



Delek US Holdings, Inc.

Investor Presentation

Delek US

January 2019

Disclaimers

Forward Looking Statements:

Delek US Holdings, Inc. (“Delek US”) and Delek Logistics Partners, LP (“Delek Logistics”; and collectively with Delek US, “we” or “our”) are traded on the New York Stock Exchange in the United States under the symbols “DK” and ”DKL”, respectively. These slides and any accompanying oral and written presentations contain forward-looking statements that are based upon current expectations and involve a number of risks and uncertainties. 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.

These forward-looking statements include, but are not limited to, the statements regarding the following: future crude slates; financial strength and flexibility; potential for and projections of growth; return of cash to shareholders, stock repurchases and the payment of dividends, including the amount and timing thereof; crude oil throughput; crude oil market trends, including production, quality, pricing, demand, imports, exports and transportation costs; light production from shale plays and Permian growth; risks related to Delek US’ exposure to Permian Basin crude oil, such as supply, pricing, production and transportation capacity; differentials including increases, trends and the impact thereof on crack spreads and refineries; pipeline takeaway capacity and projects related thereto; refinery complexity, configurations, utilization, crude oil slate flexibility, capacities, equipment limits and margins; the ability to unlock value, and the estimated savings and synergies from the Alon USA Energy, Inc. (“ALJ”) and Alon USA Partners LP (“ALDW”) transactions; the ability to add flexibility and increase margin potential at the Krotz Springs refinery; our ability to complete the alkylation project at Krotz Springs, the Big Spring Gathering System, and the Permian Gulf Coast long haul pipeline successfully or at all and the benefits, flexibility, returns and EBITDA therefrom; the potential for, and estimates of cost savings and other benefits from, acquisitions, divestitures, dropdowns and financing activities; divestiture of non-core assets and matters pertaining thereto; increased capacity on the Paline Pipeline and the impacts and benefits therefrom; retail growth and the opportunities and value derived therefrom; long-term value creation from capital allocation; execution of strategic initiatives and the benefits therefrom; and access to crude oil and the benefits therefrom. Words such as "may," "will," "should," "could," "would," "predicts," "potential," "continue," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "appears," "projects" and similar expressions, as well as statements in future tense, identify forward-looking statements.

Investors are cautioned that the following important factors, among others, may affect these forward-looking statements: risks and uncertainties related to the ability to successfully integrate the businesses of ALJ and ALDW into Delek US and Delek Logistics; the risks that the combined company may be unable to achieve cost-cutting synergies, or it may take longer than expected to achieve those synergies; uncertainty related to timing and amount of value returned to shareholders; 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; gains and losses from derivative instruments; management's ability to execute its strategy of growth through acquisitions and the transactional risks associated with acquisitions and dispositions; acquired assets may suffer a diminishment in fair value as a result of which we may need to record a write-down or impairment in carrying value of the asset; changes in the scope, costs, and/or timing of capital and maintenance projects; the ability to close the pipeline joint venture, obtain commitments and construct the pipeline; operating hazards inherent in transporting, storing and processing crude oil and intermediate and finished petroleum products; 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 contained in Delek US’ and Delek Logistics’ filings with the United States Securities and Exchange Commission.

Forward-looking statements should not be read as a guarantee of future performance or results, and will not be accurate indications of the times at, or by which such performance or results will be achieved. 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 performance or 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.

Non-GAAP Disclosures:

Delek US and Delek Logistics believe that the presentation of earnings before interest, taxes, depreciation and amortization ("EBITDA"), free cash flow, distributable cash flow and distribution coverage ratio provide useful information to investors in assessing their financial condition, results of operations and cash flow their business is generating. Distributable cash flow is calculated as net cash flow from operating activities plus or minus changes in assets and liabilities, less maintenance capital expenditures net of reimbursements and other adjustments not expected to settle in cash. EBITDA, adjusted EBITDA, free cash flow, distributable cash flow and distribution coverage ratio should not be considered as alternatives to net income, operating income, cash from operations or any other measure of financial performance or liquidity presented in accordance with U.S. GAAP. EBITDA, adjusted EBITDA, free cash flow, distributable cash flow and distribution coverage ratio have important limitations as analytical tools because they exclude some, but not all, items that affect net income. Additionally, because EBITDA, adjusted EBITDA, free cash flow, distributable cash flow and distribution coverage ratio may be defined differently by other companies in its industry, Delek US' and Delek Logistics’ definitions may not be comparable to similarly titled measures of other companies, thereby diminishing their utility. Please see reconciliations of EBITDA, adjusted EBITDA, distributable cash flow, distribution coverage ratio to their most directly comparable financial measures calculated and presented in accordance with U.S. GAAP in the appendix.

Investment Overview

Overview (NYSE: DK)	• Current Price: $32.89/share[1] • Market Capitalization: $2.63 billion[1] • NYSE: DKL: (Market cap $724mm)[1] Owns 63.4%, including 2% GP[2] • 3Q18 Net Income: $179.8 million; Adjusted EBITDA: $310.6 million[3]

Flexible Financial Position to Support Growth	• September 30, 2018 balance sheet:
	  • Delek US: $1.1 billion of cash; $1.9 billion of debt
	  • Includes $19.0 million cash and $776.7 million debt of DKL
	  • Net cash (excl. DKL) of $4.8 million

Company Initiatives to Create Long-Term Value	• Announced Big Spring Gathering System with over 200,000 dedicated acres • Allows Delek US to participate in value chain from wellhead to Gulf Coast with proposed crude oil long haul pipeline joint venture • Krotz Springs alkylation project forecasted $45-50 million annualized EBITDA[3]

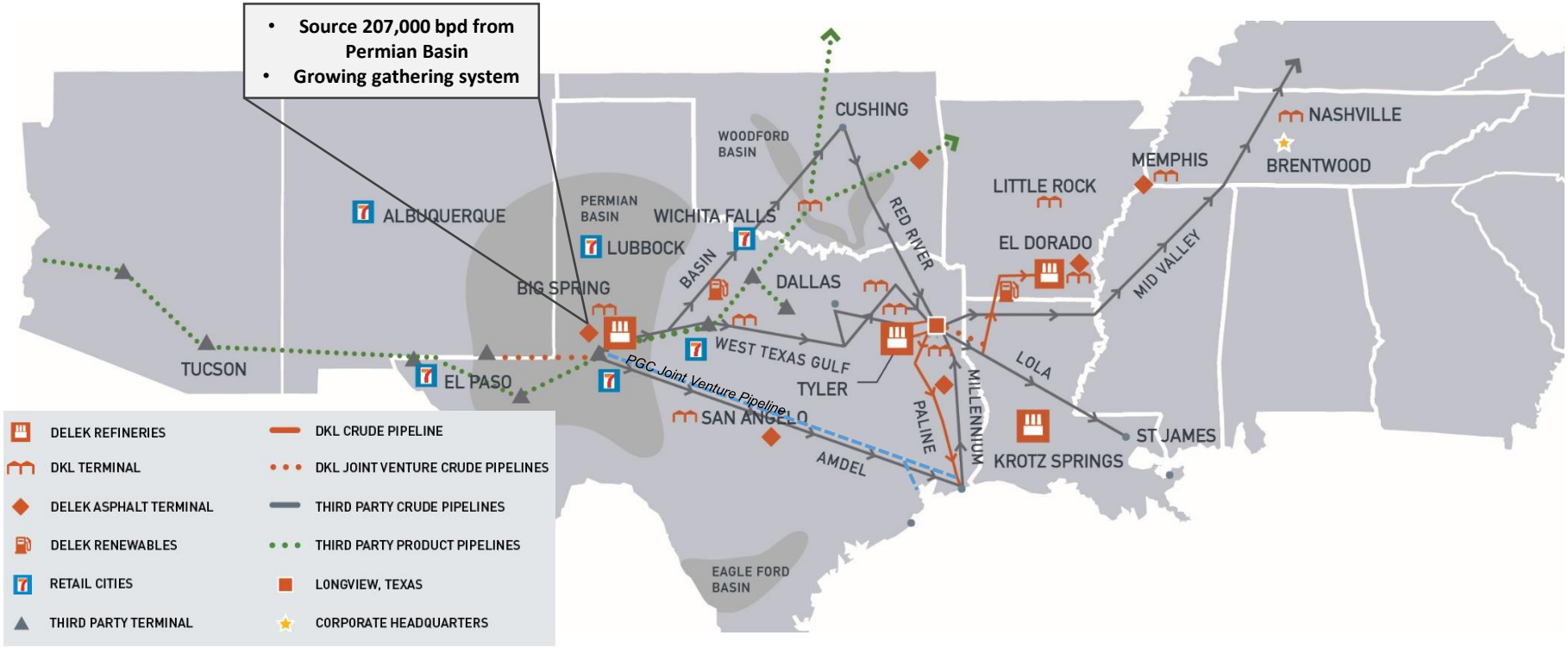
Favorable Market Factors for Delek US Through 2022	• Operating model built to benefit from crude oil differentials and IMO 2020's impact on market trends
	• 262,000 bpd of 302,000 bpd crude oil slate is WTI linked barrels
	  • Approximately 207,000 bpd sourced from Permian Basin crude oil
	  • Light products priced on Gulf Coast basis
	• Crude oil slate flexibility and high motor gas and distillate yields and low residual yields

Cash Returns to Shareholders	• Repurchased $157.9 million of DK shares in 4Q18, $365 million in FY2018
	• Settled in cash warrants associated with Alon convertible note in November
	• Increased regular quarterly dividend[4]:
	  • 4Q18 increased by 4% to $0.26/share
	  • Third increase over last 4 quarters from $0.15/share, paid in December 2017

1) Based on price per common share as of close of trading on January 11, 2019.
2) As of September 30, 2018, 5.4% of the ownership interest in the general partner is owned by three members of senior management of Delek US (who are also directors of the general partner). The remaining ownership interest is held by a subsidiary of Delek US.
3) Please see page 35 for a reconciliation of net income to adjusted EBITDA and page 32 for a reconciliation of forecasted net income to forecasted EBITDA for the Krotz Spring alkylation project.
4) Quarterly dividends mentioned are quarterly dividends per share declared in referenced periods.

Integrated Company with Asset Diversity and Scale

Strategically located assets with Permian Basin exposure



Refining [1]	Logistics [2]	Asphalt	Retail	Renewables

• 6th largest independent refiner
• 302,000 bpd in total
  • El Dorado, AR
  • Tyler, TX
  • Big Spring, TX
  • Krotz Springs, LA
• Crude oil supply: 262,000 bpd WTI linked (207,000 bpd of Permian access)
	• 10 terminals
	• Approximately 1,290 miles of pipeline
	• 11.4 million bbls of storage capacity
	• West Texas wholesale
	• Joint venture crude oil pipelines: RIO / Caddo
	• Own 63.4%, incl. 2% GP, of DKL[3]
		6 asphalt terminals located in:
		• El Dorado, AR
		• Muskogee, OK
		• Memphis, TN
		• Big Spring & Henderson, TX
		• Richmond Beach, WA
			• Approximately 300 stores
			• Southwest US locations
			• Largest licensee of 7-Eleven stores in the US
			• West Texas wholesale marketing business
				Approx. 23m gallons biodiesel:
				• Crossett, AR
				• Cleburne, TX

1) California refinery located in Bakersfield, which is not shown on the map, has not operated since 2012.
2) Amounts include the Big Spring dropdown that closed in March 2018 with an effective date of March 1, 2018.
3) As of September 30, 2018, 5.4% of the ownership interest in the general partner is owned by three members of senior management of Delek US (who are also directors of the general partner). The remaining ownership interest is held by a subsidiary of Delek US.

WTI-Linked Refining System with Permian Based Crude Oil Slate

System with over 300,000 bpd of crude oil throughput capacity (~70% Permian Basin based)

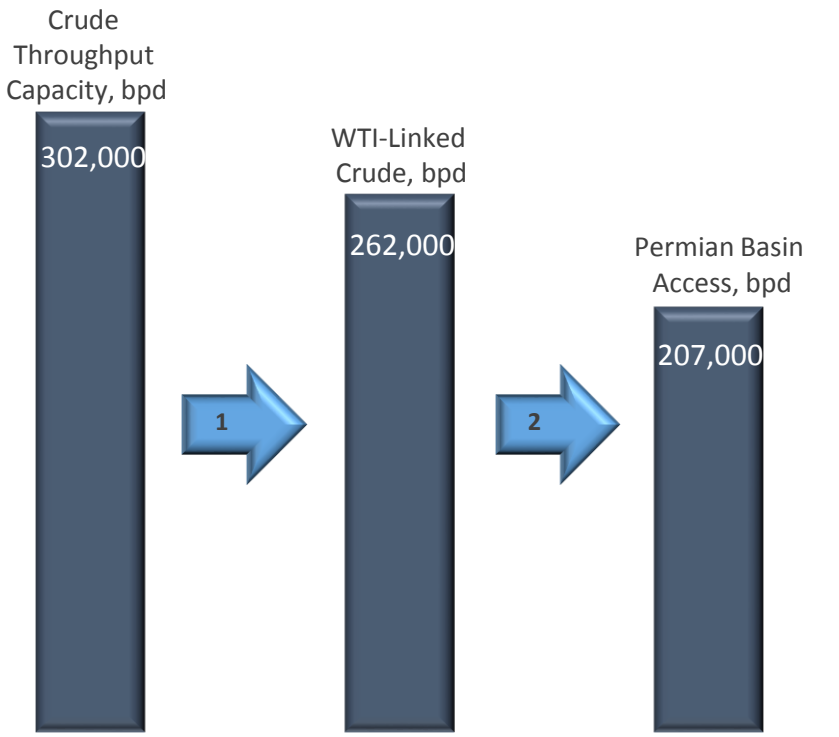
Tyler, Texas
- 75,000 bpd crude oil throughput
- 8.7 complexity
- Light crude oil refinery
- Permian Basin and East Texas sourced crude oil

El Dorado, Arkansas
- 80,000 bpd crude oil throughput
- 10.2 complexity
- Flexibility to process medium and light crude oil
- Permian Basin, local Arkansas, East Texas and Gulf Coast crude oils

Big Spring, Texas
- 73,000 bpd crude oil throughput
- 10.5 complexity
- Process WTI and WTS crude oil
- Located in the Permian Basin

