



Sunoco Logistics Partners L.P.

NYSE: SXL

Wells Fargo Conference
December 2010

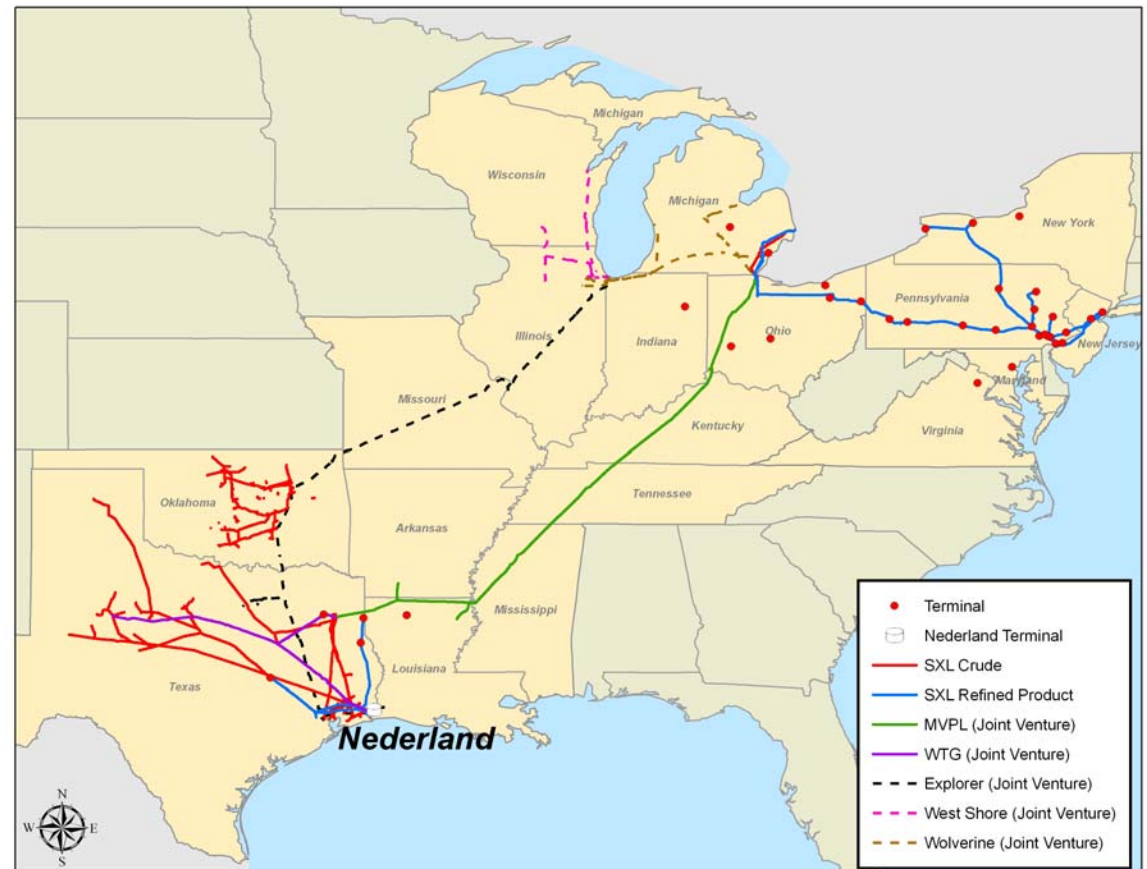
Forward-Looking Statements

Statements made in this presentation that are not historical facts are forward-looking statements. In particular, statements concerning future actions, conditions or events, future operating results, or the ability to generate revenues, income or cash flows or to make specific levels of distributions, are forward-looking statements. Although we believe the assumptions underlying these statements are reasonable, investors are cautioned that such forward-looking statements involve risks that may affect our business prospects and performance, causing actual results to differ from those discussed here. Such risks and uncertainties include, but are not limited to: our ability to successfully consummate announced acquisitions and organic growth projects and integrate them into existing business operations; the ability of announced acquisitions to be cash-flow accretive; increased competition; changes in the demand both for crude oil that we buy and sell, as well as for crude oil and refined products that we store and distribute; the loss of a major customer; changes in our tariff rates; changes in throughput of third-party pipelines that connect to our pipelines and terminals; changes in operating conditions and costs; changes in the level 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 terrorist acts and international hostilities.

