



**Sunoco Logistics**



**Sunoco Logistics Partners L.P.**  
**NYSE: SXL**

November 2009

## Forward-Looking Statements

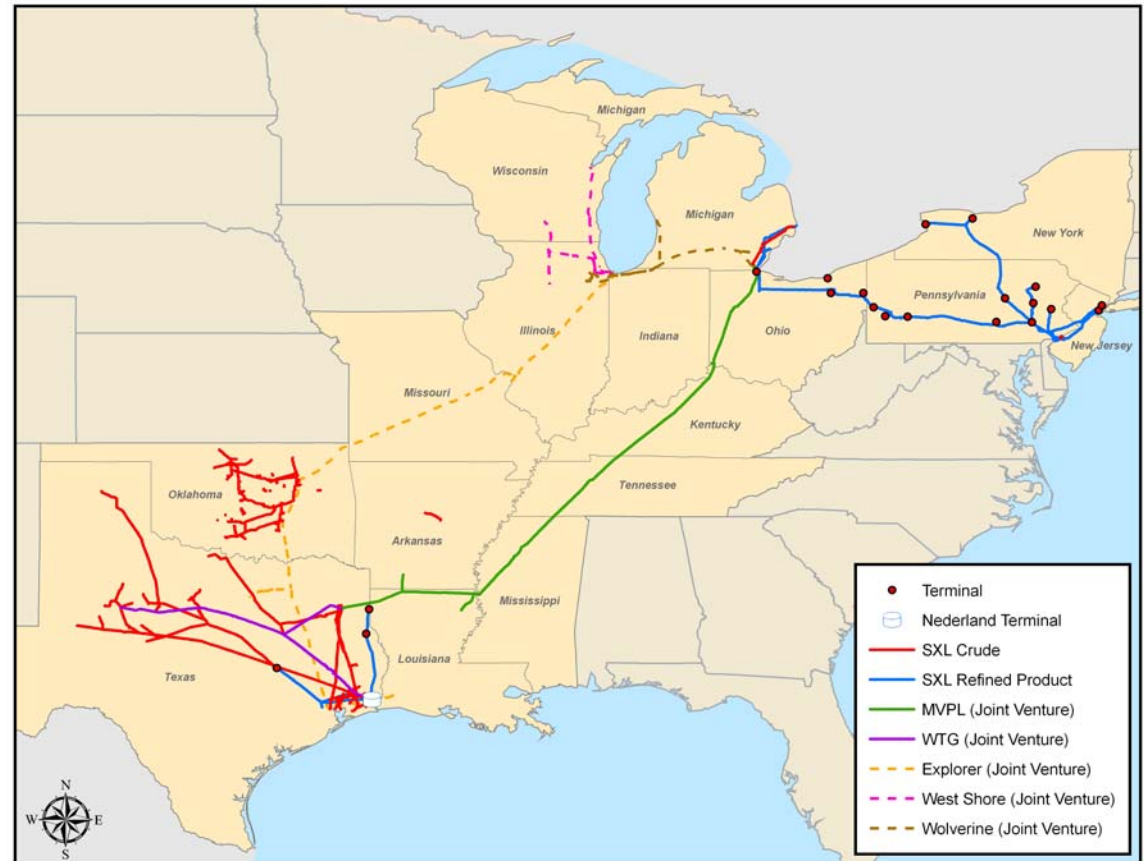
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Statements made in this presentation that are not historical facts are forward-looking statements. We believe the assumptions underlying these statements are reasonable, but caution you that such forward-looking statements involve risks that may affect our prospects and performance, causing actual results to differ from those discussed here. Such risks and uncertainties include: our ability to consummate announced acquisitions and integrate them into existing operations; our ability to complete internal growth projects; the ability of such acquisitions and internal growth projects to be cash-flow accretive; increased competition; changes in demand for crude oil we buy and sell, as well as for crude oil and refined products we store and distribute; the loss of a major customer; changes in our tariff rates; changes in throughput of third-party pipelines connected to our pipelines and terminals; changes in levels of environmental remediation spending; potential equipment malfunction; potential labor relations problems; the legislative or regulatory environment; plant construction/repair delays; and political and economic conditions, including the impact of potential terrorists acts and international hostilities.

These and other applicable risks and uncertainties are described more fully in our 2009 Form 10-Q (filed with the Securities and Exchange Commission on November 4, 2009). We undertake no obligation to update publicly any forward-looking statements in this presentation, whether as a result of new information or future events.