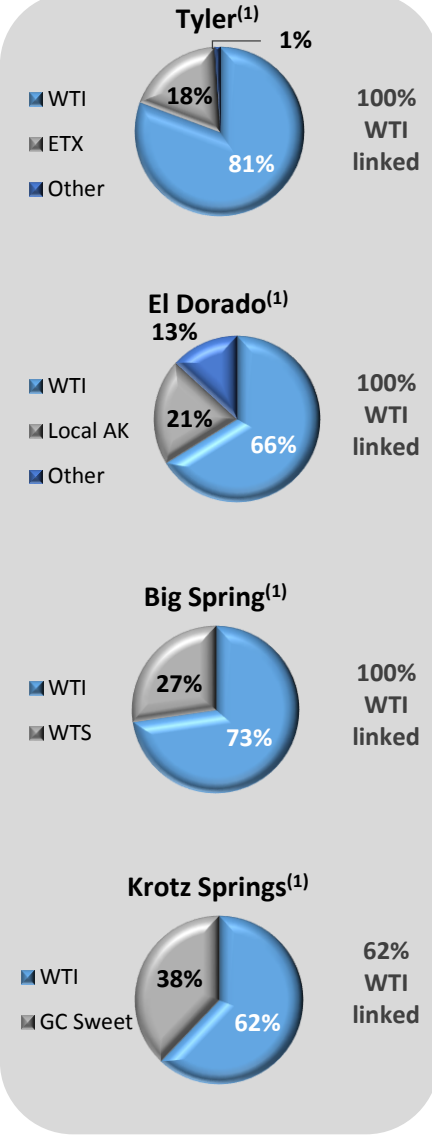
Krotz Springs, Louisiana
- 74,000 bpd crude oil throughput
- 8.4 complexity
- Permian Basin, local and Gulf Coast crude oil sources

Crude Oil Supply is Primarily WTI-Linked



1) Approx. 96 million barrels of WTI-linked crude annually; changes realized through crack spread and capture rate

2) Approx. 75 million barrels of Permian crude annually; changes realized in crude slate



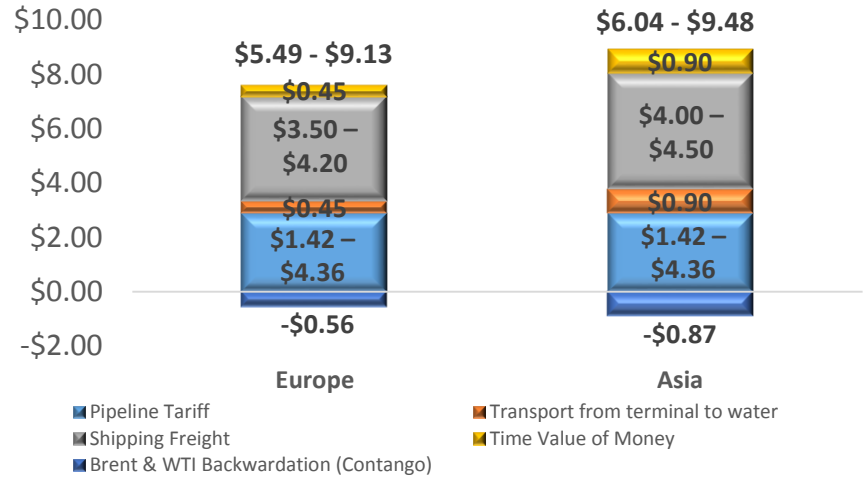
1) Crude oil slate based on amount received year-to-date as of September 30, 2018.
Note: WTI-Brent differential realized through crack spread and capture rates and Midland-WTI differential realized in crude slate.

Brent – WTI Differential

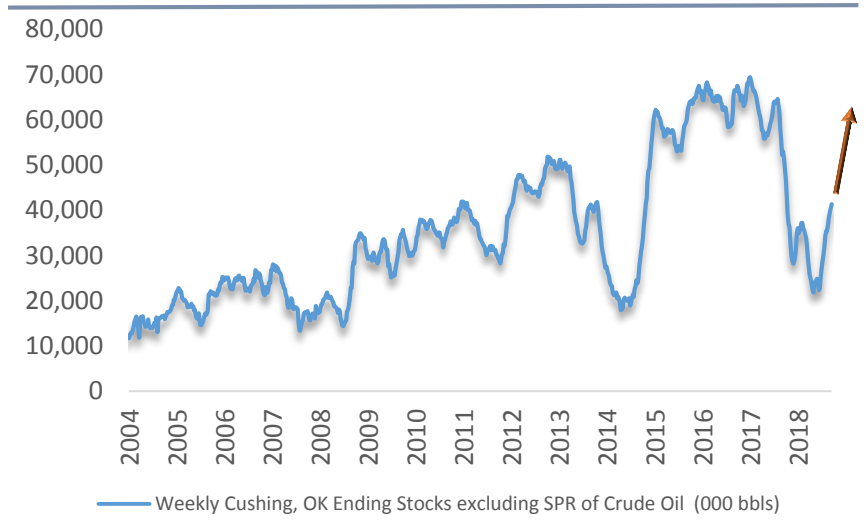
Transportation economics should keep the differential wide

- **Transportation economics should play a role in the differential**
- **Current break-even transport economics for exporting from Cushing approximately $5.26 - $9.34[2]**
  - IMO 2020 expected to increase shipping costs
- **Cushing inventories expected to build in 2019**
  - Growing Mid-Continent production, Enbridge Line 3 replacement, max utilization on southbound pipelines
- **Global inventories also have declined**
  - Demand from US, EU, China, and India strong
  - Could decline further, pushing Brent into further backwardation
- **Brent-WTI spread can widen further due to**
  - OPEC+ cuts
  - Increased global refining capacity
  - Higher interest rates on Time Value of Money
  - Higher freight rates
  - Declining North Sea production

Indication of Cushing Sourced Export Transport Economics [1][2]



Weekly Cushing, OK Ending Stocks (000 bbls) [3]



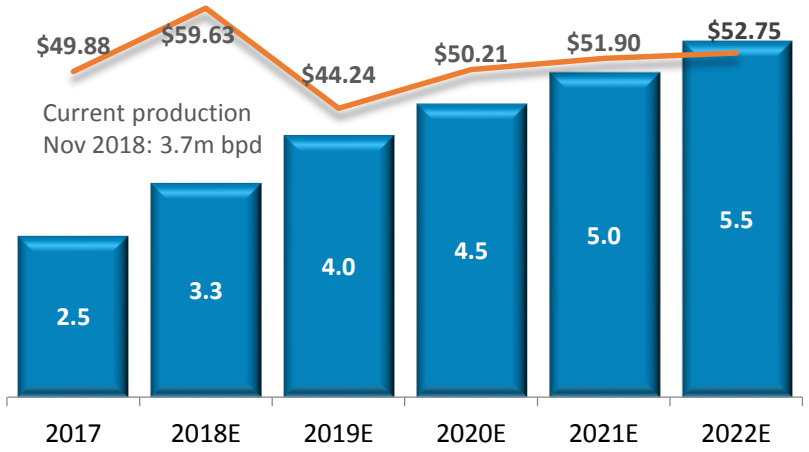
1) Market data source: Argus – January 2, 2019; futures based on ICE/NYMEX curve.
2) Source: Company estimates; based on publicly available pipeline tariffs.
3) Source: Company estimates; current production based on EIA for December 21, 2018, Weekly Stocks, Area: Cushing, Oklahoma.

Permian Basin Outlook

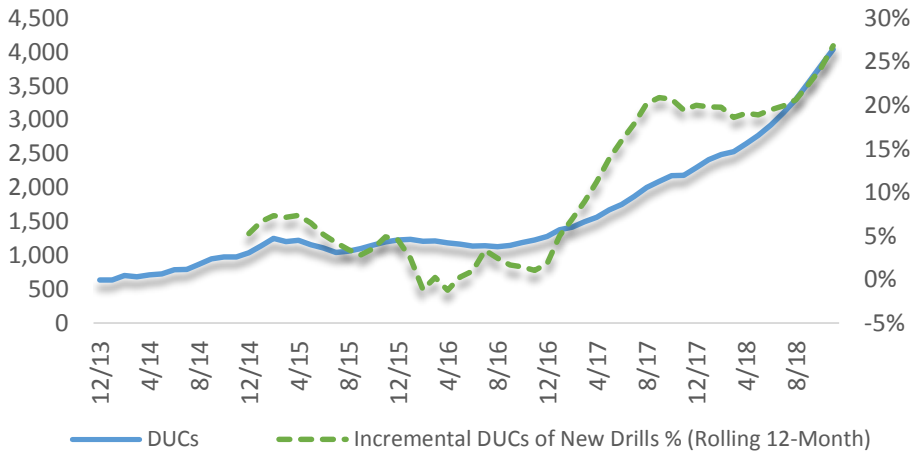
Production continues to grow while incremental takeaway capacity outlook is uncertain

- **Steady growth has continued in production**
  - Drilling supported by improved technology and low costs
  - Low break-even rates
  - Lower prices still support growth although more subdued
  - Some producers have announced plans to reduce rigs but expect production growth
- **Production less likely to outpace incremental expansion in 2019**
  - In 2017 and 2018 Permian production outpaced initial forecasts
  - DUCs have grown at a rapid rate to 4,039[1]
    - Short time to finish well with low capex costs
- **In past cycles, not all pipelines were completed**
  - During 2015 – 2017, 56% of announced pipeline takeaway capacity was cancelled [3]
  - Average pipeline capacity was also smaller
  - Locking in sufficient commitments is more challenging
  - Pipeline operators would prefer one full pipeline rather than two half-full pipelines
- **Any shortfall in the takeaway balance can create volatility in differentials**

Average Annual Crude Oil Production (Mbpd) [1] and WTI-Midland Price [2]



Drilled but Uncompleted Wells [1]



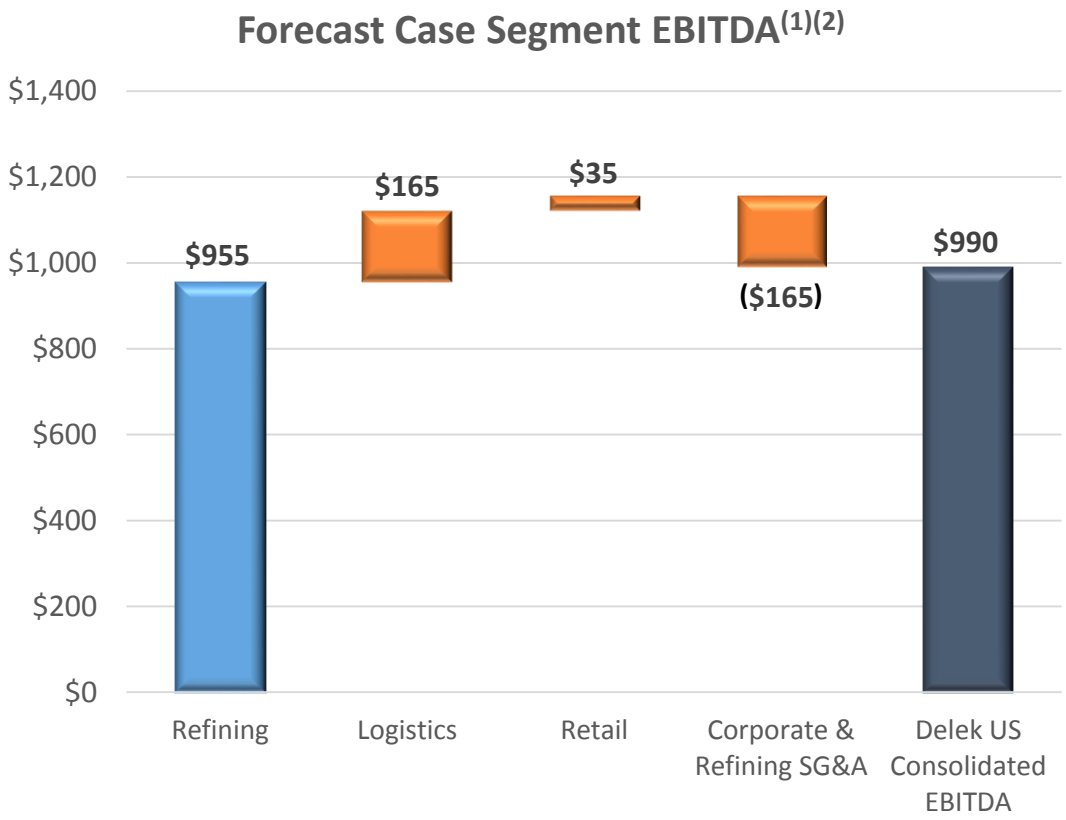
1) Source: Company estimates; current production based on EIA for November 2018, November Drilling Productivity Report, 2018 Drilling Productivity Report.
2) WTI Midland price source: Argus – January 2, 2019; futures based on ICE/NYMEX curve.
3) Source: Company estimates.

