

ENERGY TRANSFER PARTNERS, L.P. AND SUNOCO LP RETAIL DROP DOWN

November 16, 2015

SUNOCO LP



ENERGY TRANSFER

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FORWARD-LOOKING STATEMENTS AND NON-GAAP MEASURES



Some of the statements in this presentation constitute “forward-looking statements” about Sunoco LP (“SUN”), Energy Transfer Equity, L.P. (“ETE”), Energy Transfer Partners, L.P. (“ETP”), and their respective affiliates that involve risks, uncertainties and assumptions, including, without limitation, our discussion and analysis of our financial condition and results of operations and our expectations regarding the acquisition of ETP’s remaining wholesale fuel and retail assets (the “Retail Acquisition”). These forward-looking statements generally can be identified by use of phrases such as “believe,” “plan,” “expect,” “anticipate,” “intend,” “forecast” or other similar words or phrases in conjunction with a discussion of future operating or financial performance. Descriptions of SUN’s, ETE’s, ETP’s and their respective affiliates’ objectives, goals, targets, plans, strategies, costs, anticipated capital expenditures, expected cost savings, potential acquisitions and related financial projections are also forward-looking statements. These statements represent present expectations or beliefs concerning future events and are not guarantees. Such statements speak only as of the date they are made, and we do not undertake any obligation to update any forward-looking statement.

We caution that forward-looking statements involve risks and uncertainties and are qualified by important factors that could cause actual events or results to differ materially from those expressed or implied in any such forward-looking statements. For a discussion of these factors and other risks and uncertainties, please refer to SUN’s, ETE’s and ETP’s filings with the Securities and Exchange Commission (the “SEC”), including those contained in SUN’s 2014 Annual Report on Form 10-K and Quarterly Reports on Form 10-Q which are available at the SEC’s website at www.sec.gov.

This presentation includes certain projections that assume that the proposed Retail Acquisition will be completed. The Retail Acquisition is expected to close in Q1 2016 and will be subject to customary closing conditions. The PIPE financing referenced herein is not contingent upon the closing of the Retail Acquisition.

This presentation includes certain non-GAAP financial measures as defined under SEC Regulation G. A reconciliation of those measures to the most directly comparable GAAP measures is provided in the appendix to this presentation. We define EBITDA as net income before net interest expense, income tax expense and depreciation and amortization expense. Adjusted EBITDA further adjusts EBITDA to reflect certain other non-recurring and non-cash items. Distributable cash flow represents Adjusted EBITDA less cash interest expense, cash tax expense, maintenance capital expenditures, and other non-cash adjustments.

DROPDOWN OF REMAINING WHOLESALE FUEL AND RETAIL ASSETS COMPLETES SUN'S TRANSFORMATION



- This transaction completes the transformative dropdown strategy by Energy Transfer Partners, L.P. (“ETP”):
 - ETP’s Acquisition of Susser Holdings Corp. (“SUSS”) closed on August 29, 2014
 - The first dropdown from ETP, Mid Atlantic Convenience Stores (“MACS”) and Tigermarket for \$768 million of cash and LP units, closed on October 1, 2014
 - The second dropdown from ETP, a 31.58% interest in the Sunoco, LLC wholesale business for \$816 million of cash and LP units, closed on April 1, 2015
 - The third dropdown from ETP, a 100% interest in the Susser Holdings retail business for \$1.9 billion of units and cash, closed on August 1, 2015
 - ETP will sell its remaining wholesale fuel and retail assets for a total purchase price of \$2,226 million
- \$5.7 billion of dropdowns completed in just over 13 months
 - ETP has publicly announced its intention to retain ~44 million SUN units (46% LP interest)
- This last transaction will be funded through \$2.035 billion funded by a Term Loan A and a \$750 million equity private placement
 - Consideration structure designed to maintain integrity of SUN’s credit ratings
- ETP to receive \$2.2 billion in cash (including assumed level of working capital)

This transaction will complete SUN's transformation into one of the leading wholesale fuel and retail marketing platforms in the country with tremendous scale and diversity of supply and geography

