SemGroup®

May 24, 2018

MLP & Energy Conference

Carlin Conner, CEO

Non-GAAP Financial Measures

SemGroup's non-GAAP measures, Adjusted EBITDA and Total Segment Profit, are not GAAP measures and are not intended to be used in lieu of GAAP presentation of net income (loss) and operating income, respectively, which are the most closely associated GAAP measures.

Adjusted EBITDA represents earnings before interest, taxes, depreciation and amortization, adjusted for selected items that SemGroup believes impact the comparability of financial results between reporting periods. In addition to non-cash items, we have selected items for adjustment to EBITDA which management feels decrease the comparability of our results among periods. These items are identified as those which are generally outside of the results of day to day operations of the business. These items are not considered non-recurring, infrequent or unusual, but do erode comparability among periods in which they occur with periods in which they do not occur or occur to a greater or lesser degree. Historically, we have selected items such as gains on the sale of NGL Energy Partners LP common units, costs related to our predecessor's bankruptcy, significant business development related costs, significant legal settlements, severance and other similar costs. Management believes these types of items can make comparability of the results of day to day operations among periods difficult and have chosen to remove these items from our Adjusted EBITDA. We expect to adjust for similar types of items in the future. Although we present selected items that we consider in evaluating our performance, you should be aware that the items presented do not represent all items that affect comparability between the periods presented. Variations in our operating results are also caused by changes in volumes, prices, mechanical interruptions and numerous other factors. We do not adjust for these types of variances.

Total Segment Profit represents revenue, less cost of products sold (exclusive of depreciation and amortization) and operating expenses, plus equity earnings and is adjusted to remove unrealized gains and losses on commodity derivatives and to reflect equity earnings on an EBITDA basis. Reflecting equity earnings on an EBITDA basis is achieved by adjusting equity earnings to exclude our percentage of interest, taxes, depreciation and amortization from equity earnings for operated equity method investees. For our investment in NGL Energy, we exclude equity earnings and include cash distributions received. Segment profit is the measure by which management assess the performance of our reportable segments.

These measures may be used periodically by management when discussing our financial results with investors and analysts and are presented as management believes they provide additional information and metrics relative to the performance of our businesses. These non-GAAP financial measures have important limitations as analytical tools because they exclude some, but not all, items that affect the most directly comparable GAAP financial measures. You should not consider non-GAAP measures in isolation or as substitutes for analysis of our results as reported under GAAP. Management compensates for the limitations of our non-GAAP measures as analytical tools by reviewing the comparable GAAP measures, understanding the differences between the non-GAAP measure and the most comparable GAAP measure and incorporating this knowledge into its decision-making processes. We believe that investors benefit from having access to the same financial measures that our management uses in evaluating our operating results. Because all companies do not use identical calculations, our presentations of non-GAAP measures may be different from similarly titled measures of other companies, thereby diminishing their utility.

SemGroup does not provide guidance for net income, the GAAP financial measure most directly comparable to the non-GAAP financial measure Adjusted EBITDA, because Net Income includes items such as unrealized gains or losses on derivative activities or similar items which, because of their nature, cannot be accurately forecasted. We do not expect that such amounts would be significant to Adjusted EBITDA as they are largely non-cash items.

