



Marathon
Petroleum Corporation

MARATHON

Second-Quarter 2017 Earnings Conference Call and Webcast

as revised on August 3, 2017

Forward-Looking Statements



This presentation contains forward-looking statements within the meaning of federal securities laws regarding Marathon Petroleum Corporation (“MPC”) and MPLX LP (“MPLX”). These forward-looking statements relate to, among other things, expectations, estimates and projections concerning the business and operations of MPC and MPLX, including proposed strategic initiatives. You can identify forward-looking statements by words such as “anticipate,” “believe,” “design,” “estimate,” “expect,” “forecast,” “goal,” “guidance,” “imply,” “intend,” “objective,” “opportunity,” “outlook,” “plan,” “position,” “pursue,” “prospective,” “predict,” “project,” “potential,” “seek,” “strategy,” “target,” “could,” “may,” “should,” “would,” “will” or other similar expressions that convey the uncertainty of future events or outcomes. Such forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the companies’ control and are difficult to predict. Factors that could cause MPC’s actual results to differ materially from those implied in the forward-looking statements include: the time, costs and ability to obtain regulatory or other approvals and consents and otherwise consummate the strategic initiatives discussed herein; the satisfaction or waiver of conditions in the agreements governing the strategic initiatives discussed herein; our ability to achieve the strategic and other objectives related to the strategic initiatives discussed herein; adverse changes in laws including with respect to tax and regulatory matters; inability to agree with the MPLX conflicts committee with respect to the timing of and value attributed to assets identified for dropdown; changes to the expected construction costs and timing of projects; continued/further volatility in and/or degradation of market and industry conditions; the availability and pricing of crude oil and other feedstocks; slower growth in domestic and Canadian crude supply; the effects of the lifting of the U.S. crude oil export ban; completion of pipeline capacity to areas outside the U.S. Midwest; consumer demand for refined products; transportation logistics; the reliability of processing units and other equipment; MPC’s ability to successfully implement growth opportunities; modifications to MPLX earnings and distribution growth objectives, and other risks described below with respect to MPLX; compliance with federal and state environmental, economic, health and safety, energy and other policies and regulations, including the cost of compliance with the Renewable Fuel Standard, and/or enforcement actions initiated thereunder; adverse results in litigation; changes to MPC’s capital budget; other risk factors inherent to MPC’s industry; and the factors set forth under the heading “Risk Factors” in MPC’s Annual Report on Form 10-K for the year ended Dec. 31, 2016, filed with Securities and Exchange Commission (SEC). Factors that could cause MPLX’s actual results to differ materially from those implied in the forward-looking statements include: negative capital market conditions, including an increase of the current yield on common units, adversely affecting MPLX’s ability to meet its distribution growth guidance; the time, costs and ability to obtain regulatory or other approvals and consents and otherwise consummate the strategic initiatives discussed herein and other proposed transactions; the satisfaction or waiver of conditions in the agreements governing the strategic initiatives discussed herein and other proposed transactions; our ability to achieve the strategic and other objectives related to the strategic initiatives discussed herein and other proposed transactions; adverse changes in laws including with respect to tax and regulatory matters; inability to agree with respect to the timing of and value attributed to assets identified for dropdown; the adequacy of MPLX’s capital resources and liquidity, including, but not limited to, availability of sufficient cash flow to pay distributions, and the ability to successfully execute its business plans and growth strategy; the timing and extent of changes in commodity prices and demand for crude oil, refined products, feedstocks or other hydrocarbon-based products; continued/further volatility in and/or degradation of market and industry conditions; changes to the expected construction costs and timing of projects; completion of midstream infrastructure by competitors; disruptions due to equipment interruption or failure, including electrical shortages and power grid failures; the suspension, reduction or termination of MPC’s obligations under MPLX’s commercial agreements; modifications to earnings and distribution growth objectives; the level of support from MPC, including dropdowns, alternative financing arrangements, taking equity units, and other methods of sponsor support, as a result of the capital allocation needs of the enterprise as a whole and its ability to provide support on commercially reasonable terms; compliance with federal and state environmental, economic, health and safety, energy and other policies and regulations and/or enforcement actions initiated thereunder; adverse results in litigation; changes to MPLX’s capital budget; other risk factors inherent to MPLX’s industry; and the factors set forth under the heading “Risk Factors” in MPLX’s Annual Report on Form 10-K for the year ended Dec. 31, 2016, filed with the SEC. In addition, the forward-looking statements included herein could be affected by general domestic and international economic and political conditions. Unpredictable or unknown factors not discussed here, in MPC’s Form 10-K or in MPLX’s Form 10-K could also have material adverse effects on forward-looking statements. Copies of MPC’s Form 10-K are available on the SEC website, MPC’s website at <http://ir.marathonpetroleum.com> or by contacting MPC’s Investor Relations office. Copies of MPLX’s Form 10-K are available on the SEC website, MPLX’s website at <http://ir.mplx.com> or by contacting MPLX’s Investor Relations office.

Non-GAAP Financial Measures

Adjusted EBITDA and cash provided from operations before changes in working capital are non-GAAP financial measures provided in this presentation. Adjusted EBITDA and cash provided from operations before changes in working capital reconciliations to the nearest GAAP financial measures are included in the Appendix to this presentation. Adjusted EBITDA and cash provided from operations before changes in working capital are not defined by GAAP and should not be considered in isolation or as an alternative to net income attributable to MPC, net cash provided by (used in) operating, investing and financing activities or other financial measures prepared in accordance with GAAP.

