



GIBSON ENERGY

# Q1 2020 UNAUDITED SUPPLEMENTARY INFORMATION

May 4, 2020

# Non-GAAP Measures



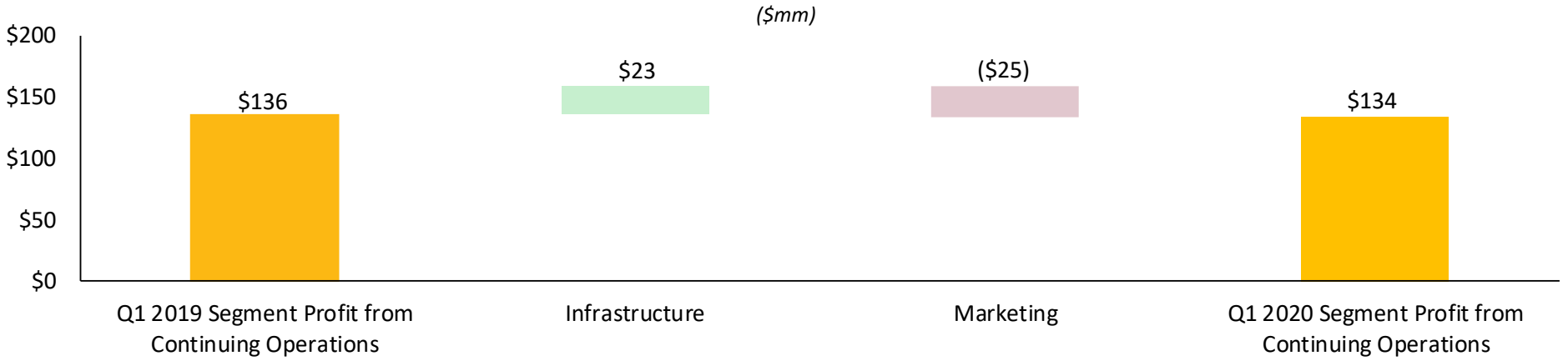
This presentation refers to certain financial measures that are not determined in accordance with IFRS. Adjusted EBITDA from continuing operations and Distributable cash flow (“DCF”) from combined operations are not a measure recognized under IFRS and does not have standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures reported by other entities. Management considers these to be important supplemental measures of Gibson’s performance and believes these measures are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures. Adjusted EBITDA from continuing operations and distributable cash flow are used to assess the level of cash flow generated and to evaluate the adequacy of internally generated cash flow to fund dividends. Additional information about reconciliation of historical distributable cash flow and Adjusted EBITDA to its most closely related IFRS measure, cash flow from operating activities and segment profit, respectively, can be found in Gibson’s MD&A available on SEDAR at [www.sedar.com](http://www.sedar.com) and on our website at [www.gibsonenergy.com](http://www.gibsonenergy.com).

For a full discussion of Gibson’s material risk factors, see “Risk Factors” in the Company’s Annual Information Form dated February 24, 2020 and the Company’s Management Discussion and Analysis documents dated February 24, 2020 and May 4, 2020 as filed on SEDAR and available on the Gibson website at [www.gibsonenergy.com](http://www.gibsonenergy.com).

