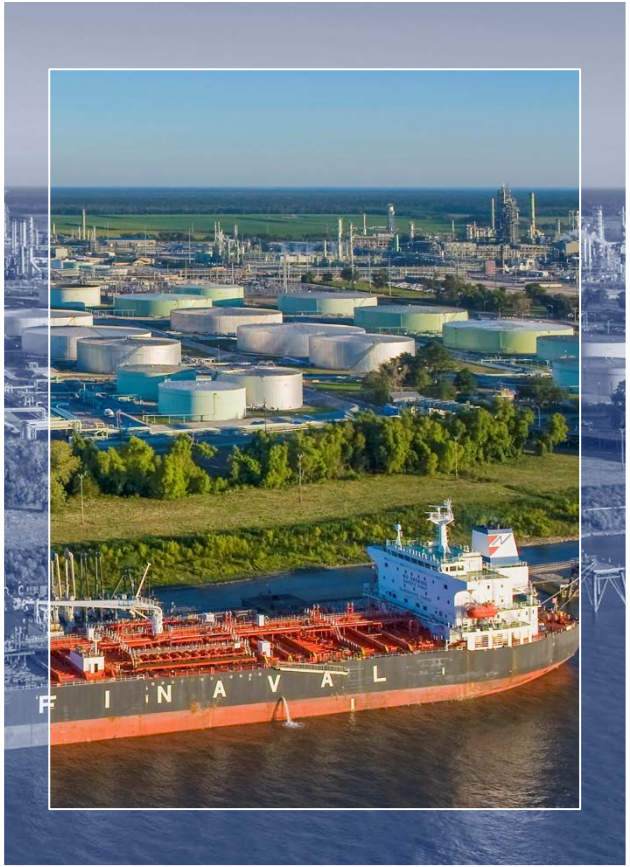
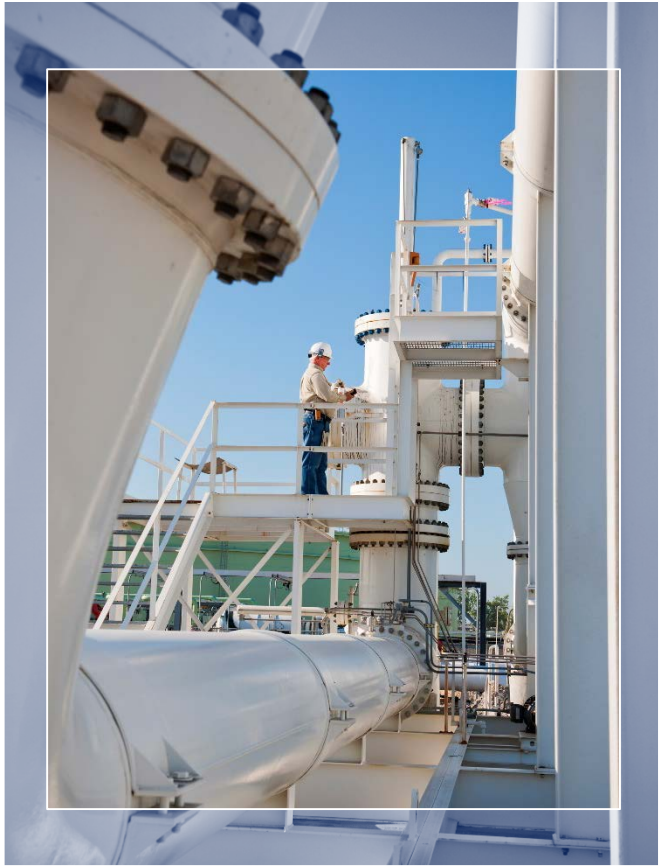


# Third Quarter 2020 Conference Call

November 2, 2020 (as revised Nov. 6)

# Forward Looking Statements

*This presentation contains forward-looking statements within the meaning of federal securities laws regarding Marathon Petroleum Corporation (MPC). These forward-looking statements relate to, among other things, expectations, estimates and projections concerning the business and operations, strategy and value creation plans of MPC. In accordance with "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, these statements are accompanied by cautionary language identifying important factors, though not necessarily all such factors, that could cause future outcomes to differ materially from those set forth in the forward-looking statements. You can identify forward-looking statements by words such as "anticipate," "believe," "commitment," "could," "design," "estimate," "expect," "forecast," "goal," "guidance," "imply," "intend," "may," "objective," "opportunity," "outlook," "plan," "policy," "position," "potential," "predict," "priority," "project," "proposition," "prospective," "pursue," "seek," "should," "strategy," "target," "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 company's 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 but are not limited to: the effects of the recent outbreak of COVID-19, including any related government policies and actions, and the adverse impact thereof on our business, financial condition, results of operations and cash flows, including, but not limited to, our growth, operating costs, labor availability, logistical capabilities, customer demand for our products and industry demand generally, margins, inventory value, cash position, taxes, the price of our securities and trading markets with respect thereto, our ability to access capital markets, and the global economy and financial markets generally; the effects of the recent outbreak of COVID-19, and the current economic environment generally, on our working capital, cash flows and liquidity, which can be significantly affected by decreases in commodity prices; our ability to reduce capital and operating expenses; with respect to the proposed sale of Speedway, the ability to successfully complete the sale within the expected timeframe, on the expected terms, or at all, based on numerous factors, including the failure to satisfy any of the conditions to the consummation of the proposed transaction (including obtaining certain governmental or regulatory approvals on the proposed terms and schedule), the occurrence of any event, change or other circumstance that could give rise to the termination of the proposed transaction; MPC's ability to utilize the proceeds as anticipated; the risk that the dissynergy costs, costs of restructuring transactions and other costs incurred in connection with the proposed transaction will exceed our estimates; and our ability to capture value and realize the other expected benefits from the associated ongoing supply relationship following consummation of the proposed sale; the risk that the cost savings and any other synergies from our acquisition of Andeavor and the acquisition of Andeavor Logistics LP (ANDX) by MPLX LP (MPLX) may not be fully realized or may take longer to realize than expected, including whether the ANDX transaction will be accretive within the expected timeframe or at all; disruption from the Andeavor or ANDX transactions making it more difficult to maintain relationships with customers, employees or suppliers; risks relating to any unforeseen liabilities of Andeavor or ANDX, respectively; the risk of further impairments; the ability to complete any divestitures on commercially reasonable terms and/or within the expected timeframe, and the effects of any such divestitures on the business, financial condition, results of operations and cash flows; future levels of revenues, refining and marketing margins, operating costs, gasoline and distillate margins, merchandise margins, income from operations, net income and earnings per share; the regional, national and worldwide availability and pricing of refined products, crude oil, natural gas, NGLs and other feedstocks; consumer demand for refined products; the ability to manage disruptions in credit markets or changes to credit ratings; future levels of capital, environmental and maintenance expenditures; general and administrative and other expenses; the success or timing of completion of ongoing or anticipated capital or maintenance projects, including the potential conversion of the Martinez Refinery to a renewable diesel facility; the receipt of relevant third party and/or regulatory approvals; the reliability of processing units and other equipment; the successful realization of business strategies, growth opportunities and expected investment; share repurchase authorizations, including the timing and amounts of such repurchases; the adequacy of capital resources and liquidity, including availability, timing and amounts of free cash flow necessary to execute business plans, complete announced capital projects and to effect any share repurchases or to maintain or increase the dividend; the effect of restructuring or reorganization of business components, including those undertaken in connection with the Speedway sale and workforce reduction; the potential effects of judicial or other proceedings, including remedial actions involving removal and reclamation obligations under environmental regulations, on the business, financial condition, results of operations and cash flows; continued or further volatility in and/or degradation of general economic, market, industry or business conditions as a result of the COVID-19 pandemic (including any related government policies and actions), other infectious disease outbreaks, natural hazards, extreme weather events or otherwise; general economic, political or regulatory developments, including changes in governmental policies relating to refined petroleum products, crude oil, natural gas or NGLs, regulation or taxation and other economic and political developments (including those caused by public health issues and outbreaks); non-payment or non-performance by our producer and other customers; compliance with federal and state environmental, economic, health and safety, energy and other policies, permitting and regulations, including the cost of compliance with the Renewable Fuel Standard, and/or enforcement actions initiated thereunder; the effects of actions of third parties such as competitors, activist investors or federal, foreign, state or local regulatory authorities or plaintiffs in litigation; the impact of adverse market conditions or other similar risks to those identified herein affecting MPLX; 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, 2019, and in Forms 10-Q and other filings, filed with the SEC. Copies of MPC's Form 10-K, Forms 10-Q and other SEC filings are available on the SEC's website, MPC's website at https://www.marathonpetroleum.com/Investors/ or by contacting MPC's Investor Relations office. Copies of MPLX's Annual Report on Form 10-K for the year ended December 31, 2019, Forms 10-Q and other SEC filings are available on the SEC's website, MPLX's website at http://ir.mplx.com or by contacting MPLX's Investor Relations office.*

*We have based our forward-looking statements on our current expectations, estimates and projections about our business and industry. We caution that these statements are not guarantees of future performance and you should not rely unduly on them, as they involve risks, uncertainties, and assumptions that we cannot predict. In addition, we have based many of these forward-looking statements on assumptions about future events that may prove to be inaccurate. While our management considers these assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. Accordingly, our actual results may differ materially from the future performance that we have expressed or forecast in our forward-looking statements. Any forward-looking statements speak only as of the date of the applicable communication and we undertake no obligation to update any forward-looking statements except to the extent required by applicable law.*

**Non-GAAP Financial Measures**

Adjusted earnings, EBITDA, cash provided from operations before changes in working capital, Refining and Marketing margin and Retail total margin are non-GAAP financial measures provided in this presentation. Reconciliations to the nearest GAAP financial measures are included in the Appendix to this presentation. These non-GAAP financial measures 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, Refining and Marketing income from operations, Speedway income from operations or other financial measures prepared in accordance with GAAP.