DROPDOWN OF REMAINING WHOLESALE FUEL AND RETAIL ASSETS COMPLETES SUN'S TRANSFORMATION



- SUN continues its integration process and expects to execute this last dropdown seamlessly
 - ETP completed the GP / IDR exchange with ETE in July
 - SUN is now deconsolidated by ETP and for financial reporting purposes is consolidated by ETE
- The transaction benefits SUN unitholders by providing additional scale, geographic and asset diversity, increasing pro forma EBITDA
- SUN's credit profile has already materially improved in just the past several months and will continue to strengthen as it continues to expand and diversify
 - Significantly increased liquidity with little drawn on \$1.5 billion revolving credit facility
- No additional equity financing is required by SUN in 2016
- Anticipate closing transaction in Q1 2016

Transaction is immediately accretive to distributable cash flow and distributions for SUN



OVERVIEW OF THE DROPDOWN TRANSACTION

- The transaction contemplates a total purchase price of \$2,226 million for a 68.42% interest in Sunoco, LLC (wholesale business) and 100% interest in Sunoco R&M (retail marketing business)
 - Implied 2015 estimated EBITDA multiple of ~8.5x
 - Cash portion funded with a ~\$2.035 billion Term Loan A
 - ETP will receive value for the working capital at closing
- SUN is issuing common units in an equity private placement fully subscribed by 3rd party institutional investors (for \$685.5 million) and ETE (for \$64.5 million)
 - \$750 million of net proceeds
 - Proceeds from the private placement will be used to repay SUN revolver balance
- Assumes closing of the private placement on December 3, 2015, prior to closing of dropdown transaction
- The dropdown transaction is expected to be immediately accretive to SUN to both DCF and distributions per unit for 2016 and beyond

Sources (\$mm)	
Term Loan A	\$2,035
SUN Units Issued to ETP	194
Equity Private Placement	750
SUN Revolver Draw	175
Total Sources	\$3,154

Uses (\$mm)	
Payment to ETP	\$2,200
SUN Units Issued to ETP	194
Paydown Revolver	750
Transaction Expenses	10
Total Uses	\$3,154



SENIOR SECURED TERM LOAN CREDIT FACILITY

Summary Terms

Borrower	Sunoco LP (NYSE: SUN)
Facility Size	\$2,035 million
Use of Proceeds	To fund a portion of the acquisition consideration and to pay transaction costs
Maturity	October 1, 2019
Ranking / Collateral	Pari passu with existing revolver
Collateral Release Date	Collateral shall be automatically released upon the Borrower obtaining an investment grade rating
Pricing	Leverage based grid consistent with SUN's existing revolver (L+150 to L+250); switches to ratings based grid upon investment grade rating
Amortization	None
Covenants	Substantially the same as the existing revolver
Takeout Fee	Ratings based grid (62.5 bps to 100 bps)
Commitment Fee	62.5 bps
Upfront Fee	25 bps
Ticking Fee	25 bps after 90 days
Agent	Credit Suisse AG
Joint Lead Bookrunners & Joint Lead Arrangers	Credit Suisse Securities (USA) LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Compass Bank, Mizuho Bank, Ltd., TD Securities (USA) LLC

- \$2,035 million Senior Secured Term Loan Credit Facility provides certainty of capital at very attractive pricing levels
- Fully underwritten facility provided by core SUN relationship banks
- Extremely limited conditionality, including
 - Dropdown consummated in accordance with the Contribution Agreement
 - Receipt of net proceeds of \$750 million under the equity private placement
 - Customary deliverables



TRANSACTION COMPLETES SUN'S TRANSFORMATION

August 29, 2014: ETP acquired Susser Holdings ("Susser"), announced plan to drop Susser and Sunoco Inc. businesses into SUN

September 25, 2014: SUN closed a new 5-year, \$1.25 billion Credit Facility. April 10, 2015: SUN amended its Credit Facility and expanded aggregate credit commitments from \$1.25 billion to \$1.5 billion

