

Non-GAAP Financial Measures

Cash Interest

Cash Interest is a supplemental non-GAAP financial measure that is used by management and external users of the Partnership's financial statements, such as industry analysts, investors, lenders and rating agencies. The Partnership defines Cash Interest as interest expense plus capitalized interest less amortization of deferred financing costs included in interest expense. Cash Interest is not a measure of interest expense as determined by United States generally accepted accounting principles, or GAAP. Management believes that the presentation of Cash Interest provides useful additional information to investors and analysts for assessing the interest charges incurred on our debt, excluding non-cash amortization, and our ability to maintain compliance with our debt covenants.

The following table presents a reconciliation of the GAAP financial measure of interest expense, net of capitalized interest, to the non-GAAP financial measure of Cash Interest for the periods presented:

	Three Months Ended December 31,		Year Ended December 31,	
	2019 ⁽¹⁾	2018 ⁽¹⁾	2019 ⁽¹⁾	2018 ⁽¹⁾
	(In thousands)			
Interest expense, net of capitalized interest	\$ 4,627	\$ 1,877	\$ 17,538	\$ 2,580
Capitalized interest	272	965	905	4,870
Amortization of deferred financing costs	(287)	(164)	(946)	(525)
Cash Interest	\$ 4,612	\$ 2,678	\$ 17,497	\$ 6,925
Less: Cash Interest attributable to Delaware Predecessor	(160)	(142)	(813)	(237)
Less: Cash Interest attributable to non-controlling interests	(3)	—	(11)	—
Cash Interest attributable to OMP LP	\$ 4,449	\$ 2,536	\$ 16,673	\$ 6,688

(1) Retrospectively adjusted for transfer of net assets between entities under common control.

Adjusted EBITDA

Adjusted EBITDA is a supplemental non-GAAP financial measure that is used by management and external users of the Partnership's financial statements, such as industry analysts, investors, lenders and rating agencies. The Partnership defines Adjusted EBITDA as earnings before interest expense (net of capitalized interest), income taxes, depreciation, amortization, equity-based compensation expenses and other similar non-cash adjustments. Adjusted EBITDA should not be considered an alternative to net income, net cash provided by operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. Management believes that the presentation of Adjusted EBITDA provides information useful to investors and analysts for assessing the Partnership's results of operations, financial performance and its ability to generate cash from its business operations without regard to its financing methods or capital structure, coupled with the Partnership's ability to maintain compliance with its debt covenants. The GAAP measures most directly comparable to Adjusted EBITDA are net income and net cash provided by operating activities.

Distributable Cash Flow ("DCF")

DCF is a supplemental non-GAAP financial measure that is used by management and external users of the Partnership's financial statements, such as industry analysts, investors, lenders and rating agencies. The Partnership defines DCF as Adjusted EBITDA attributable to the Partnership less Cash Interest attributable to the Partnership and maintenance capital expenditures attributable to the Partnership. Maintenance capital expenditures are cash expenditures (including expenditures for the construction or development of new capital assets or the replacement, improvement or expansion of existing capital assets) made to maintain, over the long term, system operating capacity, operating income or revenue. DCF should not be considered an alternative to net income, net cash provided by operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. Management believes that the presentation of DCF provides information useful to investors and analysts for assessing the Partnership's results of operations, financial performance and ability to generate cash from its business operations without regard to its financing methods or capital structure, coupled with the Partnerships ability to

make distributions to its unitholders. The GAAP measures most directly comparable to DCF are net income and net cash provided by operating activities.

The following table presents reconciliations of the GAAP financial measures of net income and net cash provided by operating activities to the non-GAAP financial measures of Adjusted EBITDA and DCF for the periods presented:

	Three Months Ended December 31,		Year Ended December 31,	
	2019 ⁽¹⁾	2018 ⁽¹⁾	2019 ⁽¹⁾	2018 ⁽¹⁾
	(In thousands)			
Net income	\$ 63,451	\$ 38,954	\$ 215,231	\$ 147,752
Depreciation and amortization	9,533	8,194	36,358	28,409
Equity-based compensation expenses	75	76	378	356
Interest expense, net of capitalized interest	4,627	1,877	17,538	2,580
Adjusted EBITDA	77,686	49,101	269,505	179,097
Less: Adjusted EBITDA attributable to Delaware Predecessor	613	538	5,510	1,585
Less: Adjusted EBITDA attributable to non-controlling interests	27,657	26,504	105,053	108,754
Adjusted EBITDA attributable to OMP LP	49,416	22,059	158,942	68,758
Cash Interest attributable to OMP LP	4,449	2,536	16,673	6,688
Maintenance capital expenditures attributable to OMP LP	1,752	1,036	8,346	2,747
Distributable Cash Flow attributable to OMP LP	\$ 43,215	\$ 18,487	\$ 133,923	\$ 59,323
Net cash provided by operating activities	\$ 76,961	\$ 48,590	\$ 252,539	\$ 206,344
Interest expense, net of capitalized interest	4,627	1,877	17,538	2,580
Changes in working capital	(3,615)	(2,120)	374	(30,346)
Other non-cash adjustments	(287)	754	(946)	519
Adjusted EBITDA	77,686	49,101	269,505	179,097
Less: Adjusted EBITDA attributable to Delaware Predecessor	613	538	5,510	1,585
Less: Adjusted EBITDA attributable to non-controlling interests	27,657	26,504	105,053	108,754
Adjusted EBITDA attributable to OMP LP	49,416	22,059	158,942	68,758
Cash Interest attributable to OMP LP	4,449	2,536	16,673	6,688
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Distributable Cash Flow attributable to OMP LP	\$ 43,215	\$ 18,487	\$ 133,923	\$ 59,323
Distributions Declared				
Limited partners	\$ 18,258	\$ 15,208	\$ 68,106	\$ 49,135
General partner	1,027	112	2,472	112
Total distributions	\$ 19,285	\$ 15,320	\$ 70,578	\$ 49,247
DCF coverage ratio	2.2 x	1.2 x	1.9 x	1.2 x

(1) Retrospectively adjusted for transfer of net assets between entities under common control.