







MURPHY USA

Annual Shareholder Meeting

May 2020

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-Q and 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. for the years ended December 31, 2019, 2018, 2017, 2016, and 2015. Please reference our most recent 10-K, 10-Q, and 8-K filings for the latest information.

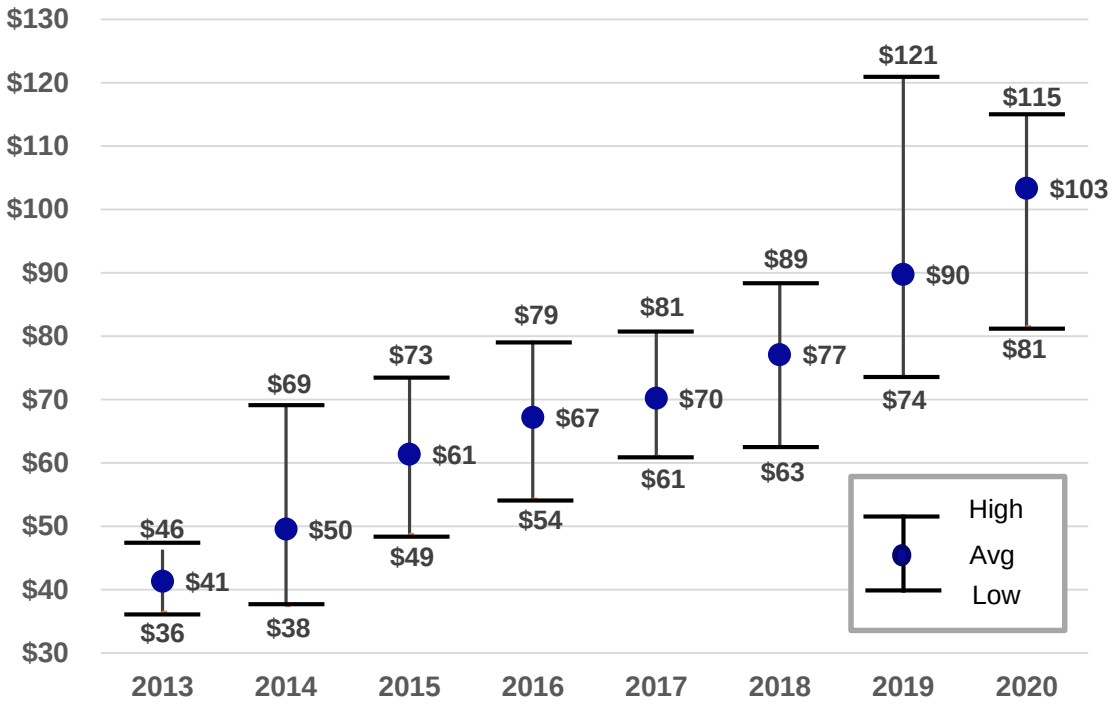
If this presentation contains non-GAAP financial measures, we have provided a reconciliation of such non-GAAP financial measures to the most directly comparable measures prepared in accordance with U.S. GAAP in the Appendix to this presentation.

Christian Pikul, CFA
Vice President of Investor Relations and FP&A
Office: 870-875-7683
Christian.pikul@murphyusa.com

