

All financial figures are in Canadian dollars

[Gibson Energy Inc.](#) ("Gibsons" or the "Company"), (TSX:GEI), announced today operating and financial results for the three months ended March 31, 2016.

Highlights:

- Segment Profit¹ was \$80 million in the first quarter of 2016, buoyed by the Infrastructure segment's year over year volume and revenue increases at both of the Company's key storage hubs in Edmonton and Hardisty;
- Pro Forma Adjusted EBITDA² was \$347 million for the twelve months ending March 31, 2016;
- Distributable Cash Flow³ generated for the twelve months ending March 31, 2016 was \$181 million (\$1.43 per share⁴) while dividends declared during the period were \$163 million (\$1.29 per share⁴);
- Capital expenditures were \$61 million in the first quarter of 2016, of which \$56 million was related to growth initiatives. Over 90% of growth capital expenditures were directed toward advancing the terminal infrastructure expansions at Hardisty and Edmonton; and
- On April 19, 2016, the Company announced a new management structure which is designed to improve management oversight of similar business lines, while creating better alignment with Gibsons' customers' needs. Accordingly, key reportable segments for the Company were redefined as Infrastructure, Logistics, Wholesale and Industrial Propane.

"Gibsons' first quarter results reflect a continuation of the challenging environment we experienced in 2015, with a further drop in activity levels as a result of crude prices dropping dramatically to a 12 year low. Our diversified portfolio continued to provide a solid foundation for our distributable cash flow generation and our dividend, as excellent results in our Infrastructure segment and continued solid performance from our Industrial Propane segment were offset by weakness in some of our more activity-sensitive businesses. The recent rally in WTI prices provides some optimism that we have seen the bottom for activity levels, but there will be a lag before that translates into significant increases in our Logistics and Wholesale businesses," said Stewart Hanlon, Gibsons' President and Chief Executive Officer. "We continue to focus organic growth capital towards infrastructure projects and the results of this can be seen in the record volumes we moved through our Hardisty terminal this quarter. This further underpins our long-term strategy to transition from the more activity sensitive businesses in our portfolio towards stable, fixed fee infrastructure. We believe there is growing evidence that oil supply and demand fundamentals are re-balancing and we are confident that our footprint in all of the key basins will position us to capture the upside when the pendulum swings. In the near to medium term, production from the oil sands continues to grow and we look forward to commissioning additional contracted infrastructure projects, to participate in this growth. These projects provide good visibility to cash flow growth for 2016 and construction is well underway in support of 2017 cash flow growth. With this in mind, although our payout ratio is currently higher than our long-term target, we remain comfortable that it will move back within our targeted range as the construction build out is completed in 2017."

- (1) Segment Profit is defined as revenue minus (i) cost of sales; and (ii) operating costs. It excludes depreciation, amortization, impairment charges, stock based compensation and corporate expenses.
- (2) Pro Forma Adjusted EBITDA is defined in Gibsons' Management's Discussion and Analysis.
- (3) Distributable Cash Flow is defined in Gibsons' Management's Discussion and Analysis.
- (4) Per share amounts are based on basic weighted average common shares outstanding.

Management's Discussion and Analysis and Financial Statements

The First Quarter 2016 Management's Discussion and Analysis and Consolidated Financial Statements provide a detailed explanation of Gibsons' operating results for the three months ended March 31, 2016, as compared to the three months ended March 31, 2015. These documents are available at www.gibsons.com and at www.sedar.com.

2016 First Quarter Results Conference Call

A conference call to discuss Gibsons' first quarter results will be held at 9:00 a.m. MT (11:00 a.m. ET) on Wednesday, May 4, 2016, for interested investors, analysts and media representatives.

