

Martin Midstream Partners L.P.

Investor Presentation

July 2019



Company Information

Martin Midstream Partners L.P.

NYSE Ticker

Unit Price ⁽¹⁾

MMLP

\$5.85

Market Capitalization ⁽¹⁾⁽²⁾

\$227 million

Enterprise Value ⁽¹⁾⁽²⁾

\$824 million

Contact Information

Corporate Headquarters

Martin Midstream Partners L.P.

4200 Stone Road

Kilgore, Texas 75662

Website

www.mmlp.com

Investor Relations

Contact us at (877) 256-6644

or e-mail us at

ir@mmlp.com

Forward Looking Statements

This presentation includes “forward looking statements” within the meaning of federal securities laws. All statements, other than statements of historical fact, included in this presentation are forward looking statements, including statements regarding the Partnership’s future results of operations or ability to generate income or cash flow, make acquisitions, or make distributions to unitholders. Words such as “anticipate,” “project,” “expect,” “plan,” “goal,” “forecast,” “intend,” “could,” “believe,” “may” and similar expressions and statements are intended to identify forward-looking statements. Although management believes that the expectations on which such forward-looking statements are based are reasonable, neither the Partnership nor its general partner can give assurances that such expectations will prove to be correct. Forward looking statements rely on assumptions concerning future events and are subject to a number of uncertainties, factors and risks, many of which are outside of management’s ability to control or predict. If one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect, the Partnership’s actual results may vary materially from those anticipated, estimated, projected or expected.

Additional information concerning these and other factors that could impact the Partnership can be found in Part I, Item 1A, “Risk Factors” of the Partnership’s Annual Report on Form 10-K for the year ended December 31, 2018 and in the other reports it files from time to time with the Securities and Exchange Commission.

Readers are cautioned not to place undue reliance on any forward-looking statements contained in this presentation, which reflect management’s opinions only as of the date hereof. Except as required by law, the Partnership undertakes no obligation to revise or publicly update any forward-looking statement.



(1) Market Data and Unit Count as of 07/26/19.

(2) Balance Sheet Data as of 6/30/2019.

Presentation Outline

1. Company Overview
2. Operating Segment Detail
3. Financial Overview

Appendix



Company Overview



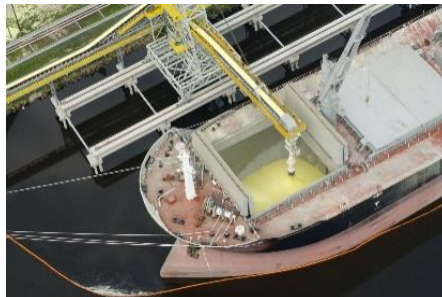
Martin Midstream at a Glance

Diversified Specialty Services Midstream Business with Operations Strategically Located along the Gulf Coast

- Operates four key business segments Terminalling & Storage, Sulfur, Transportation and Natural Gas Liquids
- Provides specialty services to major and independent oil and gas companies including refineries, chemical companies, etc. with significant business concentrated around the Gulf Coast refinery complex
- Longstanding relationships with diversified customer base with revenue-weighted average customer relationship of ~17 years
- Fee-based EBITDA with substantial amount of the margin risk assumed by parent Martin Resource Management Corporation (“MRMC”)
- Strategic goal to reduce leverage, improve distribution coverage ratio, and steer back to a long-term growth strategy
- Focused on cash flow generation through conservative capital spending and retaining excess cash flow to strengthen balance sheet



Asphalt and Fuel Oil Terminal



Prilled Sulfur Loading Ship

Key Stats

Terminalling & Storage



33 marine-based & specialty terminal facilities with 2.9 MMbbls storage capacity

Sulfur



Owns 26 and leases 174 railcars, 2 inland marine barges, 1 inland push boat, 1 offshore ATB unit, 2 prilling terminals and 6 fertilizer plants

Transportation



Marine transportation vessels include 31 inland marine barges, 17 inland push boats, 1 offshore ATB unit



Land transportation includes 544 tank trucks and 1,276 trailers

Natural Gas Liquids



2.4 million barrels of underground storage capacity

Idle 200 miles of natural gas liquids pipeline



Credit Highlights

1 Diversified business model provides specialty product handling services

- Provides specialty product handling services, for hard to handle products including molten sulfur, asphalt, sulfuric acid, liquid ammonia and other specialty products
- Diversified operations provide cash flow stability
- Business segments with minimal upstream exposure

2 Vertically integrated services provided for Gulf Coast-centric asset and operational footprint

- Own and operate terminalling, storage and packaging services for petroleum products and by-products that would be difficult to replicate
- Land transportation services for petroleum products and by-products, asphalt, LPGs, molten sulfur, sulfuric acid, paper mill liquors, chemical and other bulk commodities
- Marine transportation services for petroleum products and by-products

3 Stable fee-based cash flows backed by many long-term investment grade customer relationships

- 62% fee-based segment EBITDA
- 17 year revenue-weighted average customer relationships with major and independent oil and gas companies
- Integral part of the value chain for customers providing high value, niche services
- Macro drivers for businesses include growth in infrastructure demand, agricultural demand and continued growth in petrochemical and refining complex on the Gulf Coast
- End markets poised to create upside momentum for the business segments

4 Continued Capital Discipline to Strengthen Balance Sheet

- Divested \$400+ million in non-core assets and businesses over the past year to de-lever and streamline the business model
- Recent quarterly cash distribution cut allows MMLP to retain ~\$39 million annually, bolstering financial flexibility

5 Experienced and incentivized management team with strong parent support

- Extensive industry and MLP experience, senior management holds significant limited and general partner interests, which strengthens alignment of incentives with lenders and public unitholders
- Supportive general partner, which is privately owned, and assumes substantial amount of the margin risk providing stable fee-based cash flows to the limited partners



1 Diversified Business Model

	Terminalling & Storage	Sulfur	Transportation	Natural Gas Liquids
Business Overview	<ul style="list-style-type: none"> Operates 33 terminal facilities with aggregate storage capacity of 2.9 million barrels Provides storage, refining, blending, packaging and handling services of petroleum products and by-products and petrochemicals 	<ul style="list-style-type: none"> Aggregates, stores and transports molten sulfur and converts to prilled sulfur Manufactures and markets sulfur-based fertilizers and related sulfur products (sulfuric acid) to wholesale fertilizer distributors and industrial users 	<ul style="list-style-type: none"> Tank truck transportation services for the petroleum, petrochemical and chemical industries Utilizes inland and offshore tows to provide marine transportation of petroleum products and byproducts 	<ul style="list-style-type: none"> Purchases NGLs primarily from refineries and natural gas processors Stores and transports NGLs for delivery to refineries, industrial NGL users and wholesale delivery to propane retailers
2018 Adj. EBITDA ⁽¹⁾ Contribution	41%	22%	19%	18%
Key Customers				
Wtd. Average Relationship Length ⁽²⁾	10 Years	10 Years	22 Years	20 Years

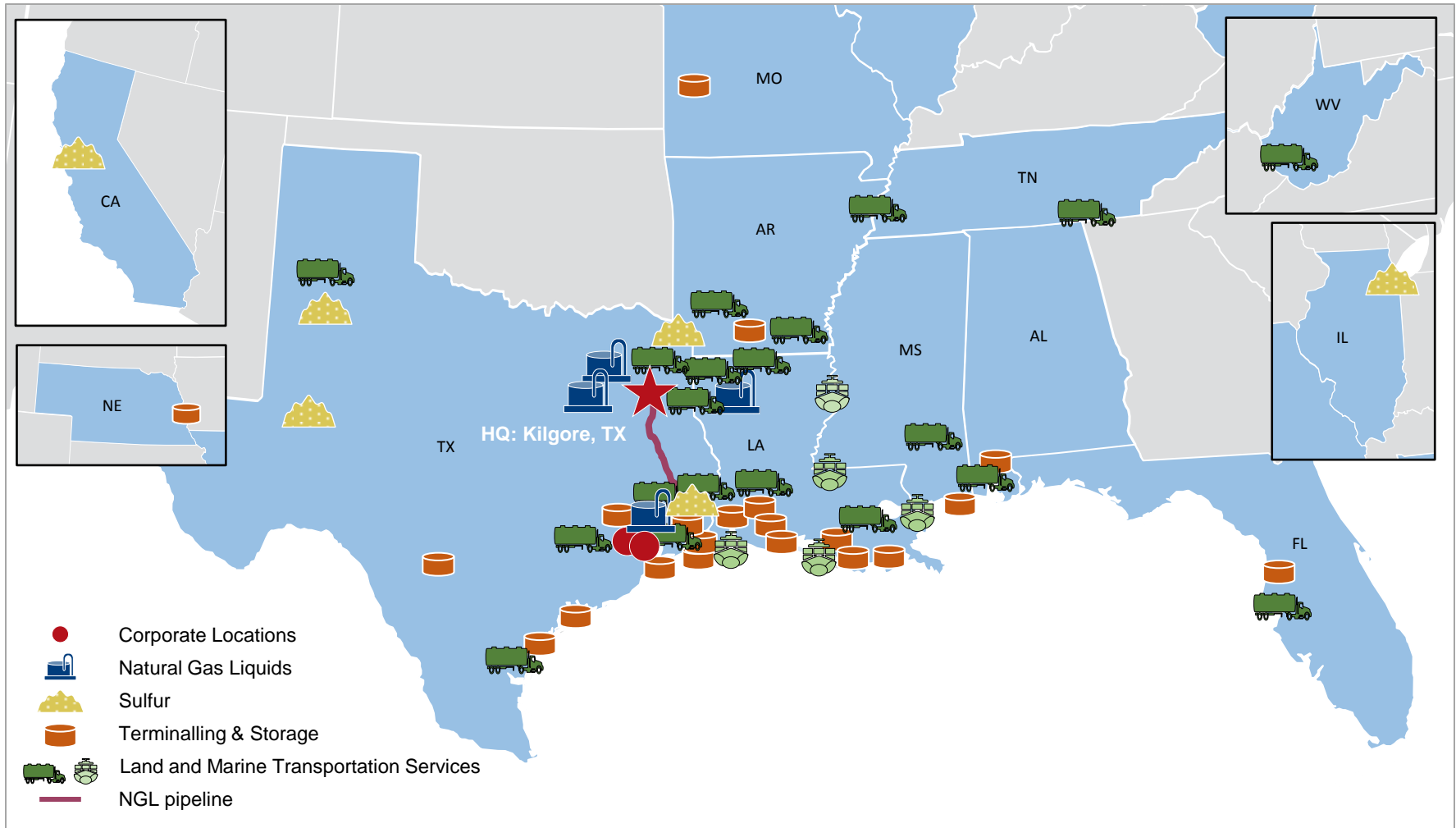


(1) See Appendix for Adjusted EBITDA calculation and reconciliation.

