Sunoco Logistics Partners L.P.

Sunoco Logistics

SUNOCO

Second Quarter 2011

Earnings Conference Call

July 26, 2011

Forward-Looking Statements

You should review this slide presentation in conjunction with the second quarter 2011 earnings conference call for Sunoco Logistics Partners L.P., held on July 26 at 5:00 p.m. ET. You may listen to the audio portion of the conference call on our website at www.sunocologistics.com or by dialing (USA toll-free) 888-889-4955. International callers should dial 312-470-0130. Please enter Conference ID "Sunoco Logistics." Audio replays of the conference call will be available for two weeks after the conference call beginning approximately two hours following the completion of the call. To access the replay, dial 800-239-4499. International callers should dial 402-220-9696.

During the call, those statements we make that are not historical facts are forward-looking statements. These forward-looking statements are not guarantees of future performance. Although we believe the assumptions underlying these statements are reasonable, investors are cautioned that such forward-looking statements involve risks and uncertainties that may affect our business and cause actual results to differ materially from those discussed during the conference call. Such risks and uncertainties include economic, business, competitive and/or regulatory factors affecting our business, as well as uncertainties related to the outcomes of pending or future litigation. Sunoco Logistics Partners L.P. has included in its Annual Report on Form 10-K for the year ended December 31, 2010, and in its subsequent Form 8-K filings, cautionary language identifying important factors (though not necessarily all such factors) that could cause future outcomes to differ materially from those set forth in the forward-looking statements. For more information about these factors, see our SEC filings, available on our website at www.sunocologistics.com. We expressly disclaim any obligation to update or alter these forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided in the slides at the end of the presentation. You should consider carefully the comparable GAAP measures and the reconciliations to those measures provided in this presentation.

Highlights

- Record quarterly performance:
  - $138 million EBITDA
  - $106 million Distributable Cash Flow
  - $94 million Net Income
- Increased distribution for 25th consecutive quarter
- Announced over $450MM in acquisitions

2011 Acquisition Announcements

- Acquired 83.8% Interest in Inland Pipeline – May
  - Net purchase price: $99MM
- Acquired Eagle Point Tank Farm – July
  - Purchase price: $100MM
- Announced East Boston, MA Terminal – Expected 3rd Quarter Close
  - Purchase price: $56MM plus inventory
- Announced Purchase of Texon Crude Business – Expected 3rd Quarter Close
  - Purchase price: $205MM plus inventory

Inland Pipeline System

- A 350-mile refined products pipeline located in Ohio
- Supply Points
  - BP and TRC Toledo refineries
  - Husky Lima refinery
  - Lima Junction
- Complementary Asset Base
  - Toledo area lines south
  - Will become operator
  - Potential synergy with Mariner West project

