Shell Midstream Partners, L.P. (SHLX)
Q3 2019 Results

November 1, 2019

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This presentation includes various "forward-looking statements" within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning management's expectations, beliefs, estimates, forecasts, projections and assumptions. You can identify our forward-looking statements by words such as "anticipate", "believe", "estimate", "budget", "continue", "potential", "guidance", "effort", "expect", "forecast", "goals", "objectives", "outlook", "intend", "plan", "predict", "project", "seek", "target", "begin", "could", "may", "should" or "would" or other similar expressions that convey the uncertainty of future events or outcomes. In accordance with "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, these statements are accompanied by cautionary language identifying important factors, though not necessarily all such factors, which could cause future outcomes to differ materially from those set forth in forward-looking statements. In particular, expressed or implied statements concerning future actions, future drop downs, volumes, capital requirements, conditions or events, future impact of prior acquisitions, future operating results or the ability to generate sales, the potential exposure of Shell Midstream Partners, L.P. (the "Partnership") to market risks, and statements relating to expected EBITDA, future growth, income, cash flow and the amount of distributions are forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future actions, conditions or events and future results of operations may differ materially from those expressed in these forward-looking statements. Forward-looking statements speak only as of the date of this presentation, November 1, 2019, and we disclaim any obligation to update such statements for any reason, except as required by law. All forward-looking statements contained in this document are expressly qualified in their entirety by the cautionary statements contained or referred to in this paragraph. Many of the factors that will determine these results are beyond our ability to control or predict. More information on these risks and other potential factors that could affect the Partnership's financial results is included in the Partnership's filings with the U.S. Securities and Exchange Commission, including in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Partnership's most recently filed periodic reports on Form 10-K and subsequent filings. If any of those risks occur, it could cause our actual results to differ materially from those contained in any forward-looking statement. Because of these risks and uncertainties, you should not place undue reliance on any forward-looking statement.

