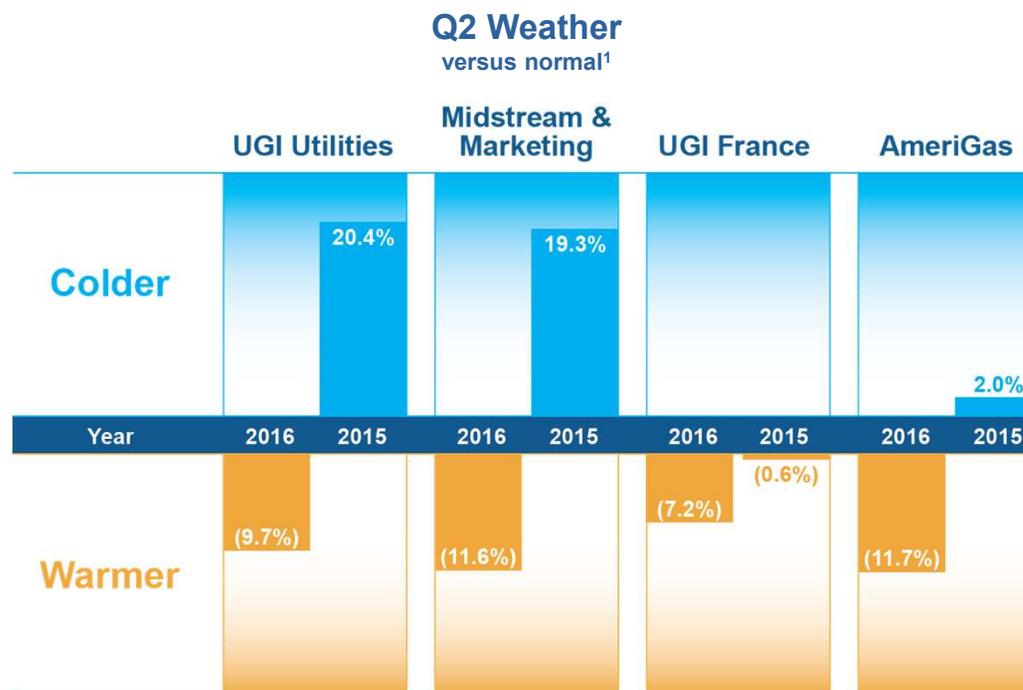


Source: Bloomberg



Second Quarter Update

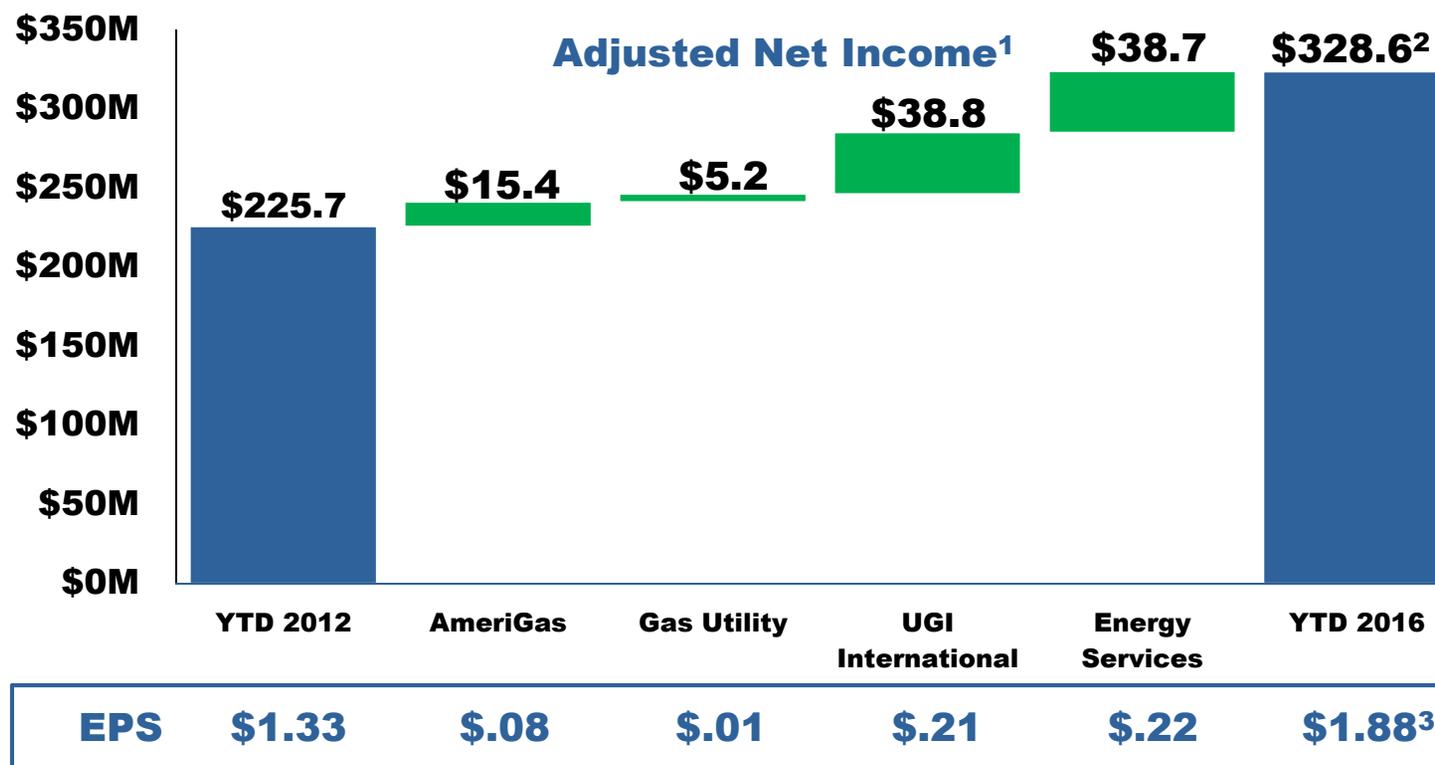
- **Comparable adjusted earnings to prior year despite significantly warmer weather highlight benefits of diversification**
- **Results reflect impact of accretive investments over the past few years, cost controls, and solid unit margin management**
- **Weather-adjusted demand remains very strong**



¹ Percent change in heating degree days

Comparison of YTD FY16 vs. YTD FY12

The October – March YTD periods in 2012 and 2016 had comparable weather



¹ See appendix for reconciliation of adjusted net income to GAAP net income.

