ENERGY TRANSFER EQUITY & ENERGY TRANSFER PARTNERS

DISCLAIMER

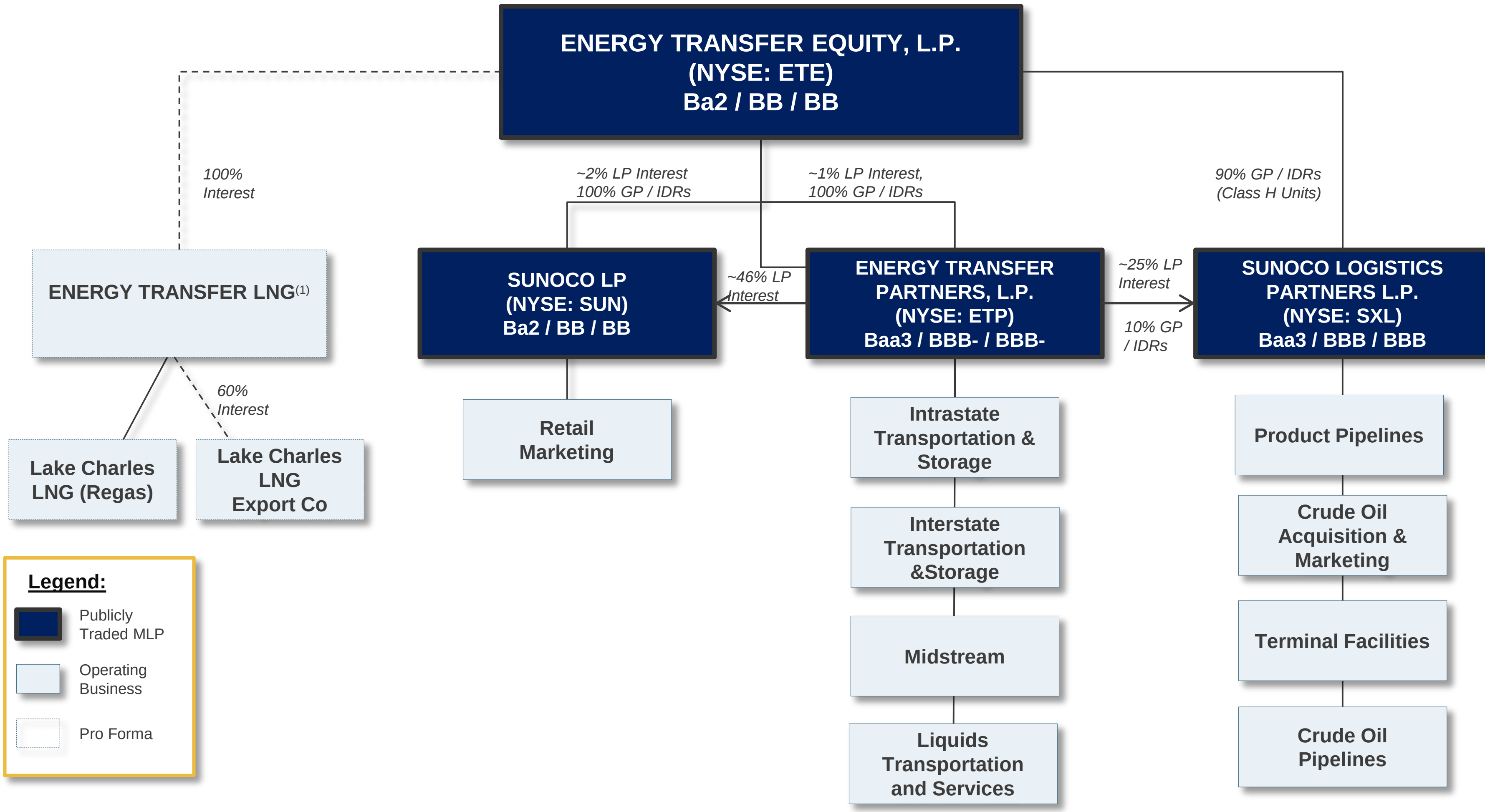
This presentation relates to a presentation the management of Energy Transfer Equity, L.P. (ETE) and Energy Transfer Partners, L.P. (ETP) will give to investors on September 7, 2016. At this meeting, members of the Partnerships' management may make statements about future events, outlook and expectations related to Energy Transfer Partners, L.P. (ETP), Sunoco Logistics Partners L.P. (SXL), Panhandle Eastern Pipe Line Company, LP (PEPL), Sunoco LP (SUN), and ETE (collectively, the Partnerships), and their subsidiaries and this presentation may contain statements about future events, outlook and expectations related to the Partnerships and their subsidiaries all of which statements are forward-looking statements. Any statement made by a member of management of the Partnerships at this meeting and any statement in this presentation that is not a historical fact will be deemed to be a forward-looking statement. These forward-looking statements rely on a number of assumptions concerning future events that members of management of the Partnerships believe to be reasonable, but these statements are subject to a number of risks, uncertainties and other factors, many of which are outside the control of the Partnerships. While the Partnerships believe that the assumptions concerning these future events are reasonable, we caution that there are inherent risks and uncertainties in predicting these future events that could cause the actual results, performance or achievements of the Partnerships and their subsidiaries to be materially different. These risks and uncertainties are discussed in more detail in the filings made by the Partnerships with the Securities and Exchange Commission, copies of which are available to the public. The Partnerships expressly disclaim any intention or obligation to revise or publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

All references in this presentation to capacity of a pipeline, processing plant or storage facility relate to maximum capacity under normal operating conditions and with respect to pipeline transportation capacity, is subject to multiple factors (including natural gas injections and withdrawals at various delivery points along the pipeline and the utilization of compression) which may reduce the throughput capacity from specified capacity levels.

ENERGY TRANSFER EQUITY

ENERGY TRANSFER

ENERGY TRANSFER FAMILY ORGANIZATIONAL STRUCTURE



1. Owner and operator of LNG facility in Lake Charles, LA and expected nucleus of new stand-alone MLP

BUSINESS OVERVIEW

ETE is a pure-play GP that receives cash flow from LP interests, GP interests and IDRs in ETP and SUN, as well as ~90% of the economics from GP interests and IDRs in SXL, and its ownership of Lake Charles LNG.

ETP: a large-cap, investment grade MLP with intrastate transportation and storage, interstate transportation and storage, midstream and natural gas liquids ("NGL") transportation and services

1H 2016 Adjusted EBITDA:
- $2,782 million

KEY ASSETS
- **~62,500 miles** of natural gas and NGL pipelines
- **Owns subsidiaries** including Panhandle Eastern, engaged in natural gas transportation / storage; and Lone Star NGL, engaged in NGL transportation / storage
- Over 65 processing plants, treating plants, and fractionators

SUN: a growth-oriented, MLP engaged in the wholesale distribution of motor fuels and retail marketing operations. Current consolidation of ETP's retail marketing platform with recently acquired Susser Holdings

1H 2016 Adjusted EBITDA:
- $323 million

KEY ASSETS
- **Approximately 1,340 sites and 6 refined product terminals** in attractive markets
- More than **7.6 billion gallons** of annual motor fuel sales

SXL: a large-cap, investment grade MLP focused on acquiring, owning and operating a geographically diverse portfolio of complementary pipeline, terminalling and acquisition and marketing assets which are used to facilitate the purchase and sale of crude oil, NGLs and refined products.

1H 2016 Adjusted EBITDA:
- $594 million

KEY ASSETS
- **~5,900 miles** of crude oil pipelines
- **~2,700 miles** of refined product & NGL pipelines
- **~40 active** refined products marketing terminals
- Interests in 12 product and crude oil pipelines and terminal JV's

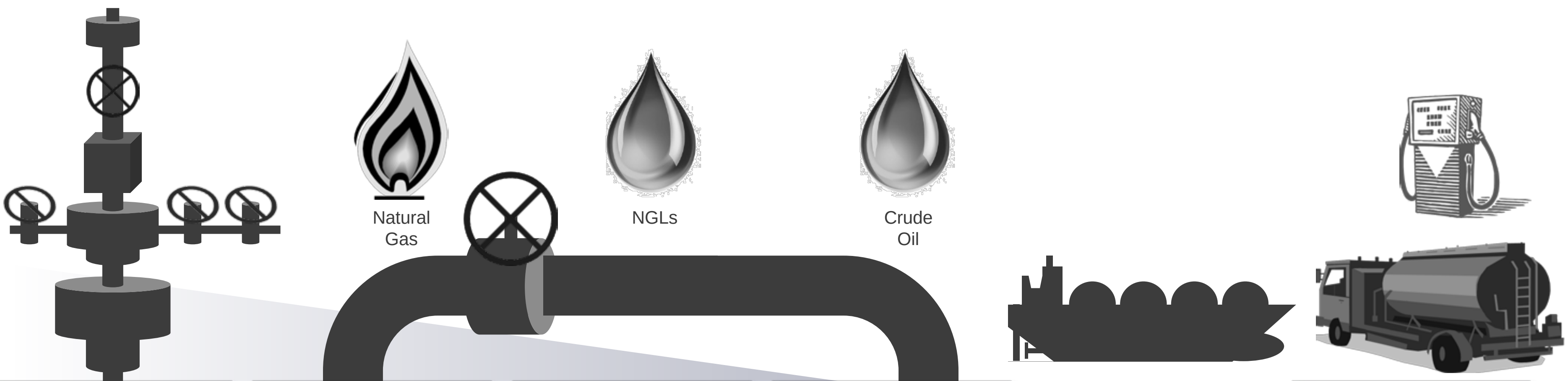
Lake Charles LNG: the owner / operator of a LNG facility in Lake Charles, LA

1H 2016 Adjusted EBITDA:
- $88 million

KEY ASSETS
- **4LNG** tanks with total capacity of 9 Bcf/d
- Regasification & discharge peak
  - Max rate: **2.1 Bcf/d**
  - Run rate: **1.8 Bcf/d**
- Shell contracted through 2030