Raising the bar on shareholder value proposition

MUSA High and Low Closing Share Price with Annual Average by Year Since Spin

As of 4/30/2020



TSR	2013	2014	2015	2016	2017	2018	2019	2020
CAGR[4]	17%	13%	11%	11%	14%	16%	15%	NA

(4) Annual average to 2020 YTD average

Set the Bar

Spin to 2018
TSR: 14% CAGR

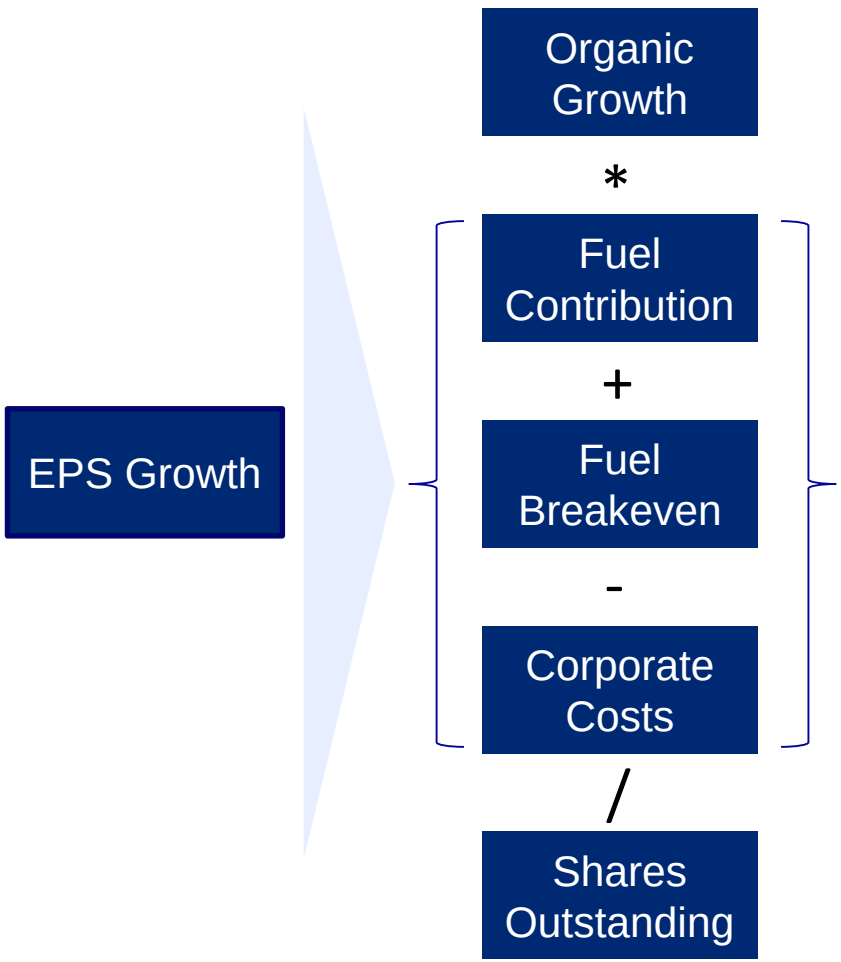
Raise the Bar

2019 to 2023
TSR: 15+% CAGR

	2013	2018	2019	2023
Adjusted EBITDA	$340	$412	$423	$500+
Shares Outstanding (MM)	46.8	32.3	30.5[1]	27.3[2]
EV/EBITDA Multiple[3]	6	9	10	10+

(1) Reflects 2019 ending share count
(2) Illustrative view of 2023 if 5.0 mm shares repurchased from 2019-2023; Repurchased 1.4 mm shares in 2020
(3) High achieved at referenced year's Adjusted EBITDA

Creating value through a simple formula – and executing



Strategy	Levers
Build/Rebuild assets where we have a right to win	• Build high-return 2,800 sq. ft. NTIs in target markets • Convert high-performing kiosks to 1,400 sq. ft. stores • Manage portfolio for long-term
Increase productivity of existing stores to grow competitive advantage	• Grow fuel volume/share profitably – Price with Excellence – Optimize supply chain • Accelerate merchandise sales – Sustain tobacco leadership – Enhance non-tobacco offers and capabilities • Maintain cost leadership – Extend Opex effectiveness – Optimize and scale SG&A
Continue capital allocation discipline to grow company	• Grow free cash flow with earnings • Leverage balance sheet opportunistically • Buyback shares with discipline

