MUSA Annual Shareholder Meeting

Andrew Clyde - CEO

May 2018

Cautionary Statement

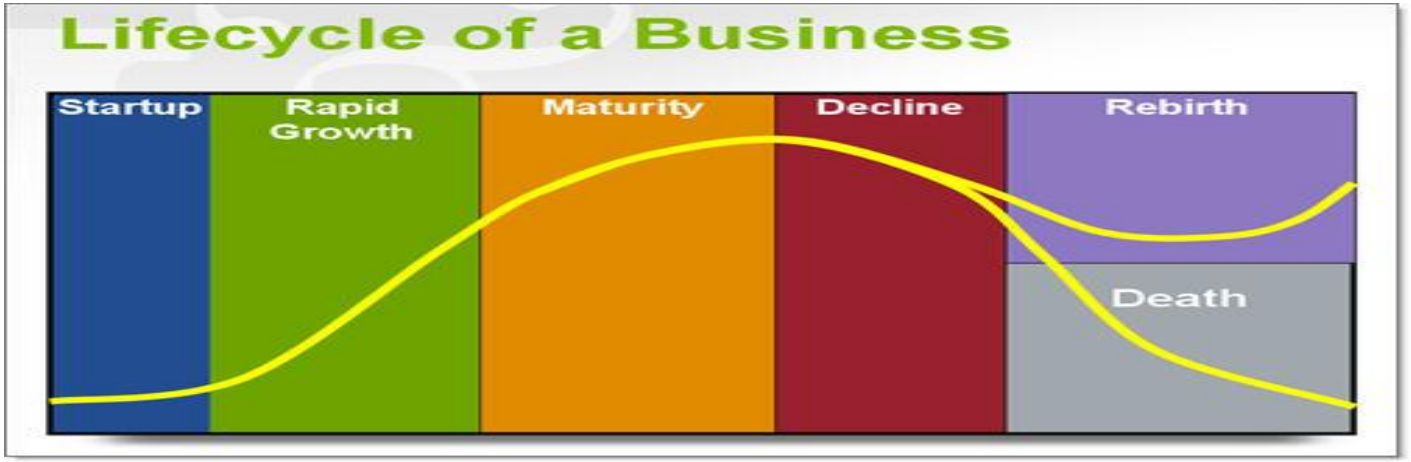
This presentation contains forward-looking statements. These statements, which express management's current views concerning future events or results, are subject to inherent risks and uncertainties. Factors that could cause actual results to differ materially from those expressed or implied in our forward-looking statements include, but are not limited to, the volatility and level of crude oil and gasoline prices, the pace and success of our expansion plan, our relationship with Walmart, political and regulatory uncertainty, uncontrollable natural hazards, and adverse market conditions or tax consequences, among other things. For further discussion of risk factors, see "Risk Factors" in the Murphy USA registration statement on our latest form 10-K. Murphy USA undertakes no duty to publicly update or revise any forward-looking statements.

The Murphy USA financial information in this presentation is derived from the audited and unaudited consolidated financial statements of Murphy USA, Inc. from the years ended December 31, 2013 through 2017. Please reference our most recent 10-K, 10-Q, and 8-K filings for the latest information.

If this presentation contains non-GAAP financial measures, we have provided a reconciliation of such non-GAAP financial measures to the most directly comparable measures prepared in accordance with U.S. GAAP in the Appendix to this presentation.