² Includes \$4.7 million in Corporate & Other.

³ Includes \$0.03 in Corporate & Other.

UGI
CORPORATION

UGI Utilities



Key Points – UGI Utilities



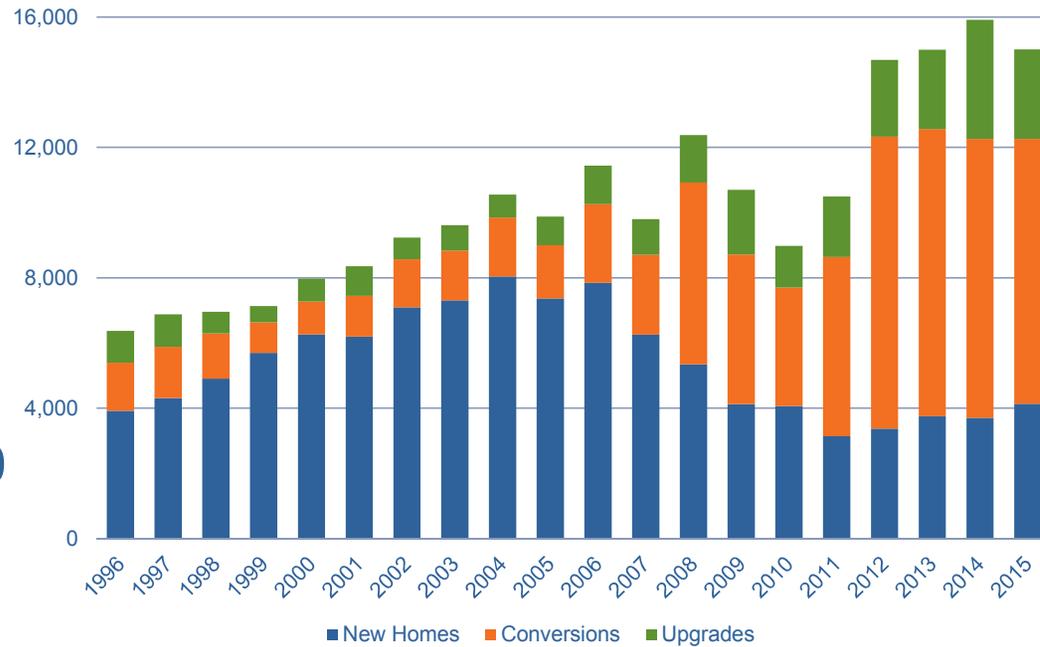
- **Record of strong customer growth and opportunities to grow through conversions and new housing**
- **Infrastructure upgrades are on track**
 - **Cast iron: replaced by March 2027**
 - **Bare steel: replaced by September 2041**
- **Deploying record levels of capital**
- **Constructive regulatory environment**
- **Investment grade credit ratings**

Growth in the Gas Utility Residential Business

Focus on customer conversions has yielded strong results

Total Residential Customer Additions

- Added ~15,000 residential natural gas heating customers in FY15
- Added ~134,000 residential customers since 2005



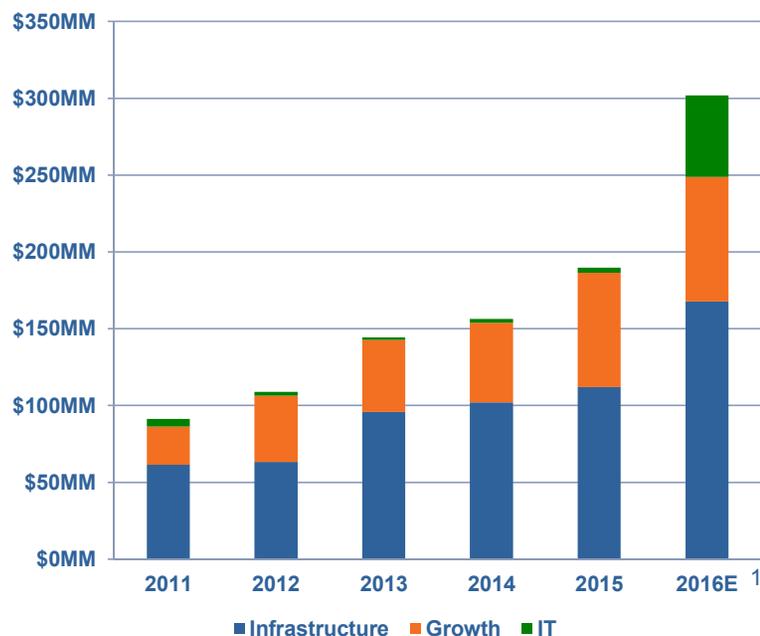
~380,000 potential customers within 80 feet of UGI gas mains

Infrastructure Management

Making smart investments today, for tomorrow...

- **Accelerated capital replacement plan**
 - Highest percentage of contemporary pipe in Pennsylvania among major LDCs
- UGI will replace all **cast iron main by 2027** and all **bare steel by 2041**
- Supports the continued development of our **service territory**

Gas Utility Capital Expenditures



* As reported in the Company's Form 10-K for the year ended September 30, 2015.

