

Tesoro Corporation Reaches Agreement to Sell the Los Angeles Storage and Pipeline Assets to Tesoro Logistics

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SAN ANTONIO - November 10, 2015 - Tesoro Corporation (NYSE:TSO, Tesoro) and Tesoro Logistics LP (NYSE:TLLP) today announced that subsidiaries of Tesoro have agreed upon terms for the sale of crude oil and refined product storage and pipeline assets in Los Angeles, California (the "Los Angeles Refinery Storage and Handling Assets") to TLLP for a total consideration of \$500 million. The assets include 97 crude oil, feedstock and refined product storage tanks with combined capacity of 6.6 million barrels and a 50% interest in Line 88, a 16-mile pipeline that transports jet fuel from Tesoro's Los Angeles Refinery to the Los Angeles International Airport with average throughput of 25,000 barrels a day.

The acquisition price of \$500 million will include cash of approximately \$250 million and the issuance of common and general partner units to Tesoro, valued at approximately \$250 million. The transaction is expected to close later this week.

Tesoro Corporation, a Fortune 100 company, is an independent refiner and marketer of petroleum products. Tesoro, through its subsidiaries, operates six refineries in the western United States with a combined capacity of over 850,000 barrels per day and ownership in a logistics business which includes an interest in Tesoro Logistics LP (NYSE: TLLP) and ownership of its general partner. Tesoro's retail-marketing system includes over 2,200 retail stations under the ARCO®, Shell®, Exxon®, Mobil®, USA Gasoline(TM) and Tesoro® brands.

This press release contains certain statements that are "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 concerning our expectations regarding closing dates for the transaction. For more information concerning factors that could affect these statements, see the respective annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K for Tesoro Corporation and Tesoro Logistics LP, filed with the Securities and Exchange Commission. We undertake no obligation to publicly release the result of any revisions to any such forward-looking statements that may be made to reflect events or circumstances that occur, or which we become aware of, after the date hereof.

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