Eagle Point Tank Farm

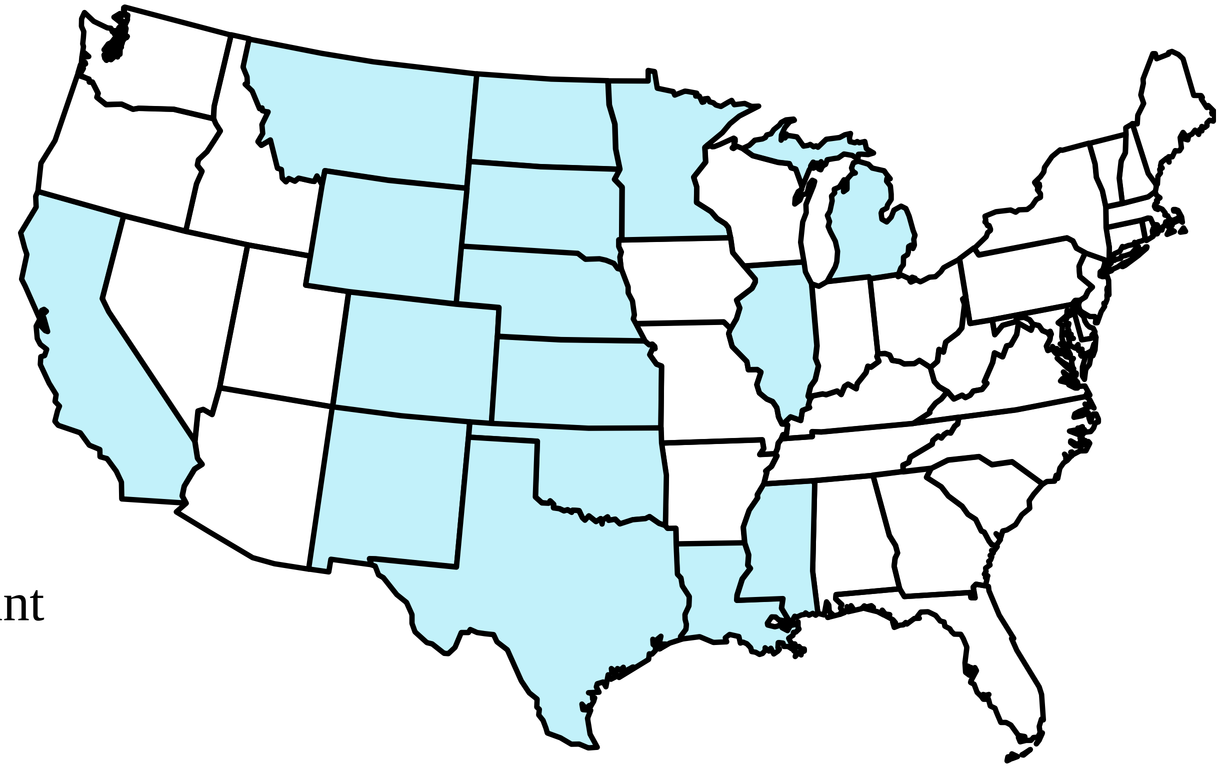
- 5 MMB storage in service
- Increases the revenues of existing SXL docks, terminal, and pipeline
- Import / export capability
- Connects to Harbor, Colonial, and Laurel pipelines

East Boston Terminal

- Entry into New England terminal market
- Terminal
  - 10 bay truck rack
  - 1.2 MMB
- Jet pipeline to Airport
  - 8” line from terminal to airport (0.8 mile)
  - Sole jet fuel provider to Logan Airport
  - 10 year contract – renewed Feb 2010

