



MAGELLAN[®]
MIDSTREAM PARTNERS, L.P.

28

Barclays Capital CEO Energy Conference

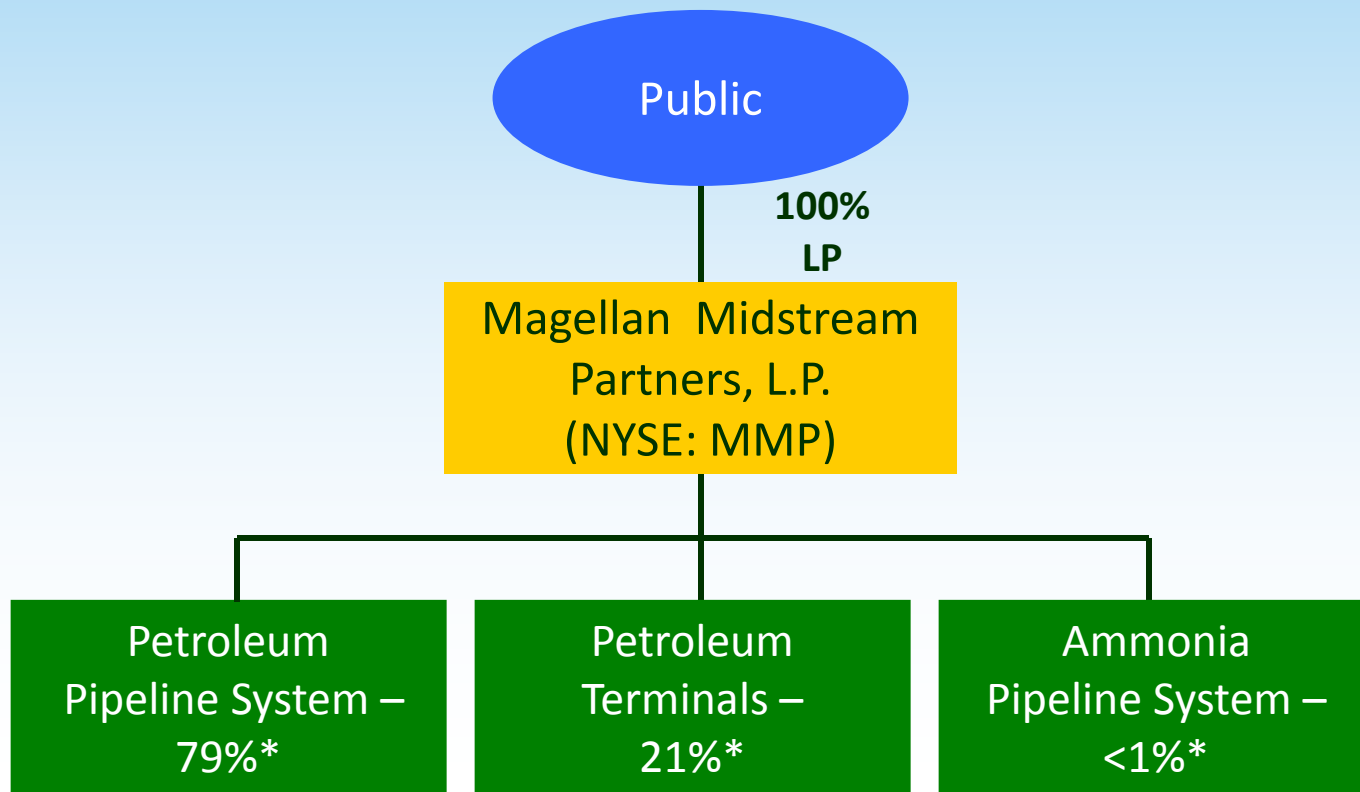
New York
Sept. 2011

This presentation contains forward-looking statements. These statements are based on management's assumptions concerning future performance which we believe are reasonable. Nevertheless, actual outcomes could be materially different. You should make your own assessment as to Magellan's future performance based on risk factors and other information disclosed in our filings with the Securities and Exchange Commission.