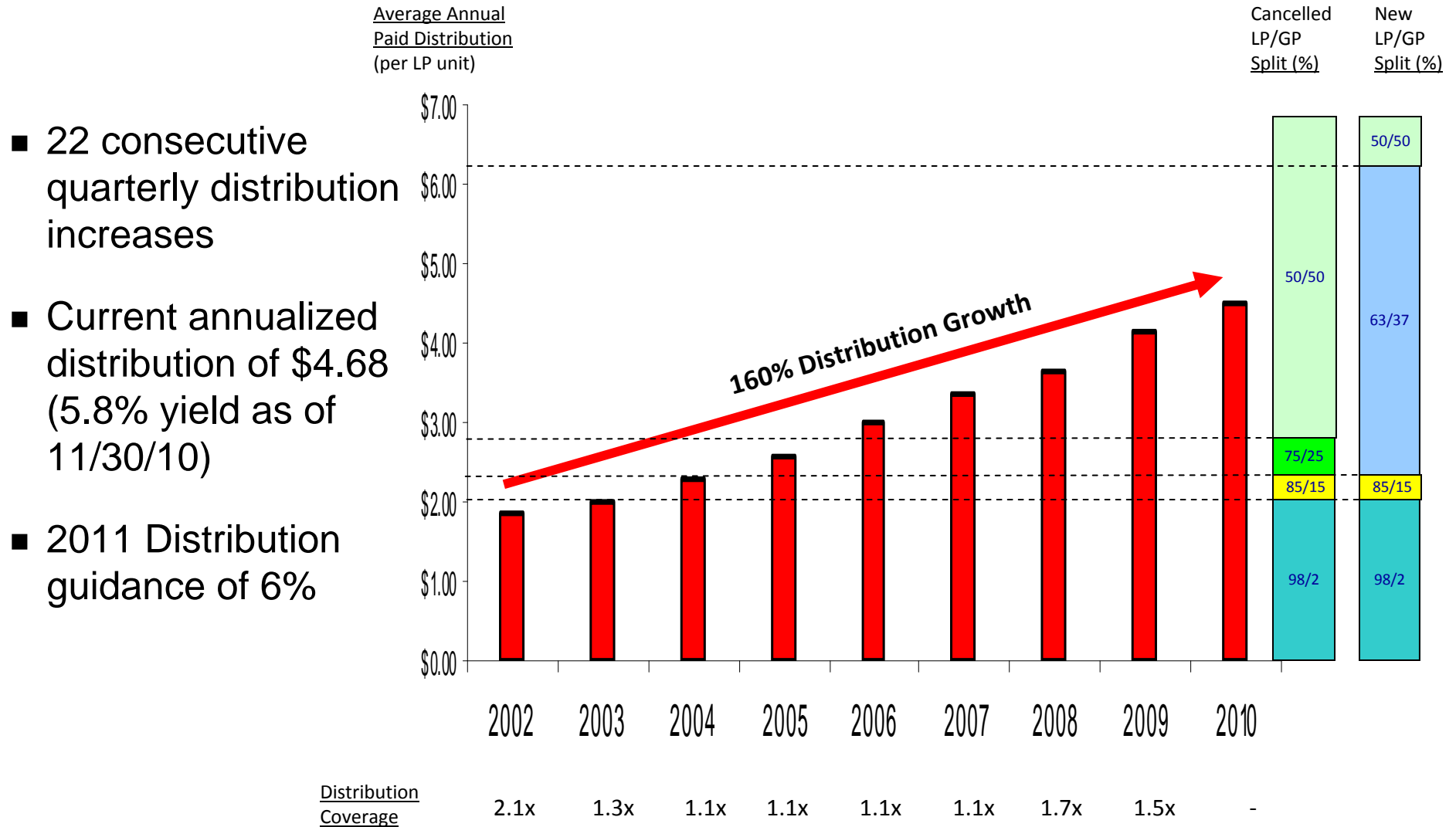
These and other applicable risks and uncertainties are described more fully in our Form 10-Q, filed with the Securities and Exchange Commission in November 2010. We undertake no obligation to update publicly any forward-looking statements whether as a result of new information or future events.

Sunoco Logistics 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
- 5,400 miles of crude pipelines
- 41 active refined product terminals
- 23 million barrels of crude oil storage capacity (including 20 million barrels at Nederland)