(2) Weighted average relationship length of top 5 customers in each segment within each business.

2

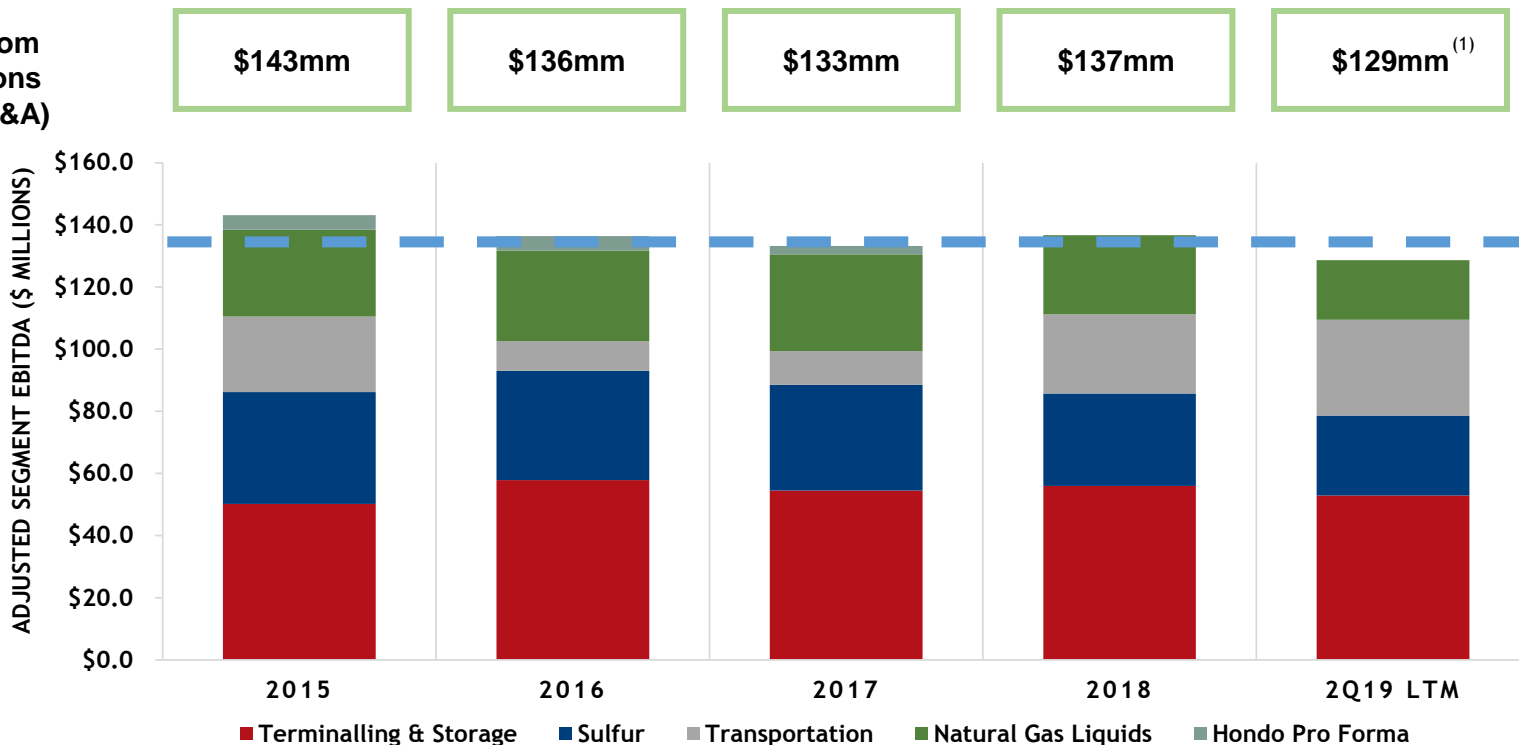
Vertically Integrated Services Provided for Gulf Coast-centric Asset & Operational Footprint



3 Cash Flow Stability from Continuing Operations

Continuing operations offer proven historical stability and benefit from diversification and fixed-fee contracts

Adjusted Segment EBITDA from Continuing Operations (Pre-Unallocated SG&A)



Key Market Events

- 2015:** - Oil stabilization in 1H15; subsequent fall in 2H15
- Normal butane / fertilizer environment
- 2016:** - Trough in oil prices
- Normal butane / fertilizer environment
- Transportation activity most affected by trough in oil
- 2017:** - Hurricane Harvey negatively impacted Terminalling & Storage
- Normal butane / fertilizer environment
- Transportation activity slow to recover
- 2018:** - Steep oil price decline in 4Q negatively impacted seasonality of butane sales
- Adverse weather impacted fertilizer sales
- Renewed growth in transportation activity

Adjusted Segment EBITDA from Continuing Operations gives effect to certain dispositions and acquisitions occurring during the periods presented, including the Corpus Christi Terminals, Cardinal Gas Storage and West Texas LPG dispositions and the Martin Transport, Inc. ("MTI") and Hondo acquisitions. Such measure does not give effect to the \$8 million Dunphy Terminal asset sale that was effective December 1, 2018. For the calculation and reconciliation of Adjusted Segment EBITDA from Continuing Operations, see Appendix.


(1) Includes ~\$13mm non-cash Butane LCM add-back.



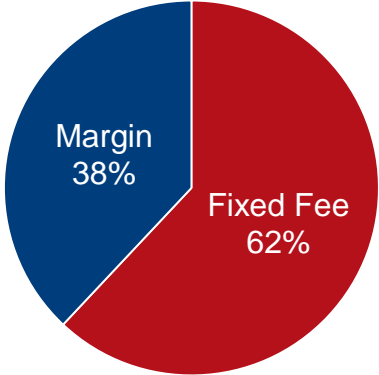
3

Strong Fee-Based Contracts with Limited Commodity Exposure

Segment Breakdown

	Fixed Fee EBITDA	Margin Based EBITDA		Protection from Commodity Price Volatility
		Volume-Risk	Price-Risk	
Terminalling & Storage	<ul style="list-style-type: none"> ✓ Smackover Refinery ✓ Specialty Terminals ✓ Shore-Based Terminals 	<ul style="list-style-type: none"> ✓ Martin Lubricants ✓ Shore-Based Lubricants 		✓
Sulfur	<ul style="list-style-type: none"> ✓ Sulfur Prilling ✓ Molten Sulfur 	<ul style="list-style-type: none"> ✓ Fertilizer 		✓
Transportation	<ul style="list-style-type: none"> ✓ Land ✓ Marine 			✓
Natural Gas Liquids	<ul style="list-style-type: none"> ✓ NGLs 	<ul style="list-style-type: none"> ✓ Propane 	<ul style="list-style-type: none"> ✓ Butane 	 Strategic Hedging

2018 Contract Mix



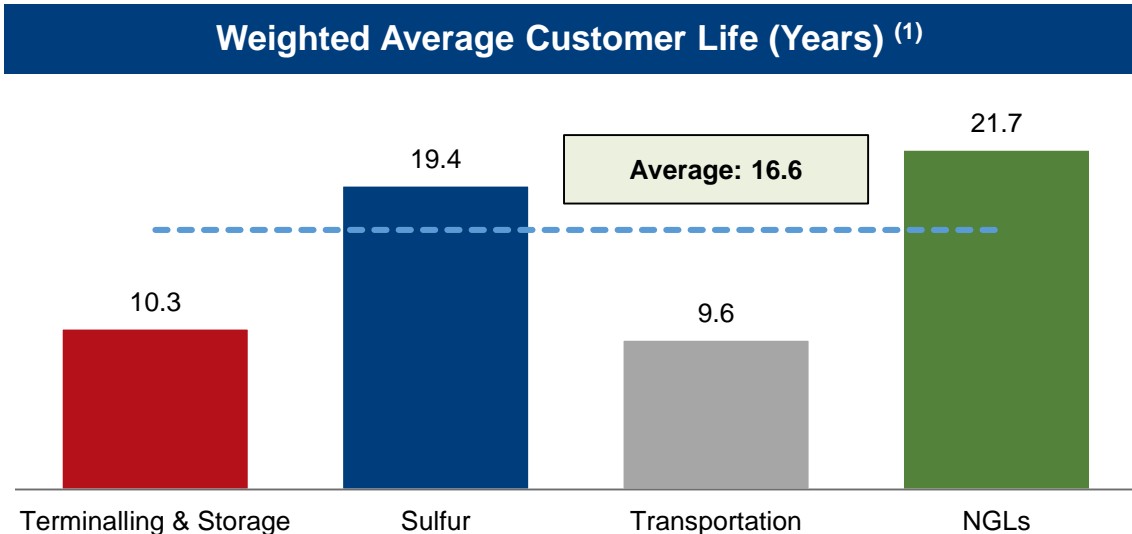
- Fee-based contracts include:
 - Take-or-pay contracts for sulfur prilling
 - Transportation and handling contracts
 - Day-rate marine contracts
 - Fee-based storage contracts with minimum volume commitments
 - Fee-based tolling agreements



3 Long-Term Relationships, Key Customers

- Martin's fixed fee and margin business provides a combination of long-term, spot and evergreen contracts with key customers
 - Key customers weighted average remaining contract life of ~4.5 years
- Evergreen and spot contracts are anchored by long-term relationships with major and independent oil and gas companies
 - Average customer life of ~17 years

Key customers represent 44% of revenue



(1) Revenue weighted average contract tenure of top 5 customers in each segment within each business.

