NYSE: **MMP**

MAGELLAN®
MIDSTREAM PARTNERS, L.P.
Moving What Moves America®

RBC Capital Markets Midstream Conference

Dallas

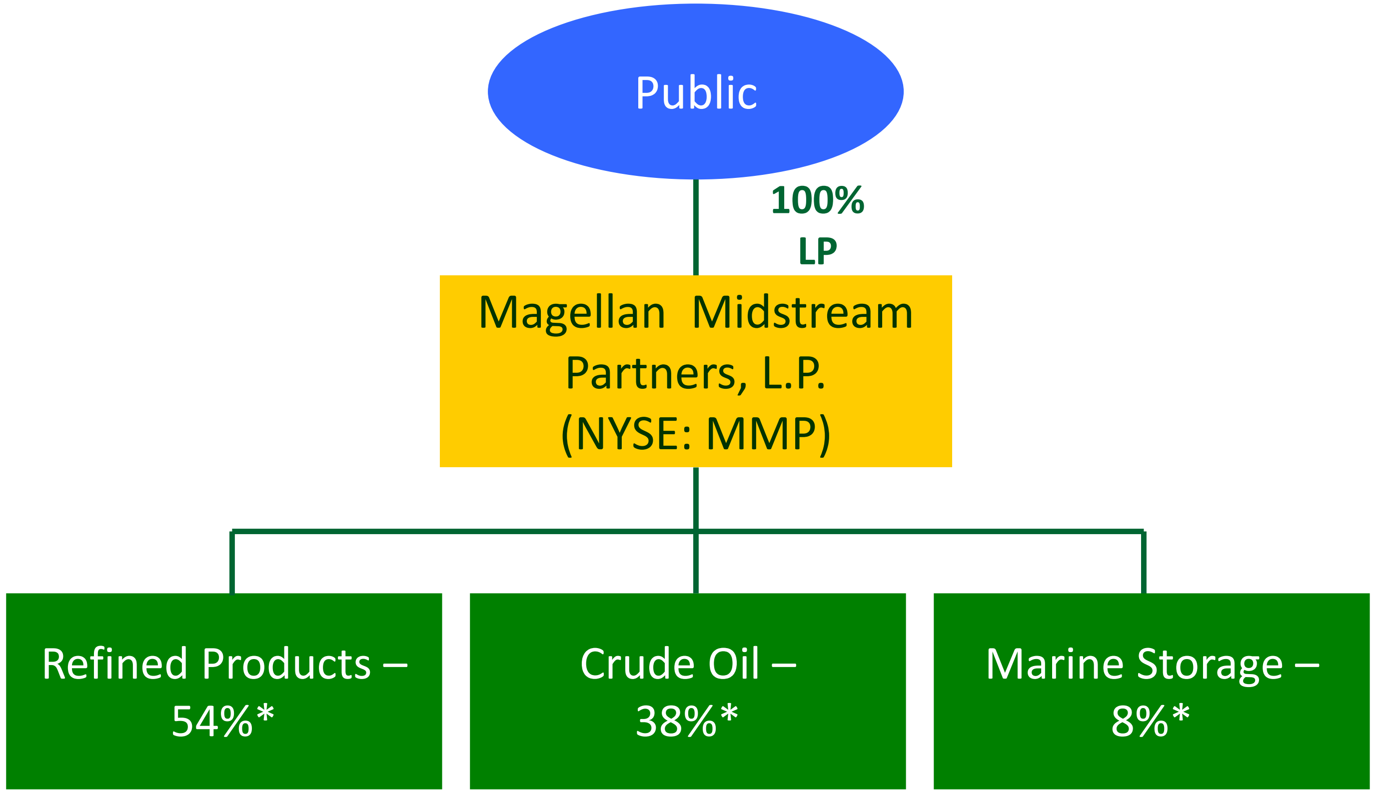
Nov. 13, 2018

Forward-Looking Statements

Portions of this document constitute forward-looking statements as defined by federal law. Although management believes any such statements are based on reasonable assumptions, actual outcomes could be materially different. Among the key risk factors that may have a direct impact on the partnership's results of operations and financial condition are: (1) its ability to identify growth projects and to complete identified projects on time and at expected costs; (2) price fluctuations and changes in demand for refined petroleum products, crude oil and natural gas liquids, or changes in demand for transportation, storage, blending or processing of those commodities through its existing or planned facilities; (3) changes in the partnership's tariff rates or other terms as required by state or federal regulatory authorities; (4) shut-downs or cutbacks at refineries or other businesses that use or supply the partnership's services; (5) changes in the throughput or interruption in service on pipelines or other facilities owned and operated by third parties and connected to the partnership's terminals, pipelines or other facilities; (6) the occurrence of operational hazards or unforeseen interruptions; (7) the treatment of the partnership as a corporation for federal or state income tax purposes or the partnership becoming subject to significant forms of other taxation; (8) an increase in the competition the partnership's operations encounter; (9) disruption in the debt and equity markets that negatively impacts the partnership's ability to finance its capital spending and (10) failure of customers to meet or continue contractual obligations to the partnership. Additional information about issues that could lead to material changes in performance is contained in the partnership's filings with the Securities and Exchange Commission, including the partnership's Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2017 and subsequent reports on Forms 8-K and 10-Q. You are urged to carefully review and consider the cautionary statements and other disclosures made in those filings, especially under the heading "Risk Factors." Forward-looking statements made by the partnership in this presentation are based only on information currently known, and the partnership undertakes no obligation to revise its forward-looking statements to reflect events or circumstances learned of or occurring after today's date.