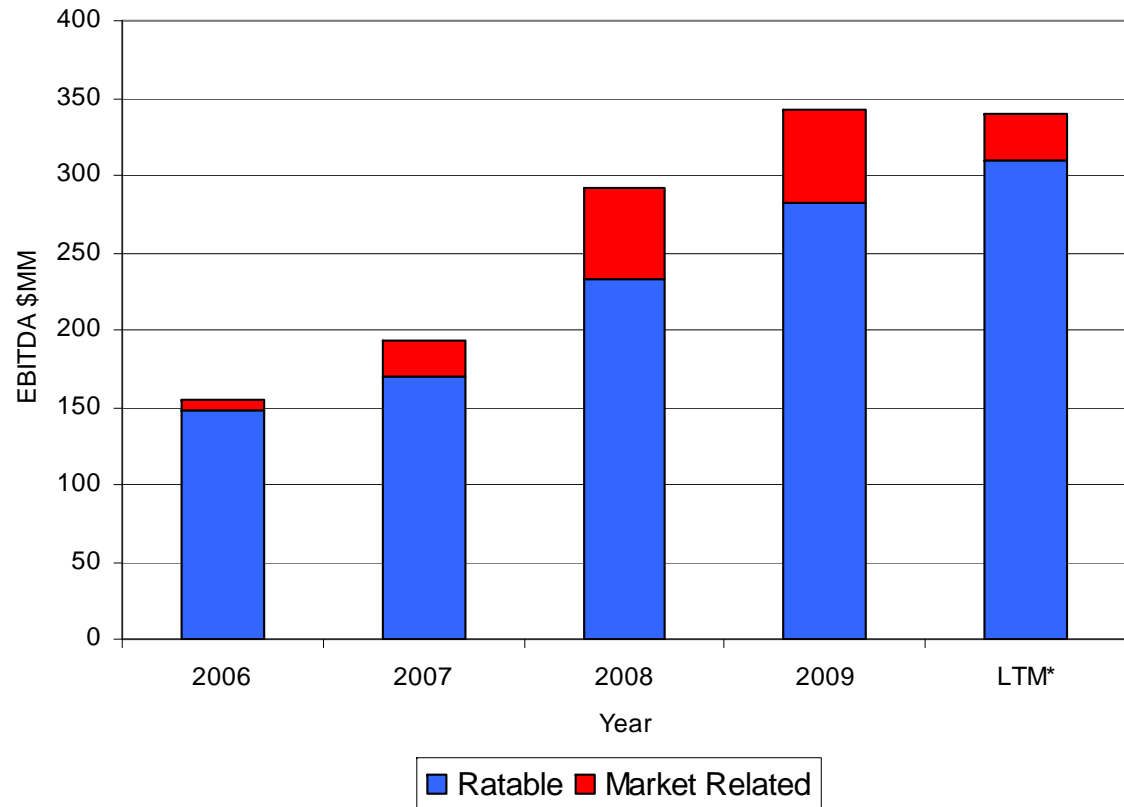


Distribution Summary



EBITDA: Ratable and Market Related

- Maximize asset base by taking advantage of market opportunities
- Distributions based on ratable cash
 - Market related cash flow increases coverage ratio