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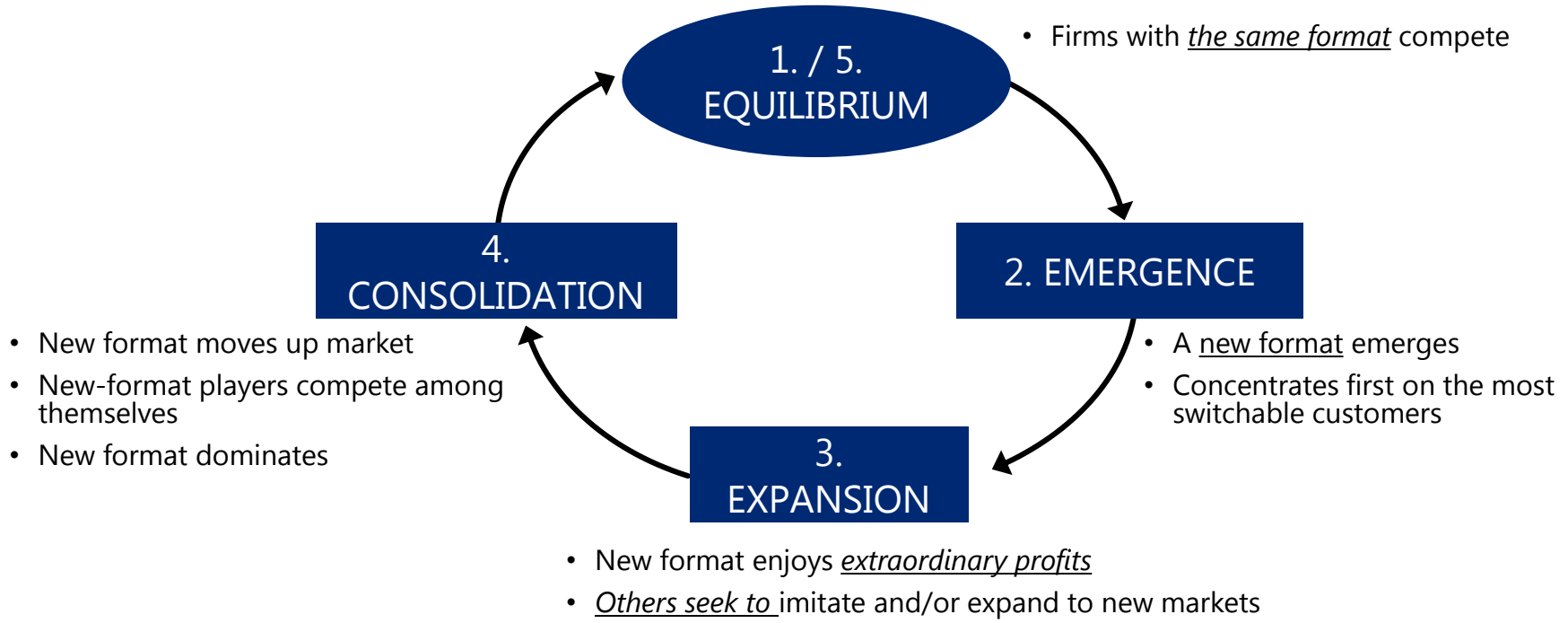
The convenience store industry and players continue to evolve