Straight-Forward Business Model

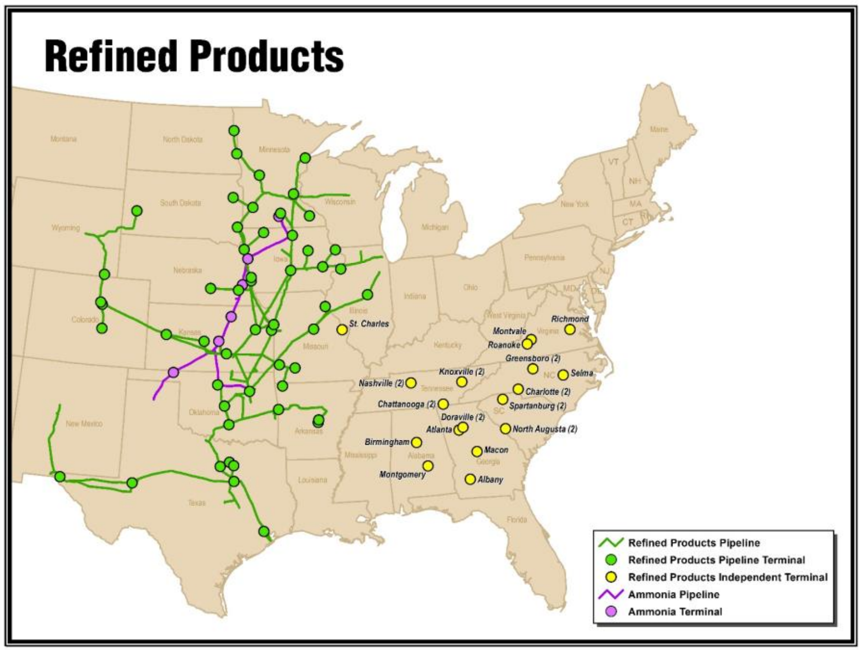
- Investment grade MLP with no incentive distribution rights
  - Provides MMP a simple organizational structure and one of the lowest costs of capital in the MLP space
  - Solid governance, including independent board elected by limited partners



* Percentage of ytd 3q18 operating margin

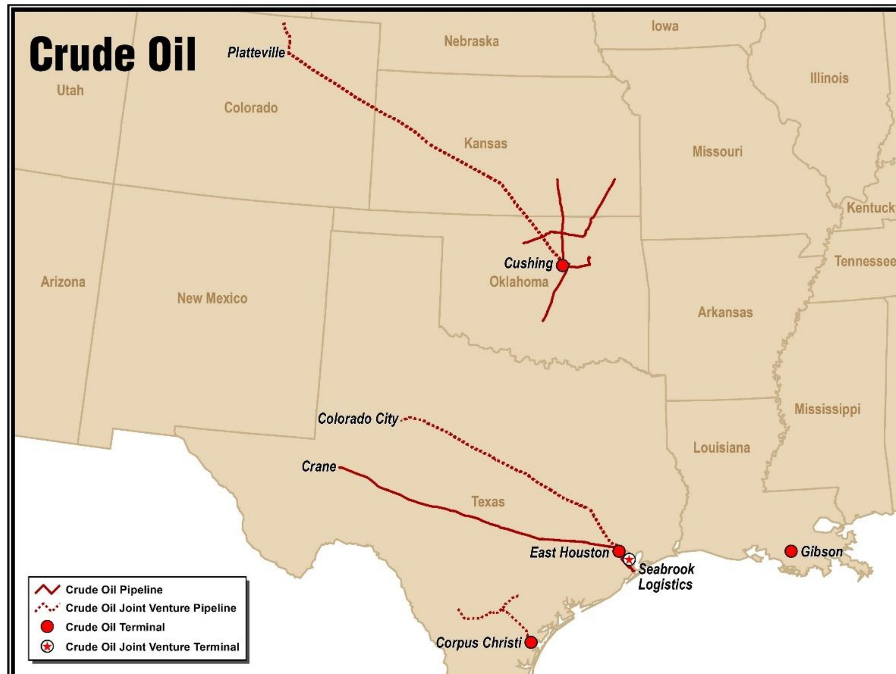
Refined Products

- Longest refined petroleum products pipeline system in the U.S., primarily transporting gasoline and diesel fuel, with 9,700 miles, 53 terminals and 44mm barrels of storage
- Profit driven by throughput volume and tariffs
  - Tariff changes related to Producer Price Index; average 2% tariff increase in mid-2016 and mid-2017; increased by 4.4% on July 1, 2018
- Strong competitive position and stable business platform due to breadth of system (can access nearly 50% of refining capacity) and independent service provider model