# MPC: Short-Term Strategic Focus

## 1 Strengthen Competitive Position of our Assets

Achieve best-in-class cost, operating, and financial performance

Focus on contribution of each asset to shareholder return

## 2 Improve Commercial Performance

Leverage advantaged raw material selection

Enhance commercial skills and technology improvements

## 3 Lower Cost Structure

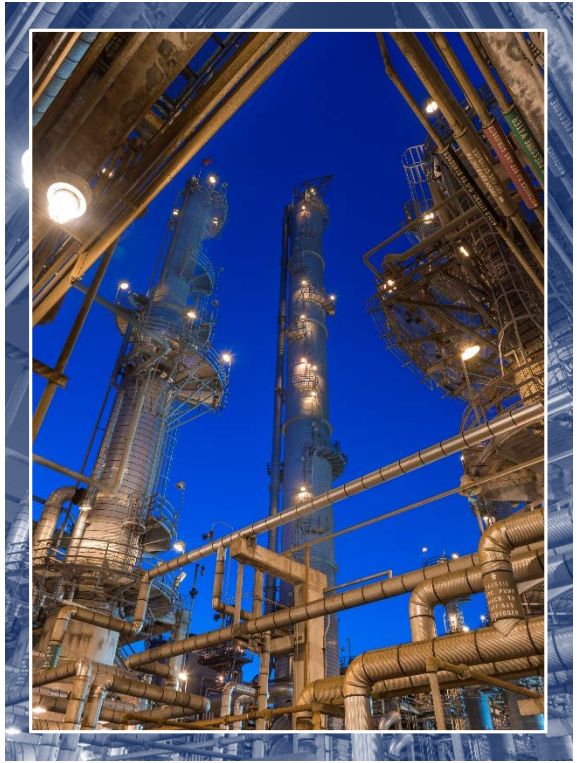
Strict capital discipline

Lowering costs and driving efficiency

# Business Update

- Progressing Speedway sale
- Growing renewables business
  - Dickinson starting up
  - Advancing Martinez conversion
- Focusing on cost reductions

*Positioning the company for long-term success and through-cycle resiliency*



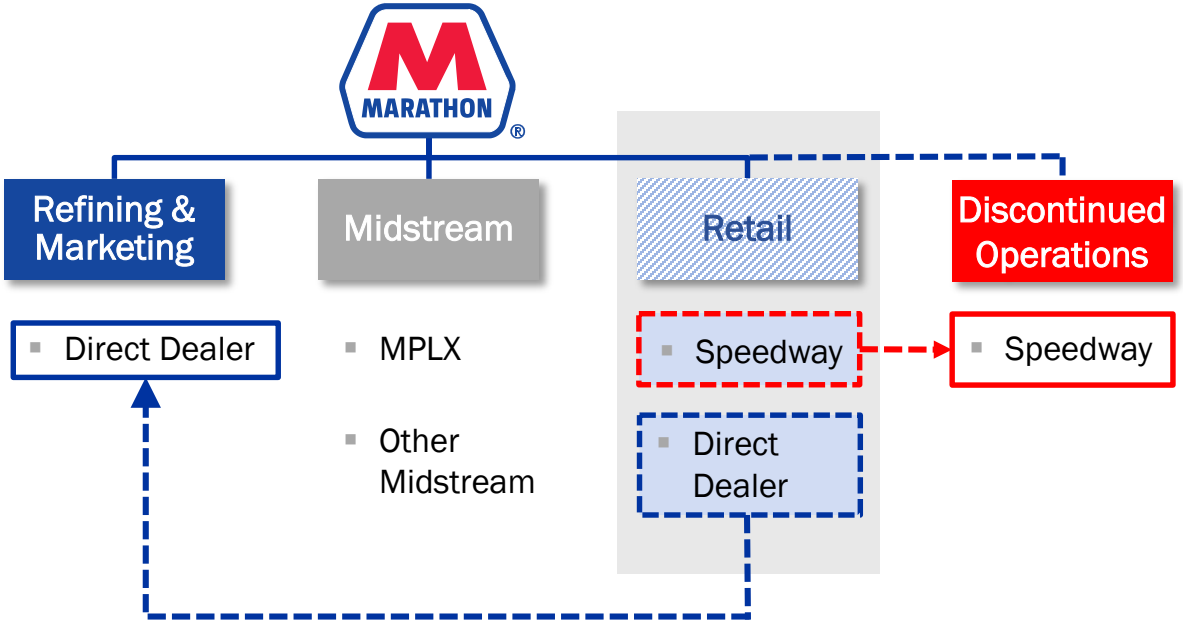
# Third Quarter Adjusted Results

| | |
|---|---|
| Adjusted Loss per Share ($/share) [a] | $(1.00) |
| Adjusted EBITDA ($MM) [b] | $1,006 |

| | $MM | Excluded from Adj. EBITDA & Adj. EPS |
|---|---|---|
| Restructuring expense | $(348) | ✓ |
| Impairments | $(433) | ✓ |
| LIFO liquidation | $(256) | ✓ |
| LCM inventory valuation adjustment | $530 | ✓ |
| Transaction-related costs | $(18) | ✓ |
| Total Adjustments: | $(525) | |

[a] Based on weighted average diluted shares [b] Excludes turnaround costs of $234 million

# Speedway → Discontinued Operations




- Speedway required to be reported as Discontinued Operations
- R&M segment now includes retained Direct Dealer business

# Revised Reporting - Due to Speedway Sale

| | Historical Reporting | | Speedway Sale-Related Effects | | New Reporting | |
|---|---|---|---|---|---|---|
| | 2Q20 Adj. EBITDA | 3Q20 Adj. EBITDA | 2Q20 | 3Q20 | 2Q20 Adj. EBITDA | 3Q20 Adj. EBITDA |
| Refining & Marketing | (1,024) | (756) | 105 | 133 [a] | (919) | (623) |
| Retail | 626 | 618 | | | - | - |
| Midstream | 1,199 | 1,295 | | | 1,199 | 1,295 |
| Corporate | (148) | (151) | (7) | (7) | (155) | (158) |
| Speedway - Discontinued Operations | - | - | 528 | 492 | 528 | 492 |
| Total | 653 | 1,006 | 626 | 618 | 653 | 1,006 |