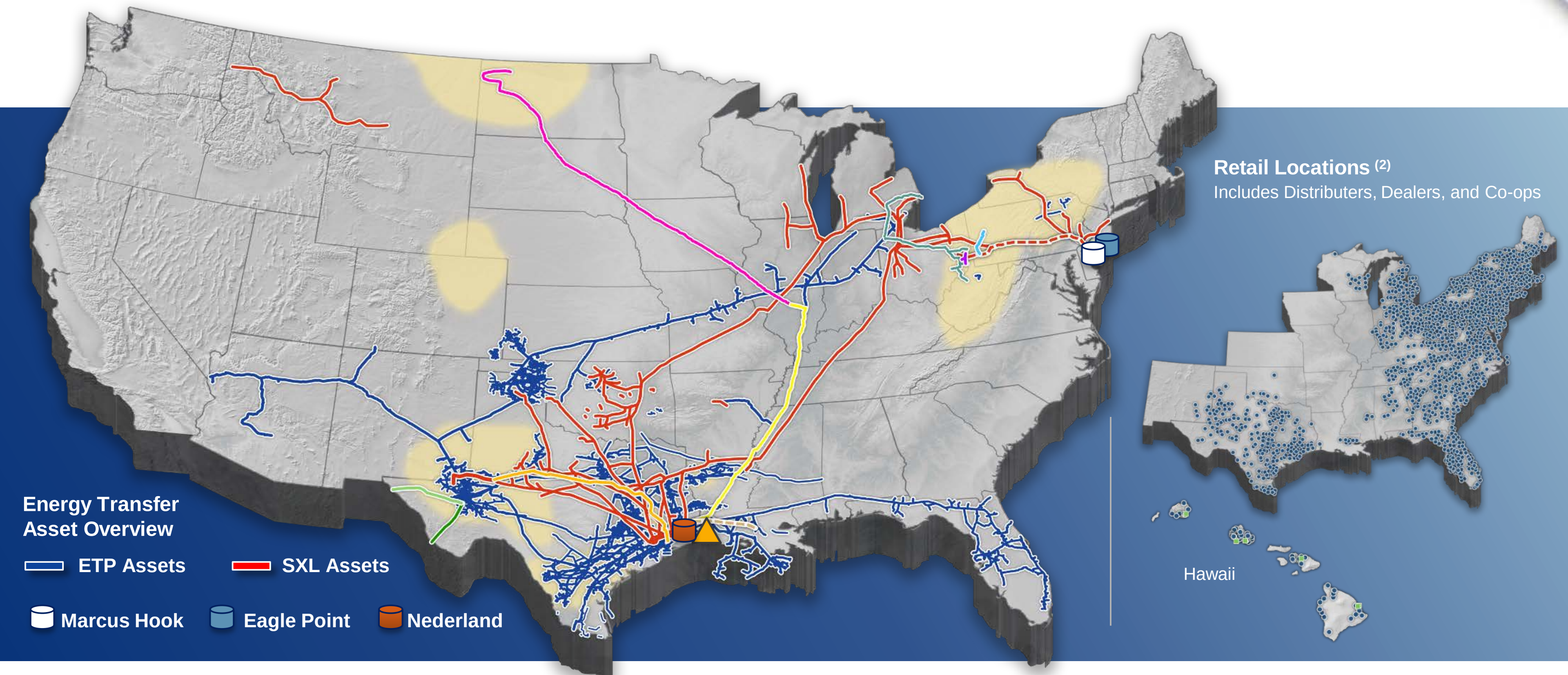
Lake Charles Export
- 3 trains with capability of 16.45 MTPA
- FTA & non-FTA authorizations received
- 52 month construction period for train 1 COD, with 6 month increments for additional trains
- Shell: construction manager, operator, and customer
- Minimum 25yr tolling contract on rate of return basis (implied tariff is highly competitive to LSAs for other US LNG projects)

A TRULY UNIQUE FRANCHISE



- Gather over 10 million mmbtu/d of gas & 469,000 bbls/d of NGLs produced
- Transport over 18 million mmbtu/d of natural gas
- Fractionate ~325,000 bbls/d of NGLs at Mont Belvieu
- Transport more than 2.3 million barrels crude oil per day
- One of the largest planned LNG Export facilities in the US
- More than 7.6 billion gallons of annual motor fuel sales

SIGNIFICANT GEOGRAPHIC FOOTPRINT ACROSS THE FAMILY



Asset Summary	ETE
Pipeline (miles)	71,000
Midstream Throughput (MMBtu/d)	10,000,000
NGL Production (bpd)	469,000
Natural Gas Transported (MMBtu/d)	18,320,000[3]

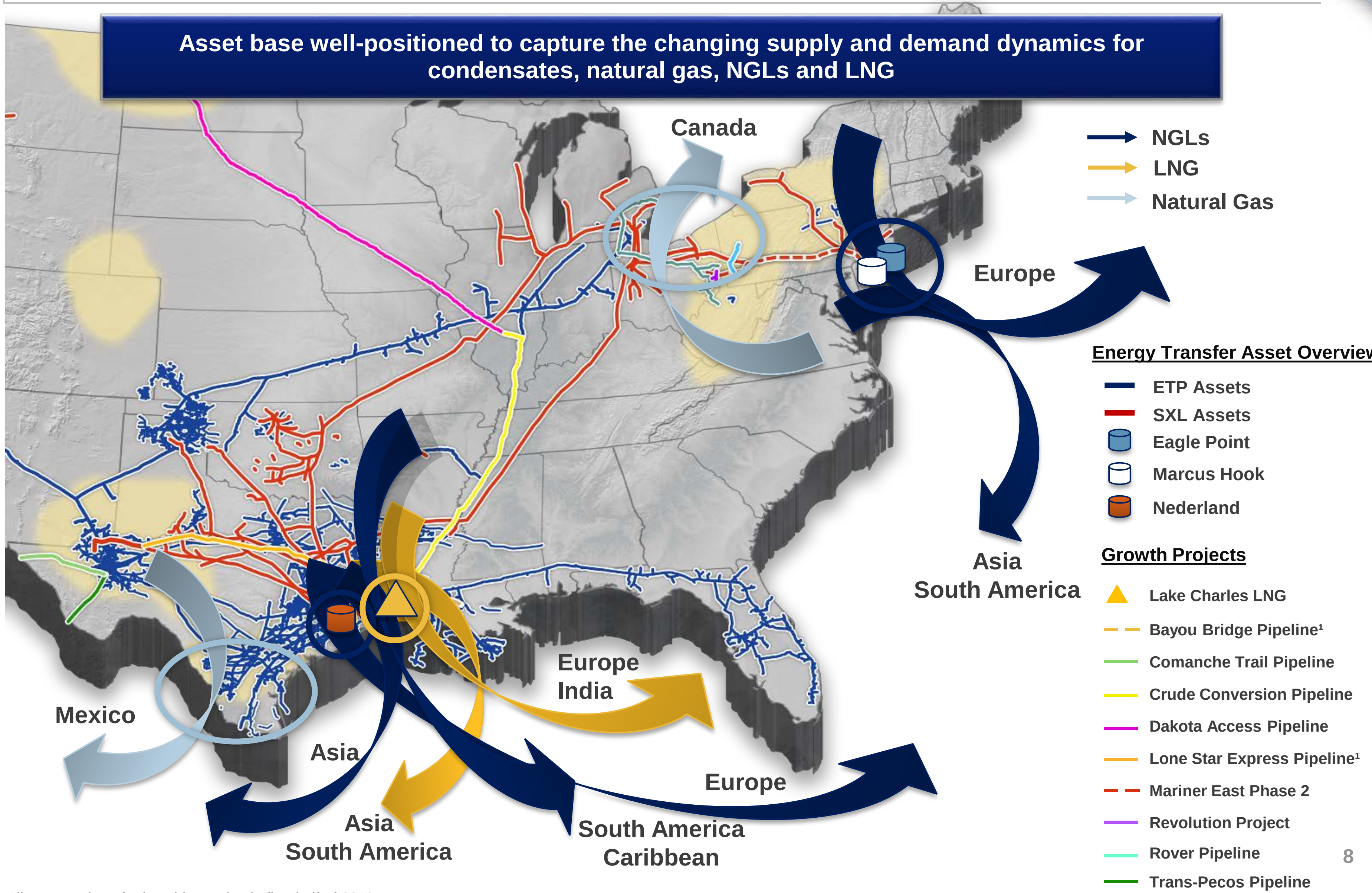
Growth Projects

- Lake Charles LNG
- Dakota Access Pipeline
- Crude Conversion Pipeline
- Comanche Trail Pipeline
- Trans-Pecos Pipeline
- Lone Star Express Pipeline [1]
- Rover Pipeline
- Revolution System
- Bayou Bridge [1]
- Ohio River[1]
- Mariner East Phase 2

(1) All, or a portion of, placed in service in first half of 2016
(2) Represents Sunoco LP retail locations
(3) Includes unconsolidated affiliates volumes