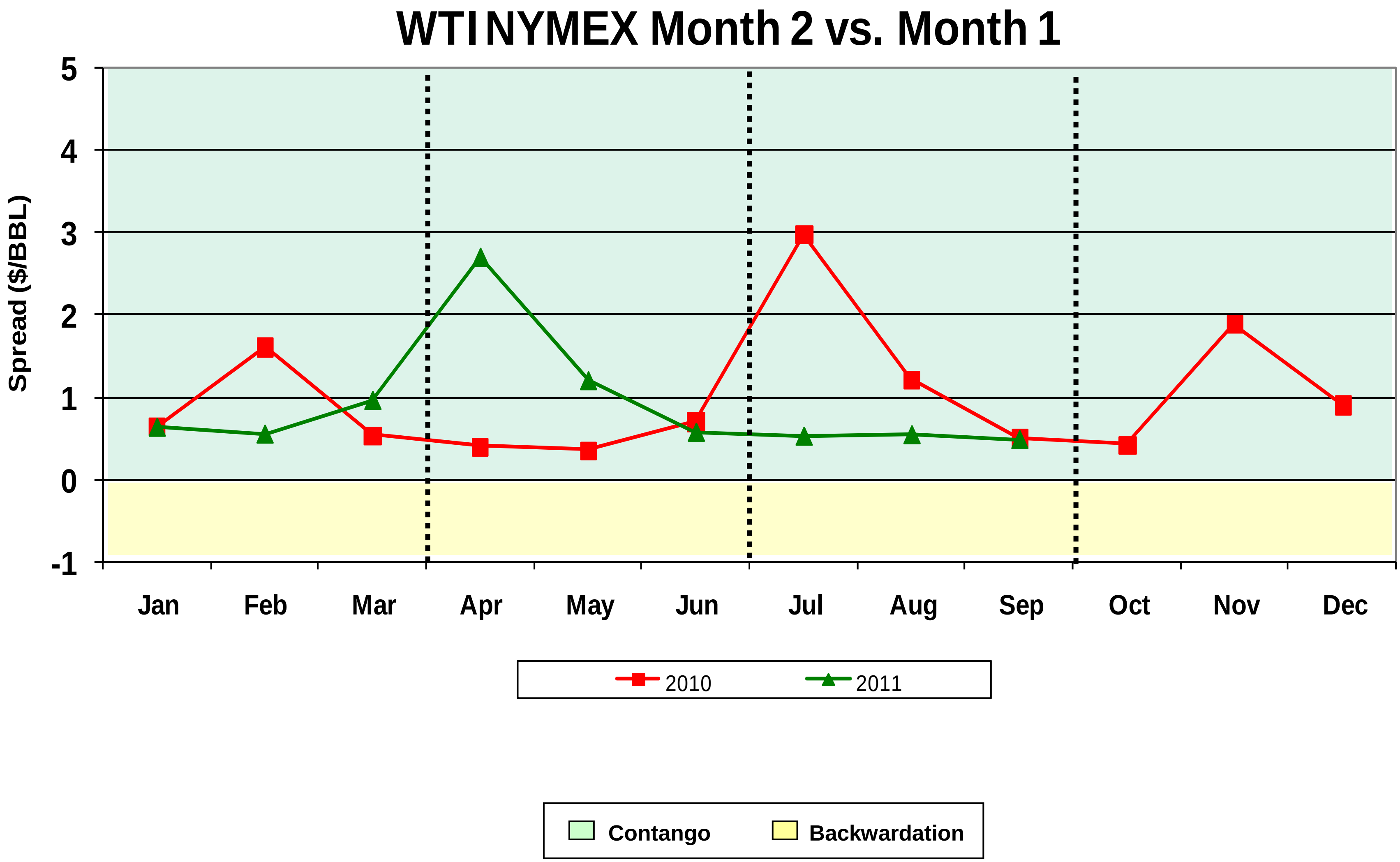
Texon Crude Business

- Crude Lease & Marketing
  - 75,000 barrels per day
- Expands our lease business by more than 30%
- Potential synergies with existing crude business
- Expands geographic footprint
  - Bakken Shale
  - Granite Wash Shale
  - Eagle Ford Shale



Shaded states indicate area of operation

Crude Oil Contango



Source: NYMEX

Q2 2011 Financial Highlights

($ in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	**2010**	**2011**	**2010**
Sales and other operating revenue	$ 2,424	$ 2,029	$ 4,682	$ 3,709
Other income	4	10	6	18
Total revenues	2,428	2,039	4,688	3,727
Cost of products sold and operating expenses	2,266	1,939	4,411	3,533
Depreciation and amortization expense	19	14	37	29
Selling, general and administrative expenses	22	16	44	37
Total costs and expenses	2,307	1,969	4,492	3,599
Operating income	121	70	196	128
Interest cost and debt expense	21	20	42	36
Capitalized interest	(2)	(1)	(3)	(2)
Income before provision for income taxes	102	51	157	94
Provision for income taxes	6	-	11	-
Net Income	$ 96	$ 51	$ 146	$ 94
Net income attributable to noncontrolling interests	2	-	4	-
Net Income attributable to Sunoco Logistics Partners L.P.	$ 94	$ 51	$ 142	$ 94

Q2 2011 Financial Highlights

(amounts in millions, except unit and per unit amounts, unaudited)

	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
Calculation of Limited Partners' interest:				
Net Income attributable to Sunoco Logistics Partners L.P.	$ 94	$ 51	$ 142	$ 94
Less: General Partner's interest	(14)	(11)	(26)	(21)
Limited Partners' interest in Net Income	$ 80	$ 40	$ 116	$ 73
Net Income per Limited Partner unit:				
Basic	$ 2.42	$ 1.30	$ 3.50	$ 2.36
Diluted	$ 2.40	$ 1.29	$ 3.48	$ 2.35
Weighted Average Limited Partners' units outstanding (in millions):				
Basic	33.1	31.0	33.1	31.0
Diluted	33.3	31.2	33.3	31.2

Refined Products Pipeline System

($ in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Financial Highlights				
Sales and other operating revenue	$ 29	$ 31	$ 56	$ 61
Other income	4	4	6	6
Total revenues	33	35	62	67
Operating expenses	15	13	28	26
Depreciation and amortization expense	4	4	8	8
Selling, general and administrative expenses	6	5	13	12
Operating income	$ 8	$ 13	$ 13	$ 21