Direct Dealer to R&M

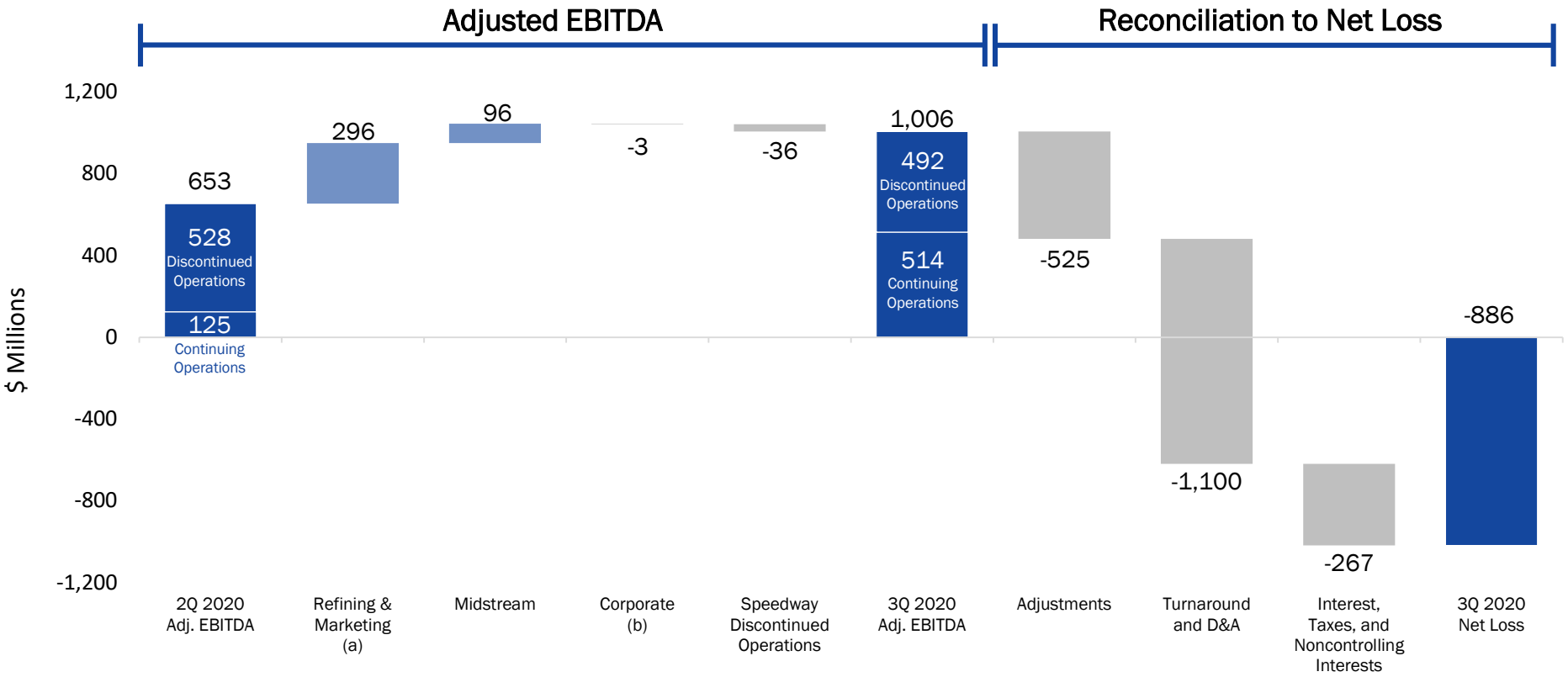
Corporate costs retained

Speedway to Discontinued Operations

[a] Direct Dealer EBITDA excludes $30 million of depreciation and amortization

# Adjusted EBITDA to Net Loss

## 3Q 2020 vs. 2Q 2020

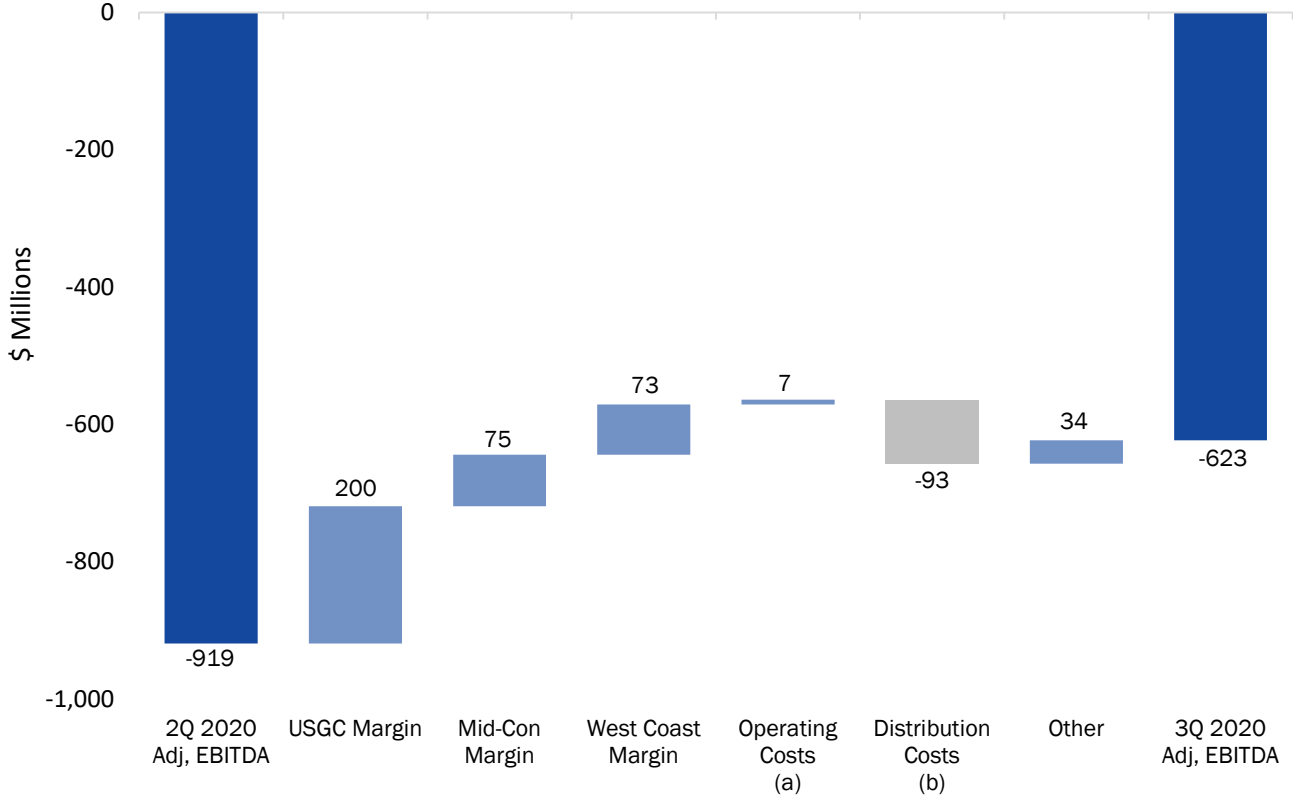



[a] Recast to reflect Direct Dealer second quarter 2020 and third quarter 2020 EBITDA of $105 million and $133 million, respectively. [b] Recast to reflect third quarter 2020 and second quarter 2020 corporate costs of $7 million and $7 million, respectively, that are no longer allocated to Speedway under discontinued operations accounting.

# Refining & Marketing

## 3Q 2020 vs. 2Q 2020

- R&M Adjusted EBITDA includes Direct Dealer results ($105 MM in 2Q, $133 MM in 3Q)
- 84% utilization during the quarter (excluding idled facilities)
- While improving, crack spreads remained weak across all regions
- Continued execution on cost control

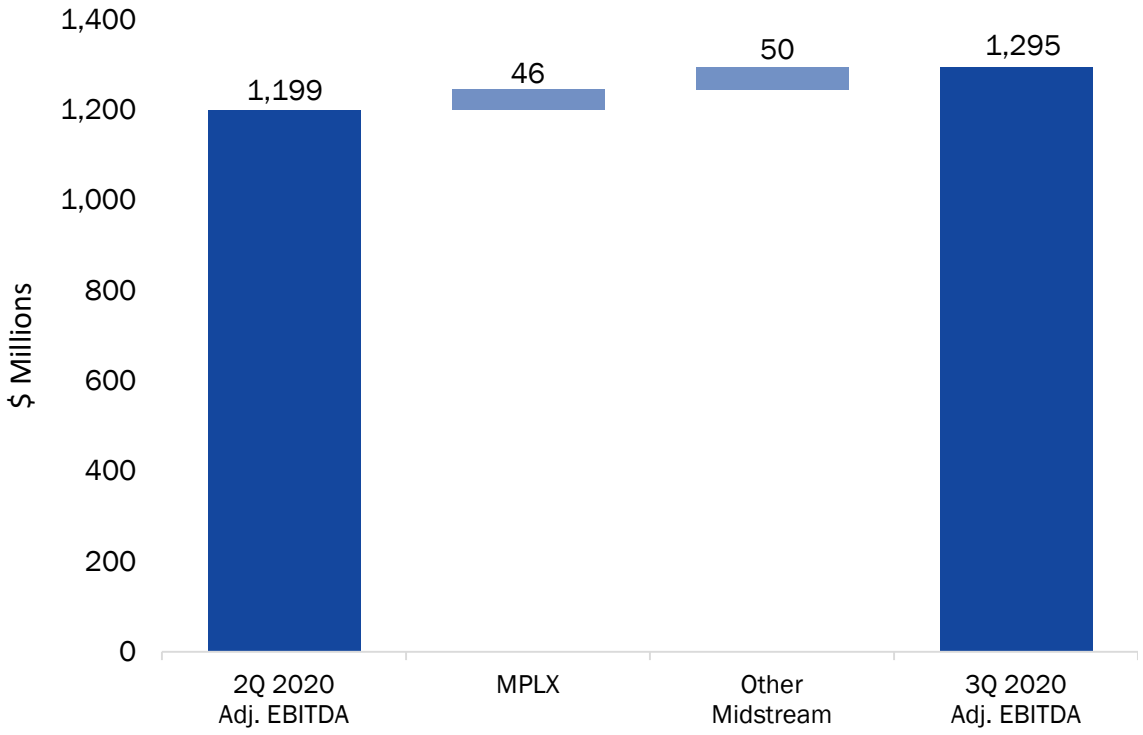



[a] Includes refining operating and maintenance costs. Excludes refining planned turnaround and D&A expense. [b] Excludes D&A expense

# Midstream

## 3Q 2020 vs. 2Q 2020

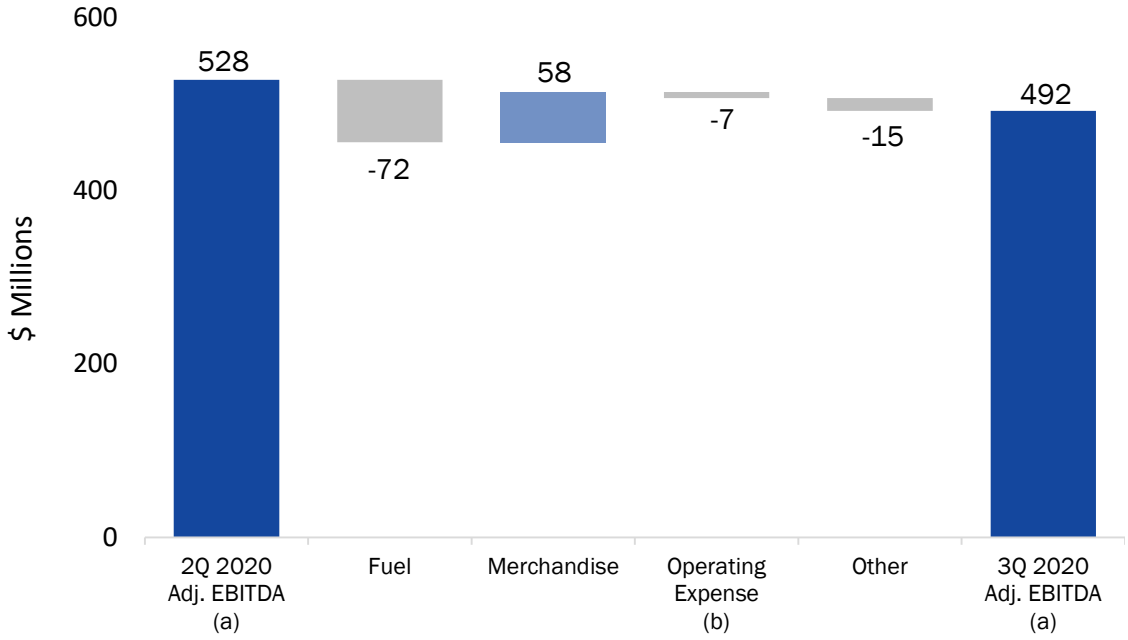
- Through-cycle EBITDA stability
- Continued progress on reducing forecasted operating expenses
- Fee-based with volume protections across businesses
- Continued progress on organic growth projects