Recent Changes to Executive Team



- Don Templin named President of MPC effective July 1



- Mike Hennigan appointed President of MPLX effective June 20

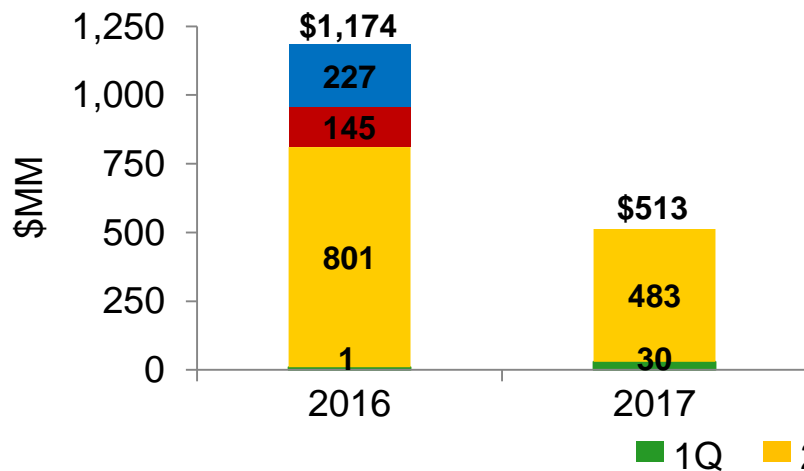
- Continuing execution of strategic actions, including next dropdown targeted in third quarter of 2017
- Reported second-quarter earnings of \$483 million, or \$0.93 per diluted share
 - Includes a net charge of \$0.08 per diluted share related to estimated losses for litigation settlement partially offset by Sandpiper asset liquidation gains
- Achieved record second-quarter segment income at Speedway
- Increased quarterly dividend by 11 percent, to \$0.40 per share
- Returned \$936 million of capital to shareholders, including \$750 million in share repurchases

2Q 2017 Earnings*

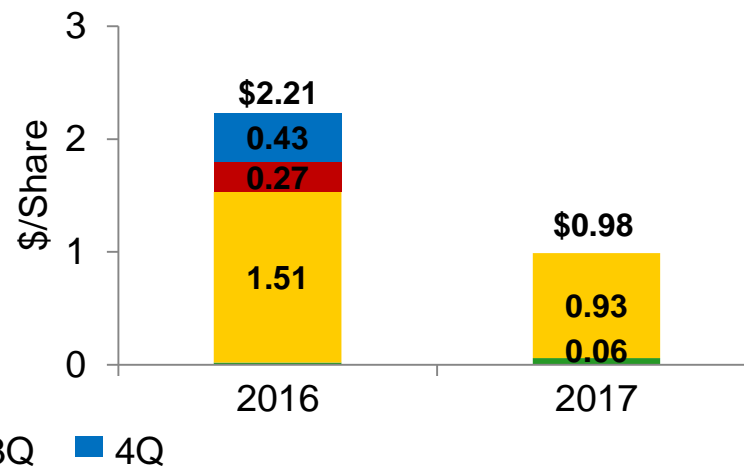


	2Q 2017	2Q 2016
Earnings*	\$483 MM	\$801 MM
Earnings per Diluted Share	\$0.93	\$1.51