4

Continued Capital Discipline to Strengthen Balance Sheet

Strategic Improvements to Capital Structure



Sold Underperforming Assets

- Sale of non-core assets including, West Texas LPG Pipeline, Dunphy Terminal, and Cardinal Natural Gas Storage for a total of \$418mm and proceeds from which were used to repay debt



Continued Capital Discipline

- Drop down acquisition of Martin Transport at an attractive multiple of 5.7x
- No significant growth capital committed from 2020 onwards
- Target net leverage of 4.0x



Fine-tuning Capital Structure

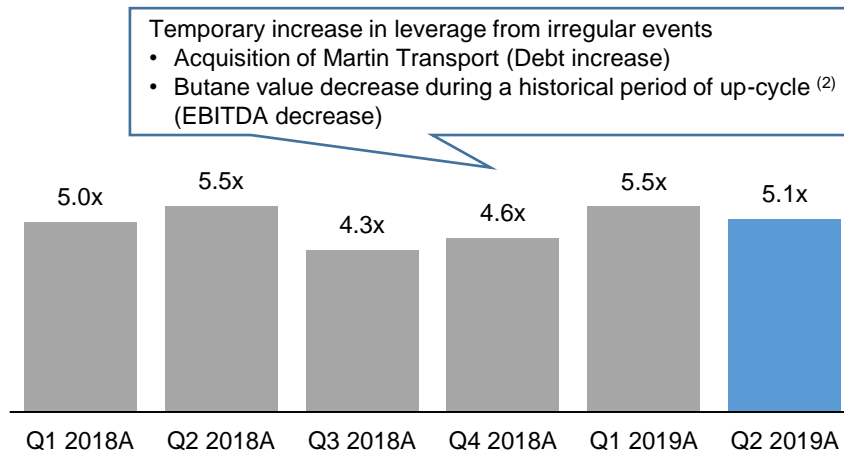
- Amended the Partnership's existing Revolving Credit Facility with an August 2023 maturity, \$400 million Revolving Credit Facility to manage leverage



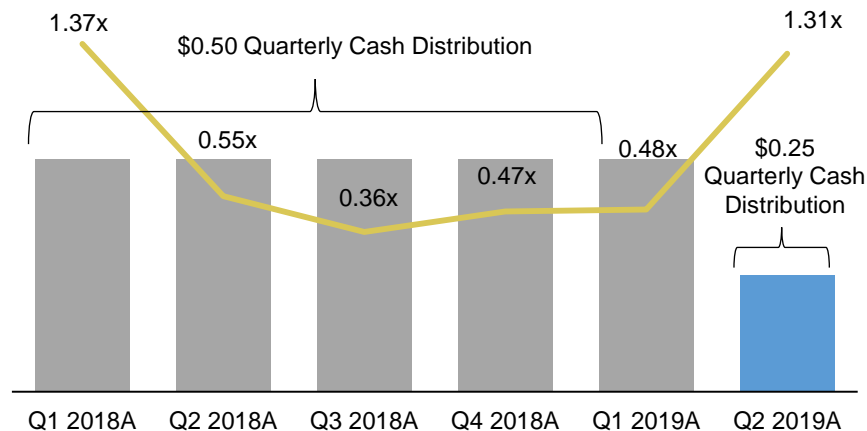
Reduced Distribution and Improved Coverage

- Reduction of the Partnership's quarterly distribution to \$0.25 per unit in 2Q 2019 (from \$0.50 per unit the prior quarter); thereby retaining additional annual cash flow to shore up balance sheet

Total Debt / PF Covenant Compliance EBITDA ⁽¹⁾



Distribution Coverage



(1) Pro Forma EBITDA and leverage calculated in accordance with Revolving Credit Facility based on lender compliance certificates.

(2) Refer to Historical 10-year Butane Pricing chart in Natural Gas Liquids segment.

4 Strategic Initiatives

Objective: De-lever MMLP by divesting non-core assets and businesses, creating the ability to focus on a streamlined corporate strategy and position the Partnership for growth

- Asset sales to strengthen the balance sheet, and streamline MMLP's business model which provides clarity to ongoing operations
- Acquisition of MTI positions MMLP for cash flow growth
- Previously announced quarterly cash distribution cut to \$0.25 per unit or \$1.00 per unit on an annual basis

Key Transactions	Effective Date	Proceeds (\$mm)	Estimated Annual EBITDA (\$mm)
<i>Divestitures</i>			
West Texas LPG Pipeline	Jul 31, 2018	\$195.0	\$(5.6)
Dunphy Terminal	Dec 1, 2018	\$8.0	\$(1.0)
Cardinal Natural Gas Storage	Jun 28, 2019	\$215.0	\$(20.5)
<i>Acquisitions</i>			
Martin Transport, Inc.	Jan 1, 2019	\$(135.0)	\$23.6
Net Proceeds and Net EBITDA		\$283.0	\$(3.5)

MMLP received net proceeds of \$283mm with a net reduction in EBITDA impact of only \$3.5mm, thereby reallocating capital to pay down debt and positioning core businesses for future growth



4 Growth Strategy



Organic Growth Projects

Continually evaluates attractive organic expansion to leverage its existing operating assets

Increase distributable cash flow through improved utilization and efficiency

- Specialty Products pursuing an additional grease processing and packaging location to serve new and existing customers in the western United States
 - Improves competitive position by reducing transportation costs and relieve capacity constraints
- Attract new or expand services to existing MTI customers that will allow for fleet optimization



Internal Organic Growth

Attract new customers with existing products and services to efficiently grow revenues and cash flow

Capitalize growth on business segments with stronger economic outlook

- Martin Lubricants focus on relationships with national customers allows for operational efficiencies and scalability of systems and storage capacity
- Tightness in the trucking market sustained by a nationwide shortage of drivers will continue to propel rate increases
- Consolidation within the marine industry has assisted with fleet rationalization and a demand uptick with rates continuing to increase



Strategic Alliances

Utilize industry knowledge, network of customers and suppliers, and strategic asset base to expand commercial alliances to drive revenue and cash flow growth

Contribute assets strategically to fuel growth and minimize capital expenditures

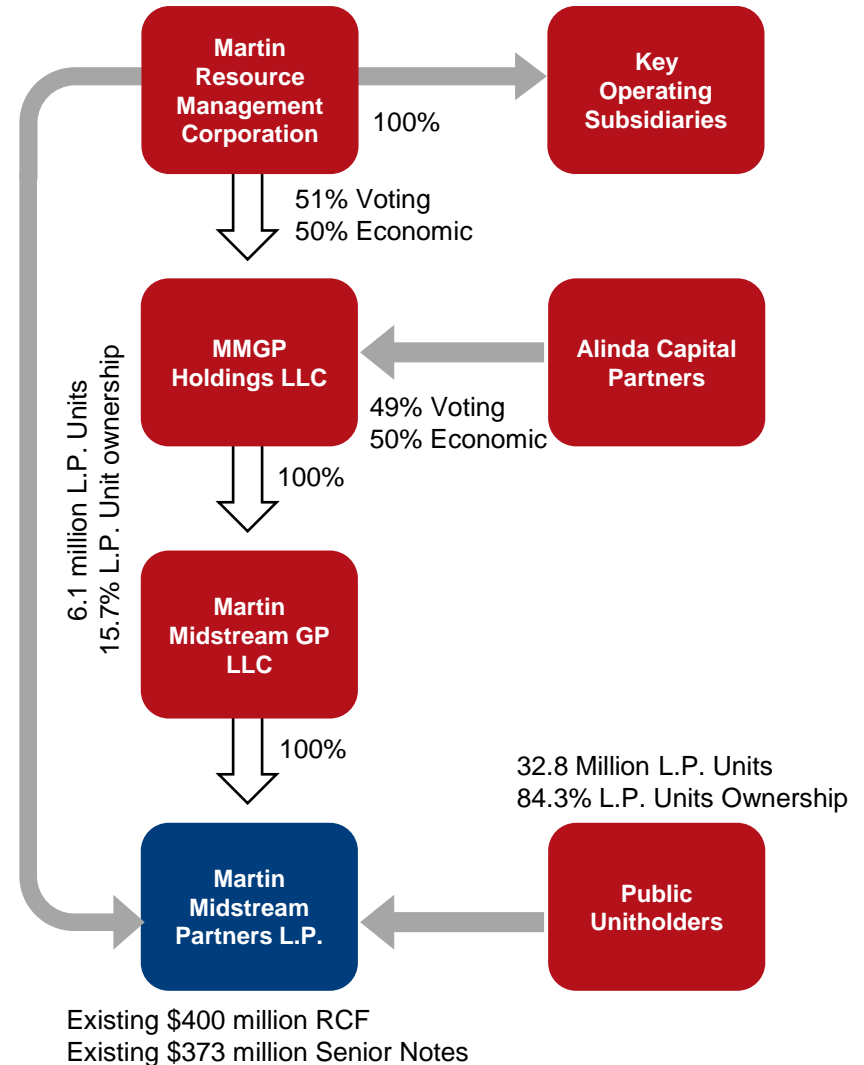
- Has access to an additional ~96.497 acres of land at its Beaumont Terminal with 35 year lease which includes extension option expiring in 2049
 - Attractive deepwater location as an alternative to the Houston Ship Channel
 - Projects may include blending and export capabilities, terminalling assets, additional storage capacity
 - MMLP's equity participation would be through land contribution and terminal operation expertise
- Owns ~18.350 acres of land with a dock located at the mouth of the Port of Corpus Christi Ship Channel. Favorable location to participate in a crude oil export project



5

Experienced and Incentivized Management Team and Strong Parent Support

- Martin Resource Management Corporation (“MRMC”) has significantly assisted in MMLP’s growth and is committed to the partnership
 - MRMC has provided over \$551 million in asset drop-downs since IPO
 - MRMC owns 15.7% of outstanding LP units
- MRMC’s operations support MMLP’s cash flow
 - MRMC’s distinct assets and business units are complementary to MMLP
 - MRMC’s contractual relationships with MMLP are designed to move commodity priced volatility away from MMLP leaving behind stable, fee-based cash flow
- Alinda Capital Partners (“Alinda”) has a 49% voting and 50% economic interest in the general partner of MMLP



Operating Segment Detail



Terminalling & Storage

- Operates 33 terminal facilities with aggregate storage capacity of 2.9 million barrels

Smackover Refinery

- 7,700 bpd capacity naphthenic lube refinery located in Smackover, Arkansas
- Processes crude oil into finished products including naphthenic lubricants, distillates and asphalt
- Long-term tolling agreement with MRMC eliminates commodity exposure and working capital requirements



Smackover Refinery, Smackover, Arkansas

Martin Lubricants & Specialty Products

Lubricants:

- Purchases base oils to blend and package branded and private label lubricants for agricultural and industrial use
- 3.9 million gallons bulk storage and 235,000 sq. ft. warehouse within MMLP's Refinery

Specialty Products:

- Grease processing and packaging in Kansas City, Missouri and Houston, Texas
- Assets include 75,000 sq ft. warehouse and 0.2 million gallons of bulk storage



Neches Terminal, Beaumont, Texas

Specialty Terminals

- 11 terminals that facilitate the movement of petroleum products and by-products and petrochemicals from oil refiners and natural gas processing facilities
- Capable of storing and handling products with temperature requirements ranging from -30°F to +400°F
- Asphalt terminal locations: Hondo, TX, South Houston, TX, Tampa, FL, Port Neches, TX, Beaumont, TX and Omaha, NE

Shore-Based Terminals

- 19 terminals along the Gulf Coast from Theodore, AL to Harbor Island, Aransas Pass, TX
- Terminalling assets utilized by Martin Energy Services, which is a subsidiary of MRMC, to facilitate the distribution and marketing of fuel and lubricants to oil and gas exploration and production companies, oilfield service companies, marine transportation companies and offshore companies



Asphalt and Fuel Oil Terminal, Tampa, Florida



Terminalling & Storage

Contract Overview

Smackover Refinery

Fee-based 6,500 bpd MVC from MRMC to process naphthenic crude oil into refined products
 Receives tolling fee and additional fee for incremental throughput