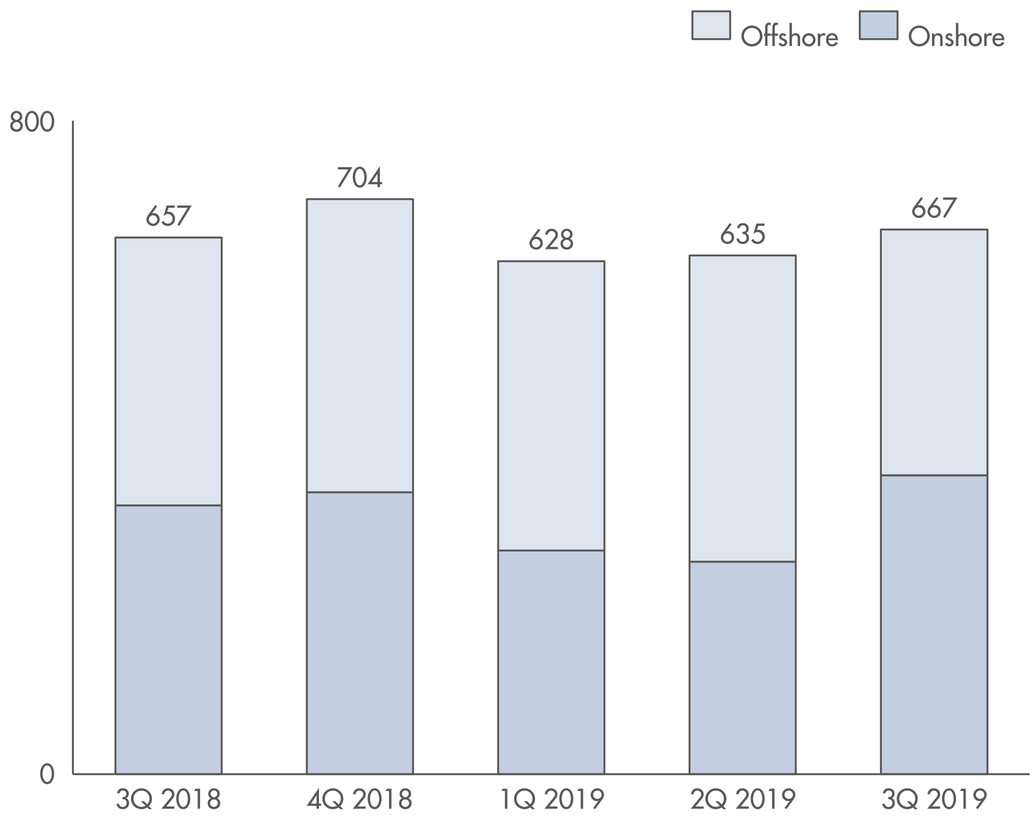
Summary

- Q3 2019 meeting financial commitments, even with hurricane impact:
  - Adjusted EBITDA $186 million, CAFD $153 million[1]
  - Quarterly distributions increased to $0.445 per unit, a 3.5% increase over prior quarter
- Operational Update:
  - Zydeco volumes fully re-contracted, demonstrates the continued competitiveness of the asset
  - Offshore volumes continue to show strength, offset by one-time producer curtailments related to Hurricane Barry
- Demand in the Gulf of Mexico remains strong, as demonstrated by the recent announcement of a solicitation of interest for an expansion of the Mars system