Earnings*



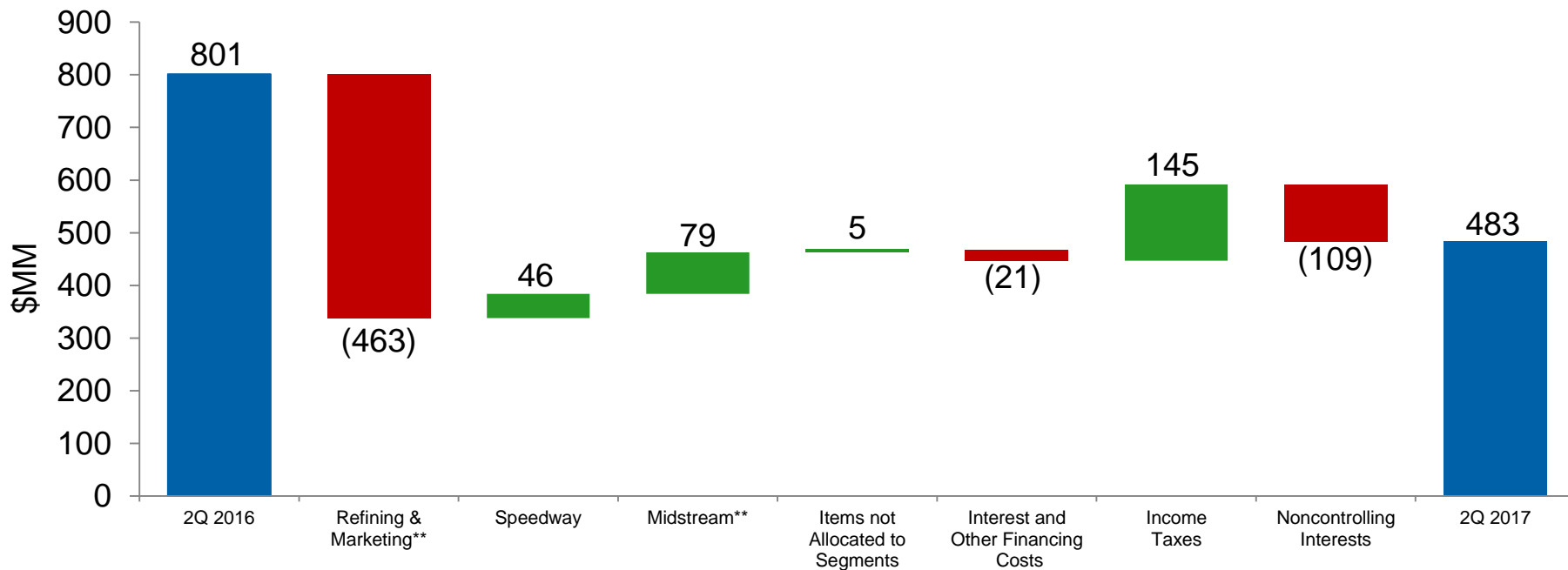
Earnings per Diluted Share



*Earnings refer to Net Income attributable to MPC. Earnings include pretax charges of \$21 MM, \$267 MM, \$90 MM and \$129 MM in 2Q 2017, 3Q 2016, 2Q 2016 and 1Q 2016, respectively, related to items not allocated to segment results. Earnings also include pretax lower-of-cost or market inventory benefits / (charges) of \$385 MM and (\$15) MM in 2Q 2016 and 1Q 2016, respectively.

Earnings*

2Q 2017 vs. 2Q 2016 Variance Analysis

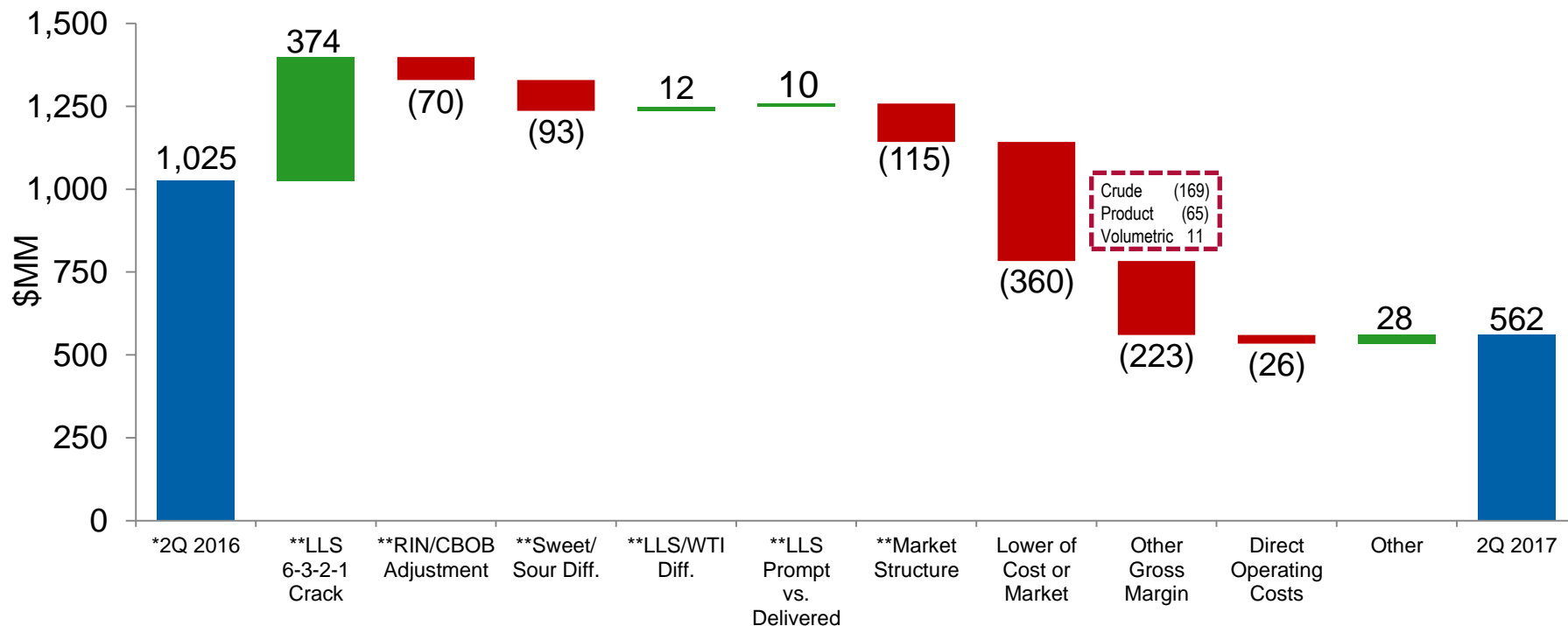


*Earnings refer to Net Income attributable to MPC.

**In the first quarter of 2017, segment reporting was revised in connection with the contribution of certain terminal, pipeline and storage assets to MPLX. The results related to these assets are now presented in the Midstream segment. Previously, these results were reported in the Refining & Marketing segment. The results for the pipeline and storage assets were recast effective January 1, 2015, and the results for the terminal assets were recast effective April 1, 2016. Prior to these dates, these assets were not considered businesses and therefore there are no financial results from which to recast segment results.