Napthenic Crude Oil Supplied by Cross Oil (MRMC)



Refined Products (MRMC)

- Lubricants
- Distillates
- Asphalt
- Other Intermediates

Key Customer(s) / Remaining Weighted Average Contract Life



(MRMC Company)

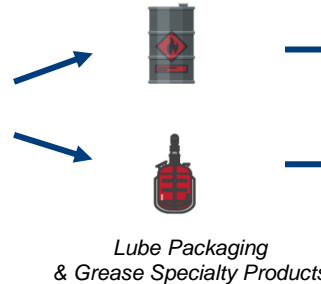
Avg. Tenure: ~10 years

Fee-Based: 12 years

Martin Lubricants

Margin-based, purchases base oil from 3rd parties and MRMC to blend and package private label lubricants

Blending & Packaging of Napthenic Lubricants



Lubricants/ Grease

- Branded/ Private Label Lubricants
- Automotive, Commercial, and Industrial Greases
- Post-Tension Greases



Avg. Tenure: ~8 years

Margin-Based: Spot

Specialty Terminals

Fee-based tank leases, receives specialty, "hard to handle" products from inland refineries and stores for delivery to Gulf Coast refineries

Specialty Products

- Asphalt
- Natural Gasoline
- Ammonia
- Other Petroleum Products



Avg. Tenure: ~10 years

Fee-Based: 8.5 years

Shore-Based Terminals

Fee-based evergreen MVC contracts for storage, handling, loading and unloading services primarily for offshore companies

Storage, Handling, Loading & Unloading of Products

- Tubular goods
- Bulk materials
- Other off-shore exploration and production materials



Avg. Tenure: ~12 years

Fee-Based: Evergreen

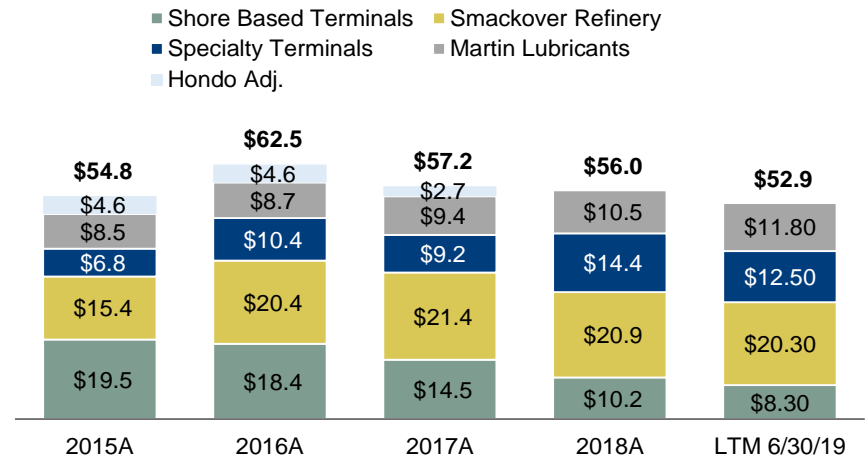


Terminalling & Storage

Segment Strategy

- Well positioned for energy export projects at Beaumont terminal
- IMO 2020 expected to create additional value for storage and terminalling assets
- Capitalize on any increase in Gulf of Mexico drilling
- Growth in Grease Specialty Products with limited capital requirements
- Upside for four underutilized tanks at the Tampa, FL terminal

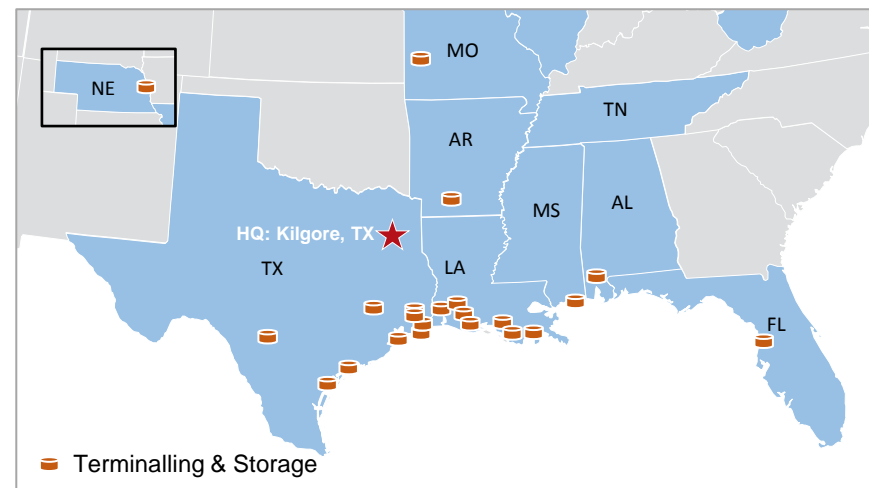
Adj. EBITDA from Continuing Operations (\$mm) ⁽¹⁾



Key Revenue Drivers

Smackover Refinery	✓ Naphthenic base oil and lubricant demand
Lubricants & Specialty Products	✓ Industrial construction demand
Specialty Terminals	<ul style="list-style-type: none"> ✓ Asphalt demand from infrastructure and construction ✓ Agriculture demand
Shore-Based Terminals	✓ Gulf of Mexico drilling activity

Segment Map



⁽¹⁾ Hondo Asphalt Terminal came online July 1, 2017 (fully in-service September 1, 2017) and is supported by minimum throughput commitments running through the paving season of 2030 that generate ~\$5 million annually. In order to present a run-rate representation of the business, we have included full-year Hondo EBITDA in 2015, 2016 and time adjusted for 2017. See Appendix for calculations of Adjusted Segment EBITDA from Continuing Operations.

Sulfur

- Stores and prills molten sulfur, manufactures and markets sulfur-based fertilizers and related sulfur products (sulfuric acid) to wholesale fertilizer distributors and industrial users

Molten Sulfur

- Aggregates, stores and transports molten sulfur from U.S. Gulf Coast refineries to the Tampa market for fertilizer production
- Requires specialized assets and expertise to handle the unique requirements for transportation and storage



Molten Sulfur Barge

Prilled Sulfur

- Processes molten sulfur into a solid form (“prilling”) to enable large scale transportation for exportation on dry bulk vessels



Neches Sulfur, Beaumont, Texas

Fertilizer

- Manufactures and markets sulfur-based fertilizers and related sulfur products for agricultural and industrial use



Bagged Ammonium Sulfate, Plainview, TX

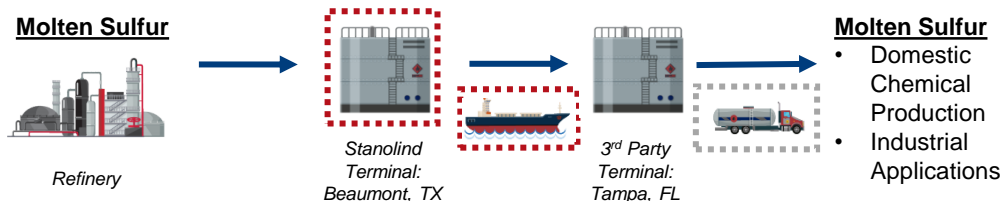


Sulfur

Contract Overview

Molten Sulfur

Fixed fee-based monthly reservation for handling and transportation of molten sulfur



Key Customer(s) / Remaining Weighted Average Contract Life



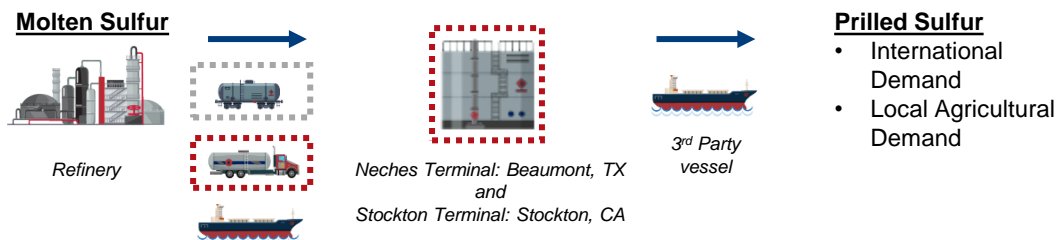
Avg. Tenure: ~14 years

Fee-Based: Annual

Prilled Sulfur

Fixed reservation fee, volumetric operating fee based on reserved sulfur volumes

Gathers molten sulfur from refineries and stores for prilling

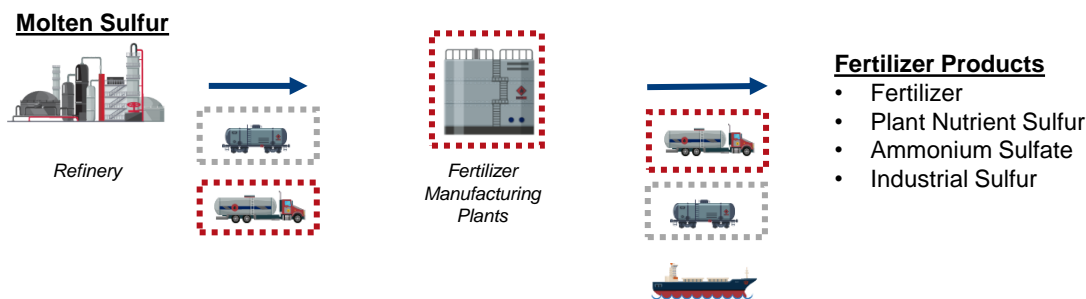


Avg. Tenure: ~17 years

Fee-Based: 2.6 years

Fertilizer

Margin-based contracts, purchases molten sulfur from refineries as feedstock to convert to fertilizer



Avg. Tenure: ~25 years

Margin-Based: Evergreen

Approximately 70% of prilled sulfur exports from the US Gulf Coast originate at MMLP's Neches Terminal ⁽¹⁾



- MMLPs Sulfur Business - MMLPs other businesses

Note: Revenue weighted average contract customer tenure.

(1) Based on 1Q19 quarterly sulfur report published by Con-Sul, Inc.