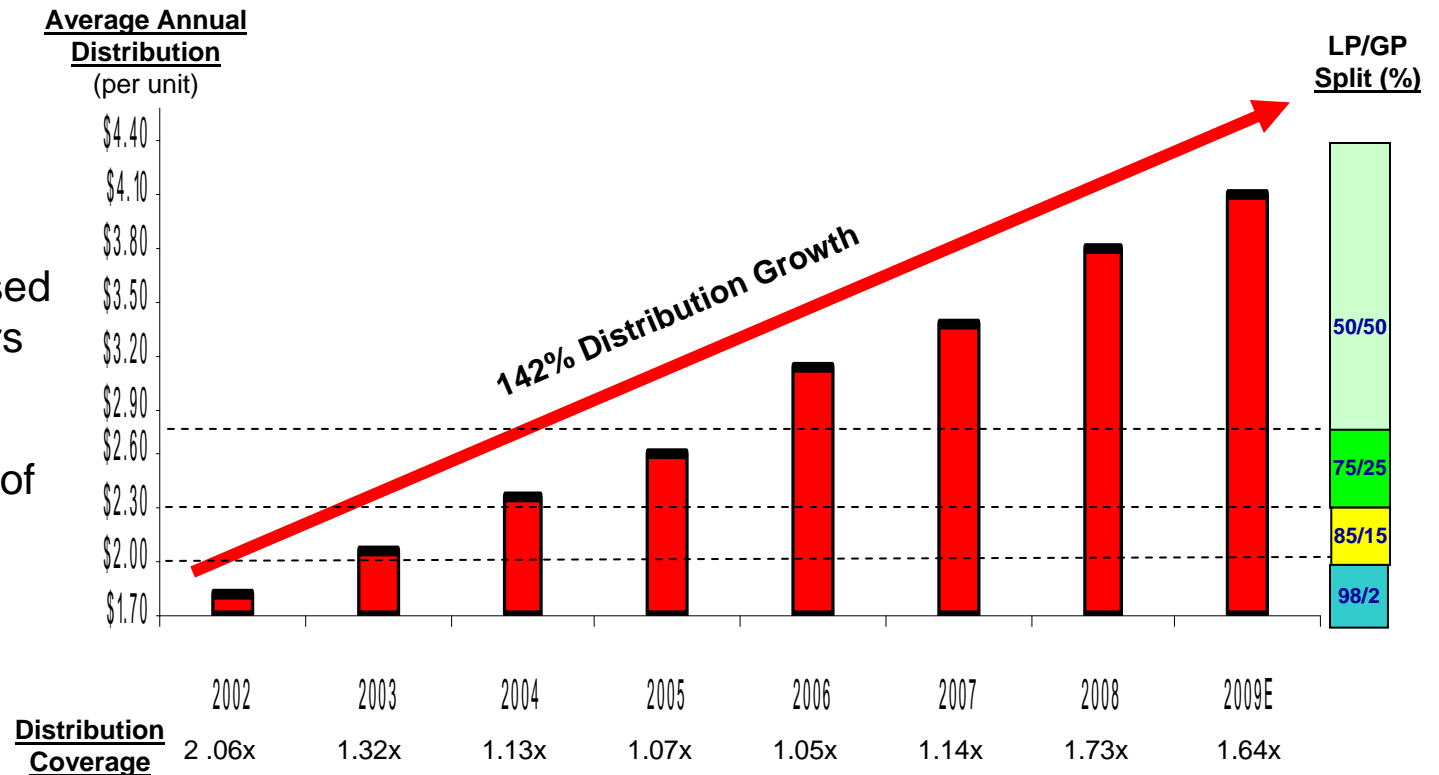
# Asset Overview

- Serve key U.S. refining and production centers in U.S. Northeast, Midwest, and Gulf Coast
- 2,200 miles of refined product pipelines
- 3,850 miles of crude pipelines
- 42 refined product terminals
- 22.4 million barrels of crude oil storage capacity (including 19.0 million barrels at Nederland, TX)
- Completed and integrated 15 acquisitions since 2002



# Distribution Summary

- Latest 12 month distribution growth: 10.36%
- LP Distribution increased in 25 of last 26 quarters
- Current distribution of \$4.26 (7.29% yield as of 11/12/09)
- CAGR Q1 2002 – Q3 2009: 13.3%
- Strong balance sheet  
-2.5x Debt/EBITDA  
- Investment grade