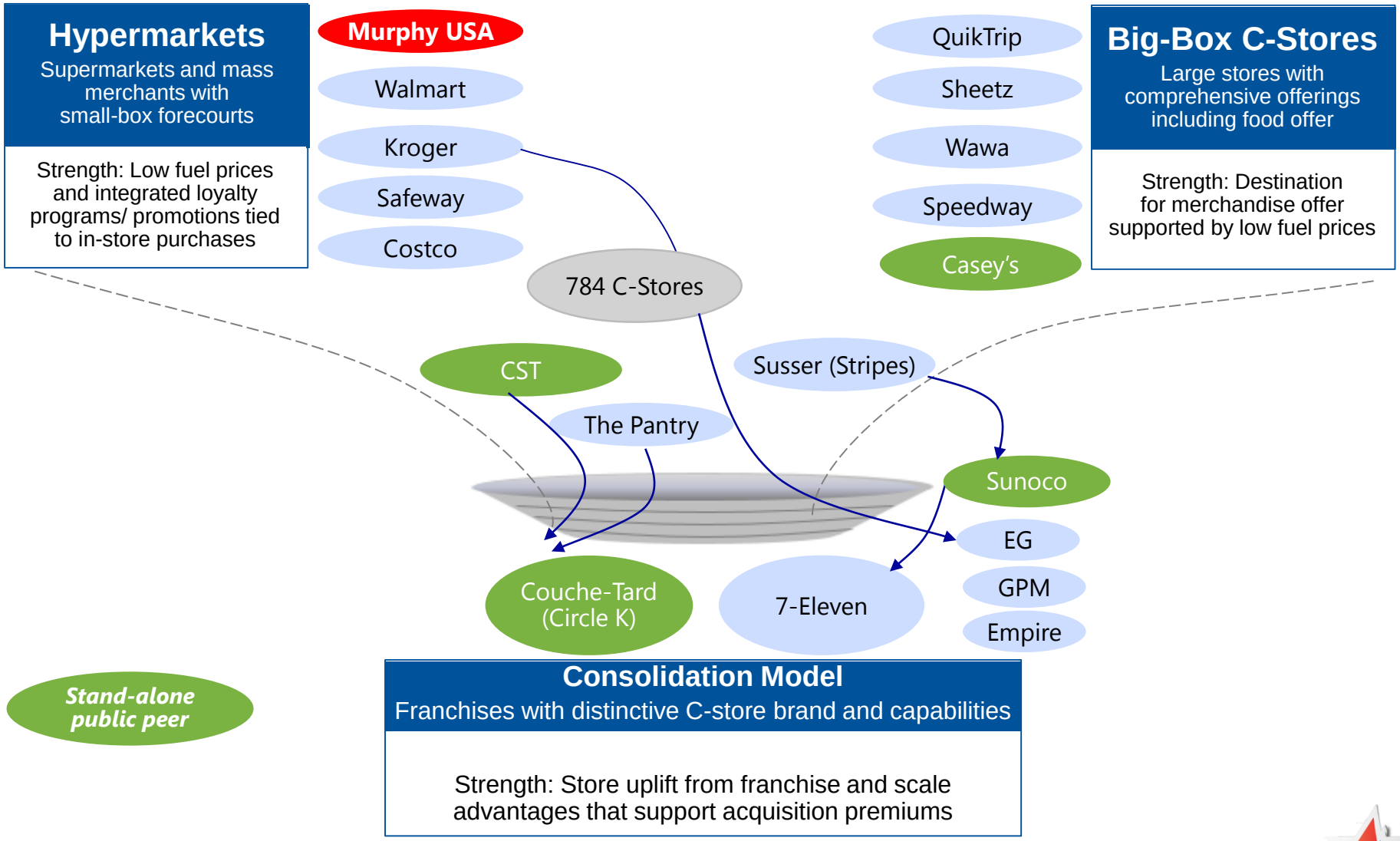
Objectives	• Customer Acquisition • Product Introduction	• Customer Acceptance • Proof of Concept	• Customer Retention • Product Expansion	• Customer Attrition • Product Competition	• New Strategy Implementation • Product Extinction
Notable Firms	• Amazon Go • Filld, WeFuel	• Buc-ee's • Walmart Neighborhood Markets	• QuikTrip • Wawa	• 7-Eleven • EZ Mart	• The Pantry • Getty

Retail format evolution occurs in a predictable manner

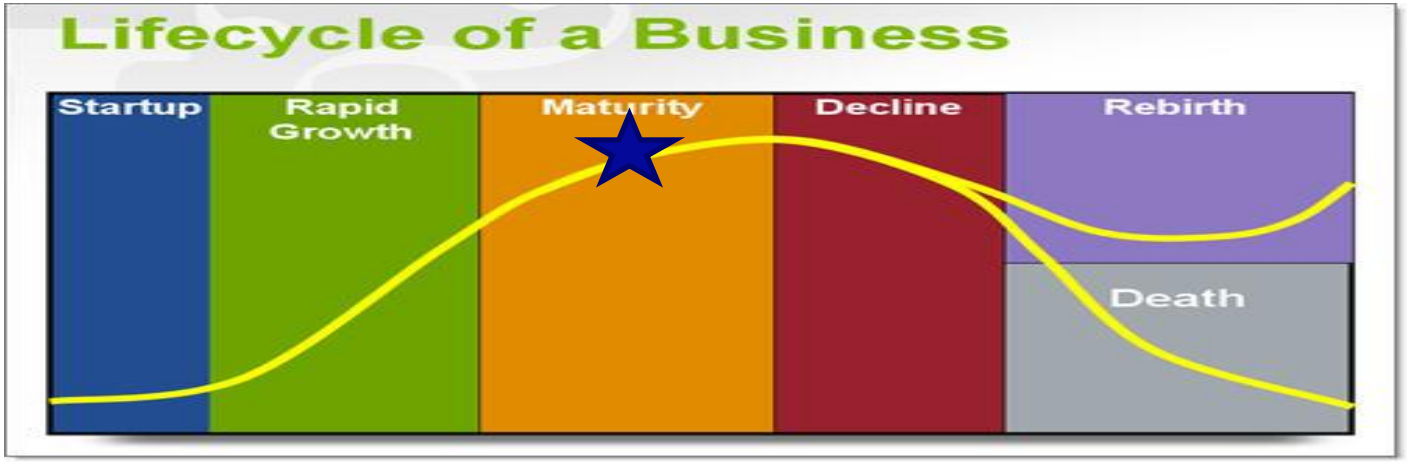
Conceptual Framework of Retail Format Evolution