Sulfur

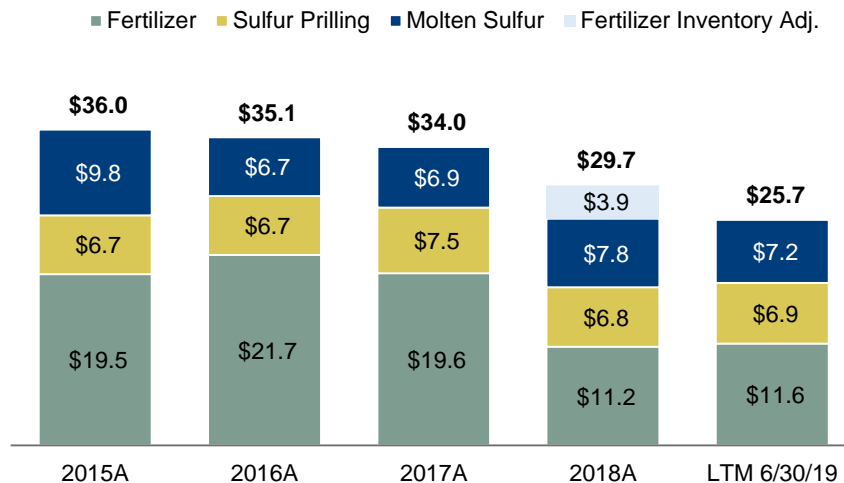
Segment Strategy

- Largest factor influencing sulfur-based fertilizers in the U.S. is corn acres planted
 - Significant challenges during the 2018 and 2019 planting season due to flooding and persistent rainfall. In response, corn prices are trending higher
- Sulfur production driven by refinery utilization and demand for refined products
- At the Beaumont, TX terminal, we provide an export option for the Gulf Coast refiners to the domestic market
- At the Stockton, CA terminal, export is the primary alternative for production from the Northern CA refineries

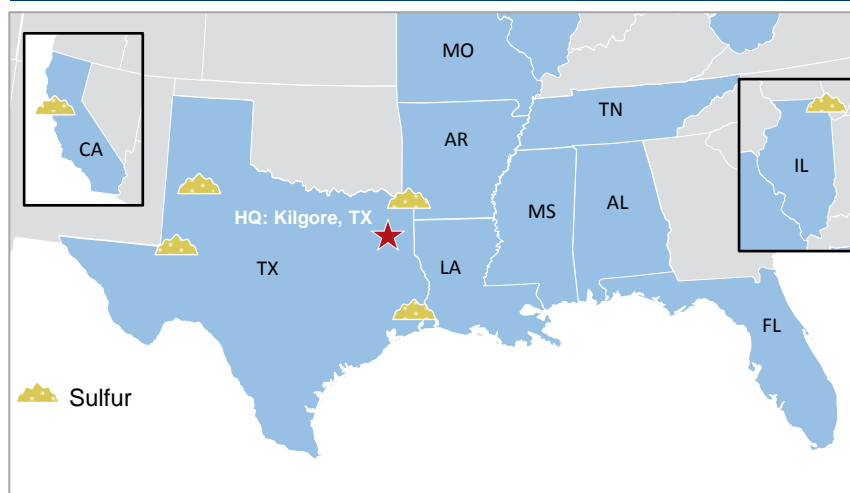
Key Revenue Drivers

Molten Sulfur	<ul style="list-style-type: none"> ✓ Refinery utilization ✓ Refinery crude slate
Sulfur Prilling	<ul style="list-style-type: none"> ✓ Refinery utilization ✓ Refinery crude slate ✓ Agriculture demand
Fertilizer	<ul style="list-style-type: none"> ✓ Normalized planting season ✓ Corn acres planted

Adj. EBITDA from Continuing Operations (\$mm) ⁽¹⁾



Segment Map

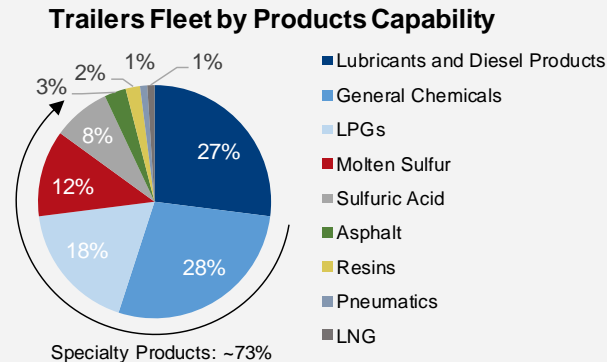


Transportation

- MTI, a subsidiary of MMLP, operates tank truck transportation services catering to petroleum, petrochemical and chemical industries primarily across the Southeast U.S.

Land Transportation

- Truck and trailer fleet made up of 544 tank trucks and 1,276 trailers hauling lubricants, diesel products, general chemicals, LPGs, Molten Sulfur, Sulfuric Acid, Asphalt, Resins, Pneumatics and LNG
- Operations are underscored by long-term customer relationships



Martin Transport, Inc. Trucks

Marine Transportation

- Ability to handle specialty products (asphalt, fuel oil, gasoline, sulfur and other bulk liquids)
 - 31 inland marine tank barges
 - 17 inland push boats
 - 1 offshore ATB unit
- Contracts with:
- MRMC and other MMLP segments
 - Major and independent oil refiners and gas processors
 - International and domestic trading companies



Offshore ATB Unit (M6000)



Transportation

Contract Overview

Land Transportation

Fee-based, spot contracts for tank truck transportation catering to petroleum, petrochemical and chemical industries

Products Handled

- Petroleum
- General Chemicals
- LPGs
- Molten Sulfur
- Sulfuric Acid
- Asphalt



Land Transportation

Key Customer(s) /
Remaining Weighted
Average Contract Life

EASTMAN

KOCH



Avg. Tenure: ~12 years

Fee-Based: Spot

Marine Transportation

Fee-based day rate, short-term, towing contracts for transportation of petroleum products and by-products via marine tank barges, inland push boats, offshore tug and barge unit

Petroleum Products and By-Products Handled

- Crude Oil
- Asphalt
- Fuel Oil
- Sulfur



Marine Transportation

TRAFIGURA



MOTIVA



Avg. Tenure: ~7 years

Fee-Based: <1 Year, Spot

Martin Transport is integrated into MMLP's Sulfur and Natural Gas Liquids segments

Improving Marine day-rates and utilization continue with contracts trending toward short-term and spot market



Transportation

Segment Strategy

- Benefit from increased refinery utilization and expansion on the Gulf Coast
- Refinery demand driven by new chemical plants as well as refinery retrofits
- Current tank truck environment remains stable with increasing rate due to a continued driver shortage
- Consolidation and fleet rationalization along with increased utilization within the marine industry continue to drive rates upward

Key Revenue Drivers

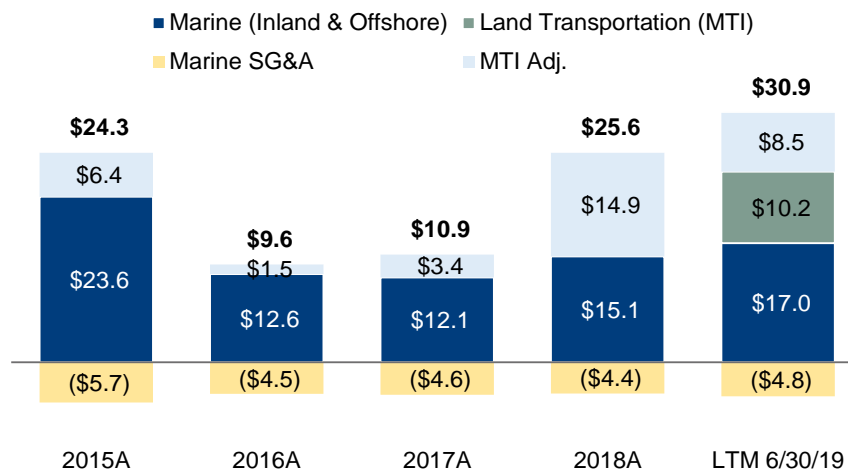
Land Transportation

- ✓ Refinery utilization
- ✓ Petrochemical demand
- ✓ Driver availability

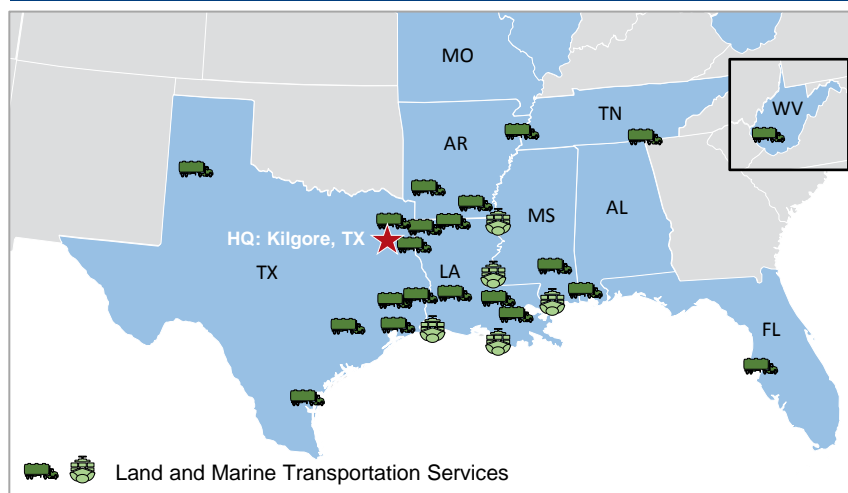
Marine Transportation

- ✓ Gulf Coast refinery utilization
- ✓ Industry consolidation
- ✓ Day rate expansion

Adj. EBITDA from Continuing Operations (\$mm) ⁽¹⁾



Segment Map



(1) Includes marine SG&A and the MTI acquisition completed in Jan 2019 in prior years EBITDA. See Appendix for calculations of Adjusted Segment EBITDA from Continuing Operations.

Natural Gas Liquids

- Purchase NGLs primarily from refineries and natural gas processors then stores and transports NGLs for delivery to refineries, industrial NGL users and wholesale delivery to propane retailers

Butane Optimization

- Network of underground storage facilities in Louisiana and Mississippi
- ~1.7 million barrels of underground storage capacity for Butane
- Rail and truck transloading capabilities at Arcadia, Louisiana facility



Arcadia, LA

Propane

- Wholesale propane distribution to ~100 regional customers throughout the Southeastern U.S.
- ~0.7 million barrels of underground storage capacity for Propane



Natural Gasoline

- Spindletop terminal supplies natural gasoline to Beaumont, TX area customers
- Idle 200-mile pipeline from Kilgore to Beaumont, TX



Spindletop Terminal

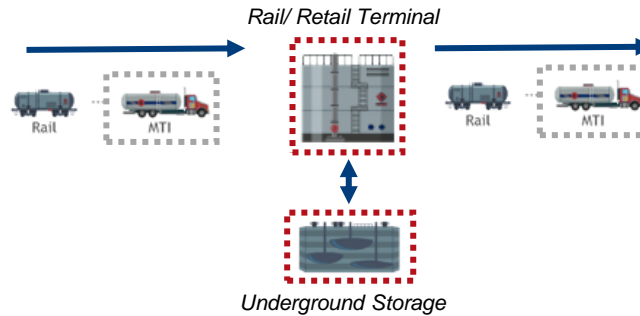


Natural Gas Liquids

Contract Overview

Butane

Margin spread generates revenue by purchasing and storing butane during summer months and selling to refiners in the winter for gasoline blending



Key Customer(s) / Remaining Weighted Average Contract Life

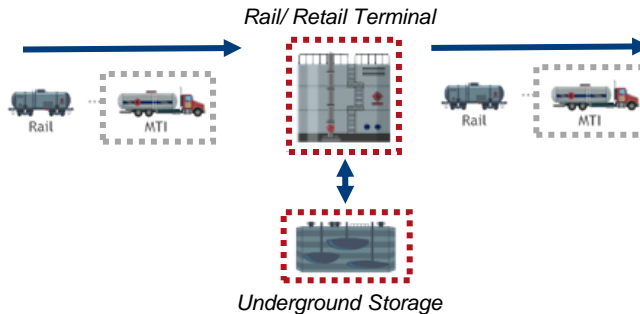
Gulf Coast & Midwest Refineries

Avg. Tenure: ~7 years

Margin-Based: 1 year

Propane

Margin spread annual contracts to store and transport propane for retail propane distributors



ACTION PROPANE INC.

