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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): April 29, 2012**

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**ENERGY TRANSFER PARTNERS, L.P.**

(Exact name of Registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**1-11727**  
(Commission  
File Number)

**73-1493906**  
(IRS Employer  
Identification Number)

**3738 Oak Lawn Avenue Dallas, TX 75219**  
(Address of principal executive offices, including zip code)

**(214) 981-0700**  
(Registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 7.01. Regulation FD Disclosure.**

On April 30, 2012, Energy Transfer Partners, L.P. (“ETP”) and Sunoco, Inc. (“Sunoco”) issued a joint press release announcing that the two companies have entered into a definitive merger agreement pursuant to which ETP will acquire Sunoco for \$5.3 billion. Under the terms of the merger agreement, which has been unanimously approved by the boards of directors of both companies, Sunoco shareholders can elect to receive, for each Sunoco common share they own, either \$50.00 in cash, 1.0490 ETP common units or a combination of \$25.00 in cash and 0.5245 ETP common units. The aggregate cash paid and common units issued will be capped so that the cash and common units will each represent approximately 50% of the aggregate consideration. Elections in excess of the cash or common unit limits will be subject to proration.

Additionally, in the press release, ETP and Sunoco announced a joint investor call for the same date at 8:30 a.m. (ET) to discuss the merger. The dial-in number for the call is (888) 390-0918 in the United States, or (415) 228-4586 outside the United States. The participant code is ETPSUN. ETP and Sunoco also expect to make a joint investor presentation concerning the merger.

Copies of the joint press release and the investor presentation are furnished herewith as Exhibit 99.1 and Exhibit 99.2, respectively, and are incorporated herein by reference. Interested parties can also review the investor presentation by visiting ETP’s web site at: <http://www.energytransfer.com> under “Presentations.”

In accordance with General Instruction B.2 of Form 8-K, the information set forth in this Item 7.01 and in the attached Exhibits 99.1 and 99.2 shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

**Item 8.01 Other Events.**

To the extent required, the information included in Item 7.01 of this Form 8-K is incorporated into this item 8.01.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description of the Exhibit</u>
99.1	Joint Press Release dated April 30, 2012.
99.2	Investor Presentation dated April 30, 2012.

**IMPORTANT ADDITIONAL INFORMATION WILL BE FILED WITH THE SEC**

In connection with the proposed business combination transaction between ETP and Sunoco, ETP plans to file with the U.S. Securities and Exchange Commission (the “SEC”) a registration statement on Form S-4 that will contain a proxy statement/prospectus to be mailed to the Sunoco shareholders in connection with the proposed transaction. THE REGISTRATION STATEMENT AND THE PROXY STATEMENT/PROSPECTUS WILL CONTAIN IMPORTANT INFORMATION ABOUT ETP, SUNOCO, THE PROPOSED TRANSACTION AND RELATED MATTERS. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE PROXY/PROSPECTUS CAREFULLY WHEN THEY BECOME AVAILABLE. Investors and security holders will be able to obtain free copies of the registration statement and the proxy statement/prospectus and other documents filed with the SEC by ETP and Sunoco through the web site maintained by the SEC at [www.sec.gov](http://www.sec.gov). In addition, investors and security holders will be able to obtain free copies of the registration statement and the proxy statement/prospectus by phone, e-mail or written request by contacting the investor relations department of ETP or Sunoco at the following:

Energy Transfer Partners, L.P.  
3738 Oak Lawn Ave.  
Dallas, TX 75219  
Attention: Investor Relations  
Phone: (214) 981-0795  
Email: [InvestorRelations@energytransfer.com](mailto:InvestorRelations@energytransfer.com)

Sunoco, Inc.  
1818 Market Street, Suite 1500  
Philadelphia, PA 19103  
Attention: Investor Relations  
Phone: (215) 977-6764  
Email: [SunocoIR@sunocoinc.com](mailto:SunocoIR@sunocoinc.com)

## **PARTICIPANTS IN THE SOLICITATION**

ETP and Sunoco, and their respective directors and executive officers, may be deemed to be participants in the solicitation of proxies in respect of the proposed transactions contemplated by the merger agreement. Information regarding directors and executive officers of ETP's general partner is contained in ETP's Form 10-K for the year ended December 31, 2011, which has been filed with the SEC. Information regarding Sunoco's directors and executive officers is contained in Sunoco's definitive proxy statement dated March 16, 2012, which is filed with the SEC. A more complete description will be available in the registration statement and the proxy statement/prospectus.

## **SAFE HARBOR FOR FORWARD-LOOKING STATEMENTS**

Statements in this document regarding the proposed transaction between ETP and Sunoco, the expected timetable for completing the proposed transaction, future financial and operating results, benefits and synergies of the proposed transaction, future opportunities for the combined company, and any other statements about ETP, Energy Transfer Equity, L.P. ("ETE"), Sunoco Logistics Partners, L.P. ("SXL") or Sunoco managements' future expectations, beliefs, goals, plans or prospects constitute forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that are not statements of historical fact (including statements containing the words "believes," "plans," "anticipates," "expects," estimates and similar expressions) should also be considered to be forward looking statements. There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward looking statements, including: the ability to consummate the proposed transaction; the ability to obtain the requisite regulatory approvals, Sunoco shareholder approval and the satisfaction of other conditions to consummation of the transaction; the ability of ETP to successfully integrate Sunoco's operations and employees; the ability to realize anticipated synergies and cost savings; the potential impact of announcement of the transaction or consummation of the transaction on relationships, including with employees, suppliers, customers and competitors; the ability to achieve revenue growth; national, international, regional and local economic, competitive and regulatory conditions and developments; technological developments; capital and credit markets conditions; inflation rates; interest rates; the political and economic stability of oil producing nations; energy markets, including changes in the price of certain commodities; weather conditions; environmental conditions; business and regulatory or legal decisions; the pace of deregulation of retail natural gas and electricity and certain agricultural products; the timing and success of business development efforts; terrorism; and the other factors described in the Annual Reports on Form 10-K for the year ended December 31, 2011 filed with the SEC by ETP, ETE, SXL and Sunoco. ETP, ETE, SXL and Sunoco disclaim any intention or obligation to update any forward looking statements as a result of developments occurring after the date of this document.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Energy Transfer Partners, L.P.**

By: Energy Transfer Partners GP, L.P.,  
its general partner

By: Energy Transfer Partners, L.L.C.,  
its general partner

By: /s/ Martin Salinas, Jr.  
Martin Salinas, Jr.  
Chief Financial Officer

Date: April 30, 2012

**EXHIBIT INDEX**

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## ENERGY TRANSFER PARTNERS TO ACQUIRE SUNOCO IN \$5.3 BILLION TRANSACTION

**Creates One of the Largest and Most Diversified Energy Partnerships in the U.S.**

**Expands ETP's Geographic Footprint and Markedly Strengthens its Presence in Crude Oil, NGLs and Refined Products Transportation, Terminalling, and Logistics**

**Expected to be Immediately Accretive to Distributable Cash Flow of ETP**

**DALLAS AND PHILADELPHIA, April 30, 2012** — **Energy Transfer Partners, L.P.** (NYSE: ETP) and **Sunoco, Inc.** (NYSE: SUN) today announced that they have entered into a definitive merger agreement whereby ETP will acquire Sunoco in a unit and cash transaction valued at \$50.13 per share, or a total consideration of approximately \$5.3 billion, based on ETP's closing price on April 27, 2012. This combination will create one of the largest and most diversified energy partnerships in the country by expanding ETP's geographic footprint and strengthening its presence in the transportation, terminalling and logistics of crude oil, NGLs and refined products.