Forward-Looking Information

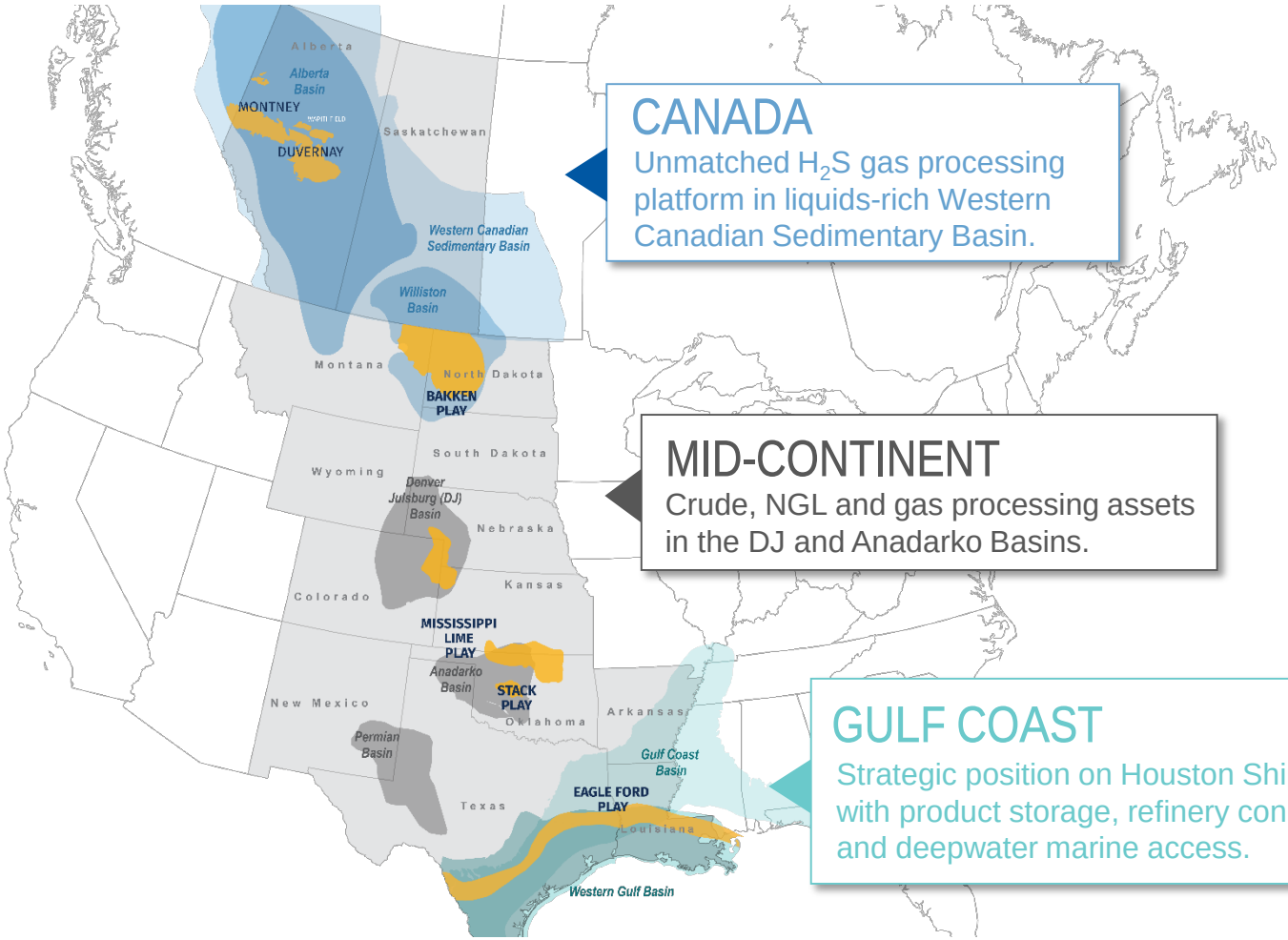
Certain matters contained in this Presentation include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We make these forward-looking statements in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995.

All statements, other than statements of historical fact, included in this presentation including the prospects of our industry, our anticipated financial performance, our anticipated annual dividend growth rate, management's plans and objectives for future operations, planned capital expenditures, business prospects, outcome of regulatory proceedings, market conditions and other matters, may constitute forward-looking statements. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you that these expectations will prove to be correct. These forward-looking statements are subject to certain known and unknown risks and uncertainties, as well as assumptions that could cause actual results to differ materially from those reflected in these forward-looking statements. Factors that might cause actual results to differ include, but are not limited to, our ability to generate sufficient cash flow from operations to enable us to pay our debt obligations and our current and expected dividends or to fund our other liquidity needs; any sustained reduction in demand for, or supply of, the petroleum products we gather, transport, process, market and store; the effect of our debt level on our future financial and operating flexibility, including our ability to obtain additional capital on terms that are favorable to us; our ability to access the debt and equity markets, which will depend on general market conditions and the credit ratings for our debt obligations and equity; the failure to realize the anticipated benefits of our acquisition of 100 percent of the equity interests in Buffalo Parent Gulf Coast Terminals LLC, the parent company of Buffalo Gulf Coast Terminals LLC and HFOTCO LLC, doing business as Houston Fuel Oil Terminal Company (“HFOTCO”); the loss of, or a material nonpayment or nonperformance by, any of our key customers; the amount of cash distributions, capital requirements and performance of our investments and joint ventures; the consequences of any divestitures of non-strategic operating assets or divestitures of interests in some of our operating assets through partnerships and/or join ventures; the amount of collateral required to be posted from time to time in our commodity purchase, sale or derivative transactions; the impact of operational and developmental hazards and unforeseen interruptions; our ability to obtain new sources of supply of petroleum products; competition from other midstream energy companies; our ability to comply with the covenants contained in our credit agreements, continuing covenant agreement, and the indentures governing our notes, including requirements under our credit agreements and continuing covenant agreement to maintain certain financial ratios; our ability to renew or replace expiring storage, transportation and related contracts; the overall forward markets for crude oil, natural gas and natural gas liquids; the possibility that the construction or acquisition of new assets may not result in the corresponding anticipated revenue increases; any future impairment of goodwill resulting from the loss of customers or business; changes in currency exchange rates; weather and other natural phenomena, including climate conditions; a cyber attack involving our information systems and related infrastructure, or that of our business associates; the risks and uncertainties of doing business outside of the U.S., including political and economic instability and changes in local governmental laws, regulations and policies; costs of, or changes in, laws and regulations and our failure to comply with new or existing laws or regulations, particularly with regard to taxes, safety and protection of the environment; the possibility that our hedging activities may result in losses or may have a negative impact on our financial results; general economic, market and business conditions; as well as other risk factors discussed from time to time in our each of our documents and reports filed with the SEC.

