### MAGELLAN MIDSTREAM PARTNERS, L.P. CONSOLIDATED STATEMENTS OF INCOME

(In millions, except per unit amounts) (Unaudited)

Transportation and terminals revenue         50         100         2000		<b>Three Months Ended</b>					Year Ended					
Product sales revenue			Decem	ber 3	1,		Decem	ber .	ber 31,			
Product sales revenue         337.4         354.4         913.0         1,302.4           Affiliate management fee revenue         5.3         5.5         21.2         22.2           Total revenue         809.3         861.0         2,733.1         3,200.4           Costs and expenses:         200.2         80.9         81.0         2,733.1         3,200.4           Cost of product sales         291.4         325.1         780.0         1,119.4           Depreciation, amortization and impairment         59.5         118.4         227.9         292.8           General and administrative         57.7         63.0         206.3         240.7           Total costs and expenses         555.4         656.1         1,783.9         2,245.0           Other operating income (expense)         (1.3)         3.1         2.8         5.3           Earnings of non-controlled entities         38.3         43.7         154.4         147.4           Operating profit         290.9         251.7         1,106.4         1,108.1           Interest expense         57.1         57.4         228.1         229.8           Interest expense         2.2         8         8         2.0         1.2           Oth			2021		2022		2021		2022			
Product sales revenue         337.4         354.4         913.0         1,302.4           Affiliate management fee revenue         5.3         5.5         21.2         22.2           Total revenue         809.3         861.0         2,733.1         3,200.4           Costs and expenses:         200.2         80.9         81.0         2,733.1         3,200.4           Cost of product sales         291.4         325.1         780.0         1,119.4           Depreciation, amortization and impairment         59.5         118.4         227.9         292.8           General and administrative         57.7         63.0         206.3         240.7           Total costs and expenses         555.4         656.1         1,783.9         2,245.0           Other operating income (expense)         (1.3)         3.1         2.8         5.3           Earnings of non-controlled entities         38.3         43.7         154.4         147.4           Operating profit         290.9         251.7         1,106.4         1,108.1           Interest expense         57.1         57.4         228.1         229.8           Interest expense         2.2         8         8         2.0         1.2           Oth	Transportation and terminals revenue	. \$	466.6	\$	501.1	\$	1,798.9	\$	1,875.8			
Affiliate management fee revenue         5.3         5.5         21.2         22.2           Total revenue         809.3         861.0         2,733.1         3,200.4           Costs and expenses:         2002         30.0         2,733.1         3,200.4           Cost of product sales         291.4         325.1         780.0         1,119.4           Depreciation, amortization and impairment         59.5         118.4         227.9         292.8           General and administrative         57.7         63.0         206.3         240.7           Total costs and expenses         10.3         3.1         2.8         5.3           Earnings of non-controlled entities         38.3         43.7         154.4         147.4           Operating profit         290.9         251.7         1,106.4         1,108.1           Interest expense         57.1         57.4         228.1         229.8           Interest capitalized         (0.5)         (0.6)         (0.5)         (1.2)           Gain on disposition of assets         (2.1)         (0.6)         (0.5)         (0.2)           Other (income) expense         2.8         8.4         20.9         20.3           Income from continuing operations before provi			337.4		354.4		913.0		1,302.4			
Costs and expenses:         146.8         149.6         569.7         592.1           Cost of product sales         291.4         325.1         780.0         1,119.4           Depreciation, amortization and impairment         59.5         1118.4         227.9         292.8           General and administrative         57.7         63.0         206.3         240.7           Total costs and expenses         555.4         656.1         1,78.9         2,245.0           Other operating income (expense)         (1.3)         3.1         2.8         5.3           Earnings of non-controlled entities         38.3         43.7         154.4         147.4           Operating profit         290.9         251.7         1,106.4         1,108.1           Interest expense         571.         57.4         228.1         229.8           Interest capitalized         (0.5)         (0.6)         (0.5)         (1.2)           Interest capitalized         (0.1)         (0.6)         (0.5)         (1.2)           Gain on disposition of assets         (2.1)         (0.6)         (75.0)         (0.9)           Other (income) expense         2.8         8.4         20.9         20.3           Income from continuing operations			5.3		5.5		21.2		22.2			
Operating         146.8         149.6         569.7         592.1           Cost of product sales         291.4         325.1         780.0         1,119.4           Depreciation, amortization and impairment         59.5         118.4         227.9         292.8           General and administrative         57.7         63.0         206.3         240.7           Total costs and expenses         555.4         656.1         1,783.9         2,245.0           Other operating income (expense)         (1.3)         3.1         2.8         5.3           Earnings of non-controlled entities         38.3         43.7         154.4         147.4           Operating profit         290.9         251.7         1,106.4         1,108.1           Interest expense         57.1         57.4         228.1         229.8           Interest income         0.01         0.60         0.5         0.2           Gain on disposition of assets         (2.1)         0.60         0.5         0.2           Gain on disposition of assets         (2.1)         0.60         0.5         0.2           Income from continuing operations before provision for income taxes         2.8         8.4         20.9         20.3           Income from	Total revenue		809.3		861.0		2,733.1		3,200.4			