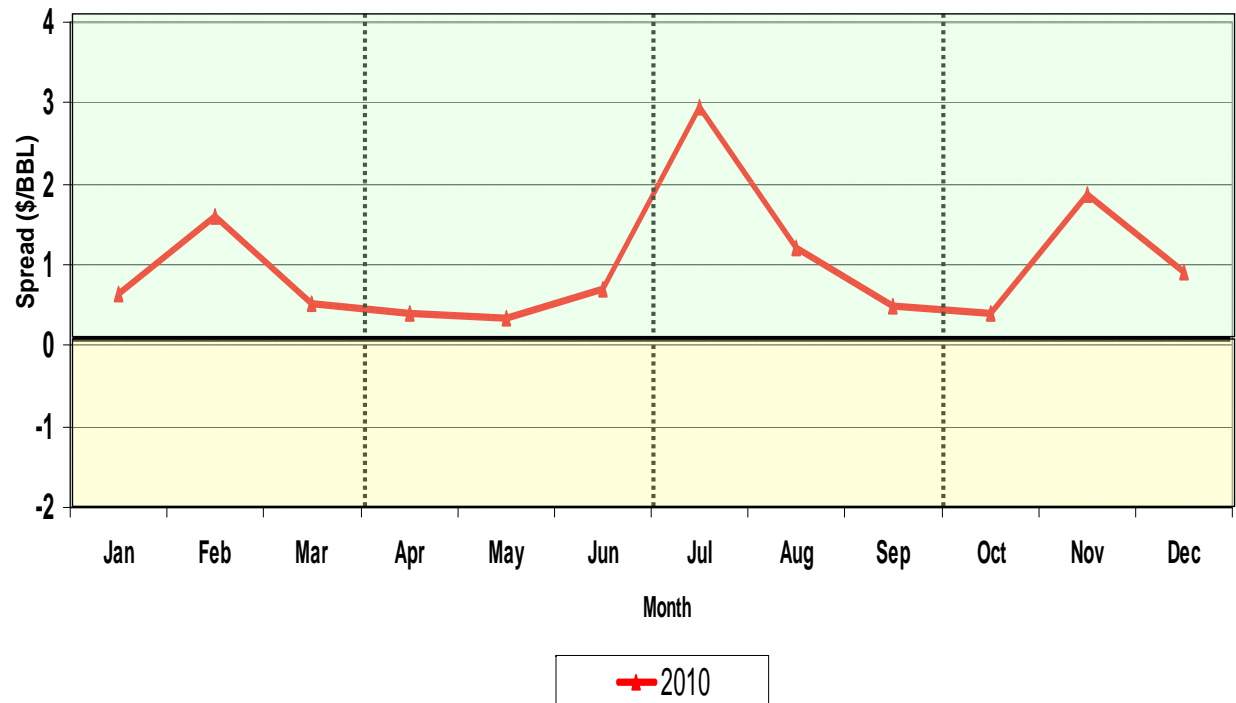


* Last Twelve Months (LTM)

Crude Oil Contango

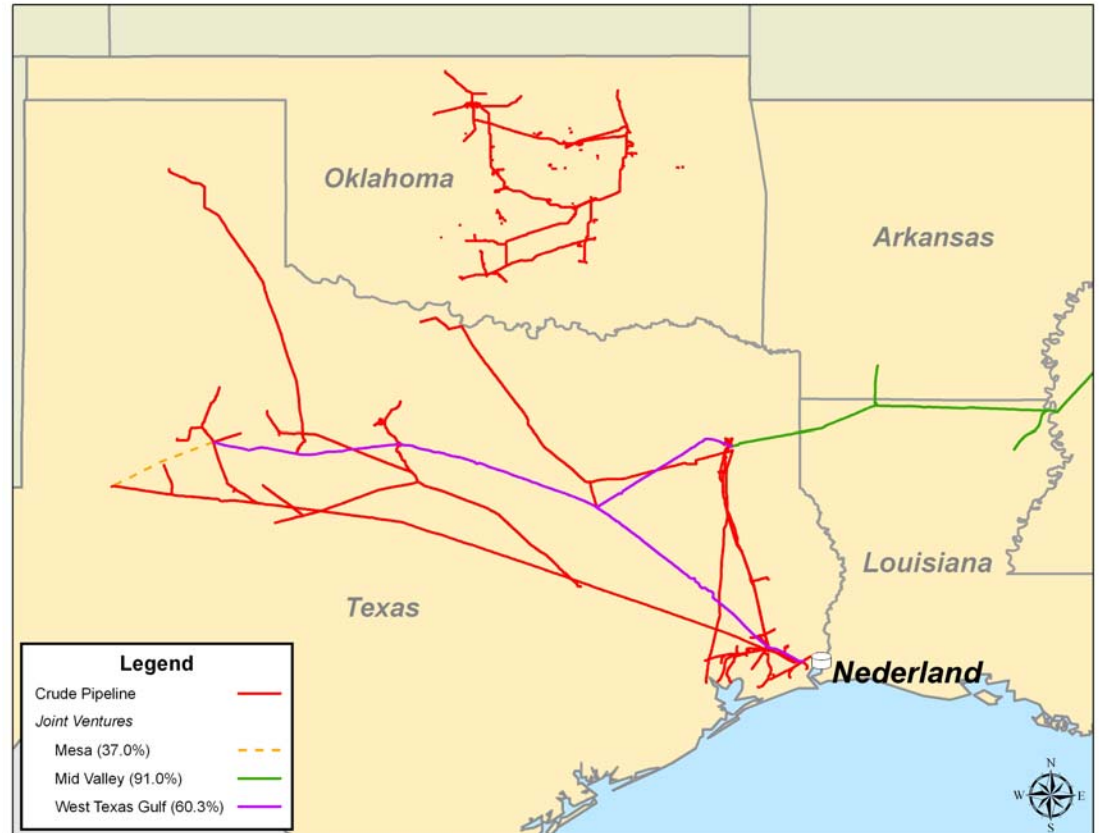
- Widened contango provided strong earnings in Q3
- Contango investment at September 30 of ~\$215MM for Q4 opportunities