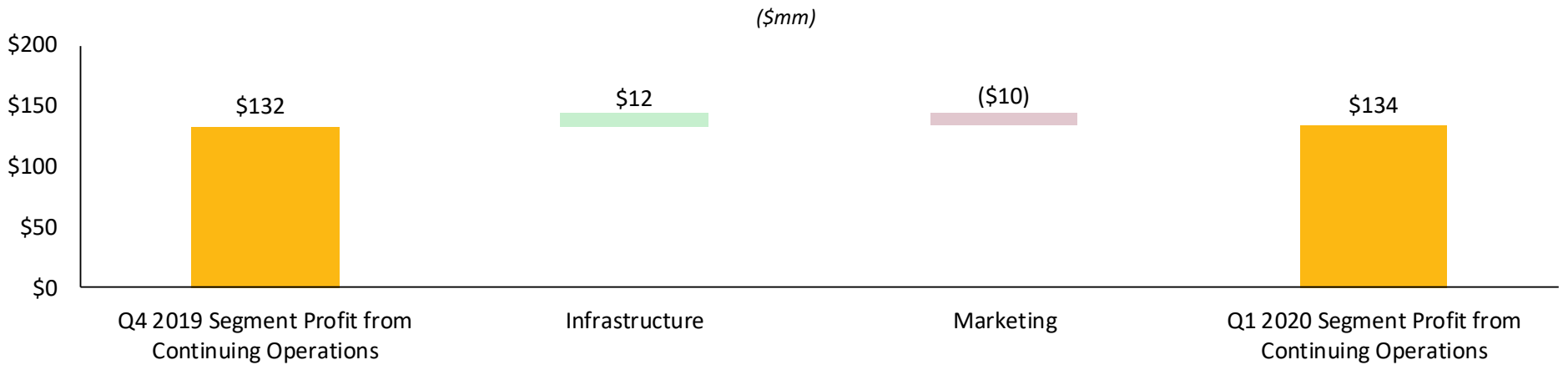
# Segment Profit Bridges

## Q1 2019 to Q1 2020 and Q4 2019 to Q1 2020

### Q1 2019 to Q1 2020 Segment Profit From Continuing Operations



### Q4 2019 to Q1 2020 Segment Profit From Continuing Operations

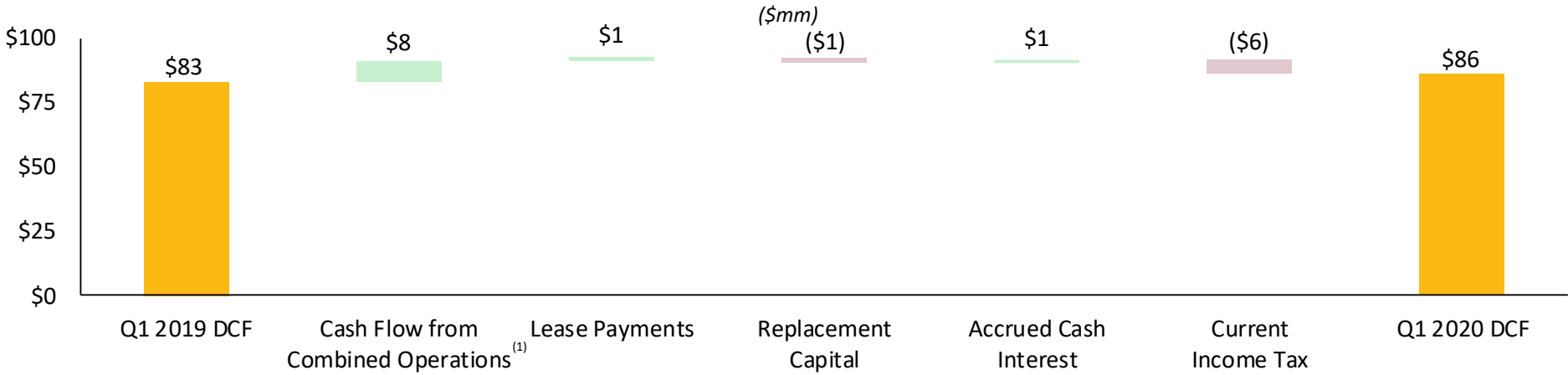


Note: Figures may not sum due to rounding.