EXCEPTIONALLY WELL POSITIONED TO CAPITALIZE ON U.S. ENERGY EXPORTS

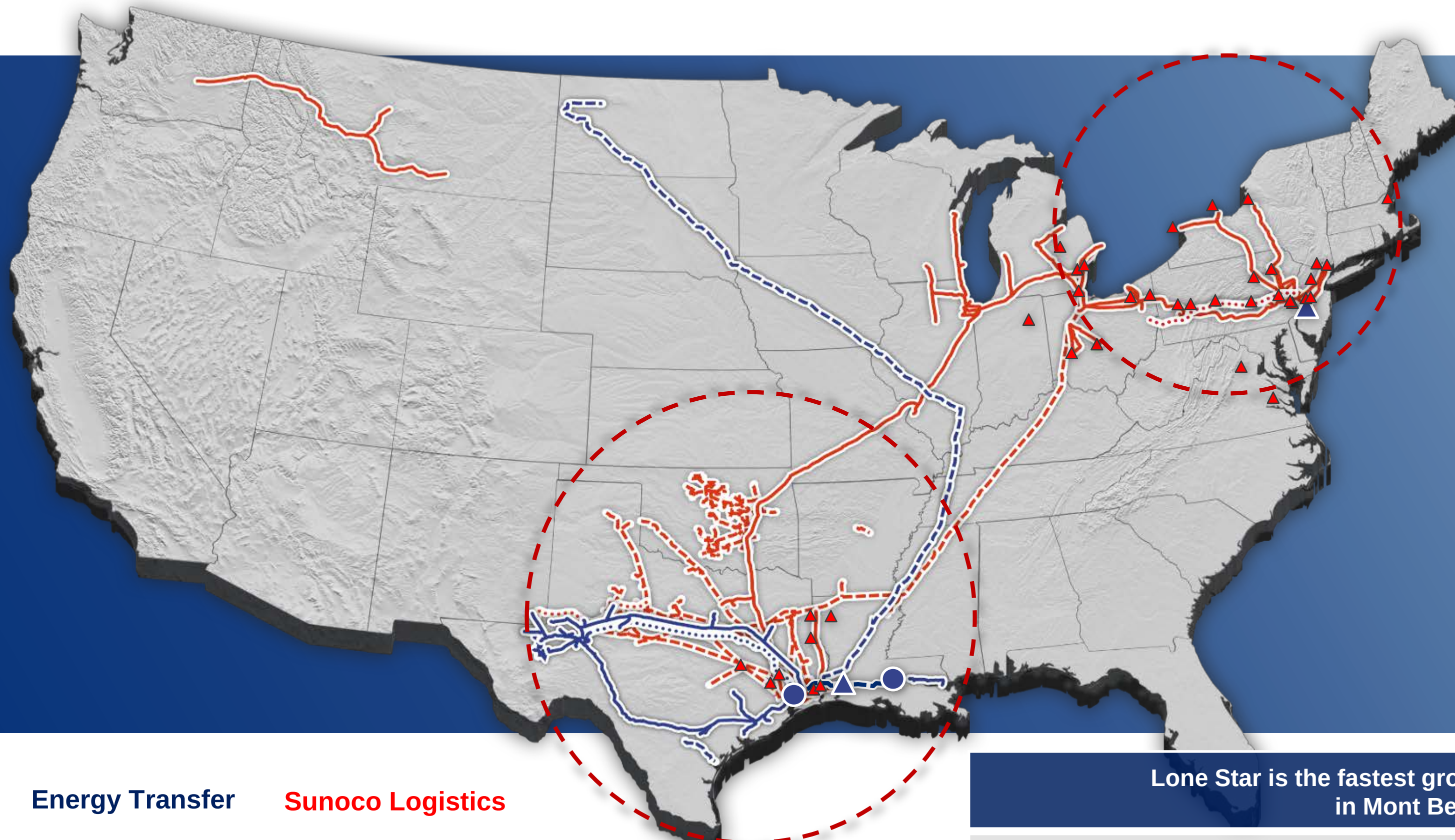
Asset base well-positioned to capture the changing supply and demand dynamics for condensates, natural gas, NGLs and LNG



(1) All, or a portion of, placed in service in first half of 2016

…AND A FULLY INTEGRATED MIDSTREAM / LIQUIDS PLATFORM ACROSS NORTH AMERICA

The ability to integrate a producer liquids end-to-end solution will better serve customers and alleviate bottlenecks currently faced by producers



Energy Transfer

- NGL Pipelines
- Crude Projects
- NGL Projects
- LNG Facilities
- Fractionator

Sunoco Logistics

- Refined Products/NGL
- Crude
- Growth Projects
- Facility

Marcus Hook: The future Mont Belvieu of the North

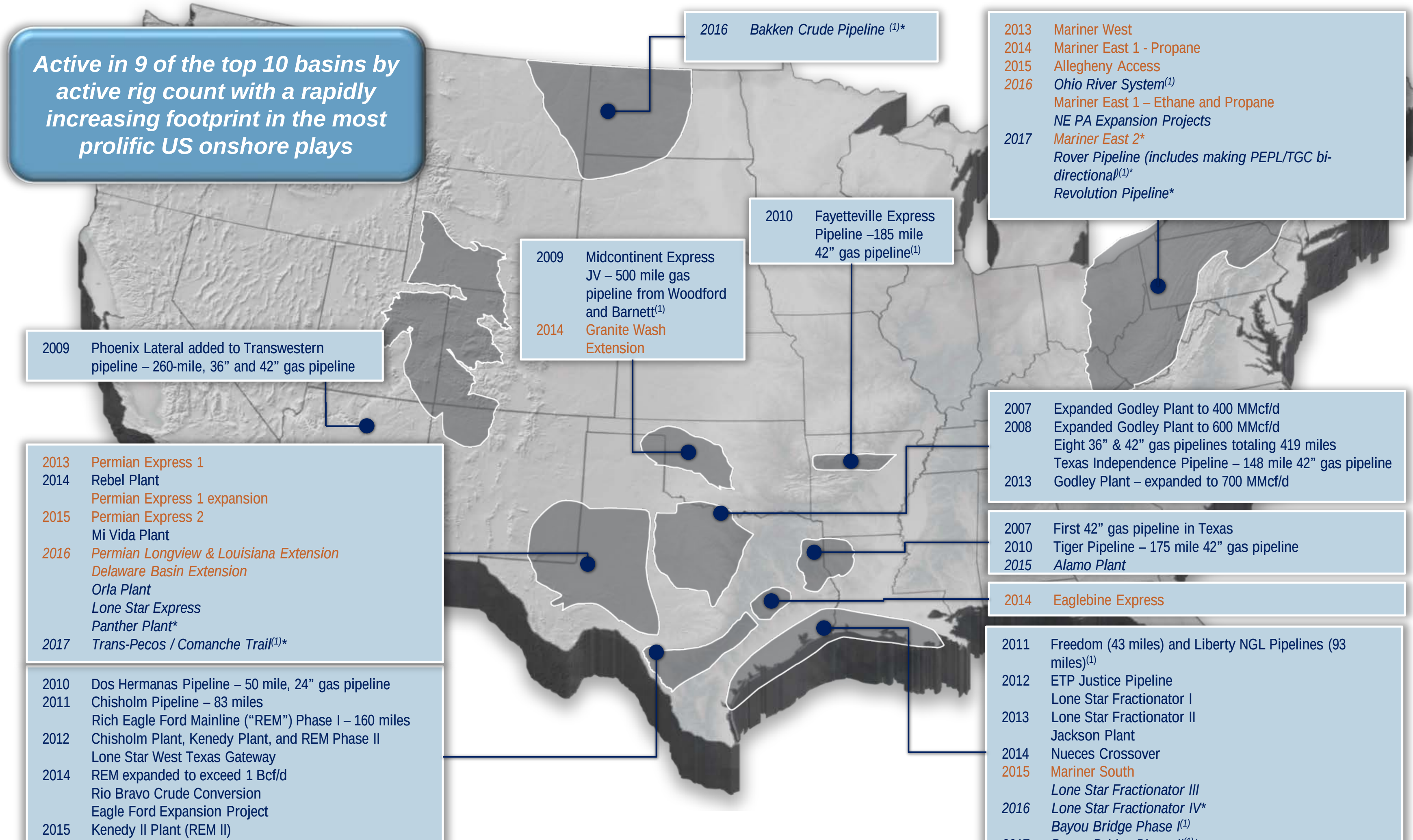
- 800 acre site: inbound and outbound pipeline along with infrastructure connectivity
- Logistically and financially advantaged for exports being 1,500 miles closer to Europe, significantly reducing shipping cost.
- Advantaged to local and regional markets
- No ship channel restriction, compared to the Houston ship channel
- 4 seaborne export docks can accommodate VLGC sized vessels

Lone Star is the fastest growing NGLs business in Mont Belvieu

- Fracs I, II and Frac III in service. Frac IV in operation in 4Q 2016
- Plot plan in place for an additional 3 Fracs on existing footprint (7 fractionators in total)
- Total Frac capacity potentially 800,000/Bpd
- 2,000 miles of NGL pipelines with fully expanded capacity of 935,000 Bbls/d
- Storage capacity of 53mm Bbls
- 210,000 bpd LPG export terminal
- 80,000 of diluent export capacity

ORGANIC GROWTH CONTRIBUTES TO ENERGY TRANSFER'S STRONG FOOTHOLD IN THE MOST PROLIFIC PRODUCING BASINS

ETP Projects
SXL Projects



** Growth project under development*
(1) Joint Venture

ETE KEY TAKEAWAYS

- ETE's cash flows come from
  - The General Partner and IDRs and LP interests at ETP
  - 90% of the economics of the GP and the IDRs from SXL through the class H units
  - The ownership of Lake Charles LNG, and
  - 100% of the GP interest, IDRs and LP interest in Sunoco LP
- ETE's cash flows are expected to continue to benefit from solid growth from its underlying partnerships
  - ETP is expected to receive significant cash flow from major new projects coming online in late 2016 and 2017, which is expected to facilitate cash distribution growth, as well as growth in future incentive distributions to ETE
  - SXL's emphasis on growing within key targeted shale plays, while maintaining a diversified portfolio, is expected to provide distributable cash flow growth
  - SUN is expected to continue to benefit from expanded scale and diversity achieved through recent organic growth, acquisitions, and drop downs

ETE will continue to use its growing excess cash flow to repay ETE debt and provide financial support to its underlying partnerships, as needed