WTI NYMEX Month 2 vs. Month 1



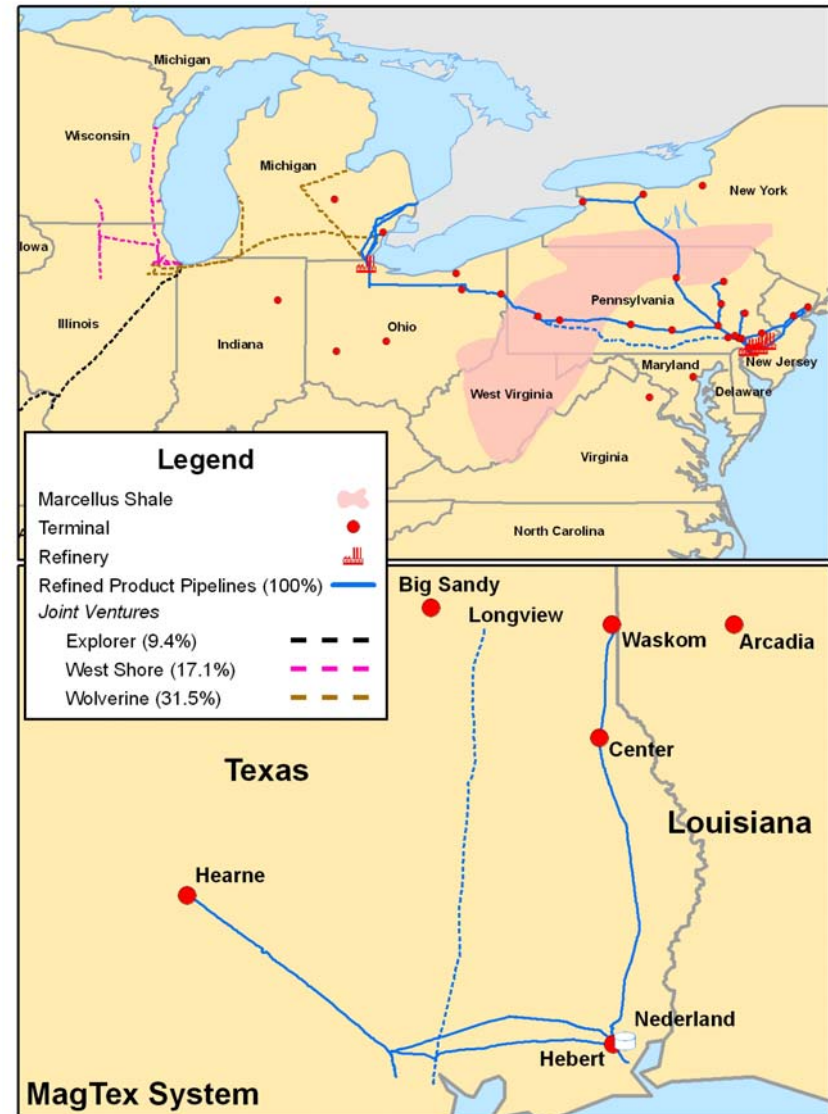
Crude Oil Platform

- Connected to key crude oil markets:
 - Cushing, OK
 - West Texas
 - Gulf Coast/Foreign
 - Canada
- Nederland, TX Terminal is an important hub:
 - \$90MM Motiva Port Arthur project
 - 8 new tanks since 2008; constructing 4 new tanks
 - Agreement with TransCanada for Canadian crude access
- System flexibility provides market opportunities