Cost of product sales         291.4         325.1         780.0         1,119.4           Depreciation, amortization and impairment         59.5         118.4         227.9         292.8           General and administrative         57.7         63.0         206.3         240.7           Total costs and expenses         555.4         656.1         1,783.9         2,245.0           Other operating income (expense)         (1.3)         3.1         2.8         5.3           Earnings of non-controlled entities         38.3         43.7         154.4         147.4           Operating profit         290.9         251.7         1,106.4         1,108.1           Interest expense         57.1         57.4         228.1         229.8           Interest expense         57.1         6.06         (1.7)         (1.8)           Interest expense         (2.1)         (0.6)         (0.5)         (0.6)           Interest expense         (2.1)         (0.6)         (0.5)         (0.9)           Other (income) expense         2.8         8.4         20.9         20.3           Income from continuing operations before provision for income taxes         2.3         187.7         934.6         861.9           Provision f	Costs and expenses:											
Depreciation, amortization and impairment         59,5         118,4         227,9         292,8           General and administrative         57,7         63.0         206,3         240,7           Total costs and expenses         555,4         656,1         1,783,9         2,245,0           Other operating income (expense)         13,3         3,1         2,8         5,3           Earnings of non-controlled entities         38,3         43,7         154,4         147,4           Operating profit         290,9         251,7         1,106,4         1,108,1           Interest expense         57,1         57,4         228,1         229,8           Interest income         (0.1)         (0.6)         (0.5)         (1,2)           Gain on disposition of assets         (2.1)         (0.6)         (0.5)         (0.9)           Other (income) expense         2.8         8.4         20,9         20,3           Income from continuing operations before provision for income taxes         0.3         0.7         2.3         2.7           Provision for income taxes         0.3         0.7         2.3         2.7           Income from continuing operations (including gain on disposition of assets of \$164.0 million in 2022)         10.3         -	Operating		146.8		149.6		569.7		592.1			
General and administrative         57.7         63.0         206.3         240.7           Total costs and expenses         555.4         656.1         1,783.9         2,245.0           Other operating income (expense)         (1.3)         3.1         2.8         5.3           Earnings of non-controlled entities         38.3         43.7         154.4         147.4           Operating profit         290.9         251.7         1,106.4         1,108.1           Interest expense         57.1         57.4         228.1         229.8           Interest capitalized         (0.5)         (0.6)         (1.7)         (1.8           Interest income         (0.1)         (0.6)         (0.75.0)         (0.9           Other (income) expense         2.8         8.4         20.9         20.3           Income from continuing operations before provision for income taxes         2.3         187.7         934.6         861.9           Provision for income taxes         0.3         0.7         2.3         2.7           Income from continuing operations (including gain on disposition of assets of \$164.0 million in 2022)         10.3         -         49.7         177.2           Net income         \$1.0         \$0.9         \$0.91         \$4.24	Cost of product sales.		291.4		325.1		780.0		1,119.4			
Total costs and expenses         555.4         656.1         1,783.9         2,245.0           Other operating income (expense)         (1.3)         3.1         2.8         5.3           Earnings of non-controlled entities         38.3         43.7         154.4         147.4           Operating profit         290.9         251.7         1,106.4         1,108.1           Interest expense         57.1         57.4         228.1         229.8           Interest capitalized         (0.5)         (0.6)         (1.7)         (1.8)           Interest income         (0.1)         (0.6)         (0.5)         (1.2)           Gain on disposition of assets         (2.1)         (0.6)         (75.0)         (0.9)           Other (income) expense         2.8         8.4         20.9         20.3           Income from continuing operations before provision for income taxes         0.3         0.7         2.3         2.7           Income from discontinued operations (including gain on disposition of assets of \$164.0 million in 2022)         10.3         -         49.7         177.2           Net income         \$ 243.7         \$ 187.0         \$ 982.0         \$ 1,036.4           Earnings per common unit         \$ 1.0         \$ 0.91         \$ 4.24 </td <td>Depreciation, amortization and impairment</td> <td></td> <td>59.5</td> <td></td> <td>118.4</td> <td></td> <td>227.9</td> <td></td> <td>292.8</td>	Depreciation, amortization and impairment		59.5		118.4		227.9		292.8			
Other operating income (expense)         (1.3)         3.1         2.8         5.3           Earnings of non-controlled entities         38.3         43.7         154.4         147.4           Operating profit         290.9         251.7         1,106.4         1,108.1           Interest expense         57.1         57.4         228.1         229.8           Interest capitalized         (0.5)         (0.6)         (1.7)         (1.8)           Interest income         (0.1)         (0.6)         (0.5)         (0.9)           Gain on disposition of assets         (2.1)         (0.6)         (0.5)         (0.9)           Other (income) expense         2.8         8.4         20.9         20.3           Income from continuing operations before provision for income taxes         233.7         187.7         934.6         861.9           Provision for income taxes         0.3         0.7         2.3         2.7           Income from continuing operations         233.4         187.0         932.3         859.2           Income from discontinued operations (including gain on disposition of assets of \$164.0 million in 2022)         10.3         —         49.7         177.2           Net income         \$         1.09         \$ <td< td=""><td>General and administrative</td><td></td><td>57.7</td><td></td><td>63.0</td><td></td><td>206.3</td><td></td><td>240.7</td></td<>	General and administrative		57.7		63.0		206.3		240.7			
