



**CROSSAMERICA**  
PARTNERS LP

**Investor Update**

May 2016

# 1Q 2016 Earnings Call

*Jeremy Bergeron, President*

*Steve Stellato, Chief Accounting Officer*

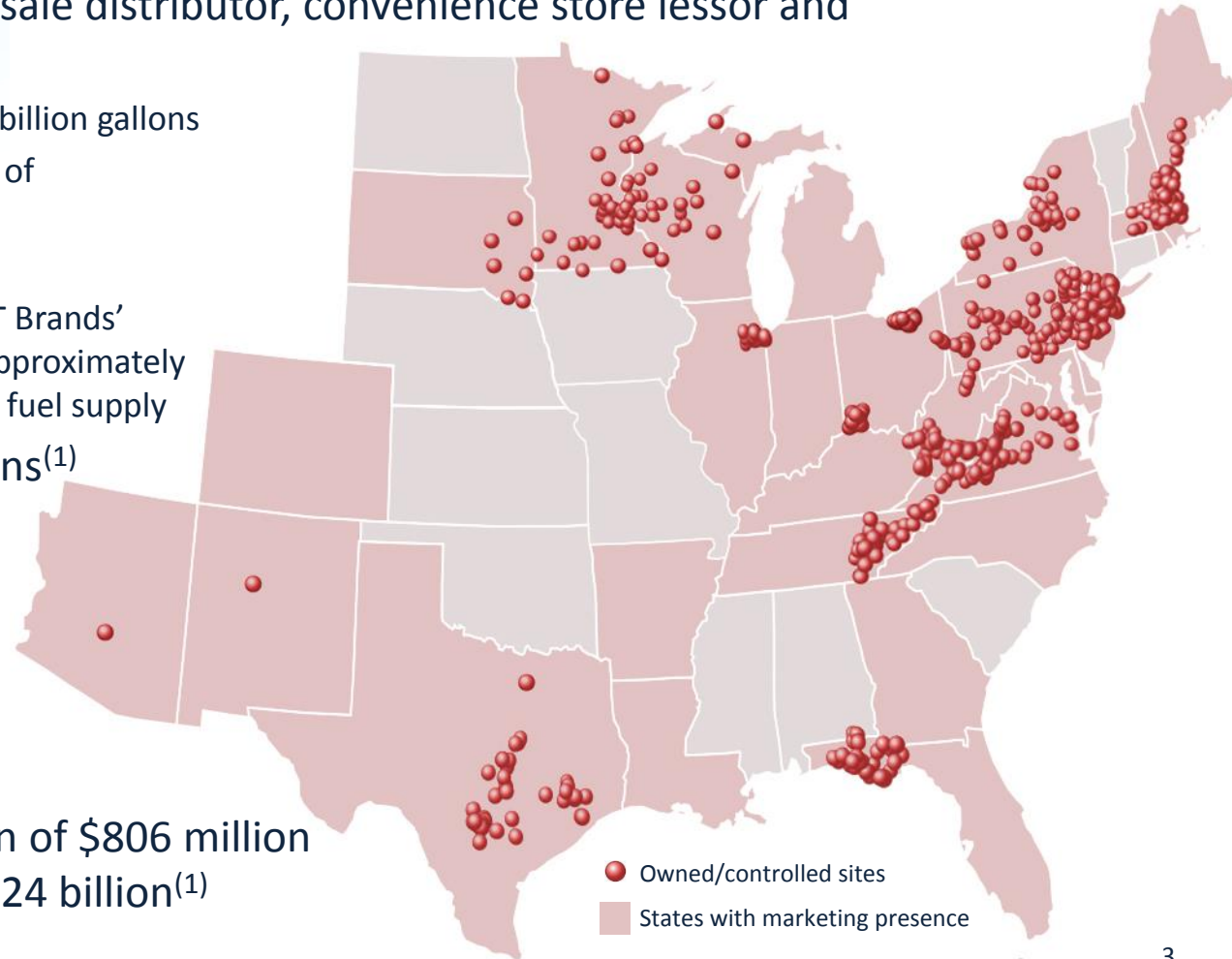


# Safe Harbor Statements

Statements contained in this presentation that state the Partnership's or management's expectations or predictions of the future are forward-looking statements. The words "believe," "expect," "should," "intends," "estimates," "target" and other similar expressions identify forward-looking statements. It is important to note that actual results could differ materially from those projected in such forward-looking statements. For more information concerning factors that could cause actual results to differ from those expressed or forecasted, see CrossAmerica's Forms 10-Q or Form 10-K filed with the Securities and Exchange Commission and available on CrossAmerica's website at [www.crossamericapartners.com](http://www.crossamericapartners.com). If any of these factors materialize, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from what we projected. Any forward-looking statement you see or hear during this presentation reflects our current views as of the date of this presentation with respect to future events. We assume no obligation to publicly update or revise these forward-looking statements for any reason, whether as a result of new information, future events, or otherwise.