Constructive Regulatory Environment

- **Committed Long Term Infrastructure Improvement Plan (LTIIP) to replace cast iron and bare steel pipe covered by DSIC**
- **Majority of gas is low-cost – sourced from the Marcellus**
- **Commitment to low income customer assistance programs**
- **Distribution integrity, third party damages and workplace safety initiatives**
- **In January, UGI Gas filed \$58.6 million base rate case**
 - **First rate case in 21 years**
 - **UGI Gas currently has lowest residential distribution rates in PA**
 - **UGI Gas has made over \$1 billion in system investments since 1995**
- **New customer programs (as proposed)**
 - **Energy Efficiency and Conservation plan**
 - **Technology and Economic Development rider to provide the needed rate flexibility to expand availability and use of natural gas**

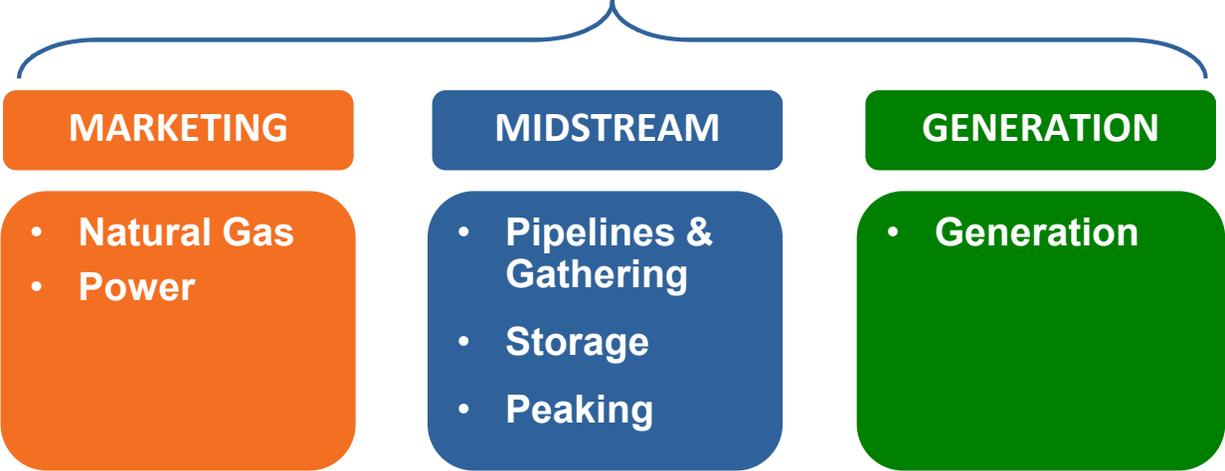


Energy Services



Business Lines

Grew out of Gas Utility following deregulation; started in 1995



Key Points – Energy Services

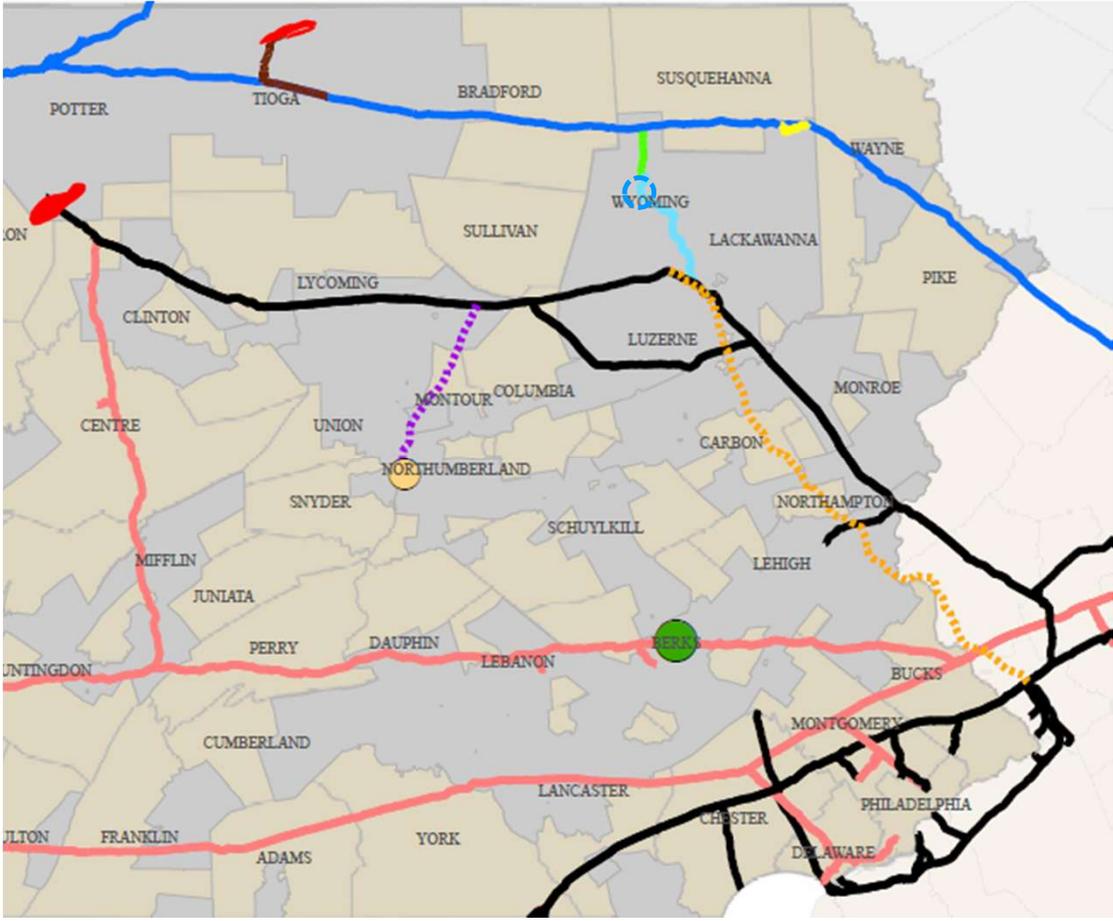


- **Well positioned for long-term leadership in Marcellus midstream**
 - **Strong track record of project execution**
 - **Sunbury FERC certificate and Notice of Schedule for PennEast are positive developments**
- **Increased fee-based income provides reliable earnings base and reduces weather volatility**
- **Asset network is well positioned to deliver additional value during periods of volatility**
- **Track record of earnings growth in marketing business**
- **Business mix evolving rapidly as midstream grows**

