NuStar Energy L.P.
Reconciliation of Non-GAAP Financial Information Related to the Quarter Ended September 30, 2015
(Unaudited, Thousands of Dollars, Except Unit and Per Unit Data)

NuStar Energy L.P. utilizes financial measures such as earnings before interest, taxes, depreciation and amortization (EBITDA), distributable cash flow (DCF), adjusted net income and adjusted net income per unit (collectively, financial measures), which are not defined in U.S. generally accepted accounting principles (GAAP). Management uses these financial measures because they are widely accepted financial indicators used by investors to compare partnership performance. In addition, management believes that these financial measures provide investors an enhanced perspective of the operating performance of the partnership's assets and/or the cash that the business is generating. None of these financial measures are presented as an alternative to net income or income from continuing operations. They should not be considered in isolation or as substitutes for a measure of performance prepared in accordance with GAAP. For purposes of segment reporting, we do not allocate general and administrative expenses to our reported operating segments because those expenses relate primarily to the overall management at the entity level. Therefore, EBITDA reflected in the segment reconciliations exclude any allocation of general and administrative expenses consistent with our policy for determining segmental operating income, the most directly comparable GAAP measure.

1. The following is a reconciliation of income from continuing operations to EBITDA from continuing operations and DCF from continuing operations:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Income from continuing operations	$ 65,016	$ 59,117	$ 246,466	$ 159,300
Plus interest expense, net and interest income from related party	33,448	33,007	98,309	99,491
Plus income tax expense	4,306	4,335	9,797	10,317
Plus depreciation and amortization expense	52,301	48,599	157,523	142,765
EBITDA from continuing operations	155,071	145,058	512,095	411,873
Equity in earnings of joint ventures	—	(2,749)	—	(1,737)
Interest expense, net and interest income from related party	(33,448)	(33,007)	(98,309)	(99,491)
Reliability capital expenditures	(9,239)	(6,264)	(22,066)	(18,262)
Income tax expense	(4,306)	(4,335)	(9,797)	(10,317)
Distributions from joint ventures	—	2,785	2,500	5,879
Other items (a)	(1,100)	4,177	(53,314)	8,046
Mark-to-market impact of hedge transactions (b)	(4,852)	(4,981)	(4,531)	1,726
DCF from continuing operations	$ 102,126	$ 100,684	$ 326,578	$ 297,717
Less DCF from continuing operations available to general partner	12,766	12,766	38,298	38,298
DCF from continuing operations available to limited partners	$ 89,360	$ 87,918	$ 288,280	$ 259,419
DCF from continuing operations per limited partner unit	$ 1.15	$ 1.13	$ 3.70	$ 3.33

(a) Other items consist of a net change in deferred revenue associated with throughput deficiency payments and construction reimbursements. For the nine months ended September 30, 2015, other items also include a $56.3 million non-cash gain associated with the Linden terminal acquisition.

(b) DCF from continuing operations excludes the impact of unrealized mark-to-market gains and losses that arise from valuing certain derivative contracts, as well as the associated hedged inventory. The gain or loss associated with these contracts is realized in DCF from continuing operations when the contracts are settled.

NuStar Energy L.P.
Reconciliation of Non-GAAP Financial Information Related to the Quarter Ended September 30, 2015 - (Continued)
(Unaudited, Thousands of Dollars, Except Unit and Per Unit Data)

2. The following is a reconciliation of net income and net income per unit to adjusted net income applicable to limited partners and adjusted net income per unit:

	Nine Months Ended September 30, 2015	
Net income / net income per unit	$ 247,240	$ 2.69
Gain on Linden terminal acquisition	(56,277)	(0.71)
Adjusted net income	190,963	
GP interest and incentive	(36,233)	
Adjusted net income applicable to limited partners / adjusted net income per unit	$ 154,730	$ 1.98

3. The following is a reconciliation of EBITDA from continuing operations to adjusted EBITDA from continuing operations:

	Nine Months Ended September 30, 2015
EBITDA from continuing operations	$ 512,095
Gain on Linden terminal acquisition	(56,277)
Adjusted EBITDA from continuing operations	$ 455,818

4. The following is a reconciliation of projected incremental operating income to projected incremental EBITDA for the pipeline segment:

	Year Ended December 31, 2015
Projected incremental operating income	$ 18,000 - 23,000
Plus projected incremental depreciation and amortization expense	7,000 - 12,000
Projected incremental EBITDA	$ 25,000 - 35,000

5. The following is a reconciliation of projected incremental operating income to projected incremental EBITDA for the storage segment:

	Year Ended December 31,	
	2016	2015
Projected incremental operating income	$ (17,000 - 41,000)	$ 30,000 - 35,000
Plus projected incremental depreciation and amortization expense	2,000 - 6,000	10,000 - 15,000
Projected incremental EBITDA	$ (15,000 - 35,000)	$ 40,000 - 50,000

6. The following is a reconciliation of projected operating income to projected EBITDA for the fuels marketing segment:

	Year Ended December 31,	
	2016	2015
Projected operating income	$ 15,000 - 35,000	$ 10,000 - 20,000
Plus projected depreciation and amortization expense	—	—
Projected EBITDA	$ 15,000 - 35,000	$ 10,000 - 20,000

NuStar Energy L.P.
Reconciliation of Non-GAAP Financial Information Related to the Quarter Ended September 30, 2015 - (Continued)
(Unaudited, Thousands of Dollars, Except Unit and Per Unit Data)

7. The following are reconciliations of operating income (loss) to EBITDA for our reported segments:

	Three Months Ended September 30, 2015		
	Pipeline	**Storage**	**Fuels Marketing**
Operating income (loss)	$ 68,536	$ 59,986	$ (1,819)
Depreciation and amortization expense	21,660	28,612	—
EBITDA	$ 90,196	$ 88,598	$ (1,819)

	Three Months Ended September 30, 2014		
	Pipeline	**Storage**	**Fuels Marketing**
Operating income	$ 65,652	$ 49,401	$ 7,518
Depreciation and amortization expense	19,813	26,300	5
EBITDA	$ 85,465	$ 75,701	$ 7,523
Increase (decrease) in EBITDA	$ 4,731	$ 12,897	$ (9,342)

8. The following is a reconciliation of projected income from continuing operations to projected EBITDA from continuing operations and projected DCF from continuing operations:

	Three Months Ended December 31, 2015
Projected income from continuing operations	$ 47,000 - 55,000
Plus projected interest expense, net	34,000
Plus projected income tax expense, net	9,000
Plus projected depreciation and amortization expense	54,000
Projected EBITDA from continuing operations	144,000 - 152,000
Projected interest expense, net	(34,000)
Projected reliability capital expenditures	(12,000 - 16,000)
Projected income tax expense	(9,000)
Projected mark-to-market impact on hedge transactions and other items	2,000 - 6,000
Projected DCF from continuing operations	91,000 - 99,000
Less projected DCF from continuing operations available to general partner	13,000
Projected DCF from continuing operations available to limited partners	$ 78,000 - 86,000
Projected DCF from continuing operations per limited partner unit	$ 1.00 - 1.10