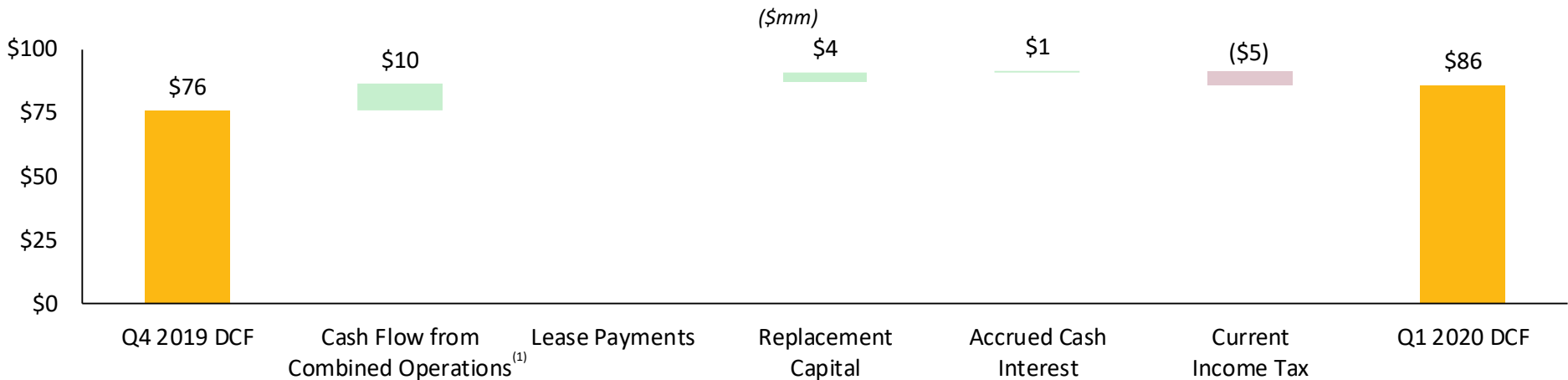
# Distributable Cash Flow Bridges

## Q1 2019 to Q1 2020 and Q4 2019 to Q1 2020

### Q1 2019 to Q1 2020 Distributable Cash Flow From Combined Operations



### Q4 2019 to Q1 2020 Distributable Cash Flow From Combined Operations



(1) Calculated as sum of Cash Flow from Combined Operations, plus changes in non-cash working capital; Finance Lease payments are excluded from Cash Flow from Operations under IFRS 16.  
 Note: Figures may not sum due to rounding.

# Adjusted EBITDA Reconciliation

## 2019 & 2020 Adjusted EBITDA Reconciliation Table

	(\$mm)					
	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2019 FY	2020 Q1
<b>Continuing Operations</b>						
Segment profit	\$136	\$95	\$131	\$132	\$494	\$134
Interest income	0	0	1	1	2	0
Foreign exchange gain (loss) - corporate	(3)	2	(1)	(1)	(4)	8
General and administrative <sup>(1)</sup>	(11)	(10)	3	(12)	(30)	(9)
Net unrealized (gain) loss from financial instruments	(3)	7	(12)	6	(3)	(4)
<b>Adjusted EBITDA (As Reported)</b>	<b>\$118</b>	<b>\$94</b>	<b>\$121</b>	<b>\$126</b>	<b>\$459</b>	<b>\$129</b>
Adj. for enviro. provision and benefit plan amendment <sup>(1,2)</sup>	-	15	(12)	-	3	-
<b>Adjusted EBITDA (Net of Adjustment)</b>	<b>\$118</b>	<b>\$109</b>	<b>\$110</b>	<b>\$126</b>	<b>\$463</b>	<b>\$129</b>
<b>Combined Operations</b>						
Segment profit	\$141	\$98	\$131	\$132	\$502	\$134
Interest income	0	0	1	1	2	0
Foreign exchange gain (loss) - corporate	(3)	2	(1)	(1)	(4)	8
General and administrative <sup>(1)</sup>	(11)	(10)	3	(12)	(30)	(9)
Net unrealized (gain) loss from financial instruments	(3)	7	(12)	6	(3)	(4)
<b>Adjusted EBITDA (As Reported)</b>	<b>\$124</b>	<b>\$97</b>	<b>\$121</b>	<b>\$126</b>	<b>\$467</b>	<b>\$129</b>
Adj. for enviro. provision and benefit plan amendment <sup>(1,2)</sup>	-	15	(11)	-	4	-
<b>Adjusted EBITDA (Net of Adjustment)</b>	<b>\$124</b>	<b>\$112</b>	<b>\$110</b>	<b>\$126</b>	<b>\$471</b>	<b>\$129</b>

(1) The decrease in reported G&A Costs in Q3 2019 is primarily attributable to the recognition of a credit for \$12mm relating to the amendment of the Company's post-retirement benefits plan; Q3 2019 Adjusted EBITDA (Net of Adjustment) includes (\$12mm) adjustment for comparability purposes.

(2) Q2 2019 Adjusted EBITDA (Net of Adjustment) includes \$15mm adjustment for one-time future environmental remediation provision for comparability purposes.

Note: Figures may not sum due to rounding.