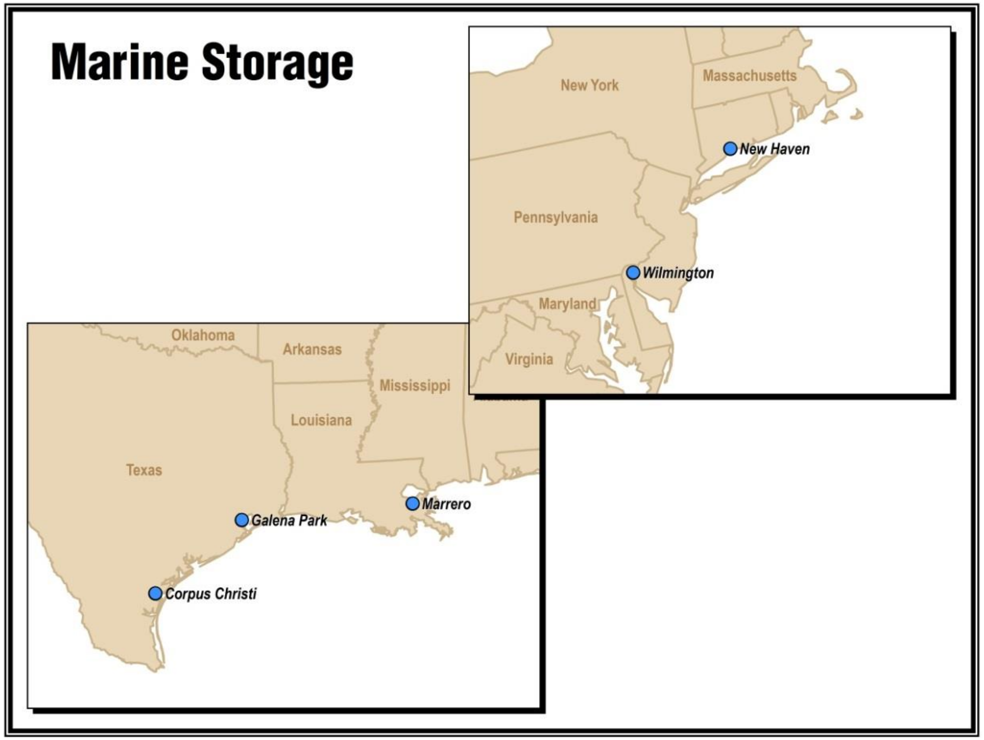
Crude Oil Segment Map

- 2,200 miles of crude oil pipelines, substantially backed by long-term throughput commitments
- 33mm barrels of total crude oil storage, including 21mm barrels used for contract storage
  - One of the largest storage providers in Cushing, OK and growing Gulf Coast storage presence



Marine Storage Segment Map

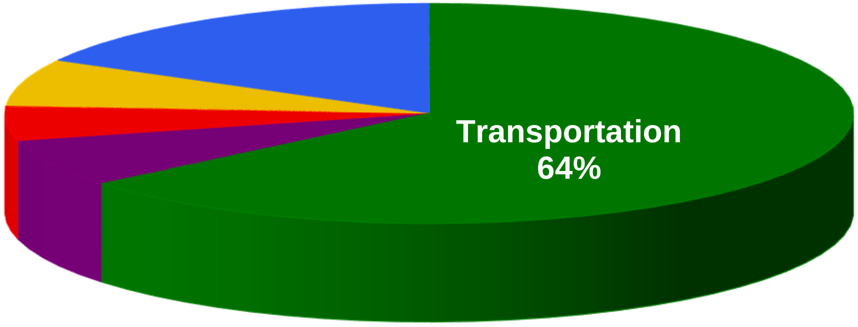
- 5 storage facilities with 26mm barrels of aggregate storage and 1.4mm bpd of dock capacity
- Utilization rates historically greater than 90%
- Demand due to market structure, pricing volatility and connectivity



Primarily Fee-Based Business

Expect Future Fee-Based, Low Risk Activities to Comprise 85%+ of Operating Margin