ENERGY TRANSFER PARTNERS

RECENT DEVELOPMENTS

Bakken Project Financing

- ETP, SXL and Phillips 66 announced the successful completion of the project-level financing of jointly-owned Bakken Pipeline Project
- The $2.5 billion facility is expected to provide substantially all of the remaining capital necessary to complete the project
- The structure provides the joint venture with additional flexibility and an attractive cost of capital as we work toward completing the project

Sale of Portion of Bakken Pipeline Equity Interest

- ETP and SXL announced the signing of an agreement to sell 36.75% of the Bakken Pipeline Project to MarEn Bakken Company LLC (MarEn), an entity jointly owned by Enbridge Energy Partners and Marathon Petroleum Corporation, for $2 billion in cash
- Expected to close in the third quarter of this year, subject to certain closing conditions
- ETP and SXL will receive $1.2 billion and $800 million in cash at closing, respectively, and intend to use proceeds from the sale to pay down debt and help fund current growth projects
- Following the closing, each equity owner in the project will participate on a pro-rata basis for any incremental capital needs of the project
- Upon closing, a subsidiary of Marathon Petroleum has committed to participate in a forthcoming Dakota Access/Energy Transfer Crude Oil Pipeline open season, and subject to the terms and conditions of the open season, make a long-term volume commitment on the Bakken Pipeline Project. The new open season was launched on August 12, 2016
- Upon closing of the transaction, the ownership of the Bakken Pipeline Project will be: ETP and SXL - 38.25%, MarEn - 36.75%, and Phillips 66 - 25%
- ETP will continue to oversee construction of the project, and SXL will be the operator of DAPL and ETCO

Together, the Bakken financing and the partial Bakken ownership sale will help ETP provide a clear path to funding its current major growth projects which, when completed, will provide ETP with significant cash flow

RECENT DEVELOPMENTS CONTINUED

- ETE announced an IDR reduction transaction that is intended to increase ETP's distributable cash flow
- ETE has agreed to a total reduction in incentive distribution rights from ETP in the aggregate amount of $720 million over a period of 7 quarters, beginning with the quarter ending June 30, 2016, through the quarter ending December 31, 2017
- The IDR reduction for the second quarter of 2016 is $75 million, and the quarterly IDR reduction will increase each subsequent quarter, reaching $130 million for the fourth quarter of 2017 (see table below)
- ETE is committed to supporting ETP as it completes its current capex spend. As these major projects are brought online, ETP will benefit from significant cash flow growth from these projects which, in turn, is expected to facilitate cash distribution growth related to ETP's common units as well as growth in future incentive distributions to ETE
- These transactions are aligned with ETP's plan laid out to the rating agencies, and we believe demonstrate our commitment to taking the steps necessary to maintain ETP's investment grade rating

	Existing IDR Reduction	Additional IDR Reduction	Total IDR Reduction
March 31, 2016	$34,250,000	$0	$34,250,000
June 30, 2016	$34,250,000	$75,000,000	$109,250,000
September 20, 2016	$34,250,000	$85,000,000	$119,250,000
December 31, 2016	$34,250,000	$95,000,000	$129,250,000
March 31, 2017	$36,250,000	$105,000,000	$141,250,000
June 30, 2017	$36,250,000	$110,000,000	$146,250,000
September 30, 2017	$27,250,000	$120,000,000	$147,250,000
December 31, 2017	$27,250,000	$130,000,000	$157,250,000
2018	$105,000,000	$0	$105,000,000
2019	$95,000,000	$0	$95,000,000
Total	**$464,000,000**	**$720,000,000**	**$1,184,000,000**

FORESEE SIGNIFICANT EDITDA GROWTH IN 2017 AND 2018 FROM COMPLETION OF PROJECT BACKLOG

Track Record of Completing Projects On Time and On Budget

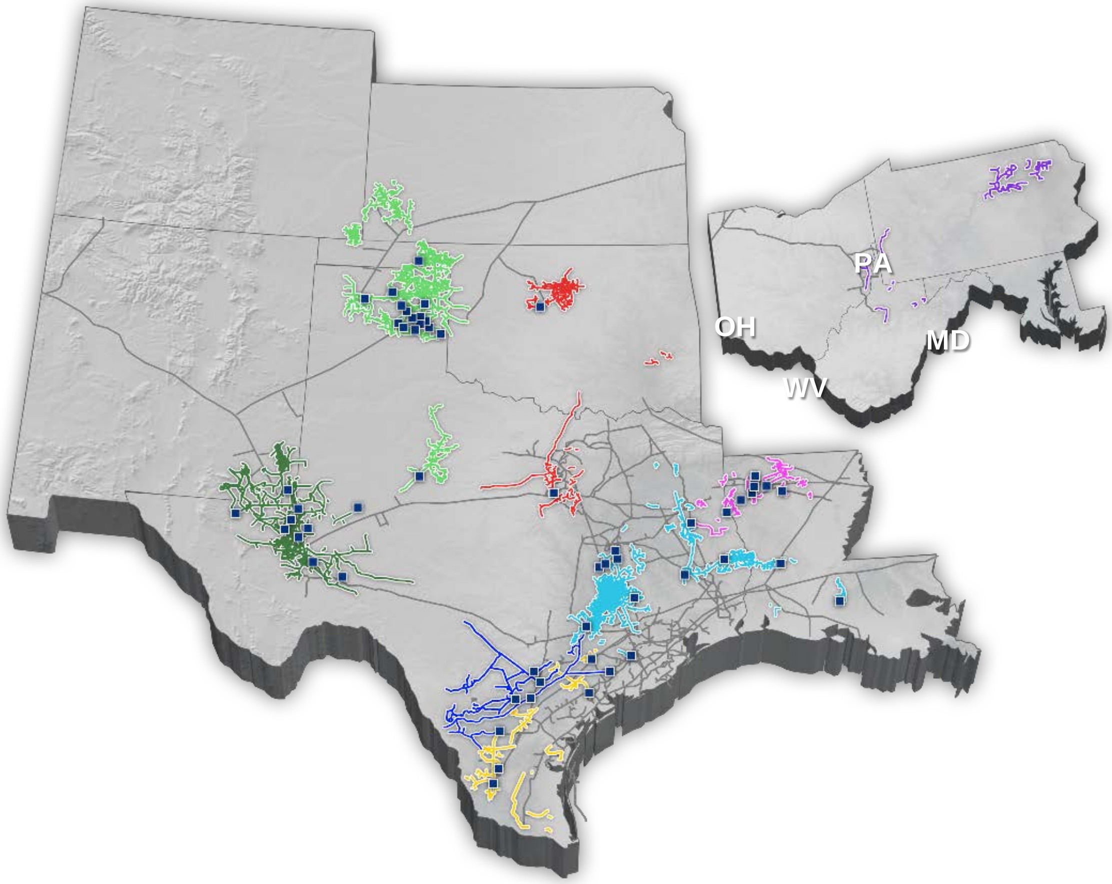
Targeting ~6-8x EBITDA multiple on capital projects

	Project Description	Project Timing	Project Cost[7] ($mm)	ETP Cost ($mm)
Ohio River JV[1]	2.1 Bcf/d gas gathering trunkline servicing Marcellus / Utica; interconnects with Rover, REX, TETCO	In service Jan. 2016	$520	$390
Alamo Plant	200 mmcf/d cryogenic processing plant in the Eaglebine	In service Jan. 2016	$290	$290
Lone Star Frac III	Additional 100 Mbpd fractionator at Mont Belvieu complex	In service Dec. 2015	$420	$420
Lone Star Express	533 mile NGL pipeline from Permian to Mont Belvieu	In service	$1,650	$1,650
Orla Plant	200 Mmcf/d gas processing plant in West Texas	In service April 2016	$270	$270
Bakken Crude Pipeline[2][3]	30" pipeline from North Dakota to Patoka Hub, interconnection with ETCO to reach Nederland	4Q 2016	$4,800	$2,160
Lone Star Frac IV	Additional 120 Mbpd fractionator at Mont Belvieu complex	Nov. 2016	$470	$470
Rover Pipeline[4]	712 mile pipeline from Ohio / West Virginia border to Defiance, OH and Dawn, ON	June 2017; Nov. 2017	$3,800	$2,470
Trans-Pecos and Comanche Trail Pipelines[5]	Collective 337 miles of natural gas pipelines with 2.5 Bcf/d capacity in the Permian	1Q 2017	$1,300	$210
Revolution System	110 miles of gas gathering pipeline, cryogenic processing plant, NGL pipelines, and fractionation facility in PA	4Q 2017	$1,500	$1,500
Bayou Bridge[6]	Crude pipeline connecting Nederland to Lake Charles / St. James, LA	Q2 2016; 2H 2017	$750	$225
		Total=	$15,770	$10,055

(1) JV with Traverse Midstream (Formerly AE-Midco); 75% ETP ownership, 25% Traverse
(2) JV with SXL and P66; 45% ETP ownership, 30% SXL (operator), 25% P66
(3) Upon closing of sale of interest in Bakken Pipeline, ETP and SXL will own approx. 38.25%;MarEn, 36.75%; and Phillips 66, 25%
(4) JV with Traverse Midstream (Formerly AE-Midco), 65% ETP ownership; 35% Traverse
(5) JV with Carso Energy and Mastec, Inc; ETP – 16%, Mastec – 33%, Carso – 51%
(6) JV with SXL and Phillips 66 Partners; 30% ETP ownership, 30% SXL (operator), 40% Phillips 66 Partners
(7) Joint Ventures shown at gross cost

MIDSTREAM ASSETS

Midstream Asset Map



Midstream Highlights

- Recent growth:
  - West Texas: New 200 MMcf/d Orla processing plant came online in April 2016
  - Utica Ohio River volumes continued to grow in the second quarter
  - Q2 2016 gathered volumes averaged ~10 million mmbtu/d, up slightly over Q2 2015
  - Q2 2016 NGLs produced were approx. 469,000 bbls/d, up 17% over Q2 2015
  - Due to continued strong demand in the Permian, expect to announce new 200 mmcf/d processing plant later this year