Delek US Forecast Case EBITDA

Under current Midland-Cushing conditions

Refining Basic Assumptions*	
Midland – Cushing Differential	-$5.70
WTI HSD 5-3-2 Crack Spread	$13.50
WTI ULSD 5-3-2 Crack Spread	$15.65
System-wide Utilization Rate	97%

**Crack spreads are 12-year averages. Midland-Cushing differential approximate average of Cal18 and Cal19. All data as of January 2, 2019.*

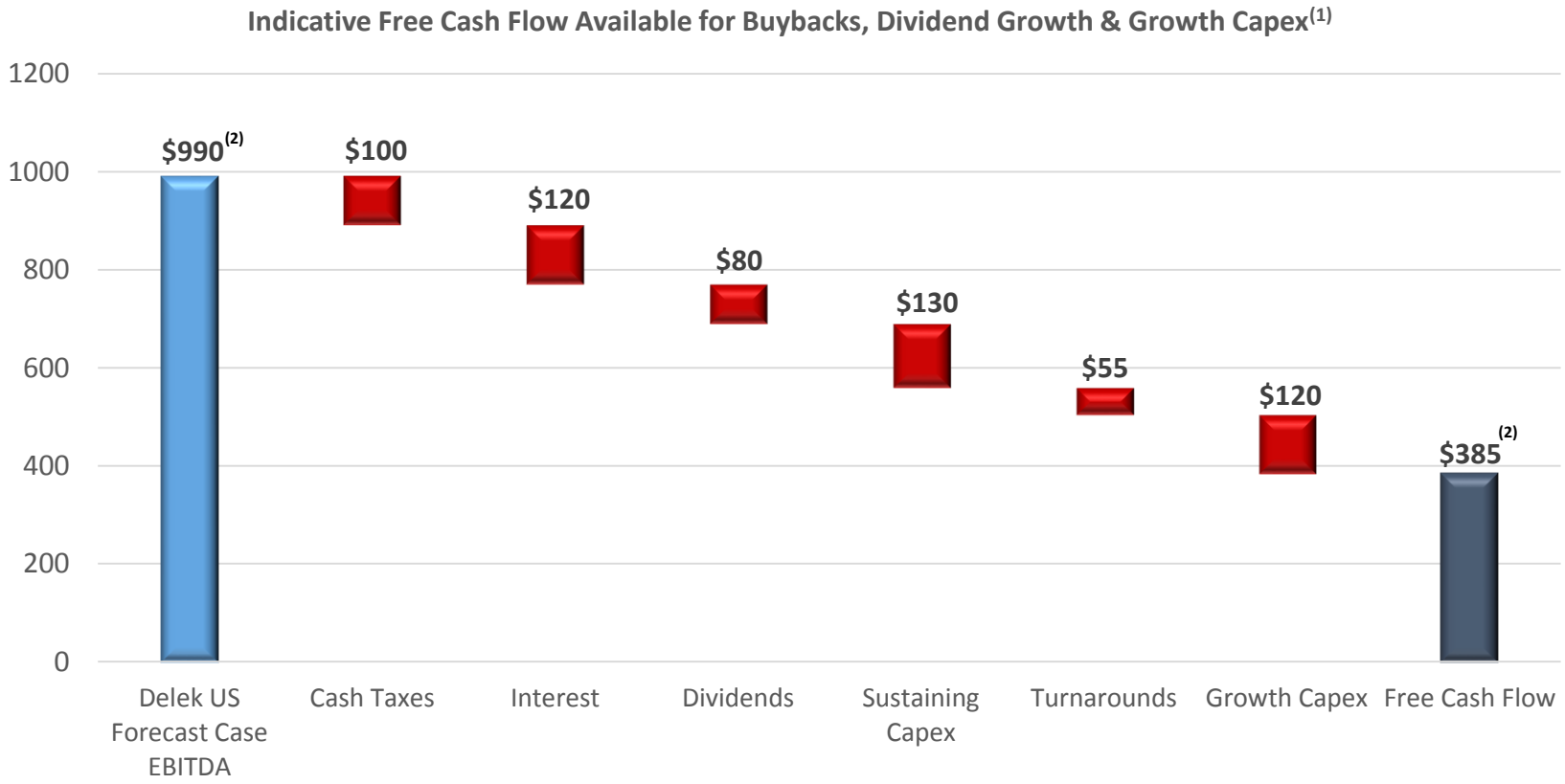


- Corporate/Refining SG&A (excluding Logistics and Retail) $165.5 million
  - Logistics and Retail SG&A included in EBITDA above
- **Delek US Forecast Case EBITDA under Cal 18 & 19 average Midland-Cushing conditions is approximately $990 million(2)**
  - As segments stand today, excluding any current growth projects/initiatives

1) EBITDA numbers provided are indicative and represent that of a "base case" operating platform for Delek US. Results will vary on market conditions, cash flow options. Please see page 2 regarding forward looking statements.
2) We are unable to provide a reconciliation of this forward-looking estimate of EBITDA because certain information needed to make a reasonable forward-looking estimate of net income is difficult to estimate and dependent on future events, which are uncertain or outside of our control, including with respect to future market pricing and other potential variables. Accordingly, a reconciliation to net income as the most comparable GAAP measure is not available without unreasonable effort. These amounts that would require unreasonable effort to quantify could be significant, such that the amount of projected GAAP net income would vary substantially from the amount of EBITDA projected.

Delek US Forecast Case Free Cash Flow Potential

Under Cal 18/19 average Midland-Cushing conditions



- **Delek US' forecast case (under referenced Midland-Cushing conditions) potential free cash flow yield of 17.7% ($465 million, ex-dividends)(3) allows growth initiatives, growing dividends, and further share repurchases**
- **Investments and return of capital options do not compromise DK's strong balance sheet**
  - Delek US can use its strong balance sheet to support these strategic objectives
  - Expect to use a healthy mix of debt (60-70%) and cash generated from operations (30-40%) to fund current organic growth initiatives

1) EBITDA and cash flow numbers provided are indicative and represent that of a "base case" operating platform for Delek US. Results will vary on market conditions, cash flow options. Please see page 2 regarding forward looking statements.
2) We are unable to provide a reconciliation of this forward-looking estimate of EBITDA and free cash flow because certain information needed to make a reasonable forward-looking estimate of net income and cash from operating activities is difficult to estimate and dependent on future events, which are uncertain or outside of our control, including with respect to future market pricing and other potential variables. Accordingly, a reconciliation to net income and cash from operating activities as the most comparable GAAP measures are not available without unreasonable effort. These amounts that would require unreasonable effort to quantify could be significant, such that the amount of projected GAAP net income and cash from operating activities would vary substantially from the amount of EBITDA and free cash flow projected.
3) Based on market capitalization as of January 11, 2019.

Capital Allocation Framework

Balance the following objectives using a rigorous and disciplined capital allocation program to create long-term value for our shareholders:

- **Invest:** Capital allocation program focuses on safety, maintenance, and reliability as priority
- **Grow:** Maintain financial strength and flexibility to support the company's strategic objectives
- **Return cash to shareholders:** Maintain a competitive dividend and opportunistically repurchase DK shares

Non-Discretionary

Sustaining & Regulatory Capex

- Approximately $130 million sustaining capex/yr
- Between $40-$60 million per turnaround
  - One each year for next 4 years
- Critical for safe and reliable operations
- Various amounts for regulatory capex

Dividend

- Committed to competitive dividend consistent with growth company profile
- Target mid-point of peer group
- Level that can be maintained through the cycle

Discretionary

Growth Capex

- 25% IRR for >$5mm projects at Refining; <$5mm is 50% IRR
- >15% IRR minimum hurdle rate for Retail projects, dependent on size
- >15% IRR hurdle rate for stable cash flow Logistics projects

Cash Returns to Shareholders

- Share repurchases opportunistic based on alternative investment opportunities and relative valuations

Acquisitions

- Evaluate accretive opportunities as they arise vs. alternative uses of cash

Deleveraging

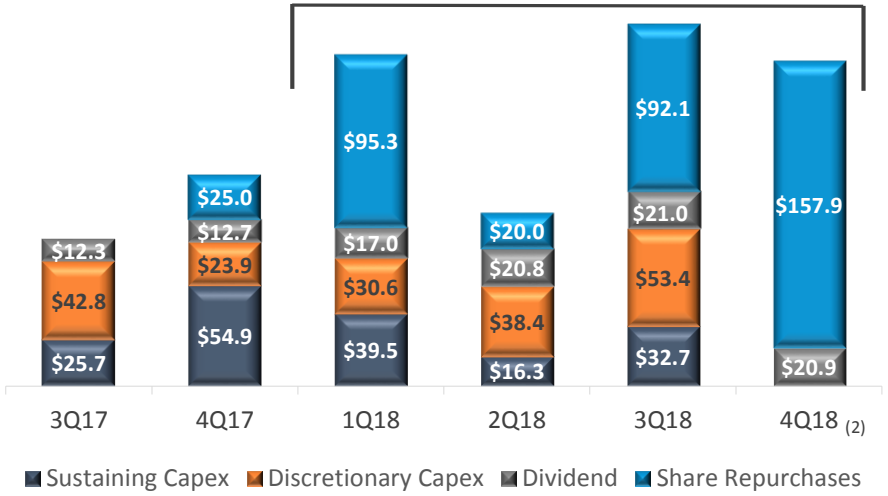
- Continue to optimize the balance sheet
- Opportunistically repay DK debt when FCF supports it
- $150mm convertible debt paid in Sept in 2018

Capital Allocation Discipline in Practice

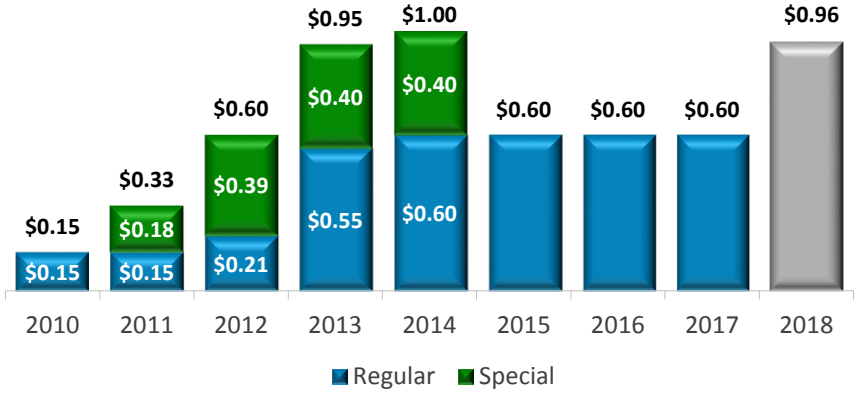
- **Maintaining strong balance sheet**
  - DK excluding DKL in a net cash position 9/30/18
- **Investing in the business**
  - 4 refinery turnarounds over next 4 years
    - El Dorado late 1Q/early 2Q 2019
- **Growing the business**
  - Big Spring Gathering System
  - Permian Gulf Coast long-haul pipeline
  - Krotz alkylation project
- **Committed to competitive, through-cycle dividend and opportunistic share repurchases**
  - Raised quarterly dividend three times over last year to $0.26 from $0.15
  - Repurchased approximately $365 million of DK shares in 2018

Capital Allocation[(1)]

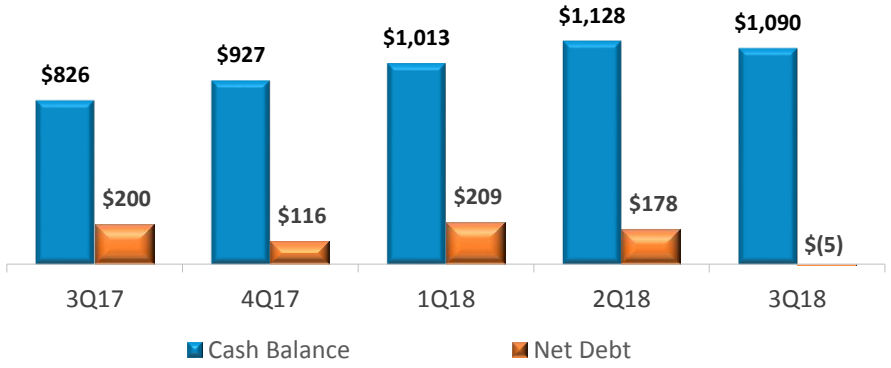
Returned $445 million or ~16.9% of current market cap to shareholders in 2018 through buybacks and dividends[(3)]



Dividends Declared ($/share)



Cash Balance & Net Debt (DK Ex. DKL)[(1)]



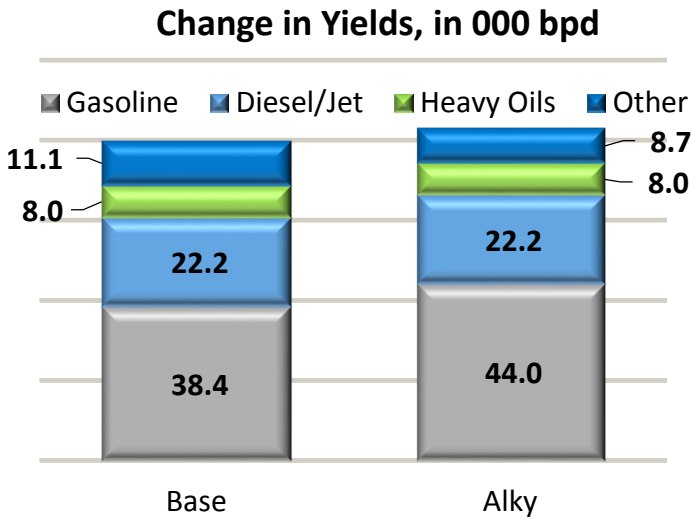
1) Based on company filings from Q3 2017 through Q3 2018. Sustaining capex defined as regulatory & maintenance capital expenditures.
2) Capital expenditure guidance of $90 to $100 million based on Earnings Press Release on November 6, 2018.
3) Based on market capitalization as of January 11, 2019.

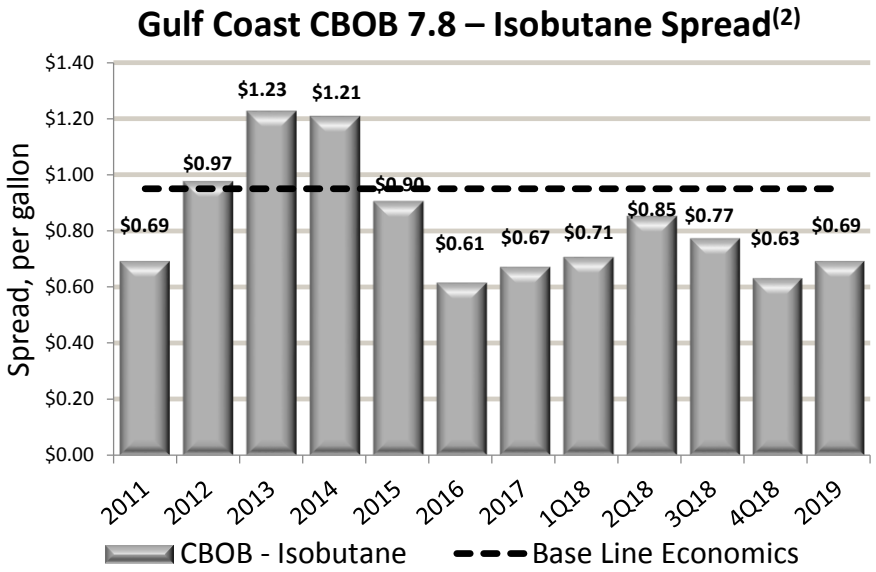


Growth and Market Opportunities

Krotz Springs Refinery- Alkylation Project

- **Alkylation unit with 6,000 bpd capacity**
  - Approx. $113.0 million estimated capital costs with $82.0 million spent as of September 30, 2018
- **Improves refinery flexibility**
  - Converts lower priced isobutane into higher value alkylate
  - Enables multiple summer grades of gasoline to be produced
  - Increases octane to produce premium gasoline
  - Ability to access local markets
- **Forecasted project returns**
  - Forecasted annual EBITDA(1) $45-$50 million
  - *42.8% IRR and 2.3 year payout at $50 million EBITDA*
  - Driven by the conversion/reduces dependency on crack spread environment for project return
  - Economics based on 95 cents/gallon spread between CBOB 7.8 and isobutane
  - Sensitivity: each 10 cents/gallon change in spread equals $3.2 million EBITDA change





1) Please see page 32 for a reconciliation of forecasted net income to forecasted EBITDA
2) NYMEX, 2019 Isobutane spread as January 2, 2019.