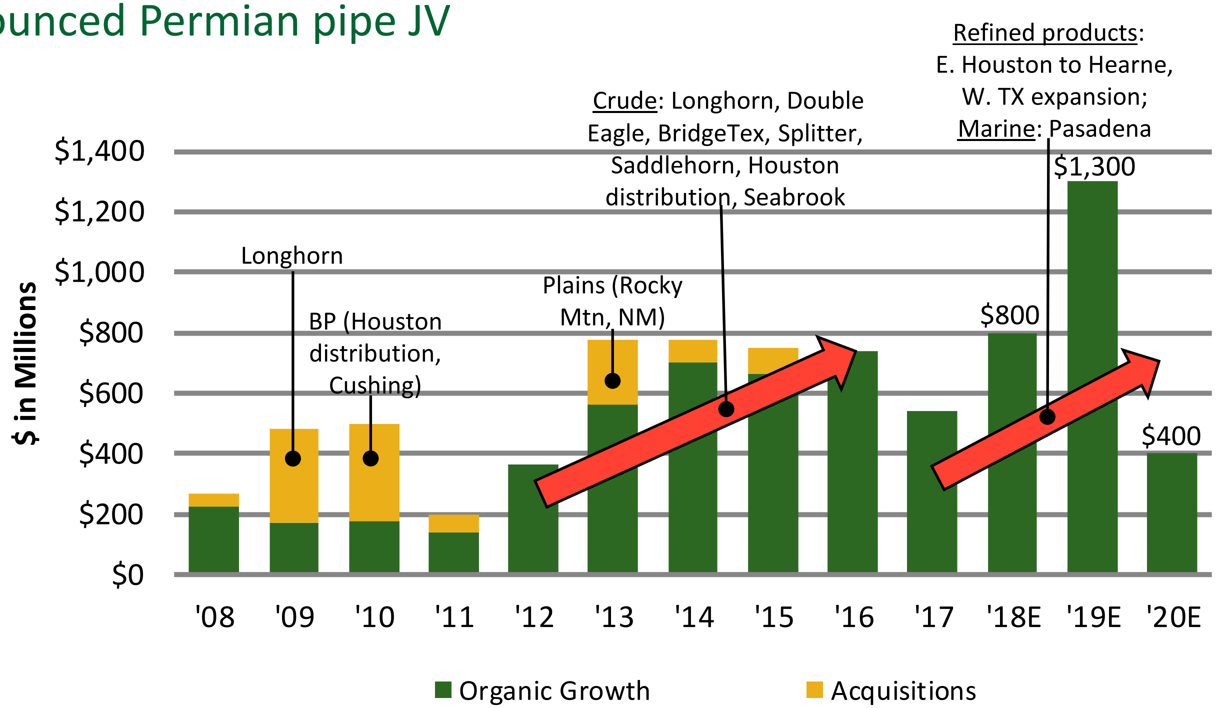
ytd 3q18 Results*



* Operating margin represents operating profit before depreciation & amortization and general & administrative costs; excludes unrealized mark-to-market and other commodity-related adjustments

Growth in Expansion Capital Spending

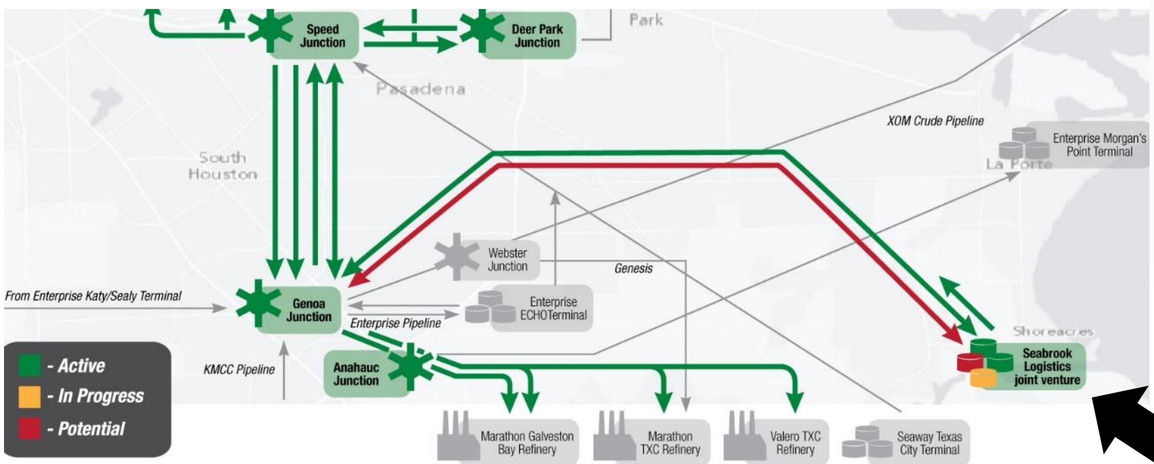
- Over the last 10 years, Magellan has invested $5.4 billion in organic growth projects and acquisitions
  - Historically made a few strategic acquisitions that served as platforms for future growth
  - Organic growth projects increased dramatically in recent past, related to the development of our crude oil segment
- Expect to spend $2.5 billion in ‘18-’20 on construction projects currently underway, primarily related to our refined products and marine storage segments + recently-announced Permian pipe JV



+ >$500mm of potential growth projects

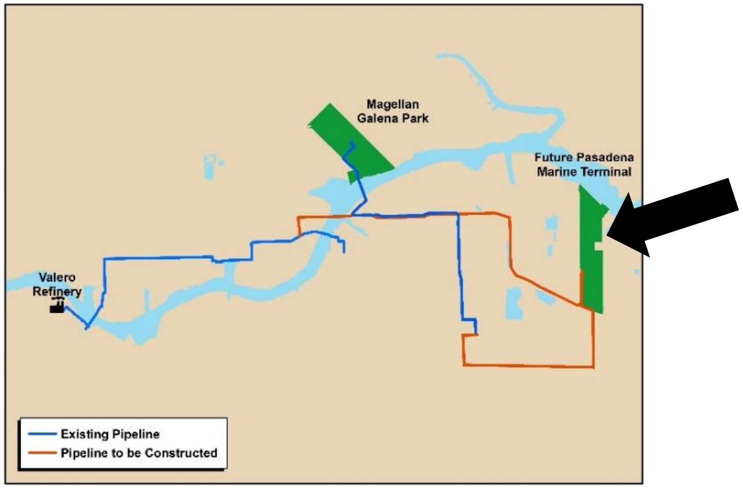
Seabrook Logistics = Crude Export Solution