The merger consideration, which consists of \$25 in cash and 0.5245 of an ETP common unit, or approximately 50 percent cash and 50 percent ETP common units, represents a 29 percent premium to the 20-day average closing price of Sunoco shares as of April 27, 2012. By acquiring Sunoco, ETP will also own Sunoco's general partner interest and the incentive distribution rights (IDRs) in Sunoco Logistics Partners (NYSE: SXL), as well as Sunoco's 32.4 percent interest in Sunoco Logistics Partners' limited partner units and Sunoco's branded retail business, which generates additional stable cash flows from a portfolio of approximately 4,900 retail locations in the U.S.

"This transaction, which will be immediately accretive, represents the next step in Energy Transfer Partners' transformation into a more diversified enterprise with an integrated and expanded footprint," said Kelcy Warren, ETP's chief executive officer and chairman of the board of directors. "As we have said in the past year, our goal is to derive more of our distributable cash flow from the transportation of heavier hydrocarbons like crude oil, NGLs, and refined

products. With this transaction, we make a major move in that direction, bringing our cash flow mix related to the combined enterprise's pipeline businesses to approximately 70 percent natural gas and 30 percent heavier hydrocarbons. At the same time, we will enhance the size and scale of the ETP platform by creating new service capabilities and entering new geographic operating areas."

"This transaction will enable Sunoco's businesses to realize their full potential by becoming an important part of a diversified leader in the energy industry," said Brian P. MacDonald, Sunoco's president and chief executive officer. "In addition, it delivers an attractive premium to our shareholders, while enabling them to participate in the future growth of the business. The combination with ETP provides substantial future value-creation opportunities for Sunoco shareholders and ETP unitholders alike."

Commenting further, MacDonald said, "ETP recognizes that the steady, ratable cash flows that our logistics and retail businesses generate are backed by great assets, deep expertise, and the potential for future growth. ETP has an interest in growing its Marcellus Shale-related activity, and I am pleased that the combined enterprise will retain a strong Pennsylvania presence."

#### **Other Transaction Details**

Under the terms of the merger agreement, which has been unanimously approved by the boards of directors of both companies, Sunoco shareholders can elect to receive, for each Sunoco common share they own, either \$50.00 in cash, 1.0490 ETP common units or a combination of \$25.00 in cash and 0.5245 ETP common units. The aggregate cash paid and common units issued will be capped so that the cash and common units will each represent 50 percent of the aggregate consideration. The cash elections and common unit elections will be subject to proration to satisfy this cap. Upon closing, Sunoco shareholders are expected to own approximately 20 percent of ETP common units. In addition, \$965 million of Sunoco's existing notes will remain outstanding.

In conjunction with the transaction, Energy Transfer Equity, L.P. (NYSE: ETE), the owner of Energy Transfer Partners' general partner, has agreed to relinquish its right to approximately \$210 million of incentive distributions from ETP that it would otherwise be entitled to receive over 12 consecutive quarters following the closing of the transaction.

Sunoco's logistics and retail businesses will continue to maintain headquarters in the Philadelphia area consistent with their current operating presence. In addition, under the merger agreement, Sunoco will continue its plans for exiting its refining business as previously announced, as well as continue its plans for the proposed refinery joint venture being discussed by Sunoco and The Carlyle Group.

#### **Combined Corporate Structure**

The transaction has been approved by each company's board of directors and is expected to close in the third or fourth quarter of 2012, subject to approval of Sunoco shareholders and customary regulatory approvals. Following the closing, Sunoco and Sunoco Logistics Partners will operate under the Energy Transfer Equity, L.P. umbrella of companies. By acquiring Sunoco, ETP will own Sunoco's general partner interest, limited partner interest and the incentive distribution rights in Sunoco Logistics Partners.

Sunoco Logistics Partners will continue to be traded on the NYSE as a separate publicly traded MLP.

#### **Advisors**

Wells Fargo Securities, LLC acted as exclusive financial advisor to ETP, while Latham & Watkins LLP, Bingham McCutchen LLP and Morris, Nichols Arsht and Tunnell LLP acted as legal counsel.

Credit Suisse Securities (USA) LLC acted as exclusive financial advisor to Sunoco and Wachtell, Lipton, Rosen & Katz acted as legal counsel.

#### **Conference Call**

ETP and Sunoco will host a conference call today at 8:30 a.m. EDT (7:30 a.m. CDT) to discuss the transaction details. The dial-in number for the call is 888-390-0918 in the United States, or 415-228-4586 outside the United States. The participant pass code is ETPSUN. The call will also be available for replay on ETP's and SUN's websites for a limited time.

**Energy Transfer Partners, L.P. (NYSE:ETP)** is a publicly traded partnership owning and operating a diversified portfolio of energy assets. ETP has pipeline operations in Alabama, Arizona, Arkansas, Colorado, Florida, Louisiana, Mississippi, New Mexico, Utah and West

Virginia and owns the largest intrastate pipeline system in Texas. ETP currently has natural gas operations that include approximately 23,500 miles of gathering and transportation pipelines, treating and processing assets, and three storage facilities located in Texas. ETP also holds a 70 percent interest in Lone Star NGL, a joint venture that owns and operates NGL storage, fractionation and transportation assets in Texas, Louisiana and Mississippi. ETP's general partner is owned by ETE. For more information, visit the Energy Transfer Partners, L.P. website at [www.energytransfer.com](http://www.energytransfer.com).

**Energy Transfer Equity, L.P. (NYSE:ETE)** is a publicly traded partnership, which owns the general partner and 100 percent of the incentive distribution rights (IDRs) of Energy Transfer Partners, L.P. (NYSE:ETP) and approximately 52.4 million ETP limited partner units; and owns the general partner and 100 percent of the IDRs of Regency Energy Partners LP (NYSE:RGP) and approximately 26.3 million RGP limited partner units. ETE is also the parent of Southern Union Company. The ETE family of companies owns approximately 45,000 miles of natural gas and natural gas liquids pipelines. For more information, visit the Energy Transfer Equity, L.P. web site at [www.energytransfer.com](http://www.energytransfer.com).