# Speedway - Discontinued Operations

## 3Q 2020 vs. 2Q 2020

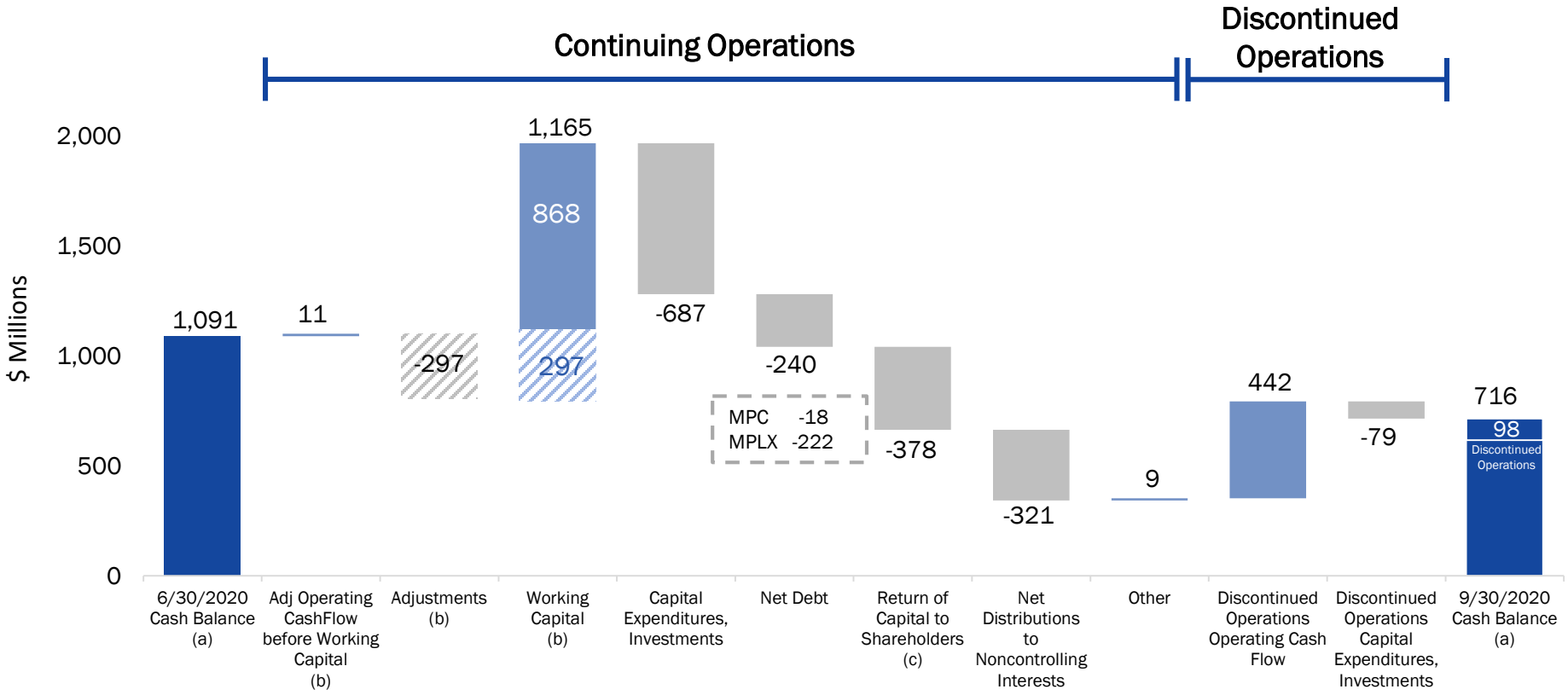
- Fuel volumes recovering from 2Q lows
- Fuel margins of ~30 cpg
- Year-over-year growth in same store merchandise sales




[a] Speedway 2Q EBITDA recast to reflect corporate costs of $7 million that are no longer allocable to Speedway under discontinued operations accounting. Excludes transaction-related costs and LCM inventory valuation adjustment. Direct Dealer retained by MPC is reported within the R&M segment. [b] Reflects operating, selling, general and administrative expenses.

# Total Consolidated Cash Flow

## 3Q 2020




(a) Includes Speedway's cash and cash equivalents of $126 million at June 30, 2020, and $98 million at September 30, 2020, which is classified as assets held for sale on MPC's consolidated balance sheets. (b) Adjustments to operating cash flow before working capital include the portion of restructuring expenses expected to be settled in cash of $297 MM These charges resulted in equal and offsetting favorable working capital changes in the quarter. (c) $378 MM of dividends
Note: Excludes restricted cash

# Fourth-Quarter 2020 Outlook

| | | Crude Throughput (a) | Other Charge/ Feedstocks Throughput (a) | Total Throughput (a) | Sweet Crude | Sour Crude | Operating Cost (b) | Distribution Cost (c) |
|---|---|---|---|---|---|---|---|---|
| | | in MBPD | | | Percent of Throughput | | $/BBL of Total Throughput | $MM |
| Projected 4Q 2020 | Gulf Coast Region | 950 | 120 | 1,070 | 46% | 54% | $3.80 | |
| | Mid-Con Region | 940 | 95 | 1,035 | 74% | 26% | $5.10 | |
| | West Coast Region | 375 | 50 | 425 | 27% | 73% | $10.50 | |
| | **R&M Total** | 2,265 | 215 | 2,480 | 55% | 45% | $5.50 | $1,320 |

| Turnaround Costs | Depreciation and Amortization |
|---|---|
| $MM | $MM |
| $15 | $150 |
| $55 | $170 |
| $30 | $65 |
| $100 | $465 [d] |

- Corporate & other unallocated items estimated at ~$185 MM for 4Q20 [e]

| Speedway Discontinued Operations | |
|---|---|
| Light Product Sales Volume (MMgal) | 1,450 – 1,650 |
| Merchandise Sales ($MM) | $1,550 – $1,650 |

[a] Region throughput data includes inter-refinery transfers, but MPC totals exclude transfers [b] Includes refining major maintenance and operating costs. Excludes refining planned turnaround and D&A expense. [c] Excludes D&A expense [d] Includes D&A expense associated with distribution assets and Direct Dealer business. [e] Corporate includes corporate costs no longer allocable to Speedway.

# Focus on Sustainability and Corporate Leadership

## Environment

Recognized for Energy Efficiency with EPA Energy Star Partner Awards

Targeting 30% GHG emissions intensity reduction by 2030

Investing in Renewables

## Social


Committed to Diversity & Inclusion

Established new Human Rights Policy in 2020

Supporting our communities with $18.7 million in donations

## Governance


Independent & Diverse Board of Directors

Transparency in reporting: TCFD, SASB, GRI, CDP

Sustainability Performance linked to compensation

# Questions & Answers

# Appendix

# Recently Published Sustainability & Climate Perspectives Reports


$CO_2e$

Lower Carbon Intensity

Increase Renewable Fuels Production and Energy Use

## Highlights

2030 **GHG Intensity Reduction** target

**New** 2025 **Methane Intensity Reduction** target

Further **reducing water intensity**

Renewables-focused production at **Dickinson, Cincinnati, The Anderson's Ethanol JV,** and potentially **Martinez**

## Recognitions

Included in **Dow Jones Sustainability Index** for North America

EPA ENERGY STAR Partner of the Year – 3rd straight year with **Sustained Excellence Award** in 2020

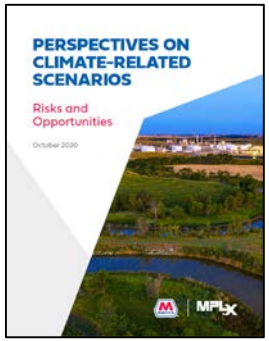
2020 **Human Rights** Campaign Corporate Equality Index score of **100%**