# Partnership Overview

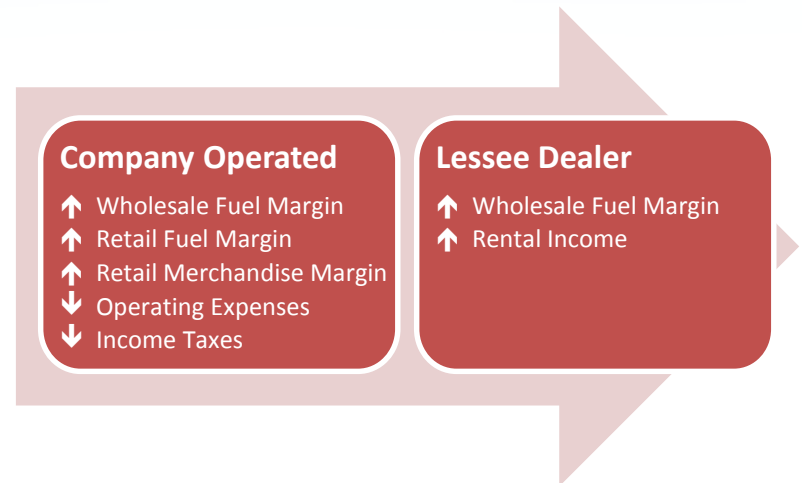
- Leading motor fuel wholesale distributor, convenience store lessor and c-store operator
  - Distributes annually over 1 billion gallons
  - Annual gross rental income of approximately \$80 million
  - Operates 90+ c-stores<sup>(1)</sup>
  - 17.5% equity interest in CST Brands' wholesale fuels business, approximately 1.9 billion gallons of annual fuel supply
- Over 1,180 fueling locations<sup>(1)</sup>
  - 577 Lessee Dealers
  - 390 Independent Dealers
  - 97 Company Operated Sites
  - 66 Commission Agents
  - 50+ Sub-jobbers, commercial accounts, etc.
- Equity market capitalization of \$806 million and enterprise value of \$1.24 billion<sup>(1)</sup>



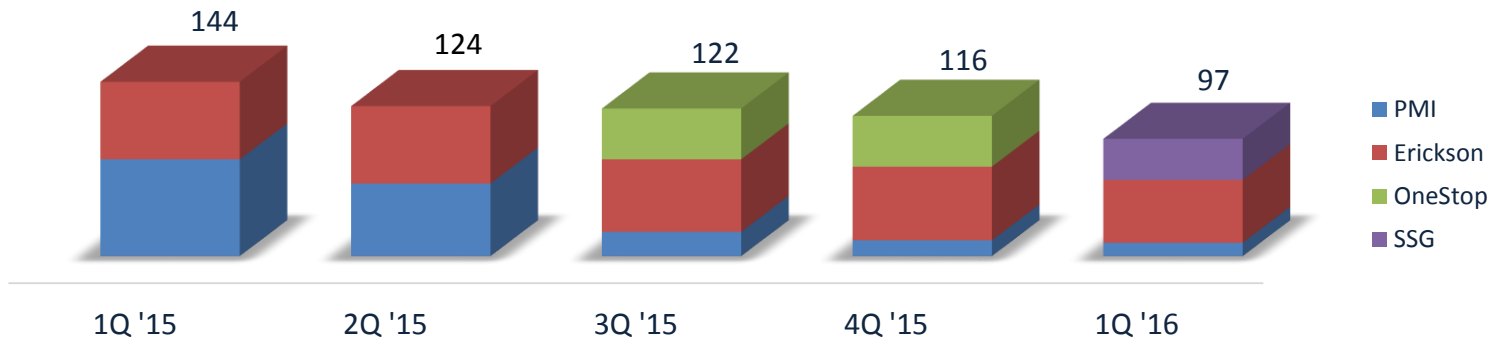
<sup>(1)</sup> As of March 31, 2016

# Strategy Execution

- Completed accretive SSG acquisition on March 29
  - 34 total sites<sup>(1)</sup>, over 25 million annual gallons of fuel, valuable real estate, strong inside sales
- Continued focus on managing expenses and execution of our integration strategy
  - Applying processes and systems to reduce operating, general & administrative expenses following acquisitions
  - Converted 52 Company Operated sites in the first quarter to Lessee Dealer accounts, yielding a more stable, qualifying income cash flow stream