**Sunoco, Inc. (NYSE: SUN)** is a leading logistics and retail company. The company owns the general partner interest of Sunoco Logistics Partners L.P., which consists of a two percent ownership interest and incentive distribution rights, and owns a 32.4 percent interest in the Partnership's limited partner units. Sunoco Logistics Partners L.P. is an owner and operator of complementary pipeline, terminal and crude oil acquisition and marketing assets. Sunoco also has a network of approximately 4,900 retail locations in 23 states.

**Sunoco Logistics Partners L.P. (NYSE: SXL)**, headquartered in Philadelphia, is a master limited partnership that owns and operates a logistics business consisting of a geographically diverse portfolio of complementary pipeline, terminalling and crude oil acquisition and marketing assets. The Refined Products Pipelines consist of approximately 2,500 miles of refined products pipelines located in the northeast, midwest and southwest United States, and equity interests in four refined products pipelines. The Crude Oil Pipelines consist of approximately 5,400 miles of crude oil pipelines, located principally in Oklahoma and Texas. The Terminal Facilities consist of approximately 42 million shell barrels of refined products and crude oil terminal capacity (including approximately 22 million shell barrels of capacity at the Nederland Terminal on the Gulf Coast of Texas and approximately 5 million shell barrels of capacity at the Eagle Point terminal on the banks of the Delaware River in New Jersey). The Crude Oil Acquisition and Marketing business involves the acquisition and marketing of crude oil and is principally conducted in Oklahoma and Texas and consists of approximately 190 crude oil transport trucks and approximately 120 crude oil truck unloading facilities.

#### **IMPORTANT ADDITIONAL INFORMATION WILL BE FILED WITH THE SEC**

In connection with the proposed business combination transaction between Energy Transfer Partners, L.P. ("ETP") and Sunoco, Inc. ("Sunoco"), ETP plans to file with the U.S. Securities and Exchange Commission (the "SEC") a registration statement on Form S-4 that will contain a proxy statement/prospectus to be mailed to the Sunoco shareholders in connection with the proposed transaction. **THE REGISTRATION STATEMENT AND THE PROXY STATEMENT/PROSPECTUS WILL CONTAIN IMPORTANT INFORMATION ABOUT ETP, SUNOCO, THE PROPOSED TRANSACTION AND RELATED MATTERS. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE PROXY/PROSPECTUS CAREFULLY WHEN THEY BECOME AVAILABLE.** Investors and security holders will be able to obtain free copies of the registration statement and

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Energy Transfer Partners, L.P.

3738 Oak Lawn Ave.

Dallas, TX 75219

Attention: Investor Relations

Phone: (214) 981-0795

E-mail: [InvestorRelations@energytransfer.com](mailto:InvestorRelations@energytransfer.com)

Sunoco, Inc.

1818 Market Street, Suite 1500

Philadelphia, PA 19103

Attention: Investor Relations

Phone: (215) 977-6764

E-mail: [SunocoIR@sunocoinc.com](mailto:SunocoIR@sunocoinc.com)

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**Contact Details**

For Energy Transfer Partners, L.P.:

Brent Ratliff (investors): 214-981-0700

Mark Palmer (media): 214-254-3790

Vicki Granado (media): 214-599-8785

For Sunoco, Inc.:

Clare McGrory (investors): 215-977-6764

Thomas Golembeski (media): 215-977-6298



**Energy Transfer Partners, L.P.  
Acquisition of Sunoco, Inc.**

April 30, 2012 | Investor Presentation



# Legal Disclaimer



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Energy Transfer Partners, L.P.

3738 Oak Lawn Ave.

Dallas, TX 75219

Attention: Investor Relations

Phone: (214) 981-0795

E-mail: [InvestorRelations@energytransfer.com](mailto:InvestorRelations@energytransfer.com)

Sunoco, Inc.

1818 Market Street, Suite 1500

Philadelphia, PA 19103

Attention: Investor Relations

Phone: (215) 977-6764

E-mail: [SunocoIR@sunocoinc.com](mailto:SunocoIR@sunocoinc.com)

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# A Compelling Strategic Transaction



- Energy Transfer Partners, L.P. (“ETP”) will acquire 100% of Sunoco, Inc.’s (“SUN”) outstanding common stock for \$50.13 per share (\$5.3 billion)
- Creates a “best in class” natural gas, crude oil, NGLs and refined product logistics platform
  - Provides customers with a full suite of capabilities in key geographic locations across the U.S.
  - Diversifies ETP’s existing natural gas and NGL infrastructure assets into crude oil and refined products transportation, terminalling and logistics
  - Provides a growth engine for ETP through ownership of the Sunoco Logistics Partners L.P. (“SXL”) general partner, incentive distribution rights (“IDRs”) and 32.4% limited partner interests
  - Combination with Energy Transfer platform dramatically expands scale, operational diversity and geographic footprint of SUN and SXL, enabling businesses to fully deliver on potential
- Accretive to ETP cash flow both immediately and over the long-term, while providing SUN shareholders increased value now and into the future
  - Allows SUN shareholders continued participation in potential upside from synergies and complementary organic growth projects
- Key SUN and SXL management to remain and continue to run businesses and oversee integration

**Transaction provides immediate accretion and furthers ETP’s long-term initiative to enhance the services provided to customers while expanding its fee-based tariff / margin business mix**



# ETP Has Rapidly Evolved Into a Diversified Energy Logistics Company



- ETP has undertaken several initiatives to diversify its business with an emphasis on fee-based opportunities that expand the services provided to customers
- The acquisition of LDH Energy Asset Holdings LLC ("LDHE") in 2011 increased the fee-based services ETP could provide to customers by offering NGL solutions from wellhead to fractionator
- The acquisition of SUN further positions ETP as a diversified midstream company that provides services across the entire midstream value chain