Refining & Marketing Segment Income

2Q 2017 vs. 2Q 2016 Variance Analysis

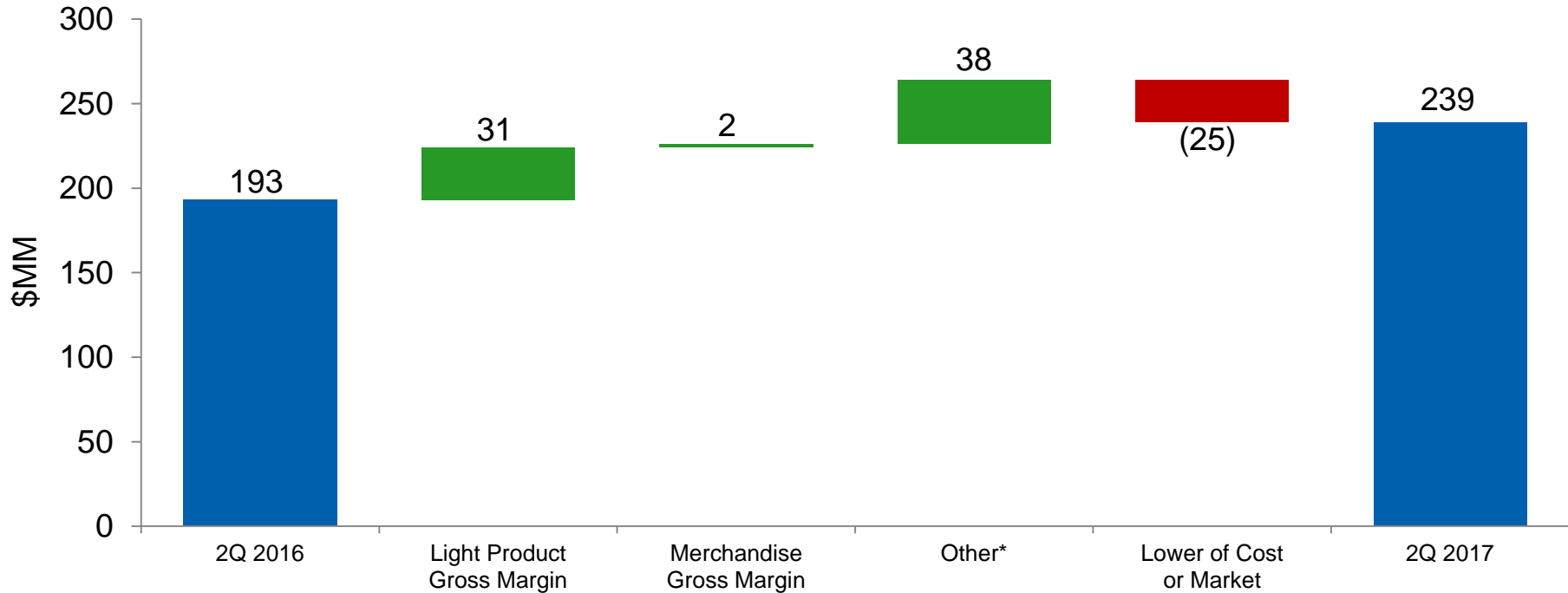


*In the first quarter of 2017, segment reporting was revised in connection with the contribution of certain terminal, pipeline and storage assets to MPLX. The results related to these assets are now presented in the Midstream segment. Previously, these results were reported in the Refining & Marketing segment. The results for the pipeline and storage assets were recast effective January 1, 2015, and the results for the terminal assets were recast effective April 1, 2016. Prior to these dates, these assets were not considered businesses and therefore there are no financial results from which to recast segment results.