# Distributable Cash Flow Reconciliation

## 2019 & 2020 Distributable Cash Flow Reconciliation Table

	(\$mm)					
	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2019 FY	2020 Q1
<b>Continuing Operations</b>						
Cash flow from operating activities	(\$12)	\$38	\$231	\$106	\$362	\$156
Adjustments:						
Changes in non-cash working capital	130	68	(118)	15	95	(24)
Upgrade and replacement capital	(5)	(3)	(6)	(10)	(25)	(6)
Accrued cash interest	(16)	(16)	(16)	(15)	(64)	(15)
Current Income Tax	(5)	0	(8)	(6)	(18)	(11)
Lease Payments	(13)	(12)	(11)	(14)	(49)	(13)
<b>Distributable Cash Flow</b>	<b>\$79</b>	<b>\$75</b>	<b>\$72</b>	<b>\$76</b>	<b>\$302</b>	<b>\$86</b>
<b>Combined Operations</b>						
Cash flow from operating activities	(\$3)	\$35	\$231	\$106	\$369	\$156
Adjustments:						
Changes in non-cash working capital	126	76	(118)	15	98	(24)
Upgrade and replacement capital	(5)	(3)	(6)	(10)	(25)	(6)
Accrued cash interest	(16)	(16)	(16)	(15)	(64)	(15)
Current Income Tax	(5)	0	(8)	(6)	(19)	(11)
Lease Payments	(14)	(12)	(11)	(14)	(50)	(13)
<b>Distributable Cash Flow</b>	<b>\$83</b>	<b>\$80</b>	<b>\$72</b>	<b>\$76</b>	<b>\$309</b>	<b>\$86</b>

# Distributable Cash Flow Reconciliation

## 2019 & 2020 Distributable Cash Flow Reconciliation Table

	(\$mm)					
	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2019 FY	2020 Q1
<b>Combined Operations</b>						
Segment Profit	\$141	\$98	\$131	\$132	\$502	\$134
General and administrative <sup>(1)</sup>	(11)	(10)	3	(12)	(30)	(9)
Other <sup>(2)</sup>	(6)	9	(13)	6	(5)	4
<b>Adjusted EBITDA</b>	<b>\$124</b>	<b>\$97</b>	<b>\$121</b>	<b>\$126</b>	<b>\$467</b>	<b>\$129</b>
Interest	(16)	(16)	(16)	(15)	(64)	(15)
Replacement capital	(5)	(3)	(6)	(10)	(25)	(6)
Current Income Tax	(5)	0	(8)	(6)	(19)	(11)
Lease payment (IFRS 16)	(14)	(12)	(11)	(14)	(50)	(13)
Other <sup>(3,4)</sup>	(1)	15	(8)	(5)	(0)	3
<b>Distributable Cash Flow</b>	<b>\$83</b>	<b>\$80</b>	<b>\$72</b>	<b>\$76</b>	<b>\$309</b>	<b>\$86</b>

(1) Net of the other post-retirement benefit credit, G&A in Q3 2019 was (\$8mm).

(2) Includes Interest income, Foreign exchange loss (gain) and Net unrealized (gain) loss from financial instruments - see slide 6 for breakdown.

(3) Includes working capital adjustment, (gain) loss on sale of assets and other.

(4) Q2 2019 includes \$15mm adjustment for one-time future environmental remediation provision; and Q3 2019 includes (\$12mm) adjustment for other post-retirement benefit credit for comparability purposes.

Note: Figures may not sum due to rounding.

## Supplementary Disclosure Table

	(\$mm)					
	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2019 FY	2020 Q1
<b>Segment Profit from Continuing Operations</b>						
Infrastructure <sup>(1)</sup>	\$75	\$72	\$82	\$86	\$314	\$98
Marketing	61	38	50	46	195	36
<b>Total <sup>(1)</sup></b>	<b>\$136</b>	<b>\$110</b>	<b>\$131</b>	<b>\$132</b>	<b>\$509</b>	<b>\$134</b>
Segment Profit from Discontinued Operations	\$5	\$3	-	-	\$8	-
<b>Select information on Terminals and Pipelines</b>						
Contribution to segment profit <sup>(1)</sup>	\$67	\$70	\$73	\$77	\$287	\$86
Replacement capital	2	2	3	3	10	0
Growth Capital <sup>(2)</sup>	33	53	79	45	210	57

(1) Q2 2019 includes \$15mm adjustment for one-time future environmental remediation provision for comparability purposes.

(2) Total Gibson Energy growth capital was approximately \$263mm in 2018 and \$290mm in 2019 when also including cash payments associated with acquisitions and investments in equity accounted investees.

Note: Figures may not sum due to rounding.