Building Our Marcellus Midstream Asset Network

- UGI Legend**
- Temple LNG
 - Manning LNG
 - 15 BCF Storage
 - UGI Service Area
 - Storage Transmission
 - Auburn I
 - Auburn II
 - Union Dale
 - PennEast
 - Sunbury

- Other Legend**
- **Hummel Station**
(expected to be operational in second half of 2017)
 - Transco
 - Tennessee
 - Texas Eastern



Current Growth Projects

Manning LNG

~\$60mm

- Located at the site of UGIES' Manning Compressor Station
- 10,000 Dth/day of LNG capacity
- 280,000 gallons of storage and trucking-loading capability
- Natural gas supplied by the Auburn Gathering System
- Expected completion early 2017

Sunbury Pipeline

~\$160mm

- 35 mile, 20" pipeline will supply low cost gas to 1000MW Hummel Station
- Announced February 2015; Partner with Panda Power Funds
- Received FERC approval in April 2016
- Construction of pipeline and Hummel Station expected to create ~850 jobs
- Expected completion late 2016

PennEast Pipeline

~\$200 million

- ~118 mile, 36" pipeline will bring low cost Marcellus gas to Pennsylvania and New Jersey
- FERC scheduled to complete environmental review by Dec 2016
- Estimated \$1.62 billion positive economic impact; ~12,000 jobs
- Expected completion 2h 2018

Over \$400 million in active projects

Completed Projects

Auburn System

~\$230mm

- **Auburn I:** 9-mile 12" pipeline
- **Auburn II:** 28-mile 20" pipeline
- **Auburn III:** 9-mile pipeline loop and compression
- Auburn gathering system capacity expanded by 150,000 Dth/d to 470,000 Dth/d in Fall 2015
- Supported by long-term agreements

Temple LNG

~\$10 million

- Completed expansion in 2015
- 1.25 BCF Storage; 15 million gallons LNG
- 205,000 Dth/day peaking capacity
- Liquefaction Capacity of 10,000 Dth and 120,000 gallons per day
- LNG liquids trucking business is growing
- Peak Utility demand increasing

Union Dale Lateral

~\$22mm

- 6-mile, 12" pipeline serving UGI PNG service territory
- 100,000 dth/d
- Completed 2014
- Capital ~ \$22MM

AmeriGas

AmeriGas



Business Overview

**Largest Player in a Fragmented Market
with ~15% Market Share¹**

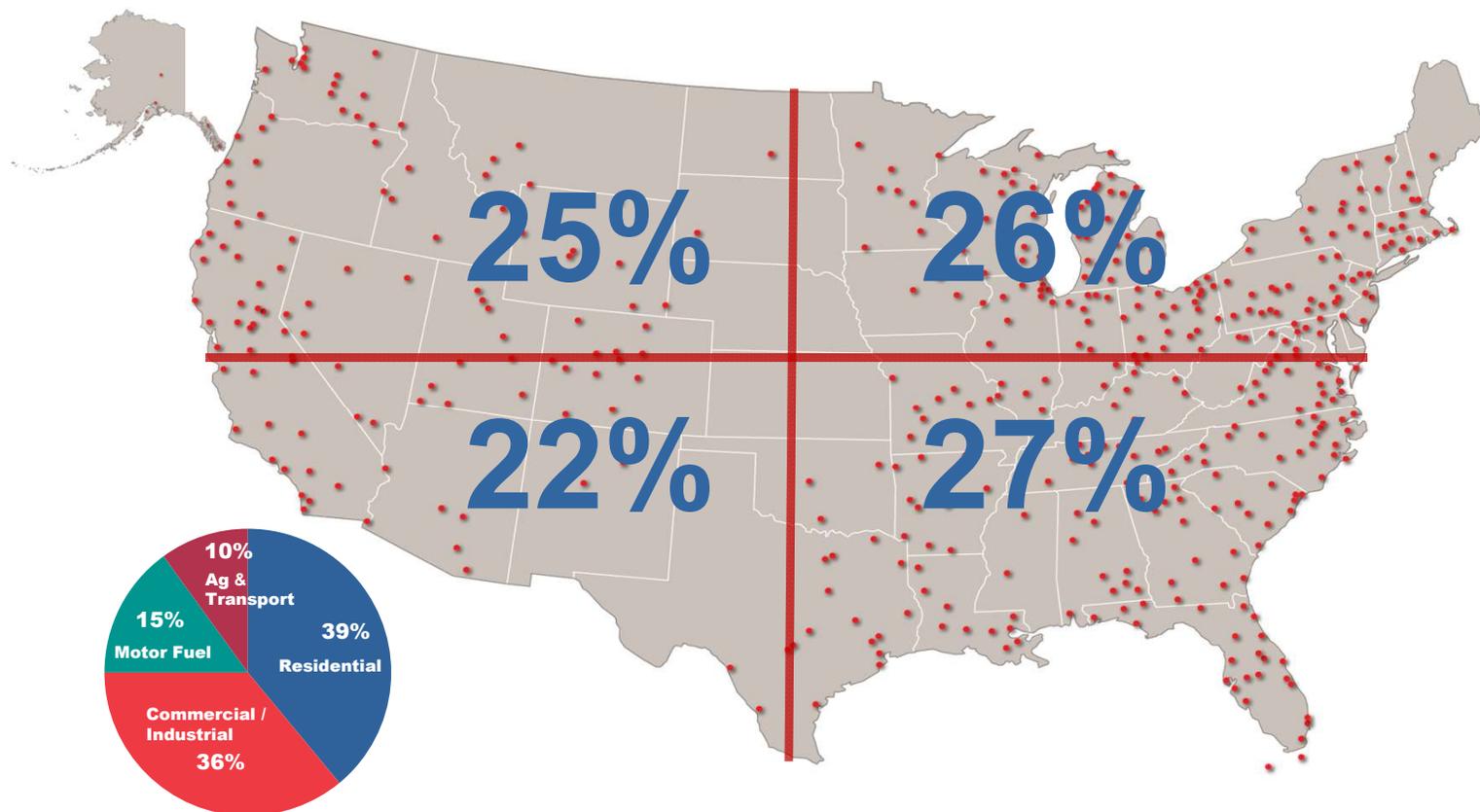


¹ Based on retail propane volumes sold in the United States as published by the American Petroleum Institute