Current Operating Statistics

	Processing Capacity (Bcf/d)	Basins Served
Permian	1.5	Permian, Midland, Delaware
MidCon/Panhandle	0.9	Granite Wash, Cleveland
North Texas	0.8	Barnett, Woodford
South Texas	2.1	Eagle Ford
North Louisiana	0.9	Haynesville, Cotton Valley
Southeast Texas	0.5	Eagle Ford, Eaglebine
Eastern	-	Marcellus, Utica

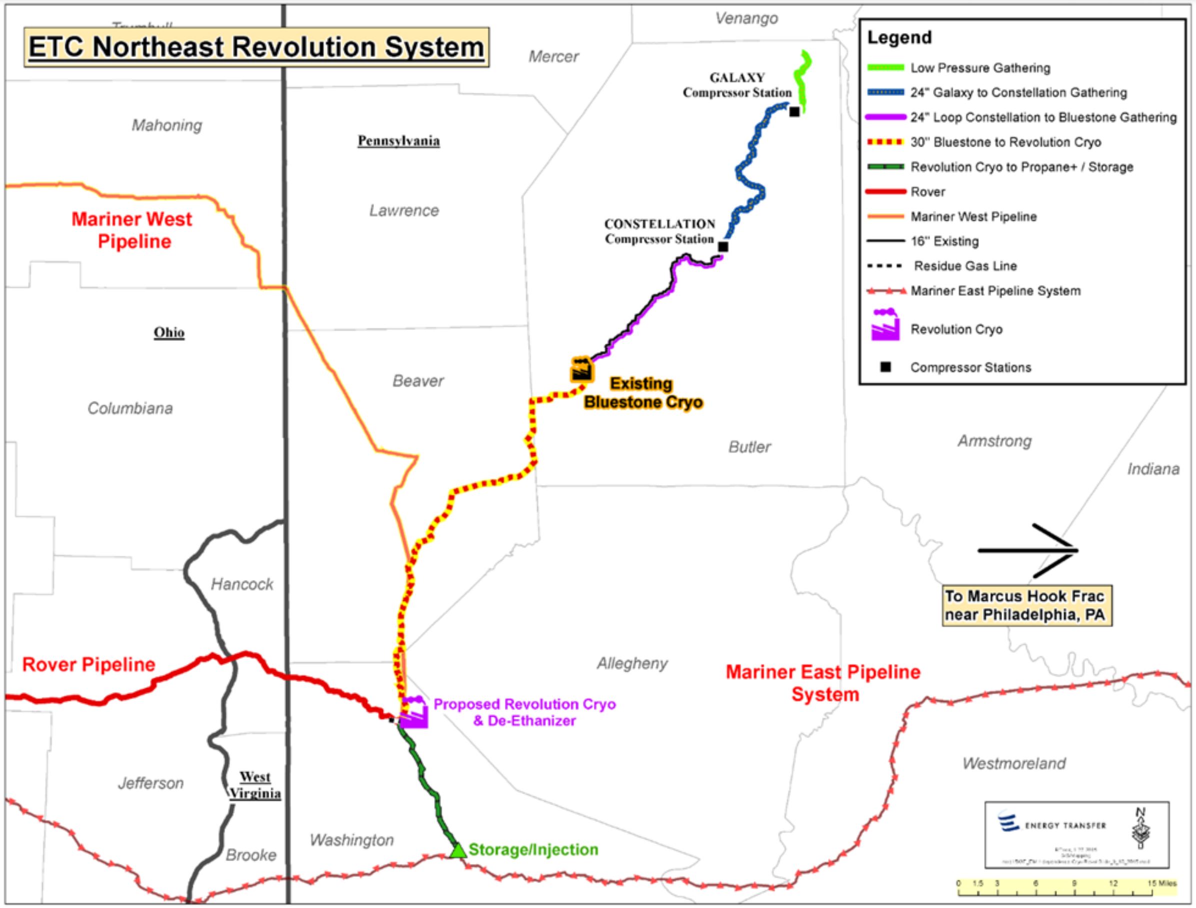
~33,000 miles of gathering pipelines with ~ 6.7 Bcf/d of processing capacity

REVOLUTION SYSTEM PROJECT

Project Details

- System is located in Pennsylvania's Marcellus/Upper Devonian Shale rich-gas area
- Rich-gas, complete solution system
- Currently 20 miles of 16" in-service
- Build out assets will include:
  - 110 miles of 20", 24" & 30" gathering pipelines
  - Cryogenic processing plant with de-ethanizer
  - Natural gas residue pipeline with direct connect to ETP's Rover pipeline
  - Purity ethane pipeline to SXL's Mariner East system
  - C3+ pipeline and storage to SXL's Mariner East system
  - Fractionation facility located at SXL's Marcus Hook facility
- Expected in-service Q4 2017

Revolution Project Map



INTERSTATE PIPELINE ASSETS

Interstate Asset Map

Interstate Highlights

Our interstate pipelines provide:

- Stability
  - Approximately 95% of revenue is derived from fixed reservation fees
- Diversity
  - Access to multiple shale plays, storage facilities and markets
- Growth Opportunities
  - Well-positioned to capitalize on changing supply and demand dynamics

	PEPL	TGC [1]	TW	FGT	SR	FEP	Tiger	MEP	Gulf States	Rover[2]	Total
Miles of Pipeline	6,000	2,230	2,600	5,400	1,000	185	195	500	10	712	18,830
Capacity (Bcf/d)	2.8	1.0	2.1	3.1	2.3	2.0	2.4	1.8	0.2	3.3	21.3
Owned Storage (Bcf)	55.1	13	--	--	--	--	--	--	--	--	68.1
Ownership	100%	100%	100%	50%	100%	50%	100%	50%	100%	65%	

~18,120 miles of interstate pipelines with 18 Bcf/d of throughput capacity currently in service

(1) After abandonment of 30" line being connected to crude service
(2) Not yet in-service

MARCELLUS/UTICA ROVER PIPELINE

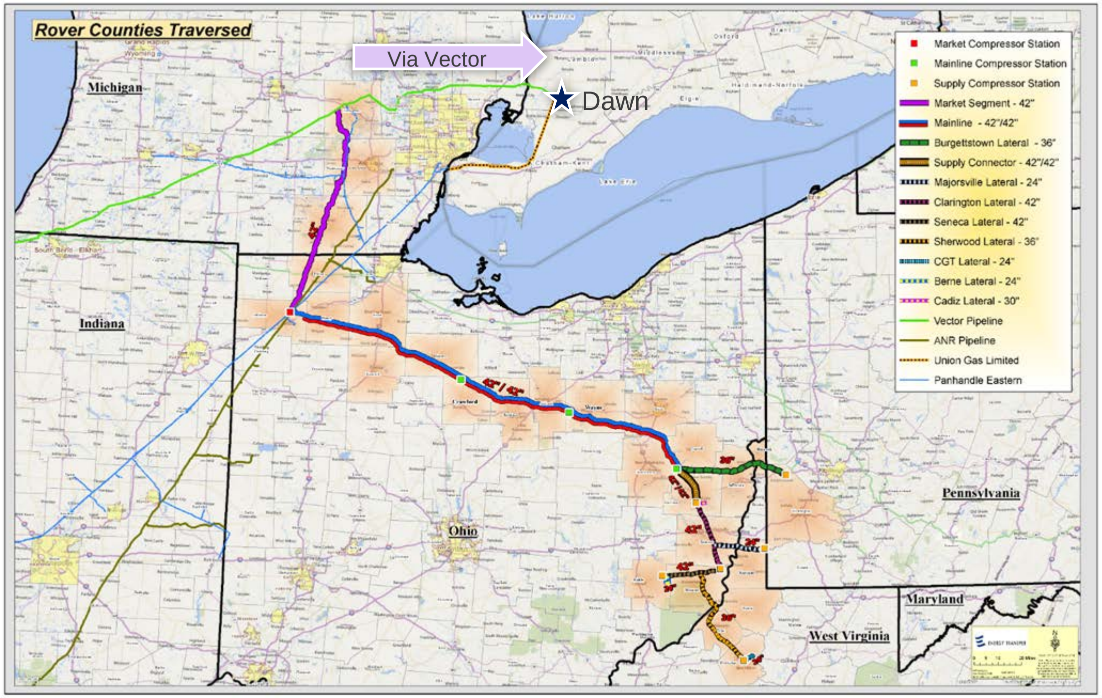
Project Details

- Sourcing natural gas from the Marcellus and Utica shales
- Connectivity to numerous markets in the U.S. and Canada
  - Midwest: Panhandle Eastern and ANR Pipeline near Defiance, Ohio
  - Michigan: MichCon, Consumers
  - Trunkline Zone 1A (via PEPL/Trunkline)
  - Canada: Union Gas Dawn Hub in Ontario, Canada ("Dawn") via contracted capacity on Vector Pipeline
- 712 miles of new pipeline with capacity of 3.25 Bcf/d
- 3.1 Bcf/d contracted under long-term, fee-based agreements
- 65% owned by ETP / 35% owned by Traverse Midstream Partners LLC

Timeline

- Expected in-service: June 2017 to Defiance, Ohio, and November 2017 to Dawn
- Received final environmental impact statement, as scheduled, in July 2016
- FERC Certificate expected Q4 2016
- Awarded construction contracts on ~85% of pipeline
- All major materials secured and delivered