AmeriGas.

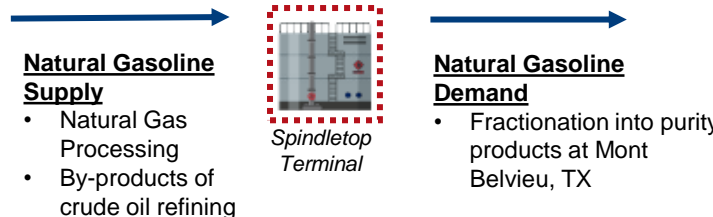
Enderby GAS, Inc.
Southern LP Gas

Avg. Tenure: ~25 years

Fee-Based: 1 year

Natural Gasoline

Fee-based delivery of natural gasoline from Mont Belvieu, TX to Beaumont, TX



South Hampton Resources

Avg. Tenure: ~36 years

Fee-Based: 3 years



- MMLPs Natural Gas Liquids Business

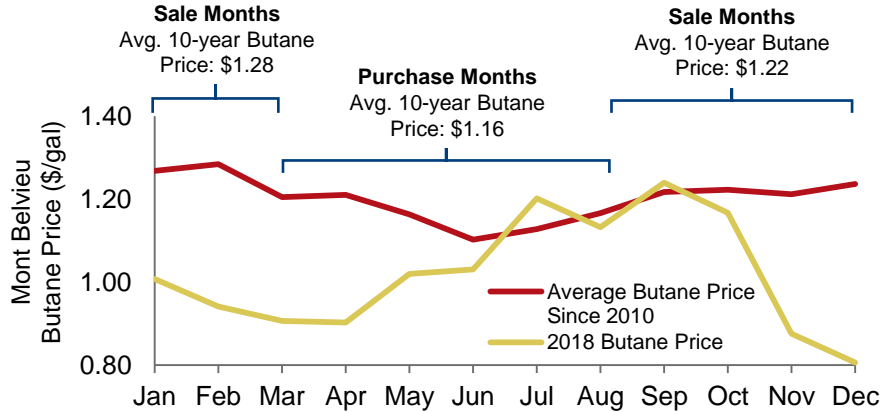
- MMLPs other businesses

Note: Revenue weighted average contract customer tenure.

Natural Gas Liquids

Butane Strategy

MMLP **purchases at discount** to Mont Belvieu price in the summer months and **sells at premium** to Mont Belvieu price in the winter months (refinery blending season)

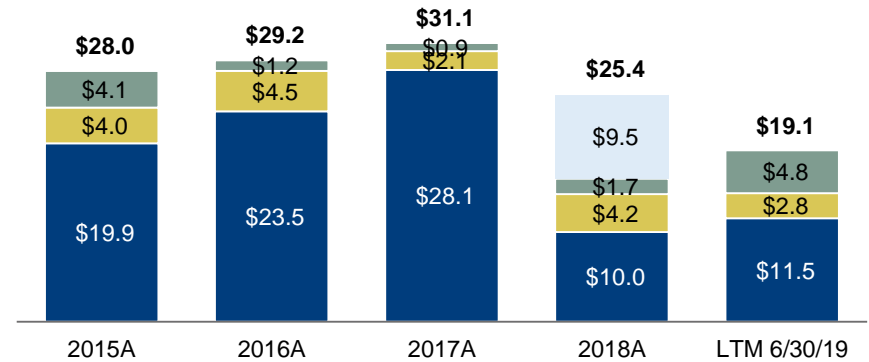


Key Revenue Drivers

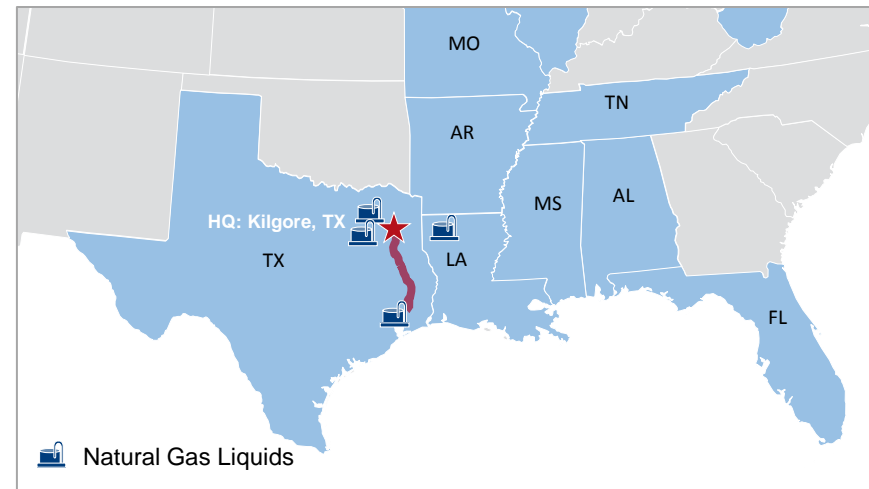
Butane	<ul style="list-style-type: none"> ✓ Refinery utilization ✓ Butane blending season
Propane	<ul style="list-style-type: none"> ✓ Heating demand ✓ Propane price seasonality
Natural Gasoline	<ul style="list-style-type: none"> ✓ Petrochemical demand ✓ Gulf Coast natural gasoline export growth

Adj. EBITDA from Continuing Operations (\$mm) ⁽¹⁾

■ Butane ■ Propane ■ NGLs ■ Butane LCM Adj.



Segment Map



(1) See Appendix for calculations of Adjusted Segment EBITDA from Continuing Operations.

Financial Overview



Pro Forma Capitalization

(\$ in millions)

Recent Financial Updates

- Amended RCF reduced commitments to \$400 million and extended maturity to August 2023
- Proceeds from the sale of Cardinal Natural Gas Storage assets used to strengthen the balance sheet through the repayment of outstanding borrowings on its RCF
 - Cardinal Natural Gas Storage assets represented \$23 million LTM EBITDA as of 6/30/19
- On April 25th, MMLP cut its quarterly cash distribution to \$0.25 versus the previous cash distribution of \$0.50
 - Allows MMLP to retain ~\$39 million annually and increase distribution coverage
 - Plan to apply retained cash flow to pay down RCF balance

Capitalization as of June 30, 2019

	06/30/2019 Current
Cash	\$3
Cash & Equivalents	\$3
Revolving Credit Facility	\$223
Capital Leases	13
Secured Debt	\$236
7.250% Senior Notes	373
Total Senior Debt	\$609
Total Debt	\$609
Less: Inventory Sublimit ⁽¹⁾	(\$10)
Total Debt (Net of Inventory Sublimit) ⁽¹⁾	\$599
Total Book Equity	(\$37)
Total Book Capitalization	\$562
Market Capitalization (07/26/2019)	\$227
Enterprise Value	\$824
Borrowing Base	\$400
(-) Revolver Outstanding	(223)
+ Cash	3
(-) LOCs	(26)
Liquidity ⁽²⁾	\$153
Credit & Valuation Metrics	
LTM Covenant Compliance EBITDA ⁽³⁾	\$117
Net Debt (Net of Inventory Sublimit) / LTM Covenant Compliance EBITDA	5.1x

Note: Market Data as of 07/26/19.

(1) Inventory Sublimit relates to the carve out of the seasonal build up of Butane inventory with volumes forward sold or hedged. Actual Inventory Sublimit of ~\$30mm capped at \$10mm under Credit Agreement as of 6/30/19.

(2) Liquidity based on revolver availability constrained by debt covenants is ~\$52mm.

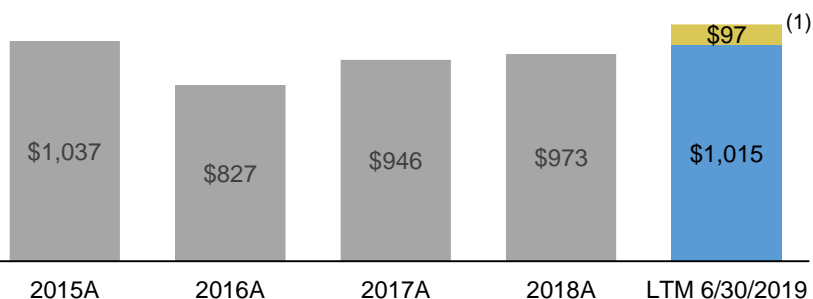
(3) LTM Covenant Compliance EBITDA pro forma for acquisitions and divestitures. Contract rates on the Shore-Based Terminals have been revised downward and are reflected in the LTM Covenant Compliance EBITDA.