Readers are cautioned not to place undue reliance on any forward-looking statements contained in this press release, which reflect management’s opinions only as of the date hereof. Except as required by law, we undertake no obligation to revise or publicly release the results of any revision to any forward-looking statements.

We use our Investor Relations website and social media outlets as channels of distribution of material company information. Such information is routinely posted and accessible on our Investor Relations website at ir.semgroupcorp.com. We are present on Twitter and LinkedIn: SemGroup Twitter and LinkedIn

Key Areas of Operation and Growth



CANADA

Unmatched H_2S gas processing platform in liquids-rich Western Canadian Sedimentary Basin.

MID-CONTINENT

Crude, NGL and gas processing assets in the DJ and Anadarko Basins.

GULF COAST

Strategic position on Houston Ship Channel with product storage, refinery connectivity and deepwater marine access.

Canada: *SemCAMS - New Gas Plants*

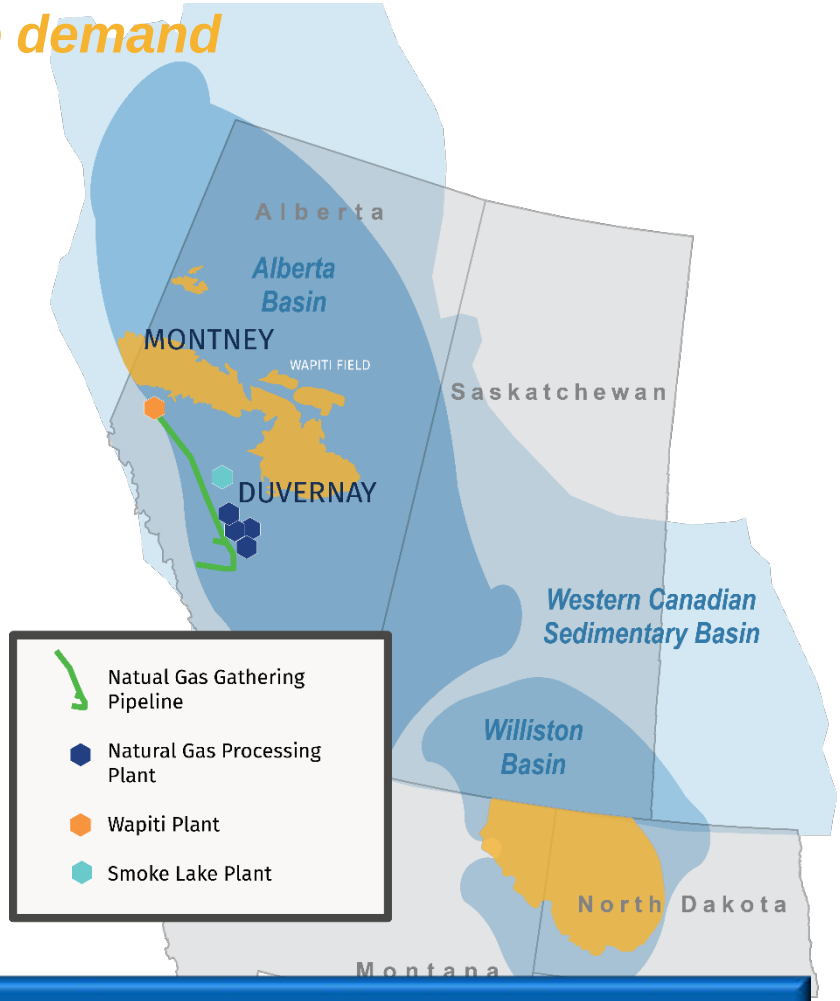
Producer activity driven by condensate demand