Earnings of non-controlled entities         38.3         43.7         154.4         147.4           Operating profit         290.9         251.7         1,106.4         1,108.1           Interest expense         57.1         57.4         228.1         229.8           Interest capitalized         (0.5)         (0.6)         (1.7)         (1.8)           Interest income         (0.1)         (0.6)         (0.5)         (0.2)           Gain on disposition of assets         (2.1)         (0.6)         (75.0)         (0.9)           Other (income) expense         2.8         8.4         20.9         20.3           Income from continuing operations before provision for income taxes         0.3         0.7         2.3         2.7           Income from continuing operations (including gain on disposition of assets of \$164.0 million in 2022)         10.3         —         49.7         177.2           Net income         \$ 233.7         \$ 187.0         \$ 982.0         \$ 1,036.4           Earnings per common unit         \$ 243.7         \$ 187.0         \$ 982.0         \$ 1,036.4           Earnings per common unit         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         \$ 0.05         —         0.23 <td>Total costs and expenses</td> <td></td> <td>555.4</td> <td></td> <td>656.1</td> <td></td> <td>1,783.9</td> <td></td> <td>2,245.0</td>	Total costs and expenses		555.4		656.1		1,783.9		2,245.0			
Operating profit         290.9         251.7         1,106.4         1,108.1           Interest expense         57.1         57.4         228.1         229.8           Interest capitalized         (0.5)         (0.6)         (1.7)         (1.8)           Interest income         (0.1)         (0.6)         (0.5)         (1.2)           Gain on disposition of assets         (2.1)         (0.6)         (75.0)         (0.9)           Other (income) expense         2.8         8.4         20.9         20.3           Income from continuing operations before provision for income taxes         0.3         0.7         2.3         2.7           Income from discontinued operations (including gain on disposition of assets of \$164.0 million in 2022)         10.3         —         49.7         177.2           Net income         \$ 243.7         \$ 187.0         \$ 982.0         \$ 1,036.4           Earnings per common unit         \$ 243.7         \$ 187.0         \$ 982.0         \$ 1,036.4           Earnings per common unit         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         0.05         —         0.23         0.85           Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.24	Other operating income (expense)		(1.3)		3.1		2.8		5.3			
Interest expense	Earnings of non-controlled entities		38.3		43.7		154.4		147.4			
Interest capitalized	Operating profit		290.9		251.7		1,106.4		1,108.1			
Interest income	Interest expense		57.1		57.4		228.1		229.8			
Gain on disposition of assets         (2.1)         (0.6)         (75.0)         (0.9)           Other (income) expense         2.8         8.4         20.9         20.3           Income from continuing operations before provision for income taxes         233.7         187.7         934.6         861.9           Provision for income taxes         0.3         0.7         2.3         2.7           Income from continuing operations         233.4         187.0         932.3         859.2           Income from discontinued operations (including gain on disposition of assets of \$164.0 million in 2022)         10.3         —         49.7         177.2           Net income         \$ 243.7         \$ 187.0         \$ 982.0         \$ 1,036.4           Earnings per common unit         \$ 243.7         \$ 187.0         \$ 982.0         \$ 1,036.4           Earnings per common unit         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         0.05         —         0.23         0.85           Net income per common units outstanding         213.5         205.6         219.6         209.4           Diluted:         Continuing operations         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations <td>Interest capitalized</td> <td></td> <td>(0.5)</td> <td></td> <td>(0.6)</td> <td></td> <td>(1.7)</td> <td></td> <td>(1.8)</td>	Interest capitalized		(0.5)		(0.6)		(1.7)		(1.8)			
Other (income) expense         2.8         8.4         20.9         20.3           Income from continuing operations before provision for income taxes         233.7         187.7         934.6         861.9           Provision for income taxes         0.3         0.7         2.3         2.7           Income from discontinuing operations (including gain on disposition of assets of \$164.0 million in 2022)         10.3         —         49.7         177.2           Net income         \$ 243.7         \$ 187.0         \$ 982.0         \$ 1,036.4           Earnings per common unit         Basic:         S         243.7         \$ 187.0         \$ 982.0         \$ 1,036.4           Continuing operations         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         0.05         —         0.23         0.85           Net income per common units outstanding         213.5         205.6         219.6         209.4           Diluted:         Continuing operations         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10	Interest income		(0.1)		(0.6)		(0.5)		(1.2)			
Income from continuing operations before provision for income taxes   233.7   187.7   934.6   861.9	Gain on disposition of assets		(2.1)		(0.6)		(75.0)		(0.9)			
Provision for income taxes	Other (income) expense		2.8		8.4		20.9		20.3			