October 1, 2014: SUN acquired Mid-Atlantic Convenience Stores from ETP in the first of the drop downs in a transaction valued at ~\$768 million

October 21, 2014: SUN launched an equity offering of 9.1 million common units (incl. underwriters' overallotment option) raising a net \$406 million

December 16, 2014: SUN acquired Honolulu-based Aloha Petroleum for approximately \$267 million in cash

April 1, 2015: SUN acquired a 31.58% equity interest in Sunoco LLC (the entity that owns Sunoco's legacy fuel distribution business) from ETP for ~\$816 million, which was primarily funded utilizing net proceeds from a \$800 million senior notes offering

July 31, 2015: SUN acquired 100% of the outstanding capital stock of Susser Holdings Corporation from ETP for ~\$1.9 billion, funded through equity to ETP, borrowings under its revolving credit facility and the proceeds of a senior notes offering

Contemplated drop down of remaining wholesale fuel and retail assets creates pure-play retail and marketing MLP within the Energy Transfer complex



SUMMARY SUNOCO LP STRATEGY



Stability

- Significant amount of long-term fuel supply agreements
- Historical stability of fuel margins
 - Fuel margins are not commodity price sensitive and have been resilient across economic and commodity cycles
- Strong and resilient industry fundamentals
- Large-cap investment grade sponsor
- Significant real estate value
- Prudent investment to drive organic growth



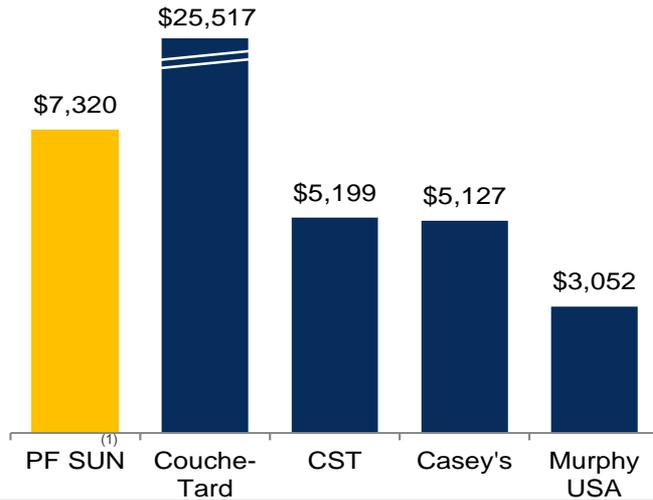
Visible Growth

- Ability to pursue combined retail / wholesale asset acquisitions in highly attractive markets
- Organic expansion of convenience store and wholesale business
- Financial capacity to execute long-term growth strategy