Current Structure = Competitive Advantage



- Investment grade master limited partnership (MLP) with no incentive distribution rights
 - Provides MMP a competitive advantage with one of the lowest costs of capital in the MLP space



Petroleum Pipeline System



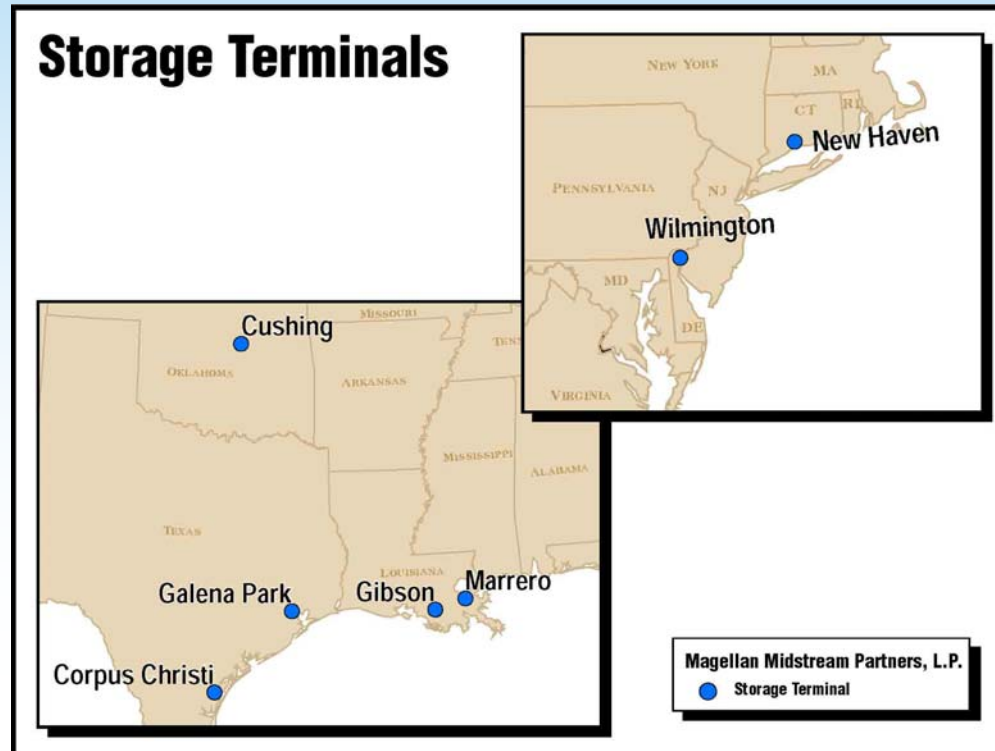
- 9,600-mile common carrier pipeline
 - 50 related pipeline terminals with 37mm barrels of storage
- Transports gasoline, diesel fuel, jet fuel, liquefied petroleum gases and crude oil
- Profit driven by throughput volume and tariffs
 - Tariff increases directly related to Producer Price Index; 7/11 increase = 6.9%
- Customers include merchant refiners, wholesale marketers and end-users