Income from continuing operations         233.4         187.0         932.3         859.2           Income from discontinued operations (including gain on disposition of assets of \$164.0 million in 2022)         10.3         —         49.7         177.2           Net income         \$ 243.7         \$ 187.0         \$ 982.0         \$ 1,036.4           Earnings per common unit         Basic:         Continuing operations         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         0.05         —         0.23         0.85           Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.47         \$ 4.95           Weighted average number of common units outstanding         213.5         205.6         219.6         209.4           Diluted:         Continuing operations         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         \$ 0.05         —         0.23         0.85           Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         \$ 0.05         —         0.23         0.85           Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.47         <			233.7		187.7		934.6		861.9			
Income from discontinued operations (including gain on disposition of assets of \$164.0 million in 2022)         10.3         —         49.7         177.2           Net income         \$ 243.7         \$ 187.0         \$ 982.0         \$ 1,036.4           Earnings per common unit           Basic:         Continuing operations         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         0.05         —         0.23         0.85           Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.47         \$ 4.95           Weighted average number of common units outstanding         213.5         205.6         219.6         209.4           Diluted:         Continuing operations         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         \$ 0.05         —         0.23         0.85           Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.24         \$ 4.10	Provision for income taxes	-	0.3		0.7		2.3		2.7			
disposition of assets of \$164.0 million in 2022)       10.3       —       49.7       177.2         Net income       \$ 243.7       \$ 187.0       \$ 982.0       \$ 1,036.4         Earnings per common unit         Basic:         Continuing operations       \$ 1.09       \$ 0.91       \$ 4.24       \$ 4.10         Discontinued operations       0.05       —       0.23       0.85         Net income per common unit       \$ 1.14       \$ 0.91       \$ 4.47       \$ 4.95         Weighted average number of common units outstanding       213.5       205.6       219.6       209.4         Diluted:         Continuing operations       \$ 1.09       \$ 0.91       \$ 4.24       \$ 4.10         Discontinued operations       \$ 0.05       —       0.23       0.85         Net income per common unit       \$ 1.14       \$ 0.91       \$ 4.24       \$ 4.10	Income from continuing operations		233.4		187.0		932.3		859.2			
Earnings per common unit  Basic:  Continuing operations \$ 1.09 \$ 0.91 \$ 4.24 \$ 4.10  Discontinued operations 0.05 — 0.23 0.85  Net income per common unit \$ 1.14 \$ 0.91 \$ 4.47 \$ 4.95  Weighted average number of common units outstanding 213.5 205.6 219.6 209.4  Diluted:  Continuing operations \$ 1.09 \$ 0.91 \$ 4.24 \$ 4.10  Discontinued operations 0.05 — 0.23 0.85  Net income per common unit \$ 1.14 \$ 0.91 \$ 4.47 \$ 4.95	Income from discontinued operations (including gain on disposition of assets of \$164.0 million in 2022)		10.3				49.7		177.2			
Basic:         Continuing operations       \$ 1.09 \$ 0.91 \$ 4.24 \$ 4.10         Discontinued operations       0.05 — 0.23 0.85         Net income per common unit       \$ 1.14 \$ 0.91 \$ 4.47 \$ 4.95         Weighted average number of common units outstanding       213.5 205.6 219.6 209.4         Diluted:       Continuing operations       \$ 1.09 \$ 0.91 \$ 4.24 \$ 4.10         Discontinued operations       0.05 — 0.23 0.85         Net income per common unit       \$ 1.14 \$ 0.91 \$ 4.47 \$ 4.95	Net income	. \$	243.7	\$	187.0	\$	982.0	\$	1,036.4			
Discontinued operations         0.05         —         0.23         0.85           Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.47         \$ 4.95           Weighted average number of common units outstanding         213.5         205.6         219.6         209.4           Diluted:         Continuing operations         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         0.05         —         0.23         0.85           Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.47         \$ 4.95												
Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.47         \$ 4.95           Weighted average number of common units outstanding         213.5         205.6         219.6         209.4           Diluted:         Continuing operations         \$ 1.09         \$ 0.91         \$ 4.24         \$ 4.10           Discontinued operations         0.05         —         0.23         0.85           Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.47         \$ 4.95	Continuing operations	. \$	1.09	\$	0.91	\$	4.24	\$	4.10			
Weighted average number of common units outstanding       213.5       205.6       219.6       209.4         Diluted:       Continuing operations       \$ 1.09       \$ 0.91       \$ 4.24       \$ 4.10         Discontinued operations       0.05       —       0.23       0.85         Net income per common unit       \$ 1.14       \$ 0.91       \$ 4.47       \$ 4.95	Discontinued operations	-	0.05				0.23		0.85			
Diluted:         Continuing operations       \$ 1.09       \$ 0.91       \$ 4.24       \$ 4.10         Discontinued operations       0.05       —       0.23       0.85         Net income per common unit       \$ 1.14       \$ 0.91       \$ 4.47       \$ 4.95	Net income per common unit	. \$	1.14	\$	0.91	\$	4.47	\$	4.95			
Continuing operations         \$ 1.09 \$ 0.91 \$ 4.24 \$ 4.10           Discontinued operations         0.05 — 0.23 0.85           Net income per common unit         \$ 1.14 \$ 0.91 \$ 4.47 \$ 4.95	Weighted average number of common units outstanding	*	213.5		205.6		219.6		209.4			
Discontinued operations         0.05         —         0.23         0.85           Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.47         \$ 4.95	Diluted:											
Discontinued operations         0.05         —         0.23         0.85           Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.47         \$ 4.95	Continuing operations	. \$	1.09	\$	0.91	\$	4.24	\$	4.10			
Net income per common unit         \$ 1.14         \$ 0.91         \$ 4.47         \$ 4.95			0.05		_		0.23		0.85			
	-			\$	0.91	\$		\$				
	Weighted average number of common units outstanding				206.1				209.6			