Rover Project Map



NGL TRANSPORTATION AND SERVICES

NGL Storage

- ~53 million barrels NGL storage
- *Permitted to drill additional 8 caverns*

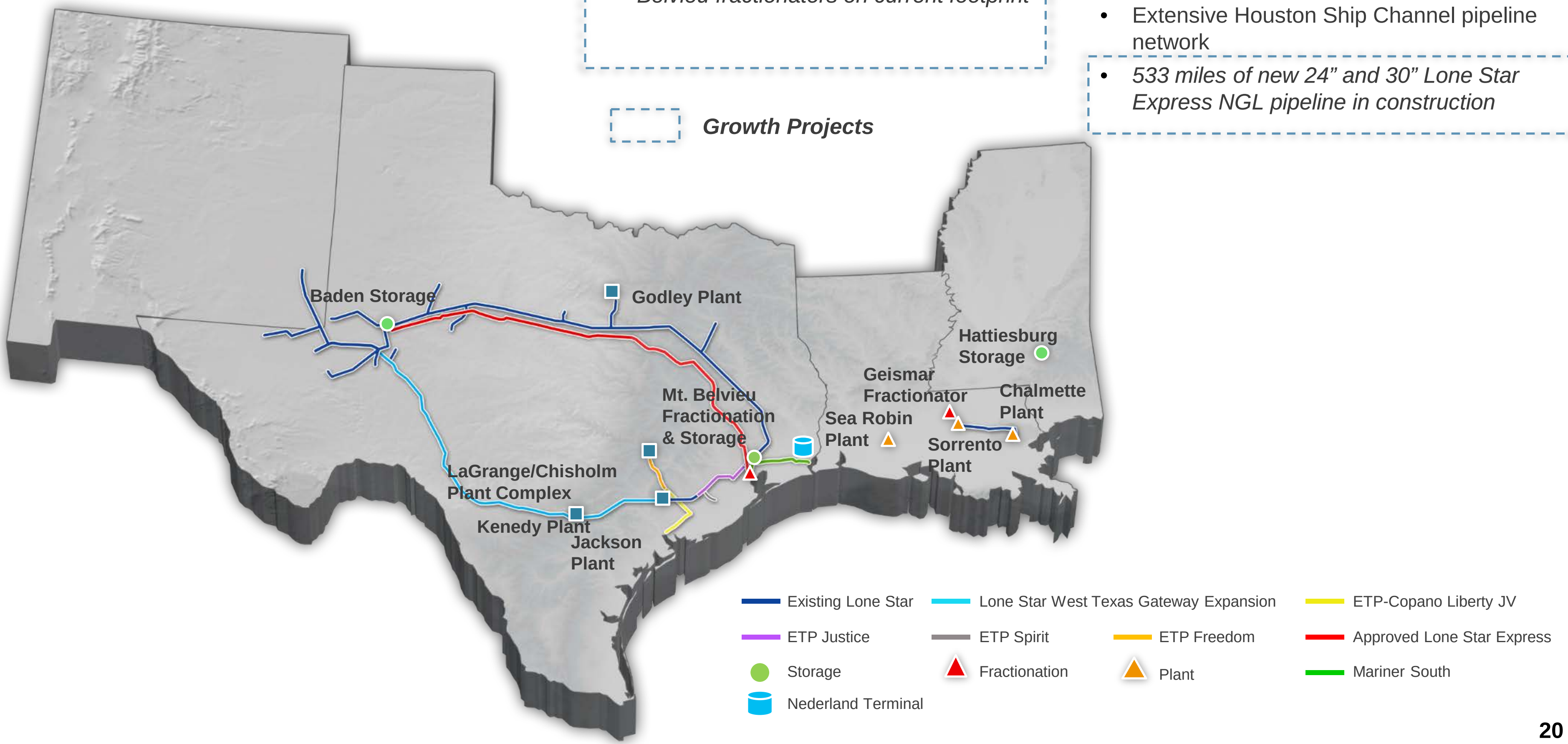
Fractionation and Processing

- Three 100,000 Bpd fractionators at Mont Belvieu
- *Fourth (Nov 2016) fractionator, adding 120,000 Bpd of capacity*
- *Ability to build a total of seven Mont Belvieu fractionators on current footprint*

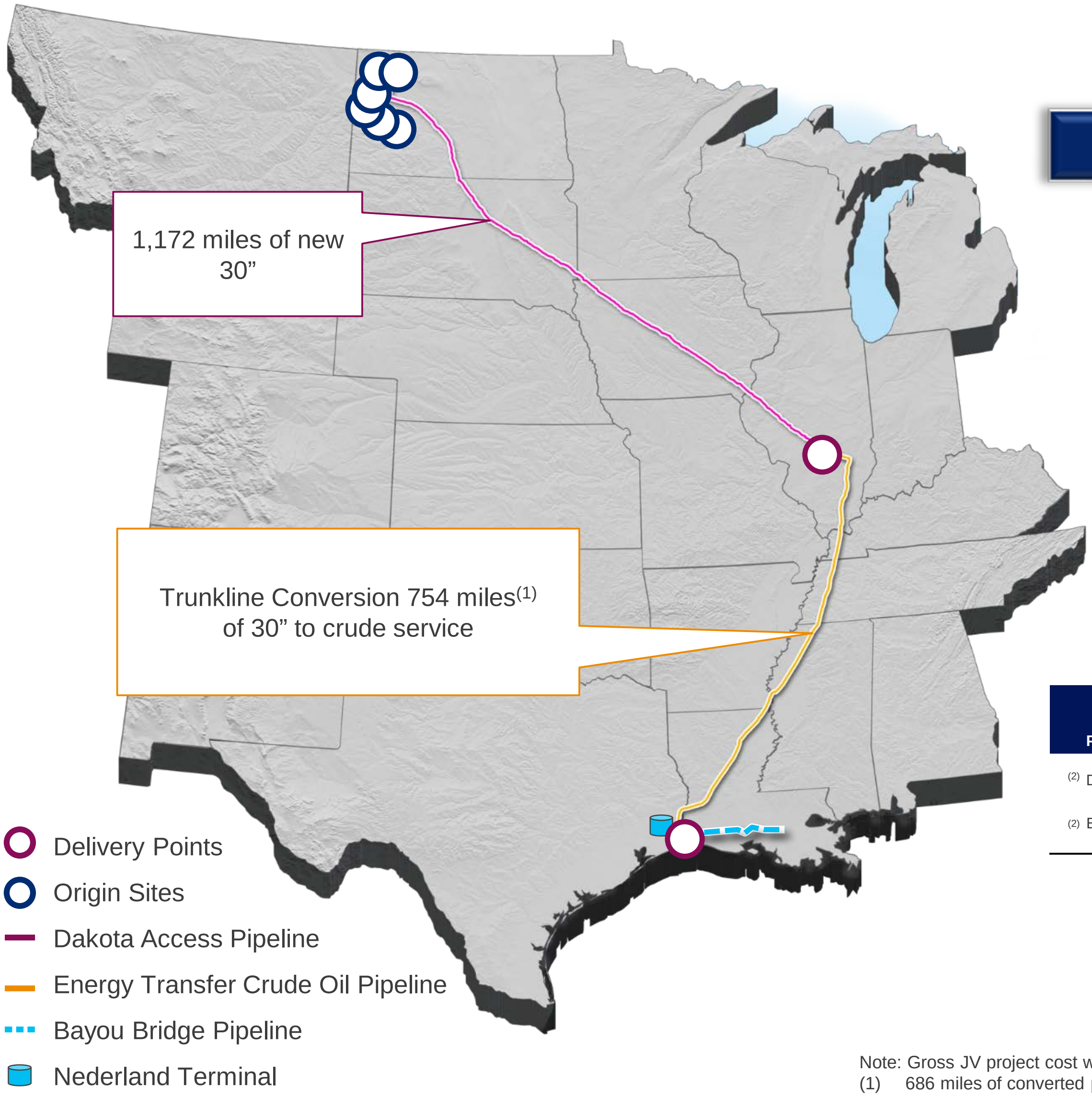
ETP Pipeline Transportation

- 2,000+ miles of NGL Pipelines
- ~ 580 Mbpd of raw make transport capacity
- Expanding capacity to 935 Mbpd
- 210 Mbpd LPG export terminal
- 80 Mbpd of Diluent export capacity
- Extensive Houston Ship Channel pipeline network
- *533 miles of new 24" and 30" Lone Star Express NGL pipeline in construction*

Growth Projects



BAKKEN PIPELINE



Project Details

- Dakota Access Pipeline will connect Bakken production to Patoka Hub, IL with interconnection to Energy Transfer Crude Oil Pipeline (Trunkline conversion) to reach Nederland and the Gulf Coast
  - Supported by long-term, fee-based contracts with large, creditworthy counterparties
  - Currently expected to deliver in excess of 470,000 barrels per day
  - Expandable to 570,000 barrels per day

Project Name	Asset Type	Miles	Project Cost ($bn)	Ready for Service	Average Contract Duration
(2) Dakota Access	Crude pipelines	1,172	$4.8	4Q 2016	9 yrs
(2) ETCO Pipeline	Crude pipelines	754(1)			

Note: Gross JV project cost where applicable
(1) 686 miles of converted pipeline + 68 miles of new build
(2) Bakken Crude Pipelines owned 45% ETP, 30% SXL (operator), 25% P66 (post closing of Bakken equity sale, ownership will be ETP and SXL-38.25%, MarEn- 36.75%, and P66- 25%)