Storage Terminals



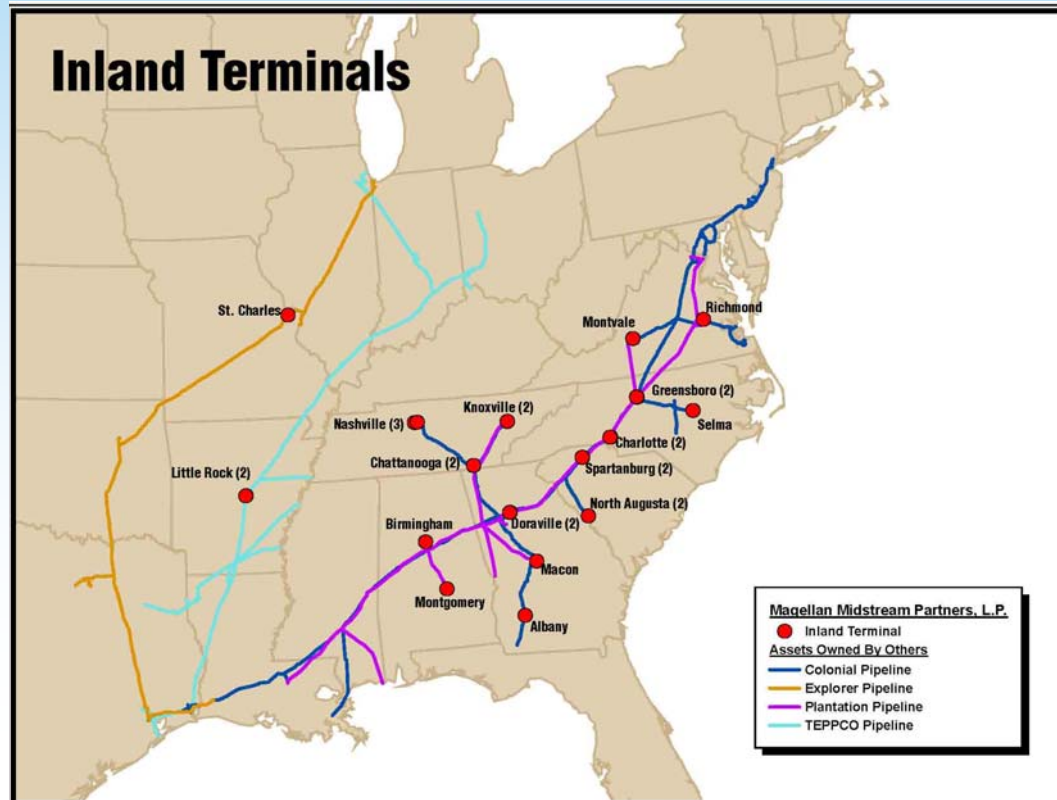
- 7 storage facilities with 35mm barrels of storage
 - including one of the largest crude oil storage positions in Cushing, OK
- Profit driven by storage utilized
- High utilization rates
- Customers include marketers, traders and refiners



Inland Terminals



- 27 inland terminals with 5mm barrels of storage
- Profit driven by volume throughput: '10 throughput of 115mm barrels
- Connected to large third-party pipelines such as Colonial and Plantation
- Customers include retailers, wholesalers and exchange customers

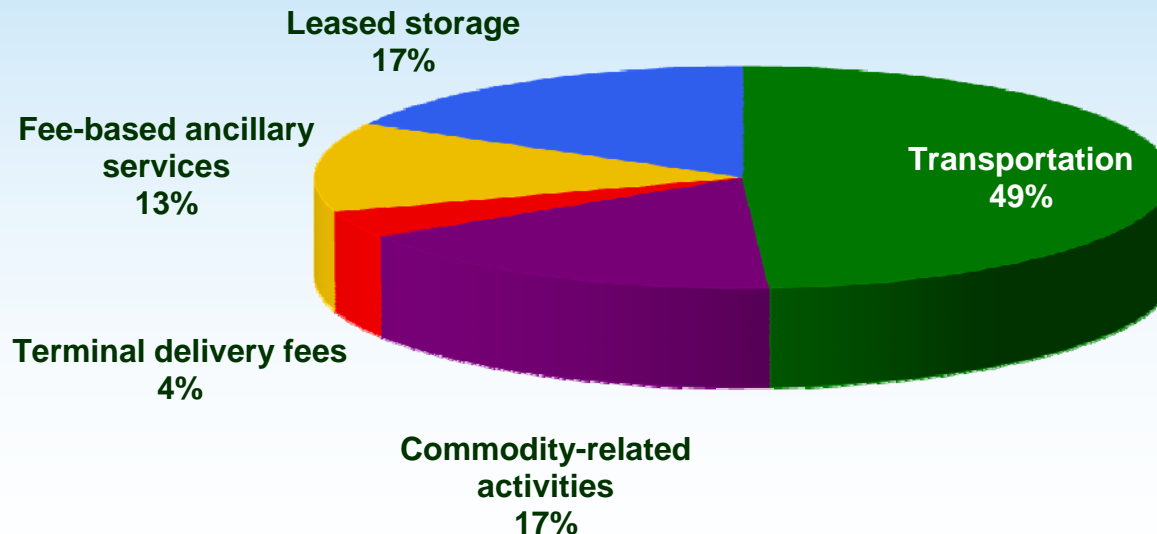


Primarily Fee-Based Business



Expect Future Fee-Based, Lower Risk Activities to Comprise ~85% of Operating Margin

