FOR IMMEDIATE RELEASE
March 26, 2020

Genesis Energy, L.P. Announces Distribution Reduction to Accelerate De-Leveraging Plan

HOUSTON – (BUSINESS WIRE) – Genesis Energy, L.P. (NYSE: GEL) announced today that its Board of Directors has approved a reduction in the Company's quarterly common distribution to $0.15 per unit ($0.60 annually) for the quarter ended March 31, 2020. This reduction will save Genesis approximately $200 million per year for the foreseeable future, which the company intends to use to accelerate its de-leveraging plan.

Grant Sims, CEO of Genesis stated, "Given the current operating environment and dysfunctional public debt and equity capital markets, we believe the decision by our Board of Directors to lower our common unit distribution is a pro-active step to accelerate our de-leveraging plan and more rapidly strengthen our balance sheet.

While the operating environment is more uncertain than it was four to six weeks ago, we have yet to identify any insurmountable challenges and have absolutely no liquidity concerns. With the distribution reduction and current availability under our senior secured credit facility of approximately $700 million, we have ample liquidity available to us to manage in the current operating environment. The decision to reduce the common distribution is not driven by any material deterioration in the performance of our underlying businesses, but more an analytical and thoughtful reflection of the current environment.

Furthermore, we have received the required consents from our bank group to amend our senior secured credit facility. Such amendment gives us the flexibility to opportunistically purchase certain of our unsecured notes in the open market.

With the reduction in our common unit distributions, we now currently estimate our recurring annual cash obligations to be closer to $420 million in 2020 and closer to $400 million in 2021 and beyond. Other than the Granger expansion, which has a fully committed alternative financing arrangement in place, we currently do not have any identified material growth projects, and we are well positioned to have growing free cash flow in the coming years which we will use to further de-lever our balance sheet and restore and maintain our financial flexibility.

Our upstream exposure is to long-cycle deep water Gulf of Mexico production as opposed to onshore short-cycle shale production. The ongoing development of the long-cycle, world class reservoirs in the deep water has proven resilient across multiple previous commodity cycles, and we have no indication it will not continue throughout this cycle regardless of its depth and duration. Relative to counterparty risk, we have a large diversified customer base across our business segments, which includes refineries, large integrated customers and other investment grade counterparties.

Finally, given the current operating environment, we are prudently looking at several initiatives to identify and implement cost reductions across our various business segments as well as evaluating options to perhaps slow down our Granger soda ash facility expansion by as much as twelve months.

The steps we are announcing today will give us the flexibility to build on the successes of our footprint as it stands today and help us achieve our objective to deliver the best value to all of our stakeholders over the long term without losing sight of our absolute commitment to safe and responsible operations."

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Genesis Energy, L.P. is a diversified midstream energy master limited partnership headquartered in Houston, Texas. Genesis' operations include offshore pipeline transportation, sodium minerals and sulfur services, onshore facilities and transportation and marine transportation. Genesis' operations are primarily located in the Gulf Coast region of the United States, Wyoming and the Gulf of Mexico.

This press release includes forward-looking statements as defined under federal law. Although we believe that our expectations are based upon reasonable assumptions, we can give no assurance that our goals will be achieved. Actual results may vary materially. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that we expect, believe or anticipate will or may occur in the future, including but not limited to statements relating to future financial and operating results and our strategy and plans, are forward-looking statements, and historical performance is not necessarily indicative of future performance. Those forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties, factors and risks, many of which are outside our control, that could cause results to differ materially from those expected by management. Such risks and uncertainties include, but are not limited to, weather, political, economic and market conditions, including a decline in the price and market demand for products, the outbreak of disease, and other uncertainties that are described more fully in our Annual Report on Form 10-K for the year ended December 31, 2019 filed with the Securities and Exchange Commission and other filings, including our Current Reports on Form 8-K and Quarterly Reports on Form 10-Q. We undertake no obligation to publicly update or revise any forward-looking statement.

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