MPC’s January 3, 2017 Plan Has Fundamental Flaws That Destroy Long-Term Value for MPC and MPLX

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There Are Fundamental Flaws and Too Many Questions with MPC's January 3, 2017 Plan

Accelerated Dropdowns

- Dropdown of refining assets hurts long-term MPC value and puts unnecessary burden on the fully integrated refining assets of MPC
- Slower growth refining assets vastly diminishes growth prospects at MPLX and raises cost of capital
- BofA/ML analyst "*Notably, we view the multiple and the timing of the potential IDR conversion as somewhat inflating the value of the GP, particularly as* ***MPLX's growth will likely substantially slow beyond 2018****…*" *– 1/4/17 research note*

Weakened Credit Profile

- Moody's changes Marathon Petroleum's outlook to "negative" based on January 3, 2017 plan as it potentially levers MPC too much
- MPC obligated to future cash payments of $1.4B/year to MPLX, a company with a totally different mission

IDR Elimination Barriers

- $600 million of dropdowns tied up in regulatory clearances including tax, and requisite approvals that are likely to delay or terminate the IDR elimination plan
- Tim Griffith CFO of MPC from Jan 3, 2017 conference call on timing: "*We're certainly hoping for it in the very near-term, but* ***I don't think we've got any absolute clarity on when that happens.***"

Value Destruction for MPC and MPLX

Key Issue: Not All EBITDA Is Equal

Issue: MPC and MPLX have fundamentally different operations that require unique skill sets

Natural Question: What percentage of the MPC dropdown assets are actually a good fit for MPLX and do the assets have long-term strategic significance for MPC?

MPC ~ $1.4 B of estimated annual EBITDA to be dropped by the end of 2017
Assets include:

- Pipelines (primarily oil)
- Marine
- Terminals
- Railcars
- Refineries
- Fuels Distribution

These are **core strategic assets** for a refining company to source low cost crude and maximize value of refined products thereby maximizing its "crack spread"

MPLX organic growth opportunities focused primarily around natural gas gathering & processing

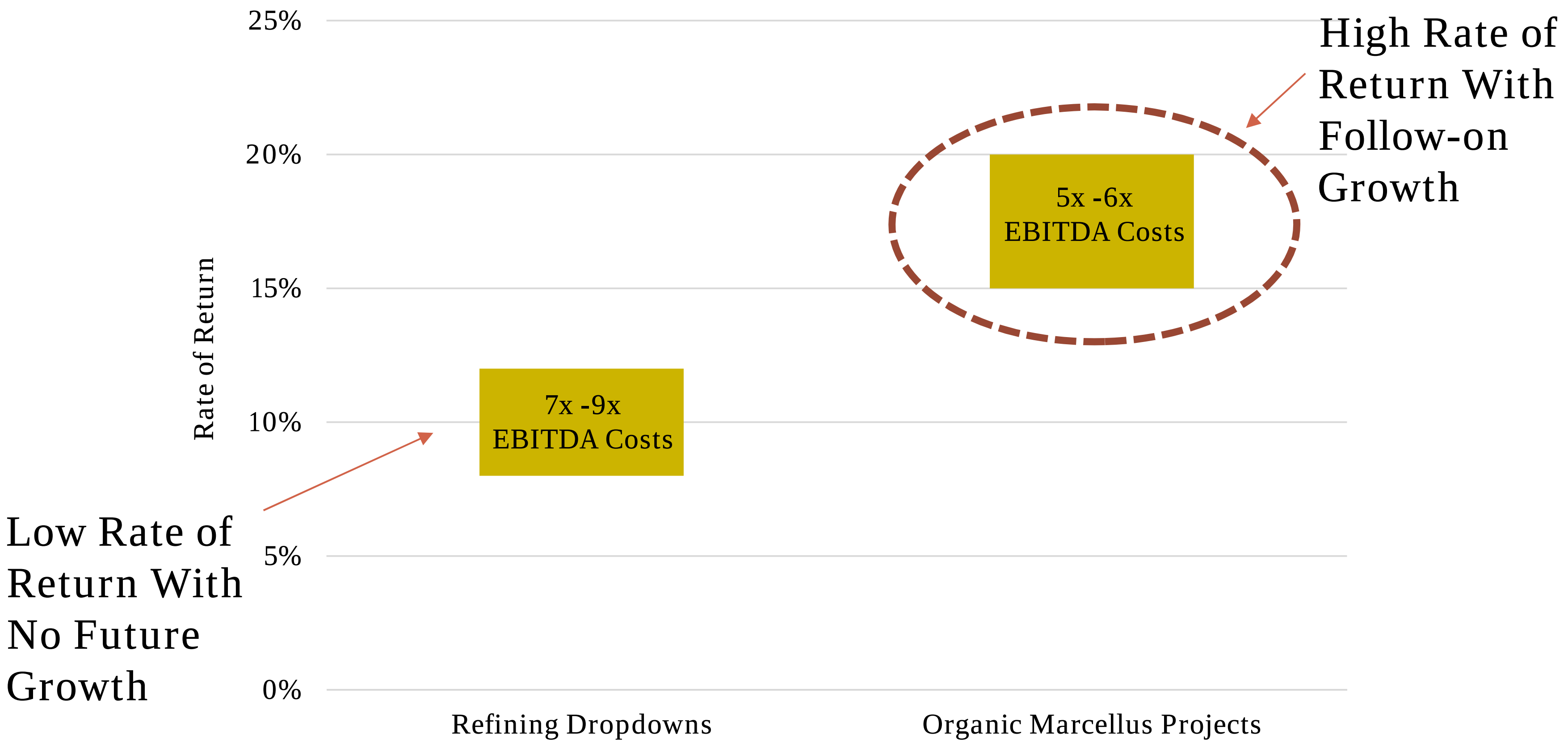
There is a Reason Management Continues to Adjust Guidance Down