Winners and losers by format emerge



MUSA has transitioned to the maturity phase since spin



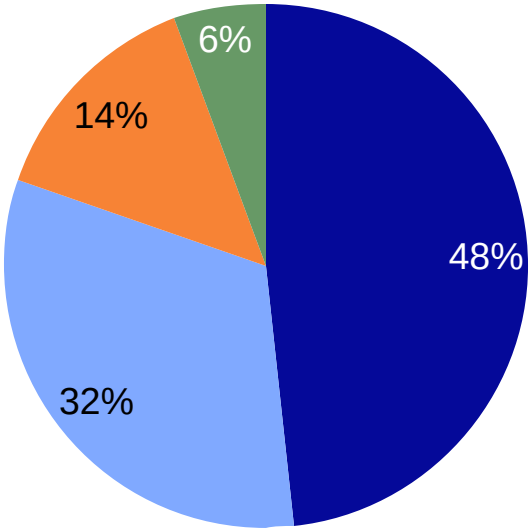
1996 1999 2007 2018

Focus	• First stores in front of Walmart • Positioned as low-cost fuels retailer	• Rapid Growth of >100 stores per year • Expansion strategy • Kiosk evolution	• Operating discipline • Format evolution • Contribution optimization • Customer loyalty	• Portfolio/G&A rationalization • Margin maximization • Cash generation	• Acquire Capabilities for new format entry? • Expand into Adjacencies? • Harvest Terminal Value?
Metrics	• Pilot Economics • Market Launch	• Unit Growth • Volume per Store	• EBITDA per Store • NTI ROIC • EPS growth	• Total Shareholder Return • ROACE	• M&A Accretion Potential • Free Cash Flow Dividend

Investor sentiment has shifted accordingly

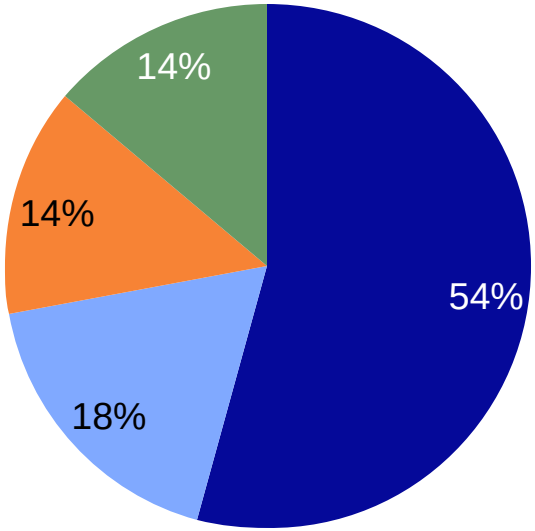
Percent of Outstanding MUSA Shares Owned by Investor Type

12/31/2013



GARP
Growth
Value
Blend

12/31/2017



Investor Praise
• Consistent Strategy for Long-term Value Creation with Tangible Proof Points • Disciplined Capital Allocation • Credible Management Team

Investor Concerns
• Competitive Impact on Fuel Volume / Merch Traffic • Margin Volatility and Stability of PS&W + RINs Contribution • Future Value Estimation? How to Maximize Terminal Value?