- 50/50 joint venture with LBC Tank Terminals
  - Currently operational: 2.4mm bbls of crude oil storage, Aframax dock with 300k bpd capacity + connectivity to MMP's Houston crude oil distribution system
  - Recently launched: another 700k bbls of crude oil storage and Suezmax dock with 400k bpd capacity to be operational late 2019; MMP share of spend $60mm
  - Potential opportunity for nearly 2.5mm more bbls of storage and second pipeline connection to MMP's Houston crude oil pipeline system



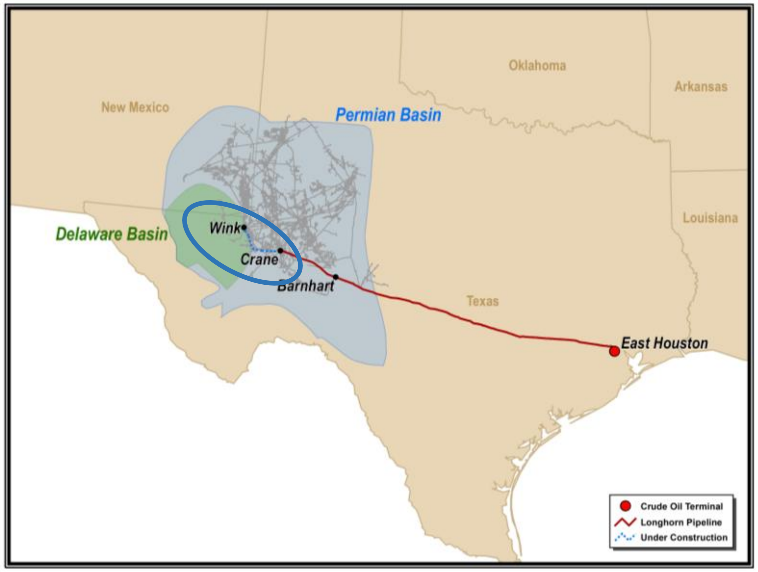
Pasadena Marine Terminal Joint Venture

- 50/50 joint venture with Valero Energy to construct new marine terminal on 200 acres in Pasadena, TX
  - Phase 1: 1mm bbls of storage and a Panamax-capable dock; expect to be operational by Jan. 2019
  - Phase 2: 4mm bbls of storage, 3-bay truck rack, Aframax-capable dock and connectivity to Valero’s refineries in Houston and TX City; expect to be operational by Jan. 2020
- $410mm for MMP’s share of capital spend for initial 2 phases, fully committed by long-term customer contracts with a 9x EBITDA multiple expected
- Facility could be doubled in size to include up to 10mm bbls of storage and 5 docks, representing total potential MMP investment of ~$700mm at 8x EBITDA multiple