BAYOU BRIDGE PIPELINE PROJECT

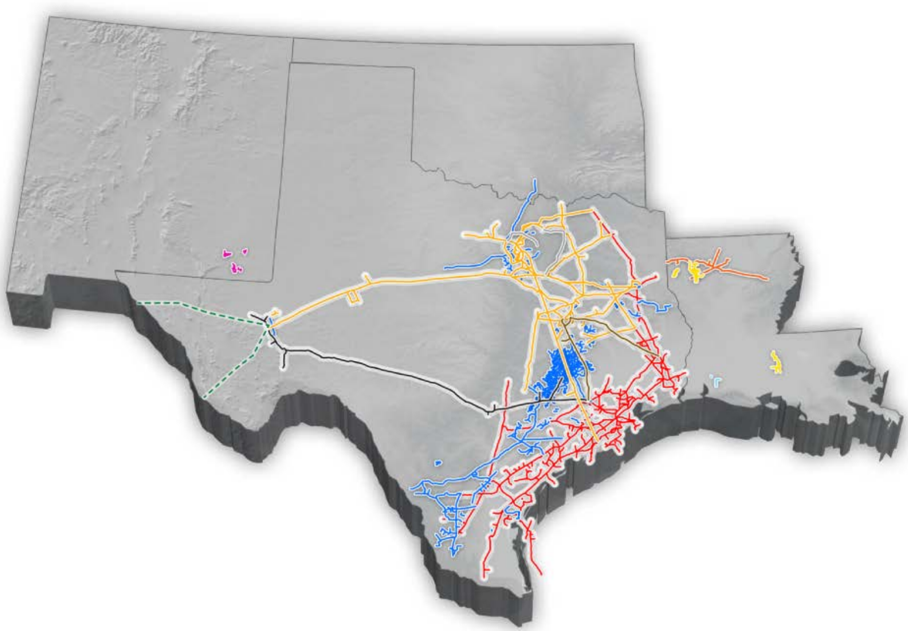
Project Details

- Crude oil transportation – joint venture between Phillips 66 Partners (40%), SXL (30% operator) and ETP (30%)
  - Phillips 66 Partners = construction manager for segment 1 – Nederland to Lake Charles, Louisiana
  - ETP = construction manager for segment 2 – Lake Charles to St. James, Louisiana
- 30" Nederland to Lake Charles segment went into service in April 2016
- 24" St. James segment expected in-service 2nd half of 2017
- Light and heavy service
- Project highlights synergistic nature of ETP and SXL crude platforms and creates additional growth opportunities and market diversification

Bayou Bridge Pipeline Map

INTRASTATE PIPELINE ASSETS

Intrastate Asset Map



- ***Over 7,900 miles of intrastate pipelines***
- ***~16 Bcf/d of throughput capacity***

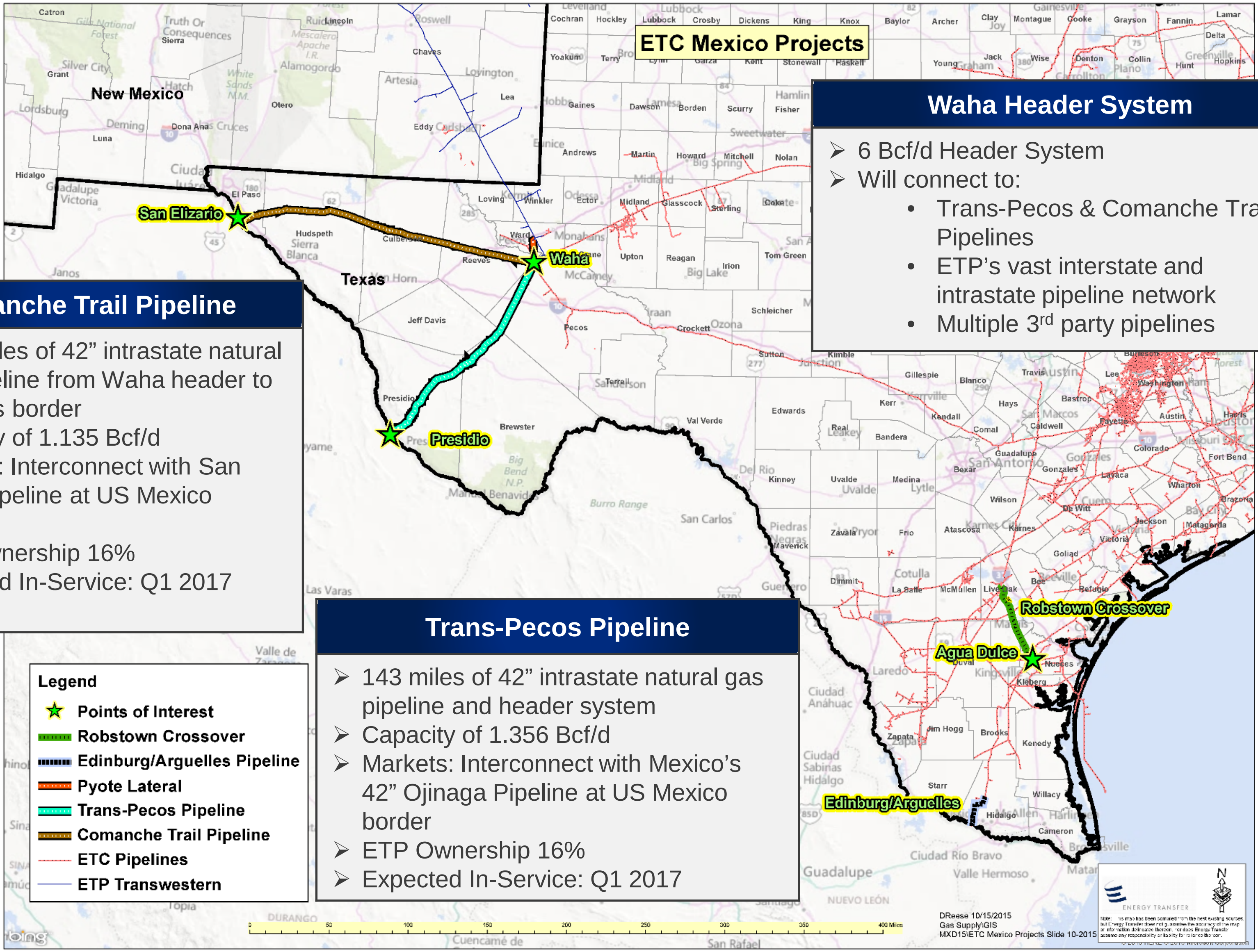
Intrastate Highlights

- Q2 adjusted EBITDA increased more than 25% year-on-year due to improved results from the storage optimization business
- Continue to expect volumes to Mexico to grow, particularly with the projects coming online in early 2017, which are expected to increase demand for transport services through ETP's existing pipeline network
- Well-positioned to capture additional revenues from anticipated changes in natural gas supply and demand in the next five years

In Service					
	Capacity (Bcf/d)	Pipeline (Miles)	Storage Capacity (Bcf)	Bi-Directional Capabilities	Major Connect Hubs
ET Fuel Pipeline	5.2	2,770	12.4	Yes	Waha, Katy, Carthage
Oasis Pipeline	1.2	600	NA	Yes	Waha, Katy
Houston Pipeline System	5.3	3,800	52.5	No	HSC, Katy, Aqua Dulce
ETC Katy Pipeline	2.4	370	NA	No	Katy
RIGS [1]	2.1	450	NA	No	Union Power, LA Tech

(1) ETP owns a 49.99% general partnership interest

MEXICO (CFE) PROJECTS UNDER CONSTRUCTION



Waha Header System

- 6 Bcf/d Header System
- Will connect to:
  - Trans-Pecos & Comanche Trail Pipelines
  - ETP's vast interstate and intrastate pipeline network
  - Multiple 3rd party pipelines

Comanche Trail Pipeline

- ~194 miles of 42" intrastate natural gas pipeline from Waha header to Mexico's border
- Capacity of 1.135 Bcf/d
- Markets: Interconnect with San Isidro Pipeline at US Mexico border
- ETP Ownership 16%
- Expected In-Service: Q1 2017

Trans-Pecos Pipeline

- 143 miles of 42" intrastate natural gas pipeline and header system
- Capacity of 1.356 Bcf/d
- Markets: Interconnect with Mexico's 42" Ojinaga Pipeline at US Mexico border
- ETP Ownership 16%
- Expected In-Service: Q1 2017

ETP KEY TAKEAWAYS

Business Diversity	• Our diversified business model, together with the geographical diversity of our assets, continue to allow our businesses to demonstrate resiliency. The underlying fundamentals of our business are strong and we believe we are in a great position for growth
Capex Program	• ETP is nearing the conclusion of its major project backlog spend, and continues to foresee significant EBITDA growth in 2017 and 2018 from the completion of this project backlog • The majority of these projects are backed by long-term, fee-based contracts
Project Funding	• The Bakken financing, and the partial Bakken ownership sale, will help ETP provide a clear path to funding its current major growth projects. • ETP plans to opportunistically utilize its ATM, along with the undrawn balance on its revolver, to fund the remainder of its 2016 growth capital
Balance Sheet	• ETP will remain prudent as it relates to the balance sheet, lowering leverage and increasing coverage and liquidity
DCF Growth	• ETP expects its distribution coverage will continue to improve in light of the recently announced IDR reductions, and the anticipated completion of its major capital projects during the second half of 2016 and during 2017, which are expected to generate significant cash flows