Terminal Facilities

($ in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	**2010**	**2011**	**2010**
Financial Highlights				
Sales and other operating revenue	$ 87	$ 59	$ 174	$ 114
Other income	-	1	-	1
Total revenues	87	60	174	115
Cost of products sold and operating expenses	36	22	79	42
Depreciation and amortization expense	8	5	16	11
Selling, general and administrative expenses	9	5	16	12
Operating income	$ 34	$ 28	$ 63	$ 50

Crude Oil Pipeline System

($ in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	**2010**	**2011**	**2010**
Financial Highlights				
Sales and other operating revenue	$ 2,308	$ 1,939	$ 4,452	$ 3,534
Other income	-	5	-	11
Total revenues	2,308	1,944	4,452	3,545
Cost of products sold and operating expenses	2,215	1,904	4,304	3,465
Depreciation and amortization expense	7	5	13	10
Selling, general and administrative expenses	7	6	15	13
Operating income	$ 79	$ 29	$ 120	$ 57

Q2 2011 Operating Highlights

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Operating highlights *(unaudited)*				
Refined Products Pipeline System:				
Refined products pipeline throughput (thousands of bpd)[(1)(2)]	471	519	441	488
Revenue per barrel of pipeline throughput (cents)	69.1	66.5	70.4	68.6
Terminal Facilities:				
Refined products terminals throughput (thousands of bpd)	479	487	479	473
Nederland terminal throughput (thousands of bpd)	771	684	734	705
Refinery terminals throughput (thousands of bpd)	393	471	391	484
Crude Oil Pipeline System:				
Crude oil pipeline throughput (thousands of bpd)[(3)]	1,641	906	1,568	872
Crude oil purchases at wellhead (thousands of bpd)	196	191	193	188
Gross margin per barrel of pipeline throughput (cents)[(3)(4)]	57.8	35.7	47.4	37.8
Average crude oil price (per barrel)	$ 102.55	$ 77.99	$ 98.42	$ 78.39

(1) Excludes amounts attributable to equity ownership interests which are not consolidated.

(2) In May 2011, the Partnership acquired a controlling financial interest in the Inland refined products pipeline. As a result of this acquisition, the Partnership accounted for this entity as a consolidated subsidiary from the acquisition date. Volumes for the three and six months ended June 30, 2011 of 72 and 36 thousand bpd, respectively, and the related revenue per barrel, have been included in the refined products pipeline throughput and revenue per barrel. From the date of acquisition, this pipeline had actual throughput of approximately 143 thousand bpd for the three and six months ended June 30, 2011. The amounts presented for the three and six month periods ended June 30, 2010 exclude amounts attributable to this system.

(3) In July 2010, the Partnership acquired additional interests in the Mid-Valley and West Texas Gulf crude oil pipelines, which previously had been recorded as equity investments. The Partnership obtained a controlling financial interest as a result of these acquisitions and began accounting for these entities as consolidated subsidiaries from their respective acquisition dates. Volumes for the three and six months ended June 30, 2011 of 717 and 687 thousand bpd, respectively, and the related gross margin, have been included in the crude oil pipeline throughput and gross margin per barrel of throughput. The amounts presented for the three and six month periods ended June 30, 2010 exclude amounts attributable to these systems.

(4) Represents total segment sales and other operating revenue minus cost of products sold and operating expenses and depreciation and amortization divided by pipeline throughput.

Q2 2011 Financial Highlights

($ in millions, unaudited)

	Three Months Ended June 30, 2011		Three Months Ended June 30, 2010		Six Months Ended June 30, 2011		Six Months Ended June 30, 2010	
Capital Expenditure Data:								
Maintenance capital expenditures	$	7	$	10	$	10	$	14
Expansion capital expenditures		133		39		158		62
Total	$	140	$	49	$	168	$	76

	June 30, 2011		December 31, 2010	
Balance Sheet Data (at period end):				
Cash and cash equivalents	$	6	$	2
Total debt[(1)]	$	1,463	$	1,229
Equity				
Sunoco Logistics Partners L.P. Equity	$	1,006	$	965
Noncontrolling interests		98		77
Total Equity	$	1,104	$	1,042

(1) Total debt at June 30, 2011 and December 31, 2010 includes the $100 million promissory note to Sunoco, Inc.

