
ACQUISITION OF MARTIN TRANSPORT, INC.



MARTIN

MIDSTREAM
PARTNERS

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Forward Looking Statements



Statements included that are not historical facts (including any statements concerning plans and objectives of management for future operations or economic performance, or assumptions or forecasts related thereto), are forward-looking statements. These statements can be identified by the use of forward-looking terminology including “forecast,” “may,” “believe,” “will,” “expect,” “anticipate,” “estimate,” “continue,” or other similar words. These statements discuss future expectations, contain projections of results of operations or of financial condition or state other “forward-looking” information. We and our representatives may from time to time make other oral or written statements that are also forward-looking statements.

These forward-looking statements are based upon management’s current plans, expectations, estimates, assumptions and beliefs concerning future events impacting us and therefore involve a number of risks and uncertainties. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements.

Because these forward-looking statements involve risks and uncertainties, actual results could differ materially from those expressed or implied by these forward-looking statements for a number of important reasons. A discussion of these factors, including risks and uncertainties, is set forth in Martin Midstream’s annual and quarterly reports filed from time to time with the Securities and Exchange Commission. Martin Midstream expressly disclaims any intention or obligation to revise or update any forward-looking statements whether as a result of new information, future events, or otherwise.

Martin Transport, Inc.



- Surface Transportation fleet consisting of 561 trucks and 1,307 trailers
- Operations from 23 strategically located terminals (Gulf Coast & Midwest)
- MTI operates a fleet of tank trucks that haul general chemicals such as sulfuric acid, resins and molten sulfur; petroleum products such as crude oil, lube oil, solvents and asphalt; pressurized liquids such as propane, butane, LPG and LNG; and many more



Transaction Overview



- Martin Midstream Partners L.P. intends to acquire 100% of the common stock of Martin Transport, Inc. from Martin Resource Management Corporation
- Consideration
 - \$135.0 million at closing consisting of \$125.0 million in cash and the assumption of \$10.0 million of debt
 - Earn-out up to \$10.0 million based on achieving EBITDA in excess of \$22.6 million per year in years 2019, 2020 and 2021. Annual maximum of \$3.3 million

- Base Case Four-Year Projections (\$'s in millions)

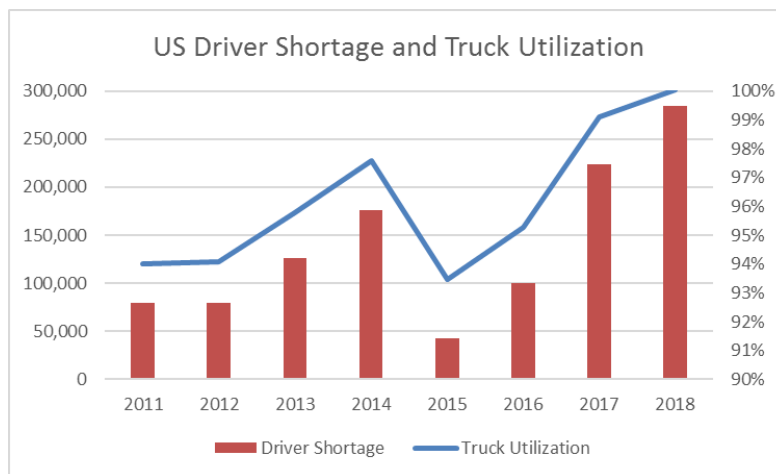
	2019	2020	2021	2022
MTI EBITDA	\$23.6	\$27.6	\$30.5	\$33.2
MTI Maintenance Cap Ex	\$1.5	\$1.5	\$1.6	\$1.6
MMLP Leverage	4.68x	4.39x	4.21x	4.01x
MMLP Distribution Coverage	1.21x	1.32x	1.33x	1.33x

- Financing
 - Funded with availability under the revolving credit facility
- Closing
 - Transaction expected to close in January 2019

Current Trends in Transportation



- The recent U.S. Driver shortage and high truck utilization have led to increasing line haul rates
- Tank truck demand growth has accelerated over the last 18 months
- Upside potential exists as chemical and NGL/LPG related production increases, specifically for products that cannot be economically shipped by rail or pipeline



Transaction Summary



- Strategic
 - Integrates with core businesses to ensure we can serve our customers needs during current tightness in the transportation industry
 - Continued emphasis on refinery services
 - Strong footprint in the industries and geographic locations that are served
 - Knowledgeable management group with over 30 years experience in the trucking industry
- Growth Opportunities
 - Increased trucking volumes related to:
 - Refining intermediate products due to the marine fuel specification decision (IMO 2020)
 - Startup of new ethane crackers and other chemical units for products that cannot be economically moved by pipeline or rail
 - Current asset base is positioned to serve increasing truck volume with minimal capital needs



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