Growing Midstream - Big Spring Gathering System

Delek US' Gathering Helps Control Crude Oil Quality and Costs into Refineries

- **250-mile gathering system, 300Kbpd throughput capacity**
  - Currently more than 200,000 dedicated acres
  - Points of origin: Howard, Borden, Martin and Midland counties
  - 60 tank battery connections
  - Total terminal storage of 650K bbls
  - Connection to Delek US' Big Spring, TX terminal
  - Expected total capital cost: $205 million

- **Allows Delek US to get closer to wellhead to control crude oil quality and cost**
  - Provides improvement in refining performance and cost structure

- **Forecasted annualized EBITDA benefit**
  - $40 to $50 million by 2022 (1)

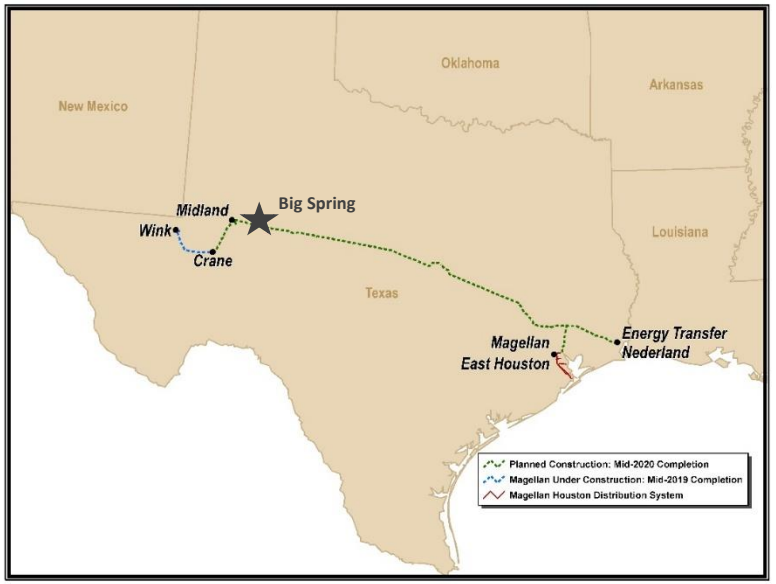
- **Potential future dropdown to DKL once fully ramped**

1) Includes benefit from quality uplift for refineries. We are unable to provide a reconciliation of this forward-looking estimate of EBITDA because certain information needed to make a reasonable forward-looking estimate is difficult to estimate and dependent on future events, which are uncertain or outside of our control, including with respect to unknown construction timing, unanticipated construction costs and other potential variables. Accordingly, a reconciliation to net income as the most comparable GAAP measure is not available without unreasonable effort.

Growing Midstream - Permian Basin Crude Oil Long Haul Pipeline

JV with Experienced Partners ETP, MMP, and MPLX Supports Delek US' Long-Term Investment in Midstream

- **Partnership provides expertise, throughput commitments**
  - Supports potential for quicker construction and throughput ramp
  - Joint venture announced in September 2018
- **30-inch diameter, 600-mile PGC pipeline expected to be operational in second half 2020**
- **Pipeline system origins include Wink, Crane, and Midland, TX**
  - Delaware and Midland Basin access
- **Destinations include access to Gulf Coast terminals:**
  - Energy Transfer Partners' Nederland, TX
  - Magellan's East Houston, TX
- **Delek US' investment can be potential future dropdown to DKL once fully ramped**

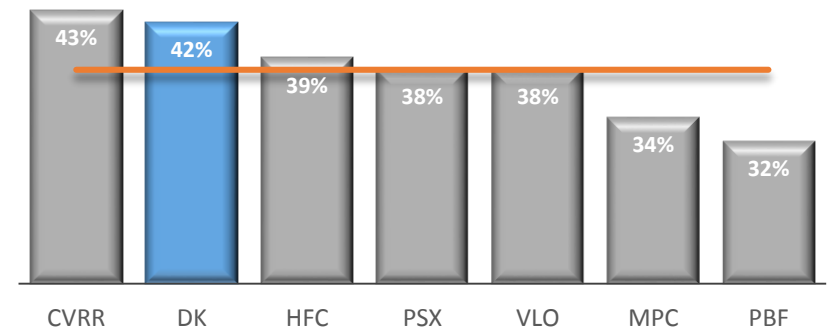


DK Operations Positioned to Benefit from IMO 2020

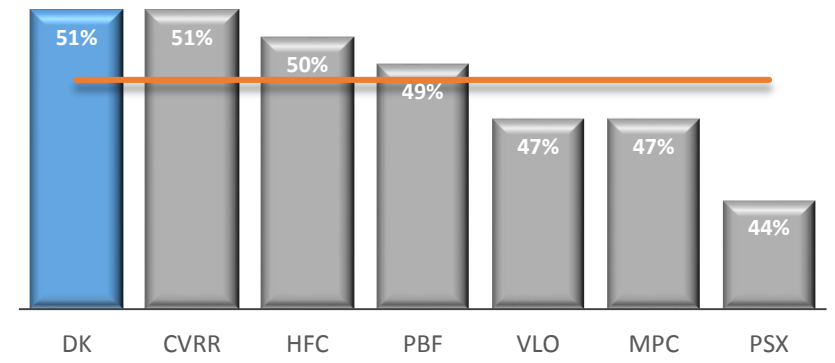
Delek US positioned to benefit with high value product yields and crude oil slate flexibility

- **Refining system product yields**
  - Middle distillate: average approx. 115,000 bpd of distillate or 44 million barrels annually[4]
  - Gasoline: average approx. 150,000 bpd of gasoline or 55 million barrels annually[4]
- **Crude oil slate has flexibility**
  - Ability to increase sour crude oil processing to approximately 50% based on market economics
    - Big Spring refinery currently processes 29% WTS and can increase to 100%
    - El Dorado refinery flexibility to process light to medium sour crude oil (up to 100%) based on economics
- **Krotz Springs refinery exploring ability to produce low sulfur marine fuel**

3Q18 Refiners' Middle Distillates Yield % [1] [2] [3]



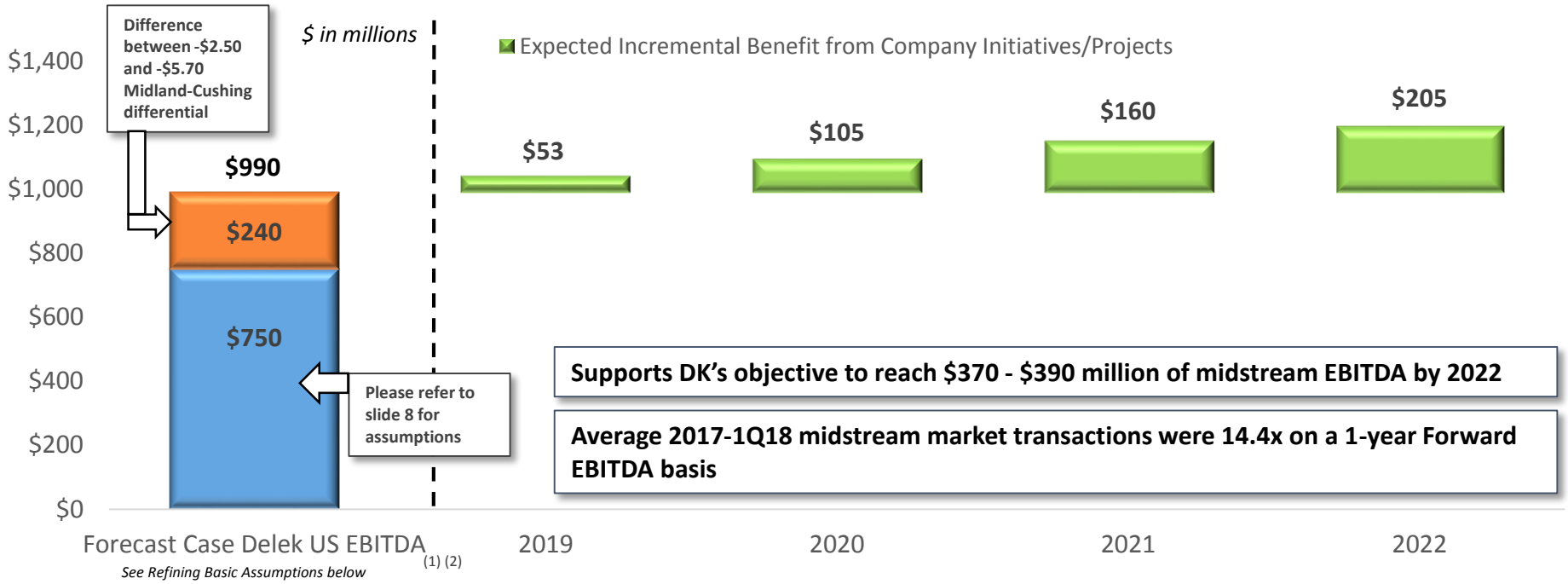
3Q18 Refiners' Gasoline Yield % [1] [2] [3]



1) Industry average collected from EIA refinery product yield data.
2) Middle distillates yield includes distillate fuel oil, kerosene and kerosene-type jet fuel. Latest data up to August 2018.
3) Sourced from Barclays U.S. Independent Refiners *Guidebook to Refiners' Financial & Operating Metrics – 3Q18 Edition*, November 30, 2018.
4) Average calculated from 4Q17 results through 3Q18 results.

Delek US' Initiatives Drive Potential EBITDA Growth

Delek US positioned to generate strong cash flows to return cash to shareholders



See Refining Basic Assumptions below

Base Year: 2018	2019 (Change from 2018)	2020 (Change from 2018)	2021 (Change from 2018)	2022 (Change from 2018)
Company Initiatives/Projects: $0 (2)	Δ: **+$50-55 million**	Δ: **$100-110 million**	Δ: **$155-165 million**	Δ: **$200-210 million**
Forecast Case Delek US EBITDA with Company Initiatives/Projects (1) (2)	**$803 million**	**$855 million**	**$910 million**	**$955 million**

Refining Basic Assumptions(2)	Midland – Cushing Differential -$2.50	WTI HSD 5-3-2 Crack Spread $13.50	WTI ULSD 5-3-2 Crack Spread $15.65	System-wide Utilization Rate 97%

1) Includes benefit from quality uplift for refineries. We are unable to provide a reconciliation of this forward-looking estimate of EBITDA because certain information needed to make a reasonable forward-looking estimate is difficult to estimate and dependent on future events, which are uncertain or outside of our control, including with respect to market pricing, unknown construction timing, unanticipated construction costs and other potential variables. Accordingly, a reconciliation to net income as the most comparable GAAP measure is not available without unreasonable effort. These amounts that would require unreasonable effort to quantify could be significant, such that the amount of projected GAAP net income would vary substantially from the amount of EBITDA projected.

2) Please see page 8 for further detail for market assumptions regarding these forecasts.

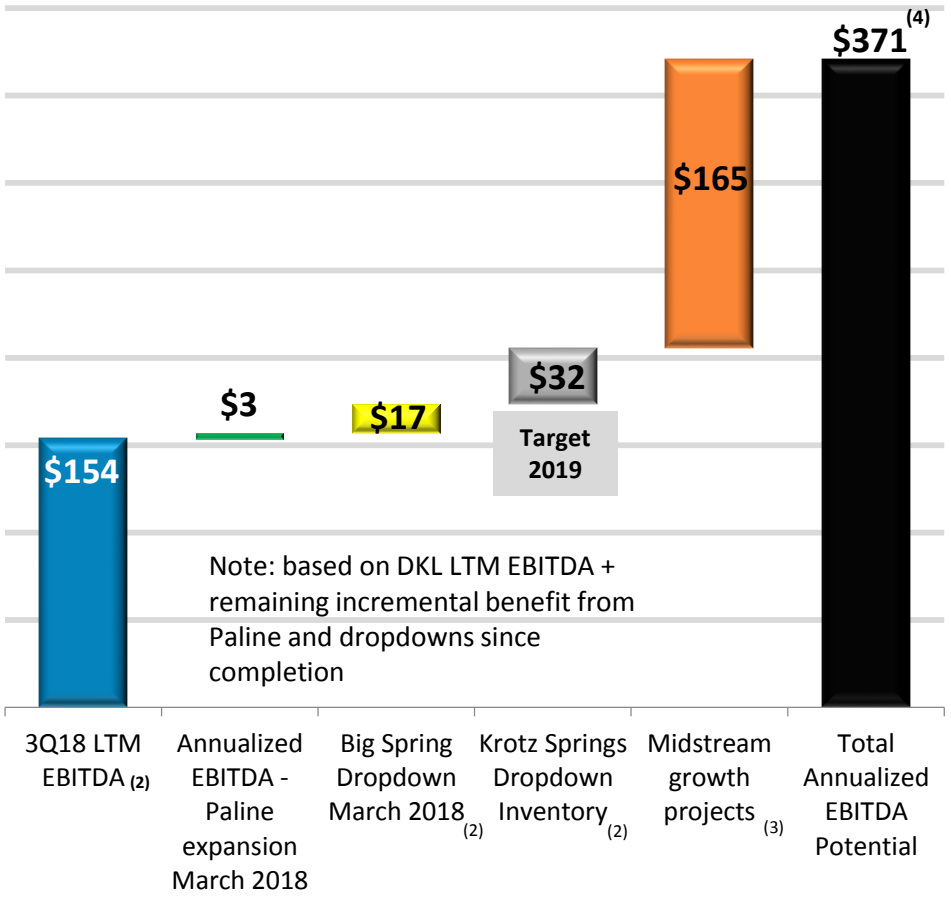
Organic Projects Create Platform to Support Midstream Growth