Lifecycle stage informs capital allocation decisions

MUSA Capital Allocation Focus

Growth

- Quality versus quantity of stores important to investors
- Returns drive capital allocation
- Internal investments in productivity can generate strong returns given the force multiplier of a large network

Earnings Growth

- Organic growth through new stores
- Improvements to the core business:
  - Lower cost structure
  - Margin optimization
- Scaling corporate costs to leverage growth capital
- Share repurchase leverages EPS potential

Shareholder Distributions

- Competition for capital balances growth and repurchase opportunities
- Volatility makes commitment to meaningful dividend difficult at this stage of lifecycle
- Internal efficiency improvements will drive greater future shareholder distribution potential



Mature firms must continue to reinvest in their assets

Raze and Rebuild Program

- 32 sites completed through 2017 with goal of up to 25 stores in 2018
- Kiosks replaced with 1,200 sq ft stores along with more dispensers and increased fuel offer
- Given the premium locations, we estimate per site unlevered IRR's between 15% and 35%



APSM Fuel Gallons*



APSM Merchandise Sales $*





* 2016 & 2017 Raze & Rebuild Class Average

And innovate to grow customers

MURPHY DRIVE REWARDS

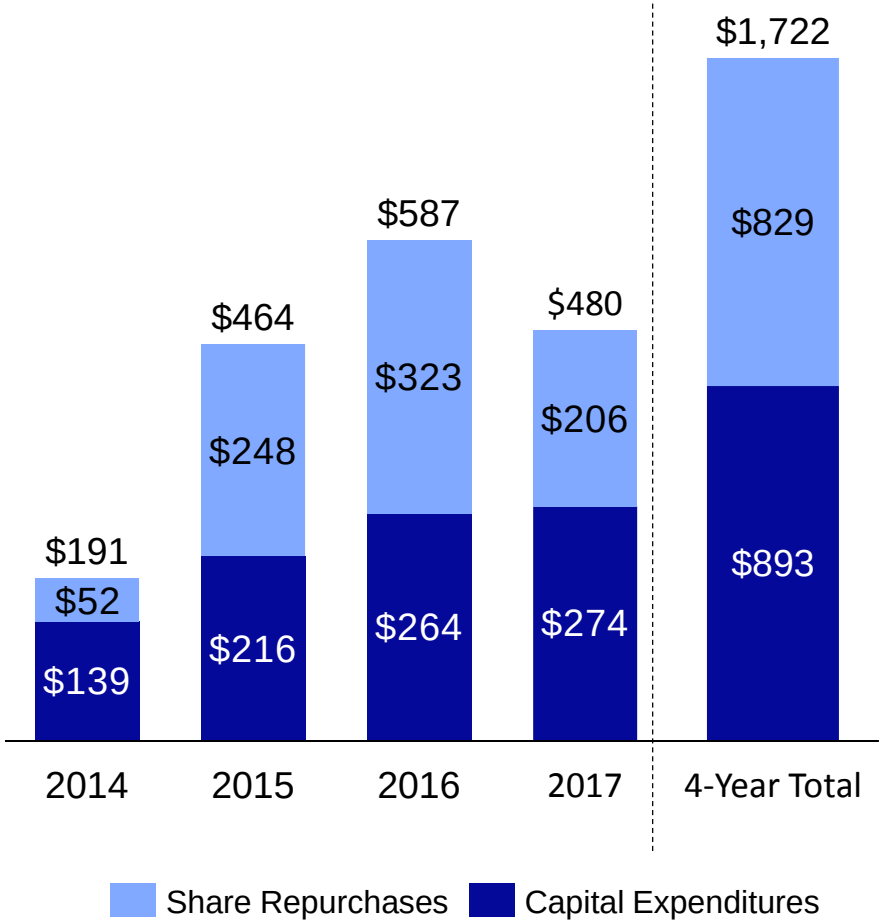
Murphy Drive Rewards is a customer appreciation program that:

- Engages and motivates current customers
- Attracts new customers
- Incentivizes all customers to buy more fuel and more merchandise