(1) Non-GAAP measures. See reconciliation to GAAP measures in Appendix 2

Zydeco Operational Update: Competitive asset matches needs of customers

Zydeco Mainline Throughput Volume, kbpd

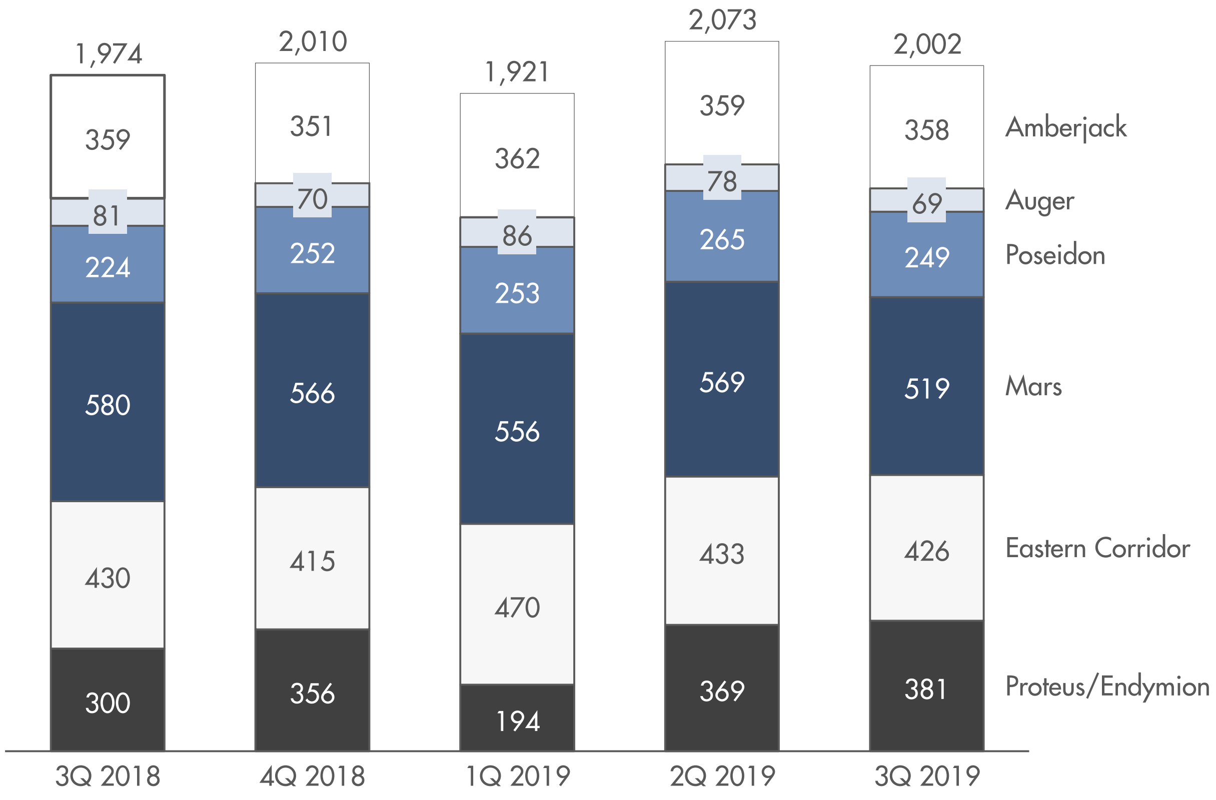


Highlights

- Onshore volumes improve with full quarter of being fully subscribed with new contracts
- Remains a strategic asset in the Gulf Coast region, with a competitive and efficient export route

Operational Update: Offshore is resilient and growing

Offshore Throughput Volume, kbpd



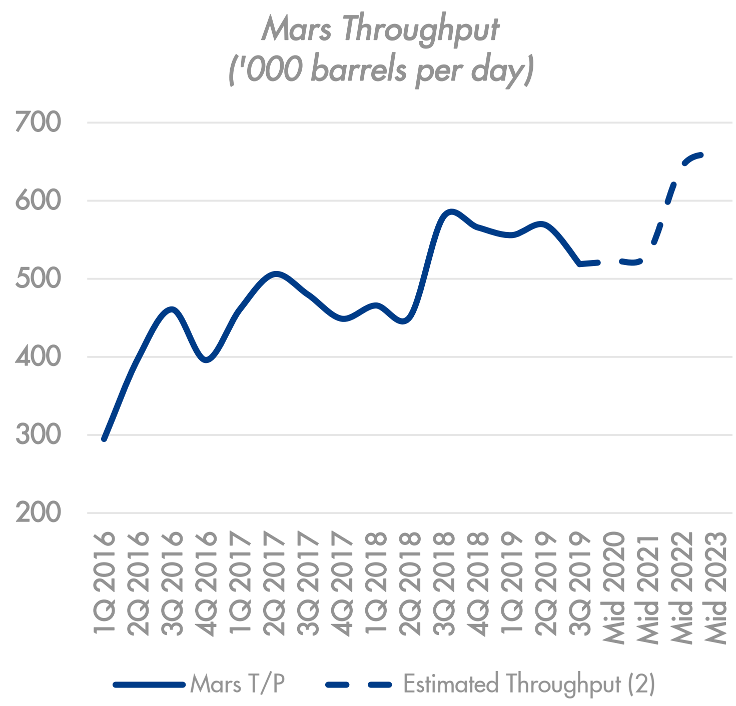
Highlights

- Continued strong producer performance, offset by one time hurricane impacts
  - Appomattox ramp up into Proteus and Endymion continues
  - Amberjack continues to see improved Big Foot and Stampede production offset by hurricane
  - Eastern Corridor ramp up from turnarounds delayed due to hurricane
- No material damage related to Hurricane Barry, and production came back online without delay

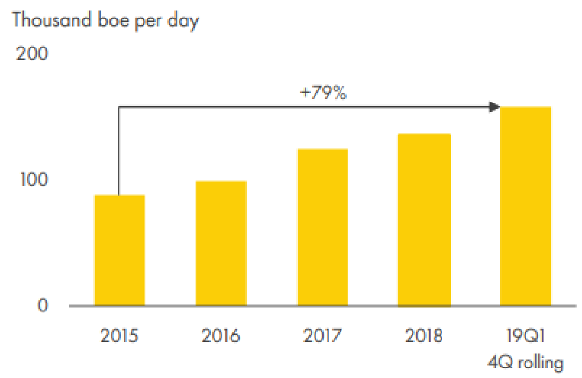
Gulf of Mexico Corridor Strategy In Action