2004 – 2007	2008 – 2009	2010 – 2011	2012
<ul style="list-style-type: none"> <li>■ Acquired TUFCO Pipeline, Houston Pipeline and Transwestern Interstate Pipeline</li> <li>■ Completed the first 42-inch diameter natural gas pipeline in the state of Texas in 2007 – Since that time, have completed and placed in service nearly 2,500 miles of large diameter pipe in major U.S. shale plays</li> <li>■ Initiated open season for new interstate gas pipeline, Midcontinent Express Pipeline ("MEP"), a 50/50 joint venture with Kinder Morgan Energy Partners ("KMP")</li> </ul>	<ul style="list-style-type: none"> <li>■ MEP completed and placed in-service</li> <li>■ Completed Phoenix and San Juan projects, expanding Transwestern Pipeline</li> <li>■ Initiated open season for new interstate gas pipeline, Tiger Pipeline</li> <li>■ Initiated open season for new interstate gas pipeline, Fayetteville Express Pipeline ("FEP"), another 50/50 joint venture with KMP</li> </ul>	<ul style="list-style-type: none"> <li>■ FEP and Tiger completed ahead of schedule and significantly under budget</li> <li>■ ETP and Regency acquired LDHE and formed Lone Star NGL JV</li> <li>■ Lone Star NGL JV announced new Mt. Belvieu fractionation plant and West Texas NGL pipeline projects to significantly expand liquids platform</li> <li>■ Expansion of Eagle Ford shale projects with the Rich Eagle Ford Mainline ("REM") pipeline and new processing facility in Jackson County, TX</li> </ul>	<ul style="list-style-type: none"> <li>■ Completed exit from the propane business through contribution to AmeriGas Partners, L.P.</li> <li>■ ETP acquired 50% interest in Citrus, which owns Florida Gas Transmission</li> <li>■ Further announced expansion in liquids-rich Eagle Ford Shale area that includes a second Mt. Belvieu fractionation plant and extensive organic pipeline infrastructure supported by long-term fee-based contracts</li> <li>■ <b>ETP announces acquisition of SUN, creating a "best in class" natural gas, crude oil, NGLs and refined product logistics platform</b></li> </ul>



# Rationale for ETP

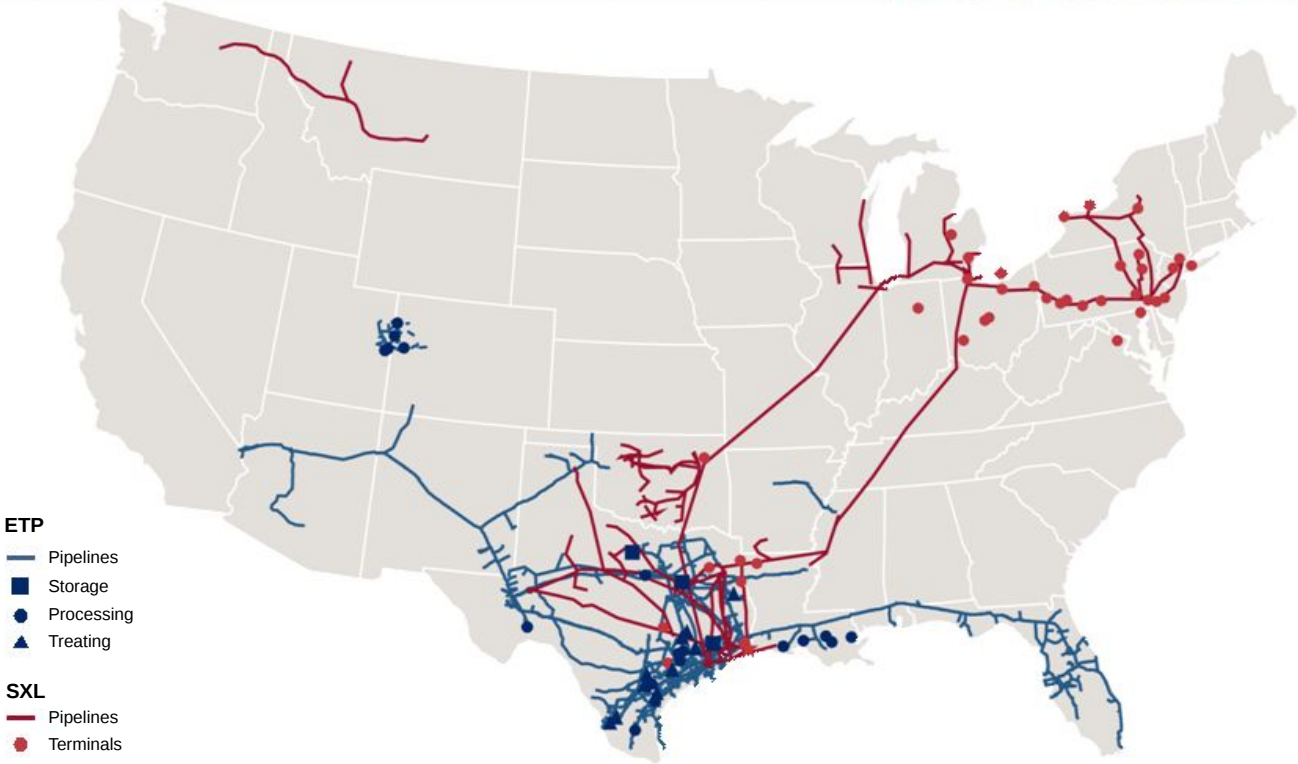


**Our business is “moving hydrocarbons” and the SUN acquisition provides an established and attractive platform to significantly increase our crude oil, refined products and NGL service capability**

- ETP customers' desire for a fully integrated midstream services company is driving this transaction
- Furthers ETP's long-term initiative to expand its business mix and diversify and grow its cash flow
  - ETP will immediately become a leader in the crude oil, refined products and NGLs markets
    - Significant and growing portion of fee-based cash flow derived from these markets
- Enhances the size and scale of the Energy Transfer platform while reinforcing its position as one of the largest MLPs
- Enhances the growth profile of ETP while maintaining investment grade credit metrics
- Complementary asset base provides numerous commercial opportunities anchored by significant inventory of attractive, highly accretive organic growth projects
- Retail business with an iconic brand name provides additional stable cash flow to ETP's overall business mix
- Clear line of sight to the exit of SUN's refining business creates the optimal timing for a transaction
  - SUN will continue pursuing announced potential Carlyle joint venture



# Diversified Energy Logistics Business



- ETP**
  - Pipelines
  - Storage
  - Processing
  - ▲ Treating
- SXL**
  - Pipelines
  - Terminals

The acquisition significantly diversifies ETP's existing infrastructure assets into crude oil and refined products transportation, terminalling and logistics