#### MAGELLAN MIDSTREAM PARTNERS, L.P. **OPERATING STATISTICS**

	Three Mo Decei		Year Ended December 31,				
	2021	2022		2021		2022	
Refined products:							
Transportation revenue per barrel shipped	\$ 1.767	\$ 1.877	\$	1.715	\$	1.781	
Volume shipped (million barrels):							
Gasoline	79.7	80.7		303.8		319.9	
Distillates	53.2	54.7		205.6		206.1	
Aviation fuel	8.8	9.1		30.5		33.3	
Liquefied petroleum gases	0.3	_		0.9		0.6	
Total volume shipped	142.0	144.5		540.8		559.9	
Crude oil:							
Magellan 100%-owned assets:							
Transportation revenue per barrel shipped <sup>(1)</sup>	\$ 0.854	\$ 0.617	\$	0.815	\$	0.643	
Volume shipped (million barrels) <sup>(1)</sup>	44.3	65.2		189.6		229.8	
Terminal average utilization (million barrels per month)	24.3	24.3		24.9		24.2	
Select joint venture pipelines:							
BridgeTex - volume shipped (million barrels) <sup>(2)</sup>	27.5	24.7		112.1		92.7	
Saddlehorn - volume shipped (million barrels) <sup>(2)</sup>	21.6	21.0		77.6		80.9	

Includes shipments related to our crude oil marketing activities.
 These volumes reflect the total shipments for these joint venture pipelines, which are owned 30% by us.

