



## Second Quarter 2010 Earnings and Recent Developments

# Forward looking information

This presentation contains statements that we believe are, or may be considered to be, forward-looking statements. All statements, other than statements of historical fact, included in this presentation regarding the prospects of our industry or our prospects, plans, financial position or business strategy may constitute forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking words such as “may,” “will,” “expect,” “intend,” “estimate,” “foresee,” “project,” “anticipate,” “believe,” “plans,” “forecasts,” “continue” or “could” or the negative of these terms or variations of them or similar terms. 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, those discussed in the section entitled “Outlook and Recent Developments” on page 11 of this presentation. Readers are cautioned not to place undue reliance on any forward-looking statements contained in this presentation, which reflect management’s opinions only as of the date hereof. Factors that might cause actual results to differ include, but are not limited to, those discussed in the section entitled “Risk Factors” set forth in Item 1A of the Company’s Form 10. The Private Securities Litigation Reform Act of 1995 does not protect any forward-looking statements we make in this press release. Except as required by law, we undertake no obligation to revise or publicly release the results of any revision to any forward-looking statements.



## Selected Second Quarter Financial Highlights

# Second Quarter Results and Highlights



- SemGroup continues to strive towards execution of its business strategies and repositioning towards fee-based asset activities
- SemCrude began construction of an additional 850,000 barrels of crude oil storage in Cushing, OK
- Reported Adjusted EBITDA of \$18.5 million for the three months ending June 30, 2010 and \$71.5 million for the six months ending June 30, 2010
- During June 2010 recorded a non-cash impairment of \$91.8 million at SemCanada Crude due to unfavorable market conditions
- Continued compliance with all credit facilities covenants

# Issues Affecting Financial Disclosure



- A number of issues may impact comparability of financial data between the current period and prior periods, including:
  - Impairment of assets
    - SemCanada Crude recorded an impairment in second quarter 2010 due to unfavorable market conditions
  - Deconsolidation of the Canadian units during bankruptcy
    - SemCAMS and SemCanada Crude (emerging Canadian units) financial results are excluded from July 2008 through November 2009 financial results
  - Impact from discontinued operations
    - Certain businesses have been sold or shut down during bankruptcy that are no longer reflected in current operations
  - Impact of fresh start reporting
    - At November 30, 2009, SemGroup revalued all assets and liabilities to reflect fair value as required by GAAP
    - As a result of fresh start reporting, SemStream inventory was revalued from historical weighted average cost to current market value on November 30, 2009. This revaluation increased cost of product sold over the actual cost of inventory
  - Other plan of reorganization impact
    - Forgiveness of debt and other obligations
    - Professional fees and other related costs of bankruptcy

# Condensed Consolidated Statements of Operations



(Unaudited, dollars in thousands, except per share amounts)

	<u>Successor</u> Three Months ended June 30, 2010	<u>Predecessor</u> Three Months ended June 30, 2009	<u>Successor</u> Six Months ended June 30, 2010	<u>Predecessor</u> Six Months ended June 30, 2009
Revenues	\$ 315,899	\$ 208,316	\$ 791,905	\$ 490,830
Expenses:				
Costs of products sold, exclusive of depreciation and amortization (shown below)	238,148	167,266	609,564	410,990
Operating	40,211	11,669	72,115	21,919
General and administrative	20,618	13,802	48,785	26,949
Depreciation and amortization	19,552	7,191	39,518	18,719
Losses (gains) on disposal or impairment of long-lived assets, net	91,369	(98)	91,389	(98)
Total expenses	409,898	199,830	861,371	478,479
Operating income (loss)	(93,999)	8,486	(69,466)	12,351
Other expenses (income)	31,230	(2,618)	46,245	1,420
Income (loss) from continuing operations before reorganization items and income taxes	(125,229)	11,104	(115,711)	10,931
Reorganization items loss	-	(30,494)	-	(76,264)
Loss from continuing operations before income taxes	(125,229)	(19,390)	(115,711)	(65,333)
Income tax expense (benefit)	(3,357)	3,043	(2,514)	4,192
Loss from continuing operations	(121,872)	(22,433)	(113,197)	(69,525)
Income (loss) from discontinued operations, net of income taxes	894	(7,141)	1,376	(49,755)
Net loss	(120,978)	(29,574)	(111,821)	(119,280)
Less: net income (loss) attributable to noncontrolling interests	56	(29)	117	15
Net loss attributable to SemGroup	(121,034)	(29,545)	(111,938)	(119,295)
Net loss attributable to SemGroup per common share:				
Basic and diluted	\$ (2.92)		\$ (2.70)	