# Diversified Asset Mix Enhances Credit Profile



## Summary Asset Overview

	Status Quo ETP	SUN & SXL	Pro Forma ETP
<b>Pipelines (miles):</b>			
Natural Gas	21,500	-	21,500
NGL	1,500	40	1,540
Crude Oil	-	5,400	5,400
Refined Products	-	2,500	2,500
<b>Total</b>	<b>23,000</b>	<b>7,940</b>	<b>30,940</b>
<b>Operating Metrics:</b>			
Natural Gas Throughput (Bcfd)	22	-	22
NGL Throughput (Mbbpd)	576	107	683
Crude Oil Throughput (Mbbpd)	-	1,747	1,747
Refined Products Throughput (Mbbpd)	-	522	522
Natural Gas Processing Capacity (MMcfd)	2,662	-	2,662
Natural Gas Treating Capacity (MMcfd)	1,985	-	1,985
Natural Gas Conditioning Capacity (MMcfd)	846	-	846
NGL Processing Capacity (Mbbpd)	176	-	176
Natural Gas Storage (Bcf)	74	-	74
NGL Storage (MMbbl)	33	1	34
Crude Oil Storage (MMbbl)	-	25	25
Refined Products Storage (MMbbl)	-	16	16
<b>Facilities:</b>			
Natural Gas Storage Facilities	3	-	3
NGL Storage Facilities	2	1	3
Crude Oil Storage Facilities	-	4	4
Refined Products Storage Facilities	-	44	44
Natural Gas Process., Treat., Cond. Facilities	35	-	35
NGL Processing Facilities	4	-	4
Retail Marketing Outlets	-	4,900	4,900

Source: Partnership and company filings

Note: Joint venture assets reflective of ownership percentage

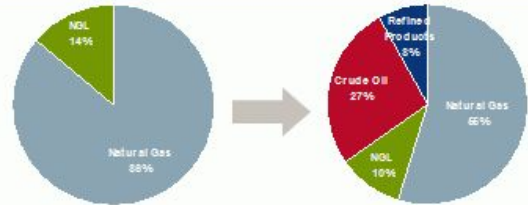
Includes previously announced projects under construction



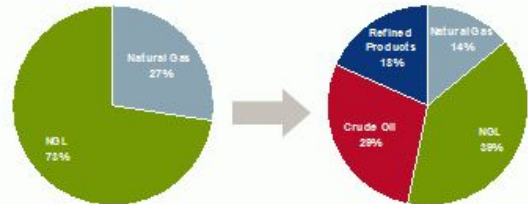
## Pipeline Mileage



## Throughput\*



## Storage Capacity\*



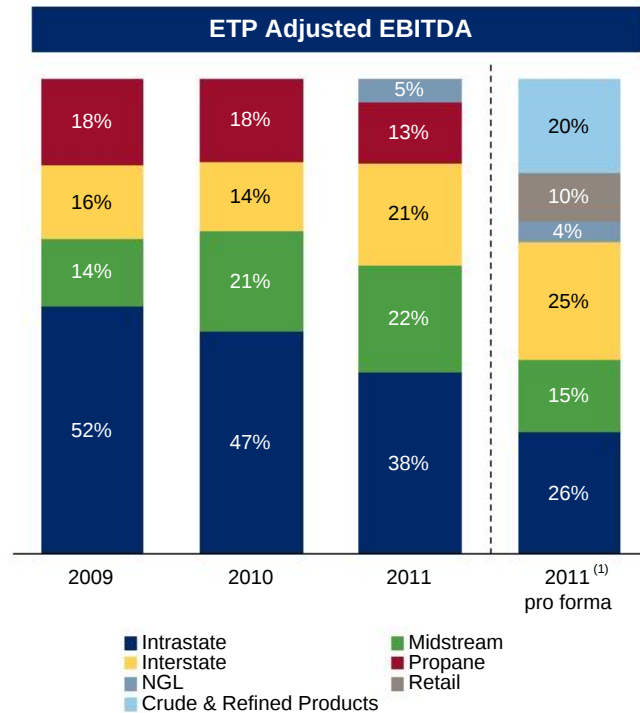
\* Throughput and storage capacity converted on a 6:1 Mcf:Bbl basis



# Diversified Pro Forma Cash Flow



- Acquisition further enhances ETP's long-term initiative to increase fee-based services provided to producers while expanding ETP's business mix and balancing its sources of cash flows
- Inventory of attractive identified organic NGL and crude oil projects at SXL augments ETP's slate of growth projects and provides visibility to meaningful EBITDA growth
  - Pro forma combined 2012 growth capex of ~\$2.2 billion with the vast majority of spending allocated to NGLs, midstream and crude oil projects
- Retail business provides an additional stable segment to ETP's overall business mix



**The acquisition diversifies ETP's business mix and provides an enhanced portfolio of fee-based tariff / margin organic growth opportunities**

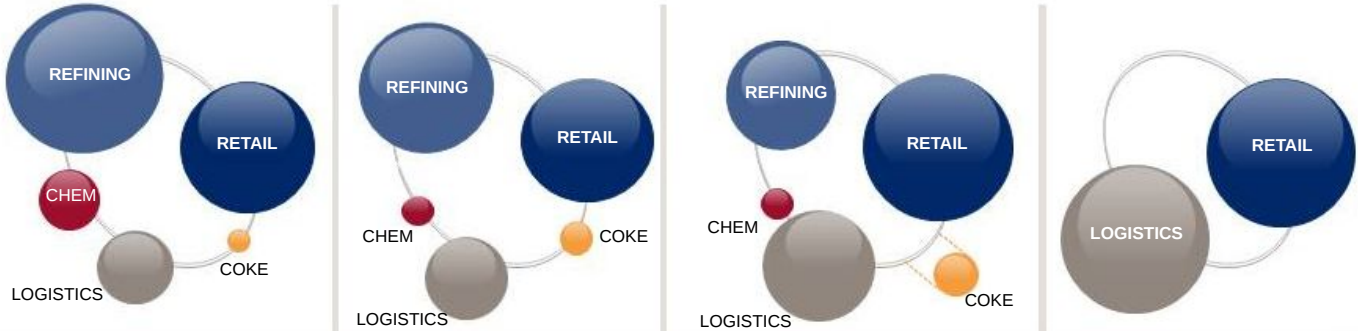


Note: Adjusted EBITDA reconciliation in appendix. ETP adjusted EBITDA excludes "Other".  
 (1) 2011 ETP pro forma for contribution of propane to AmeriGas Partners, L.P. and Citrus acquisition. Excludes distributions from AmeriGas Partners, L.P. Assumes full consolidation of SXL.