We believe there is an execution problem that stems from refining assets and gas gathering & processing assets requiring different skill sets. The proposed $1.4B in dropdowns only perpetuates this mismatch in management skills and operational focus.

	MPLX Guidance As of 7/20/15	**MPLX Guidance As of 7/28/2016**	**MPLX Guidance As of 1/3/17**
Year	Distribution Growth Rate	Distribution Growth Rate	Distribution Growth Rate
2016	25%	12-15%	12.6%
2017	25%	"double digit"	12-15%
2018	20%	"double digit"	"double digit"
2019	20%	"double digit"	"No Guidance"

Organic growth opportunities that leverage existing MPLX infrastructure tend to have the best returns for midstream companies

Organic Growth Opportunities Generate the Highest Rate of Return



Moody's Changes Marathon Petroleum's Outlook to “Negative” Based on January 3, 2017 Plan

"In a continuation of its focus on enhancing shareholder value, MPC has proposed a series of transactions between itself and MPLX intended to fund a substantial, ongoing return of capital to MPC shareholders, the **result of which is leveraging** on both a consolidated and stand-alone basis at MPC," commented Andrew Brooks, Moody's Vice President.

Two Possible Scenarios and Both End In Value Destruction

Scenario 1

MPLX Overpays for drop down assets → Growth Is constrained by capital and debt → Cost of Capital Increased → Value is Destroyed

Scenario 2

MPC Obligates Itself to Additional $1.4 Billion/Year in Costs → Needed Refining Assets are No Longer in MPC → Debt Rating is Downgraded; Cost of Capital Increases → Value is Destroyed

Questions for MPC Board

1. How does conveying key refining assets to MPLX, a midstream gas company, drive long-term value for shareholders?

2. How does obligating MPC to future cash payments of $1.4B/year to MPLX, a company with a totally different mission, drive long-term value for shareholders?

3. How does a weaker balance sheet at MPC affect the viability of the Company for the next downturn?

Questions for MPLX Board and MPLX Conflicts Committee

1. Why buy zero growth refining assets from MPC, paying 7-9X EBITDA, when you can concentrate on your own organic growth projects that can be done for 5-6X EBITDA?

2. How does obligating MPLX to a debt burden of between $5-$6B to own static refining assets create a growth vehicle for MPLX shareholders?

3. How can we be sure that this complex financial engineering will lower the cost of capital and not lead to value destruction?