Wapiti Plant - Montney

- 200 mmcf/d sour gas processing plant
- Supported by 120 mmcf/d, 15-year contract
- Project cost ~ USD $225 - $250 million
- 6x EBITDA multiple
- Plant completion ~ 2Q 2019

Smoke Lake Plant - Duvernay

- 60 mmcf/d sweet & sour gas processing plant
- Supported by 15-year contract, 90% of capacity contracted
- Project cost ~ USD $50 million
- 6x EBITDA multiple
- Plant completion ~ 4Q 2019



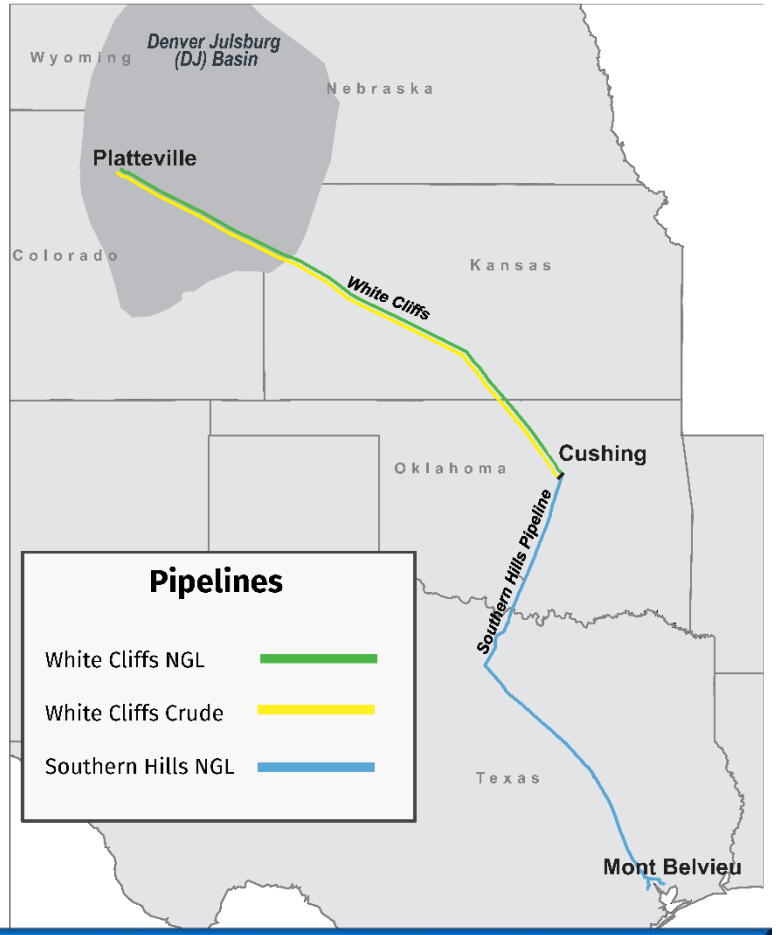
Excess sour gas processing-key competitive advantage

Mid-Continent: *DJ Basin NGL Take-Away Solution*

Long-Term Contract with DCP Midstream

White Cliffs Pipeline NGL Conversion

- Diversify one 12” pipeline to NGL service
- Supported by 50,000 bpd, 10-year contract with DCP
- Transport NGLs from DJ Basin to Mt Belvieu
- Capacity of 90k bpd, expandable to 120k bpd
- Pending joint open season to attract 3rd parties
- SEMG capex spend of ~$30 to 33 million
- < 4x EBITDA multiple, on contracted cash flows
- Project completion ~ 4Q 2019