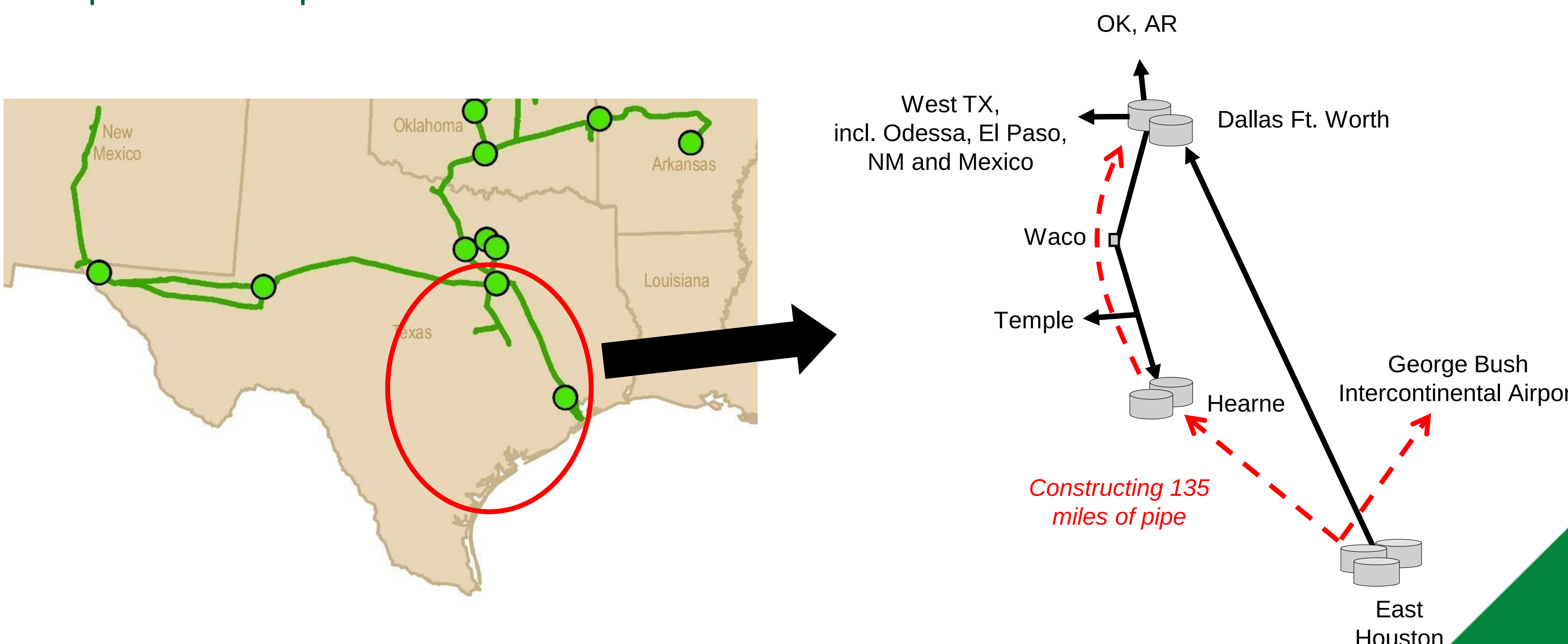
Delaware Basin Crude Oil Pipeline

- Constructing 60-mile, 24-inch crude oil and condensate pipeline between Wink and Crane, Texas with capacity up to 600k bpd
- Pipe ordered and expected to arrive this month, construction to begin by year-end
- Continue to evaluate optimization of this project through a joint venture or undivided joint interest arrangement
- MMP’s current spending estimates remain $150mm, pending outcome of optimization efforts
- In-service date of mid-2019 still expected



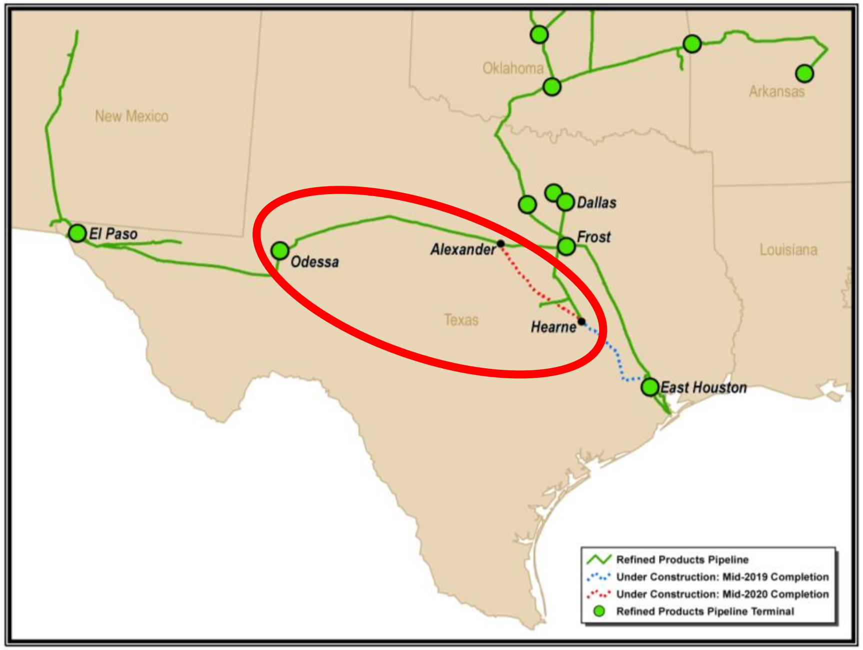
East Houston-to-Hearne Pipeline

- Constructing 135-mile, 20-inch refined petroleum products pipeline from East Houston to Hearne, Texas
- Provides incremental 85k bpd of capacity, or nearly 50% increase to service Magellan’s Texas, Midcontinent and Little Rock markets
- $425mm capital spend supported by long-term customer commitments with an 8x EBITDA multiple expected
- Expect to be operational mid-2019