**Based on market indicators using actual volumes.

Speedway Segment Income

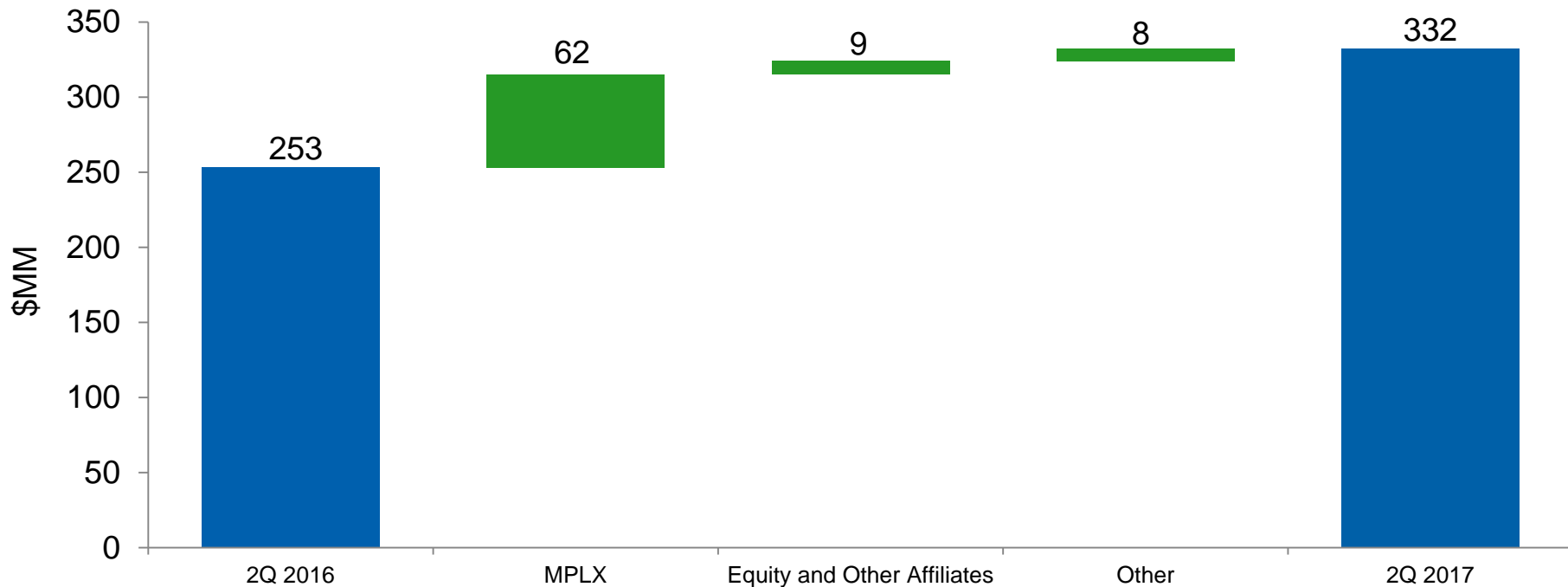
2Q 2017 vs. 2Q 2016 Variance Analysis



*Includes income from equity investment and lower operating expenses.

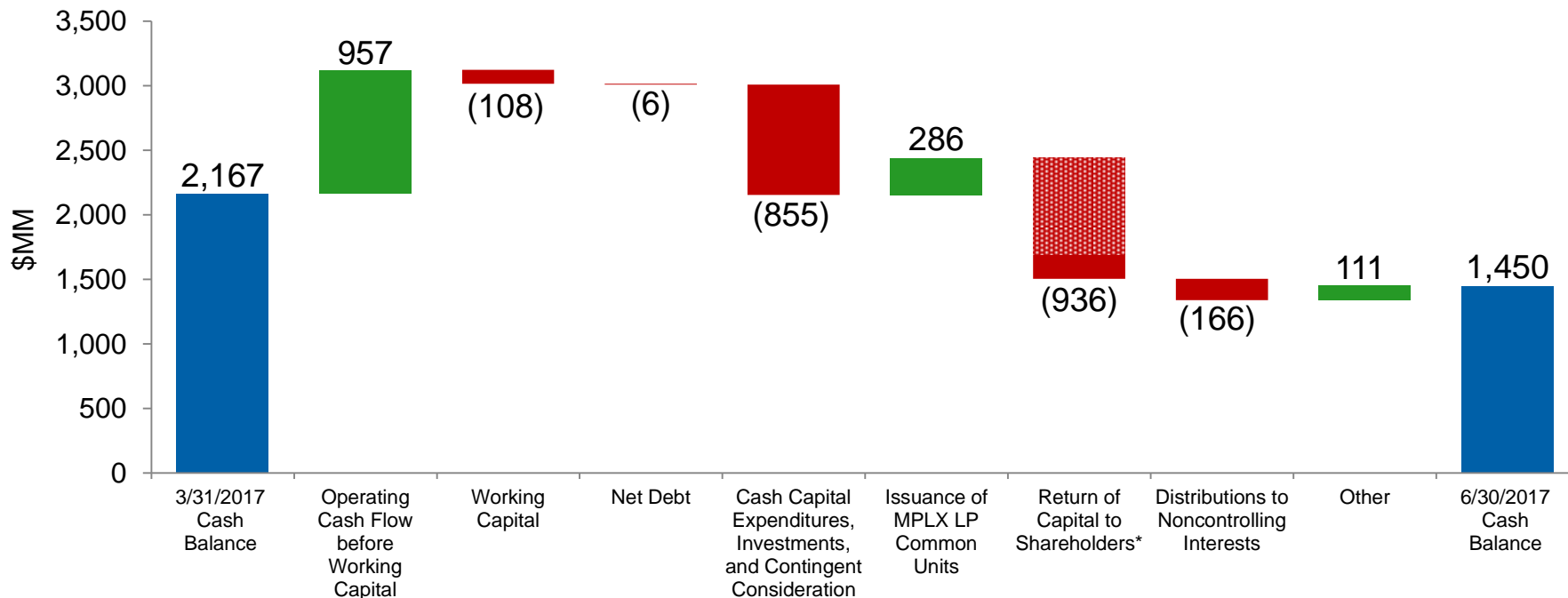
Midstream Segment Income

2Q 2017 vs. 2Q 2016 Variance Analysis



Total Consolidated Cash Flow

2Q 2017



*\$186 MM dividends plus \$750 MM share repurchases

Liquidity and Capitalization/Select Cash-Flow Data



As of June 30, 2017 (\$MM except ratio data)	MPC Consolidated	MPLX Adjustments ^(a)	MPC Excluding MPLX
Debt	12,606	6,667	5,939
Mezzanine equity	1,000	1,000	-
Equity	19,564	8,493	11,071
Total capitalization	33,170	16,160	17,010
Debt-to-capital ratio (book)	38%	-	35%
Cash and cash equivalents	1,450	293	1,157
Debt to LTM Adjusted EBITDA ^(b)	2.8x	-	2.0x