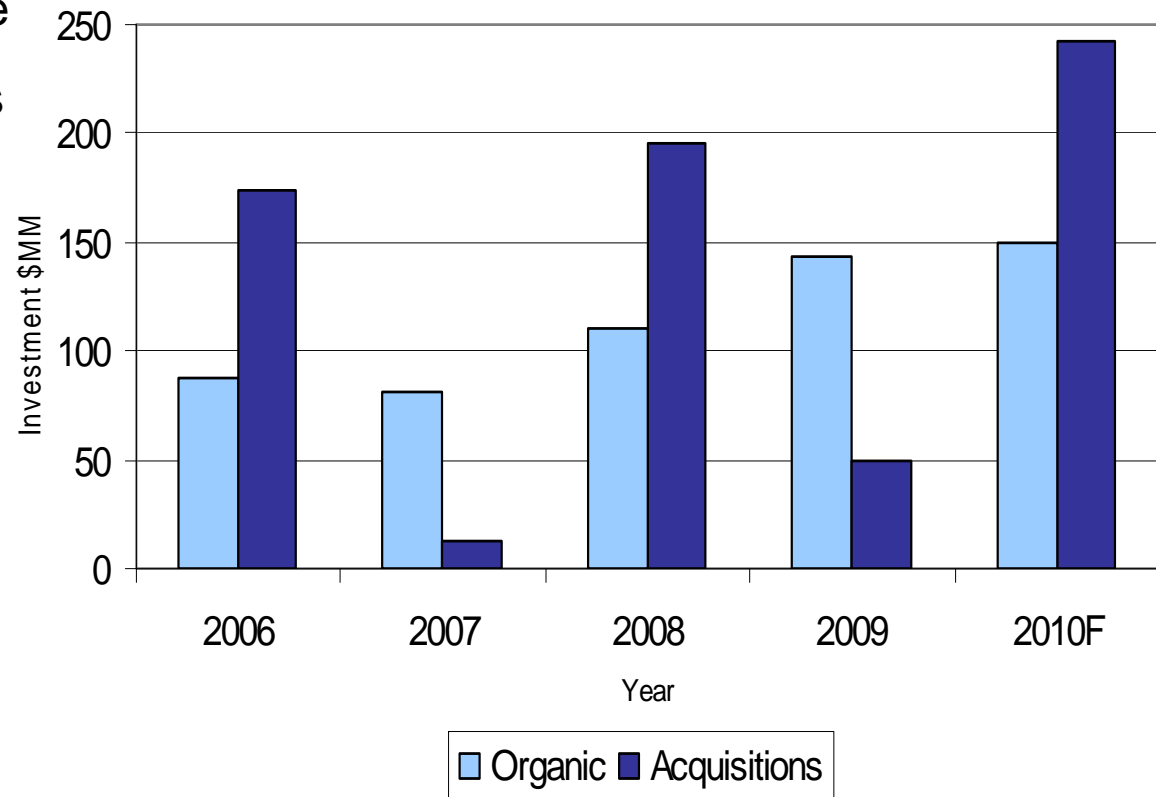
Refined Products Platform

- Growth opportunities accelerate
 - New terminal at Big Sandy, TX
 - Crude to products pipeline conversion at Longview, TX
 - Biodiesel
 - Marcellus Shale Mariner project
- Blending services becoming more essential to meet market needs
 - Ethanol
 - Biodiesel
 - Additive package
 - Butane
 - More expected



Growth Capital

- Optimize current asset base
- Invest in organic extensions
- Opportunistically acquire complementary assets
 - Continue focus on platform growth
 - Successfully integrated 19 acquisitions since 2002 IPO
- 2011 Organic investment projected to be \$100 to \$150MM excluding Project Mariner



2010 Growth – Acquisitions

- Acquired Butane Blending Business – Third Quarter
 - Enhances terminal service offerings
- Acquired Three Additional Joint Venture Interests – Third Quarter
- Acquired Terminal in Bay City, Texas – Fourth Quarter
- Acquired Terminal in Big Sandy, Texas – Fourth Quarter

Texon Butane Blending Business

- Patented technology for butane blending
- Margin capture between butane & gasoline
 - Model to lock in favorable margin and remove commodity risk
- Full-service offering to customers
- Tremendous growth potential
 - Plan to install at our key terminals
 - Large customers interested in expanding
 - Recently signed two long-term customer contracts
- Acquisition supported by \$100MM Sunoco loan



2010 Growth – Organic Announcements

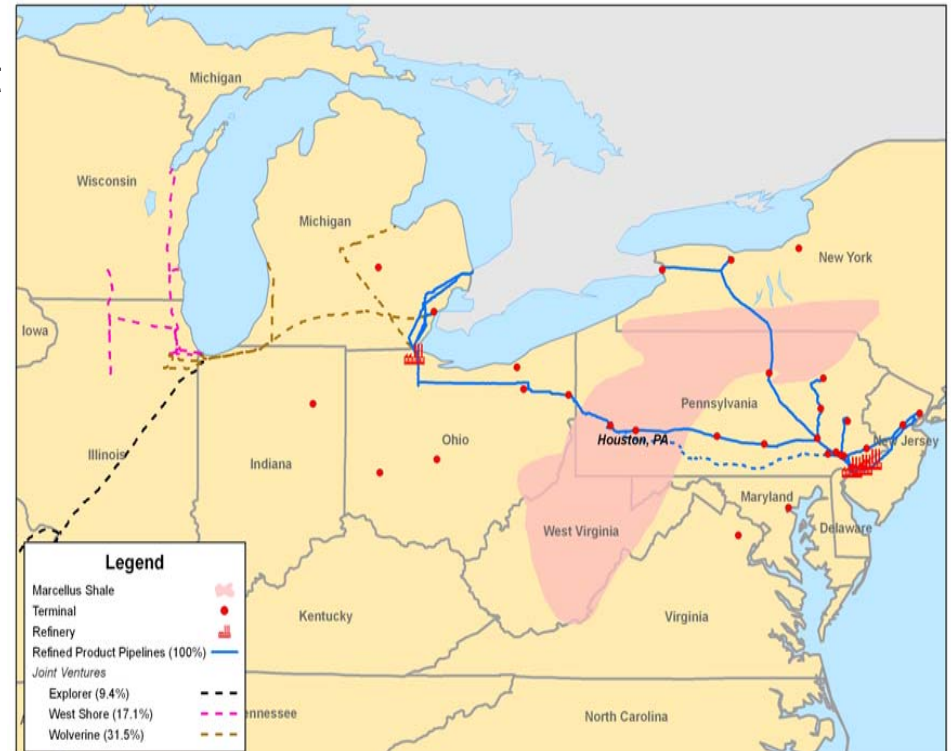
- Project Mariner with MarkWest
 - Economical solution of transporting ethane from Marcellus Shale to market
 - Excellent growth potential for fee-based income