## MAGELLAN MIDSTREAM PARTNERS, L.P. OPERATING MARGIN RECONCILIATION TO OPERATING PROFIT (Unaudited, in millions)

Refined products:         2021         2022         2021         2022           Transportation and terminals revenue         \$ 353.6         \$ 379.4         \$ 1,338.5         \$ 1,408.           Affiliate management fee revenue         1.6         1.6         6.4         6.           Other operating income (expense)         0.6         3.6         6.9         7.           Earnings (losses) of non-controlled entities         8.9         8.7         34.4         23.           Less: Operating expense         102.5         108.7         416.7         431.           Transportation and terminals margin         262.2         284.6         969.5         1,014.           Product sales revenue         276.3         322.2         763.9         1,173.           Less: Cost of product sales         235.8         304.3         630.1         1,020.           Product margin         40.5         17.9         133.8         152.           Operating margin         \$ 302.7         302.5         \$ 1,103.3         \$ 1,167.		Year Decem			Three Mor Decem	
Transportation and terminals revenue       \$ 353.6 \$ 379.4 \$ 1,338.5 \$ 1,408.         Affiliate management fee revenue       1.6 1.6 6.4 6.4 6.         Other operating income (expense)       0.6 3.6 6.9 7.         Earnings (losses) of non-controlled entities       8.9 8.7 34.4 23.         Less: Operating expense       102.5 108.7 416.7 431.         Transportation and terminals margin       262.2 284.6 969.5 1,014.         Product sales revenue       276.3 322.2 763.9 1,173.         Less: Cost of product sales       235.8 304.3 630.1 1,020.         Product margin       40.5 17.9 133.8 152.         Operating margin       \$ 302.7 \$ 302.5 \$ 1,103.3 \$ 1,167.			_			
Affiliate management fee revenue       1.6       1.6       6.4       6.         Other operating income (expense)       0.6       3.6       6.9       7.         Earnings (losses) of non-controlled entities       8.9       8.7       34.4       23.         Less: Operating expense       102.5       108.7       416.7       431.         Transportation and terminals margin       262.2       284.6       969.5       1,014.         Product sales revenue       276.3       322.2       763.9       1,173.         Less: Cost of product sales       235.8       304.3       630.1       1,020.         Product margin       40.5       17.9       133.8       152.         Operating margin       \$ 302.7       \$ 302.5       \$ 1,103.3       \$ 1,167.						Refined products:
Other operating income (expense)         0.6         3.6         6.9         7.           Earnings (losses) of non-controlled entities         8.9         8.7         34.4         23.           Less: Operating expense         102.5         108.7         416.7         431.           Transportation and terminals margin         262.2         284.6         969.5         1,014.           Product sales revenue         276.3         322.2         763.9         1,173.           Less: Cost of product sales         235.8         304.3         630.1         1,020.           Product margin         40.5         17.9         133.8         152.           Operating margin         \$ 302.7         \$ 302.5         \$ 1,103.3         \$ 1,167.	1,408.2	\$ 1,338.5	\$	379.4	\$ 353.6	\$ Transportation and terminals revenue
Earnings (losses) of non-controlled entities       8.9       8.7       34.4       23.         Less: Operating expense       102.5       108.7       416.7       431.         Transportation and terminals margin       262.2       284.6       969.5       1,014.         Product sales revenue       276.3       322.2       763.9       1,173.         Less: Cost of product sales       235.8       304.3       630.1       1,020.         Product margin       40.5       17.9       133.8       152.         Operating margin       \$ 302.7       \$ 302.5       \$ 1,103.3       \$ 1,167.	6.6	6.4		1.6	1.6	 Affiliate management fee revenue
Less: Operating expense       102.5       108.7       416.7       431.         Transportation and terminals margin       262.2       284.6       969.5       1,014.         Product sales revenue       276.3       322.2       763.9       1,173.         Less: Cost of product sales       235.8       304.3       630.1       1,020.         Product margin       40.5       17.9       133.8       152.         Operating margin       \$ 302.7       \$ 302.5       \$ 1,103.3       \$ 1,167.	7.9	6.9		3.6	0.6	 Other operating income (expense)
Transportation and terminals margin         262.2         284.6         969.5         1,014           Product sales revenue         276.3         322.2         763.9         1,173           Less: Cost of product sales         235.8         304.3         630.1         1,020           Product margin         40.5         17.9         133.8         152           Operating margin         \$ 302.7         \$ 302.5         \$ 1,103.3         \$ 1,167	23.7	34.4		8.7	8.9	 Earnings (losses) of non-controlled entities
Transportation and terminals margin         262.2         284.6         969.5         1,014           Product sales revenue         276.3         322.2         763.9         1,173           Less: Cost of product sales         235.8         304.3         630.1         1,020           Product margin         40.5         17.9         133.8         152           Operating margin         \$ 302.7         \$ 302.5         \$ 1,103.3         \$ 1,167	431.5	416.7		108.7	102.5	 Less: Operating expense
Less: Cost of product sales         235.8         304.3         630.1         1,020.           Product margin         40.5         17.9         133.8         152.           Operating margin         \$ 302.7         \$ 302.5         \$ 1,103.3         \$ 1,167.	1,014.9	969.5		284.6	262.2	
Product margin         40.5         17.9         133.8         152.           Operating margin         \$ 302.7         \$ 302.5         \$ 1,103.3         \$ 1,167.	1,173.1	763.9		322.2	276.3	 Product sales revenue
Operating margin         \$ 302.7         \$ 302.5         \$ 1,103.3         \$ 1,167.	1,020.2	630.1		304.3	235.8	Less: Cost of product sales
	152.9	133.8		17.9	40.5	 Product margin
Cruda oil:	1,167.8	\$ 1,103.3	\$	302.5	\$ 302.7	\$ Operating margin
Cruuc on.						Crude oil:
Transportation and terminals revenue \$ 114.4 \$ 123.8 \$ 466.2 \$ 473.	473.7	\$ 466.2	\$	123.8	\$ 114.4	\$ Transportation and terminals revenue
Affiliate management fee revenue 3.7 3.9 14.8 15.	15.6	14.8		3.9	3.7	 Affiliate management fee revenue
Other operating income (expense) (1.9) (0.5) (4.1)	(2.6)	(4.1)		(0.5)	(1.9)	 Other operating income (expense)
Earnings of non-controlled entities 29.4 35.0 120.0 123.	123.7	120.0		35.0	29.4	 Earnings of non-controlled entities
Less: Operating expense 47.3 45.4 165.4 173.	173.6	165.4		45.4	47.3	Less: Operating expense
Transportation and terminals margin 98.3 116.8 431.5 436.	436.8	431.5		116.8	98.3	 Transportation and terminals margin
Product sales revenue 61.1 32.2 149.1 129.	129.3	149.1		32.2	61.1	 Product sales revenue
Less: Cost of product sales 55.6 20.8 149.9 99.	99.2	149.9		20.8	55.6	 Less: Cost of product sales
Product margin 5.5 11.4 (0.8) 30.	30.1	(0.8)		11.4	5.5	 Product margin
Operating margin         \$ 103.8         \$ 128.2         \$ 430.7         \$ 466.	466.9	\$ 430.7	\$	128.2	\$ 103.8	\$ Operating margin
Segment operating margin \$ 406.5 \$ 430.7 \$ 1,534.0 \$ 1,634.	1,634.7	\$ 1,534.0	\$	430.7	\$ 406.5	\$ Segment operating margin
Add: Allocated corporate depreciation costs 1.6 2.4 6.6 6.	6.9	6.6		2.4	1.6	 Add: Allocated corporate depreciation costs
Total operating margin 408.1 433.1 1,540.6 1,641.	1,641.6	1,540.6		433.1	408.1	 Total operating margin
Less:						Less:
Depreciation, amortization and impairment expense 59.5 118.4 227.9 292.	292.8	227.9		118.4	59.5	 Depreciation, amortization and impairment expense
General and administrative expense 57.7 63.0 206.3 240.	240.7	206.3		63.0	57.7	 General and administrative expense
Total operating profit \$ 290.9 \\$ 251.7 \\$ 1,106.4 \\$ 1,108.	1,108.1	\$ 1,106.4	\$	251.7	\$ 290.9	\$ Total operating profit