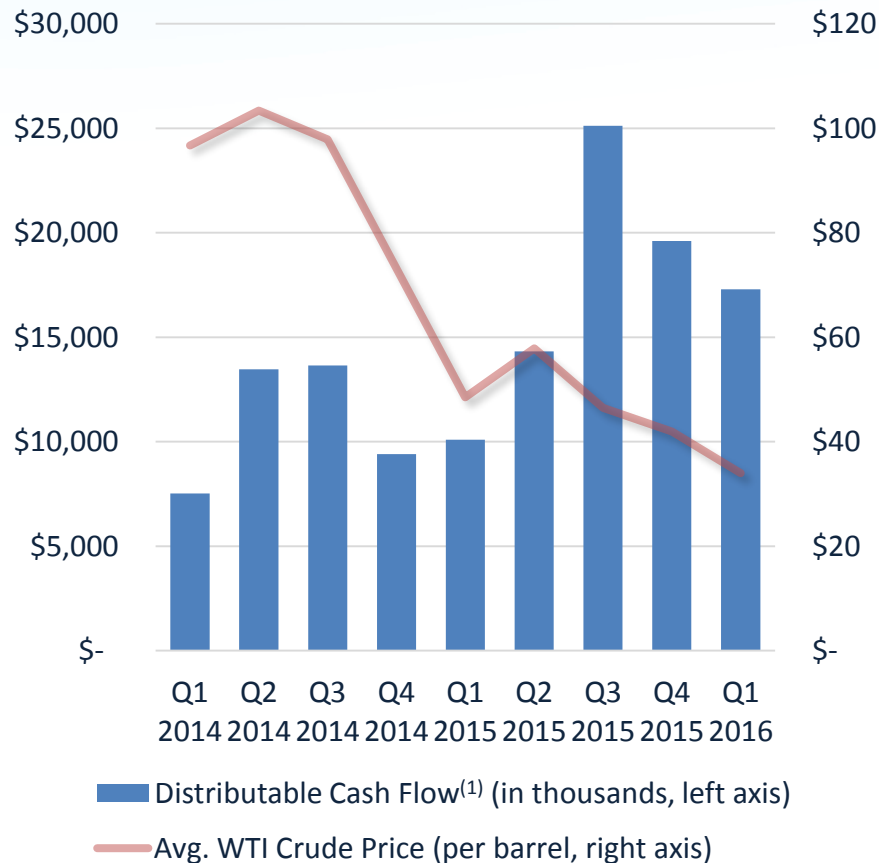
**Company Operated Site Count (end of period)**



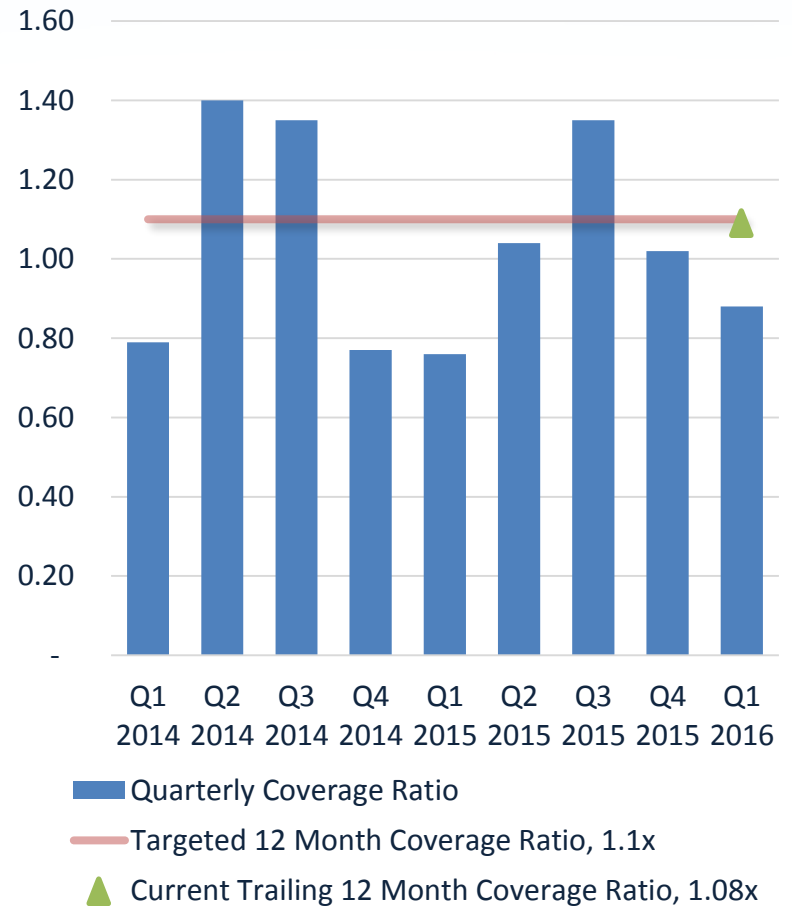
<sup>(1)</sup> 31 fuel and 3 non-fuel locations