ENERGY TRANSFER

# Sunoco Has Become a Logistics Company with a Stable Retail Business



2008 / 2009	2010	2011	2012
<p><b>Chemicals</b></p> <ul style="list-style-type: none"> <li>Bayport plant closed</li> </ul> <p><b>Refining</b></p> <ul style="list-style-type: none"> <li>Tulsa refinery sold</li> <li>Eagle Point refinery permanently idled</li> </ul> <p><b>Retail / Marketing</b></p> <ul style="list-style-type: none"> <li>Fulton ethanol plant purchased</li> <li>Heating oil / propane business sold</li> </ul>	<p><b>Chemicals</b></p> <ul style="list-style-type: none"> <li>Polypropylene business sold</li> </ul> <p><b>Retail / Marketing</b></p> <ul style="list-style-type: none"> <li>Purchased 25 retail locations in NY State</li> </ul>	<p><b>Chemicals</b></p> <ul style="list-style-type: none"> <li>Frankford plant sold</li> <li>Haverhill plant sold</li> </ul> <p><b>Refining</b></p> <ul style="list-style-type: none"> <li>Toledo refinery sold</li> <li>Eagle Point tank farm sold to SXL</li> <li>Marcus Hook refinery permanently idled</li> </ul> <p><b>Retail / Marketing</b></p> <ul style="list-style-type: none"> <li>Expansion into Alabama</li> </ul> <p><b>Coke</b></p> <ul style="list-style-type: none"> <li>Initial public offering</li> </ul>	<p><b>Refining – exit announced</b></p> <ul style="list-style-type: none"> <li>Philadelphia refinery                             <ul style="list-style-type: none"> <li>Potential JV with Carlyle (minority interest, Carlyle to operate, no additional capital required from SUN)</li> <li>If no suitable exit transaction can be reached, expect to idle by August 2012</li> </ul> </li> </ul> <p><b>Coke</b></p> <ul style="list-style-type: none"> <li>Complete spin-off of coke to SUN shareholders</li> </ul> <p><b>Retail / Marketing</b></p> <ul style="list-style-type: none"> <li>Acquired 11 retail locations in Daytona, FL</li> </ul>



# Rationale for SUN and SXL



- Attractive premium with continued participation in potential upside of a well-managed, diversified business
  - Immediately crystallizes shareholder value during a time of transition, with recent full exit from coke and chemicals as well as announced exit from refining business
  - 29.0% premium to the 20-day average SUN closing share price<sup>(1)</sup>
  - 50% cash / 50% unit mix allows shareholders to earn attractive ETP yield (~7.5% based on \$3.575 per unit cash distribution on an annualized basis) with an improved distribution growth profile
- Combination with Energy Transfer platform dramatically expands scale, operational diversity and geographic footprint of SUN and SXL, enabling businesses to fully deliver on potential
- Meaningful commercial and operational synergies with the Energy Transfer family
- Minimal integration risk and disruptions given key SUN and SXL managers will remain
- Key presence to be retained in Philadelphia region

(1) As of April 27, 2012.



# Transaction Overview



- ETP will acquire 100% of SUN's outstanding common stock for \$50.13 per share (\$5.3 billion)
  - 29.0% premium to the 20-day average SUN closing share price<sup>(1)</sup>
  - Acquisition of SUN shares funded with ETP common units (50%) and cash (50%)
  - Consideration consists of \$25.00 of cash and 0.5245x ETP common units per SUN share
    - SUN shareholders can elect cash, ETP common units or a mix of cash and ETP common units, subject to pro-ration
- \$965 million of existing SUN notes (excluding debt at SXL) will remain outstanding
  - No change of control triggered in SUN's existing notes
- Energy Transfer Equity, L.P. ("ETE") to provide a GP subsidy of \$70 million per annum for a period of 3 years to ETP to support the transaction post-closing
- SXL will remain a separate, publicly-traded MLP

(1) As of April 27, 2012.

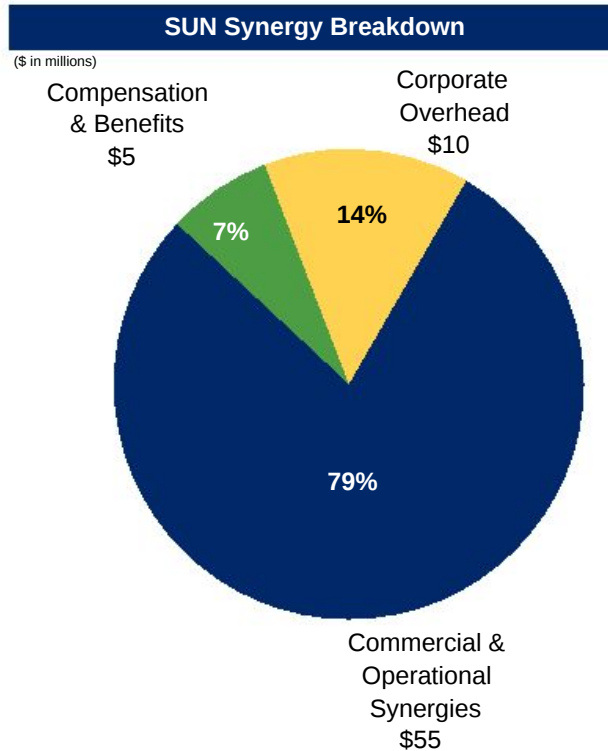
**Transaction offers compelling value to SUN shareholders with an attractive yield and improved distribution growth profile**



# Integration Plan



- Energy Transfer management team has a proven track record of successfully integrating acquisitions
  - Southern Union (2012), LDHE (2011), Regency (2010), Canyon (2007), Transwestern (2006), Titan (2006), HPL (2005), ET Fuel (2004)
  - Southern Union integration to be substantially complete by time of SUN transaction closing
  
- The transaction is a bolt-on acquisition, similar to the LDHE acquisition, and ETP expects minimal integration risk given key SUN and SXL management team will remain in place
  
- ETP, SUN and SXL have conservatively identified \$70 million of annual run-rate commercial / operational synergies



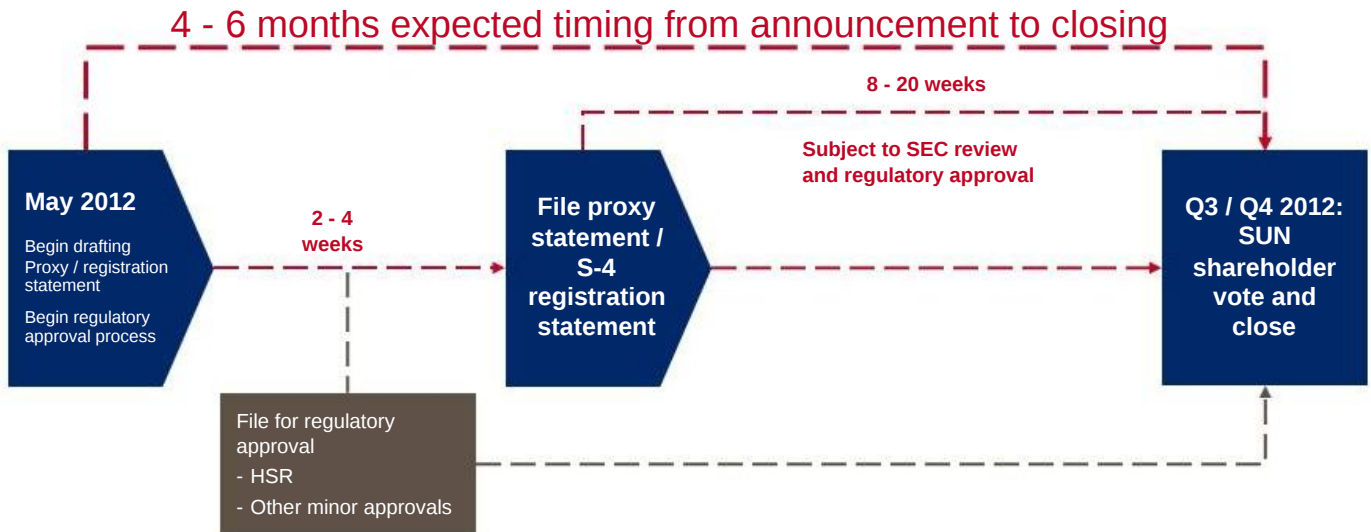
Note: Based on estimated \$70 million of run-rate synergies per annum.