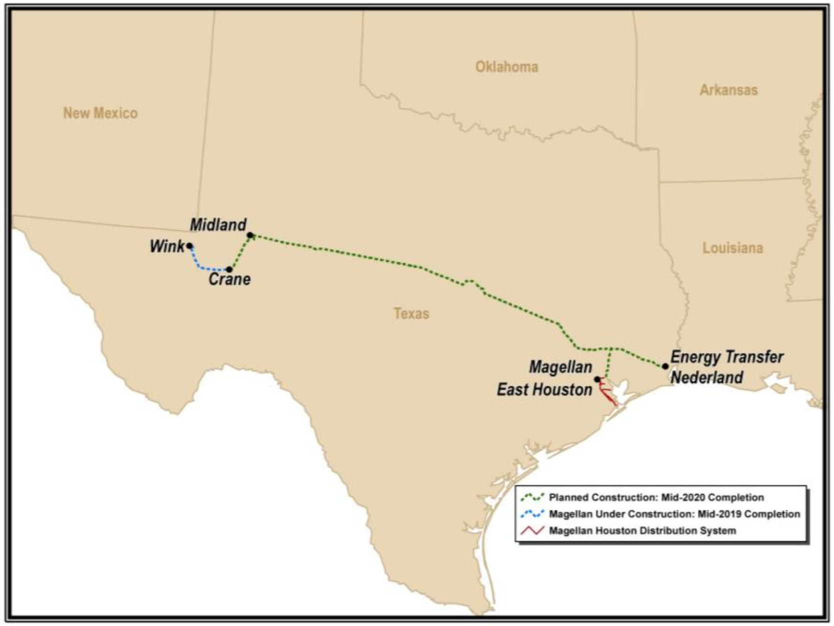
West Texas Refined Products Pipeline Expansion

- Expanding capacity of western leg of Texas refined products pipeline system from current 100k bpd to 175k bpd, supported by long-term customer commitments
- Construction of 140-mile, 20-inch pipe from Hearne to Alexander also provides strategic advantage of added capacity into Dallas-Fort Worth area
- $500mm capital spend with a 7x EBITDA multiple expected on committed volume, with meaningful upside potential
- Expect to be operational mid-2020



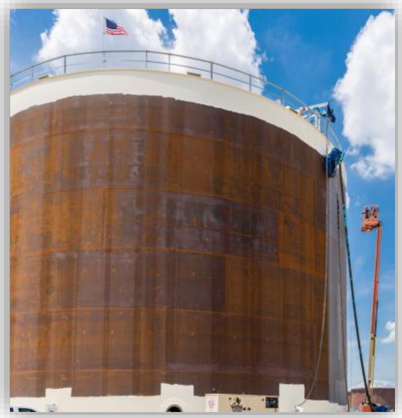
Permian Gulf Coast Crude Oil Pipeline Joint Venture

- JV to be owned by Energy Transfer, Magellan, MPLX and Delek US
- Sufficient commitments to proceed with construction of new 600-mile, 30-inch pipe to transport crude oil from the Permian Basin to the Texas Gulf Coast region, including both ET's Nederland terminal and MMP's East Houston terminal, for ultimate delivery through MMP's Houston distribution system
- Ability to increase pipe diameter if warranted by additional commitments
- Expect to be operational mid-2020