# Strength Despite Crude Price Headwinds

Cash Flow Performance



Coverage Ratio (on paid basis)



(1) See the earnings press release filed by CrossAmerica Partners LP on May 6, 2016 for (i) a reconciliation of EBITDA, Adjusted EBITDA and Distributable Cash Flow (or "DCF") to net income and (ii) the definitions of EBITDA, Adjusted EBITDA and DCF.

# 1Q 2016 Results Summary

(in thousands, except for per unit amounts)

KEY METRICS	Three Months ended Mar. 31,		% Change
	2016	2015	
Gross Profit	\$37,190	\$37,727	(1%)
Adjusted EBITDA <sup>(1)</sup>	\$22,215	\$15,583	43%
Distributable Cash Flow <sup>(1)</sup>	\$17,289	\$10,095	71%
Weighted Avg. Diluted Units	33,177	24,583	35%
DCF per LP Unit	\$0.5211	\$0.4107	27%
Distribution Paid per LP Unit	\$0.5925	\$0.5425	9%
Distribution Coverage	0.88x	0.76x	16%

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# 1Q 2016 Wholesale Segment Results

(in thousands, except for number of sites and per gallon amounts)

WHOLESALE SEGMENT	Three Months ended Mar. 31,		% Change
	2016	2015	
Total Motor Fuel Sites (period avg.)	1,088	1,033	5%
Total Volume of Gallons Distributed	236,162	233,812	1%
Fuel Margin per Gallon	\$0.050	\$0.056	(11%)
Rental & Other Gross Profit	\$14,129	\$10,502	35%
Operating Expenses	\$5,864	\$7,130	(18%)
Segment Adjusted EBITDA <sup>(1)</sup>	\$24,041	\$17,602	37%

- Significant Wholesale Segment changes between periods
  - Acquired 107 fuel supply locations, increasing sites and gallons distributed
  - Divested of PMI non-core fuels transportation, heating oil and commercial fuels business, decreasing gallons and operating expenses
  - Acquired 29 New-To-Industry real estate locations from CST, increasing rental gross profit
  - Dealerized 125 company operated locations to lessee dealer accounts, increasing rental gross profit
  - Approximately 30% decline in wholesale gasoline prices, decreasing fuel margin

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# 1Q 2016 Retail Segment Results

(in thousands, except for number of sites, per gallon, and per day amounts)

RETAIL SEGMENT	3 Months ended Mar. 31		% Change
	2016	2015	
Site Count (period avg.)	173	191	(9%)
Operating Expenses	\$9,547	\$10,210	(7%)
Segment Adjusted EBITDA <sup>(1)</sup>	\$1,761	\$4,751	(63%)

COMPANY OPERATED STATISTICS	3 Months ended Mar. 31		% Change
	2016	2015	
Site Count (period avg.)	107	118	(9%)
Motor fuel sales (gallons per site per day)	2,413	2,664	(9%)
Fuel Margin per Gallon, net	\$0.097	\$0.142	(32%)
Merchandise Sales (per site per day)	\$3,141	\$2,770	13%
Merchandise Gross Profit Percentage, net	25.3%	29.6%	(430 bps)