- Agreement with TransCanada
 - Provide access to Nederland for their Keystone XL project

- Nederland Tank Expansion
 - Two additional tanks to bring capacity to 22 MMB

Project Mariner

- Marcellus Shale opportunity with MarkWest to transport ethane to Gulf Coast market
 - MarkWest separates NGLs at their fractionator in Houston, PA
 - SXL transports ethane across PA
 - SXL stores ethane in Philadelphia area
 - MarkWest transports ethane to Gulf
- Utilize existing assets
 - Southern PA pipelines
 - Dock locations along Delaware River



Summary

- Geographically diverse asset base and strong business fundamentals
- Growth strategy in both crude and products
- Investment-grade credit rating, flexible capital structure to support growth and strong distribution coverage
- Consistent track record of distribution growth
- Excellent prospects for future growth



Sunoco Logistics



Appendix

Historical Financial Results

(\$MM)

| | 2006 | 2007 | 2008 | 2009 | LTM* |
|----------------------------------|------|------|------|------|------|
| Refined Products Pipeline System | 40 | 40 | 44 | 58 | 59 |
| Terminal Facilities | 54 | 68 | 80 | 103 | 117 |
| Crude Oil Pipeline System | 61 | 85 | 167 | 182 | 164 |
| Total EBITDA | 155 | 193 | 291 | 343 | 340 |
| Interest Expense, net | 28 | 35 | 31 | 45 | 66 |
| Maintenance Capital | 24 | 24 | 23 | 32 | 42 |
| Provision for Income Tax | - | - | - | - | 4 |
| Distributable Cash Flow ("DCF") | 103 | 134 | 237 | 266 | 228 |
| Expansion Capital** | 87 | 82 | 111 | 144 | 138 |
| Total Distribution | 98 | 117 | 137 | 173 | 184 |
| Distribution Coverage Ratio | 1.1x | 1.1x | 1.7x | 1.5x | 1.2x |

*Last Twelve Months

**Excludes major acquisitions

Non-GAAP Reconciliation

(\$MM)

| | 2006 | 2007 | 2008 | 2009 | LTM |
|-----------------------------------|------|------|------|------|-------|
| Net Income* | 90 | 121 | 214 | 250 | 341 |
| Interest Expense, net | 28 | 35 | 31 | 45 | 66 |
| Depreciation and Amortization | 37 | 37 | 46 | 48 | 58 |
| Provision for Income Taxes | - | - | - | - | 4 |
| Gain on Investments in Affiliates | - | - | - | - | (128) |
| EBITDA | 155 | 193 | 291 | 343 | 340 |
| Interest Expense, net | (28) | (35) | (31) | (45) | (66) |
| Maintenance Capital | (30) | (25) | (26) | (32) | (42) |
| Provision for Income Taxes | - | - | - | - | (4) |
| Sunoco Reimbursements | 6 | 1 | 3 | - | - |
| Distributable Cash Flow ("DCF") | 103 | 134 | 237 | 266 | 228 |

*Net Income attributable to Sunoco Logistics Partners L.P.

Non-GAAP Financial Measures

In this presentation, the Partnership's EBITDA and DCF references are not presented in accordance with generally accepted accounting principles ("GAAP") and are not intended to be used in lieu of GAAP presentations of net income. Management of the Partnership believes EBITDA and DCF information enhance an investor's understanding of a business' ability to generate cash for payment of distributions and other purposes. In addition, EBITDA is also used as a measure in the Partnership's revolving credit facilities in determining its compliance with certain covenants. EBITDA and DCF do not represent and should not be considered an alternative to net income or operating income as determined under United States GAAP and may not be comparable to other similarly titled measures of other businesses.