(\$MM)	2017		2016	
	2Q	1Q	4Q	3Q
<u>For the Quarter:</u>				
Cash provided by operations	849	1,113	993	405
Cash provided by operations before changes in working capital ^(c)	957	703	898	1,071

^(a) Adjustments made to exclude MPLX debt (all non-recourse) and the public portion of MPLX equity

^(b) Calculated using face value of total debt and adjusted EBITDA. Refer to appendix for reconciliation

^(c) Non-GAAP. Refer to appendix for reconciliation

3Q 2017 Outlook



		Crude Throughput*	Other Charge/ Feedstocks Throughput*	Total Throughput*	Percent of WTI-priced Crude	Sour Crude Oil Throughput Percentage	Turnaround and Major Maintenance	Depreciation and Amortization	Other Manufacturing Cost**	Total Direct Operating Costs	Corporate and Other Unallocated Items****
		in MBPD					Refinery Direct Operating Costs***				
Projected 3Q 2017	Gulf Coast Region	1,100	175	1,275	14%	66%	\$1.30	\$1.10	\$3.70	\$6.10	
	Midwest Region	675	25	700	39%	36%	\$2.15	\$1.90	\$4.40	\$8.45	
	MPC Total	1,775	150	1,925	24%	54%	\$1.65	\$1.40	\$4.05	\$7.10	\$80 MM
3Q 2016	Gulf Coast Region	1,073	185	1,258	8%	72%	\$2.05	\$1.14	\$3.70	\$6.89	
	Midwest Region	718	39	757	39%	39%	\$0.72	\$1.72	\$4.04	\$6.48	
	MPC Total	1,791	135	1,926	20%	59%	\$1.62	\$1.42	\$4.01	\$7.05	\$65 MM

*Region throughput data includes inter-refinery transfers, but MPC totals exclude transfers

**Includes utilities, labor, routine maintenance and other operating costs

***\$/barrel throughput

****Excludes \$4 MM pension settlement expense and \$267 MM related to impairments recorded in 3Q 2016.

Appendix

Capital Expenditures & Investments



(\$MM)	2Q 2017	2017 YTD	2017 Revised Plan
Refining & Marketing (R&M)	180	372	1,085
Speedway	78	133	380
Midstream, including MPLX ^(a)	494	844	2,115
Corporate and Other	18	34	100
Total Capital Expenditures & Investments ^(b)	770	1,363	3,680

^(a)2017 revised plan reflect the midpoint of the range for organic growth capital for MPLX of \$1.8 to \$2.0 B.

^(b)Excludes capitalized interest. Also excludes \$220 MM for the Ozark Pipeline acquisition and \$500 million for the investment in the Bakken Pipeline system.

Earnings



(\$MM unless otherwise noted)	2016				2017	
	1Q	2Q	3Q	4Q	1Q	2Q
Refining & Marketing segment income ^(a,b)	(86)	1,025	252	166	(70)	562
Speedway segment income ^(c)	167	193	209	165	135	239
Midstream segment income ^(b)	189	253	310	296	309	332
Corporate and other unallocated items	(65)	(64)	(65)	(74)	(82)	(83)
Pension settlement expenses	(1)	(2)	(4)	-	-	(1)
Litigation	-	-	-	-	-	(86)
Impairments ^(d)	(129)	(90)	(267)	-	-	19
Income from operations	75	1,315	435	553	292	982
Net interest and other financing income (costs)	(142)	(137)	(141)	(136)	(150)	(158)
Income (loss) before income taxes	(67)	1,178	294	417	142	824
Income tax provision	11	395	75	128	41	250
Net income (loss)	(78)	783	219	289	101	574
Less net income (loss) attributable to:						
Redeemable noncontrolling interest	-	9	16	16	16	17
Noncontrolling interests	(79)	(27)	58	46	55	74
Net income attributable to MPC	1	801	145	227	30	483
Effective tax rate	(17%)	33%	26%	31%	29%	30%

^(a)Includes non-cash LCM inventory valuation benefit/charge of \$360 MM and (\$15 MM) in 2Q 2016 and 1Q 2016, respectively

^(b)Actuals have been recast in connection with the contribution of certain terminal, pipeline and storage assets to MPLX on March 1, 2017

^(c)Includes non-cash LCM inventory valuation benefit of \$25 MM and in 2Q 2016

^(d)Reflects our share of a gain on asset liquidation related to investment in the canceled Sandpiper Pipeline project in 2Q 2017. Also reflects equity method investment impairments recorded in 2Q 2016, 3Q 2016, and a goodwill impairment recorded 1Q 2016

Reconciliation

Adjusted EBITDA to Net Income Attributable to MPC



(\$MM)	2016		2017		LTM
	3Q	4Q	1Q	2Q	
Net Income attributable to MPC	145	227	30	483	885
Less: Net interest and other financial income (costs)	(141)	(136)	(150)	(158)	(585)
Add: Net income (loss) attributable to noncontrolling interests	74	62	71	91	298
Provision for income taxes	75	128	41	250	494
Depreciation and amortization	507	504	536	521	2,068
Litigation	-	-	-	86	86
Impairment expense	267	-	-	(19)	248
Adjusted EBITDA	1,209	1,057	828	1,570	4,664
Less: Adjusted EBITDA related to MPLX					1,705
Adjusted EBITDA excluding MPLX					2,959

Reconciliation

Adjusted EBITDA Related to MPLX to MPLX Net Income^(a)



(\$MM)	2016		2017		LTM
	3Q	4Q	1Q	2Q	
MPLX Net Income	194	182	187	191	754
Less: Net interest and other financial income (costs)	(64)	(65)	(78)	(87)	(294)
Add: Provision for income taxes	-	-	-	2	2
Depreciation and amortization	151	153	187	164	655
Adjusted EBITDA related to MPLX	409	400	452	444	1,705

^(a)Actuals have been recast in connection with the contribution of certain terminal, pipeline and storage assets to MPLX on March 1, 2017.