Non-GAAP Financial Measures

($ in millions, unaudited)

	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
Net Income attributable to Sunoco Logistics Partners L.P.	$ 94	$ 51	$ 142	$ 94
Add: Interest expense, net	19	19	39	34
Add: Depreciation and amortization expense	19	14	37	29
Add: Provision for income taxes	6	-	11	-
EBITDA[1]	138	84	229	157
Less: Interest expense, net	(19)	(19)	(39)	(34)
Less: Maintenance capital expenditures	(7)	(10)	(10)	(14)
Less: Provision for income taxes	(6)	-	(11)	-
Distributable cash flow[1]	$ 106	$ 55	$ 169	$ 109

Non-GAAP Financial Measures

(1) Management of the Partnership believes EBITDA and distributable cash flow information enhances an investor's understanding of a business' ability to generate cash for payment of distributions and other purposes. EBITDA and distributable cash flow do not represent and should not be considered an alternative to net income or cash flows from operating activities as determined under United States generally accepted accounting principles (GAAP) and may not be comparable to other similarly titled measures of other businesses. Reconciliations of these measures to the comparable GAAP measure are provided in the tables accompanying this release.

Historical Operating Highlights

	2007	2008	2009				2010				2011	
	Total	Total	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd
Operating highlights ***(unaudited)***												
Refined Products Pipeline System:												
Refined product pipeline throughput (thousands of bpd)[(1)(2)]	491	510	583	568	578	576	456	519	452	442	410	471
Revenue per barrel of pipeline throughput (cents)	54.8	55.4	59.9	60.4	60.2	62.4	70.9	66.5	71.4	71.7	71.8	69.1
Terminal Facilities:												
Refined products terminals throughput (thousands of bpd)	434	436	460	464	465	466	459	487	505	502	478	479
Nederland terminal throughput (thousands of bpd)	507	526	653	646	560	531	726	684	780	724	696	771
Refinery terminals throughput (thousands of bpd)	696	653	583	600	609	573	498	471	459	434	389	393
Crude Oil Pipeline System:												
Crude oil pipeline throughput (thousands of bpd)[(3)]	674	683	664	670	611	687	837	906	1,387	1,592	1,493	1,641
Crude oil purchases at wellhead (thousands of bpd)	178	178	191	181	177	177	184	191	188	192	189	196
Gross margin per barrel of pipeline throughput (cents)[(3)(4)]	31.9	63.0	103.9	80.4	46.4	60.4	40.1	35.7	43.8	39.9	35.9	57.8
Average crude oil price (per barrel)	$ 72.40	$ 99.65	$ 43.21	$ 59.61	$ 68.29	$ 76.17	$ 78.79	$ 77.99	$ 76.21	$ 85.18	$ 94.25	$ 102.55

(1) Excludes amounts attributable to equity ownership interests which are not consolidated.

(2) In May 2011, the Partnership acquired a controlling financial interest in the Inland refined products pipeline. As a result of this acquisition, the Partnership accounted for this entity as a consolidated subsidiary from the acquisition date. Volumes for the three months ended June 30, 2011 of 72 thousand bpd, and the related revenue per barrel, have been included in the refined products pipeline throughput and revenue per barrel. From the date of acquisition, this pipeline had actual throughput of approximately 143 thousand bpd for the three months ended June 30, 2011. The amounts presented for the three month period ended June 30, 2010 exclude amounts attributable to this system.

(3) In July 2010, the Partnership acquired additional interests in the Mid-Valley and West Texas Gulf crude oil pipelines, which previously had been recorded as equity investments. The Partnership obtained a controlling financial interest as a result of these acquisitions and began accounting for these entities as consolidated subsidiaries from their respective acquisition dates. Volumes for the three months ended June 30, 2011 of 717 thousand bpd, and the related gross margin, have been included in the crude oil pipeline throughput and gross margin per barrel of throughput. The amounts presented for the three month period ended June 30, 2010 exclude amounts attributable to these systems.

(4) Represents total segment sales and other operating revenue minus cost of products sold and operating expenses and depreciation and amortization divided by crude oil pipeline throughput.