Key Points - AmeriGas

- **Attractive nationwide footprint and diverse customer base**
- **Long track record of steady unit margin expansion with limited direct commodity price exposure**
- **Lower propane price environment is positive for customers and limits price-induced conservation**
- **Investing in technologies that will generate significant operating savings**
- **Steady growth through acquisitions, national accounts, and cylinder exchange programs**
- **Focused on maintaining a strong balance sheet, solid liquidity position and leverage ratios**

Geographic and Customer Diversity¹

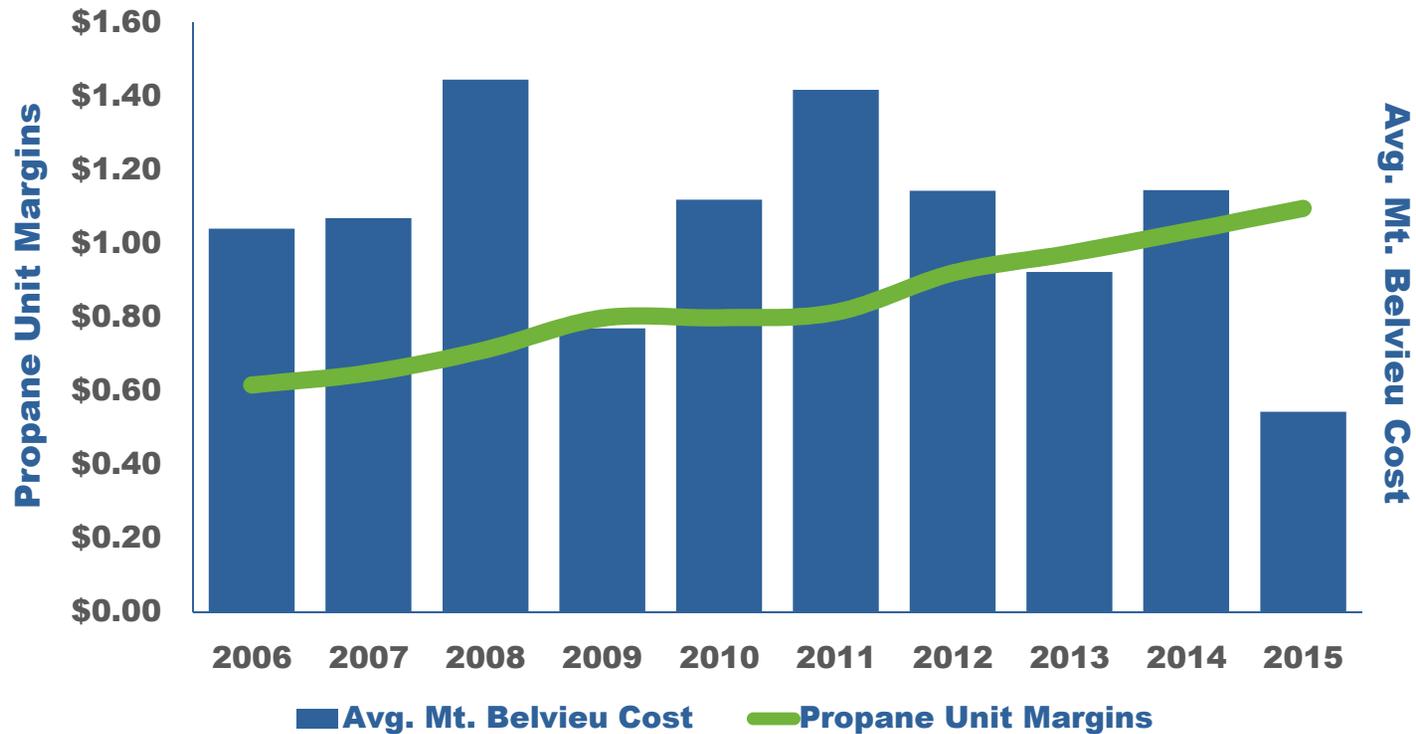


¹Based upon retail gallons sold

Unit Margin Management



A long track record of **exceptional margin management** through volatile propane cost environments¹



¹See appendix for reconciliation of propane revenues to total adjusted propane margin.

Technology Investments



Implementing multiple investments in technology reduce operational costs while improving the customer experience



AmeriMobile

Real-time field communication

- ✓ Re-route field drivers
- ✓ Digital ticketing
- ✓ SAP integrated
- ✓ Monitor driver progress



AccuGas

Tank-connected telemetry

- ✓ Monitor fill levels remotely
- ✓ Maximize route efficiency



AmeriGas.com

- ✓ Online bill pay
- ✓ Will-call orders



District Tools

- ✓ Training
- ✓ Real-time key performance indicators
- ✓ SAP



Networked Call Centers

- ✓ Re-route calls based on volume
- ✓ Tracking customer wait-times
- ✓ Improved employee training

Key Growth Drivers

Cylinder Exchange

- Counter-seasonal due to summer grilling demand
- Have added 2,500 retail locations this year
- Approximately 51,000 retail locations