Supports Delek US' goal to generate $370 million to $390 million of annual midstream EBITDA

- **Big Spring logistics assets dropdown closed in March 2018, effective March 1**
  - $40 million forecasted annualized EBITDA(2)
- **Completed Paline Pipeline expansion in early March 2018**
  - Capacity to 42,000 bpd from 35,000 bpd
  - $5 million forecasted annualized EBITDA uplift
- **Growing midstream assets:**
  - Krotz Springs assets - $30 to $34 million EBITDA / year(2)
  - Big Spring Gathering system under construction
    - $40 to $50 million EBITDA / year(3)
  - Other midstream growth projects of $115 to $125 million EBITDA / year(4)
- **Delek Logistics provides platform to unlock logistics value**

Strong EBITDA Growth Profile from Midstream Initiatives (1)

($ in millions)

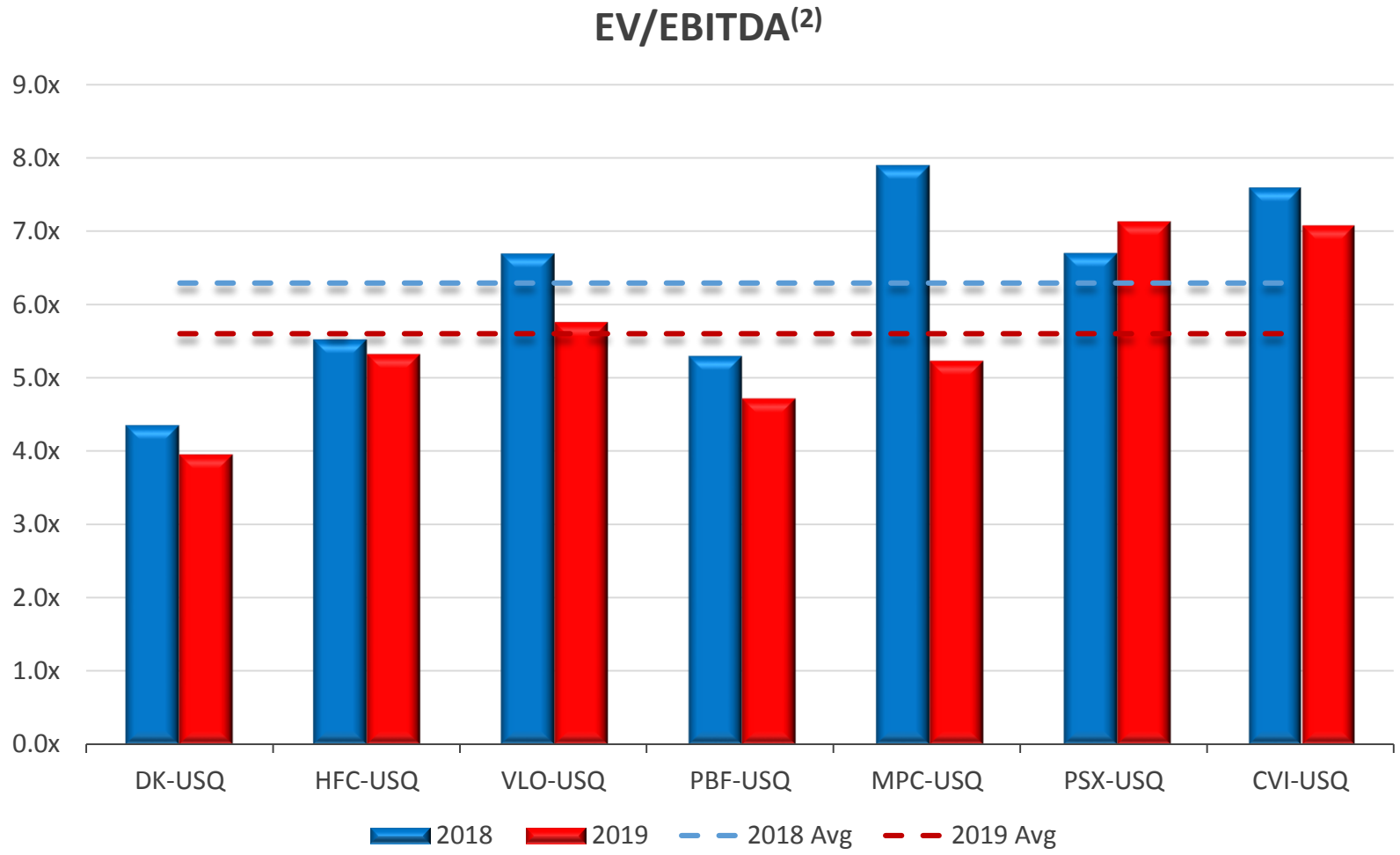


1) Information for illustrative purposes only to show potential based on estimated dropdown assets listed. Actual amounts will vary based on market conditions, which assets are dropped, timing of dropdowns, actual performance of the assets and Delek Logistics in the future. Expected amounts adjusted for what is captured in the LTM period.
2) Please see pages 33 and 34 for a reconciliation of EBITDA of Krotz Springs and Big Spring drop downs, respectively. Please see page 38 for reconciliations of EBITDA to net income for the respective periods.
3) We are unable to provide a reconciliation of this forward-looking estimate of EBITDA because certain information needed to make a reasonable forward-looking estimate is difficult to estimate and dependent on future events, which are uncertain or outside of our control, including with respect to unknown construction timing, unanticipated construction costs and other potential variables. Accordingly, a reconciliation to net income as the most comparable GAAP measure is not available without unreasonable effort.
4) Subject to final scope on economics for long-haul pipeline.

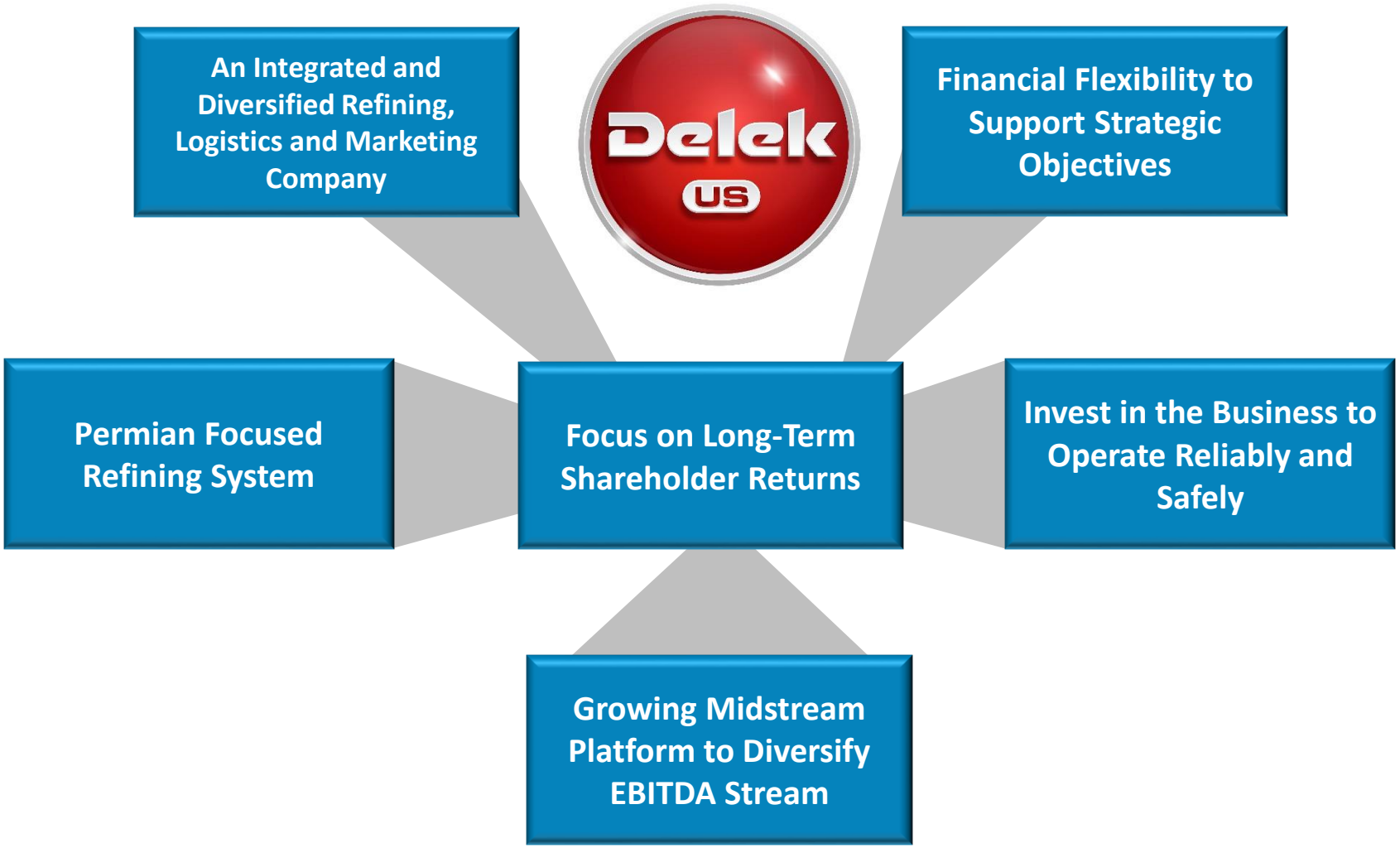
Current Valuation Below Peer EV-to-EBITDA

DK positioned to benefit from Midland to Brent crude diffs and IMO; low valuation to peer group

- Strong balance sheet with $1.1 billion of cash; net debt of $752.9 million; net cash excl. DKL of $4.8 million[(1)]
- Operations positioned to generate strong cash flow based on current differential and crack spread outlook
- Returning cash to shareholders through repurchases/dividends; Investing in business to create long term value



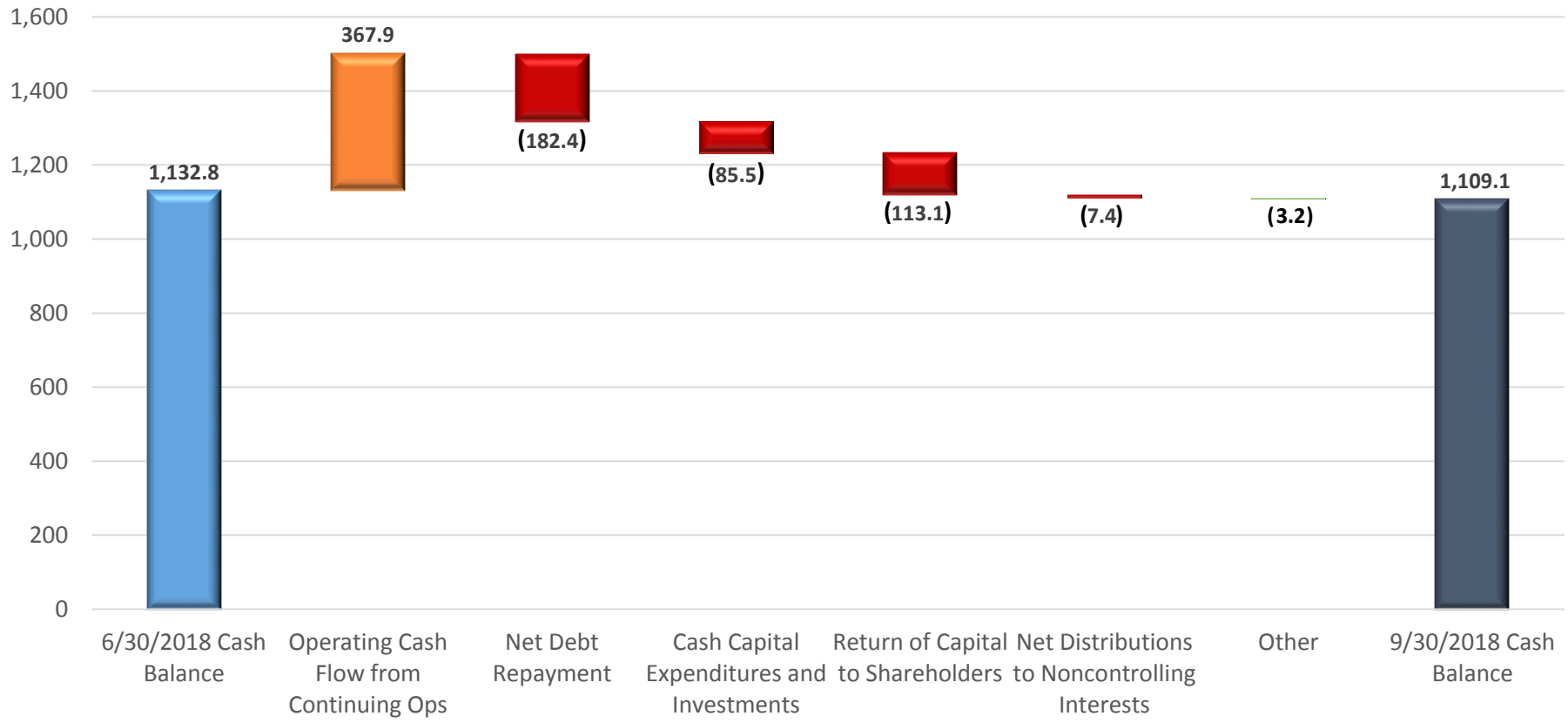
(1) Data presented ending September 30, 2018.
(2) Based on NASDAQ IR Insights/Factset as of January 11, 2019.