Note: Amounts may not sum to figures shown on the consolidated statements of income due to intersegment eliminations and allocated corporate depreciation costs.

# MAGELLAN MIDSTREAM PARTNERS, L.P. RECONCILIATION OF NET INCOME AND NET INCOME PER COMMON UNIT EXCLUDING COMMODITY-RELATED ADJUSTMENTS TO GAAP MEASURES (Unaudited, in millions except per unit amounts)

**Three Months Ended** 

			Decem	ber 31, 2022	2	
	Ne	et Income	Net I	Basic ncome Per mon Unit	Net Ir	iluted icome Per mon Unit
As reported	\$	187.0	\$	0.91	\$	0.91
Commodity-related adjustments associated with future transactions <sup>(1)</sup>		30.8				
Excluding commodity-related adjustments	\$	217.8	\$	1.06	\$	1.06
Weighted average number of common units outstanding				205.6		206.1

<sup>(1)</sup> Includes our net share of commodity-related adjustments for our non-controlled entities. Please see Distributable Cash Flow and Free Cash Flow Reconciliation to Net Income for further descriptions of commodity-related adjustments.

## MAGELLAN MIDSTREAM PARTNERS, L.P. DISTRIBUTABLE CASH FLOW AND FREE CASH FLOW RECONCILIATION TO NET INCOME

(Unaudited, in millions)