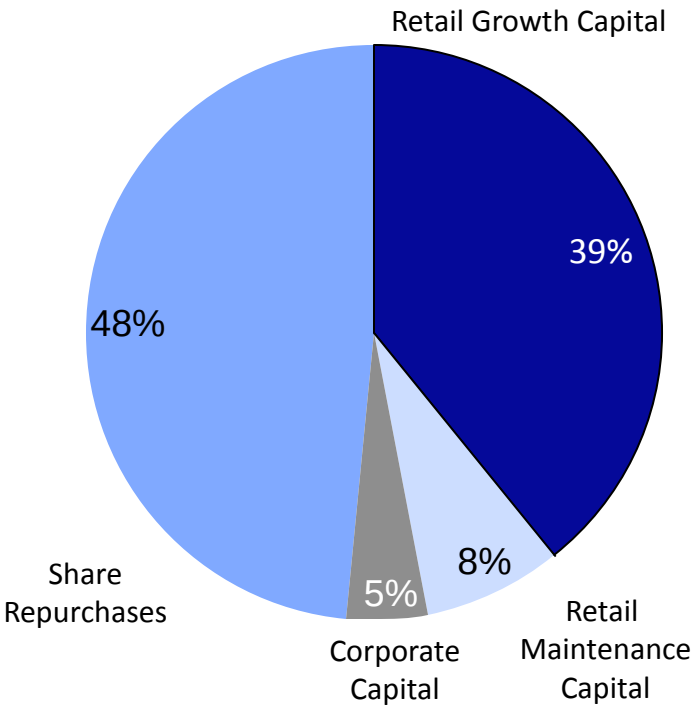


While remaining disciplined with capital allocation

Capital Allocation ($MM)
2014 - 2017

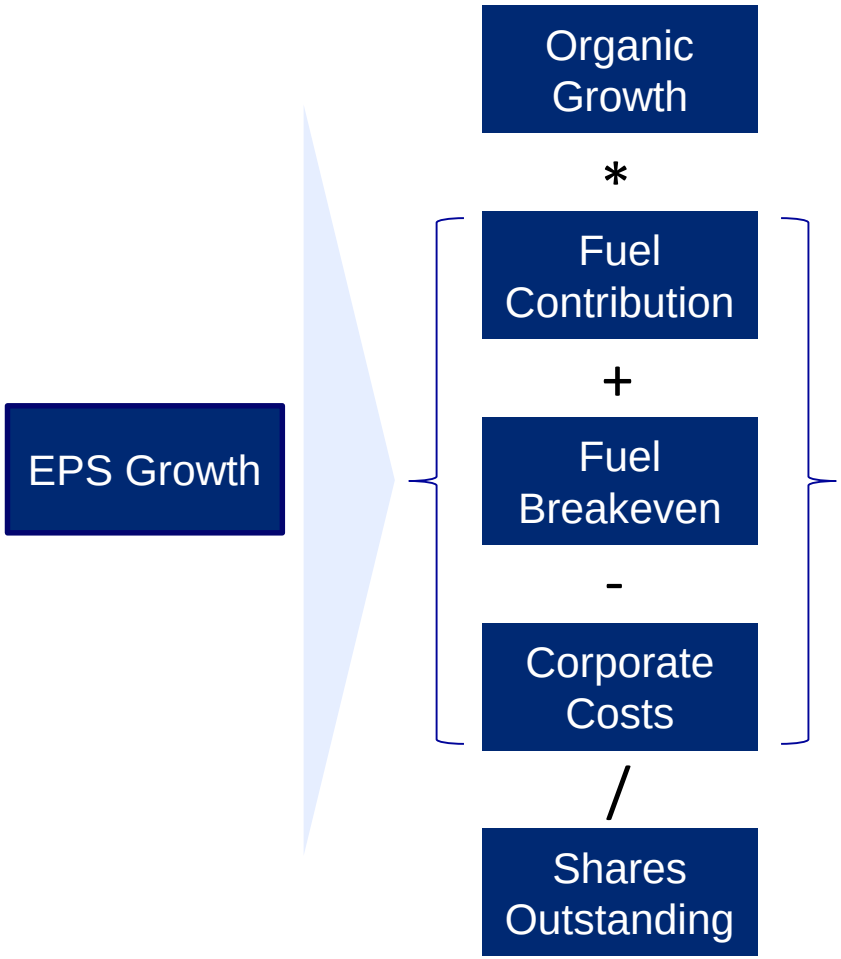


Capital Allocation
2014 - 2017



MUSA has become distinctive for increasing its productivity

MUSA Value Creation Drivers



	2016 Proof Point	2017 Proof Point
	5% unit growth • 67 new sites; 10 R&R • 300 refresh; 180 super coolers	3% unit growth • 45 new sites; 21 R&R • 300 refresh; 244 super coolers
	5% contribution $ growth • +1.7% volume growth • 15.4 cpg total margin • 3.8 cpg from PS&W/RINs	4.7% contribution $ growth • -1.3% volume growth • 16.4 cpg total margin • 2.4 cpg from PS&W/RINs
	Reduced to 1.3 cpg from 2.3 • +120 bps merchandise • +11.2% merch contrib $ • -4.1% site opex* APSM	Reduced to 1.2 cpg from 1.3 • +50 bps merchandise • +4.7% merch contrib $ • -2.6% site opex* APSM
	SG&A per store down 10% • $6.6 million decline in total SG&A • Tax-efficient non-core asset sale	SG&A per store up 3% • $8.5 million increase in total SG&A** • Investing in people and capabilities