ytd 2Q11 Results*

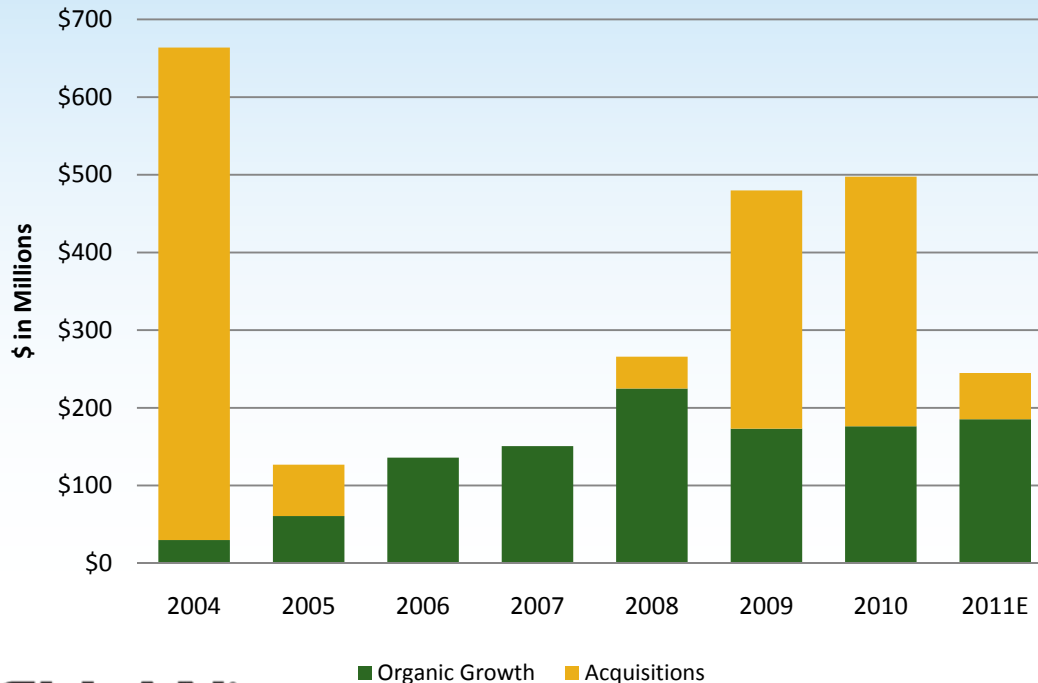


* Operating margin represents operating profit before depreciation & amortization and general & administrative costs; excludes \$7mm of NYMEX adjustments

Acquisitions & Organic Growth Projects



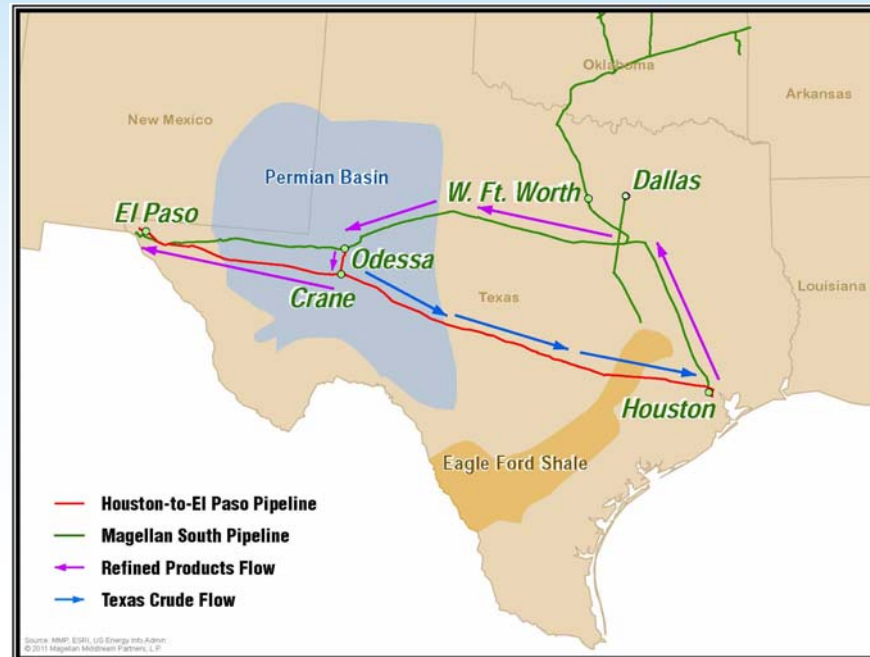
- Over the last seven years, Magellan has invested \$2.3 billion in acquisitions and organic growth projects
- \$575mm of expansion projects currently underway
- Many opportunities exist for continued growth
 - Future acquisitions are difficult to predict but quality assets remain “on the market”
 - Continue to assess >\$500mm of potential expansion projects



