NuStar Energy L.P. and Subsidiaries
Reconciliation of Non-GAAP Financial Information Related to the Quarter Ended March 31, 2012
(Unaudited, Thousands of Dollars)

NuStar Energy L.P. utilizes a financial measure, EBITDA, that is not defined in United States generally accepted accounting principles. Management uses this financial measure because it is a widely accepted financial indicator used by investors to compare partnership performance. In addition, management believes that this measure provides investors an enhanced perspective of the operating performance of the partnership's assets. EBITDA is not intended nor presented as an alternative to net income. EBITDA should not be considered in isolation or as a substitute for a measure of performance prepared in accordance with United States generally accepted accounting principles.

EBITDA in the following reconciliations relate to our operating segments. 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 following 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 are reconciliations of operating income to EBITDA for certain of our reported operating segments:

	Three Months Ended March 31, 2012	
	Storage Segment	Transportation Segment
Operating income	$ 56,147	$ 36,951
Plus depreciation and amortization expense	23,300	12,990
EBITDA	$ 79,447	$ 49,941

	Three Months Ended March 31, 2011	
	Storage Segment	Transportation Segment
Operating income	$ 48,696	$ 34,397
Plus depreciation and amortization expense	21,130	12,707
EBITDA	$ 69,826	$ 47,104
Increase in EBITDA	$ 9,621	$ 2,837

2. The following are reconciliations of operating (loss) income to EBITDA for our asphalt and fuels marketing segment:

	Three Months Ended March 31, 2012			
	Asphalt Operations	Fuels Marketing Operations	San Antonio Refinery	Total Asphalt and Fuels Marketing Segment
Operating (loss) income	$ (21,160)	$ 15,778	$ (10,393)	$ (15,775)
Plus depreciation and amortization expense	5,437	32	1,108	6,577
EBITDA	$ (15,723)	$ 15,810	$ (9,285)	$ (9,198)
Less hedge losses			(11,813)	
Adjusted EBITDA			$ 2,528	

	Three Months Ended March 31, 2011			
	Asphalt Operations	Fuels Marketing Operations	San Antonio Refinery	Total Asphalt and Fuels Marketing Segment
Operating (loss) income	$ (13,500)	$ 13,618	$ -	$ 118
Plus depreciation and amortization expense	4,872	25	-	4,897
EBITDA	$ (8,628)	$ 13,643	$ -	$ 5,015
(Decrease) increase in EBITDA	$ (7,095)	$ 2,167	$ (9,285)	$ (14,213)

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3. The following is a reconciliation of projected incremental operating income to projected incremental EBITDA:

	Year Ended December 31, 2012	
	Storage Segment	**Transportation Segment**
Projected incremental operating income range	$ 23,000 - 31,000	$ 12,000 - 21,000
Plus projected incremental depreciation and amortization expense range	7,000 - 9,000	3,000 - 4,000
Projected incremental EBITDA range	$ 30,000 - 40,000	$ 15,000 - 25,000

4. The following is a reconciliation of operating income to EBITDA for our asphalt and fuels marketing segment:

	Year Ended December 31, 2011
Operating income	$ 85,229
Plus depreciation and amortization expense	22,636
EBITDA	$ 107,865