#79 on **2021 Forbes JUST 100** list

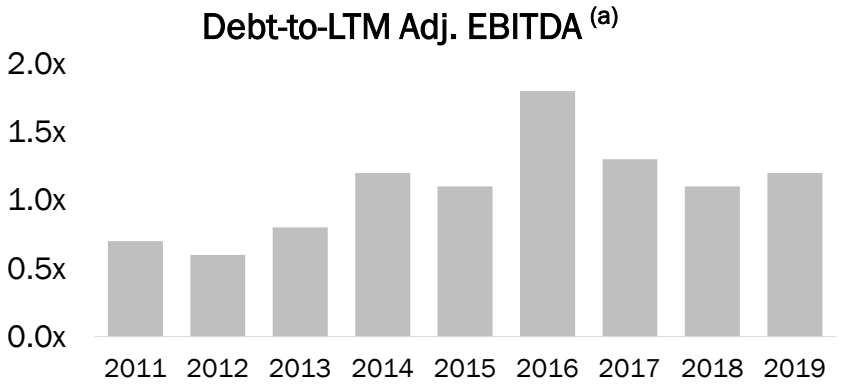
Improve Energy Efficiency

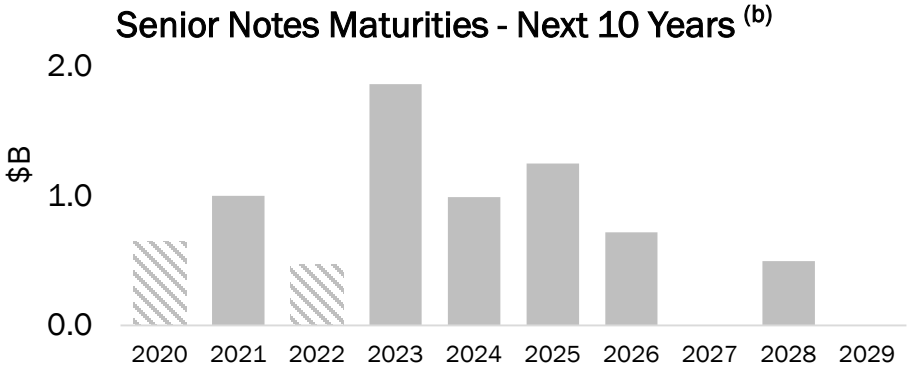
Conserve Natural Resources & Reduce Waste

Embrace Innovation & Deploy Advanced Technologies



# Manageable Leverage and Maturities




| $ Millions (unless otherwise noted) | YE18 | YE19 | 3Q20 |
|---|---|---|---|
| Total Debt (excl. MPLX) | 9,114 | 9,125 | 11,648 |
| LTM Adj. EBITDA (excl. MPLX) | 6,893 | 5,506 | 840 |
| LTM MPLX Distributions to MPC | 1,590 | 1,823 | 1,787 |
| Debt-to-Capital (excl. MPLX) | 22% | 23% | 37% |
| MPC Debt-to-LTM Adj. EBITDA [a] | 1.1x | 1.2x | 4.5x |

- Announced redemption of $1.1 billion of notes during 4Q20
  - $475 million of notes due in 2022 were paid-off on October 1, 2020
  - $650 million of notes due in 2020 will be paid-off on November 15, 2020

[a] MPC Debt-to-LTM Adjusted EBITDA calculated using face value of total debt and LTM adjusted pro forma EBITDA, including MPLX distributions to MPC. Excludes MPLX debt and EBITDA; refer to appendix for reconciliation
[b] Senior Notes Maturities as of 9/30/2020

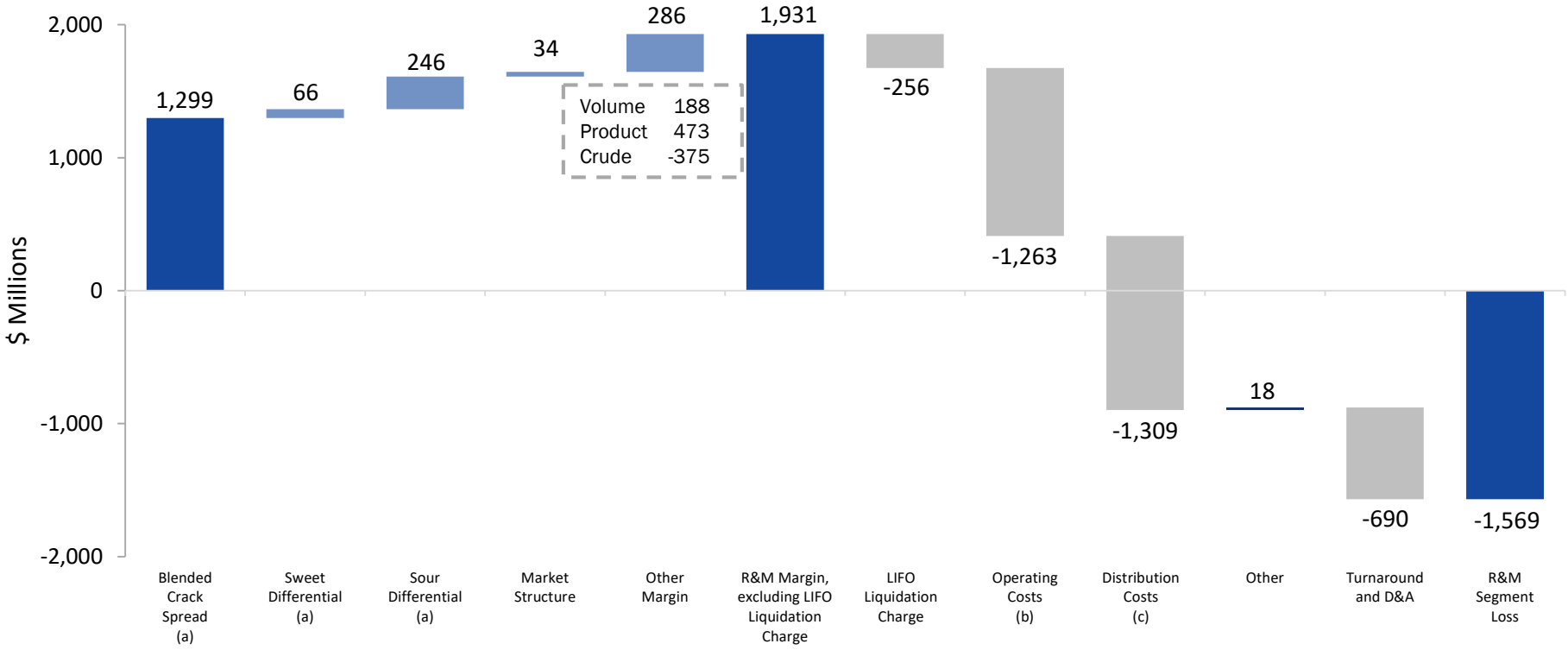
# Capitalization and Select Balance Sheet Data

| As of September 30, 2020<br>($MM except ratio data) | MPC Consolidated | MPLX Adjustments[a] | MPC Excluding MPLX |
|---|---|---|---|
| Total Debt | 31,997 | 20,349 | 11,648 |
| Total Equity[b] | 30,514 | 10,404 | 20,110 |
| Debt-to-Capital Ratio[c] | 51% | - | 37% |
| Cash and cash equivalents | 716 | 28 | 688 |
| Debt to LTM Adjusted EBITDA[d] | 5.6x | - | 13.9x |
| Debt to LTM Adjusted EBITDA, w/ MPLX LP distributions[d] | N/A | - | 4.5x |

(a) Adjustments made to exclude MPLX cash, debt (all non-recourse), and the public portions of MPLX equity
(b) Includes MPLX mezzanine equity of $968 million
(c) Debt-to-Capital Ratio calculated as Total Debt divided by the sum of Total Debt plus Total Equity
(d) Calculated using face value of total debt and LTM adjusted EBITDA

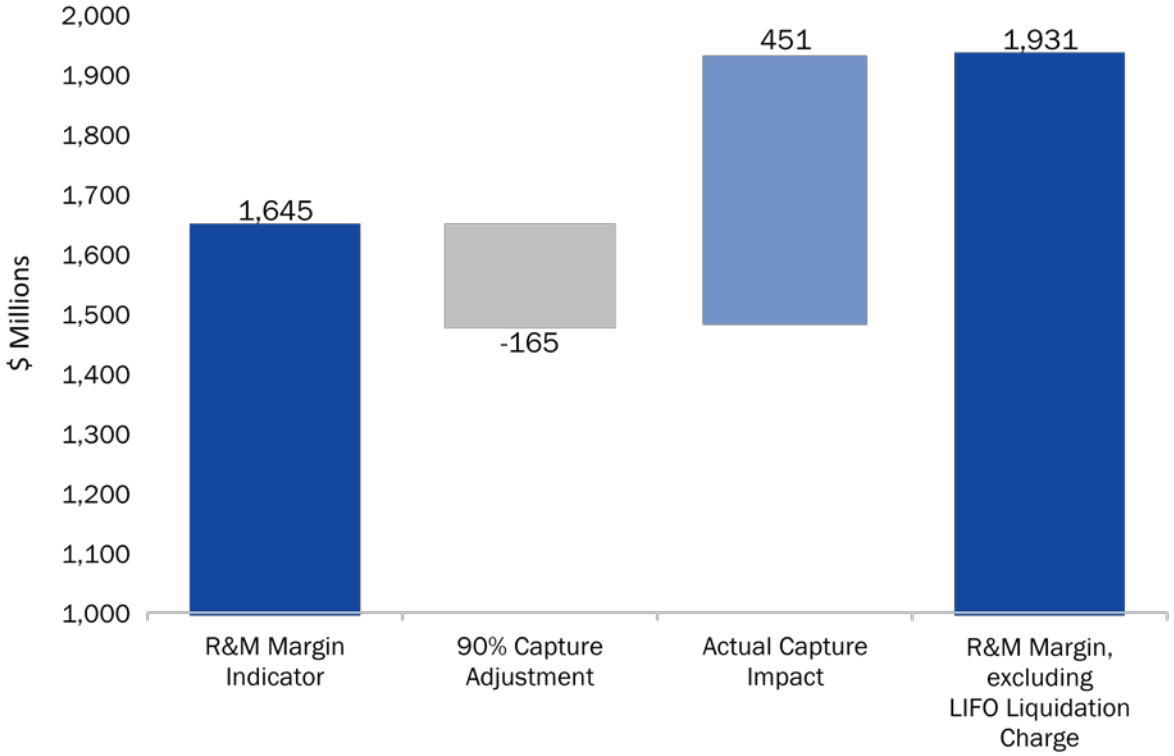
# Refining & Marketing Segment Loss

## 3Q 2020




(a) Based on market indicators using actual volumes (b) Includes refining major maintenance and operating costs. Excludes refining planned turnaround and D&A expense. (c) Excludes D&A expense.