The conference call dial-in numbers are:

- 866-696-5910 from Canada and the US
- 416-340-2217 from Toronto and International
- Participant Pass Code: 9070183

Shortly after the call, an audio archive will be posted on the Investor/News section at www.gibsons.com. The call will also be recorded and available for playback 60 minutes after the meeting end time, until August 4, 2016, using the following dial in process:

- 905-694-9451 / 800-408-3053
- Pass code: 3887683#

About Gibsons

Gibsons is a Canadian-based midstream energy company with operations in most of the key hydrocarbon-rich basins in North America. For over 60 years, Gibsons has delivered integrated midstream solutions to customers in the oil and gas industry. With headquarters in Calgary, Alberta, the Company's North American operations include the storage, blending, processing, transportation, marketing and distribution of crude oil, liquids and refined products. The Company also provides oilfield waste and water management services. Gibsons is the second largest industrial propane distribution company in Canada operating under the Canwest Propane and Stittco Energy brands.

[Gibson Energy Inc.](http://www.gibsons.com) shares trade under the symbol GEI and are listed on the Toronto Stock Exchange. For more information, visit www.gibsons.com

Forward-Looking Statements

Certain statements contained in this news release constitute forward-looking information and statements (collectively, "forward-looking statements") including, but not limited to, statements concerning the Company's future payment of dividends and the amount thereof and management's expectation with respect to the Company's business and financial prospects and opportunities. These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "contemplate", "continue", "estimate", "expect", "intend", "propose", "might", "may", "will", "shall", "project", "should", "could", "would", "believe", "predict", "forecast", "pursue", "potential" and "capable" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this news release should not be unduly relied upon. These statements speak only as of the date of this news release. In addition, this news release may contain forward-looking statements and forward-looking information attributed to third party industry sources. The Company does not undertake any obligations to publicly update or revise any forward looking statements except as required by securities law. Actual results could differ materially from those anticipated in these forward-looking statements as a result of numerous risks and uncertainties including, but not limited to, the risks and uncertainties described in "Forward-Looking Statements" and "Risk Factors" included in the Company's Annual Information Form dated March 1, 2016 as filed on SEDAR and available on the Gibsons website at www.gibsons.com.

This news release refers to certain financial measures that are not determined in accordance with International Financial Reporting Standards ("IFRS"). Adjusted EBITDA and Pro Forma Adjusted EBITDA are not measures recognized under IFRS and do not have standardized meanings prescribed by IFRS. Management considers these to be important supplemental measures of the Company's performance and believes these measures are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in its industries with similar capital structures. See "Summary of Quarterly Results" in the Company's MD&A for a reconciliation of EBITDA to net income, the IFRS measure most directly comparable to EBITDA, and for a reconciliation of Adjusted EBITDA and Pro Forma Adjusted EBITDA to EBITDA. Distributable cash flow is used to assess the level of cash flow generated from ongoing operations and to evaluate the adequacy of internally generated cash flow to fund dividends. See "Distributable Cash Flow" in the Company's MD&A for a reconciliation of distributable cash flow to cash flow from operations, the IFRS measure most directly comparable to distributable cash flow. Investors are encouraged to evaluate each adjustment and the reasons the Company considers it appropriate for supplemental analysis. Investors are cautioned, however, that these measures should not be construed as an alternative to net income determined in accordance with IFRS as an indication of the Company's performance.

Selected Financial Highlights

	Three months ended Mar 31	
	2016	2015
Segment Profit*:		
Infrastructure	\$48,361	\$43,518
Logistics	9,683	28,785
Wholesale	5,165	30,929
Industrial Propane	16,474	19,393
Other	538	161
Total Segment Profit	\$80,221	\$122,786
Adjusted EBITDA	\$74,043	\$114,573
Capital Expenditures, excluding acquisitions:		
Growth Capital	\$55,918	\$79,428
Upgrade and Replacement Capital	5,466	11,865
Total	\$61,384	\$91,293

Trailing Twelve Month Metrics:

	Twelve months ended March 31	
	2016	2015
Pro Forma Adjusted EBITDA	\$347,070	\$433,481
Distributable Cash Flow	180,974	246,269
Dividends Declared to Shareholders	162,665	151,739
Payout Ratio	90%	62%
Leverage Metrics:		
Total Debt Ratio	3.8	2.5
Interest Coverage Ratio	4.0	5.7

* Segment profit is defined as revenue minus (i) cost of sales; and (ii) operating costs. It excludes depreciation, amortization, impairment charges, stock based compensation and corporate expenses.

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