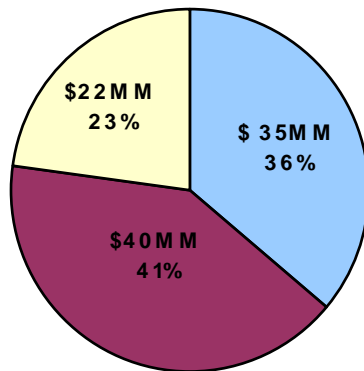


# Financial Growth

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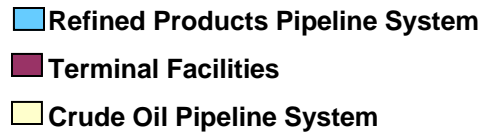
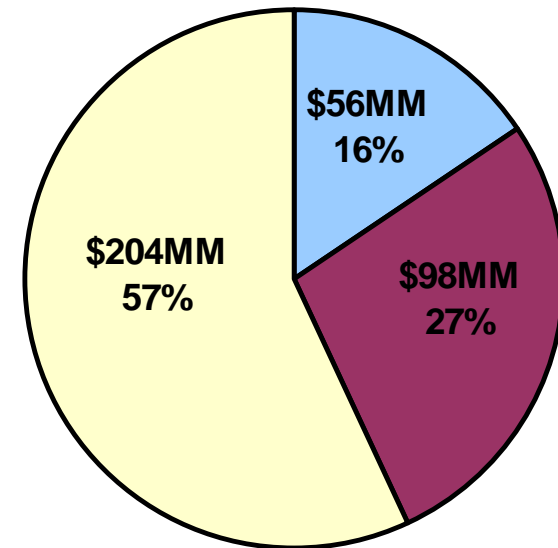
## 2002 EBITDA

Total EBITDA \$97 MM



## LTM 9/30/09 EBITDA

Total EBITDA \$358 MM

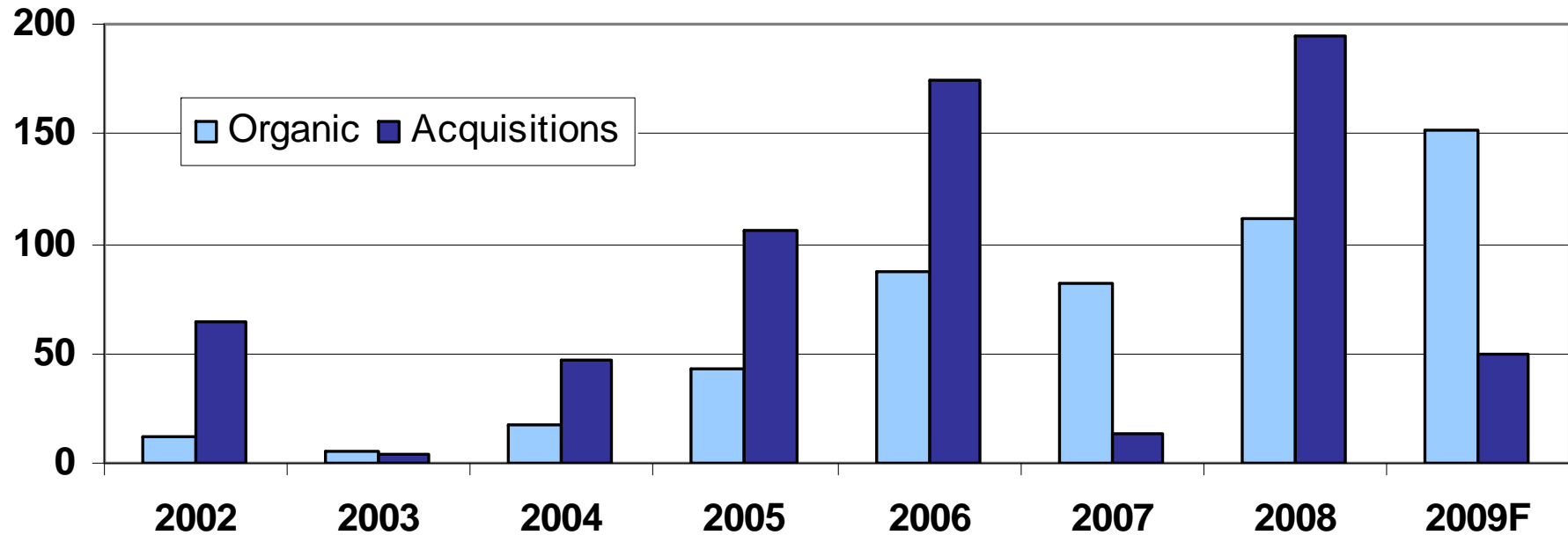


### Growth Strategy

- Optimize current asset base
- Invest in organic extensions
- Acquire complementary assets
  - continue a focus on platform growth