National Accounts

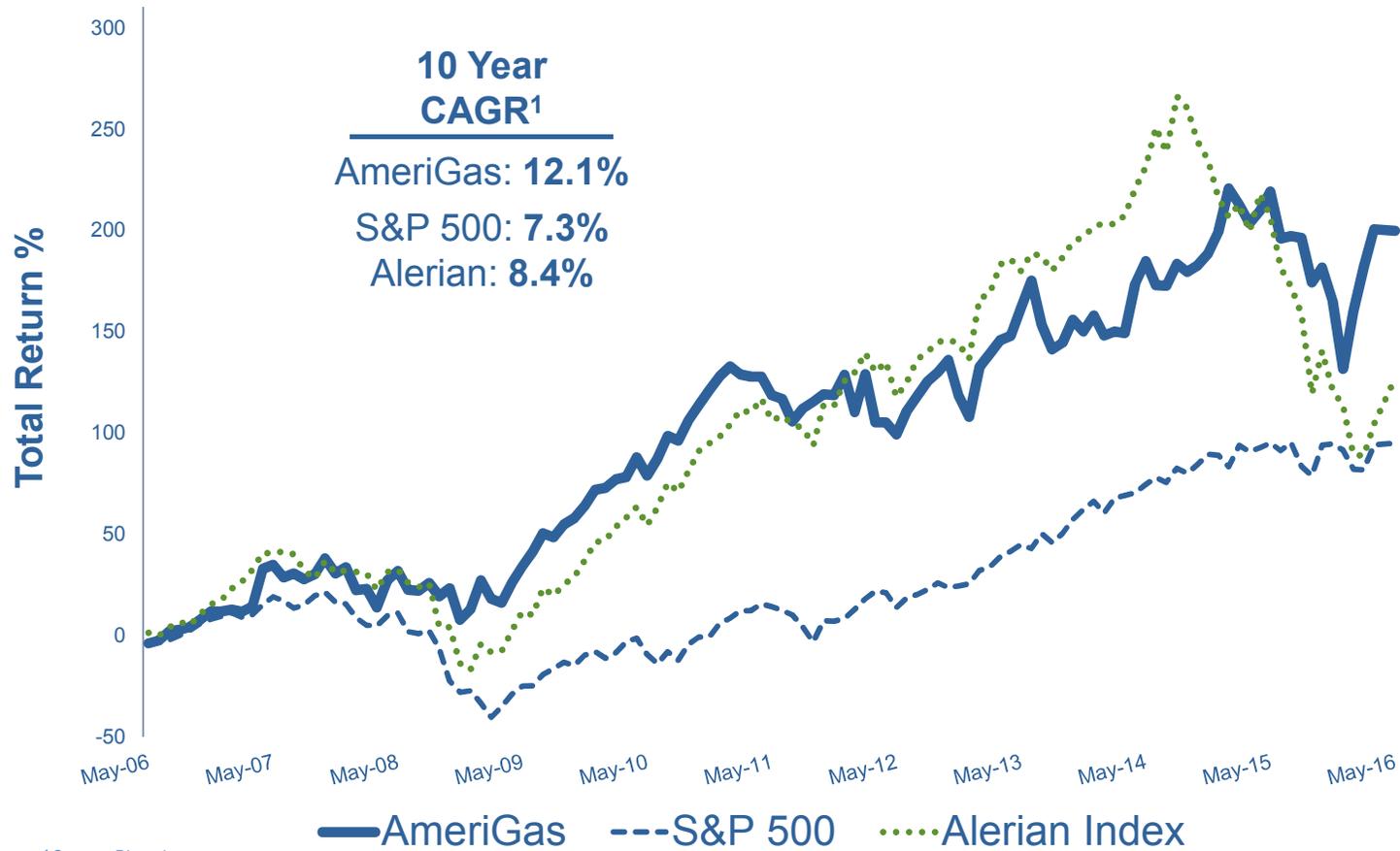
- Utilize nationwide distribution footprint to serve commercial customers with multiple locations
- One bill and one point of contact
- Less weather sensitive vs. residential
- Have added 31 new accounts this year

Acquisitions

- Fragmented industry provides many highly synergistic and immediately accretive opportunities
- Integration is a core competency
- Over 175 deals closed since early 1980s; Have closed 3 acquisitions this year