Performance Metrics

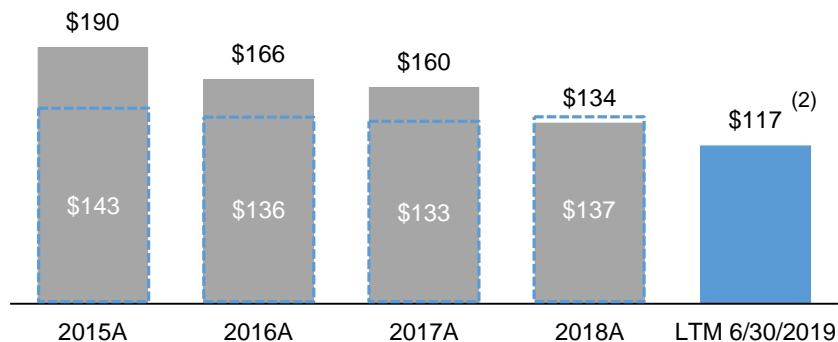
PF Adjusted Revenue (\$mm)

- Reported Revenue
- Discontinued Operations Revenue
- Continuing Operations Revenue

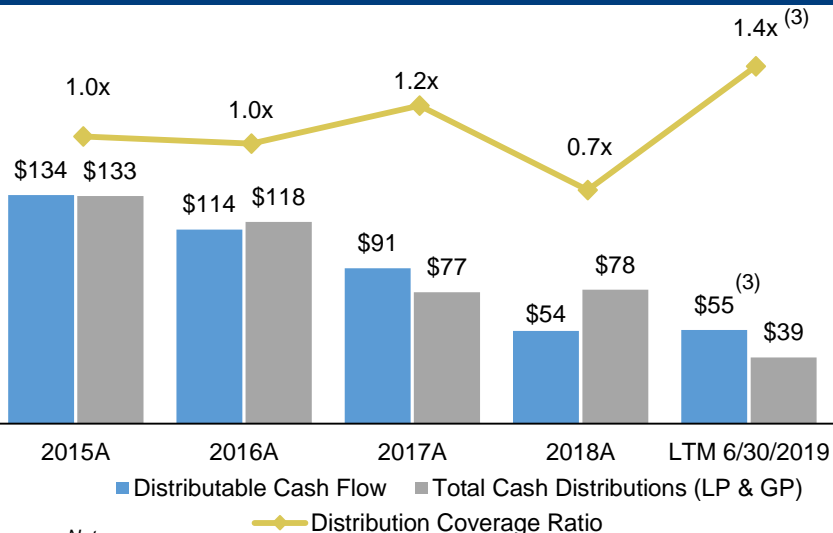


PF Adjusted EBITDA (\$mm)

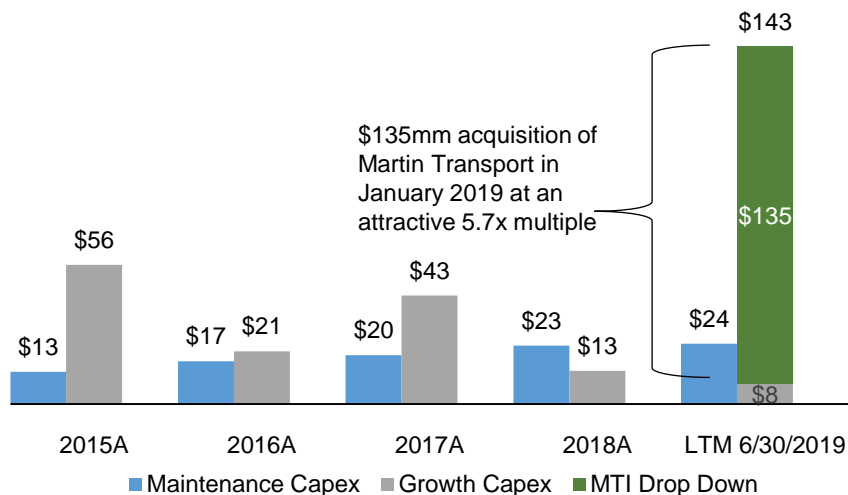
- Pro Forma Covenant Compliance EBITDA
- Continuing Operations Adj. EBITDA



PF Distributable Cash Flow (\$mm)



Capital Expenditures



Note:

(1) PF Adjusted Revenue is pro forma for acquisitions and divestitures. See Appendix for calculation.

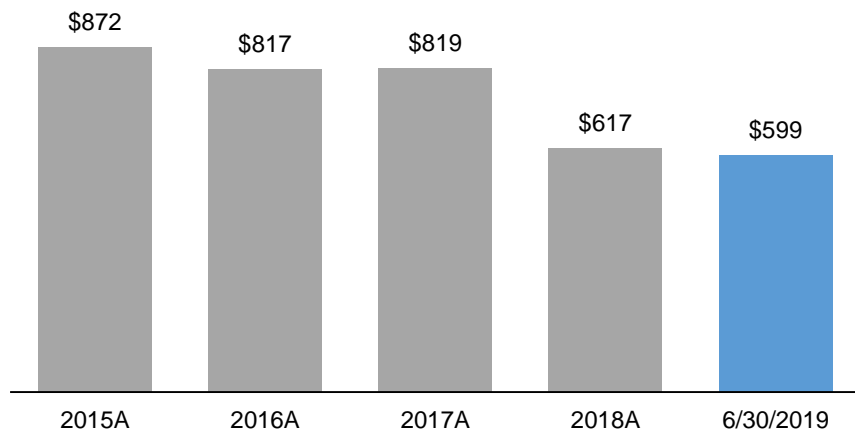
(2) PF Adjusted EBITDA calculated in accordance with Revolving Credit Facility based on lender compliance certificates, pro forma for acquisitions, divestitures and other non-cash adjustments. See Appendix for calculation.

(3) LTM 6/30/2019 Distributable Cash Flow pro forma for continuing operations, Cash Distributions pro forma for quarterly cash distributions of \$0.25 per unit.

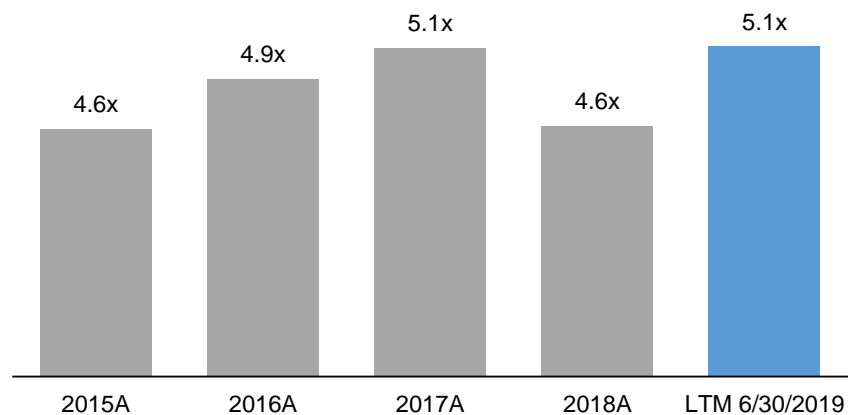


Credit Profile

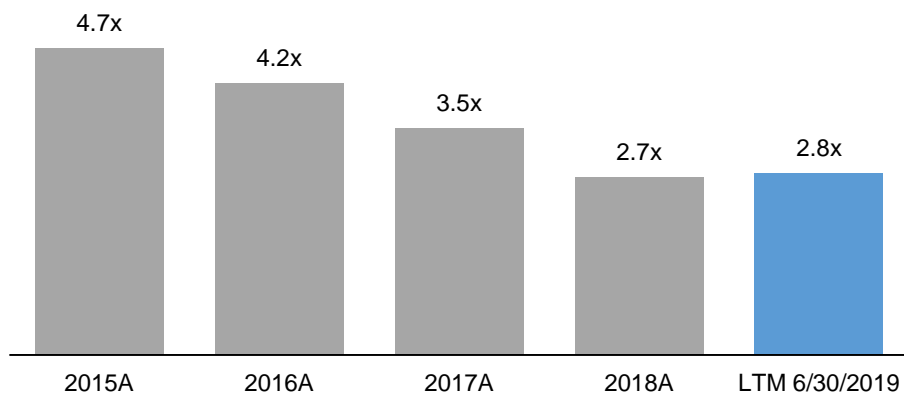
Total Debt (\$mm) ⁽¹⁾



Total Debt / PF Covenant Compliance EBITDA ⁽²⁾



PF Covenant Compliance EBITDA / Adj. Interest Expense ⁽²⁾



Note:

(1) Total debt is net of Inventory Sublimit, subject to a cap on Inventory Sublimit deductions as prescribed by Credit Agreement.

(2) Leverage, PF Covenant Compliance EBITDA / Adj. Interest Expense based on lender compliance certificates, pro forma for acquisitions, divestitures, and other non-cash adjustments. See Appendix for calculation.



Appendix



Revolving Credit Facility

February 2018

- Amended revolving credit facility in order to achieve two primary objectives:
 - To accommodate growth capital expenditures necessary for the previously announced WTLPG expansion project
 - To establish a \$75 million inventory financing sublimit tranche for borrowings related to NGL (butane) marketing business with seasonal step downs to \$10 million for the months of March through June of each fiscal year
 - The sublimit is subject to a monthly borrowing base and not to exceed 90% of the value of forward sold/hedged inventory

July 2018

- Proceeds from the completed sale of WTLPG were used to pay down revolver balance
- Further revised leverage covenants from February amendment: Total Indebtedness to EBITDA and Senior Secured Indebtedness to EBITDA was amended to 5.25 times and 3.50 times, respectively

March 2019

- The revolving credit facility was due within twelve months and presented as a current liability on the Partnership's March 31, 2019 financial statements
- Intended to extend the maturity of the credit facility and had previously determined to delay the extension until after finalization of the marketing and sales process related to the sale of its natural gas storage assets