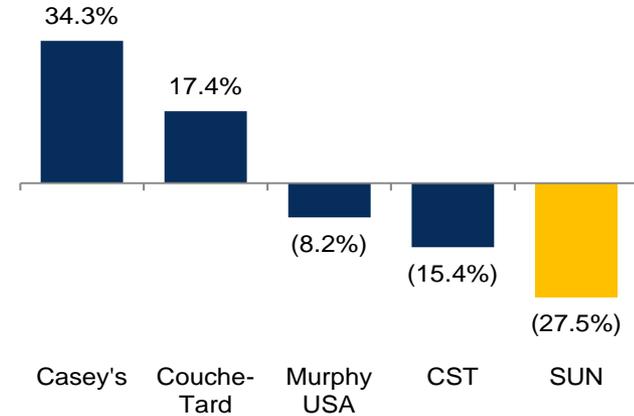
THE COMBINED PLATFORM IS ONE OF THE LEADING RETAIL PLATFORMS



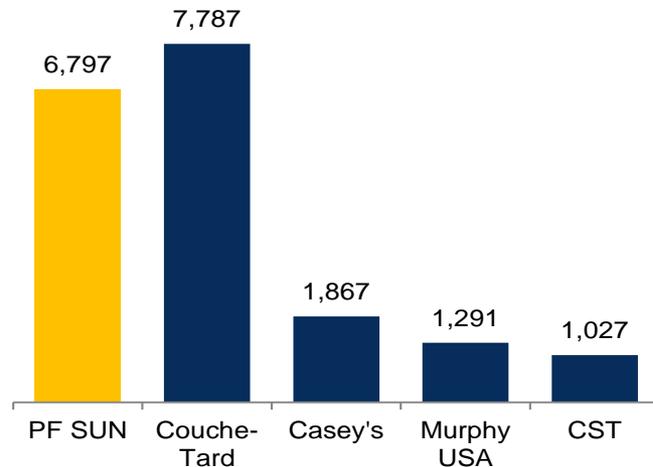
Enterprise Value (\$mm)



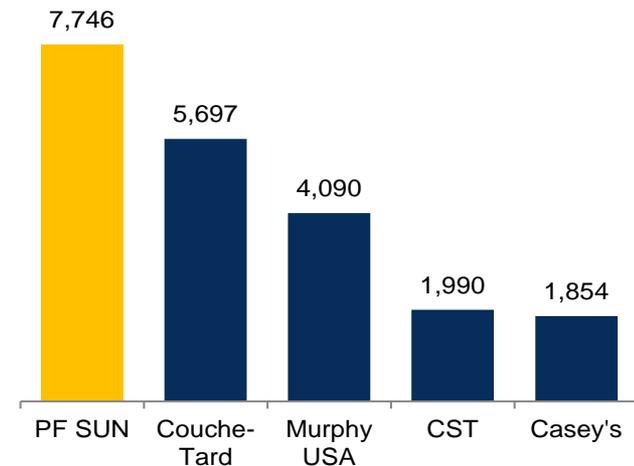
LTM Price Performance



Sites⁽²⁾



LTM Total Fuel Sales (mm gallons)⁽³⁾



Source: Company filings, Wall Street research, and market data as of 11/13/2015.

(1) Pro forma Enterprise Value includes \$944mm of incremental equity capitalization and \$1,460mm of incremental debt.

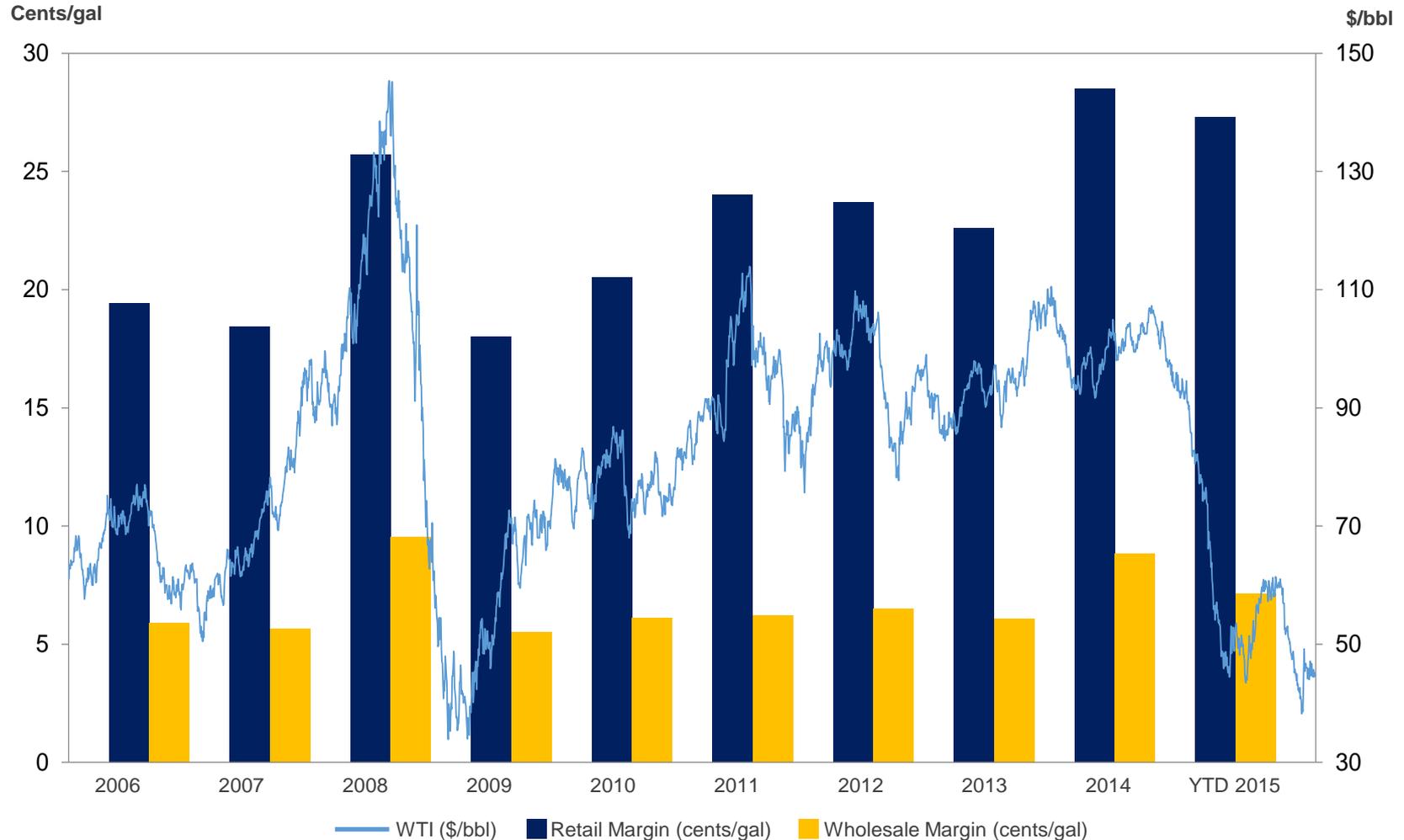
(2) CST excludes non-US sites.

