

Delek US and Delek Logistics Announces 2022 Capital Program

BRENTWOOD, Tenn., Dec. 15, 2021 /PRNewswire/ -- Today Delek US Holdings, Inc. (NYSE:DK) and Delek Logistics Partners, LP (NYSE:DKL) announced their 2022 capital spending budget with a range of approximately \$250 million to \$260 million on a consolidated basis. Approximately \$59 million of the growth capital resides at Delek Logistics Partners, which is expected to be self-funding. 2022 growth is largely focused on the expansion of the Delek Permian Gathering business where demand from producers is strong. We expect to achieve well above our internal 15% target rate of return threshold for midstream growth investments. Additionally, we are expanding our growth initiatives in the retail segment with four new to industry locations now planned in 2022. Separately, we elected to conduct minor maintenance activities at Tyler in the fourth quarter of 2021, thereby allowing us to defer the start of the next turnaround until 2023. As a result, our refining throughput guidance for the fourth quarter will now be in the range of 275 to 280mmbbl/d. The table below provides a breakdown of spending by segment as well as growth versus maintenance and regulatory spending.

2022 Capital Budget

(\$ in millions)

	<u>Forecast</u>
Refining:	
Regulatory	\$12.6
Maintenance / Reliability	\$83.1
Discretionary / Business Development	\$11.8
Refining Segment Total	<u>\$107.5</u>
Logistics:	
Regulatory	\$8.1
Maintenance / Reliability	\$3.8
Discretionary / Business Development	\$59.0
Logistics Segment Total	<u>\$70.8</u>
Retail:	
Regulatory	\$0.0
Maintenance / Reliability	\$3.6
Discretionary / Business Development	\$31.4
Retail Segment Total	<u>\$35.0</u>
Other:	
Regulatory	\$3.4
Maintenance / Reliability	\$26.6
Discretionary / Business Development	\$10.0
Other Total	<u>\$40.0</u>
Total Capital Expenditures	<u>\$253.3</u>

About Delek Logistics Partners, LP

Delek Logistics Partners, LP, headquartered in Brentwood, Tennessee, was formed by Delek US Holdings, Inc. (NYSE: DK) to own, operate and construct crude oil and refined products logistics and marketing assets.

About Delek US Holdings, Inc.

Delek US Holdings, Inc. is a diversified downstream energy company with assets in petroleum refining, logistics, asphalt, renewables, and convenience store retailing. The refining assets consist of refineries operated in Tyler and Big Spring, Texas, El Dorado, Arkansas and Krotz Springs, Louisiana with a combined nameplate crude throughput capacity of 302,000 barrels per day.

The logistics operations consist of Delek Logistics. Delek US and its affiliates also own the general partner and an approximate 80 percent limited partner interest in Delek Logistics. Delek Logistics is a growth-oriented master limited partnership focused on owning and operating midstream energy infrastructure assets.

The convenience store retail business operates approximately 250 convenience stores in central and west Texas and New Mexico.

Safe Harbor Provisions Regarding Forward-Looking Statements

This press release contains forward-looking statements that are based upon current expectations and involve a number of risks and uncertainties. Budgeted amounts, projected growth of the Delek Permian Gathering business, targeted rate of return thresholds, planned retail expansion and turnaround activities, expected future throughput and other statements concerning current estimates, expectations and projections about future results, performance, prospects, opportunities, plans, actions and events and other statements, concerns, or matters that are not historical facts are "forward-looking statements," as that term is defined under the federal securities laws. Investors are cautioned that the following important factors, among others, may affect these forward-looking statements: risks and uncertainties with respect to the quantities and costs of crude oil we are able to obtain and the price of the refined petroleum products we ultimately sell; risks related to exposure to Permian Basin crude oil, such as supply, pricing, gathering, production and transportation capacity; risks and uncertainties related to the effects of the COVID-19 pandemic; gains and losses from derivative instruments; management's ability to execute its strategy of growth, including risks associated with acquisitions and dispositions; our competitive position and the effects of competition; the projected growth of the industries in which we operate; general economic and business conditions affecting the geographic areas in which we operate; and other risks described in Delek US's and Delek Logistics' filings with the United States Securities and Exchange Commission (the "SEC"), including risks disclosed in their respective Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and other filings and reports with the SEC.

Forward-looking information is based on information available at the time and/or management's good faith belief with respect to future events and is subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the statements. Neither Delek US nor Delek Logistics undertakes any obligation to update or revise any such forward-looking statements to reflect events or circumstances that occur, or which they become aware of, after the date hereof, except as required by applicable law or regulation.

SOURCE Delek US Holdings, Inc.

For further information: Investor Relations Contacts: Blake Fernandez, Senior Vice President of Investor Relations and Market Intelligence, 615-224-1312; Media/Public Affairs Contact: Michael P. Ralsky, Vice President - Government Affairs, Public Affairs & Communications, 615-435-1407

<https://ir.delekus.com/2021-12-15-Delek-US-and-Delek-Logistics-Announces-2022-Capital-Program>