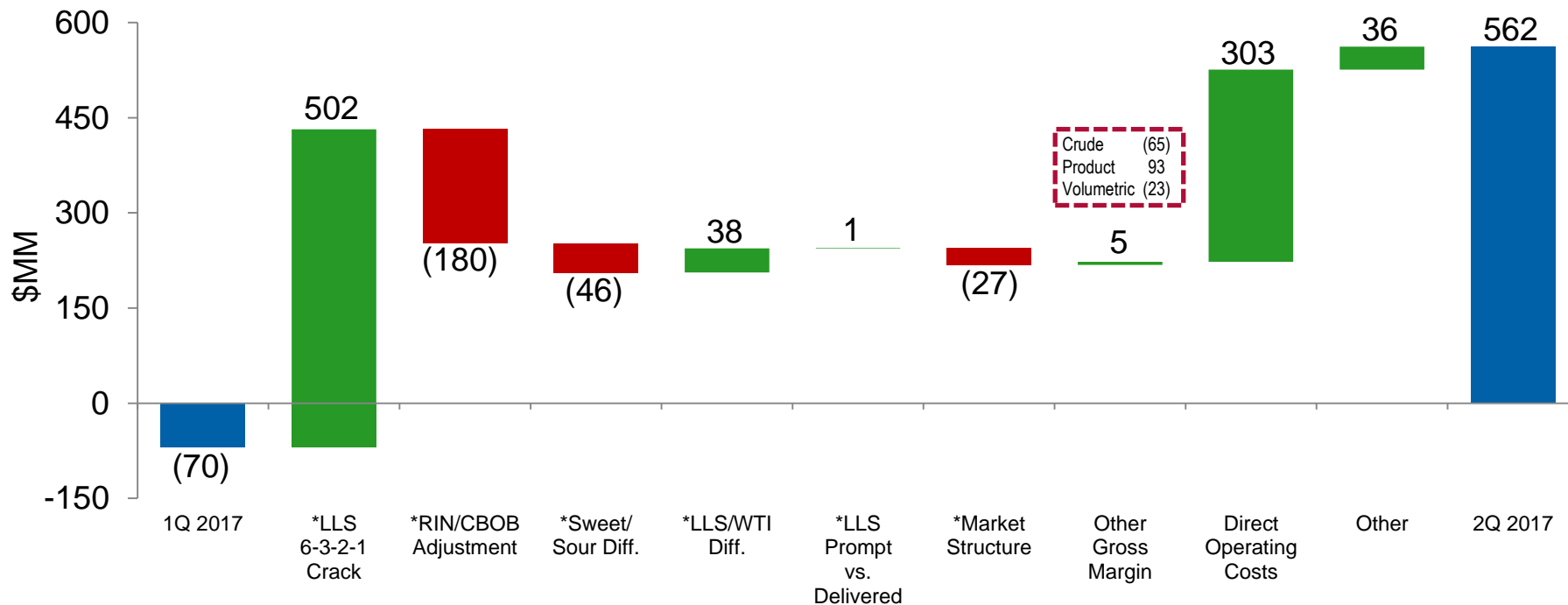
Cash Provided from Operations Before Changes in Working Capital Reconciliation to Net Cash Provided by Operations



(\$MM)	2016		2017	
	3Q	4Q	1Q	2Q
(For the Quarter)				
Net cash provided by operations	405	993	1,113	849
Less changes in working capital:				
Changes in current receivables	67	(465)	333	11
Changes in inventories	(315)	(141)	264	(157)
Changes in current accounts payable and accrued liabilities	(395)	748	(215)	7
Changes in the fair value of derivative instruments	(23)	(47)	28	31
Total changes in working capital	(666)	95	410	(108)
Cash provided from operations before changes in working capital	1,071	898	703	957