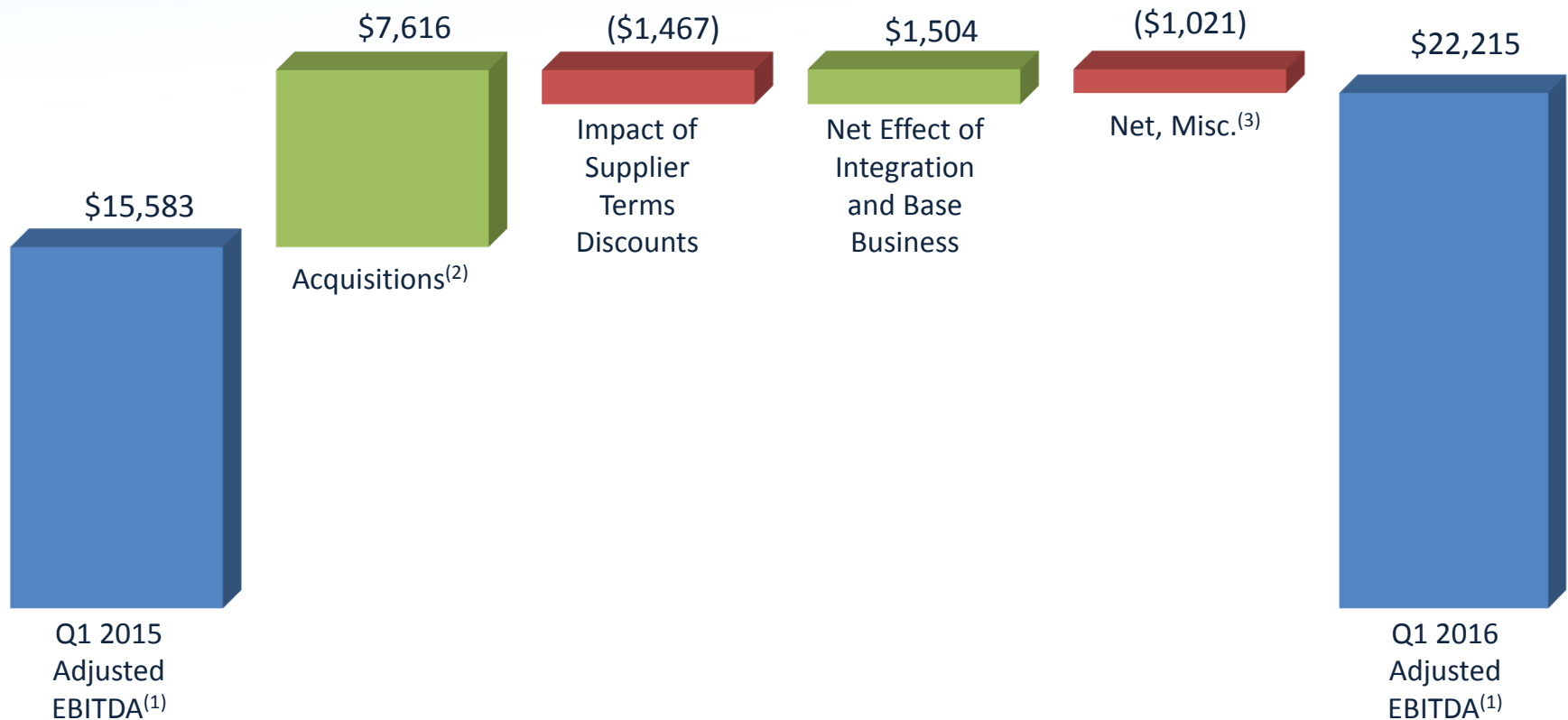
- Significant Retail Segment changes between periods
  - Acquired 78 company operated locations, increasing sites and gallons distributed
  - Dealerized 125 company operated locations to lessee dealer accounts, decreasing gallons distributed, merchandise sales, and operating expenses
  - Varying mix of stores in the periods because of acquisitions and dealerization, which impacts all areas

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# 1Q15 vs 1Q16 Adjusted EBITDA Performance

(in thousands)