	Repurchased 4.9M shares • $323 million of capital • 11% of shares outstanding	Repurchased 3.0M shares • $206 million of capital • 8% of shares outstanding

**Site Opex excludes credit card fees*

***SG&A per-store excludes stock-based compensation; 2017 proof points exclude $10mm charitable contribution*

The business is resilient, but not immune, to headwinds

Tobacco

- Managing decline curve in cigarettes
- Taxes accelerating decline in volumes

Non-Tobacco

- Managing decline curve in CSD's
- Consumer spending

Refined Products & RINs

- Product flow patterns shift across value chain
- Regulatory and political uncertainty with RFS

Labor Costs

- FLSA
- Minimum Wage Increases
- Lower unemployment rate
- Wage inflation

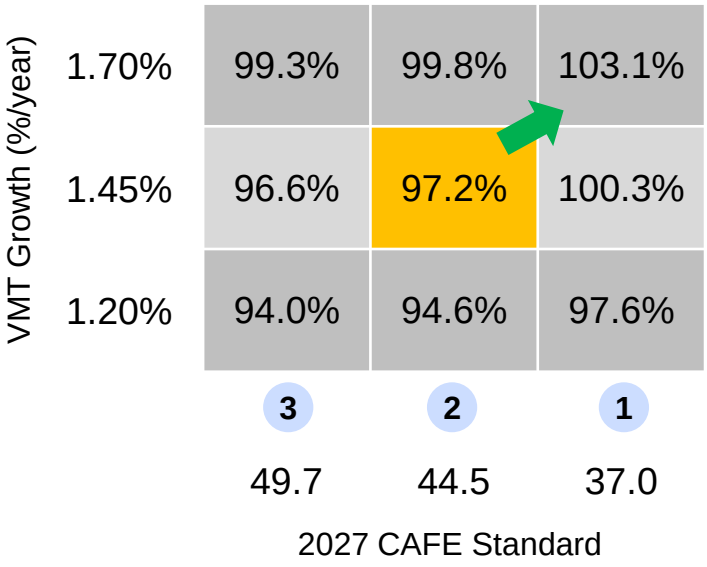
Tax Reform

- Beneficiary of tax reform (25% v 38%)
- Higher FCF to deploy
- Industry unlikely to compete away benefits