Pipeline Reversal and Crude Oil Conversion



- Proceeding with reversal and crude oil conversion of the eastern leg of our Houston-to-El Paso pipeline; western portion to remain in refined products service, delivering up to 65k bpd to El Paso
- Current spending estimate of \$275mm for 135k bpd of crude oil capacity; additional \$80mm to \$150mm to expand to 225k bpd if warranted by additional demand
- Expect reversed crude oil line to be operational by mid-2013



BP Storage and Pipeline Acquisition

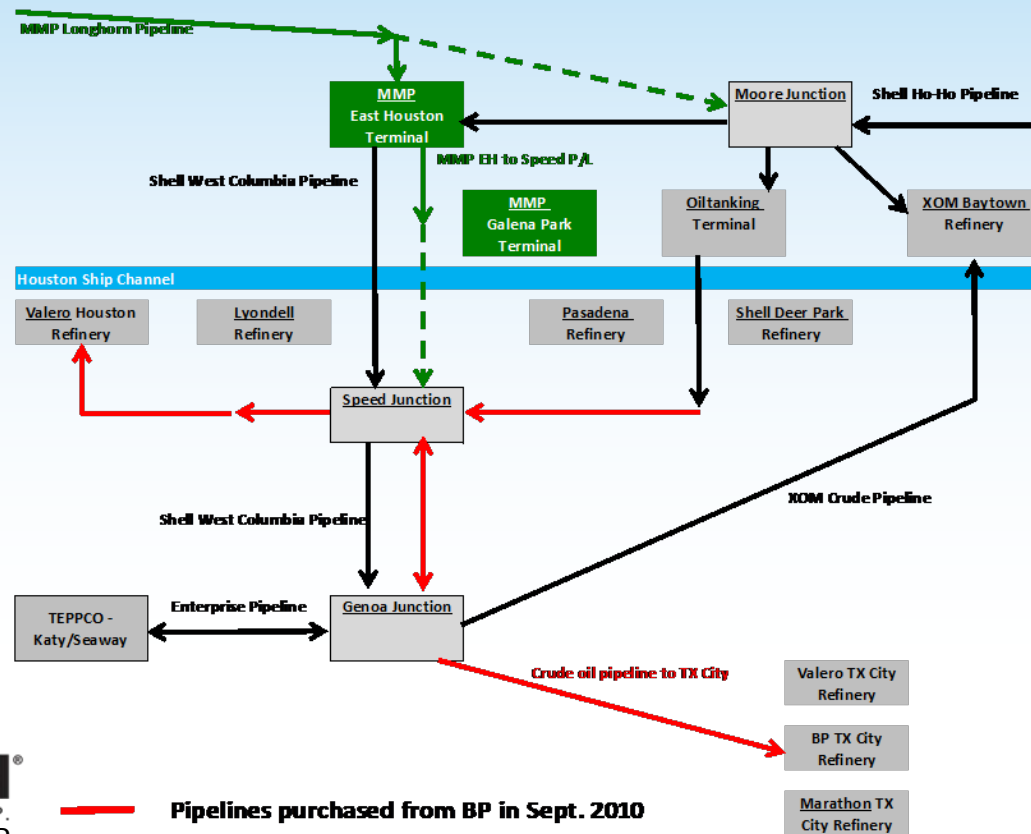


- Acquired 7.8mm bbls of crude oil storage in Cushing, OK, 130+ miles of inactive pipeline in OK and more than 100 miles of active petroleum pipelines in the Houston / TX City area effective Sept. 2010
 - In conjunction with 4.25mm bbls under construction, Magellan is now one of the largest owners of crude oil storage in Cushing
- Results so far have exceeded initial expectations of 9-10x EBITDA
- Exploring opportunities for additional storage and pipeline connectivity