# Condensed Consolidated Balance Sheets



*(Unaudited, dollars in thousands)*

	<b>June 30, 2010</b>	<b>December 31, 2009</b>
<b>ASSETS</b>		
Current assets	\$ 521,394	\$ 790,727
Property, plant and equipment	1,024,262	1,041,379
Goodwill	131,981	186,844
Other intangible assets	80,628	130,612
Other noncurrent assets, net	42,494	60,451
<b>Total assets</b>	<b>\$ 1,800,759</b>	<b>\$ 2,210,013</b>
<b>LIABILITIES AND OWNERS' EQUITY</b>		
<b>Current liabilities:</b>		
Current portion of long-term debt	\$ 20,129	\$ 20,719
Other current liabilities	324,560	557,044
<b>Total current liabilities</b>	<b>344,689</b>	<b>577,763</b>
Long-term debt, excluding current portion	450,564	499,213
Other noncurrent liabilities	143,857	154,780
<b>Total liabilities</b>	<b>939,110</b>	<b>1,231,756</b>
Total SemGroup Corporation equity	860,272	976,686
Noncontrolling interests in consolidated subsidiaries	1,377	1,571
<b>Total owners' equity</b>	<b>861,649</b>	<b>978,257</b>
<b>Total liabilities and owners' equity</b>	<b>\$ 1,800,759</b>	<b>\$ 2,210,013</b>

# Non-GAAP Financial Measures

Adjusted EBITDA is presented in this release for the three and six month periods ended June 30, 2010 and 2009. Adjusted EBITDA is not a generally accepted accounting principles (“GAAP”) measure and is not intended to be used in lieu of a GAAP presentation of net income. Adjusted EBITDA is presented in this release because SemGroup believes it provides additional information with respect to its financial performance and its ability to meet future debt service, capital expenditures and working capital requirements. Adjusted EBITDA represents earnings before income, taxes, depreciation and amortization, adjusted for selected items that SemGroup believes impact the comparability of financial results between reporting periods. Although SemGroup presents selected items that it considers in evaluating its performance, you should also be aware that the items presented do not represent all items that affect comparability between the periods presented. Variations in SemGroup’s operating results are also caused by changes in volumes, prices, exchange rates, mechanical interruptions, and numerous other factors. These types of variances are not separately identified in this release.

A reconciliation of net income to EBITDA and Adjusted EBITDA for the periods presented is included on pages 10 and 11 of this presentation.

# Non-GAAP Financial Data Reconciliations



- Net income to earnings before interest, taxes, depreciation and amortization ("EBITDA") and excluding selected items impacting comparability ("Adjusted EBITDA") reconciliations

*(dollars in millions)*

	Three Months Ended June 30		Six Months Ended June 30	
	2010	2009	2010	2009
Net loss attributable to SemGroup	(121.0)	(29.5)	(111.9)	(119.3)
Add: Interest expense	26.0	3.3	45.4	6.6
Add: Income tax expense (benefit)	(3.4)	3.0	(2.5)	4.2
Add: Depreciation and amortization	19.6	7.2	39.5	18.7
EBITDA	(78.8)	(16.0)	(29.5)	(89.8)
Selected items impacting comparability	97.3	39.9	101.0	141.8
<b>Adjusted EBITDA</b>	<b>\$ 18.5</b>	<b>\$ 23.9</b>	<b>\$ 71.5</b>	<b>\$ 52.0</b>

# Selected Items Impacting Comparability



(dollars in millions)

	Three Months Ended June 30		Six Months Ended June 30	
	2010	2009	2010	2009
Losses (gains) on disposal or impairment of long-lived assets	91.4	(0.1)	91.4	(0.1)
Reorganization items loss	-	30.5	-	76.3
Loss (income) from discontinued operations	(0.9)	7.1	(1.4)	49.8
Foreign currency transaction (gains)/losses	3.2	(3.8)	1.6	(3.2)
Impact of change in basis of NGL inventory in fresh-start reporting	1.2	-	27.8	-
Unrealized (gains)/losses on derivative activities	(0.3)	6.2	(23.0)	19.0
Change in fair value of warrants	(1.2)	-	(2.0)	-
Allowance on receivable from AGE Refining	2.5	-	3.6	-
Restricted stock expense	1.4	-	3.0	-
<b>Selected items impacting comparability</b>	<b>97.3</b>	<b>39.9</b>	<b>101.0</b>	<b>141.8</b>

*Note: Not included among the selected items impacting comparability in the table above are lower of cost or market adjustments to inventories of continuing operations of \$8.5 million and \$2.5 million during the three months ended June 30, 2010 and 2009, respectively, and \$10.8 million and \$6.4 million during the six months ended June 30, 2010 and 2009, respectively.*

# Outlook and Recent Developments

- Began construction of a new asphalt terminal in Silao, Mexico
- SemGroup amended Form 10 to continue the process of registering with the SEC and listing shares with the NYSE
  - Anticipate becoming effective with the SEC and listing shares before year-end
  - Due to the ongoing registration process, the company will not have a quarterly conference call
- SemGroup continues to negotiate with its partners in White Cliffs Pipeline regarding timing and price related to their option to increase their ownership position in the pipeline