Project de-risks White Cliffs Pipeline & positions upside value

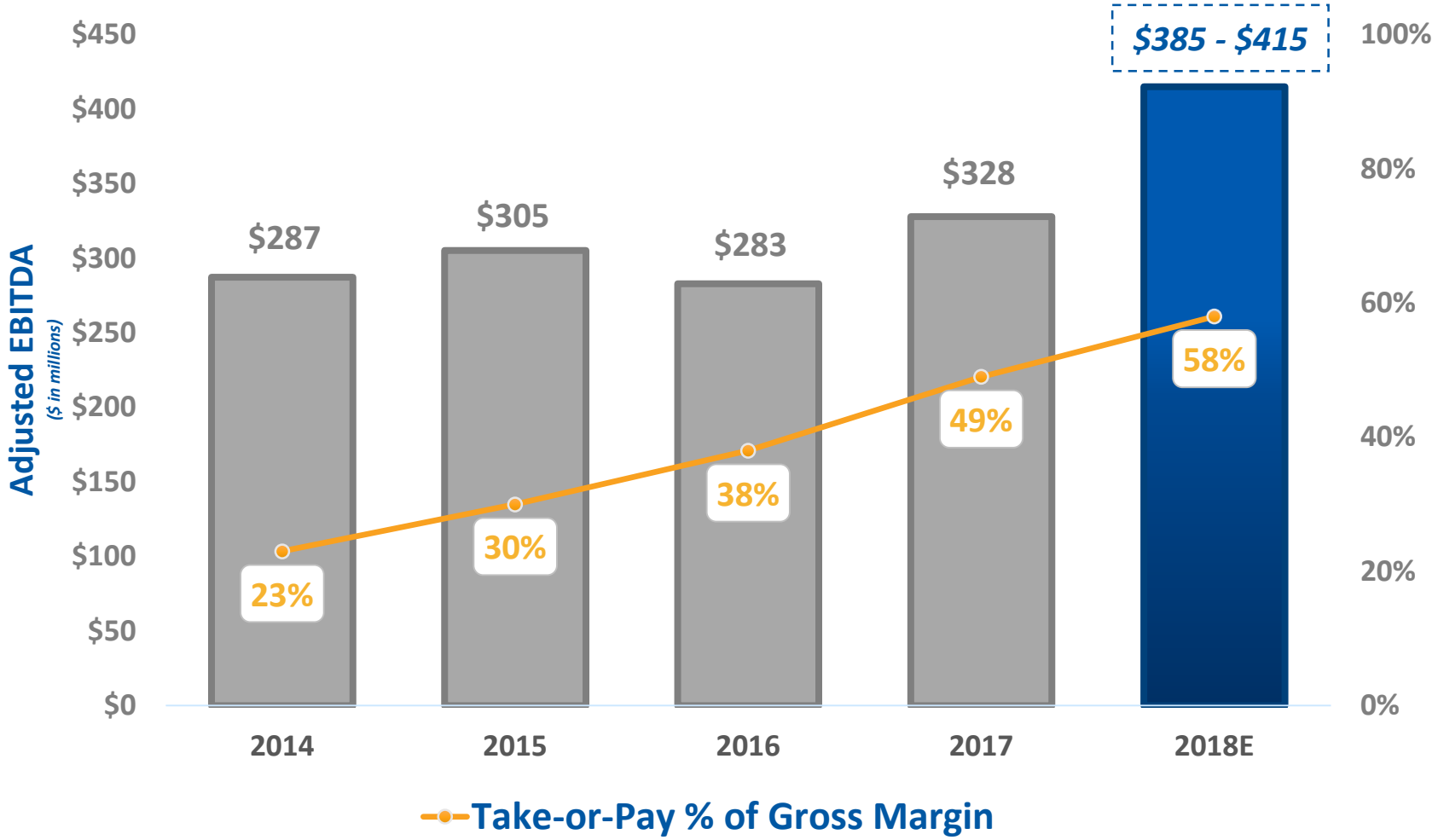
Strategic Gulf Coast Position Drives Growth

Houston Fuel Oil Terminal

- 1.45 million barrels of new crude storage
- Construction of Ship Dock #5
- Backstopped by investment-grade refiner, 10-year contract
- Strong connectivity to Gulf Coast refining complex
- Multi-modal inbound and outbound capabilities
- Project cost ~$185 million; ~$120 million funded by SemGroup
- 7x EBITDA multiple
- Project completion ~ mid-2018

Multiple future growth projects largely driven by exports

Financial Growth Aligned with Stable Fee-Based Assets



Driving Shareholder Value

Stable and growing cash flows with ~**60% take-or-pay**

Dividend growth rate of 5% with ample coverage

Significant **long-term upside** in Canada and U.S. Gulf Coast

Simplified Portfolio




Clear Path to Long-Term Growth

Q&A