An Integrated and Diversified Refining, Logistics and Marketing Company
Financial Flexibility to Support Strategic Objectives
Permian Focused Refining System
Focus on Long-Term Shareholder Returns
Invest in the Business to Operate Reliably and Safely
Growing Midstream Platform to Diversify EBITDA Stream



Appendix

Total Consolidated Cash Flows 2Q18 to 3Q18

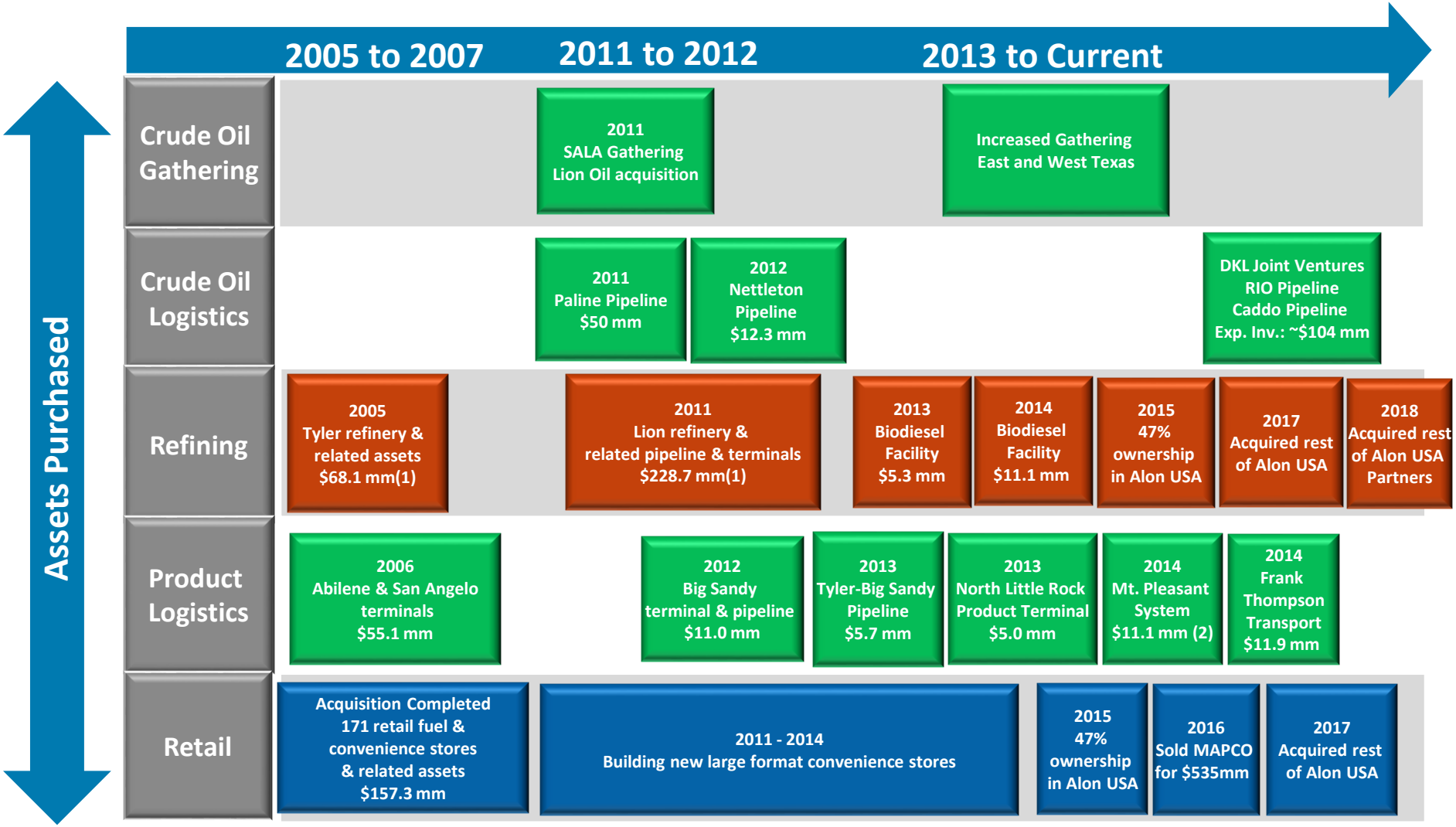


Guidance

4Q18 Guidance	Low	High
Total Crude Throughput	275,000	285,000
Realized Midland-Cushing Discount, $/bbl	$10.00	$10.50
Consolidated Operating Expenses, $ in millions	$160.0	$170.0
Consolidated G&A, $ in millions	$64.0	$69.0
Consolidated Depreciation and Amort., $ in millions	$50.0	$52.0
Net interest expense, $ in millions	$29.0	$31.0
Effective Tax Rate	21%	24%
Capital expenditures, $ in millions	$90.0	$100.0

2018 Capital Expenditures	$ in millions
Refining	$192
Logistics	12
Retail	12
Corporate/Other	89
Total	$ 305

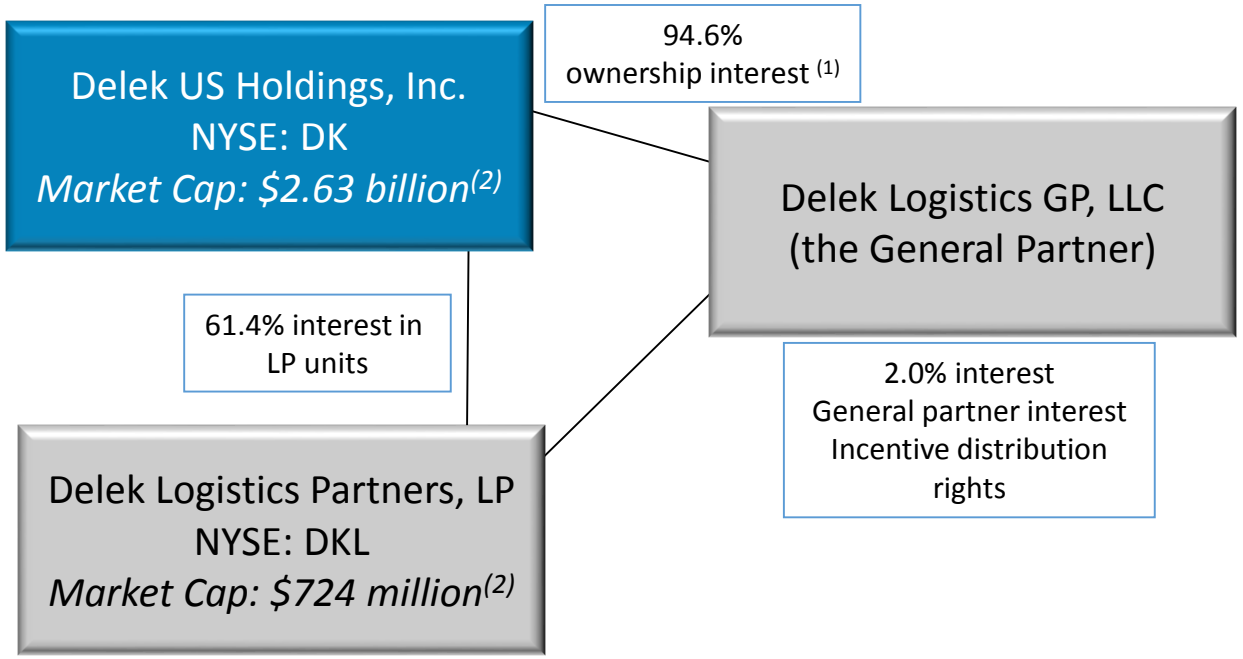
Delek US Growth Focused on Growth through Acquisitions



(1) Includes logistic assets in purchase price. Purchase price includes working capital for refineries.
(2) Mt. Pleasant includes $1.1 million of inventory.

Refining Segment | Logistics Segment | Retail Segment

Current Delek US Corporate Structure

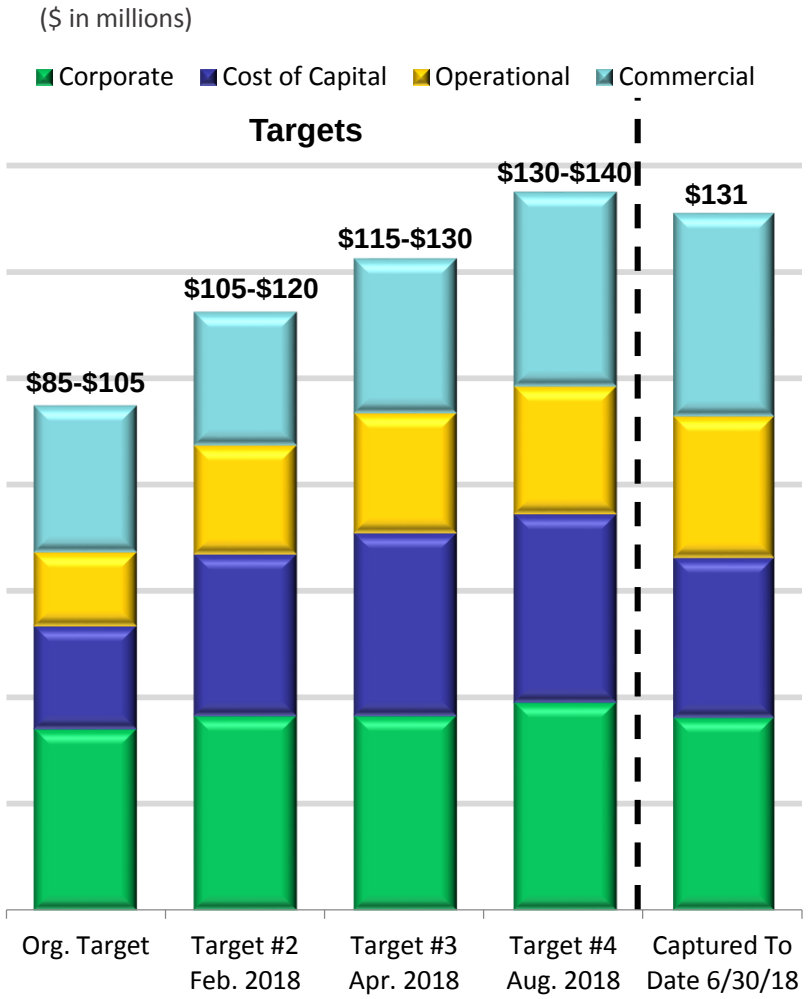


1) As of September 30, 2018, a 5.4% interest in the Delek US ownership interest in the general partner is held by three members of senior management of Delek US. The remaining ownership interest is indirectly held by Delek US.
2) Market cap based on share and unit prices on January 11, 2019.

Robust Synergy Opportunity from DK/ALJ Combination

Steady improvement in expected synergies from transaction

Type	Description	Aug. 2018 Estimate	Apr. 2018 Estimate
Commercial	• Logistics, purchase and trading benefits from a larger platform	• **$33-$40 m**	• $24-$34 m
Operational	• Sharing of resources across the platform; improved insurance and procurement efficiencies	• **$23-$25 m**	• $21-$24 m
Cost of Capital	• Benefit from Delek US' financial position to reduce interest expense through refinancing efforts	• **$35-$36 m**	• $34-$35 m
Corporate	• Reducing the number of public companies; consolidating functions to improve efficiencies	• **$39-$39 m**	• $36-$37 m



Expect to achieve run-rate synergies of approximately $130-$140 million in 2018; $131 million of annualized synergies captured as of June 30, 2018



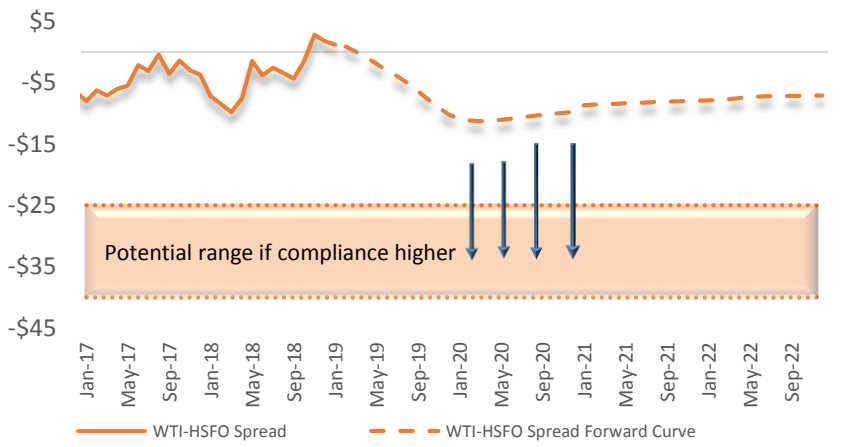
Market Data

IMO 2020

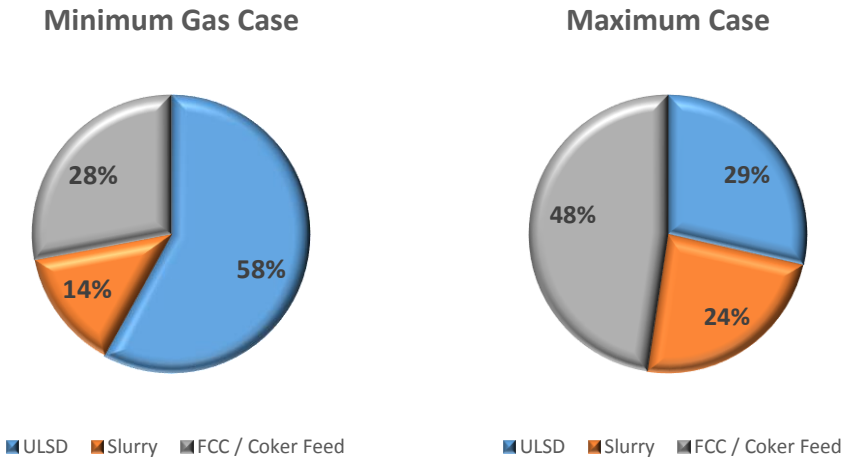
Current impact on oil and product markets

- **Market is pricing a higher scrubber uptake rate**
  - Increased scrubber uptakes could decrease ULSD demand
    - Led to upside pressure on the HFSO curve over past month
  - If scrubber adoption is less than projected, could result in increased demand for ULSD
    - Would expect to see higher ULSD and gas crack spreads
- **Global and EM demand growth concerns have suppressed the gas crack**
  - Delek US internal testing showed a minimum VGO feedstock is required to blend into LSFO
    - *Uplift in gas crack spread in 2020 may be due to this uptick in VGO feedstock demand*
  - 28-48% range from our hand-blended testing
  - 70% of VGO contains gas