Capitalization

(\$MM)

As of 09/30/10

Debt

| | | |
|-----------------------------------|-----------|----------|
| Senior Notes | 1,100 | fixed |
| Loan from Sunoco, Inc. | 100 | floating |
| \$395 MM Revolver (matures 2012) | 119 | floating |
| \$62.5 MM Revolver (matures 2011) | <u>31</u> | floating |
| Total Debt* | 1,350 | |

Equity

| | |
|--------------------------|-----------|
| Limited Partners | 932 |
| General Partner | <u>28</u> |
| Total Partners' Capital | 960 |
| Non-Controlling Interest | <u>78</u> |
| Total Equity** | 1,038 |

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

*Excludes unamortized bond discount of (\$2MM)

**Excludes accumulated other comprehensive loss (\$2MM)

Refined Products Pipeline System

- Twelve months ended September 30, 2010 revenue of \$138 million
 - 17% 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%)
 - West Shore (17.1%)
 - Wolverine (31.5%)
 - Yellowstone (14.0%)

Terminal Facilities

- Twelve months ended September 30, 2010 revenue of \$225 million
 - 35% of last twelve months EBITDA
- Nederland, TX Crude Oil Terminal Facilities
 - One of the largest on shore crude facilities in U.S.
 - 20 million barrel capacity currently
- 41 active Refined Products Pipeline System Terminals located in 10 states
- 1 million barrel Inkster, MI Terminal: LPG storage
- Refinery Terminal Facilities
 - 5.5 million barrel capacity
 - Service Sunoco's Philadelphia area refineries
- Total Crude Oil terminal capacity of approximately 23 million barrels
- Total Refined Products terminal capacity of approximately 10 million barrels

Crude Oil Pipeline System

- Twelve months ended September 30, 2010 revenue of \$7.0 billion
48% of last twelve months EBITDA
- Lease Crude Acquisition
 - Buy/Sell domestic lease crude oil
- Approximately 4,900 miles of crude oil trunk lines in Oklahoma and Texas
 - Approximately 500 miles of gathering lines
- 60.3% controlling interest in West Texas Gulf Pipeline, a 580-mile crude oil pipeline
- 91.0% controlling interest in Mid-Valley Pipeline, a 990-mile crude oil pipeline

Transaction History (\$888MM Since IPO)

- November 2002 ■ Joint-venture interests in 3 product pipelines from Unocal, for \$54MM
 - Wolverine (31.5%), West Shore (9.2%), and Yellowstone (14.0%)
- November 2002 ■ Joint-venture interest from Sunoco/ Unocal in West Texas Gulf for \$11MM
- September 2003 ■ Additional joint-venture interest in West Shore Pipeline Company for \$4MM increasing ownership from 9.2% to 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^{rds}
- November 2004 ■ Columbus, Ohio product terminal facilities from Certified Oil for \$8MM
- August 2005 ■ Texas crude oil pipeline system from ExxonMobil for \$100MM
- December 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

Transaction History (\$888MM Since IPO), Continued

- 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
- September 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
- July 2010 ■ Butane blending business from Texon L.P. for \$140MM plus inventory for a total of \$152MM
- Additional joint-venture interest in West Shore Pipe Line Company from British Petroleum for \$7MM increasing ownership interest from 12.3% to 17.1%
- Additional joint-venture interest in Mid-Valley Pipeline Company from British Petroleum for \$58MM increasing ownership interest from 55.3% to 91.0%
- August 2010 ■ Additional joint-venture interests in West Texas Gulf Pipe Line Company from British Petroleum for \$27MM increasing ownership interest from 43.8% to 60.3%

Joint Venture Ownership

| Explorer* | | West Shore | | Wolverine | |
|------------------------|--------------|------------------------|--------------|-------------------|--------------|
| Shell | 36.0% | Buckeye | 34.6% | ExxonMobil | 36.2% |
| Marathon | 17.4% | Shell | 18.9% | SXL | 31.5% |
| Chevron | 16.6% | Citgo | 18.4% | Shell | 17.2% |
| Conoco Phillips | 13.8% | SXL | 17.1% | Citgo | 9.5% |
| SXL | 9.4% | ExxonMobil | 11.0% | Marathon | 5.6% |
| American Capital Group | 6.8% | | | | |
| | | | | | |
| West Texas Gulf | | Yellowstone | | Mesa | |
| SXL | 60.3% | Conoco Phillips | 46.0% | Plains | 63.0% |
| Chevron | 28.3% | ExxonMobil | 40.0% | SXL | 37.0% |
| Citgo | 11.4% | SXL | 14.0% | | |
| | | | | | |
| Mid-Valley | | Harbor | | | |
| SXL | 91.0% | SXL | 66.7% | | |
| Chevron | 9.0% | Conoco Phillips | 33.3% | | |

Bold - denotes operator

***Operated by Explorer's management team**

Sunoco Logistics Partners L.P.

SEPTEMBER 30, 2010

