

NuStar Energy L.P. Announces Pricing of Preferred Units

November 27, 2017

SAN ANTONIO--(BUSINESS WIRE)--Nov. 27, 2017-- NuStar Energy L.P. (NYSE: NS) ("NuStar" or the "Partnership") announced today that it has priced an underwritten public offering of 6,000,000 of its 9.00% Series C Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Units (the "Preferred Units") at a price of \$25.00 per unit. The Partnership has granted the underwriters a 30-day option to purchase up to an additional 900,000 Preferred Units from the Partnership at the public offering price less the underwriting discount. Distributions on the Preferred Units will be payable from and including the date of original issue to, but not including, December 15, 2022, at a rate of 9.00% per annum of the stated liquidation preference of \$25.00. On and after December 15, 2022, distributions on the Preferred Units will accumulate at a percentage of the \$25.00 liquidation preference equal to an annual floating rate of three-month LIBOR plus a spread of 6.88%. The offering is expected to close on or about November 30, 2017, subject to customary closing conditions.

NuStar expects to receive aggregate net proceeds from the sale of the Preferred Units of approximately \$144.7 million (assuming no exercise of the option to purchase additional units and after deducting underwriting discounts and commissions and estimated offering expenses). NuStar intends to use the net proceeds of the offering for general partnership purposes, including the funding of future capital expenditures and to repay amounts outstanding under NuStar Logistics, L.P.'s revolving credit agreement.

Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC and RBC Capital Markets, LLC are acting as joint booking-running managers for the offering. B. Riley FBR, Inc., Citigroup Global Markets Inc., Barclays Capital Inc., U.S. Bancorp Investments, Inc., SMBC Nikko Securities America, Inc., DNB Markets, Inc., TD Securities (USA) LLC and BB&T Capital Markets, a division of BB&T Securities, LLC, are acting as co-managers for the offering. A copy of the prospectus supplement and accompanying base prospectus relating to this offering may be obtained from any of the underwriters, including Wells Fargo Securities, LLC, 608 2nd Avenue South, Suite 1000, Minneapolis, Minnesota 55402, Attention: WFS Customer Service, Telephone: (800) 645-3751; Merrill Lynch, Pierce, Fenner & Smith Incorporated, 200 North College Street, NC1-004-03-43, Charlotte, North Carolina 28255, Attention: Prospectus Department, Telephone: (800) 294-1322, Email: dg.prospectus_requests@baml.com; J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179, Attention: Investment Grade Syndicate Desk, 3rd Floor, Telephone: (212) 834-4533; and RBC Capital Markets, LLC, 200 Vesey Street, New York, New York 10281, Attention: DCM Transaction Management, Telephone: (866) 375-6829. You may also obtain these documents for free when they are available by visiting the SEC's website at www.sec.gov.

This news release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. The offering may be made only by means of a prospectus and related prospectus supplement meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

NuStar Energy L.P., a publicly traded master limited partnership based in San Antonio, is one of the largest independent liquids terminal and pipeline operators in the nation. NuStar currently has approximately 9,300 miles of pipeline and 81 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids. NuStar's combined system has approximately 96 million barrels of storage capacity, and NuStar has operations in the United States, Canada, Mexico, the Netherlands, including St. Eustatius in the Caribbean, and the United Kingdom.

Cautionary Statement Regarding Forward-Looking Statements

This press release includes forward-looking statements regarding future events, including the size, timing and results of the offering. All forward-looking statements are based on NuStar's beliefs as well as assumptions made by and information currently available to NuStar. These statements reflect NuStar's current views with respect to future events and are subject to various risks, uncertainties and assumptions. These risks, uncertainties and assumptions are discussed in NuStar's 2016 Annual Report on Form 10-K and subsequent filings with the SEC. NuStar undertakes no obligation to update or revise any forward-looking statement except as may be required by applicable law.

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