There Is a Roadmap For Real Value Creation For MPC and MPLX

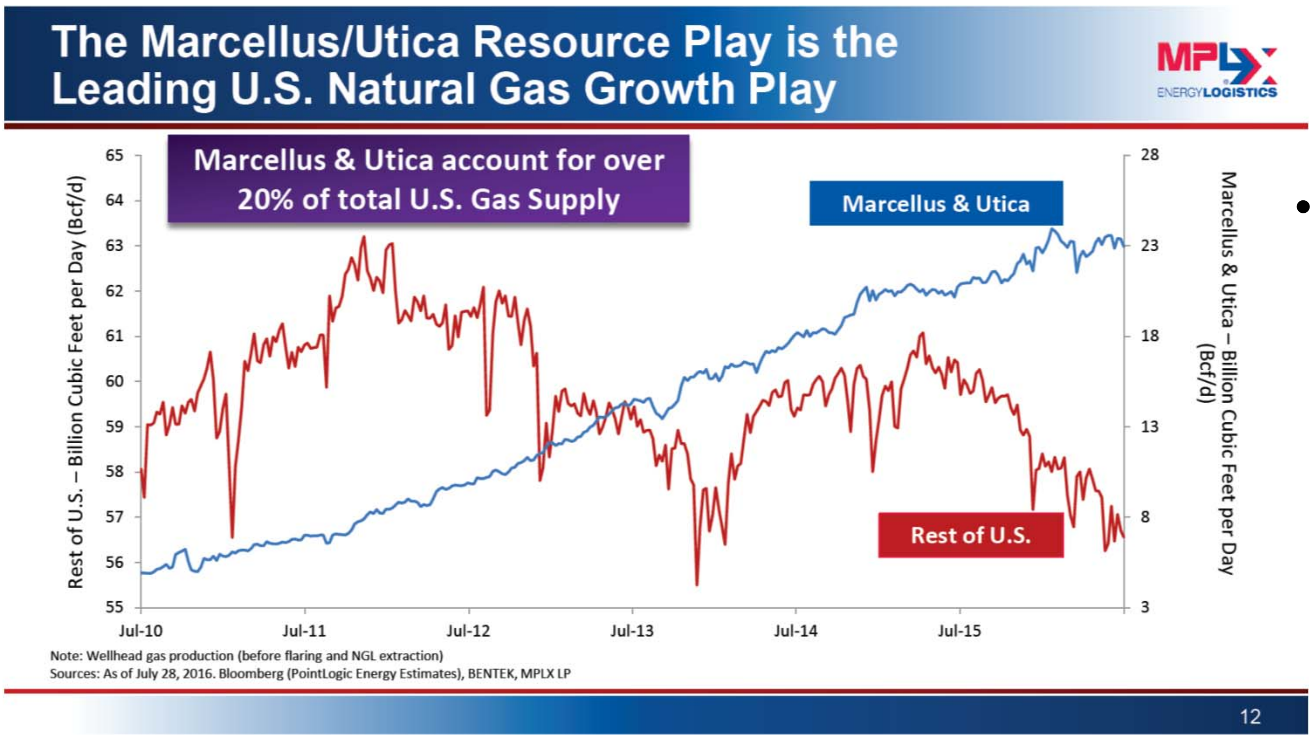
1. **IMMEDIATELY ELIMINATE THE IDR BURDEN BY EXCHANGING MPLX UNITS FOR MPC'S ECONOMIC INTERESTS IN THOSE IDRS AT A FAIR AND TRANSPARENT PRICE *WITHOUT BURDENING MPLX WITH DROPDOWN ASSETS***

2. ***MPC SPINS OUT ITS CURRENT OWNERSHIP OF 87 MILLION UNITS PLUS THE MPLX UNITS RECEIVED FROM THE IDR ELIMINATION TO ITS SHAREHOLDERS***

3. **WE ESTIMATE THE RESULTING <u>IMMEDIATE UPLIFT IN VALUE FOR MPC SHAREHOLDERS RANGES BETWEEN $20-$30 PER SHARE</u>**

First to Market Does Not Guarantee You Will Own It

Organic Growth Opportunities for MPLX in the Marcellus Are Time Sensitive and Require a Focused Effort on Execution



- If it is managed properly, MPLX now has years of growth ahead with high rate of return projects built on its substantial core infrastructure

Set MPLX Free to Grow Long-Term Value for MPC and MPLX

- Execute the IDR elimination plan immediately at a fair and transparent price
- Focus on high-return EBITDA projects
- Set MPLX free with its own focused and growth driven management team
- We estimate the adoption of this plan results in an immediate uplift in value for MPC shareholders of between $20-$30 per share

John M. Fox – “I Know These MPLX Assets – Set Them Free, It Just Makes Sense”

Executive positions held:

- Co-founder of MarkWest Hydrocarbon, served as Chairman President & CEO
- Chairman, President & CEO of MarkWest Energy GP L.L.C
- Lead Director of MarkWest Energy GP LLC
- Co-founder of Western Gas Resources, served as Executive VP and COO

Ownership/Control in MPLX and MPC: 1,542,072 units and 15,900 shares, respectively

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