BP Acquisition: Crude Oil Pipelines



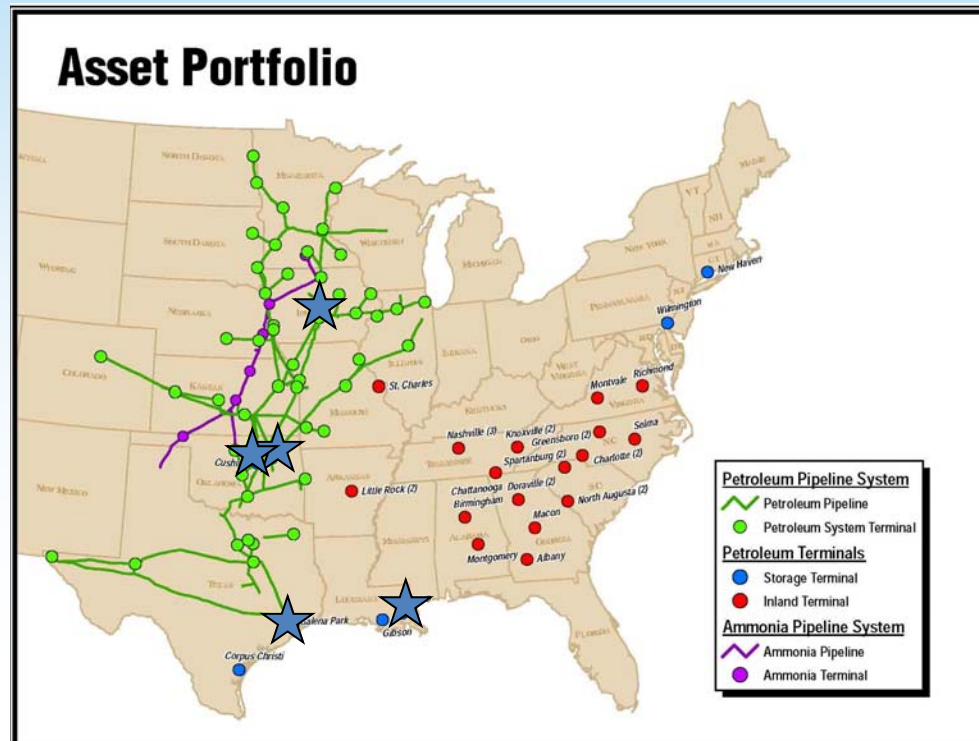
- Nearly 40 miles of crude oil pipelines running between Houston and TX City refining region
- Strategically positioned to be the “last leg” distribution conduit to the refinery gate for growing domestic and Canadian crude oil production
- Currently connected, or potential to connect, to all refineries in region
- Recently completed hydrotest to increase capacity to TX City ~50% to 350k bpd



Additional Storage



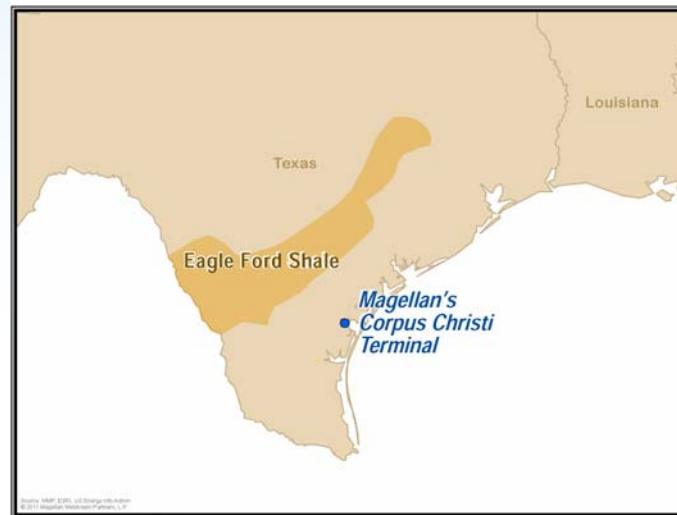
- Continued strong demand for storage
 - 4mm bbls placed into service in 2010
 - 8mm bbls under construction, 5mm of which will be placed into service in '11
 - Largest project includes >4mm bbls of crude oil storage in Cushing
 - Additional storage opportunities being assessed at Cushing, Galena Park and Corpus Christi