Macro industry fuel trends are favorable near-term

2027 Fuel Demand (2017 Estimate)
(Light Duty, Indexed to 2016)

MUSA States

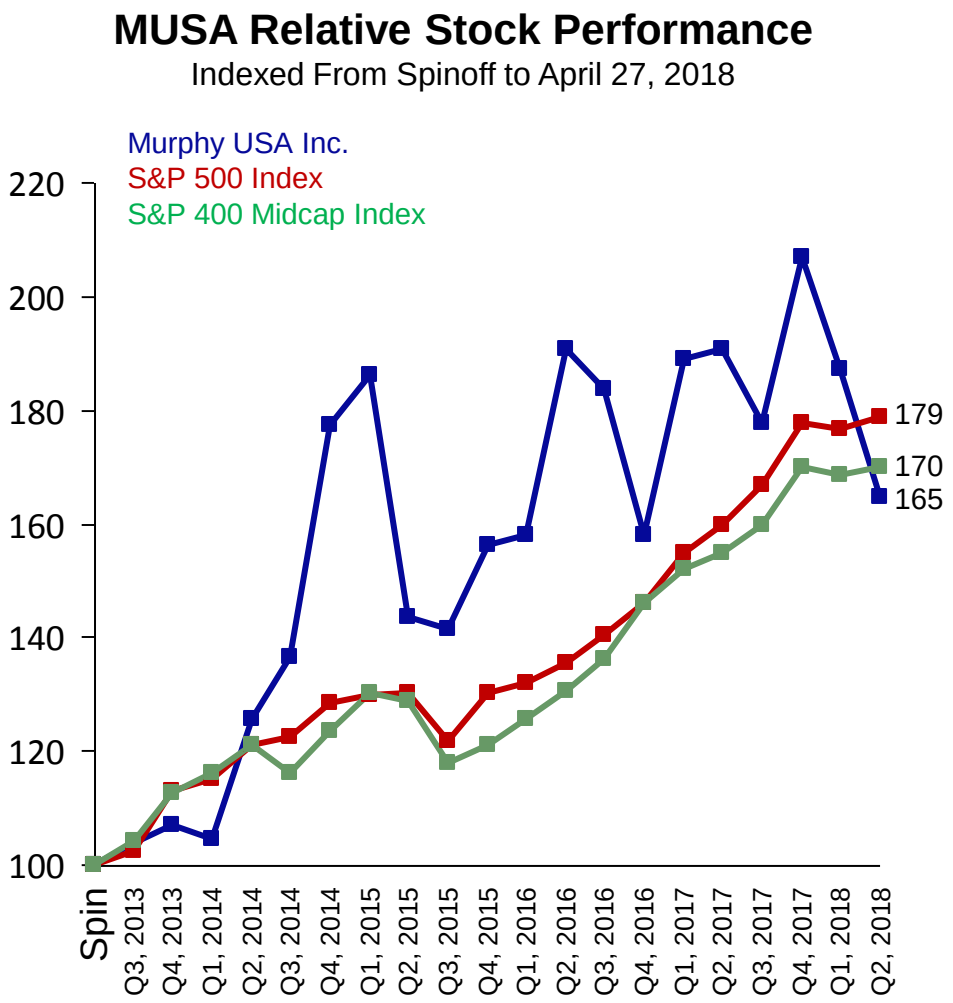


Mileposts

	Short-Term	Long-Term
VMT	↑	• VMT highly correlated with GDP • Tax reform boosting GDP growth
EV	↑	• Production ability and adoption rates volatile • Dependent on tax subsidy • OEMs fear being left behind if India and China leapfrog US
2025 CAFE	↓	• Trump says current CAFÉ targets too aggressive • Consumers and manufacturers abandoning sedans for less efficient SUVs
Autonomous	↓	• Innovators are agnostic between EV and ICE • Safety issues could impede pace of consumer adoption

Murphy USA continues its proven and differentiated strategy

- Murphy USA is uniquely positioned as a low-cost fuel and convenience retailer
- Our strategy to compete has five coherent elements:
  - Grow Organically
  - Diversify Merchandise Mix
  - Sustain Cost Leadership Position
  - Create Advantage from Market Volatility
  - Invest for the Long-Term
- Our business model is resilient to, and takes advantage of, volatile market conditions
- Our independent growth plan combines efficient unit-growth and shareholder-friendly capital allocations
- Murphy USA has a proven track record of execution since our 2013 spin-off
- We believe we have a very bright future ahead



Through our formula, we continue to build a bright future

MUSA Formula for EPS Growth

EPS Growth

Organic Growth

*

Fuel Contribution

+

Fuel Breakeven

–

Corporate Costs

/

Shares Outstanding

MUSA Value Creation Drivers

