



PRODUCE



TRANSPORT



STORE



PROCESS

NATURAL RESOURCES



oil



natural gas



NGLs



10 years

Over the past 10 years, these distributions have increased on average 7% per year<sup>1</sup>

**70%-90%** of these distributions are considered a **TAX-DEFERRED RETURN OF CAPITAL**

What does this mean?

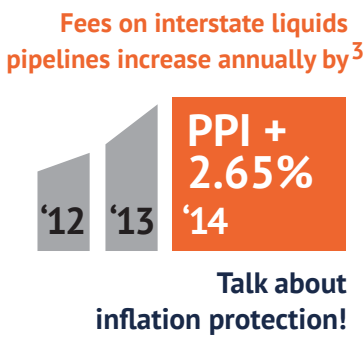
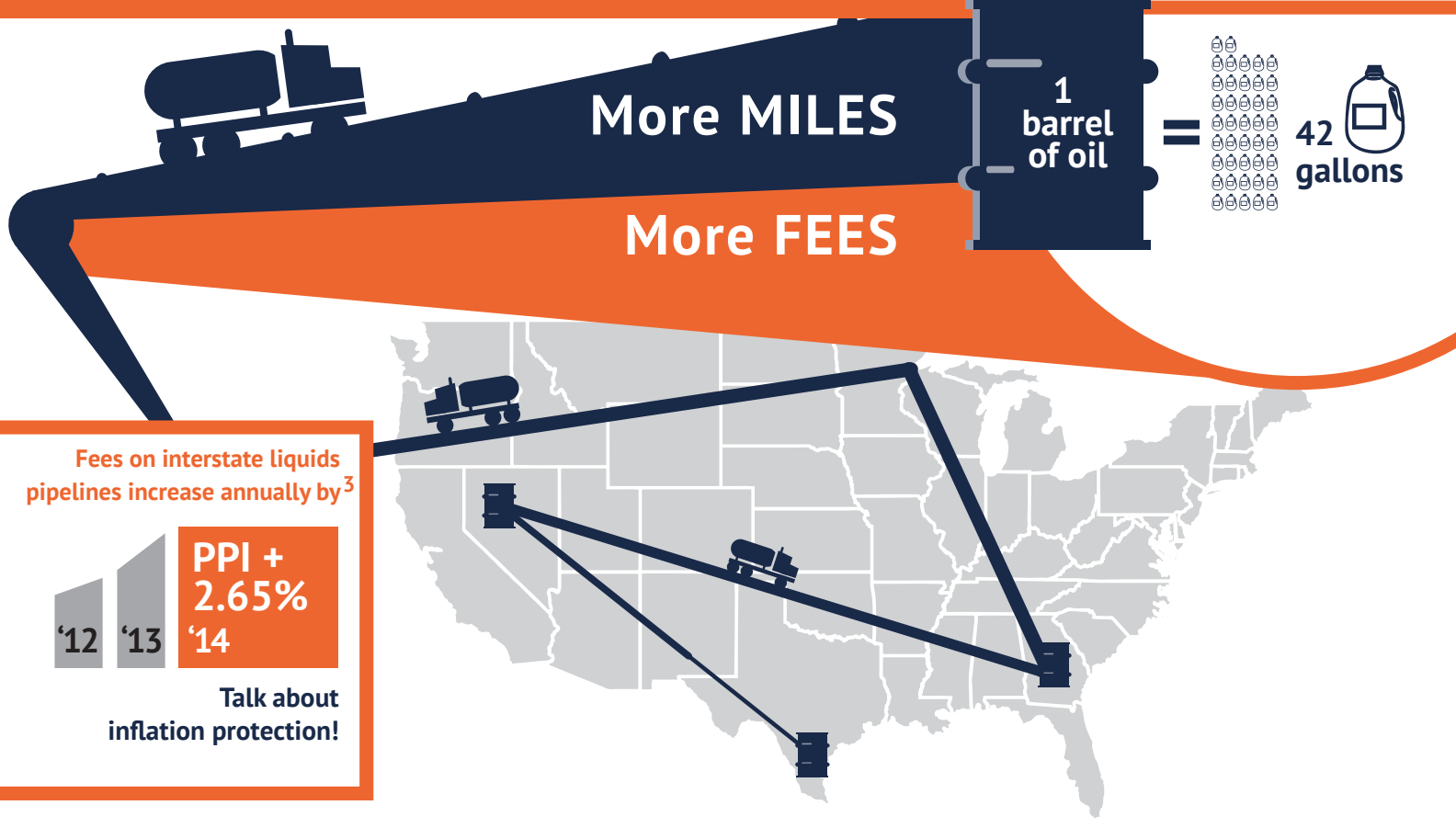
**YOU GET TO KEEP MORE CASH IN YOUR POCKET!**

Investors pay **0% CURRENT TAXES** ON THAT PORTION OF INCOME

How do MLPs make money?