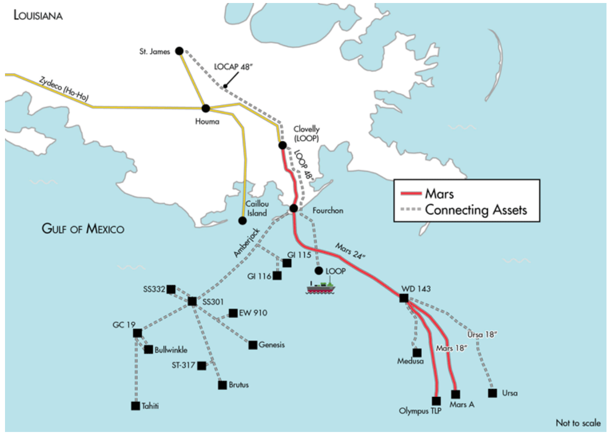
Mars Solicitation of Interest for Expansion

Mars Pipeline Utilization Rates: ~90% of capacity



Shell Mars Corridor Production[1]





Our Corridor Strategy is Working:

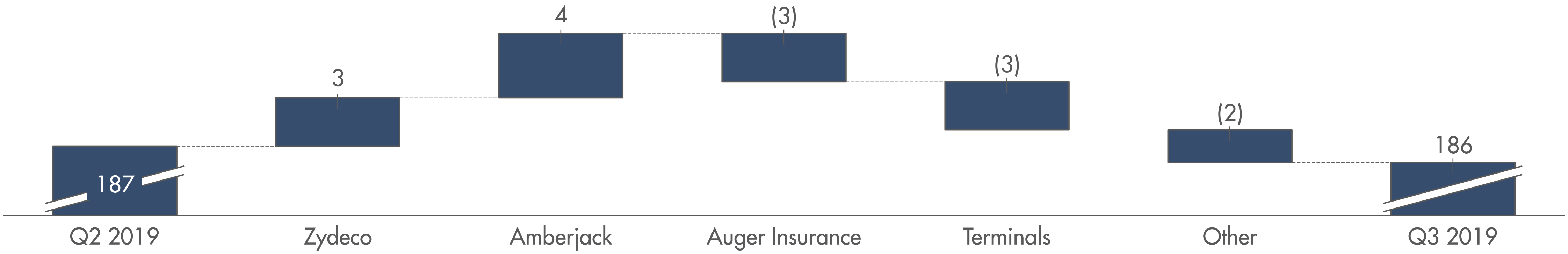
- Increased volumes driven by tie-backs and aggressive in-field drilling
- Near-term growth (online in 2021):
  - Shell Vito, 100 kboe/d
  - Shell Powernap, 35 kboe/d
- Meeting Growing Demand:
  - Mars Solicitation of Interest expected to provide cost effective organic expansion

Source (1) RDS Management Day June 2019, (2) Actuals represent SHLX Reported Throughput; Estimates are based on expected production profiles of dedicated projects

Financial Results from Operations

($ million)	Three Months Ended September 30, 2019	Three Months Ended June 30, 2019
Revenue	$125	$121
Cost and Expenses	76	73
Operating Income	49	48
Income from Equity Method Investments	115	80
Other Income	8	12
Net Income	146	119
Net Income Attributable to SHLX	141	115
Adjusted EBITDA Attributable to SHLX [1]	186	187
Cash Available for Distribution [1]	$153	$162

Adjusted EBITDA Q3 2019 versus Q2 2019



(1) Non-GAAP measures. See reconciliation to GAAP measures in Appendix 2

Non-GAAP Financial Metrics

	Three Months Ended	
($ million except per unit amount)	September 30, 2019	June 30, 2019
Adjusted EBITDA Attributable to SHLX [1]	$186	$187
Less:		
Net Interest Paid Attributable to SHLX	26	21
Maintenance Capital Attributable to SHLX	7	6
Plus:		
Adjustments from Minimum Volume Commitments	-	(1)
Reimbursements from Parent included in Partners' Capital	-	3
Cash Available for Distribution Attributable to SHLX [1]	$153	$162
Total Cash Distribution Declared	$140	$131
Cash Distribution per LP Unit	$0.445	$0.430
Coverage Ratio [2]	1.1x	1.2x

(1) Non-GAAP measures. See reconciliation to GAAP measures in Appendix 2.