(3) Couche-Tard and CST fuel sales exclude non-US business.

SUN PRO FORMA WHOLESALE AND RETAIL MARGINS ARE RESILIENT THROUGH COMMODITY CYCLES



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Note: Wholesale Margin includes Affiliated Margins. Both Wholesale and Retail Margins reflect existing SUN business pro forma for acquisition of 100% of Sunoco, LLC and Sunoco R&M.

FULLY CONSOLIDATED SUN PRESENTS COMPELLING ARRAY OF INVESTMENT HIGHLIGHTS



Leading Position in an Attractive Industry

- SUN owns and represents some of the most iconic brands in the motor fuels industry
- Industry wide non-fuel retail sales are strong and growing
- Efficient distribution and marketing channels in high-growth markets

Strong Track Record of Stable Cash Flows

- SUN's fuel margins are not commodity price sensitive and have been resilient across numerous economic and commodity cycles
- Channel and geographic diversity has increased the stability of cash flows in the retail gasoline business
- The Stripes brand has demonstrated 26 years of same-store merchandise sales growth

Diversified Business and Geography Mitigate Risk and Volatility

- Diversified sales channels, long-term fee based contracts and significant real estate holdings represent a wide mix of revenue and provide an attractive business risk profile
- After the Sunoco, LLC drop, SUN has rapidly increased its presence into 30 states
- Following the Susser Holdings Corporation drop, SUN has diversified through an expansion of a fast growing retail division

Unique and Highly Visible Growth Plan to Further Augment Scale and Diversity

- The pending dropdown of the remaining ETP retail business is expected to significantly expand SUN's scale and provide further geographic diversity
- SUN is focused on both organic growth and growth through acquisitions

Strong and Experienced Management Team with a Proven Track Record of Success

- Senior management has an average of more than 24 years of combined retail and wholesale experience
- The SUN and ETP retail businesses are currently operated as a single platform under one management team

Supportive and Dedicated General Partner

- ETP remains the largest LP owner (46%)
- ETE subscribed for SUN units to ensure a full take up of the equity private placement
- ETP and ETE are strongly supportive of SUN