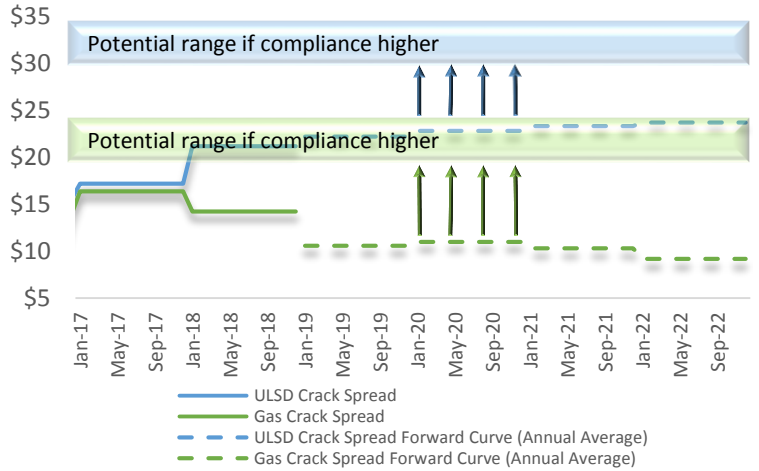
WTI-HSFO Spread (1)



Delek US Study: Range on VGO Requirements for LSFO Blends



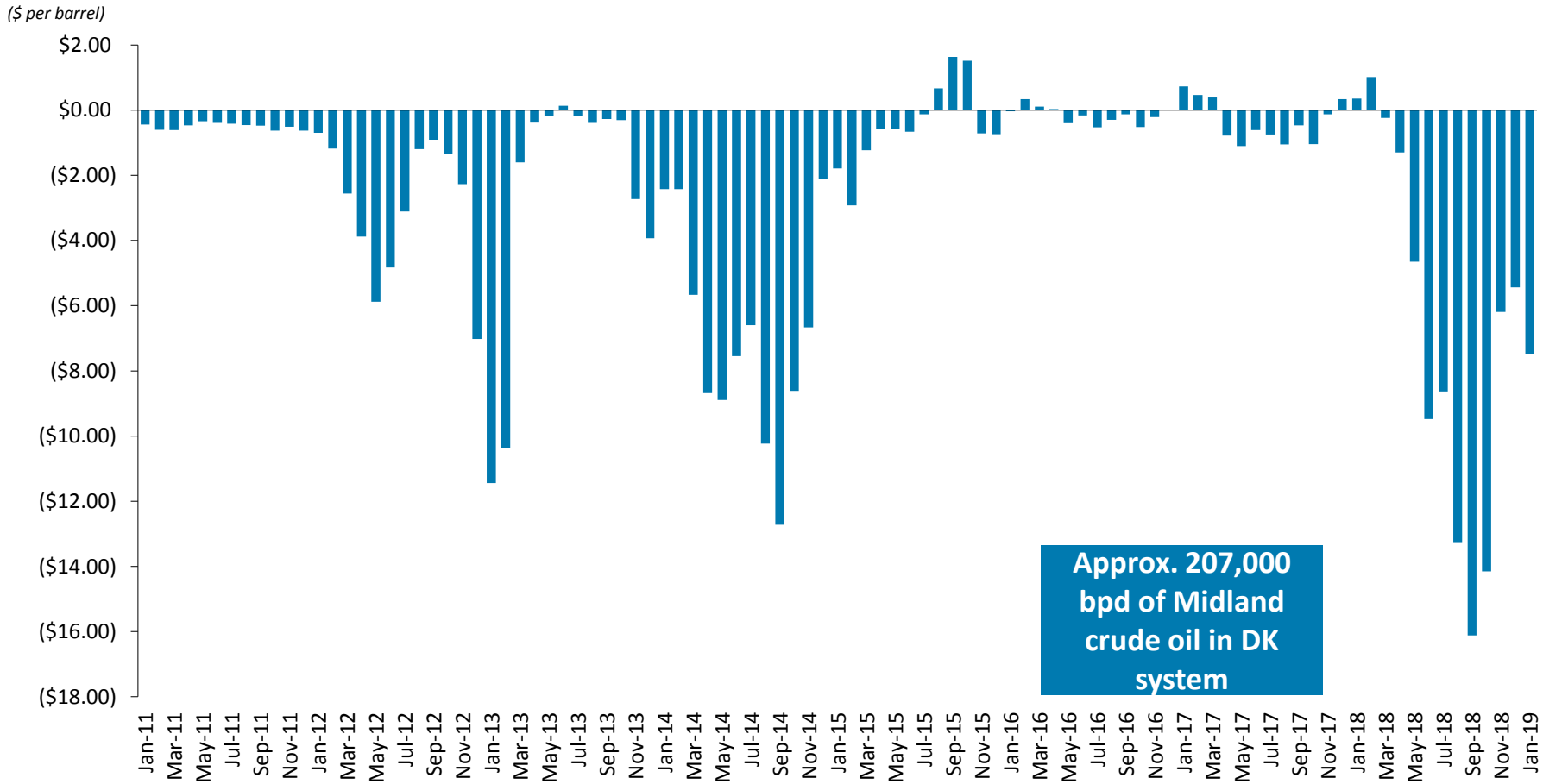
ULSD and Gas Crack Spreads (1)



1) Spread sources: Argus – January 2, 2019; futures based on ICE/NYMEX curve.

Access to Midland Crude Oil Benefits Margins

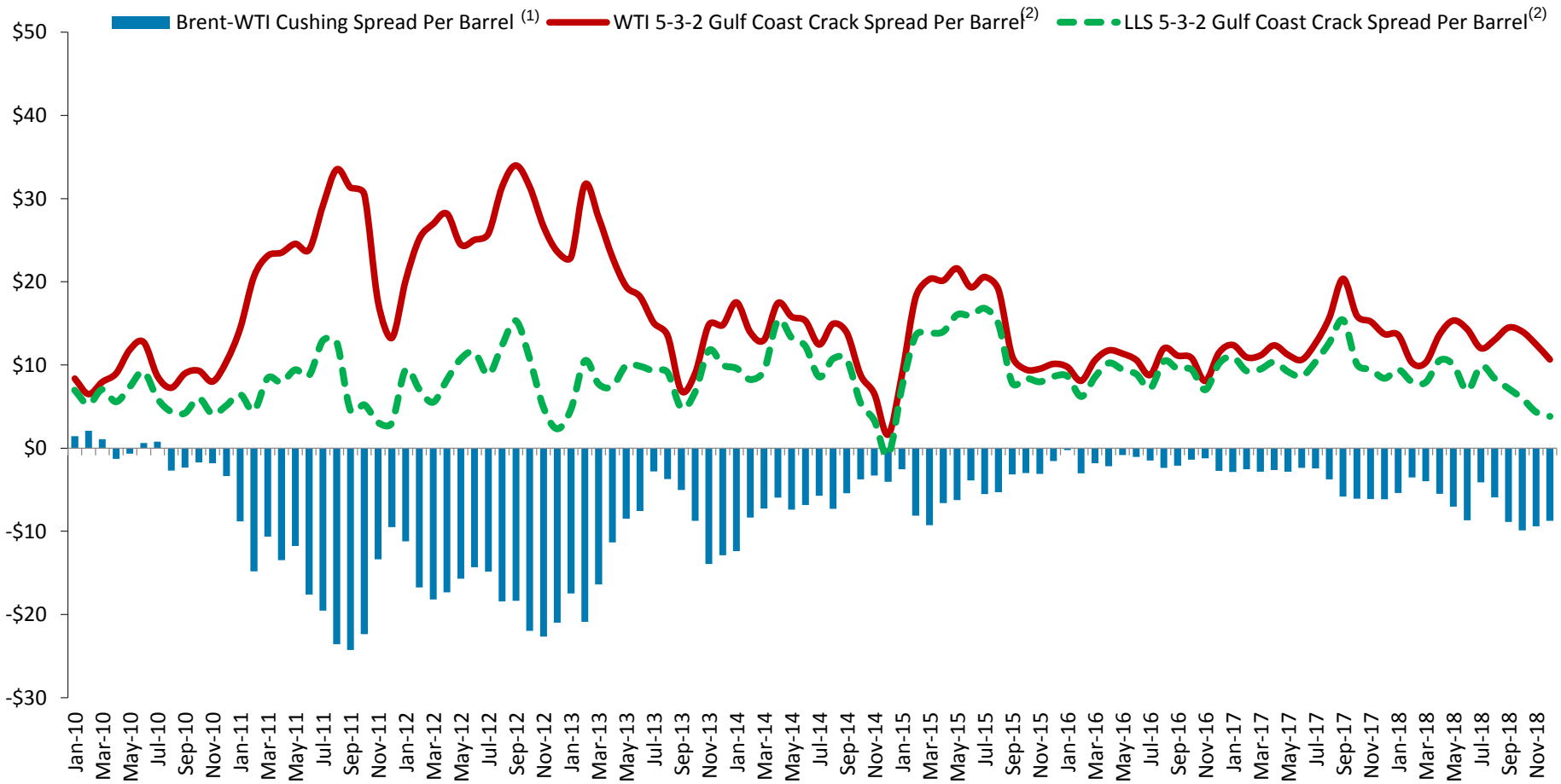
WTI Midland vs. WTI Cushing Crude Oil Pricing



Source: Argus – as of January 2, 2019

U.S Refining Environment Trends

Refined Product Margins and WTI-Linked Feedstock Favor Delek US



1) Source: Platts as of January 2, 2018; 5-3-2 crack spread based on HSD
2) Crack Spreads: (+/-) Contango/Backwardation



Reconciliations

Non-GAAP Reconciliation of Potential Alkylation Project EBITDA(1)

Reconcilation of Forecast U.S. GAAP Net Income (Loss) to Forecast EBITDA for Alkylation Project

($ in millions)	Forecasted Range	
Forecasted Net Income	$ 24.1	$ 27.3
Add:		
Interest expense, net	-	-
Income tax expense	14.0	15.8
Depreciation and amortization	6.9	6.9
Forecasted EBITDA	**$ 45.0**	**$ 50.0**

1) Based on projected range of potential future performance from the alkylation unit project at Krotz Springs. Amounts of EBITDA, net income and timing will vary. Actual amounts will be based on timing of completion, performance of the project and market conditions.

Non-GAAP Reconciliation of Krotz Spring Potential Dropdown EBITDA(1)

Krotz Springs Logistics Drop Down
Reconciliation of Forecasted Annualized Net Income to Forecasted EBITDA

($ in millions)	Forecasted Range	
Forecasted Net Income	$ 2.9	$ 3.3
Add:		
Depreciation and amortization	15.6	17.7
Interest and financing costs, net	11.5	13.0
Forecasted EBITDA	**$ 30.0**	**$ 34.0**

1) Based on projected range of potential future logistics assets that could be dropped to Delek Logistics from Delek US in the future. Amounts of EBITDA, net income and timing will vary, which will affect the potential future EBITDA and associated deprecation and interest at DKL. Actual amounts will be based on timing, performance of the assets, DKL's growth plans and valuation multiples for such assets at the time of any transaction.

Non-GAAP Reconciliations of Big Spring Potential Dropdown EBITDA(1)

Big Spring Logistics Drop Down and Marketing Agreement

Reconciliation of Forecasted Annualized Net Income to Forecasted EBITDA

($ in millions)	Tanks, Terminals and Marketing Agreement
Forecasted Net Income	$ 13.3
Add:	
Income tax expense	-
Depreciation and amortization	5.1
Amortization of customer contract intangible assets	7.2
Interest expense, net	14.6
Forecasted EBITDA	**$ 40.2**

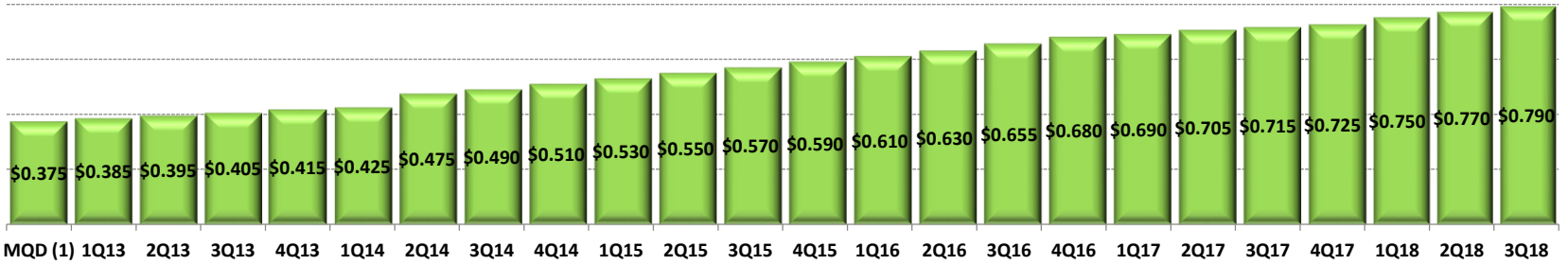
1) Amounts of EBITDA, net income and timing vary, which affect the potential future EBITDA and associated deprecation and interest at DKL. Actual amounts are based on timing, performance of the assets, DKL's growth plans and valuation multiples for such assets at the time of any transaction.

