



Valero Announces Long-Term Agreements for Three Additional Refined Product Terminals in Mexico

SAN ANTONIO, NOVEMBER 25, 2019 – Valero Marketing and Supply de México, S.A. de C.V., a wholly-owned subsidiary of Valero Energy Corporation (NYSE: VLO) (“Valero”), announced today that it has signed long-term agreements for the use of three new refined product terminals located in Guadalajara, Monterrey, and Altamira, Mexico. These terminals will support Valero’s strategy to expand its product supply chain into high growth markets and are expected to start operations in 2021.

The Guadalajara and Monterrey terminals are to be constructed under separate joint venture arrangements with no cash contributions from Valero; the Guadalajara terminal with an affiliate of Grupo México S.A.B. de C.V. (BMV: GMEXICOB) (“Grupo México”) and Silos-Tysa, S.A. de C.V. (“Silos-Tysa”) and the Monterrey terminal with an affiliate of Grupo México. Under the long-term terminal service agreements, the two terminals are designed to provide Valero with the capability to receive refined products via unit trains and truck loading facilities to serve regional and local markets. The Guadalajara terminal is expected to have approximately 900,000 barrels of storage capacity while the Monterrey terminal is expected to have approximately 425,000 barrels of storage capacity.

The Altamira terminal, to be funded and constructed by Operadora de Terminales Marítimas, S.A. de C.V. (“OTM”), is designed to offer Valero access, under a long-term terminal service agreement, to a second port facility for imports of refined products. The terminal is expected to have approximately 1.1 million barrels of storage capacity, truck loading facilities to serve local market demand and rail services for distributing products to inland Mexican markets, including Monterrey.

Valero is currently marketing products through a third party terminal in Nuevo Laredo and through three rail-to-truck transload facilities located in Guadalajara, Monterrey, and Chihuahua with plans to begin transloading products in Puebla starting 2020. This marketing program is laying the groundwork for Valero’s supply chain expansion.

As Valero previously announced in August 2017, it signed long-term agreements for three refined product terminals located in the Port of Veracruz, Puebla and Mexico City. All three terminals are under construction and are expected to begin serving customers in 2020. In addition, Valero separately executed a long-term agreement with rail company Ferromex, which is majority-owned by Grupo México, to transport refined products throughout Mexico.

The six new terminals, along with Ferromex rail transportation services from the port facilities in Veracruz and Altamira, are expected to provide Valero with an integrated system of approximately 5.8 million barrels of storage capacity to efficiently and reliably supply four of the largest metropolitan areas in Mexico as well as smaller fuel markets throughout the country that are under development.

About Valero

Valero Energy Corporation, through its subsidiaries (collectively, “Valero”), is an international manufacturer and marketer of transportation fuels and petrochemical products. Valero is a Fortune 50 company based in San Antonio, Texas, and it operates 15 petroleum refineries with a combined throughput capacity of approximately 3.1 million barrels per day and 14 ethanol plants with a combined production capacity of approximately 1.73 billion gallons per year. The petroleum refineries are located in the United States (U.S.), Canada and the United Kingdom (U.K.), and the ethanol plants are located in the Mid-Continent region of the U.S. Valero also is a joint venture partner in Diamond Green Diesel, which operates a renewable diesel plant in Norco, Louisiana. Diamond Green Diesel is North America’s largest biomass-based diesel plant. Valero sells its products in the wholesale rack or bulk markets in the U.S., Canada, the U.K., Ireland and Latin America. Approximately 7,000 outlets carry Valero’s brand names. Please visit www.valero.com for more information.

About Grupo México and Ferromex

Grupo México is a diversified, global company with a presence in Mexico, the United States, Perú, and Spain, and a leader in copper production, rail transportation and infrastructure projects. It has a workforce of over 30,000 direct employees and also contributes to over 90,000 indirect jobs.

GMXT, through its subsidiary Ferromex, is the largest rail transportation company in Mexico, with more than 6,200 miles (10,000 km) of rail track covering all major industrial and commercial zones in the country, connecting to international transportation networks through eight seaports and six border crossings, and handling just over 1.4 million carloads per year. GMXT's rail lines cover 24 states in Mexico, and the states of Texas and Florida in the U.S.

About Silos Tysa

Silos Tysa, S.A. de C.V. is a Mexican company with over 30 years of experience as a rail terminal operator and provider of logistic services in western Mexico. It owns three terminals that handle carousel trains of agricultural products and unit and manifest trains of food grade, chemical and fuel products with infrastructure of 6.7 billion bushels storage capacity and 8.7 miles of rail track. Annually, throughput is approximately 1.5 million metric tons bulk products and 5.5 million barrels of fuel products with over 20,000 railcars moved. Silos Tysa also owns real estate developments with 1.6 million square feet of industrial warehouses, 220,000 square feet of third party logistics warehouses and a truck freight company providing last mile delivery services. Its operations utilize qualified personnel with international certifications for many different types of products.

About OTM

Mexplus Puertos and its subsidiary Operadora de Terminales Marítimas (OTM) has 30 years of experience in the development, construction and operation of marine terminals in Mexico, concentrating its main efforts in the Port of Altamira. Currently, OTM operates the largest marine terminal in the Port of Altamira with 140,000 cubic meters of storage capacity for the handling of chemical and petrochemical products.

Valero Contacts

Investors:

Homer Bhullar, Vice President – Investor Relations, 210-345-1982

Gautam Srivastava, Manager – Investor Relations, 210-345-3992

Tom Mahrer, Manager – Investor Relations, 210-345-1953

Media:

Lillian Riojas, Executive Director – Media Relations and Communications, 210-345-5002

Safe-Harbor Statement

Statements contained in this release that state the company's or management's expectations or predictions of the future are forward-looking statements intended to be covered by the safe harbor provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934. The words "believe," "expect," "should," "estimates," "intend," "target," "will," "plans," and other similar expressions identify forward-looking statements. It is important to note that actual results could differ materially from those projected in such forward-looking statements based on numerous factors, including those outside of the company's control, such as delays in construction timing and other factors. For more information concerning factors that could cause actual results to differ from those expressed or forecasted, see Valero's annual reports on Form 10-K, quarterly reports on Form 10-Q, and other reports filed with the Securities and Exchange Commission and on Valero's website at www.valero.com.