MLPs charge a fee per distance traveled for every barrel of oil or cubic foot of natural gas

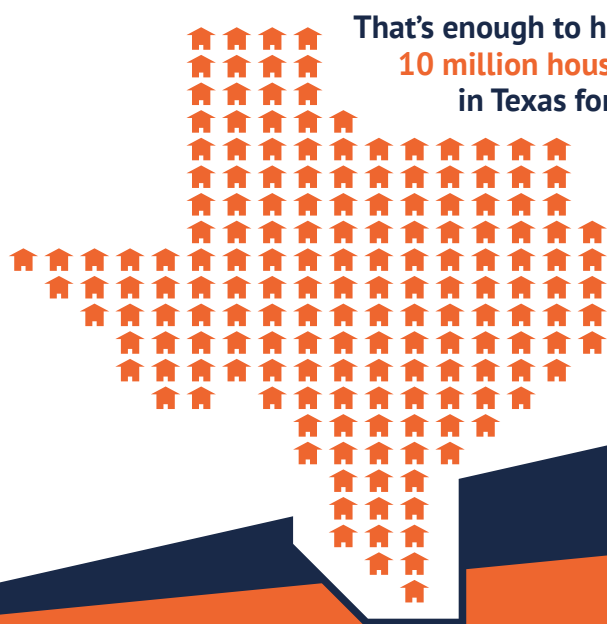
**1,000 cubic feet** = daily gas use for 4 homes<sup>2</sup>



**\$641 billion** over the next 25 years

Over the next 25 years, \$641 billion of infrastructure must be built to serve North America's energy needs,<sup>4</sup> including:

**823 billion cubic feet of natural gas storage**  
That's enough to heat the **10 million households<sup>5</sup>** in Texas for a year



**542,500 miles of pipeline**  
That's enough to travel to the moon and back (and then some)<sup>6</sup>



More INFRASTRUCTURE

More FEES

Investor interest in MLPs continues to grow

**10 Years ago 38**

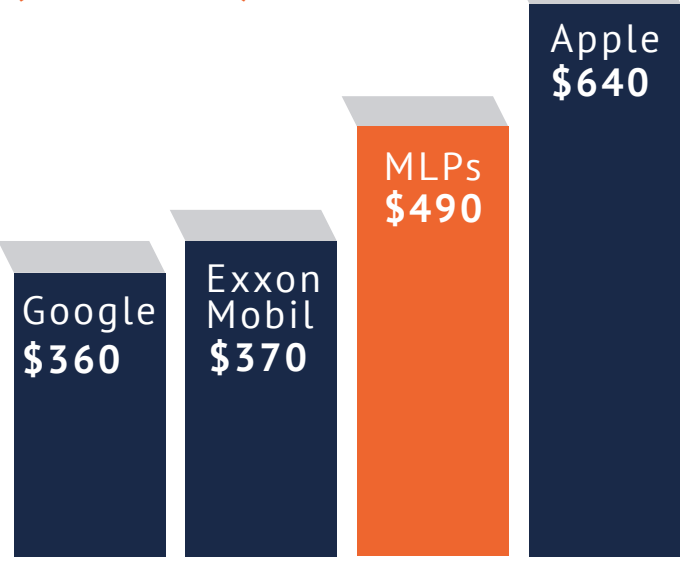


**Today 124**



# of MLPs

Total Market Capitalization (\$ billions)



While the market capitalization of MLPs has ballooned over the past 10 years, the entire sector is still smaller than the size of Apple alone

Where can MLPs fit in your portfolio?

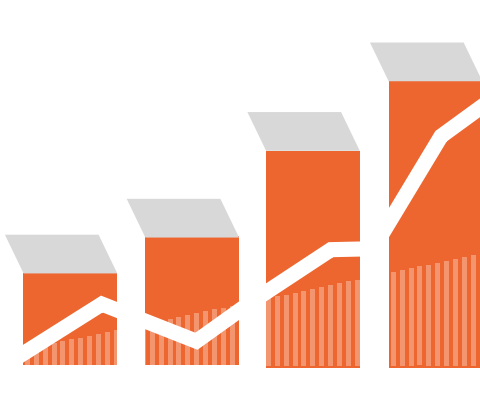
REAL ASSET



INCOME



GROWTH



Data as of December 31, 2014

Want to learn more?

Explore the MLP University at [www.alerian.com](http://www.alerian.com)

[index@alerian.com](mailto:index@alerian.com)

972.957.7700

<sup>1</sup>MLP 201: The Importance of Distributions." Alerian, 2014. Web. 31 Dec. 2014.

<sup>2</sup>American Gas Association Knowledge Center. "How to Measure Natural Gas." AGA, 2014. Web. 31 Dec. 2014.

<sup>3</sup>Federal Energy Regulatory Commission. "Oil Pipeline Index." FERC, 2014. Web. 31 Dec. 2014.

<sup>4</sup>ICF International. INGAA Foundation. "North America Midstream Infrastructure through 2035: Capitalizing on Our Energy Abundance." Interstate Natural Gas Association of America, 17 Mar. 2014. Web. 31 Dec. 2014.

<sup>5</sup>U.S. Census Bureau, State & County QuickFacts. "Texas QuickFacts from the US Census Bureau." US Census Bureau, 8 Jul. 2014. Web. 31 Dec. 2014.

<sup>6</sup>Solar System Exploration - Earth's Moon: Facts & Figures." NASA, n.d. Web. 31. Dec. 2014.