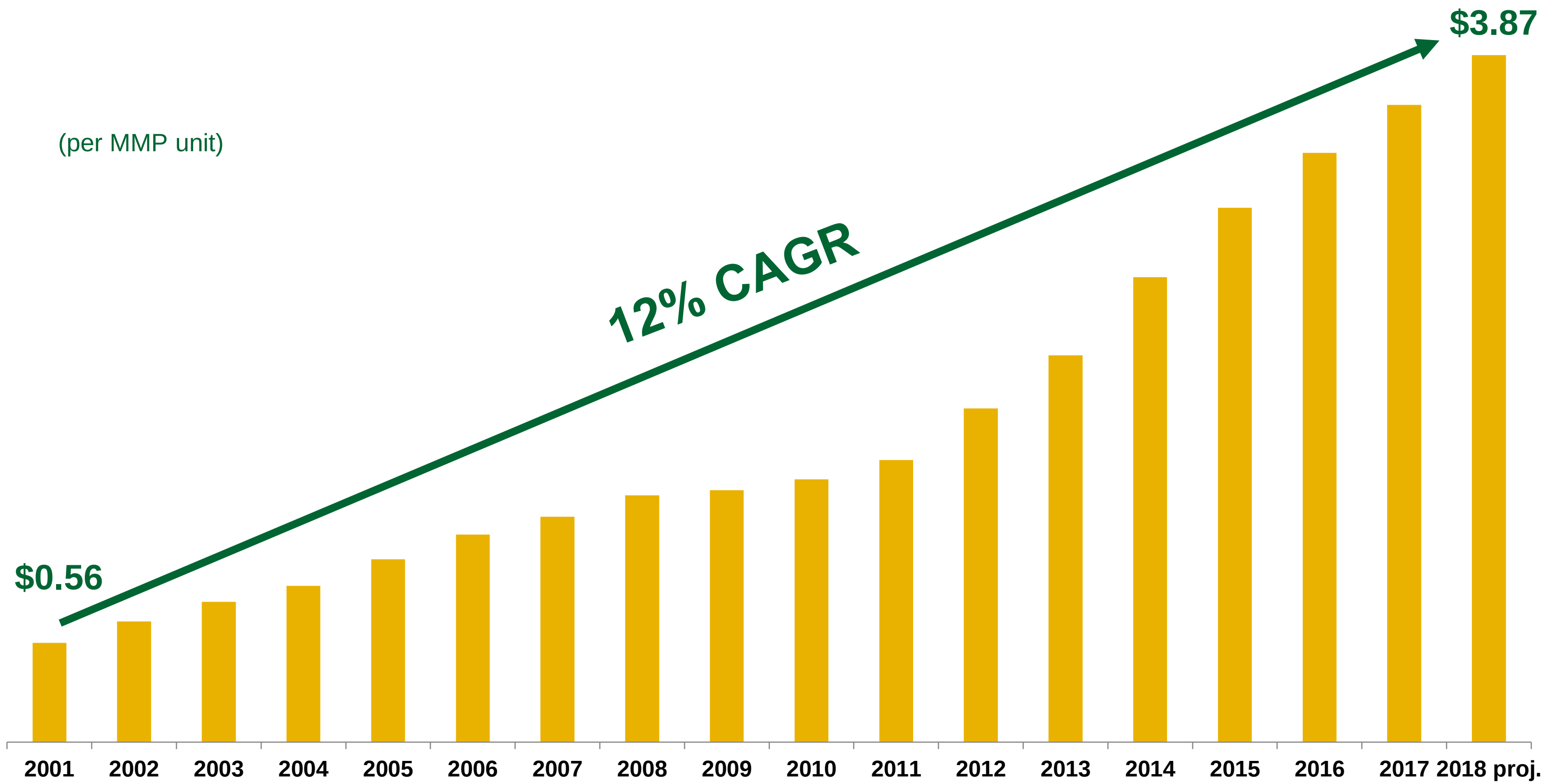
Potential Expansion Projects

- Magellan has continually been able to keep its potential growth project list <u>well in excess</u> of $500mm even as projects are completed and placed into service
  - Healthy mix of refined products and crude oil opportunities
  - Stated goal to increase marine infrastructure capabilities, including further expansion of Pasadena marine terminal and Seabrook Logistics joint ventures
  - Considering new refined products and crude oil investments in Texas, including additional pipeline, storage and export capabilities
  - Targeting 6-8x EBITDA multiple but will consider higher multiples for strategic value creation



Distribution Growth Trend

- Proven history of distribution growth
- Targeting approx. 8% annual distribution growth for 2018 with 1.2x+ coverage
- Going forward, plan to manage distribution growth consistent with DCF growth projections of 5%-8% per year for 2019 and 2020 with 1.2x coverage



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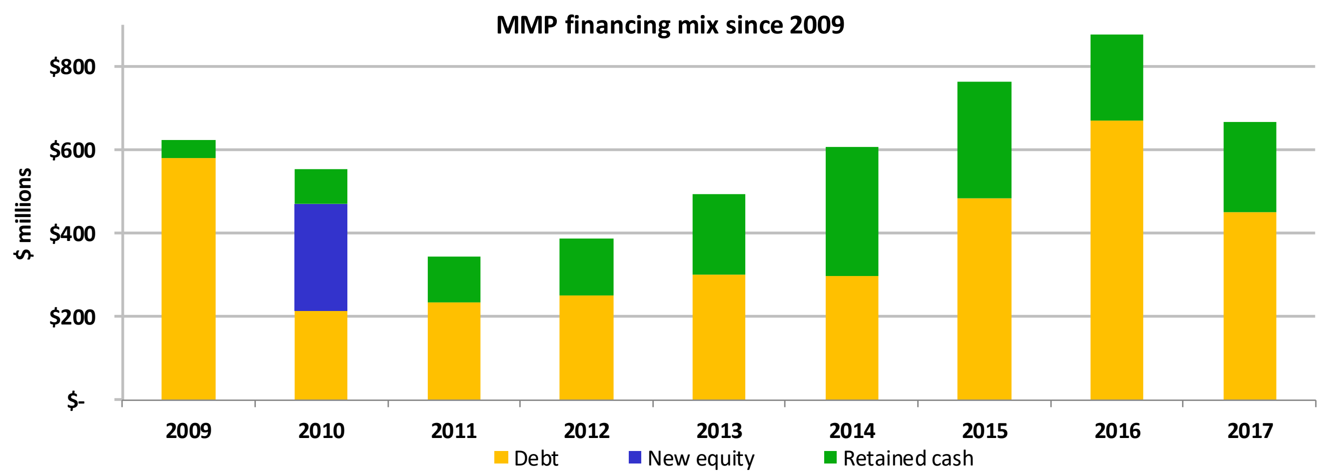
Credit Profile Remains Strong

- Committed to maintaining solid balance sheet
  - One of the highest-rated MLPs at BBB+ / Baa1
- Long-standing target maximum leverage ratio of ≤ 4x (below 3x at 9/30/18)
  - Consistent with rating agencies’ expectations at current ratings
- Magellan has limited its dependence on public equity markets
  - Despite $5.4 billion of expansion capital spending over last 10 years, MMP has issued only $260mm of equity in one deal back in 2010
  - No equity issuances anticipated to fund currently underway growth projects
  - Significant liquidity with $1 billion credit facility and commercial paper program



Keys to Magellan's Proven Track Record and Future Performance

- Stability of underlying businesses
- Continuing to grow fee-based activities, managing for the long term through various business cycles
- Disciplined and opportunistic investments, focused on risk-adjusted value creation
- Consistent and disciplined financial policy