Refining & Marketing Segment Income

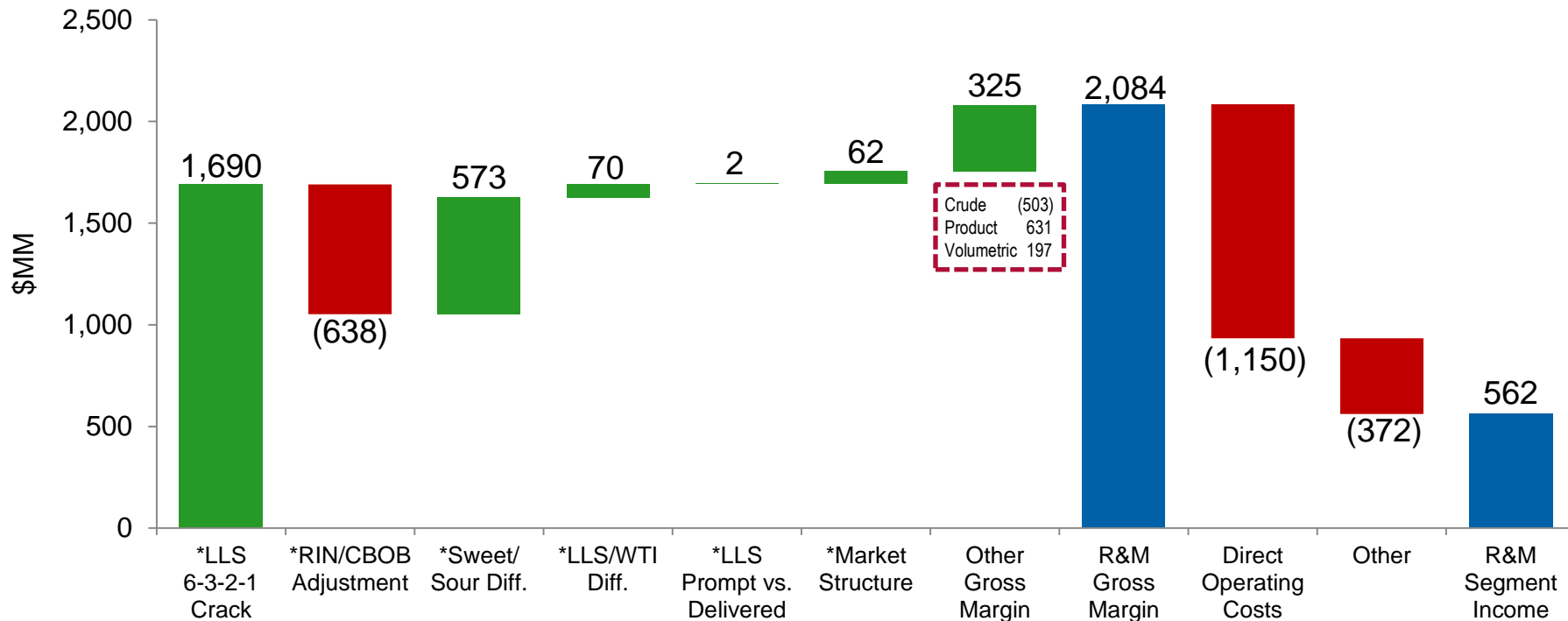
2Q 2017 vs. 1Q 2017 Variance Analysis



*Based on market indicators using actual volumes.

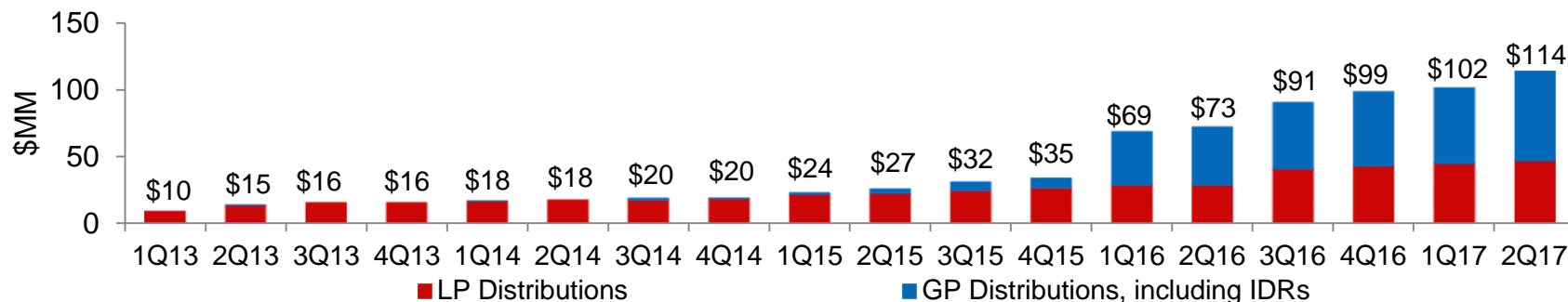
Refining & Marketing Indicative Gross Margin

2Q 2017



*Based on market indicators using actual volumes

MPLX Distributions and Sales Proceeds to MPC*



Cash Distribution and Asset Sales Proceeds from MPLX (\$MM)	2013				2014				2015				2016				2017	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
GP Distributions, including IDRs	-	1	-	-	1	-	2	1	2	4	7	8	40	44	50	56	57	67
LP Distributions	10	14	16	16	17	18	18	19	22	23	25	27	29	29	41	43	45	47
Total Cash Distributions Received	10	15	16	16	18	18	20	20	24	27	32	35	69	73	91	99	102	114
Cash Sales Proceeds	-	100	-	-	310	-	-	600	-	-	-	-	-	-	-	-	1,511	-
Equity Value from MPLX	-	-	-	-	-	-	-	200	-	-	-	-	600	-	-	-	504	-
Total Asset Sales Proceeds**	-	100	-	-	310	-	-	800	-	-	-	-	600	-	-	-	2,015	-

*Based on quarter in which distributions were received

**\$600 MM and \$504 MM in 1Q 2016 and 1Q 2017 were based on the number of units received valued at the volume weighted average price for MPLX units for the 10 trading days preceding the closing dates.