	1	<b>Three Months Ended</b>		Year Ended						
		Decem	ber	31,		Decem	ber	31,		2023
		2021		2022		2021		2022	G	uidance
Net income	\$	243.7	\$	187.0	\$	982.0	\$	1,036.4	\$	975.0
Interest expense, net		56.5		56.2		225.9		226.8		228.0
Depreciation, amortization and impairment <sup>(1)</sup>		59.5		118.4		233.9		292.8		249.0
Equity-based incentive compensation <sup>(2)</sup>		6.1		9.7		15.6		29.6		12.0
Gain on disposition of assets <sup>(3)</sup>		(2.1)		(0.6)		(70.6)		(158.6)		_
Commodity-related adjustments:										
Derivative (gains) losses recognized in the period associated with future transactions <sup>(4)</sup>		15.5		36.7		27.7		18.6		
Derivative gains (losses) recognized in previous periods associated with transactions completed in the period <sup>(4)</sup>		(13.4)		11.0		(36.8)		(30.2)		
Inventory valuation adjustments <sup>(5)</sup>		(0.3)		(10.5)		2.1		(9.0)		
Total commodity-related adjustments		1.8		37.2		(7.0)		(20.6)		(9.0)
Distributions from operations of non-controlled entities in excess of earnings		14.4		9.0		38.9		27.3		39.0
Adjusted EBITDA		379.9		416.9		1,418.7		1,433.7		1,494.0
Interest expense, net, excluding debt issuance cost amortization		(55.7)		(55.3)		(222.8)		(223.6)		(224.0)
Maintenance capital <sup>(6)</sup>		(27.4)		(16.9)		(77.6)		(81.9)		(90.0)
Distributable cash flow	\$	296.8	\$	344.7	\$	1,118.3	\$	1,128.2	\$	1,180.0
Expansion capital <sup>(7)</sup>		(5.4)		(20.3)		(73.0)		(83.0)		(110.0)
Proceeds from disposition of assets <sup>(3)</sup>		_		(0.6)		270.7		440.3		
Free cash flow	\$	291.4	\$	323.8	\$	1,316.0	\$	1,485.5	\$	1,070.0
Distributions paid		(221.4)		(214.7)		(906.4)		(870.0)		(854.0)
Free cash flow after distributions	\$	70.0	\$	109.1	\$	409.6	\$	615.5	\$	216.0

- (1) Depreciation, amortization and impairment expense is excluded from DCF to the extent it represents a non-cash expense.
- (2) Because we intend to satisfy vesting of unit awards under our equity-based long-term incentive compensation plan with the issuance of common units, expenses related to this plan generally are deemed non-cash and excluded for DCF purposes. The amounts above have been reduced by cash payments associated with the plan, which are primarily related to tax withholdings.
- (3) Gains on disposition of assets are excluded from DCF to the extent they are not related to our ongoing operations, while proceeds from disposition of assets exclude the related gains to the extent they are already included in our calculation of DCF.
- (4) Certain derivatives have not been designated as hedges for accounting purposes and the mark-to-market changes of these derivatives are recognized currently in net income. We exclude the net impact of these derivatives from our determination of DCF until the transactions are settled and, where applicable, the related products are sold.
- (5) We adjust DCF for lower of average cost or net realizable value adjustments related to inventory and firm purchase commitments as well as market valuation of short positions recognized each period as these are non-cash items. In subsequent periods when we sell or purchase the related products, we recognize these valuation adjustments in DCF.
- (6) Maintenance capital expenditures maintain our existing assets and do not generate incremental DCF (i.e. incremental returns to our unitholders). For this reason, we deduct maintenance capital expenditures to determine DCF.
- (7) Includes additions to property, plant and equipment (excluding maintenance capital and capital-related changes in accounts payable and other current liabilities), acquisitions and investments in non-controlled entities, net of distributions from returns of investments in non-controlled entities and deposits from undivided joint interest third parties.

## MAGELLAN MIDSTREAM PARTNERS, L.P. FREE CASH FLOW RECONCILIATION TO NET CASH PROVIDED BY OPERATING ACTIVITIES

(Unaudited, in millions)

		Three Moi Decem		Year l Decem														
	2021		2021		2021		2021		2021		2021		2021		2022	2021		2022
Net cash provided by operating activities	\$	317.1	\$ 352.5	\$ 1,196.2	\$	1,141.3												
Changes in operating assets and liabilities		9.1	(20.0)	9.7		113.0												
Net cash provided (used) by investing activities		(42.0)	(45.7)	118.1		274.4												
Payments associated with settlement of equity-based incentive compensation.		_	_	(6.2)		(8.9)												
Settlement cost, amortization of prior service credit and actuarial loss		(1.2)	(9.0)	(8.4)		(13.9)												
Changes in accrued capital items		11.9	7.9	7.8		7.3												
Commodity-related adjustments <sup>(1)</sup>		1.8	37.2	(7.0)		(20.6)												
Other		(5.3)	0.9	5.8		(7.1)												
Free cash flow	\$	291.4	\$ 323.8	\$ 1,316.0	\$	1,485.5												
Distributions paid		(221.4)	(214.7)	(906.4)		(870.0)												
Free cash flow after distributions	\$	70.0	\$ 109.1	\$ 409.6	\$	615.5												

<sup>(1)</sup> Please refer to the preceding table for a description of these commodity-related adjustments.