Potential Corpus Christi Opportunities



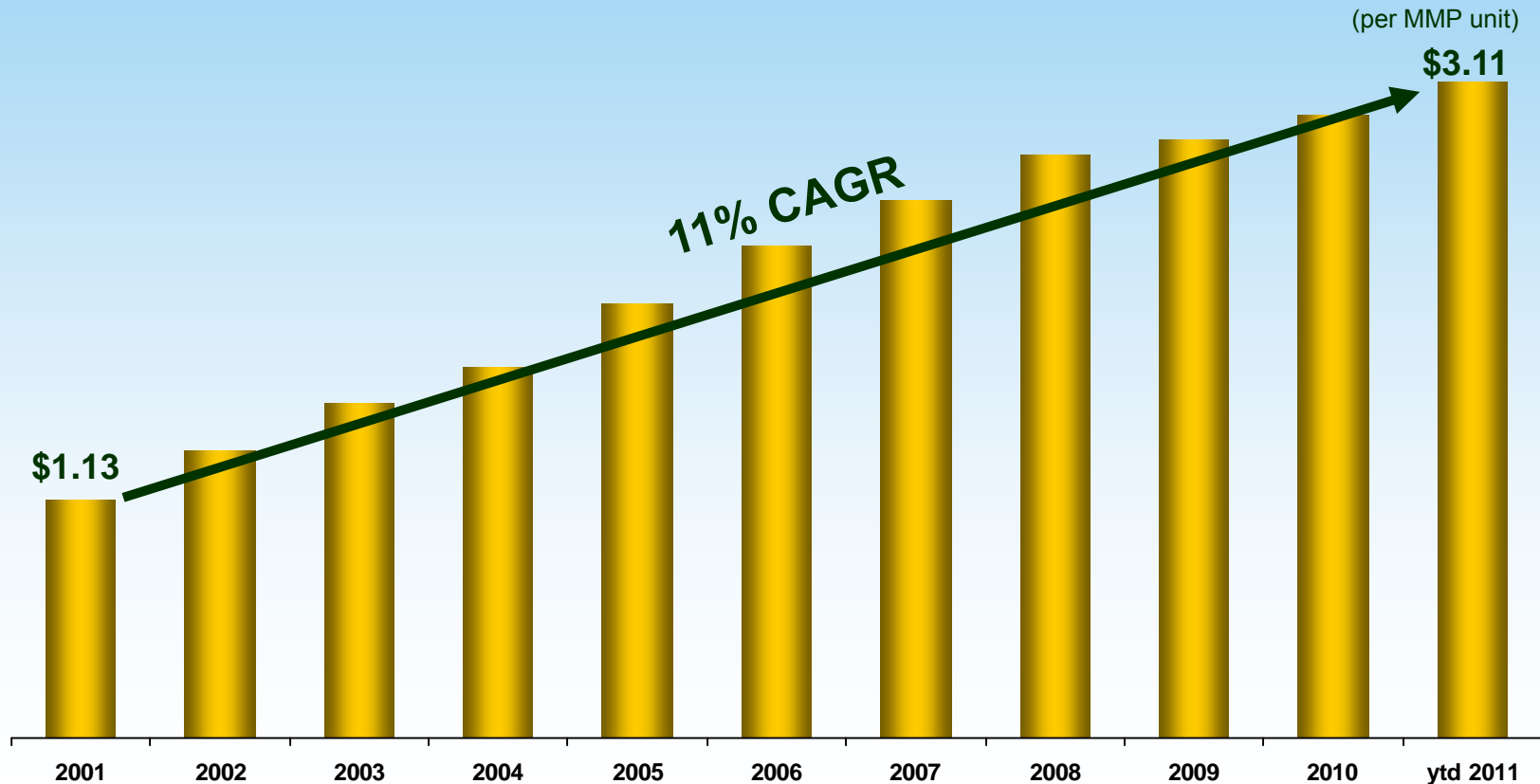
- Magellan's Corpus Christi terminal is ideally situated to be a landing spot for crude oil and condensate coming from the western portion of the Eagle Ford Shale
 - 3mm barrels of storage currently, primarily handling heavy oils and refinery feedstocks
 - Room to build an additional ~3mm barrels
 - Access to 3 local Corpus refineries and dock for export to domestic refineries
- In discussions with a number of parties to determine how our terminal can best fit with potential pipeline opportunities