April 2019

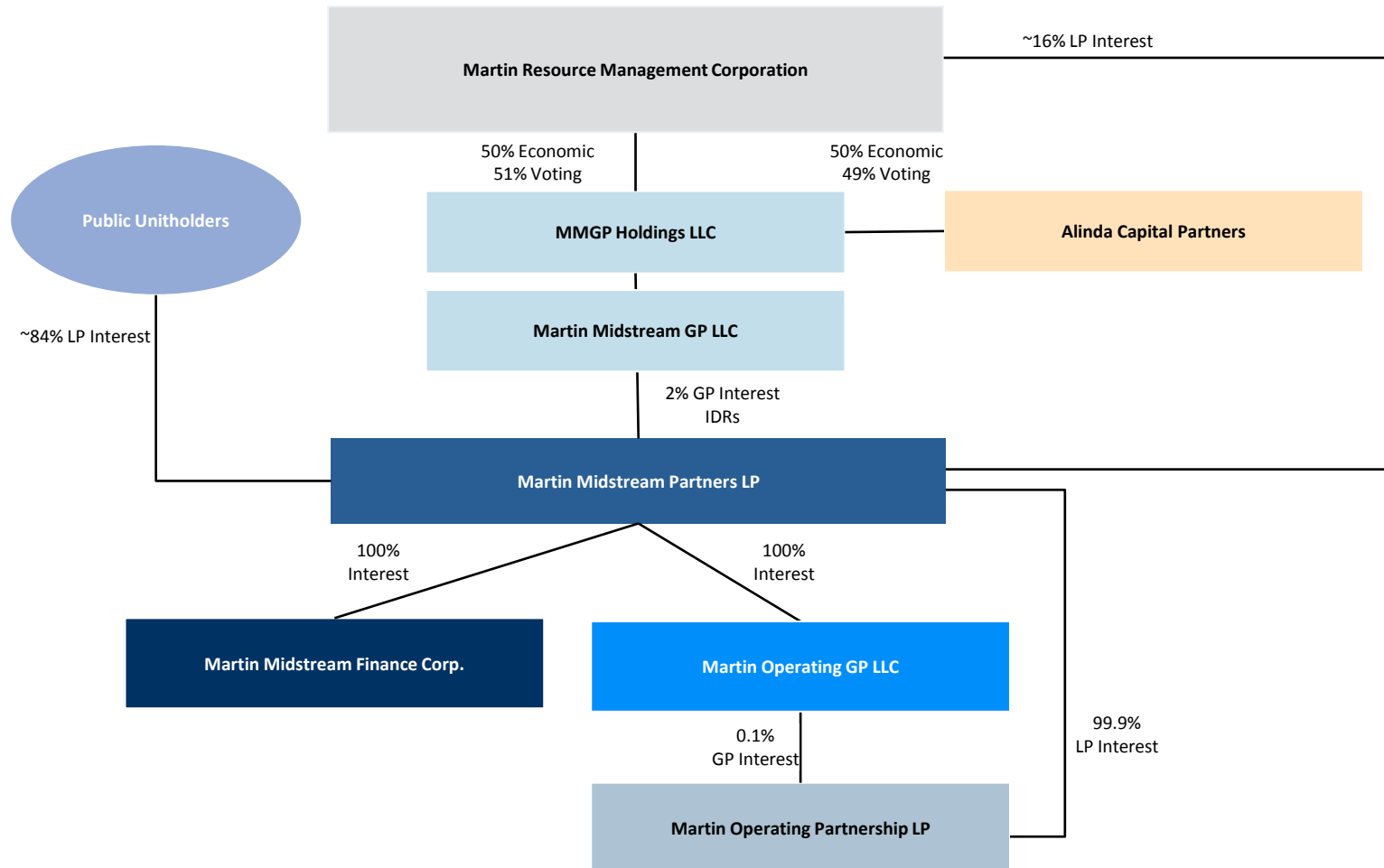
- Amended to reduce commitments from ~\$664 million to \$500 million and to adjust the permitted Leverage Ratio to 5.85 times for the fiscal quarters ended March 31, 2019 and June 30, 2019
- Proceeds from the sale of the Cardinal Natural Gas Storage assets used to strengthen the balance sheet through reduction in leverage by paying down the RCF balance

July 2019

- Amended to extend credit facility to August 2023 and reduce commitments to \$400 million



MMLP Organizational Structure



MMLP Covenant Compliance Consolidated EBITDA Reconciliation

	2015	2016	2017	2018	2Q19 LTM
Consolidated Net income (loss)	\$50.2	\$36.7	\$22.3	\$(7.3)	\$(24.5)
Consolidated Interest expense add back	40.5	44.0	45.9	49.5	50.6
Depreciation and amortization	96.7	95.5	87.8	80.0	61.2
Provision for Income tax expense	1.0	0.7	0.3	0.4	1.4
Other non-cash charges and expenses	1.4	0.9	0.6	1.7	2.1
Consolidated EBITDA	\$190.0	\$177.9	\$157.0	\$124.3	\$90.9
Butane LCM Adjustment	-	-	-	9.5	12.9
MTI Acquisition	-	-	-	-	13.3
Hondo Acquisition	-	-	2.5	-	-
Corpus Christi Terminal Sale	-	(11.8)	-	-	-
Other	-	0.3	0.8	0.2	(0.1)
Pro Forma Consolidated EBITDA	\$190.0	\$166.4	\$160.3	\$134.0	\$117.1



Note: Numbers presented as reported in Compliance Certificate. Consolidated EBITDA as defined in Credit Agreement. Numbers may not add due to rounding.

MMLP 2Q19 LTM ADJUSTED EBITDA from Continuing Operations Reconciliation

Terminalling & Storage	3Q18 Adjusted EBITDA	4Q18 Adjusted EBITDA	1Q19 Adjusted EBITDA	2Q19 Adjusted EBITDA	LTM Adjusted EBITDA
Smackover Refinery	\$5.1	\$4.9	\$5.0	\$5.3	\$20.3
Martin Lubricants	\$3.1	\$2.4	\$2.5	\$3.8	\$11.8
Specialty Terminals	\$3.4	\$3.4	\$3.1	\$2.6	\$12.5
Shore-Based Terminals	\$2.8	\$2.6	\$2.3	\$0.6	\$8.3
Total T&S	\$14.4	\$13.3	\$12.9	\$12.3	\$52.9
Sulfur Services					
Fertilizer	\$1.5	\$1.2	\$3.2	\$5.7	\$11.6
Sulfur Prilling	\$2.1	\$1.7	\$1.4	\$1.7	\$6.9
Molten Sulfur	\$1.6	\$2.3	\$2.1	\$1.2	\$7.2
Total Sulfur Services	\$5.2	\$5.2	\$6.7	\$8.6	\$25.7
Transportation					
Land	-	-	\$5.1	\$5.1	\$10.2
Marine	\$2.8	\$3.1	\$2.7	\$3.6	\$12.2
Total Transportation	\$2.8	\$3.1	\$7.8	\$8.7	\$22.4
Natural Gas Liquids					
Butane	\$0.6	\$0.7	\$(2.2)	\$(0.8)	\$(1.7)
Cardinal	\$6.0	\$6.5	\$5.2	\$5.6	\$23.3
Natural Gasoline	\$0.2	\$1.0	\$2.8	\$0.8	\$4.8
Propane	\$0.2	\$1.2	\$1.6	\$(0.2)	\$2.8
Total Natural Gas Liquids	\$7.0	\$9.4	\$7.4	\$5.4	\$29.2
Total Adjusted Segment EBITDA (Pre-Unallocated SG&A)	\$29.4	\$31.0	\$34.8	\$35.0	\$130.2
Cardinal Sale Adjustment	\$(6.0)	\$(6.5)	\$(5.2)	\$(5.6)	\$(23.3)
Non-cash Butane LCM Adjustment	-	\$9.5	\$3.5	\$0.3	\$13.3
MTI Acquisition Adjustment	\$3.4	\$5.1	-	-	\$8.5
Total Adjusted Segment EBITDA from Continuing Operations (Pre-Unallocated SG&A)	\$26.8	\$39.1	\$33.1	\$29.7	\$128.7
Unallocated SG&A	\$(4.0)	\$(4.1)	\$(4.0)	\$(4.3)	\$(16.4)
Total Adjusted EBITDA from Continuing Operations	\$22.8	\$35.0	\$29.1	\$25.4	\$112.3

Note: Numbers may not add due to rounding.

MMLP Continuing Operations Adjusted EBITDA Reconciliation

	2015	2016	2017	2018
Net income (loss)	\$38.4	\$31.0	\$19.9	\$55.7
Interest expense add back	43.3	46.1	47.8	52.3
Depreciation and amortization	92.3	93.9	87.5	80.3
Income tax expense	1.0	0.7	0.2	0.6
Less: Income from discontinued operations, net of income taxes	(1.2)	(4.6)	(4.1)	(51.7)
EBITDA	\$173.8	\$167.0	\$151.2	\$137.2
(Gain) loss on sale of property, plant and equipment	2.1	(33.0)	(2.0)	(0.2)
Equity in (income) loss of unconsolidated entities	(9.0)			
Impairment of long-lived assets	10.6	27.0	2.2	-
Gain on retirement of senior unsecured notes	(1.2)			
Impairment of goodwill	-	4.1	-	-
Unrealized mark-to-market on commodity derivatives	(0.7)	4.6	(3.8)	(0.1)
Hurricane damage repair accrual	-	-	0.7	-
Asset retirement obligation revision	-		5.5	
Distributions from unconsolidated entities	11.2			
Unit-based compensation	1.4	0.9	0.7	1.2
Transaction costs associated with acquisitions	-	-	-	0.5
Non-cash insurance related accruals	-	-	-	-
Butane LCM Adjustment ⁽³⁾	-	-	-	9.5
Fertilizer Inventory Adjustment ⁽³⁾	-	-	-	3.9
Adjusted EBITDA	\$188.3	\$170.6	\$154.4	\$152.0
Cardinal Gas Storage Sale	(44.3)	(42.0)	(39.4)	(31.4)
Hondo Historical Run-Rate Adjustment ⁽¹⁾	4.6	4.6	2.7	-
Corpus Christi Terminal Sale	(17.1)	(11.6)		
WTLPG Sale ⁽²⁾	(11.2)	-	-	-
MTI Acquisition ⁽²⁾	6.4	-	-	-
Adjusted EBITDA from Continuing Operations	\$126.7	\$121.6	\$117.7	\$120.6
Adjusted Segment EBITDA from Continuing Operations (pre-unallocated SG&A)	\$143.1	\$136.4	\$133.2	\$136.6

Note: Numbers may not add due to rounding.

(1) Hondo Asphalt Terminal came online July 1, 2017 (fully in-service September 1, 2017) and is supported by minimum throughput commitments running through the paving season of 2030 that generate ~\$5 million annually. In order to present a run-rate representation of the business, we have included full-year Hondo EBITDA in 2015, 2016 and time adjusted for 2017.

(2) Adjustments for WTLPG and MTI were included in MMLP's recast financials for 2016, 2017, and 2018

(3) One-time negative inventory adjustment of \$3.9 million in the fertilizer division of our Sulfur Services segment. The negative adjustment was a result of utilizing newly implemented three-dimensional stockpile measurement technology to determine dry bulk inventory. 2018 Adjusted Segment EBITDA also includes a non-cash addback of \$9.5mm for lower of cost or market adjustments related to butane inventory.



Disclaimers

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures such as EBITDA and Adjusted EBITDA and Adjusted Segment EBITDA from Continuing Operations. These non-GAAP financial measures are not meant to be considered in isolation or as a substitute for results prepared in accordance with accounting principles generally accepted in the United States (GAAP). A reconciliation of non-GAAP financial measures included in this presentation to the most directly comparable financial measures calculated and presented in accordance with GAAP is set forth in the Appendix of this presentation. MMLP's management believes that these non-GAAP financial measures may provide useful information to investors regarding MMLP's financial condition and results of operations as they provide another measure of the profitability and ability to service its debt and are considered important measures by financial analysts covering MMLP and its peers.

This presentation also includes certain financial information for the twelve months ended June 30, 2019 ("LTM data"). While management believes the LTM data is useful for investors, such data is not a measure of our financial performance under GAAP and should not be considered in isolation or as an alternative to any measure of such performance derived in accordance with GAAP. The LTM data was calculated by subtracting the unaudited consolidated financial information for the six months ended June 30, 2018 from the audited historical consolidated financial data for our fiscal year ended December 31, 2018, and then adding the corresponding unaudited consolidated financial information for the six months ended June 30, 2019 without further adjustment.

Not an Offer. This presentation does not constitute an offer to sell or a solicitation of offers to buy securities of Martin Midstream Partners L.P.