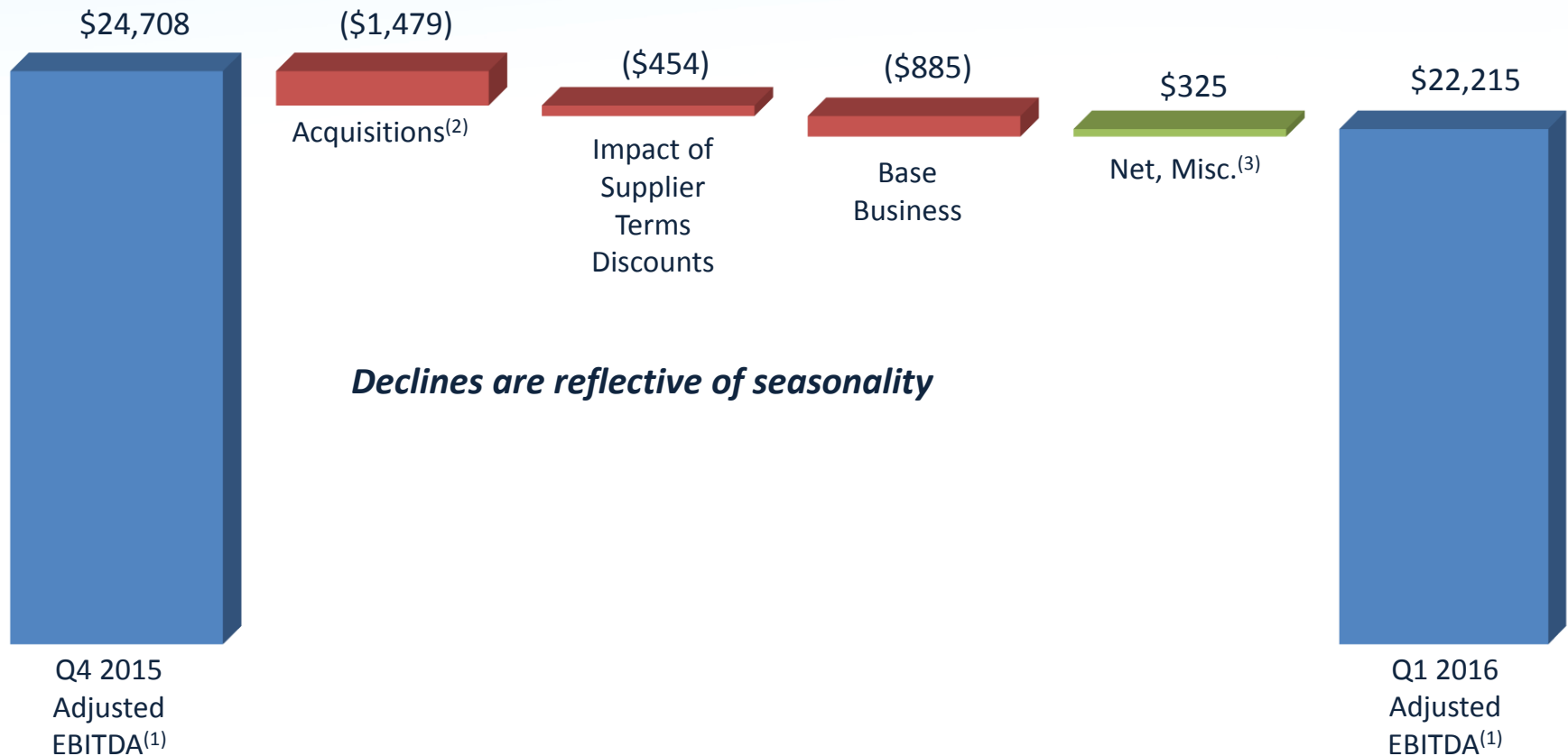
<sup>(1)</sup> See the earnings press release filed by CrossAmerica Partners LP on May 6, 2016 for (i) a reconciliation of EBITDA, Adjusted EBITDA and Distributable Cash Flow (or "DCF") to net income and (ii) the definitions of EBITDA, Adjusted EBITDA and DCF.

<sup>(2)</sup> Acquisitions include third party acquisitions and CST asset drops conducted since 1/1/15

<sup>(3)</sup> Net, Misc. includes increased Incentive Distribution Right distributions, Dealer-Tank-Wagon pricing and other miscellaneous items

# 4Q15 vs 1Q16 Adjusted EBITDA Performance

(in thousands)



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# Executing with Measured Growth

- Declared distribution attributable to first quarter of \$0.5975 per unit
  - 0.5 cent per unit increase over fourth quarter 2015
  - Expect to increase per unit distribution by 5%-7% for 2016 over 2015
  - Continue to target a long-term distribution coverage ratio of at least 1.1x
- 2016 Distributable Cash Flow<sup>(1)</sup> growth expected to come from selective, accretive acquisitions, strong business performance and expense reduction associated with integration of recently completed transactions
  - Maintaining a strong Balance Sheet with a leverage ratio well within our credit facility covenants
  - Real estate assets remain a viable source of capital to fund accretive growth
  - Assets are well positioned as we head into our seasonably stronger periods of operations

**Distributions per Unit (on declared basis)**



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