# Illustrative Transaction Timeline



- Integration plan will be put in place immediately resulting in one functional organization at closing
- Only major regulatory approval is HSR; no issues expected given business mix



**No financing contingency or ETP / SXL unitholder vote provides for high level of deal certainty**



# Conclusions



- Elevates ETP to a leading player in crude oil, refined products and NGL transportation, terminalling and logistics
- Delivers immediate premium to SUN shareholders with the ETP unit consideration providing an attractive yield and continued potential upside with an improved distribution profile
- Significant, tangible commercial and operational synergies
- Enhances the growth profile of ETP while maintaining investment grade credit metrics
- High degree of transaction certainty
- Key SUN and SXL management to continue to run businesses and oversee integration

A “win-win” transaction for investors of SUN, SXL and ETP





## Appendix

# Side-by-Side Overview



(\$ in millions, except per share / unit amounts)

	ETP <sup>(1)</sup>	SUN <sup>(2)</sup>	SXL
Share / Unit Price (as of 4/27/12)	\$47.92	\$50.13 <sup>(4)</sup>	\$40.99
LP equity market cap	\$11,001	\$5,321	\$4,244
Illustrative GP value <sup>(3)</sup>	6,415	–	1,397
Market Capitalization <sup>(3)</sup>	\$17,415	\$5,321	\$5,641
Total Debt	8,884	1,020	1,698
Minority Interest	629	–	98
Cash	(710)	(1,531)	(5)
Enterprise Value	\$26,218	\$4,810	\$7,432
Current Yield	7.5%	1.6%	4.2%
Corporate Credit Ratings			
Moody's	Baa3	Ba1	Baa2
S&P	BBB-	BB+	BBB
Fitch	BBB-	BB+	BBB

Source: ETP, SUN and SXL public filings. Balance sheet data as of 12/31/2011.

- (1) Pro forma for Citrus acquisition, Propane sale, January 2012 \$2,000 million senior notes offering and January 2012 \$750 million tender offer.  
 (2) SXL not consolidated in SUN data. SUN contribution debt pro forma for \$100 million PEDFA bond redemption. SUN cash pro forma for \$100 million PEDFA bond redemption and \$200 million funding of VEBA trust. SUN pro forma for \$100 million of total share repurchases through March and April 2012.  
 (3) Includes implied value of GP / IDR interest at ETP and SXL based on current yield for illustrative purposes.  
 (4) Acquisition price per share.



# SUN Primary Operating Segments



## Retail Marketing

- ~4,900 retail outlets for the sale of gasoline and middle distillates
- ~5 billion gallons of gasoline and diesel fuel and ~\$500 million of merchandise sales per year
- Strong brand and station image recognition
- Located on the East Coast / Midwest / Southeast
- Historical retail EBITDA
  - 2011 = \$261 million
  - 2010 = \$269 million
  - 2009 = \$241 million

## Logistics (MLP)

- ~2,500 miles of refined products pipelines located in the Northeast, Midwest and Southwest
- ~5,400 miles of crude oil pipelines, located principally in Oklahoma and Texas
- ~42 million barrels of refined products and crude oil terminal capacity
- Engaged in the acquisition and marketing of crude oil
- SUN owns:
  - 100% of the SXL GP interest and IDRs
  - 32.4% of SXL common units
- Historical SUN distributions received from SXL (pre-tax)
  - 2011 = \$97 million
  - 2010 = \$91 million<sup>(1)</sup>
  - 2009 = \$98 million

## Refining

- Announced exit of refining business in September 2011
- Marcus Hook, PA refinery (175 Mbbls/d) permanently idled in December 2011 but continues to operate in a terminal capacity
- Philadelphia refinery (330 Mbbls/d)
  - Potential JV with Carlyle (minority interest, Carlyle to operate, no additional capital required from SUN)
  - If no suitable exit transaction can be reached, expect to idle by August 2012

Source: SUN filings and investor presentations.

(1) SXL distributions to SUN declined in 2010 due to IDR reset which provided SUN with \$201 million in cash proceeds.