# Refining & Marketing Margins – Market vs. Realized

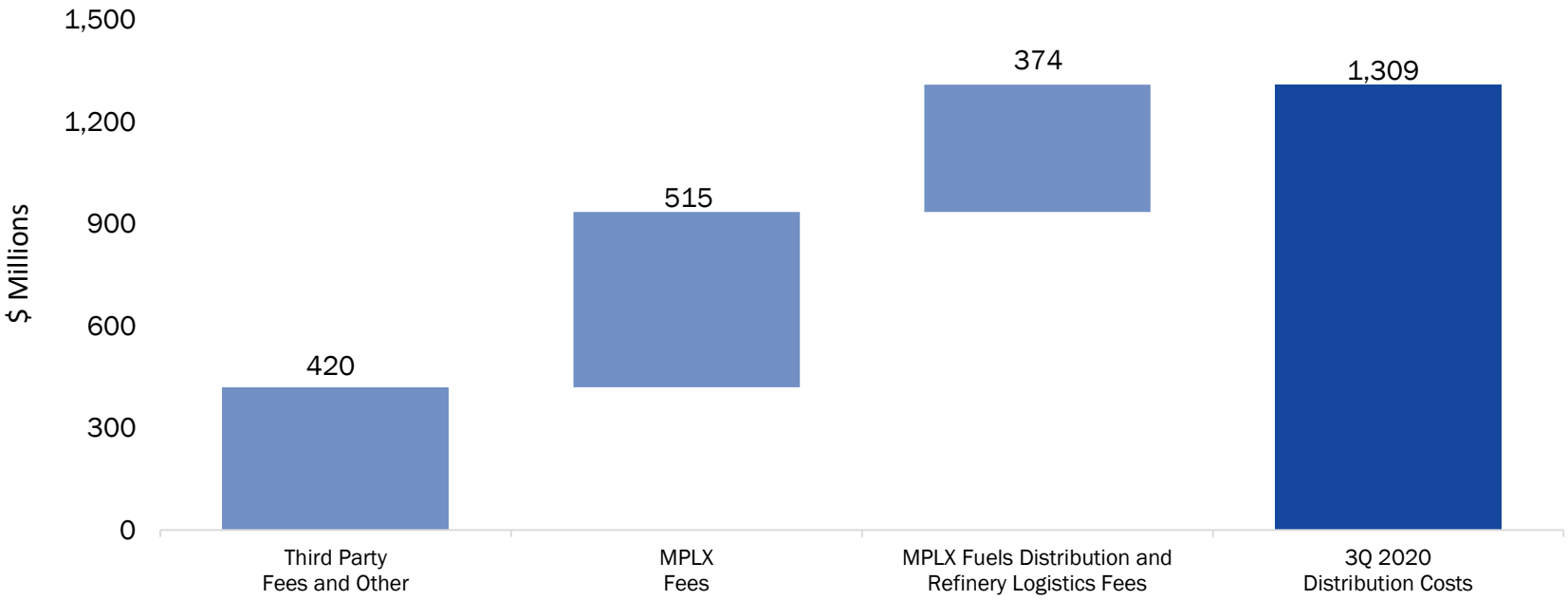



Total system capture of 117%, key factors included:

- Direct Dealer business contributed 8% to R&M margin capture
- Crude timing impacts
- Favorable pricing of non-transportation fuels relative to index

# Distribution Costs – Components

## 3Q 2020

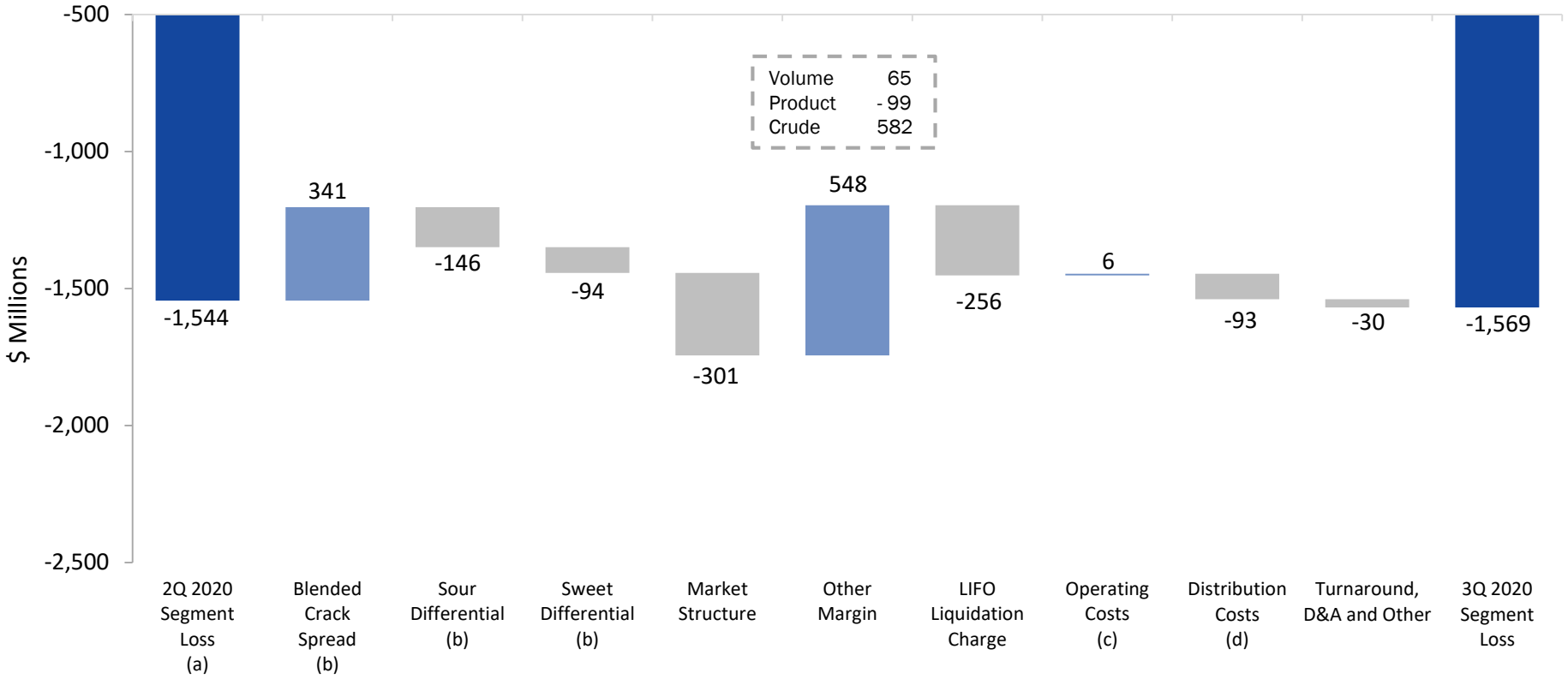



Total distribution fees of $889 million paid to MPLX and $445 million returned to MPC through distributions paid by MPLX[(a)]

[(a)] Based on distributions declared for 3Q 2020

# Refining & Marketing Segment Loss

## 3Q 2020 vs. 2Q 2020 Variance Analysis




(a) R&M 2Q segment loss recast to include Direct Dealer results. (b) Based on market indicators using actual volumes (c) Includes refining major maintenance and operating costs. Excludes refining planned turnaround and D&A expense.
(d) Excludes D&A expense.

# Income Summary for Operations

| ($MM unless otherwise noted) | 2019 | | | | 2020 | | |
|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
| Refining & Marketing segment income (loss) [a] | (303) | 1,064 | 989 | 1,106 | (497) | (1,544) | (1,569) |
| Midstream segment income | 908 | 878 | 919 | 889 | 905 | 869 | 960 |
| Corporate [b] | (195) | (188) | (206) | (244) | (233) | (195) | (197) |
| Income (loss) from continuing operations before items not allocated to segments | 410 | 1,754 | 1,702 | 1,751 | 175 | (870) | (806) |
| Items not allocated to segments: | | | | | | | |
| Equity method investment restructuring gains | 207 | - | - | 52 | - | - | - |
| Transaction-related costs | (91) | (34) | (22) | (6) | (8) | - | - |
| Litigation | - | (22) | - | - | - | - | - |
| Impairments | - | - | - | (1,239) | (9,137) | (25) | (433) |
| Restructuring expenses | - | - | - | - | - | - | (348) |
| LCM inventory valuation adjustment | - | - | - | - | (3,185) | 1,470 | 530 |
| Income (loss) from continuing operations | 526 | 1,698 | 1,680 | 558 | (12,155) | 575 | (1,057) |
| Net interest and other financing costs | 302 | 318 | 312 | 297 | 332 | 341 | 359 |
| Income (loss) from continuing operations before income taxes | 224 | 1,380 | 1,368 | 261 | (12,487) | 234 | (1,416) |
| Provision (benefit) for income taxes | 74 | 271 | 255 | 184 | (1,951) | 150 | (436) |
| Income (loss) from continuing operations, net of tax | 150 | 1,109 | 1,113 | 77 | (10,536) | 84 | (980) |
| Income from discontinued operations, net of tax | 109 | 258 | 254 | 185 | 318 | 192 | 371 |
| Net income (loss) | 259 | 1,367 | 1,367 | 262 | (10,218) | 276 | (609) |
| Less net income (loss) attributable to: | | | | | | | |
| Redeemable noncontrolling interest | 20 | 21 | 20 | 20 | 20 | 21 | 20 |
| Noncontrolling interests | 246 | 240 | 252 | (201) | (1,004) | 246 | 257 |
| Net income (loss) attributable to MPC | (7) | 1,106 | 1,095 | 443 | (9,234) | 9 | (886) |
| Effective tax rate on continuing operations [c] | 33% | 20% | 19% | 70% | 16% | 64% | 31% |