# Investment: Growth Capex and Acquisitions

(\$MM)



Investments since IPO (2002-2009F)

Organic \$ 511 MM

Acquisition \$ 644 MM

Total \$ 1,155 MM

# **Strong Distribution Growth Continuing**

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## Organic Growth Opportunities from Acquisitions

- MagTex
- Romulus, Michigan Terminal
- Excel Pipeline, Oklahoma

## Continuing Organic Growth

- Nederland, Texas Terminal
- Terminal Services
- Pipeline connection to refiners

## Broader Marketing Efforts

- Crude Oil
- Refined Products

# Summary

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- Geographically diverse asset base and strong business fundamentals
- Growth strategy in all segments with particular emphasis on the refined products system
- Consistent track record of distribution growth
- Investment grade credit rating, flexible capital structure to support growth and strong distribution coverage
- Experienced management team
- Excellent prospects for future growth



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# Appendix

# Historical Financial Results

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(\$MM)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>LTM</u>
Refined Products Pipeline System	40	40	44	56
Terminal Facilities	54	68	80	98
Crude Oil Pipeline System	61	85	167	204
<b>Total EBITDA</b>	<b>155</b>	<b>193</b>	<b>291</b>	<b>358</b>
Interest Expense	28	35	31	41
Maintenance Capex	24	24	23	24
<b>Free Cash Flow</b>	<b>103</b>	<b>134</b>	<b>237</b>	<b>293</b>
<b>Expansion Capital</b>	<b>87</b>	<b>82</b>	<b>111</b>	<b>131</b>
<b>Total Distribution</b>	<b>98</b>	<b>117</b>	<b>137</b>	<b>164</b>
<b>Distribution Coverage Ratio (FCF)</b>	<b>1.05x</b>	<b>1.14x</b>	<b>1.73x</b>	<b>1.79x</b>

Last twelve month (LTM) presented for the period ended September 30, 2009.

## Non GAAP Reconciliation

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(\$MM)

	2006	2007	2008	LTM 9/30/09
<b>Net Income</b>	90	121	214	271
Interest Expense, net	28	35	31	41
Depreciation and Amortization	37	37	46	46
<b>EBITDA</b>	155	193	291	358
Interest Expense, net	(28)	(35)	(31)	(41)
Maintenance capital expenditures	(30)	(25)	(26)	(25)
Sunoco reimbursements	6	1	3	1
<b>Distributable Cash Flow ("DCF")</b>	103	134	237	293

## 2009 Guidance

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- Projected EBITDA - \$340 to \$360MM
- Maintenance capital - \$32MM
- Expansion capital investments - \$175 - \$200MM
- Minimum targeted distribution growth - 10%

# Capitalization

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(\$MM)

**As of 9/30/09**

## Debt

7.25% Senior Notes (matures 2012)	250	fixed
6.125% Senior Notes (matures 2016)	175	fixed
8.75% Senior Notes (matures 2014)	175	fixed
\$400 MM Revolver (matures 2012)	<u>289</u>	floating
Total Debt	889	

## Partners Capital

Limited Partners	829
General Partner	<u>27</u>
Total Partners Capital	856

Rating: BBB / Baa2 (S&P, Moody's)  
Stable Outlook

# Refined Products Pipeline System

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- Twelve months ended September 30, 2009 revenue of \$136 million
  - 16% of last twelve months EBITDA
  
- Refined products pipeline system (approximately 2,200 miles), located in the Northeast, Midwest and Southwest U.S.
  - Transports refined products from Sunoco's Philadelphia area and Toledo refineries, ExxonMobil's and Motiva's Beaumont, TX refineries as well as for other third parties
  
- Equity interest in four product pipelines
  - Explorer (9.4%)
  - Wolverine (31.5%)
  - West Shore (12.3%)
  - Yellowstone (14.0%)

## Terminal Facilities

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- Twelve months ended September 30, 2009 revenue of \$184 million
  - 27% of last twelve months EBITDA
  