# ETP Primary Operating Segments

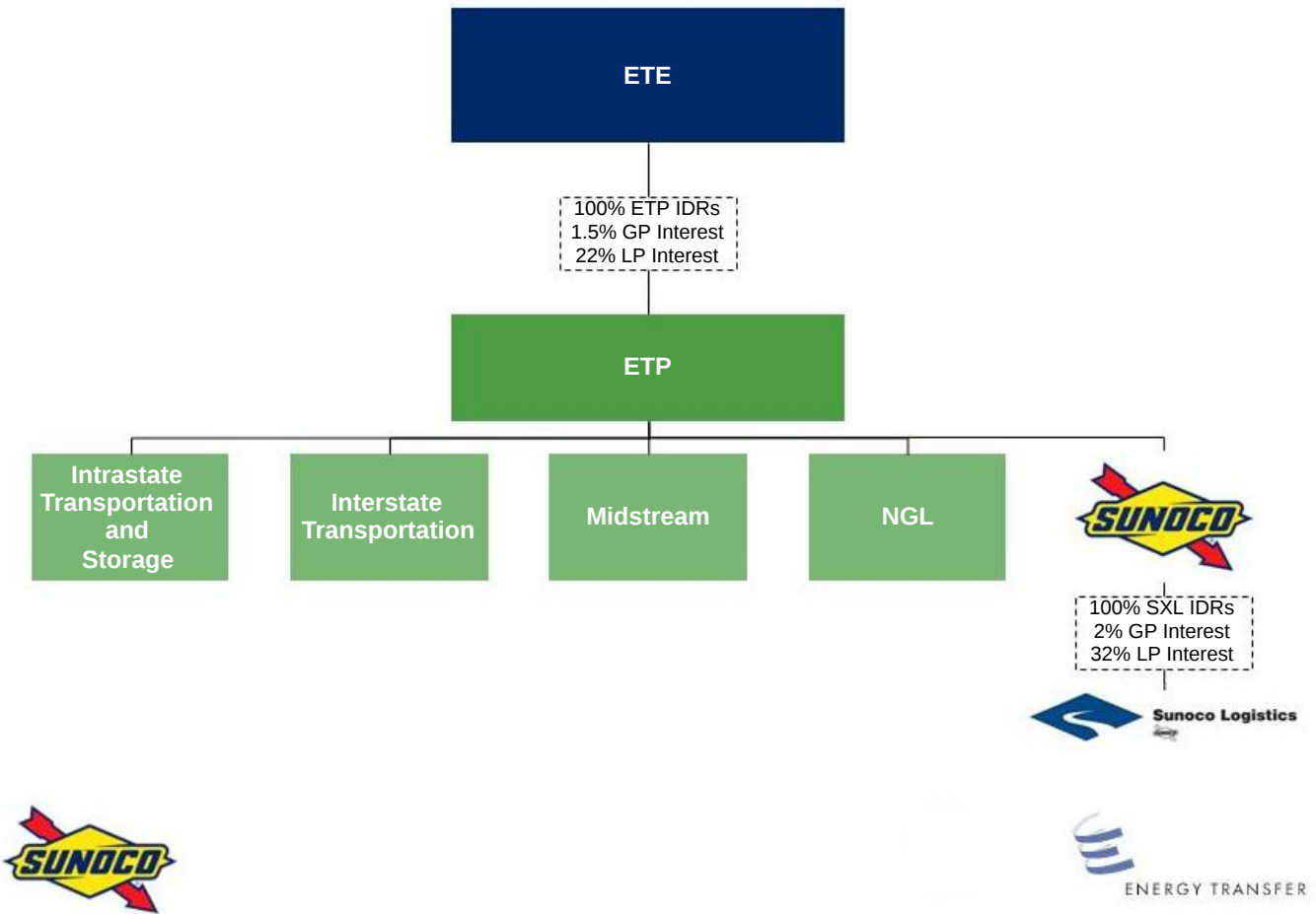


Approximately 23,000 miles of natural gas gathering and transportation pipelines, 3 natural gas storage facilities with 74 Bcf of working capacity and 70% interest in Lone Star NGL joint venture

Intrastate Transportation and Storage	Interstate Transportation	Midstream	NGL
<ul style="list-style-type: none"> <li>■ Oasis Pipeline (600 mi, 1.2 Bcf/d capacity west-to-east, 750 MMcf/d capacity east-to-west)</li> <li>■ East Texas Pipeline (370 mi)</li> <li>■ Energy Transfer Fuel System (2,950 mi, total capacity of 5.2 Bcf/d)                             <ul style="list-style-type: none"> <li>– Includes Bethel storage facility (6.4 Bcf working capacity), Bryson storage facility (6.0 Bcf working capacity), Godley plant</li> </ul> </li> <li>■ HPL System (4,350 mi, total capacity of 5.5 Bcf/d)                             <ul style="list-style-type: none"> <li>– Includes Bammel storage facility (62 Bcf working capacity)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>■ Transwestern Pipeline (2,690 mi; 1,225 MMcf/d mainline capacity and 1,610 MMcf/d San Juan Lateral capacity)</li> <li>■ Tiger Pipeline (195 mi, 42-inch pipeline; 2.4 Bcf/d of capacity sold under 10-15 year agreements)</li> <li>■ FEP Pipeline Joint Venture (185 mi, 42-inch pipeline; initial capacity of 2.0 Bcf/d with 1.85 Bcf/d sold under 10-12 year agreements)                             <ul style="list-style-type: none"> <li>– 50/50 joint venture with Kinder Morgan Energy Partners, L.P.</li> </ul> </li> <li>■ Citrus                             <ul style="list-style-type: none"> <li>– 50/50 joint venture with El Paso Corporation (5,400 mi; 3.1 Bcf/d mainline capacity)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>■ ~7,400 mi of natural gas gathering pipelines</li> <li>■ 2 natural gas processing plants</li> <li>■ 15 natural gas treating facilities</li> <li>■ 11 natural gas conditioning plants</li> </ul>	<ul style="list-style-type: none"> <li>■ Joint venture owned 70% by ETP and 30% by Regency Energy Partners LP (“RGP”); ETP operates on behalf of the joint venture; stand-alone entity with equal board representation</li> <li>■ NGL Storage                             <ul style="list-style-type: none"> <li>– Mont Belvieu storage facility (43 million Bbls working capacity)</li> <li>– Hattiesburg storage facility (4 million Bbls of working capacity)</li> </ul> </li> <li>■ NGL Pipeline Transportation                             <ul style="list-style-type: none"> <li>– West Texas NGL Pipeline (1,066 mi, 144,000 Bbls/d working capacity)</li> </ul> </li> <li>■ NGL Fractionation &amp; Processing (2 cryogenic processing plants; 25,000 Bbls/d fractionator; Sea Robin gas processing plant)</li> </ul>



# Pro Forma Simplified Structure



# Adjusted EBITDA reconciliation



## Energy Transfer Partners, L.P.

(\$ in millions)

	Fiscal Year Ended December 31,		
	2009	2010	2011
Net income	\$792	\$617	\$697
Interest expense, net of interest capitalized	394	413	474
Income tax expense	13	16	19
Depreciation and amortization	313	343	431
Non-cash unit-based compensation expense	24	27	37
Losses on disposals of assets	2	5	3
Gains on non-hedged interest rate derivatives	(39)	(5)	77
Allowance for equity funds used during construction	(11)	(29)	(1)
Unrealized (gains) losses on commodity risk management activities	(30)	78	11
Impairment of investment in affiliate	-	53	5
Proportionate share of JV's interest, depreciation and allowance for equity funds used during construction	22	22	30
Adjusted EBITDA attributable to noncontrolling interest	-	-	(38)
Other, net	(2)	0	(4)
<b>Adjusted EBITDA</b>	<b>\$1,477</b>	<b>\$1,541</b>	<b>\$1,743</b>

## Sunoco Retail

(\$ in millions)

	Fiscal Year Ended December 31,		
	2009	2010	2011
Retail Pretax Income	\$146	\$176	\$169
Depreciation and amortization	95	93	92
<b>Retail Adjusted EBITDA<sup>(1)</sup></b>	<b>\$241</b>	<b>\$269</b>	<b>\$261</b>

(1) Excludes items deemed to be unusual.