*(a) Effective in the third quarter of 2020, R&M historical results have been recast and now include the results of the retained direct dealer business.*
*(b) Effective in the third quarter of 2020, Corporate historical results have been recast to reflect corporate costs that are not allocable to Speedway under discontinued operations accounting requirements.*
*(c) 4Q19 tax rate impacted by midstream impairments, net of the portion attributable to noncontrolling interests, and the biodiesel tax credit which are largely non-taxable items. 2Q20 tax rate impacted by changes in our estimated annual effective rate applied to income for the year to date interim period.*

# Reconciliation

## Net Income (Loss) Attributable to MPC to Adjusted Net Income (Loss) Attributable to MPC

| ($MM) | 3Q20 | 3Q19 |
|---|---|---|
| **Net income (loss) attributable to MPC** | (886) | 1,095 |
| Pre-tax adjustments: | | |
| Transaction-related costs | 18 | 22 |
| Purchase Accounting – depreciation and amortization [(a)] | - | (57) |
| Impairments | 433 | - |
| Restructuring expenses | 348 | - |
| LIFO liquidation charge | 256 | - |
| LCM inventory valuation adjustment | (530) | - |
| Tax impact of adjustments [(b)] | (264) | 7 |
| NCI impact of adjustments | (24) | 6 |
| **Adjusted net income (loss) attributable to MPC** | (649) | 1,073 |
| | | |
| **Diluted income (loss) per share** | $(1.36) | $1.66 |
| **Adjusted diluted income (loss) per share** [(c)] | $(1.00) | $1.63 |

*(a) Reflects the cumulative effects related to a measurement period adjustment arising of the finalization of purchase accounting.*
*(b) We generally tax effect taxable adjustments to reported earnings using a combined federal and state statutory rate of approximately 24 percent.*
*(c) Weighted-average diluted shares outstanding and income allocated to participating securities, if applicable, in the adjusted earnings per share calculation are the same as those used in the GAAP diluted earnings per share calculation except for the three months ended June 30, 2020 which assumes no dilution and uses basic shares as a result of an adjusted loss attributable to MPC.*

# Reconciliation

## Net Income (Loss) Attributable to MPC to Adjusted EBITDA and LTM Adjusted Pro Forma EBITDA

| ($MM) | 4Q19 | 1Q20 | 2Q20 | 3Q20 | LTM |
|---|---|---|---|---|---|
| Net Income (loss) attributable to MPC | 443 | (9,234) | 9 | (886) | (9,668) |
| Add: Net interest and other financial costs | 302 | 338 | 345 | 364 | 1,349 |
| Net income (loss) attributable to noncontrolling interests | (181) | (984) | 267 | 277 | (621) |
| Provision (benefit) for income taxes | 277 | (1,937) | 360 | (374) | (1,674) |
| Depreciation and amortization | 978 | 962 | 935 | 866 | 3,741 |
| Refining planned turnaround costs | 153 | 329 | 162 | 234 | 878 |
| Transaction-related costs | 13 | 35 | 30 | 18 | 96 |
| Equity method investment restructuring gains | (52) | - | - | - | (52) |
| Impairments | 1,239 | 9,137 | 25 | 433 | 10,834 |
| Restructuring | - | - | - | 348 | 348 |
| LIFO liquidation charge | - | - | - | 256 | 256 |
| LCM inventory valuation adjustment | - | 3,220 | (1,480) | (530) | 1,210 |
| **Adjusted EBITDA** | **3,172** | **1,866** | **653** | **1,006** | **6,697** |
| Credit Metric Adjustments: | | | | | |
| Less: Refining planned turnaround costs | | | | | (878) |
| **LTM Adjusted EBITDA** | | | | | **5,819** |
| Less: LTM Adjusted EBITDA related to MPLX | | | | | (4,979) |
| **LTM Adjusted EBITDA excluding MPLX** | | | | | **840** |
| Add: Distributions to MPC from MPLX | | | | | 1,787 |
| **LTM Adjusted EBITDA excluding MPLX EBITDA, including LP distributions to MPC** | | | | | **2,627** |

# Reconciliation

## Net Income Attributable to MPC to EBITDA, Adjusted EBITDA and Adjusted Pro Forma EBITDA

| ($MM) | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|---|---|---|---|
| Net Income (loss) attributable to MPC | 2,389 | 3,389 | 2,112 | 2,524 | 2,852 | 1,174 | 3,432 | 2,780 | 2,637 |
| Add: Net interest and other financial costs | 26 | 109 | 179 | 216 | 334 | 564 | 674 | 1,003 | 1,247 |
| Net income attributable to noncontrolling interests | - | 4 | 21 | 31 | 16 | 39 | 372 | 826 | 618 |
| Provision for income taxes | 1,330 | 1,845 | 1,113 | 1,280 | 1,506 | 609 | (460) | 962 | 1,074 |
| Depreciation and amortization | 891 | 995 | 1,220 | 1,326 | 1,502 | 2,001 | 2,114 | 2,490 | 3,638 |
| **EBITDA** | 4,636 | 6,342 | 4,645 | 5,377 | 6,210 | 4,387 | 6,132 | 8,061 | 9,214 |
| Refining planned turnaround costs [a] | - | - | - | - | 290 | 624 | 501 | 664 | 740 |
| Purchase accounting inventory related effects | - | - | - | - | - | - | - | 759 | - |
| Transaction related costs | - | - | - | - | - | - | - | 197 | 160 |
| Litigation | - | - | - | - | - | - | 29 | - | 22 |
| Equity method investment restructuring gains | - | - | - | - | - | - | - | - | (259) |
| Minnesota Assets sale settlement gain | - | (183) | - | - | - | - | - | - | - |
| Impairment expense | - | - | - | - | 144 | 486 | (23) | (9) | 1,239 |
| LCM inventory valuation adjustment | - | - | - | - | 370 | (370) | - | - | - |
| **Adjusted EBITDA** | **4,636** | **6,159** | **4,645** | **5,377** | **7,014** | **5,127** | **6,639** | **9,672** | **11,116** |
| Pro Forma EBITDA related to ANDV | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **2,356** | **-** |
| **Adjusted Pro Forma EBITDA** | **4,636** | **6,159** | **4,645** | **5,377** | **7,014** | **5,127** | **6,639** | **12,028** | **11,116** |
| Less: Refining planned turnaround costs | **-** | **-** | **-** | **-** | **(290)** | **(624)** | **(501)** | **(664)** | **(740)** |
| **Adjusted Pro Forma EBITDA** | **4,636** | **6,159** | **4,645** | **5,377** | **6,724** | **4,503** | **6,138** | **11,364** | **10,376** |
| MPLX income from operations [b] | **-** | **204** | **213** | **245** | **381** | **902** | **1,191** | **3,336** | **3,616** |
| Depreciation and amortization [b] | **-** | **60** | **70** | **75** | **129** | **591** | **683** | **1,135** | **1,254** |
| **MPLX EBITDA [b]** | **-** | **264** | **283** | **320** | **510** | **1,493** | **1,874** | **4,471** | **4,870** |
| **EBITDA excluding MPLX** | **4,636** | **5,895** | **4,362** | **5,057** | **6,214** | **3,010** | **4,264** | **6,893** | **5,506** |
| MLP Distributions | **-** | **-** | **57** | **76** | **118** | **332** | **498** | **1,590** | **1,823** |
| **Adjusted EBITDA excluding MPLX, including distributions from MPC** | **4,636** | **5,895** | **4,419** | **5,133** | **6,332** | **3,342** | **4,762** | **8,483** | **7,329** |
| **Debt (face value):** MPC Corp | **3,299** | **3,355** | **3,395** | **6,657** | **12,475** | **11,069** | **13,418** | **27,980** | **29,282** |
| MPLX/ANDX | **-** | **(11)** | **(11)** | **(645)** | **(5,736)** | **(4,858)** | **(7,362)** | **(18,866)** | **(20,119)** |
| **Net of MPLX** | **3,299** | **3,344** | **3,384** | **6,012** | **6,739** | **6,211** | **6,056** | **9,114** | **9,163** |
| **Debt to adjusted EBITDA excluding MPLX, including LP distributions to MPC** | **0.7** | **0.6** | **0.8** | **1.2** | **1.1** | **1.8** | **1.3** | **1.1** | **1.2** |

[a] Refining & Marketing segment supplemental reporting revised in the second quarter of 2019, including a separate category for refinery planned turnaround costs. Data not available prior to 2015. [b] Includes pro forma financials related to ANDX

# Reconciliation

## MPLX Net Income (Loss) to Adjusted EBITDA Related to MPLX

| ($MM) | 4Q19 | 1Q20 | 2Q20 | 3Q20 | LTM |
|---|---|---|---|---|---|
| MPLX Net Income / (Loss) | (573) | (2,716) | 655 | 674 | (1,960) |
| Add: Net interest and other financial costs | 229 | 230 | 223 | 224 | 906 |
| Provision (benefit) for income taxes | (2) | - | - | 1 | (1) |
| Impairments | 1,239 | 3,429 | - | 27 | 4,695 |
| Restructuring expenses | - | - | - | 36 | 36 |
| Depreciation and amortization | 338 | 325 | 321 | 319 | 1,303 |
| Adjusted EBITDA related to MPLX | 1,231 | 1,268 | 1,199 | 1,281 | 4,979 |