APPENDIX

ENERGY TRANSFER PARTNERS, L.P.
NON-GAAP RECONCILIATIONS

$ in millions	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2016 YTD	2015 Q1	2015 Q2	2015 Q3	2015 Q4	FY 2015	Full Year 2014
Net income	$ 376	$ 472	$ -	$ -	$ 848	$ 268	$ 839	$ 393	$ 21	$ 1,521	$ 1,299
Interest expense, net of interest capitalized	319	317	-	-	636	310	336	333	312	1,291	1,165
Gain on sale of AmeriGas common units	-	-	-	-	-	-	-	-	-	-	(177)
Impairment losses	-	-	-	-	-	-	-	-	339	339	370
Income tax expense (benefit)	(58)	(9)	-	-	(67)	17	(59)	22	(103)	(123)	358
Depreciation, depletion and amortization	470	496	-	-	966	479	501	471	478	1,929	1,669
Non-cash compensation expense	19	19	-	-	38	20	23	16	20	79	68
(Gains) losses on interest rate derivatives	70	81	-	-	151	77	(127)	64	4	18	157
Unrealized (gains) losses on commodity risk management activities	63	18	-	-	81	77	42	(47)	(7)	65	(112)
Inventory valuation adjustments	26	(132)	-	-	(106)	34	(184)	134	120	104	473
Losses on extinguishments of debt	-	-	-	-	-	-	33	10	-	43	25
Equity in earnings of unconsolidated affiliates	(76)	(119)	-	-	(195)	(57)	(117)	(214)	(81)	(469)	(332)
Adjusted EBITDA related to unconsolidated affiliates	219	252	-	-	471	146	215	350	226	937	748
Other, net	(16)	(25)	-	-	(41)	(5)	(14)	(32)	31	(20)	(1)
Adjusted EBITDA (consolidated)	1,412	1,370	-	-	2,782	1,366	1,488	1,500	1,360	5,714	5,710
Adjusted EBITDA related to unconsolidated affiliates	(219)	(252)	-	-	(471)	(146)	(215)	(350)	(226)	(937)	(748)
Distributable cash flow from unconsolidated affiliates	144	116	-	-	260	101	188	228	129	646	493
Interest expense, net of interest capitalized	(319)	(317)	-	-	(636)	(310)	(336)	(333)	(312)	(1,291)	(1,165)
Amortization included in interest expense	(7)	(5)	-	-	(12)	(13)	(8)	(9)	(6)	(36)	(60)
Current income tax (expense) benefit	1	(13)	-	-	(12)	9	112	(79)	283	325	(407)
Transaction-related income taxes	-	-	-	-	-	-	-	-	(51)	(51)	396
Maintenance capital expenditures	(59)	(78)	-	-	(137)	(84)	(100)	(124)	(177)	(485)	(444)
Other, net	3	3	-	-	6	4	3	4	1	12	7
Distributable Cash Flow (consolidated)	956	824	-	-	1,780	927	1,132	837	1,001	3,897	3,782
Distributable Cash Flow attributable to Sunoco Logistics Partners L.P. (100%)	(283)	(173)	-	-	(456)	(158)	(264)	(212)	(240)	(874)	(756)
Distributions from Sunoco Logistics Partners L.P. to ETP	125	132	-	-	257	90	98	107	118	413	285
Distributable Cash Flow attributable to Sunoco LP (100%)	-	-	-	-	-	(33)	(35)	-	-	(68)	(56)
Distributions from Sunoco LP to ETP	-	-	-	-	-	12	12	-	-	24	18
Distributable cash flow attributable to noncontrolling interest in other consolidated subsidiaries	(7)	(9)	-	-	(16)	(5)	(5)	(5)	(5)	(20)	(19)
Distributable Cash Flow attributable to the partners of ETP	791	774	-	-	1,565	833	938	727	874	3,372	3,254
Transaction-related expenses	2	-	-	-	2	11	19	7	5	42	-
Distributable Cash Flow attributable to the partners of ETP, as adjusted	$ 793	$ 774	$ -	$ -	$ 1,567	$ 844	$ 957	$ 734	$ 879	$ 3,414	$ 3,254

SXL Key Financial and Operating Statistics

	2012	2013	2014					2015					2016		
	Total	Total	1st	2nd	3rd	4th	Total	1st	2nd	3rd	4th	Total	1st	2nd	Total
Reconciliation of Segment Operating Income to Net Income Attributable to Sunoco Logistics Partners L.P. (in millions)															
Operating income (loss):															
Crude Oil	$ 515	$ 521	$ 94	$ 140	$ 141	$ (138)	$ 237	$ 43	$ 210	$ 13	$ 15	$ 281	$ 136	$ 172	$ 308
Natural Gas Liquids	79	52	41	39	37	42	159	21	97	82	34	234	48	62	110
Refined Products	25	(13)	(8)	1	(6)	(16)	(29)	2	-	(1)	14	15	(1)	5	4
Total segment operating income (loss)	619	560	127	180	172	(112)	367	66	307	94	63	530	183	239	422
Interest expense, net	(79)	(77)	(16)	(21)	(14)	(16)	(67)	(29)	(31)	(37)	(37)	(134)	(39)	(39)	(78)
Other income	23	21	4	7	7	7	25	6	6	7	3	22	7	8	15
Provision for income taxes	(32)	(30)	(5)	(8)	(8)	(4)	(25)	(6)	(5)	(7)	(3)	(21)	(5)	(6)	(11)
Net income (loss)	531	474	110	158	157	(125)	300	37	277	57	26	397	146	202	348
Net income attributable to noncontrolling interests	(11)	(11)	(3)	(2)	(2)	(2)	(9)	(1)	-	(1)	(1)	(3)	(1)	-	(1)
Net income attributable to redeemable noncontrolling interests	-	-	-	-	-	-	-	-	(1)	-	-	(1)	-	-	-
Net income (loss) attributable to Partners	$ 520	$ 463	$ 107	$ 156	$ 155	$ (127)	$ 291	$ 36	$ 276	$ 56	$ 25	$ 393	$ 145	$ 202	$ 347
Reconciliation of Net Income to Adjusted EBITDA and Distributable Cash Flow (in millions)															
Net income (loss)	$ 531	$ 474	$ 110	$ 158	$ 157	$ (125)	$ 300	$ 37	$ 277	$ 57	$ 26	$ 397	$ 146	$ 202	$ 348
Add: Interest expense, net	79	77	16	21	14	16	67	29	31	37	37	134	39	39	78
Add: Depreciation and amortization expense	139	265	69	74	77	76	296	82	94	102	104	382	106	109	215
Add: Impairment charge	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Add: Provision for income taxes	32	30	5	8	8	4	25	6	5	7	3	21	5	6	11
Add: Non-cash compensation expense	8	14	5	3	4	4	16	4	4	4	5	17	5	6	11
Add: Unrealized (gains)/losses on commodity risk management activities	3	(1)	(1)	8	(21)	(3)	(17)	15	8	(32)	13	4	13	4	17
Add: Amortization of excess joint venture investment	-	2	-	1	1	-	2	1	-	1	-	2	1	-	1
Add: Proportionate share of unconsolidated affiliates interest, depreciation and provision for income taxes	21	20	4	7	6	7	24	6	7	10	11	34	8	11	19
Add: Non-cash inventory adjustments	-	-	-	-	-	258	258	41	(100)	103	118	162	26	(132)	(106)
Less: Non-cash accrued liability adjustment	-	(10)	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Adjustments to commodity hedges resulting from "push-down" accounting	(12)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA	810	871	208	280	246	237	971	221	326	289	317	1,153	349	245	594
Less: Interest expense, net	(79)	(77)	(16)	(21)	(14)	(16)	(67)	(29)	(31)	(37)	(37)	(134)	(39)	(39)	(78)
Less: Provision for current income taxes	(34)	(24)	(7)	(9)	(9)	(4)	(29)	(8)	(6)	(8)	7	(15)	(5)	(5)	(10)
Less: Amortization of fair value adjustments on long-term debt	(6)	(23)	(4)	(4)	(3)	(3)	(14)	(3)	(3)	(4)	(3)	(13)	(3)	(3)	(6)
Less: Proportionate share of unconsolidated affiliates' interest, provision for current income taxes and maintenance capital expenditures (1)	(21)	(23)	(5)	(8)	(7)	(9)	(29)	(10)	(8)	(12)	(10)	(40)	(8)	(12)	(20)
Less: Maintenance capital expenditures	(50)	(53)	(18)	(13)	(16)	(29)	(76)	(15)	(16)	(18)	(35)	(84)	(13)	(14)	(27)
Less: Distributable cash flow attributable to noncontrolling interests	(11)	(16)	(3)	(4)	(3)	(2)	(12)	(1)	(1)	-	(2)	(4)	(1)	-	(1)
Add: Contributions attributable to acquisition from affiliate	-	9	3	3	3	3	12	3	3	2	3	11	3	1	4
Distributable Cash Flow (1)	$ 609	$ 664	$ 158	$ 224	$ 197	$ 177	$ 756	$ 158	$ 264	$ 212	$ 240	$ 874	$ 283	$ 173	$ 456

(1) During the first quarter 2016, we changed our definition of distributable cash flow to conform to the presentation utilized by our general partner. The change did not have a material impact on our distributable cash flow. Prior period amounts have been recast to conform to current presentation.

SUN RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME, SECOND QUARTER RESULTS

($ in Thousands)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	**2015**	**2016**	**2015**
Net income (loss)	$72,137	$93,534	$134,14 6	$142,84 0
Depreciation, amortization and accretion	78,724	70,200	156,790	136,943
Interest Expense, net	50,587	21,198	78,276	29,175
Income tax expense	1,468	8,926	3,580	16,989
EBITDA	**202,916**	**193,858**	**372,792**	**325,947**
Non-cash unit based compensation	3,379	2,396	6,792	3,754
Loss (gain) on disposal of assets and impairment charge	1,501	178	2,715	147
Unrealized gains on commodity derivatives	5,570	786	2,845	2,191
Inventory fair value adjustments	(49,368)	(54,845)	(62,030)	(61,505)
Adjusted EBITDA	**163,998**	**142,373**	**323,114**	**270,534**
EBITDA attributable to non-controlling interest	--	3,963	--	7,912
Adjusted EBITDA attributable to Sunoco LP	**$163,998**	**$138,410**	**$323,11 4**	**$262,62 2**

LAKE CHARLES NON-GAAP RECONCILIATION

$ in millions	Three Months Ended June 30,			Six Months Ended June 30,		
	2016	2015	Change	2016	2015	Change
Revenues	$ 49	$ 54	$ (5)	$ 98	$ 108	$ (10)
Operating expenses, excluding non-cash compensation expense	(5)	(4)	(1)	(9)	(8)	(1)
Selling, general and administrative, excluding non-cash compensation expense	—	(1)	1	(1)	(2)	1
Segment Adjusted EBITDA	44	49	(5)	88	98	(10)