(2) Coverage Ratio is equal to Cash Available for Distribution Attributable to SHLX divided by Total Cash Distribution Declared.

Expected Impacts to Net Income and CAFD

- 4Q 2019 Planned producer turnarounds of ($5) million
- 4Q 2019 Reimbursement of $9 million related to Mars Storage

Balance Sheet and Liquidity

($ million)	As of September 30, 2019
Cash and Cash Equivalents	$294
Total Debt Outstanding	2,691
Total Credit Facility Capacity (Inc. Zydeco)	3,590

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Q&A

Appendix1 – Non-GAAP Financial Measures

This presentation includes the terms Adjusted EBITDA and cash available for distribution. Adjusted EBITDA and cash available for distribution are non-GAAP supplemental financial measures that management and external users of our consolidated financial statements, such as industry analysts, investors, lenders and rating agencies, may use to assess:

- *our operating performance as compared to other publicly traded partnerships in the midstream energy industry, without regard to historical cost basis or, in the case of Adjusted EBITDA, financing methods;*
- *the ability of our business to generate sufficient cash to support our decision to make distributions to our unitholders;*
- *our ability to incur and service debt and fund capital expenditures; and*
- *the viability of acquisitions and other capital expenditure projects and the returns on investment of various investment opportunities.*

We believe that the presentation of Adjusted EBITDA and cash available for distribution provides useful information to management and investors in assessing our financial condition and results of operations. The GAAP measures most directly comparable to Adjusted EBITDA and cash available for distribution are net income and net cash provided by operating activities. These non-GAAP measures should not be considered as alternatives to GAAP net income or net cash provided by operating activities. Adjusted EBITDA and cash available for distribution have important limitations as analytical tools because they exclude some but not all items that affect net income and net cash provided by operating activities. They should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP. Additionally, because Adjusted EBITDA and cash available for distribution may be defined differently by other companies in our industry, our definition of Adjusted EBITDA and cash available for distribution may not be comparable to similarly titled measures of other companies, thereby diminishing their utility.

References in this presentation to Adjusted EBITDA refer to net income before income taxes, net interest expense, gain or loss from disposition of fixed assets, allowance oil reduction to net realizable value, loss from revision of asset retirement obligation and depreciation, accretion and amortization, plus cash distributed to Shell Midstream Partners, L.P. from equity investments for the applicable period, less equity method distributions included in other income and income from equity investments. We define Adjusted EBITDA attributable to Shell Midstream Partners, L.P. as Adjusted EBITDA less Adjusted EBITDA attributable to noncontrolling interests and Adjusted EBITDA attributable to Parent. References to cash available for distribution refer to Adjusted EBITDA attributable to Shell Midstream Partners, L.P., less maintenance capital expenditures attributable to Shell Midstream Partners, L.P., net interest paid, cash reserves and income taxes paid, plus net adjustments from volume deficiency payments attributable to Shell Midstream Partners, L.P. and certain one-time payments received. Cash available for distribution will not reflect changes in working capital balances.

Appendix 2

Reconciliation of Adjusted EBITDA and Cash Available for Distribution to Net Income

	For the Three Months Ended	
	September 30, 2019	June 30, 2019
Net income	$ 146	$ 119
Add:		
Allowance oil reduction to net realizable value	1	—
Depreciation, amortization and accretion	12	12
Interest expense, net	26	21
Cash distribution received from equity method investments	130	128
Less:		
Equity method distributions included in other income	8	9
Income from equity method investments	115	80
Adjusted EBITDA	192	191
Less:		
Adjusted EBITDA attributable to noncontrolling interests	6	4
Adjusted EBITDA attributable to the Partnership	186	187
Less:		
Net interest paid attributable to the Partnership [1]	26	21
Maintenance capex attributable to the Partnership	7	6
Add:		
Net adjustments from volume deficiency payments attributable to the Partnership	—	(1)
Reimbursements from Parent included in partners' capital	—	3
Cash available for distribution attributable to the Partnership	$ 153	$ 162

[1] *Amount represents both paid and accrued interest attributable to the period.*