**Grow
Adjusted
EBITDA 3-4%
per year**

Strong Total Unitholder Return Over Long-Term



¹ Source: Bloomberg

UGI
CORPORATION

UGI International

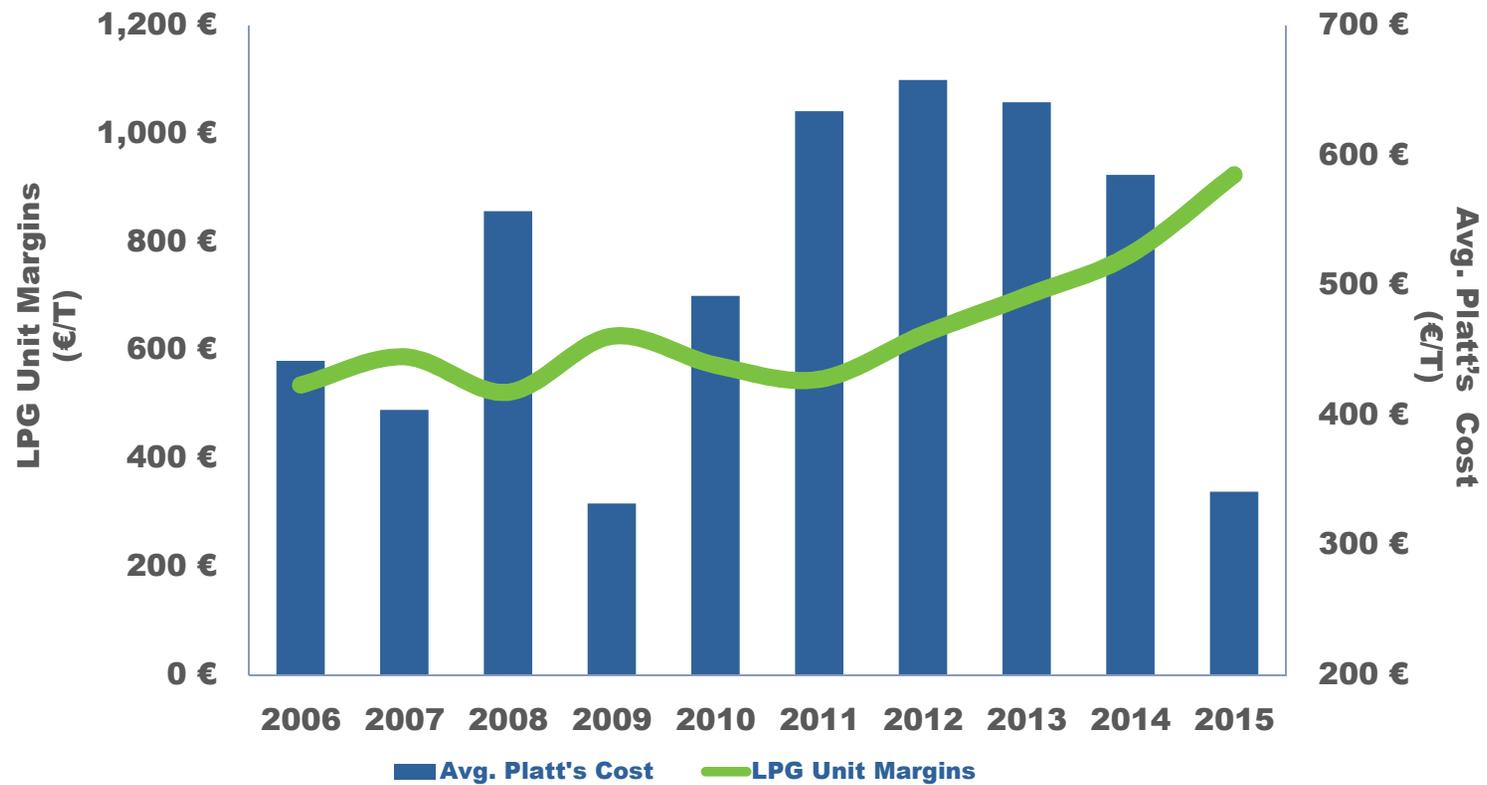


Key Points – International

- **High quality distribution network across northern and central Europe**
 - **One company with strong local presence**
 - **Delivering a core service in a stable environment**
 - **Diverse, actively-managed supply portfolio**
- **Pursuing growth**
 - **Heating Oil to LPG conversion**
 - **Natural Gas marketing**
 - **Potential Acquisition Opportunities**
- **Finagaz acquisition integration on track to deliver investment case**

Unit Margin Management

UGI France Unit Margin History



Finagaz Acquisition



- Acquisition from Total approximately doubled our business in France
- Closed in May 2015
- Immediately accretive in FY16
- Integration has gone extremely well
 - Synergies on track to meet or exceed expectations while enhancing service levels and broadening our product and service offering



Why Invest in UGI?

- ✓ **We are a balanced growth and income investment**
 - **6-10% EPS Growth**
 - **4% Dividend Growth**
- ✓ **Excellent cash generation**
- ✓ **Disciplined deployment of capital supported by track record**
- ✓ **Our portfolio of growth opportunities has never been stronger**





UGI Supplemental Footnotes



- ❖ Management uses "adjusted net income attributable to UGI" and "adjusted diluted earnings per share," both of which are non-GAAP financial measures, when evaluating UGI's overall performance. For the periods presented, adjusted net income attributable to UGI is net income attributable to UGI Corporation after excluding net after-tax gains and losses on commodity derivative instruments not associated with current period transactions, loss on extinguishment of debt and Finagaz transition and acquisition expenses. Volatility in net income at UGI can occur as a result of gains and losses on commodity derivative instruments not associated with current period transactions but included in earnings in accordance with U.S. generally accepted accounting principles ("GAAP"). Effective October 1, 2014, UGI International determined that on a prospective basis it would not elect cash flow hedge accounting for its commodity derivative transactions and also de-designated its then-existing commodity derivative instruments accounted for as cash flow hedges. Also effective October 1, 2014, AmeriGas Propane de-designated its remaining commodity derivative instruments accounted for as cash flow hedges. Previously, AmeriGas Propane had discontinued cash flow hedge accounting for all commodity derivative instruments entered into beginning April 1, 2014.
- ❖ Non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures. Management believes that these non-GAAP measures provide meaningful information to investors about UGI's performance because they eliminate the impact of (1) gains and losses on commodity derivative instruments not associated with current-period transactions and (2) other discrete items that can affect the comparison of period-over-period results.
- ❖ The following table reconciles net income attributable to UGI Corporation, the most directly comparable GAAP measure, to adjusted net income attributable to UGI Corporation, and reconciles diluted earnings per share, the most comparable GAAP measure, to adjusted diluted earnings per share, to reflect the adjustments referred to above.

UGI Q2 YTD FY12 Adjusted Net Income



	Six Months Ended	
	March 31,	
	<u>2012</u>	
(millions)		
Adjusted net income attributable to UGI Corporation:		
GAAP Net Income Attributable to UGI Corporation	\$	211.2
Net after-tax (gains) losses on commodity derivative instruments not associated with current period transactions		9.9
Net after-tax losses on extinguishment of debt		2.2
Net after-tax acquisition and transition expenses associated with Heritage		2.4
Adjusted net income attributable to UGI Corporation	\$	<u>225.7</u>

UGI France Total Propane Unit Margin



	Year ended									
	9/30/2015	9/30/2014	9/30/2013	9/30/2012	9/30/2011	9/30/2010	9/30/2009	9/30/2008	9/30/2007	9/30/2006
Propane revenues	\$ 1,122,153	\$ 1,295,505	\$ 1,322,605	\$ 1,121,411	\$ 1,050,628	\$ 887,066	\$ 837,676	\$ 1,062,561	\$ 796,653	\$ 881,900
Propane cost of sales	(471,511)	(727,029)	(774,097)	(650,305)	(649,824)	(465,867)	(362,425)	(615,944)	(384,810)	(478,400)
Adjustment for Commodity Mark-to-Market (gain) loss	9,944	-	-	-	-	-	-	-	-	-
Total adjusted propane margin	\$ 660,585	\$ 568,475	\$ 548,508	\$ 471,106	\$ 400,804	\$ 421,200	\$ 475,251	\$ 446,617	\$ 411,842	\$ 403,500
Foreign Currency Exchange Rates (Euro/USD)	1.12	1.36	1.31	1.30	1.40	1.36	1.35	1.51	1.34	1.23
Total adjusted propane margin (Euro)	590,969	419,090	417,952	361,740	286,427	310,608	350,903	296,261	308,406	327,224
Total Retail Tons Sold	639	539	596	575	524	542	561	567	525	611
Average Adjusted Propane Margin per Ton	924.2	777.0	700.7	629.1	546.3	572.6	625.9	522.4	587.8	535.6