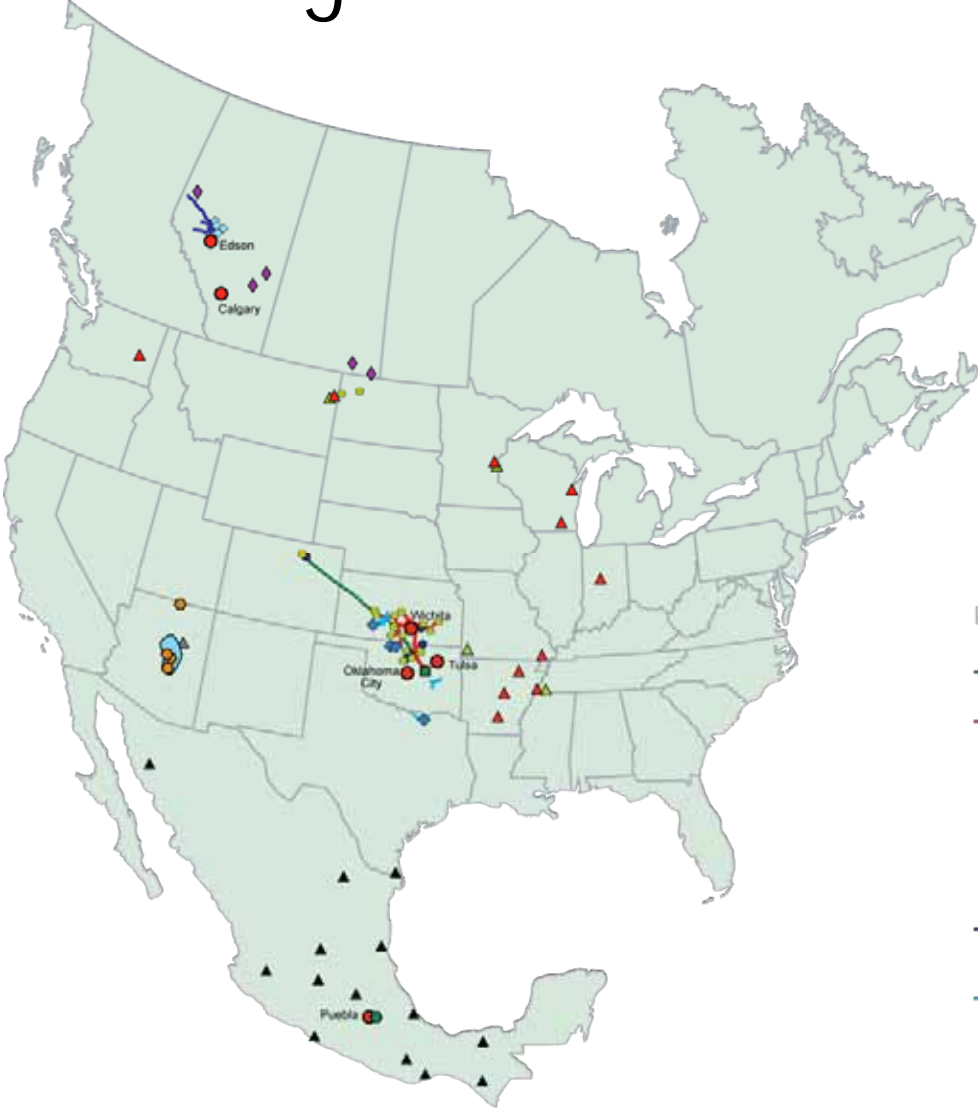


## SemGroup Overview

# Key Operating Assets

- 2,800 miles of pipelines
- 18.1 million barrels of storage capacity
- 11 liquid asphalt cement terminals
- Two emulsion distribution terminals
- 11 NGL terminals; one under construction
- Seven natural gas processing plants
- Five blending facilities in Canada
- Owned and leased railcars, trucks and pipeline injection stations

# Strategic Asset Base



- Legend**
- SemGroup Office
  - ▭ North American Energy Corridor
- Crude Oil**
- White Cliffs Pipeline
  - White Cliffs Pipeline Storage
  - SemCrude Pipeline
  - SemCrude Pipeline Storage Tank
  - SemCrude Storage
  - SemCrude Truck Unloading
  - ◆ SemCanada Crude Blending Facility
  - SemLogistics Storage
- Natural Gas**
- ◇ SemCAMS Processing Plant
  - SemCAMS Gathering Pipeline
  - ◆ SemGas Gathering and Processing
  - SemGas Gathering Pipeline
- Refined Products**
- SemLogistics Storage
- Natural Gas Liquids**
- ▲ SemStream Propane Terminal
  - ▲ Propane Terminal - Under Construction
  - ▲ Exclusive 3rd Party Terminal
  - Regulated Distribution Area
  - ▭ Non-regulated Distribution Area
- Asphalt**
- Asphalt Terminal
  - Asphalt Technical Center



Thank You

If you have questions, please contact:

Jennifer Gordon

918.524.8081 or [investor.relations@semgroupcorp.com](mailto:investor.relations@semgroupcorp.com)