Gaining momentum despite COVID-19 challenges

MUSA's Advantage	Proof Points		March	April
Distinct Footprint	Customer Traffic	• LTD [1] Fuel Gallons [2]		
		– MUSA	▼ 30% +17%	▼ 28% +21%
		– Market	▼ 47%	▼ 49%
		• LTD Merch Transactions [2]		
		– MUSA	▼ 17% +11%	▼ 12% +12%
		– Market	▼ 28%	▼ 24%
Enhanced Offer	Merchandise Strength	• LTD Tobacco Sales [2]		
		– MUSA	▲ 11% +18%	▲ 18% +18%
		– Market	▼ 7%	▲ 0%
		• LTD Non-Tobacco Sales [2]		
		– MUSA	▼ 8% +15%	▲ 14% +21%
		– Market	▼ 23%	▼ 7%
Agile Supply Chains	Operational Excellence	• NTI and R&R On-Track • In-Stock [3]	• 13 (no delays) • 99.2%	• 15 (1 minor delay) • 99.3%
Engaged Associates	Loyal Customers	• Customer Satisfaction Scores [4] • BGCA Round-Up Campaign	• 76% • $500K Pledge	• 79% • $600K Raised
Resilient Business Model	Strong Liquidity & Performance	• Book Cash Balance ($mm)	• $200 (as of 3/31)	• $210 (as of 4/30)
		• Debt: – 5.625% Notes Price – 4.75% Notes Price	 • $97.98 • $93.75	 • $103.95 • $102.97

(1) LTD is Last Ten Days of Month average versus prior year
(2) Market Sources: Fuel - OPIS Demand Pro, WE 3/28/20 & 4/11/20; Merchandise - PDI Insights Cloud, WE 3/28/20 & 4/19/20
(3) Top 10 Cigarette SKUs
(4) SMG COVID-19 Analysis, 4/24/20

Appendix

2020 guidance

	2019 Guidance Range	2019 Actual Results	2020 Guidance Range
Organic Growth			
New Stores	15-20	17	Up to 30
Raze and Rebuilds	20-25	27	Up to 25
Fuel Contribution			
Retail fuel volume per store (K gallons APSM)	240 to 245	248	Withdrawn
Fuel Breakeven			
Merchandise contribution ($ Millions)	$410 to $415	$419	$430 to $435
Retail station Opex excluding credit cards (APSM % YOY change)	Flat to +2%	+2.0%	Up 1% to 3%
Corporate Costs			
SG&A ($ Millions per year)	$145 to $150	$145	$150 to $155
Effective Tax Rate	24% to 26%	24.0%	24% to 26%
Capital Allocation			
Capital expenditures ($ Millions)	$225 to $275	$215	$225 to $275

Non-GAAP adjusted EBITDA reconciliation

(Millions of dollars)	Year Ended December 31, 2013	2014	2015	2016	2017	2018	2019
Net Income	$ 235.0	$ 243.9	$ 176.3	$ 221.5	$ 245.3	$ 213.6	$ 154.8
Income taxes	100.1	116.4	80.7	130.5	(5.2)	60.3	47.6
Interest expense, net of interest income	13.4	36.4	31.4	39.1	45.4	51.4	51.7
Depreciation and amortization	74.1	79.1	86.6	98.6	116.9	134.0	152.2
EBITDA	$ 422.6	$ 475.7	$ 375.0	$ 489.8	$ 402.4	$ 459.3	$ 406.3
Net settlement proceeds	-	-	-	-	-	(50.4)	(0.1)
Accretion of asset retirement obligations	1.1	1.2	1.5	1.7	1.8	2.0	2.1
(Gain) loss on sale of assets	(6.0)	(0.2)	4.7	(88.2)	3.9	1.1	(0.1)
Loss on early debt extinguishment				-	-	-	14.8
Other nonoperating (income) expense	(0.2)	(10.2)	0.5	(3.1)	(2.2)	(0.2)	(0.4)
(Income) loss from discontinued operations, net of taxes	(80.9)	(20.9)	(38.7)	-	-	-	-
Adjusted EBITDA	$ 336.6	$ 445.7	$ 342.9	$ 400.1	$ 405.9	$ 411.8	$ 422.6

Non-GAAP Adjusted EBITDA Reconciliation

2020 and 2023 – GAAP to non-GAAP Reconciliation

(Millions of dollars)	Calendar Year 2020	Calendar Year 2023
Net Income	$162	$175
Income taxes	$55	$59
Interest expense, net of interest income	$51	$44
Depreciation and amortization	$171	$221
Other operating and nonoperating, net	$1	$1
Adjusted EBITDA	$440	$500

For purposes of this reconciliation, the midpoint of a range for each reconciling item was used, and therefore actual results for each of these reconciling items is expected to be higher or lower than the amounts shown above. The size of the ranges varies based on the individual reconciling item and the assumptions made.