AmeriGas Total Propane Unit Margin



(Amounts in thousands)

	Twelve Months ended									
	9/30/2015	9/30/2014	9/30/2013	9/30/2012	9/30/2011	9/30/2010	9/30/2009	9/30/2008	9/30/2007	9/30/2006
Propane revenues	\$ 2,612,401	\$ 3,440,868	\$ 2,884,766	\$ 2,677,631	\$ 2,360,439	\$ 2,158,800	\$ 2,091,890	\$ 2,624,672	\$ 2,096,080	\$ 1,953,714
Propane cost of sales	(1,301,167)	(2,034,592)	(1,571,574)	(1,642,658)	(1,546,161)	(1,340,615)	(1,254,332)	(1,836,917)	(1,365,071)	(1,277,306)
Adjustment for Commodity Mark-to-Market (gain) loss	47,841	9,496	-	-	-	-	-	-	-	-
Total adjusted propane margin	\$ 1,359,075	\$ 1,415,772	\$ 1,313,192	\$ 1,034,973	\$ 814,278	\$ 818,185	\$ 837,558	\$ 787,755	\$ 731,009	\$ 676,408
Total Retail and Wholesale Gallons Sold	1,238,700	1,369,000	1,347,000	1,123,100	999,000	1,022,600	1,047,900	1,104,400	1,124,100	1,094,900
Average Adjusted Propane Margin per Gallon	\$1.10	\$1.03	\$0.97	\$0.92	\$0.82	\$0.80	\$0.80	\$0.71	\$0.65	\$0.62

Natural Gas Peaking

A customized, low-cost alternative to firm pipeline capacity designed to serve a Utility's needs on the coldest days of winter

- ✓ Functions as an insurance contract – utilities pay for access to capacity to cover peak load
- ✓ Less expensive than pipeline capacity
- ✓ Fee-based; assets do not have to run to generate earnings

UGI's Peaking Fleet:

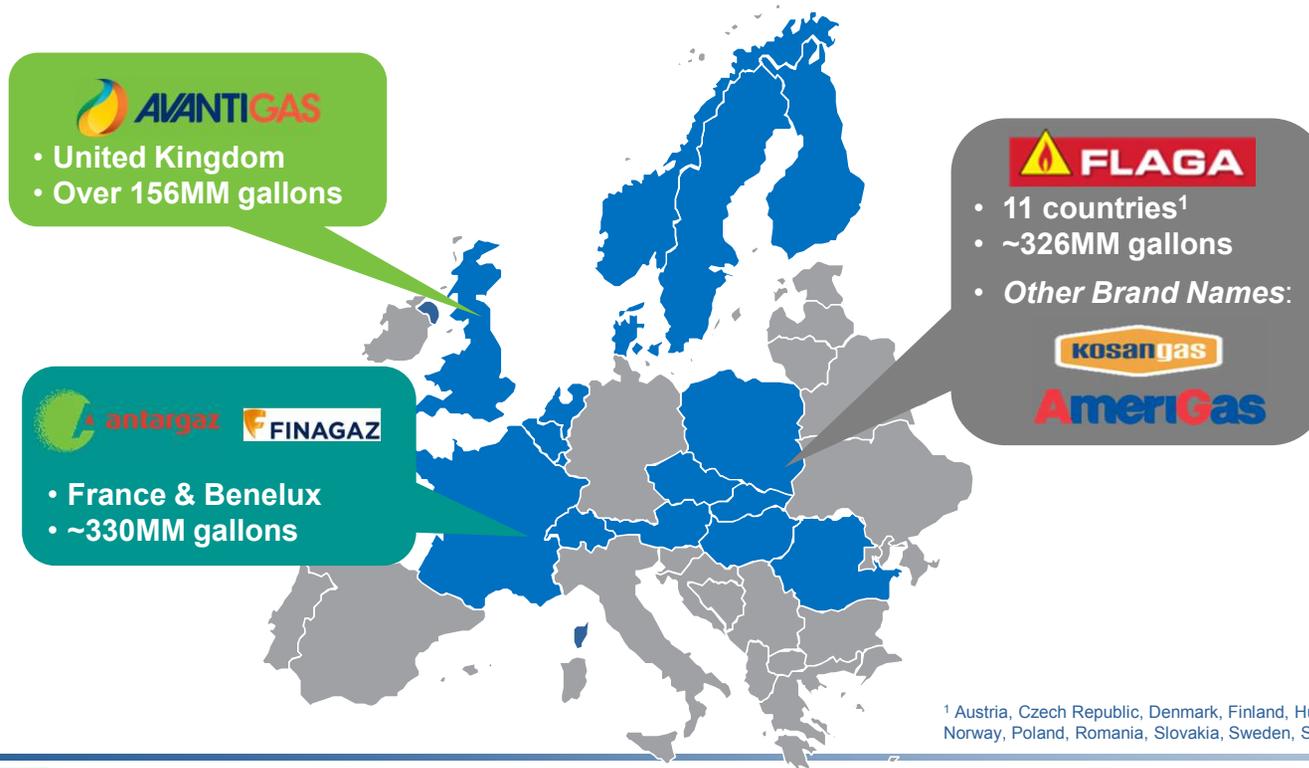
- ✓ Increased Temple liquefaction capacity by 50% in 2015 to 10,000 Dth/day
- ✓ Currently constructing Manning LNG facility – 10,000 Dth/day liquefaction and storage

Peaking demands growing:

- 1) Natural gas customers increasing
- 2) More interruptible customers moving to firm commitment



UGI International Summary



¹ Austria, Czech Republic, Denmark, Finland, Hungary, Norway, Poland, Romania, Slovakia, Sweden, Switzerland