Distribution Growth Trend



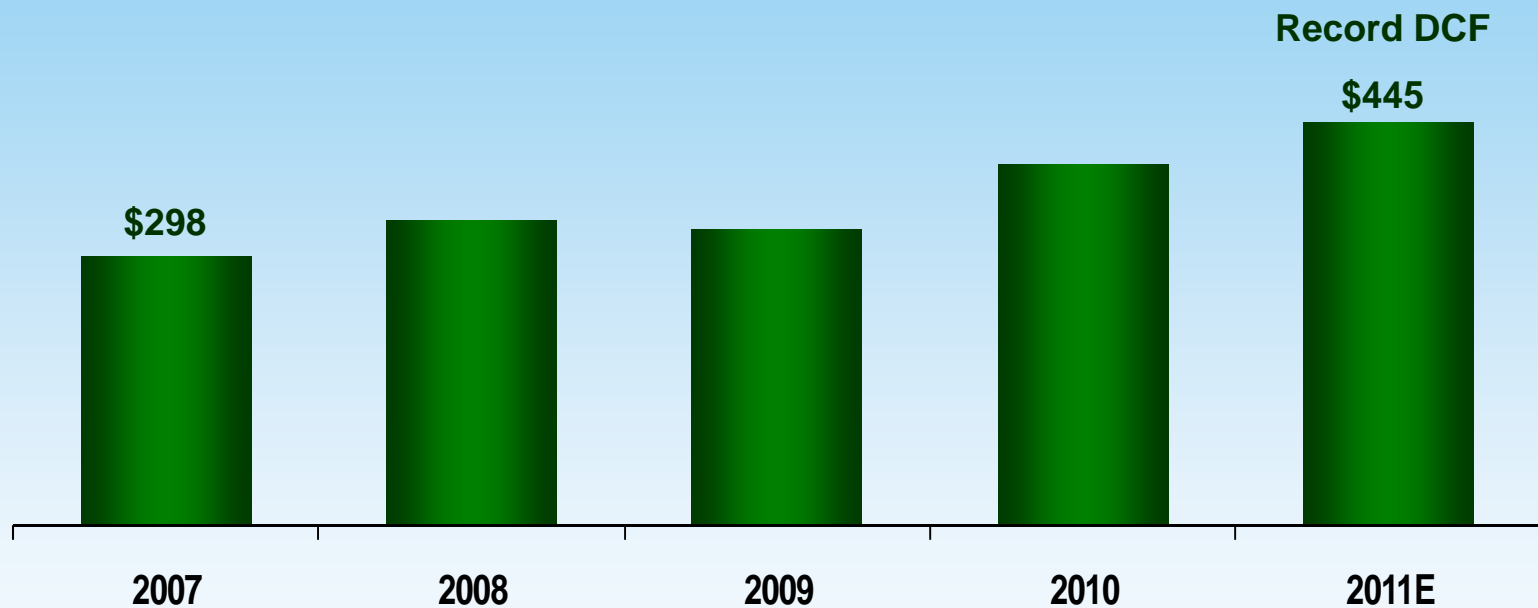
- Proven history of distribution growth with 37 quarterly increases
- Targeting 7% annual distribution growth for 2011



Total Distributable Cash Flow



(\$ in millions)



Coverage: 1.2x

1.2x

1.1x

1.2x

1.2x
(assumes 7%
distrib growth)