- Nederland Texas Crude Oil Terminal Facilities
  - One of the largest on shore crude facilities in US
  - 19.0 million barrel capacity
  
- 42 Refined Products Pipeline System Terminals located in 10 states
  - 10.1 million barrel capacity
  
- 1.0 million barrel Inkster Michigan Terminal: LPG storage
  
- Refinery Terminal Facilities
  - 5.5 million barrel capacity
  - Service Sunoco, Inc. Philadelphia refineries

# Crude Oil Pipeline System

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- Twelve months ended September 30, 2009 revenue of \$5.0 billion
  - 57% of last twelve months EBITDA
- Lease Crude Acquisition
  - Buy/Sell domestic lease crude oil
- Approximately 3,350 miles of crude oil trunk lines in Oklahoma and Texas
  - Approximately 500 miles of gathering lines
- 43.8% equity interest in West Texas Gulf, a 579-mile crude oil pipeline
  - Operator effective January 1, 2005
- 55.3% equity interest in Mid-Valley Pipeline, a 994 mile crude oil pipeline.

# Joint Venture Ownership

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<b>Explorer*</b>		<b>West Shore</b>		<b>Wolverine</b>	
Shell	36.0%	<b>Buckeye</b>	<b>24.9%</b>	<b>ExxonMobil</b>	<b>36.2%</b>
Marathon	17.4%	Shell	18.9%	SXL	31.5%
Chevron	16.6%	Citgo	18.4%	Shell	17.2%
Conoco Phillips	13.8%	ExxonMobil	11.0%	Citgo	9.5%
SXL	9.4%	BP	14.5%	Marathon	5.6%
American Capital Group	6.8%	SXL	12.3%		
<b>West Texas Gulf</b>		<b>Yellowstone</b>		<b>Mesa</b>	
<b>SXL</b>	<b>43.8%</b>	<b>Conoco Phillips</b>	<b>46.0%</b>	<b>Plains</b>	<b>63.0%</b>
Chevron	28.3%	XOM	40.0%	SXL	37.0%
BP	16.5%	SXL	14.0%		
Citgo	11.4%				
<b>Mid-Valley</b>		<b>Harbor</b>			
<b>SXL</b>	<b>55.3%</b>	<b>SXL</b>	<b>66.7%</b>		
BP	35.7%	Conoco Phillips	33.3%		
Chevron	9.0%				

**Bold - denotes operator**

\*Operated by Explorer's management team

## Completed Transaction History (\$644MM Since IPO)

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- Nov. 2002
  - JV interests in 3 product pipelines from Unocal, for \$54mm
    - Wolverine (31.5%), West Shore (9.2%), and Yellowstone (14.0%)
- Nov. 2002
  - JV interest from Sunoco/ Unocal in West Texas Gulf for \$11mm
- Sept. 2003
  - Additional 3.1% interest in West Shore for \$4mm: now own 12.3%
- March 2004
  - Logistics assets of Eagle Point refinery from Sunoco, Inc. for \$20mm
- April 2004
  - 2 product terminal facilities from ConocoPhillips for \$12mm: Baltimore/Manassas
- June 2004
  - Additional 1/3 interest in Harbor Pipeline from El Paso for \$7mm, increasing interest to 2/3<sup>rds</sup>
- Nov. 2004
  - Columbus, Ohio product terminal facilities from Certified Oil for \$8mm
- Aug. 2005
  - Texas crude oil pipeline system from ExxonMobil for \$100mm
- Dec. 2005
  - 37% interest in Mesa crude oil pipeline system from Sunoco/Chevron for \$7mm
- March 2006
  - Texas crude oil pipeline system from Black Hills for \$41mm
  - Texas crude oil pipeline system from Alon for \$68mm
- August 2006
  - 55.3% interest in Mid-Valley Pipeline Company from Sunoco for \$65mm
- June 2007
  - 50% interest in a refined products pipeline system terminal in Syracuse, NY from ExxonMobil for \$13mm
- November 2008
  - Texas refined products pipeline system and terminals facilities from ExxonMobil for \$184mm
- Sep. 2009
  - Oklahoma crude oil pipeline from Excel Pipeline LLC and refined products terminal facility located in Romulus, MI from R.K.A. Petroleum LLC for an aggregate \$50mm

# Sunoco Logistics Partners L.P.

SEPTEMBER 30, 2009