Non-GAAP Reconciliations of Adjusted EBITDA

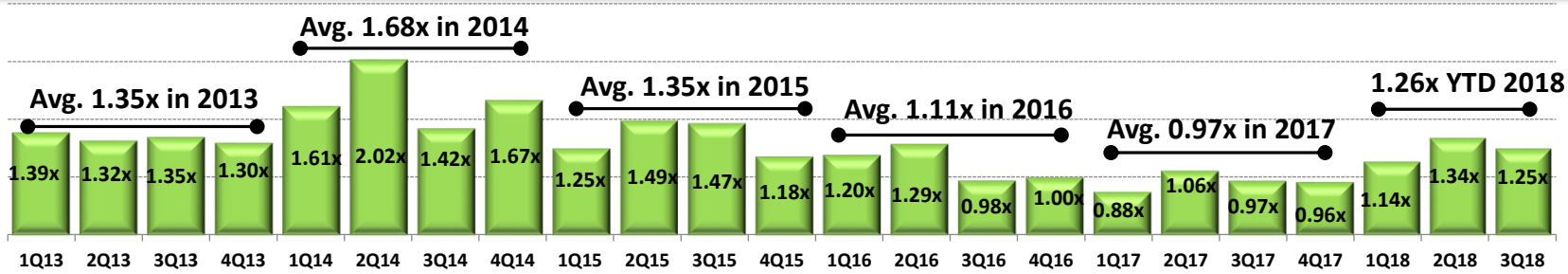
Reconciliation of Net Income (Loss) to Adjusted EBITDA	Three Months Ended September 30, 2018	2017
	(Unaudited)	
Reported net income (loss) attributable to Delek	**$ 179.8**	**$ 104.4**
Add:		
Interest expense, net	29.8	33.2
Loss on extinguishment of debt	0.1	
Income tax expense (benefit) - continuing operations	51.0	133.5
Depreciation and amortization	49.2	46.9
EBITDA	**$ 309.9**	**$ 318.0**
Adjustments		
Net inventory valuation (gain) loss	(0.1)	(12.0)
Asset write offs	-	0.7
Adjusted unrealized hedging (gain) loss	(7.1)	4.4
Inventory fair value adjustment	-	33.2
Transaction related expenses	1.9	18.4
Gain on remeasurement of equity method investment in Alon	-	(190.1)
Discontinued operations loss, net of tax	(0.5)	4.1
Non controlling interest (income)	6.5	10.0
Total adjustments	$ 0.7	$ (131.3)
Adjusted EBITDA	**$ 310.6**	**$ 186.7**

DKL: Increased Distribution with Conservative Coverage and Leverage

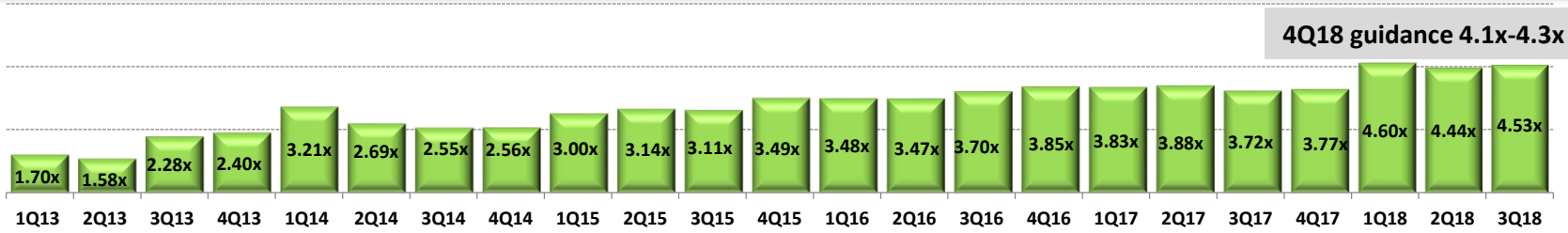
Distribution per unit has been increased twenty-three consecutive times since the IPO



Distributable Cash Flow Coverage Ratio (2)(3)(4)



Leverage Ratio (5)



1) MQD = minimum quarterly distribution set pursuant to the Partnership Agreement.
2) Distribution coverage based on distributable cash flow divided by distribution amount in each period. Please see reconciliations starting on page 37.
3) 3Q18 based on total distributions paid on November 9, 2018.
4) In 4Q17, the reimbursed capital expenditure amounts in the determination of distributable cash flow were revised to reflect the accrual of reimbursed capital expenditures from Delek US rather than the cash amounts received for reimbursed capital expenditures during the years ended December 31, 2017, 2016 and 2015.
5) Leverage ratio based on LTM EBITDA as defined by credit facility covenants for respective periods.

DKL: Reconciliation of Cash Available for Distribution

(dollars in millions, except coverage)	2013 [2]	1Q14 [2]	2Q14 [2]	3Q14 [2]	4Q14 [2]	2014 [2]	1Q15 [2]	2Q15	3Q15	4Q15	2015 [3]	1Q16	2Q16	3Q16	4Q16	2016 [3]	1Q17	2Q17	3Q17	4Q17 [3]	2017 [3]	1Q18	2Q18	3Q18
Reconciliation of Distributable Cash Flow to net cash from operating activities																								
Net cash provided by operating activities	$49.4	$14.4	$31.2	$20.1	$20.8	$86.6	$15.8	$30.8	$20.2	$1.3	$68.0	$26.4	$31.2	$29.2	$13.9	$100.7	$23.5	$23.9	$30.5	$9.8	$87.7	$23.7	$28.0	$6.0
Accretion of asset retirement obligations	(0.2)	(0.1)	(0.1)	(0.1)	0.0	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)	(0.1)	(0.1)
Deferred income taxes	(0.3)	0.0	(0.1)	(0.0)	0.2	0.1	(0.2)	0.2	0.0	0.0	(0.0)	-	-	-	0.2	0.2	-	(0.1)	(0.0)	0.3	0.1	-	-	-
Gain (Loss) on asset disposals	(0.2)	-	(0.1)	-	(0.0)	(0.1)	(0.0)	0.0	-	(0.1)	(0.1)	0.0	-	(0.0)	-	0.0	(0.0)	0.0	0.0	0.0	0.0	(0.1)	0.1	(0.7)
Changes in assets and liabilities	8.3	3.4	(6.0)	(1.6)	3.0	(1.2)	3.3	(7.3)	3.6	20.5	20.1	(5.4)	(7.1)	(10.0)	7.7	(14.9)	(3.6)	0.9	(8.5)	14.6	3.4	3.7	6.2	28.1
Distributions from equity method investments																								0.3
Maint. & Reg. Capital Expenditures	(5.1)	(0.8)	(1.0)	(0.8)	(3.9)	(6.5)	(3.3)	(3.9)	(3.5)	(2.7)	(13.4)	(0.7)	(0.9)	(0.7)	(3.6)	(5.9)	(2.2)	(2.1)	(0.7)	(4.4)	(9.4)	(0.3)	(1.0)	(2.4)
Reimbursement for Capital Expenditures	0.8	-	-	-	1.6	1.6	1.6	1.8	2.0	0.2	5.5	0.2	0.2	0.4	2.4	3.3	0.9	0.5	0.4	1.7	3.5	0.4	0.3	1.3
Distributable Cash Flow	$52.9	$17.0	$24.0	$17.7	$21.8	$80.3	$17.1	$21.4	$22.2	$19.0	$79.8	$20.4	$23.3	$18.8	$20.6	$83.0	$18.4	$23.0	$21.6	$21.9	$85.0	$27.3	$33.5	$32.4
Distribution Coverage Ratio [1]	1.35x	1.61x	2.02x	1.42x	1.67x	1.68x	1.25x	1.49x	1.47x	1.18x	1.35x	1.20x	1.29x	0.98x	1.00x	1.11x	0.88x	1.06x	0.97x	0.96x	0.97x	1.14x	1.34x	1.25x
Total Distribution [1]	$39.3	$10.5	$11.9	$12.4	$13.1	$47.9	$13.7	$14.4	$15.1	$16.1	$59.3	$17.1	$18.1	$19.3	$20.5	$75.0	$21.0	$21.8	$22.3	$22.8	$87.9	$24.0	$25.0	$26.0

1) Distribution based on actual amounts distributed during the periods; does not include LTIP accrual. Coverage is defined as cash available for distribution divided by total distribution.
2) Results in 2013, 2014 and 2015 are as reported excluding predecessor costs related to the dropdown of the tank farms and product terminals at both Tyler and El Dorado during the respective periods.
3) In 4Q17, the reimbursed capital expenditure amounts in the determination of distributable cash flow were revised to reflect the accrual of reimbursed capital expenditures from Delek US rather than the cash amounts received for reimbursed capital expenditures during the years ended December 31, 2017, 2016 and 2015.

Note: May not foot due to rounding and annual adjustments that occurred in year-end reporting.

DKL: Income Statement and Non-GAAP EBITDA Reconciliation

	2013[1]	1Q14[1]	2Q14	3Q14	4Q14	2014 [1]	1Q15[2]	2Q15	3Q15	4Q15	2015	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17	3Q17	4Q17	2017	1Q18	2Q18	3Q18
Net Revenue	**$907.4**	**$203.5**	**$236.3**	**$228.0**	**$173.3**	**$841.2**	**$143.5**	**$172.1**	**$165.1**	**$108.9**	**$589.7**	**$104.1**	**$111.9**	**$107.5**	**$124.7**	**$448.1**	**$129.5**	**$126.8**	**$130.6**	**$151.2**	**$538.1**	**$167.9**	**$166.3**	**$164.1**
Cost of Sales	(811.4)	(172.2)	(196.6)	(194.1)	(134.3)	(697.2)	(108.4)	(132.5)	(124.4)	(71.0)	(436.3)	(66.8)	(73.1)	($73.5)	($88.8)	(302.2)	(92.6)	(85.0)	($89.1)	($106.1)	(372.9)	(119.0)	(106.0)	(105.6)
Operating Expenses (excluding depreciation and amortization presented below)	(25.8)	(8.5)	(9.5)	(10.2)	(9.7)	(38.0)	(10.6)	(10.8)	(11.6)	(11.7)	(44.8)	(10.5)	(8.7)	($9.3)	($8.8)	(37.2)	(10.4)	(10.0)	($10.7)	($12.3)	(43.3)	(12.6)	(14.9)	(14.5)
Depreciation and Amortization																								(6.3)
Contribution Margin	**$70.3**	**$22.8**	**$30.2**	**$23.7**	**$29.3**	**$106.0**	**$24.5**	**$28.8**	**$29.1**	**$26.2**	**$108.6**	**$26.8**	**$30.0**	**$24.7**	**$27.2**	**$108.7**	**$26.5**	**$31.8**	**$30.8**	**$32.8**	**$121.9**	**$36.3**	**$45.3**	**$37.8**
Operating Expenses (excluding depreciation and amortization presented below)																								(0.9)
Depreciation and Amortization	(10.7)	(3.4)	(3.5)	(3.7)	(3.9)	(14.6)	(4.0)	(4.7)	(4.5)	(5.9)	(19.2)	(5.0)	(4.8)	($5.4)	($5.6)	(20.8)	(5.2)	(5.7)	($5.5)	($5.5)	(21.9)	(6.0)	(7.0)	(0.5)
General and Administration Expense	(6.3)	(2.6)	(2.2)	(2.5)	(3.3)	(10.6)	(3.4)	(3.0)	(2.7)	(2.3)	(11.4)	(2.9)	(2.7)	($2.3)	($2.3)	(10.3)	(2.8)	(2.7)	($2.8)	($3.6)	(11.8)	(3.0)	(3.7)	(3.1)
Gain (Loss) on Asset Disposal	(0.2)	-	(0.1)	-	-	(0.1)	-	-	-	(0.1)	(0.1)	0.0	-	($0.0)	$0.0	0.0	(0.0)	0.0	($0.0)	($0.0)	(0.0)	-	0.1	(0.7)
Operating Income	**$53.2**	**$16.8**	**$24.4**	**$17.5**	**$22.1**	**$80.8**	**$17.1**	**$21.1**	**$21.8**	**$17.9**	**$77.9**	**$19.0**	**$22.5**	**$17.0**	**$19.2**	**$77.7**	**$18.5**	**$23.4**	**$22.6**	**$23.7**	**$88.1**	**27.3**	**34.7**	**32.6**
Interest Expense, net	(4.6)	(2.0)	(2.3)	(2.2)	(2.1)	(8.7)	(2.2)	(2.6)	(2.8)	(3.0)	(10.7)	(3.2)	(3.3)	($3.4)	($3.7)	(13.6)	(4.1)	(5.5)	($7.1)	($7.3)	(23.9)	(8.1)	(10.9)	(11.1)
(Loss) Income from Equity Method Invesments								(0.1)	(0.3)	(0.1)	(0.6)	(0.2)	(0.2)	($0.3)	($0.4)	(1.2)	0.2	1.2	$1.6	$1.9	5.0	0.8	1.9	1.9
Income Taxes	(0.8)	(0.1)	(0.3)	(0.2)	0.5	(0.1)	(0.3)	(0.1)	(0.1)	0.6	0.2	(0.1)	(0.129)	($0.1)	$0.3	(0.1)	(0.1)	(0.1)	($0.2)	$0.6	0.2	(0.1)	(0.1)	(0.1)
Net Income	**$47.8**	**$14.7**	**$21.8**	**$15.1**	**$20.5**	**$72.0**	**$14.6**	**$18.3**	**$18.6**	**$15.3**	**$66.8**	**$15.4**	**$18.9**	**$13.2**	**$15.3**	**$62.8**	**$14.6**	**$19.0**	**$16.9**	**$18.9**	**$69.4**	**$20.0**	**$25.6**	**$23.3**
EBITDA:																								
Net Income	$47.8	$14.7	$21.8	$15.1	$20.5	$72.0	$14.6	$18.3	$18.6	$15.3	$66.8	$15.4	$18.9	$13.2	$15.3	$62.8	$14.6	$19.0	$16.9	$18.9	$69.4	$20.0	$25.6	$23.3
Income Taxes	0.8	0.1	0.3	0.2	(0.5)	0.1	0.3	0.1	0.1	(0.6)	(0.2)	0.1	0.1	0.13	(0.28)	0.1	0.1	0.1	0.2	($0.6)	(0.2)	0.1	0.1	0.1
Depreciation and Amortization	10.7	3.4	3.5	3.7	3.9	14.6	4.0	4.7	4.5	5.9	19.2	5.0	4.8	5.4	5.6	20.8	5.2	5.7	5.5	5.5	21.9	6.0	7.0	6.7
Amortization of customer contract intangible asset	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.6	1.8	1.8
Interest Expense, net	4.6	2.0	2.3	2.2	2.1	8.7	2.2	2.6	2.8	3.0	10.7	3.2	3.3	3.4	3.7	13.6	4.1	5.5	7.1	7.3	23.9	8.1	10.9	11.1
EBITDA	$63.8	$20.2	$27.9	$21.2	$26.1	$95.4	$21.1	$25.7	$26.1	$23.6	$96.5	$23.7	$27.1	$22.0	$24.4	$97.3	$23.9	$30.3	$29.7	$31.1	$115.0	$34.7	$45.4	$43.0

1) Results in 2013 and 2014 are as reported excluding predecessor costs related to the dropdown of the tank farms and product terminals at both Tyler and El Dorado during the respective periods.
2) Results for 1Q15 are as reported excluding predecessor costs related to the 1Q15 dropdowns.
Note: May not foot due to rounding.



Investor Relations Contact:

Kevin Kremke
Executive Vice President, CFO
615-224-1323

Keith Johnson
Vice President of Investor Relations
615-435-1366

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