# Reconciliation

## Cash Provided by (Used in) Operations to Continuing Operating Cash Flow Before Changes in Working Capital

| ($MM) | 2020<br>3Q |
|---|---|
| Cash provided by (used in) operating activities from continuing operations | 879 |
| Less changes: | |
| Current receivables | (767) |
| Inventories | 750 |
| Current accounts payable and accrued liabilities | 1,170 |
| Fair value of derivative instruments | 14 |
| Right of use assets and operating lease liabilities, net | (2) |
| Total changes in working capital | 1,165 |
| Operating cash flow from continuing operations before changes in working capital | (286) |
| Adjustments to operating cash flow for restructuring expenses [(a)] | 297 |
| Adjusted operating cash flow from continuing operations before changes in working capital | 11 |

[(a)] Adjustments to operating cash flow before working capital include the portion of restructuring expenses expected to be settled in cash of $297 MM

# Reconciliation

## Segment Income (Loss) from Operations to Segment Adjusted EBITDA and Adjusted EBITDA

| | 2019 | | | | 2020 | | |
|---|---|---|---|---|---|---|---|
| ($MM) | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
| **Refining & Marketing Segment** | | | | | | | |
| Segment income (loss) from operations | (303) | 1,064 | 989 | 1,106 | (497) | (1,544) | (1,569) |
| Add: Depreciation and amortization | 460 | 443 | 416 | 461 | 473 | 463 | 456 |
| Refining planned turnaround costs | 186 | 237 | 164 | 153 | 329 | 162 | 234 |
| LIFO liquidation charge | - | - | - | - | - | - | 256 |
| Segment Adjusted EBITDA | 343 | 1,744 | 1,569 | 1,720 | 305 | (919) | (623) |
| **Midstream Segment** | | | | | | | |
| Segment income from operations | 908 | 878 | 919 | 889 | 905 | 869 | 960 |
| Add: Depreciation and amortization | 307 | 318 | 300 | 342 | 345 | 330 | 335 |
| Segment EBITDA | 1,215 | 1,196 | 1,219 | 1,231 | 1,250 | 1,199 | 1,295 |
| **Segment Adjusted EBITDA** | 1,558 | 2,940 | 2,788 | 2,951 | 1,555 | 280 | 672 |
| Corporate | (195) | (188) | (206) | (244) | (233) | (195) | (197) |
| Add: Depreciation and amortization | 59 | 27 | 45 | 47 | 45 | 40 | 39 |
| **Adjusted EBITDA from continuing operations** | 1,422 | 2,779 | 2,627 | 2,754 | 1,367 | 125 | 514 |
| **Speedway** | | | | | | | |
| Speedway | 143 | 344 | 344 | 290 | 400 | 426 | 456 |
| Add: Depreciation and amortization [(a)] | 93 | 98 | 94 | 128 | 99 | 102 | 36 |
| **Adjusted EBITDA from discontinued operations** | 236 | 442 | 438 | 418 | 499 | 528 | 492 |
| **Adjusted EBITDA from continuing and discontinued operations** | 1,658 | 3,221 | 3,065 | 3,172 | 1,866 | 653 | 1,006 |

*Effective in the third quarter of 2020, R&M historical results have been recast and now include the results of the retained direct dealer business.*

*(a) As of August 2, 2020 Speedway ceased recording depreciation and amortization.*

# Reconciliation

## Refining & Marketing Income (Loss) from Operations to Refining & Marketing Margin

| | 2019 | | | | 2020 | | |
|---|---|---|---|---|---|---|---|
| ($MM) | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
| Refining & Marketing income (loss) from operations [a] | (303) | 1,064 | 989 | 1,106 | (497) | (1,544) | (1,569) |
| Plus (Less): | | | | | | | |
| Selling, general and administrative expenses | 548 | 578 | 536 | 549 | 556 | 502 | 518 |
| LCM inventory valuation adjustment | - | - | - | - | (3,185) | 1,470 | 530 |
| (Income) loss from equity method investments | (1) | (3) | (6) | (1) | 3 | 19 | (16) |
| Net (gain) loss on disposal of assets | (8) | - | - | - | - | 1 | (1) |
| Other Income | (14) | (8) | (8) | (13) | (4) | (4) | (1) |
| Refining & Marketing gross margin | **222** | **1,631** | **1,511** | **1,641** | **(3,127)** | **444** | **(539)** |
| Plus (Less): | | | | | | | |
| Operating expenses (excluding depreciation and amortization) | 2,615 | 2,623 | 2,643 | 2,829 | 2,833 | 2,240 | 2,408 |
| LCM inventory valuation adjustment | - | - | - | - | 3,185 | (1,470) | (530) |
| Depreciation and amortization | 460 | 443 | 416 | 461 | 473 | 463 | 456 |
| Gross margin excluded from Refining & Marketing margin [b] | (128) | (157) | (179) | (156) | (109) | (75) | (101) |
| Other taxes included in Refining & Marketing margin | (4) | (1) | (3) | (3) | (24) | (19) | (19) |
| Biodiesel tax credit [c] | - | - | - | (153) | - | - | - |
| Refining & Marketing margin [a, d] | **3,165** | **4,539** | **4,388** | **4,619** | **3,231** | **1,583** | **1,675** |
| LIFO liquidation charge | - | - | - | - | - | - | 256 |
| Refining & Marketing margin, excluding LIFO liquidation charge | **3,165** | **4,539** | **4,388** | **4,619** | **3,231** | **1,583** | **1,931** |
| Refining & Marketing margin by region: | | | | | | | |
| Gulf Coast | 917 | 1,090 | 1,285 | 1,233 | 977 | 437 | 637 |
| Mid-Continent | 1,517 | 2,193 | 1,977 | 1,975 | 1,335 | 819 | 894 |
| West Coast | 731 | 1,256 | 1,126 | 1,411 | 919 | 327 | 400 |
| Refining & Marketing margin, excluding LIFO liquidation charge | **3,165** | **4,539** | **4,388** | **4,619** | **3,231** | **1,583** | **1,931** |

*Effective in the third quarter of 2020, R&M historical results have been recast and now include the results of the retained direct dealer business.*

*(a) LCM inventory valuation adjustments are excluded from Refining & Marketing income from operations and Refining & Marketing margin.*
*(b) The gross margin, excluding depreciation and amortization, of operations that support Refining & Marketing such as biodiesel and ethanol ventures, power facilities and processing of credit card transactions.*
*(c) Reflects a benefit for the biodiesel tax credit attributable to volumes blended in 2018*
*(d) Refining & Marketing margin is defined as sales revenue less cost of refinery inputs and purchased products. We believe this non-GAAP financial measure is useful to investors and analysts to assess our ongoing financial performance because, when reconciled to its most comparable GAAP measure, it provides improved comparability between periods through the exclusion of certain items that we believe are not indicative of our core operating performance and that may obscure our underlying business results and trends. This measure should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP, and our calculations thereof may not be comparable to similarly titled measures reported by other companies.*

# Reconciliation

## Income from Discontinued Operations to Speedway Total Margin

| | 2019 | | | | 2020 | | |
|---|---|---|---|---|---|---|---|
| ($MM) | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
| Income from Discontinued Operations[a] | 143 | 344 | 344 | 283 | 338 | 406 | 438 |
| Plus (Less): | | | | | | | |
| Operating, selling, general and administrative expenses | 565 | 571 | 618 | 617 | 606 | 589 | 584 |
| Income from equity method investments | (17) | (21) | (20) | (24) | (22) | (27) | (21) |
| Net gain on disposal of assets | - | - | (2) | (27) | (1) | - | 1 |
| Other income | (3) | (3) | (3) | (35) | (49) | (44) | (34) |
| Speedway gross margin | **688** | **891** | **937** | **814** | **872** | **924** | **968** |
| Plus (Less): | | | | | | | |
| LCM inventory valuation adjustment | - | - | - | - | 35 | (10) | - |
| Depreciation and amortization | 93 | 98 | 94 | 128 | 99 | 102 | 36 |
| Speedway margin [a] | **781** | **989** | **1,031** | **942** | **1,006** | **1,016** | **1,004** |
| Speedway margin: [b] | | | | | | | |
| Fuel margin | 363 | 503 | 519 | 479 | 579 | 550 | 478 |
| Merchandise margin | 407 | 471 | 498 | 451 | 414 | 452 | 510 |
| Other margin | 11 | 15 | 14 | 12 | 13 | 14 | 16 |
| Speedway margin | **781** | **989** | **1,031** | **942** | **1,006** | **1,016** | **1,004** |

*(a) LCM inventory valuation adjustments are excluded from income from discontinued operations and Speedway margin.*
*(b) Speedway fuel margin is defined as the price paid by consumers less the cost of refined products, including transportation, consumer excise taxes and bank card processing fees (where applicable). Speedway merchandise margin is defined as the price paid by consumers less the cost of merchandise. We believe these non-GAAP financial measures are useful to investors and analysts to assess our ongoing financial performance because, when reconciled to the most comparable GAAP measures, they provide improved comparability between periods through the exclusion of certain items that we believe are not indicative of our core operating performance and that may obscure our underlying business results and trends. These measures should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP, and our calculations thereof may not be comparable to similarly titled measures reported by other companies.*

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